Better environment downstream

PKN ORLEN consolidated financial results for 3Q 2014

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22 October 2014

Agenda

Key highlights 3Q14

Macroeconomic environment

Financial results

Segment results

Liquidity and investments

Market outlook

Key highlights 3Q14

Value creation

- EBITDA LIFO: PLN 2,1 bn
- Very good downstream and retail results
- 652 th boe of production in Canada

Financial strength

- Dividend paid: PLN 616m (PLN 1,44 per share)
- Financial gearing: 25,9%
- Net debt: PLN 5,9 bn

People

2013 The Best Annual Report

top MARKA

- Index of Success 2013 - PKN ORLEN laureate of prestigious award in M&A category
- „The Best of The Best" – the best annual report 2013
- Top Marka 2014 - PKN ORLEN a brand leader in fuel stations category

ORLEN. Fuelling the future.

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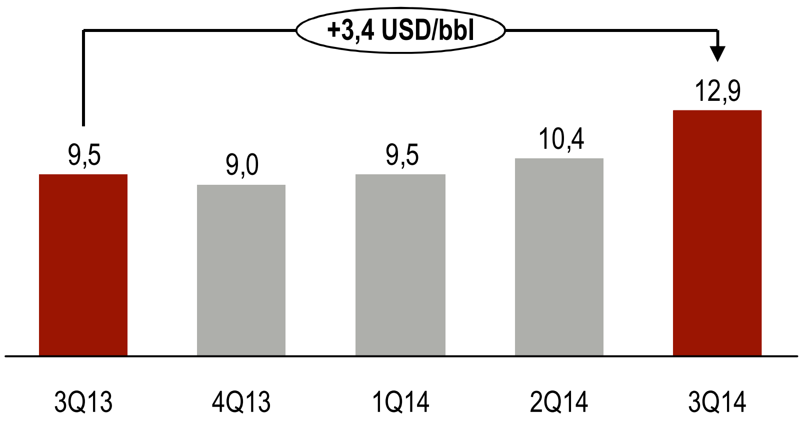
Macro environment in 3Q14 (y/y)

Downstream margin increase

Model downstream margin, USD/bbl



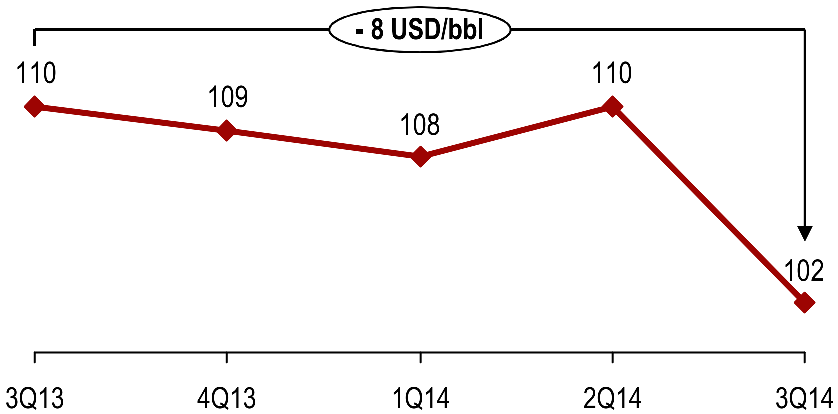
Product slate of downstream margin

Crack margins

Refining products (USD/t)	3Q14	2Q14	3Q13	Δ (y/y)
Diesel	111	91	117	-5%
Gasoline	193	195	176	10%
HHO	-215	-254	-243	12%
SN 150	202	149	121	67%
Petchem products (EUR/t)				
Ethylene	604	562	577	5%
Propylene	557	545	456	22%
Benzene	479	405	334	43%
PX	369	295	473	-22%

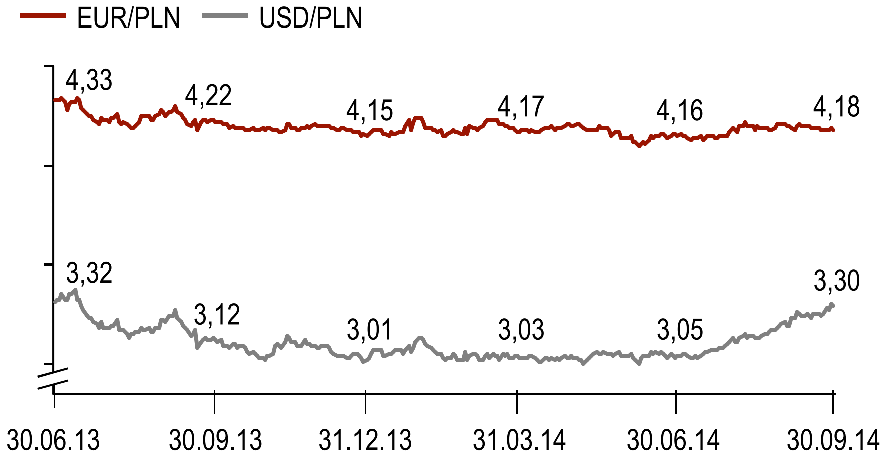
Crude oil price decrease

Average Brent Crude Oil price, USD/bbl



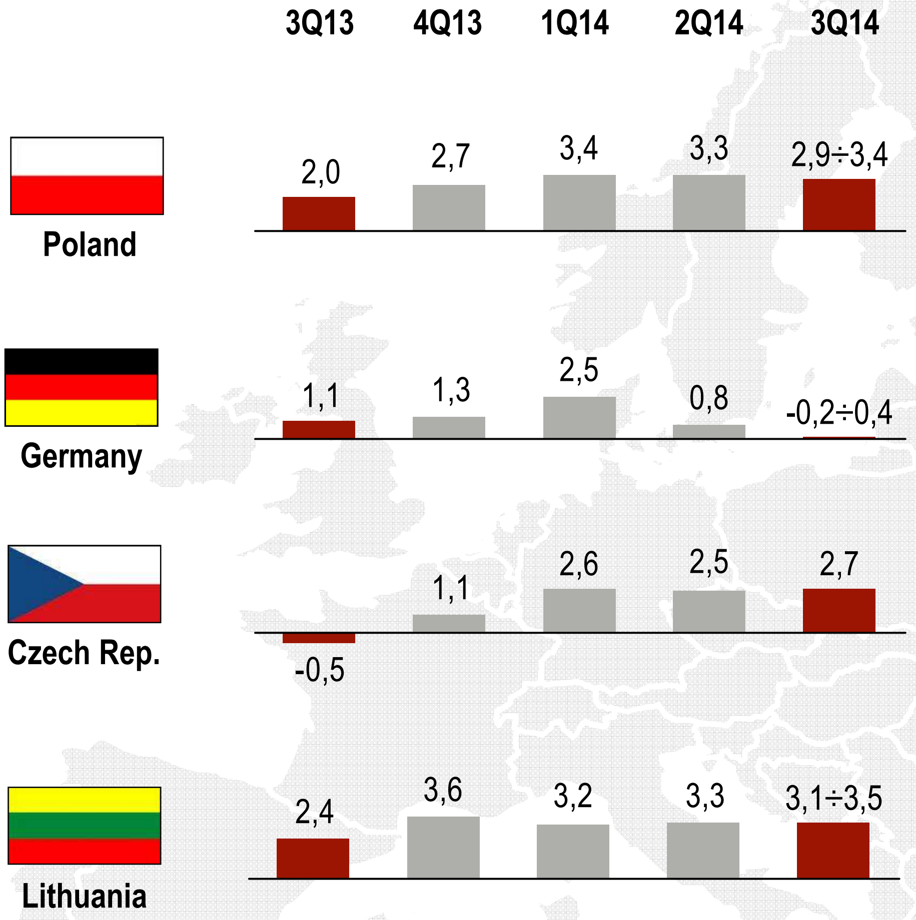
Average PLN stronger against USD and EUR

USD/PLN and EUR/PLN exchange rate

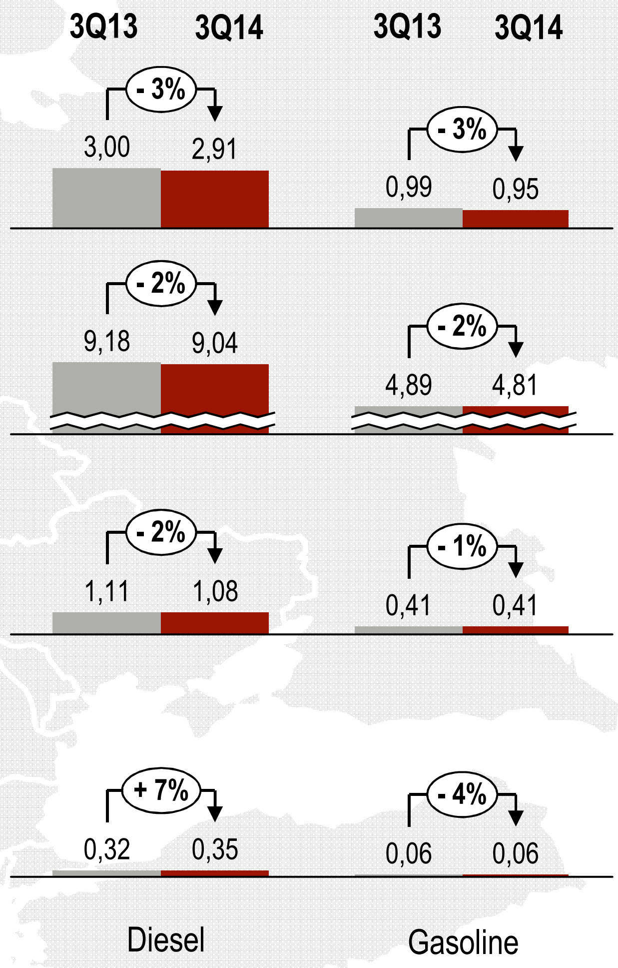


Impact of grey zone in Poland and economy slowdown in Germany

GDP increase[1]
Change (%) to respective quarter of last year



Fuel consumption (diesel, gasoline)[2]
mt



[1] Poland – Statistical Office (GUS) / not unseasonal data; (Germany, Lithuania) – Eurostat / not unseasonal data, the Czech Rep - OECD / unseasonal data, 3Q14 – estimates
[2] 3Q14 – estimates based on July and August 2014

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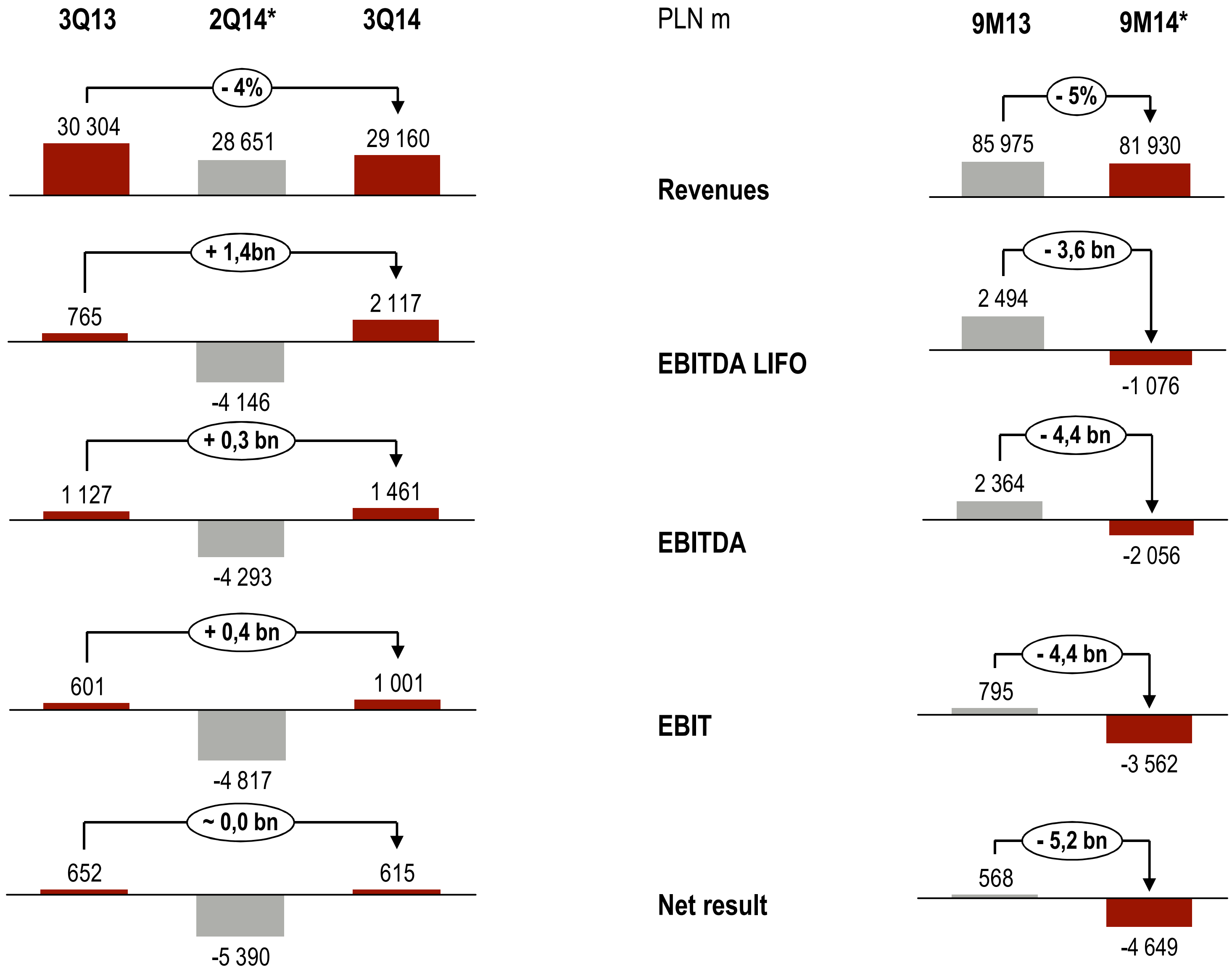
Reported financial results



* In 2Q14 impairment of assets in the amount of PLN (-) 5 002 m in operational part and PLN (-) 833 m in financial part due to 'net investment hedge'

Financial results*

PLN m	3Q13	2Q14*	3Q14	Change (3Q14 vs 3Q13)	9M13	9M14*	Change (9M14 vs 9M13)
Revenues	30 304	28 651	29 160	- 4%	85 975	81 930	- 5%
EBITDA LIFO	765	856	2 117	+ 1,4 bn	2 494	3 926	+ 1,4 bn
EBITDA	1 127	709	1 461	+ 0,3 bn	2 364	2 946	+ 0,6 bn
EBIT	601	185	1 001	+ 0,4 bn	795	1 440	+ 0,6 bn
Net result	652	134	615	~ 0,0 bn	568	875	+ 0,3 bn

Revenues: decrease by (-) 4% (y/y) mainly due to lower crude oil price and stronger PLN against USD and EUR

EBITDA LIFO: increase by PLN 1,4 bn (y/y) mainly due to downstream margin increase by 3,4 USD/bbl (y/y) and sales volumes by 3% (y/y)

LIFO effect: PLN (-) 0,7 bn due to lower crude oil price in PLN

Financials' result: PLN (-) 0,3 bn mainly as a result of negative FX from debt revaluation and other balance sheet positions in USD in 3Q14

Net result: comparable result (y/y) despite significant negative impact of LIFO effect and negative financials' result

* Data before impairments in 2Q14

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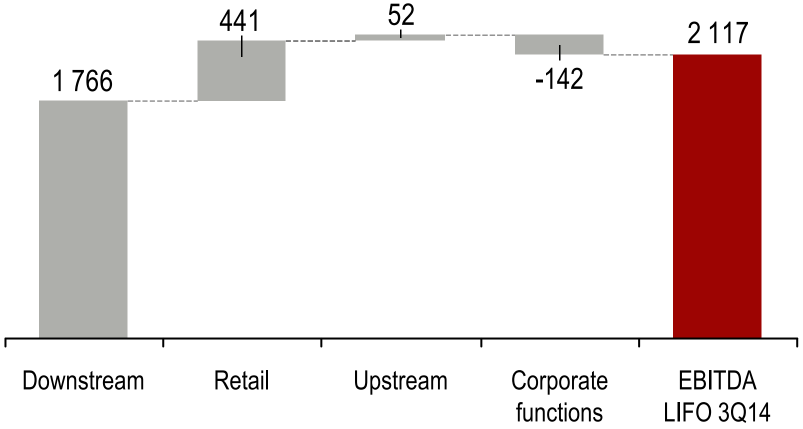
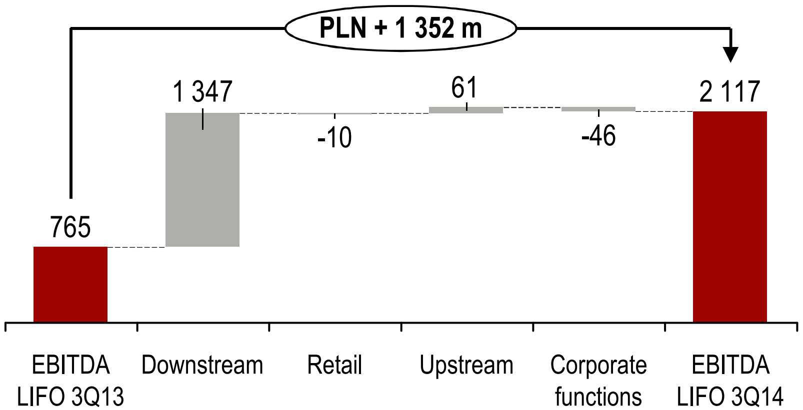
EBITDA LIFO
Increase in downstream result by PLN 1,4 bn (y/y)

Segments' results in 3Q14
PLN m



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



Positive impact of:

- Increase in downstream margin by 3,4 USD/bbl (y/y)
- Increase in total sales by 3% (y/y) in all segments
- Dynamic growth of non-fuel offer; 51 new Stop Cafe and Stop Cafe Bistro points opened in 3Q14 in Poland

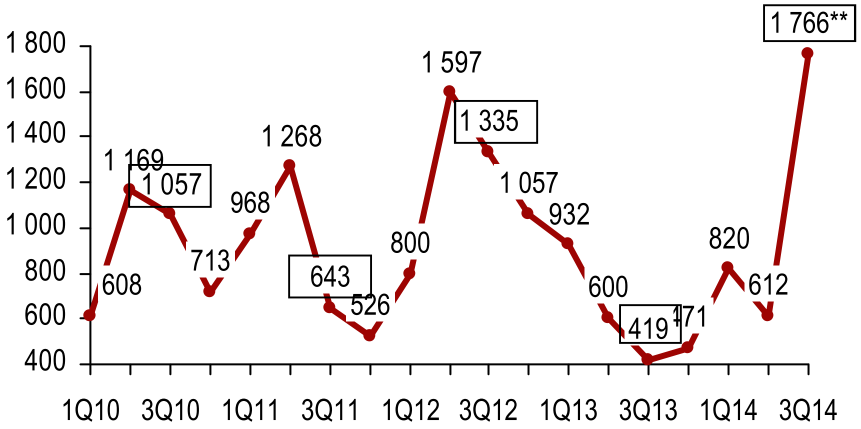
offset by negative impact of:

- Lower throughput (y/y) as a result of maintenance shutdowns of H-Oil, Hydrogen Recovery Unit and Olefins in PKN ORLEN S.A., PE/PP unit in BOP and PVC in Anwil
- Drop in fuel margins in retail (y/y)

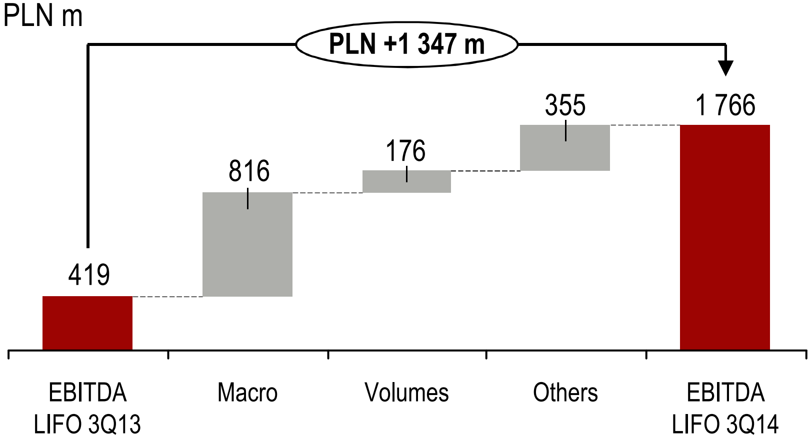
- **Downstream**: increase in margin and sales volumes (y/y) partially offset by negative impact of maintenance shutdowns. The result includes ca. PLN 0,3 bn positive accounting effect of processing cheaper crude oil purchased in previous years
- **Retail**: sales increase in all markets (y/y) and improvement in non-fuel margins (y/y) at drop in fuel margins (y/y)
- **Upstream**: wider operating scale after purchase of assets in Canada
- **Corporate functions**: higher costs (y/y) connected with lack of positive effects from 3Q13 including received compensation

Downstream – EBITDA LIFO
PLN 1,8 bn as a result of good macro and sales increase by 2%

EBITDA LIFO quarterly (without impairments*)
PLN m



EBITDA LIFO – impact of factors
PLN m



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- Increase in downstream margin by 3,4 USD/bbl (y/y) mainly due to improvement in margins on gasoline, HHO as well as propylene and benzene
- Increase in total petrochemical sales by 15% (y/y), including: increase in the Czech Republic due to market situation improvement and no maintenance shutdowns in 3Q14 and in Poland mainly due to higher sales of fertilizers and PTA as a result of no maintenance shutdowns in 3Q14
- Improvement in fuels yield in the Czech Republic and Lithuania (y/y)
- The others include mainly ca. PLN 0,3 bn of positive accounting impact of processing cheaper crude oil purchased in previous years, recorded acc. to LIFO valuation at lower prices due to disposal of 1,5 mt of mandatory reserves in previous quarters

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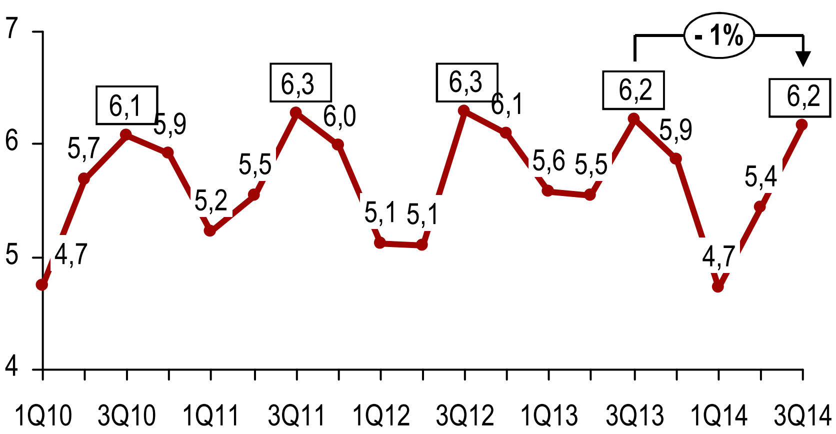
- Lower total refining sales by (-) 1% due to lower sales to fuel corporations in Poland and unfavourable market situation in Baltic countries, limited by sales increase in the Czech Republic caused by higher availability of installations and higher throughput capacities (purchase of 16,6% of shares in CR in 1Q14)
- Lower crude oil throughput and utilization in Płock (y/y) due to maintenance shutdowns

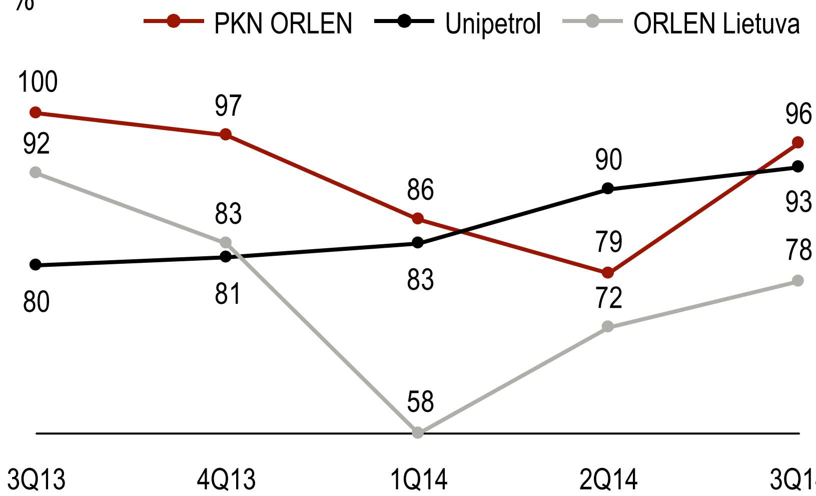
Macro: exchange rate PLN 16 m, margins PLN 566 m, differential PLN 234 m
* Impairments: 4Q11 = PLN (-) 1,7 bn; 4Q12 = PLN (-) 0,7bn, 2Q14 = PLN (-) 5,0 bn
** EBITDA LIFO downstream in 3Q14 amounted to PLN 1766 m, of which: refining PLN 1181 m, petrochemicals PLN 585 m

Downstream (Refining) – operational data
Limited throughput mainly due to maintenance shutdowns

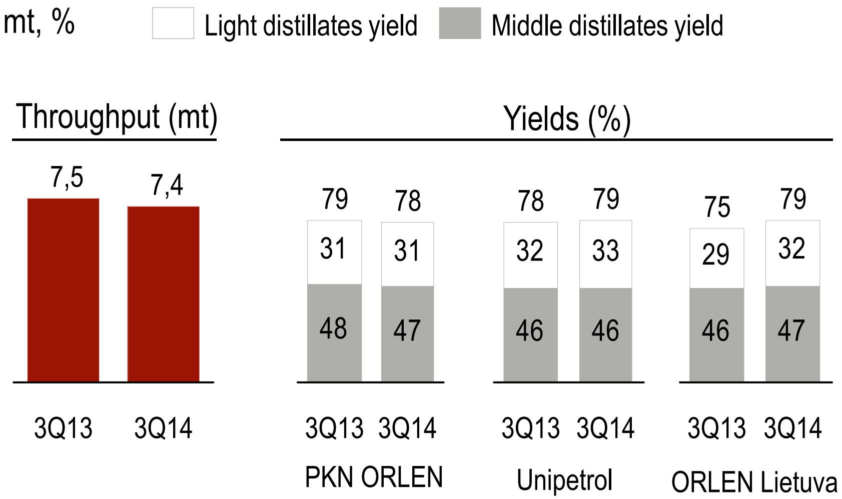
Sales volumes
mt



Utilization ratio
%



Crude oil throughput and fuel yield
mt, %



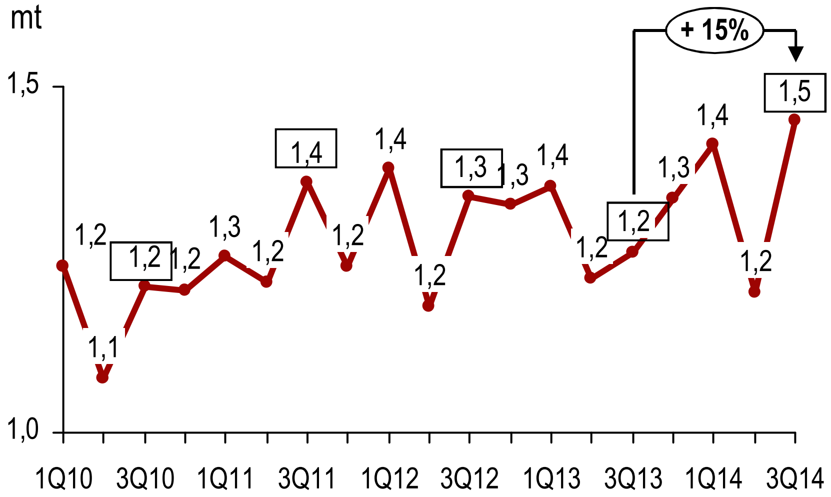
- Lower total sales by (-) 1% (y/y), including: in Poland by (-) 4% (y/y) and ORLEN Lietuva by (-) 9% (y/y) partly limited by increase in volumes in Czech Republic by 44% (y/y)
- PKN ORLEN S.A.: lower utilization by (-) 4pp (y/y) and fuel yield by (-) 1pp (y/y) as a result of planned maintenance shutdowns of H-Oil and Hydrogen Recovery Unit
- Unipetrol: higher throughput by 470 th t due to increase in shareholding of Ceska Rafinerska in 1Q14 and lack of maintenance shutdowns of Olefins and FCC unit that occurred in 3Q13
- ORLEN Lietuva: lower utilization by (-) 14pp (y/y) due to limited seaborne sales. Increase in fuel yield by 4pp (y/y) mainly due to Vacuum Flasher

Downstream (Petrochemicals) – operational data
Sales increase by 15% (y/y); cyclical Olefins maintenance shutdown

ORLEN

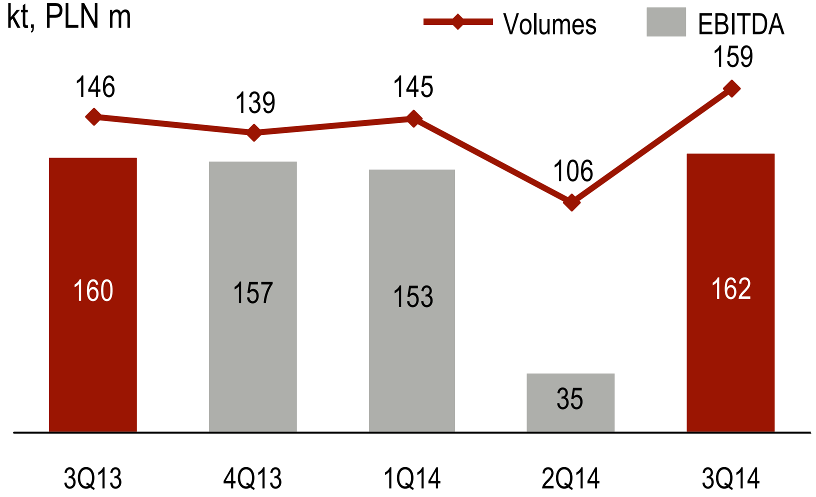
Sales volumes

mt



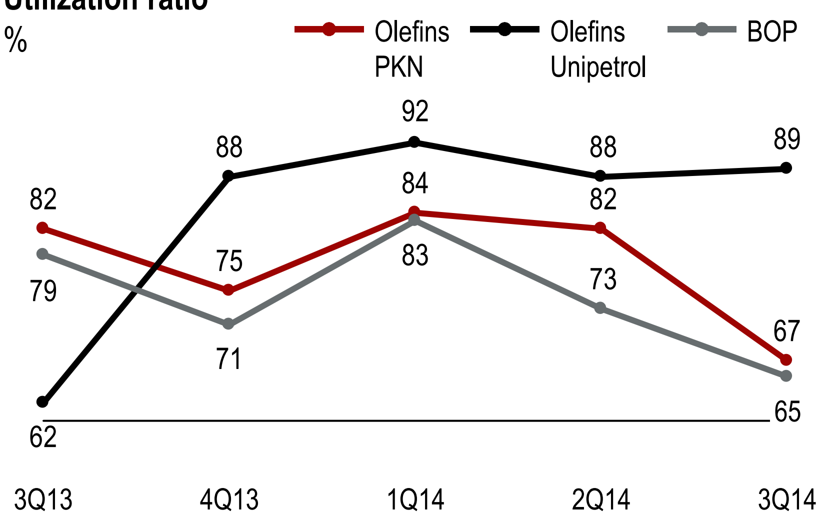
PTA sales volumes and EBITDA

kt, PLN m



Utilization ratio

%



- Sales volumes increased in total by 15% (y/y), of which: in Poland by 6% (y/y) and in the Czech Republic by 33% (y/y)
- Increase of fertilizers sales by 50% (y/y) as a result of lack of negative impact of shutdown of ammonia installation in Anwil and Spolana shutdown due to flood, which occurred in 3Q13
- Increase of polyolefins sales by 28% (y/y) thanks to improvement of market situation in the Czech Republic as well as due to lack of negative impact of shutdowns of Litvinov installation, which occurred in 3Q13
- Increase of PTA sales by 9% (y/y) as a result of lack of negative impact of PX/PTA installation shutdown, which occurred in 3Q13
- Lower utilization ratio of Olefins in Płock by (-) 15pp (y/y) and lower olefins sales by (-) 10% (y/y) as a result of planned shutdown of Olefins (20 days), which took place in Sept. 2014

Downstream (Energy)
Realization of industry cogeneration projects

Strategic assumptions

- Concentration on industrial cogeneration – projects with the highest profitability / the lowest risk, among others, thanks to guarantee of permanent receiving of steam, which enable to achieve very high efficiency
- Good locations and synergies of gas energy with other segments
- Adaptation of projects to local conditions
- Natural gas as strategic importance fuel for PKN ORLEN
- Building of company value through segment management at the level of the whole Capital Group

Building a CCGT plant in Wloclawek (463 MWe)

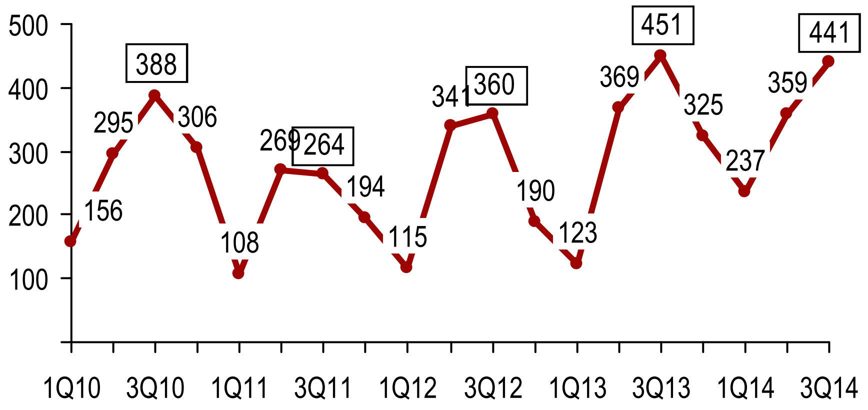
- In 3Q14 finished major construction works of key power plant components: gas turbine, steam turbine, generator and boiler
- Assembly of an auxiliary system, electricity and automatic components is currently realized
- 20 subcontractors are involved (over 600 people)
- Energy and gas connections (PSE Operator and Gaz System) realized according to schedules
- Total CAPEX PLN 1,4 bn. Start-up of production in 4Q15

Concept of building a CCGT in Plock (600 MWe)

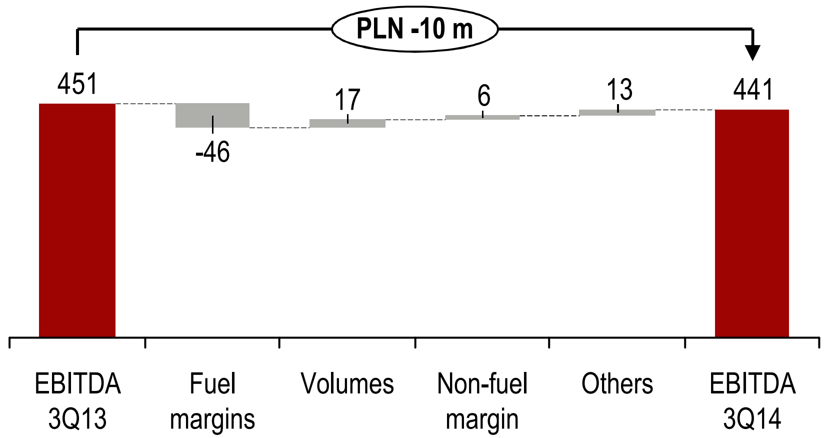
- Obtained a building permission
- Proceedings of media building permission and preparing of block line (high voltage) and gas connection are in progress
- Advanced process of selecting the contractor
- Efficiency of the project is analysed. Decision is expected in 4Q14

Retail – EBITDA LIFO
Maintained very good result despite lower fuel margins

EBITDA LIFO quarterly (without impairments*)
PLN m



EBITDA LIFO – impact of factors
PLN m



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- Sales volumes in total increase by 2% (y/y) on the all markets
- Market share increase on the all markets (y/y)
- Improvement of non-fuel margins (y/y)
- 1200 of Stop Cafe and Stop Cafe Bistro locations in Poland; increase by 236 locations (y/y)

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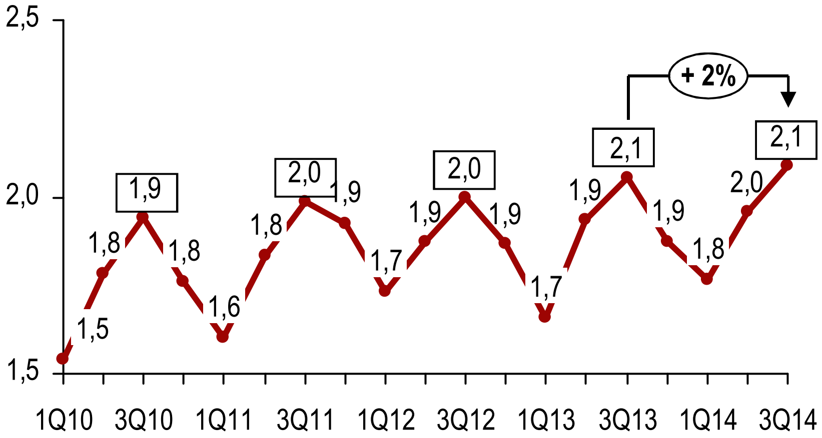
- Decrease of fuel margins in Germany and the Czech Republic (y/y)
- Maintaining ‘grey zone’ in the Czech Republic and Poland

* Impairments: 4Q11 = PLN (-) 0,1 bn

Retail – operational data
Sales increase by 2%; further growth of non-fuel offer

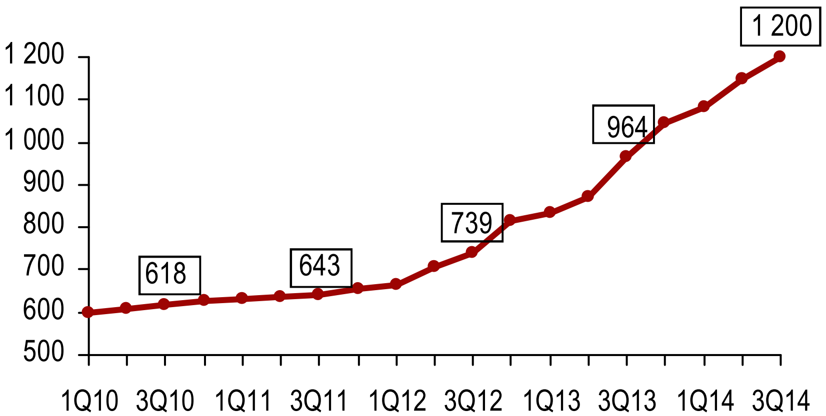
Sales volumes
mt



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

	# stations	Δ y/y	% market	Δ y/y
PL	1 757	-9	36,6%	1,6 pp
DE	559	2	6,0%	0,1 pp
CZ	339	2	15,2%	0,7 pp
LT	26	0	3,6%	0,3 pp

Number of Stop Cafe and Bistro Cafe in Poland
#



- Sales volumes increase in total by 2% (y/y), of which: Poland by 1% (y/y), the Czech Republic by 6% (y/y), Lithuania by 7% (y/y) and Germany by 2% (y/y)
- Market share increase on the all markets (y/y), mainly in Poland 1,6pp (y/y)
- 2681 stations at the end of 3Q14, i.e. decrease of total # of stations by (-) 5 (y/y), of which: decrease in Poland by (-) 9 stations at increase in Germany by 2 and in the Czech Republic by 2 stations.
- Dynamic growth of non-fuel offer by launching in 3Q14 further 51 new Stop Cafe and Bistro Cafe locations in Poland

Upstream
Exploration projects in Poland

Poland

Exploration projects of shale gas

- Currently 10 wells finished: 7 vertical, 3 horizontal and 3 fracking of horizontal wells
- Concentration on the most promising areas

Lublin Shale (10 wells)

- In 3Q14 one fracking was done (Wodynie-Łuków) and horizontal well was started (Wierzbica). Additionally, 2D seismic data acquisition and processing was done ((Wołomin)
- Till the end of 2014 one vertical well is planned (Wołomin)

Mid-Poland Unconventionals and Hrubieszów Shale

- In 3Q14 works on geology model updated and assessment of areas prospects were conducted

Conventional projects

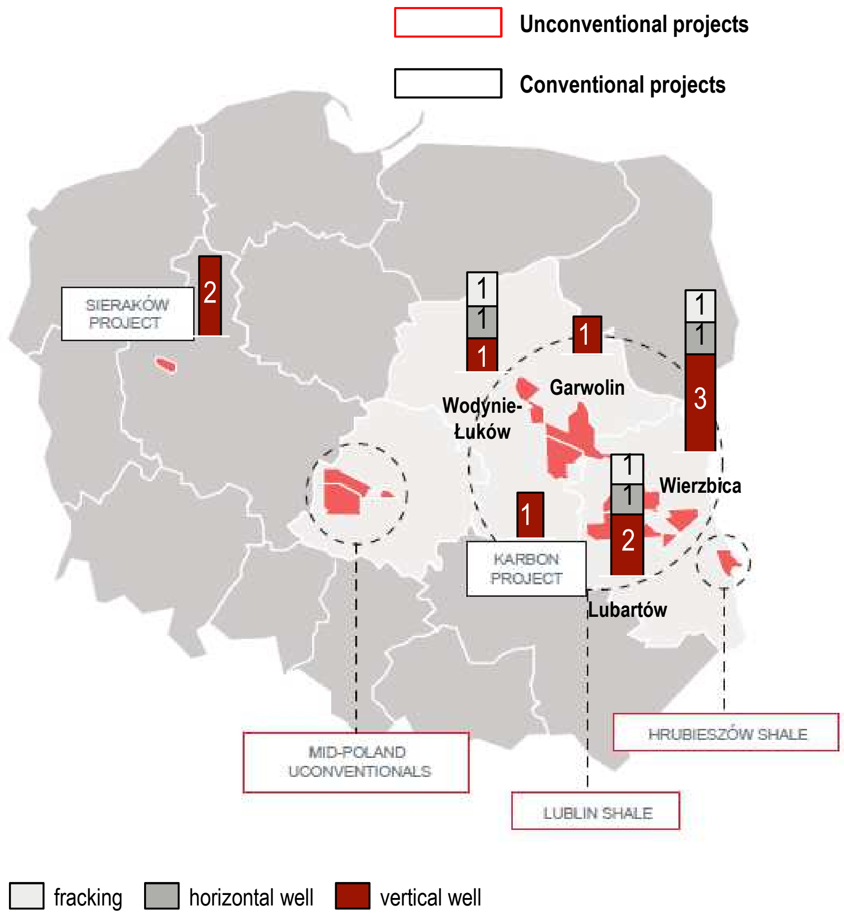
- Currently 3 wells finished

Project Sieraków (2 wells)

- In 3Q14 continuation of analysis to assess area prospects and update works schedule

Project Karbon (1 well)

- In 3Q14 first exploration drill was finished (Lublin)
- Continuation of processing and interpretation of new 2D seismic data (Lublin)



- **EBITDA 3Q14:** PLN (-) 7 m
- **CAPEX 3Q14**: PLN 57 m
- **EBITDA 9M14*:** PLN (-) 32 m
- **CAPEX 9M14**: PLN 125 m

* Includes impairment of the value of expenditures in the total amount of PLN (-) 8 m in 2Q14

Upstream
Production projects in Canada

Canada

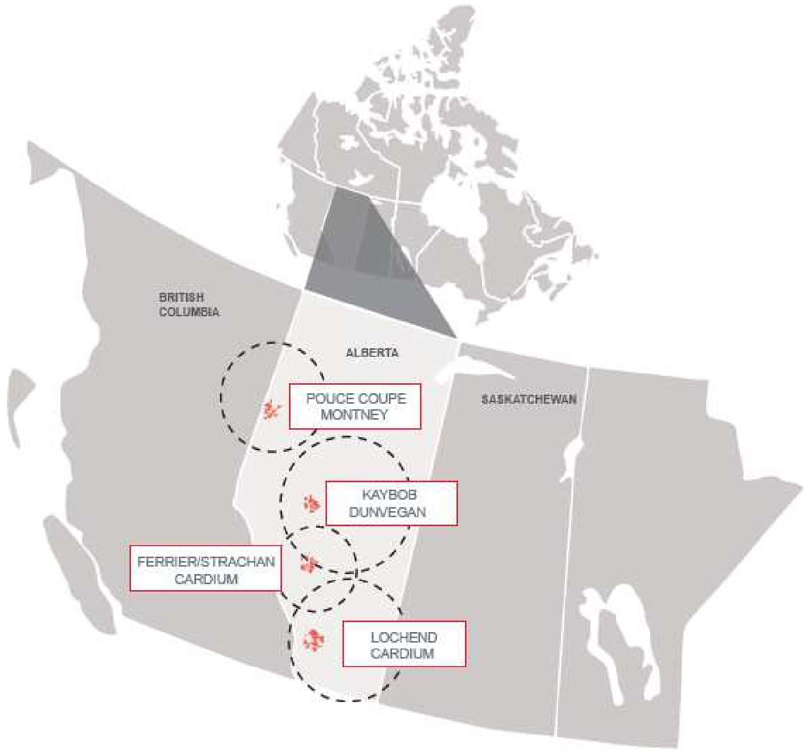
TriOil – upstream company

Assets

- After closing the acquisition of Birchill Exploration and consolidation with TriOil in June 2014 portfolio of assets in Canadian Alberta province is located on four areas: Lochend, Kaybob, Pouce Coupe and Ferrier/Strachan
- Total reserves: ca. 48 m boe of crude oil and gas (2P)

3Q14

- In 3Q14 drilling of 20 new wells (11 net*) and 10 fracking (6,6 net*) was done; 4 new wells started production (2,3 net*)
- Average production amounted to ca. 7,1 th boe/d TriOil (41% liquid hydrocarbons)
- At the end of 3Q14, production was done from 125,3 net* wells in total



- **EBITDA 3Q14:** PLN 59 m
- **CAPEX 3Q14**: PLN 121 m
- **EBITDA 9M14:** PLN 134 m
- **CAPEX 9M14****: PLN 234 m

* Number of wells multiplied by share percentage in particular asset
** Data not include Birchill Exploration LP acquisition in the amount of PLN 708 m in 2Q14

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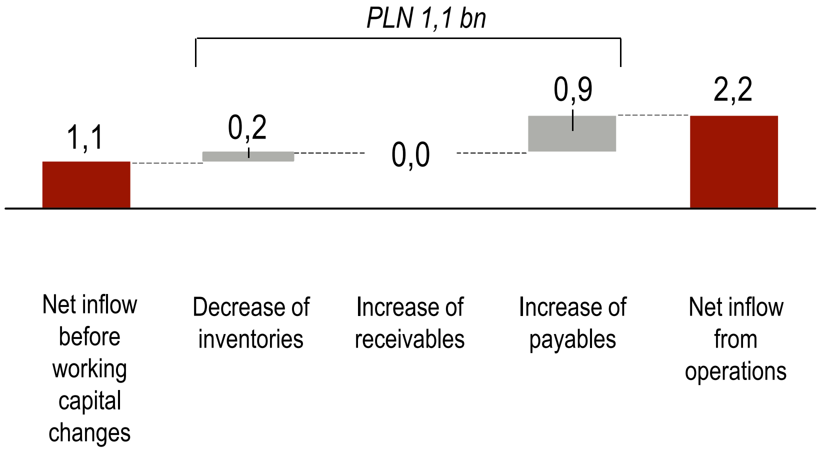
Cash flow in 3Q14
Working capital decrease by PLN 1,1 bn

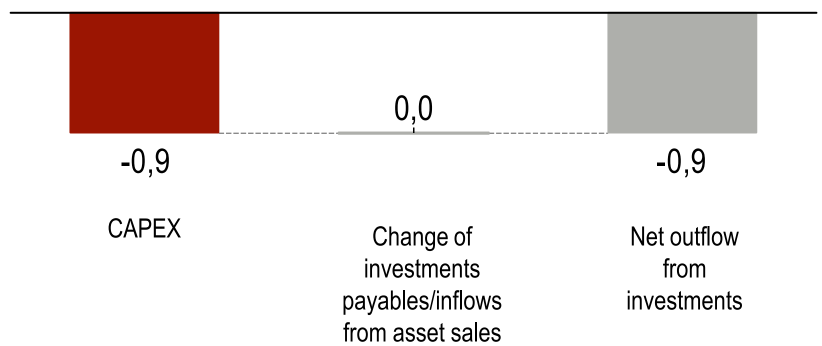
Cash flow from operations

PLN bn



Cash flow from investments

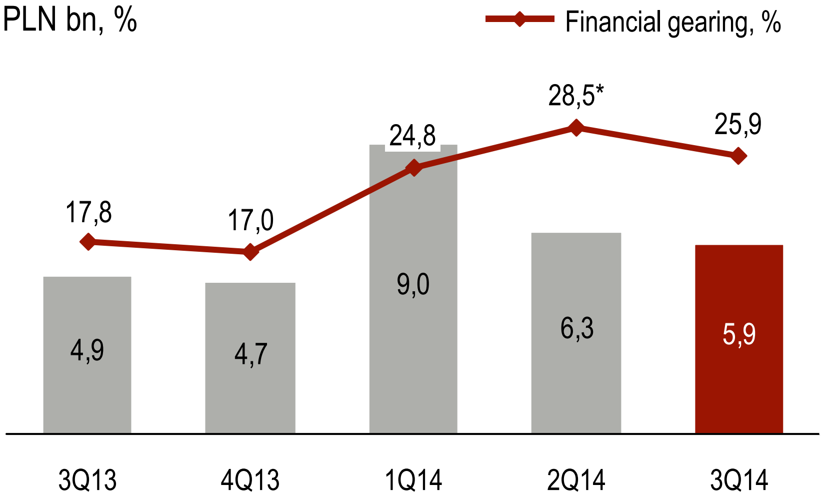
PLN bn



- Working capital decrease in 3Q14 mainly due to:
  - Payables increase by PLN 0,9 bn, of which: increase by PLN 1,4 bn due to crude purchases and decrease due to taxes by PLN (-) 0,3 bn
- Obligatory inventories in the balance sheet at the end of 3Q14 amounted to PLN 5,0 bn, of which PLN 4,4 bn in Poland. Additionally, there is 1,5 mt of obligatory reserves sold in the amount of PLN 3,2 bn (2 tranches)

Debt

Net debt and gearing
PLN bn, %

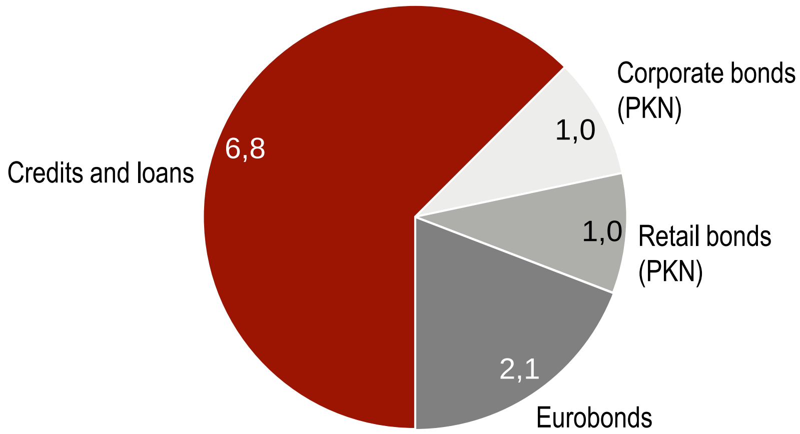


- Stable level of indebtedness and financial gearing
- Safe level of covenants

- Gross debt structure:
  USD 5%, EUR 60%, PLN 25%, CZK 10%

- Net debt decrease by PLN 0,4 bn (q/q) including net repayment of credits and decreasing cash balance in the amount of PLN (-) 0,8 bn and negative foreign exchange differences from credit revaluation and debt valuation in the amount of PLN 0,4 bn.

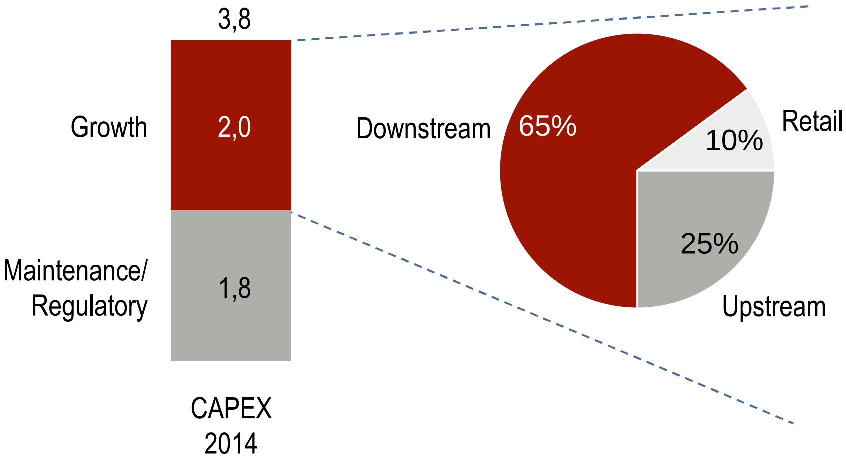
Diversified sources of financing (gross debt)
PLN bn



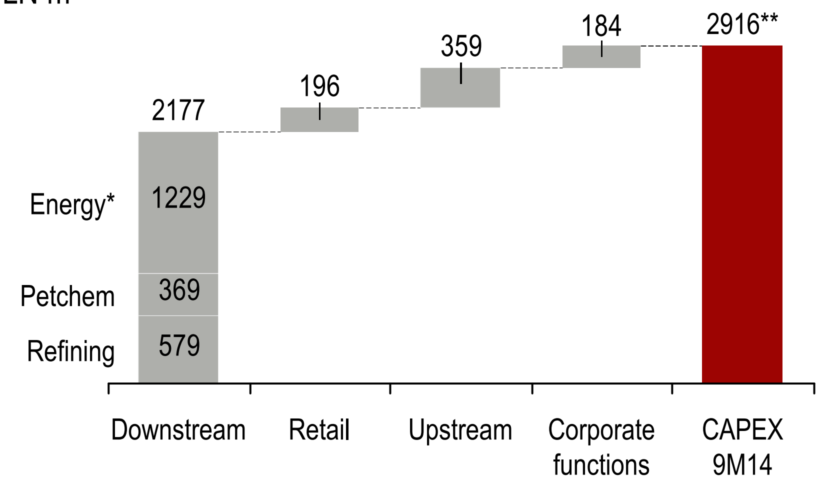
* Financial gearing increase due to equity decrease after impairments of assets in 2Q14

CAPEX
PLN 2,9 bn expenditures for 9 months 2014 (basic pool)

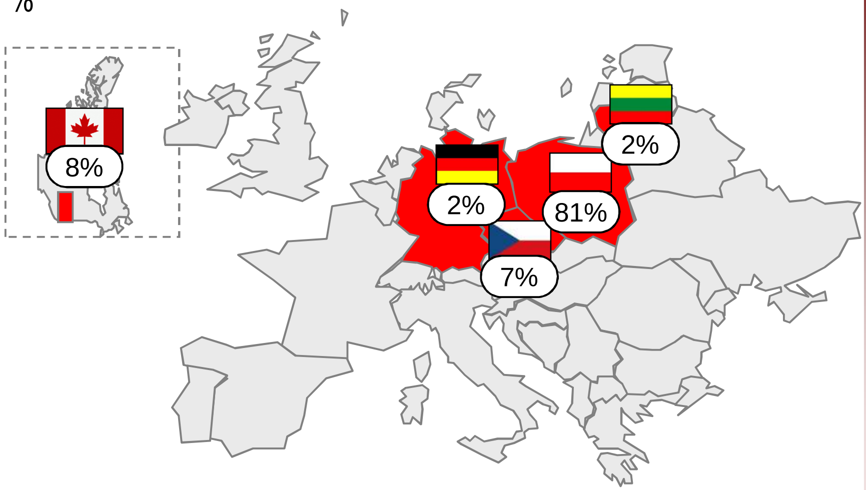
Planned CAPEX 2014 (basic pool)
PLN bn



CAPEX 9M14 (basic pool) – split by segment
PLN m



CAPEX 9M14 (basic pool) – split by country
%



Main growth projects in 3Q14 ***

Downstream
- Construction of CCGT in Włocławek with infrastructure
- Exchange of pipelines on Hydrocracking installation and modernisation of 5 fuel terminals in PKN ORLEN
- Construction of educational and research center in Unipetrol
- Modernization of cooling-supply system and revitalization of the electric supply system of electrolysis hall in Anwil

Retail
- 12 stations opened, 26 modernized, 12 closed
- 51 Stop Cafe and Stop Cafe Bistro opened

Upstream
- Canada – PLN 121 m
- Poland – PLN 57 m

* Energy including mainly: CCGT in Włocławek (industrial energy) and Flue Gas Desulphurization and Installation of Catalytic Denitrification, SCR (production energy)
** Does not include Birchill acquisition for PLN 0,7 bn (additional pool) and 16,6% share in CR for PLN 0,1 bn
*** CAPEX 3Q14 amounted to PLN 880 m: PLN 154 m refining, PLN 134 m petchem, PLN 309 m energy, PLN 83 m retail, PLN 178 m upstream, PLN 22 m corporate functions

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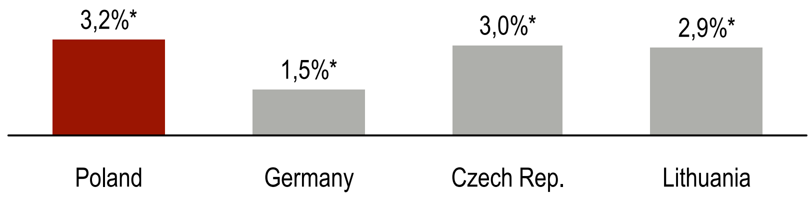
Macro - assumptions

- **Brent crude oil price** – expected a slight decrease in 4Q14 as a result of additional supply from Libya and Iran as well as increasing production in USA at slower growth of demand from global economy. Huge potential of rising upstream volumes in USA is limiting OPEC impact on supply and crude oil price. Geopolitical risk may influence crude oil prices.
- **Downstream margin** – expected worsening in 4Q14 due to seasonal drop in fuel consumption and margins (cracks) adjustment to reflect lower crude oil price.

Economy – GDP forecast growth

- **GDP** - Polish economy will speed up to 3,2 percent in 2014 and to 3,4 percent in 2015 – NBP (October 2014)



- **Fuel consumption** – continuation of demand increase for diesel at slight decrease in demand for gasoline in CEE region in 2015 - JBC Energy (October 2014)

Regulatory environment

- **Grey zone** – till 22 Sept. entities applying for the concession for fuel trading with foreign countries were obliged to provide an application to Energy Regulation Office and make a deposit in the amount of PLN 10 m. Currently, verification of entities and deposits required to get the concession is in progress
- **Obligatory crude oil reserves** – from 1 Jan 2015 gradual decrease of keeping reserves from 76 to 53 days till 2017 will be in force
- **Energy law** – extension of support of red and yellow certificates by the end of 2018
- **Hydrocarbon act** – majority of regulations will be in force from 01.01.2015. Finalized work on act concerning special hydrocarbon tax; law will be in force from 01.01.2016 but the tax obligation will be collected from revenues recorded from 01.01.2020.

ORLEN. Fuelling the future.

* Poland (NBP, October 2014); Germany (OECD, September 2014); Czech Rep. (CNB, July 2014); Lithuania (Lietuvos Bankas, September 2014)

Thank You for Your attention

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Agenda

Supporting slides

Results – split by quarters

(PLN, m)	3Q14	2Q14*	3Q13**	Δ y/y	9M14*	9M13**	Δ
Revenues	29 160	28 651	30 304	-4%	81 930	85 975	-5%
EBITDA LIFO	2 117	856	765	177%	3 926	2 494	57%
Effect LIFO	-656	-147	362	-	-980	-130	-654%
EBITDA	1 461	709	1 127	30%	2 946	2 364	25%
Depreciation	-460	-524	-526	13%	-1 506	-1 569	-4%
EBIT LIFO	1 657	332	239	593%	2 420	925	162%
EBIT	1 001	185	601	67%	1 440	795	81%
Net result	615	134	652	-6%	875	568	54%

* Data before impairments of assets in 2Q14 in the amount of PLN (-) 5 002m in operational part and PLN (-) 833m in financial part due to 'net investment hedge'
** Restarted data based on new IFRS 11 effective from January 2014

Results – split by segments

3Q14 (PLN m)	Refining	Petrochemicals	Energy	Downstream	Retail	Upstream	Corporate functions	Total
EBITDA LIFO	1 181	585	0	1 766	441	52	-142	2 117
Effect LIFO	-620	-36	0	-656	0	0	0	-656
EBITDA	561	549	0	1 110	441	52	-142	1 461
Depreciation	-146	-164	0	-310	-89	-37	-24	-460
EBIT	415	385	0	800	352	15	-166	1 001
EBIT LIFO	1 035	421	0	1 456	352	15	-166	1 657

3Q13* (PLN m)	Refining	Petrochemicals	Energy	Downstream	Retail	Upstream	Corporate functions	Total
EBITDA LIFO	51	369	-1	419	451	-9	-96	765
Effect LIFO	328	34	0	362	0	0	0	362
EBITDA	379	403	-1	781	451	-9	-96	1 127
Depreciation	-235	-168	0	-403	-90	-1	-32	-526
EBIT	144	235	-1	378	361	-10	-128	601
EBIT LIFO	-184	201	-1	16	361	-10	-128	239

* Restarted data based on new IFRS 11 effective from January 2014

EBITDA LIFO - split by segments

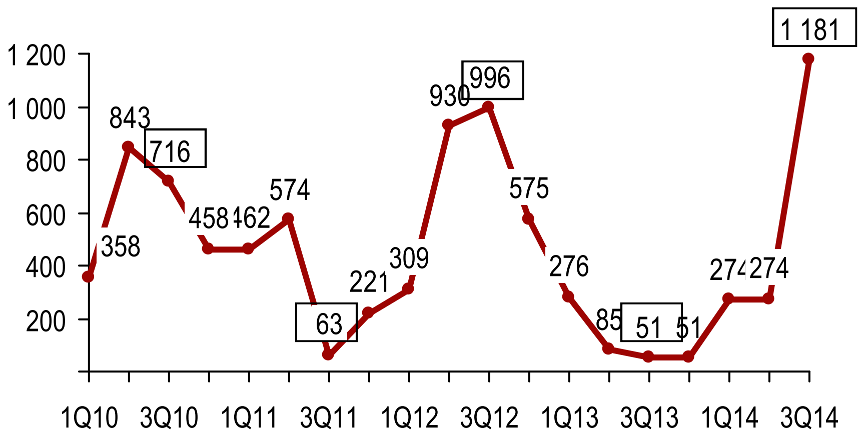
(PLN, m)	3Q14	2Q14*	3Q13**	Δ y/y	9M14*	9M13**	Δ
Refining	1 181	274	51	2216%	1 729	415	317%
LIFO effect (Refining)	-620	-147	328	-	-929	-153	-507%
Petrochemicals	585	339	369	59%	1 471	1 538	-4%
LIFO effect (Petrochemicals)	-36	0	34	-	-51	23	-
Energy	0	-1	-1	-100%	-1	-2	-
Downstream	**1 766**	**612**	**419**	**321%**	**3 199**	**1 951**	**64%**
Retail	441	359	451	-2%	1 034	943	10%
Upstream	52	27	-9	-	110	-18	-
Corporate functions	-142	-142	-96	-48%	-417	-382	-9%
EBITDA LIFO	**2 117**	**856**	**765**	**177%**	**3 926**	**2 494**	**57%**

* Data before impairment of assets in 2Q14 in the amount of PLN (-) 5 002m
** Restarted data based on new IFRS 11 effective from January 2014

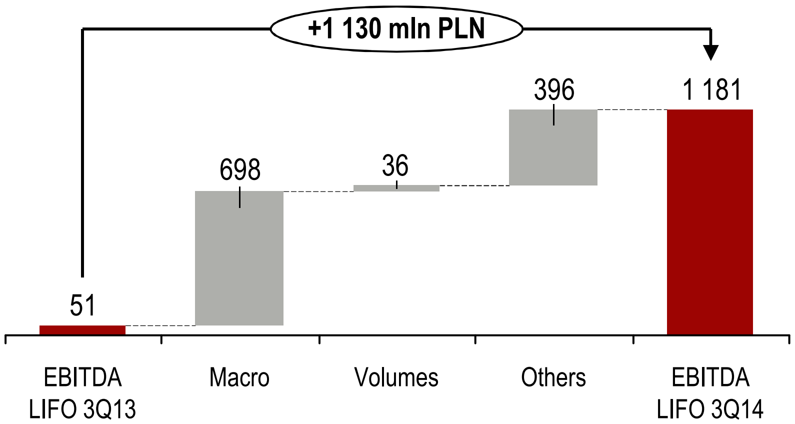
EBITDA LIFO (Downstream)
Refining and petrochemicals contribution to results

Refining

EBITDA LIFO quarterly (without impairments*)
PLN m



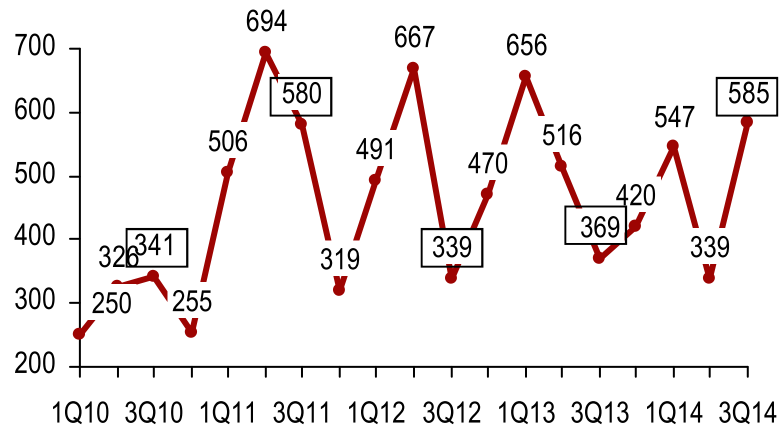
EBITDA LIFO – impact of factors
PLN m



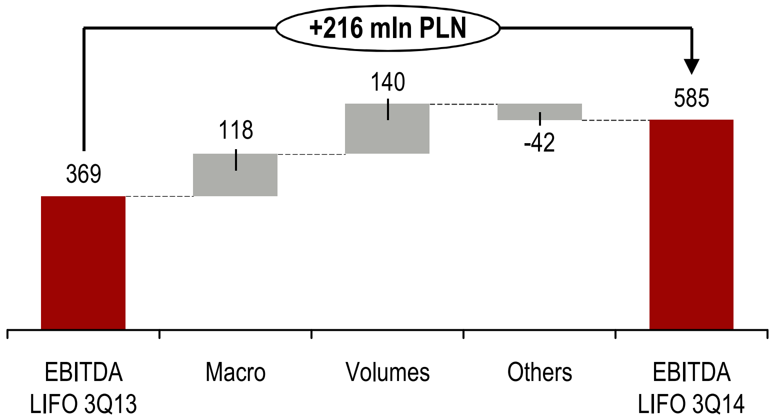
Macro: exchange rate PLN (-) 39m margins PLN 503 m, differential PLN 234 m
* Impairments: 4Q11 = PLN (-) 1,7 bn; 4Q12 = PLN (-) 0,7 bn, 2Q14 = PLN (-) 4,9 bn

Petrochemicals

EBITDA LIFO quarterly (without impairments*)
PLN m



EBITDA LIFO – impact of factors
PLN m



Macro: exchange rate PLN 55 m, margins PLN 63 m
* Impairments: 4Q11 = PLN (-) 1,4 bn, 2Q14 = PLN (-) 0,1 bn

Results 3Q14 - split by companies

IFRS PLN, m	PKN ORLEN S.A.	Unipetrol 2)	ORLEN Lietuva 2)	Others and consolidation corrections	Total
Revenues	20 779	5 145	5 737	-2 502	29 160
EBITDA LIFO	1 225	346	174	372	2 117
LIFO effect[1)]	-520	-48	-88	0	-656
EBITDA	705	298	86	372	1 461
Depreciation	-264	-73	-8	-115	-460
EBIT	441	225	78	257	1 001
EBIT LIFO	961	273	166	257	1 657
Financial income	41	92	18	-19	132
Financial costs	-297	-93	-18	19	-389
Net result	157	212	75	171	615

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

ORLEN Lietuva Group
Key elements of the profit and loss account

IFRS, USD m	3Q14	2Q14*	3Q13	Δ y/y	9M14*	9M13	Δ
Revenues	1 822	1 701	2 142	-15%	4 807	6 122	-21%
EBITDA LIFO	54	-1	-4	-	32	39	-18%
EBITDA	26	7	13	100%	4	34	-88%
EBIT	22	-11	-6	-	-36	-20	-80%
Net result	22	-106	-5	-	-126	-29	-334%

- EBITDA LIFO result in 3Q14 was higher by USD 58 m (y/y) due to favourable macroeconomic environment changes and optimisation of general and labour costs
- Lower sales volumes by (-) 10 % (y/y) mainly as a result of lower sales volumes in Seaborne as well as in Latvia and Estonia
- Lower utilisation ratio by (-) 14pp (y/y) due to limitation of Seaborne sales
- Yields of light products higher by 0,7 pp (y/y) due to usage of the Vacuum Flasher technology

* Before impairments in 2Q14

UNIPETROL Group
Key elements of the profit and loss account

IFRS, CZK m	3Q14	2Q14*	3Q13	Δ y/y	9M14*	9M13	Δ
Revenues	34 041	32 440	24 859	37%	95 290	74 345	28%
EBITDA LIFO	2 304	1 044	235	880%	4 019	1 336	201%
EBITDA	1 982	1 181	737	169%	3 703	1 276	190%
EBIT	1 482	549	160	826%	1 945	-498	-
Net result	1 399	346	-130	-	1 496	-706	-

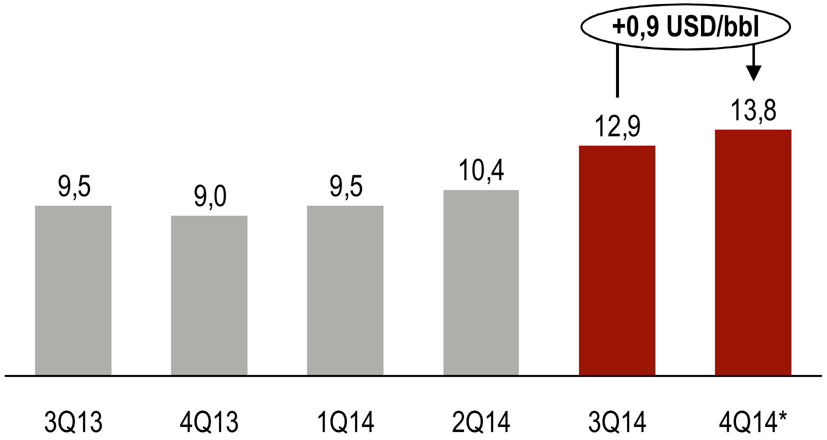
- Revenues significantly higher by 37% y/y of CZK 34,041 m in 3Q14 driven by operation of higher refining capacity and higher sales volumes across all segments
- Profound increase of profitability both y/y and q/q with EBITDA LIFO of CZK 2,304 m in 3Q14 driven by higher sales volumes and higher margins in downstream segment, both refining and petrochemicals
  - Downstream CZK 2,029 m (y/y) driven by positive volumes impact (both refining and petrochemicals), positive macro impact (higher Brent-Ural differential, better margins and FX), and grey zone reduction on fuels market with positive impact on both sales volumes and pricing
    - Increase of crude oil throughput by 52% (y/y) to 1,372 kt, driven by operation of higher refining capacity (5.9 mt/y vs 4.5 mt/y in 2013); increase of refining utilization ratio to 93%,
  - Retail CZK 22 m (y/y) driven by positive impact of higher fuel sales volumes thanks to marketing activities & promos, Customer View program (refurbishments of filling stations), favorable GDP dynamics and grey zone limitation

* Before impairments in 2Q14 and gain on acquisition in 1Q14.

Macro environment in 4Q14 (q/q)

Downstream margin increase

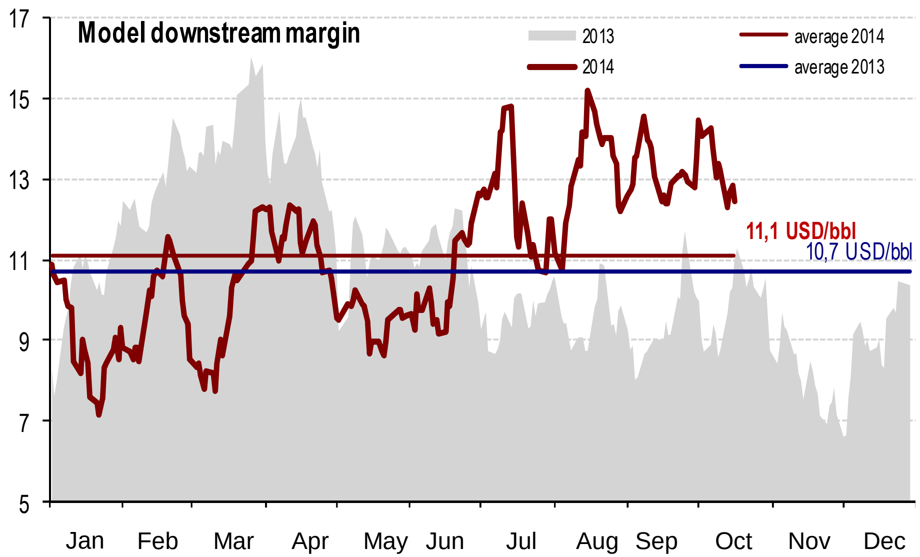
Model downstream margin, USD/bbl



Product slate of downstream margin

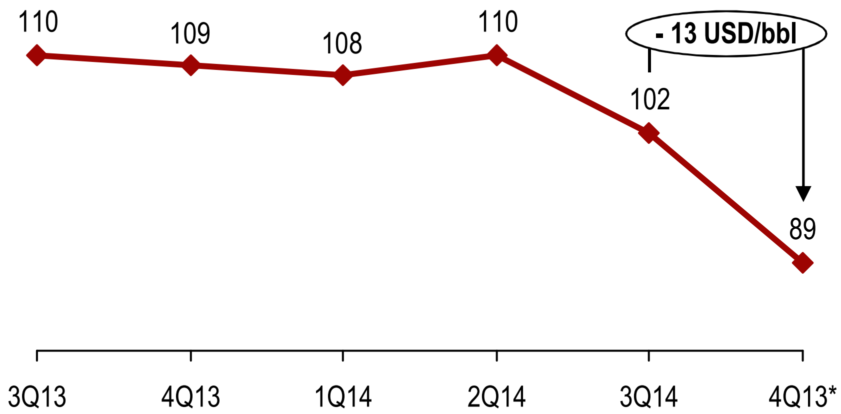
Crack margins

Refining products (USD/t)	4Q14*	3Q14	4Q13	∆ (q/q)	∆ (y/y)
Diesel	116	111	116	5%	0%
Gasoline	171	193	120	-11%	43%
HHO	-186	-215	-253	13%	26%
SN 150	207	202	127	2%	63%
Petchem products (EUR/t)					
Ethylene	620	604	608	3%	2%
Propylene	575	557	494	3%	16%
Benzene	515	479	304	8%	69%
PX	455	369	475	23%	-4%



Crude oil price decrease

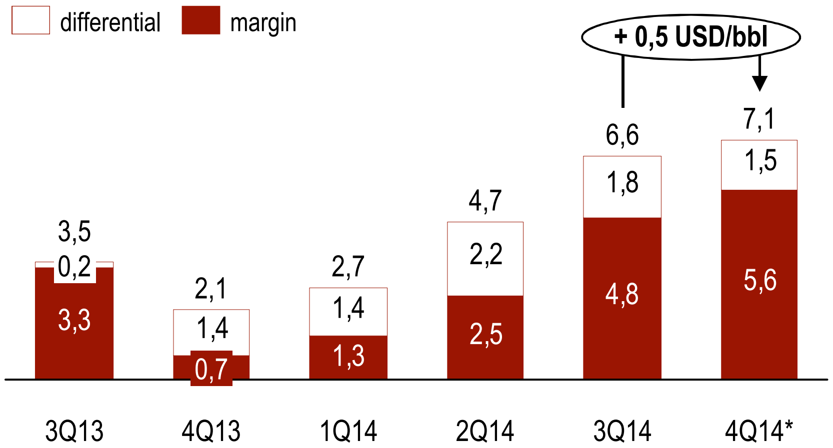
Average Brent crude oil price, USD/bbl



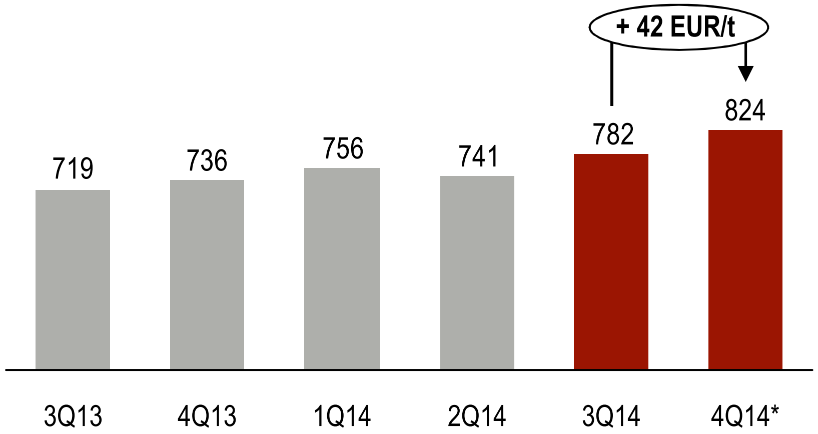
* Data as of 17.10.2014

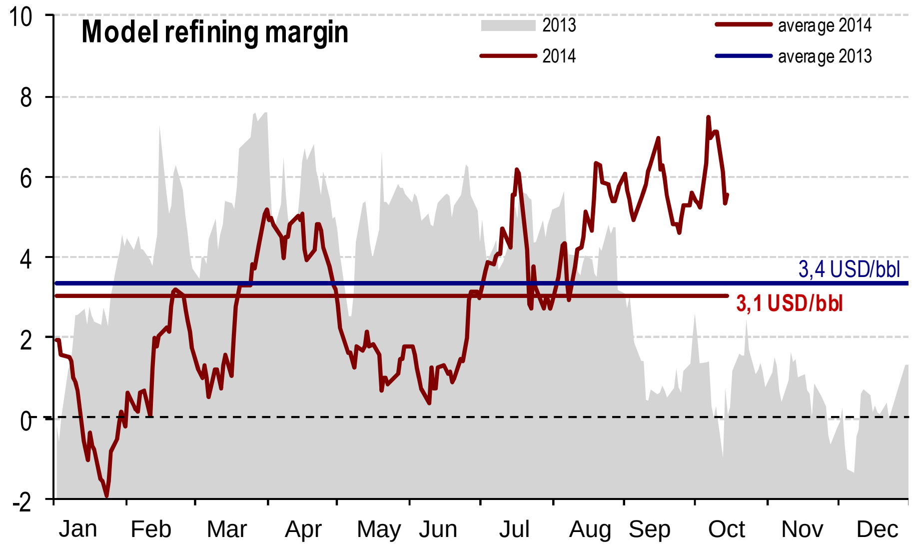
Macro environment in 4Q14 (q/q)

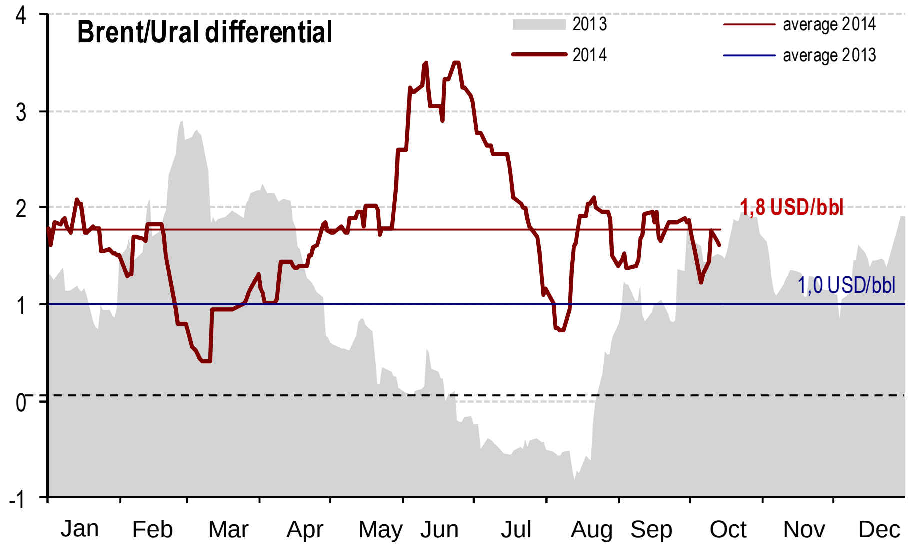
Refining margin and B/U differential increase
Model refining margin and Brent/Ural differential, USD/bbl



Petrochemical margin increase
Model petrochemical margin, EUR/t







* Data as of 17.10.2014

Production data

	3Q14	2Q14	3Q13	Δ (y/y)	Δ (q/q)	9M14	9M13	Δ
Total crude oil throughput in PKN ORLEN	7 385	6 480	7 461	-1%	14%	20 055	21 127	-5%
Utilization in PKN ORLEN	91%	80%	96%	-5 pp	11 pp	83%	91%	-8 pp
Refinery in Poland [1]								
Processed crude (tt)	3 931	3 232	4 095	-4%	22%	10 666	11 235	-5%
Utilization	96%	79%	100%	-4 pp	17 pp	87%	92%	-5 pp
Fuel yield [4]	78%	75%	79%	-1 pp	3 pp	77%	77%	0 pp
Middle distillates yield [5]	47%	44%	48%	-1 pp	3 pp	46%	46%	0 pp
Light distillates yield [6]	31%	31%	31%	0 pp	0 pp	31%	31%	0 pp
Refineries in the Czech Rep. [2]								
Processed crude (tt)	1 372	1 331	902	52%	3%	3 828	2 701	42%
Utilization	93%	90%	80%	13 pp	3 pp	89%	80%	9 pp
Fuel yield [4]	79%	81%	78%	1 pp	-2 pp	81%	79%	2 pp
Middle distillates yield [5]	46%	46%	46%	0 pp	0 pp	46%	45%	1 pp
Light distillates yield [6]	33%	35%	32%	1 pp	-2 pp	35%	34%	1 pp
Refinery in Lithuania [3]								
Processed crude (tt)	1 986	1 830	2 353	-16%	9%	5 283	6 884	-23%
Utilization	78%	72%	92%	-14 pp	6 pp	69%	90%	-21 pp
Fuel yield [4]	79%	77%	75%	4 pp	2 pp	77%	75%	2 pp
Middle distillates yield [5]	47%	48%	46%	1 pp	-1 pp	47%	45%	2 pp
Light distillates yield [6]	32%	29%	29%	3 pp	3 pp	30%	29%	1 pp

1) Throughput capacity for Plock refinery is 16,3 mt/y.
2) Throughput capacity for Unipetrol increased since February 2014 from 4,5 mt/y to 5,9 mt/y as a result of stake increase in CKA. CKA [Litvinov (3,7 mt/r) i Kralupy (2,2 mt/r)].
3) Throughput capacity for ORLEN Lietuva is 10,2 mt/y.
4) Fuel yield equals middle distillates yield plus light distillates yield. Differences can occur due to rounding.
5) Middle distillates yield is a ratio of diesel, light heating oil (LHO) and JET production excluding BIO and internal transfers to crude oil throughput.
6) Light distillates yield is a ratio of gasoline, naphtha, LPG 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)

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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