

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, October 18th 2005

Current Report No. 116/2005

Depositing 900,000,000 series B shares of PGNiG S.A. Current Report No. 116/2005
The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("PGNiG") hereby announces that, pursuant to Clause 40 section 2 and Clause 43 sections 1, 4 and 5, in conjunction with Clause 2 sections 1 and 4 of the Rules of the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych S.A.), hereinafter the "NDS", on 18 October 2005, the Management Board of the NDS adopted a resolution under which it resolved to record 900,000,000 (nine hundred million) ordinary bearer series B shares of PGNiG, with a nominal value of PLN 1.00 (one) each, at the NDS, as from 20 October 2005, and to mark them with the code PLPGNiG00014. Furthermore, the Management Board of the NDS stated that upon the series B shares of PGNiG being recorded at the NDS, the accounts maintained for the rights to the ordinary bearer series B shares (series B PDAs) of PGNiG marked with the code PLPGNiG00055 shall be closed. As from 20 October 2005, 5,150,000,000 (five billion one hundred and fifty million) PGNiG shares will be marked with the code PLPGNiG00014.

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.