

Current Report No. 9/2013

Date of preparation: 29 March 2013

Subject: Conclusion of an Additional Agreement, an Annex to the Annual Agreement and an Annex to the Significant Agreement with ENEA Wytwarzanie S.A.

General legal basis: Article 56.1.2 of the Act on Public Offering - current and periodic information

Content:

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka (the Company) hereby informs you that on 29 March 2013 it concluded an Annex to *Long-Term Agreement for the supply of power coal No. UW/LW/01/2010 (the Long-Term Agreement)* with ENEA Wytwarzanie S.A. with registered office in Świerże Górne, 26-900 Kozienice 1.

The Annex provides for an increase in the volume of coal supplies to the power units of the ENEA Wytwarzanie Power Plant in Kozienice within the scope of the Long-Term Agreement in 2014, 2015 and 2016.

The Management Board further informs you that on 29 March 2013 an Annex was concluded to the *Annual Agreement for the supply of power coal in 2013 (the Annual Agreement)* which is attached to the Long-Term Agreement as Appendix 4. The Company informed of the Annual Agreement in its Current Report No. 3/2013 of 15 January 2013.

The Annex sets out terms of coal supply for 2013 covered by the Annual Agreement which is valid from 1 January 2013 to 31 December 2013 and concerns basic coal supplies in 2013 for the ENEA Wytwarzanie Power Plant in Kozienice, in compliance with the Long-Term Agreement.

Moreover, the Management Board informs you that on 29 March 2013 it concluded an *Additional Agreement for the supply of power coal in 2013 (the Additional Agreement)* with ENEA Wytwarzanie S.A. This is a separate agreement outside the scope of the Long-Term Agreement which increases the volume of supplies to the ENEA Wytwarzanie Power Plant in Kozienice as compared to the volume specified in the Long-Term Agreement.

The Additional Agreement is valid from 1 April 2013 to 31 December 2013 and concerns additional coal supplies in 2013 for the purposes of the ENEA Wytwarzanie Power Plant in Kozienice. These supplies are in addition to those specified in the Annual Agreement.

The Additional Agreement provides for the following liquidated damages: A Party to the Additional Agreement that fails to collect or supply the contracted volume of coal on quarterly basis pays the other Party liquidated damages in the amount of 20% of the value of coal which has not been collected or supplied.

Each Party is entitled to terminate the Additional Agreement at one month's notice which commences on the first day of a month following a month in which notice was given. A Party terminating the Additional Agreement is obliged to pay to the other Party liquidated damages in the amount of 20% of the value of coal which has not been collected or supplied.

Other terms and conditions of the Additional Agreement do not differ from market standards applied in such agreements.

The value of the said Agreements (the Annual Agreement and the Additional Agreement) binding upon LW Bogdanka S.A. and ENEA Wytwarzanie S.A. **in 2013 amounts to PLN 794 million net**, while the value of the entire Long-Term Agreement effective for the supplies between 2011 and 2025 currently amounts to **PLN 11,166 million net**.

The criterion for deeming concluded agreements to be significant is that they exceed 10% of the value of the Company shareholders' equity.

Legal basis for submitting the report: Article 5.1.3 of the Regulation of the Minister of Finance on the Stock Exchange