



ZESPÓŁ ELEKTROCIĘPŁOWNI WROCŁAWSKICH

KOGENERACJA SA



THE DIVIDEND POLICY OF KOGENERACJA S.A.

I. Mission and the Dividend Policy

The Dividend Policy of KOGENERACJA S.A. is one of tools to carry out the mission of the Company which is as follows:

„Reliable heat and electricity supplier meeting expectations of customers and shareholders, building its value on:

- appropriate profitability,
- Staff competence and their mobilization to take action,
- work safety and respecting environment,
- modern and effective technology.”

II. The dividend

1. Dividend – a part of unit net profit of the Company, which is to be divided among its shareholders. The sums to be divided among the shareholders may not exceed the profits for the previous financial year and by the sums drawn from the supplementary and reserve capitals created out of profits which may be allocated for dividends. That amount shall be reduced by uncovered losses and by the sums which according to the law or the statutes should be allocated, from the profits for the previous financial year, to the supplementary or reserve capitals.
2. The proposal of the Management Board concerning division of profit or loss covering is presented in current reports and in annual financial reports of KOGENERACJA S.A.
3. The motions of the Management Board concerning division of profit or loss covering, and a dividend payment are submitted to be assessed by the Supervisory Board which presents written report of its assessment to the General Assembly. The General Assembly has the final decision about an amount of the dividend, setting a record date and its payment time taking proper resolutions on the subject.

III. The record date

The record date – such a set date that only shareholders owning shares of the company written on the account in National Depository for Securities at the end of the day are entitled to receive the dividend.

IV. The day of dividend payment

The day of dividend payment – the day on which the dividend is transferred to the shareholders.

V. Existing privileges with respect to dividends

There are no privileges with respect to dividends nor restrictions to payment thereof in the company.

VI. The rules of setting the amount of the dividend

1. In order to carry out the Mission of KOGENERACJA S.A. and ensure satisfying profitability level of capital employed to the shareholders the Management Board intends to regularly motion to the General Assembly for dividend payment between 40% and 65% of net profit gained by the company in the given financial year calculated on the basis of International Financial Reporting Standards used in EDF Group.
2. However, realization of the above intention depends to a significant degree on a current market situation, needs of financing the development of the Company and its Capital Group including especially amount of investment expenditure for strategic for the Company investments and it shall take into consideration keeping a proper level of a financial liquidity.
For example the motion of the Management Board for division of the profit for 2012 included allocating profit in a full amount for reserve capital injection, which may be used for financing important strategic investments for the Company in the future, including building desulfuring and denitrification installations in CHP Wrocław and building new facilities in CHP Czechnica. If realization of the investments mentioned above is not financed from other sources, in the future the Management Board of the Company may also motion for allocating as a whole or in part the net profit of the Company to finance the investment strategic for the Company.
3. The final decision concerning division of the net profit from every subsequent financial year shall be taken each time by the General Assembly of KOGENERACJA S.A.

VII. Record of dividend amounts paid from the profits of the Company gained in the years 2007-2012

Profit for the year	2007	2008	2009	2010	2011	2012
Net profit according to Polish standards (in th. PLN)	60 026	47 547	103 466	92 962	98 314	69 284
The amount of the profit designated for the dividend (in th. PLN)	30 545	30 545	52 150	52 150	65 709	0
The dividend per one share (in PLN/share)	2,05	2,05	3,50	3,50	4,41	0,00
Record day	8th July 2008	22nd September 2009	22nd September 2010	22nd July 2011	14th August 2012	---
The day of dividend payment	8th August 2008	13th October 2009	13th October 2010	10th August 2011	28th August 2012	---

VIII. The final provisions

1. This Dividend Policy shall be subjected to periodical verification.
2. The Management Board of the Company shall motion to the Supervisory Board for approval of this Dividend Policy in the above wording.