

Key facts

The Gas Transmission Operator GAZ-SYSTEM S.A. was established on 16 April 2004 as PGNiG – Przesył Sp. z o.o. – 100% shares of the company were taken over at the time by Polskie Górnictwo Naftowe i Gazownictwo SA (PGNiG). From that moment, GAZ-SYSTEM S.A. has taken over supervision and responsibility for the transport of natural gas through strategic gas pipelines in Poland. On 28 April 2005, PGNiG passed on all the GAZ-SYSTEM shares to the State Treasury.

The separation of activity connected with the transmission of natural gas from the PGNiG structures resulted from the provisions of the Gas Directive adopted in 2003 by the Council and the European Parliament which required gas companies to separate the technical transmission of gas from turnover and to enable other undertakings to benefit from the transmission network on an equal basis (TPA - Third Party Access Principle). As a result of this process, GAZ-SYSTEM S.A. became one of the first European companies ensuring, in compliance with European Union Directives, actual independence in the field of transmission.

On 30 June 2004 – the President of the Energy Regulatory Office granted a concession to the Company for the transmission and distribution of gas for the years 2004 – 2014.

On 8 June 2005 – the Shareholders Assembly decided to change the name of the Company from PGNiG – Przesył Sp. z o.o. to the Gas Transmission Operator GAZ-SYSTEM Sp. z o.o.

On 1 July 2005 – the President of the Energy Regulatory Office issued a decision by virtue of which the Company obtained the status of gas transmission operator for a period of one year.

On 18 September 2006 – the Extraordinary General Meeting made a decision to transform the Company from a limited liability company to a joint stock company. As a result, it was possible to designate the Company as the gas transmission operator for a longer period. The President of the Energy Regulation Office passed a decision on this matter on 18 December 2006 and designated GAZ-SYSTEM S.A. as the operator of the gas transmission network until 1 July 2014.

GAZ-SYSTEM S.A. is a one-shareholder joint stock company of the State Treasury entered on the list of strategic entrepreneurs for the Polish economy that is responsible for security of natural gas supplies through transmission networks.

A key task of the Gas Transmission Operator GAZ-SYSTEM S.A. is the transport of gas via the transmission network throughout the country in order to supply distribution networks and Final Customers connected to the transmission system.

The following belong to Company duties:

- conducting network operations in a coordinated and effective manner in keeping the required reliability for supply of gas and its quality,
- ensuring equal access to the transmission network to undertakings participating in the gas market,
- operations, maintenance and the development of the transmission network with due care and protection of the natural environment,
- supplying every system operator: transmission, storage, distribution and the LNG system the adequate amount of information guaranteeing the possibility of conducting transport and storage of natural gas in a manner proper for the secure and safe operations of the connected systems,
- supplying the system users with the necessary information to obtain effective access to the system,
- accomplishment of other duties and obligations resulting from detailed executive provisions and from

the Act of 10 September 1997 the Energy Law with subsequent amendments.

GAZ-SYSTEM S.A. is a dynamically developing Company on the Polish natural gas market that performs, on the basis of the equal treatment of all undertakings, services in the field of transport of natural gas through transmission networks to over 1400 places in Poland.

The Company belongs to the 150 biggest economic undertakings in Poland according to a ranking conducted by the “Rzeczpospolita” newspaper.

In the ranking of the 400 largest production companies devised by the editorial team of “Home&Market”, the Company was in 59th place whereas in the sub-ranking “Gross Profitability Leaders”, GAZ-SYSTEM S.A. came in second place.

Among 100 companies from the fuel and energy sector, the ranking of “Gazeta Prawna” placed GAZ-SYSTEM S.A. in 13th place in terms of profitability (net profit/revenue from sales). The Company also found itself in the first twenty companies with the largest net profit in 2006.

Name of the Company: Gas Transmission Operator GAZ-SYSTEM S.A.

Joint-Stock Company

Registered seat of the Company: Warszawa, ul. Mszczonowska 4

KRS number (National Court Register): 0000264771, District Court for the capital city of Warsaw, 12th

Economic Department of the National Court Register

NIP (Tax ID): 527-243-20-41

Amount of the nominal capital: PLN 3 401 892 472

Amount of paid-in capital: PLN 3 401 892 472

Regon (National Official Business Register): 015716698

Legal form: Joint-Stock Company