



The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG", "the Company") hereby publishes a draft resolution to be submitted to the Extraordinary General Shareholders Meeting of PGNiG convened for December 21st 2010.

**Resolution No. ...**  
**by the Extraordinary General Shareholders Meeting**  
**of Polskie Górnictwo Naftowe i Gazownictwo Spółka Akcyjna**  
**of Warsaw**  
**dated .....**

**concerning:** approval for subscription for shares in PGNiG Technologie Sp. z o.o. and sale of shares in consolidated companies

Acting pursuant to Par. 56.6 and Par. 56.6.1) of the Company's Articles of Association, and based on the positive opinion of the Supervisory Board, expressed in Resolution No. .... of ....., on the Management Board's proposal contained in Resolution No. .... of ....., the Extraordinary General Shareholders Meeting hereby resolves as follows:

Par. 1

The Extraordinary General Shareholders Meeting hereby approves PGNiG SA's subscription for 118,348 (one hundred and eighteen thousand three hundred and forty-eight) new shares in the increased share capital of PGNiG Technologie Sp. z o.o. of Warsaw, with a par value of PLN 1,000 per share.

Par. 2

The Extraordinary General Shareholders Meeting hereby approves PGNiG SA's disposal of shares in the following companies:

- 39,220 shares in BUG Gazobudowa Sp. z o.o. of Zabrze (a wholly-owned subsidiary of PGNiG SA);
- 9,244 shares in ZRUG Sp. z o.o. of Pogórska Wola (a wholly-owned subsidiary of PGNiG SA);
- 39,751 shares in BN Naftomontaż Sp. z o.o. of Krosno (in which PGNiG SA holds an 88.83% interest);
- 23,500 shares in ZUN Naftomet Sp. z o.o. of Krosno (a wholly-owned subsidiary of PGNiG SA);

as part of the share capital increase at PGNiG Technologie Sp. z o.o., referred to in Par. 1.



This Resolution shall take effect as of its date.

**Grounds:**

At its meeting held on June 16th 2010, the Management Board of PGNiG SA adopted a decision establishing the development path and concerning consolidation of the Group's construction and assembly services companies (hereinafter referred to as the construction companies) by their incorporation into Górnictwo Naftowe Sp. z o.o., to be performed within 12 months. At the same meeting, the Company's Management Board designated a candidate for the President of the Management Board of Górnictwo Naftowe Sp. z o.o. and obliged him to take steps designed to resume operations and change the name of Górnictwo Naftowe Sp. z o.o.

In performance of resolutions by PGNiG SA's Management Board, Supervisory Board and Extraordinary General Shareholders Meeting, on July 30th 2010, the General Shareholders Meeting of Górnictwo Naftowe Sp. z o.o. adopted a resolution to change the composition of the company's Management Board, increase the company's share capital, and amend the company's Deed of Incorporation (including a change of the company's name to PGNiG Technologie Sp. z o.o.).

The company's increased share capital and amended Articles of Association were registered with the National Court Register on August 24th 2010. Currently, the share capital of PGNiG Technologie Sp. z o.o. amounts to PLN 2,050,000.00.

The concept for consolidating the construction companies of the PGNiG Group provides for merging the companies within the Group. The decision to follow this scenario is supported by a number of considerations, including mainly the general consolidation trends which have already been observed on the engineering and construction market and infrastructure construction market.

The emergence of a new consolidated entity on the market will by itself create a new quality there. In a longer time horizon, after a period of internal stabilising and restructuring, the consolidation process should lead to a material increase in the value of PGNiG SA's long-term investment in the companies in question. For the companies, the participation in the consolidation process and implementation of a strategy providing for achieving a position of a major player on the infrastructure construction market creates additional growth opportunities. The increased capital strength of the consolidated structure and strengthened management of comprehensive projects in the area of project preparation, logistics, supervision, etc., would enable the construction companies to strengthen their market position and execute major orders outside of the PGNiG Group in the future.

It is assumed that the successful completion of the construction companies consolidation process will deliver synergies and economies of scale for the Group in the long term, which in turn will enhance its bargaining power and competitive advantage on the domestic and international markets for contractor services.



It is assumed that PGNiG Technologie Sp. z o.o., to which the contributions in kind will be made in the form of shares in the construction companies, would be responsible for strategic supervision over the contractor and engineering companies, as well as for the restructuring of the asset base and developing a business strategy for the near future.

The assumptions for the consolidation concept for the construction companies of the PGNiG Group provide for the following consolidation process:

- establishment and preparation of the consolidating company (completed);
- contribution of shares in four of PGNiG SA's subsidiaries to PGNiG Technologie Sp. z o.o. (currently under way as per this proposal);
- merger of PGNiG Technologie Sp. z o.o. and the four companies (full consolidation assumed to be completed by the end of 2011).

As part of the share capital increase at PGNiG Technologie Sp. z o.o., PGNiG SA would acquire shares with a total value of up to PLN 118,348,137.00. The shares would be covered with a cash contribution and non-cash contribution in the form of:

- shares in the following companies of the PGNiG Group: BUG Gazobudowa Sp. z o.o., ZUN Naftomet Sp. z o.o., BN Naftomontaż Sp. z o.o. and ZRUG Sp. z o.o. of Pogórska Wola (with a total value of PLN 117,848,137.00); and
- a cash contribution of PLN 0.5m.

As PGNiG Technologie Sp. z o.o. would have to incur costs and expenses connected with the increase in the company's share capital (including taxes, notarial fees, etc.), it is proposed that the company's share capital be increased by way of a PLN 0.5m cash contribution, which would provide the company with the necessary working capital and guarantee its financial liquidity if it is required to settle additional liabilities prior to a subsequent capital increase. Given the fact that PGNiG Technologie Sp. z o.o. would have to take further steps in the consolidation process and restructure PGNiG SA's claims against the consolidated companies, which would require specific costs to be incurred, the Management Board of PGNiG SA does not exclude an optional further share capital increase at PGNiG Technologie Sp. z o.o. in 2011.