

Gdansk, 13 September 2013

Interim Announcement

ENERGA Group Strategy Update

The Management Board of ENERGA SA ('Company') review and adjust strategy on an on-going basis based on market conditions and other factors relevant for the industry. Accordingly, the Company has recently revised the strategy announced in the interim announcement no. 20/2013, and the following constitutes the current strategy and investment plan, which substitute in its entirety any previously announced strategies:

The Company's principal goal is to create value for its shareholders and other stakeholders, by developing the Group as an increasingly efficient and innovative company, which is flexible to adapt to changes in market conditions, maintains a low risk business profile and conservative capital structure and is an increasingly reliable distributor, a preferred supplier and an environmentally-friendly producer of energy.

The Group's strategy is to maintain a leading position amongst Polish utilities and further increase efficiency and service quality through the joint efforts of dedicated and committed employees. The strategy is based on three core pillars: (i) further development of distribution business, (ii) minimisation of environmental impact; and (iii) continuous focus on customer service.

The Group's priority in respect of the distribution business will be to increase its profitability, improve the quality and reliability of service and continue to connect new customers and renewable energy sources to our grid. These goals will be achieved in particular through modernisation and expansion of the distribution network and increase of its operational efficiency.

The ENERGA Group aims at minimising its environmental impact by further developing environmentally-friendly energy sources, including investments in renewable energy sources, and by supporting the efficient use of energy. The Group will use commercially proven technologies and processes that reduce greenhouse gas emissions in generation and distribution.

The ENERGA Group continuous focus on customer service will help increase customer satisfaction with the quality of service and maintain strong long-term relationships with ENERGA's customers. The Group will deliver high quality products and services to its customers reliably in a cost-effective way.

One of the key tools for the implementation of the strategy is the Investment Programme. The Group applies thorough financial analysis aimed at ensuring that the investment projects undertaken meet or exceed its minimum internal rate of return requirements. ENERGA seeks to evaluate, make investments and manage business risks prudently whilst maintaining a conservative capital structure. Currently, the Group is pursuing the following financial targets: (i) sustaining investment grade credit ratings; (ii) capping outlays for a single project up to the value of the Group's annual EBITDA; and (iii) maintaining a conservative level of financial indices, the objective being to maintain the Net Debt/EBITDA at a level not exceeding 2.5x.

Currently, the Investment Programme comprises potential investments of up to PLN 19.7 billion in the period from the year 2013 to 2021. Of this amount, approximately PLN 15.9 billion represents investments in projects that the Group considers essential for the implementation of the strategy and have a relatively low dependence on external factors, such as, in particular, regulatory changes and market conditions. They consist mostly of projects that facilitate growth in efficiency of the distribution segment and the Group's generation capacity in RES and cogeneration, with total outlays on distribution around PLN 12.5 billion, on RES around PLN 1.7 billion, on system power plant and CHP around PLN 1.1 billion and other investments around PLN 0.6 billion. The remainder of approximately PLN 3.8 billion of potential capital expenditures, with 82% share of RES, represent optional investment projects that are subject to market as well as regulatory conditions and their implementation will in each case depend on the results of an analysis of the project viability, cost-effectiveness and risks involved in its execution. Hence, it cannot be excluded that not all or even none of them will be implemented.

Legal Grounds:

Rules and Regulations of Luxemburg Stock Exchange, article 904, point (xi)