Strategic goals achieved in variable macro environment

PKN ORLEN consolidated financial results for 4Q 2014

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Agenda

Key highlights 2014

Macroeconomic environment

Financial and operating results

Liquidity and investments

Market outlook 2015

Key highlights 2014

Value creation

- EBITDA LIFO: PLN 5,2bn
- Record-high retail result: PLN 1,4bn
- Upstream production increase in Canada up to 8,4th boe/d
- ORLEN – the most valuable brand in Poland worth PLN 4,4bn

Financial strength

- Financial gearing: 33,0%
- Net debt / EBITDA LIFO: 1,29
- Secured diversified financing
- Dividend paid: PLN 1,44 per share

People

- The World's Most Ethical Company 2014 (Ethisphere Institute)
- Top Employer Polska 2014
- ORLEN Warsaw Marathon

ORLEN. Fuelling the future.

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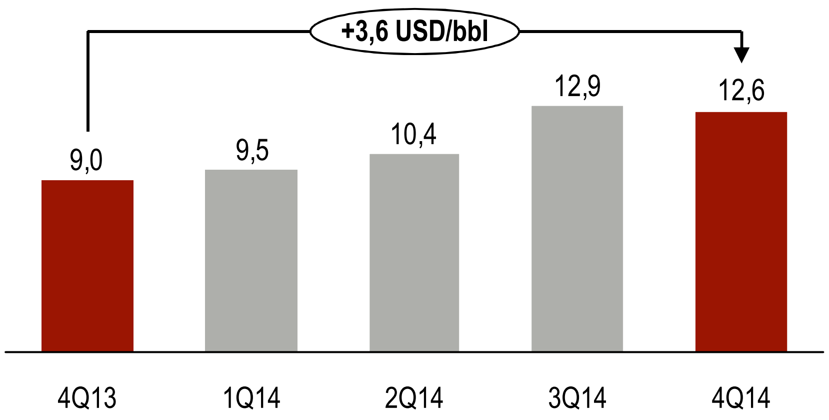
Macro environment in 4Q14 (y/y)

Downstream margin increase

Model downstream margin, USD/bbl



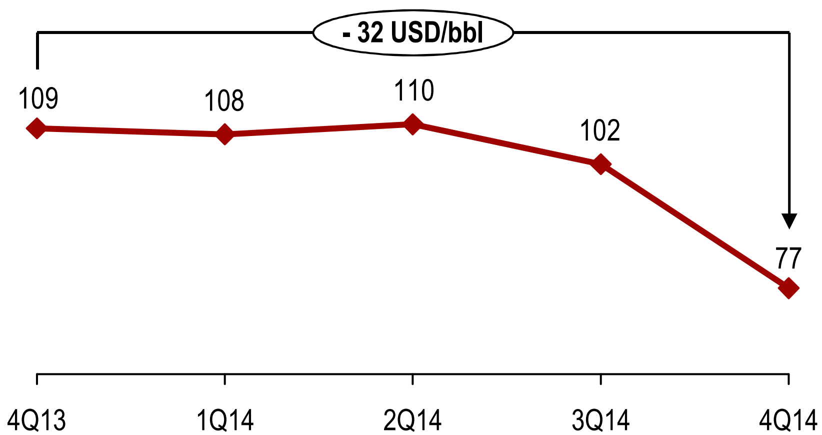
Product slate of downstream margin

Crack margins

Refining products (USD/t)	4Q13	3Q14	4Q14	Δ (y/y)
Diesel	116	111	122	5%
Gasoline	120	193	135	13%
HHO	-253	-215	-180	29%
SN 150	128	202	194	52%
Petchem products (EUR/t)				
Ethylene	608	604	588	-3%
Propylene	494	557	540	9%
Benzene	304	479	435	43%
PX	475	369	443	-7%

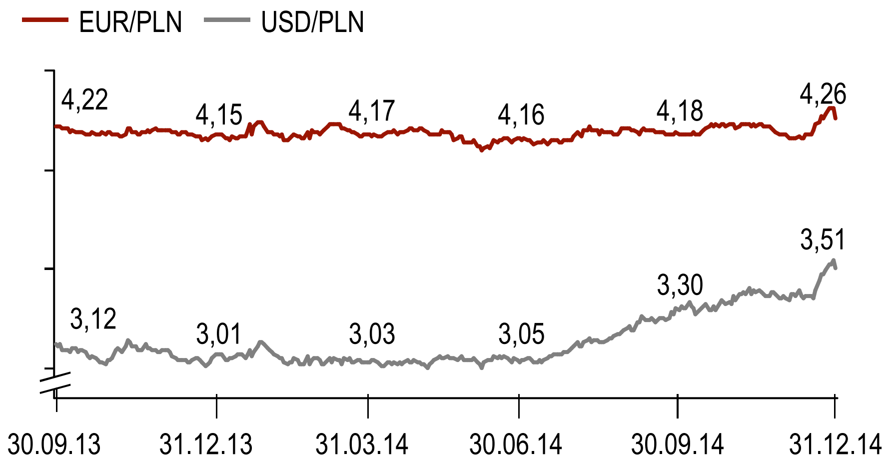
Crude oil price decrease

Average Brent Crude Oil price, USD/bbl

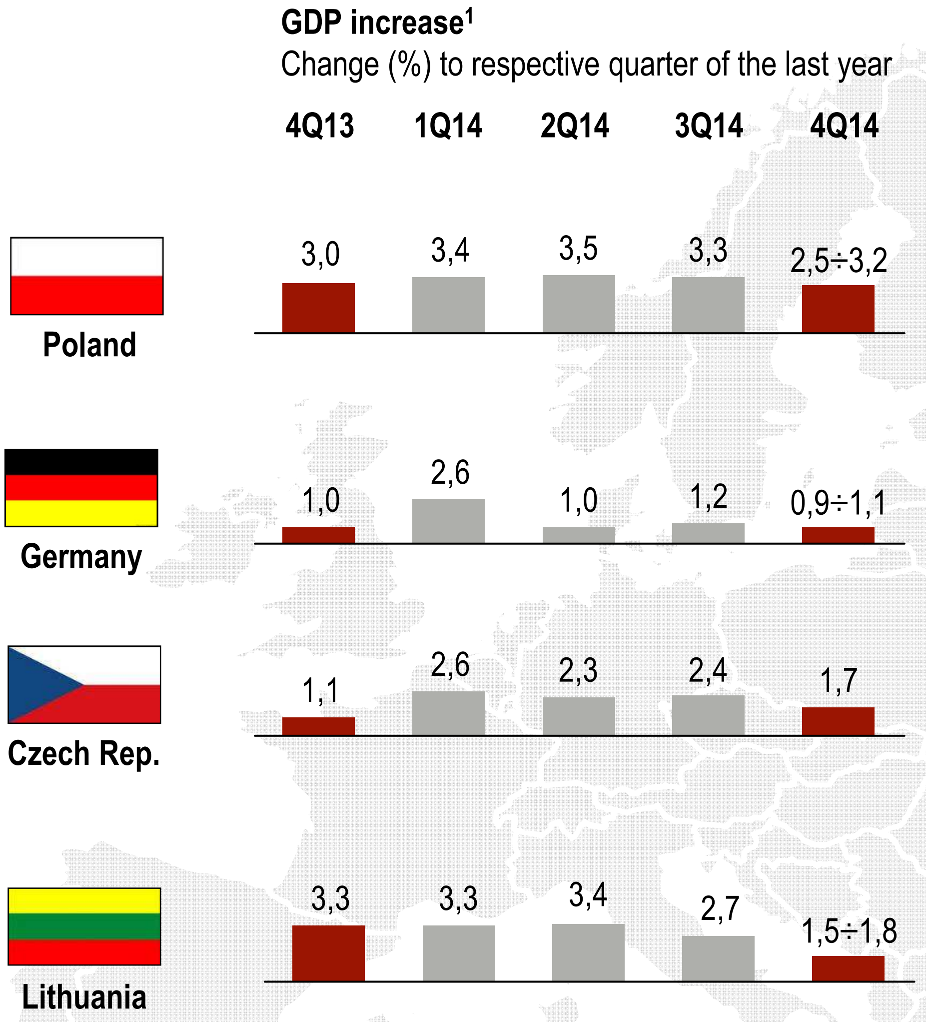


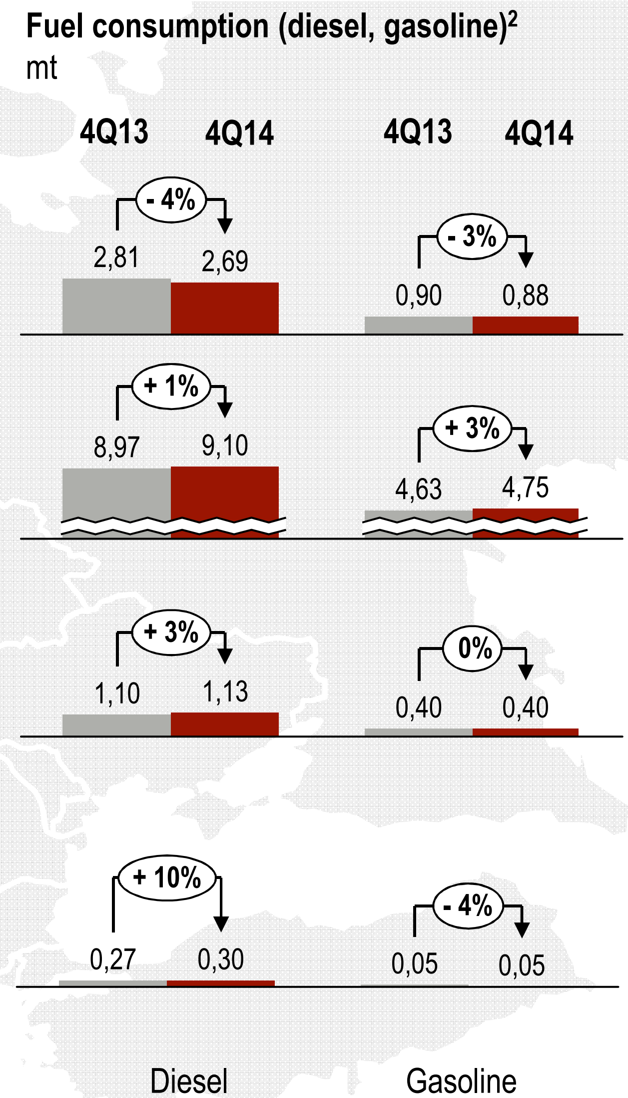
Average PLN weaker vs. USD and EUR

USD/PLN and EUR/PLN exchange rate



Visible impact of grey zone in Poland





[1] Poland – Statistical Office (GUS) / not unseasonal data; (Germany, Lithuania) – Eurostat / not unseasonal data, the Czech Rep - OECD / unseasonal data, 4Q14 – estimates

[2] 4Q14 – estimates based on October and November 2014

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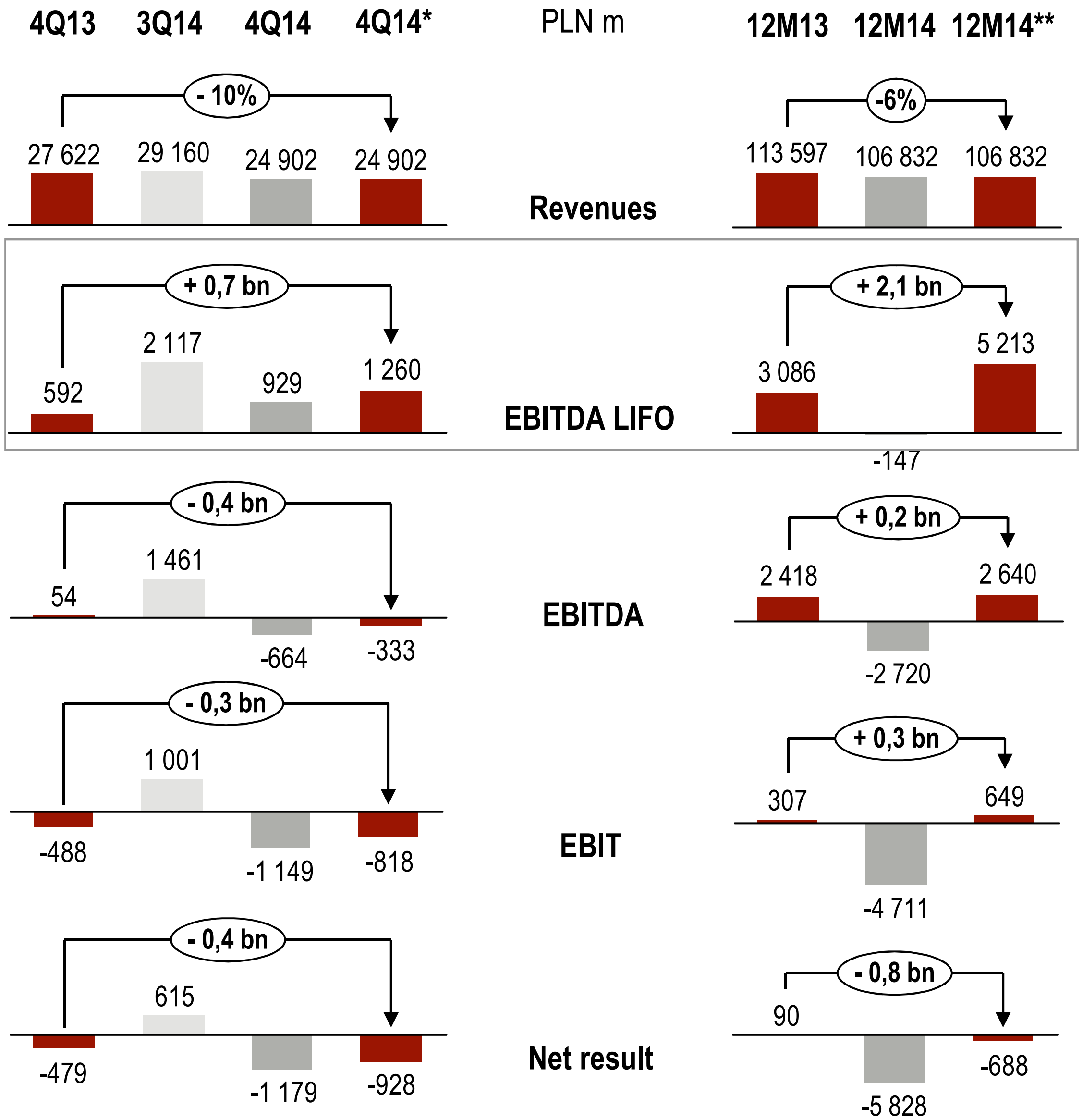
Financial results in 4Q2014



Revenues: decrease by (-) 10% (y/y) due to lower crude oil price

EBITDA LIFO: increase by PLN 0,7 bn (y/y) as a result of: increase in downstream margin by 3,6 USD/bbl (y/y) and sales volumes by 3% (y/y) lowered by net realizable value adjustment in the amount of PLN (-) 0,6 bn

LIFO effect: PLN (-) 1,6 bn due to lower crude oil prices 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 4Q14

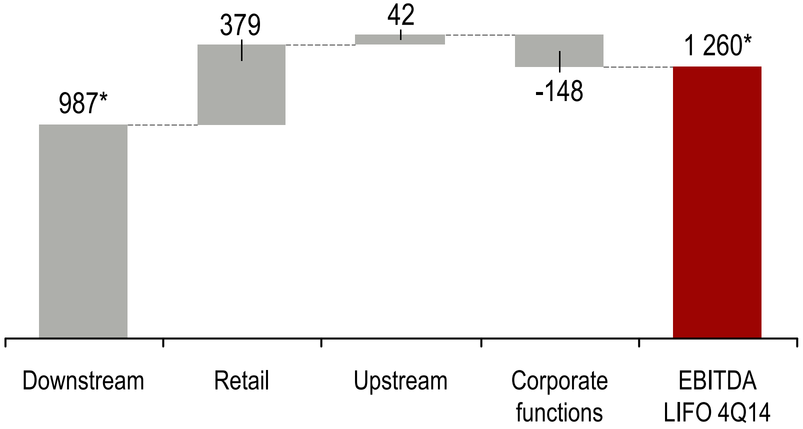
Net result: PLN (-) 0,9 bn in 4Q14 due to significant negative impact of LIFO effect and negative financials' result

* Data without impairments on assets in the amount of PLN (-) 331 m

** Data without impairments of assets in the amount of PLN (-) 5 360 m in operational part and PLN (-) 833 m in financial part due to 'net investment hedge' in ORLEN Lietuva

EBITDA LIFO – result increased by PLN 0,7 bn (y/y)
Positive contribution of all segments

Segments' results in 4Q14
PLN m



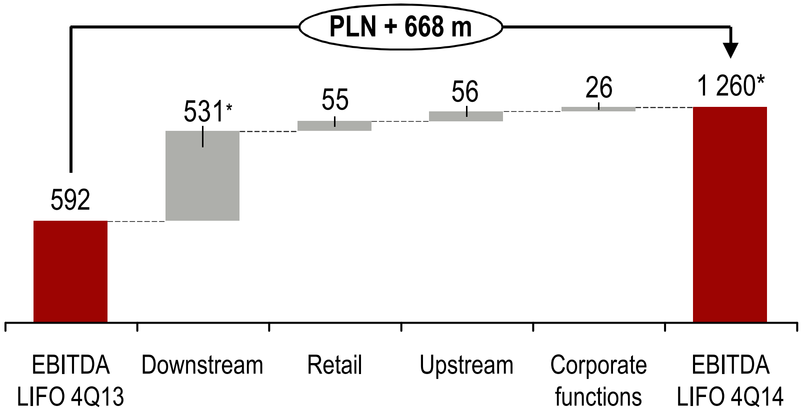
Positive impact of:

- Increase in downstream margin by 3,6 USD/bbl (y/y)
- Improvement of fuel and non-fuel margins in retail (y/y)
- Increase in total sales by 3% (y/y) in all segments
- Dynamic growth of non-fuel offer; 50 new Stop Cafe and Stop Cafe Bistro points opened in 4Q14 in Poland

offset by negative impact of:

- Maintenance shutdowns: H-Oil and Hydrocracking (PKN ORLEN S.A.); PVC (Anwil); Visbreaking and Hydrocracking (Unipetrol); HDS and Reforming (ORLEN Lietuva)

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

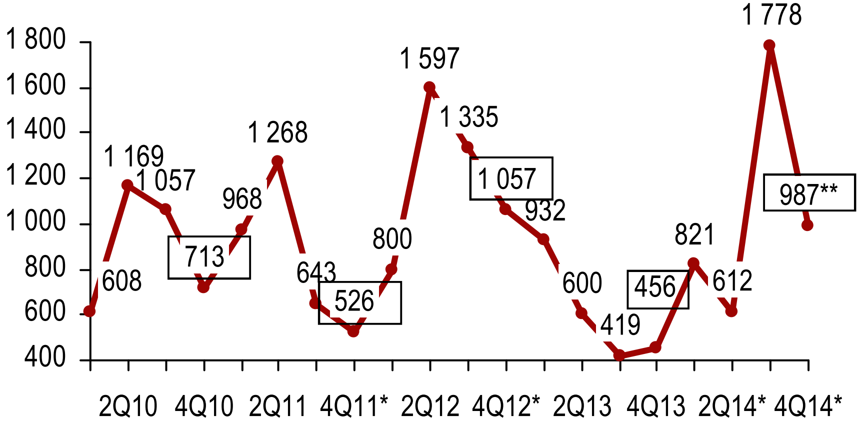


- **Downstream**: increase in margin supported by weakening of PLN vs USD and sales increase (y/y) limited by negative impacts of maintenance shutdowns and net realisable value effect.
- **Retail**: sales increase in all markets (y/y) and improvement in fuel and non-fuel margins (y/y)
- **Upstream**: higher operating scale (y/y) after purchase of assets in Canada
- **Corporate functions**: lower costs (y/y)

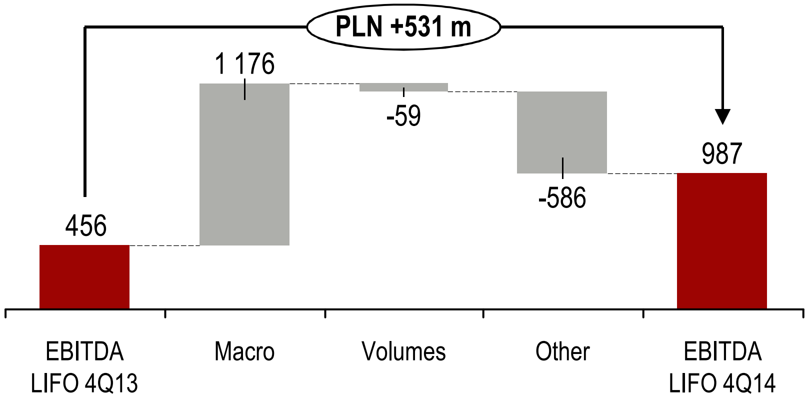
* Downstream result and as a consequence EBITDA LIFO lowered by PLN (-) 581 m from revaluation of inventories at the end of 2014 to reflect current prices (i.e. net realizable value) according to MSR 2 due to crude oil drop followed by decreasing of refining and petrochemical products, including: ORLEN Lietuva PLN (-) 457m and Unipetrol PLN (-) 124 m

Downstream – EBITDA LIFO
PLN 1,0 bn as a result of good macro

EBITDA LIFO quarterly (without impairments*)
PLN m



EBITDA LIFO – impact of factors
PLN m



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- Increase in downstream margin by 3,6 USD/bbl (y/y) mainly due to lower crude oil prices and improvement of cracks on diesel, gasoline, HHO as well as propylene and benzene
- Weakening of average PLN vs USD by 9%
- Increase in downstream sales by 1% (y/y), of which: refining products by 1% (y/y) and petrochemical products by 3% (y/y)
- Improvement of fuel yield in the Czech Republic (y/y)
- The others include mainly PLN (-) 581 m from revaluation of inventories at the end of 2014 to reflect current prices (i.e. net realisable value) according to MSR 2 due to crude oil drop followed by decreasing of refining and petrochemical products

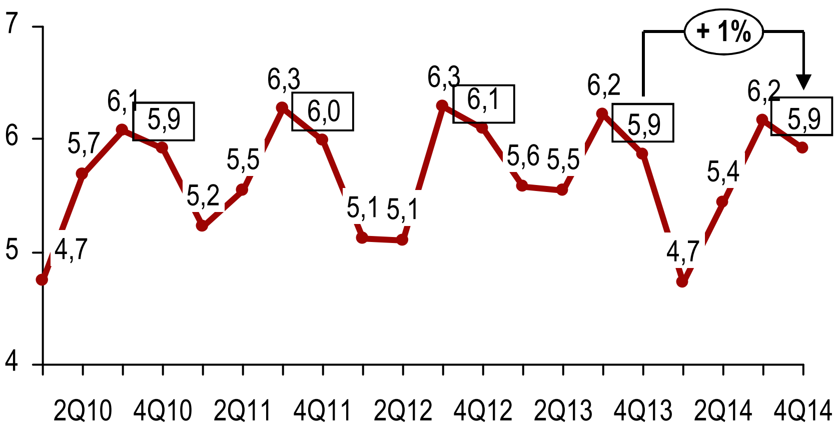
–

- Lower crude oil throughput and utilization ratio in Plock (y/y) due to maintenance shutdowns of H-Oil and Hydrocracking
- Despite sales increase, volumes effect was negative as a result of change in product mix, i.e. higher share of heavy fractions
- Weakening of average EUR vs USD

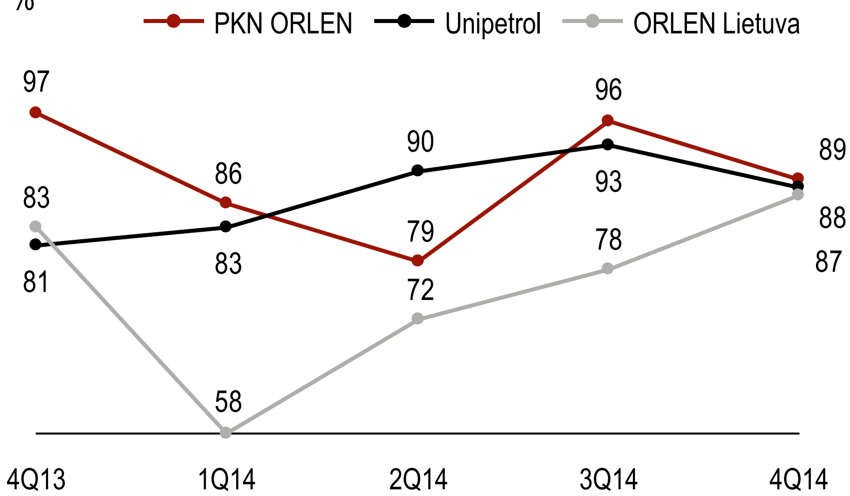
Macro: exchange rate PLN 13 m, margins PLN 1347 m, differential PLN (-) 185 m
* Impairments: 4Q11 = PLN (-) 1,7 bn; 4Q12 = PLN (-) 0,7 bn, 2Q14 = PLN (-) 5,0 bn, 4Q14 = PLN (-) 46 m
** EBITDA LIFO downstream in 4Q14 amounted to PLN 987 m, of which: refining PLN 291 m, petrochemicals PLN 699 m, energy PLN (-) 3 m

Downstream (Refining) – operational data
Higher sales volumes by 1% (y/y)

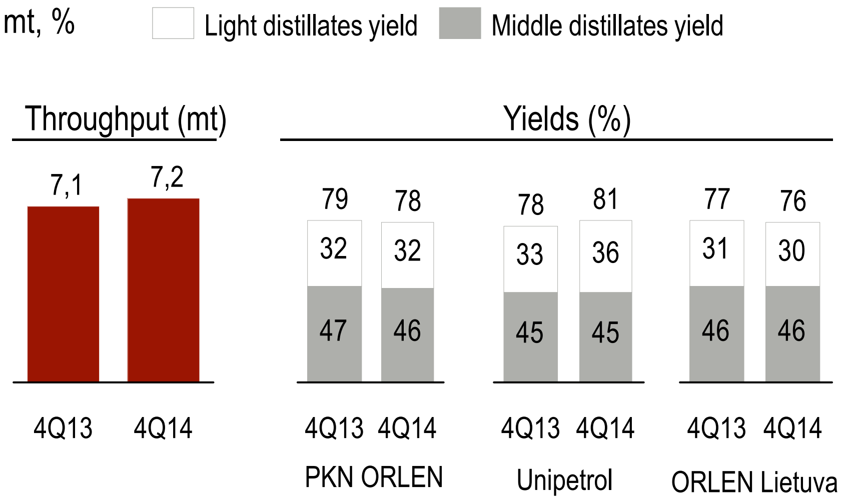
Sales volumes
mt



Utilization ratio
%



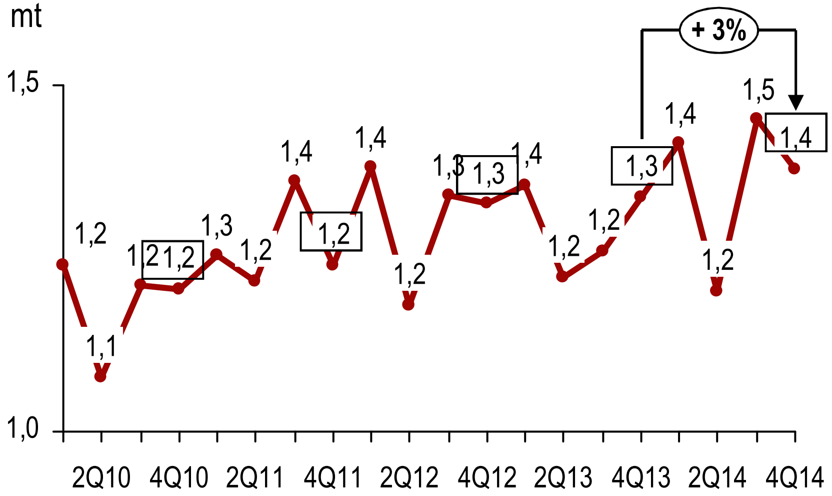
Crude oil throughput and fuel yield
mt, %



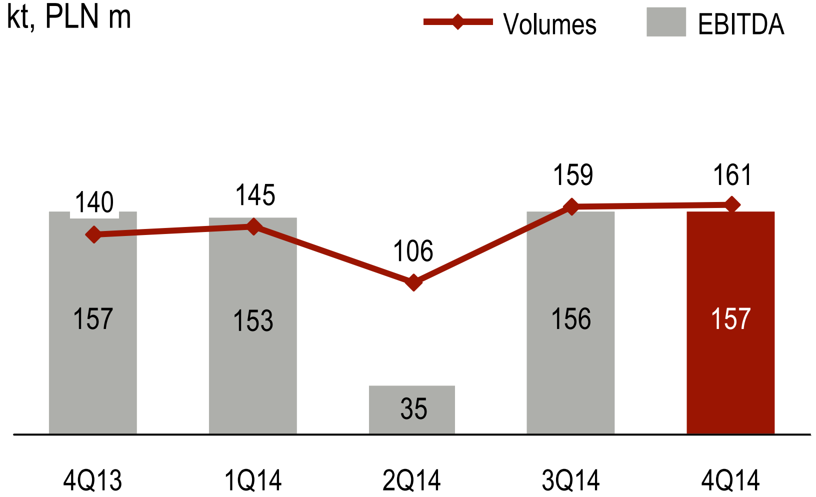
- Higher sales by 1% (y/y), of which: increase in the Czech Republic by 41% (y/y) at lower sales in Poland by (-) 4% (y/y) and ORLEN Lietuva by (-) 3% (y/y)
- Lower sales in Baltic countries and in Poland due to remaining market pressure
- PKN ORLEN S.A.: lower utilisation by (-) 8 pp (y/y) and fuel yield by (-) 1pp (y/y) as a result of H-Oil and Hydrocracking maintenance shutdowns
- Unipetrol: higher throughput by ca. 400 th t due to increase in capacity (purchase of 16.6% shareholding in CR in 1Q14) and lack of FCC maintenance shutdown (4Q13) followed by higher sales
- ORLEN Lietuva: higher utilisation ratio by 4pp (y/y) resulting from better macro environment. Lower fuel yield by (-) 1pp (y/y) due to HDS and Reforming maintenance shutdowns

Downstream (Petrochemicals) – operational data
Sales increase by 3% (y/y)

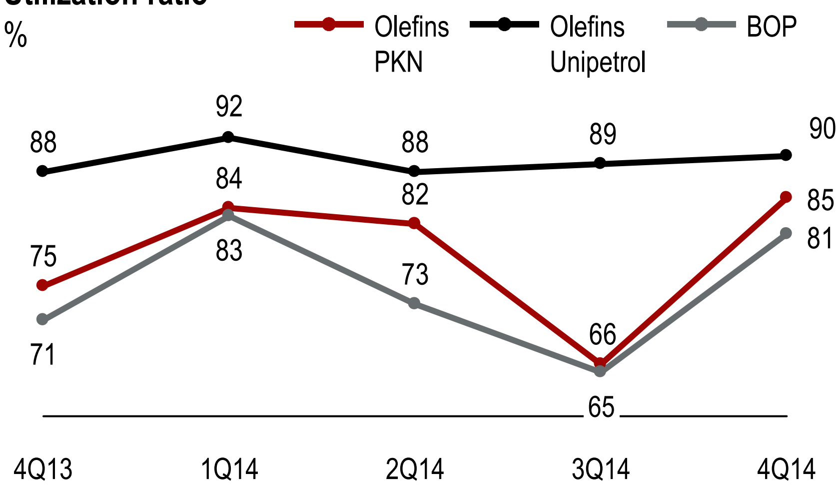
Sales volumes
mt



PTA sales volumes and EBITDA
kt, PLN m



Utilization ratio
%



- Sales volumes higher by 3% (y/y), of which: increase in Poland by 3% (y/y) and in the Czech Republic by 3% (y/y)
- Higher sales of olefins and polyolefins by 33% and 13% (y/y) on the Czech market due market situation improvement and lack of negative impact of maintenance in Litvinov (4Q13)
- Higher sales of olefins in Poland by 12% (y/y) due to lack of maintenance shutdowns of Polyethylene in BOP (4Q13) which limited olefins sales last year
- Higher sales of PTA by 15% (y/y) due to higher sales on German market (new contract) and on Polish market as a result of higher demand
- Lower sales of fertilizers by (-) 4% (y/y) mainly due to lower sales of Spolana from Anwil Group on the Czech market while maintaining similar sales volumes of fertilizers in Polish market

Downstream (Energy)
Realization of industry cogeneration projects

Strategic assumptions

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

Building a CCGT plant in Wloclawek (463 MWe)

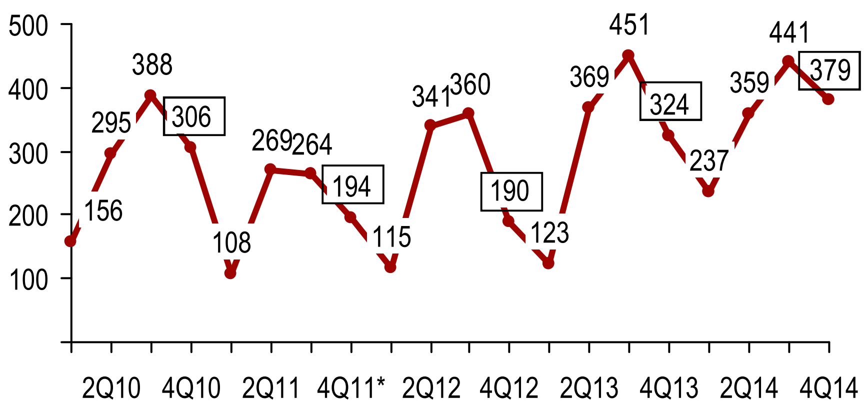
- In 4Q14 assembly works of all auxiliary systems and electric and automatics were in process.
- The first functional tests of devices were started.
- Preparatory works to installation start-up currently are in process.
- Over 20 main subcontractors are involved (over 700 people)
- Gas connection (Gaz System) was finished and energy connection (PSE Operator) realized according to the schedule – finishing at he beginning of 2Q15
- CAPEX PLN 1,4 bn. Start-up of production at the end of 4Q15

Building a CCGT in Plock (596 MWe)

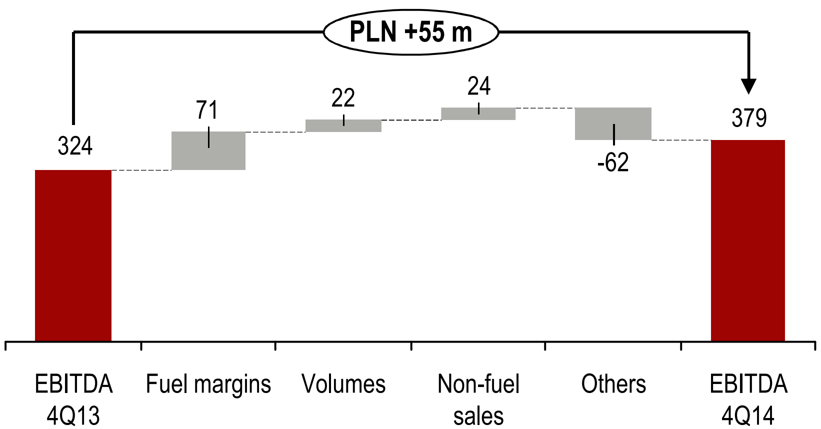
- On 02.12.2014 PKN ORLEN signed, with consortium of companies Siemens AG and Siemens Polska Sp. z o.o. the agreement for building "in turn key" formula a cogeneration CCGT and the agreement for service
- Operations related to contract of modernisation works in Plock plant infrastructure were started.
- CAPEX PLN 1,65 bn. Start-up of production at the end of 4Q17

Retail – EBITDA LIFO
Maintained very good result

EBITDA LIFO quarterly (without impairments*)
PLN m



EBITDA LIFO – impact of factors
PLN m



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- Total sales volumes increase by 5% (y/y) on all markets
- Market share increase on all markets (y/y)
- Improvement of fuel margins (y/y) in Polish, German and the Czech markets at limited margins in Lithuanian market
- Improvement of non-fuel margins (y/y) on all markets
- 1250 of Stop Cafe and Stop Cafe Bistro locations in Poland; increase by 203 locations (y/y)

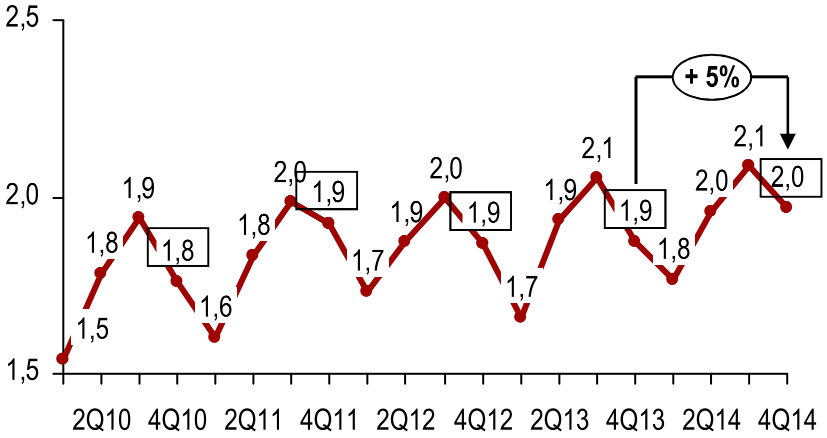
–

- Maintaining 'grey zone' in Poland and the Czech Republic

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

Retail – operational data
Sales increase by 5%; further growth of non-fuel offer

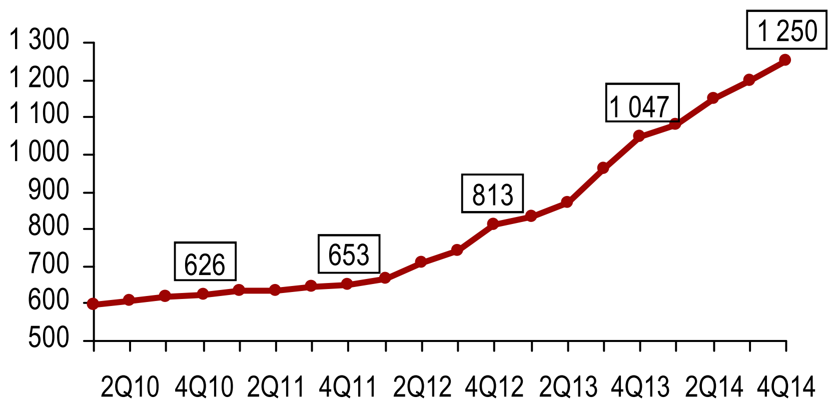
Sales volumes
mt



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

	# stations	Δ y/y	% market	Δ y/y
PL	1 768	-10	37,2%	1,7 pp
DE	559	4	5,9%	0,1 pp
CZ	339	1	15,0%	0,5 pp
LT	26	0	3,6%	0,1 pp

Number of Stop Cafe and Bistro Cafe in Poland
#



- Sales volumes increase in total by 5% (y/y), of which: Poland by 3% (y/y), the Czech Republic by 8% (y/y), Lithuania by 8% (y/y) and Germany by 9% (y/y)
- Market share increase on all markets (y/y), mainly in Poland by 1,7pp (y/y)
- 2692 stations at the end of 4Q14, i.e. decrease of total # of stations by (-) 5 (y/y), of which: decrease in Poland by (-) 10 stations at increase in Germany by 4 and in the Czech Republic by 1 stations.
- Dynamic growth of non-fuel offer by launching in 4Q14 further 50 new Stop Cafe and Bistro Cafe locations in Poland

Upstream
Exploration projects in Poland

Poland

Unconventional projects

- Currently 11 wells finished: : 7 vertical, 4 horizontal and 3 fracking of horizontal wells, including 3 wells and 1 fracking in 2014
- In 2015 4 wells, 1 fracking and acquisition of seismic data in a base plan

Lublin Shale (11 wells)

- In 4Q14 horizontal well was made (Wierzbica) and vertical well was started (Wołomin). Processing and interpretation of 2D seismic data were finished (Wołomin)

Mid-Poland Unconventionals and Hrubieszów Shale (0 wells)

- In 4Q14 works on update of geological model and assessment of concession areas prospects were finished - realization of further works on Hrubieszów concession was withdrawn

Conventional projects

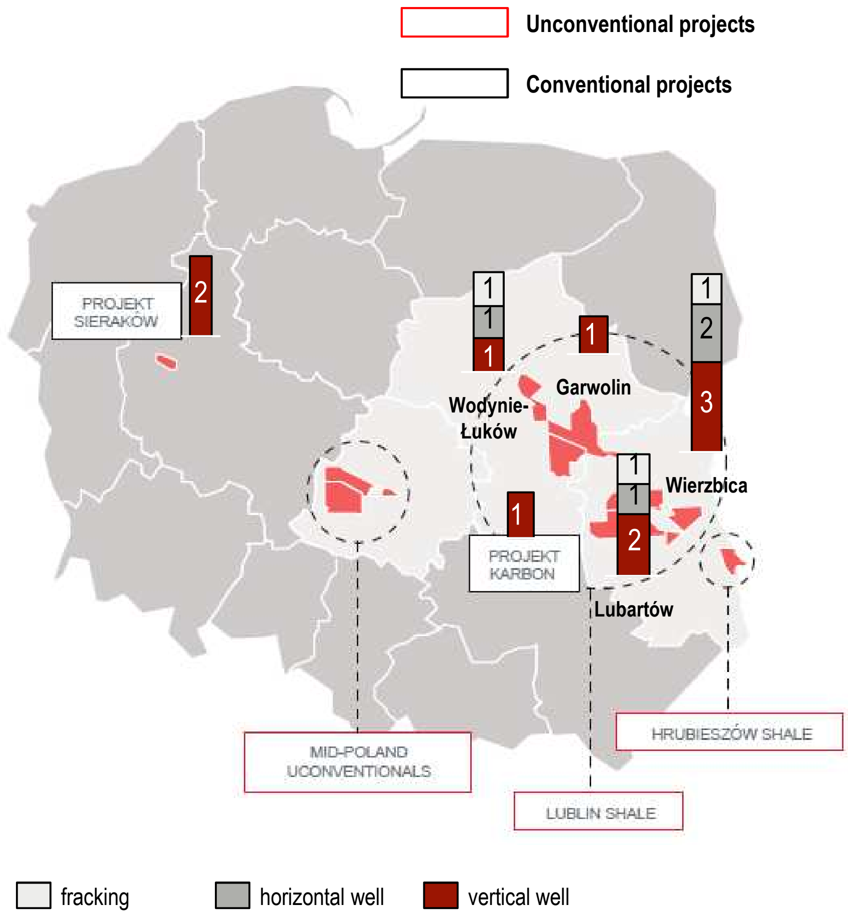
- Currently 3 wells finished, including 1 well in 2014
- In 2015 1 well in a base plan

Project Sieraków (2 wells)

- In 4Q14 continuation of analysis of data to verify area prospects and update works schedule

Project Karbon (1 well)

- Finishing of processing and interpretation of new 2D seismic data (Lublin) in 4Q14



- **EBITDA 4Q14*:** PLN (-) 10 m
- **CAPEX 4Q14**: PLN 19 m
- **EBITDA 12M14**: PLN** (-) 33 m
- **CAPEX 12M14**: PLN 144 m

* Data without impairment of the value of expenditures in the amount of PLN (-) 3 m
** Data without impairment of the value of expenditures in the amount of PLN (-) 11 m

Upstream
Production projects in Canada

Canada

TriOil - upstream company

Assets

- Assets in Canadian Alberta province is located on four areas: Lochend, Kaybob, Pouce Coupe and Ferrier/Strachan
- Total reserves: ca. 49,5 m boe of crude oil and gas (2P)

2014:

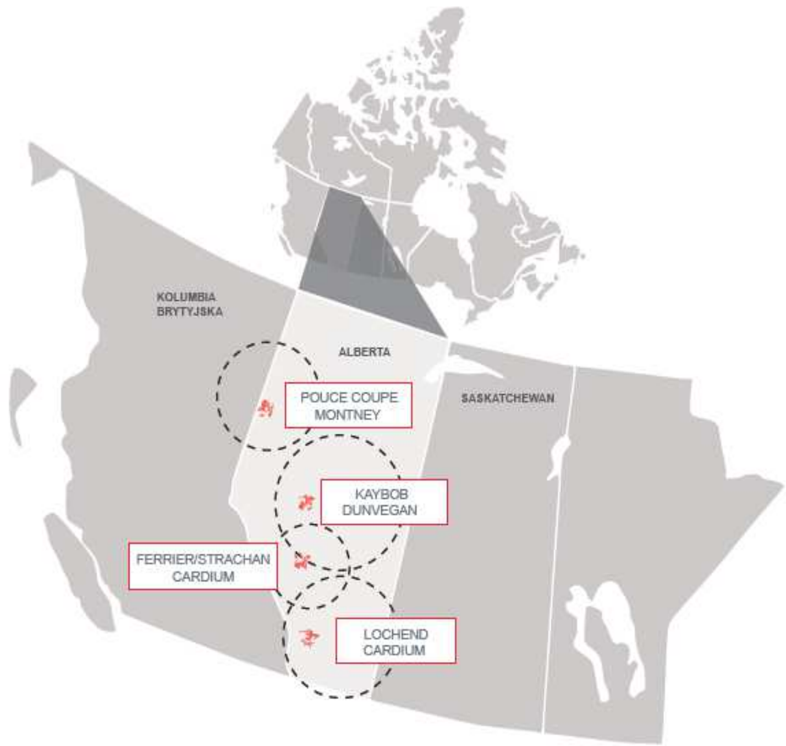
- Drilling of 36 new wells (21,7 net*)
- Average production amounted to ca. 5,8 th boe/d (ca. 50% liquid hydrocarbons, 50% gas)

2015:

- Planned average production of 8,9 th boe/d and capex ca. PLN 0,4 bn in a base plan
- Update of the plan for 2015 taking into account current situation on a crude oil market is in process.

4Q14

- In 4Q14 drilling of 9 new wells (6 net*), 14 fracking (6,2 net*) were done and 18 wells to production (8,8 net*) were included
- Average production amounted to ca. 8 th boe/d (51% liquid hydrocarbons)
- Production at the end of 4Q14 amounted to 8,4 th boe/d
- At the end of 4Q14 total production from 133,2 wells net*



- **EBITDA 4Q14**:** PLN 52 m
- **CAPEX 4Q14**: PLN 121 m
- **EBITDA 12M14**:** PLN 185 m
- **CAPEX 12M14*****: PLN 355 m

* Number of wells multiplied by share percentage in particular asset
** Data without impairment of the value of expenditures in the amount of PLN (-) 311 m
*** Data does not include Birchill Exploration LP acquisition in the amount of PLN 708 m in 2Q14

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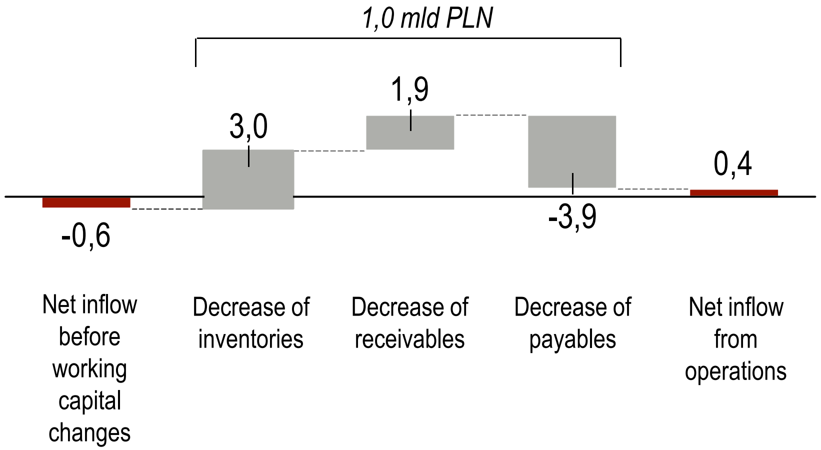
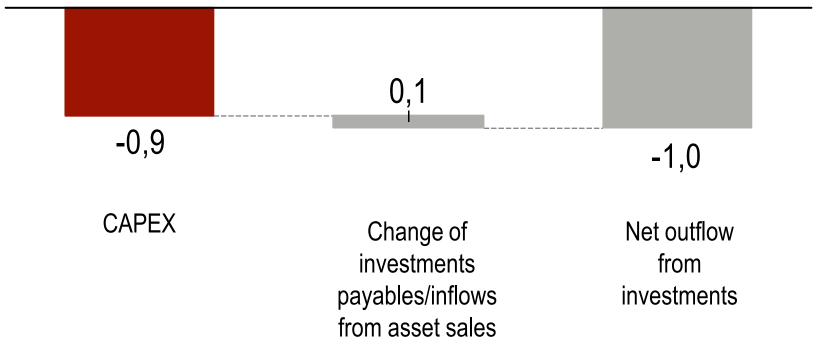
Cash flow in 4Q14
Working capital decrease by PLN 1,0 bn

Cash flow from operations
PLN bn



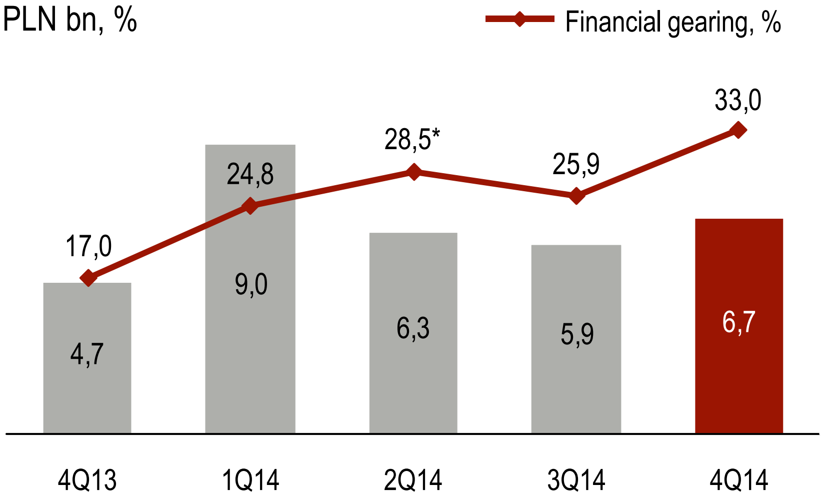
Cash flow from investments
PLN bn



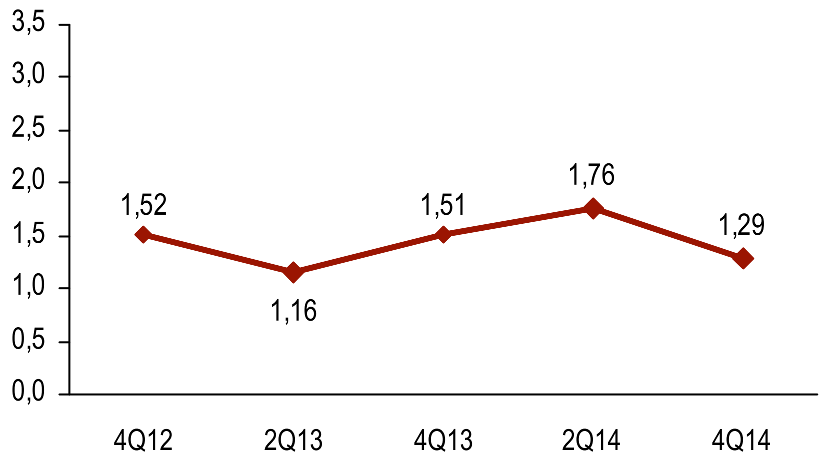
- Working capital decrease in 4Q14 mainly due to falling products prices
- Obligatory inventories in the balance sheet at the end of 4Q14 amounted to PLN 4,4 bn, of which PLN 4,0 bn in Poland. Additionally there is 1,5 mt of obligatory reserves sold in the amount of PLN 3,2 bn (2 tranches)

Debt

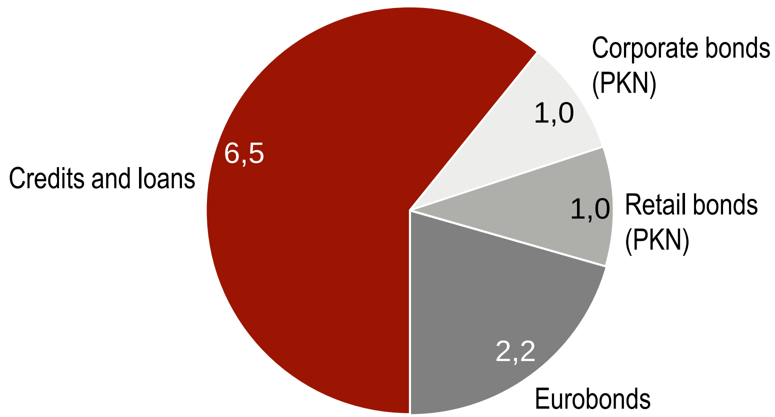
Net debt and gearing
PLN bn, %



Net debt/EBITDA LIFO



Diversified sources of financing (gross debt)
PLN bn



- Stable level of indebtedness and financial gearing
- Safe level of covenants
- Average credit lines termination in 1Q19

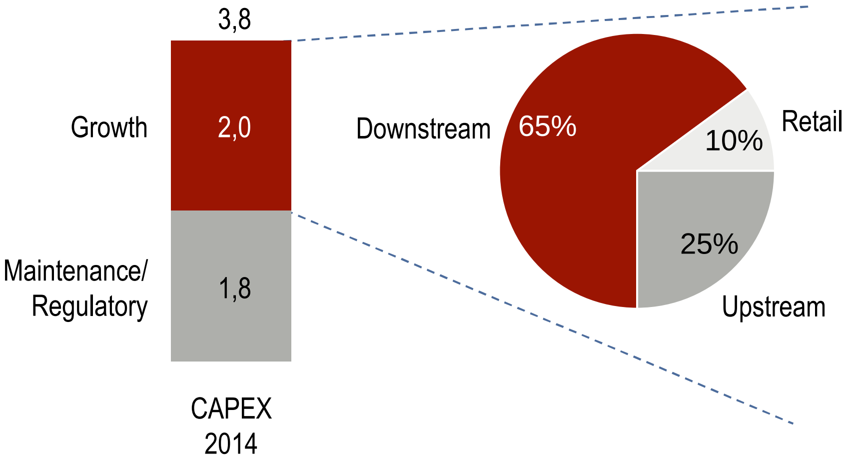
- Gross debt structure:
  USD 5%, EUR 59%, PLN 24%, CZK 8%, CAD 4%

- Net debt increase by PLN 0,8 bn (q/q) due to credit revaluation and debt valuation in the amount of PLN 0,2 bn and cash outflow from investments in the amount of PLN 1,0 bn offset by net cash flow from operating at the level of PLN 0,4 bn.

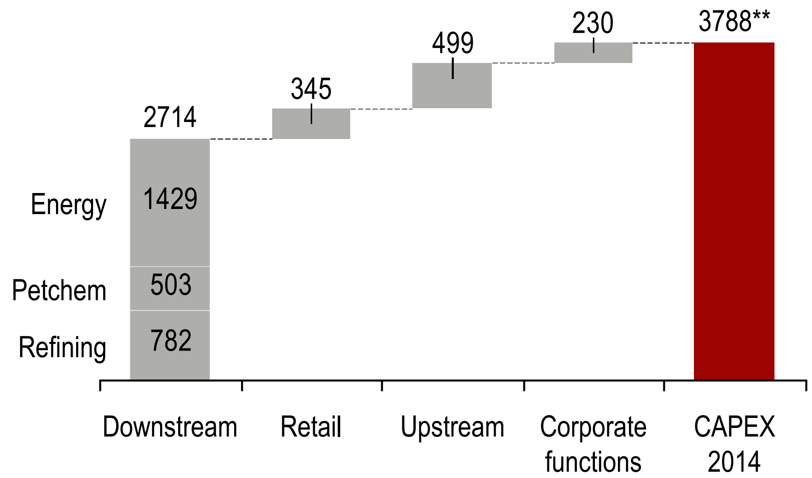
* Financial gearing increase due to equity decrease after impairments of assets in 2Q14

CAPEX (basic pool)
PLN 3,8 bn of CAPEX in 2014

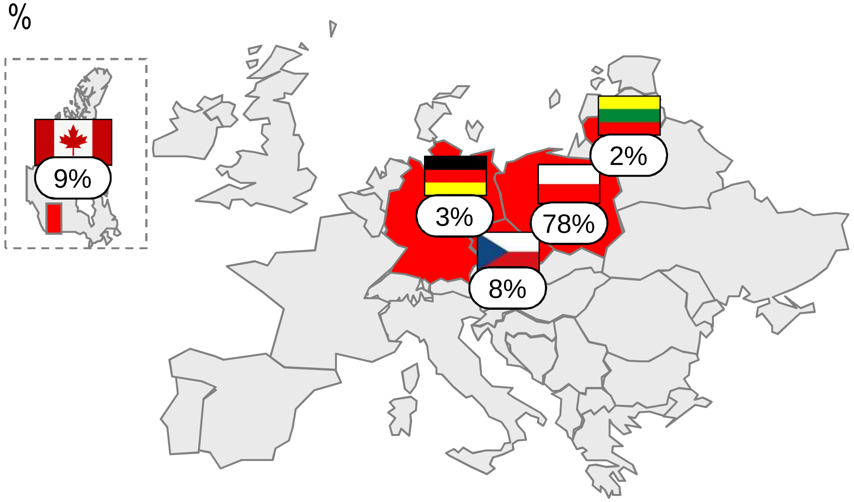
Planned CAPEX 2014
PLN bn, %



CAPEX 2014 – split by segment
PLN bn



CAPEX 2014 – split by country
%



Main growth projects in 4Q2014***

Downstream
- Building of CCGT in Włocławek together with infrastructure
- Exchange of pipelines at Hydrocracker Unit and modernization of 5 fuels terminals in PKN ORLEN
- Construction of educational and research center in Unipetrol
- Mogilno Salt Mine – production drills with infrastructure

Retail
- Start-up of 17 fuel stations, 36 modernized, 6 closed
- 50 Stop Cafe and Stop Cafe Bistro points opened

Upstream
- Canada – PLN 121 m
- Poland – PLN 19 m

* Energy including mainly: CCGT in Włocławek (industrial energy) and IOS, 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 4Q14 amounted to PLN 873 m: PLN 203 m refining, PLN 133 m petchem, PLN 201 m energy, PLN 149 m retail, PLN 140 m upstream, PLN 46 m corporate functions

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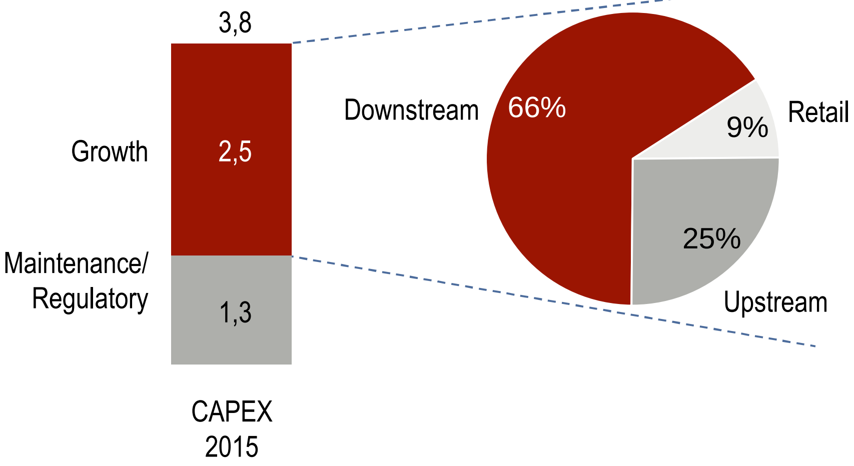
Plans for 2015

Planned CAPEX 2014 (basic pool) *

PLN bn %



Main projects

Downstream

- Building of Metathesis Unit in Płock
- Building of CCGT in Włocławek
- Building of CCGT in Płock
- Continuation of building of Denitrification and Dust Extraction Unit and IOS Unit (maintenance and regulation).

Retail

- Building of over 30 fuel station in total in Poland, Germany and Czech Republic
- Rebranding of several dozen of Bliska stations in Poland

Upstream**

- Canada* – 21 gross production drills (16,5 net)
- Poland – 5 exploration drills

Main maintenance shutdowns plan

ORLEN

- HOG
- Reforming
- Hydrogen Recovery
- PX/PTA
- Poliethylene (BOP)
- PVC (Anwil)

ORLEN Lietuva

- Reforming
- HON
- Visbreaking

Unipetrol ORLEN GROUP

- Visbreaking (Litvinov)
- Polipropylene (Litvinov)
- HON (Kralupy)
- FCC (Kralupy)

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* Does not include potential acquisitions

** Subject to revision taking into account crude oil price development

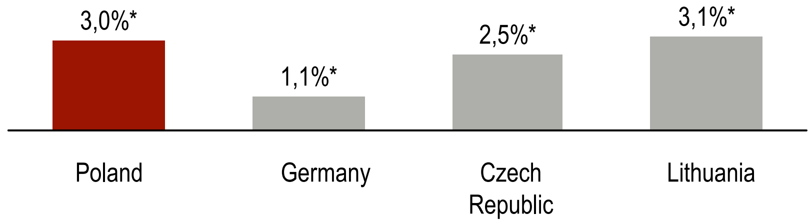
Market outlook for 2015

Macro - assumptions

- **Brent crude oil price** – in base scenario we assume temporary stabilization of crude oil prices at the current levels and next increase as a result of economic growth. Crude oil price also depends on geopolitical risks
- **Downstream margin** – expected comparable level (y/y) due to expected crude oil prices increase with fuels and petrochemical products consumption growth .

Economy – GDP forecasts growth

- **GDP** – in 2015 Polish economy will speed up to 3,0%, and in 2016 to 3,3% - NBP (November 2014)



- **Fuels consumption** – continuation of demand increase for diesel with a slight drop in demand for gasoline in CEE region in 2015 - JBC Energy (October 2014)

Regulatory environment

- **Grey zone** – verification of entities and granting concessions for trading of fuels with abroad is in progress. Planned finalization of the process till the end of January 2015
- **Obligatory crude oil reserves** – decrease of keeping reserves from 76 to 68 days in 2015 (ca. 0,4 mt). Reserve tariff has been implemented at the level of PLN 43 per tone of crude oil and PLN 99 per tone of LPG.

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* Poland (NBP, November 2014); Germany (RGE, January 2015 2014); Czech Republic (CNB, November 2014); Lithuania (Lietuvos Bankas, December 2014)

Outlook 2015

We are prepared for the next challenging year in macro environment especially in terms of crude oil price

We expect moderate GDP and consumption growth

We will further strengthen our focus on:

- value creation
- financial strength
- people

Thank You for Your attention

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Agenda

Supporting slides

Results – split by quarters

(PLN, m)	4Q13***	3Q14	4Q14*	Δ y/y	12M13***	12M14**	Δ
Revenues	27 622	29 160	24 902	-10%	113 597	106 832	-6%
EBITDA LIFO	592	2 117	1 260	113%	3 086	5 213	69%
Effect LIFO	-538	-656	-1 593	-196%	-668	-2 573	-285%
EBITDA	54	1 461	-333	-	2 418	2 640	9%
Depreciation	-542	-460	-485	11%	-2 111	-1 991	-6%
EBIT LIFO	50	1 657	775	1450%	975	3 222	230%
EBIT	-488	1 001	-818	-68%	307	649	111%
Net result	-479	615	-928	-94%	90	-688	-

* Data before impairments of assets in the amount of PLN (-) 331m
** Data before impairments of assets in the amount of PLN (-) 5360m 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

4Q14* (m PLN)	Refining	Petrochemicals	Energy	Downstream	Retail	Upstream	Corporate functions	Total
EBITDA LIFO	291	699	-3	987	379	42	-148	1 260
Efekt LIFO	-1 488	-105	0	-1 593	0	0	0	-1 593
EBITDA	-1 197	594	-3	-606	379	42	-148	-333
Amortyzacja	-150	-167	0	-317	-91	-48	-29	-485
EBIT	-1 347	427	-3	-923	288	-6	-177	-818
EBIT LIFO	141	532	-3	670	288	-6	-177	775

4Q13** (m PLN)	Refining	Petrochemicals	Energy	Downstream	Retail	Upstream	Corporate functions	Total
EBITDA LIFO	53	403	0	456	324	-14	-174	592
Efekt LIFO	-535	-3	0	-538	0	0	0	-538
EBITDA	-482	400	0	-82	324	-14	-174	54
Amortyzacja	-244	-173	0	-417	-89	-4	-32	-542
EBIT	-726	227	0	-499	235	-18	-206	-488
EBIT LIFO	-191	230	0	39	235	-18	-206	50

* Data before impairments of assets in the amount of PLN (-) 331m
** Restarted data based on new IFRS 11 effective from January 2014

EBITDA LIFO - split by segments

(PLN, m)	4Q13***	3Q14	4Q14*	Δ y/y	12M13***	12M14**	Δ
Refining	53	1 181	291	449%	468	2 044	337%
LIFO effect (Refining)	-535	-620	-1 488	-178%	-688	-2 417	-251%
Petrochemicals	403	585	699	73%	1 941	2 170	12%
LIFO effect (Petrochemicals)	-3	-36	-105	-3400%	20	-156	-
Energy	0	0	-3	TBC	-2	-4	-
Downstream	**456**	**1 766**	**987**	**116%**	**2 407**	**4 210**	**75%**
Retail	324	441	379	17%	1 267	1 416	12%
Upstream	-14	52	42	-	-32	152	-
Corporate functions	-174	-142	-148	15%	-556	-565	-2%
EBITDA LIFO	**592**	**2 117**	**1 260**	**113%**	**3 086**	**5 213**	**69%**

* Data before impairments of assets in the amount of PLN (-) 331m
** Data before impairments of assets in the amount of PLN (-) 5360m 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 4Q14 - split by companies

IFRS PLN, m	PKN ORLEN S.A.	Unipetrol [2]	ORLEN Lietuva [2]	Others and consolidation corrections	Total
Revenues	17 589	4 410	4 759	-1 857	24 902
EBITDA LIFO	810	429	-296	317	1 260
LIFO effect[1]	-1 428	-231	98	-32	-1 593
EBITDA	-618	198	-198	285	-333
Depreciation	-275	-75	-10	-125	-485
EBIT	-893	123	-208	160	-818
EBIT LIFO	535	354	-306	192	775
Financial income	331	80	23	-294	140
Financial costs	-738	81	45	207	-405
Net result	-852	118	-232	39	-928

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	4Q13	3Q14	4Q14	Δ y/y	12M13	12M14*	Δ
Revenues	1 932	1 822	1 414	-27%	8 054	6 222	-23%
EBITDA LIFO **	-48	54	-86	-79%	-9	-54	-500%
EBITDA	-57	26	-58	-2%	-23	-54	-135%
EBIT	-75	22	-61	19%	-95	-97	-2%
Net result	-65	22	-68	-5%	-94	-194	-106%

- Capital expenditures amounted to USD 22 m in 2014.
- Lower revenues from sales on all markets by 27% (y/y) due to crude oil price drop.
- Sales volume in 4Q14 were stable as a result of higher seaborne sales by 11% (y/y) and lower inland volumes by 8% (y/y) due to lower contracted sales in Latvia and Estonia.
- Utilization ratio increased by 4 pp (y/y) due to higher crude oil throughput.
- Light fuel yield higher by 1,0 pp (y/y) thanks to Vacuum Flasher technology.

* Before impairments in 2Q14
** Includes USD (-) 85 m net one-offs: negative effect of inventory revaluation to net realizable value according to IAS 2 due to decreasing crude oil prices and positive effect of crude oil repumping due to technical inspection of the pipeline

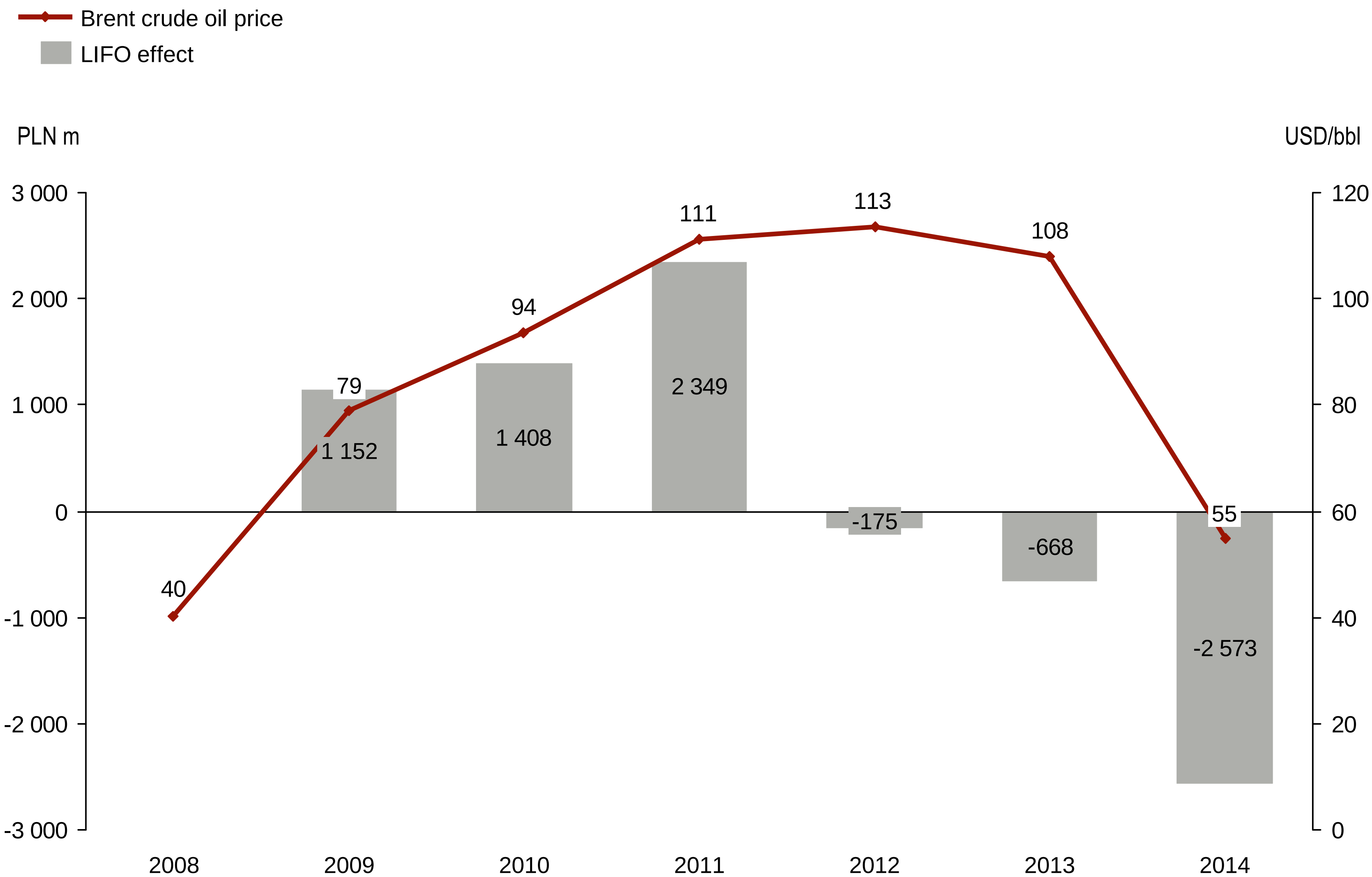
UNIPETROL Group
Key elements of the profit and loss account

IFRS, CZK m	4Q13	3Q14	4Q14	Δ y/y	12M13	12M14*	Δ
Revenues	25 070	34 041	28 939	15%	99 415	124 299	25%
EBITDA LIFO **	252	2 304	2 618	939%	1 589	6 637	318%
EBITDA	247	1 982	1 105	347%	1 522	4 808	216%
EBIT	-395	1 482	593	-	-893	2 538	-
Net result	-690	1 399	598	-	-1 396	2 094	-

- Revenues higher by 15% (y/y) in 4Q14 due to higher refining capacity and higher sales volumes across all segments
- EBITDA LIFO increase by CZK 2366 m (y/y) as a result of higher sales and higher downstream margin
  - Downstream: increase by CZK 2 208 m (y/y) driven by higher margins supported by significantly falling crude oil price, weaker CZK, positive volumes impact and grey zone reduction on fuels market with positive impact on sales volumes and margins
  - Increase of crude oil throughput by 44% (y/y) driven by operation of higher refining capacity from 4,5mt/r to 5,9mt/r and lack of maintenance shutdown in Kralupy refinery that took place in 3Q/4Q13; increase of refining utilization ratio to 88%
  - Retail: increase by CZK 143 m (y/y) driven by positive impact of fuel margins thanks to lower crude oil price and higher fuel sales volumes

* Data without impairments in 2Q14 and gain on acquisition in 1Q14
** Includes CZK (-) 817 m revaluation of inventories in 12M2014 to net realizable value according to IAS 2 due to decreasing crude oil prices

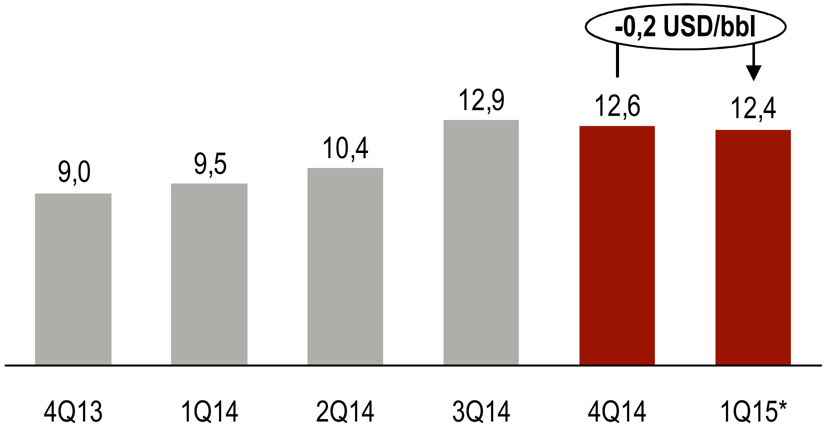
LIFO effect vs Brent crude oil price*



* Brent crude oil quotation at the end of the year.

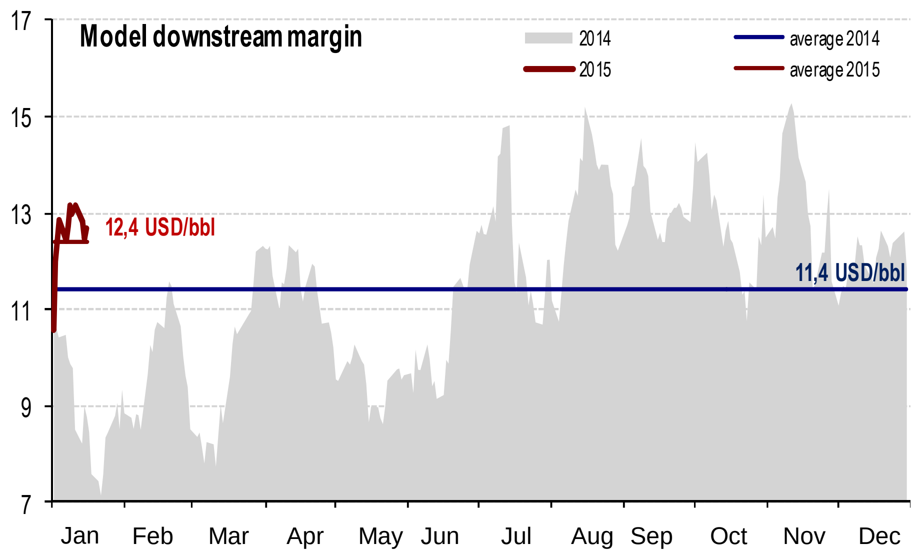
Macro environment in 1Q15 (q/q)

Downstream margin decrease
Model downstream margin, USD/bbl

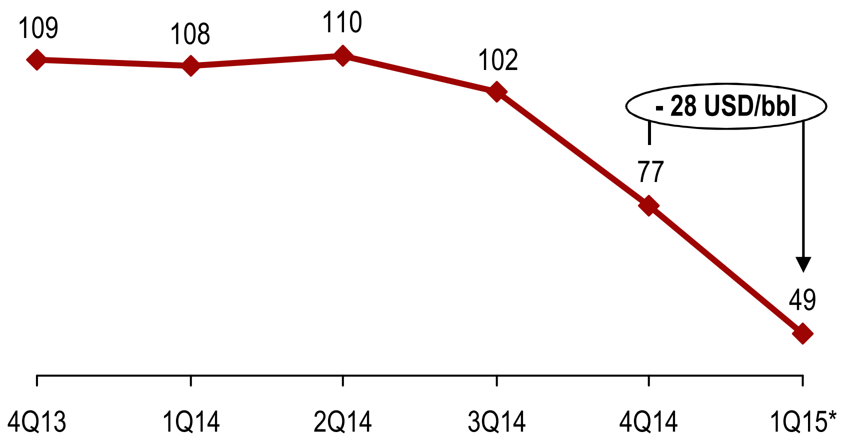


Product slate of downstream margin
Crack margins

Refining products (USD/t)	1Q14	4Q14	1Q15*	Δ (q/q)	Δ (y/y)
Diesel	107	122	116	-5%	8%
Gasoline	145	135	101	-25%	-30%
HHO	-251	-180	-130	28%	48%
SN 150	97	194	311	60%	221%
Petchem products (EUR/t)					
Ethylene	603	588	569	-3%	-6%
Propylene	530	540	524	-3%	-1%
Benzene	411	435	276	-37%	-33%
PX	420	443	419	-5%	0%



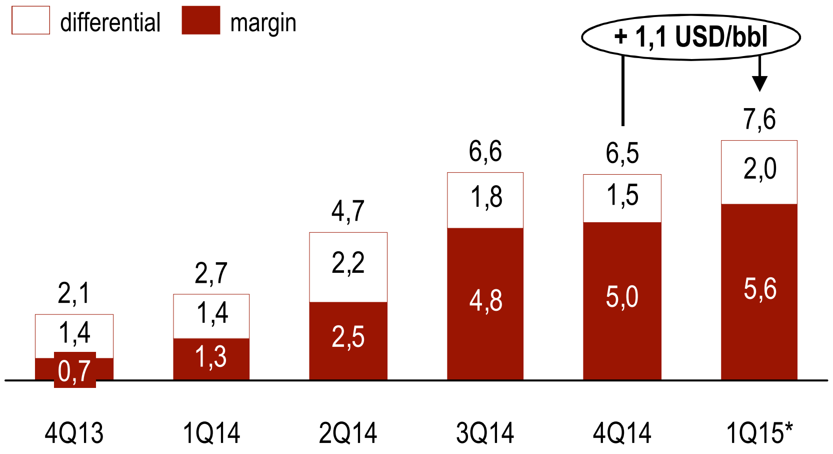
Crude oil price decrease
Average Brent crude oil price, USD/bbl



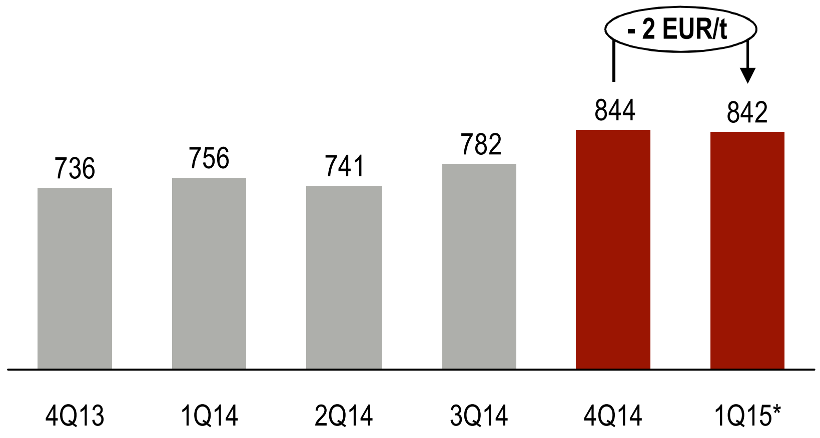
* Data as of 16.01.2015

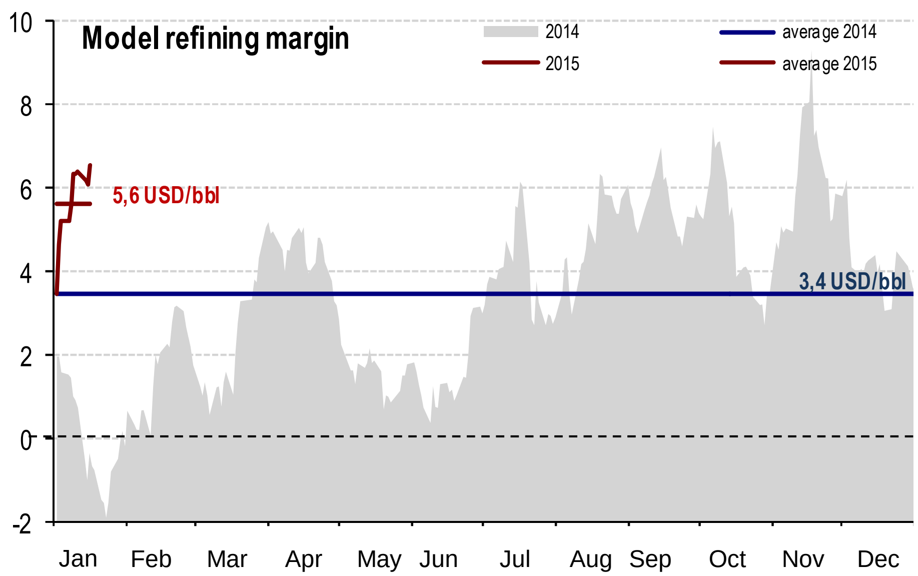
Macro environment in 1Q15 (q/q)

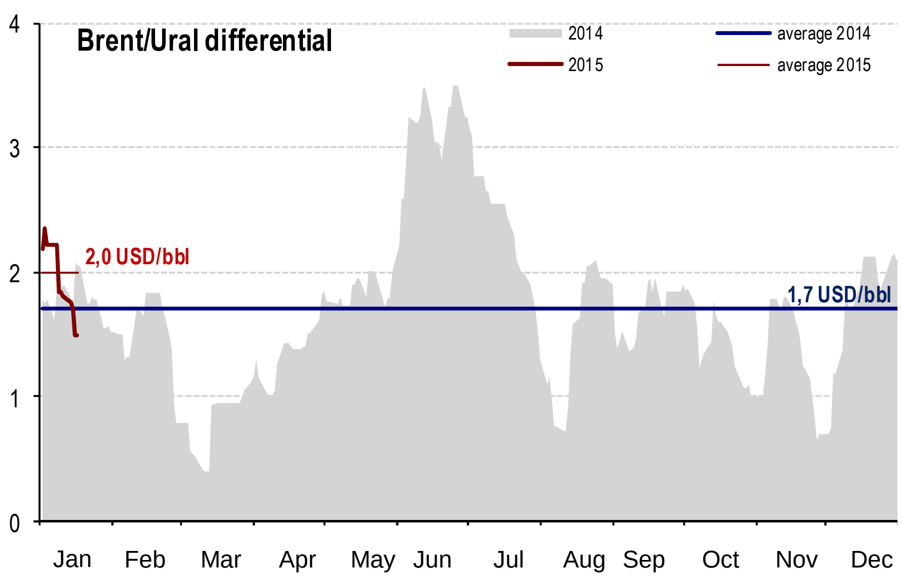
Refining margin and B/U differential increase
Model refining margin and Brent/Ural differential, USD/bbl



Petrochemical margin decrease
Model petrochemical margin, EUR/t







* Data as of 16.01.2015

Production data

	4Q13	3Q14	4Q14	Δ (y/y)	Δ (q/q)	12M13	12M14	Δ
Total crude oil throughput in PKN ORLEN	7 089	7 385	7 221	2%	-2%	28 216	27 276	-3%
Utilization in PKN ORLEN	91%	91%	89%	-2 pp	-2 pp	91%	84%	-7 pp
Refinery in Poland [1]								
Processed crude (tt)	3 947	3 931	3 612	-8%	-8%	15 182	14 278	-6%
Utilization	97%	96%	89%	-8 pp	-7 pp	93%	88%	-5 pp
Fuel yield [4]	79%	78%	78%	-1 pp	0 pp	78%	77%	-1 pp
Middle distillates yield [5]	47%	47%	46%	-1 pp	-1 pp	46%	46%	0 pp
Light distillates yield [6]	32%	31%	32%	0 pp	1 pp	32%	31%	-1 pp
Refineries in the Czech Rep. [2]								
Processed crude (tt)	906	1 372	1 302	44%	-5%	3 607	5 130	42%
Utilization	81%	93%	88%	7 pp	-5 pp	80%	89%	9 pp
Fuel yield [4]	78%	79%	81%	3 pp	2 pp	79%	81%	2 pp
Middle distillates yield [5]	45%	46%	45%	0 pp	-1 pp	45%	46%	1 pp
Light distillates yield [6]	33%	33%	36%	3 pp	3 pp	34%	35%	1 pp
Refinery in Lithuania [3]								
Processed crude (tt)	2 126	1 986	2 214	4%	11%	9 010	7 497	-17%
Utilization	83%	78%	87%	4 pp	9 pp	88%	74%	-14 pp
Fuel yield [4]	77%	79%	76%	-1 pp	-3 pp	75%	76%	1 pp
Middle distillates yield [5]	46%	47%	46%	0 pp	-1 pp	45%	46%	1 pp
Light distillates yield [6]	31%	32%	30%	-1 pp	-2 pp	30%	30%	0 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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