

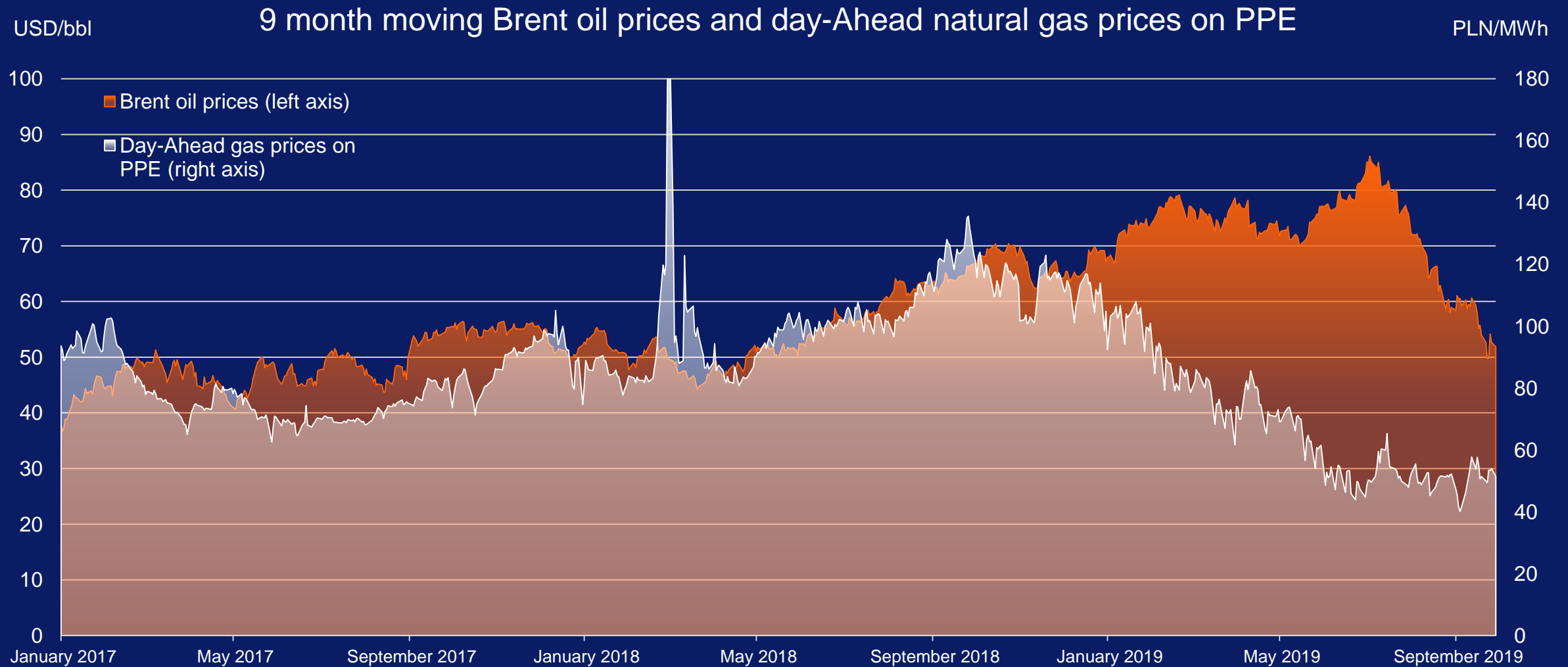
# Polskie Górnictwo Naftowe i Gazownictwo SA

PGNiG Group for 9M 2019 Results

November 14th 2019



# Prices of crude oil and natural gas



Exploration and Production

Trade and Storage

Distribution

Generation

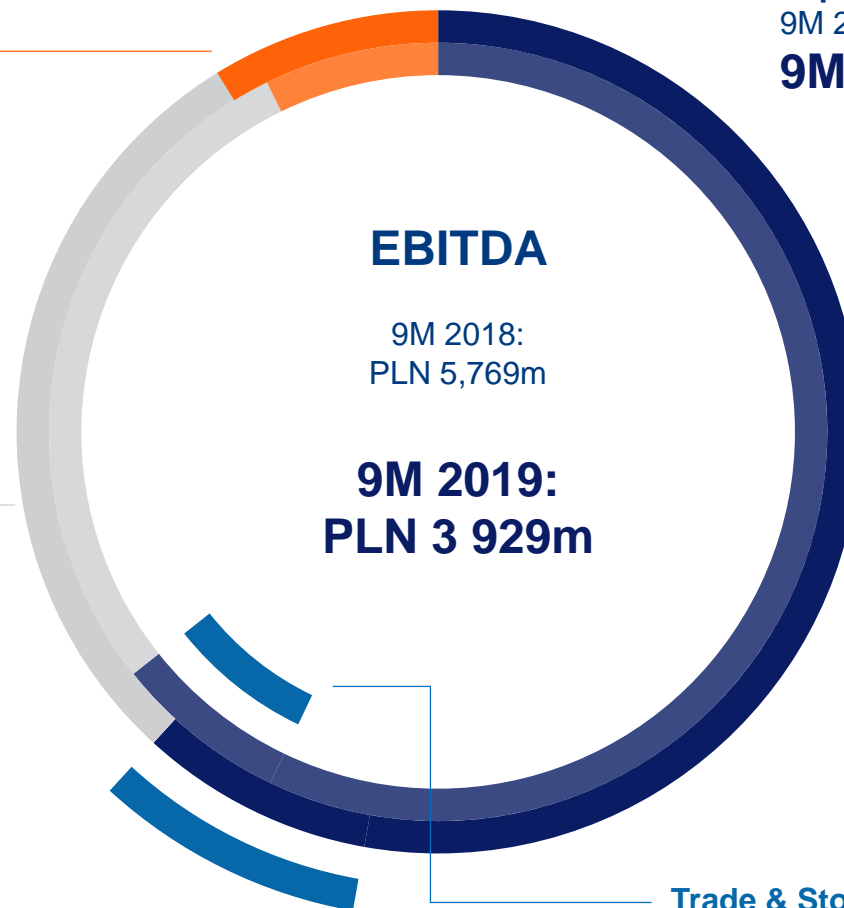
# Segments' contribution to EBITDA

**Generation**  
9M 2018: 9%  
**9M 2019: 11%**

**Distribution**  
9M 2018: 34%  
**9M 2019: 38%**

**Exploration & Production**  
9M 2018: 68%  
**9M 2019: 68%**

**Trade & Storage**  
9M 2018: -9%  
**9M 2019: -12%**



Contribution of other „segments and eliminations” to EBITDA in 9M 2019: -5%; in 9M 2018: -2%





# Exploration and Production

Average price of Brent crude oil in 9M yoy

PLN 258 / **247/bbl**

**-4%** ▼

Arithmetic average POLPX DAMg price in 9M yoy

PLN 100 / **67/MWh**

**-33%** ▼

Crude oil production in 9M yoy

992 / **888 thousand tonnes**

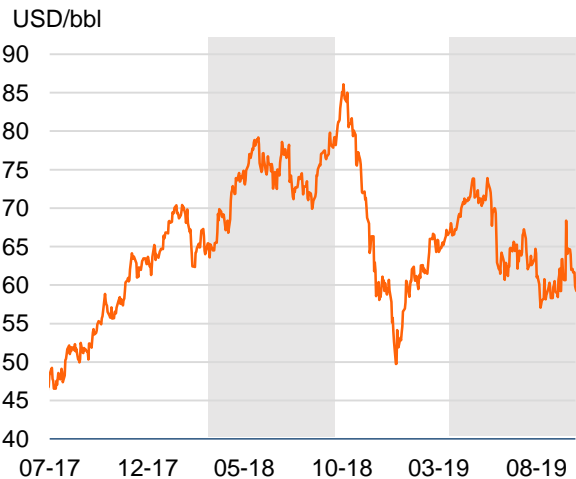
**-10%** ▼

Gas production in 9M yoy

3.35 / **3.32 bcm**

**-1%** ▼

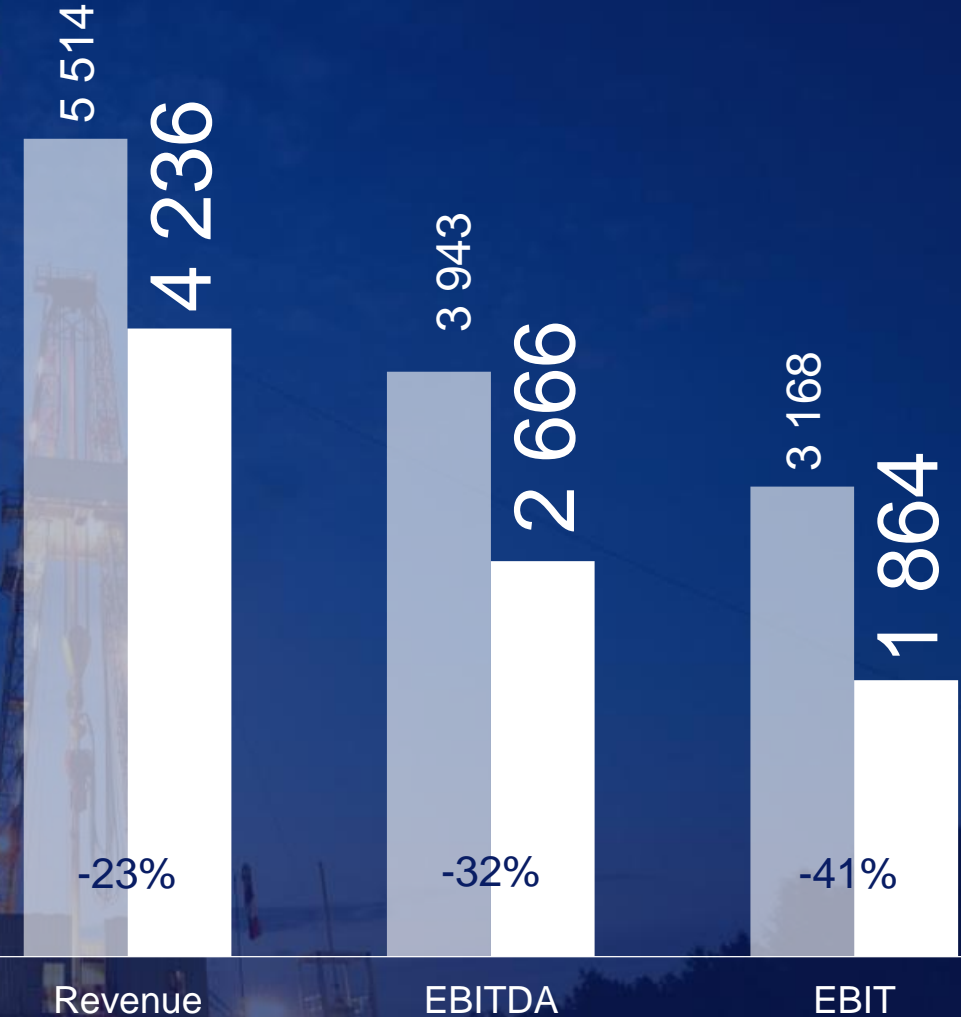
Brent crude oil price



Price on the POLPX Day-Ahead Market



(PLNm)



■ 9M 2018 ■ 9M 2019

**PGNiG**

# Trade and Storage

Average POLPX price in 9M  
(spot and futures) yoy

88.42 / **97.85** PLN/MWh

**+11%** ▲

Average 9-month Brent crude oil  
from last three quarters yoy

216.86 / **265.02** PLN/bbl

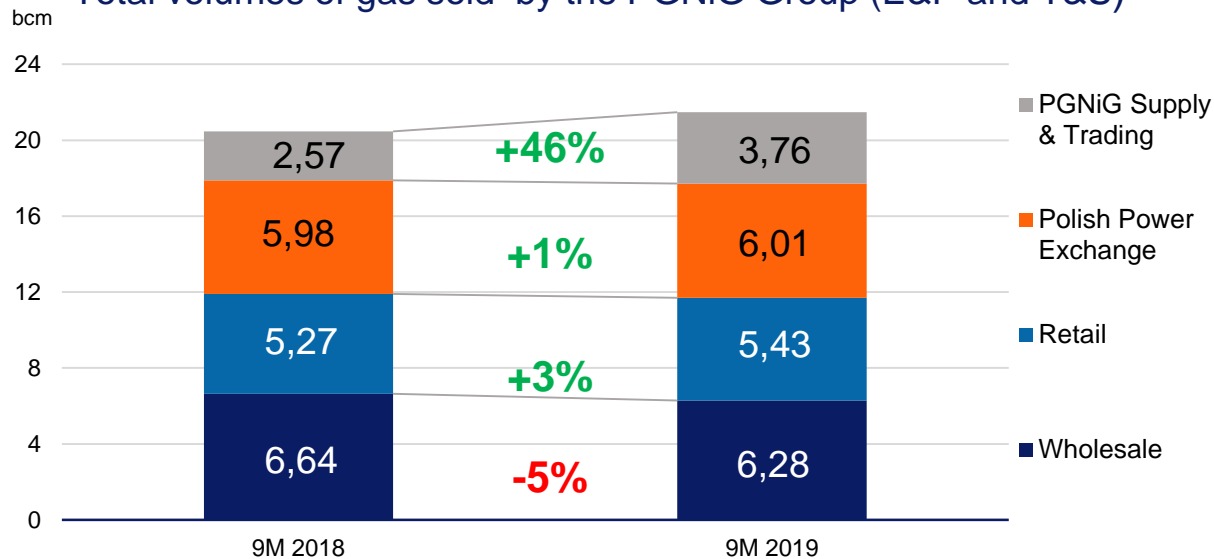
**+22%** ▲

Total gas sales outside PGNiG Group in 9M yoy

20.46 / **21.47** mld m<sup>3</sup>

**+5%** ▲

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



# Distribution

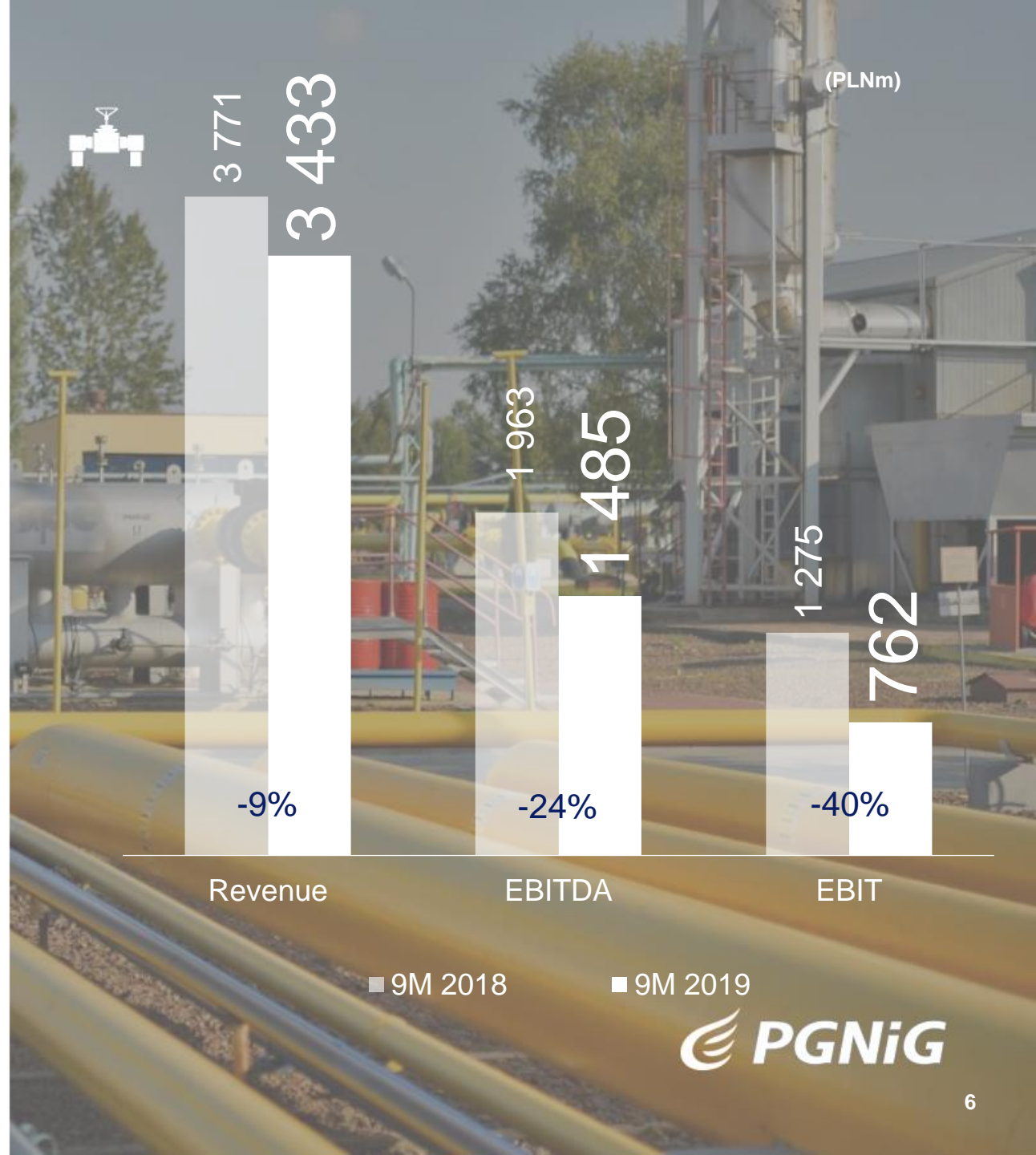
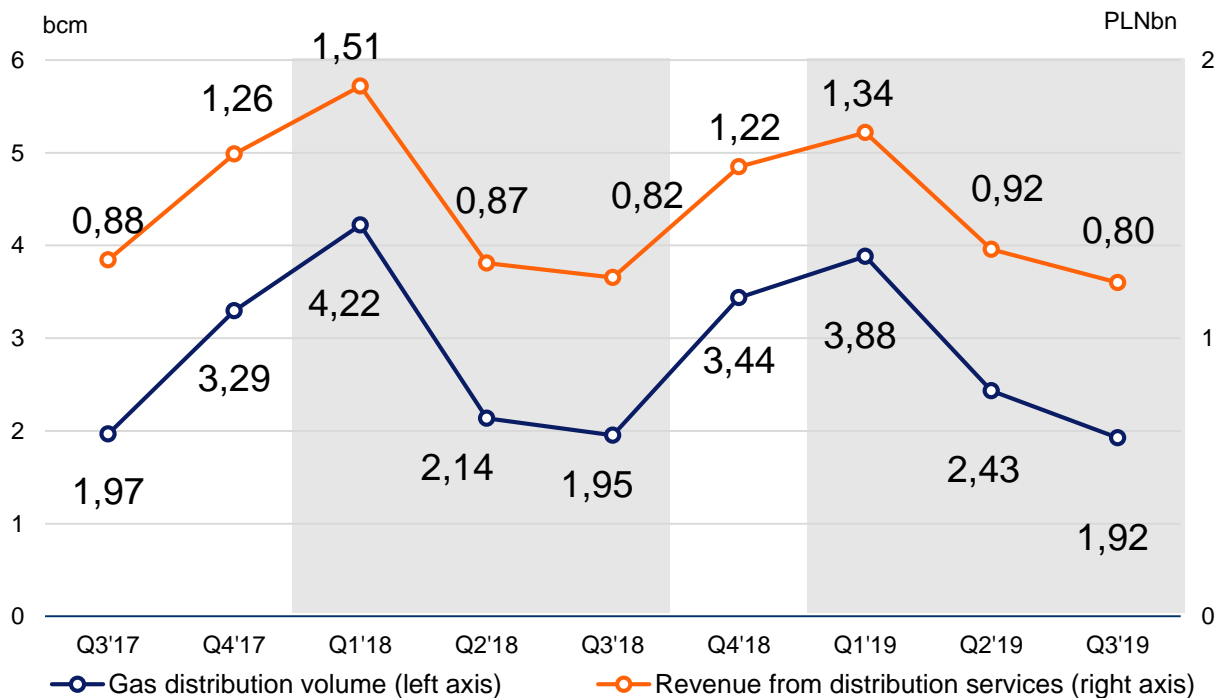
Gas distribution in 9M yoy  
8.31 / 8.24 mld m<sup>3</sup>

-1% ▼

Revenue from distribution services in 9M yoy  
3.20 / 3.06 mld PLN

-4% ▼

Revenue from distribution services and gas distribution volume





# Generation

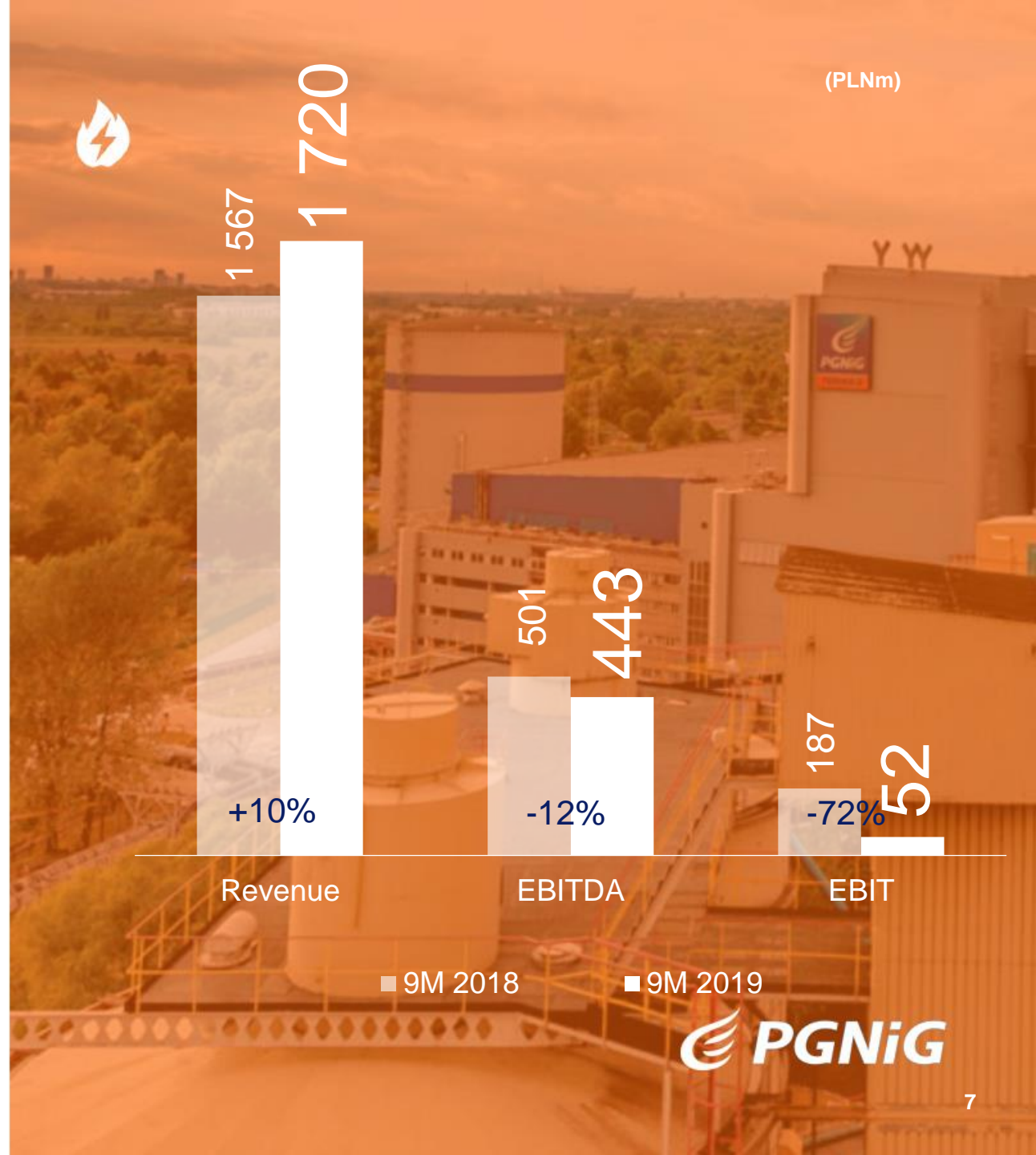
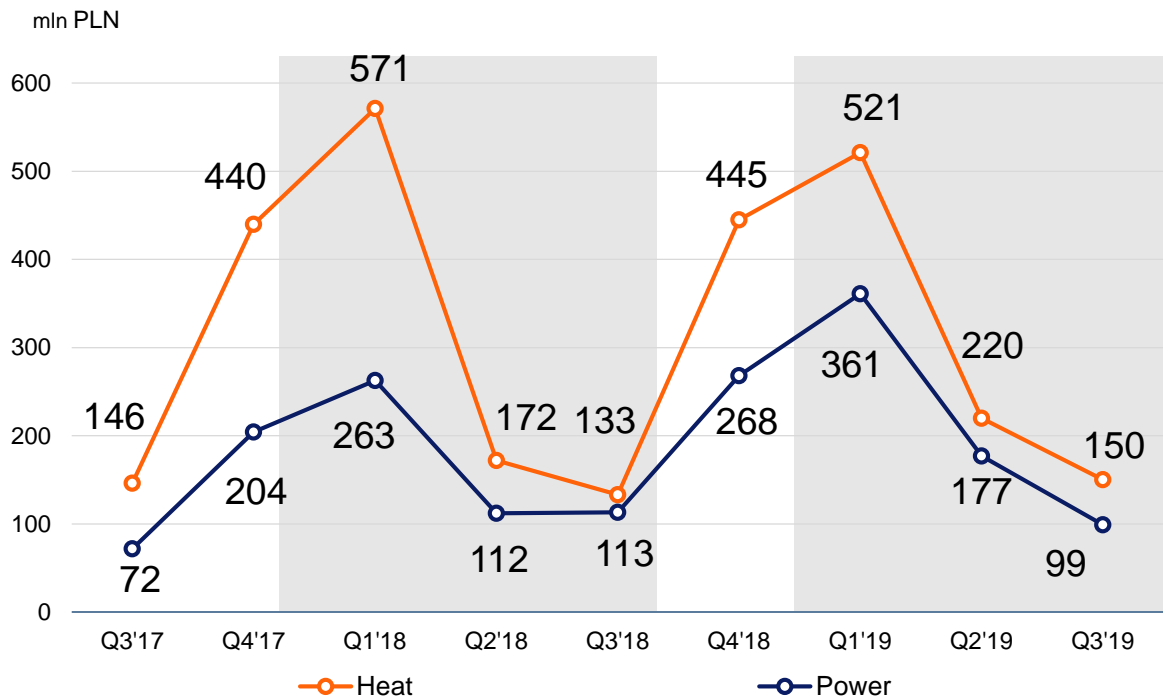
Heat sales 9M yoy  
26.40 / **26.28 PJ**

**-0,5%** ▼

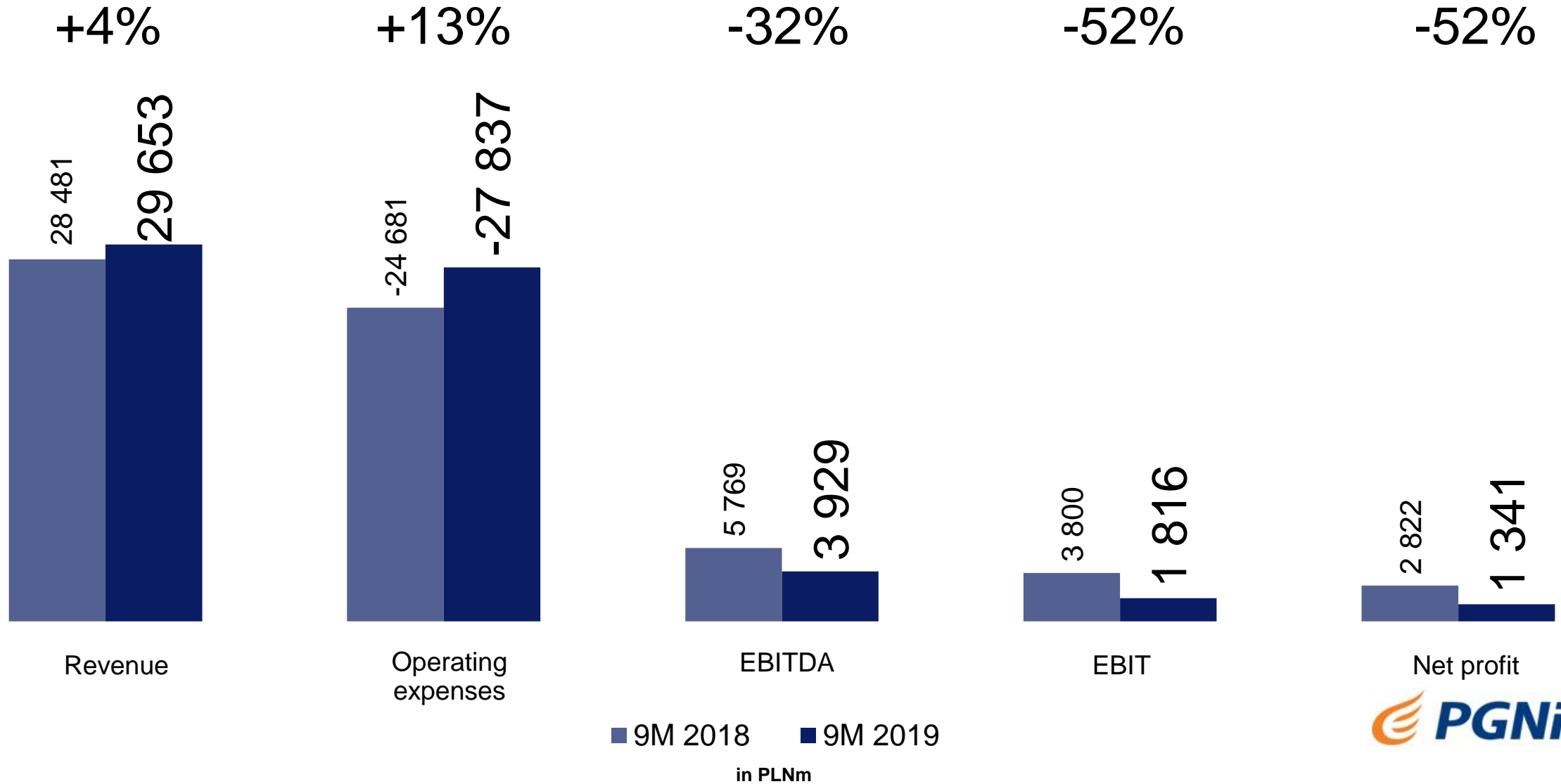
Sales of electricity from own generation  
sources 9M yoy  
2.66 / **2.68 TWh**

**+1%** ▲

Revenue from sales of heat and electricity (own generation)



## Key financial results of the PGNiG Group for 9M 2019





# LNG imports



**22** vs **16** LNG cargoes

**2.48 bcm** vs **1.96 bcm** \*

 **27%**

## 71 LNG deliveries since June 2016



**53**



**9**



**9**

Imported volume **approx. 7.9 bcm** \*  
(as of November 11, 2019 including 71st delivery)

\* after regasification

**LNG imports amounted to 22.8% share  
in total imports for Q1-Q3 2019**

## New contracts



GK PGNiG became exclusive recipients of natural gas produced by **Grupa LOTOS in Norway** until 2021 with extension option until 2025



LNG delivered by tanker trucks to:

- **Synthos** – 8200 tons of LNG with option of increasing delivery volume by 30%
- **Bisek-Asfalt** – 1000 tons of LNG for a fleet of 27 trucks



# Development of gas distribution network



## More LNG regasification plants

**22** facilities as of **Q3 2019**

Zator, Ciechanów Ujazdówek, Białystok, Goświnowice, Pisz, Piechowice/Szklarska Poręba, Zielone Kamedulskie/Suwałki, Ińsko, Mieroszów, Świętoszów, Ełk, Olecko, Kępice, Grajewo, Mońki, Białka Tatrzańska, Czyżew, Świerczynek, Płudy/Wierzejki, Sobótka, Wleń, Dobiegniew.





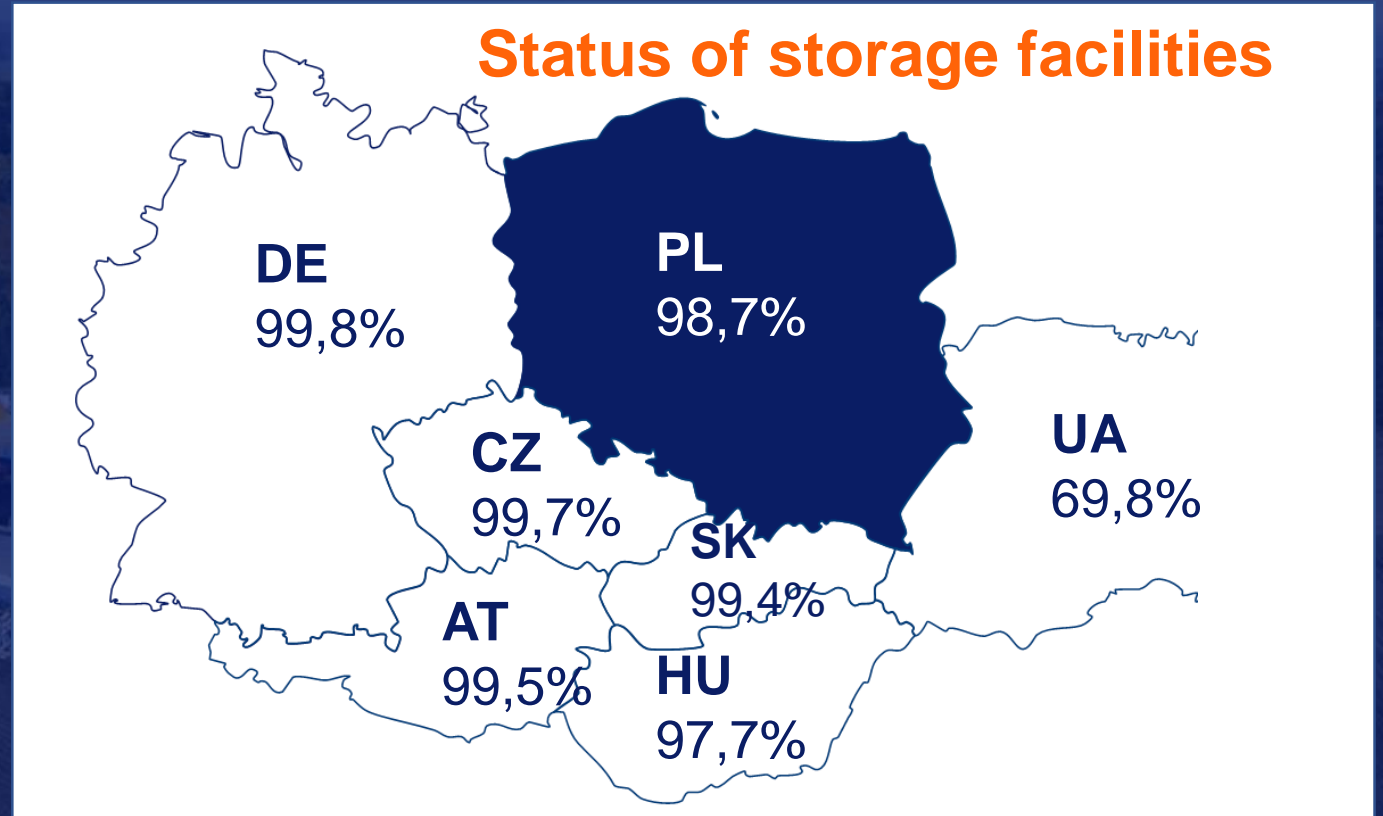
# January-March 2020 – storage



## Gas stored in facilities in Poland \*

January 1, 2020 **2.72 bcm**  
January 1, 2019 **2.16 bcm**





















 **0.56 bcm**



\* estimates as of November 10, 2019

# January-March 2020 – LNG



	week	delivery	loading point
1.	30.12 - 05.01	-	-
2.	06.01 - 12.01	 1	
3.	13.01 - 19.01	 2	
4.	20.01 - 26.01	 3	
5.	27.01 - 02.02	 4	
6.	03.02 - 09.02	 5	
7.	10.02 - 16.02	-	-
8.	17.02 - 23.02	 6	
9.	24.02 - 01.03	 7	
10.	02.03 - 08.03	 8	
11.	09.03 - 15.03	 9	
12.	16.03 - 22.03	 10	
13.	23.03 - 29.03	-	-

Total contracted delivery volume for Q1 2020

approx. 1 bcm after regasification

The most intense quarter of LNG supplies in the history of the Polish market



# ■ Żerań CHP Plant

Construction of gas & steam powered unit (497 Mwe)



- **Q2 2020** – technical start of operations
- **November 2020** – launch of operations

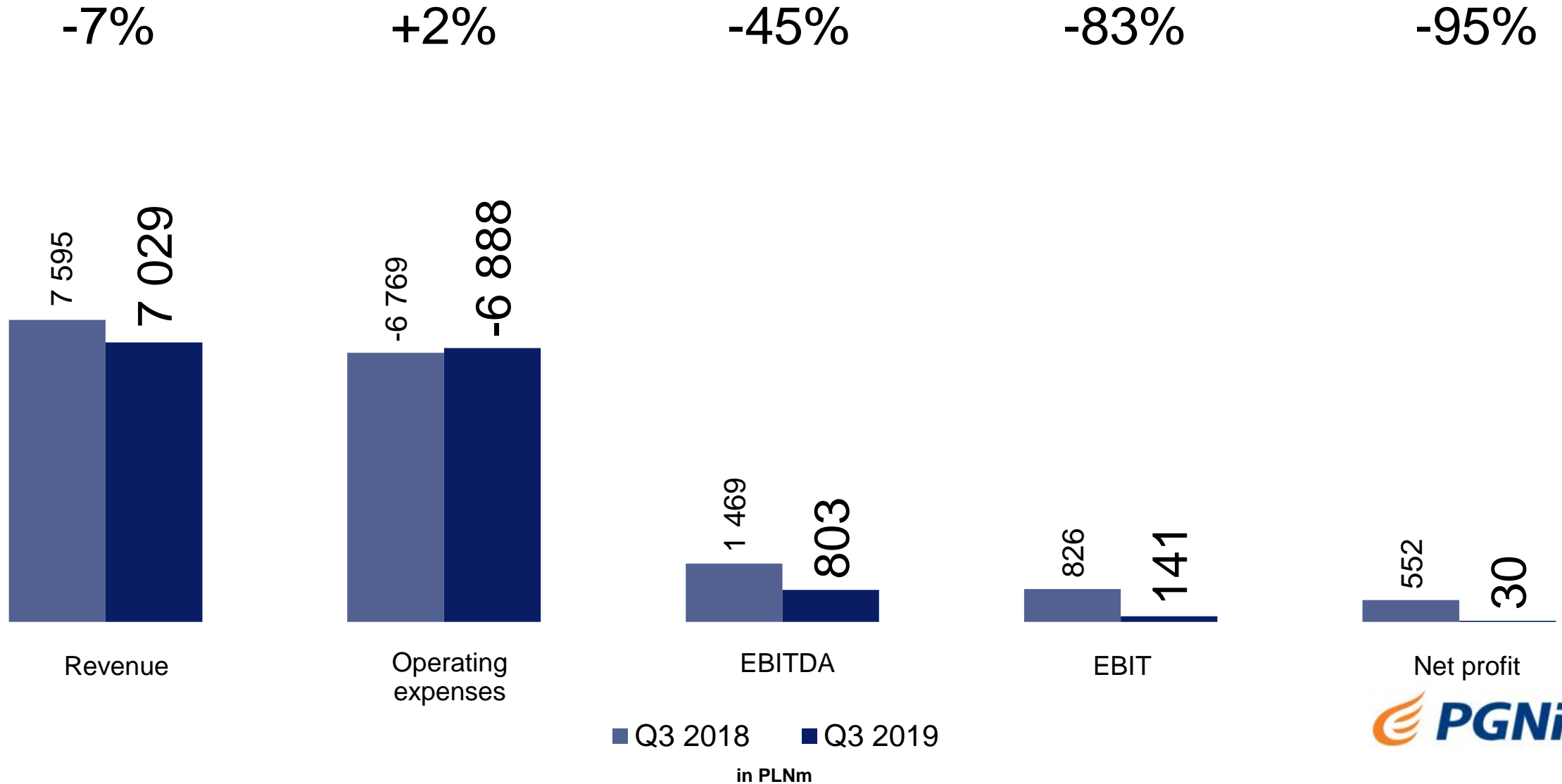
Construction of gas powered boiling unit (390 MWt)



- installing of 3 water & gas units
- ready for start by end of 2019
- **II 2020** – launch of operations



## Key financial results of the PGNiG Group for Q3 2019



**Thank you for your attention**