



Good results achieved in difficult macro environment

PKN ORLEN consolidated financial results for 2 quarter 2011

Jacek Krawiec, CEO

Sławomir Jędrzejczyk, CFO

5 August 2011



ORLEN

Agenda

- ▶ **Achievements in 2Q 2011**

Macroeconomic environment

Financial and operating results in 2Q 2011

Liquidity

Realization of priorities

Summary



PKN ORLEN achievements in 2Q 2011



FINANCIAL PARAMETERS

- ▶ **PLN 1,0 bn of operating profit and PLN 0,9 bn of net profit.**
- ▶ **Unstable macro environment:**
 - ▶ **increase in crude oil price by 50% (y/y).**
 - ▶ **decrease in model refining margin and URAL/Brent differential in total by (-) 2,2 USD/bbl (y/y) to 4,3 USD/bbl.**
 - ▶ **increase in petrochemical margin by 74 EUR/t (y/y) to 795 EUR/t.**

LIQUIDITY SITUATION

- ▶ **Debt reduction to PLN 7,9 bn and gearing to 31%.**
- ▶ **Refinancing of credit lines with maturity in 2011-2012.**
- ▶ Preliminary agreement to **sell 24,39% stake in Polkomtel S.A.** was signed.

OPERATIONAL PARAMETERS

- ▶ **Increase in throughput capacity** in Plock refinery from 15,1 mt/y to 16,3 mt/y as a result of PX/PTA complex launch.
- ▶ **1H 2011 fully packed with maintenance shutdowns** of major installations in all companies of ORLEN Capital Group.
- ▶ **Lower crude oil throughput** by (-) 2% (y/y) and fuel yield due to realisation of maintenance shutdowns.
- ▶ **Total sales volumes increase by 1% (y/y)** achieved due to higher sales of petrochemical and retail segment.



Agenda

Achievements in 2Q 2011

- ▶ **Macroeconomic environment**

Financial and operating results in 2Q 2011

Liquidity

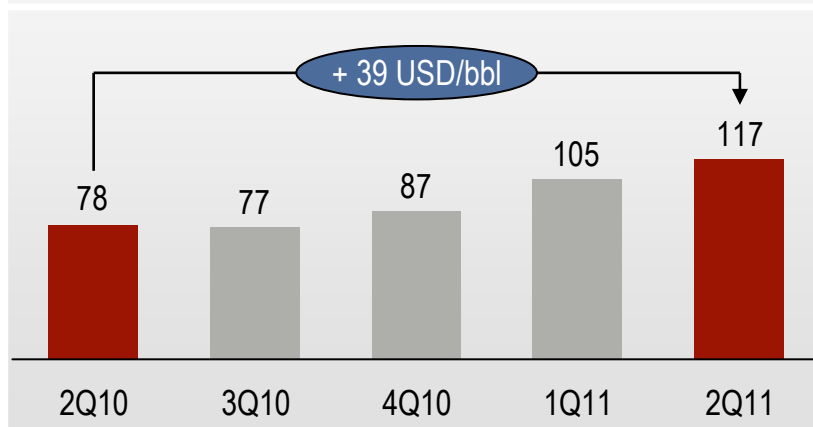
Realization of priorities

Summary

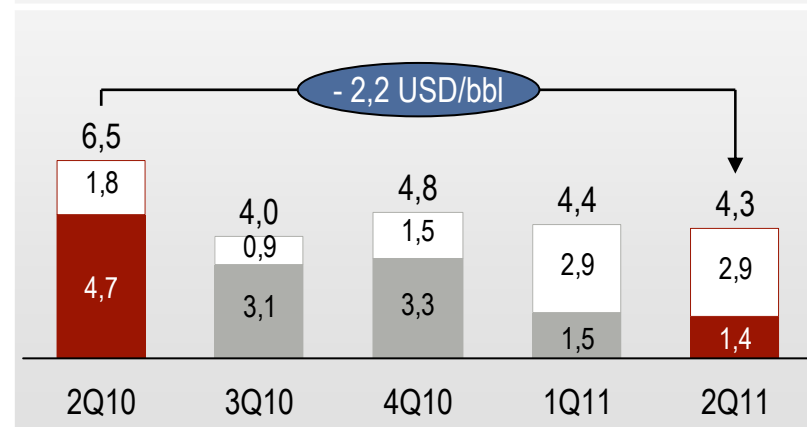


Unstable macro environment in 2Q 2011 (y/y)

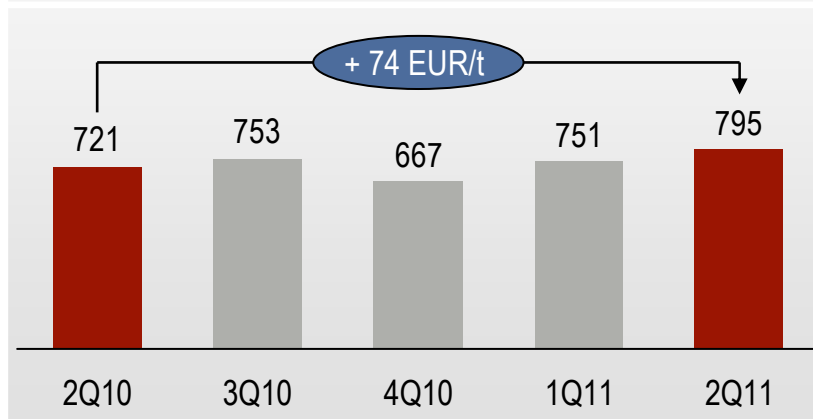
Crude oil price increase by 50%
Average Brent Crude Oil price, USD/bbl



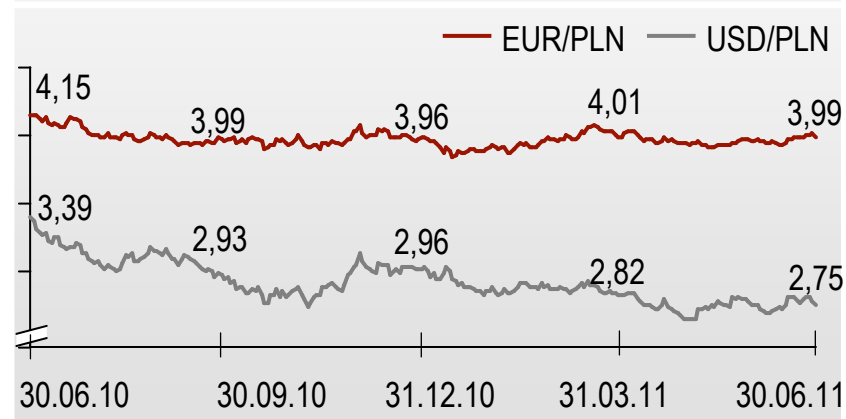
Decrease in total of refining margin and U/B diff by 30%
Model refining margin and Ural/Brent differential, USD/bbl



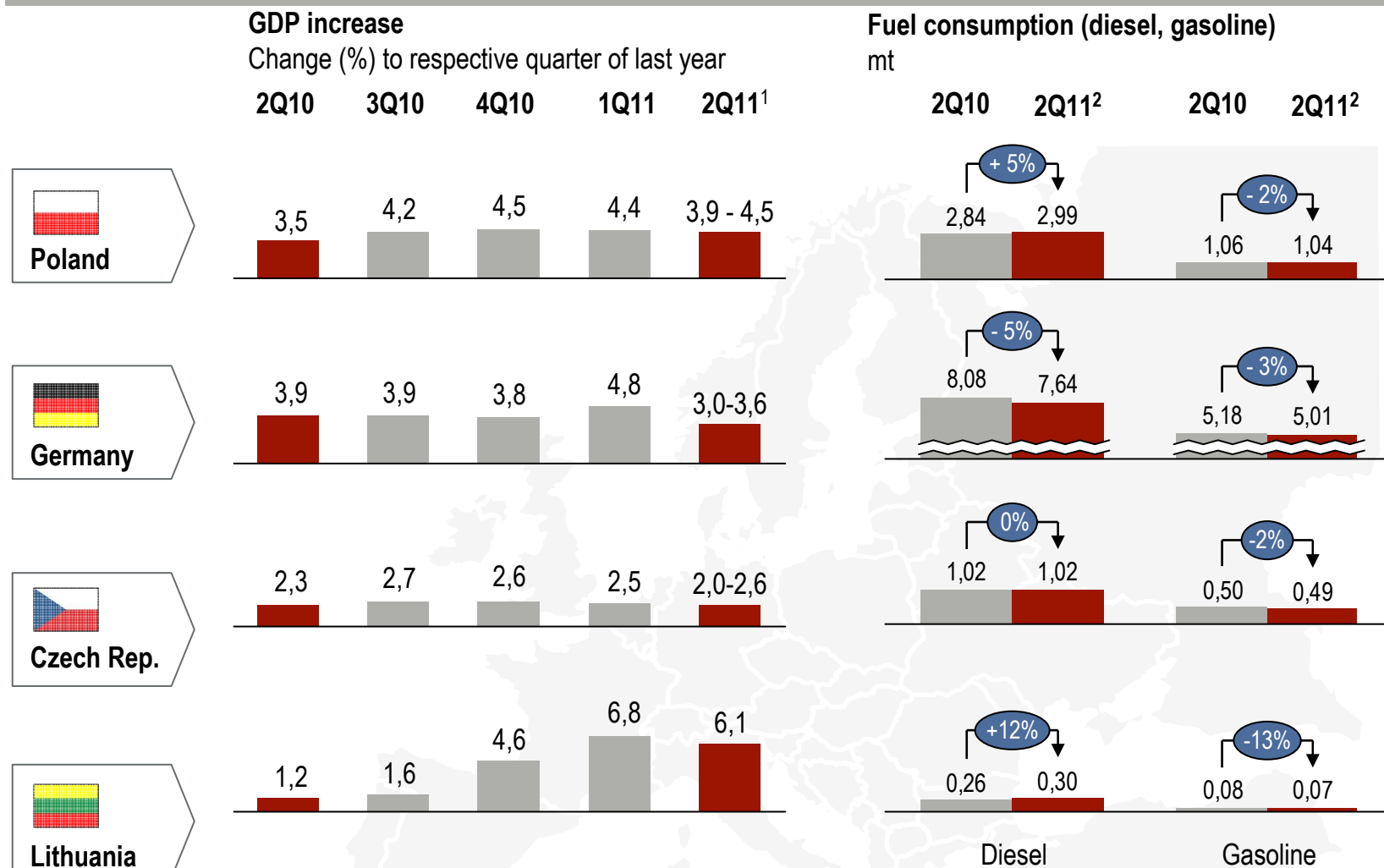
Petrochemical margin increase
Model petrochemical margin, EUR/t



PLN fluctuates against USD and EUR
EUR/PLN and USD/PLN exchange rate



GDP growth slowdown and high prices limit fuel consumption



¹ Poland – Statistical Office (GUS) / not unseasonal data; (Germany, the Czech Rep., Lithuania) – Eurostat / unseasonal data, 2Q2011: estimates.

² Estimates.



Agenda

Achievements in 2Q 2011

Macroeconomic environment

▶ **Financial and operating results in 2Q 2011**

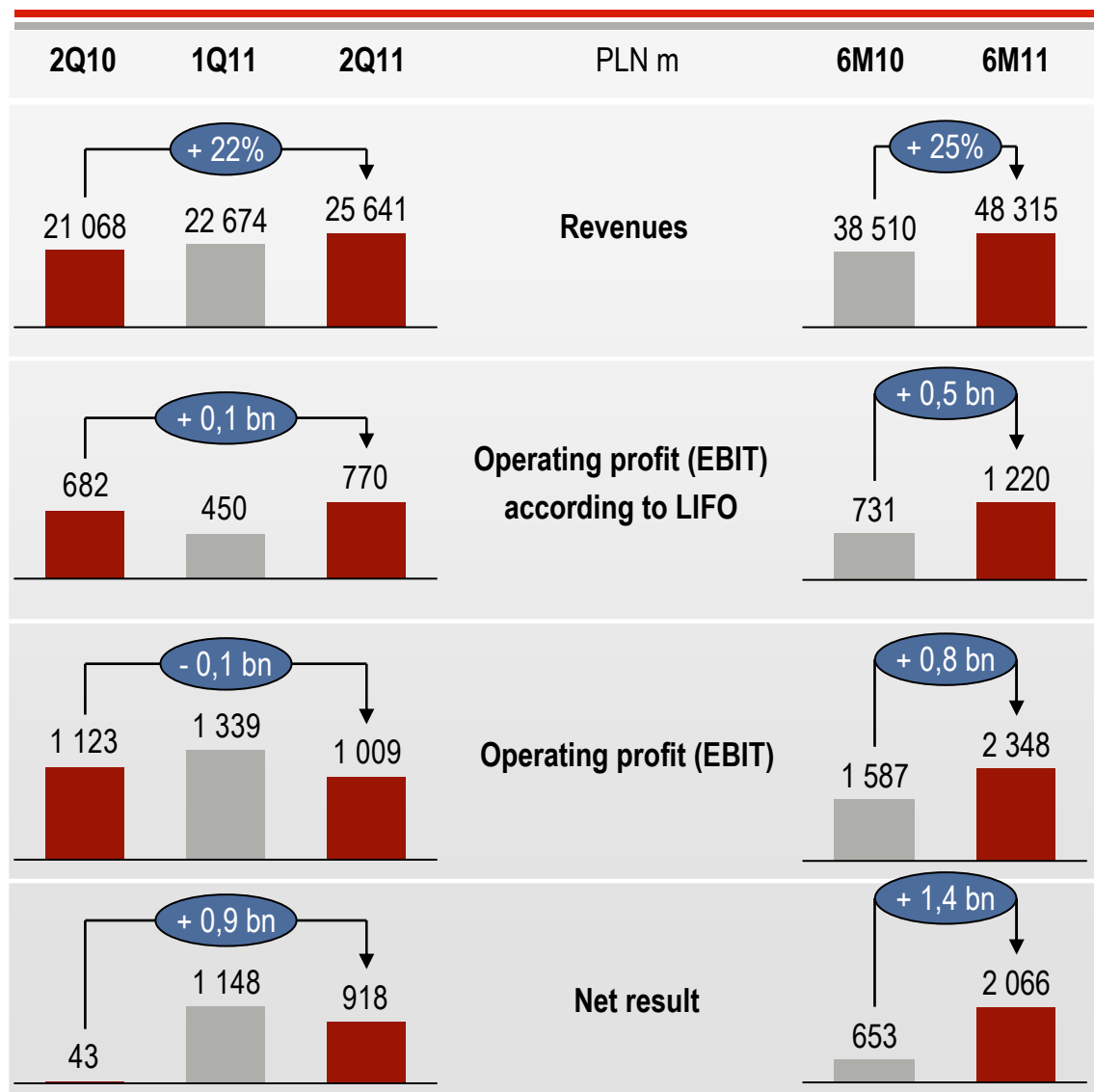
Liquidity

Realization of priorities

Summary



Revenues in 2Q 2011 amounted to PLN 25 bn



- ▶ Increase of revenues by 22% (y/y) mainly due to growth of crude oil prices and higher sales volumes.
- ▶ Increase of EBIT acc. to LIFO by PLN 0,1 bn (y/y) achieved mainly due to higher petrochemical sales at significantly better margins.
- ▶ LIFO effect in amount of PLN 0,2 bn as a result of further crude oil price increase in 2Q 2011.
- ▶ Limited fluctuations of PLN against foreign currencies caused that the balance in financial operations in 2Q 2011 will be insignificant.
- ▶ Over PLN 2 bn net profit in 1H2011.



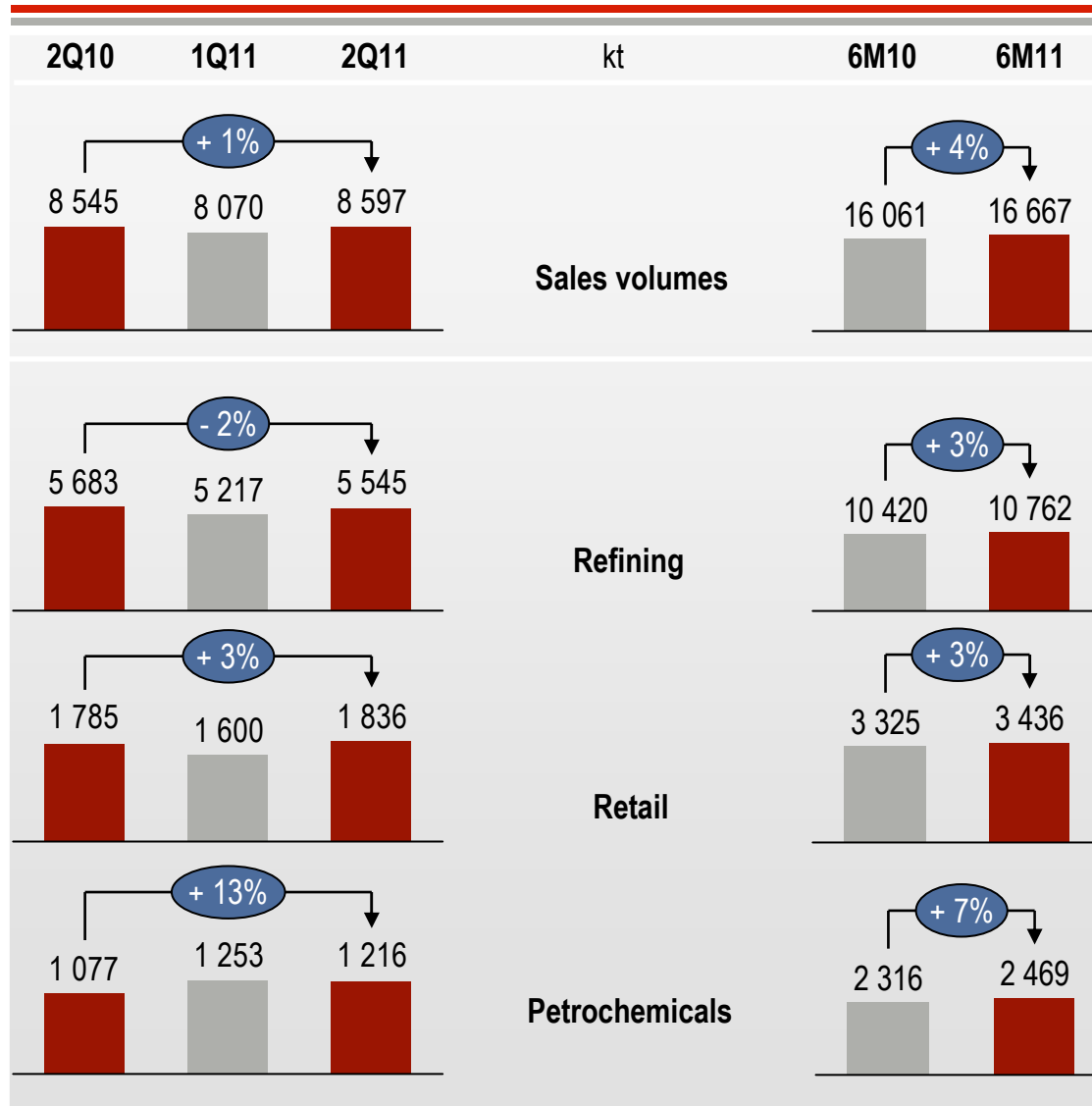
Higher operating profit according to LIFO due to petrochemical segment

| 2Q10 | 1Q11 | 2Q11 | change y/y | PLN m | 6M10 | 6M11 | change y/y |
|------|------|-------|------------|-----------------------------|------|-------|------------|
| 1123 | 1339 | 1 009 | -10% | EBIT, of which: | 1587 | 2 348 | 48% |
| 682 | 450 | 770 | 13% | EBIT acc. to LIFO | 731 | 1220 | 67% |
| 983 | 1028 | 510 | -48% | Refining | 1409 | 1 538 | 9% |
| 530 | 185 | 303 | -43% | Refining acc. to LIFO | 581 | 488 | -16% |
| 216 | 26 | 192 | -11% | Retail | 291 | 219 | -25% |
| 122 | 385 | 521 | 327% | Petrochemicals | 227 | 905 | 299% |
| 134 | 339 | 489 | 265% | Petrochemicals acc. to LIFO | 199 | 827 | 316% |
| -198 | -100 | -214 | -8% | Corporate functions | -340 | -314 | 8% |

- ▶ Negative impact of shutdowns in refining and worsening of macro environment (y/y) limited by positive impact of repurchase of obligatory reserves from LAMBOURN Sp. z o.o. used partially for production purposes in 2Q2011.
- ▶ Volumes growth in retail limited by lower fuel margins in Poland and the Czech Republic due to fuel price increase.
- ▶ Growth in operational result according to LIFO in petrochemicals by PLN 355 m (y/y) realized due to higher margins on petrochemical products, higher sales of fertilizers and start of terephthalic acid (PTA) sales.
- ▶ Cost reduction in corporate functions by PLN 26 m (y/y) in 1H2011.



Sales volumes growth in petrochemicals and retail



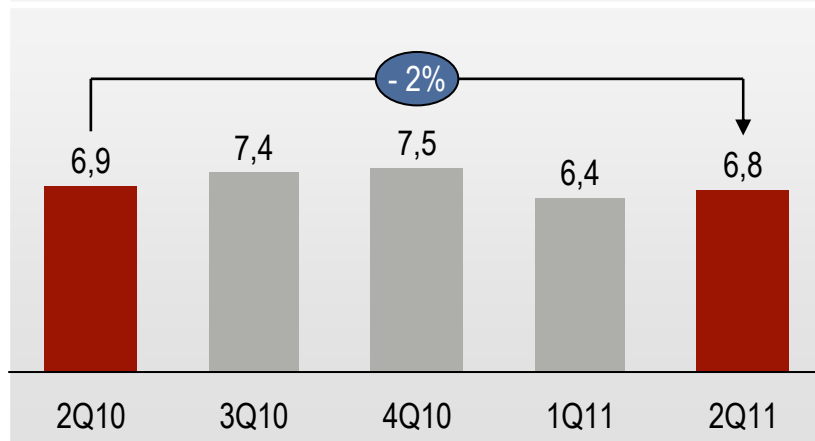
- ▶ Total sales volumes in 2Q 2011 increased by 1% (y/y) to 8,6 mt due to good conditions in petrochemicals.
- ▶ Refining sales decrease by (-) 2% (y/y) due to lower production, growth of volumes directed to own retail network and tough market environment.
- ▶ Retail sales volumes growth by 3% (y/y) achieved on Polish and German markets at lower retail margins on these markets.
- ▶ Maintaining rise of consumption of diesel and further decrease of gasoline consumption.
- ▶ Petrochemicals sales volumes growth by 13% (y/y) achieved mainly due to start of terephthalic acid (PTA) sales and higher sales of fertilizers.



Negative impact of shutdowns

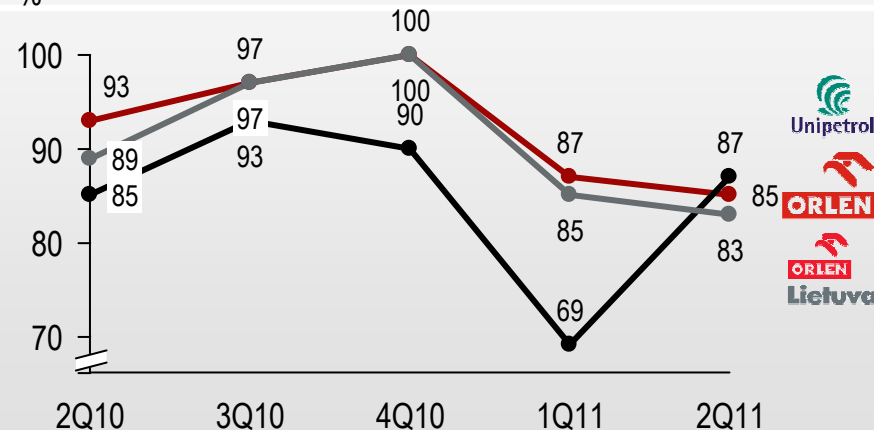
Crude oil throughput

mt



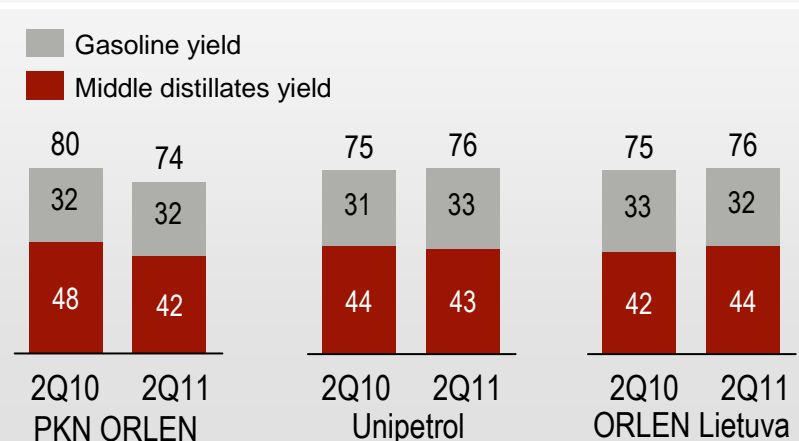
Utilisation ratio

%



Fuel yield

%



Comments

- ▶ Due to shutdowns in 2Q2011 crude oil throughput in ORLEN Capital Group was lower by (-) 2% (y/y), but higher by 5% (q/q).
- ▶ Utilisation ratio growth in Unipetrol by 2pp (y/y) after completion of shutdowns in Paramo refinery and HDS in Kralupy and decrease in ORLEN Lietuva by (-) 6pp (y/y) and in Plock refinery by (-) 8pp (y/y) due to shutdowns.
- ▶ Increase in throughput capacity in Plock refinery from 15,1 mt/y to 16,3 mt/y as a result of PX/PTA complex launch.
- ▶ Worsening of product slate.



ORLEN

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▶ **Liquidity**

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Financing secured for the next 5 years

Safe financial situation

- ▶ Decrease of indebtedness to PLN 7,9 bn due to consistently realized activities.
- ▶ Maintaining optimal level of gearing, determined in the strategy in range 30-40%.
- ▶ Covenant net debt / (EBITDA + dividend from Polkomtel) on safe level of 1,24.
- ▶ 5- to 7-year agreements refinancing current indebtedness in total value of EUR 2,875 bn.

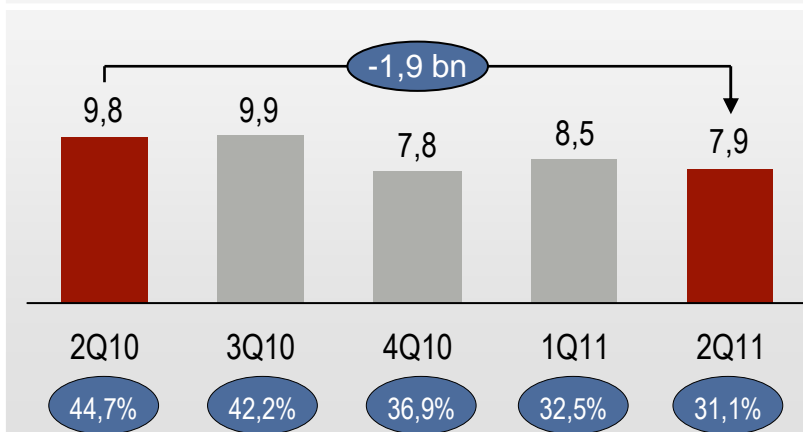
Impact of PLN exchange rate on debt in 2Q2011

- ▶ Revaluation of credits, mainly in USD, decreased net debt in 2Q2011 by PLN (-) 125 m (q/q).
- ▶ Positive net foreign exchange differences, from EUR denominated credits, entered into profit and loss account amounted to PLN 1 m.
- ▶ Positive, mainly unrealized, net foreign differences due to revaluation of USD denominated debt connected with ORLEN Lietuva investment and foreign subsidiaries credits amounted to PLN 124 m and were booked in balance sheet into equity.

Net debt and financial gearing

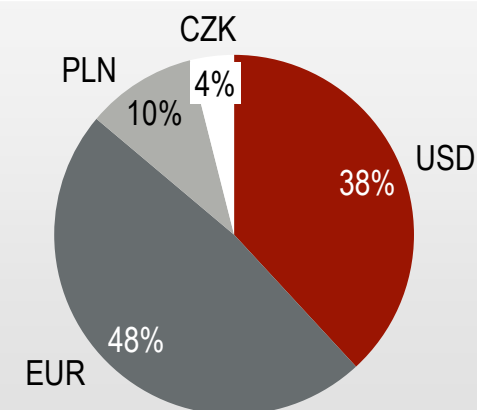
in PLN bn, %

 Financial gearing



Gross debt structure by currency

as of 30.06.2011



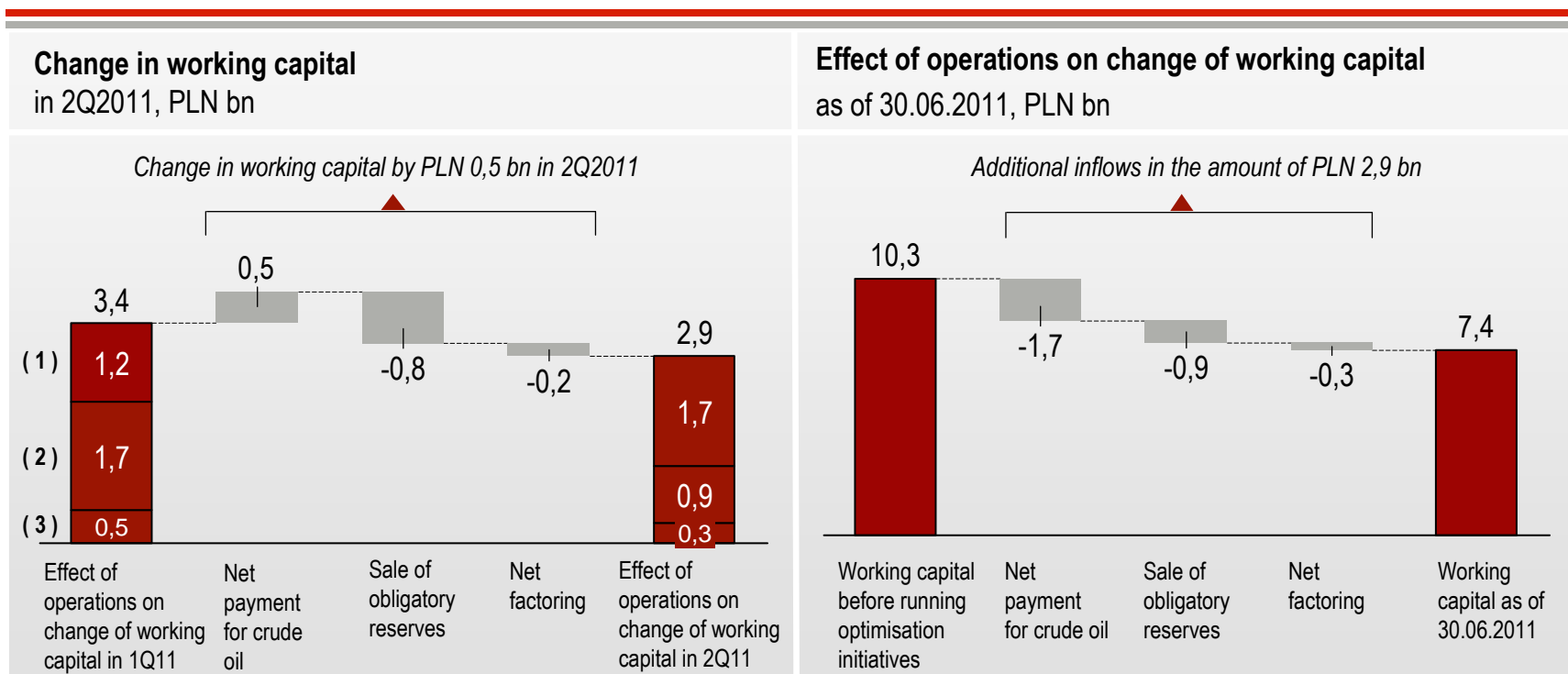
Over PLN 1,0 bn of cash flow from operations

| 2Q10 | 1Q11 | 2Q11 | change v/y | PLN m | 6M10 | 6M11 | change v/y |
|-------|--------|-------|---------------|--|--------|--------|---------------|
| 1 194 | 1 928 | 1 589 | 395 | Cash flow from operations before working capital change | 2 220 | 3 518 | 1 298 |
| 1 274 | -1 970 | -582 | -1 856 | Working capital change | 664 | -2 553 | -3 217 |
| 2 468 | -42 | 1 007 | -1 461 | Cash flow from operations | 2 884 | 965 | -1 919 |
| -381 | -607 | -402 | -21 | Cash flow from investments | -956 | -1 010 | -54 |
| -600 | -326 | -498 | 102 | Capital expenditures (CAPEX) | -1 376 | -824 | 552 |
| 2 087 | -649 | 605 | -1 482 | Free cash flow | 1 928 | -45 | -1 973 |

- ▶ PLN 1,6 bn of cash flow from operations before working capital change.
- ▶ Working capital growth in 2Q2011 by PLN 0,8 bn mainly due to repurchase from LAMBOURN Sp. z o.o. obligatory reserves sold in March 2010.
- ▶ Decrease of capital expenditures by PLN 0,6 bn (y/y) in 1H2011 due to finalization of key projects.



Continuation of initiatives decreasing working capital



- ▶ Additional inflows from deferred net payment for crude oil increased in 2Q2011 by PLN 0,5 bn and amounted to PLN 1,7 bn.
- ▶ Operations in factoring decreased by PLN 0,2 bn in 2Q2011 and generated PLN 0,3 bn of additional inflows.
- ▶ Decrease of inflows from sales of obligatory reserves from PLN 1,7 bn to PLN 0,9 bn due to repurchase of first tranche of obligatory reserves in 2Q2011. The advanced works are in progress on sale of next tranche.
- ▶ Implemented from 2009 all operations in working capital generated at the end of 2Q2011 additional inflows at the amount of PLN 2,9 bn.

- (1) Extension of payment for crude oil
- (2) Sale of obligatory reserves
- (3) Accelerating of receivables inflow – factoring



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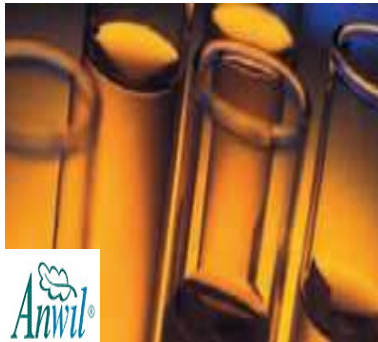


Actions releasing capital – sale of Polkomtel



POLKOMTEL

- ▶ Preliminary agreement signed in June for the sale of 100% shares to Spartan Capital Holdings Sp. z o.o., including the entire 24,39% shareholding owned by PKN ORLEN.
- ▶ The transaction is subject to approval by the Polish Office of Competition and Consumer Protection.
- ▶ The total transaction consideration implies an Enterprise Value of PLN 18,1 bn.
- ▶ After deductions attributable to debt and dividend the net proceeds amount to PLN 15,1 bn, including PLN 3,7 bn for the shares sold by PKN ORLEN.
- ▶ Capital profit before tax will amount to PLN 2,5 bn.
- ▶ Dividend from Polkomtel paid in July in the amount of PLN 250 m.



ANWIL

- ▶ Improvement of the situation in the chemical sector and the Company's results support the return to the sale process.
- ▶ Internal analysis referring to dividing of the Company and sale of separate business lines: PVC and fertilizers.
- ▶ Continuation of minority shareholders buy-out aiming to reach 100% of the Company's registered capital.



MANDATORY RESERVES

- ▶ Repurchase of 500 th t of crude oil reserves sold in 2010.
- ▶ Advanced process of sale of the next tranche pending.
- ▶ Value of reserves at the end of 2Q2011 amounts to PLN 7,3 bn.



Operating efficiency – start-up of PTA production



PKN ORLEN

Sales:

- ▶ Increase in petrochemical and retail sales volumes.

Maintenance shutdowns:

- ▶ Finishing of planned maintenance shutdowns in 2Q2011: Hydrocracker in Plock and turnaround of ORLEN Lietuva refinery.
- ▶ Maintenance shutdowns of Hydrogen plant I and H-Oil in Plock finished in July 2011.

Investments:

- ▶ Completion of investment program initialized in 2007.
- ▶ Launch of Europe's most advanced petrochemical PX/PTA complex.
- ▶ Production capacities: 400 th t of PX (paraxylene) and 600 th t of PTA (purified terephthalic acid) per annum, reflecting 20% of European production.
- ▶ Increase in throughput capacities in Plock refinery from 15,1 mt/y to 16,3 mt/y of crude oil.
- ▶ Sales in 2Q2011 amounted to 83 th t.
- ▶ Good quotations of paraxylene over 1100 EUR/t in 1H2011.

ORLEN LIETUVA

- ▶ PLN 90 m of operating profit according to LIFO in 2Q2011 in unfavorable macro environment.
- ▶ Improvement of operating parameters.
- ▶ Postponing the date of advisor's report on recommendation for the request of potential partners, for more detail analysis of the Company.



Continuing of upstream and energy projects

UPSTREAM



CRUDE OIL

Latvian shelf – analysis of newly obtained 3D seismic data and choice of wholes locations is in progress.

- ▶ The drill is planned in 1 half of 2012.

Polish lowland – exploratory drill is in realization.

- ▶ Next 2 appraisal drills are planned – realization in 2012.

Lublin region – seismic and hole data integration is finished.

- ▶ Data analysis and choice of drills' locations is in progress.
- ▶ The drill is planned in 2012.

SHALE GAS

Lublin region – seismic works at shale gas concessions are started.

- ▶ 2 drills planned in 2 half of 2011 and next one in 1 half of 2012.
- ▶ Obtaining 5-year exploratory concession for unconventional reserves in Hrubieszow area.
- ▶ PKN ORLEN holds 6 concessions.

ENERGY



POWER PLANT IN WLOCLAWEK TO 500 MWe (BUILDING)

- ▶ Advanced preparation of investment: we have the environmental decision and agreement for connection to the energy network.
- ▶ Process of the power plant builder selection is in progress.
- ▶ In 2Q2011 we have submitted a motion for the permission to build a block.
- ▶ Decision about the selection of the contractor to be made at the turn of 3 and 4 quarter 2011.
- ▶ Start up of building in 2012.
- ▶ Planned start-up in 2014.
- ▶ Estimated CAPEX in the amount of PLN 1,5 bn.



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Summary



Good results in difficult macro environment

- ▶ PLN 25,6 bn of revenues from sales, increase by o 22% (y/y).
- ▶ PLN 1,0 bn of operating profit and PLN 0,9 bn of net profit.
- ▶ 8,6 m t of sales volumes; increase by 1% (y/y).

Stable liquidity situation

- ▶ Reduction in debt by PLN 1,9 bn (y/y) to PLN 7,9 bn, in financial gearing to the level of 31%, ie. to the level assumed in the strategy and in covenant to the safe level of 1,24.
- ▶ Continuation of initiatives reducing working capital.
- ▶ Concluding the credit agreements to refinance the debt for the total amount of EUR 2,875 bn.

Realization of actions increasing PKN ORLEN value

- ▶ Launch of Europe's most advanced petrochemical complex for production of paraxylene and purified terephthalic acid (PX/PTA).
- ▶ Signing of preliminary agreement for the sale of 24,39% shareholding in Polkomtel.
- ▶ Continuation of upstream and energy projects.

Positive notes on PKN ORLEN operating

- ▶ 1 place in the category of "Best Managed Company in Poland – most convincing and coherent strategy by country: Poland" (Euromoney, 2011).
- ▶ PKN ORLEN at the list of the largest 500 companies on the world (Fortune, 2011).
- ▶ „Best Investor Relations in Poland 2011” award (IR Magazine, 2011).





Thank You for Your attention

For more information on PKN ORLEN, please contact

Investor Relations Department:

telephone: + 48 24 256 81 80

fax: + 48 24 367 77 11

e-mail: ir@orlen.pl

www.orlen.pl



ORLEN

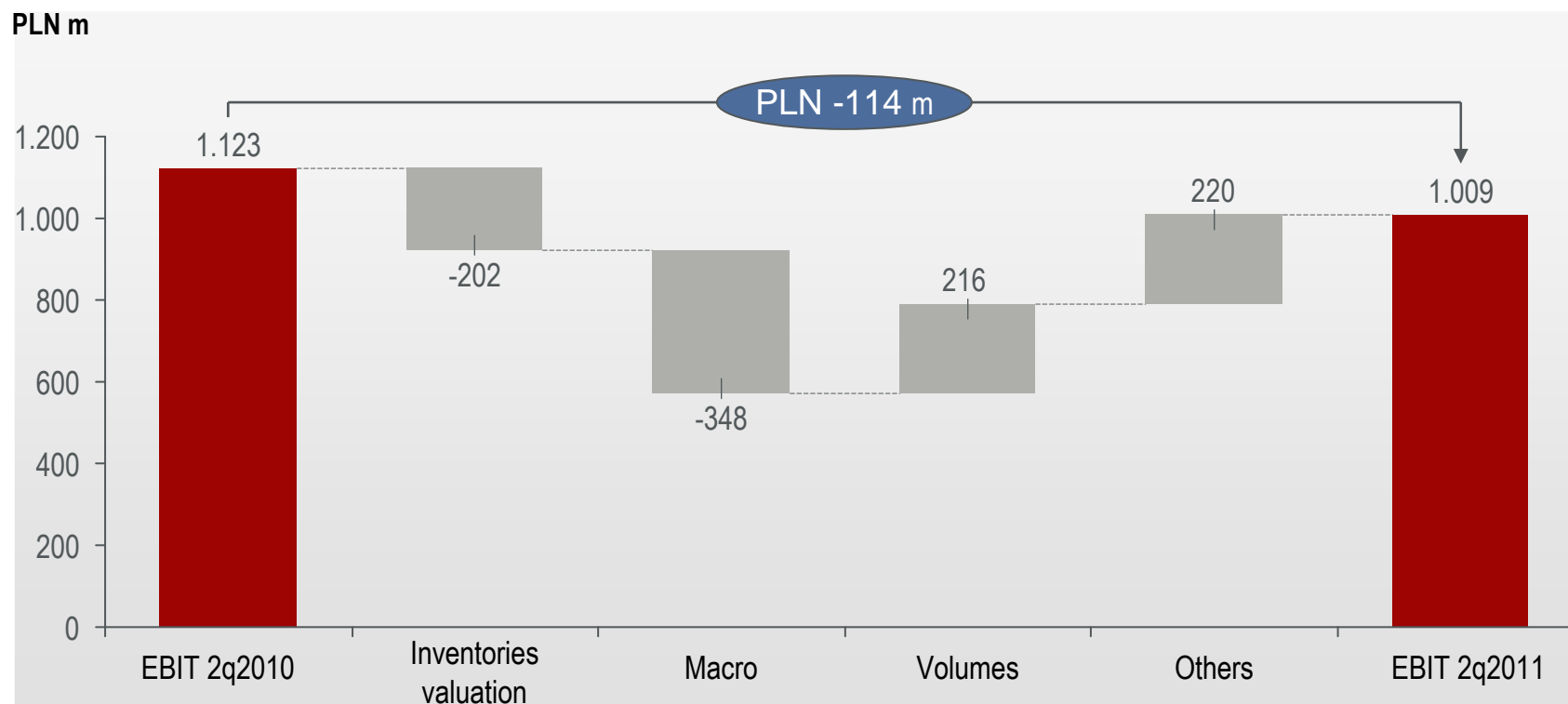
Agenda

- ▶ **Supporting slides**



PKN ORLEN

Sales increase offset by unfavorable refining macro



- ▶ Lower positive impact of inventories valuation (y/y) in 2Q2011 and observed worsening of macro factors in refining sector.
- ▶ High sales of retail and petrochemical segments offset by decrease of sales in refining segment resulted from production limitations and difficult market situation.
- ▶ Others mainly include positive effect of settlement of repurchase transaction of crude oil in 2Q2011 in the amount of ca. PLN 200 m.

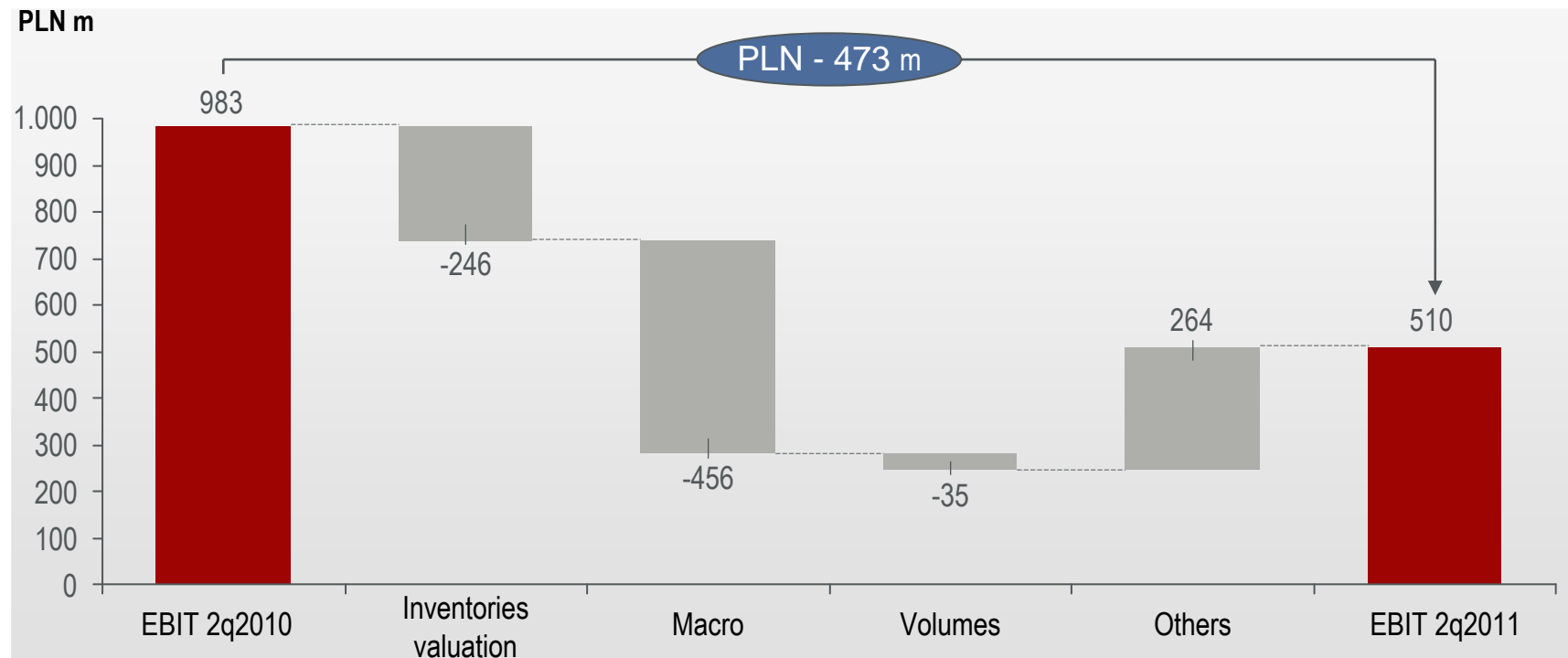


Inventories valuation effect: PKN ORLEN PLN (-) 186 m, ORLEN Lietuva PLN 9 m, Unipetrol PLN (-) 31 m, others PLN 6 m.
Macroeconomic effect: exchange rate PLN (-) 73 m, margins PLN (-) 468 m, differential PLN 193 m.

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Refining segment

Negative impact of low refining margins and maintenance shutdowns



- ▶ Lower positive impact of inventories valuation due to limitation of growth of crude oil process in 2Q2011 (q/q) and observed worsening of macro factors.
- ▶ Production limitations and difficult market situation impacted on decrease of volumes sales of segment.
- ▶ Others mainly include positive effect of settlement of repurchase transaction of crude oil in 2Q2011 in the amount of ca. PLN 200 m.

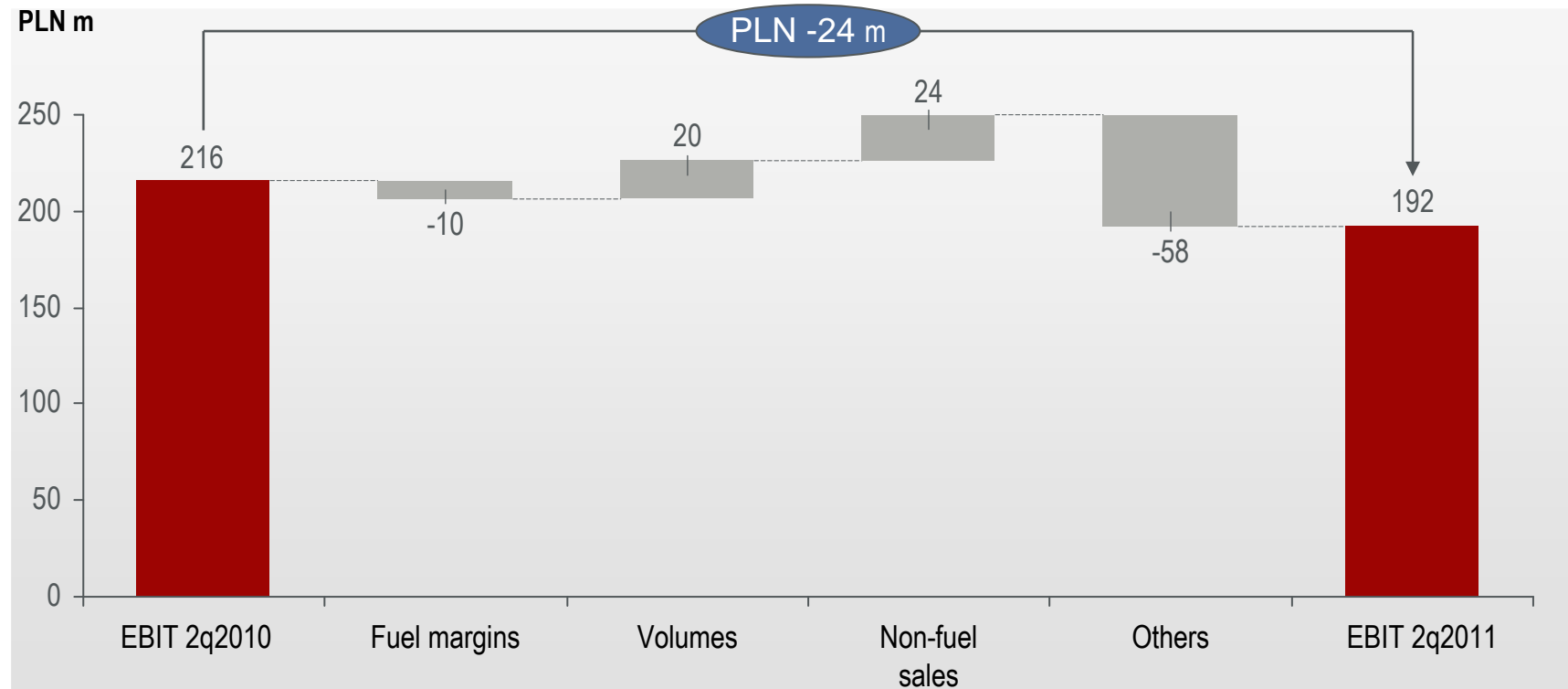


Inventories valuation effect: PKN ORLEN PLN (-) 226 m, ORLEN Lietuva PLN 9 m, Unipetrol PLN (-) 35 m, others PLN 6 m.
Macroeconomic effect: exchange rate PLN (-) 36 m, margins PLN (-) 613 m, differential PLN 193 m.

ORLEN

Retail segment

Increase of sales volumes limited by lower fuel margins

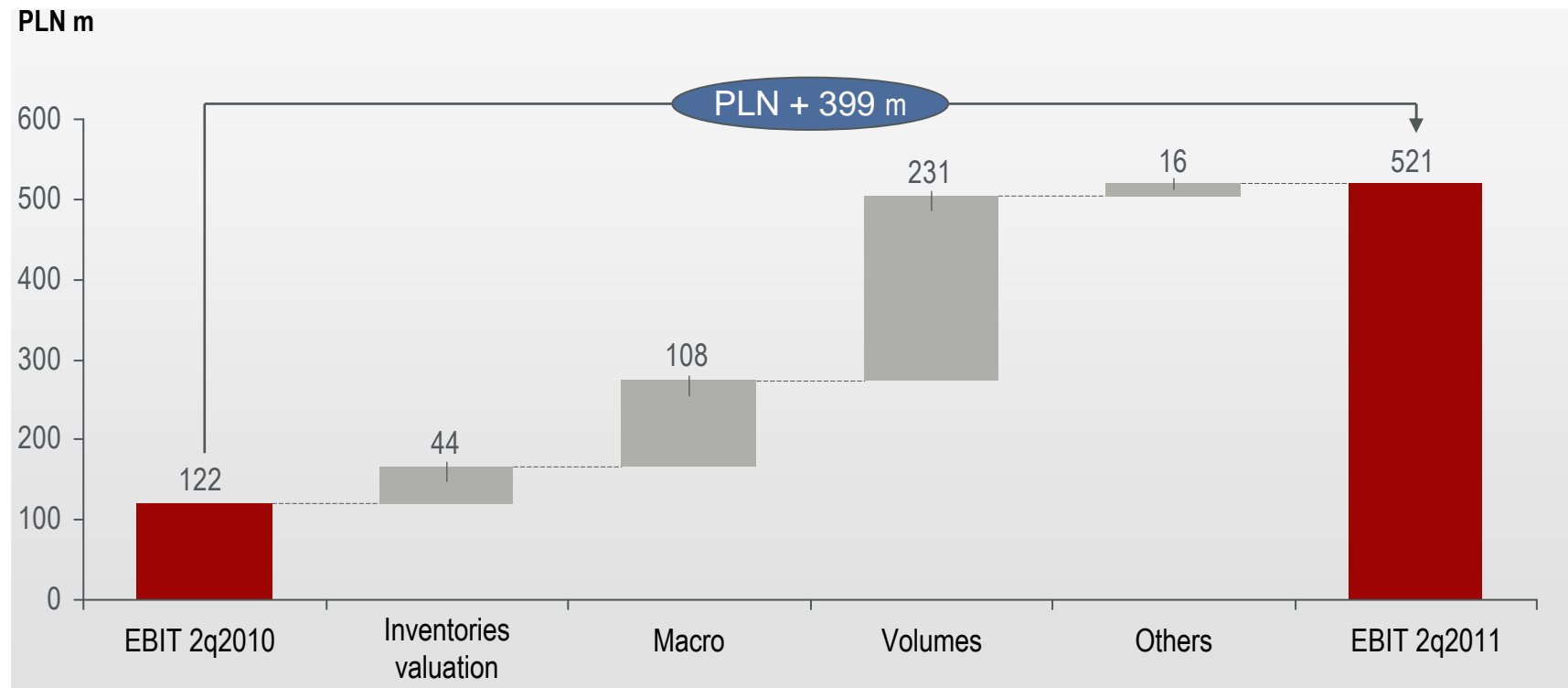


- ▶ Increase of retail sales by 3% (y/y) achieved on Polish and German market at stable sales volumes on Lithuanian and Czech market.
- ▶ Impact of fuel prices on lower margins on Polish and Czech market.
- ▶ Others position includes higher costs of filling stations operations connected mainly with increase of sales volumes, lease costs and running the sites as well as negative result on other operations resulted from lack in 2Q2011, of transaction of fuel stations sales occurring in 2010.



Petrochemical segment

Improvement of petrochemical margins and sales volumes increase



- ▶ Continuing of positive macroeconomic trends.
- ▶ PTA sales in the amount of 83 th.t and increase of fertilizers sales by 23% (y/y).
- ▶ High efficiency of fertilizers sales impacted on high level of operating results of Anwil Group.



Inventories valuation effect: PKN ORLEN PLN 40 m, Unipetrol PLN 4 m.
Macroeconomic effect: exchange rate PLN (-) 37 m, margins PLN 145 m.

ORLEN

Main P&L elements breakdown by key companies in 2Q 2011

| IFRS, PLN m | PKN ORLEN (unconsolidated) | Unipetrol ³⁾ | ORLEN Lietuva ³⁾ | Others & consolidation excludings | ORLEN Group 2Q11 | ORLEN Group 2Q10 | Change |
|--|-------------------------------|-------------------------|--------------------------------|---|------------------------|------------------------|--------------|
| Revenues | 18 973 | 4 225 | 5 764 | -3 321 | 25 641 | 21 068 | 22% |
| EBITDA | 947 | 166 | 102 | 371 | 1 586 | 1 735 | -9% |
| Depreciation & amortisation | 236 | 136 | 98 | 107 | 577 | 612 | -6% |
| EBIT | 711 | 30 | 4 | 264 | 1 009 | 1 123 | -10% |
| Financial revenues ¹⁾ | 641 | 21 | 25 | -528 | 159 | 80 | 99% |
| Financial costs | -131 | -37 | -39 | 42 | -172 | -1 171 | -85% |
| Net profit | 1 054 | 0 | -6 | -130 | 918 | 43 | 2035% |
| LIFO adjustment ²⁾ | -279 | 10 | 38 | -8 | -239 | -441 | 46% |

1) Consolidation excludings resulting mainly from transferring of PLN 110 m of negative exchange rates differences from debts in USD to equity as a result of establishment of protecting connection with ORLEN Lietuva and dividend elimination in amount of PLN 396 m.

2) Calculated as a difference between operational profit based on LIFO and operational profit based on weighted average.

3) Presented data show Unipetrol Group and ORLEN Lietuva results acc. to IFRS after taking into account adjustments made for ORLEN Group consolidation.



Operating results breakdown by key segments and companies in 2Q 2011

| IFRS, PLN m | PKN ORLEN (unconsolidated) | Unipetrol ⁴⁾ | ORLEN Lietuva ⁴⁾ | Others & consolidation excludings | ORLEN Group 2Q11 | ORLEN Group 2Q10 | Change |
|---|-------------------------------|-------------------------|--------------------------------|---|------------------------|------------------------|-------------|
| EBIT | 711 | 30 | 4 | 264 | 1 009 | 1 123 | -10% |
| <i>EBIT acc. to LIFO</i> | 432 | 40 | 42 | 256 | 770 | 682 | 13% |
| Refinery¹⁾ | 447 | -63 | 49 | 77 | 510 | 983 | -48% |
| <i>Refinery acc. to LIFO</i> | 202 | -55 | 87 | 69 | 303 | 530 | -43% |
| Retail | 136 | 17 | 1 | 38 | 192 | 216 | -11% |
| Petrochemicals²⁾ | 307 | 76 | 0 | 138 | 521 | 122 | 327% |
| <i>Petrochemicals acc. to LIFO</i> | 273 | 78 | 0 | 138 | 489 | 134 | 265% |
| Corporate Functions³⁾ | -179 | 0 | -46 | 11 | -214 | -198 | -8% |

1) Refining: refining production, refining wholesale, supportive production and oils (in total – production and sales).

2) Petrochemicals: petrochemical production, petrochemical wholesale and chemicals (in total – production and sales).

3) The corporate functions: corporate functions of ORLEN Group companies and companies not included in above segments.

4) Presented data show Unipetrol Group and ORLEN Lietuva results acc. to IFRS after taking into account adjustments made for ORLEN Group consolidation.



ORLEN

ORLEN Lietuva Group

Key elements of the profit and loss account ¹

| 2Q10 | 1Q11 | 2Q11 | change y/y | IFRS, USD m | 6M 10 | 6M 11 | change y/y |
|-------|-------|-------|---------------|--------------------------|-------|-------|---------------|
| 1 429 | 1 754 | 2 102 | 47% | Revenues | 2 501 | 3 856 | 54% |
| 41 | 73 | 36 | -12% | EBITDA | 49 | 109 | 122% |
| 18 | 53 | 16 | -11% | EBIT | 4 | 69 | 1869% |
| 33 | -18 | 29 | -12% | <i>EBIT acc. to LIFO</i> | 10 | 12 | 20% |
| -11 | 52 | 9 | - | Net result | -42 | 61 | - |

- ▶ Revenues increase due to increasing world crude oil product prices.
- ▶ Better sales performance in Inland and Seaborne markets despite unfavorable macro environment .
- ▶ Positive EBIT in 2Q 2011 in the amount of USD 16 m.
- ▶ Focus on operating ratios: maximization of capacity utilization, energy index and maintaining high fuel yield at the level of 74,7% and losses and internal use at level of 6,9%.
- ▶ Successful completion of Spring Shutdown works in April 2011.

1) Presented data shows ORLEN Lietuva Group results acc. to IFRS in accordance with values published on Lithuanian market and do not include correction increasing depreciation and amortization costs as a result of completed valuation of ORLEN Lietuva Group fixed assets on the date of acquisition by PKN ORLEN and fixed assets impairment loss included in 2008. Correction of ORLEN Lietuva Group result includes mainly increasing depreciation and amortization costs and fixed assets impairment for the ORLEN Group consolidation purposes amounted to USD 31 m for 6 months 2011 ended 30 June 2011.



UNIPETROL Group

Key elements of the profit and loss account¹

| 2Q10 | 1Q11 | 2Q11 | change y/y | IFRS, CZK m | 6M10 | 6M11 | change y/y |
|--------|--------|--------|---------------|--------------------------|--------|--------|---------------|
| 23 409 | 23 088 | 25 950 | 11% | Revenues | 41 448 | 49 038 | 18% |
| 1 669 | 1 379 | 1 012 | -39% | EBITDA | 3 021 | 2 390 | -21% |
| 802 | 571 | 224 | -72% | EBIT | 1 318 | 795 | -40% |
| 671 | 4 | 274 | -59% | <i>EBIT acc. to LIFO</i> | 656 | 278 | -58% |
| 520 | 464 | -1 | - | Net result | 829 | 463 | -44% |

- ▶ The second quarter was difficult especially for refinery sector. However, EBIT achieved in the petrochemical segment increased by 56% (y/y) in 2Q2011.
- ▶ Positive contribution from estimated excess of allocated CO2 allowances of ca. CZK 200m.
- ▶ No material production shutdowns in 2Q 2011.
- ▶ Fixed costs reduction by CZK 100m (y/y) and workforce optimized by (-) 5% (y/y).
- ▶ Record high quarterly diesel sales in Benzina history and further improvement of high-margin VERVA fuels sales by 16% (y/y).
- ▶ Benzina's market share increased by 0,3pp in 1H2011 and amounted to 14,3% at the end of 2Q2011.

1) Presented data show Unipetrol Group results acc. to IFRS in accordance with values published on Czech market and does not include correction connected with fixed assets of Unipetrol Group on the date of acquisition by PKN ORLEN. Correction increasing depreciation and amortization costs and fixed assets impairment for 6 months 2011 made for the ORLEN Group consolidation was ca. CZK 73 m.



Key production data

| Key production data | 2Q10 | 1Q11 | 2Q11 | change (y/y) | change (q/q) | 6M10 | 6M11 | change (y/y) |
|--|-------|-------|-------|-----------------|-----------------|-------|-------|-----------------|
| Refinery in Poland ¹ | | | | | | | | |
| Processed crude (tt) | 3 506 | 3 301 | 3 480 | -1% | 5% | 7 001 | 6 781 | -3% |
| Utilisation | 93% | 87% | 85% | -8 pp | -2 pp | 93% | 86% | -7 pp |
| Fuel yield ⁴ | 80% | 79% | 74% | -6 pp | -5 pp | 76% | 77% | 1 pp |
| Middle distillates yield ⁵ | 48% | 43% | 42% | -6 pp | -1 pp | 44% | 43% | -1 pp |
| Light distillates yield ⁶ | 32% | 36% | 32% | 0 pp | -4 pp | 32% | 34% | 2 pp |
| Refineries in the Czech Rep. ² | | | | | | | | |
| Processed crude (tt) | 1 082 | 879 | 1 112 | 3% | 27% | 2 030 | 1 991 | -2% |
| Utilisation | 85% | 69% | 87% | 2 pp | 18 pp | 80% | 78% | -2 pp |
| Fuel yield ⁴ | 75% | 78% | 76% | 1 pp | -2 pp | 75% | 77% | 2 pp |
| Middle distillates yield ⁵ | 44% | 46% | 43% | -1 pp | -3 pp | 43% | 45% | 2 pp |
| Light distillates yield ⁶ | 31% | 32% | 33% | 2 pp | 1 pp | 32% | 32% | 0 pp |
| Refinery in Lithuania ³ | | | | | | | | |
| Processed crude (tt) | 2 257 | 2 166 | 2 123 | -6% | -2% | 3 963 | 4 289 | 8% |
| Utilisation | 89% | 85% | 83% | -6 pp | -2 pp | 78% | 84% | 6 pp |
| Fuel yield ⁴ | 75% | 74% | 76% | 1 pp | 2 pp | 74% | 75% | 1 pp |
| Middle distillates yield ⁵ | 42% | 42% | 44% | 2 pp | 2 pp | 41% | 43% | 2 pp |
| Light distillates yield ⁶ | 33% | 32% | 32% | -1 pp | 0 pp | 33% | 32% | -1 pp |

1) Nameplate capacity for Plock refinery is 15,1 mt/y in 2010 and in 1q'2011. Since 2q'2011 nameplate capacity is 16,3 mt/y as a result of PX/PTA installation start-up.

2) Nameplate capacity for Unipetrol refineries are 5,1 mt/y in 2011. CKA [51% Litvinov (2.8 mt/y) and 51% Kralupy (1.7mt/y)] and 100% Paramo (0,6 mt/y).

3) Nameplate capacity for ORLEN Lietuva refinery is 10,2 mt/y in 2011.

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.

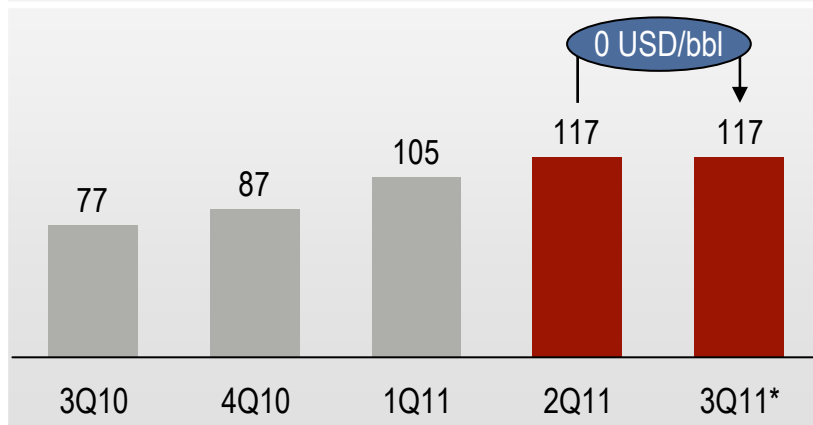
6) Light distillates yield is a ratio of gasoline, naphtha, LPG production excluding BIO and internal transfers to crude oil throughput.



Macro environment in 3Q 2011

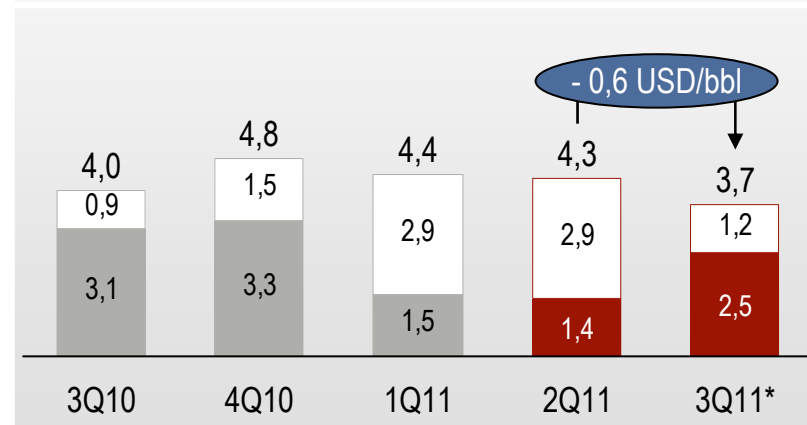
Stable crude oil price

Average Brent Crude Oil price, USD/bbl



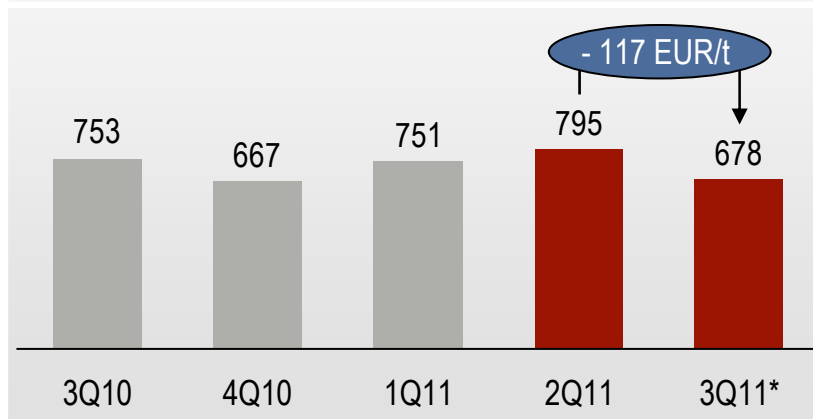
Decrease in total of refining margin and U/B diff

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



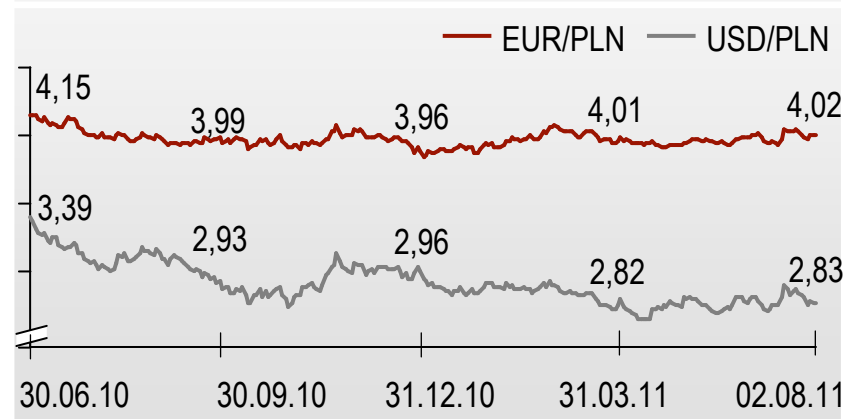
Petrochemical margin decrease

Model petrochemical margin, EUR/t



PLN fluctuates against USD and EUR

EUR/PLN and USD/PLN exchange rate

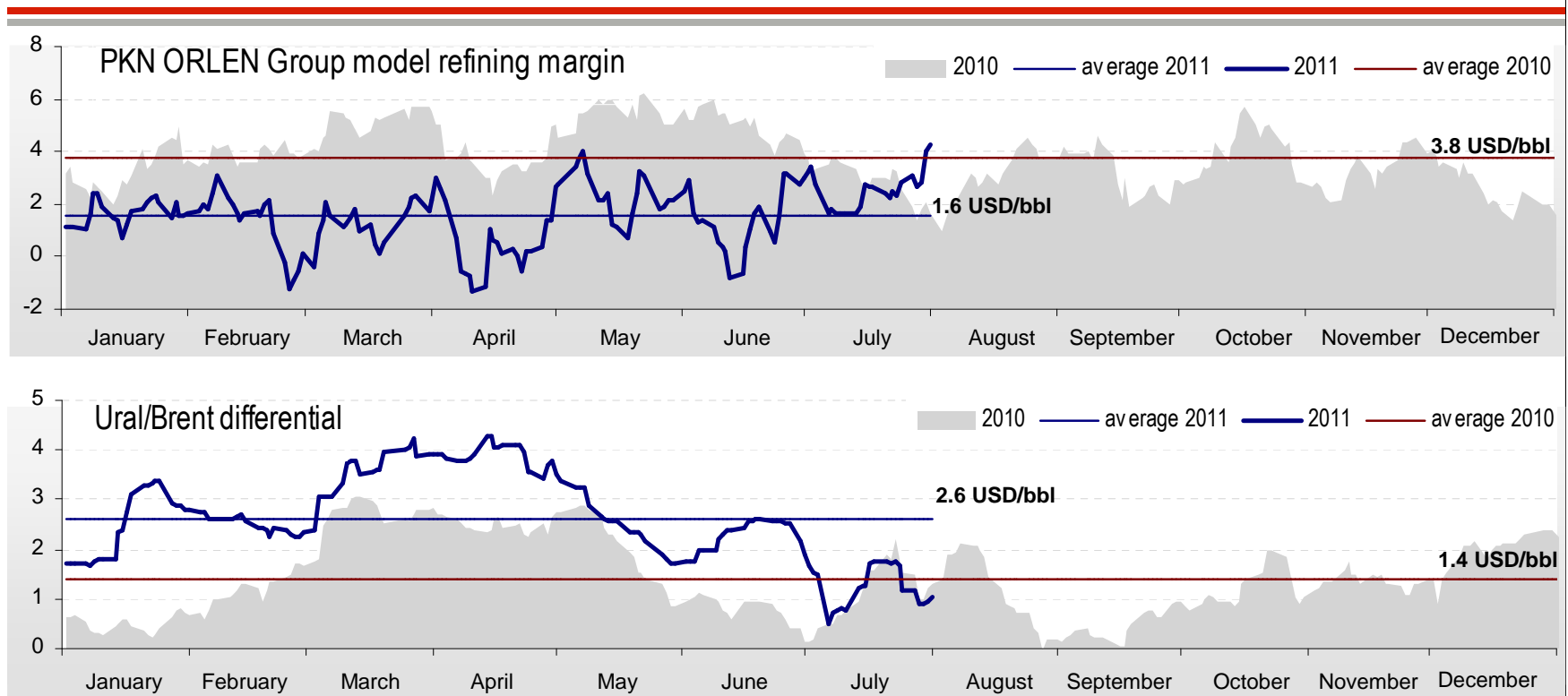


* Data QTD as of 01.08.2011



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Macro environment



- ▶ Crude oil price – in the range 115-120 USD/bbl.
- ▶ Ural/Brent differential – decrease to average level of 1,2 USD/bbl in 3q 2011.
- ▶ Model refining margin – increase to average level of 2,5 USD/bbl in 3q 2011.
- ▶ Model petrochemical margin – decrease to average level of 678 EUR/t in 3q 2011.



* Data QTD as of 01.08.2011

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Dictionary

PKN ORLEN 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).

PKN ORLEN 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



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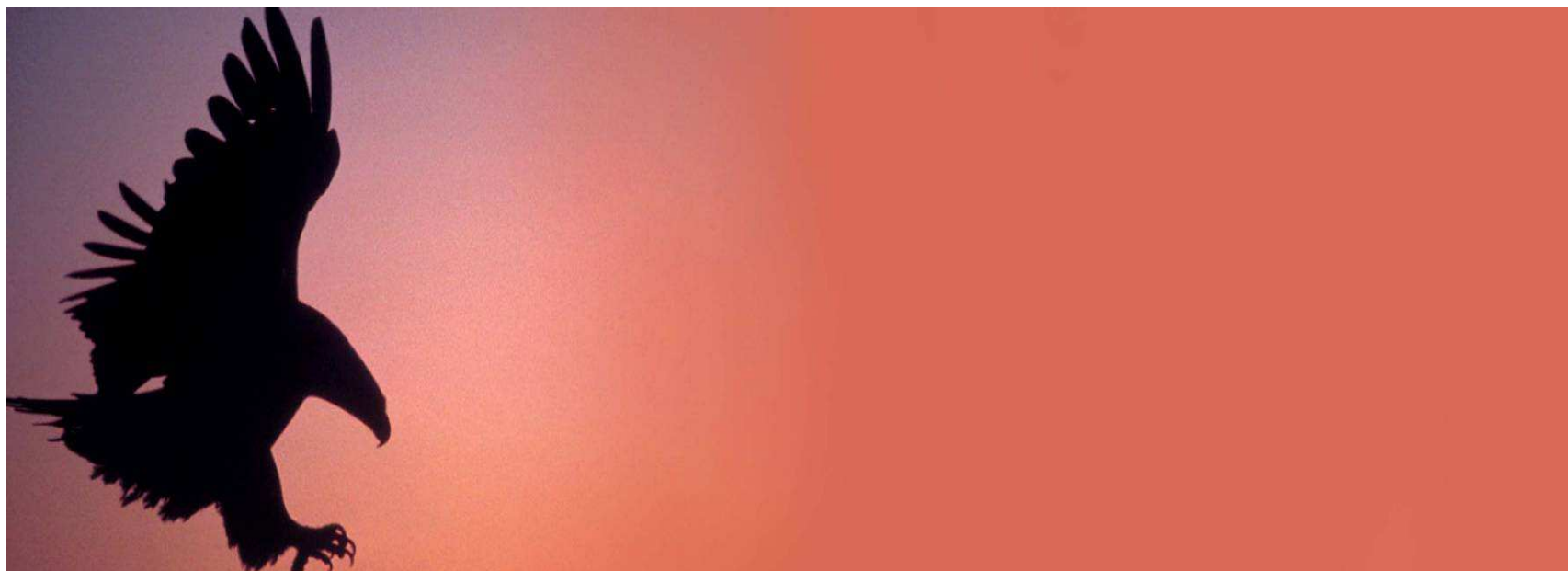
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For more information on PKN ORLEN, please contact

Investor Relations Department:

telephone: + 48 24 256 81 80

fax + 48 24 367 77 11

e-mail: ir@orlen.pl

www.orlen.pl



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