

# Polskie Górnictwo Naftowe i Gazownictwo SA

PGNiG Group H1 2018 Results

August 30th 2018



Exploration and Production

Trade and Storage

Distribution

Generation

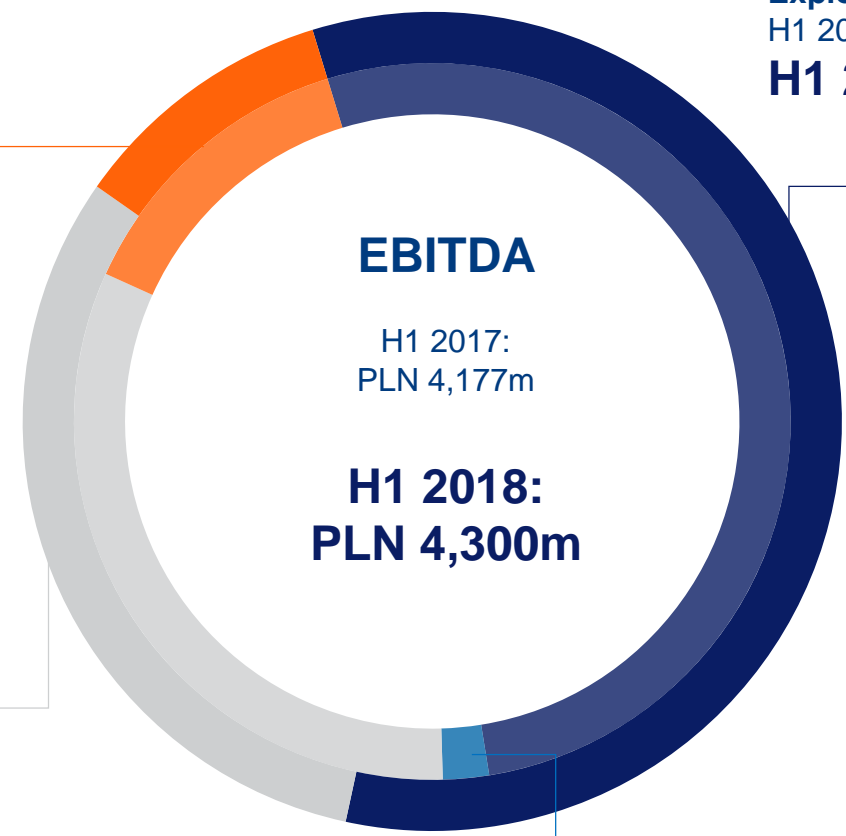
# Segments' contribution to EBITDA

**Generation**  
H1 2017: 14%  
**H1 2018: 11%**

**Distribution**  
H1 2017: 33%  
**H1 2018: 32%**

**Exploration and Production**  
H1 2017: 54%  
**H1 2018: 60%**

**Trade and Storage**  
H1 2017: 2%  
**H1 2018: -1%**



Other segments' contribution to EBITDA in H1 2018: -2%; in H1 2017: -3%



# Exploration and Production

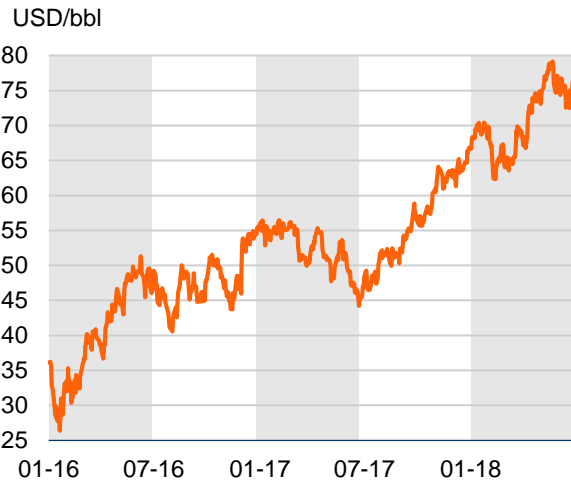
H1 average price of Brent crude yoy  
 PLN 206 / **247/bbl** **+20%** ▲

H1 arithmetic average POLPX DAMg price yoy  
 PLN 79 / **94/MWh** **+19%** ▲

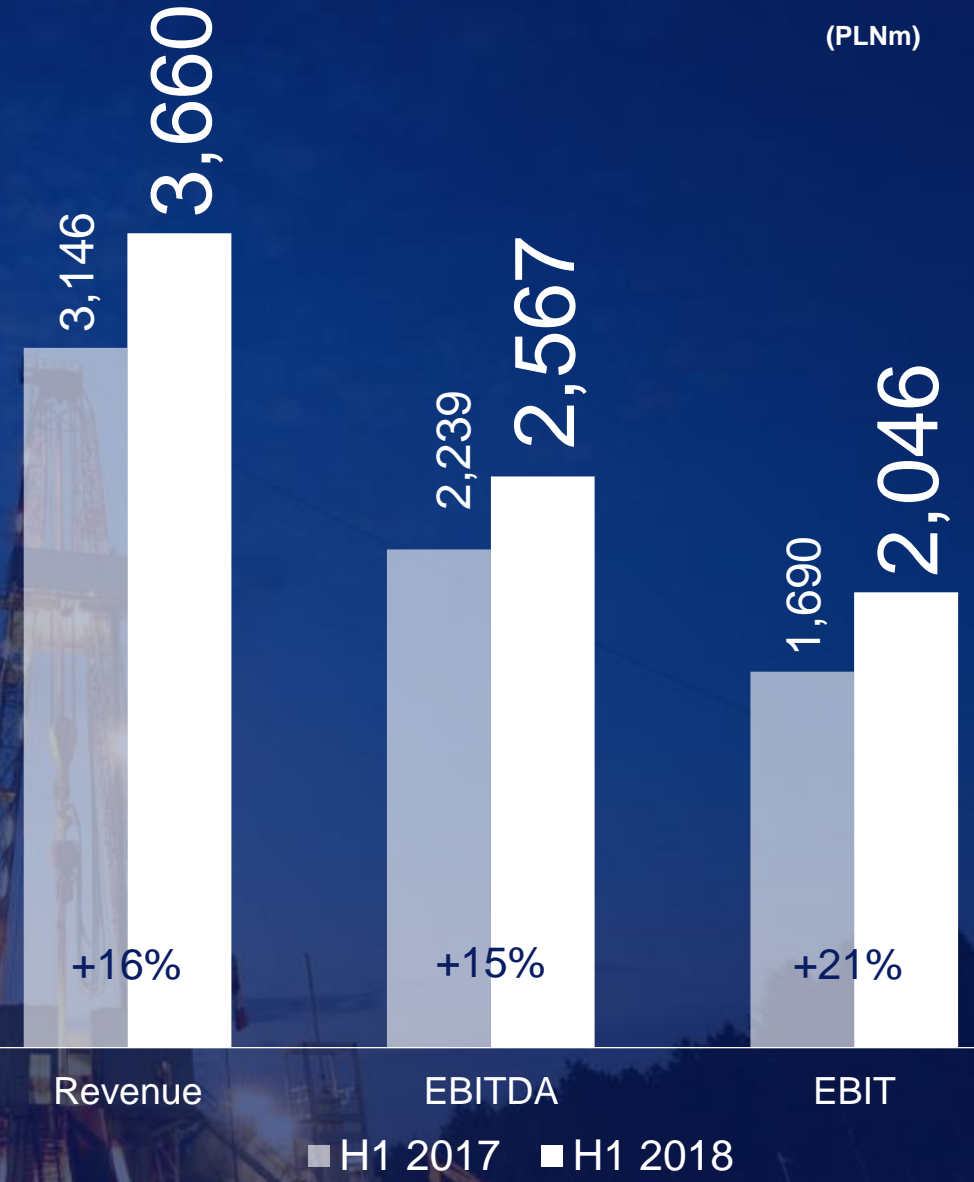
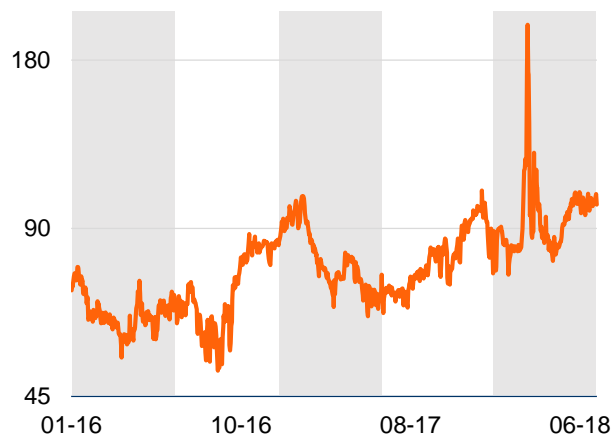
H1 crude oil production yoy  
 615 / **673 thousand tonnes** **+9%** ▲

H1 gas production yoy  
 2.22 / **2.26 bcm** **+2%** ▲

Brent crude oil price



Price on the POLPX Day-Ahead Market



Revenue

EBITDA

EBIT

■ H1 2017 ■ H1 2018



# Trade and Storage

Average POLPX price in H1 2018 yoy  
 PLN 80.1 / **86.8/MWh**

**+8%** ▲

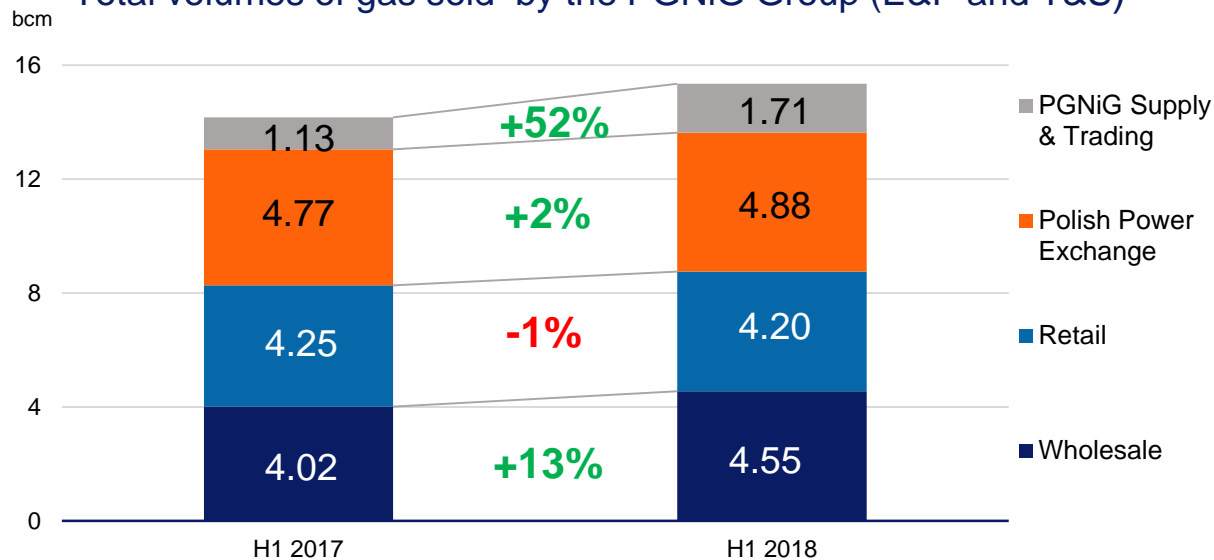
LNG import volumes in H1 2018 yoy  
 0.86 / **1.32 bcm**

**+53%** ▲

Total gas sales outside the PGNiG Group  
 in H1 2018 yoy  
 14.17 / **15.35 bcm**

**+8%** ▲

Total volumes of gas sold by the PGNiG Group (E&P and T&S)



(PLNm)



\*Data restated to ensure comparability following the adoption of amended IFRS 15.

# Distribution

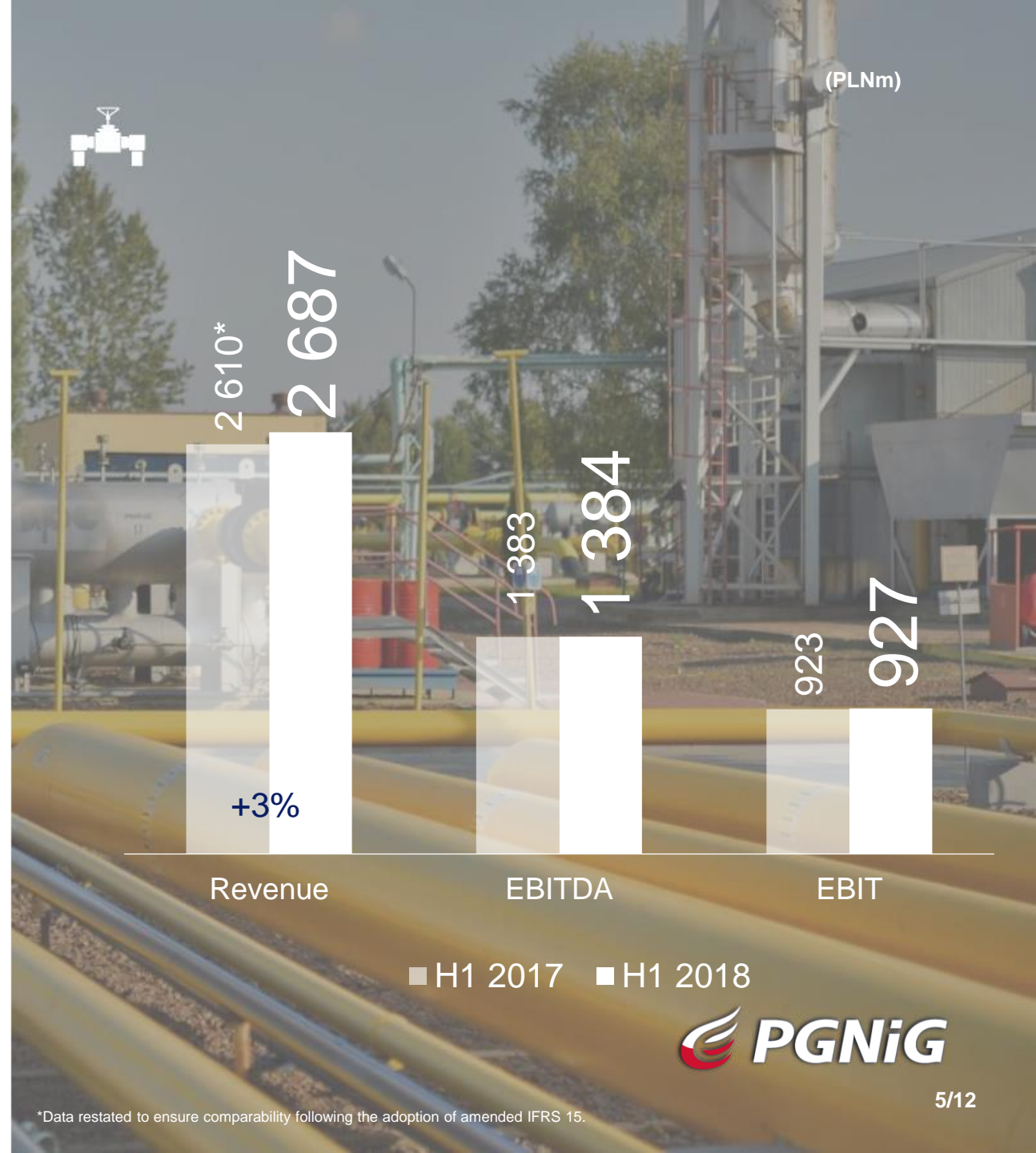
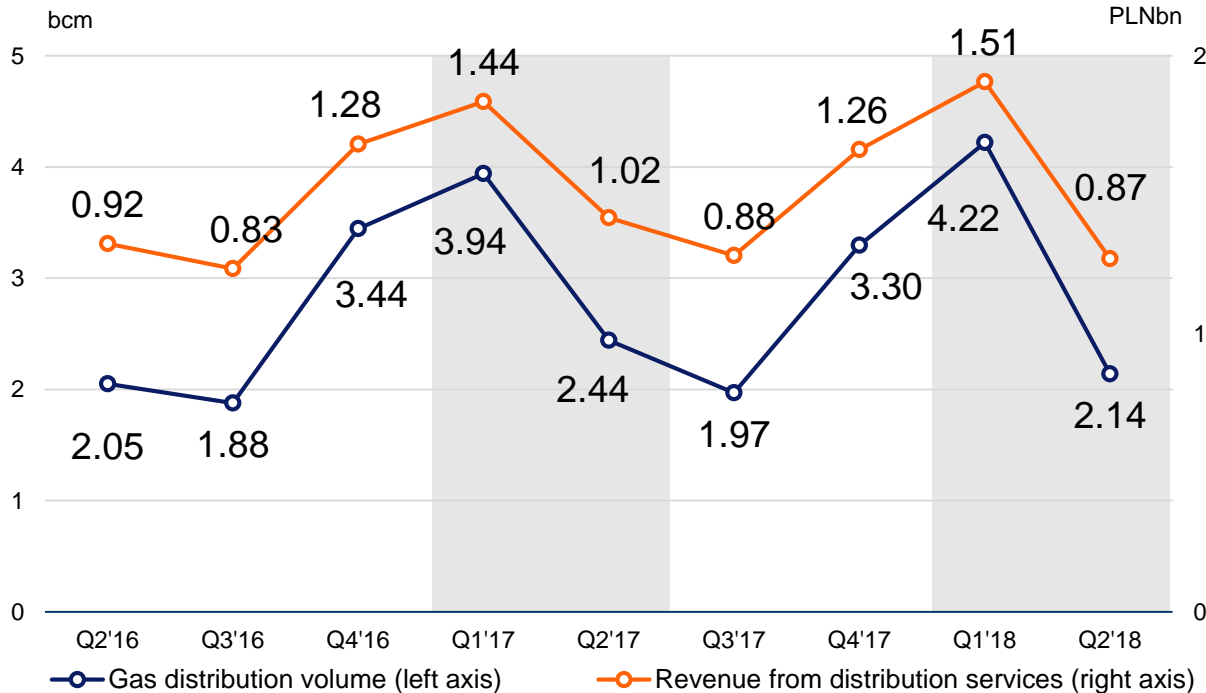
Gas distribution yoy  
6.38 / 6.36 bcm

**-0,3%** ▼

Revenue from distribution services yoy  
PLN 2.45 / 2.38bn

**-3%** ▼

Revenue from distribution services and gas distribution volume



■ H1 2017 ■ H1 2018



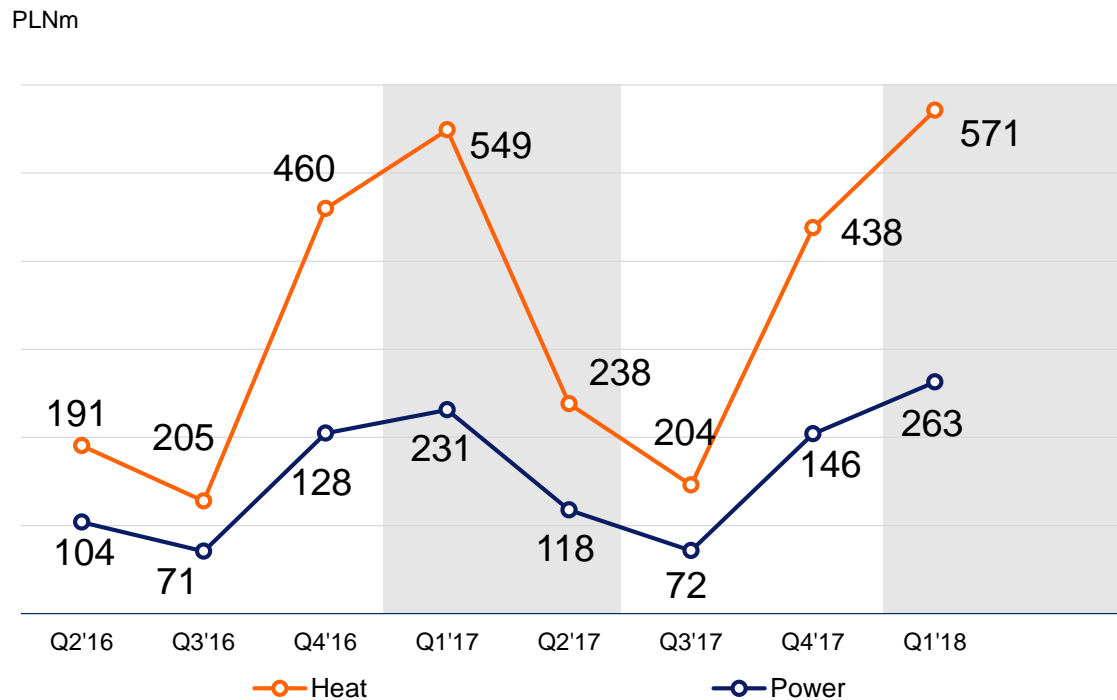
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# Generation

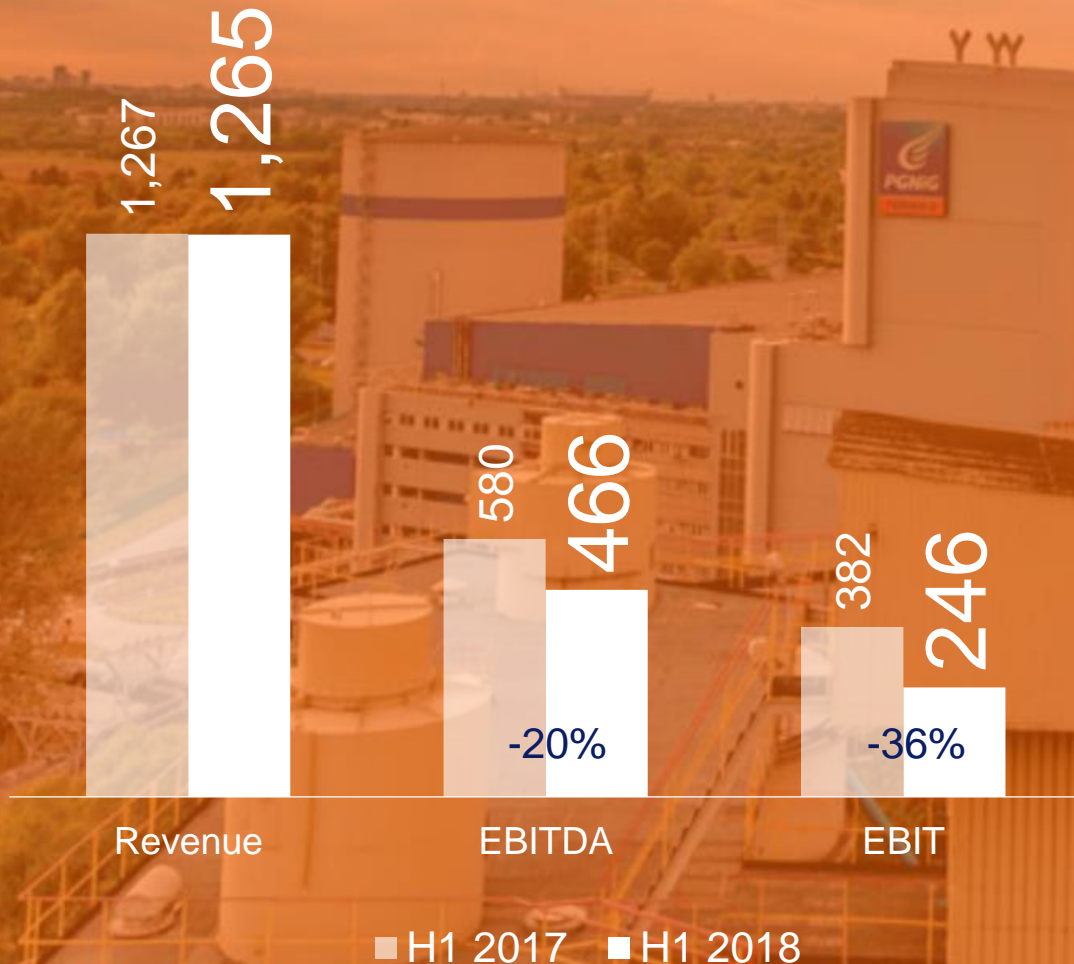
Heat sales yoy **-6%** ▼  
24.94 / **23.46 PJ**

Sales of electricity from own generation sources yoy **-3%** ▼  
2.20 / **2.14 TWh**

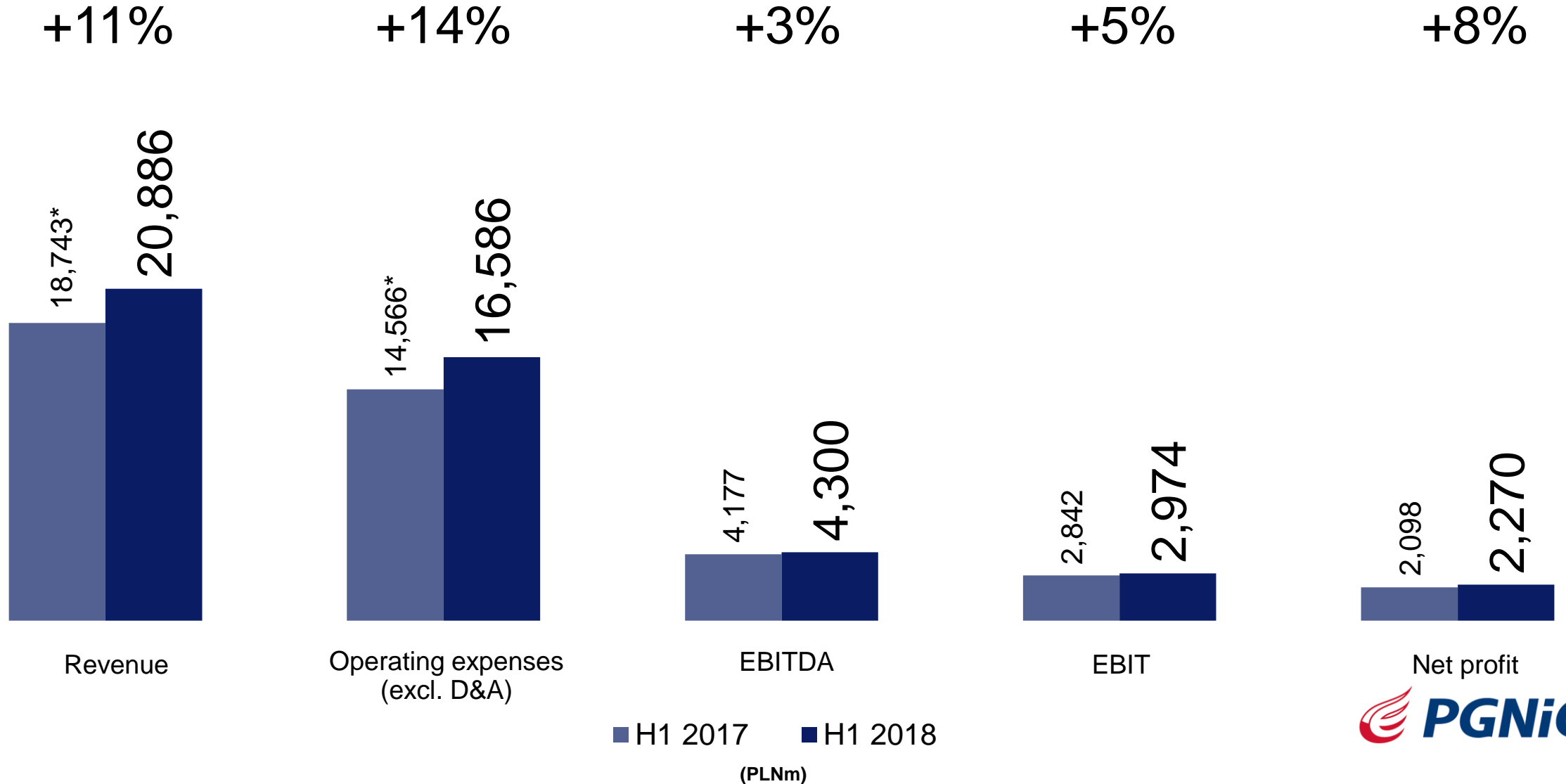
Revenue from sales of heat and electricity (own generation)



(PLNm)



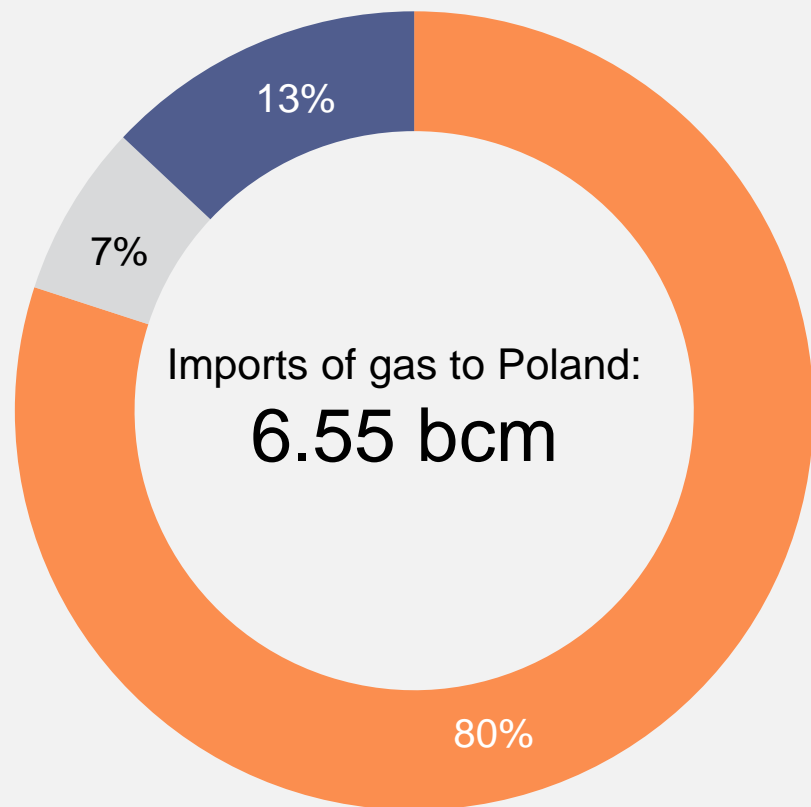
# Key financial results of the PGNiG Group for H1 2018



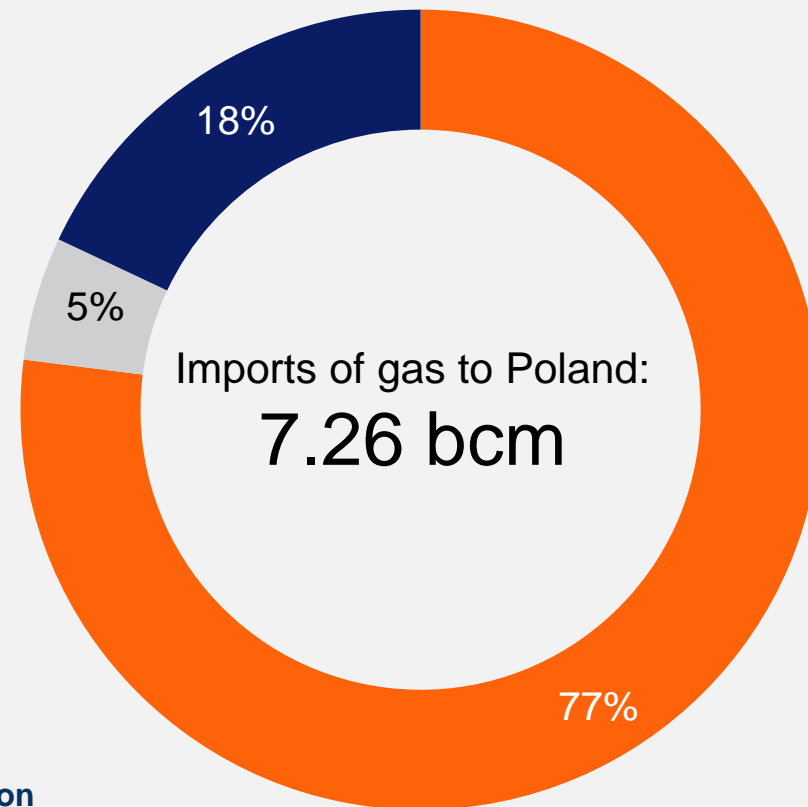
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## Increasing diversification of gas import sources

H1 2017



H1 2018



- Eastern direction
- LNG (Qatar, Norway, USA)
- Southern and western direction



# Foreign gas supply sources



## ARBITRATION

Partial award of the **Arbitration Tribunal** in Stockholm confirming **PGNiG's right to demand a revision of the price of gas** supplied under the Yamal Contract



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## LNG DELIVERIES

Long-term contracts  
**Qatargas**  
9 deliveries

Medium-term contract  
**Centrica**  
1 delivery

Spot transactions  
**Endesa**  
1 delivery

Total volume of deliveries  
**1.3 bcm of gas**  
(after regasification)



## US GAS

Agreements signed with  
**Venture Global LNG**  
**Port Arthur LNG**

Total annual volume of  
**5.5 bcm**  
(after regasification)

# Operating results of domestic operations



6.4%



Growing volumes of gas sold by PGNiG SA in Poland

Volume of gas sold  
8.9 bcm



107%



Growing number of dual fuel customers

Dual fuel customer base  
76,300



131

New buses powered by CNG from PGNiG

Contracts with public transport establishments  
TARNÓW  
WARSAW



37%



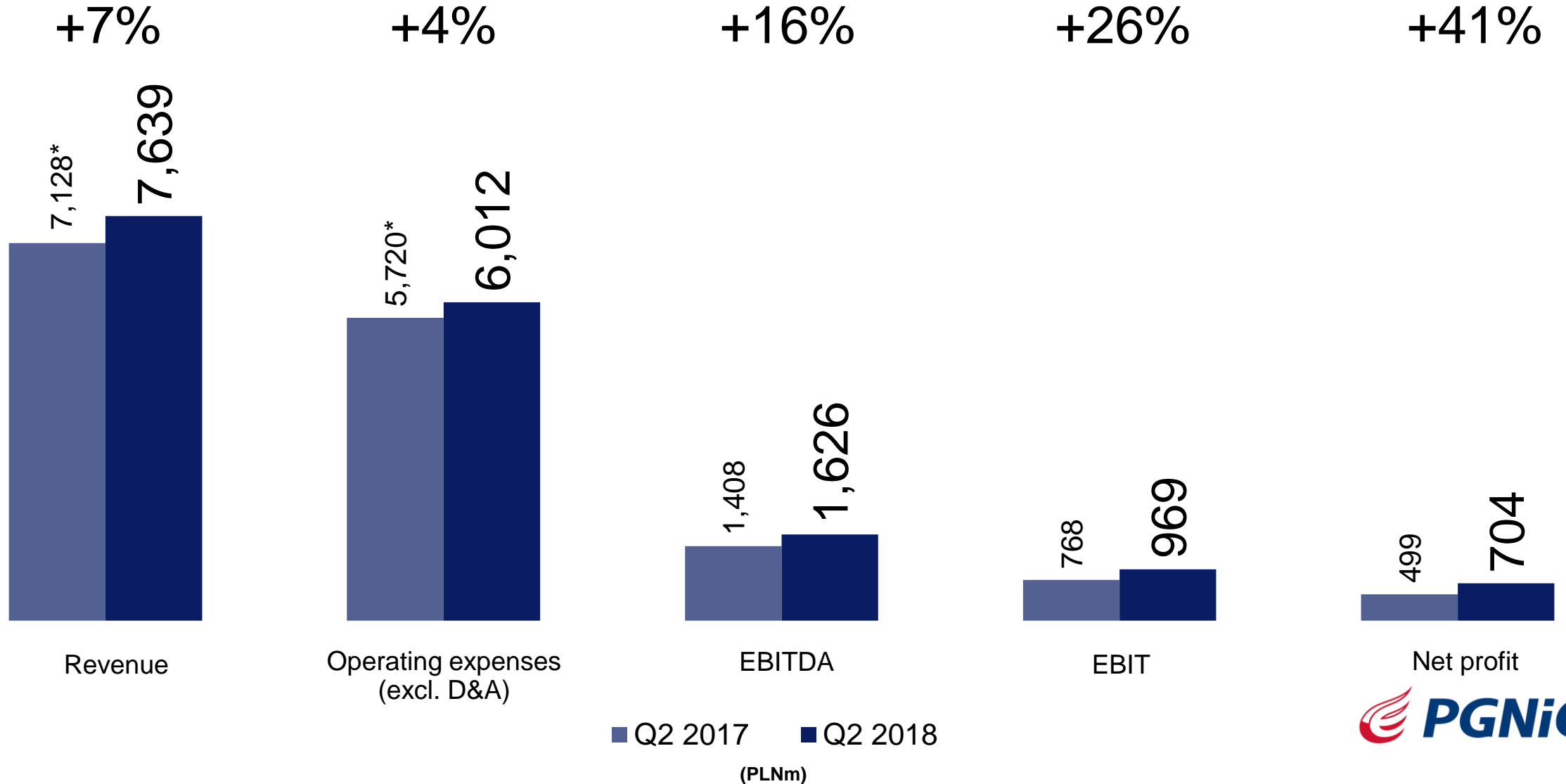
Growing number of new gas connections

Number of new gas connections  
25,400

**Thank you for your attention**



## Key financial results of the PGNiG Group for Q2 2018



\*Data restated to ensure comparability following the adoption of amended IFRS 15.