



Polski Koncern Naftowy ORLEN  
Spółka Akcyjna

**Motion of the Management Board of the Company to the Ordinary General Meeting of Polski Koncern Naftowy ORLEN S.A.**

Proposal for the distribution of profit of PKN ORLEN S.A. for the year 2017

## **Recommendation**

Pursuant to Article 395 § 2 point 2 of Commercial Companies Code and § 7 item 7 point 3 of the Articles of Association of the Company, the Management Board of Polski Koncern Naftowy ORLEN S.A. (PKN ORLEN) applies to the Shareholders of the Company to adopt the resolution on the distribution of net profit generated by PKN ORLEN S.A. for the financial year 2017 in the amount of PLN 6,101,792,575.09 (in words zloty: six billion one hundred and one million seven hundred ninety-two thousand five hundred seventy-five 09/100) as follows:

- to dedicate the amount of PLN 1,283,127,183.00 (in words zloty: one billion two hundred eighty-three million one hundred twenty-seven thousand one hundred eighty-three 00/100) to payment of dividend (PLN 3.00 per 1 share);
- to allocate the remaining amount of net profit, i.e. PLN 4,818,665,392.09 (in words: four billion eight hundred eighteen million six hundred sixty-five thousand three hundred ninety-two 09/100) to the supplementary capital of the Company.

The Management Board of the Company proposes to set the day of 20 July 2018 as a dividend day and the day of 3 August 2018 as a dividend payment date.

The Concern's Strategy for 2017-2021 and its dividend policy assumes regular dividend payments for shareholders, while maintaining the strategic financial ratios (net debt/EBITDA, gearing) at the safe level. The transparency of the adopted assumptions in dividend policy is related with Company's positive perception by investors. The consistency in its implementation has allowed to build the market confidence to PKN ORLEN, reaching the expectations of the various investors and contributing the stock price growth with improving overall return from investment at the same time.

In the Management Board 's belief the proposal, which continues public relations measures to contribute to positive image of the Company among investors, constitutes a fair compromise between the market expectations and the strategic targets of the Company in the variable macroeconomic situation.