

Current Report 34/2014

Subject: Establishing a mortgage on assets of significant value

The Management Board of KOGENERACJA S.A. hereby reports that on 16 October 2014, they were notified by the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Department, that on 7 October 2014, by making relevant entries into the land and mortgage registers, a joint contractual first-rank mortgage of PLN 146,630,916 was established:

- on the right of perpetual usufruct to the real property located in Wrocław, ul. Łowiecka, as well as on ownership titles to buildings and structures which constitute separate real property and to equipment being a separate subject of the ownership title, entered into the Land and Mortgage Register No. WR1K/00097112/4; and
- on the right of perpetual usufruct to the real property located in Wrocław, Plac Strzelecki, as well as on ownership titles to buildings and structures which constitute separate real property and to equipment being a separate subject of the ownership title, entered into the Land and Mortgage Register No. WR1K/00044316/8

kept by the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Department.

The joint mortgage was established for the benefit of EDF INVESTISSEMENTS GROUPE SA with its registered office in Brussels in order to secure the claims related to the repayment of the principal amounts and any interest in respect of the loans and related to loans, as well as other claims arising out of and described in detail in the loan agreement concerning the loan in the amount of PLN 122,192,430 to finance the project: *Designing, Construction, Start-up and Putting into Operation of the Flue Gas DeNOx System in EDF Polska S.A. and Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. within the Premises of Elektrociepłownia Wrocław*, reported in the Current Report 30/2014 on 1 August 2014.

As at 30 September 2014, the net value of the assets on which the above-mentioned mortgage has been established in the Issuer's books of account is PLN 168,321 thousand.

There are no relationships between the management and supervisory staff of the Issuer and EDF INVESTISSEMENTS GROUPE SA.

The relationships between the Issuer and EDF INVESTISSEMENTS GROUPE SA are as follows:

- a. EDFI SAS holds directly and indirectly (and EDF S.A. indirectly) 7,450,001 shares representing 50% of shares plus one share in the share capital of the Issuer and as far as votes at the General Meeting of the Issuer are concerned:
- held directly by EDFI SAS and indirectly by EDF – 2,483,830 shares, representing 16.67% of the total number of shares in the share capital and votes at the General Meeting,
 - held indirectly by EDFI SAS and indirectly by EDF – 2,642,869 shares, representing approximately 17.74% of the total number of shares in the share capital and votes at the General Meeting, held by EDF Polska SA,
 - held indirectly by EDFI SAS and indirectly by EDF – 2,323,302 shares, representing 15.59% of the total number of shares in the share capital and votes at the General Meeting, held by EDF Investment III, a subsidiary of EDFI SAS (and indirectly also of EDF).

EDF S.A. holds directly 100% of shares of EDFI SAS.

- b. EDF S.A. holds directly 100% of shares of SOCIÉTÉ C3 S.A.S. SOCIÉTÉ C3 S.A.S. holds 95.51% of shares of EDF INVESTISSEMENTS GROUPE SA (indirectly EDF S.A. holds 95.51% of shares of EDF INVESTISSEMENTS GROUPE SA).

The value of the mortgaged assets exceeds 10% of the value of the Issuer's equity.

Detailed legal basis: article 56 section 1 item 2 of the Public Offering Act – current information, § 5 section 1 item 1 and § 7 of the Ordinance by the Minister of Finance of 19 February 2009 on current and interim information communicated by issuers of securities and on the conditions for regarding as equivalent the information required by the provisions of law in force in a non-Member State (Dz. U. [Journal of Laws] No. 33 item 259 as amended).