

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Supervisory Board of Polski Koncern Naftowy ORLEN S.A. (previously known as Polski Koncern Naftowy S.A.)

We have audited the accompanying consolidated financial statements of Polski Koncern Naftowy ORLEN S.A. (the "Company") for the years ended on 31 December 2000 and 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

International Accounting Standard No. 29 "Financial Reporting in Hyperinflationary Economies" (IAS 29) requires that the carrying amounts of assets and liabilities reported in a period of hyperinflation should be expressed in the measuring unit current at the end of the hyperinflationary period and constitute the basis for the carrying amounts in the subsequent financial statements. The Polish economy was hyperinflationary until the end of 1996 and ceased to be hyperinflationary in 1997. The Company last revalued its fixed assets as of 1 January 1995 to reflect the effects of inflation by applying price indices determined by the Central Statistical Office for individual groups of assets or market prices. This revaluation was not performed in accordance with the provisions of IAS 29 since the Company did not use a general price index and did not subsequently revalue its fixed assets as of 31 December 1996. As a result, the cumulative balances of property, plants and equipment as of 31 December 2000 and 1999, which existed prior to 31 December 1996, have not been expressed in the measuring unit current at the end of 1996. In all other respects the financial statements are prepared under the historical cost convention.

In our opinion, except for the matter referred to in paragraph above, the consolidated financial statements present fairly, in all material respects, the financial position of Polski Koncern Naftowy ORLEN S.A. as at 31 December 2000 and 1999, and the consolidated results of its operations and its cash flows for the years then ended in accordance with International Accounting Standards issued by the International Accounting Standards Committee.

Warsaw, Poland
30 April 2001