

2011

PGNiG in numbers 2013



PGNiG
in numbers
2013



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Key figures of the PGNiG Group

[PLN m]	2013	2012	2011	2010	2009
Sales revenue	32,120	28,730	23,004	21,281	19,332
EBIT	3,149	2,540	1,872	2,887	1,375
EBIT margin	9.8%	8.8%	8.1%	13.6%	7.1%
EBITDA	5,612	4,609	3,446	4,411	2,871
EBITDA margin	17.5%	16.0%	15.0%	20.7%	14.9%
Net profit	1,920	2,240	1,755	2,457	1,237
Assets	47,144	47,929	38,824	33,642	31,074
Equity	28,453	27,197	25,218	23,519	21,435
Net debt	4,834	8,263	3,494	826	832
PLN	2013	2012	2011	2010	2009
EPS	0.33	0.38	0.30	0.42	0.21
DPS	0.15	0.13	0.00	0.12	0.08

Key figures of the PGNiG Group

[EUR m ¹]	2013	2012	2011	2010	2009
Sales revenue	7,628	6,884	5,556	5,314	4,454
EBIT	748	609	452	721	317
EBIT margin	9.8%	8.8%	8.1%	13.6%	7.1%
EBITDA	1,333	1,104	832	1,102	661
EBITDA margin	17.5%	16.0%	15.0%	20.7%	14.9%
Net profit	456	537	424	614	285
[EUR m ²]	2013	2012	2011	2010	2009
Assets	11,368	11,724	8,790	8,495	7,564
Equity	6,861	6,653	5,710	5,939	5,218
Net debt	1,166	2,021	791	209	202
[EUR ¹]	2013	2012	2011	2010	2009
EPS	0.08	0.09	0.07	0.10	0.05
DPS	0.04	0.03	0.00	0.03	0.02

¹ average exchange rate EUR/PLN – 2009 (4.3406); 2010 (4.0044); 2011 (4.1401); 2012 (4.1736); 2013 (4.2110).

² EUR/PLN exchange rate as at the end of the period – 2009 (4.1082); 2010 (3.9603); 2011 (4.4168); 2012 (4.0882); 2013 (4.1472).

Ratios & employment

Financial ratios	2013	2012	2011	2010	2009
ROS	6.0%	7.8%	7.6%	11.5%	6.4%
ROE	6.7%	8.2%	7.0%	10.4%	5.8%
ROA	4.1%	4.7%	4.5%	7.2%	4.0%
Current ratio	1.4	1.1	1.0	1.2	1.1
Quick ratio	1.0	0.8	0.7	1.0	0.9
Debt to liabilities	39.6%	43.1%	35.0%	30.1%	31.0%
Debt to equity	65.7%	75.9%	54.0%	43.0%	45.0%

Employment at the end of period, by segments [persons]

	2013	2012	2011	2010	2009
Exploration and Production	10,754	10,990	12,054	11,592	10,800
Trade and Storage	4,357	4,685	4,967	4,947	4,961
Distribution	13,050	13,255	13,865	13,881	13,851
Generation	1,066	1,069	-	-	-
Other	1,990	2,327	2,185	2,296	2,073
Total employment	31,217	32,326	33,071	32,716	31,685

Share data

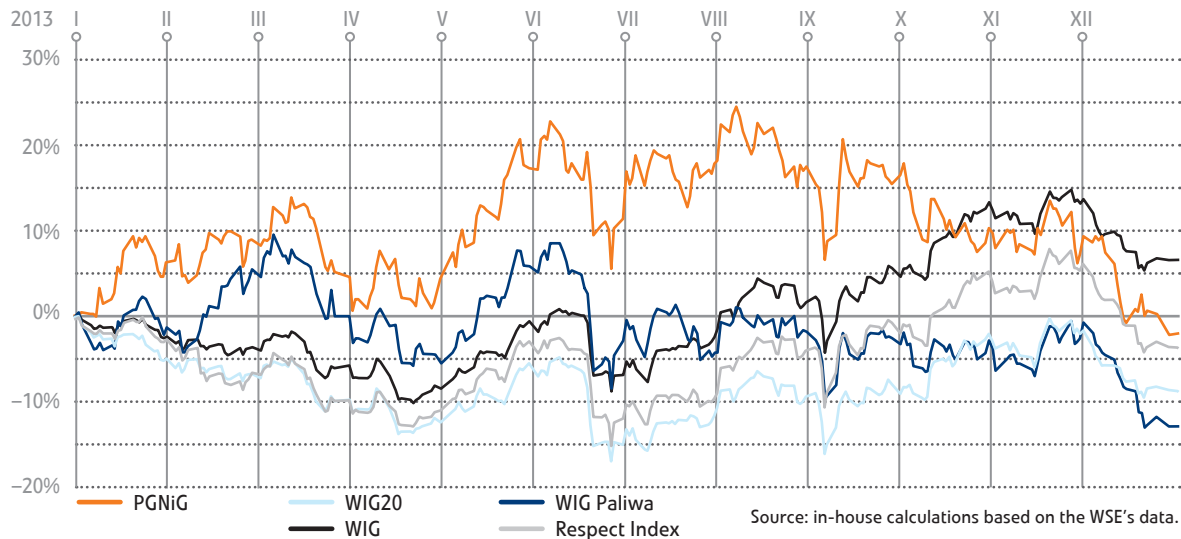
Share indicators based on year end share price	2013	2012	2011	2010	2009
Price/Earnings	15.6	13.7	13.6	8.5	18.0
Price/Book Value	1.1	1.1	0.9	0.9	1.0
Price/Cash Flow	6.9	7.1	7.2	5.3	8.2
EV/EBITDA	6.3	8.5	8.0	5.0	8.1
No. of shares (million)	5,900	5,900	5,900	5,900	5,900
DPS	0.15	0.13	0.00	0.12	0.08
EPS	0.33	0.38	0.30	0.42	0.21
High ¹	6.55	5.21	4.64	3.91	4.57
Low ²	5.14	3.62	3.45	3.16	3.24
Year end share price	5.15	5.21	4.08	3.57	3.79
Yearly average share price	5.83	4.06	3.97	3.57	3.79
Dividend yield ³	2.57%	3.20%	-	3.36%	2.11%
[PLN m]	2013	2012	2011	2010	2009
Year end market cap	30,385	30,739	24,072	21,063	22,361
Capitalization based on yearly average price	34,397	23,954	23,423	21,063	22,361
Year high market cap ¹	38,645	30,739	27,376	23,069	26,963
Year low market cap ²	30,326	21,358	20,355	18,644	19,116

¹ 30.07.2009; 12.11.2010; 07.07.2011; 28.12.2012; 07.08.2013.

² 17.02.2009; 20.05.2010; 14.01.2011; 27.02.2012; 27.12.2013.

³ dividend yield = annual dividend per share/ yearly average share price.

Share price fluctuations and shareholders structure



Share price fluctuations	2013	2012	2011	2010	2009
State Treasury	72.40%	72.40%	72.41%	72.44%	72.94%
Others	27.60%	27.60%	27.59%	27.56%	27.06%

Consolidated income statement

[PLN m]	2013	2012	2011	2010	2009
Sales revenue	32,120	28,730	23,004	21,281	19,332
Total operating expenses, including:	-28,971	-26,190	-21,132	-18,394	-17,957
Raw and other materials used	-19,512	-17,603	-14,059	-11,675	-11,523
Employee benefits	-3,214	-3,047	-2,850	-2,647	-2,454
External services	-3,245	-3,060	-3,182	-3,149	-2,964
Operating profit	3,149	2,540	1,872	2,887	1,375
Financial income	69	216	135	81	203
Financial expenses	-465	-380	-152	-30	-95
Share in profit/loss of undertakings valued with equity method	-44	173	43	-1	-0
Pre-tax profit	2,709	2,549	1,898	2,936	1,483
Corporate income tax	-789	-309	-143	-479	-246
Net profit	1,920	2,240	1,755	2,457	1,237
Attributable to equity holders of the parent company	1,918	2,242	1,756	2,454	1,235
Attributable to minority interests	2	-2	-1	3	2

Consolidated statement of financial position

Assets [PLN m]	2013	2012	2011	2010	2009
Non-current assets, including	36,239	37,096	31,301	27,433	24,658
Property, plant and equipment	33,033	33,784	29,319	25,662	22,889
Investments in associated undertakings valued with equity method	727	771	598	556	557
Current assets, including	10,905	10,833	7,523	6,210	6,417
Inventories	3,378	3,064	2,082	1,050	1,259
Trade and other receivables	4,086	5,374	3,378	3,387	3,680
Cash and cash equivalents	2,827	1,948	1,505	1,373	1,196
Total assets	47,144	47,929	38,824	33,643	31,074
Equity and liabilities [PLN m]	2013	2012	2011	2010	2009
Total equity, including	28,453	27,197	25,218	23,519	21,435
Share capital	5,900	5,900	5,900	5,900	5,900
Retained earnings	20,856	19,705	17,457	3,655	2,380
Equity attributable to minority interests	6	4	7	13	10
Total liabilities	18,691	20,732	13,606	10,123	9,639
Total long-term liabilities, including	10,853	11,119	5,760	4,973	3,740
Loans, borrowings and debt securities	5,385	5,509	1,382	970	44
Total short-term liabilities, including	7,838	9,613	7,846	5,150	5,899
Loans, borrowings and debt securities	2,276	4,702	3,617	1,229	1,984
Total equity and liabilities	47,144	47,929	38,824	33,643	31,074

Consolidated statement of cash flows

[PLN m]	2013	2012	2011	2010	2009
Net cash from operating activities, including	7,813	2,552	2,676	3,843	2,555
Net profit	1,920	2,240	1,755	2,457	1,237
Depreciation and amortization	2,463	2,069	1,574	1,525	1,496
Profit (loss) on investing activities	568	138	86	-346	-212
Income tax paid	-495	-591	-396	-216	-556
Change in receivables, net	1,310	-1,734	12	-361	62
Change in inventories	-321	-620	-1,031	217	462
Change in current liabilities	394	248	299	239	-571
Net cash from investment activities	-3,060	-6,149	-4,227	-3,559	-3,638
Net cash from financial activities	-3,874	4,040	1,682	-108	858
Cash and cash equivalents at the end of the period	2,826	1,947	1,504	1,373	1,196

Operating expenses

[PLN m]	2013	2012	2011	2010	2009
Raw and other materials used	-19,512	-17,603	-14,059	-11,675	-11,523
Employee benefits	-3,214	-3,047	-2,850	-2,647	-2,454
Depreciation and amortization	-2,463	-2,069	-1,574	-1,525	-1,496
Contracted services	-3,245	-3,060	-3,182	-3,149	-2,964
Cost of products and services for internal purposes	983	1,006	1,129	1,043	900
Other operating expenses, net	-1,520	-1,417	-596	-442	-420
Total operating expenses	-28,971	-26,190	-21,132	-18,394	-17,957

Raw and other materials used [PLN m]	2013	2012	2011	2010	2009
Cost of gas sold	-17,208	-15,714	-13,353	-11,005	-10,862
Fuels for electricity and heat generation	-908	-984	-	-	-
Electricity for trading	-670	-156	-	-	-
Other raw and other materials used	-726	-749	-706	-670	-661

Contracted services [PLN m]	2013	2012	2011	2010	2009
Purchases of transmission services from OGP Gaz-System SA	-1,474	-1,454	-1,463	-1,531	-1,354
Costs of written off dry wells	-132	-127	-276	-162	-265
Other contracted services	-1,639	-1,479	-1,443	-1,455	-1,449

Exploration and Production. The segment covers the process of exploring for and extracting natural gas and crude oil from reserves, including geological surveys, geophysical research, drilling and development of and production from the reserves. The exploration and production activities are conducted by PGNiG SA, POGC Libya BV, PGNiG Upstream International AS and other Group companies rendering services within this segment.

Trade and Storage. The segment is responsible for sale of natural gas, either from imports or domestic sources, storage activity as well as trade of electricity.

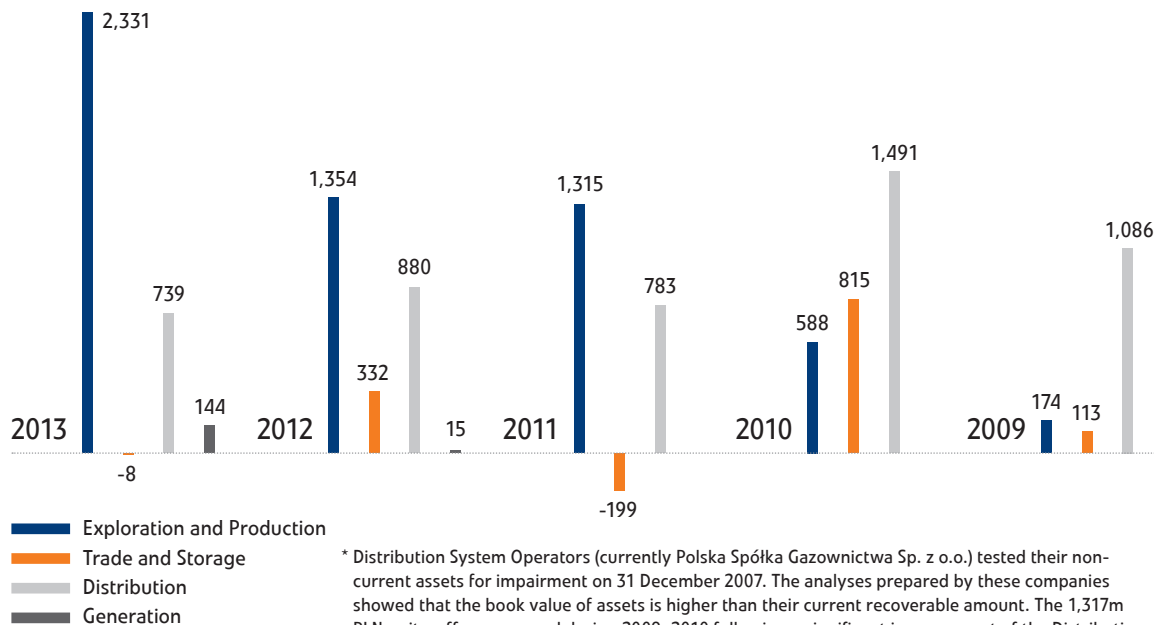
Distribution. This segment deals with gas distribution to end customers, primarily individual ones, as well as the operation, maintenance and expansion of the distribution grid.

Generation. The segment's activities consist in generation of electricity and heat.

Other operations. This segment provides engineering services and manufactures machinery for facilities and units used in oil mining and gas engineering.

Operating segments

EBIT of separate operating segments [PLN m]



* Distribution System Operators (currently Polska Spółka Gazownictwa Sp. z o.o.) tested their non-current assets for impairment on 31 December 2007. The analyses prepared by these companies showed that the book value of assets is higher than their current recoverable amount. The 1,317m PLN write-off was reversed during 2009–2010 following a significant improvement of the Distribution segment's profitability.

Operating segments

Exploration and Production [PLN m]	2013	2012	2011	2010	2009
Total segment revenue	6,261	4,325	4,081	3,452	3,038
Total segment costs	-3,930	-2,971	-2,766	-2,864	-2,865
Operating result	2,331	1,354	1,315	588	174
Segment assets	15,364	16,580	15,875	12,797	11,063
Segment liabilities	4,954	5,840	2,177	1,863	1,608
Capital expenditure on property, plant and equipment and intangible assets	-1,630	-1,676	-2,788	-2,193	-1,913
Trade and Storage [PLN m]	2013	2012	2011	2010	2009
Total segment revenue	25,659	23,714	19,986	19,080	17,371
Total segment costs	-25,667	-23,382	-20,185	-18,264	-17,258
Operating result	-8	332	-199	815	113
Segment assets	17,344	18,711	12,214	9,774	10,201
Segment liabilities	4,634	3,970	2,798	2,862	2,921
Capital expenditure on property, plant and equipment and intangible assets	-341	-1,686	-617	-506	-780

Operating segments

Distribution [PLN m]	2013	2012	2011	2010	2009
Total segment revenue	4,250	3,583	3,470	3,538	3,081
Total segment costs	-3,511	-2,703	-2,687	-2,047	-1,995
Operating result	739	880	783	1,491	1,086
Segment assets	14,067	13,089	12,603	12,228	11,039
Segment liabilities	2,879	2,279	1,915	1,932	1,831
Capital expenditure on property, plant and equipment and intangible assets	-1,110	-1,141	-1,139	-958	-1,127
Generation [PLN m]	2013	2012	2011	2010	2009
Total segment revenue	2,063	1,957			
Total segment costs	-1,919	-1,942			
Operating result	144	15			
Segment assets	4,124	4,345			
Segment liabilities	1,943	2,870			
Capital expenditure on property, plant and equipment and intangible assets	-203	-196			
Other operations [PLN m]	2013	2012	2011	2010	2009
Total segment revenue	424	446	588	568	461
Total segment costs	-489	-474	-579	-541	-439
Operating result	-65	-28	9	27	21
Segment assets	411	413	549	415	366
Segment liabilities	187	129	120	131	136
Capital expenditure on property, plant and equipment and intangible assets	-13	-28	-19	-13	-20

Production of gas, crude oil and other products

Natural gas [million m ³]	2013	2012	2011	2010	2009
High-methane gas	1,890	1,608	1,615	1,612	1,637
Low-methane gas ¹	2,692	2,710	2,714	2,609	2,468
Total	4,582	4,317	4,329	4,220	4,105
Crude oil, condensate and NGLs [ths tonnes]	2013	2012	2011	2010	2009
Crude oil, condensate and NGLs	1,098.5	491,6	467,6	500,6	504,3
Other products [ths tonnes]	2013	2012	2011	2010	2009
Propane-butane gas	29.9	22.6	20.7	21.1	20.1
Sulphur	38.6	25.3	23.8	24.9	24.7
LNG	32.4	27.7	22.7	26.7	20.0
Other products [million m ³]	2013	2012	2011	2010	2009
Helium	3.0	3.3	3.4	3.1	2.5

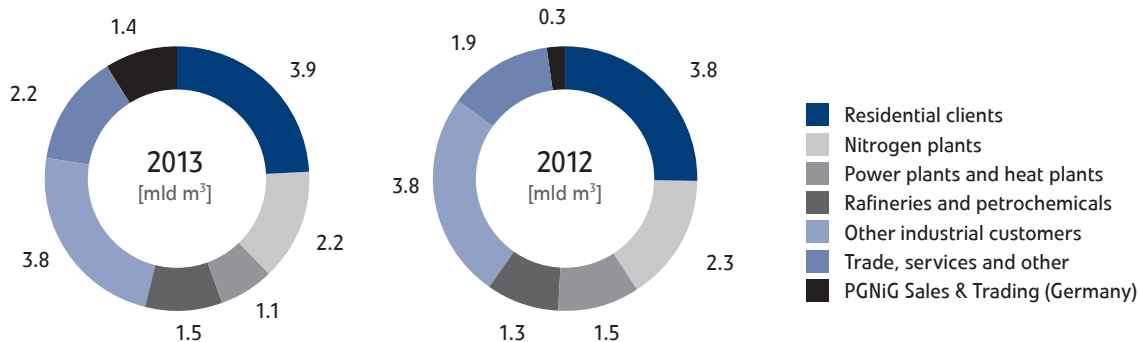
¹ High-methane gas equivalent in normal conditions.

Natural gas and crude oil sales volume

[million m ³]	2013	2012	2011	2010	2009
Natural gas	16,208	14,913	14,277	14,417	13,284

[ths tonnes]	2013	2012	2011	2010	2009
Crude oil, condensate and NGLs	1105.5	484.6	466.8	500	506

Customers share in gas sales volume in 2012–2013 (billion m³)



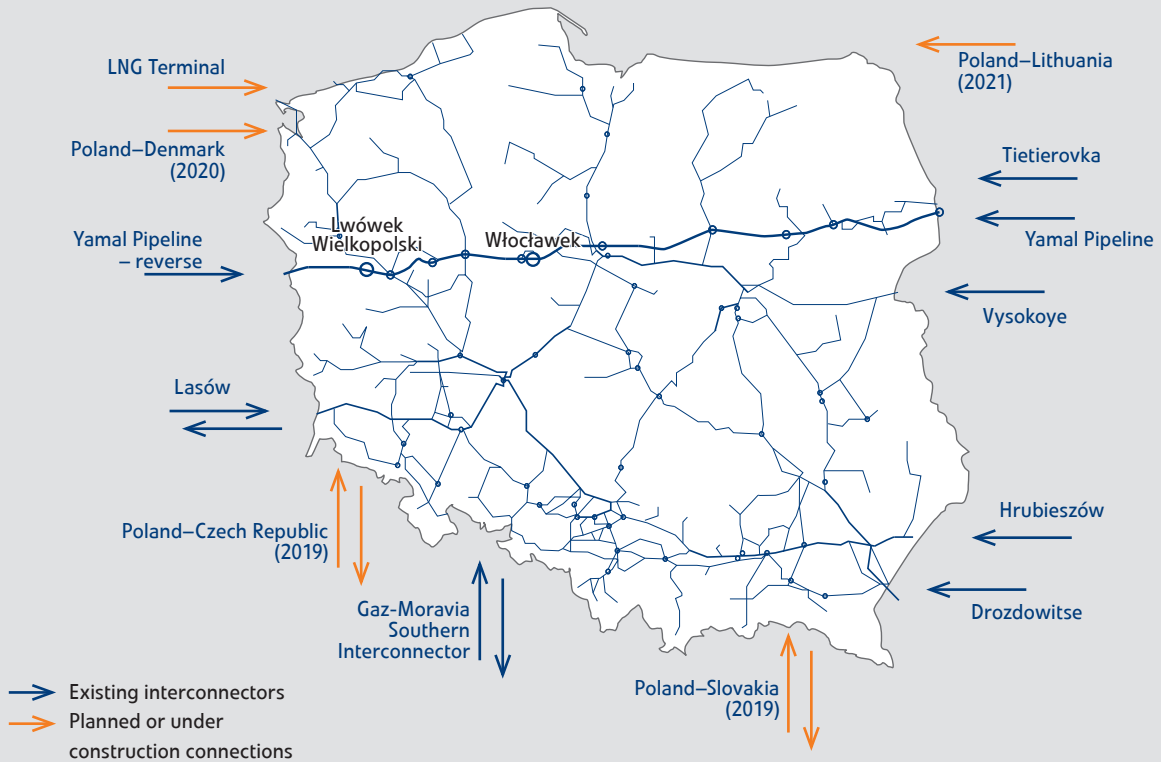
Revenue from sales of products, services, goods for resale and materials

Revenue from sales of products ¹ [PLN m]	2013	2012	2011	2010	2009
High-methane gas	23,540	22,309	19,014	17,888	16,208
Low-methane gas	1,430	1,389	1,217	1,187	1,281
Crude oil, condensate and NGLs	2,757	1,263	1,100	842	664
Helium	183	161	58	44	37
Electricity	1,360	842	11	-	-
Heat	1,069	978	-	-	-
Geophysical and geological services	252	329	448	279	226
Exploration services	653	586	578	408	377
Other sales	876	874	578	633	538
Total sales revenue	32,120	28,730	23,004	21,281	19,332

¹ Data includes both domestic and export sales.

Sources of natural gas

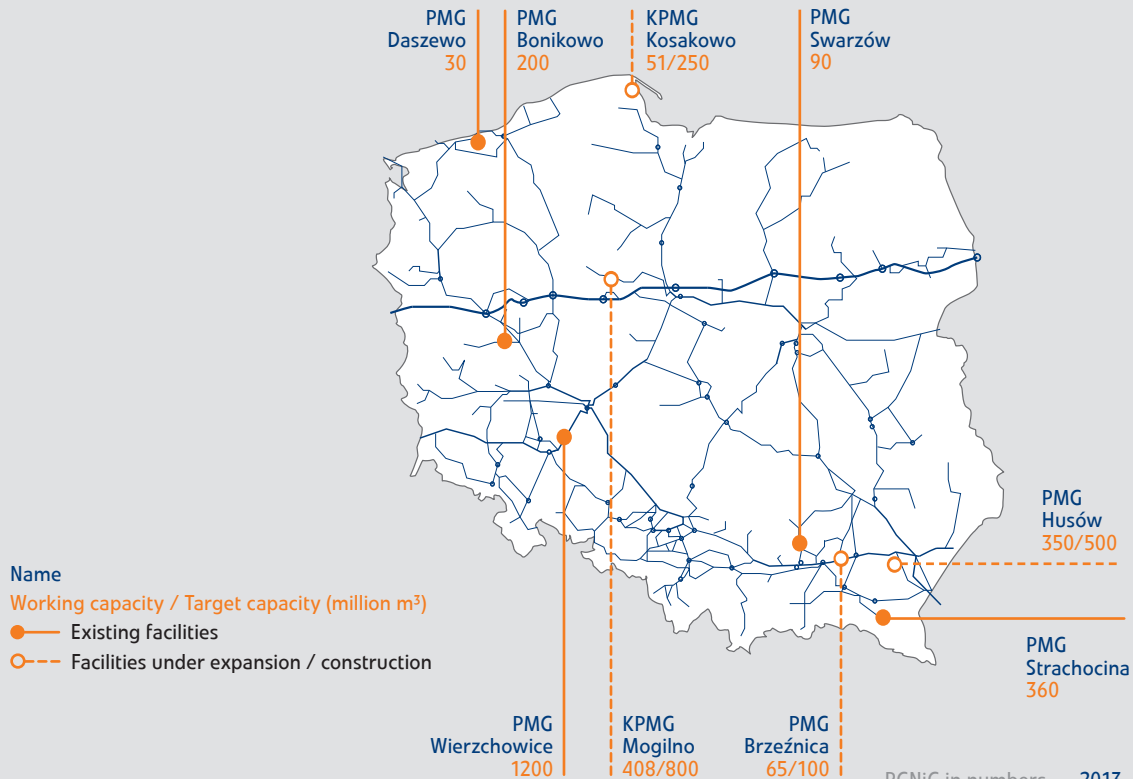
[million m ³]	2013	2012	2011	2010	2009
Domestic production	4,211	4,317	4,329	4,220	4,105
Imports	10,850	11,001	10,915	10,067	9,136
Eastern direction	8,733	9,018	9,336	9,034	8,142
Western direction	1,564	1,427	1,370	1,032	993
Northern direction	-	-	-	-	-
Southern direction	553	556	209	0.3	0.3
Total	15,061	15,318	15,245	14,287	13,241



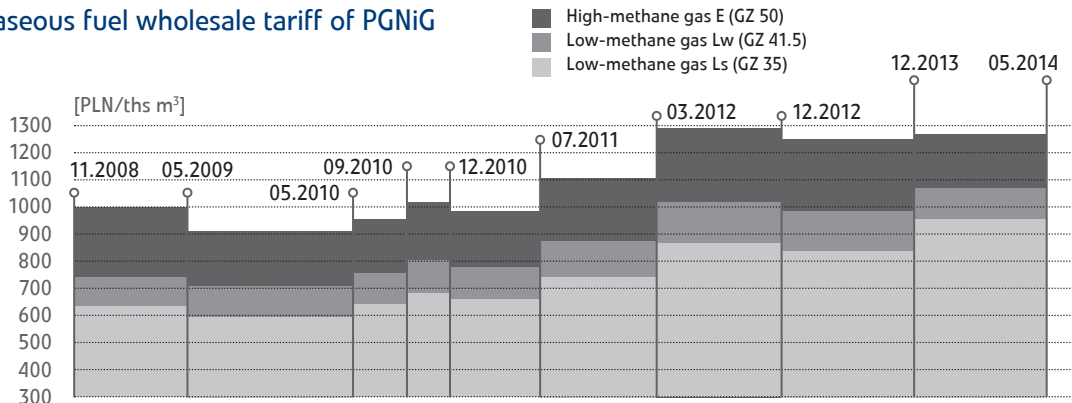
Underground gas storage facilities

Current and target capacity of underground gas storage facilities [million m³]

Name	Type of investment	Working capacity	Target capacity	Planned completion date
Underground gas storages for high-methane gas				
Wierzchowice		1200	1200	
Husów	expansion	350	500	2014
Mogilno	expansion	408	800	2027
Strachocina		360	360	
Swarzów		90	90	
Brzeźnica	expansion	65	100	2015
Kosakowo	construction	51	250	2021
Underground gas storages for low-methane gas				
Bonikowo		200	200	
Daszewo		30	30	
Total		2,754	3,530	



Gaseous fuel wholesale tariff of PGNiG



Gaseous fuel wholesale tariff of PGNiG in the following periods [PLN/ths m³]

	01.11.2008 – 31.05.2009	01.06.2009 – 31.05.2010	01.06.2010 – 30.09.2010	01.10.2010 – 31.12.2010	01.01.2011 – 14.07.2011	15.07.2011 – 30.03.2012	31.03.2012 – 31.12.2012	01.01.2013 – 31.12.2013	01.01.2014 – now ^{1,2}
High-methane gas E (GZ 50)	998.30	910.00	954.50	1015.50	982.70	1107.30	1294.20	1251.30	1274.70
Low-methane gas Ls (GZ 35)	632.70	594.20	641.30	682.30	660.30	743.00	868.50	839.70	864.70
Low-methane gas Lw (GZ 41.5)	738.50	704.50	752.20	800.30	774.50	871.50	1018.80	984.90	1014.30

¹ As at May 31st, 2014.

² Change of tariff calculation – the tariff includes the costs of transmission service at transmission system entry points and costs of building and holding gas inventories.

Currency exchange rates

Yearly average exchange rate	2013	2012	2011	2010	2009
USD/PLN	3.1653	3.2581	2.9636	3.0179	3.1162
EUR/PLN	4.2110	4.1852	4.1196	3.9939	4.3273
Exchange rate at the end of the period	2013	2012	2011	2010	2009
USD/PLN	3.0120	3.0996	3.4174	2.9641	2.8503
EUR/PLN	4.1472	4.0882	4.4168	3.9603	4.1082

Source: National Bank of Poland.

Average prices of crude oil

USD/bbl	Q1	Q2	Q3	Q4	1-4Q
2009	45.04	59.28	68.25	74.93	62.04
2010	76.78	78.63	76.41	86.93	79.73
2011	105.21	116.80	112.90	109.31	111.05
2012	118.71	108.73	109.90	110.49	111.96
2013	109.71	111.06	108.73	108.59	109.52

Source: Bloomberg, European Dated Brent Forties Oseberg (BFO).

Conversion rates

	1 bn m ³ of natural gas	1 bn cf of natural gas	1 mn ton of crude oil	1 mn of LNG	1 mn ton of hard coal	1 bn Btu	1 PJ	1 mn boe	1 TWh
1 bn m ³ of natural gas	1	35.3	0.90	0.73	1.35	36	38	6.29	10.97
1 bn cf of natural gas	0.028	1	0.026	0.021	0.038	1.03	1.08	0.18	0.29
1 mn tons of crude oil	1.113	39.2	1	0.81	1.52	40.4	42.7	7.33	11.65
1 mn tons of LNG	1.38	48.7	1.23	1	1.86	52	55	8.68	14.34
1 mn tons of hard coal	0.74	26.1	0.66	0.54	1	26.7	28.1	4.66	8.14
1 x 10 ¹² Btu	0.028	0.98	0.025	0.02	0.038	1	1.06	0.17	0.29
1 PJ	0.026	0.93	0.23	0.019	0.036	0.95	1	0.17	0.28
1 mn boe	0.16	5.61	0.14	0.12	0.21	5.8	6.04	1	1.70
1 TWh	0.096	3.41	0.086	0.07	0.123	3.41	3.6	0.59	1

Definitions

boe barrel of oil equivalent (1 barrel equals approx. 0.136 ton)

Btu British thermal units; amount of heat required to raise the temperature of one pound of liquid water by one degree Fahrenheit

cf standard cubic feet

Financial calendar

	Publications dates
Annual statement – 2013	March 5 th , 2014
Quarterly consolidated report – Q1 2014	May 9 th , 2014
Half-yearly consolidated report – H1 2014	August 14 th , 2014
Quarterly consolidated report – Q3 2014	November 7 th , 2014

PGNiG provides webcast of press conferences concerning results on www.pgnig.pl in Polish and English.

Mailing list

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Tickers:

GPW: PGN

Bloomberg: PGN.PW

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