

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, October 21st 2015

Current Report No. 75/2015

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Extension of the term of the supplemental agreement related to an agreement for the sale and purchase of liquefied natural gas with Qatargas

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The management board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("PGNiG" or the "Company") announces that on October 21st, 2015 a new supplemental agreement (the "Supplemental Agreement") was signed with respect to the agreement for the sale and purchase of liquefied natural gas (LNG) concluded on 29 June 2009 (the "SPA") between PGNiG and Qatar Liquefied Gas Company Limited (3) ("Qatargas"), with its registered office in Doha, Qatar, the conclusion of which was announced by PGNiG in current report No. 78/2009 of 29 June 2009.

The executed Supplemental Agreement extends the term of the previously agreed rules of the performance of the SPA determined in the supplemental agreement dated 9 December 2014, the conclusion of which PGNiG announced in current report No. 119/2014 of 9 December 2014.

Under the Supplemental Agreement, PGNiG and Qatargas amended the terms on which the SPA will be performed in the first half of 2016. In such period, Qatargas will market the quantities set forth in the SPA in other markets using its position as one of the leading producers and suppliers of LNG globally. At the same time, PGNiG will compensate Qatargas for the difference, if any, between the price of LNG specified in the SPA and the market price thereof obtained by Qatargas. If such price is lower than the lowest price satisfactory to PGNiG, the acceptance of the delivery of such unsold LNG will be postponed to subsequent years of the effective term of the SPA.

In the opinion of the management board of PGNiG, based on currently available information on LPG price forecasts for the first half of 2016 globally and natural gas prices in Poland, the Supplemental Agreement may allow PGNiG to improve in such period its financial result on trading in natural gas obtained under the SPA in comparison to the original scenario.

In addition, due to the considerations connected with ensuring the safety of supplies of natural gas to Poland, the Supplemental Agreement specifies the terms on which PGNiG and Qatargas will agree upon, on an as-needed basis, the supply of LNG in the first half of 2016 to the Świnoujście terminal after ensuring the full operational functionality of such terminal.

The management board of PGNiG, acting based on Art. 57 of the Act on Public Offering, the Terms Governing the Introduction of Financial Instruments to an Organised Trading System, and on Public Companies dated 29 July 2005, had delayed the public disclosure of information on the

commencement by PGNiG of specific negotiations with Qatar Liquefied Gas Company Limited (3) regarding further postponing the initiation of commercial deliveries of LNG to the Świnoujście terminal in connection with the Company becoming aware of the fact that the full operational functionality of such terminal would fall after 30 December 2015.