

Polish Oil and Gas Company

Company Overview



March 2017





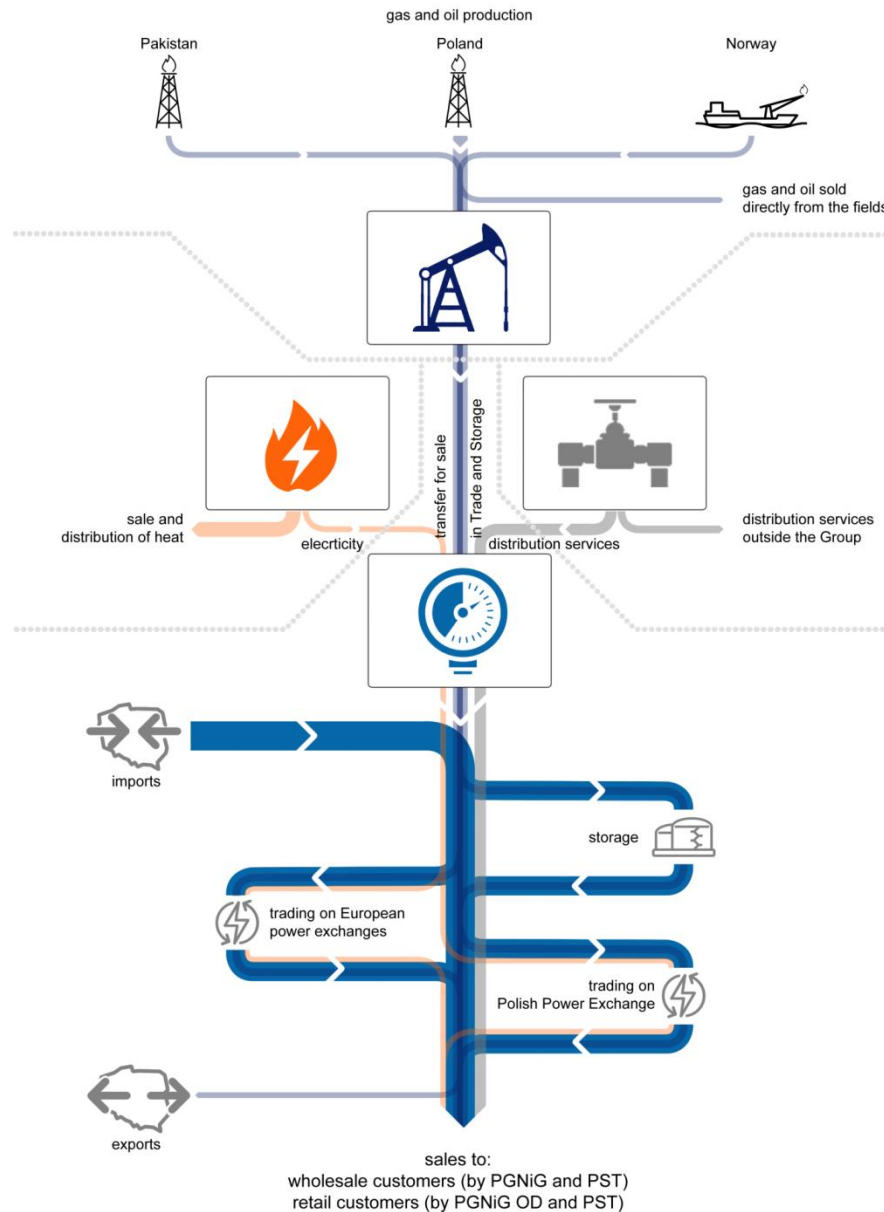
Agenda

- > 1. PGNiG Group & Polish Gas Market
- > 2. PGNiG Segments
 -  > Exploration and Production
 -  > Trade and Storage
 -  > Distribution
 -  > Generation
- > 3. Strategy, CAPEX
- > 4. Appendix - Financial Results of Q4 and FY 2016

PGNiG Group and Polish Gas Market

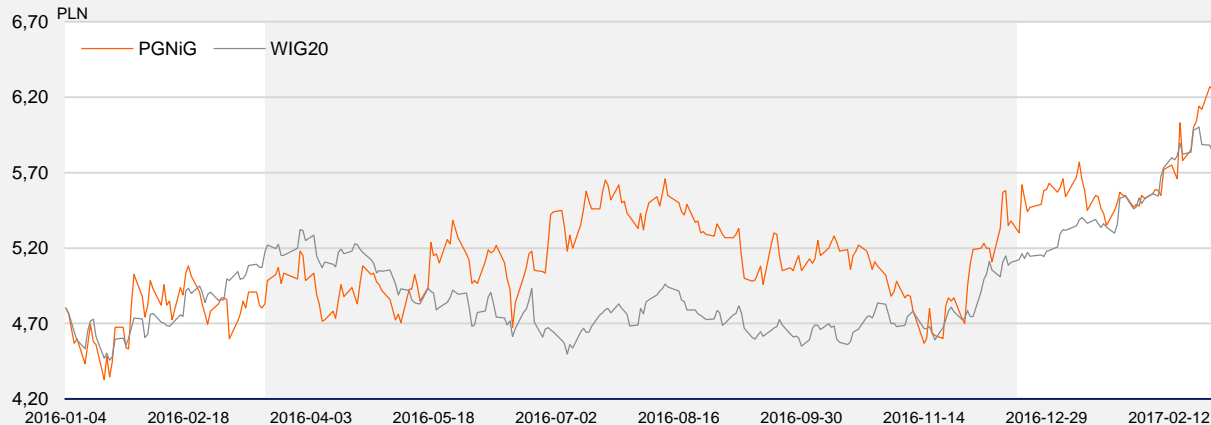


Poland's no.1 integrated group in the oil and gas sector

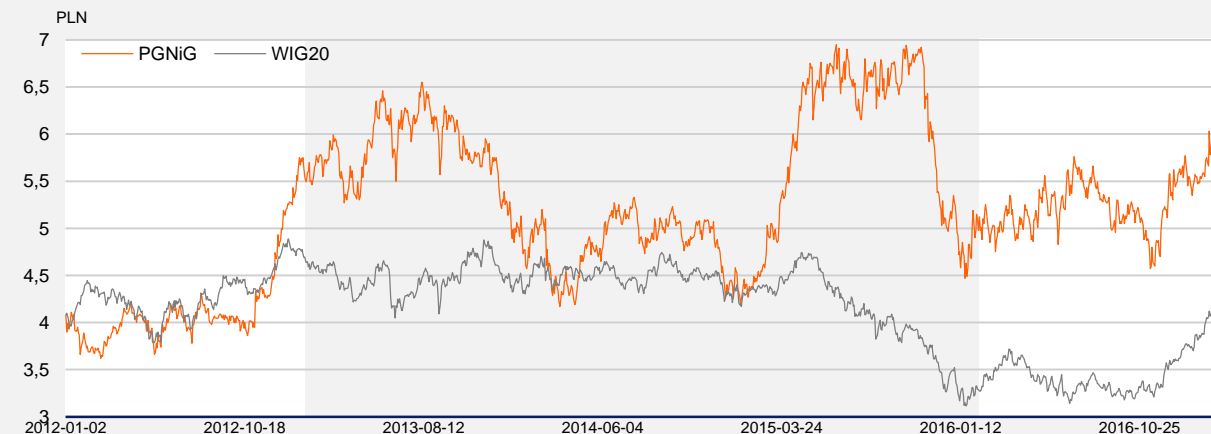


4th largest Polish company on the Warsaw Stock Exchange**

> Stock performance since January 1st, 2016



> Stock performance since January 1st, 2012

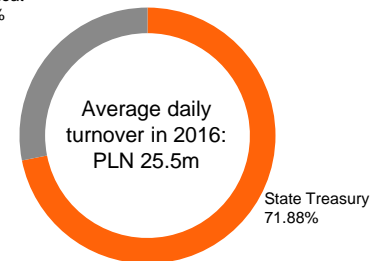


* PGNiG = 6.02 PLN and EUR/PLN = 4.32; USD/PLN = 4.06 (as at March 15th 2017) / ** In terms of market cap.

- > Listed on WSE since September 2005
- > Market cap. of PLN 34.8bn (EUR 8bn, USD 8.6bn)*
- > Significant share in WIG 20 index: 5.2%

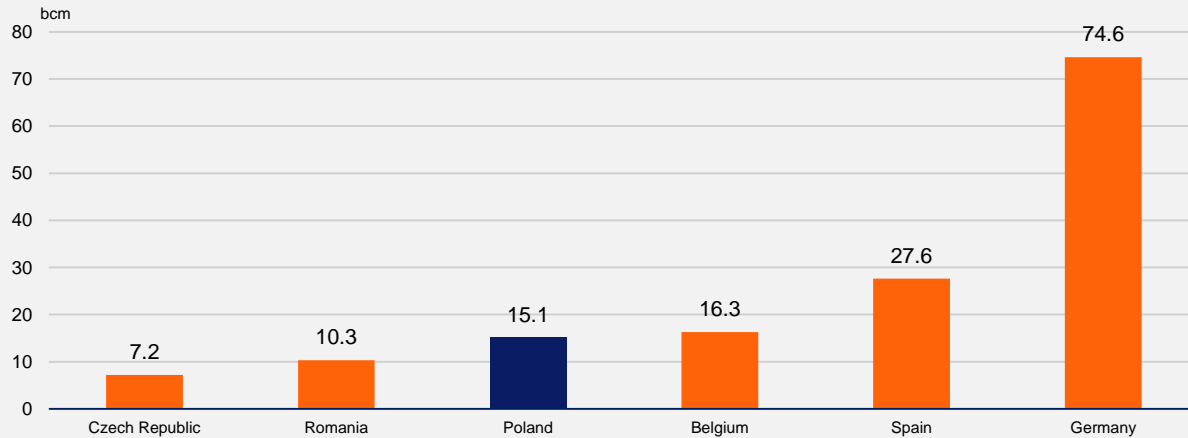
> Shareholders (as at December 31, 2016)

Free Float
28.12%

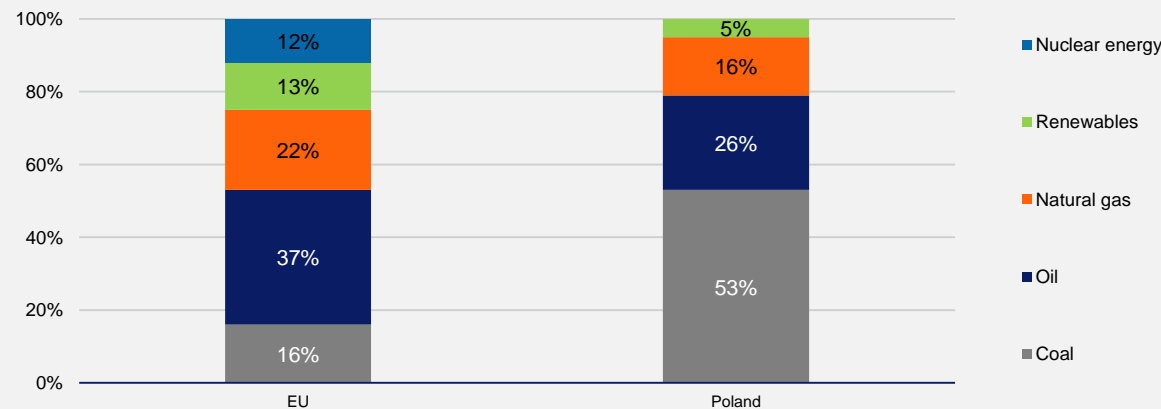


Gas market in Poland: Low consumption with growth potential

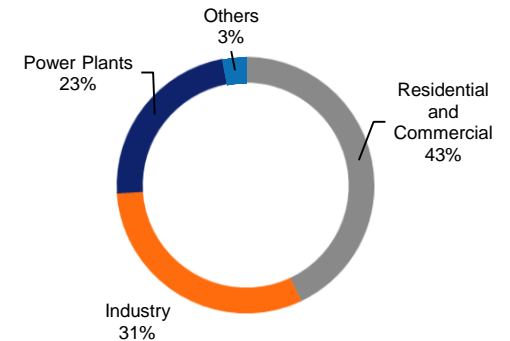
> Natural gas consumption by country in 2015



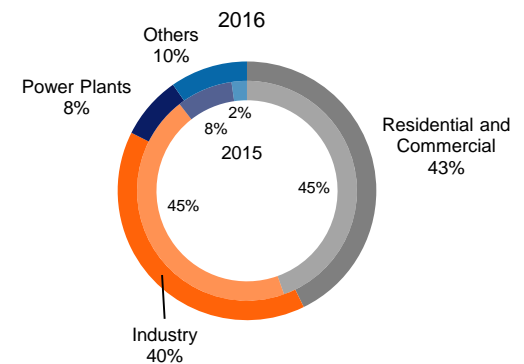
> Primary energy consumption by fuel in 2015



> Natural gas sales by sector in UE in 2014

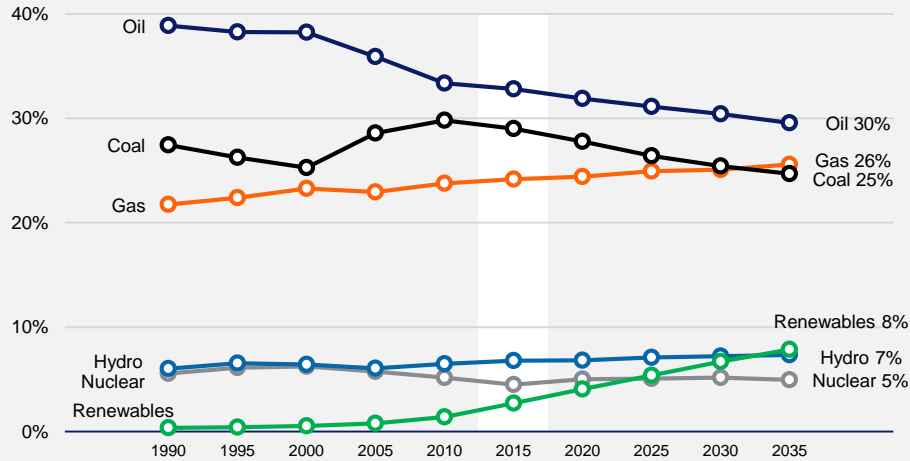


> Natural gas sales by sector by PGNiG in Poland in 2016 and 2015

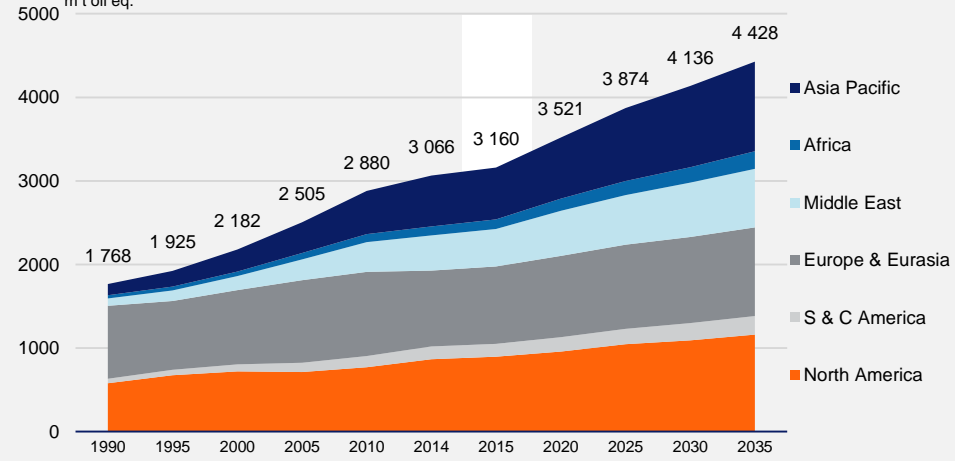


Gas market worldwide

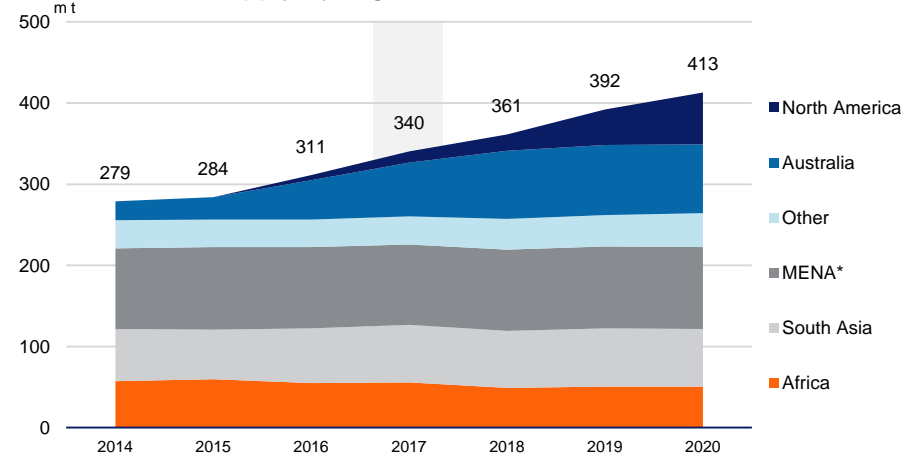
> Primary energy consumption by fuel



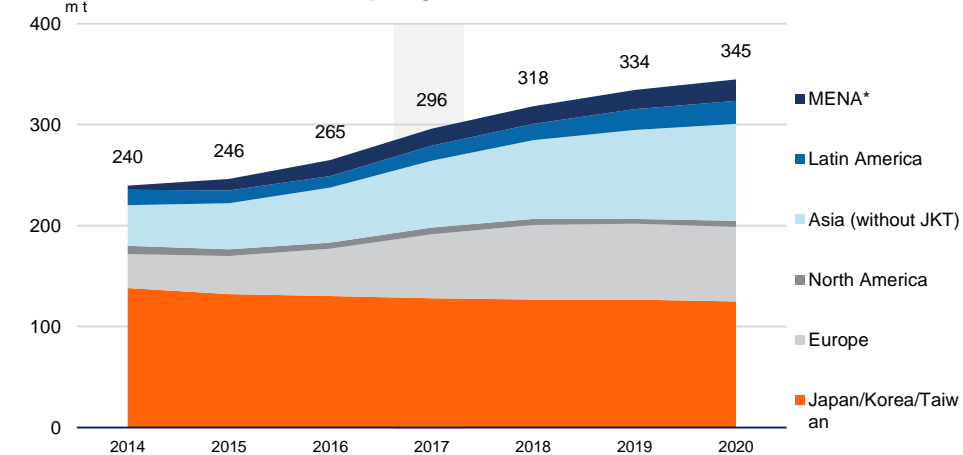
> Natural gas demand



> Annual LNG supply by region



> Annual LNG demand by region



Exploration & Production



Trade & Storage



Distribution



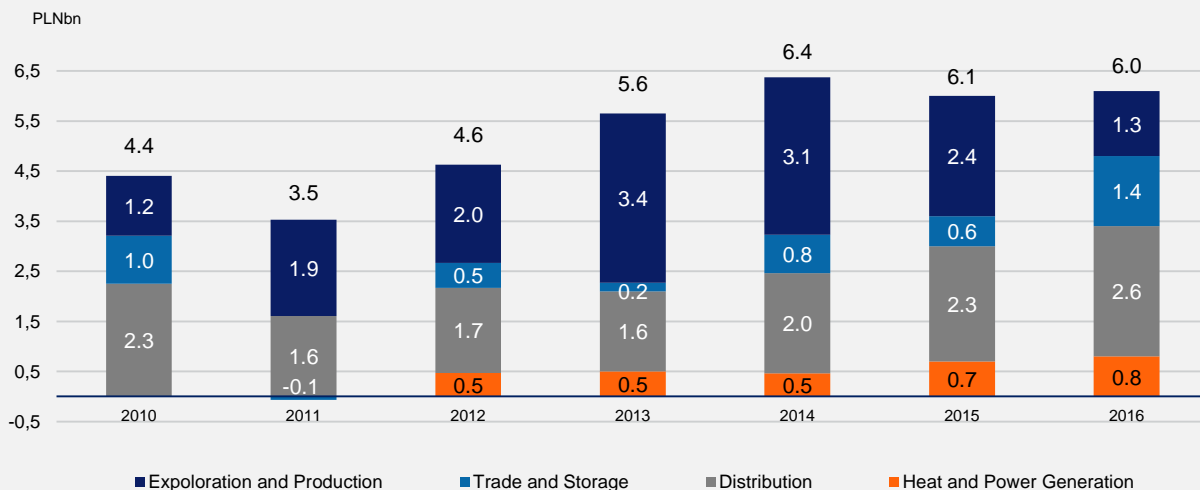
Generation



Operating segments of PGNiG Group

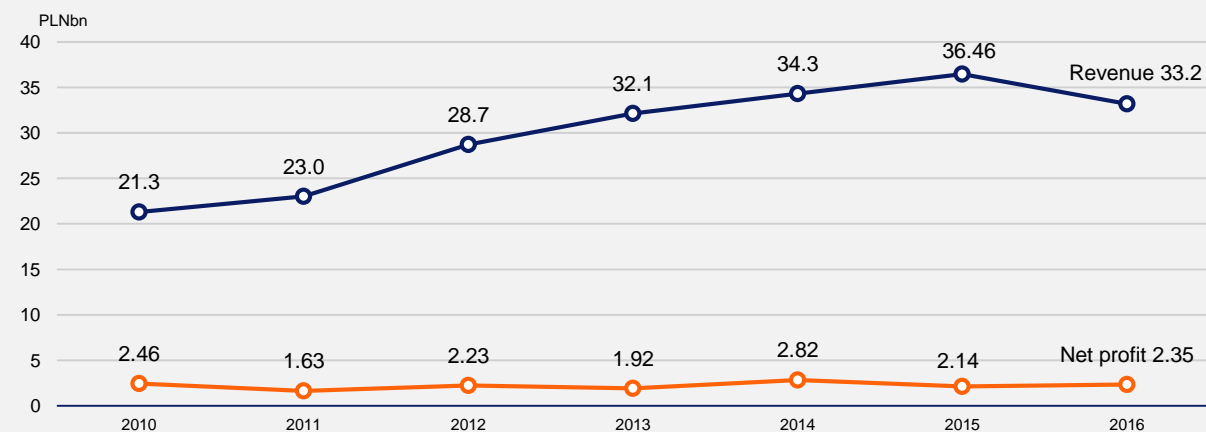
PGNiG Group's financials 2010-2016

> PGNiG Group's EBITDA**

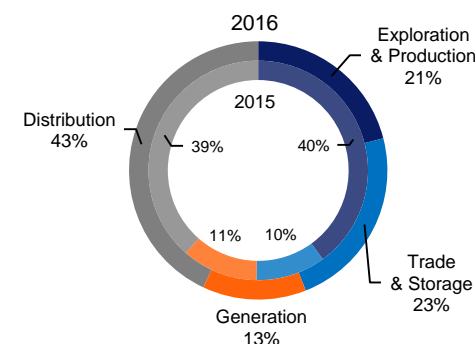


- > 5th biggest company in Central and Eastern Europe*
- > 3rd biggest oil company in the region*
- > Stable EBITDA level due to diversified inflows sources

> PGNiG Group's revenue and net profit



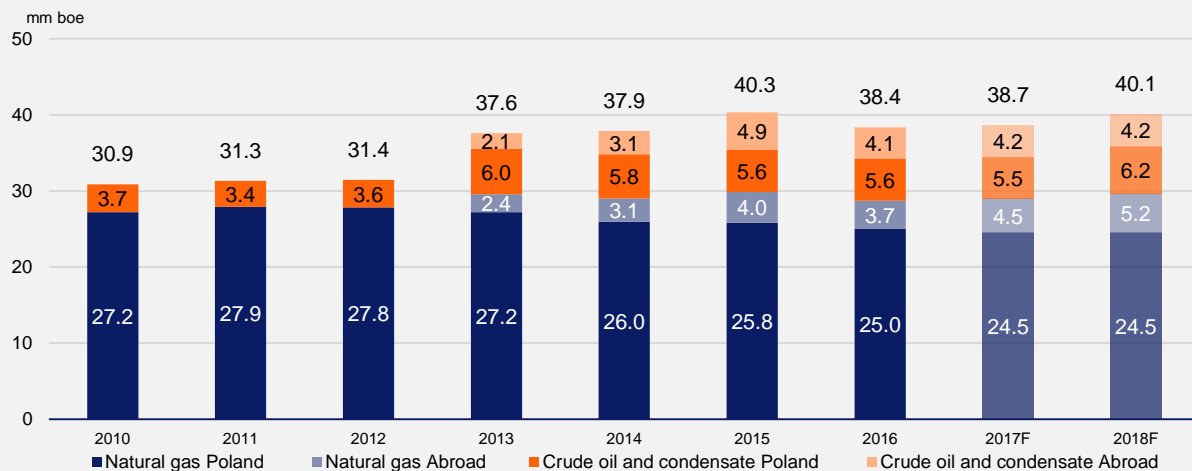
> EBITDA breakdown



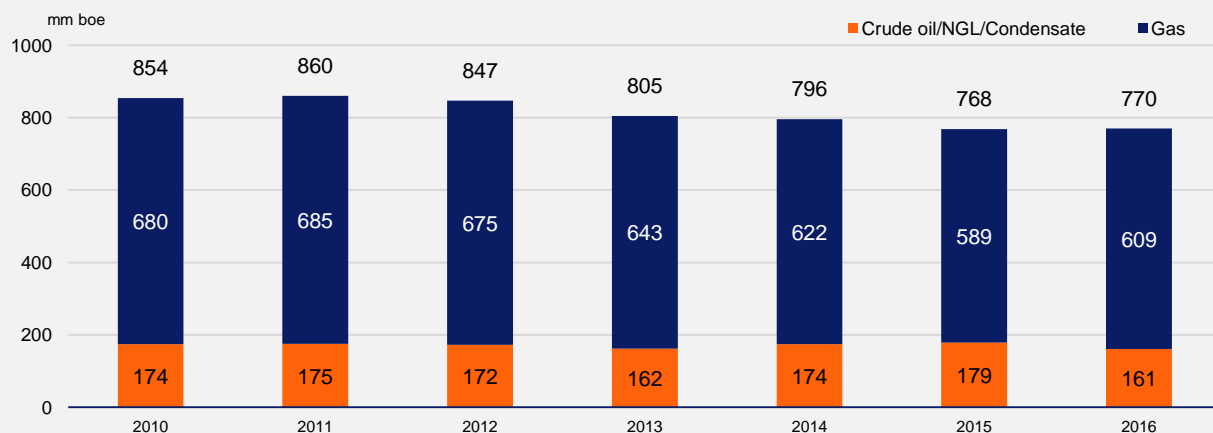
* Source: Rzeczpospolita: Europa 500 (2016 edition) / ** EBITDA before intra-group eliminations and excluding „Other segments“

Exploration & Production summary

> Production volumes



> Reserves of natural gas and crude oil



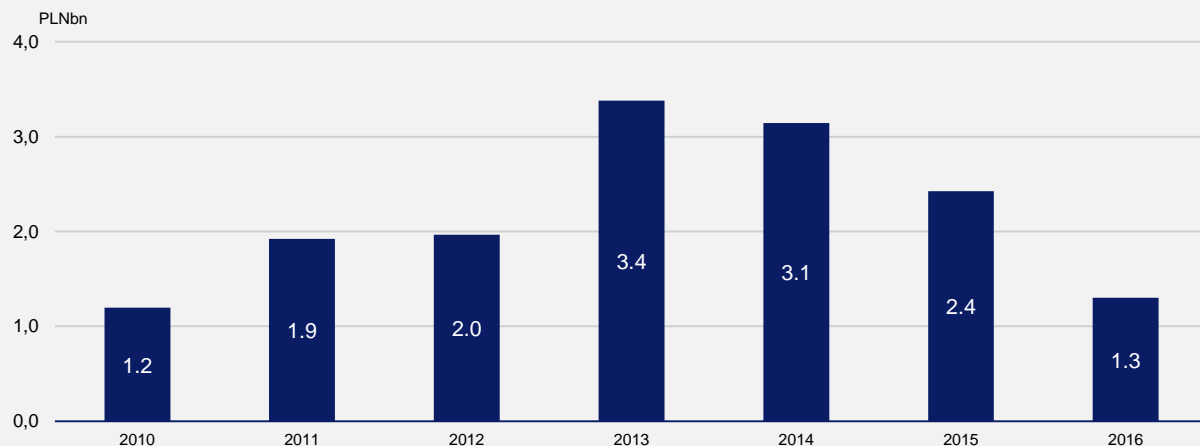
* High-methane gas equivalent

- > PGNiG SA is a leader in production of gas and crude oil in Poland
- > Average daily production – over 105,000 boe
- > PGNiG's resource base in Poland:
 - > proved gas reserves 498 mm boe (79.7 bcm)*
 - > proved oil reserves 126 mm boe (17.6 m tonnes)
- > Oil & Gas concessions in Poland:
 - > 48 exploration/appraisal
 - > 225 production
- > Exploration & Production activities:
 - > 54 production facilities in Poland
 - > over 2 thousand producing wells



Exploration & Production financial results

> Exploration and Production's EBITDA



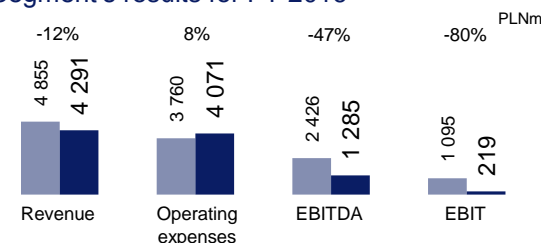
> Average prices of crude oil



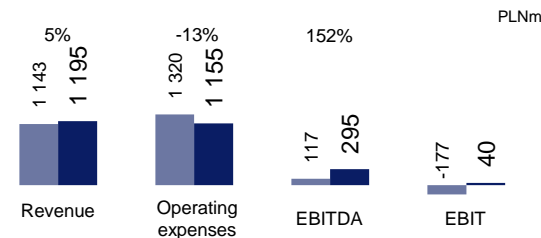
> Average of Brent oil prices down over 15% in 2016 vs 2015

- > Revenue from sales of crude oil and condensate down PLN 339m yoy, with oil prices in PLN down by close to 12% and sales volumes down 3%, to 1,347 thousand tonnes
- > PLN 224m yoy fall in revenue from gas sales posted by the segment, with an almost 3% rise in the volume of gas sold from the fields

> Segment's results for FY 2016



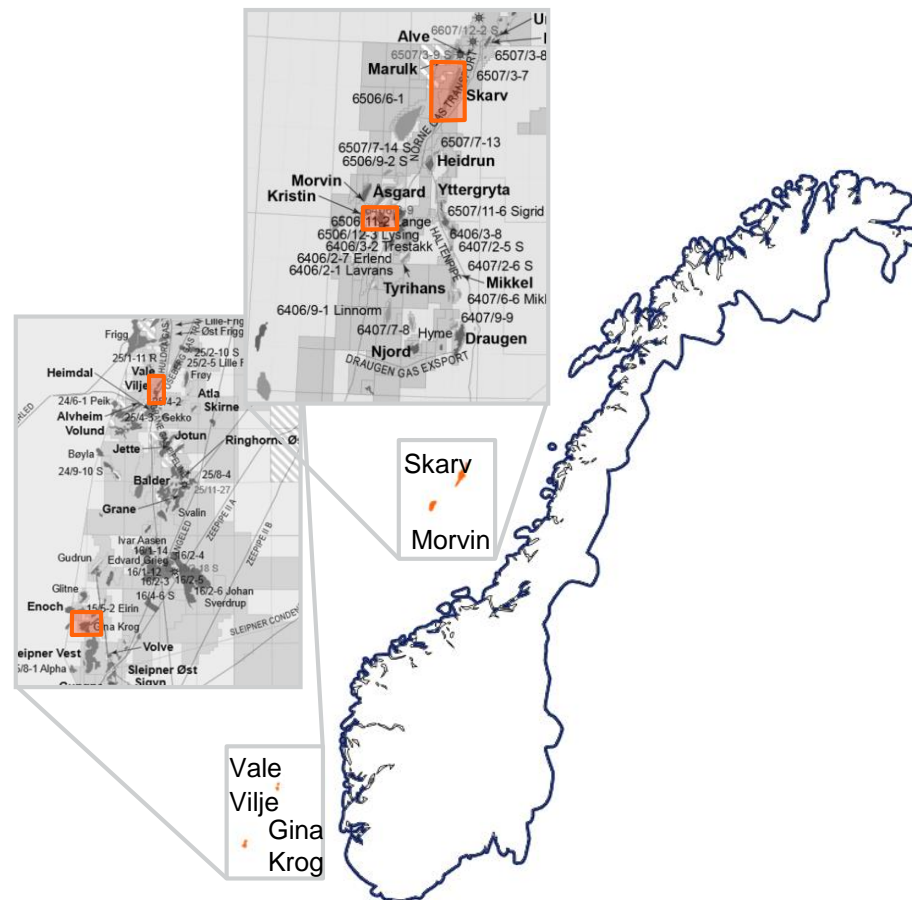
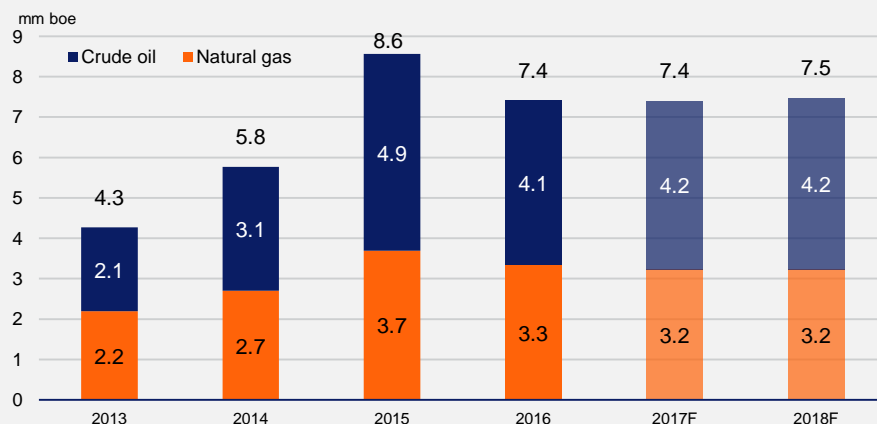
> Segment's results for Q4 2016



International E&P activities – Norway

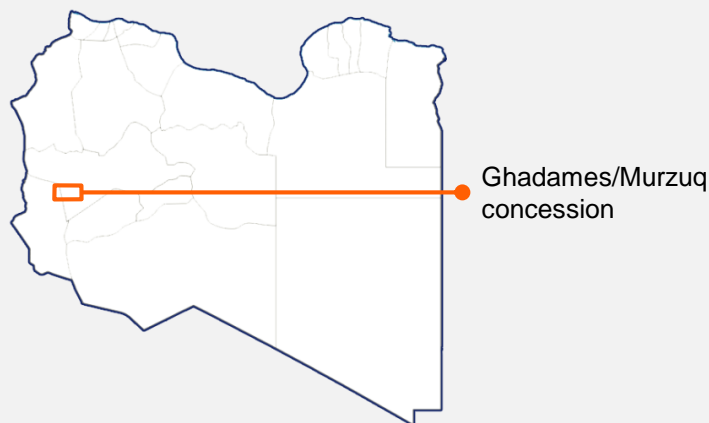
Licenses	18
Licence cost	USD 360m (Skarv) NOK 1.95bn (Morvin, Vale, Vilje, Gina Krog)
Skarv CAPEX (PGNiG's part)	approx. USD 800m
Reserves of the licence (2P) for PGNiG	51 mmboe (Skarv, Snadd) 27 mmboe (Morvin, Vale, Vilje, Gina Krog)

> Production in Norway



International E&P activities – Africa and Asia

> African assets: Lybia



agreement	February 25th 2008
shares	PGNiG - 100%
area	5,494 sq km
location	Awbari province, Murzuq basin
obligations	3,000 km 2D; 1,500 sq km 3D, 8 wells
estimated reserves	146 bcm of natural gas, 15m tonnes of condensate

Q4 2013: asset write-off at PLN 420m and a provision for PLN 137m for future license obligations.

Force majeure clause activated.

> Asian assets: Pakistan



agreement	May 18th 2005
shares	PGNiG 70%, Pakistan Petroleum 30%
area	956 sq km
location	Sindh province, folded belt Kirthar
obligations	2 wells, 100 km 2D (fulfilled) 15.1 bcm of natural gas
estimated reserves	(11.3 bcm Rehman, 3.8 bcm Rizq)

Q4 2016: the drilling of Rehman-2 was completed, Rehman-3 has spudded, enable production from Rizq-1

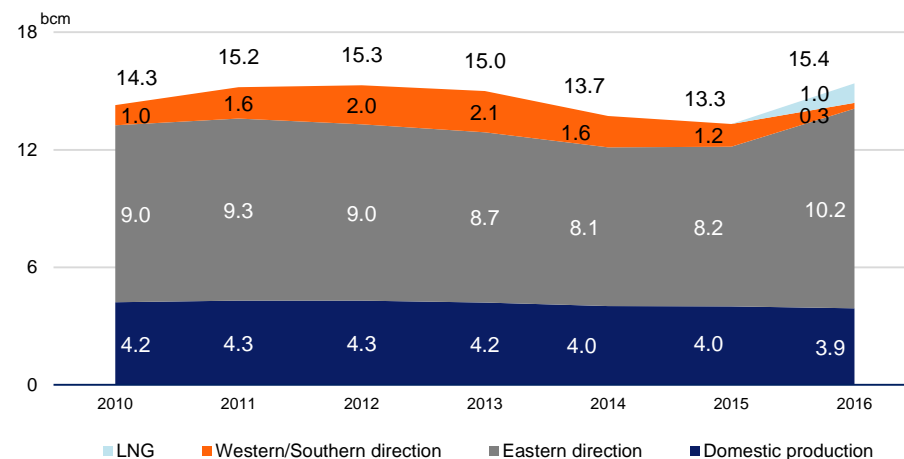
Surface installation (cost: USD 13m) allow to increase extraction to 800 cm/min



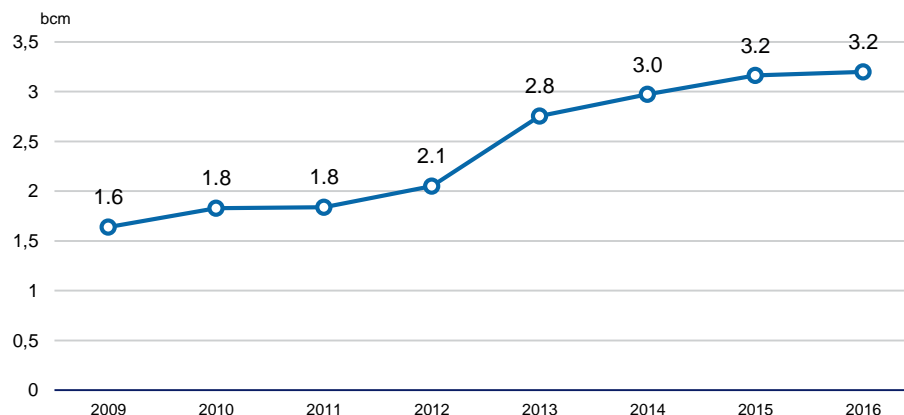
Gas supply & sales

- > Trade and Storage segment comprises:
 - > sales of natural gas both imported and domestic to retail and wholesale markets, sales and trading of electricity
 - > storage of gas.
- > Polish market growth: CAGR +1.6% 2005-2015
- > Contract for natural gas deliveries with Gazprom („Yamal contract”) until 2022:
 - > 10.2 bcm annually, 85% Take-or-Pay
- > Contract for LNG with Qatargas until 2034:
 - > 1.3 bcm annually, 100% Take-or-Pay. Deliveries since June 2016
 - > side agreement (the total volume will increase to 2.7 bcm per annum, in 2018-2020 volume will be increased to 2,9 bcm)
- > 2.5 bcm of gas sold by PGNiG Supply & Trading to customers outside of Poland in 2016
- > Tariffs:
 - > Gas sales: Cost of gas + operating costs + margin
 - > Retail: PGNiG Retail's cost base including cost of gas on the commodity exchange
 - > Wholesale: Including cost of imports + cost of production (with return on capital invested in E&P)
 - > Storage: Cost + return on capital (6.0% WACC x PLN 3.7bn RAB) (until March 2017)

> Sources of gas supply of PGNiG SA in Poland

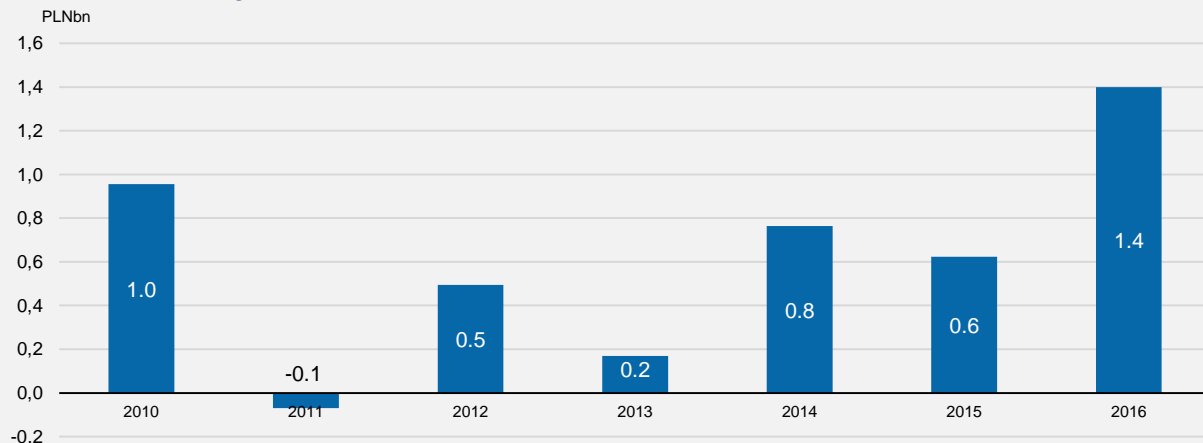


> Storage capacity (incl. storage capacity used only by E&P segment)



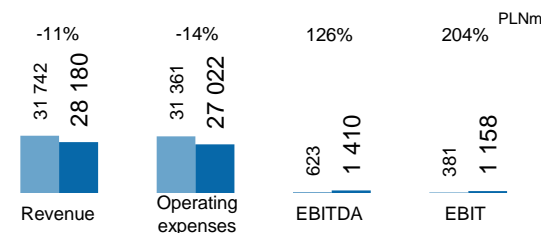
Trade & Storage's financial results

> Trade and Storage's EBITDA

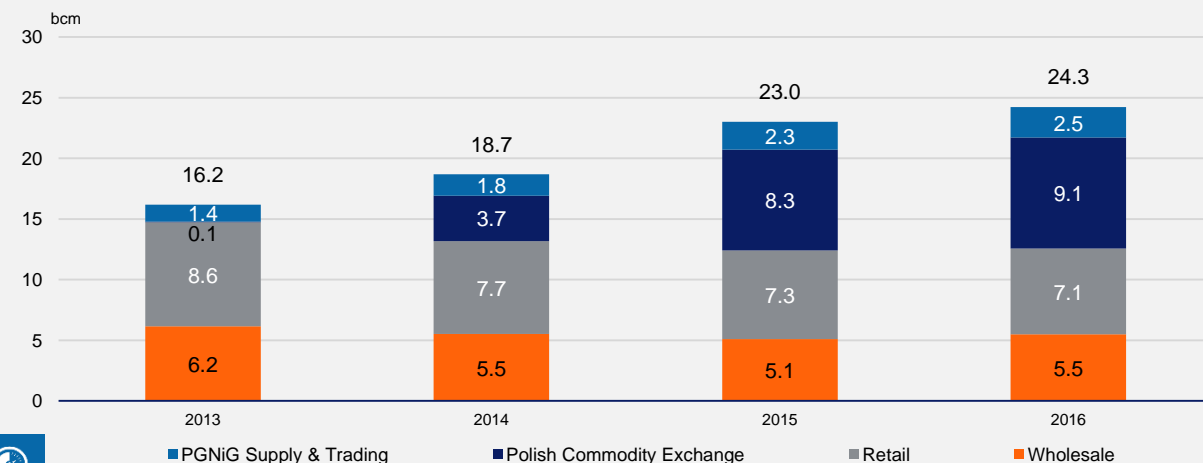


> Cost of gas sold down on lower unit purchase cost of gas in 2016

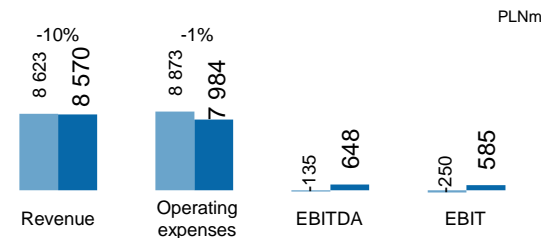
> Segment's results for FY 2016



> Sales of natural gas of PGNiG SA, PGNiG Retail and PST



> Segment's results for Q4 2016



Gas trading and retail sales in Poland

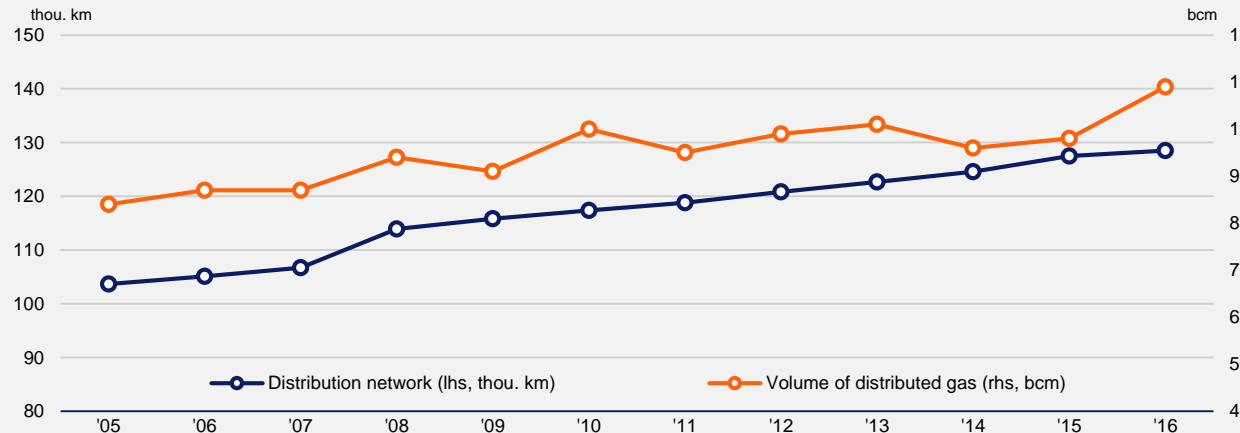


Sales made on PPE by PGNiG SA and purchases made on PPE by PGNiG Obrót Detaliczny, which commenced operations on August 1st 2014, **are not subject to elimination from the consolidated financial statements**, and are disclosed under the Trade and Storage segment.

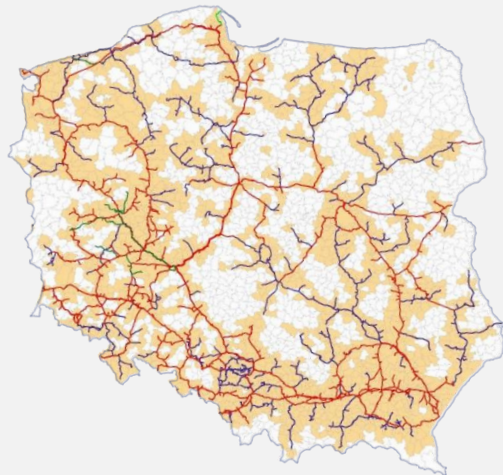
Measured as high-methane gas equivalent (without intragroup eliminations).

Distribution

- > Stable network's growth and increase of distributed volumes (+2.4% CAGR 2005-2016)



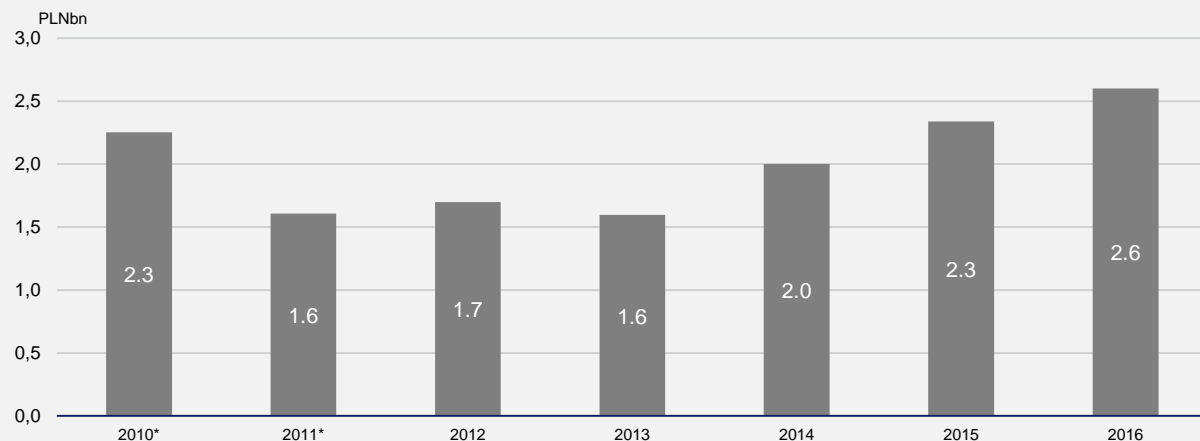
- > Coverage of distribution network



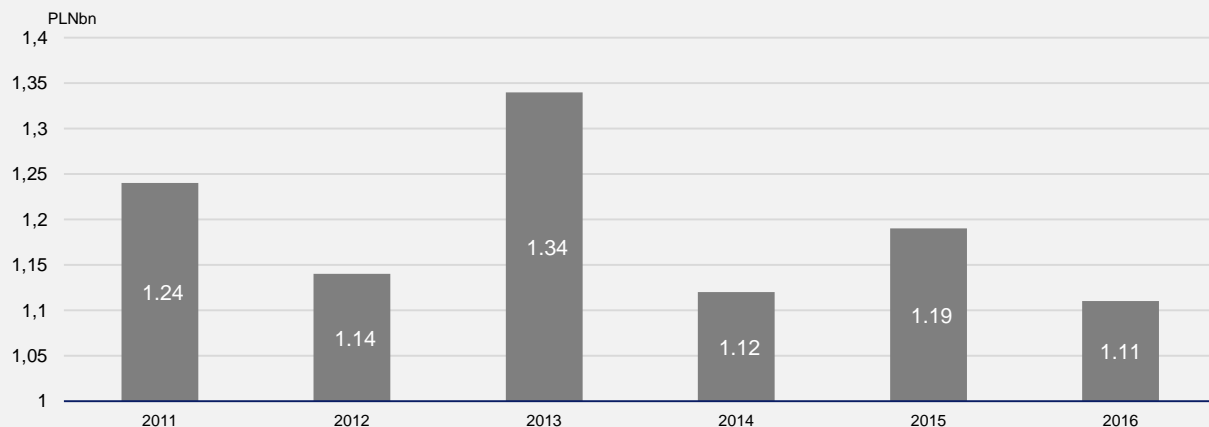
- > The owner of approximately 96% of Poland's distribution network and nearly 99% of the gas service lines
- > Transports natural gas from gas sellers to households, industrial and wholesale customers
- > Responsible for operation, maintenance and development of gas pipelines
- > **Tariff:**
 - > cost + return on capital (7.2% WACC x x PLN 11.9bn RAB) – PLN 150m gap

Distribution's financial results

> Distribution's EBITDA

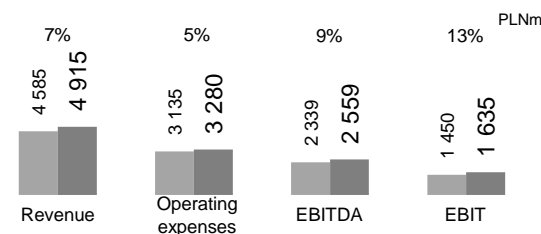


> Segment's CAPEX

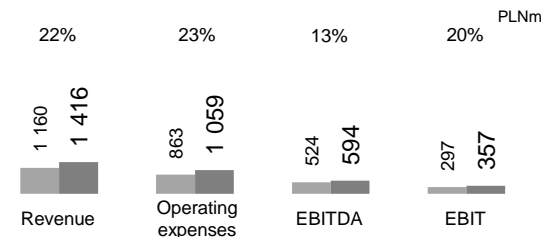


- > Volumes up 11% in 2016 vs 2015
- > PSG's strategic goal is to generate cum. EBITDA of PLN 16bn in 2016-2022

> Segment's results for FY 2016



> Segment's results for Q4 2016



Heat and Power Generation

- > PGNiG Termika - the largest heat producer in Poland with over 11% of heat capacities
- > Covering approx. 70% of the total heat demand in Warsaw, as well as 98% of heat distributed through city's heating network
- > **Timeline:**
 - > January 2012 – acquisition of 99.8% stake of Vattenfall Heat Poland S.A. from Vattenfall AB for PLN 3bn in cash (PLN 3.5bn EV)
 - > April 2016: The acquisition of up to 17.1% of the share capital of the Polish Mining group as a result of the investment of PLN 500m
 - > Expansion of heat and power generation and distribution:
 - > April 2016: purchase of JSW SA Thermal Energy Enterprise („PEC”) for PLN 190m
 - > 14 local heat plants
 - > 260 MW of total heat output
 - > 288 km of heat distribution network
 - > August 2016: purchase of JSW SA Energy Company „Jastrzębie” („SEJ”)
 - > 5 CHP
 - > 130 MW of electricity output
 - > 540 MW of heat output
 - > Total cost: PLN 372m
- > **Tariff:**
 - > Heat tariffs benchmarking scheme creates significant upside for profitability as PGNiG Termika produces low-cost heat

Generation segment operating data

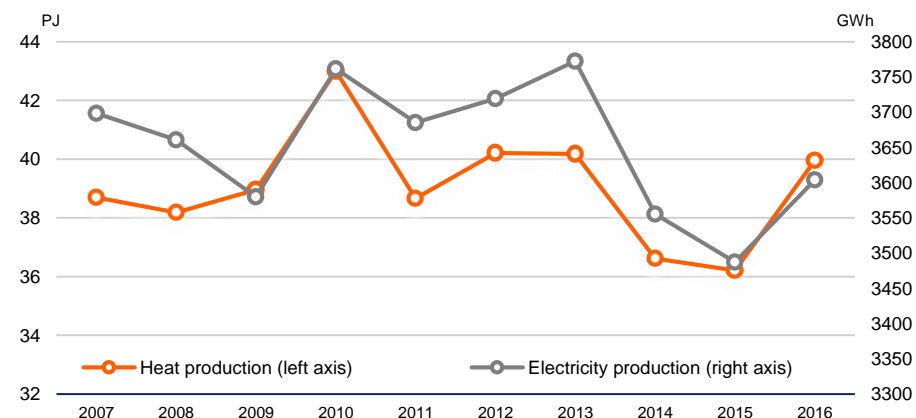
Installed heat power	5,408 MWt
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Installed electric power	1,147 MWe
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Heat sales in 2016 (regulated)	40 PJ
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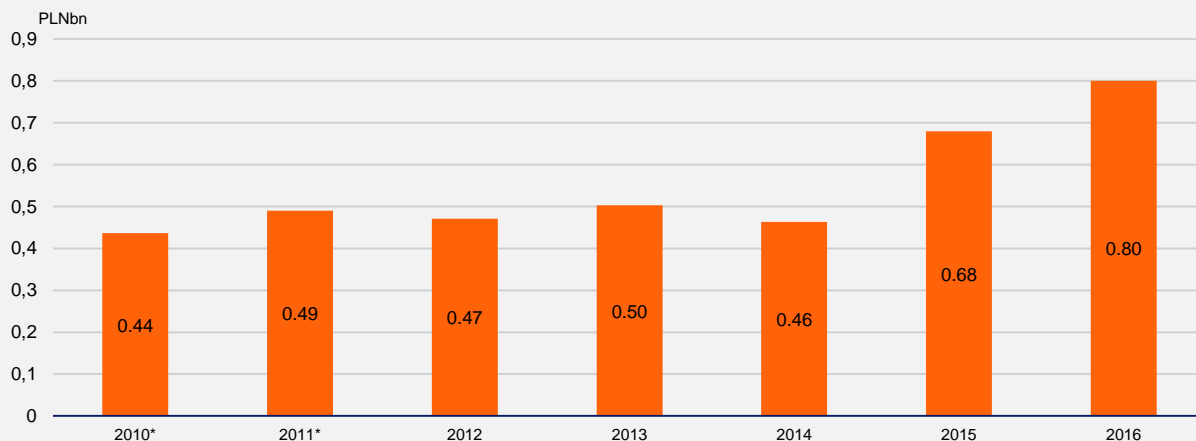
Produced electricity sales in 2016	3.6 TWh
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> Production of heat and electricity



Generation's financial results

> Generation's EBITDA

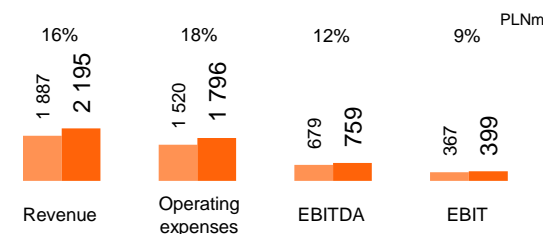


> Investments

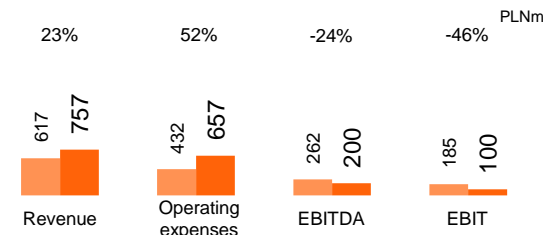
- > 450 MWe gas-fired block in Warsaw at Żerań plant (H1 2019)
- > 146 MWt biomass-fired boiler in Warsaw at Siekierki plant (2016)
- > Combined Heat and Power Plant Stalowa Wola
 - > 50/50 JV PGNiG and Tauron Polska Energia. Total CAPEX PLN 1.6bn (project finance)
 - > Agreement for Sale of Electricity. PGNiG to supply 0.5 bcm of gas for 14 years
 - > Total power output: 450 MWe and 240 MWt
 - > In January 2016: cancellation of the contract and imposition of penalties for general contractor related to the improper execution of the contract
 - > An agreement on key preconditions for the project restructuring was signed in October 2016, aligning ECSW's existing commercial agreements to the expected start date of commercial operation and current market conditions.
 - > A survey of the project's status ended in 2016. The project will be resumed by a specialised firm, responsible for supporting its coordination on an EPCM basis.

- > Revenue from sales of heat up 12% yoy, to PLN 1,263m, on a 10% increase in volumes (1.01 -15.08 – higher heat tariff, from 15.08 – heat tariff level unchanged).
- > Revenue from sales of electricity from own sources up PLN 21m yoy, to PLN 606m, attributable to higher sales volumes.

> Segment's results for FY 2016



> Segment's results for Q4 2016





Strategy, CAPEX

PGNiG Group Strategy for 2017-2022

The new PGNiG Group Strategy for 2017–2022 (extended until 2026)

#1 Mission statement

We are a trustworthy supplier of energy for households and businesses

#2 Vision

We are a responsible and effective provider of innovative energy solutions

#3 Primary objective

Increasing the PGNiG Group's value and ensuring its financial stability

Trustworthy

The customers can depend on premium quality and reliability of our services

Energy supplier

Our customers are offered a full range of energy products (gas + electricity + heat + other/services)

Households and businesses

We care for and value all our customers: households, businesses, and institutions

Responsible

We act transparently, in line with the principles of corporate social responsibility

Effective

We have implemented process and cost optimisation measures

Innovative solutions

We are an innovation leader in the energy sector

Value growth

Our primary ambition is to create added value for our shareholders and customers

Financial stability

We seek to secure long-term financial stability and creditworthiness



The Group's key strategic objectives

Strategic objective

competitive position while supporting the development and ensuring security of the gas market in Poland

PGNiG's strong competitive position

Securing new gas supply sources to strengthen the Group's competitive position following expiry of the Yamal contract in 2022

Production projects in Norway, focused on increasing annual gas output to ca. 2.5 bcm from 2022 onwards

Participation in the Norwegian Corridor project to secure direct gas imports from Norway

Developing gas and LNG trading functions to make PGNiG more competitive on gas markets in Europe and in Poland

Paramount objective

Increase the PGNiG Group's value and ensuring its financial stability

Development of gas market in Poland

More rapid expansion of distribution network in order to enable more new customer connections and gas market growth

Expanding the upstream business in Poland to replenish hydrocarbon reserves and to maintain high levels of production

Significant improvement of customer service quality through digitalisation of service channels and expansion of the product portfolio expansion

Ambitions in the key business areas



1. Exploration and production

- › Increase the base of documented hydrocarbon reserves by 35% (to 1,208 mm boe in 2022)
- › Increase annual hydrocarbon production by 41% (to 55 mm boe in 2022)



2. Wholesale

- › Diversified gas supply portfolio after 2022
- › Increasing the overall volume of natural gas sales by 7% (to 178 TWh in 2022)
- › Cumulative natural gas sales volume on wholesale markets in Poland and abroad 1000 TWh



3. Retail

- › Maximising retail margins
- › Maintaining the total volume of retail gas sales at ca. 67-69 TWh/year



4. Storage

- › Securing access to storage capacities adjusted to actual demand
- › Improve storage efficiency



5. Distribution

- › More than 300 thousand new service lines in 2017–2022
- › The annual growth rate in the number of service lines by 17%
- › Increase gas distribution volume by 16% (to 12.3 bcm in 2022)



6. Power and heat generation

- › Increase power and heat sales volumes by 20% (to 18 TWh in 2022)

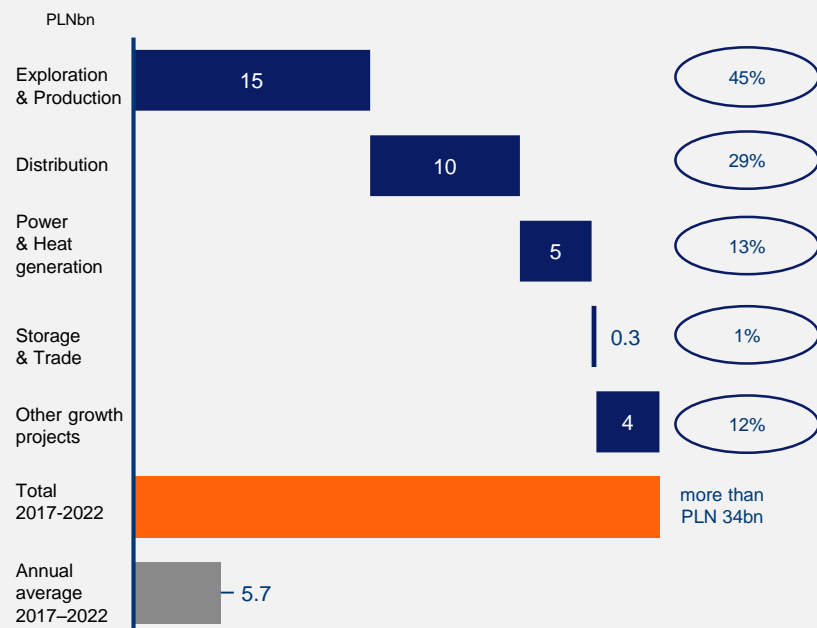


7. Corporate Centre

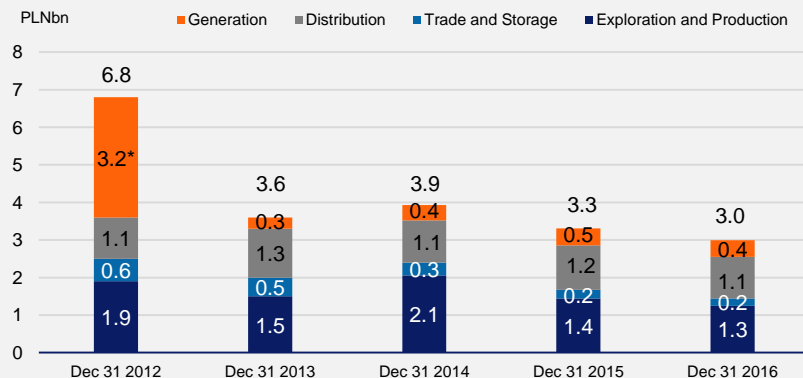
- › Effective execution of R&D&I projects
- › Operational efficiency improvement across the PGNiG Group
- › Enhancing the PGNiG Group's image

CAPEX and EBITDA for 2017-2022

> CAPEX breakdown for 2017-2022

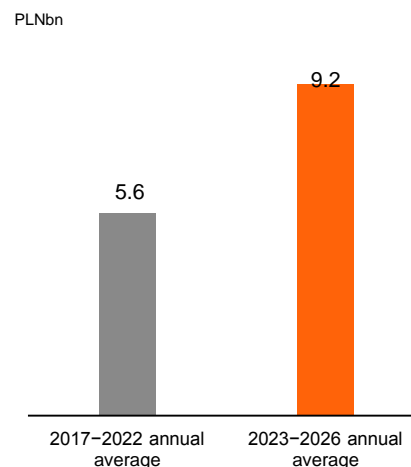


> Annual CAPEX 2012 – 2016



* Includes PLN 3bn for acquisition of PGNiG Termika

> EBITDA for 2017 – 2022



- > PLN 33.7bn cumulative EBITDA
- > Ambitious investment programme: long-term growth of the Group's EBITDA, particularly in 2023-2026 (at the annual average of ca. PLN 9.2bn)
- > Keeping debt at safe levels (net debt/EBITDA below 2.0)

- > Almost half of CAPEX (45%) will be spent on hydrocarbon exploration and production.
- > Average annual capital expenditure in 2017-2022 at ca. PLN 5.7bn.



Appendix

2017 outlook



Segment performance supported by higher oil and gas prices

- Rising oil and gas prices expected by the market and stronger US dollar
- Forecasted oil and condensate production volumes in the PGNiG Group at the level of 1,316 ths. tonnes in 2017
- Gina Krog - production launch scheduled for May 2017 (Norway)
- development and tie-in of new wells, and expansion of two facilities, in Dębno and Grodzisk (Poland)



Progressing gas market deregulation

- Since October 2017, tariffs are applied solely to gas sold to households
- Roll-out of dual fuel products
- Booking the capacity in planned Norway – Danmark – Poland connection
- Possible increase in gas procurement costs under long-term contracts due to rising oil prices
- Year-round LNG deliveries from Qatargas under long-term contract
- Final resolution on arbitration proceedings against Gazprom in Q3 2017
- LNG trading activities by London office



Stable performance of the Distribution segment

- Increasing the volume of distributed gas through development projects and new connections
- Local gas network roll-out in north-eastern Poland using the LNG technology
- Continued efforts to socialise the costs of terminal
- Higher capital expenditure (planned capex of PLN 1.7bn in 2017)
- Working to develop a long-term regulatory model



Improved profitability of the Generation segment

- Heat and electricity production volumes up following consolidation of acquired assets
- Potentially higher prices of fuels for heat and power generation
- Commencement of the construction of a CCGT unit and a peak-load boiler house at the Żerań CHP Plant

Financial highlights Q4 2016

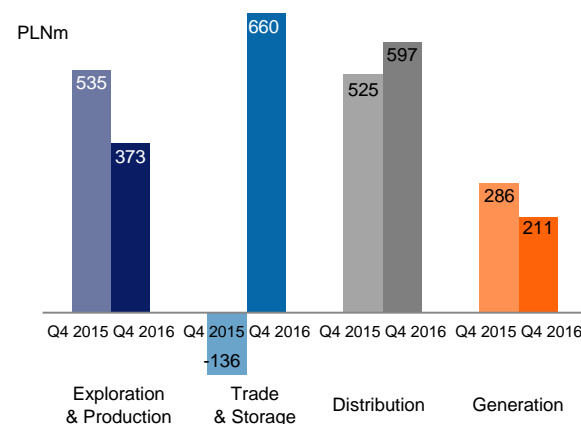
[PLNm]	Q4 2015	Q4 2016	Δ%
Revenue	9,769	10,146	4%
Operating expenses (excl. D&A)	(8,998)	(8,441)	(6%)
EBITDA	771	1,705	x2
Adjusted EBITDA*	1,211	1,828	51%
Depreciation and amortisation	(717)	(658)	(8%)
EBIT	54	1,047	x19
Net finance income/(costs)	(71)	(63)	(11%)
Net profit	(21)	721	-

- Revenue from high-methane (E) gas sales down PLN 47m yoy (PLN 7.5bn in Q4 2016), with sales volume up 13%, to 6.9 bcm.
- Revenue from crude oil and condensate sales up PLN 84m in Q4 2016, with sales volumes up 3% yoy to 326 thousand tonnes, mainly on a close to 16% yoy rise in crude oil prices.
- Revenue from electricity sales up 21 % (PLN 101m) yoy, to PLN 576m in Q4 2016, with sales volume up 1.7 TWh, to 11.0 TWh.

- Revenue from heat sales up PLN 71m yoy, with sales volume up 23% or 2.8 PJ yoy.
- Revenue from sales of distribution services and geological/geophysical services up PLN 77m and PLN 50m yoy, respectively.
- Cost of gas sold down over 11%, or PLN 0.6bn yoy.

- EBITDA more than doubled on higher volumes of core products sold by the PGNiG Group

- Segments' contribution to Group adjusted EBITDA* in Q4 2016



* EBITDA adjusted for impairment losses on non-current assets

Financial highlights FY 2016

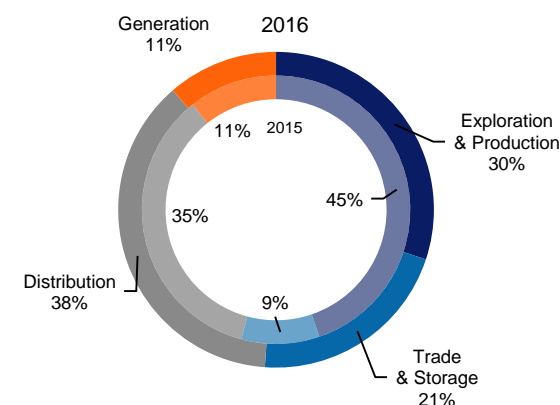
[PLNm]	2015	2016	Δ%
Revenue	36,464	33,196	(9%)
Operating expenses (excl. D&A)	(30,384)	(27,222)	(10%)
EBITDA	6,080	5,974	(2%)
Adjusted EBITDA*	6,670	6,810	2%
Depreciation and amortisation	(2,790)	(2,614)	(6%)
EBIT	3,290	3,360	2%
Net finance income/(costs)	(225)	(76)	(66%)
Net profit	2,136	2,349	10%

- > Revenue from high-methane (E) gas sales down PLN 3.7bn yoy (PLN 24.8bn in 2016), with sales volumes up 6% yoy, to almost 23 bcm.
- > Revenue from crude oil and condensate sales down PLN 338m in 2016, with sales volumes down 3% yoy, to 1,347 thousand tonnes.
- > Cost of gas sold down 17%, or PLN 3.7bn year on year.
- > Depreciation/amortisation expense in Norway down PLN 166m on lower sales volumes (units-of-production method) and on re-evaluation of Skarv reserves.

- > Major impact of impairment losses on non-current assets recognised in 2016 and 2015, of PLN -836m and PLN -590m, respectively. Adjusted EBITDA up 2% yoy.
- > PLN 55m net foreign exchange gains on the USD-denominated reserve based loan in 2016 vs PLN 80m net foreign exchange losses in 2015.
- > Equity method accounting for interest in PGG had an effect of reducing net profit by PLN -53m.
- > LNG regasification costs up PLN -176m yoy, oil and gas production charges in Poland increased by PLN 84m yoy.

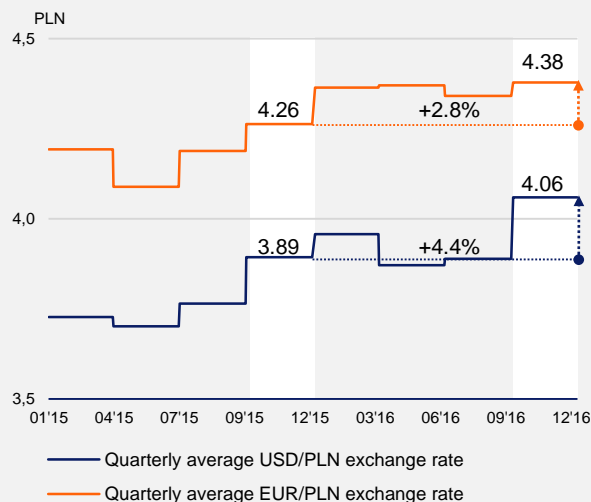
- > Major impact of falling commodity prices on full-year operating performance

- > Segments' contribution to Group adjusted EBITDA* in 2016

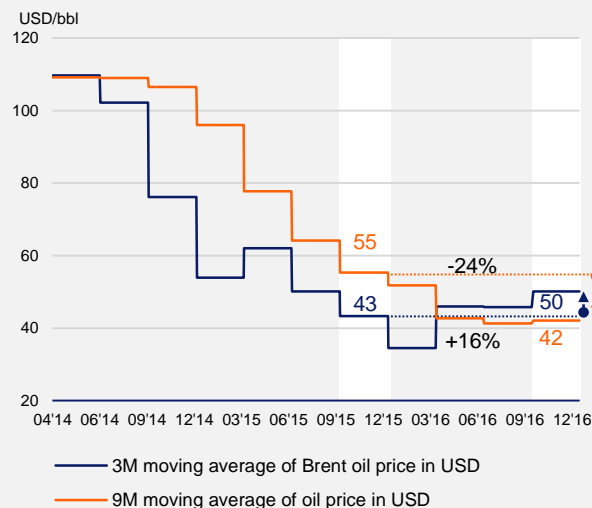


Performance drivers

- Yoy appreciation of USD and EUR against PLN

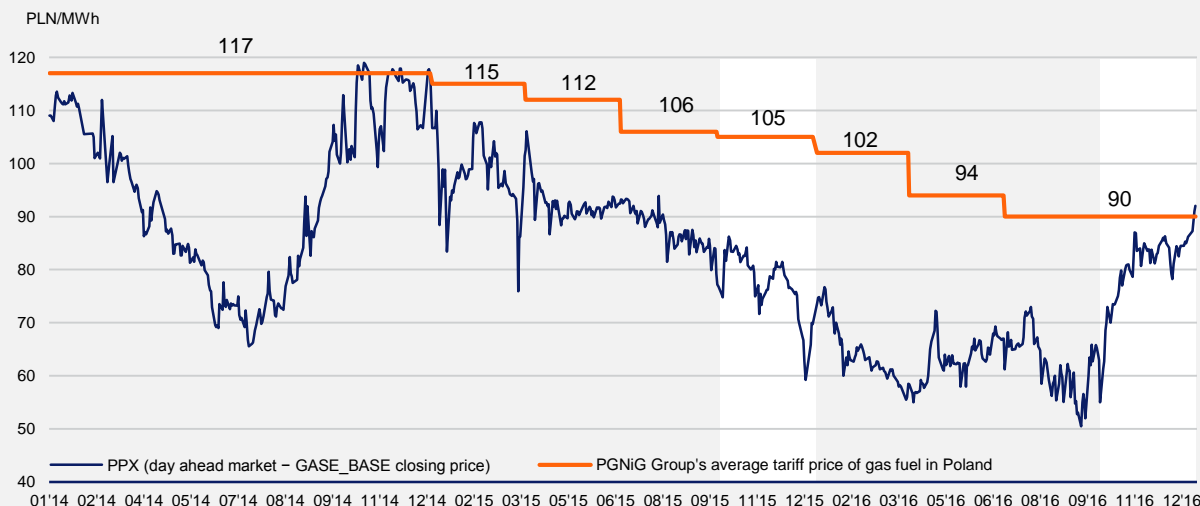


- In Q4 2016, 9-month average of crude oil prices down 24% yoy



- Marked impact of recent periods' tariff reductions on gas selling prices
- Average regulated price down 14% yoy and flat qoq in Q4 2016

- Average tariff price of gas fuel in Poland and gas price on the PPE



Comments:

- Price in the chart is calculated on the combined tariff-price sales of PGNiG SA and PGNiG OD to customers in Poland. It excludes transactions on the Polish Power Exchange, discounts, and gas sold directly from the fields.
- The largest volumes of gas were traded on the PPE and other gas exchanges under contracts with maturities of a quarter, season (summer/winter) and gas year, Monthly and weekly futures and spot contracts play a complementary role.



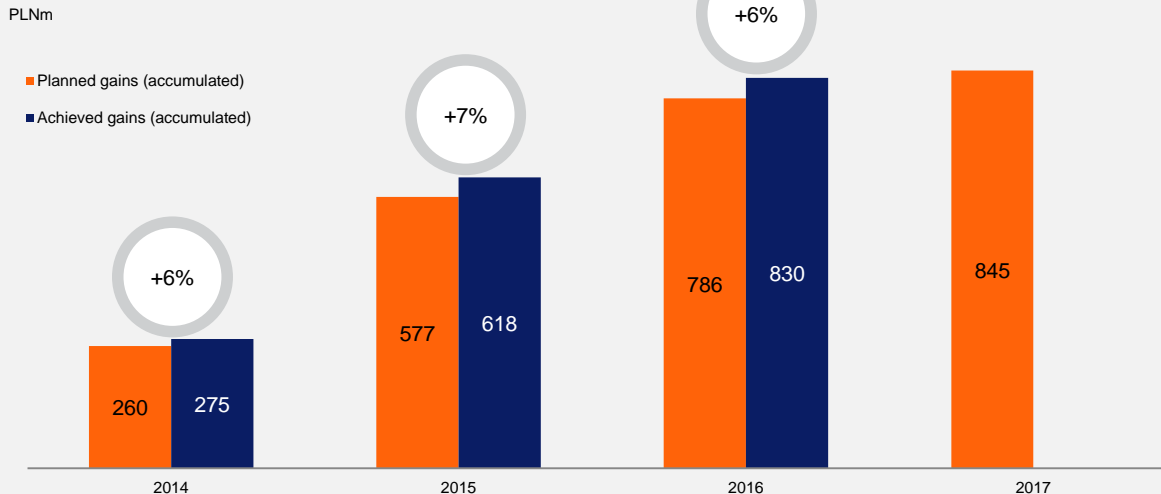
Efficiency Improvement Programme – almost PLN 850m in savings by 2017

Programme objectives:

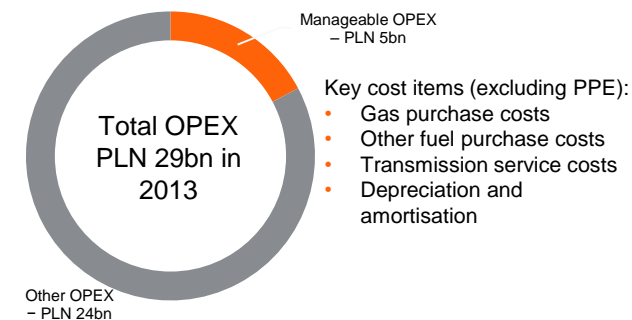
- > To set efficiency improvement targets for the individual segments and entities within the PGNiG Group and to define related benefits to quality improvement.
- > To define the scope of action and to assign specific tasks to individual business segments based on identified areas for improvement.
- > To implement initiatives designed to improve the PGNiG Group's operating efficiency by the end of 2017.

- > The Programme aims to permanently reduce the manageable cost base across core PGNiG Group segments

> PLN 212m in savings achieved in 2016

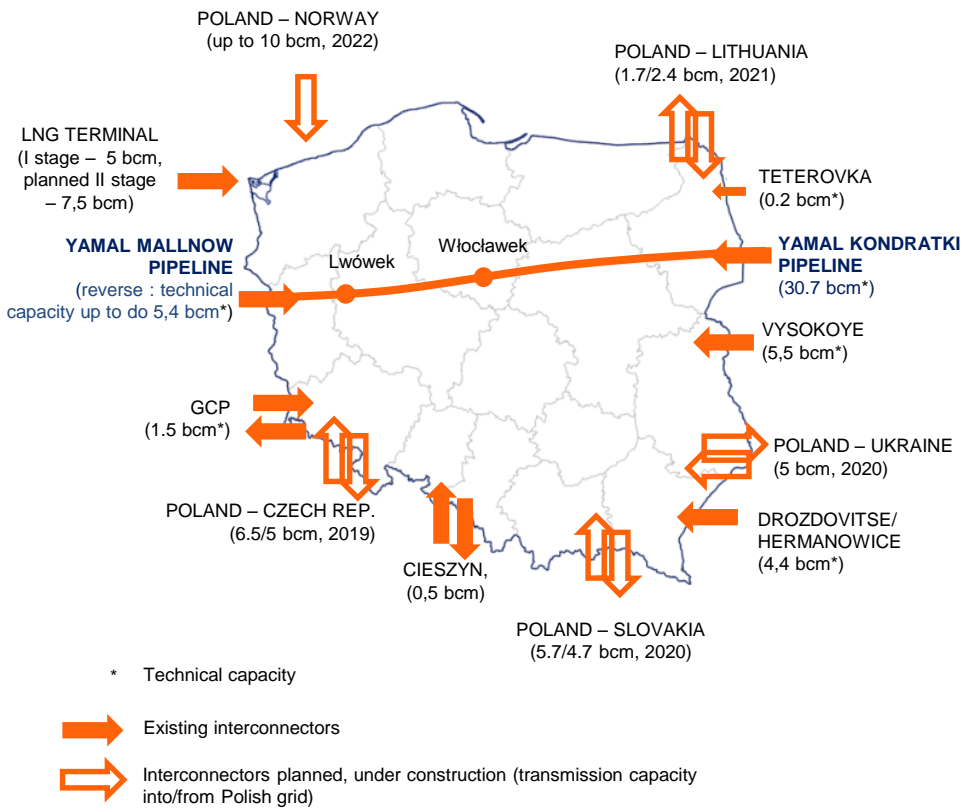


> Operating expenses covered by the EIP

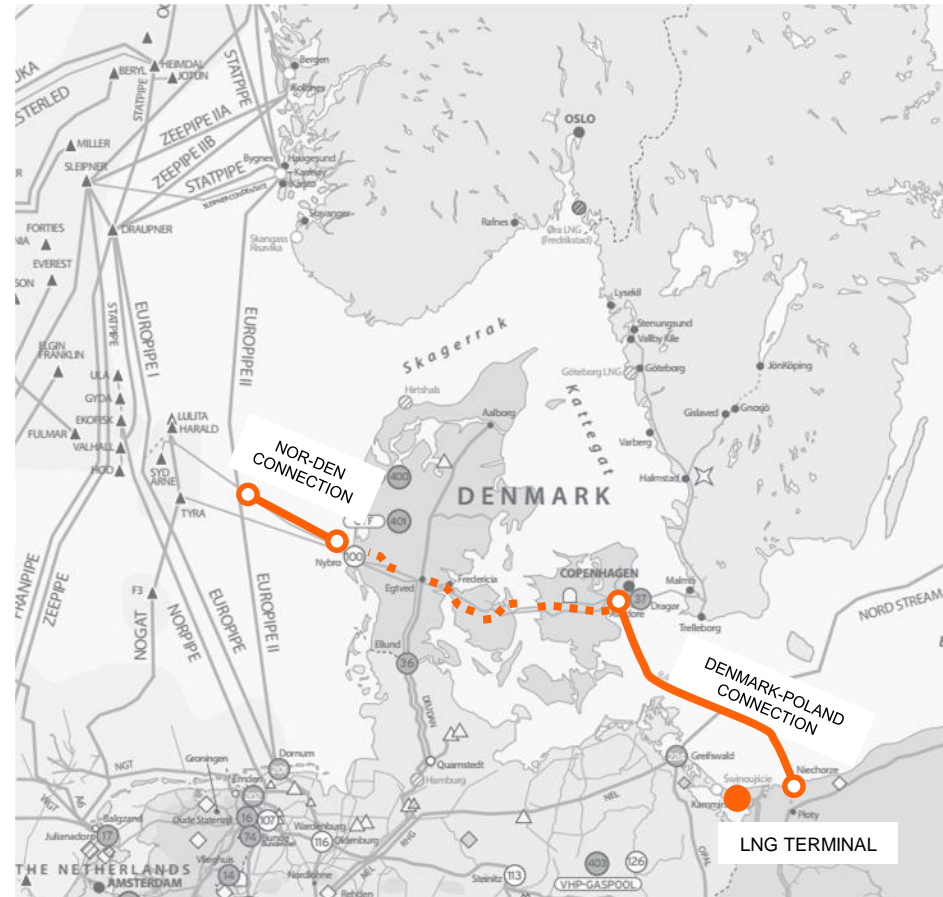


Gas transport routes

> Interconnections

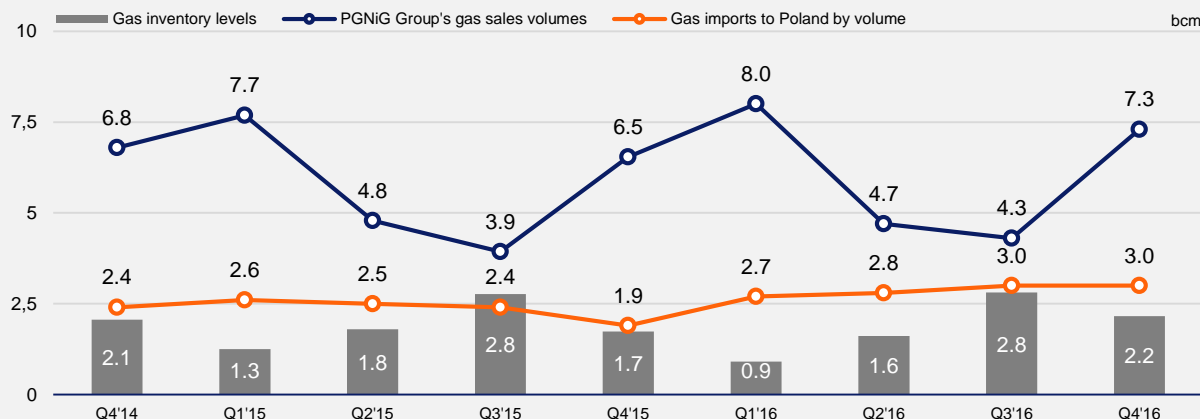


> Northern Gate Project

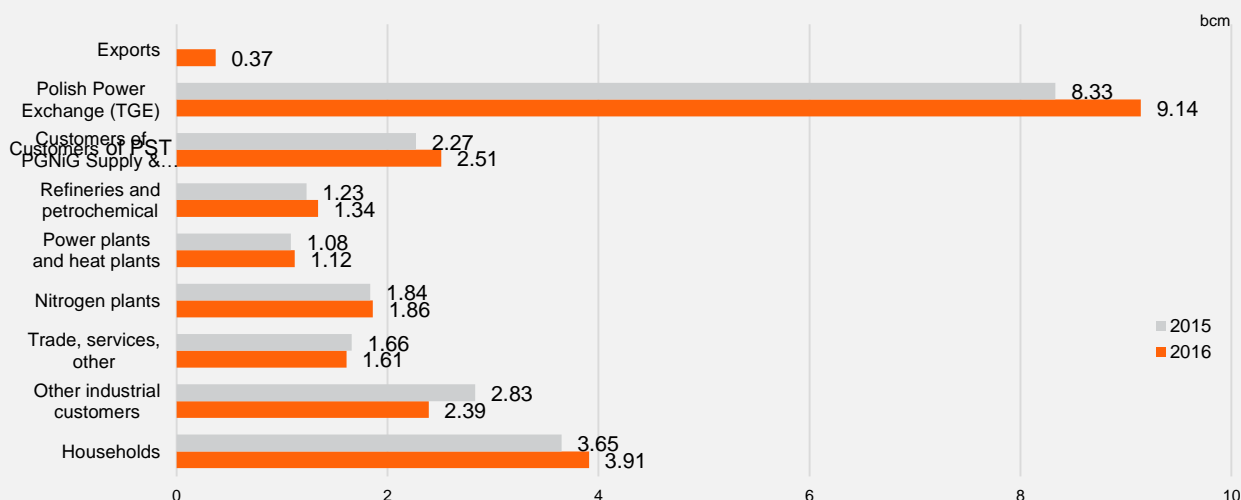


Trade and Storage (1/2)

- PGNiG Group gas sales volumes up 1.3 bcm yoy in 2016 (to 24.3 bcm)



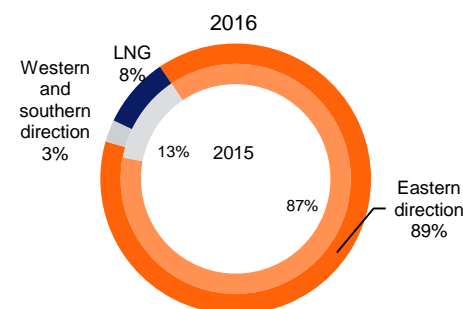
- PGNiG Group* – gas sales volumes by customer group



- Operating margin on E gas up 2% yoy

- More gas purchased by households due to lower yoy average temperatures (7.8°C in 2016 vs. 9°C in 2015).
- More gas sold to industrial customers (refineries and petrochemical, power plants and heat plants, nitrogen plants) as an effect of competitive prices.
- Gas exports in 2016: 0.37 bcm.
- LNG terminal stocks as at December 31st 2016: 100 mcm.

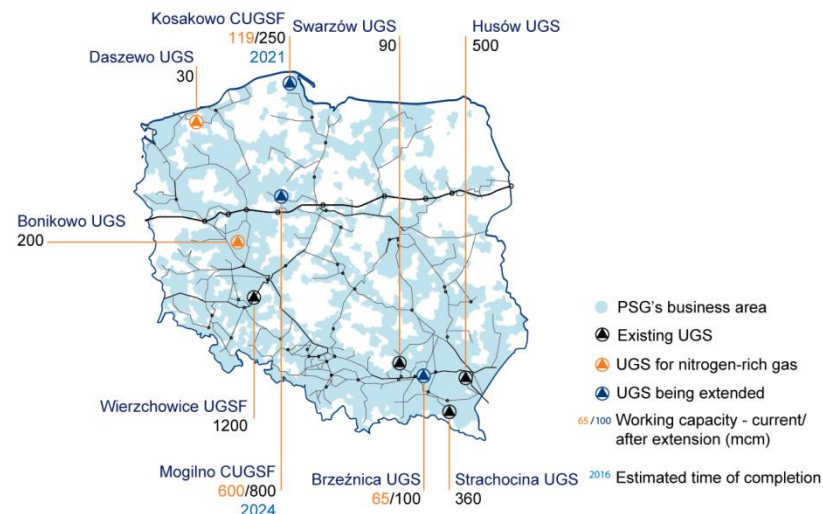
- Poland's gas imports structure in 2016 and 2015



Trade and Storage (2/2)

- > Average Total of 5,757 storage capacity packages, including:
 - > 2,192 packages of services provided on a firm basis
 - > 3,565 packages on an interruptible basis
- > 97% of the storage capacities reserved for PGNiG
 - > 2% for external customers, with the remaining 1% of total capacities idle
- > In 2016, gas was injected into storage at an average rate of 135 GWh/day, a 22 GWh/day increase on 2015
- > Before the beginning of the winter season, storage facilities in Poland were filled to over 98% of capacity

- > UGS Capacity: 2005-2016: +1,5 bcm



- > Current no. of storage facilities: 9 (*in salt caverns: 2*)
- > Current capacity approx. **3.2 bcm**
- > Required strategic gas reserves: 30 days (of daily average import)

Changes on the Polish gas market

Gas sales volume (mcm)	2014	2015	2016
Total PGNiG Group	18.6	23.0	24.3
PGNiG SA (without Pakistan)	13.8	13.2	14.5
<i>including PGNiG SA through PPE</i>	3.7	8.1	9.0
PGNiG Obrót Detaliczny	3.0	7.5	7.3

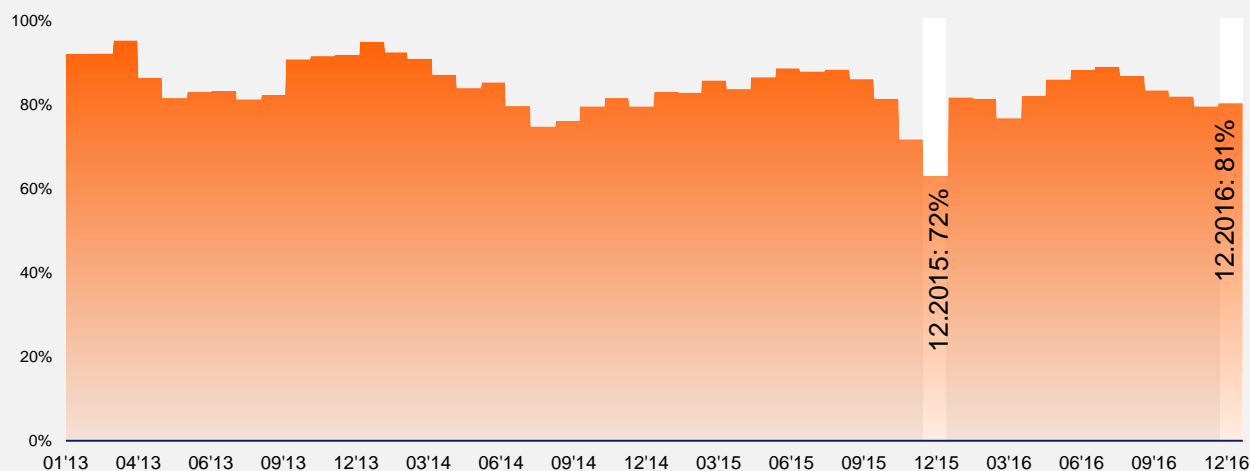
> Gas market deregulation is affecting PGNiG's share in imports and sales structure

- > Since August 1st 2014, the PGNiG Group's gas sales volumes have included both PGNiG SA's sales through the exchange and PGNiG OD's sales to end customers and on the exchange.
- > Nitrogen-rich gas presented in the table as Group E gas equivalent.

* Notes:

- > The chart presents PGNiG SA's share in gas flowing into Poland through OGP Gaz-System's entry points (excluding transit volumes via the Yamal pipeline and including volumes for export), monthly data. The increase of PGNiG's share in imports observed in Q1 2016 caused mainly by reduced exports to Ukraine.
- > Data in the chart do not show PGNiG SA's share in the Polish gas market. They have been sourced from reports published by OGP Gaz-System on the volumes of gas flowing through interconnectors.

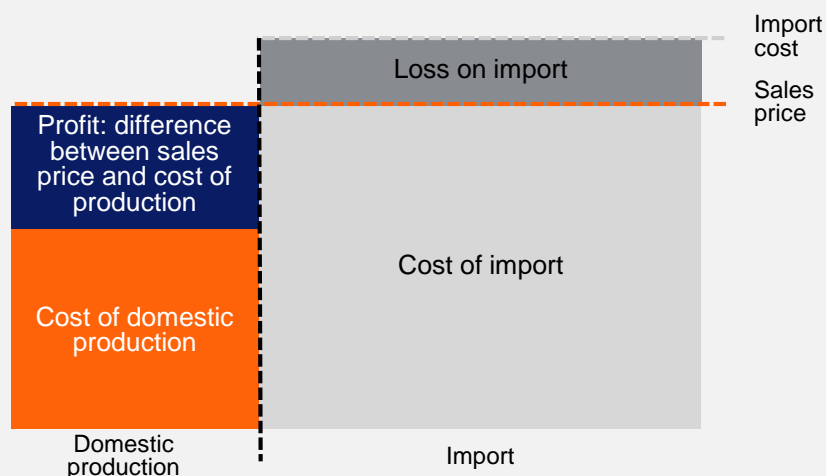
> PGNiG's share in gas imports to Poland*



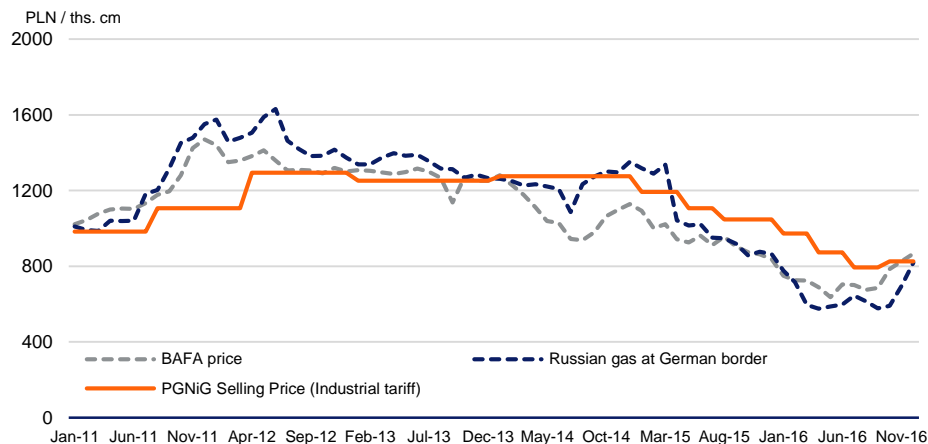
Tariff Model in Poland

Type of activity	Regulatory mechanism
Direct sales	None
Gas sales	Cost of gas + operating costs + margin
Retail	PGNiG Retail's cost base including cost of gas on PPE
Wholesale	Including cost of imports + cost of production (with return on capital invested in E&P)
Storage (until March 2017)	Cost + return on capital (6.0% WACC x PLN 3.7bn RAB)
Distribution	Cost + return on capital (7.2% WACC x PLN 11.9bn RAB) – 150m gap

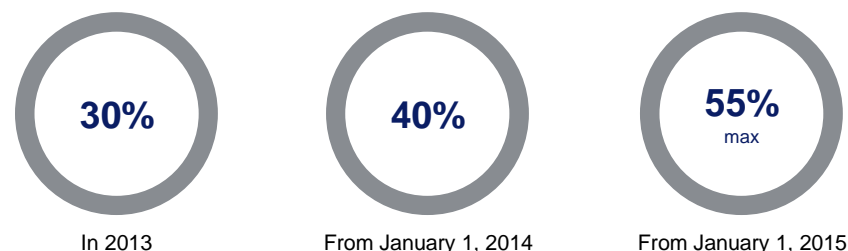
- Gas tariff set on blended cost of gas:
Less costly domestic production supports imports



- Monthly average gas prices in European import contracts and PGNiG tariff price



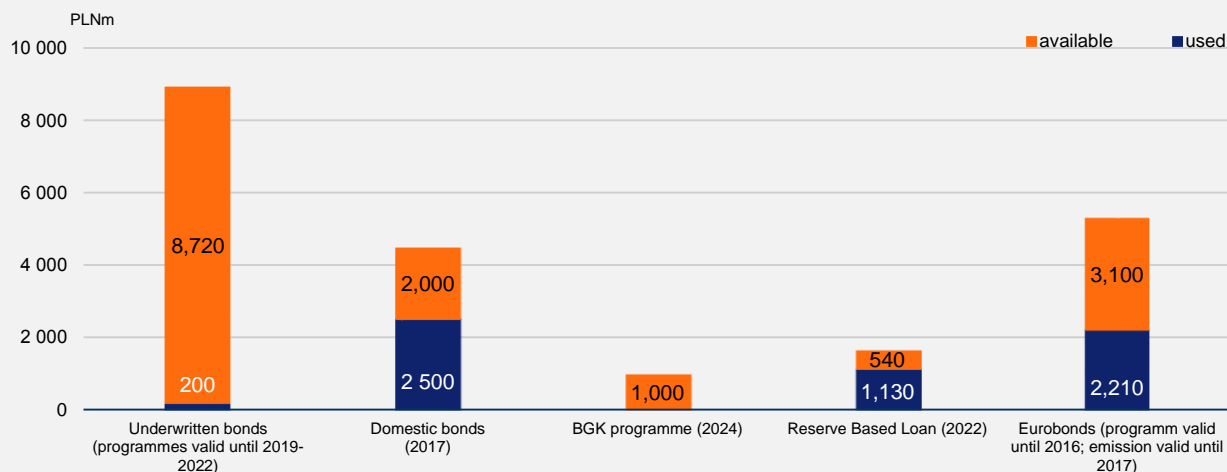
- Levels of obligatory trading on Polish Power Exchange



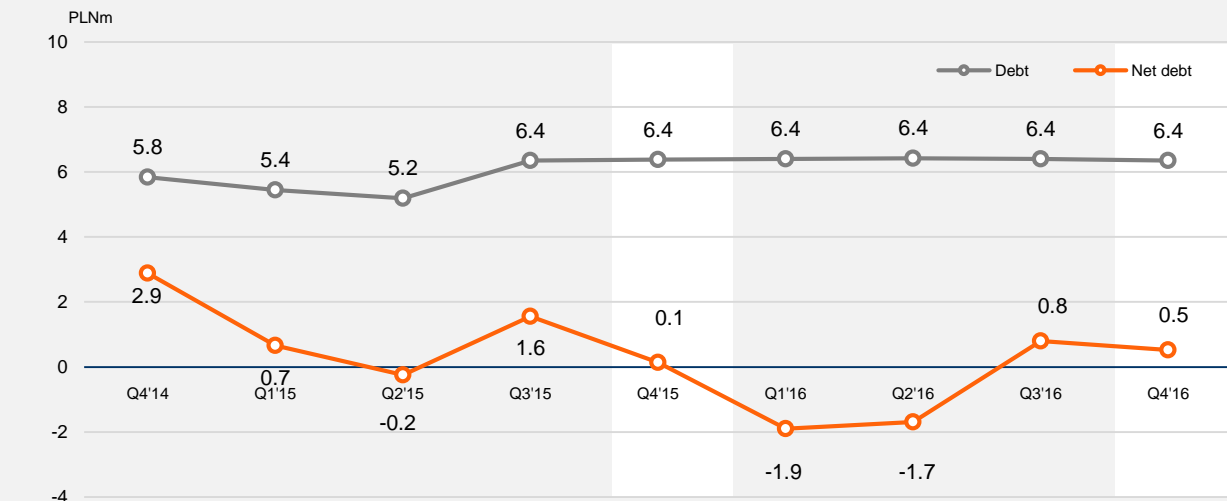
- Liberalization of gas market in Poland is being implemented, based on obligatory trading on gas exchange in Warsaw and gradual removal of tariffs for certain segments of industrial customers.

Debt and sources of funding

> Financing sources – PLN15,360m of overall available financing (as at December 31st 2016)

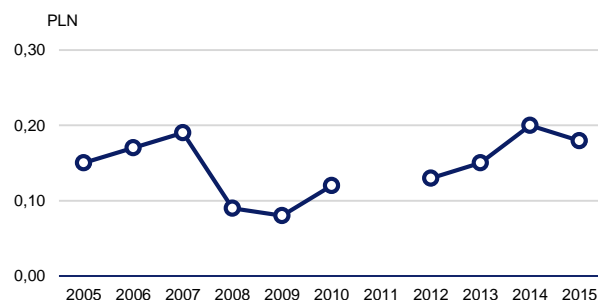


> Debt as at end of quarter



> On February 13th 2017, PGNiG made a timely repayment of a loan from PGNiG Finance AB of EUR 500m along with interest. On February 14th 2017, PGNiG Finance AB redeemed its Eurobonds with a nominal value of EUR 500m, and paid due interest.

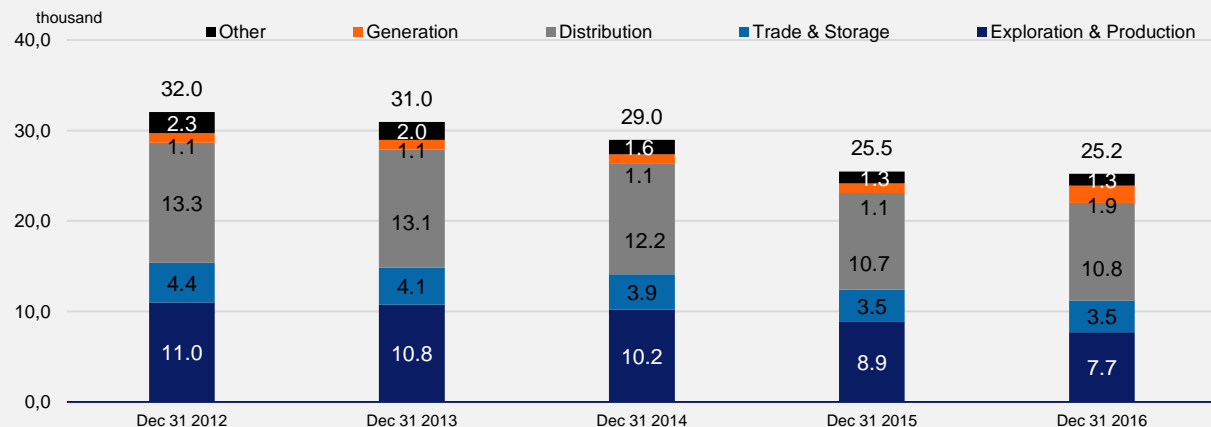
> Dividend per share



> Up to 50% of consolidated net income payment in 2015-2022 as dividend taking into account current financial standing of the PGNiG Group and its investment plans. PGNiG will recognise net profits of its subsidiaries in the consolidated accounts net of any dividend paid by the subsidiaries, so achieving the planned level of dividend payments may be postponed by one year.

Statement of financial position, statement of cash flows, financial ratios and headcount

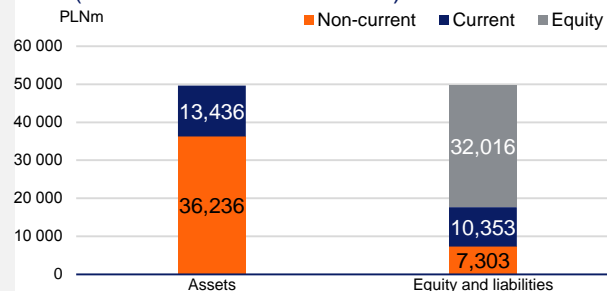
> Headcount (at year end)



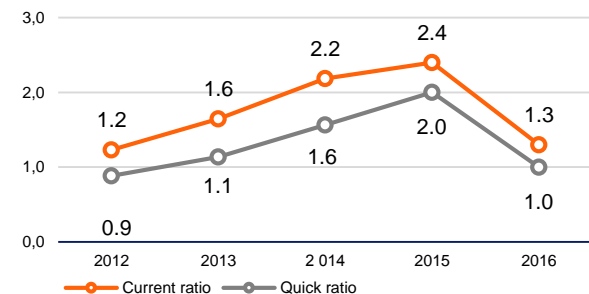
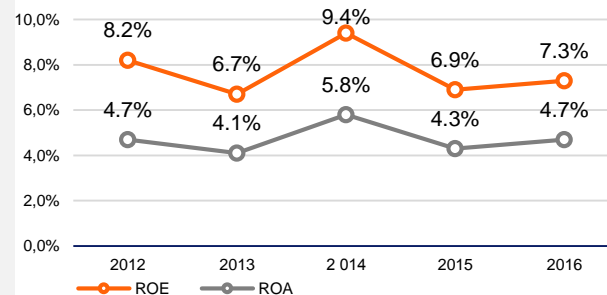
> Consolidated cash flows (Jan 1-Dec 31 2016)



> Group's statement of financial position (as at December 31st 2016)



> Profitability and liquidity ratios



Glossary

2P	Proven reserves of fossil fuels
bbl	barrel
BGK	Bank Gospodarstwa Krajowego
boe / mmboe	Barrel of oil equivalent / Million barrel of oil equivalent (one barrel is approx. 0.136 tonnes)
CAGR	Compound annual growth rate
CAPEX	Capital expenses
cm / bcm	cubic meters / billion cubic meters
D&A	Depreciation and Amortization
DCF	Discounted cash flow
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization
EIP	Efficiency Improvement Programme
JV	Joint Venture
OPEX	Operating expenses
PPE	Polish Power Exchange
PSG	Polska Spółka Gazownictwa
PST	PGNiG Supply & Trading GmbH
PUI	PGNiG Upstream International
RAB	Regulatory Asset Base
UGS / CUGS	Underground Gas Storage facility / Cavern Underground Gas Storage facility
WIG 20	Capitalization-weighted stock market index of the twenty largest companies on the Warsaw Stock Exchange
WSE	Warsaw Stock Exchange

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> Calendar

May
10th

Q1 results

August
11th

H1 results

November
8th

Q3 results

> More information



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