

## **INDEPENDENT AUDITORS' OPINION**

### **To the Supervisory Board of Polski Koncern Naftowy ORLEN S.A.**

1. We have audited the attached financial statements for the year ended 31 December 2002 of Polski Koncern Naftowy ORLEN S.A. (the "Company") located in Plock at Chemikow St. 7, containing:
  - the introduction to the financial statements,
  - the balance sheet as at 31 December 2002 with total assets amounting to 12,590,537,906.02 zlotys (in words twelve billion, five hundred ninety million, five hundred thirty seven thousand, nine hundred and six zlotys and 02/100),
  - the profit and loss account for the period from 1 January 2002 to 31 December 2002 with a net profit amounting to 382,269,825.11 zlotys (in words three hundred eighty two million, two hundred sixty nine thousand, eight hundred twenty five zlotys and 11/100),
  - the statement of changes in shareholders' equity for the period from 1 January 2002 to 31 December 2002 with a net increase in shareholders' equity amounting to 404,497,865.27 zlotys (in words four hundred and four million, four hundred ninety seven thousand, eight hundred sixty five zlotys and 27/100),
  - the cash flow statement for the period from 1 January 2002 to 31 December 2002 with a net cash outflow amounting to 20,132,245.92 zlotys (in words twenty million, one hundred thirty two thousand, two hundred forty five zlotys and 92/100) and
  - the additional notes and explanations.

The format of the attached financial statements for the year ended 31 December 2002 ("the attached financial statements") is prescribed by the Decree of the Council of Ministers of 16 October 2001 on current and periodic information provided by issuers of securities (Journal of Law No. 139, item 1569 with further amendments) ("Decree on current and periodic information").

2. The truth and fairness of the attached financial statements and the proper maintenance of the accounting records are the responsibility of the Management Board. Our responsibility was to audit the attached financial statements and to express an opinion whether, based on our audit, these financial statements are, in all material respects, true and fair and whether the accounting records that form the basis for their preparation are, in all material respects properly maintained.
3. We conducted our audit of the financial statements in accordance with the following regulations being in force in Poland:
  - chapter 7 of the Accounting Act, dated 29 September 1994 (the "Accounting Act"),
  - the auditing standards issued by the National Chamber of Auditors,in order to obtain reasonable assurance whether the financial statements and books and records are free of material misstatement. In particular, the audit included examining, to a large extent on a test basis, documentation supporting the amounts and disclosures in the financial statements.

The audit also included assessing the accounting principles adopted and used and significant estimates made by the Management, as well as evaluating the overall presentation of financial statement. We believe our audit has provided a reasonable basis to express our opinion on the financial statements treated as a whole.

4. The financial statements for the prior financial year ended 31 December 2001 were subject to an audit by another auditor who issued an unqualified opinion on these financial statements, dated 6 May 2002.
5. In our opinion, the attached financial statements, in all material respects:
  - present truly and fairly all information material for the assessment of the results of the Company's operations for the period from 1 January 2002 to 31 December 2002, as well as its financial position as at 31 December 2002;
  - have been prepared in accordance with the accounting principles specified in the Accounting Act referred to above and regulations issued based on that Act, and based on properly maintained accounting records;
  - are in accordance with the Accounting Act referred to above and regulations issued based on that Act and the Company's articles of association that affect their content.
6. Without qualifying our opinion, we draw attention to the following issues:
  - (a) As of 1 January 2002, the Act dated 9 November 2000 on Amendments to the Accounting Act became effective. Due to the above, the Company changed its accounting policies as presented in detail in Note C of the introduction to the financial statements and in Note 61 of the additional information and explanations of the attached financial statements.
  - (b) In accordance with the regulations of the Accounting Act, the Company has presented in the attached financial statements shares in subsidiaries and associates at cost (adjusted for any permanent diminution in value). In accordance with the Accounting Act, the Capital Group of Polski Koncern Naftowy ORLEN S.A. (the "Capital Group"), of which the Company is the parent company, will prepare consolidated financial statements. The financial results and net assets of the Capital Group's will significantly differ from the Company's financial results for the 12 month period ended 31 December 2002 and its net assets as at that date.

7. We have read the Management Board Commentary on the Company's Operations for the period from 1 January 2002 to 31 December 2002 and the rules for preparing annual financial statements ("Directors' Report") and conclude that the information derived from the attached financial statements reconciles with the financial statements. The information included in the Directors' Report corresponds with § 64 prescribed by the Decree on current and periodic information."

Certified Auditor  
No 9542/7118

on behalf of  
Ernst & Young Audit Sp. z o.o.,  
ul. Sienna 39, 00-121 Warszawa  
Ident. no. 130

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Lukasz Zalicki

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Jacek Hryniuk  
Certified Auditor  
No 9262/6958

Warsaw, 25 March 2003