We discover and process natural resources to fuel the future
Pillars of PKN ORLEN Strategy for 2014-2017

- **Financial strength**
  - Dividend: DPS increase*

- **Value creation**
  - EBITDA: PLN 5.1 billion**

- **People**
  - Values: ORLEN

* DPS, Dividend per Share
**The average annual EBITDA LIFO in 2014-2017
Financial strength: Flexibility and resilience to market volatility (1/2)

**Foundations**

- Guaranteed sources of funding (over EUR 4 billion)
- Optimal maturity (average maturity 1Q 2019)
- Investment rating (BBB- with a stable outlook)
- Diversified funding (over PLN 4 billion in retail, corporate and eurobonds)

**Objectives**

- **Financial ratios**
  - Rating - investment grade
  - Financial gearing - below 30%
  - Net debt/EBITDA LIFO - less than 2
- **Dividend** – a steady increase of DPS*
- **Positive free cash flow**
- **Additional cash flow**
  - up to PLN 1 billion from non-integrated assets divestment

---

* DPS, *Dividend per Share
** FCF = EBITDA LIFO – CAPEX
Financial strength: Strong cash flow (2/2)

Strong cash flow leads financial ratios to low levels …

<table>
<thead>
<tr>
<th>Net gearing, %</th>
<th>&lt;30%</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>33%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net debt / EBITDA LIFO</th>
<th>&lt;2,0</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.0</td>
<td>1.3</td>
</tr>
</tbody>
</table>

1Q 09 | 2014 | H1 2015

... and offsets mandatory reserves repurchases …

<table>
<thead>
<tr>
<th>Cash outflows, PLN billion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mandatory reserves</strong> repurchase* (Jan 2015)</td>
</tr>
<tr>
<td><strong>Mandatory reserves</strong> repurchase* (August 2015)</td>
</tr>
<tr>
<td><strong>Dividend</strong> payment (July 2015)</td>
</tr>
<tr>
<td><strong>Ceska Rafinerska shares</strong> purchase from ENI (April 2015)</td>
</tr>
</tbody>
</table>

... and confirms strategic goal of a steady increase of DPS

DPS, PLN million

<table>
<thead>
<tr>
<th>2013**</th>
<th>2014**</th>
<th>2015**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5</td>
<td>1.44</td>
<td>1.65</td>
</tr>
<tr>
<td>642</td>
<td>616</td>
<td>706</td>
</tr>
</tbody>
</table>

Strong financial position

* Net of VAT
** Year of payment
Value creation: Significant EBITDA LIFO improvement (1/2)

What we have planned for 2014 – 2017...
EBITDA LIFO* plan for 2014 - 2017, PLN billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg EBITDA LIFO 14-17</th>
<th>Total</th>
<th>Macro</th>
<th>Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3.1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>5.1</td>
<td>+2.0</td>
<td>+0.4</td>
<td>+1.6</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

...and what we delivered so far
EBITDA LIFO* execution H1 2013 – H1 2015, PLN billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Macro</th>
<th>Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H 2013</td>
<td>1.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1H 2015*</td>
<td>4.8</td>
<td>+3.1</td>
<td>+2.0</td>
</tr>
</tbody>
</table>

Key drivers of performance improvement:

- Sales volumes
- Integrated value chain
- Efficiency improvement

We are capable of taking full advantage of favorable macro

*Before impairments
Value creation: CAPEX focused on growth (2/2)

We reconfirm CAPEX set in the strategy…
CAPEX structure by type of investment 2014-2017, PLN billion

- Development
- Maintenance & Regulatory

... however with optimised capex in 2015

CAPEX initial plan for 2015, PLN billion

- Development
- Maintenance & Regulatory

... as well as our growth directions …

- **Downstream**
  - Value chain enhancement
  - Product slate improvement
  - Operational excellence

- **Retail**
  - Growth of fuel sales
  - Higher non-fuel yield capture
  - Possible M&A

- **Upstream**
  - Organic growth
  - Possible M&A

Growth initiatives continued as set in the Strategy
PEOPLE: Key pillar of our strategy (1/4)
“They hired outstanding people whenever and wherever they found them, often without any specific job in mind. That's how you build the future (…) 

If I'm not smart enough to see the changes that are coming, they will. And they'll be flexible enough to deal with them”

Jim Collins
RESPONSIBILITY
We respect our customers, shareholders, natural environment and local communities.

PROGRESS
We search for new opportunities.

PEOPLE
Competence, teamwork and integrity are our assets.

ENERGY
We act with enthusiasm.

DEPENDABILITY
You can rely on us.

ODPOWIEDZIALNOŚĆ
Szanujemy naszych klientów, akcjonariuszy, środowisko naturalne oraz lokalne społeczności.

ROZWÓJ
Poszukujemy nowych możliwości.

LUDZIE
Naszymi atutami są kompetencje, współpraca i uczciwość.

ENERGIA
Działamy z entuzjazmem.

IEZAWODNOŚĆ
Można na nas polegać.
“Management is doing things right; Leadership is doing the right things”

Peter F. Drucker

Quotation source: Peter F. Drucker, „The Essential Drucker“, P. F. Drucker - www.centroatl.pt; access date: 18.09.2015
Image source: P. F. Drucker - www.centroatl.pt; access date: 18.09.2015
Key messages

Determined to deliver our strategy

Well prepared for unpredictable future

Seizing the opportunity

Focusing on people
Agenda

STRATEGY

SEGMENTS

- Downstream
  - Sales
  - Production
  - Energy
- Upstream
- Retail
PKN ORLEN strategic vision

- Strong position on large and growing markets
- Strong customer focus
- Integrated value chain
- Operational excellence
- Sustainable Upstream development
- Modern management culture

2008 ... 2013... ... 2017...
Downstream - Sales

Marek Podstawa
Management Board member
Strong position on large and growing markets (1/2)

Sales gravity centers located in countries developing faster than the rest of the EU ...

...which offer further growth potential both in fuels...

...and petrochemicals

Petrochemicals consumption in Central Europe million t

<table>
<thead>
<tr>
<th>Year</th>
<th>Polyolefin</th>
<th>Benzene</th>
<th>Butadien</th>
<th>Propylene</th>
<th>Ethylene</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>3.6</td>
<td>1.7</td>
<td>1.9</td>
<td>2.0</td>
<td>8.8</td>
</tr>
<tr>
<td>2015</td>
<td>3.7</td>
<td>1.7</td>
<td>2.0</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>4.0</td>
<td>1.8</td>
<td>2.2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PKN ORLEN’s home markets growing faster than the rest of Europe

GDP annual change %

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2015</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>3.4%</td>
<td>3.9%</td>
<td>3.8%</td>
</tr>
<tr>
<td>the Czech Rep.</td>
<td>2.5%</td>
<td>2.4%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Baltics</td>
<td>2.0%</td>
<td>1.5%</td>
<td>1.6%</td>
</tr>
<tr>
<td>EU avg.</td>
<td>0.9%</td>
<td>1.5%</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

Fuel consumption in Central Europe million t

<table>
<thead>
<tr>
<th>Year</th>
<th>Europe</th>
<th>CAGR +0.1%</th>
<th>CAGR +2.3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>23.9</td>
<td>3.5</td>
<td>5.9</td>
</tr>
<tr>
<td>2015</td>
<td>24.9</td>
<td>3.6</td>
<td>6.2</td>
</tr>
<tr>
<td>2017</td>
<td>25.5</td>
<td>3.7</td>
<td>6.3</td>
</tr>
</tbody>
</table>

Sources: PKN Orlen, IHS CERA, Eurostat, Poland - Energy Agency, Czech Rep. - Český statistický úřad (Czech Statistical Office), Baltics - Lietuvos Statistikos Departamentas (Statistics Lithuania), Valsts ieņēmumu dienests (Latvian State Revenue Service), Maksu- ja Tolliamet (Estonian Tax and Customs Board)
Strong position on large and growing markets (2/2)

Key player on home fuel markets...

Actual fuel market share*

<table>
<thead>
<tr>
<th>Country</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>61%</td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>58%</td>
</tr>
<tr>
<td>Baltics</td>
<td>75%</td>
</tr>
</tbody>
</table>

...brings opportunities to benefit from an extensive value chain.

Average downstream margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin EUR/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>10,7</td>
</tr>
<tr>
<td>2014</td>
<td>11,4</td>
</tr>
<tr>
<td>1H 2015</td>
<td>13,8</td>
</tr>
</tbody>
</table>

* H1 2015 / for Czech Rep. expected level of market share after full Ceska Rafinerska stake take-over
** Market share in Fertilizers for Poland only

...significant market share in all petrochemical product groups...

ORLEN Group’s share in Central Europe production capacity, %

<table>
<thead>
<tr>
<th>Product</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTA</td>
<td>100%</td>
</tr>
<tr>
<td>Ethylene</td>
<td>55%</td>
</tr>
<tr>
<td>Propylene</td>
<td>61%</td>
</tr>
<tr>
<td>Benzene</td>
<td>54%</td>
</tr>
<tr>
<td>Butadiene</td>
<td>44%</td>
</tr>
<tr>
<td>Polyethylene</td>
<td>36%</td>
</tr>
<tr>
<td>Polypropylene</td>
<td>33%</td>
</tr>
<tr>
<td>Phenol</td>
<td>100%</td>
</tr>
<tr>
<td>PVC</td>
<td>59%</td>
</tr>
<tr>
<td>Fertilizers**</td>
<td>23%</td>
</tr>
</tbody>
</table>

Dominant position on growing markets with healthy margins
Well balanced channels of trade on attractive markets

We are selling through well-balanced channels of trade...

Volume share in respective channels*

<table>
<thead>
<tr>
<th>Channel</th>
<th>PKN Orlen (inc. Anwil)</th>
<th>Unipetrol</th>
<th>Orlen Lietuva</th>
<th>Capital Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>27%</td>
<td>36%</td>
<td>36%</td>
<td>17%</td>
</tr>
<tr>
<td>Inland wholesale</td>
<td>32%</td>
<td>32%</td>
<td>11%</td>
<td>36%</td>
</tr>
<tr>
<td>Inland export</td>
<td>10%</td>
<td>21%</td>
<td>11%</td>
<td>3%</td>
</tr>
<tr>
<td>Seaborne sales</td>
<td>36%</td>
<td>36%</td>
<td>36%</td>
<td>20%</td>
</tr>
<tr>
<td>Petrochemicals</td>
<td>24%</td>
<td>32%</td>
<td>53%</td>
<td>19%</td>
</tr>
</tbody>
</table>

... taking advantage of our competitive strengths logistics

- direct connection to product pipelines
- increasing low-cost own storage capacity
- higher utilization of own logistics assets

Normalized total unit logistic cost

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100%</td>
<td>98%</td>
</tr>
</tbody>
</table>

*Gasoline, Diesel, JET, LHO, HFO, bitumen, petrochemicals sales, average 2013-H1 2015
** Austria, Slovakia, Hungary, Romania, average 2013-H1 2015
Source: PKN Orlen
Modern management culture

- Experienced, well trained and **highly motivated team**
- „**Top Employer**“ according to sales managers of the largest Polish companies

- Emphasis on **customer relationship**
- **Supply quality and reliability**

- **Unique product offer**
- **New business models** for fuels, petrochemicals, lubricants and bitumen sales

- **Cost discipline**
- Systematic improvement of **sales organization efficiency**

- Continuous focus on **safety and environmental performance**
Key strategic directions: 
Capture value on growing Central European markets

Fuel marketing
- Development of trading competences
- Expansion to attractive, neighbouring markets
- Capture higher demand from diminishing grey zone

Petrochemicals
- Continuous business development and extension of value chain;
- Diversification of product portfolio and customer base
- Volume increase and maintenance of unit margins

Logistics
- Systematic enhancement of competitive advantage through growing elasticity, service quality and cost optimization
- Divestment of non-strategic assets
- Use of synergies with key infrastructure operators through alliances and strategic partnerships
Downstream - Production

Krystian Pater
Management Board member
Downstream benefits from favourable market environment

Good macro conditions…

Model margin - Downstream
USD/bbl

<table>
<thead>
<tr>
<th></th>
<th>2Q14</th>
<th>3Q14</th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>+4.7 USD/bbl</td>
<td>10</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>15</td>
</tr>
</tbody>
</table>

…with an increase in capacity utilization and sales intensification …

Capacity utilisation %

<table>
<thead>
<tr>
<th>Refineries</th>
<th>2Q14</th>
<th>1Q15</th>
<th>2Q15</th>
<th>△ (r/r)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Płock</td>
<td>79%</td>
<td>87%</td>
<td>100%</td>
<td>21 pp</td>
</tr>
<tr>
<td>Unipetrol</td>
<td>90%</td>
<td>84%</td>
<td>95%</td>
<td>5 pp</td>
</tr>
<tr>
<td>ORLEN Lietuva</td>
<td>72%</td>
<td>70%</td>
<td>86%</td>
<td>14 pp</td>
</tr>
</tbody>
</table>

Petrochemicals

| Olefins (Płock)     | 82%  | 90%  | 95%  | 13 pp   |
| Olefins (Unipetrol) | 88%  | 95%  | 90%  | 2 pp    |
| BOP                 | 73%  | 89%  | 91%  | 18 pp   |

… has brought a substantial increase in EBITDA and cash flow

EBITDA LIFO (excl. impairment)
PLN billion

<table>
<thead>
<tr>
<th></th>
<th>2Q14</th>
<th>3Q14</th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>+3.0 mld PLN</td>
<td>1.4</td>
<td>2.5</td>
<td>1.0</td>
<td>-0.5</td>
<td>4.4</td>
</tr>
</tbody>
</table>

Seizing the opportunities

* Net impact of the transactions on mandatory reserves (negative effect of repurchase of the tranche in Q1 2015 and lack of positive effects from H1 2014)
Constant efficiency increase mitigates the external risks

<table>
<thead>
<tr>
<th>Risks</th>
<th>Business implications</th>
<th>Competitive advantages of Downstream</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak utilization in Europe</td>
<td><img src="image.png" alt="Graph showing refinery utilization rate in European Union" /></td>
<td>Integration of refinery, petrochemical and energy assets</td>
</tr>
<tr>
<td>Increasing regulatory pressure</td>
<td>▪ Adaptation to environmental requirements</td>
<td>Leader on the fuel market in the Central Europe</td>
</tr>
<tr>
<td>Unpredictable downstream margins perspective</td>
<td>▪ New regulations on HFO / bunker fuel</td>
<td>Strengthening of supply chain management</td>
</tr>
<tr>
<td></td>
<td>▪ Best practice approaches</td>
<td>Reduction of energy consumption of technological processes</td>
</tr>
<tr>
<td></td>
<td>▪ Volatility on the raw material markets</td>
<td>High quality assets</td>
</tr>
<tr>
<td></td>
<td>▪ Prolonged lower oil prices would slow ethane cracker capacity expansions – naptha</td>
<td>Prepared for regulatory and market trend changes</td>
</tr>
<tr>
<td></td>
<td>most competitive feed for steam cracker</td>
<td>------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>▪ Limited European economic growth</td>
<td>Secure and efficient supply of main types of feedstock - flexibility</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Solid GDP growth in Central Europe</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Value chain extension</td>
</tr>
</tbody>
</table>

* Atmospheric distillation capacity on a calendar-day basis
Source: Own calculation and BP Statistical Review of World Energy, June 2015
## Deliveries in 2015

### People
- Effective process of restructuring (4-shift scheme implementation)
- Strengthening the crew competence
- Implementation of competition for result culture (via management by values)

### Development
- Metathesis Unit (capacity 100 kt/year)
- Polyethylene 3 Unit (capacity 270 kt/year)
- Visbreaking Unit (capacity 1100 kt/year)
- Small projects with high IRR

### Asset optimization
- Successful consolidation of small refineries (Orlen Południe)
- Effective consolidation of maintenance service companies
- Systematic improvement of ORLEN Lietuva results

### Operational excellence
- Further increase of white products yield
- Energy efficiency increase in all technological processes (2017 target achievement)
- Extension of overhaul intervals (CDU3, Steam Cracker)
- Successful implementation of APC
Value creation drivers

Energy intensity optimization despite the end of production cycle of main assets

- Reduction of heat losses
- Reduction of hydrocarbon losses and own consumption
- Reduction of energy consumption in technological processes

Improvement of white products yield will lead to higher and stable yield rate

- Introduction of new production technologies
- Upgrading refining and petrochemical units
- Modernization of process parameters (including modernization of existing installations)

Optimisation of the use of assets will minimize the loss of utilization rate in turnaround year

- Extension of turnaround intervals
- Recertification of refinery units
- Modifications to the existing processes
Overdelivery of strategic targets

<table>
<thead>
<tr>
<th>Refinery</th>
<th>2013</th>
<th>H1 2015</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processed crude oil (mln tonnes)</td>
<td>27,8</td>
<td>14,8</td>
<td>29,9</td>
</tr>
<tr>
<td>Fuel yield, (%)</td>
<td>77,0</td>
<td>77,8</td>
<td>76,9</td>
</tr>
<tr>
<td>Energy consumption (Solomon index)</td>
<td>90,9</td>
<td>86,9</td>
<td>90,1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Petrochemicals</th>
<th>2013</th>
<th>H1 2015</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumption, (GJ/t)</td>
<td>24,4</td>
<td>22,5</td>
<td>23,8</td>
</tr>
<tr>
<td>S.C. operational availability, (%)</td>
<td>91,0</td>
<td>95,3</td>
<td>95,0</td>
</tr>
<tr>
<td>PTA sales, (million tonnes)</td>
<td>0,56</td>
<td>0,32</td>
<td>0,55</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Downstream capex, PLN billion</th>
<th>2013</th>
<th>H1 2015</th>
<th>Average 2014 - 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development</td>
<td>0,5</td>
<td>0,5</td>
<td>1,5</td>
</tr>
<tr>
<td>Maintenance and Regulatory</td>
<td>1,1</td>
<td>0,4</td>
<td>1,2</td>
</tr>
</tbody>
</table>

** EBITDA LIFO by segments 2013 – 2017, PLN billion

Focus on operational excellence

** Petrochemicals = Petrochemical production + Petrochemical Wholesale
*** Refining = Refinery production + Refinery Wholesale + Logistics
Key strategic directions:
Operational excellence - one step ahead

People

- Full commitment from staff at every operational level
- Further increase of skills and mobility
- Increasing the level of trusted contractors

Development

- ASAP restore production in petrochemical part in Litvinow
- Implementation of key projects: Metathesis, PE3, VB+VVF
- Revamping of the units: PX / PTA, Fertilizers, PVC

Asset optimization

- Integration of planning and production scheduling in ORLEN Lietuva
- ORLEN Południe – synergies after consolidation
- Common maintenance model across the production units

Operational excellence

- Improving yields of high-margin products
- Achieving the highest energy efficiency within plants of comparable type
- The increase in the operational availability of the units
- Extending the period between turnarounds
Energy strategy: integrated value in Downstream through innovation and operational excellence

**STRATEGY**
- Modern industrial cogeneration as a source of power and heat for production assets
- New projects based on innovative technology including renewables (RES*)

**COST EFFICIENCY**
- Optimization of generation process
- Reduction of losses in steam transmission
- Operational excellence in water and waste management

**INVESTMENT PLAN**
- Commissioning CCGT** Płock and CCGT Włocławek
- Modernization of current assets

**TRADING**
- Centralized electricity trading function for optimizing the cost/sales
- Active operational cooperation with generation and production delivering cheaper energy media

*RES – Renewable Energy Sources  **CCGT – Combined Cycle Gas Turbine*
Extensive experience in industrial cogeneration

Key operational data, H1 2015

- Total installed gross electric capacity (MWe): 759.5
- Total installed gross thermal capacity (MWt): 4,618
- Electricity production (GWh): 1,266 (2,535*)
- Heat generation (PJ): 20.8 (41.6*)

Planned capacity (2017): 1,835 MW_e/6071 MW_t

Source: PKN ORLEN
MWe – Electric Megawatt
MWt – Thermal Megawatt
GWh – Gigawatt
PJ – Petajoule
CHP – Combined Heat and Power Plant
* Annualized value on pro rata basis
Industrial cogeneration proves to be a profitable business

Moderate macro outlook

Energy price in PLN/MWh* 161.5
Gas price (LHV) in PLN/GJ** 26.81

Insufficient capacity available will call for new units

Energy prices forecasted by CERA are to increase

Regulatory environment will favour clean technologies

CO₂
- CO₂ emission prices are inclined to increase

Support system for cogeneration
- The new support system will most probably commence in 2019
- The system will be based on auctions
- The auctions will be fuel-specific for existing units

Renewable Energy Sources (RES)
- European Union – strong drive towards RES
- Poland – new regulatory support system

*Polish Power Exchange price for BASE contract on October 2015, dated on 16.09.2015
**European Energy Exchange price, dated on 16.09.2015
Industrial cogeneration is roughly twice as efficient as large condensing power plants

Condensing power plant - efficiency

**Industrial cogeneration - efficiency**

**PKN's unique competitive advantage**

**Comments:** Just an example, efficiencies as well as steam/electricity structure can vary from plant to plant.
CCGT Włocławek and Płock: Attractive technology at a competitive price

**Total budget CAPEX / MWe**
EUR million /MWe

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.5</td>
</tr>
<tr>
<td>2</td>
<td>0.6</td>
</tr>
<tr>
<td>3</td>
<td>0.7</td>
</tr>
<tr>
<td>4</td>
<td>0.8</td>
</tr>
<tr>
<td>5</td>
<td>0.9</td>
</tr>
<tr>
<td>6</td>
<td>1.0</td>
</tr>
<tr>
<td>7</td>
<td>1.1</td>
</tr>
<tr>
<td>8</td>
<td>1.2</td>
</tr>
<tr>
<td>9</td>
<td>1.3</td>
</tr>
<tr>
<td>10</td>
<td>1.4</td>
</tr>
<tr>
<td>11</td>
<td>1.5</td>
</tr>
<tr>
<td>12</td>
<td>1.6</td>
</tr>
<tr>
<td>13</td>
<td>1.7</td>
</tr>
<tr>
<td>14</td>
<td>1.8</td>
</tr>
<tr>
<td>15</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Median 0.83


**Revenue structure index**
index / annum

<table>
<thead>
<tr>
<th>Unit</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCGT Włocławek</td>
<td>0.74</td>
</tr>
<tr>
<td>CCGT Płock</td>
<td>0.6</td>
</tr>
</tbody>
</table>

* Revenue (in index terms) generated by a condensing unit and industrial cogeneration unit respectively based on the same amount of fuel. Index measured @ assumed regimes with overall efficiencies respectively @ ca 60% and ca 82% and the current macro. Capacity assumed @ ca 500 MW. Regimes may vary depending on locations. Index values are approximated.
Becoming a leader in operational excellence and natural gas cogeneration sector in Poland

<table>
<thead>
<tr>
<th>Flue-gas desulfurization (FGD) 2015</th>
<th>CCGT Włocławek 2016</th>
<th>CCGT Płock 2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with the EU standards &gt; 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Desulfurization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denitrification (SCR*)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dust extraction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity: 463 MWe (net)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex: PLN 1.4 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity: 596 MWe (net)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex: PLN 1.65 billion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*SCR - Selective Catalytic Reduction
Key strategic directions: Focus on industrial cogeneration and operational excellence

**Industrial cogeneration**
- Focus on industrial cogeneration projects utilising synergies with Petchem & Refining segment
  - CCGT Wloclawek
  - CCGT Płock

**Cost efficiency**
- Cost efficiency improvement of existing production assets
  - Distribution losses
  - Increased efficiency

**Experience**
- Extensive experience in industrial cogeneration and in developing investment projects
  - PX / PTA*
  - K8, TG6**
  - Metathesis

**People**
- People - team of highly experienced professionals
  - Highly motivated, dynamic team with unique expertise
  - Energy trading division - certified, experienced traders

*Paraxylene' Purified Terephthalic Acid installation in Wloclawek
**Boiler no.8 in the existing CHP in Płock; Extraction and Condensing Steam Turbine in the existing CHP in Płock
Global macro environment: While pricing has decreased recently, most forecasts indicate recovery

* WTI and Henry Hub price forecasts by key investment banks as reported by Bloomberg @ Sep 10, 2015
ORLEN Upstream: we aim at continuing growth our presence in Poland and Canada

- **Poland and Canada** are stable markets where geopolitical risk is low

- **Why Canada?**
  - Stable financial system
  - Favorable tax regime
  - One of the largest oil and gas resource bases in the world
  - Highly educated workforce
  - Development of logistics can drive positive changes in Canadian crude and gas market
  - Well-developed market with best-in-class E&P technology
ORLEN Upstream Canada: growth on quality assets

Key Features
- Strong position in proven areas
- Application of horizontal multi-stage frac technology
- RLI*: 17 years

Key Advantages
- Highly experienced team
- Assets with high upside potential
- Flexible business model enables price challenge absorption
- Strong balance sheet enables opportunistic investment in low price environment

* RLI – Reserve Life Index
ORLEN Upstream Canada: well positioned for acquisitions

Key screening criteria
- Focused land base
- Running room
- Upside potential
- Leverage existing skillset
- Right transaction size
- Gas to liquids ratio
- Operatorship

Focus on the key formations

- **Cardium**
  - Meaningful position
  - Significant consolidation opportunity

- **Dunvegan**
  - Strong netbacks
  - Reasonable consolidation opportunity

- **Montney**
  - Large running room
  - Good netbacks in the right area

- **Viking**
  - Excellent netbacks
  - Factory mindset required

- **Belly River**
  - Strong netbacks
  - Running room in multiple layers
ORLEN Upstream Poland: further diversification of assets portfolio

Key Features

- **Continued exploration works in unconventional projects**: Lublin Shale (shale gas, focus on areas with higher exploration potential), Mid-Poland Unconventionals (tight gas)
- **Continued exploration and appraisal/development works in legacy conventional projects**: Carbon (extension of existing licenses) Sieraków (cooperation with PGNiG; development phase)
- **New conventional projects**: Bieszczady (Joint-Venture with PGNiG), Karpaty (two concessions just acquired from Dea)
- **Obtaining new licenses** from the Ministry of Environment and capturing other investment opportunities to further diversify the portfolio in Poland
Results: operational indicators remain in line with the 2014-17 plan, the financial performance is highly affected by the depressed prices.

Current results

<table>
<thead>
<tr>
<th>Metric</th>
<th>2014</th>
<th>2015H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (thousand boe per day)</td>
<td>5.8</td>
<td>7.0</td>
</tr>
<tr>
<td>EBITDA (PLN million)</td>
<td>152</td>
<td>27</td>
</tr>
<tr>
<td>CAPEX (PLN million)</td>
<td>499</td>
<td>97</td>
</tr>
</tbody>
</table>

Current results vs Strategic targets

<table>
<thead>
<tr>
<th>Metric</th>
<th>2014</th>
<th>2015H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA* (PLN billion)</td>
<td>0.1</td>
<td>0.4</td>
</tr>
<tr>
<td>2P reserves (million boe)</td>
<td>50</td>
<td>54</td>
</tr>
</tbody>
</table>

*before impairments ** annualized H1 results *** Avg of 2014 and 2015 H1 annualized results **** Average 2014-2017
Key strategic directions

- **Project portfolio rationalization in Poland** – focus on the more prospective areas

- **Adjusted development pace in Canada**

- **Screening for opportunistic acquisitions in Europe and Canada**

- **Focus on cost efficiencies** – flexible business model
The Upstream Team

We have worked in 13 countries on 5 continents

On average each of us has over 18 years of experience (236 years in total)...

Future fueled by...

...while 27% of this time we worked together for:

...people!
ORLEN: the power of brand

„The Most Valuable Polish Brand” for 8 consecutive years...

<table>
<thead>
<tr>
<th>Brand value</th>
<th>+52%</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLN billion</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>2,9</td>
</tr>
<tr>
<td>2014</td>
<td>4,4</td>
</tr>
</tbody>
</table>

... supported by variety of sponsorship activities and events...

- **Volleyball** Polish National Team
- **Polish National Athletics’ Team**
- **Motorsports** (Orlen Team and Verva Racing Team)
- **Biggest sport events in Poland** (Orlen Warsaw Marathon and Verva Street Racing)

... highly recognizable amongst customers.

- **90%** Orlen spontaneous brand awareness
- **69%** Regular visit on Orlen filling stations (at least once a month)
- **2,6m** Loyalty program active participants (each month)

Source: Rzeczpospolita Ranking, GfK Polonia, PKO Orlen
Strong competitive market position

Operational performance in line with strategic commitments…

<table>
<thead>
<tr>
<th></th>
<th>H1 2014</th>
<th>H1 2015</th>
<th>2017*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share in home markets, %</td>
<td>14,2%</td>
<td>14,4%</td>
<td>+2,6pp</td>
</tr>
<tr>
<td>Volume per site min liters</td>
<td>3,5</td>
<td>3,6</td>
<td>+0,2</td>
</tr>
<tr>
<td>Nonfuel margin index; 2014 =100</td>
<td>100</td>
<td>106</td>
<td>+14</td>
</tr>
</tbody>
</table>

* increase vs H1 2015

… producing outstanding financial results

EBITDA
PLN million

First class retail sites and high performing team focused on customer service
Further retail development focused on value creation

Selective network development…

Number of stations

<table>
<thead>
<tr>
<th>Year</th>
<th>Stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2.692</td>
</tr>
<tr>
<td>H 1 2015</td>
<td>2.682</td>
</tr>
<tr>
<td>2017</td>
<td>+3%</td>
</tr>
</tbody>
</table>

… thanks to solid CAPEX for development

CAPEX, PLN million

<table>
<thead>
<tr>
<th>Year</th>
<th>Development</th>
<th>Maintenance &amp; regulatory</th>
<th>2015</th>
<th>2014-17 average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.3</td>
<td>0.1</td>
<td>0.4</td>
<td>0.4</td>
</tr>
</tbody>
</table>

… with significant increase of Stop Cafes…

Number of Stop Cafes in Poland

Continous retail development with potential for opportunistic acceleration
Key strategic directions:
From a solid product supplier to customer experience provider

Fuel …
- Core competence
- High quality of fuels and services
- Increasing market efficiency

… food …
- Response to changing lifestyle and eating habits
- Innovative products tailored to local preferences
- Rapid development

… store …
- ‘Must have’ for a filling station
- Convenience and fast shopping
- Store formats adjusted to market needs

… experience