

Polish Oil and Gas Company (PGNiG SA)
Head Office

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Natural gas and crude oil production forecast for 2017–2019

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The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA (“PGNiG”) announces its natural gas and crude oil production forecast for 2017–2019, replacing the production forecast for 2016–2018 published in Current Report No. 34/2016 of April 15th 2016 and subsequently updated in Current Report No. 98/2016 of October 25th 2016.

Natural gas production forecast for 2017–2019, converted to high-methane gas with a calorific value of 39.5 MJ/m³ (in billion m³):

	2017	2018	2019
Poland	3.8	3.8	3.9
Outside of Poland, including:	0.7	0.7	0.7
<i>Norway</i>	0.5	0.5	0.4
<i>Pakistan</i>	0.2	0.2	0.3
Total	4.5	4.5	4.6

The production of natural gas in Poland should remain stable, and will be further increased from 2019 onwards following the tie-in of new wells. The decrease in the forecast output of natural gas in Pakistan at the end of 2017 is attributable to a lower-than-expected rate of production from the Rehman-2 well, brought online in 2017, and the revised schedule of tie-in of new wells.

Crude oil production forecast, including condensate and NGL, for 2017–2019 ('000 tonnes):

	2017	2018	2019
Poland	778	820	784
Outside of Poland, including:	489	515	450
<i>Norway</i>	489	515	450
Total	1,267	1,335	1,234

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The change in the forecast volume of crude oil production in Poland in 2017–2018 is due to earlier completion of test production from new wells, which contributed to higher crude oil output in 2017 and resulted in a change of the production forecast for 2018.

As for Norway, the main reasons behind the revision of the hydrocarbon production forecast for 2017–2019 is the delayed launch of production from the Gina Krog field, and the fact that two out of the fifteen wells in the Skarv field have been temporarily taken offline. The impact of these events was partly offset by higher production from other fields and improved consistency of hydrocarbon flows from other wells in the Skarv field.

The data presented above does not include production from the fields planned to be acquired under the PGNiG Group Strategy for 2017–2022, published in Current Report No. 19/2017 of March 13th 2017.

Legal basis:

Article 17.1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16th 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC