

The Company's Position on the Warsaw Stock Exchange

PGNiG SA, whose stock-exchange debut took place on September 23rd 2005, ranks among the largest Polish companies listed on the Warsaw Stock Exchange (WSE). It holds the status of a "Golden Company", and its stock is included in both the WIG20 index (since December 15th 2005), and the prestigious emerging markets equity index sponsored by Morgan Stanley Capital International Inc. (MSCI). The Company is one of the seven fuel sector companies comprising the industry index WIG-Paliwa.

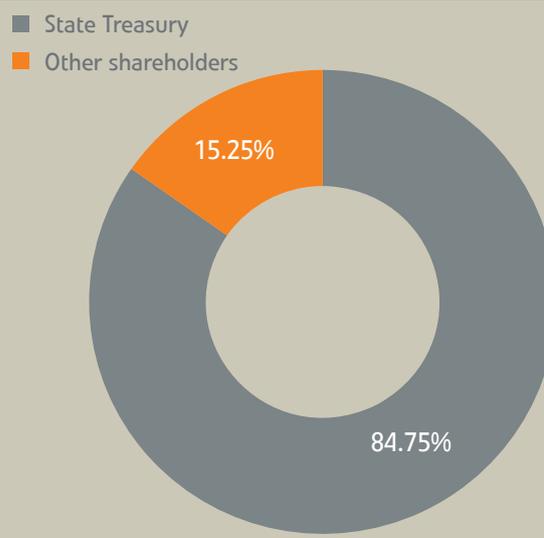
Shareholder Structure

As at December 31st 2008, PGNiG SA's share capital amounted to PLN 5,900,000,000 and was divided into 5,900,000,000 shares with a par value of PLN 1 per share. The shares of all series, that is Series A, A1 and B, are ordinary bearer shares, and each confers the right to one vote at the General Shareholders Meeting. The Articles of Association of PGNiG SA do not provide for any voting restrictions in respect of the Company shares. The State Treasury, holding nearly 85% of the shares and the same percentage of the total vote at the General Shareholders Meeting, is the majority shareholder. The remaining shares are in free float.

The shareholder structure changed on June 26th 2008, when the State Treasury sold one share in PGNiG SA on general terms. Consequently, pursuant to Art. 38.2 of the Commercialisation and Privatisation Act of August 30th 1996, on October 1st 2008, the eligible employees of the Company obtained the right to acquire, free of charge, PGNiG SA shares (the right will expire on October 1st 2010).

The eligible employees may acquire, free of charge, up to 15% of the shares acquired by the State Treasury on the date of entering PGNiG SA into the relevant register, that is up to 750,000,000 shares with a par value of PLN 1 per share (representing, after the share capital increase in 2005, 12.71% of the share capital). The shares acquired free of charge by the eligible employees may not be traded until July 1st 2010, while trading in the shares acquired by members of the Company's Management Board is restricted until July 1st 2011.

SHAREHOLDER STRUCTURE AS AT DECEMBER 31ST 2008



Investor Relations

Our investor relations activities are centred around mandatory activities prescribed by law. The Company is obliged to make exhaustive and reliable disclosures on its operations and important events in its Group, by preparing regular reports which are made available on equal terms to each of the Company's existing and prospective shareholders.

As part of the investor relations efforts, we also undertake measures designed to maintain good communication with the capital market as a whole. Such measures include participation in road shows and foreign investor conferences, meetings with investors managing equity portfolios, and ongoing contacts with analysts. Moreover, the Investor Relations Division is responsible for the development and maintenance of our professional website, where information on the Company's current situation is available. In April 2008, the Retail Investor Association (SII) expressed its appreciation for the achievements of the Investor Relations Division by awarding PGNiG SA the first place among the fuel sector companies in the ranking of investor relations

Shareholder structure

Shareholder	Number of shares as at Dec 31st 2008	% of share capital held as at Dec 31st 2008	Number of votes as at Dec 31st 2008	% of total vote held as at Dec 31st 2008
State Treasury	4,999,999,999	84.75	4,999,999,999	84.75
Other	900,000,001	15.25	900,000,001	15.25
Total	5,900,000,000	100.00	5,900,000,000	100.00

quality. In February 2009, PGNiG SA ranked fifth in the investor relations ranking prepared by the Puls Biznesu daily; it was the best score among the companies in which the State Treasury holds equity interests and the second-best among the blue chips listed on the WSE. Over one year we moved up in the ranking by 50 places.

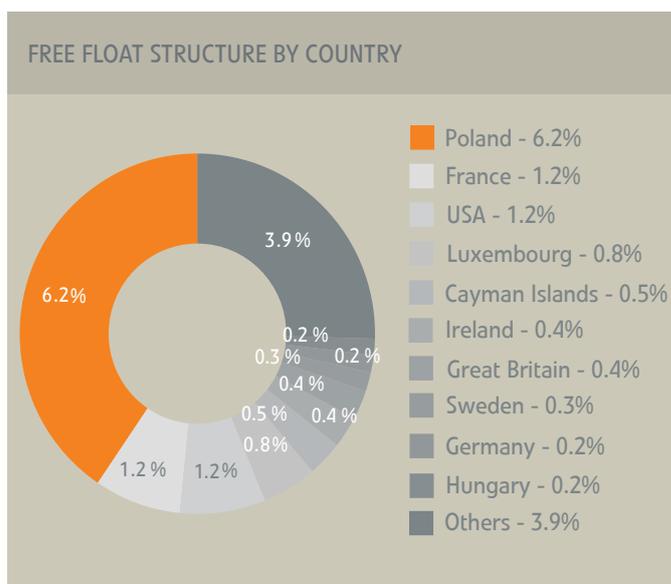
Performance of the PGNiG SA Stock in 2008

Over 2008, the price of the PGNiG SA stock fell by 29.4%, from PLN 5.10 per share as at December 28th 2007 to PLN 3.60 per share as at December 31st 2008. Factoring in the dividend payment of PLN 0.19 per share, the rate of return on the Company stock was negative, at -25.7%. In 2008, the highest closing price was recorded on January 8th (PLN 5.47), and the lowest on September 17th (PLN 2.98). Over the year the price of the Company shares peaked on January 9th 2008 at PLN 5.57, and the year's low was PLN 2.92 on October 10th 2008.

In 2008, the WIG and WIG20 indices dropped by 51.07% and 48.21%, respectively, while the main index reflecting the situation in the fuel sector, WIG-Paliwa, went down by 46.75%. The outperformance of PGNiG SA over the same time attests to a relatively large interest in the Company stock and consistent development of our investor relations.

As at December 31st 2008, when compared with the respective figures for December 28th 2007, the weight of PGNiG SA in each of the indices increased as follows:

- in WIG – from 2.24% to 3.33%;
- in WIG20 – from 3.88% to 5.06%;
- in WIG-Paliwa – from 19.41% to 26.89%.



In 2008, the main driver of the fluctuations of stock exchange indices globally was information on the economic developments in the United States. The financial crisis pushed down stock prices all over the world. The Warsaw Stock Exchange was not spared. It should be stressed here that the price of the PGNiG SA stock was affected by the global macroeconomic situation, and investors' decisions were not based on the Company's announcements.

Performance of the WSE indices and the PGNiG SA stock in 2008

	Value/price as at Dec 28th 2007	Year's high	Year's low	Value/price as at Dec 31st 2008	Rate of return	PGNiG SA weight in the index as at Dec 31st 2008
WIG	55,649	55,521	24,853	27,229	- 51.1%	3.33%
WIG20	3,456	3,432	1,547	1,790	- 48.2%	5.06%
WIG-Paliwa	3,548	3,636	1,738	1,889	- 46.8%	26.89%
PGNiG SA	5.10	5.47	2.98	3.60	- 29.4%	NA

Source: WSE.

Comparison of the rate of returns for the WSE indices and PGNiG SA stock

	2006 rate of return	2007 rate of return	2008 rate of return	Change [p.p.]
WIG	39.9%	8.7%	- 51.1%	-59.8
WIG20	21.9%	3.2%	- 48.2%	-51.4
WIG-Paliwa	-12.6%	9.2%	- 46.8%	- 56.0
PGNiG SA	3.7%	37.1%	- 29.4%	- 66.5

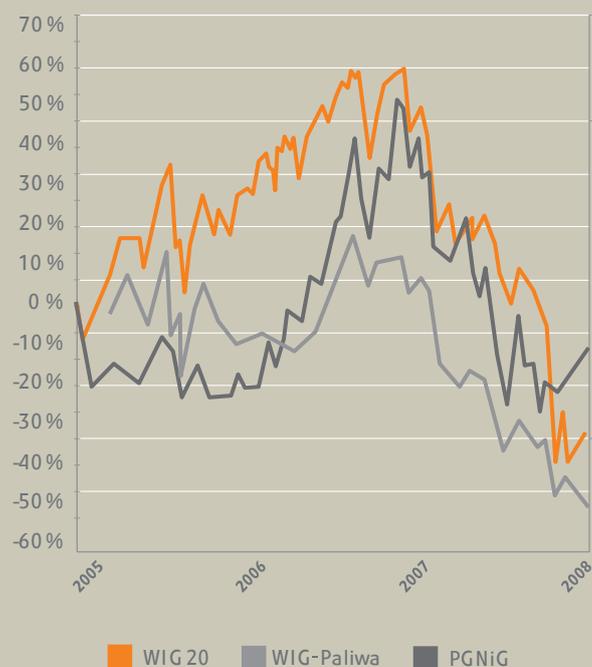
Source: WSE.



PGNiG TOCKS RICE P WIG. DEXINW



PERCENTAGE CHANGES IN PGNIG STOCK PRICE, THE WIG20 INDEX AND WIG-PALIWA INDEX REBASED TO THE COMPANY'S DEBUT



Analysis of the PGNiG SA Stock Price in 2008

January 4th 2008

SNC Lavalin Services Ltd won the tender for the design of the LNG regasification terminal in Świnoujście, with the price of PLN 26m. Investors rewarded the selection of this Canadian company, and the price of PGNiG SA stock moved up by 1.9%, to PLN 5.30. On the other hand, in late January and early February, significant declines were recorded, often without any relation to the events disclosed in the Company's reports. The market momentum was slowly diminishing, which had a bearing on the performance of our stock: between January 10th and February 21st, the price went down by about 20%.

February 25th 2008

Polish Oil&Gas Company - Libya B.V., a subsidiary of PGNiG SA, signed the Exploration and Production Sparing Agreement (EPSA) with the Libyan state-owned National Oil Corporation (NOC). The news of the expansion of PGNiG SA's exploration and production operations in Libya had a favourable effect on the price of our stock – on the date of the announcement, the price went up by 1.2%, to PLN 4.40.

February 28th 2008

The Q4 2007 consolidated report was released. Our financial result was adversely affected by impairment tests for non-current assets performed at the distribution companies. Since PGNiG SA had earlier published information on the impairment charge and its amount, the worse performance came as no surprise to the market. The stock price increased by 2.6%, to PLN 4.43.

March 12th 2008

A new Management Board of PGNiG SA was appointed. The market responded positively to the new Board, composed – as emphasised in the comments – of persons who had been active in the fuel industry for years and had consummate knowledge of PGNiG SA's operating environment. As a result, the price of the Company stock increased by 0.7%, to PLN 4.77 per share.

April 11th 2008

PGNiG SA received the decision issued by the President of the URE, approving, as of April 10th 2008, a new gaseous fuel and charge rate tariff. The wholesale price of gaseous fuel was increased by 15.3%, while charge rates grew by 14.3% on average. The Company originally applied for a 30% increase in the tariff prices. Accordingly, the increase lower by half adversely affected the price of the PGNiG SA stock. On that day, the price dropped by 6.2%, to PLN 4.41.

April 29th 2008

The Company published its consolidated 2007 report. The operating profit and net profit disclosed in the annual report were lower by PLN 450m and PLN 336m, respectively, than the respective figures previously released in the Q4 2007 report. The adjustments resulted from the creation of additional provisions for the cost of reclassifying items of property, plant and equipment from lease, and from a change in impairment charges for assets. As a consequence, the price of PGNiG SA stock fell by 5.0%, to PLN 4.03.

May 14th 2008

The consolidated Q1 2008 report was published. The results exceeded expectations of the market and confirmed the PGNiG Group's well-established market position. The report met with a very good response from the investors – the price of the Company stock increased by 5.7%, to reach PLN 4.47. In the next month, given the inflow of more and more worrying news from the US property market, a strong downtrend set in on the WSE; the price of PGNiG SA stock went down again, by about 20%.

June 26th 2008

The Annual General Shareholders Meeting approved the distribution of the 2007 profit. The dividend was set at PLN 0.19 per share. Because the market expected higher dividend, between June 26th and July 1st the PGNiG SA share price fell by 7.0%, from PLN 3.42 to PLN 3.18.

July 30th 2008

The Supervisory Board approved the signing of an agreement with PBG SA for the development of the largest documented Polish crude oil and natural gas deposits, located near Lubiatów, Międzychód and Grotów. The announcement was very well received by stock market players; on the same day the PGNiG SA stock price grew by 5.3%, to PLN 3.75.

August 6th 2008

One of the economic newspaper published an article in which it suggested that PGNiG SA's financial figures for the second quarter of 2008 would be much worse than the market forecasts. The news frightened investors and, as a result, the Company's stock price fell by 7.7%, to PLN 3.58.



August 13th 2008

PGNiG SA presented the consolidated report for the second quarter of 2008, which confirmed the market's concerns that the Company's financial performance would fall short of expectations. On the same day, PGNiG SA published a current report in which its forecast of the natural gas production volume in 2008 and 2009 was revised downwards. The market reacted immediately – at market close our stock price fell by 3.3%, to PLN 3.48.

October 10th 2008

During trading hours the PGNiG SA stock price fell to its all-time low of PLN 2.92 (the issue price was PLN 2.98). Such a poor performance of the Company shares was the effect of the worsening financial crisis and indiscriminate withdrawal of foreign investors from the Warsaw Stock Exchange. During the subsequent days our share price recovered – on October 14th the PGNiG SA stock traded at PLN 3.39.

October 17th 2008

PGNiG SA received the decision of the President of the URE approving changes in the tariff for gaseous fuels. The charges increased on average by 8.0%, while the wholesale price of natural gas grew by 11.1%. Considering very high crude oil prices in the third quarter of 2008, which translated into a significant rise in the price of imported gas, investors found the tariff increase too small. This had a negative effect on the Company's stock price, which fell by 4.4%, to PLN 3.08. During the subsequent days the market sentiment improved – the PGNiG SA stock price reached PLN 3.28 as soon as on October 21st.

November 13th 2008

The consolidated report for the third quarter of 2008 was published. PGNiG SA's financial figures turned out to be in line with the market forecasts. On the same day, the Company also announced its Strategy until 2015. The response of the investors was neutral. The closing price on that day was PLN 3.50.