



Consolidated financial results of PKN ORLEN 1Q 2008

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ORLEN

AGENDA

Key financial and operational results in 1Q 2008

Key factors influencing EBIT in 1Q 2008

Supporting slides



FINANCIAL RESULTS

Financial results in the Group in 1Q 2008 are significantly better compared to 1Q 2007. Operational profit before amortisation (EBITDA) increased by around PLN 160 m, and net profit increased by around PLN 580 m. Cash flow from operations and return on capital increased and financial gearing decreased.

PLN m	1Q2007	4Q2007	1Q2008	y/y change [%]	q/q change [%]
	1	2	3	4=3/1	5=3/2
EBITDA ¹	995	730	1 152	16%	58%
Net profit attributed to shareh. of the parent company	49	691	626	1178%	-9%
Cash flow from operations	594	-573	986	66%	-
ROACE (%) ²	4,1%	1,1%	5,9%	-	-
Gearing (%) ³	39%	35%	37%	-	-
Net debt / EBITDA ⁴	2,1	2,9	1,7	-	-

1) Earnings before interest, taxes, depreciation and amortisation.

2) ROACE (return on average capital employed) = operational profit after taxes / average capital employed in the period (equity + net debt).

3) Financial gearing = net debt / equity.

4) Interest-bearing borrowings less cash& cash equivalents and less short term investments / (EBITDA + dividends received from Polkomtel).

OPERATIONAL PROFIT

Operational profit in the Group in 1Q 2008 is higher by PLN 190 m (over 50%) compared to 1Q 2007. Operational profit significantly increased in refining segment (by PLN 175 m) and retail (by PLN 35 m).

IFRS, PLN m	1Q2007	4Q2007	1Q2008	y/y change [%]	q/q change [%]
	1	2	3	4=3/1	5=3/2
EBIT, of which:	375	104	565	51%	443%
Refining¹	65	224	240	269%	7%
Retail	68	67	103	51%	54%
Petrochemical	370	56	232	-37%	314%
Chemical	83	38	91	10%	139%
Others²	-74	-45	1	-	-
Non-attributable³	-137	-236	-102	26%	57%

1) Production, Wholesale and Logistics.

2) Departments responsible for media, PKN ORLEN's social services, subsidiary services.

3) Non-attributable includes the corporate centre of PKN and subsidiaries not included in other segments.



SALES

Sales volumes in the Group in 1Q 2008 are significantly higher compared to 1Q 2007. Wholesale volumes increased by almost 900 kt (22%) and retail volumes by almost 120 kt (9%).

kt	1Q2007	4Q2007	1Q2008	y/y change [%]	q/q change [%]
	1	2	3	4=3/1	5=3/2
Sales volume, total	6 434	6 465	7 423	15%	15%
Wholesale volume	4 095	4 167	4 982	22%	20%
Retail sales volume	1 053	1 153	1 147	9%	-1%
Petrochemical sales volume	763	766	779	2%	2%
Chemical sales volume	523	379	515	-1%	36%



PRODUCTION

Crude oil throughput and production volumes in 1Q 2008 are significantly higher compared to 1Q 2007. Production share of diesel, light heating oil (LHO) and aviation fuel JET increased by over 2.5 pp y/y in 1Q 2008 to the level over 50% in total refining production.

kt	1Q2007	4Q2007	1Q2008	y/y change [%]	q/q change [%]
	1	2	3	4=3/1	5=3/2
Crude oil throughput	5 768	5 234	6 501	13%	24%
Production, total	5 815	5 435	6 765	16%	24%
Refining production, of which:	4 677	4 283	5 308	13%	24%
- diesel, LHO, JET	2 261	2 181	2 702	20%	24%
- gasoline, LPG	1 307	1 200	1 624	24%	35%
- others ¹	1 109	902	982	-11%	9%
Petrochemical production	684	673	947	38%	41%
Chemical production	454	479	510	12%	6%

1) Include heavy heating oil, base oil and others refinery products

PROJECTS REALISATION

In 1Q 2008 PKN Orlen implemented projects aimed at increasing production and sales of fuel, mainly diesel, as well as non-fuel products and services in retail segment.

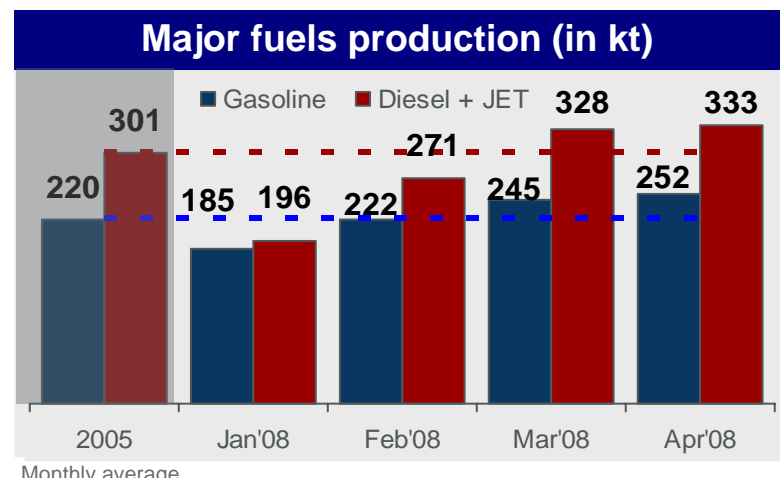
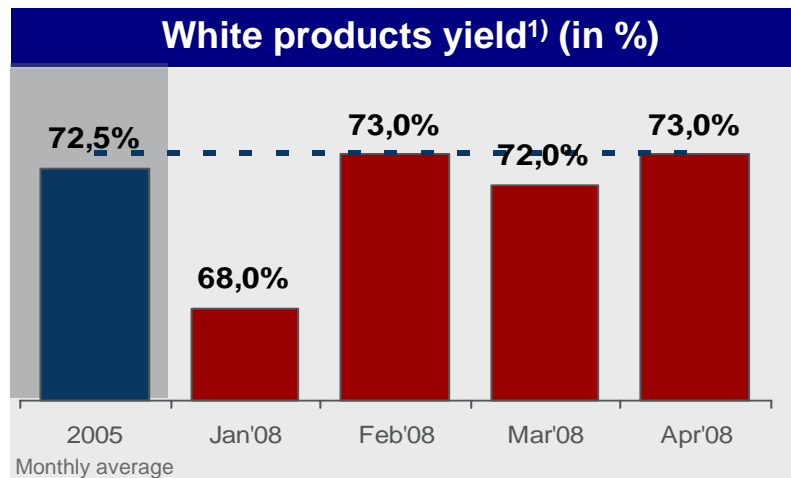
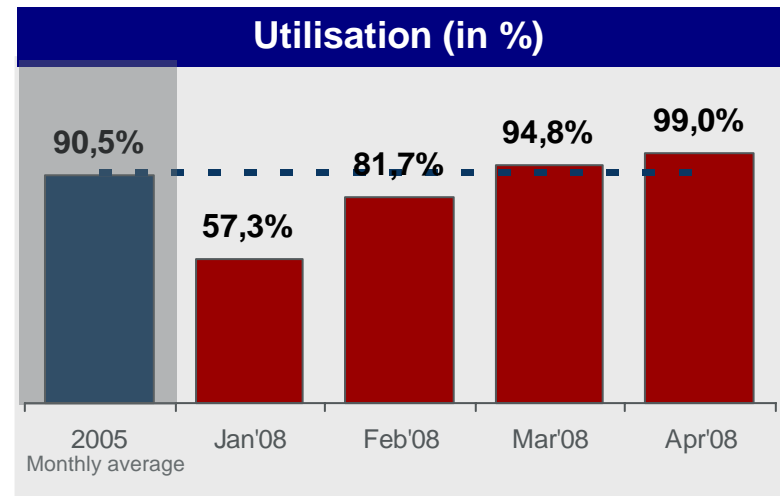
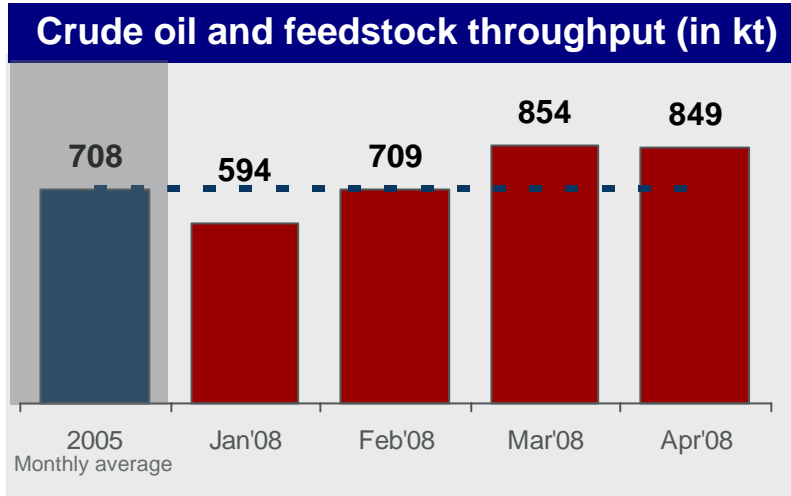
Segment	Activities realised	Achieved effect
Refining	<ul style="list-style-type: none"> • Vacuum Distillation Column restart in Mazeikiu Nafta • Fuel sales volume increase after restoring capacity in Mazeikiu Nafta • Start of diesel production unit (HONH)¹ in Plock in February 2008 	<ul style="list-style-type: none"> • Restoring capacity up to 10 mt/y • Wholesale increase by 22% y/y • Increase of diesel production by 190 kt
Retail	<ul style="list-style-type: none"> • Continuation of two-brand strategy, increase of filling sites in particular brands (# sites): ORLEN (5), BLISKA (4), Benzina Plus (4), Benzina (2), STAR (11), ORLEN Lietuva (3) • Consequent management of product categories and non-fuel services; STOP Cafe offer implementation. 	<ul style="list-style-type: none"> • Fuel sales increase by 9% y/y. • Non-fuel margin increase by over 25% y/y
Chemicals	<ul style="list-style-type: none"> • Maximisation of fertilizers sales 	<ul style="list-style-type: none"> • Fertilizers sale increase by around 5%

1) Unit dedicated to diesel production



MAZEIKIU NAFTA

In 1Q 2008 in Mazeikiu Nafta refinery, after restarting Vacuum Distillation Column, the crude oil throughput and feedstock were restored gradually, month by month, first reaching and subsequently exceeding production level from before the fire (in 2005).



¹⁾ White products yield concerns share of gasoline, LPG, diesel and JET in total crude oil and other feedstock throughput

Monthly average realisation from 2005

AGENDA

Key financial and operational results in 1Q 2008

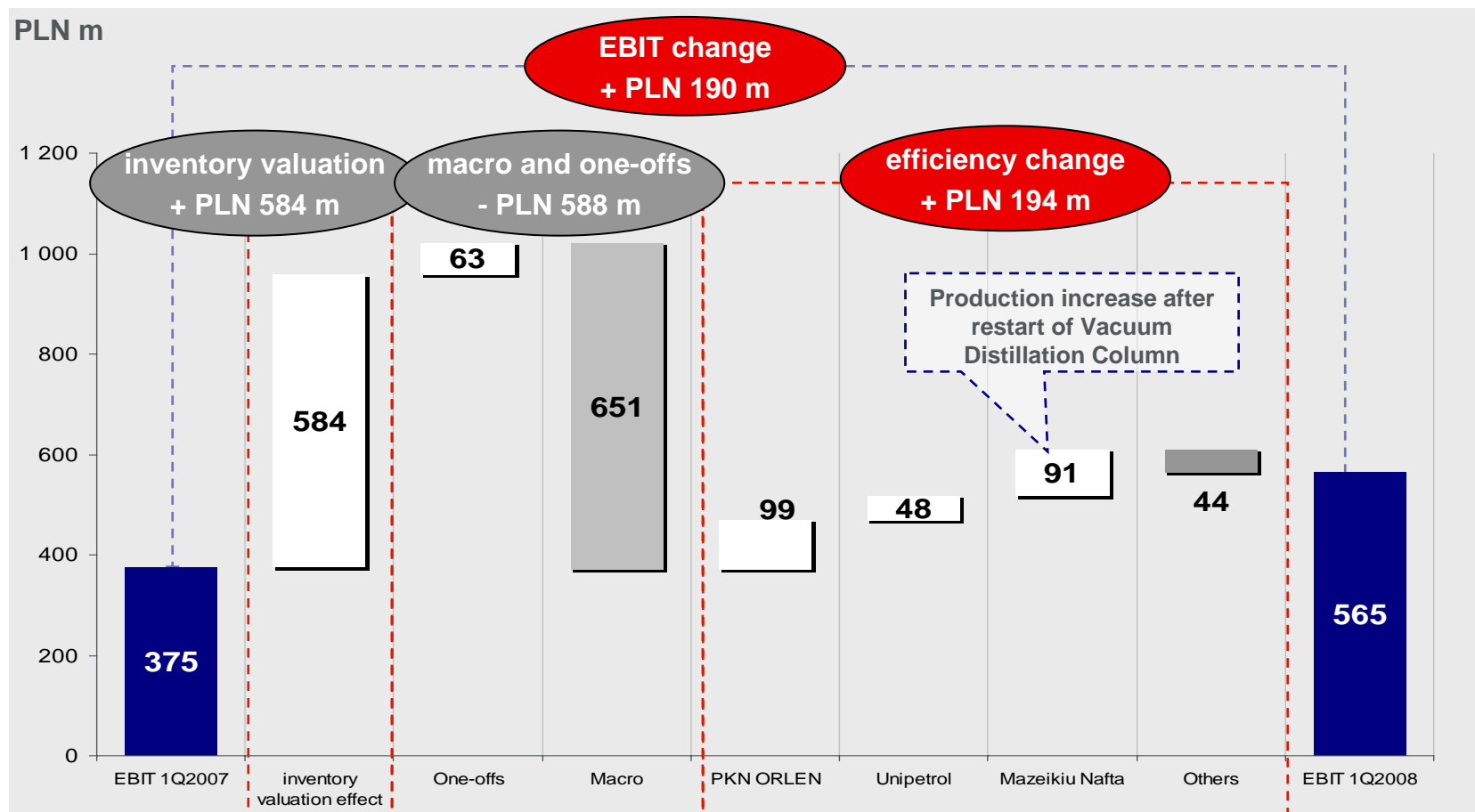
Key factors influencing EBIT in 1Q 2008

Supporting slides



INCREASE IN GROUP EFFICIENCY

Group efficiency increase in all key companies led to EBIT increase of PLN 190 m.



Macroeconomic effect: (- PLN 651 m), of which: exchange rate change (- PLN 404 m), cracks and differential change (- PLN 276 m), hedging effect PLN 29 m.

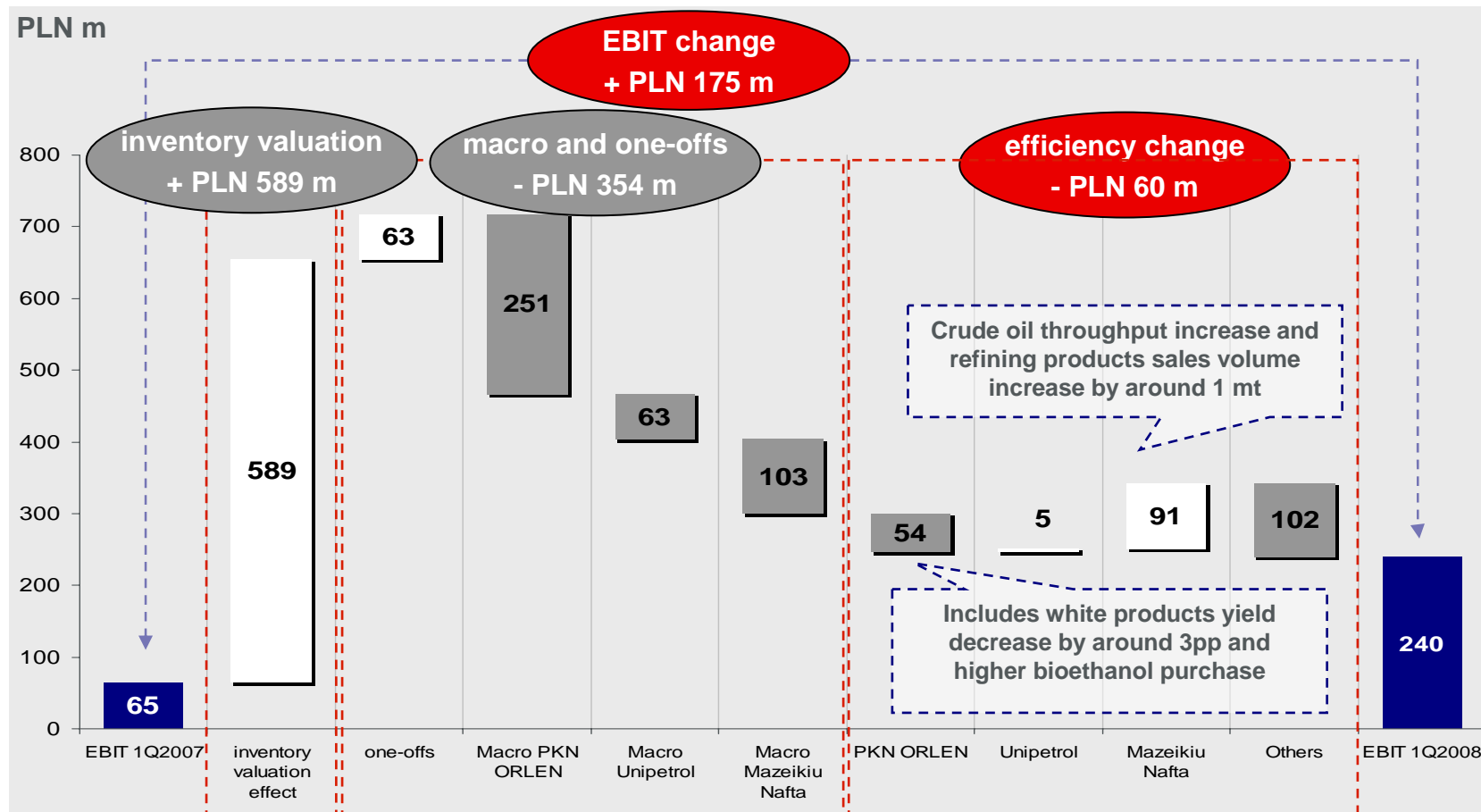
One-offs: PLN 63 m comes from CO2 rights revaluation in 1Q2007 in Mazeikiu Nafta

Lifo effect: PLN 584 m, of which PLN 229 m in 1Q 2007 and (- PLN 355 m) in 1Q 2008

Others include: other companies of the Group, consolidation adjustments and result on other operational activity.

REFINING

EBIT increase by PLN 175 m mainly due to positive inventory valuation effect and efficiency increase in Mazeikiu Nafta.



Macroeconomic effect: (- PLN 471 m), of which cracks and differential changes (-PLN 238 m), exchange rate change (- PLN 179 m)

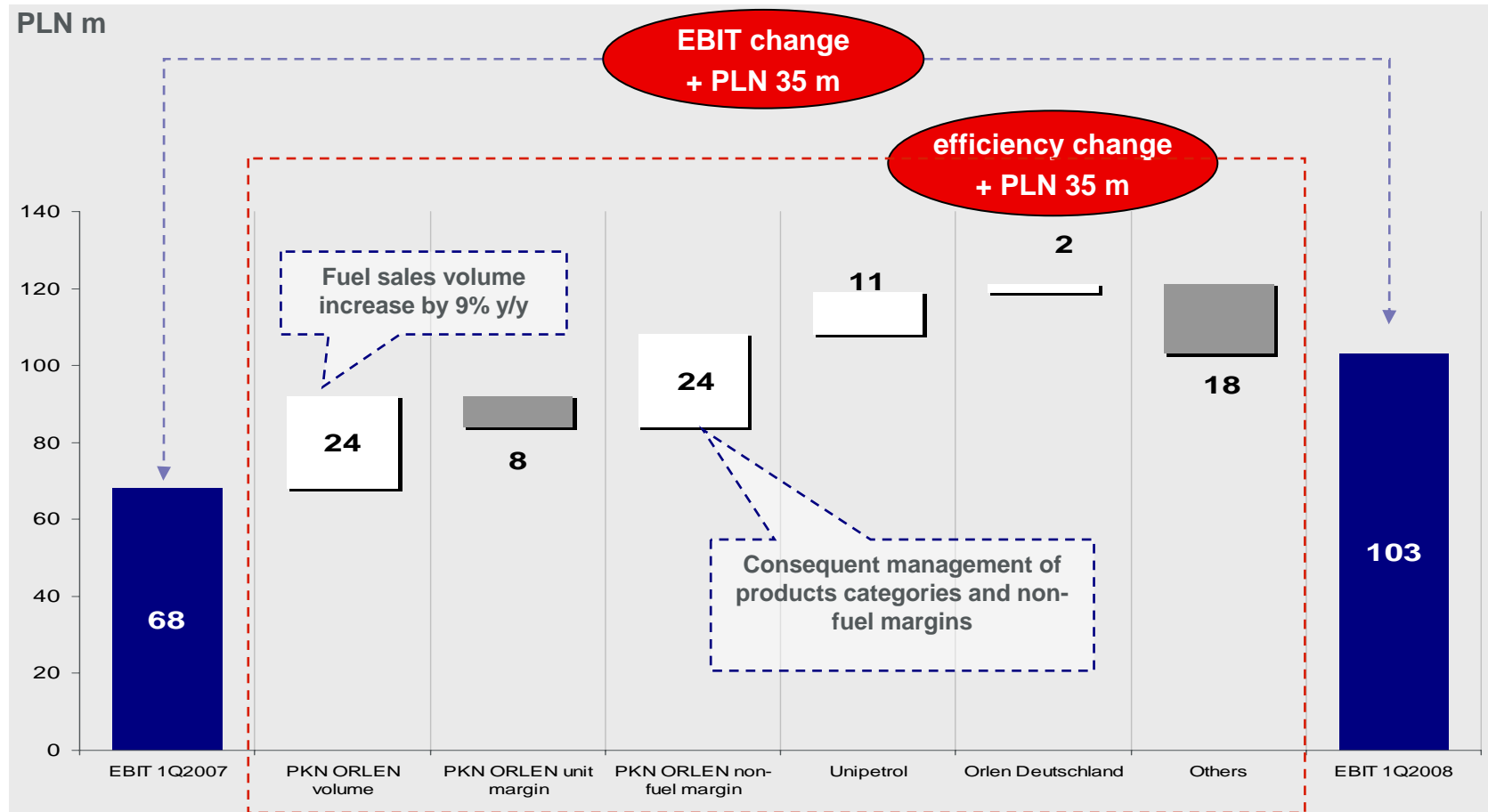
One-offs: PLN 63 m from revaluation of CO2 rights in 2007 in Mazeikiu Nafta

Lifo effect: PLN 589 m, of which PLN 229 m in 1Q2007 and (- PLN 360 m) in 1Q2008

Others include: other companies of the Group, consolidation adjustments and result on other operational activity. In 1Q 2008 Mazeikiu Nafta experienced write-off on inventories at the level of PLN 34 m.

RETAIL

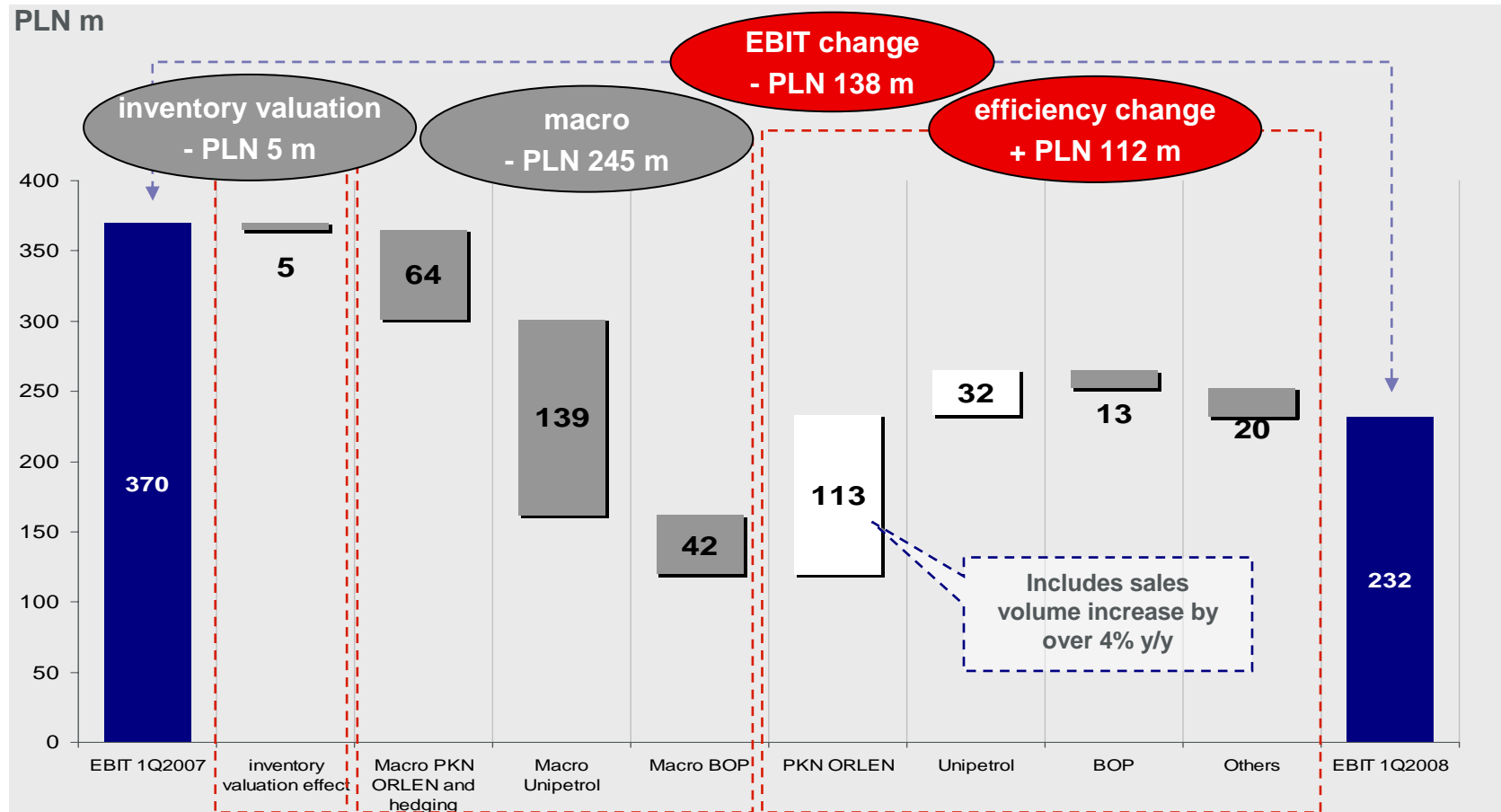
EBIT increase by over 50% due to fuel sales volume increase and improvement of efficiency in non-fuel area.



Others include: consolidation adjustments and result on other operational activity.

PETROCHEMICALS

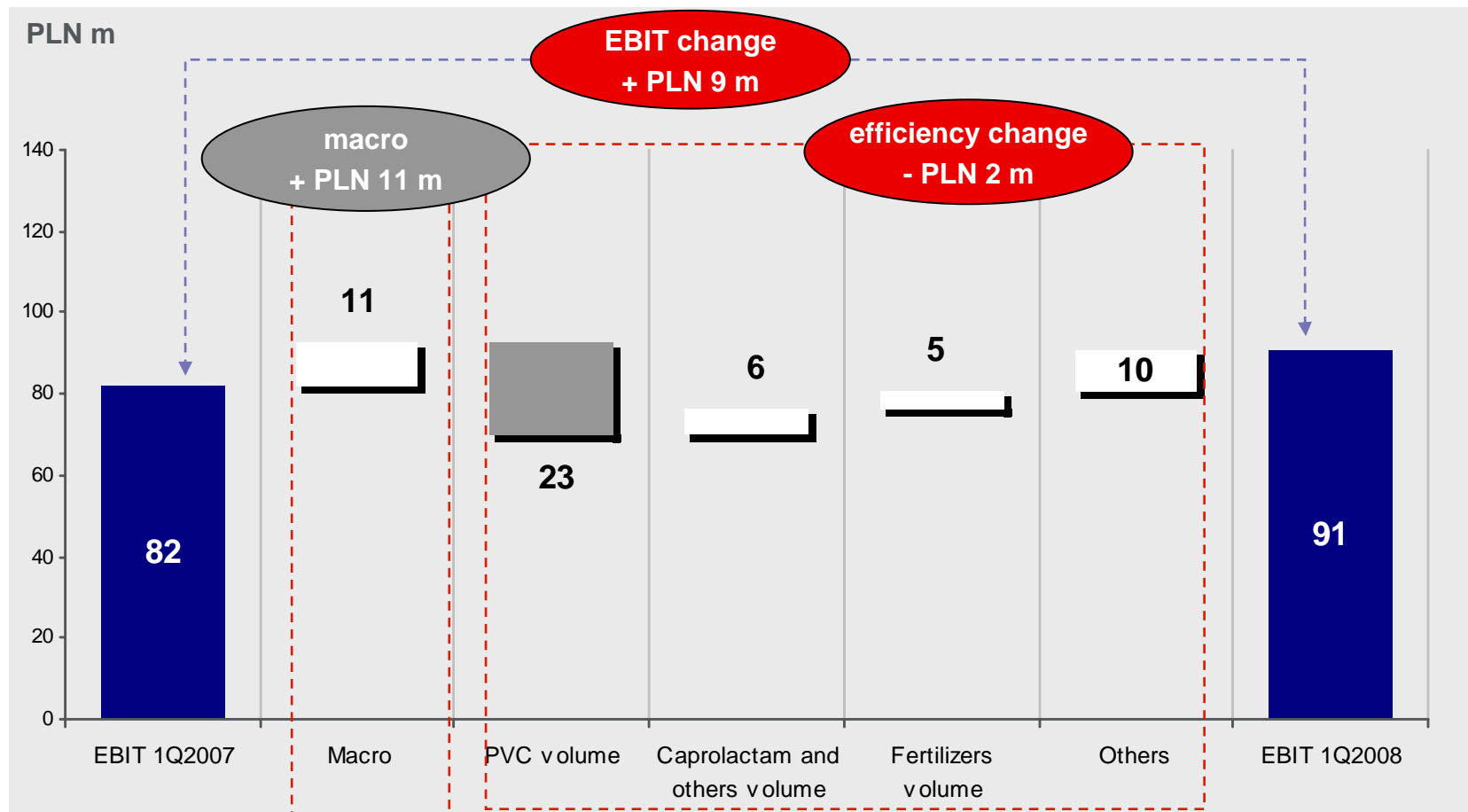
EBIT in 1Q 2008 is lower compared to 1Q 2007 due to negative macro impact. Segment efficiency increased by PLN 112 m.



Macroeconomic effect (PLN - 245 m), of which: exchange rate change (- PLN 263 m), cracks change (- PLN 11 m) and hedging effect PLN 29 m in 1Q 2008
 Lifo effect: (- PLN 5 m) in 1Q 2008
 Others include: companies of the Group, consolidation adjustments and result on other operational activity.

CHEMICALS

EBIT increase by PLN 9 m mainly due to increase of fertilizers sales and strong market demand.



Macroeconomic effect of PLN 11 m, of which: margin on fertilizers PLN 38 m, PLN/USD exchange rate change (- PLN 27 m)
 Others include: consolidation adjustments and result on other operational activity.

AGENDA

Key financial and operational results in 1Q 2008

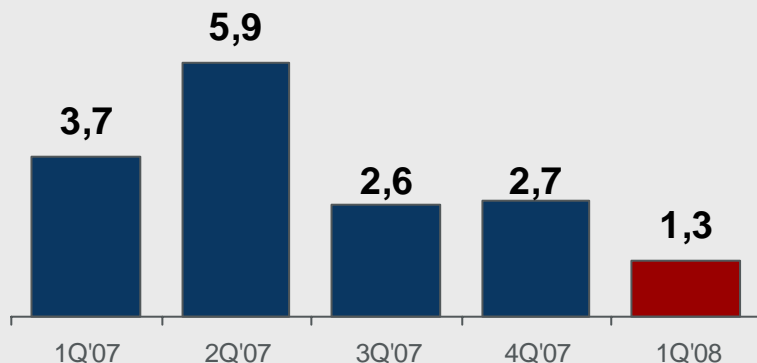
Key factors influencing EBIT in 1Q 2008

Supporting slides

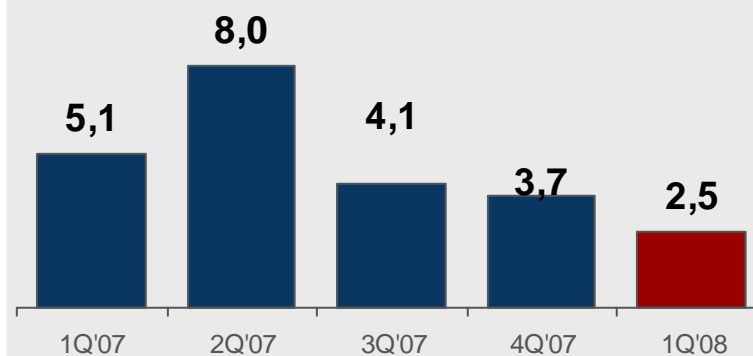


MACROECONOMIC ENVIRONMENT IN REFINING

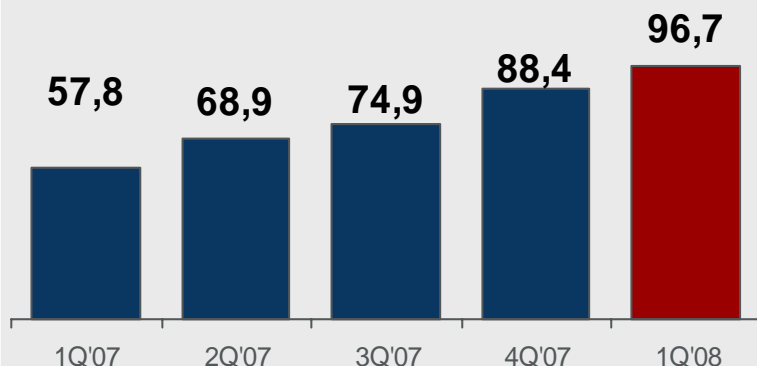
PKN ORLEN model refining margin (Group) ¹⁾
 Decrease by 65% y/y to 1.3 \$/b in 1Q'08



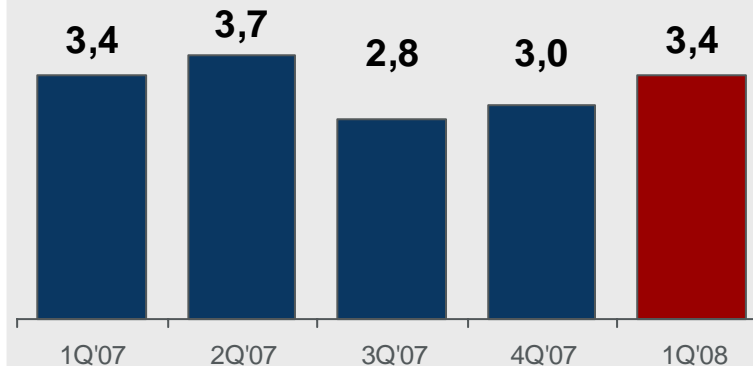
PKN ORLEN model refining margin (Plock) ²⁾
 Decrease by 51% y/y to 2.5 \$/b in 1Q'08



Brent Crude Oil
 Increase by 67% y/y to 96.7 \$/b in 1Q'08



Ural/Brent differential
 No change y/y; stabilizing at 3.4 \$/b in 1Q'08



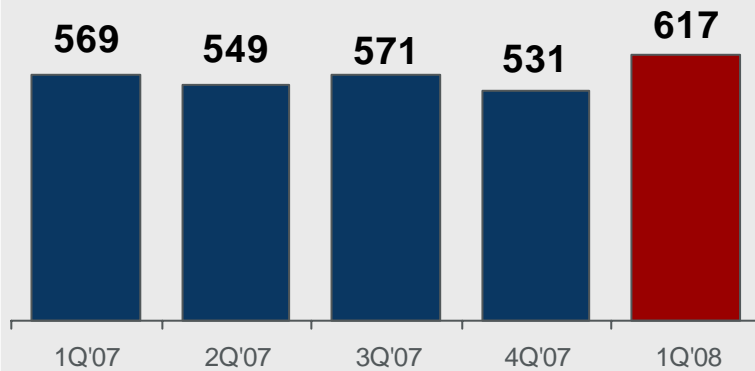
1) PKN ORLEN Group model refining margin = revenues (88% Products = 22% Gasoline + 11% Naphtha + 38% Diesel + 3% LHO + 4% JET + 10% HHO) less costs (100% feedstock = 88% Brent Crude + 12% internal consumption); price of products based on market quotations.

2) PKN ORLEN (Plock) model refining margin = Products (88.36%) vs. Brent Dtd (100%). Products contain Premium Unl (25.21%), USLD (23.20%), Naphtha (16.51%), LHO (15.31%), HSFO (5.44%) + Jet (2.69%)

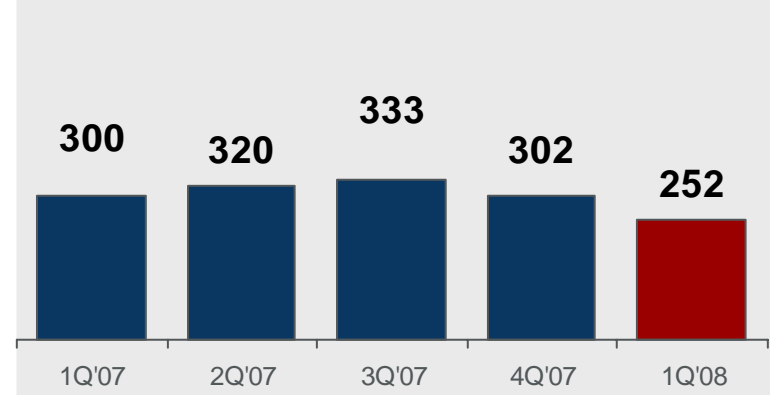
(source: CIF NWE quotations, except HSFO FOB ARA)

MACROECONOMIC ENVIRONMENT IN PETROCHEMICALS AND CHEMICALS

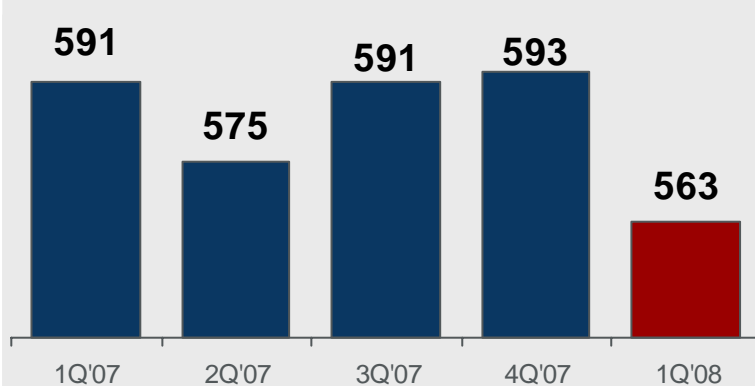
Model petrochemical margin on olefins¹
Increase by 8% y/y to 617 USD/t in 1Q'08



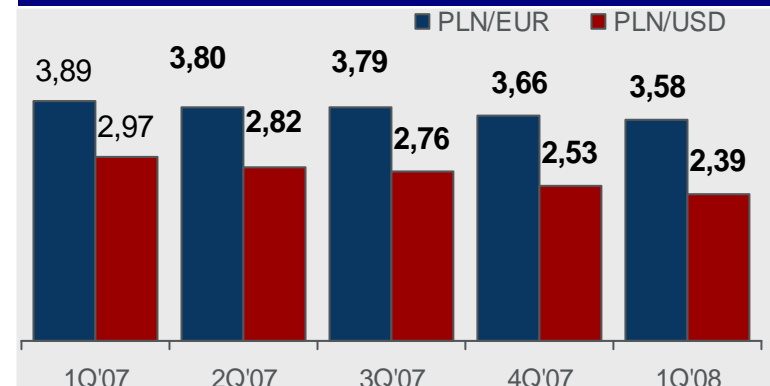
Model petrochemical margin on polyolefins²
Decrease by 16% y/y to 252 EUR/t in 1Q'08



Model chemical margin³
Decrease by 5% y/y to 563 EUR/t in 1Q'08



Exchange rate PLN/USD and PLN/EUR⁴
Decrease by 20% PLN/USD and 8% PLN/EUR



1) Model petrochemical margin on olefins = revenues (100% Products = 50% Ethylene, 30% Propylene, 15% Benzene, 5% Toluene) minus costs (100% input = 70% Naphtha + 30% LS VGO); products' prices according to quotations

2) Model petrochemical margin on polyolefins = revenues (100% Products = 50% HDPE, 50% Polypropylene) minus costs (100% input = 50% Ethylene + 50% propylene); products' prices according to quotations

3) Model chemical margin = revenues PVC (100%) minus costs (47% Ethylene); products' prices according to quotations

4) Source: NBP

UNIPETROL AND MAZEIKIU NAFTA IMPACT ON PKN ORLEN GROUP RESULTS

IFRS, PLN m	1Q'07	4Q'07	Unipetrol impact 1Q'08	MN impact 1Q'08	1Q'08	change y/y [%]	change q/q [%]
	1	2	3	4	5	6=5/1	7=5/2
Revenues	13 408	16 902	3 088	3 653	17 938	34%	6%
EBIT	375	104	59	-98	565	51%	444%
Financial income ¹⁾	47	716	22	6	442	840%	-38%
Financial expences	-260	-142	-40	-20	-286	10%	101%
Net profit	140	645	26	-86	644	360%	0%
Net profit ex.minority sharehold.	49	691	29	-86	626	1178%	-9%
LIFO adjustment⁽²⁾, gross	229	-564	15	-128	-355	-	-37%

1) Financial revenues comprises of PLN 356 m from exchange rate effect gains in 1Q 2008 vs. PLN 8 m in 1Q 2007.

2) EBIT according to LIFO – EBIT weighted average.

UNIPETROL AND MAZEIKIU NAFTA

IMPACT ON COSTS BY KIND

IFRS, PLN m	1Q'07	4Q'07	Unipetrol impact 1Q'08	MN impact 1Q'08	1Q'08	y/y [%]	q/q [%]
	1	2	3	4	5	6=5/1	7=5/2
Raw materials and energy	8 067	8 914	2 272	3 383	11 792	46%	32%
Costs of goods for resale	3 095	5 871	328	134	3 790	22%	-35%
External services	769	1 040	237	129	822	7%	-21%
HR costs	439	491	82	59	431	-2%	-12%
Depreciation and amortisation	620	626	147	106	587	-5%	-6%
Taxes and charges	110	80	1	6	124	13%	55%
Others	319	347	23	12	221	-31%	-36%
Total	13 419	17 369	3 089	3 829	17 766	32%	2%

UNIPETROL AND MAZEIKIU NAFTA IMPACT ON EBIT IN PKN ORLEN GROUP BY SEGMENT

IFRS, PLN m	1Q'07	4Q'07	Uniqpetrol impact 1Q'08	MN impact 1Q'08	1Q'08	y/y [%]	q/q [%]
	1	2	3	4	5	6=5/1	7=5/2
EBIT, of which	375	104	59	-98	565	51%	443%
Refining¹	65	224	3	-48	240	269%	7%
Retail	68	67	10	0	103	51%	54%
Petrochemical	370	56	38	-	232	-37%	314%
Chemical	83	38	-	-	91	10%	139%
Others²	-74	-45	8	-50	1	-	-
Non-attributable³	-137	-236	-	-	-102	26%	-57%

1) Production, Wholesale and Logistics.

2) Departments responsible for media, PKN ORLEN's social services, subsidiary services.

3) Non-attributable includes the corporate centre of PKN and subsidiaries not mentioned in other segments.

KEY PRODUCTION DATA

Key operational data	1Q'07	4Q'07	1Q'08	y/y [%]	q/q [%]
	1	2	3	4=3/1	5=3/2
Refinery in Poland ¹					
Processed crude (tt)	3 348	3 512	3 421	2,2%	-2,6%
Utilisation	97%	102%	97%	0pp	-5pp
White products yield	81%	79%	78%	-3pp	-1pp
Fuel yield	63%	64%	62%	-1pp	-2pp
Refineries in Czech ²					
Processed crude (tt)	1 070	908	1 027	-4,0%	13,1%
Utilisation	78%	66%	75%	-3pp	9pp
White products yield	74%	69%	77%	3pp	8pp
Fuel yield	59%	55%	59%	0pp	4pp
Refinery in Lithuania ³					
Processed crude (tt)	1 006	738	1 984	97,2%	168,8%
Utilisation	40%	30%	79%	39pp	50pp
White products yield	62%	65%	71%	10pp	6pp
Fuel yield	72%	63%	68%	-4pp	5pp

1) Production data refers to refinery in Plock, assumptions: refinery capacity of 13.8 m t/y in 2007 and 14.1 m t/y in 2008.

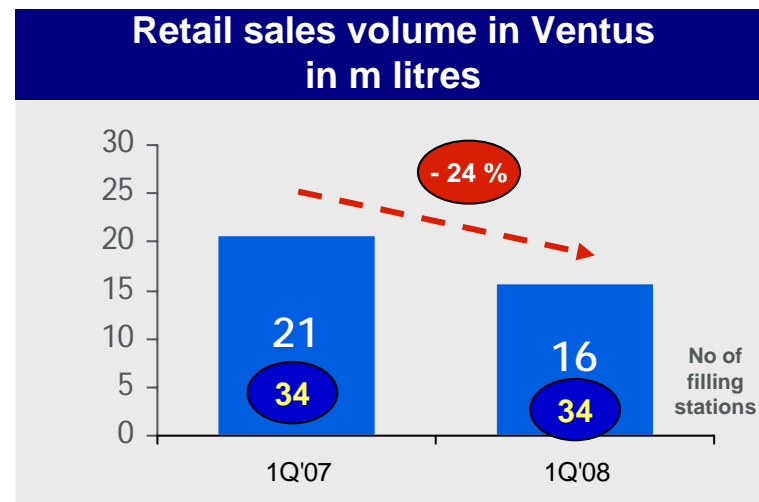
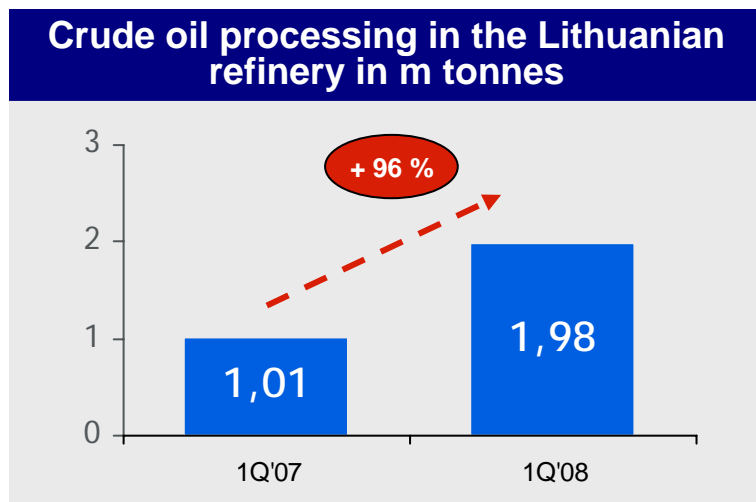
2) Production data refers to Ceska Rafinerska refinery [51% Litvinov (2.8 m t/y) and 51% Kralupy (1.7 m t/y)] and 100% Paramo (1.0 m t/y): Total 5.5 m t/y

3) Production data refers to Mazeikiu Nafta refinery: 10 m t/y.

MAZEIKIU NAFTA GROUP

KEY ELEMENTS OF THE FINANCIAL STATEMENTS¹

IFRS, USD m	1Q'07	4Q'07	1Q'08	y/y change [%]	q/q change [%]
	1	2	3	4=3/1	5=3/2
Revenues	599	832	1 568	162%	89%
EBITDA	-47	-17	9	-	-
EBIT	-57	-26	-3	95%	89%
Net profit	-51	-16	-3	94%	82%

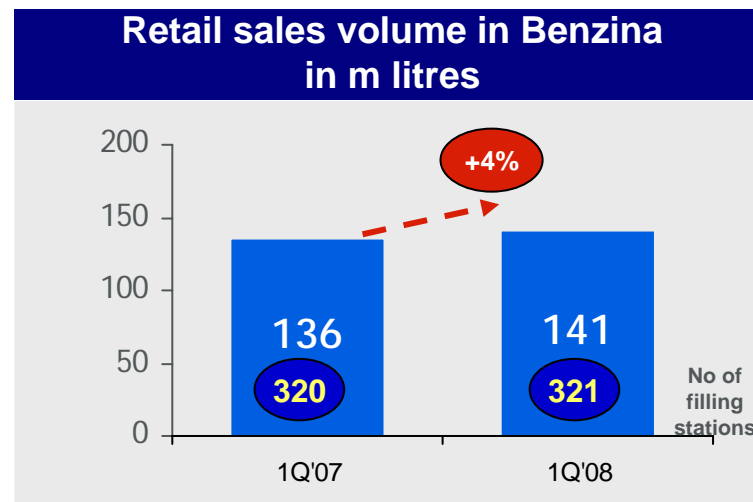
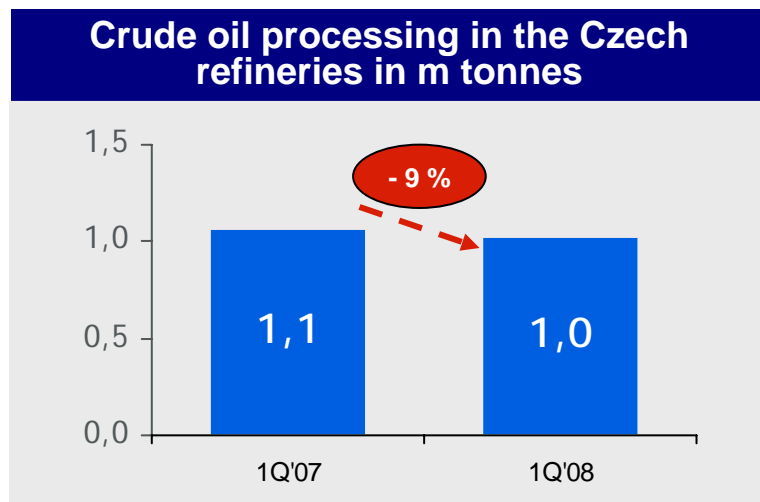


¹) Note the above numbers are not subject to PKN Group consolidation. They present Mazeikiu Nafta Group results according to Lithuanian accounting standards and historical cost

UNIPETROL GROUP

KEY ELEMENTS OF THE FINANCIAL STATEMENTS¹

IFRS, CZK m	1Q'07	4Q'07	1Q'08	y/y change [%]	q/q change [%]
	1	2	3	4=3/1	5=3/2
Revenues	20 633	21 149	22 149	7%	5%
EBITDA	3 110	227	1 491	-52%	557%
EBIT	2 318	-657	653	-72%	-
Net profit	1 564	-557	405	-74%	-



¹) Note the above numbers are not subject to PKN Group consolidation. They present Unipetrol Group results according to Czech accounting standards and historical cost.