

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, October 22nd 2018

Selected operating estimates for Q3 and 9M 2018

Current Report No. 55/2018

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG") hereby publishes estimates of selected operating data for third quarter 2018 and for nine months of the year 2018, i.e.:

	Q3 2017	9M 2017	Q3 2018	9M 2018
NATURAL GAS* in billion cubic metres				
Production volume	1.12	3.35	1.10	3.35
- including PGNiG Upstream Norway	0.13	0.42	0.11	0.40
Imports volume	3.49	10.04	3.32	10.58
- incl. imports from countries east of Poland	1.89	7.12**	2.36	7.94**
- incl. LNG	0.47	1.33	0.63	1.96
Sales volume outside PGNiG Group	4.59	18.76	5.11	20.46
- including PGNiG SA	3.02	11.77	3.14	12.40
on Polish Power Exchange	1.10	5.83	1.06	5.76
exports from Poland	0.14	0.43	0.12	0.34
- including PGNiG Obrót Detaliczny	1.12	5.41	1.11	5.49
- including PGNiG Supply & Trading	0.45	1.58	0.86	2.57
DISTRIBUTION in billion cubic metres				
Gas distribution volume (Polska Spółka Gazownictwa) in natural units	1.97	8.35	1.95	8.31
CRUDE OIL** in thousand tonnes				
Production volume	312.6	928.0	319.5	992.2
- including PGNiG Upstream Norway	110.0	360.7	117.7	392.7
Sales volume	251.3	956.9	309.2	1 032.2
- including PGNiG Upstream Norway	60.9	387.3	115.4	439.9
HEAT AND ELECTRICITY***				
Heat sales volume (PJ)	3.48	28.41	2.94	26.40
Electricity sales volume (TWh)	0.41	2.60	0.52	2.66

* measured as high-methane gas equivalent with a calorific value of 39.5 mJ/cm, data of PGNiG Group

** The total volume of imports from countries east of Poland for the whole of 2018 is expected to reach approximately 9.50 bcm, compared with 9.54 bcm in 2017.

*** combined data for crude oil and condensate / natural gas liquids of PGNiG Group

**** data of PGNiG TERMIKA SA, PGNiG TERMIKA Energetyka Przemysłowa

CURRENT REPORT

The volume of sales outside the PGNiG Group includes sales of the following companies: PGNiG SA, PGNiG Supply & Trading and PGNiG Obrót Detaliczny.

As at September 30th 2018 PGNiG's stocks of gas (including mandatory stocks managed by the Minister of Energy) stored in underground high-methane gas storage facilities was approx. 3.0 billion cubic meters. This volume of gas stocks does not include the volume managed by Operator Systemu Przesyłowego GAZ-SYSTEM SA.

The increase in the volume of imports from countries east of Poland in Q3 follows from the strategy adopted for the management of the import contract portfolio in 2018. Annual strategies may result in quarter-over-quarter fluctuations. However, the volume of imports from the eastern direction at the end of 2018 is not expected to be much different from 2017. The factors taken into account in the import contract portfolio management include the mandatory gas off-take levels under each contract (e.g. under the take or pay clause), the amounts of gas stored in the underground storage facilities, the demand from customers and the gas exchange, as well as current and future gas prices. For example, in Q2 and Q3 large volumes of gas were injected into the gas storage facilities, with the gas storage level at the end of Q3 at 98%. Also, as a result of higher demand from customers the PGNiG Group reported a 11% year-on-year growth of sales.

The above data are estimates and may differ from the actual data due to be disclosed with the publication of the interim report on November 21st 2018.

Legal basis:

Article 17 section 1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) 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.