

# Letter from the Chairman of the Supervisory Board



With stable rating outlook, we are looking ahead to the future with optimism, trusting that the company will continue pursuing the growth path, which will ensure both safe and secure gas supply to all customers and a satisfactory return on investment for the shareholders.

Ladies and Gentlemen,

One of the most noteworthy developments in 2006 was the adoption of the "Growth Directions of the PGNiG Group for the Years 2006-2011". The document sets out the primary goals for the Company, including the strengthening of its financial position, increase of the domestic gas production, expansion of the storage capacity and diversification of the sources and directions of gas supply to Poland. The latter one is a strategic objective of PGNiG.

The Supervisory Board has been continuously overseeing the progress on the projects launched by the Management Board into the implementation phase in 2006. Three of them are particularly worth mentioning, i.e. the acquisition of interests in the fields in the Norwegian Continental Shelf, decision on LNG terminal construction in Świnoujście and the integration of the trading function within PGNiG, in accordance with the requirements of the European Gas Directive.

Among other highlights, we noted intensified international activity of the exploration subsidiaries and ongoing increase of the storage capacity in line with the time schedule set out in the Act on mandatory stocks of crude oil, petroleum products and natural gas, which was under consultations in 2006.

The Supervisory Board is glad to recognise that, given such magnitude of the investment program, the IPO objectives are being effectively realised with the funds raised through the share issue, and the company value is consistently growing. The record high financial results achieved by the company in 2006 are yet another reason for satisfaction. The revenues of the PGNiG Group reached PLN 15.2 bn. Summing up the year 2006, on 5 February 2007, Standard & Poor's upgraded the rating of PGNiG to BBB+.

With stable rating outlook, we are looking ahead to the future with optimism, trusting that the company will continue pursuing the growth path, which will ensure both safe and secure gas supply to all customers and a satisfactory return on investment for the shareholders.

Andrzej Rościszewski  
The Chairman of the Supervisory Board

A handwritten signature in blue ink, appearing to read 'Andrzej Rościszewski'.

Warsaw, May 2007