

UNIPETROL, a.s.

**UNAUDITED CONDENSED
NON-CONSOLIDATED
FINANCIAL STATEMENTS
PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING
STANDARDS**

AS OF 30 SEPTEMBER 2009 AND 2008

UNIPETROL, a.s.
UNAUDITED CONDENSED NON-CONSOLIDATED
FINANCIAL STATEMENTS
IN ACCORDANCE WITH IFRS

TABLE OF CONTENTS

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NON-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NON-CONSOLIDATED STATEMENT OF CASH FLOWS

FOOTNOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

UNIPETROL, a.s.

Non-consolidated statement of financial position
prepared in accordance with International Financial Reporting Standards
As at 30 September 2009 and 31 December 2008
(in thousands of Czech crowns)

	Note	30 September 2009 (unaudited)	31 December 2008 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	7	368,636	384,461
Intangible assets	8	5,913	2,425
Investment property	9	160,700	160,057
Investments in subsidiaries and joint ventures	10	14,277,674	14,165,271
Other investments	11	4,151	4,151
Loans to subsidiaries	13	3,091,146	3,006,223
Receivables from subsidiaries	14	84,700	84,556
Total non-current assets		17,992,920	17,807,144
Current assets			
Trade and other receivables	15	317,262	552,163
Loans to subsidiaries	16	9,922,217	9,691,662
Loans (external)	17	250,000	300,031
Prepaid expenses		7,002	5,790
Cash and cash equivalents	18	10,969	19,658
Assets classified as held for sale	12	1,093	1,093
Total current assets		10,508,543	10,570,397
Total assets		28,501,463	28,377,541
EQUITY AND LIABILITIES			
Equity			
Share capital	19	18,133,476	18,133,476
Reserves		1,640,975	1,419,568
Retained earnings	20	4,500,423	4,432,501
Total equity		24,274,874	23,985,545
Non-current liabilities			
Loans and borrowings	21	2,081,589	2,000,000
Finance lease liability		--	86
Deferred tax		4,382	--
Total non-current liabilities		2,085,971	2,000,086
Current liabilities			
Trade and other payables and accruals	22	179,012	194,726
Dividends payable		32,856	48,530
Loans and borrowings	23	1,928,750	2,148,654
Total current liabilities		2,140,618	2,391,910
Total liabilities		4,226,589	4,391,996
Total equity and liabilities		28,501,463	28,377,541

The non-consolidated financial statements are to be read in conjunction with the notes forming part of the non-consolidated financial statements set out on pages 5 to 28.

UNIPETROL, a.s.

Non-consolidated statement of comprehensive income
prepared in accordance with International Financial Reporting Standards
For the periods ended 30 September 2009 and 30 September 2008
(in thousands of Czech crowns)

	Note	30 September 2009 (unaudited)	30 September 2008 (unaudited)
Revenue	3	250,783	310,658
Cost of sales		(79,668)	(84,512)
Gross profit		171,115	226,146
Other income		30,883	1,425
Administrative expenses		(183,515)	(277,264)
Other expenses		(3,140)	(22,842)
Operating profit (loss) before finance income	5	15,343	(72,535)
Finance income		569,368	4,642,091
Finance expenses		(242,664)	(233,546)
Net finance income	6	326,704	4,408,545
Profit before tax		342,047	4,336,010
Income tax expense		(52,718)	(48,762)
Profit/(loss) for the period		289,329	4,287,248
Other comprehensive income:			
Total comprehensive income for the period		289,329	4,287,248
Basic and diluted earnings per share (in CZK)		1,60	23,64

The non-consolidated financial statements are to be read in conjunction with the notes forming part of the non-consolidated financial statements set out on pages 5 to 28.

UNIPETROL, a.s.

Non-consolidated statement of changes in equity
prepared in accordance with International Financial Reporting Standards
For the periods ended 30 September 2009 and 30 September 2008
(in thousands of Czech crowns)

	Share capital	Reserves	Retained earnings	Total
Balance at 1 January 2008	18,133,476	1,419,355	3,208,145	22,760,976
Dividends	--	--	(3,200,559)	(3,200,559)
Total comprehensive income for the period	--	144	4,287,248	4,287,392
Balance at 30 September 2008	18,133,476	1,419,499	4,294,834	23,847,809

	Share capital	Reserves	Retained earnings	Total
Balance at 1 January 2009	18,133,476	1,419,568	4,432,501	23,985,545
Allocation of profit to reserves	--	221,407	(221,407)	--
Dividends	--	--	--	--
Total comprehensive income for the period	--	--	289,329	289,329
Balance at 30 September 2009	18,133,476	1,640,975	4,500,423	24,274,874

The non-consolidated financial statements are to be read in conjunction with the notes forming part of the non-consolidated financial statements set out on pages 5 to 28.

UNIPETROL, a.s.

Non-consolidated statement of cash flows
 prepared in accordance with International Financial Reporting Standards
 For the periods ended 30 September 2009 and 30 September 2008
 (in thousands of Czech crowns)

	Note	30 September 2009 (unaudited)	30 September 2008 (unaudited)
Cash flows from operating activities:			
Profit/(loss) for the period		289,329	4,287,248
Adjustments for:			
Depreciation and amortisation of property, plant and equipment and intangible assets	7,8	5,373	13,580
Loss (Gain) on disposals of property, plant and equipment and intangible assets		2,368	(261)
Profit on disposals of financial investments		--	(330,964)
Interest income, net		(181,672)	(232,334)
Dividend income		(151,127)	(3,850,389)
Reversal of impairment losses on assets classified as held for sale, property, plant, equipment and receivables		(517)	(53)
Foreign exchange losses / (gains)		(426)	--
Income tax expense		52,718	48,762
Operating profit before changes in working capital		16,046	(64,411)
Change in trade receivables and prepaid expenses		233,899	(218,129)
Change in trade and other payables and accruals		(63,933)	(83,923)
Interest paid		(74,428)	(48,394)
Net cash used in operating activities		111,584	(414,857)
Cash flows from investing activities:			
Acquisition of property, plant and equipment and intangible assets		(5,536)	(18,129)
Acquisition of financial investments		(112,403)	(47,403)
Proceed from sales of property, plant and equipment and intangible assets		9,961	980
Proceed from sales of financial investments		--	1,183,000
Interest received		266,994	261,844
Change in loans provider to subsidiaries		(315,478)	(4,865,593)
Change in loans provider to other companies		50,031	(300,000)
Dividends received		151,127	768,206
Net cash flow from investing activities		44,696	(3,017,095)
Cash flows from financing activities:			
Change in loans and borrowings		(149,295)	4,303,834
Dividends paid		(15,674)	(3,118,605)
Net cash used in financing activities		(164,969)	1,185,229
Net change in cash and cash equivalents		(8,689)	(2,246,723)
Cash and cash equivalents at beginning of the year		19,658	2,272,023
Cash and cash equivalents at the end of the period		10,969	25,300

The non-consolidated financial statements are to be read in conjunction with the notes forming part of the non-consolidated financial statements set out on pages 5 to 28.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

Index

1.	Description of the company.....	6
2.	Significant accounting policies.....	8
3.	Revenue.....	9
4.	Business segments.....	9
5.	Analysis of expenses according to their nature.....	10
6.	Finance income and finance expenses.....	12
7.	Property, plant and equipment.....	13
8.	Intangible assets.....	14
9.	Investment property.....	15
10.	Investments in subsidiaries and joint- ventures.....	15
11.	Other investments.....	17
12.	Assets classified as held for sale.....	17
13.	Non-current loans to subsidiaries.....	18
14.	Non-current receivables from subsidiaries.....	18
15.	Trade and other receivables.....	19
16.	Current loans to subsidiaries.....	20
17.	Current loans to related entities.....	20
18.	Cash and cash equivalents.....	21
19.	Share capital.....	21
20.	Retained earnings and dividends.....	21
21.	Non-current loans and borrowings.....	22
22.	Trade and other payables and accruals.....	22
23.	Current loans and borrowings.....	23
24.	Commitments and other contingencies.....	24
25.	Related parties.....	26
26.	Risk management.....	27
27.	Post-balance sheet events.....	28

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

1. DESCRIPTION OF THE COMPANY

Establishment of the parent company

UNIPETROL, a.s. (the “Company”) is a joint stock company established by the National Property Fund of the Czech Republic by a foundation agreement dated 27 December 1994. The Company was registered in the Register of Companies at the Regional Commercial Court in Prague on 17 February 1995. The Company is listed and registered on the Prague Stock Exchange.

Registered office of the Company

UNIPETROL, a.s.
Na Pankraci 127
140 00 Praha 4
Czech Republic

Principal activities

UNIPETROL, a.s. operates as a holding company that controls a group of companies engaged in the oil refinery, production of petrochemical commodities, semi-finished products for industrial fertilizers, polymer materials including synthetic rubber, generation of heat and electricity, distribution and gas stations operation.

The Company is involved in providing economic and organizational advisory services, financing, intermediation of services, advisory services relating to chemical industry, internal and external communication advisory services and human resources consultancy.

Ownership structure

The shareholders as at 30 September 2009 are as follows:

POLSKI KONCERN NAFTOWY ORLEN S.A.	63 %
Investment funds and other minority shareholders	37 %

The non-consolidated financial statements of the Company as at and for the year ended 31 December 2008 are available upon request from the Company’s registered office or at website address.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

1. DESCRIPTION OF THE COMPANY (CONTINUED)

Members of the statutory and supervisory bodies as at 30 September 2009 were as follows:

	Position	Name
Board of directors	Chairman	Krzysztof Urbanowicz
	Vice-Chairman	Wojciech Ostrowski
	Vice-Chairman	Marek Serafin
	Member	Ivan Ottis
	Member	Martin Durčák
Supervisory board	Chairman	Jacek Krawiec
	Vice-Chairman	Sławomir Jędrzejczyk
	Vice-Chairman	Ivan Kočárník
	Member	Bogdan Dzudzewicz
	Member	Arkadiusz Kawecki
	Member	Wojciech Wróblewski
	Member	Piotr Kearney
	Member	Andrzej Jerzy Kozłowski
	Member	Krystian Pater
Member	Zdeněk Černý	

Changes in the board of directors during nine month period ended 30 September 2009 were as follows:

Position	Name	Change	Date of change
Chairman	Francois Vleugels	Resigned as member	13 February 2009
Chairman	Krzysztof Urbanowicz	Elected as a member and Chairman	13 February 2009
Vice-Chairman	Marek Serafin	Elected as a member and Vice - Chairman	13 February 2009
Member	Arkadiusz Kotlicki	Resigned as member date 18 March 2009	30 April 2009

Changes in the supervisory board during nine month period ended 30 September 2009 were as follows:

Position	Name	Change	Date of change
Member	Marek Serafin	Resigned as member	13 February 2009
Member	Arkadiusz Kawecki	Elected as a member replacement	13 February 2009
Member	Wojciech Wróblewski	Recalled as a member	24 June 2009
Member	Andrzej Jerzy Kozłowski	Elected as a member	24 June 2009
Member	Arkadiusz Kawecki	Re-elected as a member	24 June 2009
Member	Bogdan Dzudzewicz	Re-elected as a member	24 June 2009

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

2. SIGNIFICANT ACCOUNTING POLICIES

A Statement of compliance and accounting policies

These condensed non-consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the non-consolidated financial statements of the Company as at and for the year ended 31 December 2008.

The Company used the same accounting policies and methods of computation during preparation of these interim financial statements as those applied by the Company in its non-consolidated financial statements as at and for the year ended 31 December 2008 except for the change described below.

In the non-consolidated financial statements as at and for the period ended 30 September 2009 the Company has adopted changes resulting from revision of IAS 1 Presentation of Financial Statements.

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Company's accounting periods beginning on or after 1 January 2009 or later periods but which the Company has not early adopted. Relevant items are as follows:

- IFRIC 15 Agreements for the Construction of Real Estate– effective for annual periods beginning on or after 1 January 2009
- IFRIC 17 Distributions of Non-cash Assets to Owners - effective for annual periods beginning on or after 1 July 2009
- IFRIC 18 Transfers of Assets from Customers - for annual periods beginning on or after 1 July 2009

Acceptance of IFRIC 17 and IFRIC 18 by the European Union is pending.

According to a preliminary assessment, the application of IFRIC 15, IFRIC 17 and IFRIC 18 after their acceptance by European Commission will not have a significant impact on the Company's financial statements.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B Basis of preparation

The financial statements are presented in thousands of Czech crowns, rounded to the nearest thousand. They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments held for trading, financial instruments classified as available-for-sale, financial instruments at fair value through profit or loss and investment property.

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In the matters of considerable weight, the Company's management bases its estimates on opinions of independent experts.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed non-consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that applied to the non-consolidated financial statements as at and for the year ended 31 December 2008.

3. REVENUE

An analysis of the Company's revenue is as follows:

	30/09/2009	30/09/2008
Fees for use of land	72,218	77,986
Revenues from services	168,604	232,672
Revenues from sale of PPE	9,961	--
Total revenues	250,783	310,658

4. BUSINESS SEGMENTS

The Company operates within one segment. It recognises fees for use of land and revenue from providing services to subsidiaries and jointly controlled entity located in the Czech Republic.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

5. ANALYSIS OF EXPENSES ACCORDING TO THEIR NATURE

The following analysis shows the most significant types of operating expenses analysed by nature.

30/09/2009	Cost of sales	Administrative expenses	Other operating income / (expenses)	Total
Materials consumed and energy	(517)	(1,243)	--	(1,760)
Repairs and maintenance	(386)	(927)	--	(1,313)
Services related to administration of investments in subsidiaries	(3,121)	(7,507)	--	(10,628)
Advertising expense	(16,648)	(28,082)	--	(44,730)
Legal services	(2,724)	(6,552)	--	(9,276)
Advisory services	(1,261)	(3,033)	--	(4,294)
Operating leases	(1,040)	(2,502)	--	(3,542)
Travel expense	(660)	(1,586)	--	(2,246)
Telecommunication fees	(312)	(752)	--	(1,064)
Representation cost	(359)	(864)	--	(1,223)
Accounting, HR and other administrative services	(13,785)	(33,150)	--	(46,935)
IT services	(5,557)	(13,362)	--	(18,919)
Other services	(5,332)	(12,822)	--	(18,154)
Staff cost including remuneration of board members	(22,831)	(54,904)	--	(77,735)
Social and health insurance	(3,557)	(8,553)	--	(12,110)
Depreciation	(1,336)	(3,212)	--	(4,548)
Amortization	(242)	(583)	--	(825)
Impairment of PPE and intangibles (recognised) / released	--	--	472	472
Impairment to trade receivables (recognised) / released	--	--	45	45
Profit / (loss) on disposal of PPE	--	--	(3,460)	(3,460)
Insurance	--	(1,088)	--	(1,088)
Other expense	--	(2,793)	(197)	(2,990)
Other income	--	--	30,883	30,883
Total operating expense	(79,668)	(183,515)	27,743	(235,440)
Revenue				250,783
Operating profit before finance income				15,343

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

5. ANALYSES OF EXPENSES ACCORDING TO THEIR NATURE (CONTINUED)

30/09/2008	Cost of sales	Administrative expenses	Other operating income / (expenses)	Total
Materials consumed and energy	(1,629)	(6,275)	--	(7,904)
Repairs and maintenance	(259)	(998)	--	(1,257)
Services related to administration of investments in subsidiaries	--	(10,110)	--	(10,110)
Advertising expense	(58,744)	--	--	(58,744)
Legal services	--	(8,152)	--	(8,152)
Advisory services	--	(10,283)	--	(10,283)
Operating leases	--	(8,061)	--	(8,061)
Travel expense	--	(3,759)	--	(3,759)
Telecommunication fees	--	(3,898)	--	(3,898)
Representation cost	--	(4,566)	--	(4,566)
Accounting, HR and other administrative services	--	(74,575)	--	(74,575)
IT services	--	(16,603)	--	(16,603)
Other services	(1,943)	(29,579)	--	(31,522)
Staff cost including remuneration of board members	(19,188)	(73,917)	--	(93,105)
Social and health insurance	--	(15,657)	--	(15,657)
Depreciation	(1,072)	(4,129)	--	(5,201)
Amortization	(1,676)	(6,703)	--	(8,379)
Impairment of PPE and intangibles (recognised) / released	--	--	53	53
Impairment to trade receivables (recognised) / released	--	--	45	45
Profit / (loss) on disposal of PPE	--	--	261	261
Insurance	--	--	(1,873)	(1,873)
Other expense	--	--	(20,969)	(20,969)
Other income	--	--	1,066	1,066
Total operating expense	(84,512)	(277,265)	(21,417)	(383,193)
Revenue				310,658
Operating loss before finance income				(72,535)

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

6. FINANCE INCOME AND FINANCE EXPENSES

	30/09/2009	30/09/2008
Finance income		
Interest income:		
- other loans and receivables	398,585	401,318
- bank deposits	15,948	50,861
Dividend income	151,127	3,850,389
Net gains from sale of investments in subsidiaries	--	330,965
Other finance income	3,708	8,558
Total finance income	569,368	4,642,091
Finance expenses		
Interest expense:		
- bank overdrafts, loans and borrowings	(232,854)	(219,834)
- finance leases	(6)	(11)
Borrowing costs recognized in the income statement	(232,860)	(219,845)
Net foreign exchange losses	(3,631)	(8,812)
Other finance expenses	(6,173)	(4,889)
Total finance expenses	(242,664)	(233,546)
Net finance income	326,704	4,408,545

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

7. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery and equipment	Other	Assets under development	Total
Cost					
Balance as at 01/01/2008	354,949	30,750	151	2,754	388,604
Additions	20	8,223	3,837	12	12,092
Disposals	(6)	(3,971)	--	--	(3,977)
Additions from investment property	5,349	--	--	--	5,349
Transfer to investment property	(369)	--	--	--	(369)
Reclassifications	--	1,707	--	(2,007)	(300)
Other	--	359	--	--	359
Balance as at 31/12/2008	359,943	37,068	3,988	759	401,758
Additions	254	962	--	12	1,228
Disposals	--	(11,643)	(3,837)	(467)	(15,947)
Transfer to investment property	(643)	--	--	--	(643)
Other	1,560	--	--	--	1,560
Balance as at 30/09/2009	361,114	26,387	151	304	387,956
Depreciation					
Balance as at 01/01/2008	--	11,885	--	--	11,885
Charge for the year	--	6,934	5	--	6,939
Disposals	--	(2,338)	--	--	(2,338)
Other	--	345	--	--	345
Balance as at 31/12/2008	--	16,826	5	--	16,831
Charge for the year	--	4,535	13	--	4,548
Disposals	--	(2,041)	(18)	--	(2,059)
Balance as at 30/09/2009	--	19,320	--	--	19,320
Impairment losses					
Balance as at 01/01/2008	--	--	--	466	466
Balance as at 31/12/2008	--	--	--	466	466
Balance as at 30/09/2009	--	--	--	--	--
Carrying amount as at 01/01/2008	354,949	18,865	151	2,288	376,253
Carrying amount as at 31/12/2008	359,943	20,242	3,983	293	384,461
Carrying amount as at 30/09/2009	361,114	7,067	151	304	368,636

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

8. INTANGIBLE ASSETS

	Software	Other intangible assets	Total
Cost			
Balance as at 01/01/2008	11,375	50,982	62,357
Additions	1,935	--	1,935
Disposals	--	(42,100)	(42,100)
Reclassification	300	--	300
Balance as at 31/12/2008	13,610	8,882	22,492
Additions	--	4,308	4,308
Balance as at 30/09/2009	13,610	13,190	26,800
Amortization			
Balance as at 01/01/2008	11,176	8,183	19,359
Charge for the period	452	8,145	8,597
Disposals	--	(7,894)	(7,894)
Balance as at 31/12/2008	11,628	8,434	20,062
Charge for the period	467	358	825
Disposals	--	--	--
Balance as at 30/09/2009	12,095	8,792	20,887
Impairment losses			
Balance as at 01/01/2008	--	73	73
Reversal of impairment losses	--	68	68
Balance as at 31/12/2008	--	5	5
Reversal of impairment losses	--	(5)	(5)
Balance as at 30/09/2009	--	--	--
Carrying amount as at 01/01/2008	199	42,726	42,925
Carrying amount as at 31/12/2008	1,982	443	2,425
Carrying amount as at 30/09/2009	1,515	4,398	5,913

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

9. INVESTMENT PROPERTY

Investment property as at 30 September 2009 comprised land owned by the Company and leased to third parties. The changes recorded during 2009 are presented in following table:

	Balance as at 31/12/2008	Additions	Transfer to Property, plant and equipment	Transfer from Property, plant and equipment	Balance as at 30/09/2009
Land	160,057	--	--	643	160,700

Rental income amounted to CZK 14,489 thousand in nine month period ended 30 September 2009 (nine month period ended 30 September 2008 – CZK 19,812 thousand). Operating costs relating to investment property amounted to CZK 975 thousand in nine month period ended 30 September 2008 and to CZK 918 thousand in nine month period ended 30 September 2009.

Future rental income is as follows:

	Less than one year	Between one and five years
Total future rental income	19,320	77,280

10. INVESTEMENTS IN SUBSIDIARIES AND JOINT- VENTURES

Investments in subsidiaries and joint – ventures as at 30 September 2009 were as follows:

Name of the entity	Registered office	Cost of investment	Ownership percentage	Impairment	Carrying amount	Dividend income for the period
Subsidiaries						
UNIPETROL RPA, s.r.o.	Litvínov	7,360,335	100.00	--	7,360,335	--
Výzkumný ústav anorganické chemie, a.s.	Ústí nad Labem	59,172	100.00	7,860	51,312	--
UNIPETROL TRADE a.s.	Praha 1	350,000	100.00	350,000	--	--
BENZINA s. r.o.	Praha 7	4,181,070	100.00	1,922,070	2,259,000	--
UNIPETROL SERVICES, s.r.o.	Litvínov	100,280	100.00	--	100,280	--
UNIPETROL RAFINÉRIE, s.r.o.	Praha	408	100.00	--	408	--
PARAMO, a.s.	Pardubice	545,839	100,00	--	545,839	--
Joint - ventures						
ČESKÁ RAFINÉRSKÁ, a.s. *)	Litvínov	3,874,806	51.225	--	3,874,806	150,082
Butadien Kralupy, a. s.	Kralupy	85,694	51.00	--	85,694	--
Total		16,557,604	--	2,279,930	14,277,674	150,082

*) In line with Articles of Association, adoption of decisions on all important matters in ČESKÁ RAFINÉRSKÁ, a.s. requires 67.5 % or greater majority of all votes.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

10. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES (CONTINUED)

Investments in subsidiaries and joint – ventures as at 31 December 2008 were as follows:

Name of the entity	Registered office	Cost of investment	Ownership percentage	Impairment	Carrying amount	Dividend income for the period
Subsidiaries						
UNIPETROL RPA, s.r.o.	Litvínov	7,360,335	100.00	--	7,360,335	3,750,000
Výzkumný ústav anorganické chemie, a.s.	Ústí nad Labem	59,172	100.00	7,860	51,312	--
UNIPETROL TRADE a.s.	Praha 1	350,000	100.00	350,000	--	--
BENZINA s. r.o.	Praha 7	4,181,070	100.00	1,922,070	2,259,000	--
UNIPETROL SERVICES, s.r.o.	Litvínov	100,280	100.00	--	100,280	--
UNIPETROL RAFINÉRIE, s.r.o.	Praha	408	100.00	--	408	--
PARAMO, a.s.	Pardubice	435,943	91,76	--	435,943	--
Joint - ventures						
ČESKÁ RAFINÉRSKÁ, a.s. *)	Litvínov	3,872,299	51.225	--	3,872,299	188,244
Butadien Kralupy, a. s.	Kralupy	85,694	51.00	--	85,694	--
Total		16,445,201	--	2,279,930	14,165,271	3,938,244

*) In line with Articles of Association, adoption of decisions on all important matters in ČESKÁ RAFINÉRSKÁ, a.s. requires 67.5 % or greater majority of all votes.

Purchase of shares of PARAMO, a.s.

As described in the non-consolidated financial statements of the Group as at 31 December 2008 Unipetrol intended to squeeze out the other shares of Paramo within the meaning of Sections 183i et seq. of the Commercial Code and performed all required by law steps to become sole shareholder of Paramo.

On 6 January 2009 the Extraordinary General Meeting of PARAMO, a.s. decided on the transfer of all other shares to the Company, provided that upon fulfilment of all conditions prescribed by applicable law the Company will provide to the other shareholders of PARAMO, a.s. and/or pledges, the monetary consideration in the amount of CZK 977 per one share of PARAMO, a.s. On 4 February 2009 the registration of the above resolution of the Extraordinary General Meeting was registered in the Czech Commercial Registry. Pursuant to the Czech Commercial Code, the ownership title to shares of the other shareholders passed to the Company on 4 March 2009 upon expiration of one month from the above publication and Unipetrol become the sole shareholder of Paramo.

In connection with the squeeze-out, some of the minority shareholders of PARAMO, a.s. filed a petition with the Regional Court in Hradec Králové for review of reasonableness of consideration within the meaning of the Czech Commercial Code. Furthermore some of former minority shareholders of Paramo requested the Regional Court in Hradec Králové to declare the invalidity of Paramo general meeting resolution dated 6 January 2009 and that the District Court in Prague 4 reviews the decision of 28 November 2008 by which the Czech National Bank granted in accordance with Section 183n(1) of the Czech Commercial Code its previous approval with the evidence of the monetary consideration amount provided under the above squeeze-out.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

11. OTHER INVESTMENTS

Other investments as at 30 September 2009 were as follows:

Company	Registered office	Cost of investment	Ownership percentage	Dividend income for the period	Carrying amount
ORLEN MALTA HOLDING	La Valetta	522	--	--	522
Spolek pro chemickou a hutní výrobu, akciová společnost	Ústí nad Labem	0.2	--	--	0.2
UNIPETROL DOPRAVA s.r.o.	Litvínov	1,799	0.12	--	1,799
UNIPETROL SLOVENSKO s.r.o.*	Bratislava	95	13.04	--	95
PETROTRANS, s.r.o.	Praha 12	780.8	0.625	--	780.8
POLYMER INSTITUTE BRNO, spol. s r.o.	Brno	954	1	45	954
Total		4,151		45	4,151

* till 13 September UNIRAF SLOVENSKO s.r.o.

Other investments as at 31 December 2008 were as follows:

Company	Registered office	Cost of investment	Ownership percentage	Dividend income for the period	Carrying amount
ORLEN MALTA HOLDING	La Valetta	522	--	--	522
Spolek pro chemickou a hutní výrobu, akciová společnost	Ústí nad Labem	0.2	--	--	0.2
UNIPETROL DOPRAVA, s.r.o.	Litvínov	1,799	0.12	149	1,799
UNIRAF SLOVENSKO s.r.o.	Bratislava	95	13.04	11,514	95
PETROTRANS, s.r.o.	Praha 8	780.8	0.625	228	780.8
POLYMER INSTITUTE BRNO, spol. s r.o.	Brno	954	1	74	954
Total		4,151		11,965	4,151

12. ASSETS CLASSIFIED AS HELD FOR SALE

As at 30 September 2009 Company held 20 shares in CELIO a.s. in nominal value of 1,000 thousand CZK. The Company's share in CELIO a.s. was classified as a current asset held for sale since its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The Company approved a plan to sell its investment in CELIO a.s. The carrying amount of the investment totals CZK 1,093 thousand CZK (2008: CZK 1,093 thousand).

Dividend income amounted to CZK 1,000 thousand in nine month period ended 30 September 2009 (nine month period ended 30 September 2008 – CZK 1, 000 thousand).

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

13. NON-CURRENT LOANS TO SUBSIDIARIES

The Company provided to its subsidiaries UNIPETROL RPA, s.r.o., BENZINA, s.r.o. and BUTADIEN KRALUPY a.s. non-current loans amounting to CZK 3,091,146 thousand as at 30 September 2009 (31 December 2008: CZK 3,006,223 thousand). The interest rates were based on 3M and 6M PRIBOR and fair value of loans approximates their carrying amount except for the loan provided to BENZINA s.r.o. in 1998. This loan bears effective interest rate 9.97 % p.a. and fair value amounted to CZK 2,850,116 thousand as at 30 September 2009. Carrying amount of this loans amounts to CZK 2,340,595 thousand. The current loans provided to subsidiaries are not collateralised. The portion of non-current loans due within one year is reported as current loans to subsidiaries (note 16).

Movement table of non-current loans to subsidiaries:

	30/09/2009	31/12/2008
Balance at beginning of the period	3,006,223	3,070,718
Loans provided	316,949	215,069
Reclassification to current loans to subsidiaries	(232,026)	(279,564)
Balance at end of the period	3,091,146	3,006,223

14. NON-CURRENT RECEIVABLES FROM SUBSIDIARIES

Non-current receivables from subsidiaries include advance payment for Benzina's cards in amount CZK 144 thousand and a receivable from UNIPETROL TRADE a.s., acquired by the Company in 2001 from Credit Lyonnais bank Praha, a.s. and Credit Lyonnais bank Slovakia, a.s. The receivable is payable in instalments out of which the last one is due on 31 December 2017. It is denominated in CZK. The carrying amount of the receivable as of 30 September 2009 is CZK 84,556 thousand (31 December 2008: CZK 84,556 thousand). The nominal value of the non-current receivable is CZK 303,000 thousand as of 30 September 2009 (31 December 2008: CZK 303,000 thousand) and the current part is CZK 40 000 thousand as of 30 September 2009 (31 December 2008: CZK 75,000 thousand).

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

15. TRADE AND OTHER RECEIVABLES

	30/09/2009	31/12/2008
Trade accounts receivable	276,028	503,633
Other receivables	172,774	180,115
Allowances for other receivables	(131,540)	(131,585)
Total accounts receivable	317,262	552,163

The management considers that the carrying amount of trade receivables approximates their fair value.

The analysis of trade receivables by currency of denomination is as follows (in CZK thousands):

Denominated in	30/09/2009	31/12/2008
CZK	306,283	534,033
EUR	733	15,726
USD	8,660	679
Other currencies	1,586	1,725
Total accounts receivable	317,262	552,163

Ageing of past due but not impaired trade receivables:

Not impaired trade receivables	30/09/2009	31/12/2008
60-90 days	--	15
90-180 days	--	178
180+ days	--	40
Total	--	233

Movement in the allowance for doubtful debts

Allowance for doubtful debts	30/09/2009	31/12/2008
Balance at beginning of the period	131,585	131,645
Release of impairment losses	(45)	(60)
Balance at end of the period	131,540	131,585

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

16. CURRENT LOANS TO SUBSIDIARIES

The Company provided loans to its subsidiaries UNIPETROL RPA, s.r.o., BENZINA s.r.o., PARAMO a.s., UNIPETROL TRADE a.s. and BUTADIEN KRALUPY a.s. The following table presents loans granted as at 30 September 2009 and 31 December 2008.

	30/09/2009	31/12/2008
Cash pooling	2,972,620	2,794,553
Operating loans	6,949,597	6,897,109
Total	9,922,217	9,691,662

The movements on operating loans were as follows:

	Balance as at 1 January 2009
Loans granted	12,260,657
Repayment	(12,440,195)
Reclassification from non-current loans to subsidiaries	232,026
Total	6,949,597

The interest rates were based on appropriate inter-bank rates and fair value of loans approximates their carrying amount except for the loan provided to BENZINA s.r.o. in 1998 (see note 13). The current loans provided to subsidiaries are not collateralised. The current loans to subsidiaries as at 30 September 2009 include the portion of non-current loans due within one year amounted to CZK 542,331 (31 December 2008 – CZK 467,364 thousand).

The analysis of current loans by currency of denomination is as follows (in CZK thousands):

Denominated in	30/09/2009	31/12/2008
CZK	9,876,146	9,592,949
EUR	46,071	94,221
USD	--	4,492
Total	9,922,217	9,691,662

17. CURRENT LOANS TO RELATED ENTITIES

In 2009 the Company provided a short-term loan to related entity. The carrying amount of the loan amounted CZK 250,000 thousand as at 30 September 2009 (31 December 2008 – CZK 300,031 thousand). The interest rates were based on appropriate inter-bank rates and the fair value of the loan approximated its carrying amount as at 30 September 2009.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

18. CASH AND CASH EQUIVALENTS

	30/09/2009	31/12/2008
Cash in hand	36	66
Cash at bank	10,933	19,592
Total	10,969	19,658

Short-term bank deposits comprised deposits with maturity of three months or less. The carrying amount of these assets approximates their fair value.

The analysis of cash and cash equivalents by currency of denomination is as follows (in CZK thousands):

Denominated in	30/09/2009	31/12/2008
CZK	2,599	7,178
EUR	3,773	10,085
USD	4,597	2,395
Total cash and cash equivalents	10,969	19,658

19. SHARE CAPITAL

The issued capital of the Company as at 30 September 2009 was CZK 18,133,476 thousand (31 December 2008: CZK 18,133,476 thousand). This represents 181,334,764 (31 December 2008: 181,334,764) bearer ordinary shares, each with a nominal value of CZK 100. All issued shares have been fully paid and bear equal voting rights. The Company's shares are listed on the Prague stock exchange.

20. RETAINED EARNINGS AND DIVIDENDS

The Ordinary General Meeting of UNIPETROL, a.s. held on 24 June 2009 decided on distribution of the profit for 2008 amounting to CZK 4,428,147,324.84. In accordance with Article 26 (1) of the Company's Articles of Association CZK 221,407,366.24 was allocated to the contingency fund and CZK 4,206,739,958.60 to account of unallocated profit from previous years.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

21. NON-CURRENT LOANS AND BORROWINGS

Non-current interest-bearing borrowings as at 30 September 2009 were as follows:

Creditor	Currency	Balance at 30/09/2009	Fair value at 30/09/2009	Effective interest rate	Form of collateral
Long-term bonds	CZK	2,081,589	2,607,127	9.82%	Unsecured
Total		2,081,589			

Non-current interest-bearing borrowings as at 31 December 2008 were as follows:

Creditor	Currency	Balance at 31/12/2008	Fair value at 31/12/2008	Effective interest rate	Form of collateral
Long-term bonds	CZK	2,000,000	2,776,760	9.82%	Unsecured
Total		2,000,000			

In 1998 the Company issued 2,000 bonds at a total nominal value of CZK 2,000,000 thousand. The bonds mature in 15 years from the issue date at their nominal value of CZK 2,000,000 thousand. The interest rate is 0 % p.a. for the first two years and 12.53 % p.a. in subsequent years. The effective interest rate is 9.82 %. Interest is payable on an annual basis. Interest expense is accrued using the effective interest rate method.

The aggregate carrying amount of the bonds is CZK 2,335,670 thousand. Accrued interest, which will be repaid before 31 December 2009, is presented within current loans and borrowings in note 23 amounts to CZK 254,081 thousand. Part of the liability due within 12 months is presented in current liabilities. Using the actual market interest rate, based on the analysis of the current market conditions, the fair value of the aggregate liability arising from the bonds is currently estimated at CZK 2,859,425 thousand.

22. TRADE AND OTHER PAYABLES AND ACCRUALS

	30/09/2009	31/12/2008
Trade payables	85,865	76,437
Other payables	53,933	52,396
Social security and other taxes	39,214	65,893
Total accounts payable	179,012	194,726

The average credit period for trade purchases is 30 days.

Denominated in	30/09/2009	31/12/2008
CZK	174,654	191,610
EUR	2,524	1,189
USD	333	194
Other currencies	1,501	1,733
Total accounts payable	179,012	194,726

As of 30 September 2009 and 31 December 2008, the Company did not have any trade payables after their due dates. Management of the Company is of that opinion that the carrying amount of trade payables approximates their fair values.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

23. CURRENT LOANS AND BORROWINGS

Current loans and borrowings as at 30 September 2009 were as follows:

	30/09/2009	31/12/2008
Bank loans	1,310,807	1,725,404
Current loans from subsidiaries	363,862	252,657
Current portion of non-current loans and borrowings	254,081	170,593
Total current loans and borrowings	1,928,750	2,148,654

As at 30 September 2009 the Company had loans in banks amounting to CZK 1,310,807 thousand. The interest rates were based on appropriate inter-bank rates and fair value of loans approximates their carrying amount.

Currency analyses of bank loans (in CZK thousands)

	CZK	EUR	USD	Total
Balance at beginning of the period	1,721,399	2,090	1,915	1,725,404
Loans taken	6,815,332	23,352	2,327	6,841,011
Accrued interest	901	0	--	901
Repayments	(7,238,657)	(13,611)	(4,241)	(7,256,509)
Balance at end of the period	1,298,975	11,831	1	1,310,807

The current loans from subsidiaries are connected with a cash-pool structure. During the year 2009 the Company had cash-pooling agreements with following banks and subsidiaries:

Banks: CITIBANK a.s., ING Bank N.V., organizační složka and Česká spořitelna, a.s.

Subsidiaries: UNIPETROL RPA, s.r.o., BENZINA s.r.o., PARAMO, a.s., UNIPETROL DOPRAVA, s.r.o., UNIPETROL TRADE a.s., PETROTRANS, s.r.o. and UNIPETROL SERVICES, s.r.o.

Cash on bank accounts with the above mentioned banks is pooled between the Company and subsidiaries listed above. The agreements enable the Company and the subsidiaries to take bank overdrafts at the maximum amount of CZK 1,000,000 thousand at each bank. Interest income / expense is calculated from pooled balances and subsequently divided between the participants. The liabilities from cash-pooling bank loans amounted CZK 1,310,807 thousand and cash-pooling liabilities to subsidiaries in amount of CZK 363,862 thousand as at 30 September 2009 (as at 31 December 2008 CZK 1,725,404 and CZK 252,657 thousand).

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

24. COMMITMENTS AND OTHER CONTINGENCIES

Contingent liabilities and commitments related to the sale of shares in KAUCUK, a.s.

Determination of Liability for Impacts of Operation of KAUCUK, a.s. on Environment

The environmental audit of plots of land owned by the Company and used by KAUCUK, a.s. was performed for the purpose of determining the liability of contractual parties arising from existing or future impacts of KAUCUK, a.s. operation on the environment. The share purchase agreement provides that liability for the environmental conditions originating prior to the closing of the transaction lies with the Company and liability for the environmental conditions originating after the closing of the transaction lies with Dwory. Liability of the contractual parties for the environmental conditions is limited up to 10 % of the purchase price for the shares (and by 5 years).

Execution of Agreement on Pre-emptive Right to Plots of Land Owned by UNIPETROL and Used by KAUCUK, a.s. for Its Operations

On 10 July 2007 the Company and KAUCUK, a.s. executed the agreement pursuant to which UNIPETROL undertook to create in favor of KAUCUK, a.s. the pre-emptive right and other rights to certain plots of land owned by the Company in industrial area in Kralupy nad Vltavou which are used by KAUCUK, a.s. for its operations. The share purchase agreement anticipates that the sale of the subject plots of land will be realized after satisfaction of all administrative, operational and legal conditions necessary for a split of parts of industrial area in Kralupy nad Vltavou.

Apart from the foregoing, the sale of shares of KAUCUK, a.s. owned by the Company to Dwory was based on the following major principles, among others:

- uninterrupted operation of the present butadiene unit;
- contractual satisfaction of supplies of energies, steam, water and other services within the industrial area in Kralupy nad Vltavou which are at present provided by KAUCUK, a.s. to ČESKÁ RAFINÉRSKÁ, a.s.; and
- continuation of all important agreements with the companies of Unipetrol Group and further operation of the energy unit.

Contingent liabilities related to the sale of shares in SPOLANA a.s.

The purchase price in accordance with the share purchase agreement entered into in 2006 between the Company and Zakłady Azotowe ANWIL Spółka Akcyjna, may be subject to price adjustments which would result mainly on the occurrence of any of the following events:

- (i) Environmental guarantees provided by the National Property Fund of the Czech Republic will not be sufficient for compensation of costs for the environmental damage remediation of the Old Amalgam Electrolysis project.
In this case the Company will be obligated to financially indemnify ANWIL up to 40 % of the purchase price provided that all necessary steps will have been taken by ANWIL and SPOLANA a.s. without success for obtaining additional funds for this purpose.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

24. COMMITMENTS AND OTHER CONTINGENCIES (CONTINUED)

- (ii) Other potential obstacles in future operation of SPOLANA a.s.

In this case, the Company will be obligated to financially indemnify ANWIL up to 1-3 % of the purchase price.

Claims related to fines imposed by the European Commission

In November 2006, the European Commission imposed fines, among others, upon Shell, Dow, Eni, UNIPETROL, a.s. and KAUCUK, a.s. for an alleged cartel in the area of Emulsion Syrene Butadiene Rubber ("ESBR"). UNIPETROL, a.s. and KAUCUK, a.s., its subsidiary at that time, were jointly imposed a fine of EUR 17.5 million, which they paid to the Commission. At the same time, both companies appealed to the Court of First Instance in Luxembourg and this action is pending.

Following the above decision of the European Commission, UNIPETROL, a.s. has been served with a claim for damages, which tire producers brought against the members of the ESBR cartel.

The claim for damages was filed with the High Court of Justice, Queen's Bench Division, Commercial Court in the United Kingdom. The claimants ask for damages, together with interest, to compensate for their loss suffered as a result of an alleged cartel. The amount claimed is to be assessed.

Furthermore, the Italian group Eni, one of the entities fined by the European Commission, initiated a proceeding before a court in Milan in which it seeks a judgment that the ESBR cartel did not exist and no damage occurred as a result thereof. Eni's action has also been served upon UNIPETROL, a.s., which decided to take part in the proceeding.

First hearing regarding the appeal of UNIPETROL against the European Commission decision was held on October 20, 2009 at the Court of First Instance of the European Union. Judgement is expected in few months.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

25. RELATED PARTIES

Parent and ultimate controlling party

During period ended 30 September 2009 a majority of the Company's shares were in possession of POLSKI KONCERN NAFTOWY ORLEN S.A.

Transaction with non-consolidated subsidiaries, associates and other related parties during period ended 30 September 2009:

	30/09/2009				31/12/2008			
	PKN Orlen	Entities under control or significant influence of the Company	Entities under control or significant influence of PKN Orlen	Other related parties	PKN Orlen	Entities under control or significant influence of the Company	Entities under control or significant influence of PKN Orlen	Other related parties
Current assets	--	10,111,861	250,107	--	182	10,094,601	300,047	--
Non-current assets	--	3,091,951	--	--	--	3,090,779	--	--
Current liabilities	3,753	403,138	--	--	1,228	262,530	7	--
Non-current liabilities	--	-	--	--	--	--	--	--
Revenues	--	232,886	67	--	383	371,177	160	--
Expenses	10,958	86,150	18	--	3,660	121,821	65	--
Purchases of financial assets	1,117	--	--	--	47,403	--	--	--
Purchases of property, plant and equipment and intangible assets	4,308	--	--	--	--	1,276	--	--
Dividend income	--	150,127	--	1,000	--	3,950,209	--	1,000
Interests income	--	390,331	5,739	--	--	549,728	11,354	--
Other financial income	--	3,708	--	--	--	3,029	--	--
Dividends paid	--	--	--	--	2,016,098	--	--	--

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

26. RISK MANAGEMENT

The Company manages below described categories of risks.

Currency risk management

The currency risk arises most significantly from the exposure of loans to subsidiaries denominated in foreign currencies (see notes 13 and 16).

Currency risk is mostly covered by natural hedging with bank loans and borrowings (see notes 21 and 23) denominated in the same currencies.

Interest rate risk management

The Company has adopted a Debt Policy, which fully covers interest rate risk as well as transferring of external financial sources to subsidiaries. These external financial sources are transferred with similar conditions and interest rates including a mark up (see notes 21 and 23). There are no loans and borrowings used for Company's own purposes.

Credit risk management

The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Loans to subsidiaries (notes 13 and 16) principally consist of amounts due from Group companies. The Company does not require collateral in respect of these financial assets. At the balance sheet date there was a significant concentrations of credit risk that is shown in notes 13 and 16. The Company's management monitors the most significant debtors and assesses their creditworthiness. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate liquid funds, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's risk management objectives and policies are consistent with those disclosed in the non-consolidated financial statements as at and for the year ended 31 December 2008.

UNIPETROL, a.s.

Notes to the condensed non-consolidated interim financial statements prepared in accordance with International Financial Reporting Standards

Period ended 30 September 2009
(in thousands of CZK)

27. POST-BALANCE SHEET EVENTS

On the meeting of the Supervisory board of UNIPETROL, a.s. held on 30 October 2009, Mr. Arkadiusz Kawecki resigned from position of Supervisory Board member and Mr. Rafał Sekuła has been co-opted with immediate effect as the new member of the Supervisory Board for the period until the next General Meeting of UNIPETROL, a.s.

On the same meeting Mr. Piotr Chelmiński and Mr. Artur Paździor were elected to the Board of Directors of UNIPETROL, a.s. with immediate effect.

Signature of statutory representatives	10 November 2009
Krzysztof Urbanowicz	Wojciech Ostrowski
Chairman of the Board of Directors	Vice-chairman of the Board of Directors