

According to the initial unaudited estimations of consolidated financial results, PGE's consolidated EBITDA less Long Term Contracts compensations (LTC) amounted to app. PLN 6.49 billion in 2010 as compared to PLN 6.45 billion in 2009. Ex-LTC sales revenues amounted to app. PLN 20.14 billion (PLN 20.09 bn a year before). Net profit (including LTC compensations) attributable to the equity holders of the parent company reached app. PLN 3.01 billion in 2010 as compared to PLN 3.37 billion in 2009.

According to the expectations, after elimination of LTC compensations impact, the consolidated results are almost identical as in previous year. With regard to the financial results it was a year of stability, during which we prepared for the expected growth in the next periods – said Tomasz Zadroga, PGE's President and CEO.

It's worth mentioning that the proportion of the net profit attributable to the PGE shareholders in relation to the minority interest raised significantly. In 2011, thanks to the buyout of minority shares executed at the end of December 2010, this proportion shall grow further, directly translating into significantly higher EPS – he added.

According to the initial data, the trends in financial results visible in the first 3 quarters were maintained till the end of 2010. The distribution segment result rose remarkably, what was caused by the growing return on capital included in the tariff and by a higher volume of distributed energy. Significant growth was also achieved in renewables segment result due to higher volume of energy generated by the hydroelectric power plants and higher revenues from the green certificates. Conventional energy segment result is similar to previous year while wholesale trading segment and retail sales segment recorded declines resulting from the lower margins, lower wholesale volumes and higher expenses related to the redemption of obligatory certificates of origin.

Estimated selected consolidated financial results of PGE Capital Group in 2010 [PLN bn]

	Year ended December 31, 2010	Year ended December 31, 2009
Sales revenues	20.47	21.62
<i>Revenues from LTC compensations</i>	0.33	1.53
Ex-LTC sales revenues	20.14	20.09
EBITDA	6.82	7.98
Ex-LTC EBITDA	6.49	6.45
Net profit	3.62	4.34
Consolidated net profit attributable to equity holders of the parent	3.01	3.37

Figures presented above are estimates, have not been audited and may differ from the values that are to be published on March 21, 2011 in PGE consolidated annual financial report.