# INDEPENDENT AUDITORS' OPINION

**To the Supervisory Board of Polski Koncern Naftowy ORLEN S.A.**

1. We have audited the accompanying financial statements (amended on 5 May 2005 in relation to the issued financial statements prepared on 31 March 2005, "amended financial statements") of Polski Koncern Naftowy ORLEN S.A. (the "Company") located in Plock at Chemikow St. 7, for the year ended 31 December 2004 (format SA-R) containing:

   - the introduction to the amended financial statements,
   - the balance sheet as at 31 December 2004 with total assets amounting to 15,568,105 thousand zlotys,
   - the profit and loss account for the period from 1 January 2004 to 31 December 2004 with a net profit amounting to 2,275,645 thousand zlotys,
   - the statement of changes in shareholders' equity for the period from 1 January 2004 to 31 December 2004 with a net increase in shareholders' equity amounting to 2,041,988 thousand zlotys,
   - the cash flow statement for the period from 1 January 2004 to 31 December 2004 with a net cash inflow amounting to 225,918 thousand zlotys, and
   - the additional notes and explanations.

   The format of the accompanying amended financial statements for the year ended 31 December 2004 is prescribed by the Decree of the Council of Ministers of 16 October 2001 on current and periodic information provided by issuers of securities (Journal of Law No. 139, item 1569 with further amendments) ("Decree on current and periodic information").

2. As disclosed in the introductory notes to the accompanying amended financial statements, in relation to the financial statements prepared on 31 March 2005, the Management Board made an adjustment to the allowance for the receivable from PSE S.A. resulting from the information received on 19 April 2005 on negative outcome of the arbitration proceeding. Following the above mentioned adjustment the net financial result of the Company for the year ended 31 December 2004 decreased by the amount of 54 million zlotys in comparison to the data presented in the Company's financial statement prepared on 31 March 2005. The Company amended also additional explanatory notes as a result of the above mentioned adjustment and included significant events after the balance sheet date till the date of the preparation of the accompanying amended financial statements.

3. The truth and fairness[1] of the accompanying amended financial statements and the proper maintenance of the accounting records are the responsibility of the Management Board. Our responsibility was to audit the accompanying amended financial statements and to express an opinion whether, based on our audit, these amended financial statements are, in all material

[1] Translation of the following expression in Polish: "*rzetelnosc, prawidlowosc i jasnosc*"

respects, true and fair[2] and whether the accounting records that form the basis for their preparation are, in all material respects properly maintained.

4. We conducted our audit of the amended financial statements in accordance with the following regulations being in force in Poland:

   - chapter 7 of the Accounting Act, dated 29 September 1994, ("the Accounting Act")
   - the auditing standards issued by the National Chamber of Auditors,

   in order to obtain reasonable assurance whether the financial statements are free of material misstatement. In particular, the audit included examining, to a large extent on a test basis, documentation supporting the amounts and disclosures in the amended financial statements. The audit also included assessing the accounting principles adopted and used and significant estimates made by the Management, as well as evaluating the overall presentation of amended financial statement. We believe our audit has provided a reasonable basis to express our opinion on the amended financial statements treated as a whole.

5. In our opinion, the accompanying amended financial statements, in all material respects:

   - present truly and fairly all information material for the assessment of the results of the Company's operations for the period from 1 January 2004 to 31 December 2004, as well as its financial position[3] as at 31 December 2004;
   - have been prepared in accordance with the accounting principles specified in the Accounting Act referred to above and regulations issued based on that Act, and based on properly maintained accounting records;
   - are in accordance with the Accounting Act referred to above and regulations issued based on that Act and the Company's articles of association that affect their content.

6. As a result of the matters explained in paragraph 2 above, this opinion on the amended financial statements replaces our unqualified opinion issued previously on 31 March 2005 in relation to the financial statements of the Company prepared on 31 March 2005. Therefore the previously issued opinion should not be taken into account for any assessment of the accompanying amended financial statements.

7. Without qualifying our opinion, we draw attention to the following issues:

   a) In 2004 two acts amending the Accounting Act and affecting the accompanying amended financial statements became effective: the Act dated 12 December 2003 on amendments to the Act – Commercial Code and certain other acts and the Act dated 30 April 2004 amending the Accounting Act. Taking the above into consideration, the Company has introduced changes in applied accounting principles. This led to the increase in equity in the opening balance by the amount of 35,998 thousand zlotys. Comparable data was also changed in order to take into account the changed accounting principles. The effect of those changes on the

[2] Translation of the following expression in Polish: "*rzetelne, prawidlowe i jasne*"

amended financial statements was presented in Note 61 of additional information and notes to the accompanying amended[3] financial statements.

b) In accordance with the regulations of the Accounting Act, the Company has presented in the accompanying amended financial statements shares in subsidiaries and associates at cost (adjusted for impairment). In accordance with the Accounting Act, the Capital Group of Polski Koncern Naftowy ORLEN (the "Capital Group"), of which the Company is the parent company prepared on 5 May 2005 consolidated financial statements. The financial results and net assets of the Capital Group as at 31 December 2004 significantly differ from the Company's financial results for the year ended 31 December 2004 and its net assets as at that date. The consolidated financial result for 2004 and the consolidated net assets of the Capital Group as of 31 December 2004 amount to 2,588,981 thousand zlotys and 11,449,650 thousand zlotys respectively.

c) As presented in Note 47c to the accompanying amended financial statements, there is a tax inspection underway in Rafineria Trzebinia S.A. This inspection is being carried out by the Tax Inspection Office in Krakow and its scope covers verification of excise tax and value added tax calculations and payments for the years 2002 and 2003.
The results of this tax inspection and its potential impact on the accompanying amended financial statements are unknown as of the date of this opinion. Additionally on 5 April 2005, as a result of the proceeding carried out by the Custom Office, Rafineria Trzebinia S.A. received decisions issued by the Director of Custom Office in Krakow in which additional excise tax liability was set for the period May-June 2004 for the total amount of approximately 60 million zlotys which were appealed by the company. On 5 May 2005 Rafineria Trzebinia S.A. received a decission of Custom Office in Krakow on suspending the execution of the above mentioned decisions. As presented in the above note, as at the date of this opinion the final results of the above proceedings and their potential impact, as well as any potential impact of extending the above proceedings to the other periods, on the accompanying amended financial statements are not known.
As presented in Notes 47c, 47n and 47o to the accompanying amended financial statements the Supervisory Boards of Rafineria Trzebinia S.A., Rafineria Nafty Jedlicze S.A. and ORLEN Oil Sp. z o.o. passed resolutions on performing tax reviews and forensic procedures. As presented in the above notes as at the date of this opinion the above procedures were not finalized and their potential impact on the accompanying amended financial statements is not known.

[3] Translation of the following expression in Polish: "*sytuacja majatkowa i finansowa*"

8. We have read the Report by the Management Board (amended on 5 May 2005 in relation to the issued Report by the Management Board prepared on 31 March 2005, "amended Directors' Report") on the Company's Activities for the Period from 1 January 2004 to 31 December 2004 and the Rules for Preparing Annual Financial Statements and conclude that the information derived from the accompanying amended financial statements reconciles with the amended Director's Report. The information included in the amended Directors' Report corresponds with § 64 prescribed by the Decree on current and periodic information.

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Warsaw, 5 May 2005