

Current Report No. 14/2012

Date of preparation: 23 April 2012

Subject: Denial of a statement published by the *Dziennik Gazeta Prawna* daily

General legal basis: Article 56.1.1 of the Act on Public Offering – confidential information

Content:

In connection with the statement published in the *Dziennik Gazeta Prawna* daily's article of 23 April 2012 that LW Bogdanka S.A. with registered office on Bogdanka (the Company) has signed an agreement with China National Electric Engineering Corporation, the Company's Management Board hereby informs you that the agreement referred to in the article has not been concluded. The Management Board hereby wishes to take a stance on this matter.

The Company has received a proposal from China National Electric Engineering Corporation to sign a Letter of intent concerning cooperation on the execution and financing of the project consisting in converting the heating plant in Bogdanka into a heat and power plant generating 69 MW(t) and 77 MW(e) (the Project) by Łęczyńska Energetyka Sp. z o.o.

After necessary corporate approvals are issued by the Company, this proposal will only constitute a statement on the Parties' will to establish cooperation and a basis for further negotiations concerning such issues as the principles of the Project execution and the structure of its financing. It will not provide grounds for establishing any binding legal liabilities.

In the case of undertaking binding legal liabilities concerning the Project execution, the Company will inform of this fact in a current report.

Legal basis for submitting the report: Article 56.1.1 of the Act on Public Offering – confidential information