

Polish Oil and Gas Company (PGNiG SA)  
Head Office

Warsaw, March 8th 2018

### **Current Report No. 15/2018**

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Financing for Elektrociepłownia Stalowa Wola

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The Management Board of PGNiG S.A. ('PGNiG', 'Company') announces that on March 8th 2018 Elektrociepłownia Stalowa Wola S.A. (the Company holds a 50% interest in its share capital indirectly through the subsidiary PGNiG TERMIKA S.A.; the "Borrower") signed a loan agreement with Bank Gospodarstwa Krajowego ("BGK") and PGNiG.

Under the agreement, the Borrower will be provided with a loan of PLN 450m by each lender (totaling PLN 900m), of which PLN 600m will be used to refinance the Borrower's debt owed to PGNiG and Tauron Polska Energia S.A. and PLN 300m will be used to fund new capital expenditure. The loan is due to be repaid on June 14th 2030.

As at the publication date of this Current Report, the Borrower's liabilities under loans provided by PGNiG totalled approximately PLN 610m.

As one of the conditions precedent to the disbursement of funds to the Borrower stipulated in the loan agreement, BGK must be provided with a bank guarantee to be issued at Tauron Polska Energia SA's request to secure the repayment of the Borrower's debt to BGK. The bank guarantee will not exceed PLN 517.5m and will be renewed annually.