Dear Ladies and Gentlemen, Dear Shareholders,

On behalf of the Management Board of PGE Polska Grupa Energetyczna S.A. it is my pleasure to present you this standalone and consolidated financial report of the company for the year 2009. This past year was a year of great efforts that brought us measurable results and built the foundation for dynamic growth in the years to come.

The 2009 consolidated net profit attributed to the shareholders of the holding company increased by more than 75% year to year. The consolidated EBITDA increased year to year by more than 36% whereas the EBITDA margin increased from 30.1% to 36.9% in 2009. Our EBITDA less revenues from compensation received for the termination of Long-term Contracts (LTC) increased year to year by more than 42% whereas the EBITDA less LTC margin reached 32.1%.

Thanks to your trust we made our debut on the Warsaw Stock Exchange following the largest public offer in Europe in 2009. This is our great success and also a stimulus to continue improving the efficiency of the Capital Group that has been entrusted to our management. We are satisfied with our Stock Exchange presence while also being aware of the obligation related thereto. It is our goal to be a transparent company worthy of your trust. It is my promise to you that we will do our best to keep our relations with investors and analysts at the best possible level.

We wish to be the leading energy group of our region and to this end we have undertaken a series of strategic actions in 2009 to achieve this goal. We have prepared a consolidation program for our group thanks to which our organizational structure will be simplified already in 2010 thus contributing to better group management quality and operational efficiency. We have initiated and continue, according to plan, the investment program which is the largest investment program in the Polish energy industry. The construction of a new 858 MW unit in Bełchatów is underway which once commissioned in 2011 will increase our share in the domestic energy generation market. Intensive work is also continued in other locations. In 2010 we shall complete the tender for the new units in the Opole Power Plant and we will announce a tender for the Turów Power Plant. Furthermore, we are working on a series of smaller yet highly profitable projects in all our companies.

Finally, it is also worth mentioning that we have initiated a construction program of nuclear power plants. We are aware of the importance of this challenge. The success of this venture shall affect not only the success of our group but the energy safety of Poland. We expect that energy generated by the first Polish nuclear power plant will be available as soon as 2020. This is why intense preparations are being made today. We have already appointed two working groups with technology suppliers whereas successive groups will soon be appointed. We are also working on selecting the most suitable locations. We will make a preliminary announcement of the first location in 2010.

Dear Ladies and Gentlemen,

In 2009 we have been successful thanks to all the employees of our capital group. I would like to take this opportunity to cordially thank each and every one of them for their commitment and great effort. Together we can build a strong and modern company. I am convinced that the growth strategy that we have adopted and continue to implement will lead us to further improvement of the value of PGE Polska Grupa Energetyczna S.A.

I hope you will enjoy reviewing our financial statements.

Tomasz Zadroga
President &CEO