



ORLEN

Polski Koncern Naftowy ORLEN
Spółka Akcyjna

**Motion of the Management Board of the Company to the Ordinary General Meeting of
Polski Koncern Naftowy ORLEN S.A.**

regarding:

**Recommendation on the distribution of net profit generated by the Company
in the financial year 2013**

Submitted on behalf of
the Management Board

Dariusz Jacek Krawiec

President of the Management
Board

Sławomir Jędrzejczyk

*Vice-President of the
Management Board
for Finances*

Introduction

Pursuant to Article 395 § 2 point 2 of the Commercial Companies Code and § 7 item 7 point 3 of the Articles of Association of the Company, the Management Board of Polski Koncern Naftowy ORLEN SA (PKN ORLEN) applies to the Shareholders of the Company to adopt the resolution on the distribution of profit for 2013 in the amount of PLN 617,684,481.47 PLN (in words: six hundred seventeen million six hundred eighty-four thousand four hundred eighty-one zloty 47/100) in the following manner:

- to allocate the amount of PLN 615,901,047.84 (in words: six hundred fifteen million nine hundred and one thousand and forty-seven Zloty 84/100) i.e. 3% of the average capitalisation of the Parent Company for 2013, for payment of dividends (PLN 1.44 per 1 share);
- to allocate the remaining amount of net profit, i.e. PLN 1,783,433.63 (in words: one million seven hundred eighty-three thousand four hundred thirty-three Zloty 63/100) for the supplementary capital of the Parent Company.

In 2013, despite the unfavourable macroeconomic conditions and unstable external environment, the Company continued an intensive programme of debt reduction and reduction in financial leverage and net debt / EBITDA. This allows to continue the process of regular dividend payments to shareholders, based on the amount of the average annual capitalisation of PKN ORLEN of 2013.

Recommendation

In accordance with the underlying principles of PKN ORLEN SA dividend policy, the dividend level depends on: i. average share price of the Company for the previous year, ii. the degree of strategic goals implementation, while maintaining the safe level of financial ratios of the PKN ORLEN SA Group (hereinafter PKN ORLEN Group), such as net financial leverage or the ratio of net debt/ operating profit increased by depreciation and amortisation (EBITDA), and iii. expectations with respect to the macroeconomic environment.

Taking into account average capitalisation of PKN ORLEN S.A. in 2013 (PLN 20,512,927 thous. and levels of financial leverage (20.40%) and net debt/EBITDA ratio (1.85) of PKN ORLEN Group, the Management Board of PKN ORLEN recommends to the Ordinary General Meeting to adopt the resolution regarding the distribution of net profit for 2013 in the amount of PLN 617,684,481.47 in the following manner:

- to allocate the amount of PLN 615,901,047.84 for payment of dividends (PLN 1.44 per 1 share),
- to allocate the remaining amount of net profit, i.e. 1,783,433.63 for the supplementary capital of the Parent Company.

Despite the persistent macroeconomic instability, the recommended dividend level should not disrupt implementation of the strategic directions of development and maintenance of financial ratios at a safe level.

The Management Board of the Company proposes to set the day of 16 June 2014 as the dividend day and the day of 8 July 2014 as the dividend payment date.