CONSOLIDATED QUARTERLY REPORT FOR I QUARTER 2009

ORLEN

POLISH FINANCIAL SUPERVISION AUTHORITY
Consolidated Quarterly Report QSr I / 2009

quarter / (year)

(in accordance with § 82 section 2 and § 83 section 1 of the Minister of Finance Regulation of 19 February 2009, Official Journal No. 33, item 259)
(for issuers of securities whose business activity embraces manufacture, construction, trade and services)

for the first quarter of the reporting year 2009, that is for the period from 01.01.2009 to 31.03.2009 which includes condensed consolidated financial statements prepared in accordance with International Financial Reporting Standards with amounts stated in the Polish functional currency (PLN) and condensed financial statements prepared in accordance with International Financial Reporting Standards with amounts stated in the Polish functional currency (PLN).

on 14 May 2009
(submission date)

KPMG AUDYT Sp. z o.o.
(Entity authorized to conduct audit)
==========

POLSKI KONCERN NAFTOWY ORLEN SPÓŁKA AKCYJNA
(full name of the issuer)

PKN ORLEN (abbreviated name of the issuer)	**CHEMICAL (che)** (industrial sector in line with classification of Warsaw Stock Exchange)
09-411 (zip code)	**PŁOCK** (location)
CHEMIKÓW (street)	**7** (number)
48 24 365 28 95 (telephone)	**48 24 365 40 40** (fax)
media@orlen.pl (e-mail)	
774-00-01-454 (NIP)	**610188201** (REGON)
www.orlen.pl (www)	

SELECTED FINANCIAL DATA	PLN thousand		EUR thousand	
	I quarter (cumulative data) period from 1.01.2009 to 31.03.2009	I quarter (cumulative data) period from 1.01.2008 to 31.03.2008	I quarter (cumulative data) period from 1.01.2009 to 31.03.2009	I quarter (cumulative data) period from 1.01.2008 to 31.03.2008
data in respect of consolidated financial statements				
I. Total sales revenues	14 701 857	17 938 433	3 196 473	3 900 168
II. Profit/(Loss) from operations	(320 487)	565 073	(69 680)	122 858
III. Profit/(Loss) before tax	(1 271 301)	790 523	(276 406)	171 875
IV. Net profit/(Loss) attributable to equity holders of the parent	(1 094 873)	626 268	(238 047)	136 163
V. Net profit/(Loss)	(1 091 740)	643 579	(237 366)	139 927
VI. Net cash provided by operating activities	1 151 001	986 259	250 250	214 432
VII. Net cash used in investing activities	(851 929)	(682 406)	(185 226)	(148 369)
VIII. Net cash provided by / (used in) financing activities	173 771	(237 565)	37 781	(51 651)
IX. Net change in cash and cash equivalents	472 843	66 288	102 805	14 412
X. Net Profit/(Loss) and diluted net profit/(loss) per share attibutable to equity holders of the parent (in PLN/EUR per share)	(2,56)	1,46	(0,56)	0,32
	as at 31 March 2009	as at 31 December 2008	as at 31 March 2009	as at 31 December 2008
XI. Non-current assets	31 676 966	29 280 856	6 737 916	6 228 247
XII. Current assets	18 118 348	17 694 894	3 853 902	3 763 830
XIII. Total assets	49 795 314	46 975 750	10 591 818	9 992 077
XIV. Long-term liabilities	4 897 881	4 634 178	1 041 814	985 723
XV. Short-term liabilities	24 660 149	21 809 925	5 245 389	4 639 126
XVI. Equity	20 237 284	20 531 647	4 304 614	4 367 228
XVII. Equity attributable to equity holders of the parent	17 345 512	17 813 091	3 689 514	3 788 971
XVIII. Share capital	1 057 635	1 057 635	224 966	224 966
XIX. Number of issued ordinary shares	427 709 061	427 709 061	427 709 061	427 709 061
XX. Book value and diluted book value per share attributable to equity holders of the parent (in PLN/EUR per share)	40,55	41,65	8,63	8,86
	PLN thousand		EUR thousand	
	I quarter (cumulative data) period from 1.01.2009 to 31.03.2009	I quarter (cumulative data) period from 1.01.2008 to 31.03.2008	I quarter (cumulative data) period from 1.01.2009 to 31.03.2009	I quarter (cumulative data) period from 1.01.2008 to 31.03.2008
data in respect of condensed financial statements				
I. Total sales revenues	9 508 218	13 016 474	2 067 274	2 830 037
II. Profit/(loss) from operations	(393 754)	464 644	(85 610)	101 023
III. Profit/(Loss) before tax	(1 952 995)	787 565	(424 620)	171 232
IV. Net profit/(Loss)	(1 599 265)	664 921	(347 712)	144 567
V. Net cash provided by operating activities	503 896	44 445	109 557	9 663
VI. Net cash used in investing activities	(552 209)	(420 197)	(120 061)	(91 359)
VII. Net cash provided by financing activities	531 907	478 014	115 647	103 930
VIII. Net change in cash and cash equivalents	483 594	102 262	105 143	22 234
IX. Basic and diluted earnings per share (in PLN/EUR per share)	(3,74)	1,55	(0,81)	0,34
	as at 31 March 2009	as at 31 December 2008	as at 31 March 2009	as at 31 December 2008
X. Non-current assets	21 034 487	20 427 025	4 474 185	4 344 974
XI. Current assets	11 607 523	11 572 579	2 469 003	2 461 570
XII. Total Assets	32 642 010	31 999 604	6 943 188	6 806 544
XIII. Long-term liabilities	1 153 200	1 216 318	245 294	258 720
XIV. Short-term liabilities	17 773 216	15 401 410	3 780 490	3 275 990
XV. Equity	13 715 594	15 381 876	2 917 405	3 271 835
XVI. Share capital	1 057 635	1 057 635	224 966	224 966
XVII. Number of issued ordinary shares	427 709 061	427 709 061	427 709 061	427 709 061
XVIII. Book value and diluted book value per share (in PLN/EUR per share)	32,07	35,96	6,82	7,65

The above data for I quarter of 2009 and I quarter of 2008 were translated into EUR by the following exchange rates:
- specific items of assets, equity and liabilities – by the average exchange rate published by the National Bank of Poland as of 31 March 2009 – 4.7013PLN / EUR;
- specific items of statement of comprehensive income and statement of cash flows – by the arithmetic average of average exchange rates published by the National Bank of Poland as of every last day of month during the period (1 January – 31 March 2009) – 4.5994 PLN / EUR.

TABLE OF CONTENTS

A INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Consolidated statement of financial position 3
Consolidated statement of comprehensive income 4
Consolidated statement of cash flows 5
Statement of changes in consolidated equity 6
I Principal activity of the Group 7
II Information on principles adopted for preparation of interim condensed consolidated financial statements for I quarter 2009 7
III Selected explanatory notes 11
IV Segment data 14
V Contingent assets and liabilities 16
VI Information on related parties 16
VII Subsequent events that might affect future financial results 17

B OTHER INFORMATION RELATING TO CONSOLIDATED QUATERLY REPORT 18
I Capital Group's achievements in I quarter 2009 accompanied by circumstances and events which have significant impact on the financial result 18
II Significant events during the period from 1 January 2009 to the date of preparation of this report, presented in the regulatory announcements 19
III Shareholders holding directly or indirectly via related parties at least 5% of total votes at the Parent's General Shareholders Meeting as at the date of filing the report 20
IV Changes in the number of the company's shares held by the Management Board and Supervisory Board Members 20
V Information about current proceedings concerning liabilities or receivables of the Parent Company and its subsidiaries of the total value exceeding 10% of the Company's equity 20
VI Loan security and guarantees of at least 10% of the Company's equity granted by the Parent Company or its subsidiaries to one entity or its subsidiary 20
VII Supplementary information 20
VIII Information concerning seasonal or cyclical character of the Capital Group operations in the presented period 20
IX Information concerning significant proceedings in front of court, body appropriate for arbitration proceedings or in front of public administration bodies and on other risks of Parent Company and its subsidiaries 21

C QUARTERLY FINANCIAL INFORMATION OF PKN ORLEN S.A. 22
Unconsolidated statement of financial position 22
Unconsolidated statement of comprehensive income 23
Unconsolidated statement of cash flows 24
Statement of changes in unconsolidated equity 24

A INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Consolidated statement of financial position

	Note	31 March 2009 (unaudited)	31 December 2008
ASSETS			
Non-current assets			
Property, plant and equipment		28 148 915	26 268 757
Intangible assets		606 621	557 048
Goodwill		91 958	87 633
Financial assets available for sale		63 658	62 174
Investments in associates		1 615 990	1 561 132
Deferred tax assets		876 553	485 362
Investment property		76 573	71 757
Perpetual usufruct of land		98 967	99 247
Non-current loans and receivables		97 731	87 746
Total non-current assets		**31 676 966**	**29 280 856**
Current assets			
Inventory		8 831 871	9 089 047
Trade and other receivables		6 634 604	6 356 174
Income tax receivable		176 242	392 042
Short-term financial assets		356 468	257 832
Short-term prepayments		235 090	204 088
Cash and cash equivalents		1 826 868	1 344 224
Non-current assets clasiffied as held for sale		57 205	51 487
Total current assets		**18 118 348**	**17 694 894**
Total assets		**49 795 314**	**46 975 750**
LIABILITIES AND SHAREHOLDER'S EQUITY			
Equity			
Share capital		534 636	534 636
Share capital revaluation adjustment		522 999	522 999
Share capital		**1 057 635**	**1 057 635**
Nominal share premium		1 058 450	1 058 450
Share premium revaluation adjustment		168 803	168 803
Share premium		**1 227 253**	**1 227 253**
Hedging reserve		(172 264)	(99 793)
Foreign exchange differences on subsidiaries from consolidation		613 595	(76 792)
Retained earnings		14 619 293	15 704 788
Total equity attributable to equity holders of the parent		**17 345 512**	**17 813 091**
Non-controlling interest		**2 891 772**	**2 718 556**
Total equity		**20 237 284**	**20 531 647**
Long-term liabilities			
Interest-bearing loans and borrowings	III.3.	2 794 736	2 610 651
Provisions	III.2.	720 946	747 287
Deferred tax liabilities		1 231 029	1 134 686
Other long-term liabilities		151 170	141 554
Total long-term liabilities		**4 897 881**	**4 634 178**
Short-term liabilities			
Trade and other liabilities		8 655 889	8 377 167
Provisions	III.2.	863 001	753 060
Income tax liability		30 129	35 454
Interest-bearing loans and borrowings	III.3.	13 341 622	11 282 114
Deferred income		146 012	149 521
Other financial liabilities		1 623 496	1 212 609
Total short-term liabilities		**24 660 149**	**21 809 925**
Total liabilities and shareholder's equity		**49 795 314**	**46 975 750**

Consolidated statement of comprehensive income

	Note	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Sales of finished goods		15 664 853	17 892 383
Excise tax and other charges		(4 391 149)	(3 982 102)
Revenues from sale of finished goods, net		11 273 704	13 910 281
Sales of merchandise and raw materials		3 926 898	4 506 490
Excise tax and other charges		(498 745)	(478 338)
Revenues from sale of merchandise and raw materials, net		3 428 153	4 028 152
Total sales revenues		**14 701 857**	**17 938 433**
Cost of finished goods sold		(10 464 141)	(12 505 674)
Cost of merchandise and raw materials sold		(3 267 486)	(3 789 535)
Cost of finished goods, merchandise and raw materials sold	**III.5.**	**(13 731 627)**	**(16 295 209)**
Gross profit on sales		**970 230**	**1 643 224**
Distribution expenses		(875 425)	(740 797)
General and administrative expenses		(381 511)	(344 933)
Other operating revenues		125 228	115 054
Other operating expenses		(159 009)	(107 475)
Profit/(Loss) from operations		**(320 487)**	**565 073**
Financial revenues	III.6.	293 099	441 910
Financial expenses	III.6.	(1 296 497)	(285 892)
Net financial revenues and expenses		**(1 003 398)**	**156 018**
Share in profit from investments accounted for under equity method		52 584	69 432
Profit/(Loss) before tax		**(1 271 301)**	**790 523**
Income tax expense	III.7.	179 561	(146 944)
Net profit/(loss)		**(1 091 740)**	**643 579**
Items of other comprehensive income:			
Hedging instruments valuation		(133 091)	9 867
Hedging instruments settlement		43 621	(27 438)
Foreign exchange differences on consolidation		895 392	(299 732)
Deferred tax on other comprehensive income		16 999	3 339
Total items of other comprehensive income		**822 921**	**(313 964)**
Total comprehensive income		**(268 819)**	**329 615**
Net profit/(loss) attributable to:			
equity holders of the parent		(1 094 873)	626 268
non-controlling interest		3 133	17 311
Total comprehensive income attributable to:			
equity holders of the parent		(476 957)	241 782
non-controlling interest		208 138	87 833
Net Profit/(Loss) and diluted net profit/(loss) per share attibutable to equity holders of the parent (in PLN per share)		(2,56)	1,46

Consolidated statement of cash flows

	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Cash flows - operating activities		
Net profit/(loss)	**(1 091 740)**	**643 579**
Adjustments for:		
Share in profit from investments accounted for under equity method	(52 584)	(69 432)
Depreciation	651 408	586 922
Loss/(Profit) from exchange rate differences, net	844 657	(182 590)
Interest, net	95 746	130 521
Loss/(Profit) on investing activities	15 978	(3 573)
(Increase) in receivables	(24 590)	(293 759)
Decrease/(Increase) in inventories	530 610	(909 493)
Increase in liabilities	103 234	1 079 157
Increase/(Decrease) in provisions	45 452	(19 600)
Income tax expense	(179 561)	146 944
Income tax received/(paid)	190 732	(119 214)
Other adjustments	21 659	(3 203)
Net cash provided by operating activities	**1 151 001**	**986 259**
Cash flows - investing activities		
Acquisition of property, plant and equipment and intangible assets	(884 614)	(872 892)
Proceeds from the sale of property, plant and equipment and intangible assets	33 813	24 186
Proceeds from the sale of shares	-	166 010
Interest received	2 214	3 423
Dividends paid to minority shareholders	(97)	(111)
Other	(3 245)	(3 022)
Net cash used in investing activities	**(851 929)**	**(682 406)**
Cash flow - financing activities		
Proceeds from borrowings and loans	3 493 549	1 331 232
Debt securitities issued	-	237 011
Repayment of loans and borrowings	(3 159 541)	(1 305 008)
Repurchase of debt securities	-	(366 071)
Interest paid	(116 285)	(126 353)
Payments due to finance lease liabilities	(44 815)	(8 356)
Other	863	(20)
Net cash provided by/(used in) financing activities	**173 771**	**(237 565)**
Net change in cash and cash equivalents	**472 843**	**66 288**
Effect of exchange rate changes	9 801	(540)
Cash and cash equivalents, beginning of the period	**1 344 224**	**1 498 232**
Cash and cash equivalents, end of the period	**1 826 868**	**1 563 980**
incl. cash and cash equivalents not available for use	210 831	57 514

Statement of changes in consolidated equity

	Equity attributable to equity holders of the parent						
	Share capital and share premium	Hedging reserve	Foreign exchange differences on subsidiaries from consolidation	Retained earnings	Total	Non-controlling interest	Total equity
1 January 2009	**2 284 888**	**(99 793)**	**(76 792)**	**15 704 788**	**17 813 091**	**2 718 556**	**20 531 647**
Total comprehensive income	-	(72 471)	690 387	(1 094 873)	(476 957)	208 138	(268 819)
Change in non-controlling interest's structure in equity	-	-	-	9 378	9 378	(34 922)	(25 544)
31 March 2009	**2 284 888**	**(172 264)**	**613 595**	**14 619 293**	**17 345 512**	**2 891 772**	**20 237 284**

unaudited

	Share capital and share premium	Hedging reserve	Foreign exchange differences on subsidiaries from consolidation	Retained earnings	Total	Non-controlling interest	Total equity
1 January 2008	**2 284 888**	**83 302**	**(1 327 936)**	**18 895 081**	**19 935 335**	**2 637 425**	**22 572 760**
Total comprehensive income	-	(14 232)	(370 254)	626 268	241 782	87 833	329 615
31 March 2008	**2 284 888**	**69 070**	**(1 698 190)**	**19 521 349**	**20 177 117**	**2 725 258**	**22 902 375**

unaudited

I Principal activity of the Group

The Parent Company of Polski Koncern Naftowy ORLEN Capital Group ("Group", "Capital Group") is Polski Koncern Naftowy ORLEN S.A. ("Company", "PKN ORLEN", "Parent", "Issuer") seated in Płock, 7 Chemików Street.

The Group activities include processing of crude oil and manufacturing of wide variety of refinery, petrochemical and chemical products as well as their transport, wholesale and retail sale.

II Information on principles adopted for preparation of interim condensed consolidated financial statements for I quarter 2009

1. Statement of compliance and general principles for preparation

The foregoing condensed consolidated financial statements („financial statements") are prepared in accordance with all requirements of IAS 34 "Interim financial reporting" and in the scope required under the Minister of Finance Regulation of 19 February 2009 on current and periodic information provided by issuers of securities and conditions of recognition as equivalent information required by the law of a non-Member State (Official Journal no. 33, item 259) ("Regulation") and present the Group's financial position as at 31 March 2009 and 31 December 2008, results of its operations for the 3-month period ended 31 March 2009 and 31 March 2008 as well as its cash flows for the 3-month period ended 31 March 2009 and 31 March 2008.

The financial statements were prepared assuming that the Group will continue to operate as a going concern in the foreseeable future. As at the date of approval of these financial statements there is no evidence indicating that the Capital Group will not be able to continue its operations as a going concern.

In compliance with the paragraph 83.1 of the Regulation, the foregoing financial statements include quarterly financial information of the Parent Company containing: the unconsolidated statements of financial position, unconsolidated statement of comprehensive income, unconsolidated statement of cash flows and statement of changes in unconsolidated equity.

2. Applied accounting principles and presentation changes

Starting from 1 January 2009, following the changes in the International Financial Reporting Standards („IFRS"), the Group has introduced the following changes to its accounting principles:

– presentation of the statement of comprehensive income, according to the requirements of the amended IAS 1 – Presentation of Financial Statements,
– presentation of information regarding operating segments according to the new standard IFRS 8 – Operating Segments (note V),
– capitalisation of borrowing costs, attributable to acquisition, construction or production of a qualifying asset as part of the cost that asset according to IAS 23 – Borrowing Costs (note III.6).

Starting from 1 January 2009 there were also changes in the following IFRS's: IFRS 2 „Share-based payment", IFRS 7 „Financial instruments: disclosures", IAS 27 „Consolidated and separate financial statements" and IAS 32 – "Financial instruments: presentation". Their adoption had no influence on presented financial statements.

According to IFRIC 13 – Customer Loyalty Programs, the effects of loyalty programs has been presented as deferred income.

As the result of presentation changes introduced in the financial statements for 2008, comparable data for 3-month period ended 31 March 2008 was corrected by:
- reclassification of creation and reversal of inventory allowances of PLN 37,888 thousand from other operating activities to costs of finished goods, merchandise and raw materials sold in the consolidated statement of comprehensive income.
- adjustment concerning write-off of goodwill recognized in assets of UNIPETROL Group and Mazeikiu Group on the acquisition date of PLN 46,607 thousand.

According to the Management Board the above mentioned changes will ensure better presentation of effects of the Group's activities.

3. Functional currency and presentation currency of financial statements and methods applied to translation of data denominated in foreign currencies

a) functional currency and presentation currency

Functional currency and presentation currency of the foregoing interim condensed consolidated financial statements and quarterly financial information of the Parent Company is PLN.

b) methods applied to translation of data denominated in foreign currencies

The financial statements of foreign entities, for consolidation purposes, are translated into PLN using the following methods:

- assets and liabilities of each presented statement of financial position are translated at the closing rate at a given balance sheet date;
- respective items of statement of comprehensive income are translated at the arithmetic average of average exchange rates published by the National Bank of Poland as of every last day of month in the reporting period. All resulting exchange differences are recognized as a separate component of equity.

The financial data denominated in EUR was translated in line with the following methods:

- particular assets and liabilities – at the closing rate for 31 March 2009 – 4.7013 PLN / EUR and for 31 December 2008 – 4.1724 PLN / EUR;
- particular items of statement of comprehensive income and statement of cash flows – at the arithmetic average of exchange rates of the period from 1 January 2009 to 31 March 2009 – 4.5994 PLN / EUR. For the period from 1 January 2008 to 31 March 2008 the rate was 3.5574 PLN / EUR.

The financial data denominated in CZK was translated in line with the following methods:

- particular assets and liabilities – at the closing rate for 31 March 2009 – 0.1708 PLN / CZK and for 31 December 2008 – 0.1566 PLN / CZK;
- particular items of statement of comprehensive income and statement of cash flows – at the arithmetic average of exchange rates of the period from 1 January 2009 to 31 March 2009 – 0.1654 PLN / CZK. For the period from 1 January 2008 do 31 March 2008 the rate was 0.1394 PLN / CZK.

The financial data denominated in USD was translated in line with the following methods:

- particular assets and liabilities – at the closing rate for 31 March 2009 – 3.5416 PLN / USD and for 31 December 2008 – 2.9618 PLN / USD;
- particular items of statement of comprehensive income and statement of cash flows – at the arithmetic average of exchange rates of the period from 1 January 2009 to 31 March 2009 – 3.5578 PLN / USD. For the period from 1 January 2008 to 31 March 2008 the rate was 2.3299 PLN / USD.

4. Entities included in the interim condensed consolidated financial statements

The foregoing interim condensed consolidated financial statements include PKN ORLEN as Parent Company and entities located mainly in Poland, Germany, Czech Republic and Lithuania.

CONSOLIDATION SCHEME OF THE CAPITAL GROUP

- the scheme presents information about direct and indirect share in equity of related parties
- the Parent Company PKN ORLEN, was adequately allocated to all business segments
- ORLEN Ochrona Sp. z o.o. and Centrum Serwisowe Sp. z o.o. as of 31 March 2009 are not consolidated

Fully consolidated entities

Entities consolidated under proportionate method

Entities consolidated under equity method

The list of entities belonging to the Capital Groups on lower levels presented on the Capital Group scheme

Name of Capital Group	Share in total voting rights[1)]
	(in full %)
1. Capital Group of Orlen PetroTank Sp. z o.o.	**100%**
Petro-Mawi Sp. z o.o. in liquidation	60% [5)]
2. Capital Group of Rafineria Trzebinia S.A.	**77%**
Energomedia Sp. z o.o.	100%
Euronaft Trzebinia Sp. z o.o.	100%
Fabryka Parafin NaftoWax Sp. z o.o.	100%
Zakładowa Straż Pożarna Sp. z o.o.	100% [5)]
AQUA PLANET Sp. z o.o.	37% [5)]
EkoNaft Sp. z o.o.	99%
3. Capital Group of Ship Service S.A.	**61% [2)]**
Ship-Service Agro Sp. z o.o.	100% [5)]
4. Capital Group of Rafineria Nafty Jedlicze S.A.	**75%**
Raf-Koltrans Sp. z o.o.	100%
Raf-Służba Ratownicza Sp. z o.o.	100% [5)]
Raf-Bit Sp. z o.o.	100% [5)]
Konsorcjum Olejów Przepracowanych – Organizacja Odzysku S.A.	81%
Ran-Watt Sp. z o.o. in liquidation	51% [5)]
5. Capital Group of ORLEN Oil Sp. z o.o.	**89%**
ORLEN Oil Cesko s.r.o.	100%
Platinum Oil Sp. z o.o.	100%
Petro-Oil Pomorskie Centrum Sprzedaży Sp. z o.o.	100%
Petro-Oil Łódzkie Centrum Sprzedaży Sp. z o.o.	25% [5)]
Petro-Oil Seewax Sp. z o.o. in bankruptcy	25% [5)]
Petro-Oil Małopolskie Centrum Sprzedaży Sp. z o.o.	24%
Petro-Oil Podlaskie Centrum Sprzedaży Sp. z o.o.	24%
Petro-Oil Śląskie Centrum Sprzedaży Sp. z o.o.	24%
Petro-Oil Zachodniopomorskie Centrum Sprzedaży Sp. z o.o.	24%
Petro-Oil Wielkopolskie Centrum Sprzedaży Sp. z o.o.	22%
6. Capital Group of AB Mazeikiu Nafta („Mazeikiu Group")	**100% [3)]**
UAB Mazeikiu naftos sveikatos prieziuros centras	100%
UAB Uotas in liquidation	100%
UAB PASLAUGOS TAU	100% [4)]
UAB EMAS	100% [4)]
UAB Remonto mechanicos centras	100%
AB Ventus-Nafta	100%
UAB Naftelf	34%
Capital Group of UAB Mazeikiu naftos prekybos namai	100%
- SIA Mazeikiu Nafta Tirdzniecibas nams	100%
- OU Mazeikiu Nafta Trading House	100%
- Mazeikiu Nafta Trading House Sp. z o.o.	100%
7. Capital Group of UNIPETROL a.s.	**63%**
Capital Group of UNIPETROL RPA s.r.o. (former Steen Estates s.r.o.)	100%
- UNIPETROL DOPRAVA a.s.	100%
- CHEMOPETROL a.s. (former CHEMICKA SERVISNI a.s.)	100% [5)]
- UNIRAF SLOVENSKO s.r.o.	100%
- POLYMER INSTITUTE BRNO spol. s.r.o.	100% [5)]
- HC Litvinov a.s. (former HC Chemopetrol a.s.)	71% [5)]
- CELIO a.s.	51% [5)]
Capital Group of UNIPETROL TRADE a.s.	100%
- CHEMAPOL (SCHWEIZ) AG	100%
- UNIPETROL AUSTRIA HmbH in liquidation	100% [5)]
- UNIPETROL DEUTSCHLAND GmbH	100%
Výzkumný ústav anorganické chemie a.s.	100% [5)]
Capital Group of BENZINA s.r.o.	100%
- PETROTRANS s.r.o.	100%
UNIPETROL SERVICES s.r.o. (former Meliba Estates s.r.o.)	100%
UNIPETROL RAFINERIE s.r.o. (former Garo Estates s.r.o.)	100% [5)]
Capital Group of PARAMO a.s.	100%
- MOGUL SLOVAKIA s.r.o.	100% [5)]
CESKA RAFINERSKA a.s.	51%
Butadien Kralupy s.r.o.	51%

The list of entities belonging to the Capital Groups on lower levels presented on the Capital Group scheme

Name of Capital Group	Share in total voting rights[1)]
8. Capital Group of "Anwil" S.A.	**85%**
Przedsiębiorstwo Inwestycyjno-Remontowe Remwil Sp. z o.o.	100%
Przedsiębiorstwo Produkcyjno-Handlowo-Usługowe Pro-Lab Sp. z o.o.	99%
Spolana a.s.	100%
Przedsiębiorstwo Usług Specjalistycznych i Projektowych Chemeko Sp. z o.o.	56%
Zakład Usługowo Produkcyjny EKO-Dróg Sp. z o.o.	49%
Przedsiębiorstwo Usług Technicznych Wircom Sp. z o.o.	49%
Apex-Elzar Sp. z o.o.	47%
Specjalistyczna Przychodnia Przemysłowa Prof-Med Sp. z o.o.	46%
Przedsiębiorstwo Produkcyjno-Handlowo-Usługowe Arbud Sp. z o.o.	45%
9. Capital Group of Basell ORLEN Polyolefins Sp. z o.o.	**50%**
Basell ORLEN Polyolefins Sprzedaż Sp. z o.o.	100%
10. Capital Group of ORLEN Medica Sp. z o.o.	**100%**
Sanatorium Uzdrowiskowe "KRYSTYNKA" Sp. z o.o.	99% [5)]
11. Capital Group of ORLEN Holding Malta Ltd.	**100%**
ORLEN Insurance Ltd.	100%
12. Capital Group of Płocki Park Przemysłowo-Technologiczny S.A.	**50%**
Centrum Komercjalizacji Technologii Sp. z o.o.	100% [5)]
Centrum Edukacji Sp. z o.o.	69% [5)]
13. Capital Group of ORLEN International Exploration & Production Company BV	**100%**
SIA Balin Energy	50% [5)]

[1)] share of parent company of each Group
[2)] share in total voting rights is equal to 56%.
[3)] incl: share resulting from repurchase of 10% of Mazeikiu, which relates to liability included in the consolidated statement of financial position of PLN 1,007,409 thousand
[4)] entities founded in the 3-month period ended 31 March 2009
[5)] entities not consolidated in the 3-month period ended 31 March 2009

III Selected explanatory notes

1. Creation and reversal of impairment allowances of assets

	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Impairment of property plant and equipment		
Impairment allowances created	(18 518)	(17 602)
Impairment allowances reversed	29 474	21 073
Impairment of intangible assets		
Impairment allowances created	-	(1 213)
Impairment allowances reversed	575	(3)
Impairment of assets classified as held for sale		
Impairment allowances created	(45)	(2 852)
Impairment allowances reversed	364	977
Receivables allowances		
Impairment allowances created	(31 668)	(38 318)
Impairment allowances reversed	22 622	40 030
Inventory allowances		
Impairment allowances created	(53 894)	(41 373)
Impairment allowances reversed	22 425	3 493

2. Provisions for liabilities

Long-term provisions

	31 March 2009 (unaudited)	31 December 2008
Environmental provision	348 931	341 378
Jubilee and retirement benefits provision	250 384	246 229
Business risk provision	88 436	83 400
Shield programs provision	-	49 266
Other	33 195	27 014
Total	**720 946**	**747 287**

Short-term provisions

	31 March 2009 (unaudited)	31 December 2008
Environmental provision	47 612	50 331
Jubilee and retirement benefits provision	36 840	37 759
Business risk provision	621 679	555 512
Shield programs provision	83 731	40 762
Other	73 139	68 696
Total	**863 001**	**753 060**

3. Interest bearing loans and borrowings

Long-term interest bearing loans and borrowings

	31 March 2009 (unaudited)	31 December 2008
Bank loans	1 601 162	1 411 029
Borrowings	2 056	34 023
Debt securitities	1 191 518	1 165 599
Total	**2 794 736**	**2 610 651**

Short-term interest bearing loans and borrowings

	31 March 2009 (unaudited)	31 December 2008
Bank loans	13 297 598	11 241 698
Borrowings	627	627
Debt securitities	43 397	39 789
Total	**13 341 622**	**11 282 114**

In the foregoing financial statements bank loans of PLN 11,469,891 thousand were reclassified from long-term liabilities to short-term liabilities. The amount relates to liabilities resulting from bank loan agreements containing provisions specifying the required level of net debt to EBITDA ratio, which was exceeded as at 31 December 2008.

The level of net debt to EBITDA ratio was exceeded as at 31 December 2008 mainly as a consequence of accounting effect of valuation of inventory resulting from decrease of crude oil and refinery products prices as well as translation of foreign currency bank loans resulting from depreciation of PLN currency.

According to IAS 1 a breach of provisions of bank loan agreements which may cause that an entity does not have an unconditional right to defer their settlement for at least twelve months results in necessity to classify liabilities connected with such bank loan agreements as short-term.

As at 27 April 2009 for bank loans of PLN 11,003,460 thousand as at 31 March 2009, negotiations between PKN ORLEN S.A. and lenders being the parties of the agreements mentioned above had been finalized. The consent to a temporary extension of the maximum debt ratio and the continuation of cooperation within previously set bank loan limits and maturity dates had been received.

As at the date of preparation the foregoing financial statements, PKN ORLEN had access to unused resources from the above mentioned agreements. In the financial statements for the second quarter 2009 the respective bank loans will be presented as long-term liabilities.

For ORLEN subsidiaries' bank loans amounting to PLN 466,431 thousand, the negotiations in respect of terms of continuation of financing are in progress.

In the period covered by the foregoing financial statements and after the balance sheet date, there were no cases of violations of loans and borrowings repayments in respect of both principle and interest.

4. Future liabilities resulting from signed investment contracts

As at 31 March 2009 and 31 December 2008 the value of future liabilities resulting from investment contracts signed until this day amounts to PLN 2,126,547 thousand and PLN 1,969,908 thousand respectively.

5. Cost by kind

	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Materials and energy	(9 841 856)	(11 791 690)
Cost of merchandise and materials sold	(3 267 486)	(3 789 535)
External services	(652 046)	(822 175)
Payroll, social security and other employee benefits	(485 923)	(431 173)
Depreciation	(651 408)	(586 922)
Taxes and charges	(141 908)	(123 757)
Other	(254 084)	(179 779)
Total	**(15 294 711)**	**(17 725 031)**
Change in inventory	109 850	209 933
Cost of products and services for own use	37 289	26 684
Operating expenses	**(15 147 572)**	**(17 488 414)**
Distribution expenses	875 425	740 797
General and administrative expenses	381 511	344 933
Other operating expenses	159 009	107 475
Cost of finished goods, merchandise and raw materials sold	**(13 731 627)**	**(16 295 209)**

6. Financial revenues and expenses

Financial revenues	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Interest income	25 686	28 232
Positive foreign exchange surplus	70 052	355 655
Decrease in receivables allowances	2 594	2 848
Settlement and valuation of derivative and embedded financial instruments	191 496	52 428
Other	3 271	2 747
Total	**293 099**	**441 910**
Financial expenses		
Interest expense	(92 910)	(136 189)
Negative foreign exchange surplus	(911 794)	(7 840)
Loss on sale of shares and other securities	-	(295)
Investment impairment allowances	-	(211)
Increase in receivables allowances	(6 566)	(1 080)
Settlement and valuation of derivative and embedded financial instruments	(272 866)	(127 638)
Other	(12 361)	(12 639)
Total	**(1 296 497)**	**(285 892)**

According to IAS 23, starting from 1 January 2009, the Group capitalizes those borrowing costs, which are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.
Borrowing costs capitalized as part of costs of assets during the period from 1 January 2009 to 31 March 2009 amounted to PLN 19,329 thousand.
Capitalization rate which was used to calculate borrowing costs' capitalization for the period of 3 months ended 31 March 2009 amounted to 2.52% per annum.

7. Income tax expense

	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Current tax	(35 831)	(150 215)
Deferred tax	215 392	3 271
Total	**179 561**	**(146 944)**

IV Segment data

Changes in principles concerning presentation of information about operating segments

Due to new requirements concerning segment reporting, which where implemented starting from 1 January 2009 according to IFRS 8 – Operating Segments, PKN ORLEN Group presents new segment division.

Group's activities are allocated to following operating segments:
- Refining Segment – refining production and wholesale, production and sale of oils and supporting production
- Retail Segment – sale at petrol stations
- Petrochemical Segment – petrochemical production and wholesale, chemical production and sale
- Corporate Functions.

Allocation of PKN ORLEN Group's entities to operating segments is presented in note II 4.

Most significant changes in comparison to previously presented segment division:
- wholesale and logistics, which were previously included as a whole in the Refining Segment, are now in the appropriate part recognized in the Petrochemical Segment,
- sale at petrol stations previously presented in the Refining Segment is now presented as a separate segment,
- supporting production, which was previously included in Other operations segment, is now allocated to appropriate segments according to type of services provided,
- Corporate Functions containing management, administration and other supporting functions as well as other activities not assigned to any other segment, is now distinguished as a separate segment.

Revenues, expenses and financial result by operating segments
for the period of 3 months ended 31 March 2009

	Refining Segment	Retail Segment	Petrochemical Segment	Corporate Functions	Adjustments	Total
Sales to external customers	7 906 146	4 725 952	2 049 964	19 795		14 701 857
Transactions with other segments	2 657 498	13 173	903 671	45 178	(3 619 520)	-
Total sales revenues	10 563 644	4 739 125	2 953 635	64 973	(3 619 520)	14 701 857
Total operating expenses	(10 700 112)	(4 625 846)	(3 048 370)	(233 763)	3 619 528	(14 988 563)
Other operating revenues	40 107	17 707	27 937	39 477	-	125 228
Other operating expenses	(19 449)	(43 654)	(5 612)	(90 294)		(159 009)
Segment result	**(115 810)**	**87 332**	**(72 410)**	**(219 607)**	**8**	**(320 487)**
Financial revenues						293 099
Financial expenses						(1 296 497)
Share in profit from investments accounted for under equity method	666	-	(39)	51 957		52 584
(Loss) before tax						**(1 271 301)**
Income tax expense						179 561
Net (loss)						**(1 091 740)**

Revenues, expenses and financial result by operating segments for the period of 3 months ended 31 March 2008

	Refining Segment	Retail Segment	Petrochemical Segment	Corporate Functions	Adjustments	Total
Sales to external customers	**10 046 070**	**4 874 475**	**2 991 856**	**26 032**		17 938 433
Transactions with other segments	3 408 384	10 494	1 082 733	41 539	(4 543 150)	-
Total sales revenues	13 454 454	4 884 969	4 074 589	67 571	(4 543 150)	17 938 433
Total operating expenses	(13 134 215)	(4 817 230)	(3 806 784)	(166 022)	4 543 313	(17 380 938)
Other operating revenues	31 684	27 570	20 624	35 176	-	115 054
Other operating expenses	(21 473)	(25 390)	(10 625)	(49 988)		(107 476)
Segment result	**330 450**	**69 919**	**277 804**	**(113 263)**	**163**	**565 073**
Financial revenues						441 910
Financial expenses						(285 892)
Share in profit from investments accounted for under equity method	(206)	-	(303)	69 941		69 432
Profit before tax						**790 523**
Income tax expense						(146 944)
Net profit						**643 579**

Revenues, expenses and financial result by operating segments according to previously valid standard IAS 14 – Segment reporting for the period of 3 months ended 31 March 2008

	Refining Segment	Petrochemical Segment	Chemical Segment	Other operations	Adjustments	Total
Sales to external customers	14 820 617	2 256 317	732 842	128 657		17 938 433
Transactions with other segments	2 117 977	1 030 435	3 691	343 391	(3 495 494)	-
Total sales revenues	16 938 594	3 286 752	736 533	472 048	(3 495 494)	17 938 433
Total operating expenses	(16 547 248)	(3 062 989)	(646 433)	(481 941)	3 493 751	(17 244 860)
Other operating revenues	68 721	20 439	5 447	22 893	-	117 500
Other operating expenses	(116 992)	(12 514)	(4 665)	(12 483)		(146 654)
Segment result	**343 075**	**231 688**	**90 882**	**517**	**(1 743)**	**664 419**
Unallocated revenues of the Group						1 039
Unallocated expenses of the Group						(100 385)
Profit from operations						**565 073**
Financial revenues						441 910
Financial expenses						(285 892)
Share in profit from investments accounted for under equity method	(206)	-	(303)	69 941		69 432
Profit before tax						**790 523**
Income tax expense						(146 944)
Net profit						**643 579**

V Contingent assets and liabilities

Contingent liabilities of the PKN ORLEN Group in the 3-month period ended 31 March 2009	31 December 2008	Increase/ (Decrease)	31 March 2009 (unaudited)
Legal cases related to real estates with undefined legal status	306	(306)	-
Anti-trust proceedings of the OCCP	18 500	-	18 500
Legal cases	17 396	10 830	28 226
Total	**36 202**	**10 524**	**46 726**

VI Information on related parties

Information on significant related party transactions

a) Information on material transactions concluded by the Group Companies or subsidiaries with related parties on other than market terms

In the 3-month period ended 31 March 2009, there were no significant related party transactions concluded within the Group on other than market terms.

b) Transactions with members of the Management Board, Supervisory Board, their spouses, siblings descendants and ascendants and their other relatives

During the 3-month period ended 31 March 2009 the Group companies did not grant to the Management Board, Supervisory Board and their relatives any advances, borrowings, loans, guarantees and commitments, or concluded other agreements obliging to render services to the Company and its related parties.
As at 31 March 2009 there are no loans granted by the Group companies to managing and supervising persons and their relatives.
During the 3-month period ended 31 March 2009 there were no significant transactions concluded with members of the Management Board, Supervisory Board, their spouses, siblings, descendants, ascendants or their other relatives.

c) Transactions with related parties concluded through the key executive personnel of the Company and key executive personnel of the Group companies

During 3-month period ended 31 March 2009 key executive personnel of the Company and Group companies issued statements on transactions with related parties that disclosed the following types of transactions:

Transactions concluded through key executive personnel of the Company and key executive personnel of the Group companies	Type of transaction			
	Sale	Purchase	Receivables	Liabilities
Supervising persons	135 797	74 616	116 515	17 382
Managing persons	13	4	-	-
Other key executive personnel	2	-	-	-
Total	**135 812**	**74 620**	**116 515**	**17 382**

d) Parent Company's transactions with related parties in the period from 1 January to 31 March 2009 and the settlement balances as at 31 March 2009

	Subsidiaries	Jointly controlled entities	Associates	Adjustments	Total related parties
Sales	4 291 847	391 734	2 925	(4 486 729)	199 777
Purchase	560 657	4 013	26 347	(544 772)	46 245
Interest income	1 201	1 121	1	(1 761)	562
Interest expense	1 198	-	-	(1 198)	-
Current receivables (net)	1 221 811	332 662	1 350	(1 387 450)	168 373
Short-term liabilities	503 109	1 997	10 429	(490 939)	24 596
Non-current receivables	14 721	-	-	(14 721)	-
Long-term liabilities	25 254	-	-	(25 254)	-

VII Subsequent events that might affect future financial results

On 27 April 2009 PKN signed agreements with banks financing the Group's activity in respect of continuation of cooperation. Detailed information was presented in notes A.III.3. and B.II.3.

On 29 April 2009 PKN ORLEN purchased from the Government of the Republic of Lithuania 70,750,000 ordinary shares, representing 9.98 % of AB Mazeikiu Nafta share capital, as a result of the put option agreement dated 9 June 2006.
Consequently, PKN ORLEN S.A. owns shares representing 100% of AB Mazeikiu Nafta share capital.

B OTHER INFORMATION RELATING TO CONSOLIDATED QUATERLY REPORT

I Capital Group's achievements in I quarter 2009 accompanied by circumstances and events which have significant impact on the financial result

Changes in results of the basic entities belonging to ORLEN Group as compared to results for I quarter 2008 were as follows:

- Result from operations of PKN ORLEN S.A. decreased by PLN (-) 858 million (y/y), mainly as a result of change in crude oil prices, decrease in Ural/Brent differential as well as lower volume of sales and lower margins on petrochemical products;
- Loss from operations of Mazeikiu Capital Group decreased by PLN (-) 47 million (y/y) mainly as a result of higher volumes compensated by negative influence of Ural/Brent differential;
- Result from operations of Unipetrol Capital Group decreased by PLN (-) 107 million (y/y), mainly as a result of lower sales volume and decrease in margins on petrochemical products;
- Profit from operations of Basell Orlen Polyolefins decreased by PLN (-) 20 million (y/y), mainly as a result of decrease in margins on polyolefins and lower sales volume;
- Profit from operations of Anwil Capital Group remained on comparable level to I quarter 2008 and amounted to PLN 90 million, mainly as a result of higher margins on fertilizers;
- Increase in profit from operations of other entities belonging to ORLEN Group amounted to PLN 53 million (y/y).

The most significant factor influencing profit from operations for I quarter 2009 as compared to I quarter 2008 was declining trend in Brent crude oil prices. Estimated influence on changes in the relation of the current crude oil prices to costs of raw materials included in the inventory cost calculated using weighted average method amounted to PLN (-) 572 million (y/y).
Negative impact of macroeconomic factors comprising changes in Ural/Brent differential, refinery and petrochemical margins as well as foreign currencies amounted to PLN (-) 236 million (y/y). The amount includes the effects of translation of foreign currency items not related directly to basic operating activities such as business risk provisions.

Increase in sales volume by 61 thousand tonnes (y/y), mainly in refining segment, contributed to the increase in the result from operations by approximately PLN 69 million (y/y). Achieved revenues from sale reflect additionally one-off factors occurred in I quarter 2009, that caused worsening of the result in I quarter 2009 by approximately PLN (-) 87 million (y/y). One-off factors related mainly to temporary technical problems in Hydrogen Plant in PKN ORLEN S.A., overhauls of Reforming, Visbreaking and Hydrodesulfurising of Diesel Oil Installations in Mazeikiu Nafta, overhauls in Reforming, Hydrocracking and Visbreaking Installations in Unipetrol Group.

The results for I quarter 2009 were additionally decreased due to higher depreciation and higher costs connected with realization of the required level of biocomponents in fuels expressed in the form of the National Indicative Target (NIT) for 2009, set at a higher level than in the previous year.

Financial expenses and net result
In I quarter 2009 net financial expenses amounted to PLN (-) 1,003 million, including PLN (-) 842 million of negative foreign exchange surplus. The most valuable position was negative foreign exchange differences on bank loans of PLN 785 million concerning mainly unrealized foreign exchange differences on bank loans denominated in EUR.

After consideration of tax charge net loss of ORLEN Group for I quarter 2009 amounted to PLN (-) 1,092 million.

Financial indebtedness
Translation of foreign currency loans contributed to the increase in indebtedness in I quarter 2009 by PLN 1,925 million. The increase in cash balance mainly as a result of cash surplus generated in operating activities, taking into consideration cash outflows from investing activities, made it possible to reduce the increase in net debt in the period to the level of PLN 1,760 million. Consequently, as at the end of I quarter 2009 the balance of net debt amounted to PLN 14,309 million.
Foreign exchange differences on bank loans denominated in USD, for which a hedging relationship with investment in Mazeikiu Nafta has been designated, of PLN 652 million, as well as change in indebtedness level of consolidated foreign entities due to translation into PLN using closing rates as at the balance sheet date of PLN 488 million, are recognized in equity, in the position of foreign exchange differences on subsidiaries from consolidation.
The remaining amount of foreign exchange differences relates above all to unrealized foreign exchange differences on translation of loans denominated in EUR.
The Group uses in its activities bank loans denominated in EUR as a natural economic hedge against volatility of results from operations due to change of PLN currency rates.

Similar macroeconomic factors will have a significant impact on the level of results in the following quarters of 2009.

II Significant events during the period from 1 January 2009 to the date of preparation of this report, presented in the regulatory announcements

1. PKN ORLEN's claims against Yukos International UK B.V

PKN ORLEN S.A. informed in its regulatory announcement no 2/2009 dated 6 January 2009, in relation to the agreement on the sale of AB Mazeikiu Nafta shares concluded on 26 May 2006, that it received from Yukos International UK B.V., seated in the Netherlands ("Yukos International") notice in which Yukos International disagrees with PKN ORLEN S.A.'s claims against Yukos International relating to inconsistency of Yukos International's statements with the actual state of AB Mazeikiu Nafta as at 14 December 2006 and therefore does not agree to transfer to PKN ORLEN S.A. the amount retained in the escrow account. After further analysis of this notice, PKN ORLEN S.A. informed that it does not accept Yukos International's standpoint and intends to conduct further actions to claim Yukos International's liability for the inconsistency of the challenged statements with the actual state of affairs.
As at 31 March 2009 PKN ORLEN S.A. owned 90.02% of AB Mazeikiu Nafta shares.

2. Execution of the put option agreement on sale of AB Mazeikiu Nafta shares on behalf of PKN ORLEN

PKN ORLEN S.A. informed in its regulatory announcement no 31/2009 dated 11 March 2009, in relation to the put option agreement on sale of AB Mazeikiu Nafta („AB Mazeikiu Nafta") shares owned by the Government of the Republic of Lithuania („Government of the Republic of Lithuania") („put option"), that it received from the Government of the Republic of Lithuania a formal notification concerning execution of the put option.

In its regulatory announcement no 35/2009 PKN ORLEN S.A. informed that on 26 March 2009, PKN ORLEN and the Government of the Republic of Lithuania signed the letter defining conditions of execution of the put option agreement dated 9 June 2006, ("Put Option Agreement") concerning the sale of AB Mazeikiu Nafta shares owned by the Government of the Republic of Lithuania ("Letter").

On the basis of the abovementioned put option agreement, the Government of the Republic of Lithuania became entitled to sell to PKN ORLEN S.A. 70,750,000 ordinary shares of AB Mazeikiu Nafta, each with a nominal value of LTL 1, representing 9.98% of the AB Mazeikiu Nafta share capital. The put option was to remain valid for five years after the completion of the purchase transaction of the 30.66% shares from the Government of the Republic of Lithuania. The total price for all put option shares amounted to USD 284,450,375 (USD 4.0205 per share).

According to the Letter, PKN ORLEN S.A. transferred immediately 20 percent of the total price for Mazeikiu Nafta shares, i.e. USD 56,890,075 to the escrow account. The remaining part of the outstanding amount for the Mazeikiu Nafta shares was paid on 29 April 2009 and was increased by interest provided in the put option agreement calculated using USD 6M LIBOR starting from 20 March 2009. As a result on 29 April 2009 the transaction was concluded and the ownership of the put option shares of Mazeikiu Nafta was transferred to PKN ORLEN S.A.

3. Downgrade of international long-term credit rating

PKN ORLEN S.A. informed in its regulatory announcement no 22/2009, that on 2 March 2009 Fitch Ratings agency („Agency") has downgraded PKN ORLEN S.A.'s long-term international credit rating from "BBB-/negative outlook (Rating Watch Negative)" to „BB+ (Rating Watch Negative)". The Agency also downgraded PKN ORLEN S.A.'s short-term rating from "F3" to „B".

Fitch Ratings Agency justified the change of rating for the Company by the increase in the PKN ORLEN S.A.'s net debt according to the recently published unaudited financial results of the Company for the fourth quarter of 2008 and due to the sizeable, in the Agency's opinion, capex program for the years 2009-2013, ahead of expected weakening of market conditions in the refining and petrochemical sector. Additionally the Agency decided to maintain the rating watch due to the fact that as at 31 December 2008 PKN ORLEN broke financial covenants included in the bank loan agreements.
After waivers with banks, giving consent to an extension of conditions of loans agreements, had been signed by PKN ORLEN S.A. on 27 April 2009, Fitch Agency confirmed the rating at the level „BB+", with stable perspective, according to which current Company's debt level is granted as save.

The aim of PKN ORLEN S.A.'s Management Board is the fastest return to the investment rating.

In the last year approved strategy, the Company's Management Board indicated efficiency improvement as one of the main pillars of operations. The worsening of situation in global markets observed during the last months intensifies the determination of the Management Board to continue these works to assure financial stability of the Company and solid founds for the long-term increase of value.

The Management Board of PKN ORLEN S.A. is convinced that consistent improvement of efficiency of the Company's operations, reduction of expenses and financial discipline will maintain the Company's financial standing unendangered.

III Shareholders holding directly or indirectly via related parties at least 5% of total votes at the Parent's General Shareholders Meeting as at the date of filing the report

Shareholder	% of votes at the GSM presented in the prior quarter report*	Number of shares presented in the prior quarter report*	Change of p.p. in the period 20.02.2009–30.04.2009	% of votes at the GSM at the report filing date **	Number of shares at the report filing date **
Nafta Polska S.A.	17.32%	74 076 299	-	17.32%	74 076 299
State Treasury	10.20%	43 633 897	-	10.20%	43 633 897
ING OFE	-	-	5.17 p.p.	5.17%	22 118 813
Other	72.48%	309 998 865	(5.17) p.p.	67.31%	287 880 052
Total	**100%**	**427 709 061**	**-**	**100%**	**427 709 061**

* According to the received confirmations as at 20 February 2009
** According to the received confirmations as at 30 April 2009

Percentage share in the share capital of the Company of the above mentioned shareholders is compatible with percentage share in total votes at the General Shareholder's Meeting as at the date of filing this report.

IV Changes in the number of the company's shares held by the Management Board and Supervisory Board Members

	Number of shares, options as at the date of the prior quarter report filing *	Acquisition	Disposal	Increase due to changes in composition	Decrease due to changes in composition	Number of shares, options as at the date of the report filing **
Management Board	**-**	**-**	**-**	**-**	**-**	**-**
Supervisory Board	**507**	**-**	**-**	**-**	**-**	**507**
Janusz Zieliński	407	-	-	-	-	407
Grzegorz Borowiec	100	-	-	-	-	100

* According to the received confirmations as at 13 February 2009
** According to the received confirmations as at 30 April 2009

V Information about current proceedings concerning liabilities or receivables of the Parent Company and its subsidiaries of the total value exceeding 10% of the Company's equity

As at 31 March 2009 neither Parent Company nor its subsidiaries were a party in proceedings concerning liabilities or receivables, of the total value exceeding 10% of the Company's equity.

VI Loan security and guarantees of at least 10% of the Company's equity granted by the Parent Company or its subsidiaries to one entity or its subsidiary

Within the Group, in the period from 1 January to 31 March 2009 PKN ORLEN and its subsidiaries did not grant any loan security or guarantees to another entity or its subsidiary, where the value of securities and guarantees constituted at least 10% of the Company's equity.

VII Supplementary information

Excise tax guarantees and excise tax on goods and merchandise under the excise tax suspension procedure amounted to PLN 1,038,331 thousand as at 31 March 2009.

VIII Information concerning seasonal or cyclical character of the Capital Group operations in the presented period

The PKN ORLEN Group does not report any material seasonal/cyclical character of its operations.

IX Information concerning significant proceedings in front of court, body appropriate for arbitration proceedings or in front of public administration bodies and on other risks of Parent Company and its subsidiaries

As at 31 March 2009 PKN ORLEN Group is a party in the following proceedings in front of court, body appropriate for arbitration proceedings or in front of public administration bodies.

1. Tax proceedings in Rafineria Trzebinia S.A.

Tax proceedings concern reliability of excise tax settlement for the period January-September 2004 and value added tax for 2002, 2003 and January-April 2004.

2. The proceedings of the Energy Regulatory Office („ERO") in Rafineria Trzebinia S.A.

The proceedings concern imposing a fine in connection with violating of concession terms regarding production of liquid fuels.

3. Claims and court proceedings – Tankpol Sp. z o.o.

The claim concerns the return of 253 shares in ORLEN PetroTank, that were transferred by Tankpol to PKN as a security.

4. Claims and court proceedings - ENERGA – OPERATOR SA

The proceedings concern settlement of contentious system fees between PKN and ENERGA – OPERATOR for the period from 5 July 2001 to 31 June 2002. In April 2009 the Court of Appeals obliged PKN ORLEN to submit additional documents. The date of the next court seating has not been set.

5. Claims related to the penalty imposed by the European Commission on Unipetrol a.s.

The claim concerns an alleged cartel in the area of production of emulsion of polymerized styrene-butadiene rubber.

6. Anti-trust proceedings, connected with:

- an allegation that PKN ORLEN concluded an agreement with Lotos Group which limited competition on the domestic market of trading in universal petrol U95.
- an allegation that in the years 2000-2004 PKN ORLEN was using practice limiting competition on the domestic market of trading in glycol. The Court of Competition and Consumer Protection in Warsaw set a date of court seating regarding PKN ORLEN's appeal against the decision of the Chairman of the CCCP at 29 June 2009;
- an allegation that PKN ORLEN, Petrol Station Kogut Sp. j. and MAGPOL B. Kułakowski i Wspólnicy Sp. j. were using practice limiting competition on the domestic market of trading in engine liquid fuels.

7. Risk connected with the disposal of assets and liabilities related to purchase of Unipetrol shares

The risk concerns the agreement with Agrofert Holding connected with the disposal of the portion of assets and liabilities of UNIPETROL Group companies.

Detailed information on the above mentioned proceedings was presented in note 18. b-h to the consolidated financial statements of the PKN ORLEN S.A. Capital Group prepared in accordance with IFRS for the year ended 31 December 2008.

Between the date of preparation of the consolidated financial statements of the PKN ORLEN S.A. Group for the year 2008 and the date of preparation of the foregoing financial statements there were no significant changes other than those described above.

The foregoing financial statements include the provision to cover the potential negative effects related to outcomes of the above mentioned proceedings estimated to the best of the knowledge of the Management Board.

C QUARTERLY FINANCIAL INFORMATION OF PKN ORLEN S.A.

Unconsolidated statement of financial position

	31 March 2009 (unaudited)	31 December 2008
ASSETS		
Non-current assets		
Property, plant and equipment	9 690 744	9 477 906
Intangible assets	107 337	85 333
Financial assets available for sale	32 259	32 304
Shares in related entities	10 344 235	10 340 725
Deferred tax assets	758 641	389 190
Perpetual usufruct of land	86 150	86 446
Non current loans and receivables	15 121	15 121
Total non-current assets	**21 034 487**	**20 427 025**
Current assets		
Inventory	5 885 044	6 330 282
Trade and other receivables	4 260 253	4 162 737
Income tax receivable	27 706	254 418
Short-term financial assets	406 553	305 134
Short-term prepayments	81 215	65 976
Cash and cash equivalents	936 262	442 938
Non-current assets clasiffied as held for sale	10 490	11 094
Total current assets	**11 607 523**	**11 572 579**
Total assets	**32 642 010**	**31 999 604**
LIABILITIES AND SHAREHOLDER'S EQUITY		
Equity		
Share capital	534 636	534 636
Share capital revaluation adjustment	522 999	522 999
Share capital	**1 057 635**	**1 057 635**
Share premium	1 058 450	1 058 450
Share premium revaluation adjustment	168 803	168 803
Share premium	**1 227 253**	**1 227 253**
Hedging reserve	(167 304)	(100 287)
Retained earnings	11 598 010	13 197 275
Total equity	**13 715 594**	**15 381 876**
Long-term liabilities		
Interest-bearing loans	753 116	767 723
Provisions	355 003	405 619
Other long-term liabilities	45 081	42 976
Total long-term liabilities	**1 153 200**	**1 216 318**
Short-term liabilities		
Trade and other liabilities	4 973 577	4 927 999
Provisions	712 013	604 014
Interest-bearing loans	11 400 158	9 462 675
Deffered income	66 492	74 501
Other short-term financial liabilities	620 976	332 221
Total short-term liabilities	**17 773 216**	**15 401 410**
Total liabilities and shareholders' equity	**32 642 010**	**31 999 604**

Unconsolidated statement of comprehensive income

	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Sales of finished goods	8 940 966	10 156 941
Excise tax and other charges	(3 444 888)	(3 044 174)
Revenues from sale of finished goods, net	5 496 078	7 112 767
Sales of merchandise and raw materials	4 041 927	6 160 065
Excise tax and other charges	(29 787)	(256 358)
Revenues from sale of merchandise and raw materials, net	4 012 140	5 903 707
Total sales revenues	**9 508 218**	**13 016 474**
Cost of finished goods sold	(5 295 128)	(6 320 042)
Cost of merchandise and raw materials sold	(3 913 632)	(5 734 797)
Cost of finished goods, merchandise and raw materials sold	**(9 208 760)**	**(12 054 839)**
Gross profit on sales	**299 458**	**961 635**
Distribution expenses	(442 374)	(355 363)
General and administrative expenses	(162 890)	(138 736)
Other operating revenues	36 102	68 665
Other operating expenses	(124 050)	(71 557)
Profit/(Loss) from operations	**(393 754)**	**464 644**
Financial revenues	199 259	521 719
Financial expenses	(1 758 500)	(198 798)
Net financial revenues and expenses	**(1 559 241)**	**322 921**
Profit/(Loss) before tax	**(1 952 995)**	**787 565**
Income tax expense	353 730	(122 644)
Net profit/(loss)	**(1 599 265)**	**664 921**
Items of other comprehensive income:		
Hedging instruments valuation	(126 358)	14 330
Hedging instruments settlement	43 621	(29 032)
Deferred tax on other comprehensive income	15 720	2 792
Total items of other comprehensive income	**(67 017)**	**(11 910)**
Total comprehensive income	**(1 666 282)**	**653 011**
Basic and diluted earnings per share (in PLN per share)	(3,74)	1,55

Unconsolidated statement of cash flows

	for 3 months ended 31 March 2009 (unaudited)	for 3 months ended 31 March 2008 (unaudited)
Cash flows - operating activities		
Net (loss)/profit	**(1 599 265)**	**664 921**
Adjustments for:		
Depreciation	239 074	225 466
Loss/(Profit) from exchange rate differences, net	1 375 165	(105 275)
Interest, net	54 435	(91 330)
Loss/(Profit) on investing activities	23 377	(7 887)
(Increase) in receivables	(161 819)	(978 538)
Decrease/(Increase) in inventories	445 238	(586 100)
Increase in liabilities	168 594	870 610
Increase/(Decrease) in provisions	57 383	(10 726)
Income tax expense	(353 730)	122 644
Income tax received/(paid)	226 712	(36 375)
Other adjustments	28 732	(22 965)
Net cash provided by operating activities	**503 896**	**44 445**
Cash flows - investing activities		
Acquisition of property, plant and equipment and intangible assets	(539 751)	(387 674)
Proceeds from sale of property, plant and equipment and intangible assets	2 211	15 167
Interest received	1 079	775
Expenditures due to additional payments to subsidiaries' equity	(6 510)	(49 000)
Proceeds from additional payments to subsidiaries' equity	4 000	-
Expenditures due to cash pool	(10 279)	-
Other	(2 959)	535
Net cash (used in) investing activities	**(552 209)**	**(420 197)**
Cash flow - financing activities		
Proceeds from loans	1 508 003	940 714
Debt securities issued	645 592	391 478
Repayment of loans	(1 111 956)	(276 725)
Repurchase of debt securities	(494 370)	(485 733)
Interest paid	(76 911)	(91 187)
Payments due to finance lease liabilities	(235)	(533)
Proceeds due to cash pool	61 784	-
Net cash provided by financing activities	**531 907**	**478 014**
Net change in cash and cash equivalents	**483 594**	**102 262**
Effect of exchange rate changes	9 730	(450)
Cash and cash equivalents, beginning of the period	**442 938**	**166 142**
Cash and cash equivalents, end of the period	**936 262**	**267 954**
incl. cash and cash equivalents not available for use	191 179	-

Statement of changes in unconsolidated equity

	Share capital and share premium	Hedging reserve	Retained earnings	Total equity
1 January 2009	**2 284 888**	**(100 287)**	**13 197 275**	**15 381 876**
Total comprehensive income	-	(67 017)	(1 599 265)	(1 666 282)
31 March 2009	**2 284 888**	**(167 304)**	**11 598 010**	**13 715 594**

unaudited

	Share capital and share premium	Hedging reserve	Retained earnings	Total equity
1 January 2008	**2 284 888**	**87 584**	**15 461 110**	**17 833 582**
Total comprehensive income	-	(11 910)	664 921	653 011
31 March 2008	**2 284 888**	**75 674**	**16 126 031**	**18 486 593**

unaudited

These forgoing interim condensed consolidated financial statements were authorized by the Management Board of the Parent in Warsaw on 12 May 2009.

……
Dariusz Krawiec
President of the Board

……
Sławomir Jędrzejczyk
Vice-President of the Board

……
Wojciech Kotlarek
Member of the Board

……
Krystian Pater
Member of the Board

……
Marek Serafin
Member of the Board

Warsaw, 12 May 2009