PKN ORLEN Group - Euro bonds offering 2007

Paweł Szymański, Chief Financial Officer
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July 2nd - 4th 2007

Agenda

PKN ORLEN Capital Group - leading growth company in CEE

Major value accretive acquisition - Mažeikių Nafta

PKN ORLEN Euro bonds offering – terms and conditions

Appendix

PKN ORLEN - From Domestic Leader to Regional Player

Domestic Business to 2002

1999

- Merger of Petrochemia Płock, Poland's largest refinery, with CPN, the largest retailer, and the formation of PKN
- **IPO on WSE** and **LSE** of about **30%** of equity
- Introduction of the new PKN ORLEN brand

2000

- Secondary public offering of PKN ORLEN on WSE and LSE increased **free float to 72%**

„Internationalisation" 2002-2005

2002

- Expansion into **German** market (**494** stations)
- Joint venture with **Basell – Basell Orlen Polyolefins**

2003

- Implementation of **VBM system** and first **cost cutting** programme

2005

- Acquisition of majority stake in Czech holding **Unipetrol**
- Introduction and start of PKN ORLEN **Retail Sales Development Plan for Poland**
- Introduction and start of **Unipetrol Partnership Program**

Regional Business 2006+

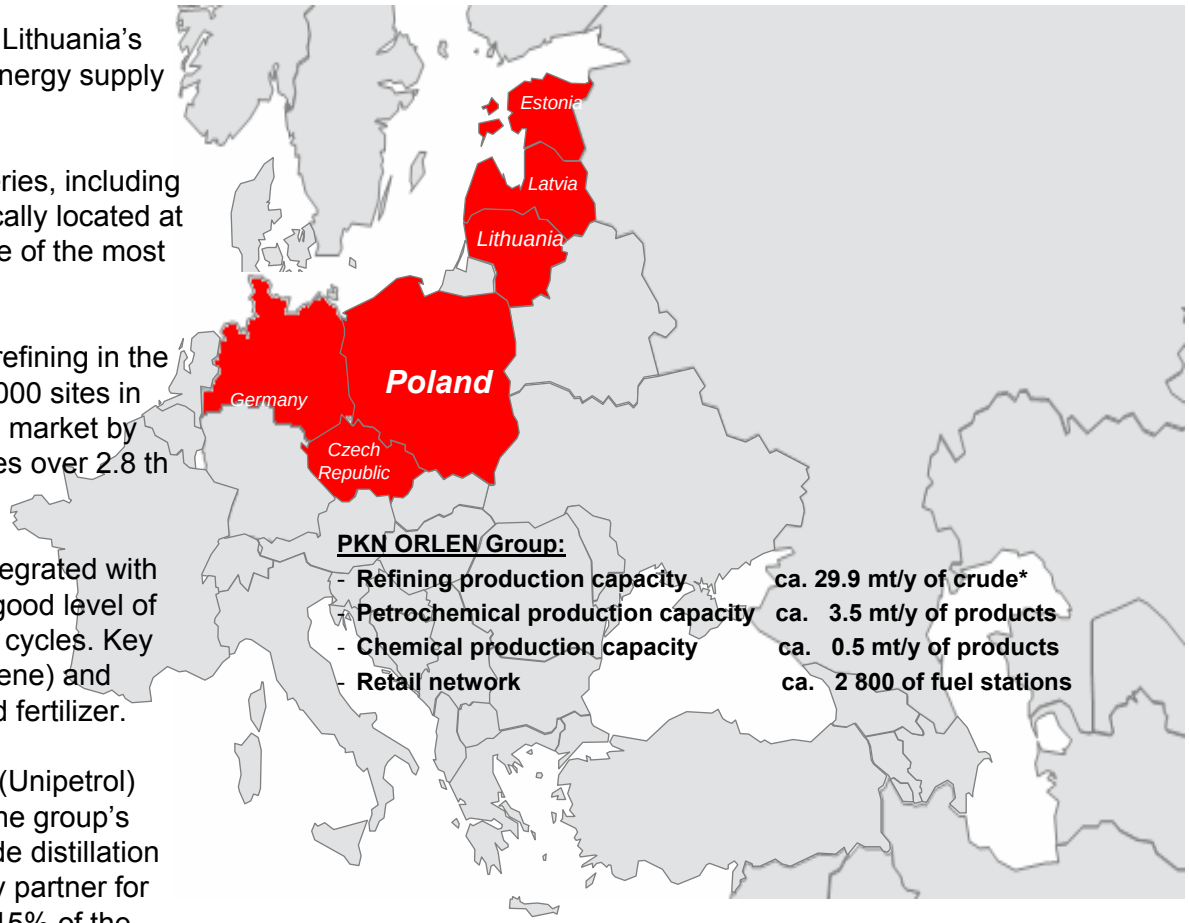
2006 +

- Start of PKN ORLEN OPTIMA Program – **cost reduction program by 2009 by PLN 600+ m**
- Acquisition of Lithuanian refining company - **Mazeikiu Nafta**
- Implementation of **segmental management**
- Implementation of **double brand strategy in all countries** (Poland, Germany and Czech Republic)
- New growth oriented **CAPEX plan 2007-2012**

PKN ORLEN Group – leading refining & petrochemical company operating on the biggest market in CEE

Strong competitive position of PKN ORLEN Group, combined with critical mass and high downstream integration provide a solid growth foundation

- PKN ORLEN holds strategic assets for Poland's, Lithuania's and Czech's economy and is essential for CEE energy supply strategy.
- In refining PKN ORLEN has in the region 7 refineries, including a highly-efficient, modern Plock refinery, strategically located at the heart of the Polish market, the largest and one of the most dynamic in the CEE region.
- Marketing operations are closely integrated with refining in the Polish market where PKN ORLEN operates ca 2000 sites in Poland and holds approximately 30% of the retail market by volume. In the whole region PKN ORLEN operates over 2.8 th retail sites.
- Petrochemical and chemical assets are highly integrated with the refining operations providing flexibility and a good level of protection against market fluctuation and product cycles. Key products include i.e. monomers (ethylene, propylene) and polymers (polyethylene, polypropylene), PVC and fertilizer.
- PKN ORLEN's expansion in the Czech Republic (Unipetrol) and in Lithuania (Mažeikiu Nafta) has improved the group's geographical footprint and nearly doubled its crude distillation capacity. PKN ORLEN now is even more of a key partner for the Russian oil producers, representing now ca. 15% of the Russian exports.



PKN ORLEN Group:

- Refining production capacity	ca. 29.9 mt/y of crude*
- Petrochemical production capacity	ca. 3.5 mt/y of products
- Chemical production capacity	ca. 0.5 mt/y of products
- Retail network	ca. 2 800 of fuel stations

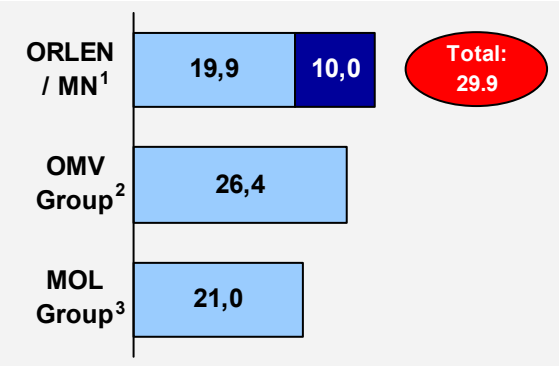
* Before the fire of vacuum distillation unit at Mazeikiu NAFTA, which happened in October 2006

PKN ORLEN - leading downstream company in terms of processing capacity and retail network Integration of Mažeikių Nafta - key step on the growth path in CEE

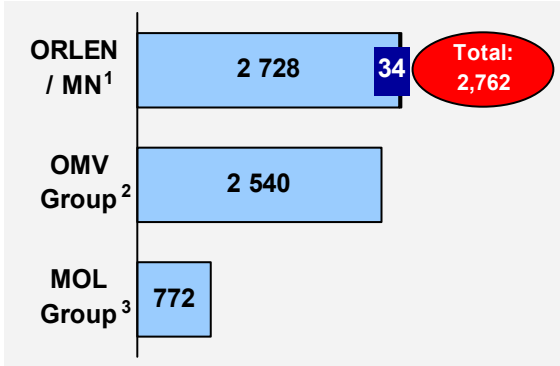
2006 data

Mažeikių Nafta

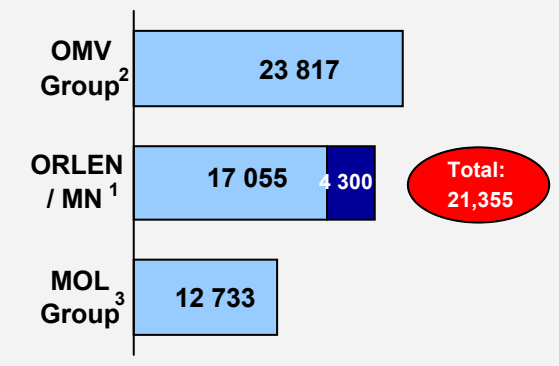
Processing capacity (in million tons p.a.)

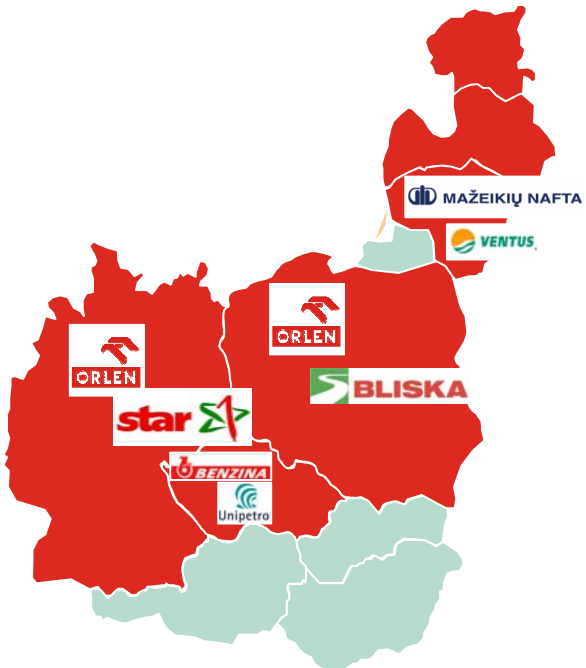


Retail network (Number of stations)

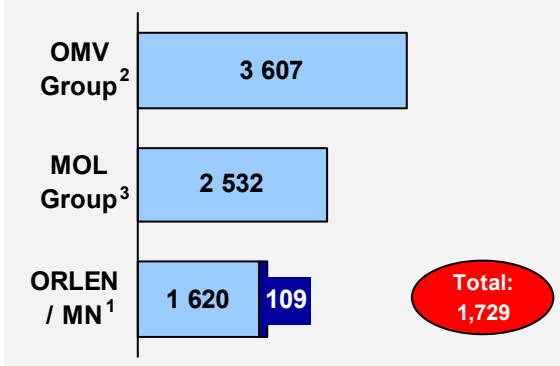


Revenues (in USD million)





EBITDA (in USD million)



1. Assumes 100% of Unipetrol and 100% of Mažeikių Nafta prior the fire in 2006
2. OMV and Petrom
3. MOL / SLOVNAFT and INA

Source: Companies' 4q'06 financial statements

Ongoing strategy implementation

Progress on selected initiatives during 2006 and 2007 is on track

Progress on other initiatives during 2006 and 2007

Pillar 1	**Implement improvements and investments**	• Unipetrol: Ongoing integration and efficiency gains achieved within Unipetrol (Partnership Program) – EUR 109 million EBITDA improvement for 2006, exceeding target by ~45% • Retail: Implementation of retail strategy, restructuring of the retail network including two brand concept. Excellent performance in 2006: volume increase of 17.2% y/y, EBIT increase to PLN 573 million – Ongoing optimisation with the construction of 90 new / rebuild sites – Implementation of dual brand strategy in Czech Benzina – Implementation of ORLEN Deutschland remedy plan on track • Optima: Cost reduction program well on track • Corporate governance: Group restructuring and implementation of management by segments
Pillar 2	**Strengthen existing core businesses in home markets**	• Refining: Diesel Desulphurization Unit investment in progress to deliver refinery expansion • Petrochemicals: PX/PTA projects under implementation • Chemicals: Anwil acquired Spolana, creating leading chemical company in the region; disposal of Kaučuk for EUR 195 million [1]
Pillar 3	**Monitor expansion opportunities on new markets**	• Mažeikių Nafta: Acquisition of Mažeikių Nafta successfully completed because it expands the refining capacity by ~50%. Entering high growth potential markets • E&P: Continuing to actively search for projects with acceptable risk level; non-aggressive approach applies

1. Transaction of Kaucuk disposal has not been closed yet; the Share Purchase Agreement, signed on 30 January 2007 between Unipetrol a.s. and FIRMA CHEMICZNA DWORY S.A. provides for a possible adjustment of the Purchase Price resulting from environmental conditions relating to Kaučuk and its operations. For details see the regulatory announcement of Unipetrol dated 30 January 2007, available on www.unipetrol.cz.

PKN ORLEN delivery on strategic objectives and key targets of the strategy 2006 – 2009E *(published in January 2006)*

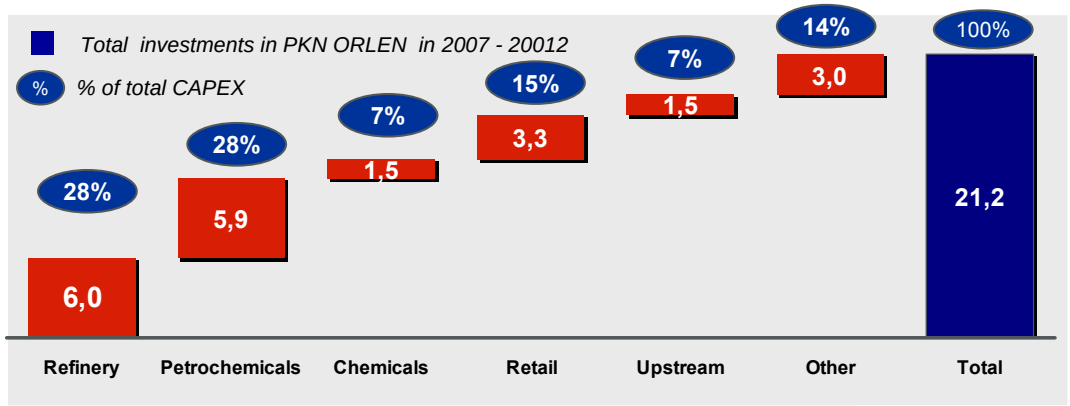
	Strategic objectives	Delivery as of 2006 [1]		Key targets 2009E[1]
Organic	Implement Efficiency Improvement and investments	• **EBITDA**[2]	PLN 7 billion	• >PLN 10 billion
		• **ROACE**	17.1%[2],[3]	• >18.5%
Inorganic	Strengthen existing core businesses in home markets	• **Capex** [4]	PLN 1.9 billion	• PLN 3.4 billion (average 2005–09)[2][5]
		• **Gearing**	39.2%	• 30 – 40%
	Monitor expansion opportunities in new areas and markets	• **Dividend policy (payout ratio)**	Implemented	• Based on FCFE

1. Refers to the Capital Group, IFRS numbers in the whole presentation if not otherwise pointed
2. Assumes constant macro scenario in 2004: Brent price USD 38.3/bbl, Brent-Ural differential USD 4.1/bbl, Refining margin USD 5.6/bbl, PLN/EUR 4.52, PLN/USD 3.65
3. Calculation based on PKN ORLEN consolidated financial statements 2006 excluding consolidation effect of Mažeikių Nafta Capex plan for PKN ORLEN excluding Mažeikių Nafta
4. Annual average D&A (2006-2009E) PLN 2.1 billion

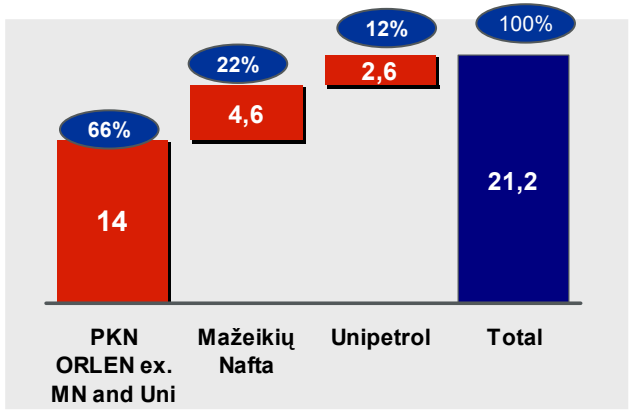
PKN ORLEN Group new CAPEX plan in 2007 – 2012

Further expansion and improvement of the asset base at the optimal pace

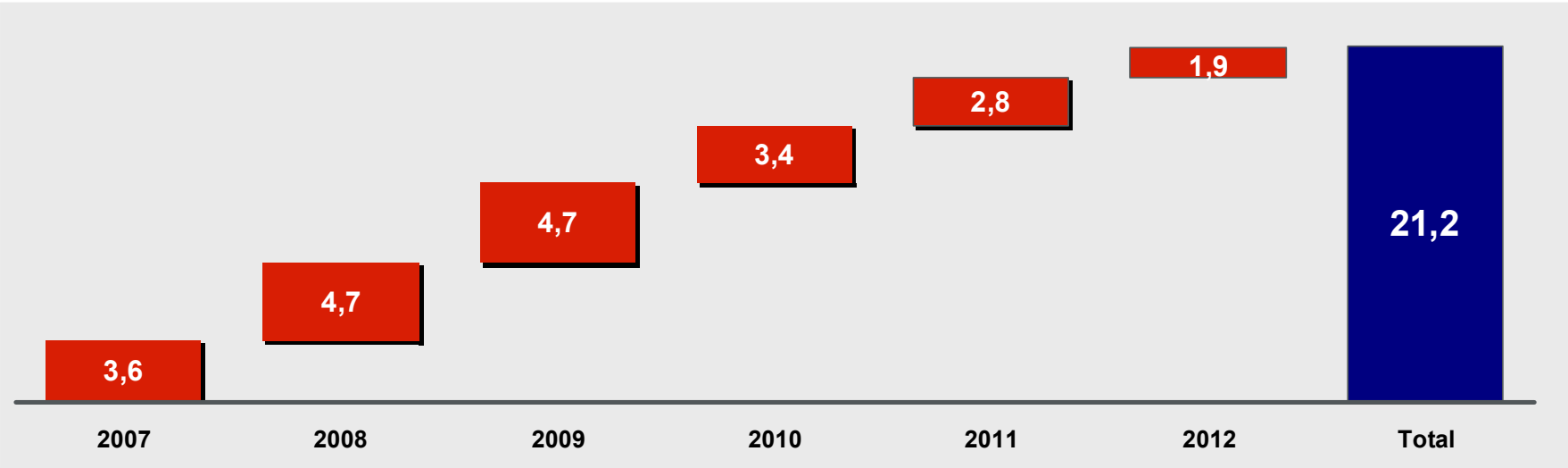
Segment CAPEX 2007-2012 in PLN bn



CAPEX by key companies in 2007-2012 in PLN bn



CAPEX plan in 2007-2012 in PLN bn. Yearly average at a level of PLN 3,5 bn



PKN ORLEN Group
Key projects in 2007 - 2012

Refining

- Development of the refining complex in Mažeikių Nafta
- Increasing the capacity of the diesel unit HDS VII plant.
- Construction of the hydrogen production plant.

Retail

- Development of the retail network in Poland, Czech, Lithuania and Germany
- Development of dual strategy brand in Poland and Czech market.

Petrochemical

- Construction of the paraxylene (PX) and purified terephthalic acid (PTA) plants.
- Intensification of the unit of ethylene oxide and butadiene
- Development of the propylene unit in Mažeikių Nafta

Chemical

- Modernization of the polyvinyl chloride unit (PVC) including the production capacity increase.
- Construction of the cyclohexanone unit.
- Construction of the butylen polyterephthalate (PBT) production unit – further processing of (PTA).

Upstream

- Gradual development of upstream activities through selective asset acquisitions
- Potential acquisition of minority interests, without becoming the operator
- Individualized approach to each upstream acquisition

Logistics, oils, corporate center and others

- Preparing the storage depots for biocomponents dosage.
- Pipeline to Wroclaw.
- Renovation of the heat and power generating plant which would provide the compliance with the future regulations of the gas emissions.

Agenda

PKN ORLEN Capital Group - leading growth company in CEE

Major value accretive acquisition - Mažeikių Nafta

PKN ORLEN Euro bonds offering - terms and conditions

Appendix

Mažeikių Nafta transaction perfectly fits into Pillar 3 of PKN ORLEN strategy

		Strategy	
Pillar 1	**Implement improvements and investments**	• Change of corporate culture – remedy the situation within the Company • Partnership Program – efficient integration of Unipetrol with PKN ORLEN • Efficiency enhancement as a priority during the first stage of strategy implementation – Restructuring and optimization of the retail network – Implementation of the new cost reduction program – Group restructuring and implementation of management by segments – Implementation of the value management system • High return capital investments in core areas of operation • Implementation of the improvement plan for ORLEN Deutschland	**Organic**
Pillar 2	**Strengthen existing core businesses in home markets**	• Allocation of capital for selective acquisitions to ma petitive edge • Retail acquisitions • Development of petrochemic ations • Review of PKN OR Group portfolio and structure simplification through disposals of non-core assets	**Non-organic**
Pillar 3	**Monitor expansion opportunities on new markets**	• **Monitoring the market for availability of development or interesting acquisition opportunities** • **Focus on markets with high growth potential**	**Non-organic**

Acquisition of Mažeikių Nafta addresses pillar 3 of PKN ORLEN's strategy

Mažeikių Nafta acquisition significantly strengthens PKN ORLEN Group position in Central and Eastern Europe

Acquisition completed	• Successfully finalized on December 15th, 2006 • Dominant majority of ~90% controlled by PKN ORLEN
Consistent with strategy	• In line with the third pillar of the PKN ORLEN strategy • Key step for delivery of leadership in the CEE region
Strengthens regional position	• Annual refining capacity of ~30 million tons(1) allows PKN ORLEN to enter new attractive downstream markets and become a key CEE oil & gas player

Value Creation Program (VCP)	• **Mažeikių Nafta targeted EBITDA in 2012E of USD 700 million(2)**
	• EBITDA increase of USD 408 million(3) by 2012E (127%) based on 2005A EBITDA of USD 319 million(4)
	• To ensure business recovery and continuity following the unexpected fire and crude supply disruption is our priority now. The subsequent EBITDA increase will be driven by:
	  • Operational Efficiency Improvement across all Mažeikių Nafta business segments
	  • New growth through a modernization and New Investment Program

Implementation	• The Unipetrol integration experience and delivery of significant value creation will be replicated in Mažeikių Nafta

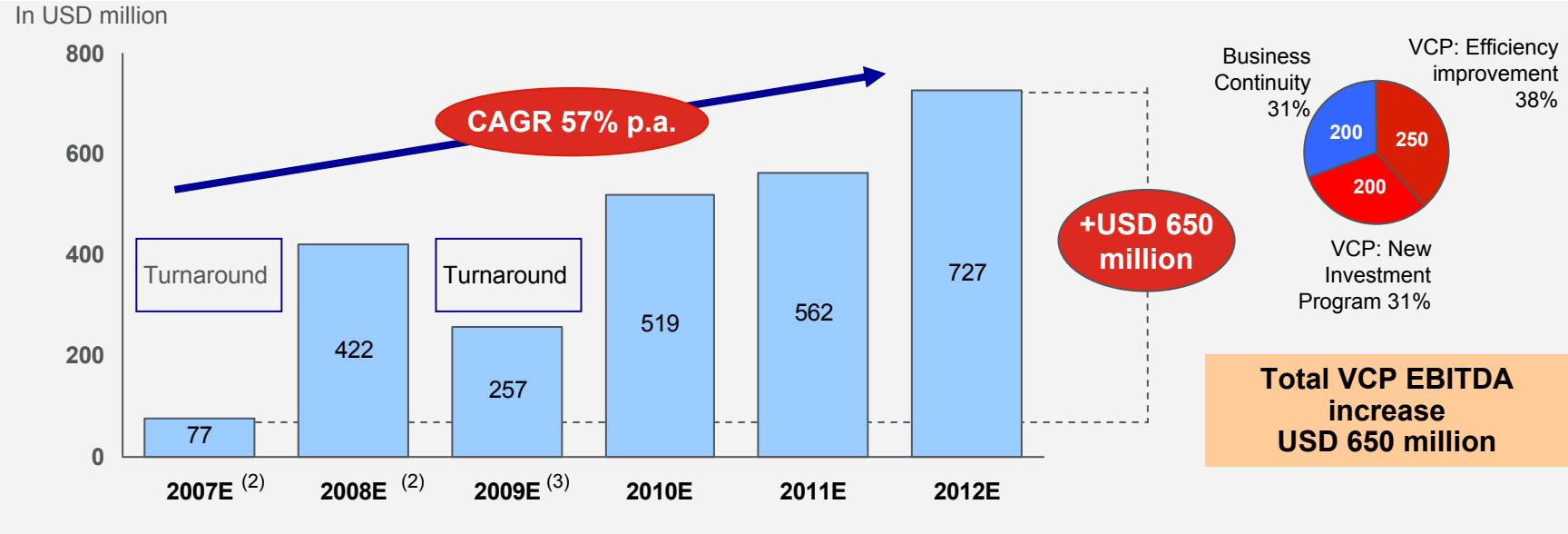
1. Calculated as for the end of 2006 : PKN ORLEN Poland 13,8 mtpa + Trzebinia 0,6 mtpa + Jedlicze 0,1 mtpa; Unipetrol : 51% of Ceska Rafinerska - 4,4 mtpa [51% of Litvinov (5,4) and 51% of Kralupy (3,3)] and 100% of Pardubice 1.0 mtpa; Mažeikių Nafta 10 mtpa as prior the fire in Oct. 2006
2. Under variable macro scenario
3. Under constant 2004 macro scenario
4. Based on 2007E EBITDA of USD 77 mln - EBITDA increase by 2012E amounts to USD 650 million (844%) (under constant macro 2004 scenario)

Phases of Value Creation Program at Mažeikių Nafta

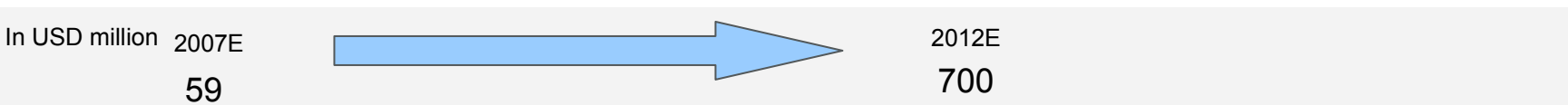
Phase	Process Timeline	Actions
Business Continuity	2007 2008 2009 2010 2011 2012 **Stabilisation** **Ensuring 'Business Continuity'**	**Restore production to full capacity** • Bitumen vacuum unit not used for last 20 years was put into operations to reduce atmospheric residue output • Visbreaker unit damaged in a fire was rebuild so full conversion mode is restored • VGO deliveries were secured to fully utilized FCC unit • Restoring improved Vacuum Unit by end of 2007 **Secure crude oil deliveries** • Crude oil imports by sea utilizing own infrastructure in Butinge and joint crude oil sourcing with PKN ORLEN • Engaging with relevant parties to attempt to restore deliveries by pipeline
Efficiency Improvement	**Phase 1** **Restructuring and capturing value from 'Efficiency Improvement'**	• Implement action of operational improvements initiatives identified in Value Creation Program in all business and functional areas (based in part on participation in Solomon study) • Retail network expansion in the Baltics • Establishing own seaborne trading activities • Implementation of segment based management in Mažeikių Nafta
New Investment Program	**Phase 2** **Exploring growth via a 'New Investment Program'**	• Increasing refinery conversion ratio (white products yields): — Hydrocracker — Visbreaker unit vacuum column — Propylene splitter • Investments to comply with EU regulations (i.e., clean fuels)

Total Value Creation: Mažeikių Nafta 2012E EBITDA[1] increase of USD 650 million versus 2007E

EBITDA under constant macro scenario[4]



EBITDA under variable macro scenario[5]

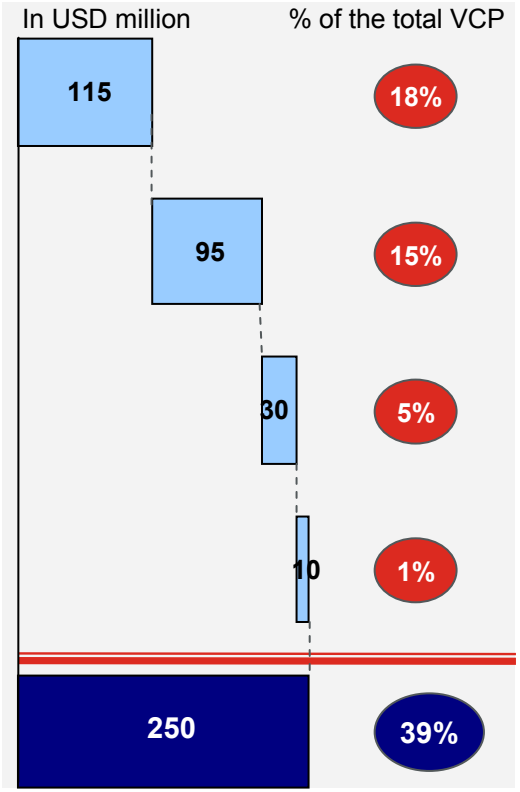


1. Estimated consolidated EBITDA for Mažeikių Nafta
2. 2008E includes insurance proceeds of around USD 180 million in relation to the fire at Mažeikių Nafta
3. In 2009E turnaround at the refinery is planned resulting in decreased profitability of the company
4. Macro assumptions: Constant reference environment of 2004: Brent price USD 38.3/bbl, Brent-Ural differential USD 4.1/bbl, Refining margin USD 5.6/bbl, PLN/EUR 4.52, PLN/USD 3.65
5. Variable assumptions: a) Brent-Ural differential: 2007E: 3.5, 2008E: 3.3, 2009E: 3.3, 2010E-12E: 3.0
   b) Benchmark refining margin: 2007E: 5.26, 2008E: 4.86, 2009E: 4.92, 2010E: 5.03, 2011E: 4.97, 2012E: 5.21
   c) PLN/USD: 2007E 2.85, 2008E: 2.84, 2009E: 2.85, 2010E: 2.87, 2011E: 2.87, 2012E: 2.84

Phase 1: Mažeikių Nafta Efficiency Improvement aim to increase 2012E EBITDA by USD 250 million

Key activity	Key value creation levers
1.1 Refining	• Increase white product yield • Improve energy performance • Optimise operating costs of the refinery
1.2 Wholesale and Logistics	• Improve wholesale margin • Optimise products logistics • Optimise other wholesale and logistics operating costs
1.3 Retail	• Develop retail network in the Baltics • Expand franchising model • Optimise non-fuel margin and network efficiency
1.4 Corporate and Other	• Optimise purchasing spend • Optimise other operating costs at Mažeikių Nafta
Phase 1: Mažeikių Nafta	

EBITDA 2012E impact[1]

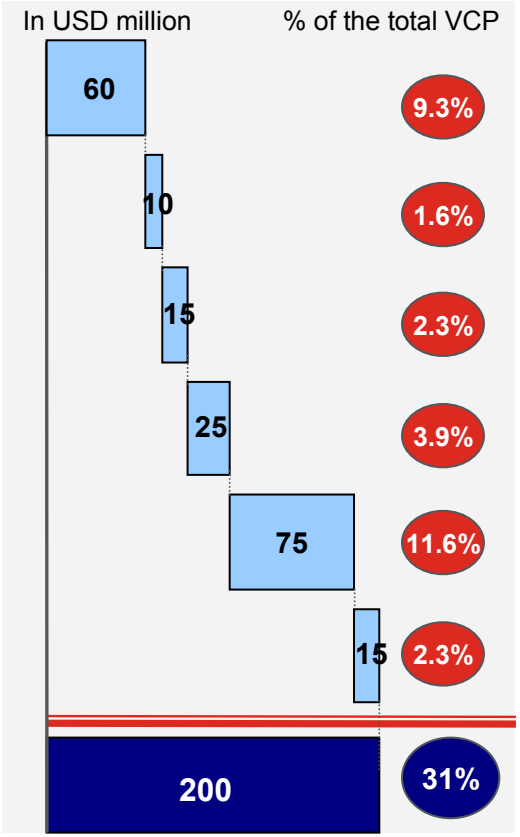


1. Under constant macro scenario

Phase 2: The New Investment Program for Mažeikių Nafta

Key value creation projects	Initiative example
Hydrocracking	• Increase refining conversion ratio up to ~90% • Increase the flexibility of the refinery for Diesel versus gasoline production
New H_2 Plant	• To meet gasoline and diesel quality specification (EU 2009)
Vacuum Flasher	• Produce maximum feed for the hydrocracker and increase the efficiency of the crude processing
Propylene Splitter	• Extract petrochemical feed from the low price LPG produced at the refinery
VGO Processing	• Increase production volume by processing third party VGO
Other	• To ensure low sulphur content fuel for power generation and heating plant
Phase 2: Mažeikių Nafta	• Average IRR of program ~26%

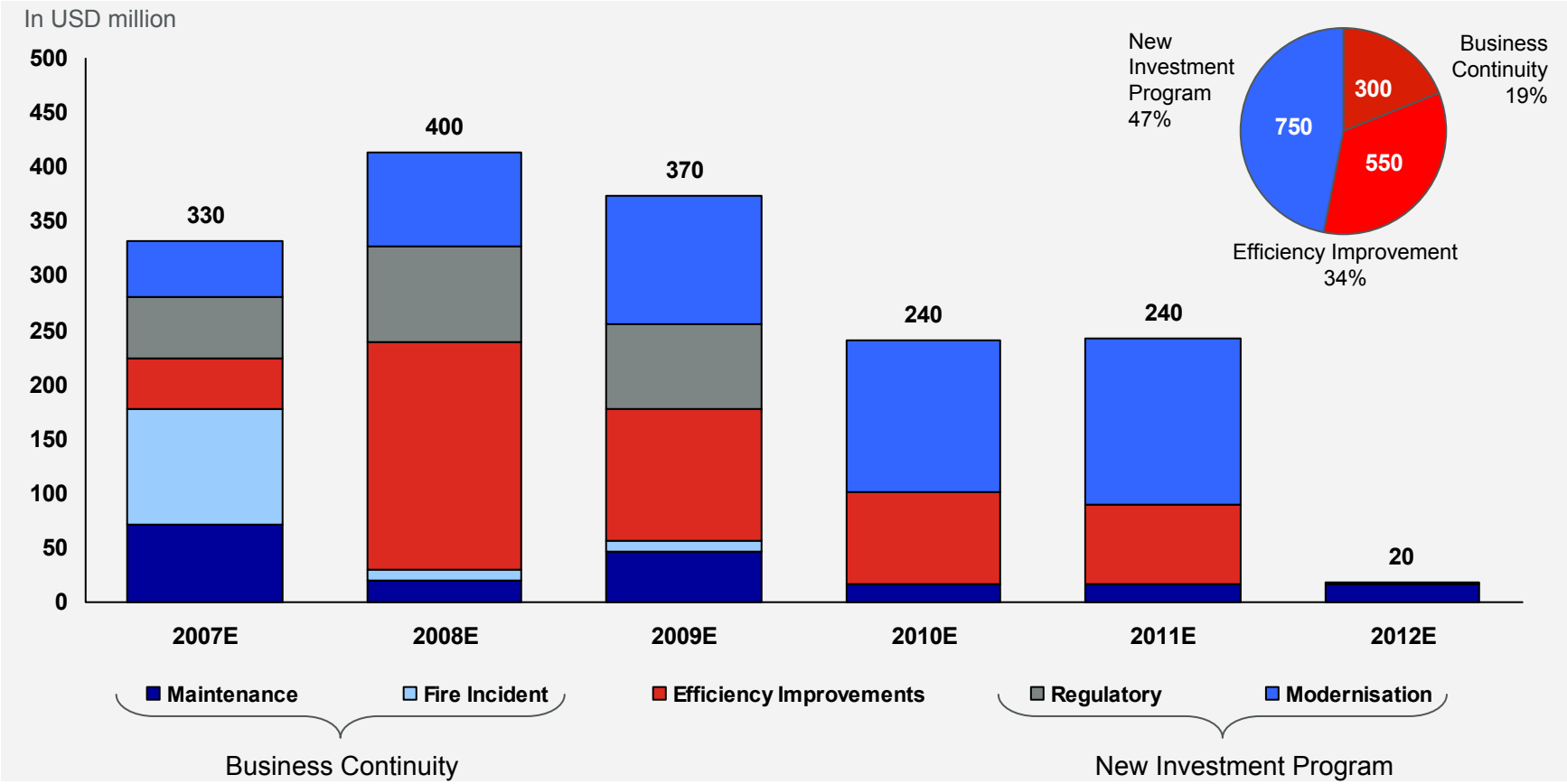
EBITDA 2012E[1] Impact



1. Under constant macro scenario

Total Mažeikių Nafta 2007E - 2012E capex

Capex of ~USD 1.6 billion planned for Mažeikių Nafta (2007E - 2012E)[1]



1. PKN ORLEN 2012E exchange rate assumptions: PLN/EUR: 3.67, PLN/USD: 2.84

Agenda

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Major value accretive acquisition - Mažeikių Nafta

PKN ORLEN Euro bonds offering - terms and conditions

Appendix

PKN ORLEN financial policy. Consistent commitment to investment grade profile following BBB- rating of Fitch and Baa3 from Moody's

Management is strongly committed to maintaining an investment grade rating and targets of Net debt/EBITDA at 1.5x-2.0x

Ensure adequate access to capital to support operational and investment requirements

- In December 2005 refinanced and expanded EUR 500 million credit facility to EUR 1 billion credit facility
- In 2006 established 1.6billion EUR financing for Mažeikių Nafta acquisition
- Launched 2 billion PLN domestic bond issuance programme.
    - Successful inaugural issue of 750 million PLN in 02/2007.
- Expanded domestic revolving credit facilities by PLN 100 million

Optimizing of after-tax cost of funds

- Migrate towards optimal capital structure across the business cycle: target Net Debt/EBITDA of 1.5x-2.0x
- Enhance tax shield utilization
- Introduced a constructive dividend policy based on Free Cash Flows to Equity in support of these objectives

Supporting investment grade rating through sound balance sheet and risk management

- Manage refinancing risk by accessing longer tenor financings
- Enhanced FX and interest rate risk management. Currently pursuing refining margin hedging programme.
- Transparent dialogue with Agencies
- Ensure ample liquidity reserves in committed bank lines at all times

Optimizing funding for entire PKN ORLEN Group

- Restructure debt at related companies, including Unipetrol
- Introduce clear liquidity management principles / expand proper cash pooling

Maintaining solid liquidity position
Cash available to PKN ORLEN and the PKN ORLEN Group as of 31/12/2006

Cash available to PKN ORLEN as of 31/12/2006 (PLN m)	
Unused credit lines:	3 979
Short-term investments:	3
Cash and cash equivalents:	307
- incl. cash and cash equivalents not available for use	*3*
Total:	**4 289**
In addition - unused PLN bond issue programme:	***2 000***

Cash available to PKN ORLEN GROUP as of 31/12/2006 (PLN m)	
Unused credit lines:	5 817
Short-term securities:	7
Cash and cash equivalents:	2 351
- incl. cash and cash equivalents not available for use	*69*
Total:	**8 244**
In addition: unused bond issue programme:	***1 250***

Financial debt of PKN ORLEN and the PKN ORLEN Group as of 31/12/2006

Debt by PKN ORLEN as of 31/12/2006			
PLN m	**Short-term debt**	**Long-term debt**	**Total debt**
Bank loans	3 140	3 496	**6 636**
Debenture bonds	0	0	**0**
Total debt	**3 140**	**3 496**	**6 636**

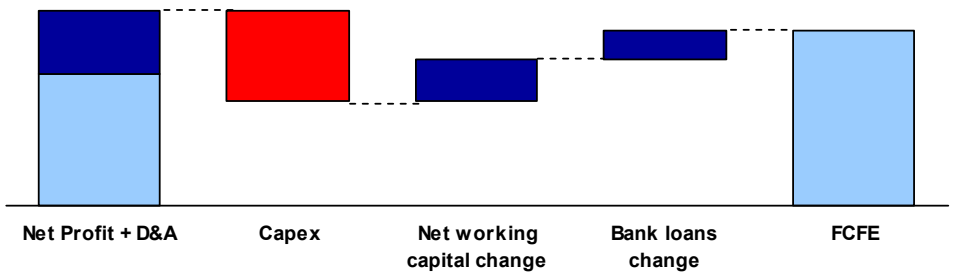
Debt by PKN ORLEN GROUP as of 31/12/2006			
PLN m	**Short-term debt**	**Long-term debt**	**Total debt**
Bank loans and Borrowings	4 067	5 829	**9 896**
Debenture bonds	211	382	**593**
Total debt	**4 278**	**6 211**	**10 489**

Dividend Policy supports capital structure objectives of PKN ORLEN

- Due to the acquisition of Mažeikiu Nafta, Management recommended no dividend payouts for 2005 and 2006 results
- Investment in Mažeikių Nafta represents a more significant value creation potential for the shareholders than the dividend payment

- In order to maintain recurrent cash generation and support de-leveraging, PKN ORLEN's dividend policy is based on FREE CASH FLOW TO EQUITY ratio
- In connection with the acquisition of Mazeikiu Nafta we have priority to return to safe level of indebtedness and as a result dividend payout adjournment

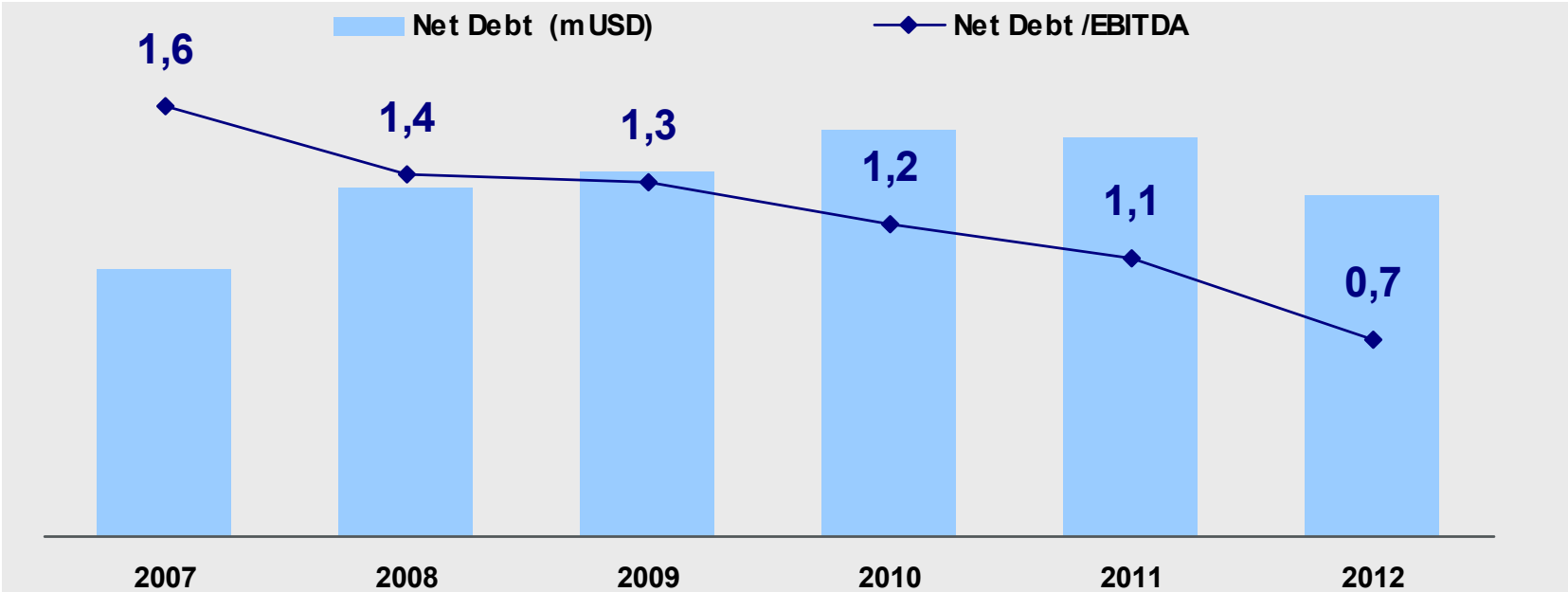
Free Cash Flow to Equity (FCFE)



- Accelerated implementation of new dividend policy published in January 2006 in Strategy Update 2006-2009
- Dividend payment based on Free Cash Flow to Equity
  - takes into account capital expenditures & mergers and acquisitions
  - allows for maintaining the optimal capital structure

Pro-Forma Consolidated Leverage Projections of PKN ORLEN Group*

PKN ORLEN Consolidated with Mazeiku Nafta base case including Polkomtel's sale in 2007



Financial leverage without Polkomtel sale as for PKN ORLEN Group

- **In case the Polkomtel stake will remain in PKN ORLEN Group financial leverage in this option will be at a level of 2.2 as for 2007**

** Projections based on LIFO basis*

Investment considerations in PKN ORLEN Euro bonds

- Attractive market huge growth potential
- Leading position in the region in the downstream refining and petrochemical
- Dominant retail network
- Strategically located on key pipeline network. Access to the crude oil terminal in Gdańsk (Poland) and Butinge (Lithuania)
- World class refinery assets
- Complex integrated with petrochemical business

High quality assets in the R&M and petrochemical business supported by **Value Enhancement Strategy** based on the upside from recent M&A of **Unipetrol and Mazeikiu Nafta**, as well as **cost cutting** and **margin optimisation** programs together with strong commitment to **maintain an investment grade rating** are key pillars of further value enhancement of PKN ORLEN

PKN ORLEN Eurobonds 2007 – the specifics

Issue size	• Benchmark size
Format	• RegS • Listing in Luxembourg
PKN ORLEN Ratings	• BBB- by Fitch • Baa3 by Moody's
Road show programme	• Munich, Frankfurt • London • Paris • Investors conference call

Agenda

PKN ORLEN Capital Group - leading growth company in CEE

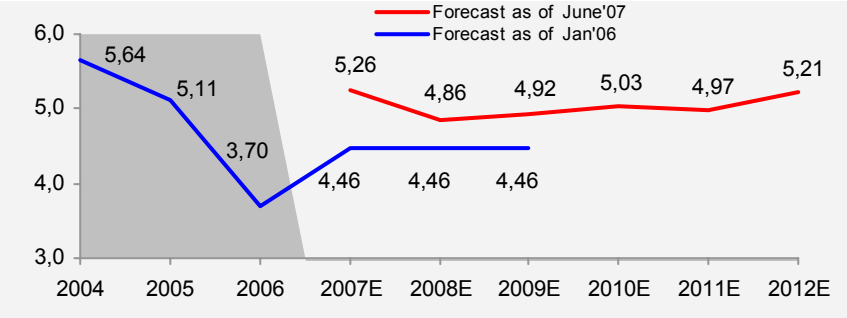
Major value accretive acquisition - Mažeikių Nafta

PKN ORLEN Euro bonds offering - structure and characteristics

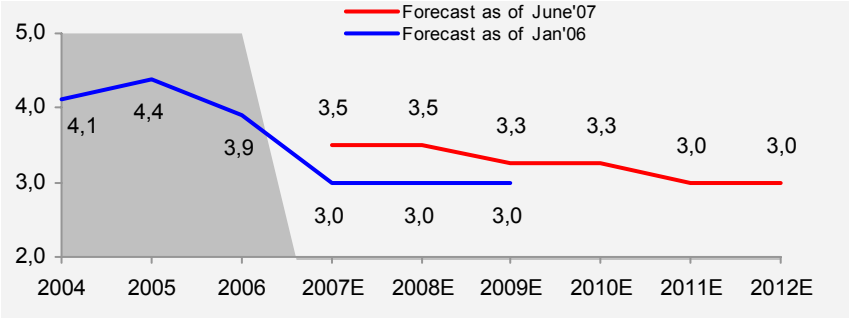
Appendix

Main PKN ORLEN macroeconomic assumptions June 2007 estimates vs January 2006 forecast. Part 1/2

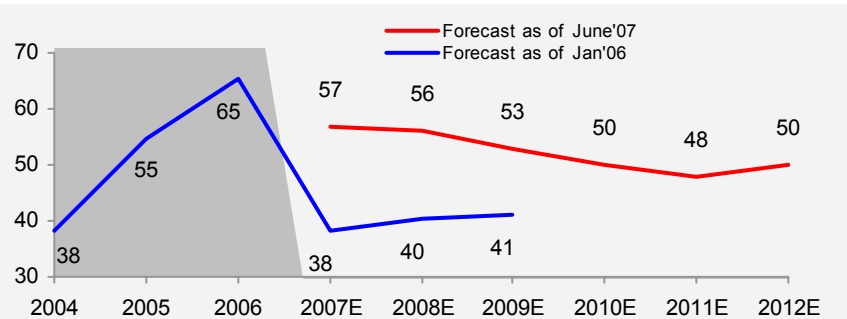
Benchmark refining margin (USD/bbl)[1]



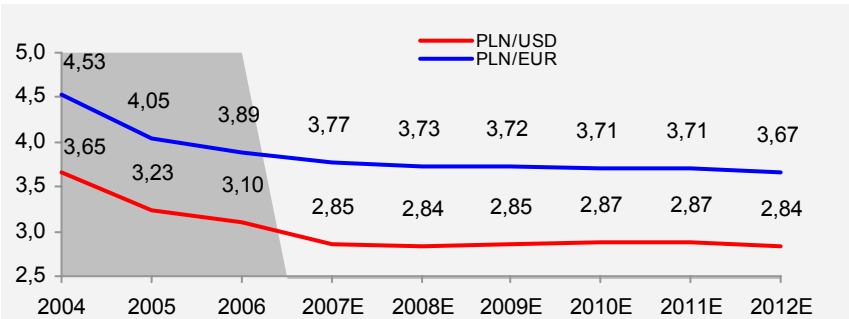
Brent/Ural differential (USD/bbl)



Crude oil price Brent (USD/bbl)



Exchange rates[2]

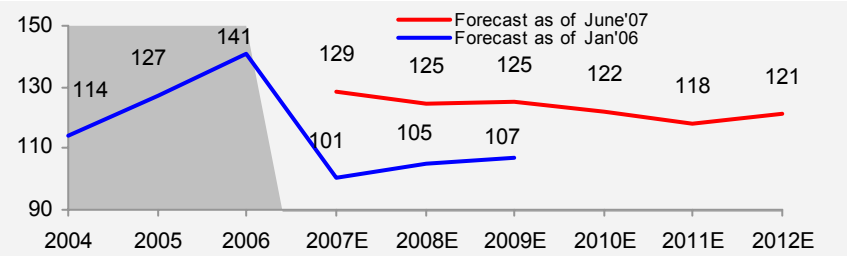


1.) Calculated as: Products (88.36%) vs. Brent Dtd (100%). Products contain Premium Unl (25.21%), USLD (23.20%), Naphtha (16.51%), LHO (15.31%), HSFO (5.44%) i Jet (2.69%) (source: CIF NWE quotations, except HSFO FOB ARA)

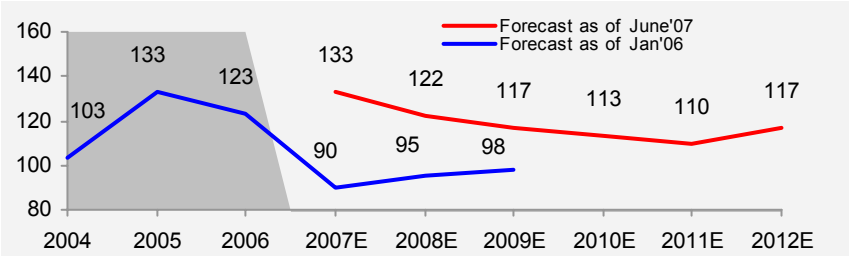
2.) Exchange rates assumed in January 2006 for PLN/EUR: 4.10 (average 2001-05), 3.95 (2006), 3.89 (2007E), 3.85 (2008E), 3.92 (2009E) and for PLN/USD: 3.79 (average 2001-05), 2.98 (2006), 2.93 (2007E), 2.91 (2008E), 3.00 (2009E)
Source: Datastream, PKN ORLEN assumptions based on CERA and investment banks

Main PKN ORLEN macroeconomic assumptions June 2007 estimates vs January 2006 forecast. Part 2/2

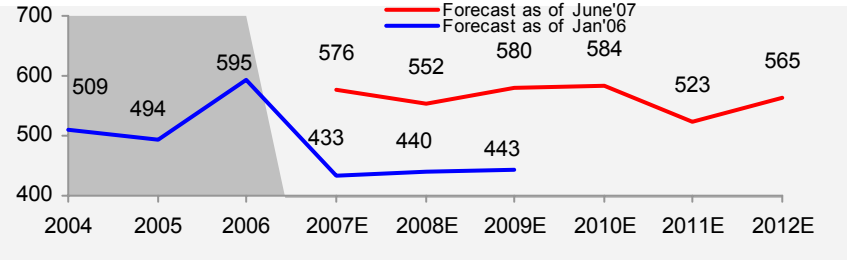
Gasoline crack margin (USD/ton)



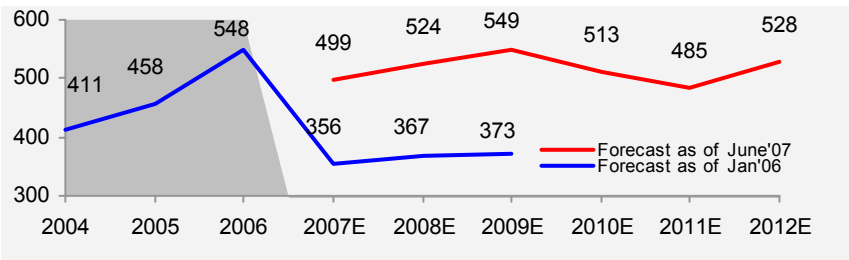
Diesel crack margin (USD/ton)



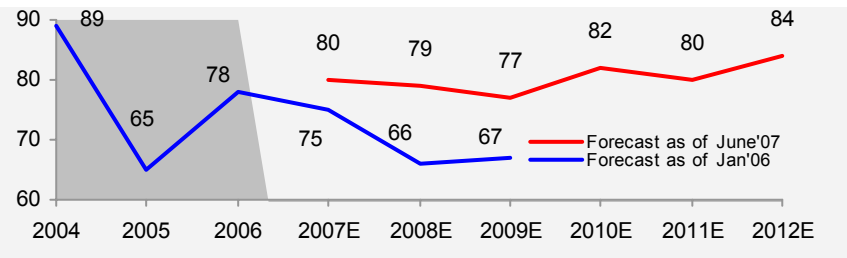
Ethylene crack margin (USD/ton)



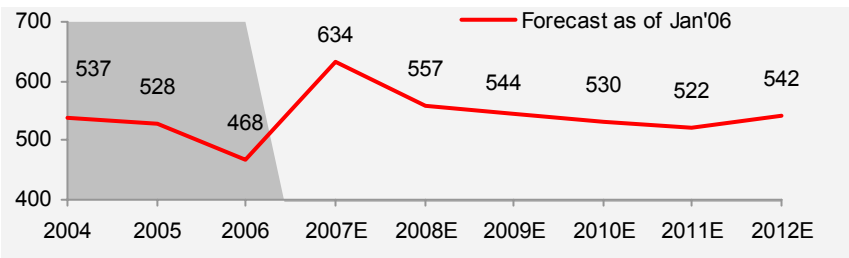
Propylene crack margin (USD/ton)



Naphtha crack margin (USD/ton)

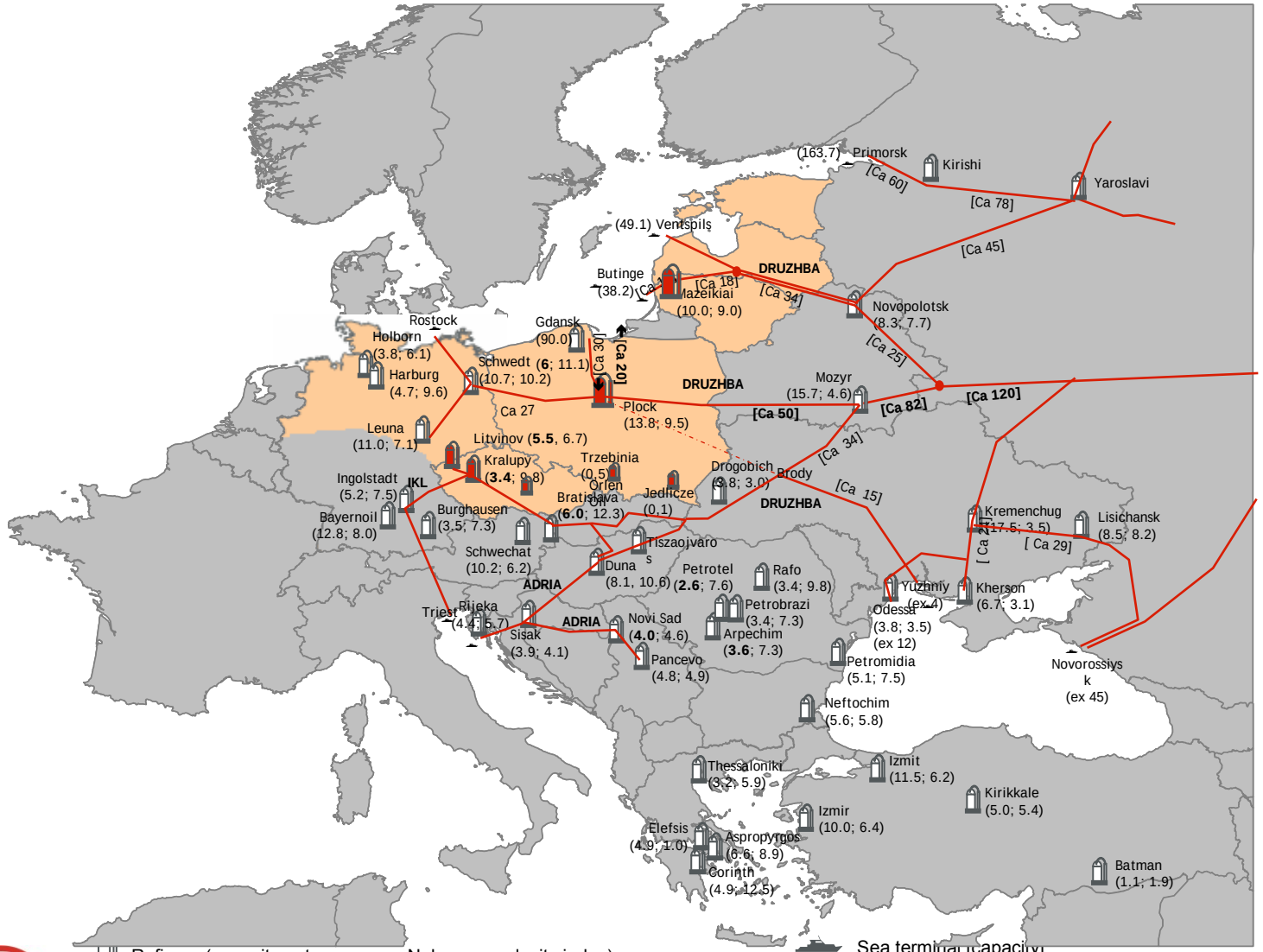


Paraxylene crack margin (USD/ton)



1) Source : PKN ORLEN estimates

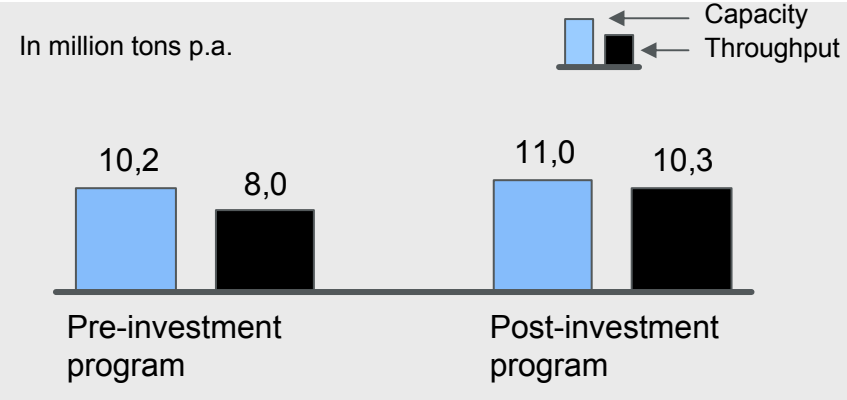
Main oil & gas and logistic assets in Central Europe
Butinge terminal at Mazeikiu Nafta – window of crude supply and export opportunity



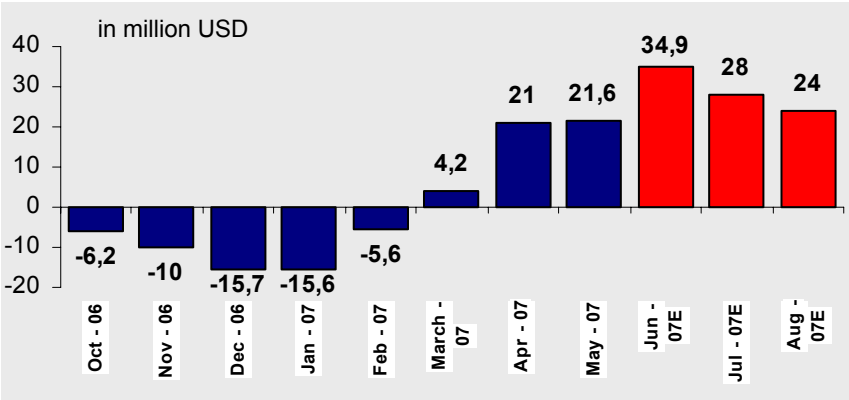
Source: Oil & Gas Journal (as of January 2005), PKN Orlen, others , Concawe,Reuters, WMRC, EIA, NEFTE Compass, Transneft.ru

Mažeikių Nafta refining volumes and margins

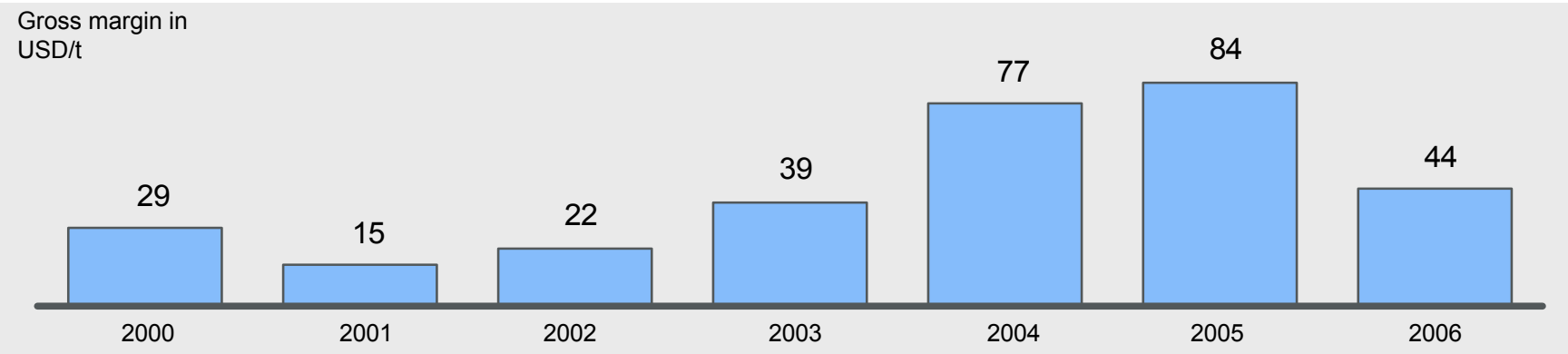
Refining capacity and throughput



Variable Margin Evolution after fire



Benchmark refinery margin



Ensuring Business Continuity is the key priority for Mažeikių Nafta

Incident	Fire at Mažeikių Nafta refinery	Disruption in crude oil deliveries by "Druzhba" pipeline
Date	• October 12th, 2006	• July 29th, 2006
Recovery	• Action — Status • Assess cause of fire ✓ • Continued operations to meet clients commitments ✓ • Rebuild a smaller capacity Vacuum Unit to reduce losses ✓ • Operations at half capacity. Vacuum unit coupled with Visbreaker to reduce losses and to generate small profit - 20kt (comparable to the level of 26kt before the incident) ✓ • additional supply condensate to reduce loading VDU unit (additional profit) ✓ • Restore Vacuum Unit capacity to its pre-fire condition with: By end 2007 – Capacity/performance improvements	• Action — Status • Crude oil imports via Butinge terminal ✓ • Long-term agreement with PKN ORLEN for crude oil sourcing ✓ • Engaging with relevant parties to attempt to restore deliveries by pipeline In progress • Investigation of alternative crude oil sourcing opportunities In progress
Planned recovery date	• By end 2007	• Continue to monitor

Total Value Creation Program EBITDA and capex impact for Mažeikių Nafta to 2007E - 2012E

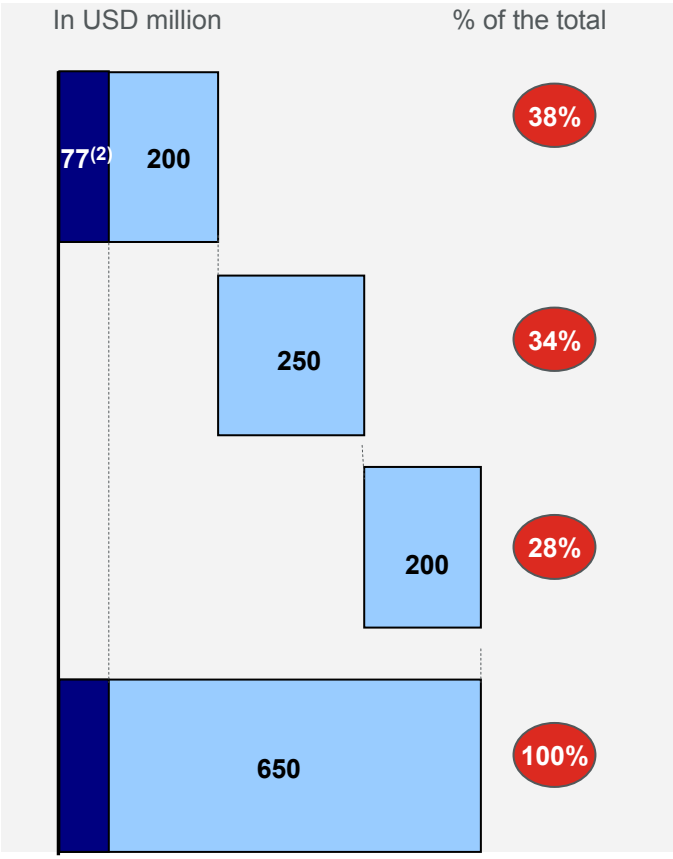
Business Continuity

Efficiency Improvement

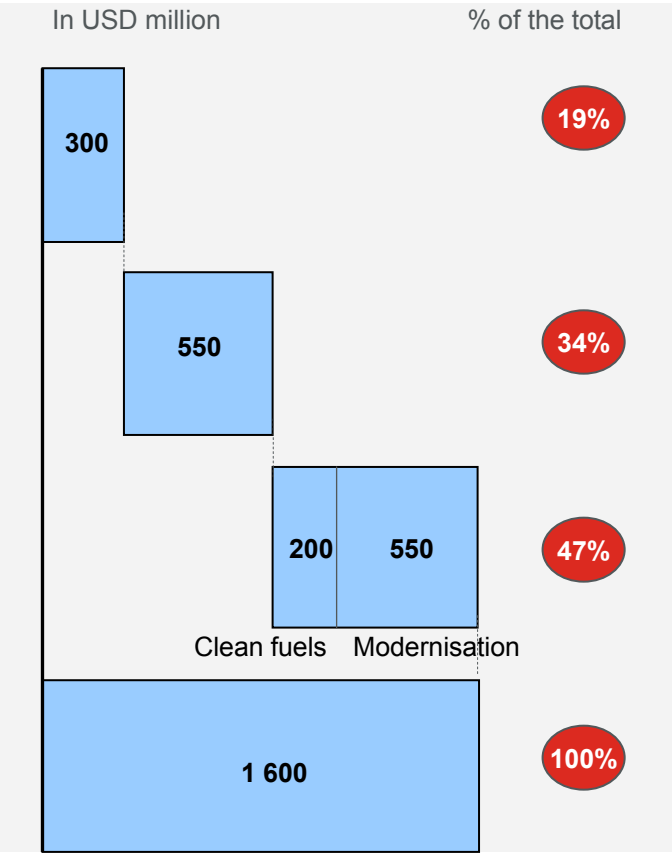
New Investment Program

2012E EBITDA
727 million

EBITDA 2012E[1]



VCP capex 2007E - 2012E[1]



1. Under constant macro scenario
2. EBITDA 2007E

PKN ORLEN Supervisory Board – Permanent Committees

- Constitution of the Supervisory Board describes the organisation and defines duties and performance of the Permanent Committees of the Supervisory Board of PKN ORLEN
- The permanent Committees specified below shall submit to the Supervisory Board annual reports on their activities. These reports shall be made available to the Company's shareholders

Audit Committee	Advises the Supervisory Board on matters regarding the proper implementation of the principles of budget and financial reporting and the Company's and its Capital Group internal audit as well as cooperation with the Company's authorised auditors.
Strategy & Development Committee	Gives opinions and recommendations to the Supervisory Board on matters regarding planned investments and disinvestments having a significant influence on the Company.
Nomination & Remuneration Committee	Supports achieving the Company's strategic goals by giving to the Supervisory Board opinions and conclusions regarding the shape of management structure, including organisational matters, issues on remuneration policy and selection of personnel matching the qualifications necessary to build the Company's success.
Corporate Governance Committee	Asses the implementation of the corporate governance principles and give to the Supervisory Board recommendations regarding it, monitoring the compliance of the Company's management with law and regulations, in particular with the Ethics Code and the corporate governance principles.

PKN ORLEN Management Board

Piotr Kownacki
President & CEO

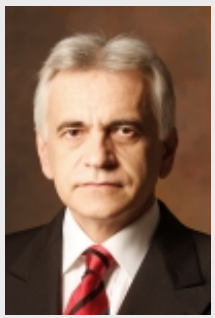
At PKN ORLEN Piotr Kownacki supervises the areas of Strategy, Audit and Unipetrol Group, HR, PR, and general management.
He also directly supervises the Production Deputy Managing Director.

Wojciech Heydel
Vice-President
Sales

Responsible for:
- Wholesale Operations,
- Retail Sales,
- Marketing,
- Planning & Sales Analysis
- Alternative Energy Sources.

Paweł Szymański
Vice-President
Chief Financial Officer

Responsible for:
- Controlling
- Planning,
- Taxes,
- Corporate Finance,
- Investor Relations,
- Cost Management,
- Margin Management.



Cezary Filipowicz
Vice-President
Upstream & Crude Procurement

Responsible for:
- Upstream,
- Crude Oil Trading,
- M & A.

Krzysztof Szwedowski
Member
Organisation

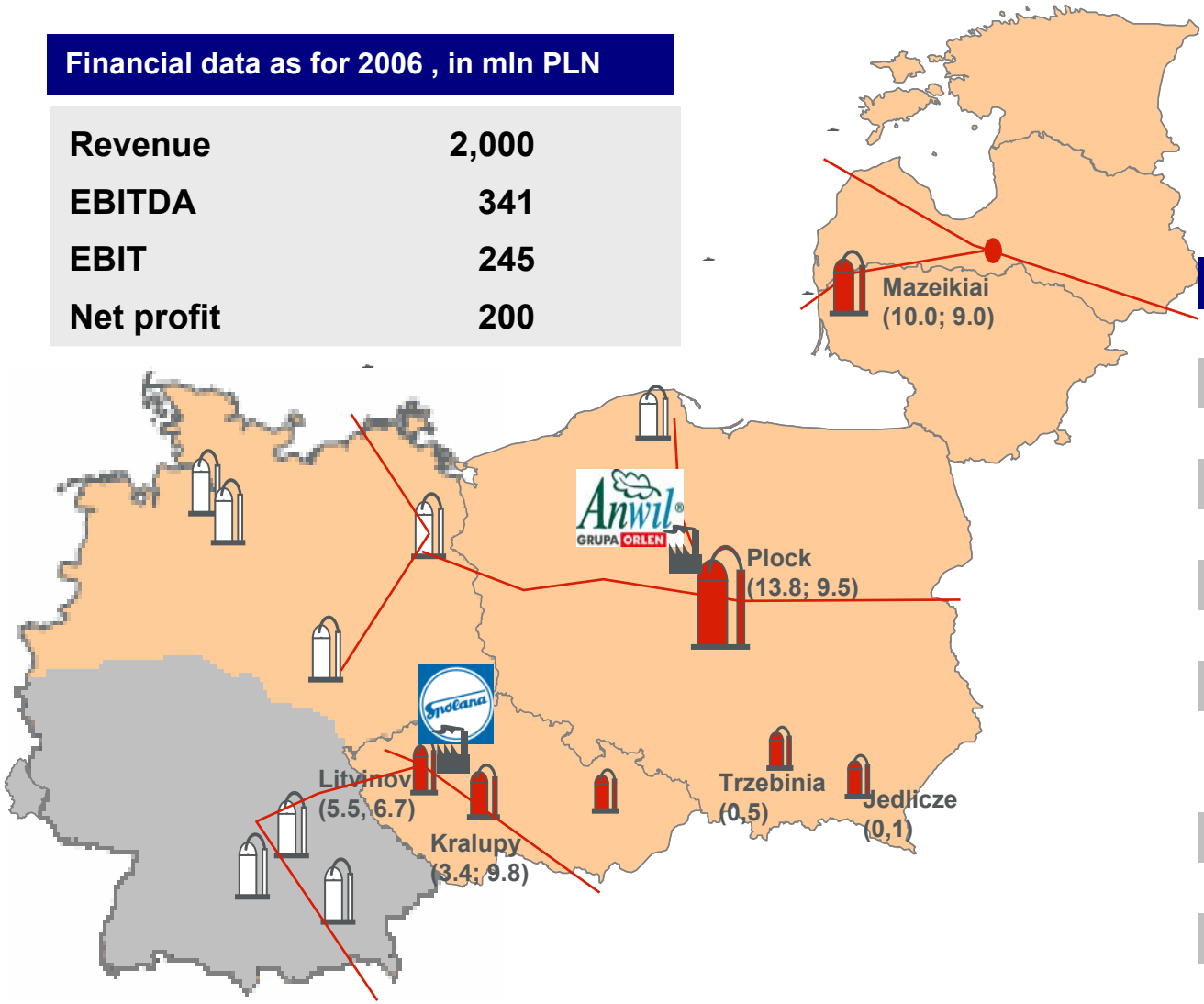
Responsible for:
- Organisation, IT,
- Procurement,
- Legal Department,
- Information Control & Security,
- ORLEN Group,
- Regulations Monitoring & Management.

Krystian Pater
Member
Head of Production

Responsible for:
- Refining & Petrochemical Production,
- Energy,
- R & D,
- Assets Development.

Anwil Group: Leading producer of polyvinyl chloride, nitrogen fertilizers, PVC compounds, caprolactam and other chemicals

Financial data as for 2006 , in mln PLN	
Revenue	2,000
EBITDA	341
EBIT	245
Net profit	200

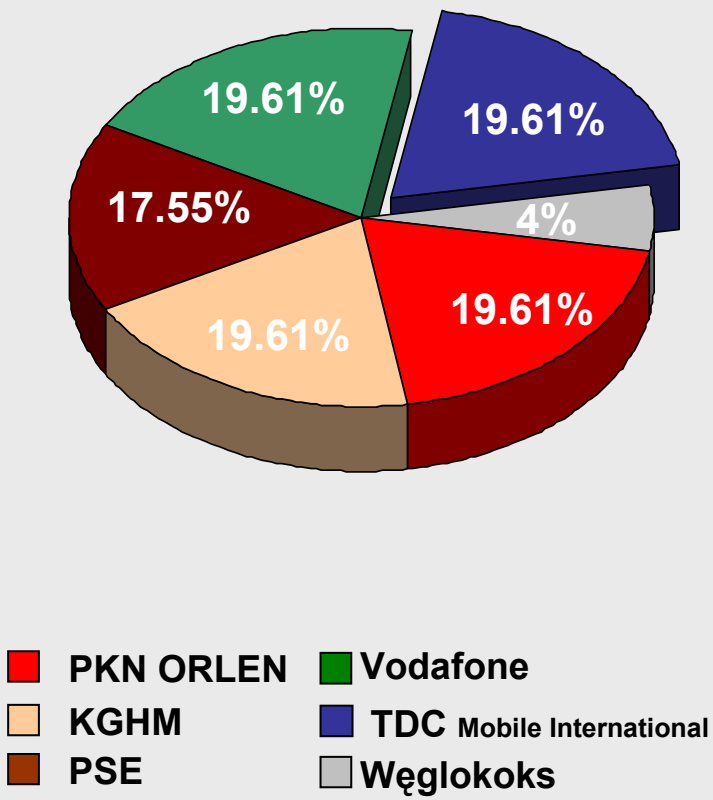


Production capacity in kt	
ANWIL S.A.	
PVC (Polyvinyl chloride)	300
PVC granules	76
VCM (Vinyl chloride)	300
Ammonia	520
Nitrogen acid	650
Ammonium nitrate	837
CANWIL	495
Chlorine	195
Spolana a.s.	
PVC (Polyvinyl chloride)	131
PVC granules	10
Chlorine	132
VCM (Vinyl chloride)	134
Caprolactam	47

Polkomtel
Non-core investment of significant value

- **19.61%** stake is a non-core investment. PKN ORLEN is looking to exit this investment
- Additional **4,78%** PKN ORLEN can acquire from the TDC for **816 mln PLN**
- After potential acquisition PKN ORLEN shall have **24,4%** in Polkomtel
- Following the acquisition by KGHM Polska Miedź S.A., PKN ORLEN, PSE S.A. and Węglokoks S.A. of the shares pursuant to the Agreement, together with already-held shares, such entities could hold in aggregate **more than 75% of** the total number of shares of Polkomtel S.A

Shareholder structure



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