

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, August 18th 2006

Current Report No. 60/2006

Conclusion of a Natural Gas Supply Agreement Between PGNiG and VNG
Current Report No. 60/2006 dated 18 August 2006
The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. (PGNiG) hereby reports that on August 17th 2006 PGNiG signed an agreement on the sale of natural gas (the Agreement) with Verbundnetz Gas Aktiengesellschaft of Leipzig, Germany (VNG). Under the Agreement, in the period from October 1st 2006 to October 1st 2008 PGNiG will purchase up to 500m m³ of gas annually. The agreement also stipulates that for the period from October 1st 2008 to October 10th 2016 the supplies made under the existing contract with E.ON-Ruhrgas A.G. and VNG will be replaced with annual gas supplies from VNG of up to 400m m³. The estimated value of the agreement throughout the period of supplies is PLN 4.9bn. The Agreement is deemed significant within the meaning of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities, dated October 19th 2005, as its value exceeds 10% of PGNiG's equity.