

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, October 3rd 2005

Current Report No. 110/2005

Current Report No. 110/2005 The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("PGNiG"), as a supplement to the financial statements for the first six months of 2005, hereby announces that PGNiG has been allowed by the regulator to increase the gas trading tariff by 7.5% as of 1 October 2005. This increase may not fully compensate for the increased cost of imported gas. As a result of the increased cost of imported gas and the allowed increase in the trading tariff, the Company's profitability in the fourth quarter of 2005 may be negatively impacted. This creates a risk that full year 2005 net income will be flat or marginally less than full year 2004 net income. PGNiG will have the opportunity to negotiate a further increase in the gas trading tariff in December, that would then be effective from 1 January 2006. The Management Board of PGNiG S.A. Stabilization/FSAThis report does not constitute an offer to sell securities nor an invitation to deliver an offer to purchase any securities. Dissemination of this report or the contents thereof outside the territory of Poland may be subject to legal restrictions. The persons who had access to this report or the content thereof are obliged to observe all of the restrictions applicable to the dissemination of documents defined in the offering prospectus outside of the territory of Poland which restrictions are fully applicable to the dissemination of this report and the contents hereof.