

**Consolidated interim report
of ENEA S.A. Group
for the third quarter of 2008**

Poznań, 14 November 2008

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Selected consolidated financial information for the third quarter of 2008

	in PLN thousand		in EUR thousand	
	9 months ended 30	9 months ended 30	9 months ended 30	9 months ended 30
	September 2008	September 2007	September 2008	September 2007
Net revenues	4 526 288	3 812 487	1 321 660	995 064
Operating profit	154 959	69 087	45 247	18 032
Profit before tax	189 062	83 564	55 205	21 810
Net profit for the reporting period	136 001	496 736	39 712	129 649
Net cash generated from operating activities	708 807	319 693	206 969	83 440
Net cash generated from investing activities	(503 491)	(179 597)	(147 018)	(46 875)
Net cash generated from financing activities	(136 526)	(63 273)	(39 865)	(16 514)
Net increase/ (decrease) in cash and cash equivalents	68 790	76 823	20 086	20 051
Weighted average number of ordinary shares	347 253 939	221 594 900	347 253 939	221 594 900
Net profit per share (in PLN/EUR per share)	0,39	2,24	0,11	0,59
Diluted profit per share (in PLN/EUR per share)	0,39	2,24	0,11	0,59
	As at 30	As at 31	As at 30	As at 31
	September 2008	December 2007	September 2008	December 2007
Total assets	9 939 034	9 816 186	2 916 127	2 740 420
Total liabilities	2 898 837	3 049 811	850 523	851 427
Non-current liabilities	1 461 463	1 387 190	428 795	387 267
Current liabilities	1 437 374	1 662 621	421 728	464 160
Equity	7 040 197	6 766 375	2 065 604	1 888 994
Ordinary shares	484 202	494 796	142 066	138 134
Book value per share (in PLN / EUR per share)	20,27	30,53	5,95	8,52
Diluted book value per share (in PLN / EUR per share)	20,27	30,53	5,95	8,52

The financial information for the third quarter of 2008 presented above are translated into EUR according to the following rules:

- the balance sheet items are translated using the average National Bank of Poland exchange rate as at 30 September 2008 - 3.4083 PLN/EUR (as at 31 December 2007 - 3.5820 PLN/EUR);
- the income statement and cash flow statement items are translated into EUR using the exchange rate being an arithmetic average of average National Bank of Poland exchange rates for the last day of each month of the reporting period from 1 January to 30 September 2008 - 3.4247 PLN/EUR (for the period from 1 January to 30 September 2007 - 3.8314 PLN/EUR).

**Condensed Interim Consolidated
Financial Statements
of the ENEA S.A. Group
for the third quarter of 2008**

Poznań, 14 November 2008

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ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

These condensed interim consolidated financial statements were prepared according to the International Financial Reporting Standard IAS 34 *Interim Financial Reporting*, which was approved by the European Union and which was adopted by the Management Board of ENEA S.A.

Members of the Management Board

President of the Management Board **Paweł Mortas**

Member of the Management Board **Marek Hermach**

Member of the Management Board **Czesław Koltermann**

Poznan, 14 November 2008

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***Consolidated balance sheet**

	As at	
	30 September 2008	31 December 2007
Assets		
Non-current assets		
Tangible fixed assets	7 743 697	7 871 161
Perpetual usufruct right	13 759	13 366
Intangible assets	36 768	40 518
Investment properties	4 207	4 332
Investments in associates accounted for using the equity method	5 385	5 207
Available-for-sale financial assets	14 985	14 981
Financial assets at fair value through profit or loss	1 074	1 379
Trade and other receivables	109	129
	7 819 984	7 951 073
Current assets		
Inventories	235 760	149 065
Trade and other receivables	726 871	715 110
Current income tax assets	383	7 531
Available-for-sale financial assets	-	3 292
Held-to-maturity investments	146 454	49 323
Cash and cash equivalents	1 009 582	940 792
	2 119 050	1 865 113
Total assets	9 939 034	9 816 186

The consolidated balance sheet should be read together with explanatory notes which are an integral part of the condensed interim consolidated financial statements

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

	As at	
	30 September 2008	31 December 2007
EQUITY		
Equity attributable to equity holders of the Parent Company		
Ordinary shares	484 202	494 796
Share premium	1 796 045	1 801 078
Share based payments reserve	1 144 336	901 110
Retained earnings	3 612 732	3 566 227
	7 037 315	6 763 211
Minority interest in equity	2 882	3 164
Total equity	7 040 197	6 766 375
LIABILITIES		
Non-current liabilities		
Borrowings	151 650	184 376
Trade and other payables	20	19
Finance lease liabilities	3 459	453
Deferred income from subsidies and connections' fee	738 126	684 593
Deferred tax liabilities	119 411	170 747
Employee benefits	423 028	335 766
Provisions for other liabilities and charges	25 769	11 236
	1 461 463	1 387 190
Current liabilities		
Borrowings	52 957	69 244
Trade and other payables	647 256	787 702
Finance lease liabilities	658	296
Deferred income from subsidies and connections' fee	25 044	28 426
Current tax liabilities	18 879	22 945
Employee benefits	120 288	102 023
Liabilities due to cash settled share based payments	291 127	514 920
Provision for certificates of origin	175 139	66 638
Provisions for other liabilities and charges	106 026	70 427
	1 437 374	1 662 621
Total liabilities	2 898 837	3 049 811
Total equity and liabilities	9 939 034	9 816 186

The consolidated balance sheet should be read together with explanatory notes which are an integral part of the condensed interim consolidated financial statements

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***Consolidated income statement**

	9 months ended 30 September 2008	3 months ended 30 September 2008	9 months ended 30 September 2007	3 months ended 30 September 2007
Revenues	4 695 041	1 541 763	3 812 487	1 267 844
Excise tax	(168 753)	(54 061)	-	-
Net revenues	4 526 288	1 487 702	3 812 487	1 267 844
Other operating income	49 023	8 314	40 212	7 102
Amortization and depreciation	(479 165)	(156 895)	(307 249)	(106 857)
Employee benefits	(704 947)	(199 707)	(430 987)	(136 407)
Consumption of raw materials and cost of merchandise sold	(982 365)	(335 825)	(187 208)	(62 973)
Cost of energy sold	(1 286 725)	(415 522)	(1 981 645)	(642 418)
Transmission services	(558 933)	(177 022)	(593 986)	(184 108)
Other external services	(201 030)	(78 165)	(113 273)	(41 752)
Taxes and charges	(118 963)	(39 074)	(121 491)	(30 884)
Profit/(Loss) on sales and liquidation of tangible fixed assets	(4 075)	(1 825)	147	1 263
Other operating expenses	(84 149)	(32 862)	(47 920)	(22 410)
Operating profit	154 959	59 119	69 087	48 400
Financial costs	(26 778)	(10 564)	(7 127)	(814)
Financial income	60 360	18 727	21 761	8 747
Share of profits/(loses) of equity accounted investees	521	949	(157)	271
Profit before tax	189 062	68 231	83 564	56 604
Income tax	(53 061)	(23 191)	413 172	(11 896)
Net profit for the reporting period	136 001	45 040	496 736	44 708
attributable to:				
Equity holders of the Parent Company	136 050	45 014	496 473	44 565
Minority interest	(49)	26	263	143
Net profit attributable to shareholders of Parent Company	136 050	45 014	496 473	44 565
Weighted average number of ordinary shares	347 253 939	345 341 718	221 594 900	221 594 900
Net profit per share (in PLN per share)	0,39	0,13	2,24	0,20
Diluted profit per share (in PLN per share)	0,39	0,13	2,24	0,20

The consolidated income statement should be read together with explanatory notes which are an integral part of the condensed interim consolidated financial statements

ENE S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***Consolidated statement of changes in equity**

	Share capital (nominal value)	Revaluation of share capital	Total share capital	Share premium	Share based payments reserve	Retained earnings	Attributable to the minority interest	Total equity
As at 1 January 2008	348 221	146 575	494 796	1 801 078	901 110	3 566 227	3 164	6 766 375
Sale of available-for-sale financial assets						(1 551)		(1 551)
Net profit for the reporting period						136 050	(49)	136 001
Total recognized income and expenses for the period						134 499	(49)	134 450
Conversion of cash equivalents into shares					224 042			224 042
Change in fair value of share based payments programe					19 184			19 184
Dividends						(98 588)	(269)	(98 857)
Redemption of shares	(10 594)		(10 594)			10 594		
Other				(5 033)			36	(4 997)
As at 30 September 2008	337 627	146 575	484 202	1 796 045	1 144 336	3 612 732	2 882	7 040 197

The consolidated statement of changes in equity should be read together with explanatory notes which are an integral part of the condensed interim consolidated financial statements

ENE S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

	Share capital (nominal value)	Revaluation of share capital	Total share capital	Share premium	Share based payments reserve	Retained earnings	Attributable to the minority interest	Total equity
As at 1 January 2007	221 595	146 575	368 170		901 110	3 088 596	6 002	4 363 878
Net profit for the reporting period						496 473	263	496 736
Total recognized income and expenses for the period						496 473	263	496 736
Dividends						(45 034)	(805)	(45 839)
Other							(333)	(333)
As at 30 September 2007	221 595	146 575	368 170	-	901 110	3 540 035	5 127	4 814 442

The consolidated statement of changes in equity should be read together with explanatory notes which are an integral part of the condensed interim consolidated financial statements

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***Consolidated cash flow**

	9 months ended 30 September 2008	9 months ended 30 September 2007
Cash flows from operating activities		
Net profit for the reporting period	136 001	496 736
Adjustments for:		
Income tax as per income statement	53 061	(413 172)
Amortization and depreciation	479 165	307 249
Share based payment expense	19 433	-
(Profit)/Loss on sales and liquidation of tangible fixed assets	4 075	(147)
Allowance for tangible fixed assets	5 788	-
(Profit)/Loss on sales of financial assets	(1 777)	(1 094)
Interest income	(53 279)	(20 535)
Interest expense	11 841	2 531
Share in (profit)/losses of subsidiaries	(521)	157
Share in (profit)/losses of equity accounted investees	(4 431)	-
	513 355	(125 011)
Income tax paid	(93 677)	(103 737)
Interest paid	50 893	(1 012)
Interest received	(9 347)	19 594
Changes in working capital:		
Inventories	(86 803)	(11 977)
Trade and other receivables	(28 887)	(20 736)
Trade and other payables	(82 452)	(88 769)
Employee benefits	105 527	41 165
Deferred income from subsidies and connections' fee	45 564	39 063
Changes in certificates of origin	108 501	46 862
Changes in provisions	50 132	27 515
Net cash generated from operating activities	708 807	319 693
Cash flows from investing activities		
Acquisition of tangible and intangible fixed assets	(422 764)	(183 982)
Proceeds from sales of tangible fixed assets	14 636	2 269
Acquisition of financial assets	(94 098)	-
Proceeds from sales of financial assets	3 768	2 116
Other outflows	(5 033)	-
Net cash generated from investing activities	(503 491)	(179 597)
Cash flows from financing activities		
Proceeds from borrowings	1 431	883
Repayment of borrowings	(50 444)	(16 897)
Dividends paid to the Parent Company's shareholders	(86 111)	(46 247)
Outflows related to financial lease liabilities	(1 402)	(1 012)
Net cash generated from financing activities	(136 526)	(63 273)
Net increase/ (decrease) in cash and cash equivalents	68 790	76 823
Cash and cash equivalents at the beginning of the reporting period	940 792	351 719
Cash and cash equivalents at the end of the reporting period	1 009 582	428 542

The consolidated cash flow statement should be read together with explanatory notes which are an integral part of the condensed interim consolidated financial statements

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

Explanatory notes to the condensed interim consolidated financial statement**1. General information on ENEA S.A. and ENEA S.A. Group**

Company name:	ENEA Spółka Akcyjna
Legal form:	spółka akcyjna
Contry of jurisdiction:	Rzeczpospolita Polska
Seat:	Poznań
Address:	ul. Nowowiejskiego 11, 60-967 Poznań
National Court Register – District Court in Poznań	KRS 0000012483
Telephone number:	(+48 61) 856 10 00
Fax number:	(+48 61) 856 11 17
E-mail:	enea@enea.pl
Web site:	www.enea.pl
REGON:	630139960
NIP:	777-00-20-640

ENEA S.A. Group's ("the Group") main activities are:

- production of electric and heat energy (Elektrownia "Kozienice" S.A., Elektrownie Wodne Sp. z o.o.),
- electricity trading (ENEA S.A.),
- distribution of electric energy (ENEA Operator Sp. z o.o.).

As at 30 September 2008 the sole shareholder of the ENEA S.A. ("the Company", "the Parent Company") was the State Treasury.

As at 30 September 2008 the Group comprised of the Parent Company, 25 subsidiaries (including one company in organisation), one associated company and one joint venture (in organisation).

The condensed interim consolidated financial statements were prepared under the assumption of the going concern in the foreseeable future. There are no circumstances indicating that the going concern assumption of the Group is threatened.

2. Conformity statement

The condensed interim consolidated financial statements were prepared in accordance with the International Financial Reporting Standard adopted by the European Union ("IFRS EU") IAS 34 "Interim Financial Reporting" and was approved by the Management Board of ENEA S.A.

The Management Board of the parent Company has used its best knowledge as to the application of standards and interpretations as well as valuation methods and principles applicable to the individual items of the

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

condensed interim consolidated financial statements of the ENEA SA Group in accordance with IFRS UE as at 30 September 2008. The statements and related notes were prepared with due care. These condensed interim consolidated financial statements were not audited.

3. Description of significant accounting policies

These condensed interim consolidated financial statements were prepared in accordance with accounting policies consistent with those applied during the preparation of the annual consolidated financial statements for the period ended 31 December 2007 excluding changes of standards and interpretations approved by the European Union, which apply to the annual periods starting after 1 January 2007.

Accounting policies applied by the Group were presented in consolidated financial statements of ENEA S.A. Group for the period ended 31 December 2007.

The reporting and measurement currency of these condensed interim financial statements is the Polish zloty. The data presented in the consolidated financial statements are presented in PLN thousand unless otherwise stated.

These condensed interim consolidated financial statements should be read together with consolidated financial statements of ENEA S.A. Group for the period ended 31 December 2007.

4. New accounting standards and interpretation

For annual periods, which start after 1 January 2007 or subsequent periods a new standard is applicable. The standard has been approved by the European Union. The Group has not exercised its right to an earlier application of the Standard:

- **IFRS 8 “Operating Segments”**

The Group expects that the standard may have a significant impact on the presentation and information disclosure on operating segments in the consolidated financial statements.

For reporting periods starting after 1 January 2007 or subsequent periods there are some binding standards and interpretations which await the approval of the European Union.

- **IFRIC 13 – “Loyalty Programmes”**

The Group does not expect the interpretation to have any impact on the consolidated financial statement.

- **IFRIC 15 Agreements for the Construction of Real Estate**

IFRIC 15 is not relevant to the Group’s operations as the Group has not provided services of the construction of real estate.

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

- **IFRIC 16 Hedges of a Net Investment in a Foreign Operation**

IFRIC 16 is not relevant to the Group's operations as the Group has not entered into any hedging arrangements of a net investment in a foreign operation.

- **Revised IFRS 3 – „Business Combinations”**

The Group has not yet completed the analysis of the impact of the revised standard on the consolidated financial statement of the Group.

- **Revised IAS 23 – „Borrowing Costs”**

The Group has not yet completed the analysis of the impact of the revised standard on the consolidated financial statement of the Group.

- **Revised IAS 1 – “Presentation of Financial Statements”**

The Group is presently evaluating, whether to present a single statement of the comprehensive income or two separate statements.

- **Revised IAS 27 – “Consolidated and Separate Financial Statements”**

The Group has not yet completed the analysis of the impact of the revised standard on the consolidated financial statements of the Group.

- **Amendments to IFRS 1 and IAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate**

The Group has not yet completed its analysis of the impact of the amendments on the consolidated financial statements of the Group.

- **Revised IFRS 2 – “Group and Treasury Share “**

The Group has not yet completed its analysis of the impact of the amendments on the consolidated financial statements of the Group.

- **Revised IAS 32 – “Financial Instruments – presentation” and IAS 1 “Presentation of Financial Statements”**

The Group has not yet completed the analysis of the impact of the revised standard on the consolidated financial statement of the Group.

- **Amendments to IAS 39 – “Financial Instruments: Recognition and Measurement”**

The Group has not yet completed the analysis of the impact of these amendments on the consolidated financial statement of the Group.

- **Improvements to International Financial Reporting Standards 2008**

The Group has not yet completed its analysis of the impact of these improvements.

5. Critical accounting estimates and judgments

The preparation of interim consolidated financial statements in conformity with IFRS EU requires the Management to make judgments, estimates and assumptions that affect the application of adopted accounting policies and the reported amounts in the interim consolidated financial statements and notes thereto. Accounting estimates and judgments are based on the best knowledge of the Management in relation to the present and future events and activities. Actual results, however, may differ from these estimates.

With the exception of areas presented below estimates and judgments applied during the preparation of the condensed interim financial statements are consistent with estimates and judgments applied during preparation of consolidated financial statements for the period ended 31 December 2007:

- employment and post-employment benefits - provisions for employee benefits are updated as at 31 December and 30 June, unless there were significant changes in estimates' assumptions;
- provision for the environment restoration - the valuation of provisions for the environment restoration is updated as at 31 December and 30 June, unless there were significant changes in estimates' assumptions;
- provision for the costs of storage or disposal of the slag-ash mixture - the provision for the cost of storage or disposal of the slag-ash is updated as at 31 December and 30 June, unless there were significant changes in estimates' assumptions.
- share based payments – the fair value of the share based payments program for entitled employees was revalued as at 30 June 2008. The next assessment of changes to the fair value is planned to be performed as at 31 December 2008.

Changes in estimated values related with the above described provisions were presented in note 20 to these condensed interim consolidated financial statements.

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***6. Group structure – list of subsidiaries, associates and joint venture**

No.	Entity's name and address	Share of ENEA S.A. in the total votes in % 30.09.2008	Share of ENEA S.A. in the total votes in % 31.12.2007
1.	ENERGOMIAR Sp. z o.o. Poznań, ul. Strzeszyńska 58	100	100
2.	BHU S.A. Poznań, ul. Strzeszyńska 58	87.77	87.77
3.	Energetyka Poznańska Biuro Usług Technicznych S.A. Poznań, ul. Strzeszyńska 58	100	100
4.	Energetyka Poznańska Hotel „EDISON” Sp. z o.o. Baranowo k/Poznania	100	100
5.	Energetyka Wysokich i Najwyższych Napięć „EWiNN” Sp. z o.o. Poznań, ul. Strzeszyńska 58	100	100
6.	Energetyka Poznańska Zakład Transportu Sp. z o.o. Poznań, ul. Strzeszyńska 58	100	100
7.	COGEN Sp. z o.o. Poznań, ul. Nowowiejskiego 11	95	95
8.	EnergoPartner Sp. z o.o. Poznań, ul. Strzeszyńska 58	100	100
9.	Energetyka Poznańska Przedsiębiorstwo Usług Energetycznych Energobud Leszno Sp. z o.o. Lipno, Gronówko 30	100	99.05
10.	Energetyka Poznańska Zakład Obsługi Socjalnej ENERGO-TOUR Sp. z o.o. Poznań, ul. Marcinkowskiego 27	99.92	99.92
11.	ENEOS Sp. z o.o. Szczecin, ul. Ku Stońcu 34	100	100
12.	ENTUR Sp. z o.o. Szczecin, ul. Malczewskiego 5/7	100	100
13.	Niepubliczny Zakład Opieki Zdrowotnej Centrum Rehabilitacyjno – Wczasowe ENERGETYK Sp. z o.o. Inowrocław, ul. Wilkońskiego 2	99.92	99.92
14.	STEREN Sp. z o.o. Bydgoszcz, ul. Lenartowicza 33-35	100	100
15.	Elektrownie Wodne Sp. z o.o. Samociążek, 86-010 Koronowo	100	100
16.	Zakład Usług Przewozowych ENERGOTRANS Sp. z o.o. Gorzów Wlkp., ul. Energetyków 4	100	100
17.	Zakład Usług Motoryzacyjnych ENERGOAUTO Sp. z o.o. Gorzów Wlkp., ul. Energetyków 4	100	100
18.	IGG Zachód Sp. z o.o. w likwidacji (in liquidation) Zielona Góra, ul. Zacisze 15	50.35	50.35
19.	Zakład Usług Teleinformatycznych ZZE S.A. „IT Serwis” Sp. z o.o. Zielona Góra, ul. Zacisze 28	100	100
20.	Zakład Handlowo – Usługowy „Auto – Styl” Zielonogórskich Zakładów Energetycznych S.A. Sp. z o.o. Zielona Góra, ul. Zacisze 15	100	100
21.	FINEA Sp. z o.o. Poznań, ul. Warszawska 43	100	100
22.	Przedsiębiorstwo Energetyki Ciepłej –Gozdnica Sp. z o.o. Gozdnica, ul. Świerczewskiego 30	100	50.35
23.	ENEA Operator Sp. z o.o. Poznań, ul. Strzeszyńska 58	100	100
24.	Elektrownia „Kozienice” S.A. Świerże Górze, gmina Kozienice, Kozienice 1	100	100
25.	Przedsiębiorstwo Produkcji Strunobetonowych Żerdzi Wirowanych WIRBET S.A. Ostrów Wlkp., ul. Chtapowskiego 51	49	49
26.	Kozienice II Sp. z o.o. w organizacji (in organization) Świerże Górze, gmina Kozienice, Kozienice 1	100	-
27.	PWE Gubin Sp. z o.o. w organizacji (in organization) Sękowice, gm Gubin	50	-

ENEA S.A. Group

Condensed interim consolidated financial statements for the third quarter of 2008

These condensed interim consolidated financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

Changes in the Group's structure occurred in the reporting period presented in the condensed interim consolidated financial statements

On 1 July 2007 Energetyka Poznańska Biuro Usług Technicznych S.A. commenced a liquidation proceeding. On 30 June 2008 the Ordinary General Shareholders Meeting adopted Resolution No. 17 based on which the liquidation process was suspended and the entity continues as a going concern.

Finea Sp. z o.o. since 1 February 2007 was brought into liquidation (Resolution No 3 of the Extraordinary Shareholders Meeting dated 1 February 2007). Registration in the National Court Register court was made on 23 February 2007. On 27 February 2008 based on Resolution No 1 of the Extraordinary Shareholders Meeting of FINEA Sp. z o.o. the liquidation process was suspended and the entity continues as a going concern.

On 18 June 2008 ENEA S.A. acquired from its subsidiary - IGG Zachód Sp. z o.o. w likwidacji (in liquidation) an organised part of the company including 100% shares of Przedsiębiorstwo Energetyki Ciepłej Gozdnica Sp. z o.o. (PEC – Gozdnica Sp. z o.o.). As a result of the transaction the Group increased its share in the capital of PEC – Gozdnica Sp. z o.o. from 50.35% to 100%.

On 8 August 2008 ENEA S.A. and Elektrownia „Kozienice” S.A. signed an agreement on the establishment of a new company - Kozienice II Sp. z o.o. w organizacji (in organization) seated in Świerże Górne. According to the company's deed the 30% of shares were acquired by ENEA S.A. and 70% by Elektrownia „Kozienice” S.A. The company was created with the aim to build a new power unit. The company was established for a definite period. The agreement will expire after all activities related with the realisation of the project are finished. Kozienice II Sp. z o.o. w organizacji was registered in the National Court Register on 7 October 2008 under the number KRS 0000315037.

On 8 September 2008 ENEA S.A. and Kopalnia Węgla Brunatnego „KONIN” w Kleczewie S.A. („KWB Konin”) formed a new company PWE Gubin Sp. z o.o w organizacji (in organization). The main activity of the new company is the extraction of lignite. The newly created company is a joint venture, in which ENEA and KWB Konin obtained 50% of shares each. As at the date of the approval of these condensed interim consolidated financial statements the company has not been registered in the National Court Register.

Changes in the Group's structure occurred after the balance sheet date

On 6 October 2008 the Extraordinary Shareholders Meeting of two subsidiaries of ENEA S.A. – Zakład Usług Przewozowych Energotrans Sp. z o.o. („Energotrans”) and Zakład Usług Motoryzacyjnych Energoauto Sp. z o.o. („Energoauto”) adopted a resolution on the merger of these two companies through the transfer of all assets of Energoauto to Energotrans. The merger was recorded in the National Court Register on 31 October 2008.

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*(all amounts are stated in PLN thousand, unless otherwise stated)***7. Segmental information**

Primary reporting format – business segments

Segment results for the period from 01.01.2008 to 30.09.2008 are as follows:

	Trade	Distribution	Production	Other activities	Eliminations	Group
Net revenues	2 444 768	1 711 251	178 288	191 981	-	4 526 288
Net inter-segment revenues	174 737	-	1 150 896	295 772	(1 621 405)	-
Total net revenues	2 619 505	1 711 251	1 329 184	487 753	(1 621 405)	4 526 288
Total costs	(2 548 702)	(1 615 487)	(1 280 382)	(499 591)	1 620 327	(4 323 835)
Segment result	70 803	95 764	48 802	(11 838)	(1 078)	202 453
Unallocated costs of the Group (admin expenses)						(47 494)
Operating profit						154 959
Financial costs						(26 778)
Financial income						60 360
Net share in profits/(losses) of associates						521
Income tax						(53 061)
Net profit						136 001
Minority interest						(49)

Segment results for the period from 01.07.2008 to 30.09.2008 are as follows:

	Trade	Distribution	Production	Other activities	Eliminations	Group
Net revenues	833 410	544 485	50 232	59 575	-	1 487 702
Net inter-segment revenues	49 619	-	382 953	113 201	(545 773)	-
Total net revenues	883 029	544 485	433 185	172 776	(545 773)	1 487 702
Total costs	(837 004)	(522 396)	(422 091)	(182 792)	545 731	(1 418 552)
Segment result	46 025	22 089	11 094	(10 016)	(42)	69 150
Unallocated costs of the Group (admin expenses)						(10 031)
Operating profit						59 119
Financial costs						(10 564)
Financial income						18 727
Net share in profits/(losses) of associates						949
Income tax						(23 191)
Net profit						45 040
Minority interest						26

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*(all amounts are stated in PLN thousand, unless otherwise stated)***Segmental information (cont.)**

Segment results for the period from 01.01.2007 to 30.09.2007 are as follows:

	Trade	Distribution	Other activities	Eliminations	Group
Net revenues	1 921 267	1 631 217	260 003	-	3 812 487
Net inter-segment revenues	121 491	-	192 889	(314 380)	-
Total net revenues	2 042 758	1 631 217	452 892	(314 380)	3 812 487
Total costs	(1 985 555)	(1 563 473)	(423 627)	307 860	(3 664 795)
Segment result	57 203	67 744	29 265	(6 520)	147 692
Unallocated costs of the Group (admin expenses)					(78 605)
Operating profit					69 087
Financial costs					(7 127)
Financial income					21 761
Net share in profits/(losses) of associates					(157)
Income tax					413 172
Net profit					496 736
Minority interest					263

Segment results for the period from 01.07.2007 to 30.09.2007 are as follows:

	Trade	Distribution	Other activities	Eliminations	Group
Net revenues	630 594	515 807	121 443	-	1 267 844
Net inter-segment revenues	94 838	-	49 319	(144 157)	-
Total net revenues	725 432	515 807	170 762	(144 157)	1 267 844
Total costs	(694 873)	(497 821)	(166 117)	143 112	(1 215 699)
Segment result	30 559	17 986	4 645	(1 045)	52 145
Unallocated costs of the Group (admin expenses)					(3 745)
Operating profit					48 400
Financial costs					(814)
Financial income					8 747
Net share in profits/(losses) of associates					271
Income tax					(11 896)
Net profit					44 708
Minority interest					143

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*(all amounts are stated in PLN thousand, unless otherwise stated)***Segmental information (cont.)**

Other information on business segments as at 30 September 2007 and for the twelve month period then ended are as follow:

	Trade	Distribution	Production	Other activities	Group
Tangible fixed assets	17 599	4 300 685	2 738 712	288 915	7 345 911
Inventories	-	16 088	178 758	40 914	235 760
Trade and other receivables	585 721	29 724	54 950	56 585	726 980
TOTAL:	603 320	4 346 497	2 972 420	386 414	8 308 651
Assets excluded from segmentation					1 630 383
- including tangible fixed assets					397 786
TOTAL: ASSETS					9 939 034
Trade and other payables	172 659	162 994	227 409	82 844	645 906
Equity and liabilities excluded from segmentation					9 293 128
- including trade and other payables					1 370
TOTAL: EQUITY & LIABILITIES					9 939 034
Capital expenditures on tangible and intangible assets	-	240 024	98 517	18 695	357 236
Amortization and depreciation	1 160	271 059	173 820	11 086	457 125
Amortization and depreciation excluded from the segmentation					22 040
Bad debt allowances	90 065	1 927	21 583	8 383	121 958

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These condensed interim consolidated financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***Segmental information (cont.)**

Other information on business segments as at 31 December 2008 and for the nine month period then ended are as follow:

	Trade	Distribution	Production	Other activities	Group
Tangible fixed assets	18 759	4 381 643	2 814 058	306 070	7 520 530
Trade and other receivables	367 456	119 619	92 739	135 425	715 239
TOTAL:	386 215	4 501 262	2 906 797	441 495	8 235 769
Assets excluded from segmentation					1 580 417
- including tangible fixed assets					350 631
TOTAL: ASSETS					9 816 186
Trade and other payables	184 224	234 470	253 726	102 070	774 490
Equity and liabilities excluded from segmentation					9 041 696
- including trade and other payables					13 231
TOTAL: EQUITY & LIABILITIES					9 816 186
Capital expenditures on tangible and intangible assets	2 064	340 625	28 784	20 996	392 469
Amortization and depreciation	3 427	377 052	56 919	16 935	454 333
Amortization and depreciation excluded from the segmentation					16 224
Bad debt allowances	83 413	-	19 790	20 615	123 818

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Revenues of a segment are the revenues from sales to external customers and transactions with other segments that can be directly attributed to a given segment together with an adequate part of the Group revenues attributed to this segment upon reasonable prerequisites.

Costs of a segment are the costs consisting of cost of sales to external customers and costs of transactions with other segments within the Group that result from the operating activity of a given segment and can be directly assigned to this segment together with an adequate part of the Group's costs attributed to this segment upon reasonable prerequisites.

In the inter-segment transactions market prices are applied that enable individual entities to gain a margin suitable to let them operate separately in the market. For the sales of energy and transmission services the prices defined by the Law on Energy apply, i.e. the act dated 10 April 1997 Law on Energy and related by laws.

Complementary segment reporting – geographic segments

The Group operates in one economic environment – the territory of Poland, therefore the Group does not present any geographic segments.

8. Tangible fixed assets

During the nine month period ended 30 September 2008 the Group purchased tangible fixed assets of PLN 352,917 thousand (during the twelve month period ended 31 December 2007 of PLN 3,616,283 thousand, including tangible fixed assets acquired as a result of takeover of Elektrownia "Kozienice" S.A. of PLN 3,225,742 thousand).

During the nine month period ended 30 September 2008 the Group sold or liquidated tangible fixed assets of PLN 5,248 thousand (during the twelve month period ended 31 December 2007 of PLN 25,340 thousand).

During the nine month period ended 30 September 2008 the Group recorded additional allowances for tangible fixed assets of PLN 5,788 thousand (nil during the nine month period ended 30 September 2007).

During the three month period ended 30 September 2008 Group created additional allowances for tangible fixed assets of PLN 5,788 thousand (nil during the three month period ended 30 September 2007).

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Impairment test of tangible fixed assets

As at 30 June 2008 the Group's tangible fixed assets associated with distribution were tested for impairment. Based on the performed test there was no impairment loss on distribution related assets as at 30 June 2008. The test involved number of assumptions. The recoverable amount of distribution related tangible fixed assets was determined based on the assumption that future decisions of the President of the Energy Regulatory Office ("the President of ERO") on sales tariffs valid for the period of 2010-2012 and for the following periods will include more favorable Assets' Regulatory Value ("ARV") comparing to ARV used by the President of ERO when determining the sales tariffs for 2008. According to this assumption the ARV will catch up with assets' carrying value in 2013. The present ARV adopted by the President of ERO is significantly lower than the carrying value of distribution related assets. If the President of ERO applies present method of the ARV calculation for the period 2010-2012 and the following periods there is a risk, that it will be necessary to recognize impairment loss in the future periods.

As at 30 September 2008 there were no circumstances which would indicate a significant change in estimates and judgments applied for the purpose of the above mentioned impairment test.

9. Intangible assets

During the nine month period ended 30 September 2008 the Group has purchased intangible assets of PLN 4,319 thousand (during the twelve month period ended 31 December 2007 of PLN 30,580 thousand, including intangible assets acquired as a result of takeover of Elektrownia "Kozienice" S.A of PLN 28,651 thousand).

During the nine month period ended 30 September 2008 the Group has not sold or liquidated any significant intangible assets.

10. Investment properties

During the nine month period ended 30 September 2008 the Group has not purchased, sold or liquidated any investment property.

11. Investments in associates

During the nine month period ended 30 September 2008 the Group acquired shares in associates of PLN 500 thousand (nil during the twelve month period ended 31 December 2007).

During the nine month period ended 30 September 2008 the Group has not sold any investments in associates.

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*(all amounts are stated in PLN thousand, unless otherwise stated)***12. Allowances for trade and other receivables**

	30.09.2008	31.12.2007
Opening balance of allowance	123 818	106 476
Acquisition of Elektrownia "Kozienice" S.A.	-	29 521
Additions	10 711	18 127
Reversals	(11 266)	(28 643)
Utilization	(1 305)	(1 663)
Closing balance of allowance	121 958	123 818

During the nine month period ended 30 September 2008 the allowance for trade and other receivables decreased by PLN 1,860 thousand (during the nine month period ended 30 September 2007 increased by PLN 2,373 thousand).

During the three month period ended 30 September 2008 the allowance for trade and other receivables increased by PLN 808 thousand (during the three month period ended 30 September 2007 increased by PLN 2,923 thousand).

13. Inventories

As at 30 September 2008 total inventory allowance amounted to PLN 5,084 thousand (PLN 5,287 thousand as at 31 December 2007).

During the nine month period ended 30 September 2008 the inventory allowance decreased by PLN 203 thousand (during the nine month period ended 30 September 2007 decreased by PLN 2 thousand).

During the three month period ended 30 September 2008 the inventory allowance increased by PLN 266 thousand (nil during the three month period ended 30 September 2007).

14. Share capital

On 16 May 2008 the Shareholders Meeting amended the ENEA's statute pursuant to which all series of shares existing as at that date were merged into two series A and B. Furthermore, due to the planned Initial Public Offer the Shareholders Meeting adopted a resolution concerning the increase in the share capital up to PLN 149,237 thousand through issue of up to 149 237 382 ordinary shares of a C series and a nominal value amounting to 1 PLN each. Changes in the Company's National Court Register were recorded on 5 June 2008.

On 1 August 2008 the Shareholders Meeting adopted a resolution on the redemption of 10,594,129 ordinary B series shares of a nominal value PLN 1 each and a resolution on the reduction of share capital by PLN 10,594,129 i.e. from PLN 348,220,557 to PLN 337,626,428. The resolution on redemption of shares is required by law (article 38b paragraph 2 of Act on the Commercialization and Privatization dated 30 August 1996) and is related to the payment of shares' cash equivalent for Entitled Employees (note 15). The reduction of the Company's share capital was registered in the National Court Register on 5 September 2008.

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*(all amounts are stated in PLN thousand, unless otherwise stated)***15. Share based payments reserve and liabilities due to cash settled share based payments**

The value of the Share Based Program which applies to Entitled Employees was established on the basis of the fair value used for the purpose of the interim consolidated financial statement for the period ended 30 June 2008 and amounts (with the exception of Entitled Employees of Elektrownia "Kozienice" S.A.) to PLN 921 million (PLN 901 million as at 31 December 2007). The Group will perform reassessment of change to the fair value of the share based payments program as at 31 December 2008.

Entitled Employees of Elektrownia "Kozienice" S.A., based on the Act on the acquisition of shares from the State Treasury as a result of the energy sector consolidation process dated 7 September 2007, shall have submitted the declaration until 18 January 2008 if they intended to exchange the cash equivalent into shares of ENEA S.A. After taking into account the result of the complaint process the amount of shares subject to cash equivalent increased by PLN 249 thousand. As a result as at 30 September 2008 the Group recognized the liability due to the cash equivalent amounting to PLN 291,127 thousand (PLN 290,878 thousand as at 30 June 2008 and PLN 514,120 thousand as at 31 December 2007). The change in the liability amount was transferred to equity (Share based payments reserve).

16. Borrowings

	30.09.2008	31.12.2007
	Carrying amount	Carrying amount
Non-current		
Bank loans	151 403	184 140
Loans	247	236
	151 650	184 376
Current		
Bank loans	52 931	69 204
Loans	26	40
	52 957	69 244
Total	204 607	253 620

During the nine month period ended 30 September 2008 the carrying amount of borrowing decreased by PLN 49,013 thousand net, which is mainly a result of loan repayments.

17. Deferred income from subsidies and connections' fee

During the nine month period ended 30 September 2008 the Group amortized deferred income from subsidies and connection fees of PLN 9,356 thousand (during the nine month period ended 30 September 2007 of PLN 10,102 thousand).

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During the three month period ended 30 September 2008 the Group amortized deferred income from subsidies and connection fees of PLN 2,084 thousand (during the three month period ended 30 September 2007 of PLN 2,428 thousand).

18. Deferred income tax

Changes in deferred tax (included offsetting of deferred tax assets against liabilities) are as follows:

	30.09.2008	31.12.2007
Opening balance	170 747	362 826
Income statement charge / (credit)	(51 336)	(491 800)
Change due to acquisition of Elektrownia "Kozienice" S.A.	-	299 721
End of the year	119 411	170 747

As at 30 June 2007 ENE S.A. contributed in kind to ENEA Operator Sp. z o.o. organised part of the enterprise. As a result of this transaction the tax value of fixed assets increased by PLN 2,256,037 thousand, which led to a reversal of deferred tax liabilities amounting to PLN 428,647 thousand.

During the nine month period ended 30 September 2008 the profit before tax of the Group was credited by the amount of PLN 51,336 thousand, as a result of decrease of the deferred tax liability (during the nine month period ended 30 September 2007 the profit before tax were credited by the amount of PLN 464,626 thousand).

During the three month period ended 30 September 2008 the profit before tax of the Group was credited by the amount of PLN 8,338 thousand, as a result of decrease of the deferred tax liability (during the three month period ended 30 September 2007 the profit before tax were charged by the amount of PLN 745 thousand, as a result of increase of the deferred tax liability).

19. Certificates of origin

	30.09.2008	31.12.2007
Certificates of origin	(8 518)	(4 095)
Advance payments for certificates of origin	(7 657)	(19 547)
Provision for costs of redemption of certificates of origin	191 314	90 280
Provision for certificates of origin	175 139	66 638

20. Provisions for liabilities and other charges**Provision for estimated losses resulting from pending claims**

	30.09.2008	31.12.2007
Opening balance	62 902	51 673
Additional provisions	24 012	21 353
Decrease of provisions	(14 137)	(10 124)
Closing balance	72 777	62 902

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Provisions for liabilities are measured at a justified and reliably assessed value. Specific provisions are established for probable losses relating to court actions initiated against the Group. These provisions are stated in the amount of the claim, taking into consideration a legally measured probability of losing the case. They are accounted for as other operational expenses. The description of significant claims and contingent liabilities in this regard are presented in the notes 26.2, 26.4, 26.5 and 26.6.

During the nine month period ended 30 September 2008 the provisions for estimated losses resulting from pending claims have increased by PLN 9,875 thousand (during the nine month period ended 30 September 2007 have increased by PLN 7,243 thousand).

During the three month period ended 30 September 2008 the provisions for estimated losses resulting from pending claims have increased by PLN 16,138 thousand (during the three month period ended 30 September 2007 have increased by PLN 2,610 thousand).

Other provisions

	30.09.2008	31.12.2007
Opening balance	18 761	1 667
Additional provisions	51 150	7 173
Acquisition of Elektrownia "Kozienice" S.A.	-	11 234
Unused amounts reversed	(10 893)	(1 313)
Closing balance	59 018	18 761

During the nine month period ended 30 September 2008 the other provisions have increased by PLN 40,257 thousand (during the nine month period ended 30 September 2007 have increased by PLN 20,273 thousand).

During the three month period ended 30 September 2008 the other provisions have increased by PLN 17,439 thousand (during the three month period ended 30 September 2007 have increased by PLN 12,055 thousand).

Provision for the storage yard restoration

Elektrownia "Kozienice" S.A. is obliged to restore the land after the storage yard for slag and ash either reaches its capacity or is closed. Due to the fact, that Elektrownia "Kozienice" S.A. has large and unused storage yards, the expected land restoration will take place in 2060. Future estimated costs of land restoration have been discounted to their present value using the 6 % discount rate. Provision for the storage yard restoration is being updated as at 31 December and 30 June, unless there is significant change in estimates' assumptions.

As at 30 September the provision 2008 amounted to PLN 8,418 thousand (as at 31 December 2007 PLN 8,877 thousand).

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Provision for the costs of storage or disposal of the slag-ash mixture

There are two kind of wastes obtained as a result of the burning process of coal: ash and slag-ash mixture. Due to the fact, that Elektrownia "Kozienice" S.A. incurs costs of the disposal of the mixture, it raises a necessary provision. Future estimated costs of storage or disposal of the slag-ash mixture have been discounted to their present value using the 6 % discount rate. Provision for the costs of storage or disposal of the slag-ash mixture is being updated as at 31 December and 30 June, unless there is significant change in estimates' assumptions.

As at 30 September 2008 the provision amounted to PLN 2,456 thousand (as at 31 December 2007 PLN 2,456 thousand).

Provision for the purchase of CO₂ emission rights

According to the current plan the production of Elektrownia "Kozienice" S.A. exceed the carbon dioxide emission rights limit granted for the year 2008. It should however be noted that the actual energy production volume for the whole 2008 is still uncertain. The volume of energy production will be influenced by the market prices of energy and prices of CO₂ emission rights.

As at 30 September 2008 Elektrownia "Kozienice" S.A. has recognized a provision proportionally to the energy produced during the nine month period comparing to the total planned annual energy production.

The provision as at 30 September 2008 amounted to PLN 30,381 thousand (nil as at 31 December 2007).

21. Dividend

On 9 June 2008 the Ordinary Shareholders Meeting adopted resolution no 2 on the distribution of the net profit for the reporting period from 1 January 2007 to 31 December 2007, according to which dividends to the shareholders of the Parent Company amounted to PLN 88,630 thousand (dividend per share amounted to PLN 0.25). As at the balance sheet date the dividend was fully paid.

On 28 June 2007 the Ordinary Shareholders Meeting adopted Resolution no 2 on the allocation of the net profit for the reporting period from 1 January 2006 to 31 December 2006, according to which dividends to the shareholders of the Parent Company amounted to PLN 38,550 thousand (dividend per share amounted to PLN 0.17). As at the balance sheet date the dividend was fully paid.

The Parent Company on the basis of the Act on Obligatory Payments From the Profit of Joint Stock Companies Fully Owned by the State Treasury dated 1 December 1995 makes quarterly profit payments (profit in this case is defined as profit before tax, less current tax) amounting to 15%, which are presented as a dividend payment. The Parent Company will be subjected to the above described scheme until the end of the month, during which shares are sold in accordance with the regulation of the Commercialization and Privatization Act. The accrued payments for the period from 1 January to 30 September 2008 amounted to PLN 12,187 thousand. However, in these condensed interim consolidated financial statements the Group recognized an adjustment to obligatory payments accrued for 2007 in the amount of PLN 2,229 thousand (for the period from 1 January to 30 September 2007 the

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accrued profit share amounted to PLN 6,484 thousand). As at 30 September 2008 the value of obligatory profit share liability amounted to PLN 1,854 thousand and it is presented as current trade and other payables. For the period from 1 July to 30 September 2008 the accrued profit share amounted to PLN 5,782 thousand (for the period from 1 July to 30 September 2007 amounted to PLN 814 thousand).

Elektrownia "Kozienice" S.A. was also a subject to obligatory profit share payments until the last day of the month in which the shares of Elektrownia "Kozienice" S.A. were transferred by the State Treasury to ENEA S.A. as contribution in-kind. The consolidated financial statements for the period ending 31 December 2007 showed a liability due to profit share payments accrued until the end of November 2007 (change in ownership of shares of Elektrownia "Kozienice" S.A. was registered in the National Court Register on 21 November 2007). The amount of the obligatory profit share liability was estimated by the Group due to the fact that till the date of the approval of the consolidated financial statements for 2007 Elektrownia "Kozienice" S.A. has not prepared a statutory financial statement for 2007 in accordance with the Accounting Act dated 29 September 1994, which was the basis of the obligatory payments' calculation. The final amount of profit share payment presented in these condensed consolidated financial statements was calculated on the basis of correction of the declaration submitted in August 2008. The difference amounted to PLN 5,033 thousand and was presented as a adjustment to share premium.

22. Transactions with related entities

Transactions between the Group's companies and related entities:

- Group's companies - these transactions are eliminated during consolidation,
- Transactions between the Group and Members of the Executive Bodies of the Group which should be divided into three categories:
 - resulting from employment contracts with members of the Management Board of the Parent Company as well as concerning the appointment of the Supervisory Board Members,
 - concerning loans granted from the Company's Social Fund for the Parent Company Management Board members as well as Supervisory Board members, who are the ENEA S.A. employees,
 - resulting from other civil contracts.

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In the respect of first category, the summary of transaction is illustrated in following table:

No	Title	Management Board of the Parent Company		Supervisory Board of the Parent Company	
		01.01.2008 - 30.09.2008	01.01.2007 - 30.09.2007	01.01.2008 - 30.09.2008	01.01.2007 - 30.09.2007
1.	Salaries based on employment contract	702	565		
2.	Remuneration related to the appointment to management or supervisory bodies			259	238
3.	Remuneration related to positions in the supervisory boards of subsidiaries	114	108		
4.	Other employee benefits (electricity allowance)	174	175		
	Total	990	848	259	238

The Management and the Supervisory Board's Members in relation to their salaries are subject to the Act on Remuneration of Persons Managing Certain Legal Entities dated 3 March 2000. In accordance with the Act, the maximum monthly remuneration cannot exceed the value of 6 average monthly salaries in the enterprises' sector excluding profit share bonuses, applicable in the fourth quarter of the preceding year published by the Central Statistical Office. The amount of annual bonus cannot exceed the value of the three average monthly remuneration due in the year preceding the year when the bonus has been awarded.

Transactions related to loans granted from the Company Social Fund are presented in the table below:

No.	Bodies of the Company	Balance as at 01.01.2008	Granted after 01.01.2008	Repayments by 30.09.2008	Balance as at 30.09.2008
1.	Management Board	27	-	(9)	18
2.	Supervisory Board	6	-	(5)	1
	Total	33	-	(14)	19

No.	Bodies of the Company	Balance as at 01.01.2007	Granted after 01.01.2007	Repayments by 31.12.2007	Balance as at 31.12.2007
1.	Management Board	32	-	(5)	27
2.	Supervisory Board	9	-	(3)	6
	Total	41	-	(8)	33

Other transactions resulting from service contracts between the Parent Company and Members of the Executive Bodies of the Parent Company concern the private use of vehicles by the ENEA S.A. Management Board Members.

Additionally, the entities of the Group enter into transactions with companies owned by the State Treasury including companies where the State Treasury is the sole shareholder. These transactions are made on an arm's length basis and the applied prices are consistent with those offered to third parties.

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Transactions with State owned companies that are the Group's major suppliers and customers are presented below:

	9 month ended 30 September 2008	9 month ended 30 September 2007
Group's State owned major suppliers	PGE Polska Grupa Energetyczna S.A. Lubelski Węgiel "Bogdanka" S.A. Zespół Elektrowni Pątnów Adamów Konin S.A. Katowicki Holding Węglowy S.A. Kompania Węglowa S.A.	PGE Polska Grupa Energetyczna S.A. Elektrownia Kozienice S.A. Zespół elektrowni Pątnów Adamów Konin S.A. EnergiaPro Koncern Energetyczny S.A. PKN Orlen S.A.
Total purchases	1 813 117	1 299 075
	3 month ended 30 September 2008	3 month ended 30 September 2007
Group's State owned major suppliers	PGE Polska Grupa Energetyczna S.A. Lubelski Węgiel "Bogdanka" S.A. Zespół Elektrowni Pątnów Adamów Konin S.A. Katowicki Holding Węglowy S.A. Kompania Węglowa S.A.	PGE Polska Grupa Energetyczna S.A. Elektrownia Kozienice S.A. Zespół elektrowni Pątnów Adamów Konin S.A. EnergiaPro Koncern Energetyczny S.A. PKN Orlen S.A.
Total purchases	518 740	449 662
	9 month ended 30 September 2008	9 month ended 30 September 2007
Group's State owned major customers	PGE Polska Grupa Energetyczna S.A. PKP Energetyka S.A. Zakłady Chemiczne "Police" S.A. Zarząd Morskich Portów Szczecin i Świnoujście S.A. ENERGA S.A.	PKP Energetyka S.A. Zakłady Chemiczne "Police" S.A. PGE Polska Grupa Energetyczna S.A. PKN Orlen S.A. ENERGA S.A.
Total sales	325 352	724 442
	3 month ended 30 September 2008	3 month ended 30 September 2007
Group's State owned major customers	PGE Polska Grupa Energetyczna S.A. PKP Energetyka S.A. Zakłady Chemiczne "Police" S.A. Zarząd Morskich Portów Szczecin i Świnoujście S.A. ENERGA S.A.	PKP Energetyka S.A. Zakłady Chemiczne "Police" S.A. PGE Polska Grupa Energetyczna S.A. PKN Orlen S.A. ENERGA S.A.
Total sales	110 646	591 280

23. Long-term contracts on the sale of electric energy (KDT)

With regard to the fact, that the European Commission has recognized long-term contracts for sales of electricity with state owned PSE S.A. as illegal public subsidy, the Polish Parliament passed a law to eliminate such contracts. In accordance with the provisions of the Law on the Rules for Covering the Costs Incurred by the Producers in Relation to an Early Termination of Long-term Contracts dated 29 June 2007 ("The Law on termination of the long-term contracts"), the Group, effective from 1 April 2008, is entitled to receive a compensation of stranded costs resulting from an early termination of long-term contracts. According to this law, the Group will be entitled to receive compensations till 2014.

According to Appendix 4 to the Law on termination of the long-term contracts the Group will receive advance payments of compensation for the period from 1 April to 31 December 2008 in the total amount of PLN 93,132 thousand. However the amount of the compensation for 2008 is subjected to adjustments determined by the President of the Energy Regulatory Office in accordance with regulations included in the chapter 5 of the Law on termination of the long-term contracts.

The amount of the annual adjustment of stranded costs for 2008 and the final adjustment made at the end of the adjusting period i.e. period during which long-term contracts would remain in force if not terminated, depends on many factors, in particular on the operating results of the energy producer (Elektrownia "Kozienice" S.A.) in 2008 and in the following years, the energy sales volume and average market prices of electric energy.

At the same time some of the regulations of the Law on termination of the long-term contracts, including those which relate to the methods of calculation and adjustment of stranded costs, are unambiguous and require further interpretation, which are currently subject to analysis conducted by the energy producers in cooperation with the Energy Regulatory Office. Due to the fact that there has been no practice so far in this area, there is an uncertainty concerning the final amount of the compensation due for the period presented in these condensed interim consolidated financial statements.

As at 30 September 2008 the Group recognized compensation for stranded costs in the amount of the advance payment due for the period ended 30 September 2008, as provided in the Appendix 4 to the Law on termination of the long-term contracts, adjusted by the estimated amount of the annual adjustment corresponding to the period covered by these financial statements. The final amount of the compensation due for the period ended 30 September 2008 may differ significantly from the amount estimated by the Group due to possible changes in factors and conditions described above as well as due to possible changes of interpretation of the respective regulations based on which the annual adjustment and the final adjustment of stranded cost will be made by the President of the Energy Regulatory Office.

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The income recognized due to the estimated compensation of stranded costs for the 9 month period ended 30 September 2008 amounts to PLN 40,566 thousand (nil for the 9 month period ended 30 September 2007).

The income recognized due to estimated compensation of stranded costs for the 3 month period ended 30 September 2008 amounts to PLN 21,970 thousand (nil for the 3 month period ended 30 September 2007).

24. Commitments due to binding contracts as at the balance sheet date

Contractual commitments binding as at the balance sheet date but not included in the balance sheet are presented below:

	30.09.2008	31.12.2007
Property, plant and equipment	356 962	91 351
Intangible assets	2 542	71
	359 504	91 422

25. Information concerning the seasonal and cyclical nature of the Group's activities

The sale of energy during the year is subject to seasonal fluctuations. The sale of energy increases during the winter months and decreases during the summer months. It is related to the temperatures and the length of the daytime. The magnitude of these fluctuations is determined by lower temperatures and shorter daytime in the winter and higher temperatures and longer daytime during summer. The seasonal character of electric energy sales is to a larger extent related to individual recipients (they represent 49 % of total sales), rather than to industrial recipients.

26. Contingent liabilities and contingent assets, court, arbitration and administrative proceedings**26.1 Granted by the Company and subsidiaries, bank loans and borrowings guarantees**

In the reporting period none of both the Company or any subsidiaries have granted guarantees for bank loans and borrowings.

26.2 Pending common court casesProceedings initiated by the Group

Proceedings initiated by ENEA S.A. in common courts relate to the collection of receivables for the delivery of electric energy (the so-called energy cases) and to the collection of other receivables - illegal consumption of energy, illegal connections to the power grids and other specialist services provided by the Parent Company (so-called non-energy cases).

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The proceedings initiated in common courts by Elektrownia „Kozienice” S.A. mainly concern the collection of receivables for the failure to fulfil forwarding contracts and delivery of electric energy (so-called energy cases).

As at 30 September 2008 there were in total 5,862 cases pending before common courts and initiated by the Group of a total value of PLN 34,414 thousand (as at 31 December 2007 there were 6,775 cases amounting to PLN 40,582 thousand).

None of the results of these proceedings is significant to the net profit of the Group.

Proceedings against the Group

Proceedings against the Group are actions brought by individuals and legal entities.

Among others they concern the following issues: compensation for energy supply shortages, determination whether the illegal energy consumption occurred and compensation claimed from the Group for the use of property, on which electricity equipment is located. The Group considers the actions against the Group concerning the non contractual use of third party's property to be of particularly significant (note 26.5).

Proceedings against Elektrownia “Kozienice” S.A. concern among other the following issues: reinstatement to work, compensation of the cash equivalent for the employee's right to a free of charge acquisition of shares resulting from the commercialization of Elektrownia „Kozienice” S.A.

As at 30 September 2008 there were in total 281 cases pending before common courts against the Group of a total value of PLN 18,896 thousand (as at 31 December 2007 there were respectively 185 cases amounting to PLN 19,579 thousand). Provisions regarding these cases are presented in the note 20.

26.3 Arbitration proceedings

As at 30 September 2008 there weren't any pending arbitration proceedings.

26.4 Proceedings pending before public administration authorities

By the decision of the President of the Office of Competition and Consumer Protection dated 12 September 2008 which terminates legal proceedings concerning customers illegally charged with a double service fee for January 2008, ENEA S.A. was obliged to pay a penalty in the amount of PLN 160 thousand. On 30 September 2008 ENEA S.A. appealed against this decision. As at the date of the preparation of these condensed interim consolidated financial statements the appeal was pending.

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By the decision of the President of the Office of Competition and Consumer Protection dated 30 September 2008 which terminates legal proceedings concerning the abuse of a dominant position by violations of deadlines of delivering conditions of the connection to the power grid and determining the impact of projected wind-farm on the electro-energetic system, ENEA Operator Sp. o.o. was obliged to pay a penalty in the amount of PLN 11,626 thousand. ENEA Operator Sp. z o.o. appealed against this decision. As at the date of the approval of these condensed interim consolidated financial statements the appeal was pending. As at 30 September 2008 the Group created a provision for the above-mentioned penalty payment in the total value.

Due to the nature of the Group's activities there was as at 30 September 2008 a number of other pending proceedings before public administration authorities.

The majority of these proceedings are initiated upon the request of the Group, which apply to competent public administration authorities for:

- an administrative enforcement to be instituted in order to collect receivables for an illegal consumption of electricity,
- a permit to construct new buildings and to modernize existing ones,
- a permit to situate electric equipment on a traffic lane,
- rates to be determined for annual fees for perpetual usufruct right,
- land for electric equipment to be separated.

Some of these proceedings are also complaint proceedings brought into government administration and local administration bodies or administrative courts in connection with decisions made in the above mentioned cases.

None of the results of these cases should have significant impact on the net profit of the Group.

In connection with the control carried out by the Supreme Chamber of Control in the context of the *Restructuring of the energy sector starting from 2005 and safety of the power network* on 8 August 2008 the company received a report on the control. On 28 August 2008 the Management Board of the Parent Company refused to sign the report and presented reservations concerning expressions used in the report, which in the opinion of the Management Board are among others inconsistent with the actual state. On 29 September 2008 the Company received the Positions of Controllers, according to which certain reservations of the Management Board were not taken into account. Currently the Company is waiting for a final report on contentious issues which will include conclusions and recommendations of the Supreme Chamber of Control, which might be a basis for potential appeal.

The nature of activities of ENEA Operator Sp. z o.o. (it operates in a regulated market under monopoly conditions) is a reason for many actions brought against the company by the President of the Energy

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Regulatory Office and the President of the Office of Competition and Consumer Protection, which are initiated upon requests of end consumers, who are serviced by the company.

The President of the Energy Regulatory Office as the principal government administration authority is entitled to regulate the business activity of energy companies, this is the reason why the President handles disputes concerning the refusal to sign agreements on the connection to the power grid, the sale and delivery of electricity, and the determination of the content of the mentioned above agreements.

As at 30 September 2008 the President of the Energy Regulatory Office conducted a number of explanatory and administrative proceedings against the Group.

None of the results of these proceedings should have significant impact on the net profit of the Group.

26.5 Risk related to the legal status of property used by the Group

The risk related to the legal status of property used by the Parent Company results from the fact, that the Group does not possess all legal titles to use of land, on which the Group's electric power grids and related equipment are located. The Group may be in the future obliged to incur costs for non-contractual use of these properties. There is also a risk of actions to be brought against the Group in order to prevent further use of these properties.

The possibility to loose assets in this case is regarded as insignificant. The lack of specific regulations of the legal status of property, on which the electric power grids and related equipment is situated, does not expose the Group to a risk of losing its assets, however it exposes the Group to a risk of additional costs related to compensations for the non-contractual use of land, tenancy cost or exceptionally, in individual cases the risk of relocation of the electricity related assets (and restoration of property to the original condition).

Claims asserted against the Group are the claims for payment (compensations for the non-contractual use of property, for the decrease in the property's value, for lost profits) and claims to desist from the trespassing of possession (demand to remove the equipment).

The results of these cases are important as they significantly influence the Group's actions in respect of persons asserting pre-court claims related to equipment located at their property in the past, as well as the Group's actions in respect of the regulation of a legal status of equipment in the case of new investments.

The Group has created a provision for all claims asserted by the owners of the affected properties (Note 20).

The Group does not create a provision for potential un-asserted claims in relation to land with an unregulated legal status. Potential amounts claimed may be significant for the Group given the total area of land subject to an unregulated legal status (with power grids and related equipment located on these properties). The Group

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does not have sufficient records and the knowledge of a legal status of used land and therefore is not able to assess reliably the maximum amount of potential claims from the non-contractual use of land.

26.6 Risk related to the participation in costs of usage of land owned by State Forests for the purpose of power grids

Due to the lack of particular legal regulations, provisions for claims resulting from the use of the forest land, which is owned by the State Forest, for the purpose of power grids, which are property of the Group were not recognized in the accounting books as at 30 September 2008. The meeting initiated by the Minister of Environment with the participation of representatives of the State Forests, the Minister of the State Treasury, PSE-Operator and the Polish Society of Transmission and Distribution of Electricity representing the interests of distribution (transmission) companies took place on 29 November 2006. The proposal of the State Forests to reach tenancy contracts in relation to land, on which the power grids are located, was not adopted. It has been acknowledged that it is necessary to develop a comprehensive solution based on appropriate legislative changes. The assessment of provisions for the participation in costs of the property tax for the land owned by the State Treasury incurred by State Forests as at this day is impossible. Taking into consideration the area of the land, potential liabilities in this regard might be significant.

Apart from the actions mentioned above, which were taken in order to develop a comprehensive solution concerning a legal status of State Forest property, some of the local forestries asserted claims against the Group for compensations regarding the non-contractual use of lands by the Group. These claims are included in the provision described in the note 20.

27. Losses resulting from weather conditions

In April 2008 as a result of bad weather conditions there was the power grids' system overload in the area of Szczecin Distribution Branch. As a result of this breakdown the supply of the electricity was suspended for a number of hours. The results of investigation conducted by ENEA Operator Sp. z o.o. and PSE-Operator S.A. on the circumstances of the breakdown indicate that the failure was a result of force majeure. Currently there is a proceeding pending with the participation of the insurance companies engaged in the civil liability insurance in relation to damage caused to third parties by the activity of the Company to the extent of confirmation of the reason of this breakdown.

ENEA Operator Sp. z o.o. reported 19 cases of property damage to the insurance company (damage of a 110 kV, MN and LN power grid and MN/LN transformer units). The estimated value of the damage amounts to PLN 7,205 thousand. Under the insurance policies signed by ENEA Operator Sp. z o.o., the retention of the insures amounts to 20 %.

At the same time till the date of the approval of these interim consolidated financial statements 177 claims were reported by third parties to the insurance company of ENEA Operator Sp z o.o. (damage caused to

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household, radio and TV equipment, losses in food/agricultural products, damage of property as a result of the emergency repair work etc.) in the total estimated amount of PLN 4,479 thousand.

At the same time, in relation to the above described incident, the President of the Energy Regulatory Office has taken steps aiming at the clarification of the circumstances and reasons of the breakdown. As a part of these actions the President of the Energy Regulatory Office has requested ENEA Operator Sp. z o.o. to present detailed information on the event and its reasons, the course of the event, the scale of the damages and its impact on the national grid system, as well as information on the technical condition of the power grids and related technical appliances which were damaged. Moreover the President of the Energy Regulatory Office requested an indication of actions undertaken in order to fix the breakdown.

These information obtained will be analyzed taking into account the Company's ability to fulfil the obligation to maintain the equipment, installations and power grids in a sufficient condition to transfer electric energy on a continues and reliable basis maintaining obligatory quality requirements. A possible ascertainment of the non-performance of the obligation may give rise to legal proceedings against the Company imposing a pecuniary penalty according to Art. 56, Paragraph 1, Clause 13 of the Law on Energy.

28. Launch of negotiations regarding the acquisition of Zespół Elektrowni Pątnów-Adamów-Konin S.A.

In 2008 the Parent Company commenced negotiations with a bankruptcy trustee of Elektrim S.A. regarding the acquisition of 45.95% shares of Zespół Elektrowni Pątnów-Adamów-Konin S.A. (ZE PAK). Submitting a binding offer by the Group is however subject to a list of conditions including conducting a legal, financial, tax, technical, environmental and operational due diligence of ZE PAK and its capital group, reconciling all the sales agreement conditions and a satisfactory solution of the issues regarding claims raised by creditors of Elektrim S.A. in relation to shares of ZE PAK. Until the date of approval of these interim consolidated financial statements no binding decisions have been taken.

29. Subsequent events**29.1. Prospectus of ENEA S.A.**

On 22 October 2008 the Polish Financial Supervision Authority approved the final version of the prospectus of ENEA S.A. By the decision of the Polish Financial Supervision Authority the prospectus was changed with reference to Annex no 1 adopted on 29 October 2008.

29.2. Issue of ENEA S.A. shares

On 4 November 2008 the Management Board of ENEA S.A. informed to the public that the final number of the Offer Shares (103,618,150) allocated in each tranche was determined by the Management Board of the Company, in consultation with the Lead Manager and the Offeror:

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Industry Investor Allocation	82,395,573 Offer Shares
Domestic Institutional Investors' Allocation	11,038,962 Offer Shares
Foreign Institutional Investors' Allocation	6,921,077 Offer Shares
Retail Investors' Allocation	3,460,538 Offer Shares

As a result of the subscription two major investors Vattenfall AB and European Bank for Reconstruction and Development acquired shares representing respectively 18.7% and 2.5% of the share capital. The issue price equals to PLN 20.14 and the discount price equals to PLN 15.40. The total gross proceeds from the issue amounts to PLN 1,989 million.

29.3. The acquisition of PEC Śrem S.A.

On 22 October 2008 the Ministry of Treasury informed about winning by ENEA S.A. the tender for buying 6,860 shares of PEC Śrem S.A. (41.65% share in PEC Śrem S.A. equity). As at the date of the approval of these condensed interim consolidated financial statements the agreement of acquisition has not been signed yet.

29.4. Other pending acquisitions

The Group participates in offer proceedings concerning acquisition of shares in the following companies: Przedsiębiorstwo Energetyki Ciepłej Oborniki Sp. z o.o. (87.99% of shares), Miejska Energetyka Ciepła Piła Sp. z o.o. (64.997% of shares) and Elektrociepłownia Białystok S.A. (30.36% of shares). These proceedings have not yet been settled as at the date of these condensed interim consolidated financial statements.

**Condensed Interim Standalone
Financial Statements
of ENEA S.A.
for the third quarter 2008**

Poznań, 14 November 2008

ENEA S.A.

Condensed interim standalone financial statements for the third quarter of 2008

These condensed interim standalone financial statements were not audited.

(all amounts are stated in PLN thousand, unless otherwise stated)

1. Description of significant accounting policies

The accounting policies applied in the preparation of the unconsolidated financial statements are the same as applied by the Group with the exception of investments in associates measured at historical cost less accumulated impairment losses.

2. Other descriptive information

On 30 June 2007 ENEA S.A. made an in kind contribution to ENEA Operator Sp. z o.o. in the form of an organized part of the enterprise. Due to the fact that this in kind contribution constituted a transaction between companies under common control the value of acquired shares was determined based on the book value of the net assets given within the in kind contribution. Therefore, the temporary difference in the tax base of the contributed net assets remains unchanged after the transaction however it concerns the value of shares obtained in the in kind contribution.

According to the fact that the Management Board is able to control the dates of the temporary differences reversal as well as that these differences will not reverse in the foreseeable future the deferred tax liabilities in the amount of PLN 365,257 thousand were reversed in the correspondence with the income for the period ended 30 June 2007.

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Condensed interim standalone financial statements for the third quarter of 2008

These condensed interim standalone financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***3. Balance sheet of the ENEA S.A.**

	As at	
	30 September 2008	31 December 2007
ASSETS		
Non-current assets		
Tangible fixed assets	198 079	202 617
Perpetual usufruct right	993	1 003
Intangible assets	1 244	749
Investments in associates accounted for using the equity method	7 533 708	7 525 908
Deferred tax assets	53 771	29 351
Available-for-sale financial assets	8 617	8 617
Financial assets at fair value through profit or loss	1 074	1 379
	7 797 486	7 769 624
Current assets		
Trade and other receivables	639 639	659 486
Available-for-sale financial assets	-	3 292
Cash and cash equivalents	653 312	356 592
	1 292 951	1 019 370
Total assets	9 090 437	8 788 994

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	As at	
	30 September 2008	31 December 2007
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to equity holders of the Parent Company		
Ordinary shares	484 202	494 796
Share premium	2 791 254	2 791 254
Share based payments reserve	1 144 336	901 110
Reserve capital	754 425	412 400
Retained earnings	2 538 553	2 864 459
Total equity	7 712 770	7 464 019
LIABILITIES		
Non-current liabilities		
Borrowings	-	4 000
Finance lease liabilities	7 002	5 109
Deferred income from subsidies and connections' fee	34 707	36 230
Employee benefits	90 948	57 108
	132 657	102 447
Current liabilities		
Borrowings	-	16 112
Trade and other payables	680 106	529 691
Finance lease liabilities	1 299	1 201
Deferred income from subsidies and connections' fee	1 972	1 652
Current tax liabilities	9 528	16 213
Employee benefits	8 399	15 701
Liabilities due to cash settled share based payments	291 127	514 920
Provision for certificates of origin	197 816	64 774
Provisions for other liabilities and charges	54 763	62 264
	1 245 010	1 222 528
Total liabilities	1 377 667	1 324 975
Total equity and liabilities	9 090 437	8 788 994

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Condensed interim standalone financial statements for the third quarter of 2008

These condensed interim standalone financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***4. Income statement of the ENEA S.A.**

	9 months ended	3 months ended	9 months ended	3 months ended
	30 September	30 September	30 September	30 September
	2008	2008	2007	2007
Revenues	4 312 426	1 416 482	3 631 030	1 220 888
Other operating income	31 424	3 401	31 632	2 999
Amortization and depreciation	(13 150)	(4 586)	(198 500)	(3 922)
Employee benefits	(82 857)	(9 456)	(263 718)	(3 857)
Consumption of raw materials and cost of merchandise sold	(3 495)	(579)	(57 416)	(20 407)
Cost of energy sold	(2 462 442)	(809 297)	(1 956 364)	(627 738)
Transmission services	(1 650 688)	(524 051)	(922 533)	(511 732)
Other external services	(84 860)	(28 849)	(119 050)	(24 420)
Taxes and charges	(7 151)	(2 600)	(62 845)	(772)
Profit/(Loss) on sales and liquidation of tangible fixed assets	7	7	123	1 659
Other operating expenses	(22 028)	(9 859)	(37 129)	(8 148)
Operating profit	17 186	30 613	45 230	24 550
Financial costs	(1 068)	(323)	(2 152)	(695)
Financial income	31 265	12 751	19 848	7 380
Dividend received	71 544	4 788	16 587	-
Profit before tax	118 927	47 829	79 513	31 235
Income tax	(13 263)	(8 754)	349 554	(5 503)
Net profit for the reporting period	105 664	39 075	429 067	25 732

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These condensed interim standalone financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***5. Cash Flow of the ENEA S.A.**

	9 months ended 30 September 2008	9 months ended 30 September 2007
Cash flows from operating activities		
Net profit for the reporting period	105 664	429 067
Adjustments for:		
Income tax as per income statement	13 263	(349 554)
Amortization and depreciation	13 150	198 500
Share based payment expense	19 433	-
Loss on sales and liquidation of tangible fixed assets	92	4 001
Impairment loss on tangible fixed assets	5 507	-
Profit on sales of financial assets	(1 510)	1 703
Interest income	(31 265)	(19 848)
Dividend income	(71 544)	(16 587)
Interest expense	1 068	2 152
	(51 806)	(179 633)
Income tax paid	(44 368)	(99 040)
Interest received	34 729	19 439
Interest paid	(868)	(589)
Changes in working capital:		
Inventories	-	14 855
Trade and other receivables	(15 055)	(58 707)
Trade and other payables	150 836	(60 367)
Employee benefits	26 538	17 490
Deferred income from subsidies and connections' fee	(1 626)	(4 693)
Changes in provision for certificates of origin	133 042	40 312
Changes in provisions	(7 501)	15 699
	286 234	(35 411)
Net cash generated from operating activities	329 585	133 833
Cash flows from investing activities		
Acquisition of tangible and intangible fixed assets	(12 220)	(152 540)
Proceeds from sales of tangible fixed assets	-	112
Proceeds from sales of financial assets	3 766	-
Acquisition of subsidiary	(7 322)	(131)
Dividend received	70 705	11 248
Other outflows	(500)	(169)
Net cash generated from investing activities	54 429	(141 480)
Cash flows from financing activities		
Repayment of borrowings	-	(12 000)
Dividends paid	(86 111)	(46 247)
Outflows related to financial lease liabilities	(1 183)	(877)
Other outflows	-	(1 403)
Net cash generated from financing activities	(87 294)	(60 527)
Net increase/ (decrease) in cash and cash equivalents	296 720	(68 174)
Cash and cash equivalents at the beginning of the reporting period	356 592	319 010
Cash and cash equivalents at the end of the reporting period	653 312	250 836

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Condensed interim standalone financial statements for the third quarter of 2008

These condensed interim standalone financial statements were not audited.

*(all amounts are stated in PLN thousand, unless otherwise stated)***6. Statement of changes in equity ENEA S.A.**

	Share capital (nominal value)	Revaluation of share capital	Total share capital	Share premium	Share based payments reserve	Reserve capital	Retained earnings	Total equity
As at 1 January 2008	348 221	146 575	494 796	2 791 254	901 110	412 400	2 864 459	7 464 019
The valuation of financial assets available-for-sale							(1 551)	(1 551)
Net profit for the reporting period							105 664	105 664
Total recognized income and expenses for the period							104 113	104 113
Redemption of shares	(10 594)		(10 594)				10 594	
Conversion of cash equivalents into shares					224 042			224 042
Change in fair value of share based payments programe					19 184			19 184
The distribution of the net profit Dividends						342 025	(342 025)	
							(98 588)	(98 588)
As at 30 September 2008	337 627	146 575	484 202	2 791 254	1 144 336	754 425	2 538 553	7 712 770

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(all amounts are stated in PLN thousand, unless otherwise stated)

	Share capital (nominal value)	Revaluation of share capital	Total share capital	Share premium	Share based payments reserve	Reserve capital	Retained earnings	Total equity
As at 1 January 2007	221 595	146 575	368 170	-	901 110	264 129	2 625 514	4 158 923
Net profit for the reporting period							429 067	429 067
Total recognized income and expenses for the period							429 067	429 067
Dividends							(45 034)	(45 034)
As at 30 September 2007	221 595	146 575	368 170	-	901 110	264 129	3 009 547	4 542 956

**Additional information
to the consolidated
interim report**

**prepared in accordance with Clause 91 par. 6 of the Regulation of the Minister of
Finance on current and periodic information published by issuers of securities of 19
October 2005**

I. Description of the organisation of the issuer's capital group with an indication of units subject to consolidation and the consequences of changes to the structure of the issuer's capital group, including as a result of the merger of business units, the takeover or sale of the issuer's capital group units, long-term investments, the division, restructuring or cessation of operations

A description of the organisation of the issuer's capital group with an indication of units subject to consolidation and a description of changes to the structure of the issuer's capital group is included in Note 6 to the consolidated quarterly financial statement (p. 17 of this report).

Description of the Capital Group's operations

The basic operations of the ENEA S.A. Capital Group (the "Group") include the generation of electricity, its distribution and trade, which operations are conducted on the basis of concessions granted by the President of the Energy Regulatory Office – the body established to carry out regulatory tasks with regard to the management of fuels and energy and to encourage competition in the energy sector.

Generation

Within our Group, the generation of electricity is mainly carried out by the Koźienice power plant, which entered our Group in October 2007. The Koźienice power plant has a gross annual power capacity of 2,880 MW and with this regard it is the largest coal-fired power plant in Poland. In January 2008 the Koźienice power plant also began producing electricity from renewable sources (by including biomass in its fuel). In 2007 the Koźienice power plant generated a gross 12.4 TWh of electricity. The generation of electricity from renewable sources is mainly the task of our subsidiary company – Elektrownie Wodne. The annual power capacity of the 20 hydroelectric plants belonging to our Group amounts to 56 MW. In 2007 they generated a gross 0.1 TWh of electricity. According to ARE data for 2007, our share in Poland's electricity generation market in terms of volume amounted to 7.9 per cent.

Distribution

Within our Group, the distribution of electricity is the responsibility of ENEA Operator, which acts as the operator of the distribution system. ENEA Operator's distribution network covers an area of approximately 20 per cent of the country, located in the north-western part of Poland. ENEA Operator owns power lines with a total length of more than 123,000 km (including connections) and about 33,500 transmission stations. According to ARE data for 2007, our share in Poland's electricity distribution market in terms of volume amounted to 11.6 per cent.

Trade

In our Group, the wholesale trade of electricity and the sale of electricity to end users is the responsibility of ENEA. In 2007 ENEA sold more than 17 TWh of electricity to approximately 2.3 million end users, including about 0.8 TWh to clients connected to networks belonging to distribution system operators other than ENEA

Operator. According to ARE data for 2007, our share in Poland's electricity trade market in terms of volume amounted to 14.6 per cent.

Other operations

Our Group's companies also conduct operations supplementary to the basic operations listed above, including:

- (i) the construction, expansion, modernisation and repairs of electric power equipment and networks;
- (ii) the design, construction, production and sale of electrical and power equipment and apparatus;
- (iii) services related to the maintenance of street lighting and low-voltage networks;
- (iv) transport services (including the sale, servicing and repair, as well as leasing, of vehicles); and
- (v) social activities (tourist destinations, healthcare).

II. The Management Board's position regarding the possibility of meeting earlier published result forecasts for a given year

The Management Board of Enea S.A. has not published financial result forecasts for 2008 or for Q3 2008.

III. Shareholders holding 5 per cent or more of the votes at the issuer's general meeting of shareholders, directly or indirectly through subsidiaries, as at the publication date of the quarterly report

As at the publication date of this quarterly report, the State Treasury holds 100 per cent of votes at the general meeting of shareholders of ENEA S.A. The State Treasury holds 337,626,428 shares, which entitle it to 337,626,428 votes at the general meeting of shareholders, which amount to 100 per cent of the current share capital and entitle it to exercise 100 per cent of the votes at the general meeting of shareholders of ENEA S.A.

As a result of the conducted public offering of series C shares and the issuing of the newly issued shares by the Management Board, after the court registration of the capital share increase, the share capital of ENEA S.A. will be divided into 441,442,578 shares, which will correspond to 441,442,578 votes at the general meeting of shareholders. After the court registration of the capital share increase, the following shareholders will hold more than 5 per cent of the total number of votes at the general meeting of the Company's shareholders:

Shareholder name	Number of shares held	Number of votes held	Share in the share capital	Share of the total number of votes
State Treasury	337,626,428	337,626,428	76.48	76.48
Vattenfall AB	82,395,573	82,395,573	18.67	18.67
EBRD	11,038,962	11,038,962	2.50	2.50
Others	10,381,615	10,381,615	2.35	2.35

IV. A list of holdings of the issuer's shares or rights to them (options) by persons that manage or supervise the issuer as at the publication date of the quarterly report, together with an indication of changes to the holdings in the period since the publication of the previous quarterly report, individually for each person

As at the publication date of this quarterly report, persons managing or supervising the Company do not hold ENEA S.A. shares.

Pursuant to the Commercialisation and Privatisation Act of 30 August 1996, Mr Czesław Koltermann is entitled to obtain employee shares of ENEA S.A. at no charge.

V. Proceedings underway before courts, bodies appropriate for arbitration proceedings or public administration bodies:

a) proceedings related to the issuer's or its subsidiary's payables or debts, whose value is 10 per cent or more of the issuer's equity, including a description of: the subject of proceedings, the value of the dispute, the date the proceedings were initiated, the parties to the initiated proceedings and the issuer's position.

As at the publication date of this report, no proceedings are underway whose value would amount to 10 per cent or more of ENEA S.A.'s equity.

b) two or more proceedings regarding payables and debt, whose total value corresponds to 10 per cent or more of the issuer's equity, with an indication of the total value of proceedings within the group of payables and debts, together with the issuer's position on this matter and, with regard to the largest proceedings in the group of payables and the group of debts – with an indication of their subject, the value of the dispute, the date the proceedings were initiated and the parties to the initiated proceedings;

As at the publication date of this report, no proceedings are underway whose total value would amount to 10 per cent or more of ENEA S.A.'s equity. A description of other proceedings underway to which ENEA S.A. or members of its capital group are parties is included in Note 26.2-4 to the consolidated quarterly financial statement (p. 34 of this report).

VI. Information regarding the conclusion by the issuer or its subsidiary of one or more transactions with affiliated companies, if the value of these transactions (the total value of all transactions concluded from the beginning of the financial year) exceeds the zloty equivalent of EUR 500,000 – if they are not routine and typical transactions

A description of transactions concluded by the issuer or its subsidiaries with affiliated companies is included in Note 22 to the consolidated quarterly financial statement (p. 30 of this report).

VII. Information regarding the issuer or its subsidiaries granting credit or loan suretyships or guarantees – jointly to a single entity or a subsidiary of that entity, if the total value of the existing suretyships or guarantees is equivalent to 10 per cent or more of the issuer's equity

In the reporting period the issuer and its subsidiaries did not grant credit or loan suretyships or guarantees.

VIII. Other information which in the issuer's opinion is significant for evaluating its employment, asset or financial condition, its financial results or changes to them, as well as information that is significant for evaluating the issuer's ability to meet its obligations

Regardless of the information included in the remaining parts of the quarterly report, the following information regarding ENEA S.A.'s competitive advantage should be kept in mind:

Strong market position

We have a strong market position in Poland in all segments of the electrical power market, in which we conduct operations. According to ARE data for 2007, our share in the sale of electricity to end users in Poland in terms of volume was 14.6 per cent; the share in the distribution of electricity in Poland in terms of volume was 11.6 per cent, and in the electricity generation market in Poland in terms of volume it was 7.9 per cent. According to ARE data for 2007, we were the fourth largest entity in the electricity generation, distribution and trade sector in Poland.

Effective generation assets

A significant majority of the generation equipment in Poland's power system was produced between 1966 and 1985. The Kozienice power plant was built in the 1970s and since then it has undergone a number of modernisations, which have made it one of the most efficient coal-fired power plants in Poland. According to

data from the Polskie Elektrownie Business Association, among black coal-fired power plants the Kozenice power plant has one of the lowest carbon dioxide emission indices – in 2007 this index amounted to 860 kg/MW – and one of the lowest coal use indices per MWh of generated electricity – in 2007 this index amounted to 0.409 Mg/MWhBr

A diversified and stable client portfolio

The portfolio of clients to whom we sell electricity is stable and, to a large extent, diversified. Currently we sell electricity to approximately 2.3 million recipients, including some 2 million clients and 0.3 million business clients. In 2007 the value of electricity sales to our largest client did not exceed 3.2 per cent of the total value of electricity sold, and the share of the 10 largest clients did not exceed 15 per cent.

Vertical integration

As a result of the inclusion of the Kozenice power plant in the Group in October 2007, we have become a vertically integrated power company. At the end of Q3, nearly all the electricity generated by the Kozenice power plant, with the exception of electricity sold on the balancing market, as part of regulation system services, as well as insignificant amounts sold to local recipients, is sold to ENEA.

Convenient location for developing wind farms

Investments in renewable wind power are a significant element of our strategy. Our distribution network covers the north-western part of Poland, which due to the prevailing atmospheric conditions in this part of Poland – plenty of wind – is a good location for building wind farms. In the seaside region, considered an area very favourable for building wind farms, winds reach an estimated average of more than 6 m/s.

Independently of the above positive factors influencing the evaluation of the issuer's and its Group's employment, asset, financial conditions and their financial results, there are a number of factors identified as risks related to their operations and the environment in which they conduct those operations. A detailed description of risk factors is included in the issue prospectus for series C shares. Among them, the potential influence of circumstances described in Notes 26-28 to the consolidated quarterly financial statement (pp. 34-39 of this report) should be taken into consideration.

IX. Factors that in the issuer's opinion will influence the results it will achieve within at least the next quarter

One of the basic factors that will influence long-term results will be the execution of a strategy of implementing the following strategic goals:

Increasing operating effectiveness

A basic element of our strategy is to constantly increase operating effectiveness, aimed at reducing costs, and in effect to increase the profitability of our operations. In order to achieve this goal, within the next few years, we intend to:

- carry out further investment in the distribution network in order to connect new clients to the network and to ensure the delivery of electricity with given parameters, including those consisting of the expansion of the network, the construction of new MV/LV stations and exchanging cables for ones made of thermally dimensionally stable polyethylene;
- make the management of the distribution network more efficient in order to limit network losses, primarily losses resulting from the illegal use of electricity, by systematic inspections and regular monitoring, as well as the introduction of a system that will make possible efficient reporting on the status of the power grid;
- carry out further investment with regard to the modernisation of the Koziernice power plant, aimed at maintaining the optimal efficiency of power generation and raising the reliability of its generation, as well as limiting its impact on the natural environment. In order to do so, we plan, among other actions, the construction of a de-sulphuring plant and the modernisation of electrofilters;
- conclude the integration of generation operations with trading, including within the scope of integrating the computer systems of the Company and the Koziernice power plant, which will make possible the optimisation of production capacity use at the Koziernice power plant;
- make customer service more efficient, also by introducing computer-based CRM solutions (i.e. ones supporting customer relations management).

Increasing current and acquiring new generation capacities

Our long-term strategic goal is to obtain access to our own power generation sources with a potential that would make it possible to at least satisfy the electricity needs of all Group clients. The first step to the implementation of this strategy was the purchase of the Koziernice power plant in October 2007. Currently we are also holding talks and are analysing the possibility of acquiring more entities that generate electricity using conventional sources, including Zespół Elektrowni Pątnów-Adamów-Konin S.A. Detailed information in this regard is included in the issue prospectus for series C shares.

Investment in renewable energy sources and co-generation energy sources

The Group's current generation assets make it possible to only fulfil the requirement of obtaining renewable energy certificates and co-generated energy certificates to a very limited degree. Due to the forecast increases in requirements with regard to renewable and co-generated energy sources, we are taking action aimed at increasing control over costs related to the fulfilment of the requirements of the law within this scope. Detailed information in this regard is included in the issue prospectus for series C shares.

Further vertical integration of operations

As a result of the continuing liberalisation of the market and the Polish government's privatisation plans, we are analysing the possibility of obtaining access to our own coal deposits by taking over existing mines of both black and brown coal, and especially Kopalnia Węgla Brunatnego "Adamów" S.A. and Kopalnia Węgla Brunatnego "Konin" w Kleczewie S.A. in connection with our actions aimed at the planned takeover of ZE PAK. We are also negotiating with Katowicki Holding Węglowy S.A. and Kompania Węglowa S.A. regarding the possibility of purchasing mining assets held by these companies, including the Silesia mine owned by Kompania Węglowa S.A. Moreover, on 8 September 2008, together with Kopalnia Węgla

Brunatnego "Konin" w Kleczewie S.A. we established a company named PWE Gubin Sp. z o.o. with its registered office in Sękowice, whose aim will be to search for brown coal deposits in the area. Further information on this subject is included in the issue prospectus for series C shares.