PKN ORLEN consolidated financial results 2Q19

19 July 2019

#ORLEN2Q19@PKN_ORLEN

Agenda

- Key facts and figures 2Q19
- Macro environment
- Financial and operating results
- Liquidity and investments
- Outlook for 2019

Key facts and figures 2Q19

Value creation

- EBITDA LIFO: PLN 2,7 bn
- Crude throughput: 8,3 mt, i.e. 94% utilisation ratio
- Sales volumes: 10,8 mt, i.e. increase by 2% (y/y)
- Crude oil delivery suspension via Druzba pipeline
- Diversification of crude oil supplies to Płock: another spot deliveries from Angola in 3Q19
- Submission to the European Commission a final notification for the approval to takeover Grupa LOTOS

People

- Metathesis installation start-up in Płock: strengthening of leader position in propylene market
- ORLEN Group 2018 Integrated Report:

  https://raportzintegrowany2018.orlen.pl/en
- VERVA Street Racing: 24-25 August in Gdynia

Financial strength

- Cash flow from operations: PLN 3,5 bn
- CAPEX: PLN 1,0 bn
- Net debt: PLN 2,4 bn / financial gearing: 6,6%
- Ordinary General Meeting of PKN ORLEN approved a dividend level for 2018 recommended by Management Board in the amount of 3,50 PLN/share

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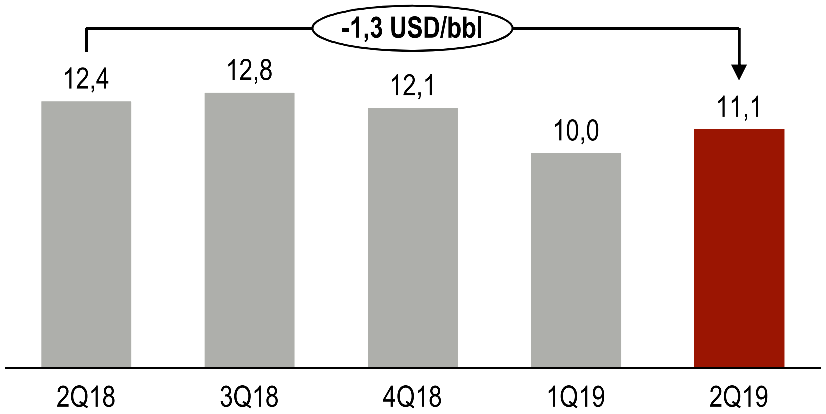
Macro environment in 2Q19 (y/y)

Downstream margin decrease

Model downstream margin, USD/bbl



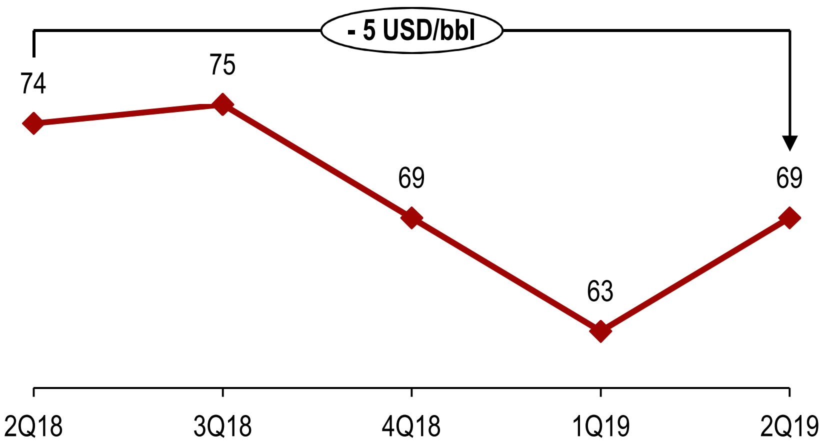
Product slate of downstream margin

Crack margins

Refining products (USD/t)	2Q18	1Q19	2Q19	Δ (y/y)
Diesel	97	113	92	-5%
Gasoline	160	77	163	2%
HSFO	-163	-102	-136	17%
SN 150	176	146	67	-62%
Petrochemical products (EUR/t)				
Ethylene	630	578	593	-6%
Propylene	503	516	511	2%
Benzene	255	103	174	-32%
PX	362	534	487	35%

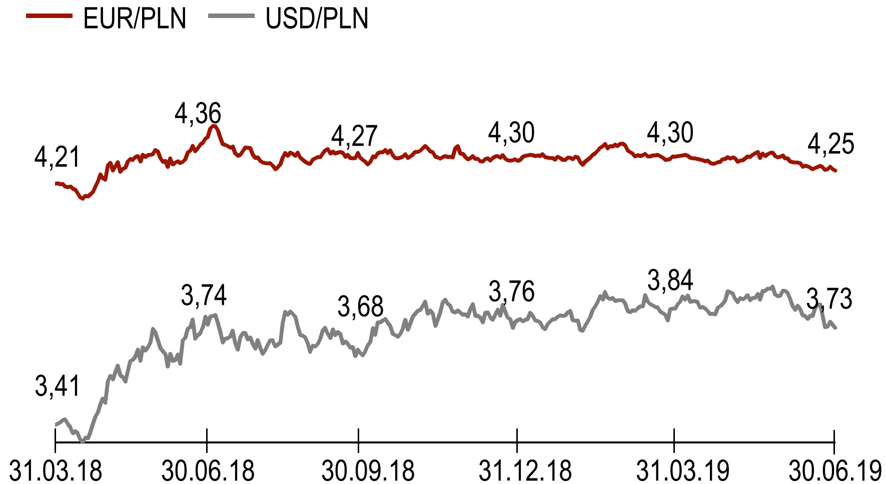
Crude oil price decrease

Average Brent crude oil price, USD/bbl



Weakening of average PLN to USD and EUR

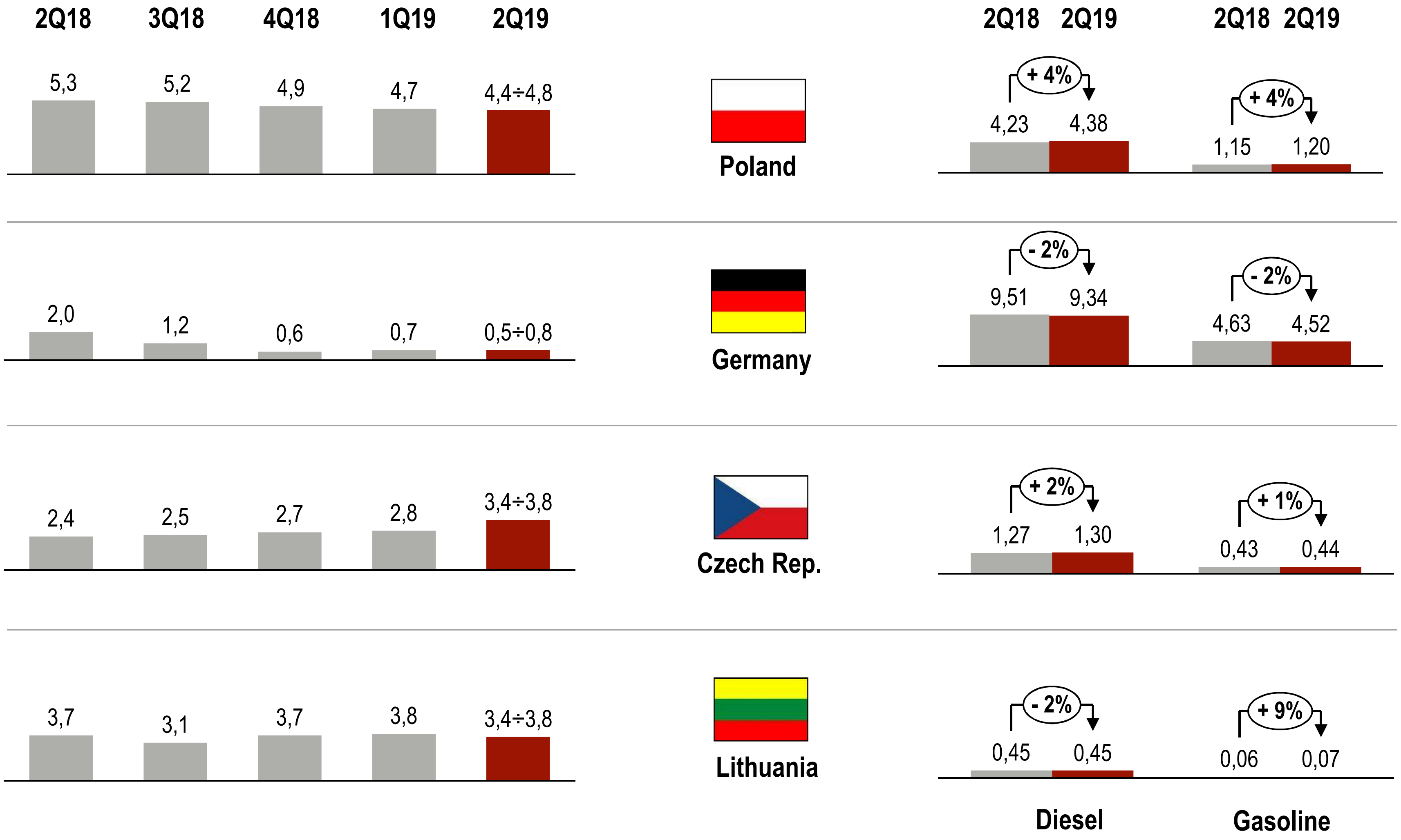
USD/PLN and EUR/PLN exchange rate



High dynamics of fuel consumption in Poland

GDP increase[1]
Change % (y/y)

Fuel consumption (diesel, gasoline)[2]
mt



[1] Poland – Statistical Office / not unseasonal data, (Germany, Lithuania) – Eurostat / not unseasonal data, the Czech Rep. – Statistical Office / unseasonal data, 2Q19 – estimates.
[2] 2Q19 – PKN ORLEN estimates based on available data from ARE, Lithuanian Statistical Office, Czech Statistical Office and German Association of Petroleum Industry

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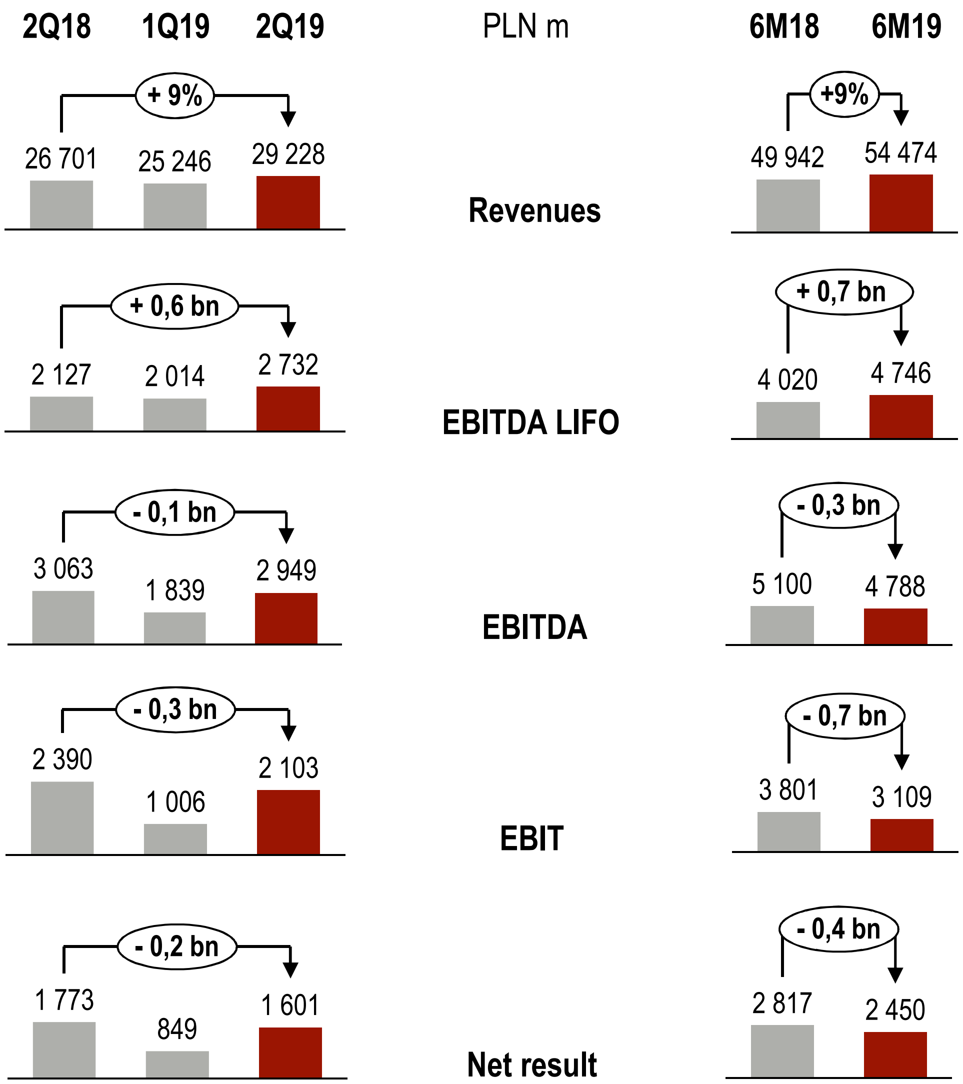
Financial results in 2Q19



Revenues: increase by 9% (y/y) mainly due to higher sales volumes.

EBITDA LIFO: increase by PLN 0,6 bn (y/y) mainly due to positive effect of sales volumes increase, macro improvement and higher trade margins in wholesale and retail limited by negative impact of lack of compensations received in 2Q18, inventory revaluation (NRV) and higher overheads and labour costs.

LIFO effect: PLN 0,2 bn impact of crude oil price changes on inventories valuation.

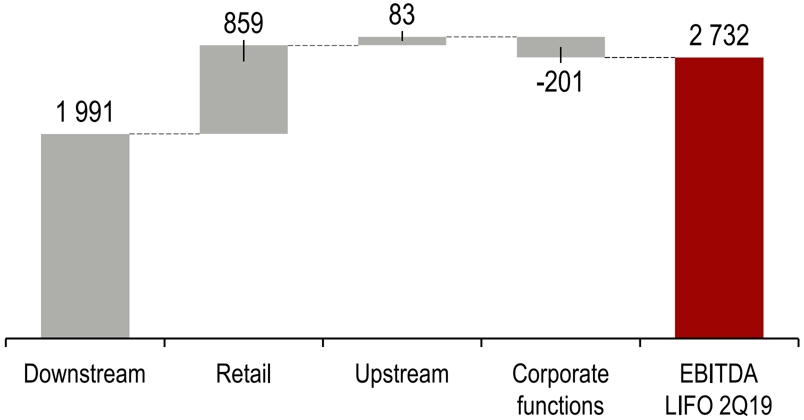
Financial result: positive net impact of FX differences and settlements of derivative financial instruments limited by interests costs.

Net result: decrease by PLN (-) 0,2 bn (y/y) to the level of PLN 1,6 bn.

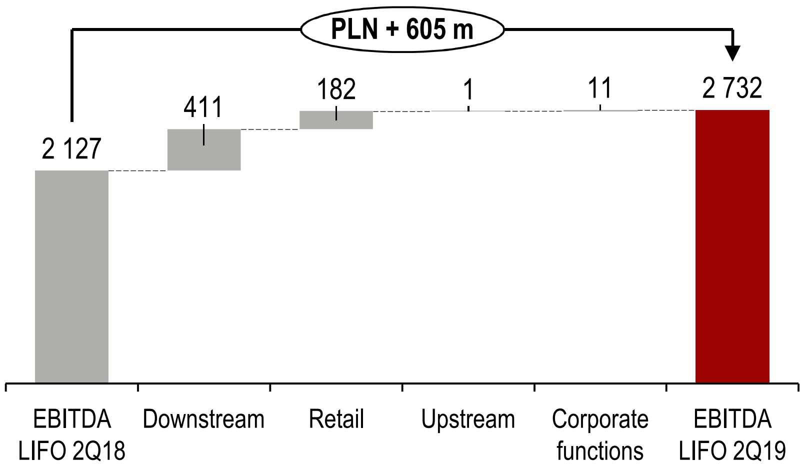
2Q19 results include PLN (-) 39 m of negative impact due to inventories revaluation (NRV)

EBITDA LIFO

Segments' results in 2Q19
PLN m



Change in segments' results (y/y)
PLN m



Downstream: positive macro impact, sales volumes increase and higher trade margins in wholesale (y/y), limited by negative effect of lack of compensation received in 2Q18, inventory revaluation (NRV) and higher overheads and labour costs (y/y).

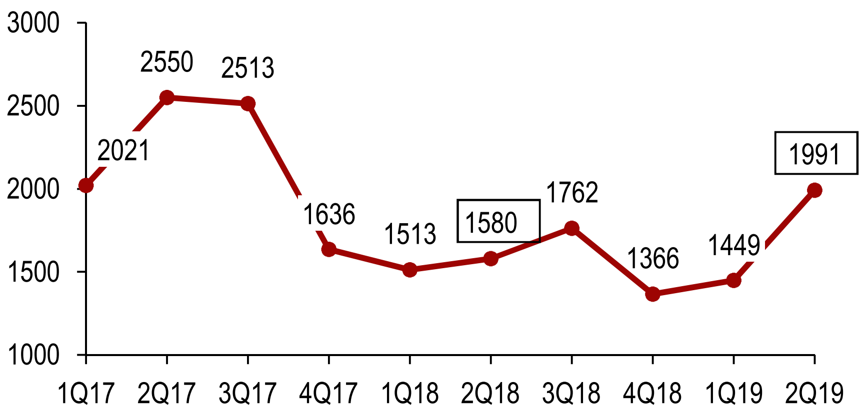
Retail: positive impact of higher sales volumes and higher fuel and non-fuel margins (y/y).

Upstream: negative impact of macro and lower sales volumes limited by positive balance on other operational activities, including settlement and valuation of derivative financial instruments (y/y).

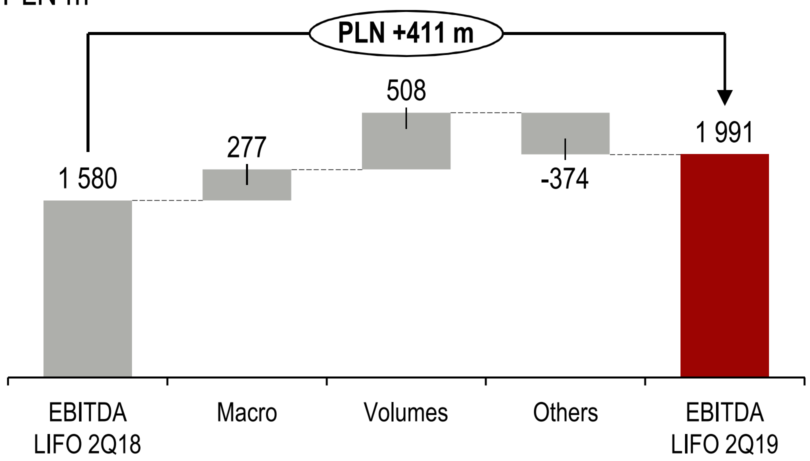
Corporate functions: comparable level of costs (y/y).

Downstream – EBITDA LIFO
Positive impact of macro and sales volumes

EBITDA LIFO
PLN m



EBITDA LIFO – impact of factors
PLN m



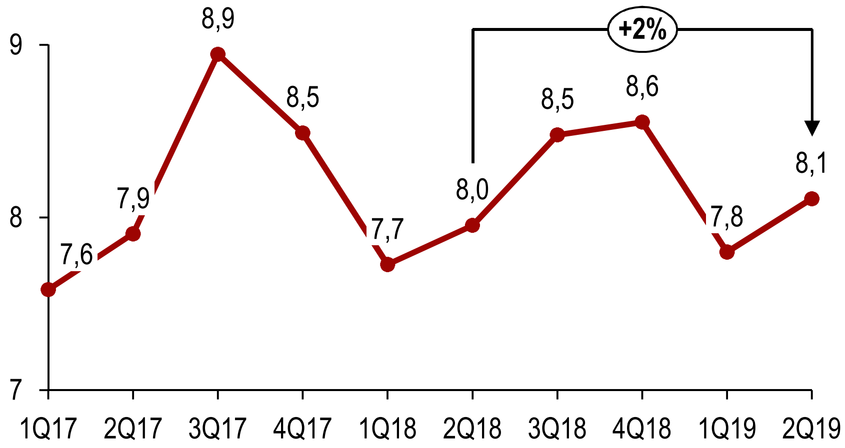
- Positive macro impact (y/y) due to refining margins improvement on light and heavy fractions, higher petrochemical margins on olefins, polyolefins, PTA and fertilisers and natural gas prices decrease what positively impacted on cogeneration energy profitability, as well as weakening of PLN against foreign currencies. Abovementioned positive effect was partially limited by lower by (-) 1,7 USD/bbl of Brent/Ural differential and worsening of margins on middle distillates and PVC.
- Sales volumes increase by 2% (y/y), of which:
  - higher sales (y/y): gasoline by 11%, diesel by 2%, olefins by 30% and PTA by 10%
  - lower sales (y/y): LPG by (-) 10%, polyolefins by (-) 3%, fertilisers by (-) 16% and PVC by (-) 6%.

- Others include mainly:
  - PLN (-) 0,2 bn due to lack of compensation received in 2Q18 for Steam Cracker in Unipetrol and for delay in CCGT Płock finalisation
  - PLN (-) 0,1 bn due to inventory revaluation (NRV)

Macro: margins and differential: PLN (-) 60 m, exchange rate PLN 21 m, hedging PLN 316 m

Downstream – operational data
High throughput despite suspension of supplies from Russia

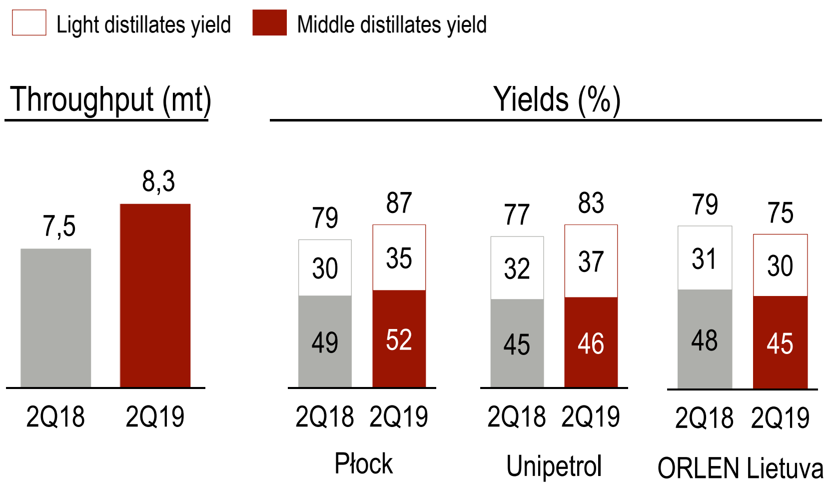
Sales volumes
mt



Utilisation ratio
%

Refineries	2Q18	1Q19	2Q19	Δ (y/y)
Płock	94%	101%	97%	3 pp
Unipetrol	75%	86%	87%	12 pp
ORLEN Lietuva	77%	88%	95%	18 pp
Petrochemical installations				
Olefins (Płock)	77%	91%	91%	14 pp
Olefins (Unipetrol)	89%	88%	86%	-3 pp
BOP	76%	85%	82%	6 pp

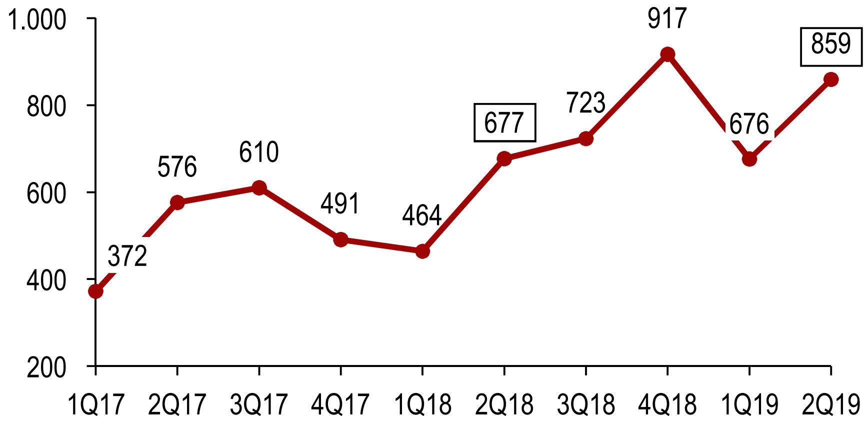
Crude oil throughput and fuel yield
mt, %



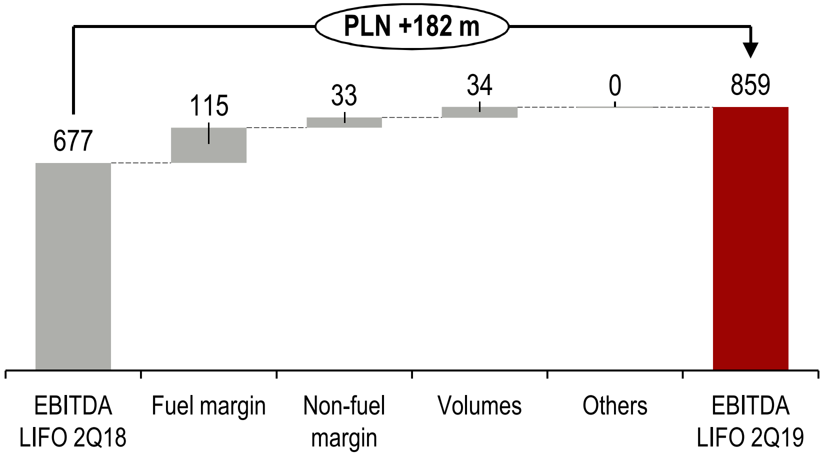
- Płock – higher fuel yield by 8 p.p. (y/y) as a result of higher share of low-sulphure crude oil and smaller scope of maintenance shutdowns.
- Unipetrol – fuel yield increase by 6 p.p. (y/y) due to lack of cyclical shutdown in Kralupy from 2018 and higher share of low-sulphur crude oil in feedstock.
- ORLEN Lietuva – lower fuel yield by (-) 4 p.p. (y/y) as a result of utilisation of semi-products in 2Q18 accumulated before cyclical shutdown of refinery.
- Poland – lower sales of heavy refining fractions and fertilisers at higher fuel volumes.
- Czech Republic – higher refining sales volumes limited by lower petrochemical products (installations shutdowns and market limitations).
- ORLEN Lietuva – higher sales volumes due to favourable market situation and PPF Splitter (propylene production).

Retail – EBITDA LIFO
Increase of sales volumes and retail margins

EBITDA LIFO
PLN m



EBITDA LIFO – impact of factors (y/y)
PLN m



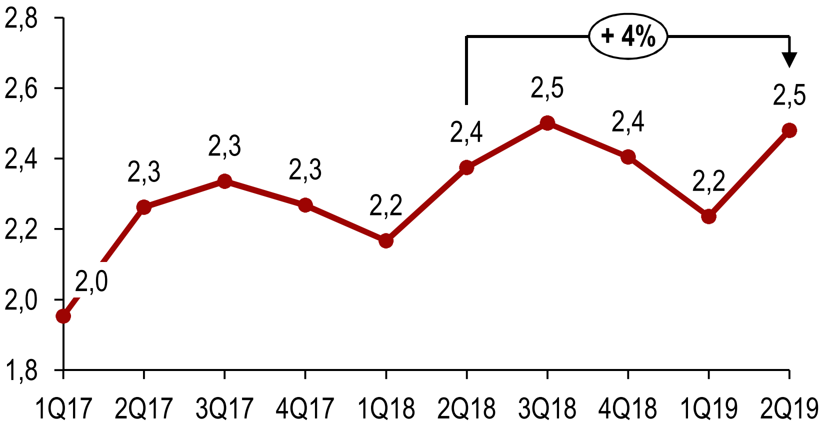
- Sales volumes increase by 4% (y/y).
- Market share increase in all markets (y/y).
- Fuel margin increase (y/y).
- Non-fuel margin increase in Polish market at comparable margins in Czech, German and Lithuanian markets (y/y).
- Dynamic growth of non-fuel offer: number of Stop Cafe/Star Connect coffee corners (including convenience stores branded O!SHOP) increased by 162 (y/y).

- Others include higher costs of running fuel stations related to the higher sales volumes (y/y) compensated by the optimisation of overheads.

Retail – operational data
Higher sales volumes and consistent development of non-fuel offer

ORLEN

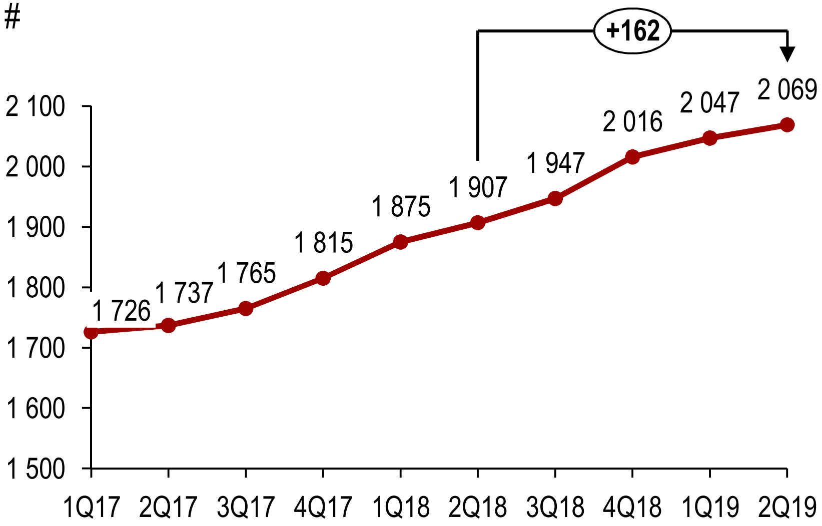
Sales volumes
mt



Number of petrol stations and market shares (by volume)
#, %

	# stations	Δ y/y	% market	Δ y/y
PL	1 779	8	34,2	0,3 pp
DE	584	3	6,5	0,3 pp
CZ	413	8	23,7	1,3 pp
LT	25	0	4,7	0,2 pp
SK	1	1	0,0	0,0 pp

Coffee corners and convenience stores
#

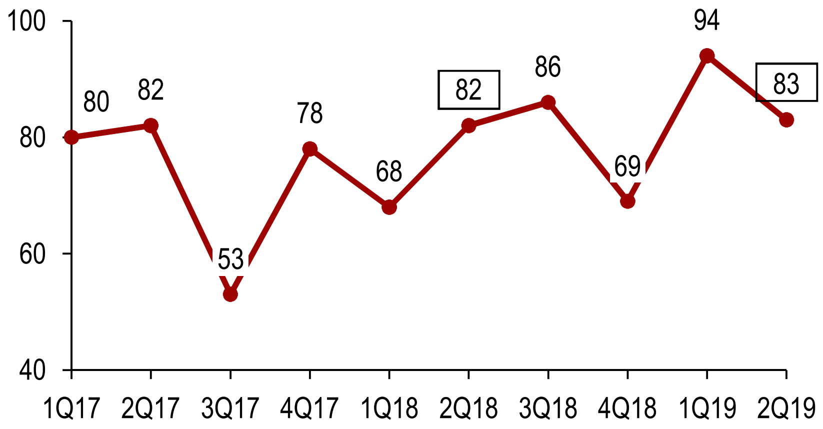


- Sales increase by 4% (y/y), of which: in Poland by 3%, in the Czech Rep. by 6%, in Lithuania by 2% and in Germany by 6%*.
- Market share increase in all markets (y/y). The highest increase in the Czech Rep. by 1,3 pp due to including all stations acquired from OMV into Benzina network.
- 2802 fuel stations at the end of 2Q19, i.e. increase by 20 (y/y), of which: in Poland by 8, in Germany by 3, in the Czech Rep. by 8 and Slovakia by 1 station.
- Growth of non-fuel offer in 2Q19 by launching another 22 locations. At the end of 2Q19 there were 2069 locations, of which: 1673 Stop Cafe in Poland (including 420 convenience stores branded O!SHOP), 282 Stop Cafe in the Czech Rep., 23 Stop Cafe in Lithuania and 91 Star Connect in Germany.

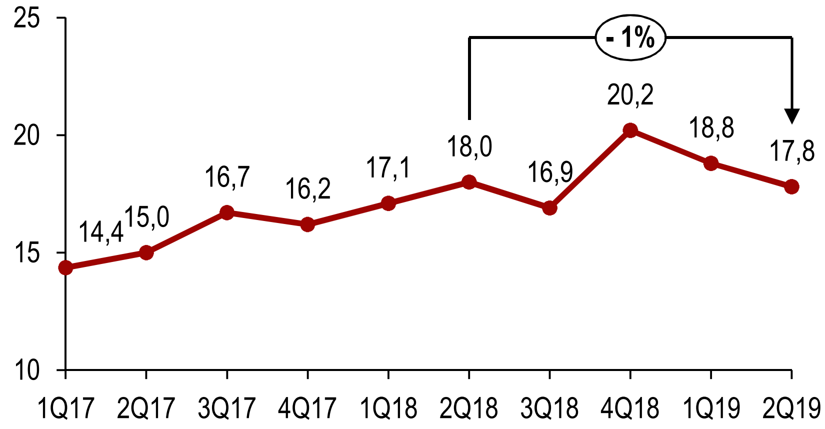
* Includes also increase of fuel sales beyond own petrol stations. Sales volumes on ORLEN Deutschland fuel stations increased by 4% (y/y)

Upstream – EBITDA LIFO
Negative impact of macro and lower sales volumes

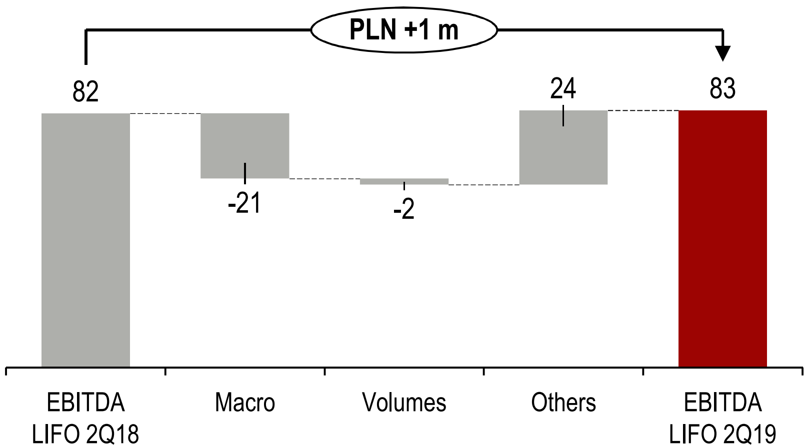
EBITDA LIFO
PLN m



Average production
th. boe/d



EBITDA LIFO – impact of factors
PLN m



- Others include mainly settlement and valuation of derivative financial instruments

- Negative macro impact due to decrease of crude oil, gas and NGL prices (y/y).
- Negative impact of lower sales volumes as a result of limited oil and gas production in Canada due to unplanned shutdowns. Average production decrease in Canada by (-) 0,2 th. boe/d (y/y) at comparable production in Poland (y/y).

Upstream

Poland

Total reserves of crude oil and gas (2P)

Ca. 13 m boe* (4% liquid hydrocarbons, 96% gas)

2Q19

Average production: 0,9 th. boe/d (100% gas)

EBITDA: PLN (-) 1 m

CAPEX: PLN 30 m

6M19

Average production: 0,9 th. boe/d (100% gas)

EBITDA: PLN 6 m

CAPEX: PLN 57 m

2Q19

- Continuation of drilling of Czarna Dolna-1 well (Bieszczady project).
- Start of drilling of Bystrowice-OU2 well (Miocen project).
- Preparatory works were carried out related to the construction of the square in order to start drilling of Bystrowice-OU3 well (Miocen project).
- The processing and acquisition of seismic data on Bystrowice II SWATH 3D (Miocen project) and Chełmno 3D (Edge project) were continued.

Canada

Total reserves of crude oil and gas (2P)

Ca. 198 m boe* (56% liquid hydrocarbons, 44% gas)

2Q19

Average production: 16,9 th. boe/d (46% liquid hydrocarbons)

EBITDA: PLN 83 m

CAPEX: PLN 89 m

6M19

Average production: 17,4 th. boe/d (48% liquid hydrocarbons)

EBITDA: PLN 169 m

CAPEX: PLN 209 m

2Q19

- Start of drilling of 1 well (0,8 net) in Kakwa area.
- 4 wells (3,2 net) in Kakwa area were fracted.
- 2 wells (1,6 net) in Ferrier area and 2 wells (1,6 net) in Kakwa area were included into production.

* Data as of 31.12.2018

Net – number of wells multiplied by percent of share in particular asset

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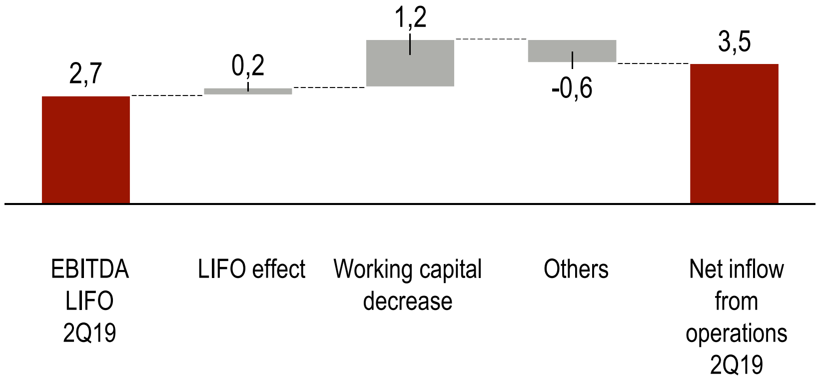
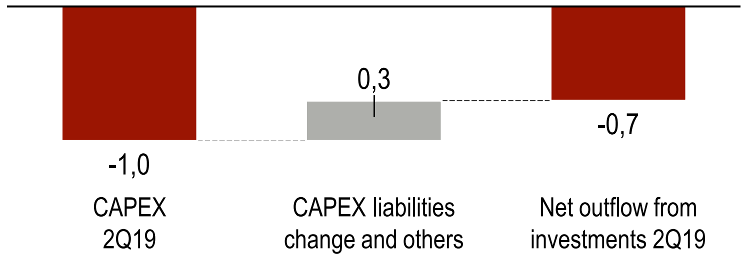
Cash flow

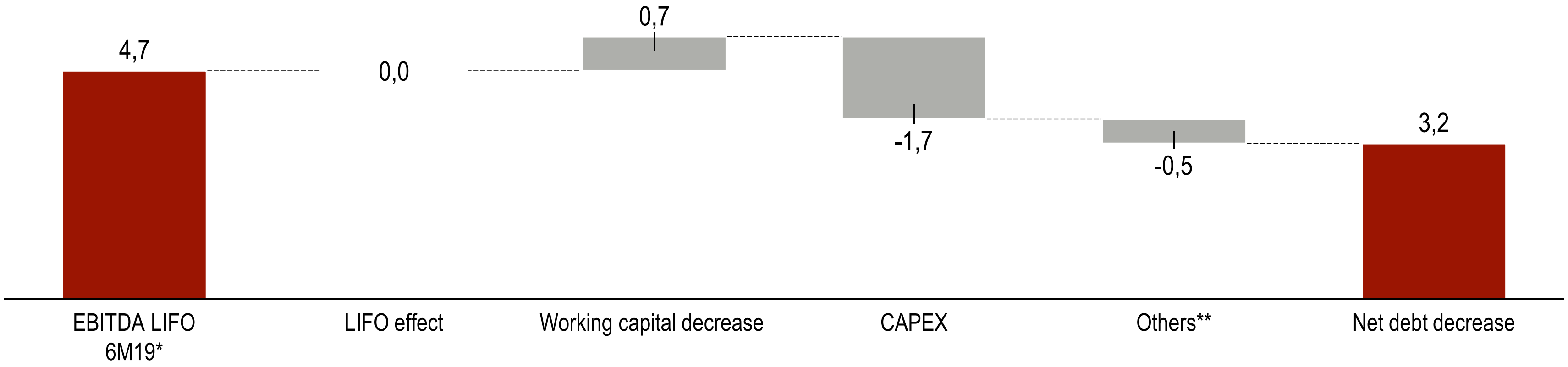
Cash flow from operations
PLN bn



Cash flow from investments
PLN bn



Free cash flow 6M19
PLN bn

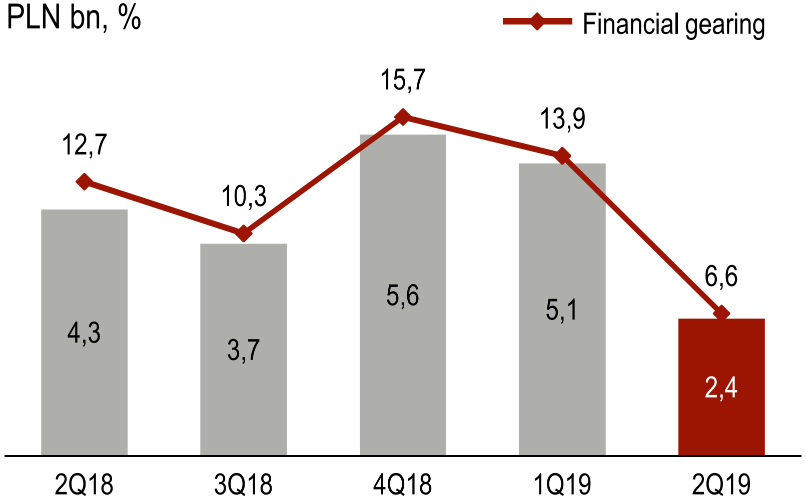


* includes PLN 0,2 bn of positive impact from inventories revaluation (NRV)

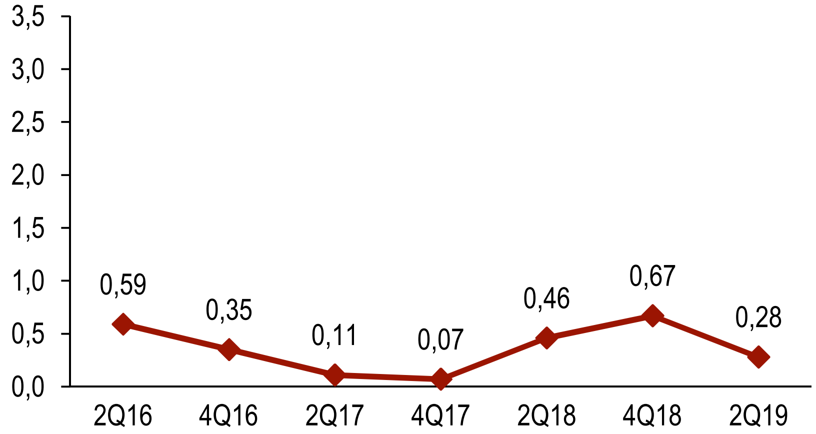
** mainly paid income tax, elimination of companies' results consolidated under equity method, FX differences (operational and related to debt) and paid interests

Financial strenght

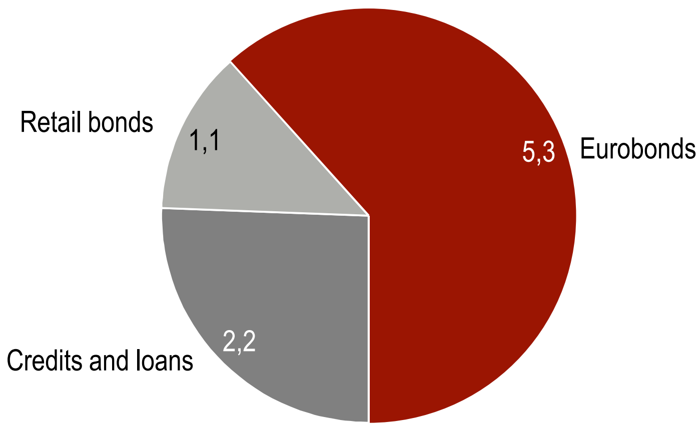
Net debt and gearing
PLN bn, %



Net debt/EBITDA LIFO



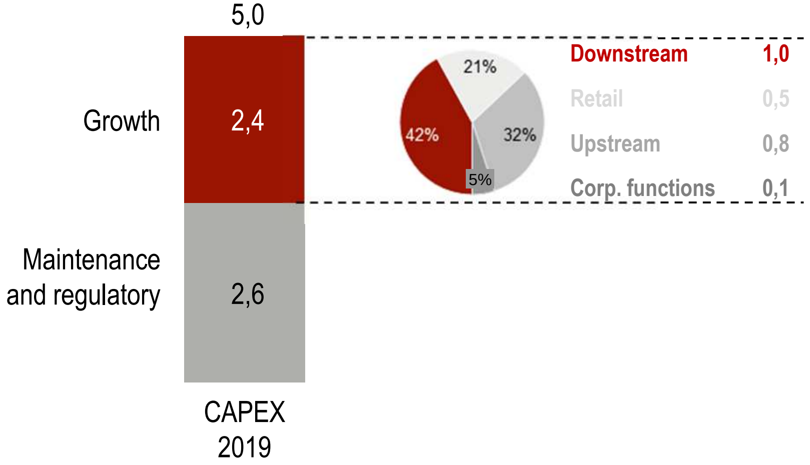
Diversified sources of financing (gross debt)
PLN bn



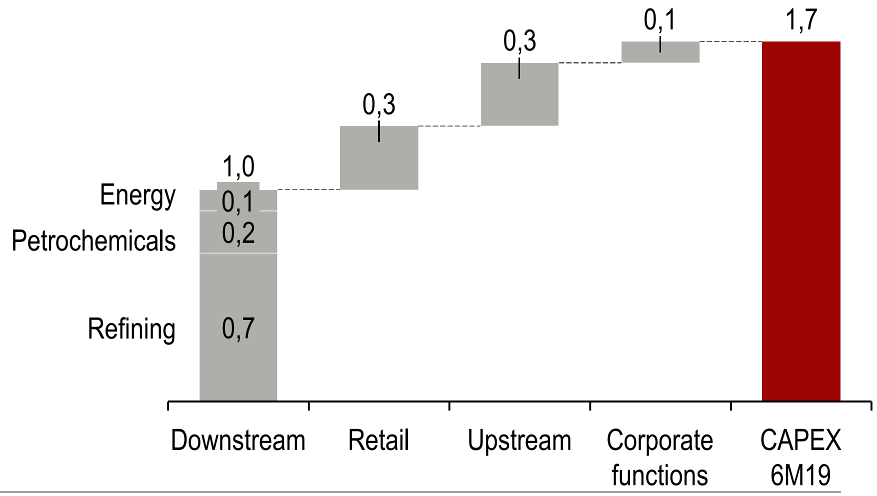
- Gross debt structure: EUR 86%, PLN 13%, CAD 1%.
- Average maturity in 2021.
- Investment grade: BBB- stable outlook(Fitch), Baa2 stable outlook (Moody's).
- Net debt decrease by PLN (-) 2,7 bn (q/q) mainly due to positive cash flow from operations of PLN 3,5 bn limited by net investments of PLN (-) 0,7 bn.
- Mandatory reserves on balance sheet as of the end of 2Q19 were at the level of PLN 5,3 bn, including PLN 4,7 bn in Poland.

CAPEX

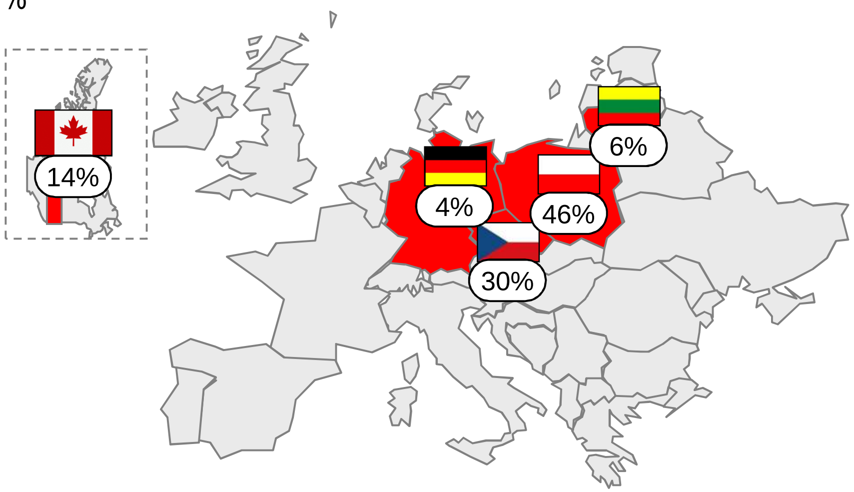
Planned CAPEX 2019
PLN bn, %



Realized CAPEX 6M19 – split by segment
PLN bn



Realized CAPEX 6M19 – split by country
%



Main growth projects realized in 2Q19

DOWNSTREAM
- Construction of Polyethylene Unit in the Czech Rep.
- Construction of Metathesis Unit in Płock
- Construction of PPF Splitter in Lithuania
- Underground storage projects in Poland

DETAL
- 6 fuel stations opened (including: 3 in Poland, 1 in Germany, 1 in Czech Rep. and 1 in Slovakia), 7 closed and 3 modernized
- 22 Stop Cafe/Star Connect locations opened (including convenience shops under the brand O!SHOP)

WYDOBYCIE
- Canada – PLN 89 m / Poland – PLN 30 m

* CAPEX 2Q19 amounted to PLN 994 m: refining PLN 441 m, petrochemicals PLN 114 m, energy PLN 69 m, retail PLN 192 m, upstream PLN 119 m, corporate functions PLN 59 m

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Outlook 2019

Macro

- Brent crude oil – expected to remain at comparable level to 2018 average.

  Expected negative pressure on crude oil price related to global economy slowdown and increase of production in the US will be offset by OPEC+ agreement regarding limitation of crude oil production which is extended by the end of March 2020, trade war between US and China, sanctions imposed by US on Iran and Venezuela and geopolitical situation at the Middle East.

- Downstream margin – expected to remain at comparable level to 2018 average.

  Expected increase of refining margins incl. B/U diff due to increase of demand for middle distillates and decrease of demand for Ural crude oil related to forthcoming IMO 2020 regulation. Positive impact of higher refining margin incl. B/U diff will be offset by decrease of petrochemical margins due to launching of new petrochemical production facilities based on cheaper feedstock. Expected further increase in fuels and petrochemical products consumption on domestic markets should support downstream margin.

Economy

- GDP forecast* – Poland 4,5%, Czech Rep. 2,5%, Lithuania 2,7%, Germany 0,8%.
- Fuel consumption – expected flat demand for gasoline and slight increase in diesel demand in the Czech Rep., Germany and Lithuania. In Poland, further increasing demand for both gasoline and diesel is expected.

Regulatory environment

- Limitation of Sunday trading – from 2019 shops in Poland are open only on last Sunday of the month. The trade ban does not apply to fuel stations.
- Emission fee – in force from 2019.
- National Index Target – base level of National Index Target for 2019 set on 8.0%. PKN ORLEN will be able to take advantage of the possibility to reduce the ratio to 5,58%.

* Poland (NBP, July 2019); Germany (RGE, May 2019); Czech Rep. (CNB, May 2019); Lithuania (LB, March 2019)

Thank you for your attention

For more information on PKN ORLEN, please contact Investor Relations Department:

phone: + 48 24 256 81 80

fax: + 48 24 367 77 11

e-mail: ir@orlen.pl

www.orlen.pl

Agenda

Supporting slides

Results – split by quarter

PLN m	2Q18	1Q19	2Q19	Δ (y/y)	6M18	6M19	Δ
Revenues	26 701	25 246	29 228	9%	49 942	54 474	9%
EBITDA LIFO	2 127	2 014	2 732	28%	4 020	4 746	18%
LIFO effect	936	-175	217	-77%	1 080	42	-96%
EBITDA	3 063	1 839	2 949	-4%	5 100	4 788	-6%
Depreciation	-673	-833	-846	-26%	-1 299	-1 679	-29%
EBIT LIFO	1 454	1 181	1 886	30%	2 721	3 067	13%
EBIT	2 390	1 006	2 103	-12%	3 801	3 109	-18%
Net result	1 773	849	1 601	-10%	2 817	2 450	-13%

Results – split by segment

2Q19 PLN m	Downstream	Retail	Upstream	Corporate functions	Total
EBITDA LIFO	1 991	859	83	-201	2 732
LIFO effect	217	-	-	-	217
EBITDA	2 208	859	83	-201	2 949
Depreciation	-589	-153	-66	-38	-846
EBIT	1 619	706	17	-239	2 103
EBIT LIFO	1 402	706	17	-239	1 886

2Q18 PLN m	Downstream	Retail	Upstream	Corporate functions	Total
EBITDA LIFO	1 580	677	82	-212	2 127
LIFO effect	936	-	-	-	936
EBITDA	2 516	677	82	-212	3 063
Depreciation	-451	-114	-82	-26	-673
EBIT	2 065	563	0	-238	2 390
EBIT LIFO	1 129	563	0	-238	1 454

EBITDA LIFO – split by segment

PLN m	2Q18	1Q19	2Q19	Δ (y/y)	6M18	6M19	Δ
Downstream	1 580	1 449	1 991	26%	3 093	3 440	11%
Retail	677	676	859	27%	1 141	1 535	35%
Upstream	82	94	83	1%	150	177	18%
Corporate functions	-212	-205	-201	5%	-364	-406	-12%
EBITDA LIFO	**2 127**	**2 014**	**2 732**	**28%**	**4 020**	**4 746**	**18%**

Results – split by company

2Q19 PLN m	PKN ORLEN S.A.	Unipetrol [2]	ORLEN Lietuva [2]	Others and consolidation corrections	Total
Revenues	22 768	5 691	5 308	-4 539	29 228
EBITDA LIFO	1 919	300	43	470	2 732
LIFO effect [1]	165	-21	68	5	217
EBITDA	2 084	279	111	475	2 949
Depreciation	-430	-186	-37	-193	-846
EBIT	1 654	93	74	282	2 103
EBIT LIFO	1 489	114	6	277	1 886
Financial income	731	13	-3	-519	222
Financial costs	-298	-20	3	131	-184
Net result	1 683	38	62	-182	1 601

[1] Calculated as a difference between operating profit acc. to LIFO and operating profit based on weighted average
[2] Presented data shows Unipetrol Group and ORLEN Lietuva results acc. to IFRS before taking into account adjustments made for PKN ORLEN consolidation

ORLEN Lietuva Group

PLN m	2Q18	1Q19	2Q19	Δ (y/y)	6M18	6M19	Δ
Revenues	4 622	4 359	5 308	15%	8 812	9 667	10%
EBITDA LIFO	113	206	43	-62%	169	249	47%
EBITDA	156	147	111	-29%	220	258	17%
EBIT	136	109	74	-46%	182	183	1%
Net result	101	113	62	-39%	141	175	24%

- Increase in sales revenues due to sales volumes increase by 13% (y/y) as a result of better utilisation, favourable market situation and launch of the PPF Splitter installation (propylene).
- Increase in throughput and higher utilisation by 18 pp (y/y) as a result of no maintenance shutdowns from 2Q18. Lower fuel yield by (-) 4 pp (y/y) as a result of not using semi-finished products stocked before cyclical maintenance shutdown as in 2Q18.
- EBITDA LIFO lower by PLN (-) 70 m (y/y) mainly due to revaluation of net realizable value (NRV) of PLN (-) 75 m (y/y) as a result of lower crude oil and products prices and negative impact of macro environment (decrease in B/U differential) at positive impact of higher sales volumes, trading margins and cash flows hedging transactions.
- CAPEX 2Q19: PLN 43 m.

UNIPETROL Group

PLN m	2Q18	1Q19	2Q19	Δ (y/y)	6M18	6M19	Δ
Revenues	5 186	4 843	5 691	10%	9 659	10 534	9%
EBITDA LIFO	393	150	300	-24%	640	450	-30%
EBITDA	564	165	279	-51%	790	444	-44%
EBIT	432	-20	93	-78%	533	73	-86%
Net result	483	-8	38	-92%	544	30	-94%

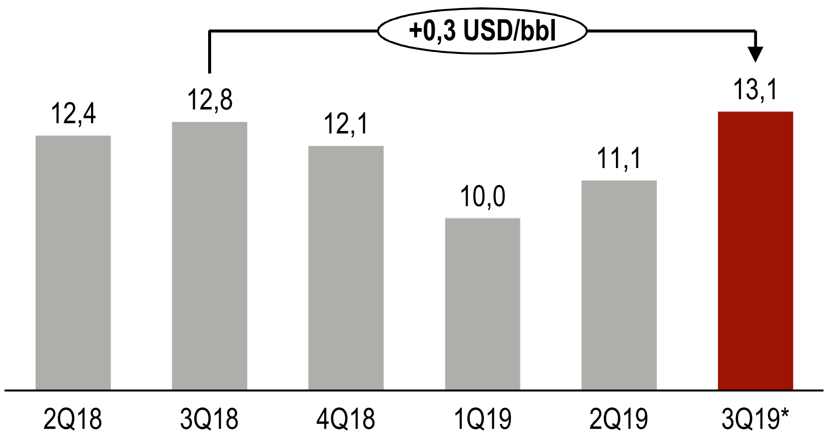
- Increase in sales revenues due to sales volumes increase by 6% (y/y) (higher sales of refining products and fuels in retail segment).
- Increased utilisation by 12 pp (y/y) and higher fuel yield by 6 pp (y/y) as a result of no cyclical maintenance shutdowns in Kralupy refinery as in 2Q18.
- EBITDA LIFO lower by PLN (-) 93 m (y/y) mainly as a result of negative impact of macro environment (decrease in B/U differential and middle distillates cracks) in refining, lower petchem sales volumes and no one-offs as received in 2Q18 compensation for the Steam Cracker failure, with positive impact of higher sales volumes (y/y) in refining and retail as well as higher trade margins.
- CAPEX 2Q19: PLN 336 mln.

Data before impairments of assets:
2Q19: PLN (-) 3 m / 2Q18: PLN (-) 4 m
1Q19: PLN (-) 5 m
6M19: PLN (-) 8 m / 6M18: PLN 1 m

Macro environment in 3Q19

Downstream margin increase

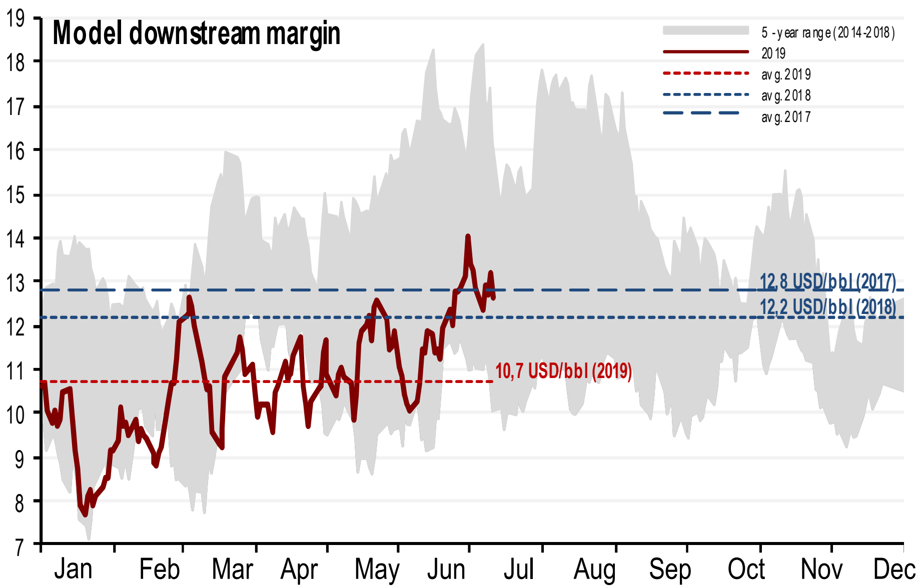
Model downstream margin, USD/bbl



Product slate of downstream margin

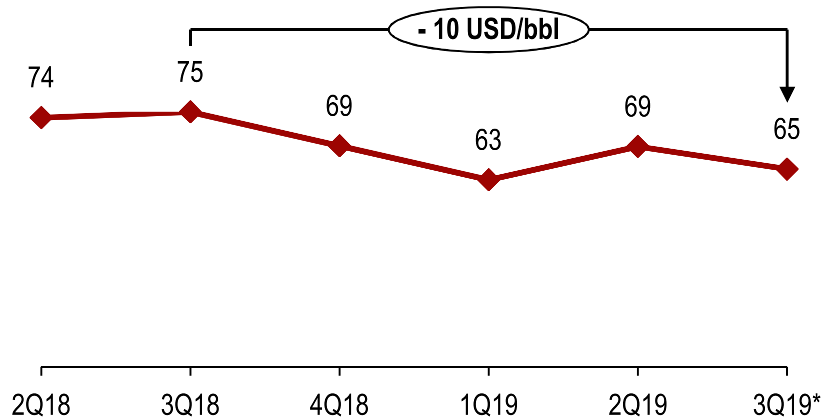
Crack margins

Refining products (USD/t)	3Q18	2Q19	3Q19*	Δ Q/Q	Δ Y/Y
Diesel	101	92	98	7%	-3%
Gasoline	171	163	169	4%	-1%
HSFO	-147	-136	-109	20%	26%
SN 150	164	67	96	43%	-41%
Petchem products (EUR/t)					
Ethylene	644	593	562	-5%	-13%
Propylene	552	511	472	-8%	-14%
Benzene	262	174	200	15%	-24%
PX	431	487	374	-23%	-13%



Crude oil price decrease

Average Brent crude oil price, USD/bbl

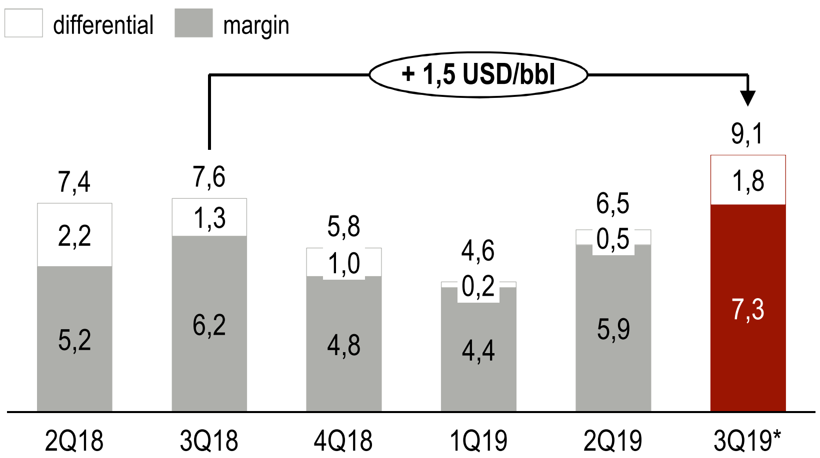


* Data as of 12.07.2019

Macro environment in 3Q19

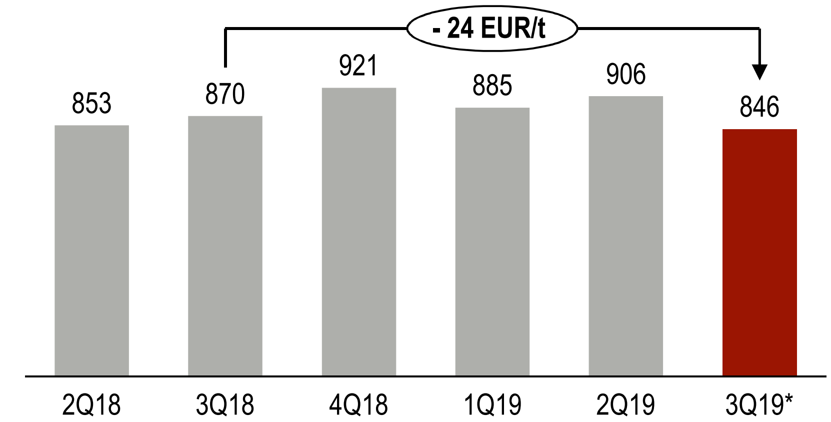
Refining margin with B/U differential increase

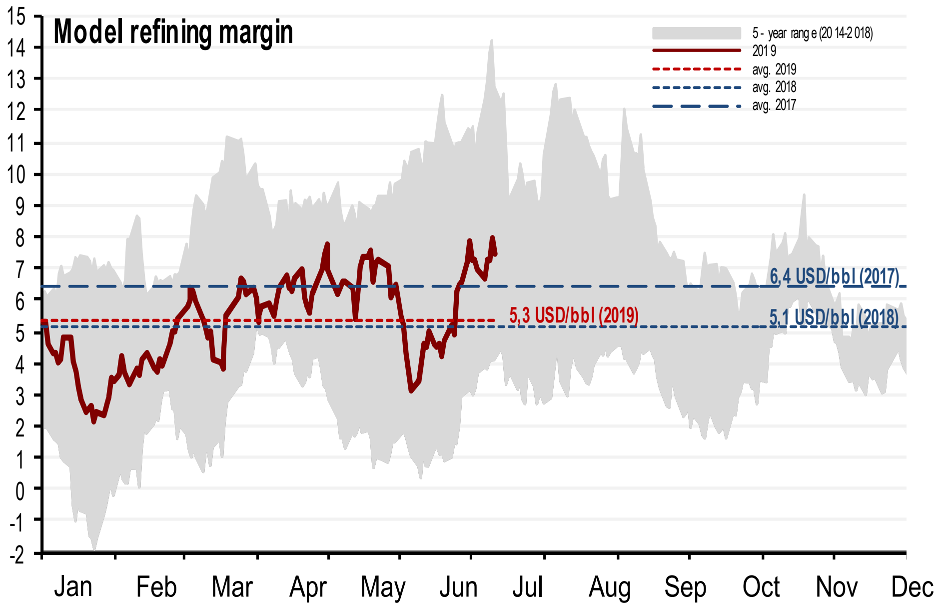
Model refining margin and Brent/Ural differential, USD/bbl

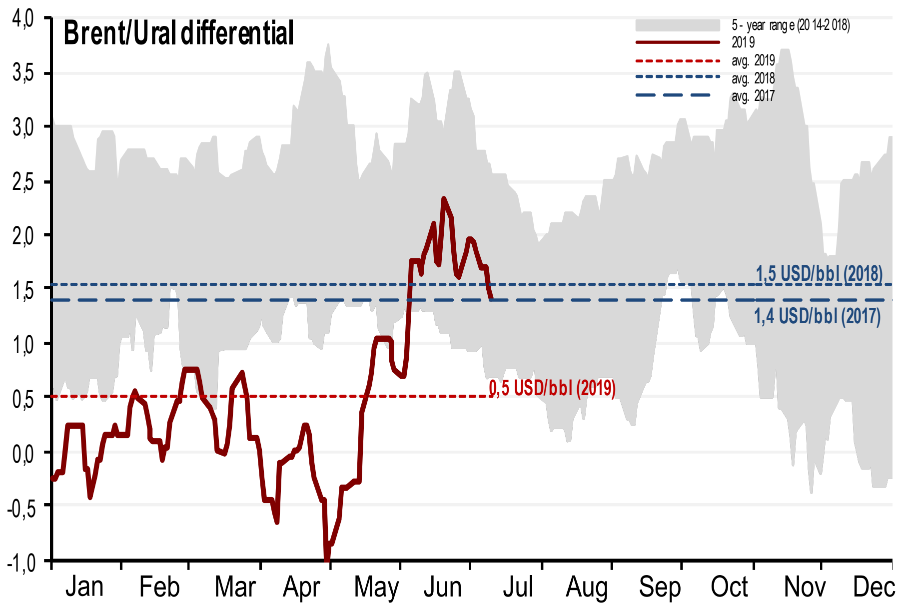


Petrochemical margin decrease

Model petrochemical margin, EUR/t







* Data as of 12.07.2019

Production data

	2Q18	1Q19	2Q19	Δ (y/y)	Δ (q/q)	6M18	6M19	Δ
Total crude oil throughput in PKN ORLEN (kt)	7 461	8 225	8 289	11%	1%	15 990	16 514	3%
Utilization	85%	95%	94%	9 pp	-1 pp	92%	95%	3 pp
Refinery in Poland [1]								
Processed crude (kt)	3 802	4 075	3 940	4%	-3%	7 923	3 940	-50%
Utilization	94%	101%	97%	3 pp	-4 pp	98%	97%	-1 pp
Fuel yield [4]	79%	82%	87%	8 pp	5 pp	81%	87%	6 pp
Light distillates yield [5]	30%	33%	35%	5 pp	2 pp	32%	35%	3 pp
Middle distillates yield [6]	49%	49%	52%	3 pp	3 pp	49%	52%	3 pp
Refineries in the Czech Rep. [2]								
Processed crude (kt)	1 627	1 847	1 883	16%	2%	3 482	1 883	-46%
Utilization	75%	86%	87%	12 pp	1 pp	81%	87%	6 pp
Fuel yield [4]	77%	81%	83%	6 pp	2 pp	79%	83%	4 pp
Light distillates yield [5]	32%	36%	37%	5 pp	1 pp	34%	37%	3 pp
Middle distillates yield [6]	45%	45%	46%	1 pp	1 pp	45%	46%	1 pp
Refinery in Lithuania [3]								
Processed crude (kt)	1 967	2 223	2 410	23%	8%	4 442	2 410	-46%
Utilization	77%	88%	95%	18 pp	7 pp	88%	95%	7 pp
Fuel yield [4]	79%	73%	75%	-4 pp	2 pp	74%	75%	1 pp
Light distillates yield [5]	31%	29%	30%	-1 pp	1 pp	29%	30%	1 pp
Middle distillates yield [6]	48%	44%	45%	-3 pp	1 pp	45%	45%	0 pp

[1] Throughput capacity for Plock refinery is 16,3 mt/y
[2] Throughput capacity for Unipetrol is 8,7 mt/y [Litvinov (5,4 mt/y) and Kralupy (3,3 mt/y)]
[3] Throughput capacity for ORLEN Lietuva is 10,2 mt/y
[4] Fuel yield equals middle distillates yield plus light distillates yield. Differences may occur from roundings
[5] Light distillates yield is a ratio of gasoline, naphtha, LPG production excluding BIO and internal transfers to crude oil throughput
[6] Middle distillates yield is a ratio of diesel, light heating oil (LHO) and JET production excluding BIO and internal transfers to crude oil throughput

Dictionary

Model downstream margin = revenues (90,7% Products = 22,8% Gasoline + 44,2% Diesel + 15,3% HHO + 1,0% SN 150 + 2,9% Ethylene + 2,1% Propylene + 1,2% Benzene + 1,2% PX) – costs (input 100% = 6,5% Brent crude oil + 91,1% URAL crude oil + 2,4% natural gas). Cracks for petrochemical products calculated as the difference between the quotation of a given product and Brent DTD oil price.

Model refining margin = revenues (93,5% Products = 36% Gasoline + 43% Diesel + 14,5% HHO) - costs (100% input: crude oil and other raw materials). Total input calculated acc. to Brent Crude quotations. Spot market quotations.

Spread Ural Rdam vs fwd Brent Dtd = Med Strip - Ural Rdam (Ural CIF Rotterdam)

Model petrochemical margin = revenues (98% Products = 44% HDPE + 7% LDPE + 35% PP Homo + 12% PP Copo) - costs (100% input = 75% Naphtha + 25% LS VGO). Contract market quotations.

Fuel yield = middle distillates yield + gasoline yield (yields calculated in relation to crude oil)

Working capital (in balance sheet) = inventories + trading receivables and other receivables – trading liabilities and other liabilities

Working capital change (in cash flow) = changes in receivables + changes in inventories + changes in liabilities

Gearing = net debt / equity calculated acc. to average balance sheet amount in the period

Net debt = (short-term + long-term Interest-bearing loans and borrowings) – cash

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For more information on PKN ORLEN, please contact Investor Relations Department:

phone: + 48 24 256 81 80

fax: + 48 24 367 77 11

e-mail: ir@orlen.pl

www.orlen.pl