

PGNiG Group Results

Revenue

+8%



Operating expenses

+15%



EBITDA

-19%



EBIT

-31%



Net profit

-32%

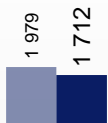


Q1 2018 Q1 2019  
In PLN million

Exploration & Production

Revenue

-13%



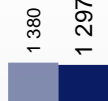
Operating expenses

-19%



EBITDA

-6%



EBIT

-10%



[PLNm]

Crude oil sales



Natural gas production

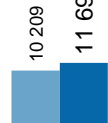


Q1 2017 Q1 2018 Q1 2019 Q1 2017 Q1 2018 Q1 2019

Trade & Storage

Revenue

15%



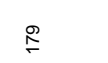
Operating expenses

17%



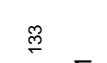
EBITDA

-140%



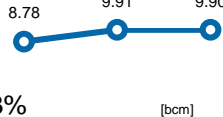
EBIT

-191%

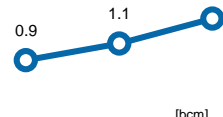


[PLNm]

Gas sales volume



Gas inventory volume



Q1 2017 Q1 2018 Q1 2019 Q1 2017 Q1 2018 Q1 2019

Generation

Heat sales



Electricity sales



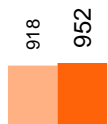
[PJ]

[TWh]

Q1 2017 Q1 2018 Q1 2019 Q1 2017 Q1 2018 Q1 2019

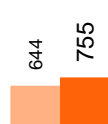
Revenue

4%



Operating expenses

17%



EBITDA

0%



EBIT

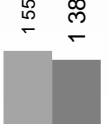
-28%



[PLNm]

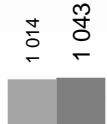
Revenue

-11%



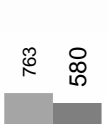
Operating expenses

3%



EBITDA

-24%



EBIT

-36%

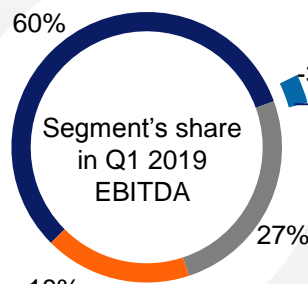


[PLNm]

Gas distribution volume



Q1 2017 Q1 2018 Q1 2019



Segment's share in Q1 2019 EBITDA

PGNiG Group Strategy 2017-2022

**A Mission statement**

We are a trustworthy supplier of energy for households and businesses

Trustworthy – the customers can depend on premium quality and reliability of our services.

Energy supplier – full range of energy products (gas + electricity + heat + other/services).

Households and businesses – we care for and value all our customers: households, businesses, institutions.

**B Vision**

We are a responsible and effective provider of innovative energy solutions.

Responsibly – we act transparently, in line with the principles of corporate social responsibility.

Effectively – we have implemented process and cost optimisation measures.

Innovative solutions – we are an innovation leader in the energy sector.

**C Primary objective**

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

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.

Ambitions in the key business areas

1. Exploration & 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 & 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 and enhancing the PGNiG Group's image
- > Operational efficiency improvement across the PGNiG Group

33.7bn cumulative EBITDA for 2017-2022 (in PLN)

5.7bn average annual CAPEX for 2017-2022 (in PLN)



Share performance

Balance sheet at the end of Q1 2019

	31.03.2019	31.12.2018
Balance sheet total	53 892	53 271
Non-current assets	40 441	38 898
Current assets	13 451	14 373
Total equity	38 025	36 632
Total long-term liabilities	8 351	7 255
Total short-term liabilities	7 516	9 384

Balance sheet at the end of Q1 2019

Management Board



**Piotr Woźniak**  
President of the Management Board



**Łukasz Kroplewski**  
Vice-President of the Management Board, Development



**Robert Perkowski**  
Vice-President of the Management Board, Operations



**Michał Pietrzyk**  
Vice-President of the Management Board, Finance

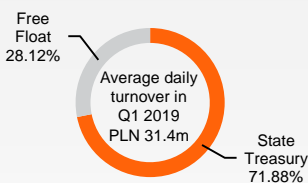


**Maciej Woźniak**  
Vice-President of the Management Board, Trade

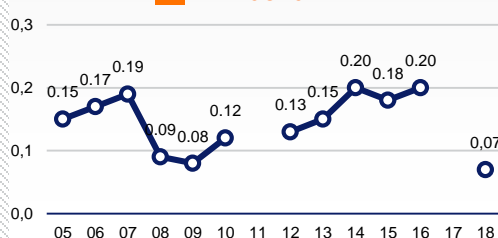


**Magdalena Zegarska**  
Vice-President of the Management Board

Shareholders



Dividend



Contact details

**Marcin Piechota**  
IR Manager  
Desk: +48 22 106 43 22  
Mobile: +48 885 889 890  
E-mail: [marcin.piechota@pgnig.pl](mailto:marcin.piechota@pgnig.pl)

**Piotr Gałek**  
IR Specialist  
Desk: +48 22 106 48 46  
Mobile: +48 723 235 652  
E-mail: [piotr.galek@pgnig.pl](mailto:piotr.galek@pgnig.pl)

**Aleksander Kutnik**  
IR Specialist  
Desk: +48 22 106 47 97  
Mobile: +48 723 514 162  
E-mail: [aleksander.kutnik@pgnig.pl](mailto:aleksander.kutnik@pgnig.pl)

**Anna Galińska**  
IR Specialist  
Desk: +48 22 106 41 09  
Mobile: +48 723 514 086  
E-mail: [anna.galinska@pgnig.pl](mailto:anna.galinska@pgnig.pl)

Investor Relations website:  
[www.en.ri.pgnig.pl](http://www.en.ri.pgnig.pl)