



Polski Koncern Naftowy ORLEN
Spółka Akcyjna

**REPORT
OF THE SUPERVISORY BOARD OF PKN ORLEN S.A.
FOR 2011**

WARSAW, APRIL 2012

I. COMPOSITION OF THE SUPERVISORY BOARD

In the period from 1 January to 31 December 2011, the composition of the Supervisory Board of PKN ORLEN S.A. did not change and consisted of the following members:

Maciej Mataczyński	Chairman of the Supervisory Board
Marek Karabula	Vice-Chairman of the Supervisory Board
Angelina Sarota	Secretary of the Supervisory Board
Grzegorz Borowiec	Member of the Supervisory Board
Artur Gabor	Member of the Supervisory Board
Krzysztof Kołach	Member of the Supervisory Board
Leszek Jerzy Pawłowicz	Member of the Supervisory Board
Janusz Zieliński	Member of the Supervisory Board
Piotr Wielowieyski	Member of the Supervisory Board (as from 9 December 2011 delegated to temporarily perform the duties of the Management Board Member)

II. ACTIVITIES OF THE SUPERVISORY BOARD

In 2011, the Supervisory Board held 11 minuted meetings and adopted 90 resolutions.

The supervisory and controlling activities of the Supervisory Board in 2011 related to, among others, the following issues:

1. changes in the composition of the Management Board:
 - As the term of the Company's Management Board terminated in 2011, in the first quarter of 2011 the Supervisory Board held the election of the President of the Management Board and Members of the Management Board of PKN ORLEN S.A. for a new three-year term commencing after the date of the Ordinary General Meeting of Shareholders, during which the Company's financial statements for 2010 were approved.
 - During the meeting held on 24 March 2011, the Supervisory Board resolved the competition for the position of the President of the Management Board, Vice-President of the Management Board, Member of the Management Board for Refinery Operations and Member of the Management Board for Petrochemical Operations and made appointments to these positions accordingly.
 - On 24 March 2011 the Supervisory Board appointed, at the written request of the Minister of Treasury, the Member of the Management Board for Sales to the Company's Management Board for a new term .
 - On 7 December 2011 the Supervisory Board suspended the Member of the Management Board for Petrochemical Operations from the functions of the Management Board Member, and on 8 December dismissed him from this position. On the same date the Supervisory Board resolved to delegate the Supervisory Board Member to temporarily

- perform the functions of the Member of the Management Board for Petrochemical Operations.
- On 19 December 2011 the Supervisory Board announced a competition for the position of the Member of the Management Board for Petrochemical Operations of PKN ORLEN S.A.
2. representing the Company in agreements with members of the Management Board, including also in respect of the conditions for employing members of the Management Board:
 - The Supervisory Board approved the managerial contracts with the President of the Management Board, the Vice President of the Management Board and the Management Board Members. The Supervisory Board approved the principles and definitions of goals in the annual incentive scheme for the Members of the Management Board of PKN ORLEN S.A. for the year 2012 and Target Sheets for the Company's Management Board for 2012 which constitute annexes to agreements.
 3. approval of the Constitution of the Management Board:
 - At the meeting held on 15 September 2011 the Supervisory Board approved amendments to the Constitution of the Management Board of PKN ORLEN S.A.
 4. provision of an opinion on the Company's financial statements in terms of their compliance with books, records and facts, and the opinion on the report of the Management Board on the Company's activities and its motions regarding the allocation of profit or loss coverage and submission of the annual report on conclusions from such opinions in writing to the Shareholders Meeting:
 - *The Supervisory Board provided its opinion on the report of the PKN ORLEN S.A. Management Board on the Company's activities and its financial statements for the financial year 2010;*
 - *The Supervisory Board provided its opinion on the motion of the Company's Management Board regarding the allocation of profit for the financial year 2010;*
 5. provision of an opinion on the financial statements of the Capital Group and the Management Board report on the activities of the Capital Group and submission of the annual report on conclusions from such opinions in writing to the Shareholders Meeting:
 - *the Supervisory Board provided its opinion on the report of the Management Board on activities of the ORLEN Capital Group for the financial year 2011 and consolidated financial statements of the ORLEN Capital Group.*
 6. provision of opinions on any matter submitted by the Management Board for the examination of the Company's Ordinary and Extraordinary General Meeting of Shareholders:
 - The Supervisory Board provided its opinion on the agenda and the draft resolutions of the Ordinary General Meeting of Shareholders of PKN ORLEN S.A. to be held on 29 June 2011;

- The Supervisory Board provided its opinion on the agenda and the draft resolutions of the Extraordinary General Meeting of Shareholders of PKN ORLEN SA to be held on 12 January 2012.
7. granting consents to the Management Board members to hold positions on supervisory or management bodies of other entities and to receive emoluments in consideration thereof:
- the Supervisory Board granted consents to the Member of the Management Board for Sales and the Member of the Supervisory Board delegated to temporarily perform the functions of the Member of the Management Board for Petrochemical Operations to hold positions in supervisory bodies of companies in the PKN ORLEN Capital Group without receiving emoluments in consideration thereof.
8. granting consent, upon the Management Board's motion, to sell real estates, perpetual usufructs or a share in such real estate, whose net book value does not exceed one twentieth of the share capital:
- The Supervisory Board adopted nine resolutions in the aforementioned scope in 2011.

Furthermore, in the course of its work the Supervisory Board of PKN ORLEN S.A.:

- granted its consent for changing the method of maintaining mandatory reserves by selling crude oil constituting earlier a part of mandatory reserves, while outsourcing a part of obligations to maintain mandatory reserves on the account of PKN ORLEN S.A. to an external entity;
- provided its consent to the exercise by PKN ORLEN S.A. of the voting right at the General Meetings of Shareholders of the following companies: Unipetrol a.s., POLKOMTEL S.A.; Anwil S.A.
- provided its consent for PKN ORLEN S.A. to dispose of shares in Polkomtel S.A.
- provided its consent for PKN ORLEN S.A. to incur any financial liabilities, whose value resulting from one or several related legal actions carried out at any point during the year 2011 exceeds the value of one fifth of the share capital.

The activities of the Supervisory Board were documented by the adopted resolutions and minutes of the meetings of the Supervisory Board in 2011.

III. COMMITTEES OF THE SUPERVISORY BOARD

The Supervisory Board was supported in its activities by the Committees acting as collective advisory and consultancy bodies consisting of individual members of the Supervisory Board.

In 2011, the following permanent Committees operated within the Supervisory Board:

- **Audit Committee**

- **Strategy and Development Committee**
- **Corporate Governance Committee**
- **Nomination and Remuneration Committee**

The detailed area of the activities of the Committees in 2011 was documented in the minutes of the meetings of respective Committees.

Audit Committee of the Supervisory Board of PKN ORLEN S.A.

In the period from 1 January to 31 December 2011, the composition of the Audit Committee of the Supervisory Board of PKN ORLEN S.A. did not change and consisted of the following members:

Mr Artur Gabor	Chairman of the Committee
Marek Karabula	Member of the Committee
Leszek Pawłowicz	Member of the Committee
Piotr Wielowieyski	Member of the Committee (as from 9 December 2011 delegated to temporarily perform the duties of the Management Board Member)
Janusz Zieliński	Member of the Committee

In 2011 the Audit Committee held 15 minuted meetings, including 2 joint meetings held with the Nomination and Remuneration Committee.

In accordance with the provisions of § 13 item 5 of the Constitution of the Supervisory Board, the Audit Committee passed decisions by way of resolutions (6 resolutions).

Apart from its members, the meetings of the Audit Committee were attended by other members of the Supervisory Board. Proceedings were also open to members of the Management Board, with the exception of personnel matters. The Management Board was usually represented by its member competent for the issue discussed by the Committee. Moreover, the Audit Committee and its respective members had direct meetings with employees of the Company and with the certified auditor.

Scope of activities of the Audit Committee

Pursuant to § 15 of the Constitution of the Supervisory Board, the duty of the Audit Committee is to advise the Supervisory Board on appropriate implementation of the principles of budget and financial reporting, and internal control in the Company and the Capital Group of PKN ORLEN (according to the Accountancy Act), and to cooperate with the Company's certified auditors.

The measures applied by the Audit Committee included:

a) monitoring the work of the Company's certified auditors and making recommendations to the Supervisory Board concerning the selection and remuneration of the Company's certified auditors

The Audit Committee monitored the works of the certified auditor on an ongoing basis and provided its positive opinion on the audits carried out by the certified auditor and on their professionalism, flexibility and availability while providing services to PKN ORLEN.

Moreover, the Audit Committee examined motions from the Management Board concerning approval of additional orders for the Auditor.

b) prior to auditing annual financial statements, discussing with the Company's certified auditors the character and scope of such audit, and monitoring the coordination of work between the Company's Certified Auditors

Within its competencies, the Audit Committee provided the certified auditor with instructions which in its opinion should be taken into account in development of the annual audit report of PKN ORLEN S.A.

c) revising periodic and annual (stand-alone and consolidated) financial statements of the Company

Prior to publication of each periodic report, as well as annual stand-alone and consolidated financial statements of PKN ORLEN S.A., the Audit Committee held meetings participated by the Vice-President of the Management Board, CFO and the Executive Director, Planning and Reporting, as well as the Company's certified auditors in order to carefully review and analyse such reports.

d) discussing any problems or reservations arising from the audit of financial statements

The Audit Committee regularly investigated any problems reported by the Company's certified auditor, and expressed its opinions and recommendations to the Management Board of PKN ORLEN S.A.

e) analysing the letter to the Management Board prepared by the Company's certified auditor, with a view to verifying the independence and objectivity of their examination, and the Management Board's reply.

The Audit Committee read "The Auditor's Letter to the Management Board of PKN ORLEN S.A." and analysed selected issues. In agreement with the Audit Office, it determined the process of monitoring implementation of the certified auditor's recommendations.

f) providing opinions on annual and long-term financial plans

The Audit Committee analysed in quarterly cycles the obtained results of the PKN ORLEN Capital Group against the planned values.

g) providing opinions on dividend policy, profit allocation and issuance of securities

The Audit Committee, having analysed the motion of the Management Board submitted to the Supervisory Board regarding the allocation of profit for the financial year 2010, provided a positive opinion on the said motion.

h) revising the management accounting

The Audit Committee discussed the changes introduced to the Accounting Policy in PKN ORLEN S.A. Moreover, it studied the report of the certified auditor on the implementation of the procedures for calculation of the quantitative indicators resulting from the MBO Regulations for the Members of the Company's Management Board for the financial year ending on 31 December 2010 and quantified MBO quantitative objectives for the members of the Management Board of PKN ORLEN S.A. for 2012, and then recommended the same to the Supervisory Board.

i) revision of the internal control system in PKN ORLEN Capital Group, including the mechanisms of financial and operational control, controlling compliance with applicable regulations, and risk assessment and management control

The Audit Committee discussed the proposed concept of functioning of the audit area within the Company and the enterprise risk management (ERM) system.

j) analysing reports of the Company's internal auditors and key observations of other internal analysts, and replies of the Management Board to such observations, together with testing the level of independence of internal auditors

The Audit Committee conducted periodic analyses of the reports on the progress of implementation of recommendations, on summaries of observations and on the conclusions drawn from audits conducted by internal auditing services and issued by a certified auditor.

k) revising the internal audit programme on an annual basis, coordinating the works of internal and external auditors and examining the conditions of the operations of internal auditors

The Audit Committee selected an external auditor to audit and assess the quality of internal audit in PKN ORLEN S.A. and studied the report from the audit.

Moreover, the Audit Committee provided its opinion on the Audit Plan for 2012 and recommended its adoption to the Supervisory Board.

l) cooperating with the Company's internal units responsible for audit and control, and providing an opinion on their works on a periodical basis

The Audit Committee performed a periodical assessment of the work of the Audit Office, analysing provided information on procedures and audits conducted and completed in 2011.

m) analysing any other issues related to the Company's audit raised by the Audit Committee or the Supervisory Board

In 2011 the Audit Committee also examined the following issues concerning the functioning and activity of the Capital Group companies:

- became familiar with the information regarding settlement of sales transaction and ticketing of mandatory stocks;
- discussed, in six-month periods, reports from major court and arbitration proceedings with the participation of PKN ORLEN S.A.;

n) informing the Supervisory Board about any essential issues concerning Audit

Committee's activities

- The Audit Committee expressed its recommendations to the PKN ORLEN Supervisory Board concerning the issues falling within the scope of the Committee's activities and discussed during the Supervisory Board's meetings.

Strategy and Development Committee

In the period from 1 January to 31 December 2011, the composition of the Strategy and Development Committee of the Supervisory Board of PKN ORLEN S.A. did not change and consisted of the following members:

Marek Karabuła	Chairman of the Committee
Krzysztof Kołach	Member of the Committee
Leszek Pawłowicz	Member of the Committee
Piotr Wielowieyski	Member of the Committee (as from 9 December 2011 delegated to temporarily perform the duties of the Management Board Member)
Janusz Zieliński	Member of the Committee

In 2011, the meeting of the Development and Strategy Committee was attended, apart from its members, also by other members of the Supervisory Board, members of the Management Board and executive directors and office directors.

The area of the Nomination and Remuneration Committee activities is regulated by § 17 of the Constitution of the Supervisory Board pursuant to which the Committee is responsible for giving opinions and presenting recommendations to the Supervisory Board on matters regarding planned investments and disinvestments having significant influence on the Company's assets.

Within the area of its activities in 2011, the Corporate Governance Committee discussed the stage of implementation of investments currently undertaken in PKN ORLEN, ORLEN Lietuva and GK Unipetrolin, then discussed planned capital expenditure in PKN ORLEN Capital Group for the years 2012-2016, paying attention to activities aimed at improvement of results and efficiency and completion of the most important investment projects, as well as development initiatives focusing in the coming years on significant increase of the Company's value.

Corporate Governance Committee

In the period from 1 January to 31 December 2011, the composition of the Corporate Governance Committee of the Supervisory Board of PKN ORLEN S.A. did not change and consisted of the following members:

Angelina Sarota	Chairman of the Committee
Grzegorz Borowiec	Member of the Committee
Maciej Mataczyński	Member of the Committee

In 2011, the Corporate Governance Committee held five minuted meetings attended, apart from its members, also by members of the Supervisory Board, members of the Management Board, the Company's Counsel and Directors of Offices.

The area of the Nomination and Remuneration Committee activities is regulated by § 16 of the Constitution of the Supervisory Board in accordance with which the Committee is responsible for presenting recommendations on the implementation of the corporate governance principles, assessing the implementation of the corporate governance principles, providing opinions on the standard documentation and proposals on amendments to the Company's corporate regulations, and also preparing such amendments for the Supervisory Board's own documents, monitoring the management of the Company in terms of its compliance with law and regulations, including compliance with the Code of Ethics and corporate governance principles, and also assessing reports on the observance of the corporate governance principles prepared for the Warsaw Stock Exchange.

Within the area of its activities in 2011, the Corporate Governance Committee :

- recommended to the Supervisory Board to accept the Report on applying good practices in the capital market in 2010;
- provided its opinion on the motion of the Management Board regarding amendments to the Articles of Association of PKN ORLEN S.A., Rules of Procedure for the General Shareholders Meeting and the Constitution of the Management Board of PKN ORLEN S.A.;
- provided its opinion on the motion of the Management Board regarding amendments to the Articles of Association of Unipetrol a.s., Polkomtel S.A and Anwil S.A.

Nomination and Remuneration Committee

In the period from 1 January to 31 December 2011, the composition of the Nomination and Remuneration Committee of the Supervisory Board of PKN ORLEN S.A. did not change and consisted of the following members:

Maciej Mataczyński	Chairman of the Committee
Grzegorz Borowiec	Member of the Committee
Krzysztof Kołach	Member of the Committee
Artur Gabor	Member of the Committee

In 2011, the Nomination and Remuneration Committee held 8 minuted meetings, including 2 joint meeting held with the Audit Committee.

In 2010, the meetings of the Nomination and Remuneration Committee were attended, apart from its members, also by other members of the Supervisory Board and members of the Management Board.

The area of the Nomination and Remuneration Committee activities is regulated by § 18 of the Constitution of the Supervisory Board, according to which the Nomination and Remuneration Committee is responsible for supporting the fulfilment of the Company's strategic objectives by submitting to the Supervisory Board opinions and motions relating to the development of the management structure, including organisational solutions, remuneration system and selection of qualified personnel to ensure the Company's success.

Within the area of its activities in 2011, the Nomination and Remuneration Committee :

- provided its opinion on the implementation of individual bonus qualitative tasks by the Management Board Members in 2010;
- familiarised itself with written replies of HR advisers to the requests for information addressed to them by the PKN ORLEN S.A. Supervisory Board and regarding advisory services in respect of the procedure for the election of the Company's President of the Management Board and the Management Board members;
- familiarised itself with the applications of candidates in the competition for respective positions of members of the Company's Management Board and selected the candidates who were referred to the HR adviser for assessment;
- familiarised itself with the HR adviser's reports on the candidates who underwent competence examination and assessment;
- recommended to the Supervisory Board the presentation of the shortlist of candidates for the positions of the Company's President, Vice-President and Management Board members for the new term;
- discussed the profiles of candidates for the position of the Vice-President of the Management Board, Upstream prepared by the HR adviser and interviewed the selected candidates;
- prepared a recommendation for the Supervisory Board in the scope of proposal of qualitative objectives for the Management Board for 2012.

IV. OPINION ON THE FINANCIAL STATEMENTS AND THE REPORT OF THE MANAGEMENT BOARD

The Supervisory Board, acting pursuant to Article 382 § 3 of the Commercial Companies Code and § 8 item 11 point 6 of the Company's Articles of Association in conjunction with Article 395 § 2 point 1 of the Commercial Companies Code and Article 45 and 53 item 1 of the Accountancy Act and § 7 item 7 point 1 of the Company's Articles of Association, has provided its positive opinion on:

1. report of the Company's Management Board on the activities of Polski Koncern Naftowy ORLEN Spółka Akcyjna for the financial year ended on 31 December 2011;
2. stand-alone financial statements of Polski Koncern Naftowy ORLEN Spółka Akcyjna for the year ended on 31 December 2011, including the following items verified by a certified auditor:
 - stand-alone statement of financial position as at 31 December 2011 presenting the total balance of assets, equity and liabilities in the amount of PLN 45,869,082,492.78 (in words: forty five billion eight hundred and sixty nine million eighty two thousand four hundred and ninety two Polish zlotys, 78/100);
 - stand-alone income statement (included in the report on total income) for the period from 1 January 2011 to 31 December 2011 presenting a net profit of PLN 1,386,165,827.51 (in words: one billion three hundred and eighty six million one hundred and sixty five thousand eight hundred and twenty seven Polish zlotys, 51/100);

- additional information including the introduction to the stand-alone financial statements and additional notes and explanations;
- stand-alone statement of changes in equity presenting an increase in the equity as at 31 December 2011 of PLN 1,307,674,528.86 (in words: one billion three hundred and seven million six hundred seventy four thousand five hundred and twenty eight PLN, 86/100);
- stand-alone cash flow statement presenting an increase in the net cash and cash equivalents of PLN 2,895,166,712.06 (in words: two billion eight hundred and ninety five million one hundred and sixty six thousand seven hundred and twelve Polish zlotys, 6/100).

Having considered the opinion and the report of the certified auditor and also having thoroughly examined the aforementioned documents, in the opinion of the Supervisory Board, the financial statements of PKN ORLEN S.A. for 2011 and the report of the Management Board on the Company's activities are compliant with books, records and facts.

The Supervisory Board, acting pursuant to § 8 item 11 point 6a of the Commercial Companies Code in conjunction with Article 395 § 5 of the Commercial Companies Code and Article 55 and Article 63c item 4 of the Accountancy Act in conjunction with § 7 item 7 point 1 of the Company's Articles of Association, has provided its positive opinion on:

1. report of the Management Board on the activities of **ORLEN Capital Group** for the year ended on 31 December 2011;
2. consolidated financial statements of **ORLEN Capital Group** for the year ended on 31 December 2011, including the following items verified by a certified auditor:
 - consolidated statement of financial position as at 31 December 2011 presenting the total balance of assets, equity and liabilities in the amount of PLN 58,731,478,454.14 (in words: fifty eight billion seven hundred and thirty one million four hundred and seventy eight thousand four hundred and fifty four Polish zlotys, 14/100);
 - consolidated income statement (included in the report on total income) for the period from 1 January 2011 to 31 December 2011 presenting a net profit of PLN 2,015,002,748.88 (in words: two billion fifteen million two thousand seven hundred and forty eight Polish zlotys, 88/100);
 - additional information including the introduction to the consolidated financial statements and additional notes and explanations;
 - consolidated statement of changes in equity presenting an increase in the equity as at 31 December 2011 of PLN 2,558,729,764.17 (in words: two billion five hundred and fifty eight million seven hundred and twenty nine thousand seven hundred and sixty four Polish zlotys, 17/100);

- consolidated cash flow statement presenting an increase in the net cash and cash equivalents of PLN 2,590,502,062.17 (in words: two billion five hundred and ninety million five hundred and two thousand sixty two Polish zlotys, 17/100).

V. BRIEF ANALYSIS OF THE COMPANY'S CONDITION, INCLUDING EVALUATION OF THE COMPANY'S INTERNAL CONTROL SYSTEM AND KEY RISK MANAGEMENT SYSTEM.

Despite a difficult macroeconomic environment, ORLEN Group managed to increase sales volumes in 2011 across all operational segments in total by 3.7% to an all-time high level of over 35 million tonnes.

Increased sales volumes and rising crude oil prices affecting product quotations contributed to the growth of revenue from sales of ORLEN Group up to almost PLN 107 billion.

Due to the deterioration of the macroeconomic environment caused by the global crisis, in particular the growing pressures on refining and petrochemical margins, the Company recognised in other operating expenses of 2011 a PLN (-) 1.8 billion impairment due to loss on tangible assets, primarily at the Unipetrol and Anwil Groups.

As a result, ORLEN Group generated in 2011 PLN 2.1 billion operating profit.

After taking into account the effects of financing activities, including in particular profit from disposal of shares in Polkomtel S.A. and revaluation of foreign currency loans in the amount of PLN 0.3 billion and tax burdens, the Group generated net profit of PLN 2.0 billion.

In 2011 ORLEN Group continued consistent implementation of its strategy aimed at increased efficiency, further development of core business segments, debt reduction and divestments of non-core business assets as well as development of upstream and energy segment.

Measures to improve efficiency concentrated on maintenance of operational efficiency, further asset integration and segment management. Overhaul downtimes in 2011 of key refinery units in PKN ORLEN, cyclical overhaul downtime in Unipetrol Group and partial overhaul of the refinery in Lithuania were aimed at their modernisation, increased yields and reliability.

Moreover, HON VII and PX/PTA units were completed and accepted for use, which resulted in increased crude oil processing capacity of ORLEN Group by over 1 million tonnes year on year and allowed to extend the trade offer of the petrochemical segment with a new product – PTA.

In 2011, long-term agreements refinancing ORLEN Group debt were concluded, for the value of almost EUR 3 billion. As part of reorganization of ORLEN Group structure, the sale of shares of Polkomtel S.A. for PLN 3.7 billion was completed.

As a result, net debt of ORLEN Group decreased as at the end of 2011 to PLN 7.6 billion, and net financial leverage was 30%. Covenant included in loan agreements (net debt/(EBITDA + dividend from Polkomtel S.A.)) reached as at the end of 2011 a safe level of 1.62.

In 2011, as part of the third pillar of the implemented strategy, numerous activities were carried out towards development of the multi-utility company, continuing activities in the energy and upstream sector.

Necessary environmental decisions and the building permit were obtained and the agreement for connection to the gas network was concluded in connection with the construction of the CCGT unit

in Włocławek

In 2011 much attention was paid to the appraisal of unconventional gas deposits in Poland (shale gas). One well was completed and the second appraisal vertical well was initiated in the licence areas in the Lublin region. The Company also continued exploration of conventional deposits in the region, as well as in the Latvian shelf and in the Sieraków field, where the appraisal well was completed.

The Audit Committee of the Supervisory Board and the Supervisory Board evaluated the internal control system and risk management system in association with the Audit Office, which coordinates the work of internal audit in ORLEN Group. The Audit Office fulfils its tasks on the basis of annual audit plans, using cutting-edge risk identification and monitoring methods. In 2011, activities of the Audit Office were subject to independent evaluation of a certified auditor who confirmed that the applied procedures and practices fully comply with the International Standards for the Professional Practice of Internal Auditing and do not depart from the best global practices.

Besides the Audit Office, PKN ORLEN has the Control and Security Office, which provides the Audit Committee with regular reports outlining performed controls, with particular emphasis on discovered irregularities as well as post-control orders and recommendations. In 2011, documentation formats were updated and adapted to the ones used by the Audit Office, as well as with the aim to clearly describe the gradation of risk scale resulting from discovered irregularities.

Significant reduction of debt of PKN ORLEN and stable financial situation and operating results resulted in improved reliability of the Company on the financial market and contributed to improvement of rating perspective from negative to stable by Fitch and Moody's agencies.

Warsaw, April 2012

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Maciej Mataczyński
Chairman of the Supervisory Board
PKN ORLEN S.A.