

Current report 26/2011

Subject: increase in the green energy production in EC Wrocław

Acting pursuant to article 56 section 1 item 1 of the Public Offering Act, the Management Board of KOGENERACJA S.A. hereby reports that on October 20, 2011, a meeting of the Supervisory Board was held, which approved the project regarding the increase in the green energy production in EC Wrocław in 2013 by modification of the BC-1 unit to make it suitable for 100% biomass firing.

For a number of years, the Company has undertaken environment-friendly measures based on a gradual replacement of the traditional fuel, i.e. hard coal, by biomass manufactured by Polish growers. Biomass firing enables generation of energy accompanied by a significant reduction in emission of greenhouse gasses (CO₂) as well as sulphur and nitrogen oxides.

Start-up of the modernised equipment scheduled for 2013 will result in an approximately 50% increase in the volume of the green energy produced by the Company.

At the same time, we have started to initially analyse the possibility of replacing coal with biomass in one of the two remaining major heat units in Wrocław.

The impact of the modification required in order to make BC-1 unit suitable for 100% biomass firing on the Company net financial result in 2014 is expected to reach approximately PLN 20 million.

Legal basis: Article 56 section 1 item 1 of the Public Offering Act – confidential information