Fact Sheet as of 31 December 2018

TAURON Group's

operations

About TAURON Group

TAURON Group is one of the largest companies and second largest verically integrated electrical utility group in Poland.

TAURON Group's operations cover all elements of the electricity value chain. The Group employs approx. 26 thousand people. Since 2010 TAURON's shares are listed on the Warsaw Stock Exchange.

The Company is included in the following indices (among others): MSCI Emerging Markets, WIG20, WIG30, RESPECT Index.

Market position



Largest electricity distributor in Poland

Share in electricity distribution to final customers - approx. 38%



Second largest electricity supplier in Poland

Share in electricity supply to final customers approx. 26%



Approx. 29% of Poland's thermal coal resources

is controlled by TAURON

5.0 GW 16.2 TWh 5.0 mt Hard coal Installed Gross electricity production capacity

Generation of

electricity and heat

Distribution of electricity

electricity

Sales of electricity

and gas

18.1 PLN

Distribution and

sales of heat

Group's Assets



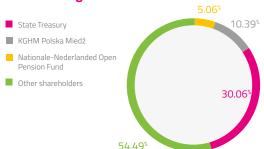
power plants Wind farms



Efficiency Improvement Program

Area		Savings planned for 2016-2018	Progress
Mining	PLN 283 m	PLN 255 m	111%
Generation (including RES and heat)	PLN 530 m	PLN 367 m	144%
Distribution	PLN 614 m	PLN 390 m	157%
Other	PLN 293 m	PLN 291 m	101%
Total	PLN 1 719 m	PLN 1 303 m	132%

Shareholding structure



Key projects



Capacity: 450 MWe



Capital Expenditures by segment (PLN m)



Selected financial data

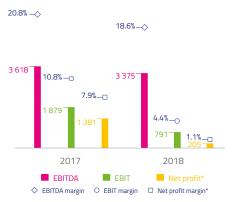




^{*} Costs of sales, selling and distribution expenses, administrative

EBITDA structure





^{*} Net profit and net profit margin attributable to shareholders of the parent company

Strategy

Asset

Trade

Corporate

Support

Management/

Management and

Development

Customer and



Key segments' results (2018)

(PLN m)	Mining	Generation	Distribution	Supply
Sales revenue	1 266	4 638	6 158	14 074
EBITDA	-207	731	2 517	321
EBIT	-1 053	197	1 417	306

Business model

Process streams



- » shaping external and internal environment, communications
- » setting expansion directions taking into account regulatory, business and
- » overseeing implementation of the strategy in the organization
- **Finance** » finance, risk and IT management
 - » coherent and efficient asset management aimed at ensuring the required efficiency rate in the most cost-efficient manner
 - » fostering the Group's operations growth through R&D and innovations
 - » managing customer relations and experience in interactions with TAURON Group expanding cooperation between lines of business (to satisfy customer needs and generate additional revenue streams/margin)
 - » optimizing the Group's trading operations on wholesale and retail markets

 - » developing corporate governance and the Group's management principles reorganizing (formal) and restructuring (operational) of the operations
 - » supervision over quality and efficiency of the support processes

Major events

8 March O New financing obtained to complete the construction of the unit at Stalowa Wola	ne C
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9 March 👌	Extending the period of availability of funds under the Bond Issue
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13 June TAURON and PFR establish Poland's first Corporate Venture Capital fund for developing innovations

2 October Commencement of the negotiations on acquiring wind farms with total capacity of approximately 200 MW, located in the

north of Poland, owned by in ventus group

4 October Commencement of the commissioning of the 910 MW power generating unit in Jaworzno

November-December Participation in three capacity market auctions with delivery in 2021-2023. TAURON Group's total revenue from the auctions

will reach over PLN 4.8 billion by 2037 13 December Signing of hybrid financing agreements for the total amount

of PLN 750 million with the European Investment Bank and signing of a PLN 1 billion worth loan agreement with Bank Gospodarstwa Krajowego

Launch of carsharing service and electric vehicles charging infrastructure in Katowice

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