

Fact Book 2003



ORLEN

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PKN ORLEN is one of the largest companies in Central & Eastern Europe, with listings on the Warsaw and London Stock Exchanges. PKN ORLEN's depositary receipts are also traded on the OTC market in the USA.

PKN ORLEN is Poland's largest refiner and marketer of world-class petroleum and related products. It owns and operates a substantial wholesale and retail distribution system which includes a network of service stations in Poland and in Germany.

• Who we are

SWOT analysis

Strengths

- Location advantage, ensuring a competitive purchase price for crude oil
- Close proximity to crude oil and product pipelines, giving competitive logistic advantages
- Integrated, modern refining and petrochemical complex, permitting full benefits from economies of scale
- Association of the ORLEN brand name with high quality products and services
- Dominant position in the domestic markets for refinery products and petrochemicals
- The biggest retail network in Poland, and now also active in Northern Germany
- Access to the world market for petrochemical products through Basell Orlen Polyolefins Sp. z o.o.
- Sound financial results and low balance sheet gearing in comparison to industry peers

Weaknesses

- Lack of upstream operations
- Over-large capital group of non-core associate companies
- Predominantly domestic nature of company, with relatively low international exposure
- High employment ratio in some organisational segments

Opportunities

- Entry to the world petrochemical market through Basell Orlen Polyolefins
- Entry to the European retail fuel market via the acquisition of 494 petrol stations in Germany
- Higher margin volumes because of fuel sales in Germany
- Development of the retail segment and further optimisation
- Leading position in the consolidation of downstream companies in Central Europe
- Implementation of the cost cutting and Value Based Management (VBM) programme based on SVA ratio

Threats

- Increase in grey market activity causes a decrease in legal sales
- Increasing competition in the retail market
- Overcapacity of production units in the region
- Unfavourable legal regulations in the areas of obligatory reserves and excise tax
- Restrictive fiscal policy which has a negative influence on the demand for PKN ORLEN's products



Financial highlights of 2000-2003 results in accordance with IFRS

	2000	2001	2002	2003
	PLN m	PLN m	PLN m	PLN m
Total assets	14,087	14,383	15,073	17,149
Shareholders' equity	7,596	7,958	8,329	9,510
Net debt ¹⁾	2,542	2,549	2,341	2,402
Revenues	18,602	17,038	16,902	24,412
EBITDA	2,335	1,706	1,861	2,474
EBITDA margin	12.6%	10.0%	11.0%	10.1%
EBIT	1,425	617	731	1,267
EBIT margin	7.7%	3.6%	4.3%	5.2%
Corporate tax	-362	-153	-285	-198
Net profit	902	376	421	987
Net cash provided by operating activities	1,073	2,112	1,292	1,707
CAPEX ²⁾	1,459	1,533	967	1,337
Number of employees in PKN ORLEN Group	13,342	17,582	17,818	15,133

¹⁾ Net debt = short and long-term interest-bearing debt - (cash and cash equivalents)

²⁾ Purchase of tangible and intangible assets

	2000	2001	2002	2003
	PLN	PLN	PLN	PLN
EPS	2.15	0.89	1.00	2.35
EBIT per share	3.39	1.47	1.74	3.01
EBITDA per share	5.56	4.06	4.43	5.88
CF per share	2.55	5.03	3.07	4.06
Dividend per share	0.05	0.12	0.14	0.44 ¹⁾
Total assets per share	33.53	34.23	35.87	40.10
Book value per share	18.08	18.94	19.82	22.23
Gearing ²⁾	33.5%	32.0%	28.1%	25.3%
ROACE ³⁾	10.7%	4.3%	5.0%	8.2%

¹⁾ Planned - subject to the decision of GM

²⁾ Gearing = net debt / shareholders' equity

³⁾ ROACE = EBIT after actual tax rate/average (shareholders' equity + net debt)

Financial Ratios



Summary of operating data

Operating data for the PKN ORLEN Group

	2000	2001	2002	2003
	th.tonnes	th.tonnes	th.tonnes	th.tonnes
Refining and Petrochemicals - total ¹⁾	13,064	12,881	13,041	12,272
Plock refinery				
Annual nameplate crude distillation capacity	13,500	13,500	13,500	13,500 ²⁾
Throughput of crude oil	12,537	12,319	12,474	11,724
Throughput of other feedstocks	967	859	944	905
Capacity utilisation	92.9%	91.3%	92.4%	86.8%
Production of refined products	10,327	9,995	9,761	9,299
Production of petrochemicals	983	899	1 165	1 121
Trzebinia refinery				
Annual nameplate crude distillation capacity	400	500	500	500
Throughput of crude oil	400	446	437	423
Throughput of other feedstocks	330	182	126	133
Capacity utilisation	100%	89.2%	87.4%	84.6%

¹⁾ Plock, Trzebinia and Jedlicze

²⁾ Deep processing capacity (crude distillation capacity 17.8 million tonnes)

Jedlicze refinery

	2000	2001	2002	2003
	th.tonnes	th.tonnes	th.tonnes	th.tonnes
Annual nameplate crude distillation capacity	140	135	135	135
Throughput of crude oil	127	116	130	125
Throughput of other feedstocks	318	391	140	121
Capacity utilisation	90.7%	85.9%	95.9%	92.6%

Sales volume – gasoline:

	2000	2001	2002	2003
	th.tonnes	th.tonnes	th.tonnes	th.tonnes
Retail	1,343	1,274	1,259	2,077
Wholesale	1,879	1,857	1,863	1,596

Sales volume – diesel:

Retail	783	753	843	1,445
Wholesale	2,467	2,270	2,285	2,374

Summary of operating data



Headcount

	2000	2001	2002	2003
Employees ¹⁾				
PKN ORLEN Group employees ²⁾	13,342	17,582 ³⁾	17,818	15,133
Parent company employees	7,646	7,333	7,298	6,287
	2003			
Employees by business segment	PKN ORLEN	Group companies	PKN ORLEN Group	
Wholesale and refining	1,725	2,227	3,952	
Retail	1,114	130	1,244	
Petrochemicals	767	1,533	2,300	
Others	2,681	4,956	7,637	
Total	6,287	8,846	15,133	
	2002			
Employees by business segment	PKN ORLEN	Group companies	PKN ORLEN Group	
Wholesale and refining	2,062	2,378	4,440	
Retail	1,137	41	1,178	
Petrochemicals	1,199	1,563	2,762	
Others	2,900	6,538	9,438	
Total	7,298	10,520	17,818	

¹⁾ At the end of the period

²⁾ In this context, "PKN ORLEN Group" means the company and its consolidated subsidiaries but does not include associate companies

³⁾ Full consolidation of Anwil from 2q 2001

	Number of shares as at 16 February 2004	% of issued shares as at 16 February 2004
Nafta Polska SA	74,076,299	17.32%
Polish State Treasury	43,633,897	10.20%
The Bank of New York as DR depository	46,063,106	10.77%
Others ^{1) 2)}	263,935,759	61.71%
Total	427,709,061	100%
Free float	309,998,865	72.48%

¹⁾ According to current report no 56/2002 released on 20 June 2002, Kulczyk Holding S.A. and its affiliates 5.5% - 23,911,206 shares

²⁾ According to current report no 54/2003 released on 4 July 2003, Commercial Union OFE BPH CU WBK - 5.0% - 21,533,539 shares

Shareholder structure as at 16 February 2004



Structure of PKN ORLEN Group as at 31 December 2003

Core business companies				Non-core business companies									
Fuel companies		Sector companies		Others		Maintenance and support		Service companies		Transport companies		Equity investments	
ORLEN Gaz Sp. z o.o. 100,0%	ORLEN Asfalt Sp. z o.o. 82,5%	CPN Marine Service Sp. z o.o. 100,0%	Zakład Budowy Aparatury SA 96,6%	ORLEN Automatyka Sp. z o.o. 52,4%	ZUD Sp. z o.o. 99,9%	ORLEN KolTrans Sp. z o.o. 99,9%	Polkomtel SA 19,6%						
ORLEN Deutschland GmbH 100%	Rafineria Trzebinia SA 77,1%	ORLEN Budonaft Sp. z o.o. 100,0%	Petrotel Sp. z o.o. 88,8%	ORLEN Wir Sp. z o.o. 51,0%	Serwis Nowa Wieś Wielka Sp. z o.o. 99,3%	ORLEN Transport Szczecin Sp. z o.o. 99,6%							
ORLEN Deutschland Immobilien GmbH 100%	Anwil S.A. 76,3%	ORLEN LABORATORIUM Sp. z o.o. 100,0%	BHT Dromech SA w upadłości 81,2%		Serwis Łódź Sp. z o.o. 97,3%	ORLEN Transport Lublin Sp. z o.o. 98,5%							
ORLEN PetroCentrum Sp. z o.o. 100,0%	Rafineria Nafty Jedlicze SA. 75,0%	ORLEN Medica Sp. z o.o. 100,0%	Centrum Edukacji Sp. z o.o. 69,4%		Serwis Mazowsze Sp. z o.o. 88,5%	ORLEN Transport Kraków Sp. z o.o. 98,3%							
ORLEN PetroTank Sp. z o.o. 90,0%	IKS SOLINO SA 70,5%	ORLEN Ochrona Sp. z o.o. 100,0%	Petromor Sp. z o.o. 51,3%			ORLEN Transport Płock Sp. z o.o. 97,6%							
ORLEN PetroProfit Sp. z o.o. 85,0%	Basell Orlen Polyolefins Sp. z o.o. 50,0%	ORLEN Polimer Sp. z o.o. 100,0%	ORLEN Projekt SA 51,0%			ORLEN Transport Słupsk Sp. z o.o. 97,0%							
SHIP - SERVICE SA 60,9%	Naftoport Sp. z o.o. 48,7%	SAMRELAKS Mąchoć Sp. z o.o. 100,0%	Flexpol Sp. z o.o. 40,0%			ORLEN Transport Nowa Sól Sp. z o.o. 96,7%							
ORLEN PetroZachód Sp. z o.o. 51,8%	ORLEN OIL Sp. z o.o. ¹⁾ 9,0%	WISŁA Płock SA 100,0%	Motell Sp. z o.o. 35,0%			ORLEN Transport Olsztyn Sp. z o.o. 94,4%							
Petrolot Sp. z o.o. 51,0%		Z.W. Mazowsze Sp. z o.o. 100,0%	Poilen Sp. z o.o. 25,0%			ORLEN Transport Kęd. Koźle Sp. z o.o. 89,0%							
ORLEN Morena Sp. z o.o. 50,5%		ZAWITAJ Świnoujście Sp. z o.o. 100,0%	Chemiepetrol Sp. z o.o. 20,0%										
		ORLEN Powiemik Sp. z o.o. 100,0%	Other companies 31 companies										
		D.W. Mazowsze Sp. z o.o. 98,7%											

¹⁾ ORLEN OIL Group - 92.3% (PKN ORLEN direct and indirect holding)



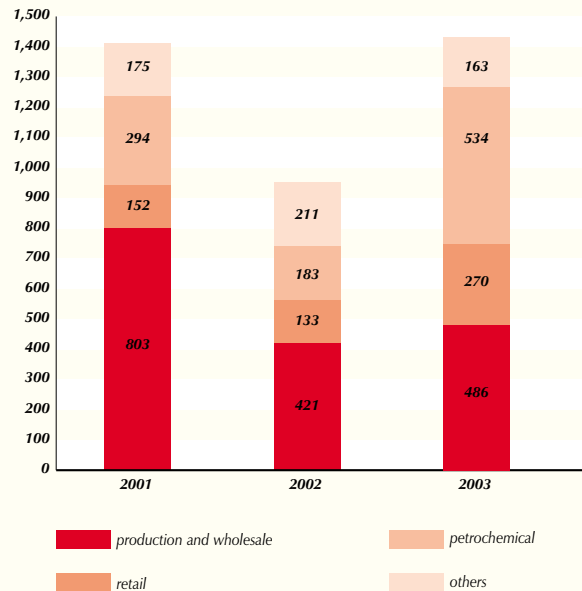
Income statement

	2000	2001	2002	2003
	PLN m	PLN m	PLN m	PLN m
Revenue	18,602	17,038	16,902	24,412
Cost of sales	-15,042	-14,166	-13,455	-19,986
Gross profit	3,560	2,872	3,447	4,426
Distribution costs	-1,458	-1,504	-1,787	-2,259
Administrative expenses	-619	-829	-891	-934
Other operating expenses/revenues	-58	78	-38	34
Profit from operations	1,425	617	731	1,267
Financial income	255	264	211	279
Financial expenses	-441	-362	-220	-377
Income from investments accounted for using equity method for using equity method	48	25	13	50
Profit before income tax and minority interests	1,287	544	735	1,219
Income tax	-362	-153	-285	-198
Minority interests	-23	-15	-29	-34
Net profit	902	376	421	987

Cash flow

	2000	2001	2002	2003
	PLN m	PLN m	PLN m	PLN m
Cash flow from operations	1,073	2,112	1,292	1,707
Net profit	902	376	421	987
Amortisation and depreciation	910	1,089	1,130	1,207
Interest and dividends, net	203	209	128	29
Others	-22	65	41	-158
Change in working capital	-920	373	-428	-358
Increase/(decrease) in receivables	-520	209	-171	-114
Increase/(decrease) in inventories	-663	651	-668	-158
Increase/(decrease) in accrued expenses and payables	264	-366	382	-111
Increase/(decrease) in provisions	-1	-121	29	25
Net cash flows used in investing activities	-1,606	-1,750	-908	-1,381
Net cash flows used in financing activities	532	-335	-409	58
Net increase/decrease in cash and cash equivalents	-1	27	-25	384

Capex in
2001–2003 in
PLN m



Operating data 2000-2003

Fuel and other product revenues in the PKN ORLEN Group

	2001		2002		2003	
	PLN m	% of total sales	PLN m	% of total sales	PLN m	% of total sales
Light product revenues						
Gasoline	4,576	29.7%	4,401	29.3%	8,325	36.2%
Diesel oil	3,833	24.9%	3,614	24.1%	6,320	27.5%
Light heating oil	2,156	14.0%	1,642	10.9%	2,094	9.1%
JET A-1 aviation fuel	403	2.6%	253	1.7%	345	1.5%
Total light products	10,968	71.2%	9,910	66.0%	17,084	74.3%

	2001		2002		2003	
	PLN m	% of total sales	PLN m	% of total sales	PLN m	% of total sales
Other refinery products revenues						
LPG	446	2.9%	372	2.5%	481	2.1%
Heavy heating oil	452	2.9%	539	3.6%	330	1.4%
Bitumen	292	1.9%	323	2.2%	170	0.7%
Base oils	110	0.7%	83	0.6%	42	0.2%
Motor oils	129	0.8%	109	0.7%	114	0.5%
Industrial oils	137	0.9%	107	0.7%	119	0.5%
Others	575	3.7%	712	4.7%	1,547	6.7%
Total other refinery products	2,141	13.9%	2,245	15.0%	2,803	12.2%

	2001		2002		2003	
	th. tonnes	% of total sales	th. tonnes	% of total sales	th. tonnes	% of total sales
Light product volumes						
Gasoline	3,131	24.7%	3,122	24.3%	3,673	25.4%
Diesel oil	3,023	23.9%	3,128	24.4%	3,819	26.4%
Light heating oil	2,039	16.1%	1,585	12.3%	1,786	12.3%
JET A-1	322	2.5%	268	2.1%	308	2.1%
Total light products	8,515	67.2%	8,103	61.1%	9,586	66.2%

	2001		2002		2003	
	th. tonnes	% of total sales	th. tonnes	% of total sales	th. tonnes	% of total sales
Other refinery products volumes						
LPG	366	2.9%	302	2.4%	319	2.2%
Heavy heating oil	1,038	8.2%	1,044	8.1%	546	3.8%
Bitumen	471	3.7%	551	4.3%	164	1.1%
Base oils	84	0.7%	73	0.6%	42	0.3%
Motor oils	35	0.3%	29	0.2%	27	0.2%
Industrial oils	47	0.4%	33	0.3%	36	0.2%
Others	543	4.3%	673	5.2%	1,561	10.8%
Total other refinery products	2,584	20.4%	2,705	21.1%	2,695	18.6%

Product sales volumes in the PKN ORLEN Group



Petrochemical sales revenues in the PKN ORLEN Group

	2001		2002		2003	
	PLN m	% of total sales	PLN m	% of total sales	PLN m	% of total sales
PVC	238	1.5%	476	3.2%	520	2.3%
Propylene	107	0.7%	123	0.8%	359	1.6%
Ethylene	76	0.5%	17	0.1%	262	1.1%
Ammonium nitrate	154	1.0%	179	1.2%	229	1.0%
Glycols	153	1.0%	178	1.2%	208	0.9%
CANWIL ¹⁾	99	0.6%	118	0.8%	147	0.6%
Polyethylene	379	2.5%	410	2.7%	144	0.6%
PVC granules	103	0.7%	132	0.9%	143	0.6%
Polypropylene	307	2.0%	349	2.3%	134	0.6%
Phenol	98	0.6%	92	0.6%	124	0.5%
Butadiene	48	0.3%	60	0.4%	74	0.3%
Acetone	47	0.3%	50	0.3%	62	0.3%
Others	496	3.2%	670	4.5%	705	3.1%
Total petrochemical sales	2,305	15.0%	2,854	19.0%	3,111	13.5%
Total sales revenues	15,414	100%	15,009	100%	22,998	100%

Total sales revenues for PKN ORLEN Group were PLN 17,038m in 2001; PLN 16,902m in 2002 and PLN 24,412m in 2003

¹⁾ Nitro-chalk with magnesium additive

	2001		2002		2003	
	th. tonnes	% of total sales	th. tonnes	% of total sales	th. tonnes	% of total sales
PCV	120	1.0%	205	1.6%	211	1.5%
Propylene	68	0.5%	82	0.6%	193	1.3%
Ethylene	32	0.3%	10	0.1%	135	0.9%
Ammonium nitrate	328	2.6%	389	3.0%	474	3.3%
Glycols	90	0.7%	115	0.9%	95	0.7%
CANWIL ¹⁾	228	1.8%	283	2.2%	339	2.3%
Polyethylene	137	1.1%	159	1.2%	48	0.3%
PVC granules	37	0.3%	47	0.4%	49	0.3%
Polypropylene	120	0.9%	141	1.1%	46	0.3%
Phenol	51	0.4%	50	0.4%	51	0.3%
Butadiene	36	0.3%	51	0.4%	43	0.3%
Acetone	31	0.2%	31	0.2%	32	0.2%
Others	286	2.3%	465	3.6%	488	3.4%
Total petrochemical sales	1,566	12.4%	2,028	15.8%	2,204	15.2%
Total sales	12,665	100%	12,836	100%	14,485	100%

¹⁾ Nitro-chalk with magnesium additive

Petrochemical sales by volume in the PKN ORLEN Group



Technical specification of Płock refinery

	2000	2001	2002	2003
	th.tonnes	th.tonnes	th.tonnes	th.tonnes
Technical specification of Płock refinery				
Atmospheric and vacuum distillation units	13,500	13,500	13,500	17,800 ¹⁾
Semi-regenerative reformers	1,230	1,260	1,260	1,260
CCR reformers	1,600	1,606	1,606	1,606
Jet kerosene hydrotreater	160	160	160	160
Gas oil hydrotreaters	4,260	4,260	4,260	4,260
FCC I, II	2,300	2,300	2,300	2,300
Alkylation unit	150	150	150	150
Furfural extraction	400	400	400	400
Lubricant dewaxing	266	215	215	215
Lube hydrofinisher	130	130	130	130
Bitumen	600	740	740	- ²⁾
Hydrocracker	2,600	2,600	2,600	3,400
Isomerisation C ₅ -C ₆	600	600	600	600
Vacuum residue hydrotreater	1,800	1,800	1,800	1,800
LPG desulphurisation	260	508	508	508

¹⁾ Deep processing capacity 13.5 million tonnes

²⁾ Units were contributed in kind into company ORLEN Asphalt

Technical specification of Płock refinery

	2000	2001	2002	2003
	th.tonnes	th.tonnes	th.tonnes	th.tonnes
Technical specification of Płock refinery				
Claus sulphur recovery (t H ₂ S/h)	35	39	39	39
MTBE	100	120	120	120
Aromatic petrochemicals	480	480	480	480
Paraxylene	32	32	32	32
Olefins	360	360	360	360
Polyethylene	155	150	150	- ¹⁾
Polypropylene	110	116	116	- ¹⁾
Ethylene oxide	100	105	105	105
Glycol	105	106	106	106
Phenol	45	45	45	45
Acetone	29	29	29	29
Butadiene	55	55	55	55
Benzene (pyrotol)	115	115	115	115
Pyrolytic gasoline hydrogenation	288	270	270	270

¹⁾ Units contributed in kind to Basell Orlen Polyolefins

Technical specification of Płock refinery



Throughput
and
production
yields of Plock
refinery

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Throughput								
Crude oil	12,537	92.8%	12,319	93.5%	12,474	93.0%	11,724	92.8%
Other feedstocks, of which:	967	7.2%	859	6.5%	944	7.0%	905	7.2%
Natural gas	384	2.8%	368	2.8%	363	2.7%	394	3.1%
Total	13,504	100%	13,178	100%	13,418	100%	12,629	100%

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Production yield: Fuels								
Gasoline	3,206	28.3%	3,176	32.6%	2,979	30.5%	2,767	26.5%
Diesel oil	3,147	27.8%	2,759	28.3%	3,020	30.9%	3,071	29.5%
Light heating oil	1,526	13.5%	1,974	20.3%	1,705	17.5%	1,531	14.7%
JET A-1 aviation fuel	263	2.3%	283	2.9%	263	2.7%	301	2.9%
LPG	253	2.2%	217	2.2%	208	2.1%	216	2.1%
Total fuels	8,395	74.2%	8,409	77.2%	8,175	74.8%	7,885	75.7%

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Other products								
Heavy heating oil	1,180	10.4%	939	8.6%	950	8.7%	717	6.9%
Bitumen	508	4.5%	425	3.9%	487	4.5%	568	5.4%
Base oils	159	1.4%	126	1.2%	122	1.1%	110	1.1%
Others	85	0.8%	97	0.9%	27	0.2%	19	0.2%
Total non-fuel refinery products	1,931	17.1%	1,587	14.6%	1,586	14.5%	1,414	13.6%

Throughput
and
production
yields of Plock
refinery

Throughput and production yields of Plock refinery

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Petrochemicals								
Aromatics	116	1.0%	112	1.0%	197	1.8%	210	2.0%
Polyethylene	129	1.1%	138	1.3%	158	1.4%	27	0.3%
Polypropylene	124	1.1%	122	1.1%	143	1.3%	25	0.2%
Ethylene	143	1.3%	92	0.8%	116	1.1%	247	2.4%
Glycols	111	1.0%	91	0.8%	116	1.1%	97	0.9%
Propylene	88	0.8%	70	0.6%	82	0.7%	201	1.9%
Others	272	2.4%	273	2.5%	354	3.2%	315	3.0%
Total petrochemicals	983	8.7%	899	8.3%	1,165	10.7%	1,121	10.8%
Total production yield	11,309		10,895		10,926		10,420	
Others products, losses and waste	257		258		328		328	
Changes in stocks	28		-5		91		-89	
Refinery fuel	1,910		2,030		2,073		1,968	
Utilisation		92.9%		91.2%		92.4%		86.8%

Throughput

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Crude oil	400	54.8%	446	71%	437	77.6%	423	76.1%
Other feedstocks	330	45.2%	182	29%	126	22.4%	133	23.9%
Total throughput	730	100%	628	100%	563	100%	556	100%

Production yields

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Gasoline	32	4.4%	3	0.5%	0	0%	25	4.5%
Diesel oil	232	31.8%	111	17.8%	33	5.9%	89	16.1%
Light heating oil	83	11.4%	54	8.7%	0	0%	0	0%
Total fuels	347	47.6%	168	27.0%	33	5.9%	114	20.6%

Throughput and production yields of Trzebinia refinery



	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Other refinery products								
Base oils	24	3.3%	13	2.1%	0	0%	0	0%
Gasoline blending components	83	11.4%	84	13.5%	95	16.9%	49	8.9%
Heavy heating oil	162	22.2%	190	30.5%	108	19.2%	95	17.2%
Others	113	15.5%	167	26.8%	326	58.0%	295	53.3%
Total refinery products	382	52.4%	454	73.0%	529	94.1%	439	79.4%
Total production yield	729	100%	622	100%	562	100%	553	100%
Utilisation	100%		89.2%		87.4%		84.6%	

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Throughput								
Crude oil	127	28.7%	116	22.9%	130	48.1%	125	49.2%
Other feedstocks	316	71.3%	391	77.1%	140	51.9%	121	50.8%
Total throughput	443	100%	507	100%	270	100%	246	100%
Production yield								
Gasoline	13	3.0%	0	0%	0	0%	2	0.8%
Diesel oil	270	62.4%	350	72.0%	51	19.1%	21	8.7%
Total fuels	283	65.4%	350	72.0%	51	19.1%	23	9.5%

Throughput and production yields of Jedlicze refinery

	2000		2001		2002		2003	
	th.tonnes	%	th.tonnes	%	th.tonnes	%	th.tonnes	%
Other refinery products								
Base oils	58	13.4%	50	10.3%	34	12.9%	38	15.7%
Heavy heating oil	78	18.0%	71	14.6%	102	38.5%	164	67.8%
Others	14	3.2%	15	3.1%	78	29.4%	17	7.0%
Total refinery products	150	34.6%	136	28.0%	214	80.9%	219	90.5%
Total production yield	433		486		265		242	
Utilisation		94.1%		85.9%		95.9%		92.6%

Production capacity 2003	295,000 tonnes
Production capacity 2005	830,000 tonnes
Headcount 2003	376
Revenues 2003	725.7 PLN m
Net profit 2003	44 PLN m ¹⁾

Unit	nameplate capacity in th. tonnes
LDPE I	40
LDPE II	100
HDPE (Hostalen)	320
PP I	70
PP II	70
PP (Spheripol)	400

Unit to be closed
 New unit in 2005
 Units to continue operation

LDPE – Low Density Polyethylene
 HDPE – High Density Polyethylene
 PP – Polypropylene

¹⁾ Consolidation based on equity method

Financial and operating data of Basell Orlen Polyolefins (BOP)

	2003
	PLN m
Revenue	6,270
Cost of sales	-5,946
Gross profit	324
Distribution costs	-344
Administrative expenses	-32
Other operating expenses/costs	55
Operating profit	3
Net profit	5
Ownership structure	31.12.2003
CODO	392
DODO	98
Total	490
Brand structure	31.12.2003
ORLEN	126
STAR	320
Hypermarket sites	44
Total	490

	12.2000	12.2001	12.2002	12.2003
PKN ORLEN Group, of which	2,077	2,041	1,933	1,903
PKN ORLEN - DODO	631	632	619	564
PKN ORLEN - DOFO			1	20
Gdańsk Refinery	275	314	333	336
Multinationals of which:	703	776	826	862
BP (+ARAL)	130	146	280	280
Statoil (+Preem)	110	122	211	226
Shell (+DEA)	154	197	213	219
Others ¹⁾	3,527	3,500	3,600	4,113
Total	6,582	6,631	6,692	7,214

¹⁾ Estimate

DODO - Dealer owned Dealer operated

DOFO - Dealer owned Franchised operated

CODO - Company owned Dealer operated

Source: Nafta Polska, PKN ORLEN, Polska Izba Paliw



Refining in Poland ¹⁾

	2000			2001			2002			2003		
	crude distillation capacity th.tonnes	crude processed th.tonnes	utilisation %	crude distillation capacity th.tonnes	crude processed th.tonnes	utilisation %	crude distillation capacity th.tonnes	crude processed th.tonnes	utilisation %	crude distillation capacity th.tonnes	crude processed th.tonnes	utilisation %
Plock Refinery	13,500	12,537	92.9%	13,500	12,319	91.3%	13,500	12,474	92.4%	13,500	11,724	86.8%
Trzebinia Refinery	400	400	100.0%	500	446	89.2%	500	437	87.4%	500	423	84.6%
Jedlicze Refinery	140	127	90.7%	135	116	85.9%	135	130	95.9%	135	125	92.6%
Total PKN ORLEN Group	14,040	13,064	93.0%	14,135	12,881	91.1%	14,135	13,041	92.3%	14,135	12,272	86.8%
Gdańsk Refinery	4,500	4,245	94.3%	4,500	4,171	92.7%	4,500	3,932	87.8%	4,500	4,592	102.0%
Czechowice Refinery	680	648	95.3%	680	629	92.5%	680	582	85.6%	680	393	57.8%
Gorlice Refinery	170	131	77.1%	170	144	84.7%	170	141	82.9%	170	110	64.7%
Jasło Refinery	150	95	63.3%	150	90	60.0%	150	83	55.3%	150	61	40.7%
Total	19,540	18,183	93.1%	19,635	17,915	91.2%	19,635	17,779	87.4%	19,635	17,428	88.8%

¹⁾ Assumes nameplate crude distillation capacity as at the start of the year

²⁾ Deep processing capacity (crude distillation capacity 17.8 million tonnes)

Source: Nafta Polska, PKN ORLEN

Market data

Excise tax in Poland at the beginning of the year	2001	2002	2003	2004	2004	EU min.
	PLN/1000l	PLN/1000l	PLN/1000l	PLN/1000l	EUR ¹⁾ /1000l	EUR/1000l
Gasoline	1,346	1,464	1,498	1,514	322	287
Diesel ²⁾	902	980	1,003	1,014	215	245
JET A-1 - aviation fuel	923	1,003	1,026	1,037	220	245

Import duties	1998	1999	2000	2001	2002	2003
				³⁾		
Gasoline	10%	5%	3%	-	-	-
Diesel	15%	11%	4%	-	-	-

¹⁾ Exchange rate average NBP as of 2.1.2004 - PLN/EUR 4.7089

²⁾ Sulphur content: 50 ppm

³⁾ Import tariffs were lifted in September 2000

Source: Nafta Polska, europa.eu.int

· Excise tax and
· import duties
· on fuels

Quality standards

Quality standards in Poland compared to the EU and other Central European Countries (Czech Republic-CH, Hungary-H, Slovak Republic-SK and Ukraine-UA) and the EU in 2005.

Gasoline standards		PL	CZ, H, SK	UA	EU	EU
unit		2003	2003	2003	from 2000	from 2005
sulphur content	mg / kg, max	150	150	500/1000 ¹⁾	150	50/10 ²⁾
aromatics content	% obj. max	42	42	-	42	35
benzene content	% obj. max	1	1	5	1	1
olefins content	% obj. max	18	21/18 ³⁾	-	18	18

Diesel standards		PL	CZ, H, SK	UA	EU	EU
unit		2003	2003	2003	from 2000	from 2005
sulphur content	mg / kg, max	350	350	2000/5000 ¹⁾	350	50/10 ²⁾
polyaromatic content	% (m/m), max	11	11	20	11	11
cetane number	minimum	51	51	45	51	51

¹⁾ Depends on the type of fuel

²⁾ 10ppm sulphur gasoline should be available in all regions

³⁾ Value of 21% concern unleaded fuel with 91 octane number

- Verified data not available

Source: Nafta Polska, OECD, PKN ORLEN SA

	2000	2001	2002	2003
PLN/USD – end of period	4.1432	3.9863	3.8388	3.7405
PLN/USD – period average	4.3464	4.0939	4.0795	3.8898
Brent crude – end of period ¹⁾	22.77	19.01	30.40	30.13
Brent crude – period average ¹⁾	28.54	24.44	25.04	28.86
Unleaded gasoline 95 ²⁾	306.5	256.7	249.6	298.7
Unleaded gasoline 98 ²⁾	342.5	295.0	285.1	330.5
Diesel ²⁾	277.9	236.5	222.8	276.0
JET A-1 aviation fuel ²⁾	296.5	245.2	233.2	282.7
Polyethylene ³⁾	843.4	716.5	810.2	833.6
Polypropylene ³⁾	715.5	650.5	778.0	836.2
Ethylene ²⁾	608	552	486	586
Propylene ²⁾	501	413	429	533
Differential Urals blend/Brent ¹⁾	-1.43	-1.33	-1.22	-1.76

¹⁾ USD/barrel

²⁾ USD/tonne

³⁾ USD/tonne - factory-gate price of Basell Orlen Polyolefins Sp z o.o.

Market quotations



Macroeconomic data

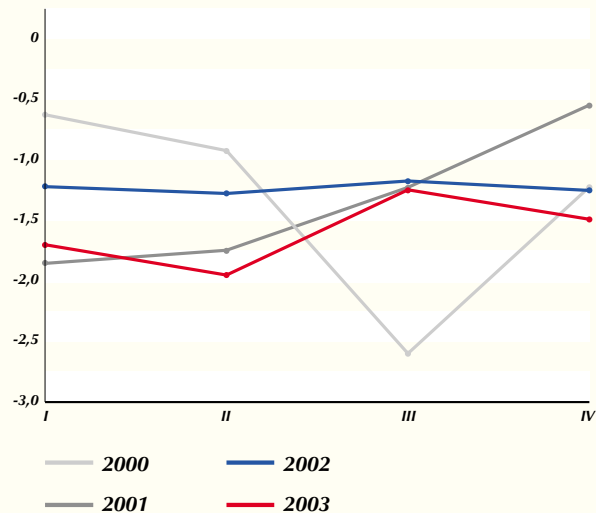
Macroeconomic data

POLAND	1996	1997	1998	1999	2000	2001	2002	2003
GDP growth (%)	6	6.8	4.8	4.1	4	1.1	1.3	3.8
Nominal GDP (USD bn)	143.9	144	158.5	155.2	157.6	177.7	188.6	206.9
GDP per capita (USD)	3,727	3,725	4,098	4,014	4,078	4,560	4,885	5,415
Domestic demand ¹⁾	9.7	9.2	6.4	4.8	2.8	-1.7	0.8	2.3
Inflation (%)	19.9	14.9	11.8	7.3	10.1	5.5	1.9	0.8
Unemployment ²⁾	13.2	10.3	10.4	13.1	15.1	17.4	18.1	19.1
UE-15	1996	1997	1998	1999	2000	2001	2002	2003
GDP growth (%)	1.6	2.5	2.9	2.62	3.32	1.62	1.4	0.7
Nominal GDP (USD bn)	8,776	8,220	8,542	8,541.6	7,854	7,895	9,260	11,724
GDP per capita (USD)	23,550	21,996	22,803	22,749.8	20,862	20,919	24,467	30,935
Domestic demand ¹⁾	1.4	2.3	3.9	3.2	3	1.4	1.3	1.0
Inflation (%)	2.4	1.7	1.3	1.2	2.1	2.3	2.3	2.0
Unemployment ²⁾	10.2	10	9.4	8.7	7.8	7.3	7.6	8.0

¹⁾ Change on preceding year

²⁾ Unemployment of people (aged 15 - 74) as a percentage of workforce. Workforce consists of working and non-working people

Source: GUS, NBP, Eurostat, OECD, ECB, estimates



Basic data

1 barrel	= 0.1590 cubic metre	= 159.0 litres
1 m ³	= 6.2898 barrels	= 35.31 cubic feet

Crude oil and products

1 tonne of crude oil	= 7.4 barrels of crude oil ¹⁾
1 barrel of crude oil per day	= 50 metric tonnes of crude oil per year
1 tonne of LPG	= 11.6 barrels = 1.84 m ³
1 tonne of gasoline	= 8.4 barrels = 1.34 m ³
1 tonne of jet fuel	= 7.9 barrels = 1.26 m ³
1 tonne of diesel or heating oil	= 7.4 barrels = 1.18 m ³
1 tonne of fuel oil	= 6.4 barrels = 1.02 m ³
1 tonne of lubricants	= 7.1 barrels = 1.13 m ³
1 tonne of bitumen	= 6.2 barrels = 0.99 m ³
1 tonne of aromatics	= 7.2 barrels = 1.14 m ³
1 tonne of refined petroleum products	= 7.9 barrels (av.) = 1.26 m ³

¹⁾ (Assuming a specific gravity of 34° American Petroleum Institute – API)

Stock exchange identifier:		Warsaw	PKNORLEN
1GDR=2 shares		London	POKD
		OTC	PSKNY
CUSIP No	REG S	731613204	
	144 A	731613105	
	Level 1 (OTC)	731613402	
Reuter 'ticker':		PKNAs.WA	POKDq.L
Bloomberg 'ticker':		PKN WA	

Other web-addresses	Group Companies
www.orlen.pl	PKN ORLEN SA
orlen-deutschland.de	ORLEN Deutschland
www.anwil.com.pl	Anwil SA
rafineria-trzebinia.pl	Rafineria Trzebinia
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Quarterly consolidated results	
2Q 2004	13.08.2004
3Q 2004	15.11.2004
Half-year 2004 results	
Consolidated results of PKN ORLEN Group	30.09.2004

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