

UNIPETROL, a.s.

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

AS OF 31 MARCH 2010 AND 2009

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 31 March 2010 and 31 December 2009
(in thousands of Czech crowns)

	Note	31 March 2010 (unaudited)	31 December 2009 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	8	366,851	371,551
Intangible assets	9	5,300	5,607
Investment property	10	162,078	162,627
Investments in subsidiaries and joint ventures	11	14,274,717	14,274,717
Other investments	12	4,151	4,151
Loans to subsidiaries	14	2,905,382	2,963,304
Receivables from subsidiaries	15	73,559	73,564
Total non-current assets		17,792,038	17,855,521
Current assets			
Trade and other receivables	16	153,998	275,225
Loans to subsidiaries	17	12,153,987	8,280,334
Loans to related companies	18	250,019	250,214
Prepaid expenses		9,775	9,167
Cash and cash equivalents	19	37,943	253,876
Assets classified as held for sale	13	1,093	1,093
Total current assets		12,606,815	9,069,909
Total assets		30,398,853	26,925,430
EQUITY AND LIABILITIES			
Equity			
Share capital	20	18,133,476	18,133,476
Reserves		1,640,975	1,640,975
Retained earnings	21	4,482,545	4,472,958
Total equity		24,256,996	24,247,409
Non-current liabilities			
Loans and borrowings	22	2,000,000	2,000,000
Deferred tax		3,327	3,510
Total non-current liabilities		2,003,327	2,003,510
Current liabilities			
Trade and other payables and accruals	23	130,882	194,359
Dividends payable		30,861	31,380
Loans and borrowings	24	3,976,787	448,772
Total current liabilities		4,138,530	674,511
Total liabilities		6,141,857	2,678,021
Total equity and liabilities		30,398,853	26,925,430

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 26.

UNIPETROL, a.s.

Non-consolidated statement of comprehensive income
prepared in accordance with International Financial Reporting Standards
For the 3 month period ended 31 March 2010 and 31 March 2009
(in thousands of Czech crowns)

	Note	31 March 2010 (unaudited)	31 March 2009 (unaudited)
Revenue	3	40,310	80,361
Cost of sales		<u>(17,846)</u>	<u>(44,732)</u>
Gross profit		22,464	35,629
Other income		1,150	17,669
Administrative expenses		(47,062)	(67,537)
Other expenses		<u>(1)</u>	<u>(6,004)</u>
Results from operating activities	5	(23,449)	(20,243)
Finance income		111,777	172,676
Finance expenses		<u>(74,433)</u>	<u>(85,302)</u>
Net finance income	6	37,344	87,374
Profit before income tax		13,895	67,131
Income tax expense	7	(4,308)	(20,240)
Profit for the period		9,587	46,891
Other comprehensive income:			
Revaluation of property, plant and equipment		--	353
Income tax on other comprehensive income		--	(67)
Other comprehensive income for the year, net of tax		--	286
Total comprehensive income for the period		9,587	47,177
Basic and diluted earnings per share (in CZK)		0,05	0,26

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 26.

UNIPETROL, a.s.

Non-consolidated statement of changes in equity
prepared in accordance with International Financial Reporting Standards
For the 3 month period ended 31 March 2010 and 31 March 2009
(in thousands of Czech crowns)

	Share capital	Statutory reserves	Fair value changes relating to investment property	Other reserves	Retained earnings	Total equity
Balance as at 1 January 2009	<u>18,133,476</u>	<u>1,391,365</u>	<u>20,748</u>	<u>7,455</u>	<u>4,432,501</u>	<u>23,985,545</u>
Profit for the period	--	--	--	--	47,177	47,177
Total comprehensive income for the period	--	--	--	--	<u>47,177</u>	<u>47,177</u>
Balance as at 31 March 2009	<u>18,133,476</u>	<u>1,391,365</u>	<u>20,748</u>	<u>7,455</u>	<u>4,479,678</u>	<u>24,032,722</u>
Balance as at 1 January 2010	<u>18,133,476</u>	<u>1,612,772</u>	<u>20,748</u>	<u>7,455</u>	<u>4,472,958</u>	<u>24,247,409</u>
Profit for the period	--	--	--	--	9,587	9,587
Total comprehensive income for the period	--	--	--	--	<u>9,587</u>	<u>9,587</u>
Balance as at 31 March 2010	<u>18,133,476</u>	<u>1,612,772</u>	<u>20,748</u>	<u>7,455</u>	<u>4,482,545</u>	<u>24,256,996</u>

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 26.

UNIPETROL, a.s.

Non-consolidated statement of cash flows
prepared in accordance with International Financial Reporting Standards
For the 3 month period ended 31 March 2010 and 31 March 2009
(in thousands of Czech crowns)

	Note	31 March 2010 (unaudited)	31 March 2009 (unaudited)
Cash flows from operating activities:			
Profit for the period		9,587	47,177
Adjustments for:			
Depreciation of property, plant and equipment	8	914	1,829
Amortisation of intangible assets	9	306	209
Loss (gain) on disposals of property, plant and equipment		(183)	--
Net finance income		(38,531)	(60,328)
Reversal of impairment losses on financial investments, property, plant and equipment, inventory and receivables		(10)	(5)
Foreign exchange gains		(346)	--
Income tax expense		4,308	20,307
Operating results before changes in working capital		(23,955)	9,189
Change in trade and other receivables, prepayments and other current assets		113,259	254,326
Change in trade and other accounts payable and accruals		(60,247)	(66,862)
Interest paid		(15,947)	(31,070)
Net cash from operating activities		13,110	165,583
Cash flows from investing activities:			
Acquisition of property, plant and equipment and intangible assets		--	(4,314)
Acquisition of financial investments		--	(107,070)
Revaluation of property, plant and equipment and intangible assets		--	(353)
Proceed from sale of property, plant and equipment and intangible assets		4,519	--
Interest received		59,212	106,419
Repayment / (Providing) borrowings to subsidiaries		(3,764,958)	(1,936,952)
Repayment / (Providing) borrowings to other companies		195	6
Dividends received		--	--
Net cash used in investing activities		(3,701,032)	(1,942,264)
Cash flows from financing activities:			
Receipt of loans and borrowings		3,472,508	1,800,652
Dividends paid		(519)	(13,245)
Net cash from financing activities		3,471,989	1,787,407
Net change in cash and cash equivalents		(215,933)	10,726
Cash and cash equivalents at beginning of the period		253,876	19,658
Cash and cash equivalents at the end of the period		37,943	30,384

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 26.

UNIPETROL, a.s.

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

Period ended 31 March 2010

(in thousands of CZK)

Index

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

UNIPETROL, a.s.

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

Period ended 31 March 2010
(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 Pankráci 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, 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 31 March 2010 are as follows:

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

Members of the statutory and supervisory bodies as at 31 March 2010 were as follows:

	Position	Name
Board of directors	Chairman	Piotr Chelminski
	Vice-Chairman	Wojciech Ostrowski
	Vice-Chairman	Marek Serafin
	Member	Martin Durčák
	Member	Ivan Ottis
	Member	Artur Paździor
Supervisory board	Chairman	Dariusz Jacek Krawiec
	Vice-Chairman	Ivan Kočárník
	Vice-Chairman	Slawomir Robert Jedrzejczyk
	Member	Piotr Robert Kearney
	Member	Zdeněk Černý
	Member	Krystian Pater
	Member	Rafał Sekula
	Member	Andrzej Jerzy Kozłowski
Member	Bogdan Dzudzewicz	

UNIPETROL, a.s.

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

Period ended 31 March 2010
(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 2009.

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 2009.

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Company's accounting periods beginning after 1 January 2010 or later periods but which the Company has not early adopted. Relevant items are as follows:

- IFRS 9 Financial Instruments - effective for annual periods beginning on or after 1 January 2013
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments - effective for annual periods beginning on or after 1 July 2010

Acceptance of IFRS 9 and IFRIC 19 by the European Union is pending.

According to a preliminary assessment, the application of IFRIC 19 after its acceptance by European Commission will not have a significant impact on the Company's financial statements.

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.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2009.

3. REVENUE

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

	31/03/2010	31/03/2009
Fees for use of land	25,998	24,073
Revenues from services	14,312	56,288
Total revenues	40,310	80,361

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 entities located in the Czech Republic.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(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.

31/03/2010	Cost of sales	Administrative expenses	Other operating income / (expenses)	Total
Materials consumed and energy	(125)	(301)	--	(426)
Repairs and maintenance	(67)	(160)	--	(227)
Services related to administration of investments in subsidiaries	(673)	(1,620)	--	(2,293)
Advertising expense	(344)	(826)	--	(1,170)
Legal services	(152)	(364)	--	(516)
Advisory services	(234)	(564)	--	(798)
Non-cancellable operating lease rentals	(422)	(806)	--	(1,228)
Travel expense	(152)	(367)	--	(519)
Telecommunication fees	(48)	(116)	--	(164)
Representation cost	(49)	(118)	--	(167)
Accounting, HR and other administrative services	(4,931)	(11,859)	--	(16,790)
IT services	(1,580)	(3,798)	--	(5,378)
Other services	(897)	(2,367)	--	(3,264)
Staff cost including remuneration of board members	(6,082)	(14,626)	--	(20,708)
Social and health insurance	(1,731)	(4,164)	--	(5,895)
Depreciation	(269)	(645)	--	(914)
Amortization	(90)	(216)	--	(306)
Impairment to trade receivables (recognised) / released	--	--	10	10
Profit / (loss) on disposal of PPE	--	--	184	184
Insurance	--	(302)	--	(302)
Other expense	--	(3,843)	(1)	(3,844)
Other income	--	--	956	956
Total operating expense	(17,846)	(47,062)	1,149	(63,759)
Revenue				40,310
Results from operating activities				23,449

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

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

31/03/2009	Cost of sales	Administrative expenses	Other operating income / (expenses)	Total
Materials consumed and energy	(195)	(469)	--	(664)
Repairs and maintenance	(177)	(425)	--	(602)
Services related to administration of investments in subsidiaries	(1,114)	(2,680)	--	(3,795)
Advertising expense	(16,648)	--	--	(16,648)
Legal services	(1,913)	(4,600)	--	(6,512)
Advisory services	(475)	(1,143)	--	(1,619)
Non-cancellable operating lease rentals	(539)	(1,169)	--	(1,708)
Travel expense	(239)	(575)	--	(815)
Telecommunication fees	(100)	(240)	--	(340)
Representation cost	(143)	(344)	--	(487)
Accounting, HR and other administrative services	(4,699)	(11,299)	--	(15,998)
IT services	(2,147)	(5,164)	--	(7,311)
Other services	(2,030)	(5,010)	--	(7,040)
Staff cost including remuneration of board members	(11,464)	(27,569)	--	(39,033)
Social and health insurance	(2,250)	(5,410)	--	(7,660)
Depreciation	(537)	(1,292)	--	(1,829)
Amortization	(61)	(147)	--	(209)
Impairment of PPE and intangibles (recognised) / released	--	--	5	5
Impairment to trade receivables (recognised) / released	--	--	15	15
Profit / (loss) on disposal of PPE	--	--	12,537	12,537
Insurance	--	--	(378)	(378)
Other expense	--	--	(5,646)	(5,646)
Other income	--	--	5,132	5,132
Total operating expense	(44,732)	(67,537)	11,665	(100,604)
Revenue				80,361
Results from operating activities				(20,243)

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

6. FINANCE INCOME AND FINANCE EXPENSES

	31/03/2010	31/03/2009
Finance income		
Interest income:		
- other loans and receivables	108,730	137,278
- bank deposits	1,255	6,162
Net foreign exchange gains	--	1,660
Income from receivable to UNIPETROL TRADE a.s.	--	25,235
Other finance income	1,792	2,341
Total finance income	111,777	172,676
Finance expenses		
Interest expense:		
- bank overdrafts, loans and borrowings	(71,454)	(83,110)
- finance leases	(1)	(2)
Borrowing costs recognized in profit or loss	(71,455)	(83,112)
Net foreign exchange losses	(447)	--
Other finance expenses	(2,531)	(2,190)
Total finance expenses	(74,433)	(85,302)
Net finance income	37,344	87,374

7. INCOME TAX EXPENSE

	31/03/2010	31/03/2009
Current tax – Czech Republic	4,491	16,436
Deferred tax	(183)	3,804
Income tax expense	4,308	20,240

Domestic income tax is calculated in accordance with Czech tax regulations at the rate of 19% in 2010 (2009: 20 %) of the estimated taxable income for the year. The deferred tax has been calculated using tax rates approved for years 2010 and forward i.e. 19 %.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

8. PROPERTY, PLANT AND EQUIPMENT

	Land	Machinery and equipment	Other	Assets under development	Total
Cost					
Balance as at 01/01/2009	359,943	37,068	3,988	759	401,758
Additions	5,840	1,408	--	832	8,080
Disposals	(2,448)	(13,977)	(3,837)	(467)	(20,729)
Additions from investment property	846	--	--	--	846
Transfer to investment property	(643)	--	--	--	(643)
Other	1,560	--	--	--	1,560
Balance as at 31/12/2009	365,098	24,499	151	1,124	390,872
Additions	--	819	--	--	819
Disposals	(3,786)	(1,164)	--	(819)	(5,769)
Additions from investment property	--	--	--	--	--
Transfer to investment property	--	--	--	--	--
Other	--	--	--	--	--
Balance as at 31/03/2010	361,312	24,154	151	305	385,922
Depreciation					
Balance as at 01/01/2009	--	16,826	5	--	16,831
Charge for the year	--	6,870	13	--	6,883
Disposals	--	(4,375)	(18)	--	(4,393)
Balance as at 31/12/2009	--	19,321	--	--	19,321
Charge for the year	--	914	--	--	914
Disposals	--	(1,164)	--	--	(1,164)
Balance as at 31/03/2010	--	19,071	--	--	19,071
Impairment losses					
Balance as at 01/01/2009	--	--	--	466	466
Reversal of impairment losses	--	--	--	(466)	(466)
Balance as at 31/12/2009	--	--	--	--	--
Balance as at 31/03/2010	--	--	--	--	--
Carrying amount as at 01/01/2009	359,943	20,242	3,983	293	384,461
Carrying amount as at 31/12/2009	365,098	5,178	151	1,124	371,551
Carrying amount as at 31/03/2010	361,312	5,083	151	305	366,851

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

9. INTANGIBLE ASSETS

	Software	Other intangible assets	Total
Cost			
Balance as at 01/01/2009	13,610	8,882	22,492
Additions	--	4,308	4,308
Balance as at 31/12/2009	13,610	13,190	26,800
Additions			
Balance as at 31/03/2010	13 610	13 190	26 800
Amortization			
Balance as at 01/01/2009	11,628	8,434	20,062
Charge for the period	620	511	1,131
Balance as at 31/12/2009	12,248	8,945	21,193
Charge for the period	153	153	306
Balance as at 31/03/2010	12 401	9 099	21 500
Impairment losses			
Balance as at 01/01/2009	--	5	5
Reversal of impairment losses	--	(5)	(5)
Balance as at 31/12/2009	--	--	--
Reversal of impairment losses	--	--	--
Balance as at 31/03/2010	--	--	--
Carrying amount as at 01/01/2009	1,982	443	2,425
Carrying amount as at 31/12/2009	1,362	4,245	5,607
Carrying amount as at 31/03/2010	1,209	4,091	5,300

10. INVESTMENT PROPERTY

Investment property as at 31 March 2010 comprised land owned by the Company and leased to third parties. The changes recorded during 2010 are presented in following table:

	Balance as at 31/12/2009	Additions	Disposals	Transfer from Property, plant and equipment	Transfer to Property, plant and equipment	Balance as at 31/03/2010
Land	162,627	--	549	--	--	162,078

Rental income amounted to CZK 5,174 thousand in three month period ended 31 March 2010 (three month period ended 31 March 2009: CZK 4,830 thousand). Operating costs relating to investment property amounted to CZK 325 thousand in three month period ended 31 March 2010 (three month period ended 31 March 2009: CZK 306 thousand).

Future rental income is as follows:

	Less than one year	Between one and five years
Total future rental income	20,696	82,784

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

11. INVESTMENTS IN SUBSIDIARIES AND JOINT - VENTURES

Investments in subsidiaries and joint – ventures as at 31 March 2010 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 4	350,000	100.00	350,000	--	--
BENZINA s. r.o.	Praha 4	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	545,389	100.00	--	545,389	--
Joint - ventures						
ČESKÁ RAFINÉRSKÁ, a.s. *)	Litvínov	3,872,299	51.225	--	3,872,299	--
Butadien Kralupy, a. s.	Kralupy	85,694	51.00	--	85,694	--
Total		16,554,647	--	2,279,930	14,274,717	--

*) 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.

Investments in subsidiaries and joint – ventures as at 31 December 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 4	350,000	100.00	350,000	--	--
BENZINA s. r.o.	Praha 4	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	545,389	100.00	--	545,389	--
Joint - ventures						
ČESKÁ RAFINÉRSKÁ, a.s. *)	Litvínov	3,872,299	51.225	--	3,872,299	150,082
Butadien Kralupy, a. s.	Kralupy	85,694	51.00	--	85,694	--
Total		16,554,647	--	2,279,930	14,274,717	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.

Dividend income for 2009 included dividend received from PETROTRANS, s.r.o CZK 230 thousand, ČESKÁ RAFINÉRSKÁ, a.s. CZK 150,082 thousand, Celio, a.s. CZK 1,000 thousand, Polymer Institute Brno s.r.o. CZK 45 thousand, UNIPETROL DOPRAVA, s.r.o. CZK 205 thousand.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

11. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES (CONTINUED)

Purchase of shares of PARAMO, a.s.

As described in the non-consolidated financial statements of the Company as at 31 December 2009 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 published 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, a.s. become the sole shareholder of PARAMO, a.s.

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, a.s. requested the Regional Court in Hradec Králové to declare the invalidity of PARAMO, a.s. 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. In case of invalidity of the General Meeting resolution, the Regional Court of Hradec Kralové (Pardubice branch) on 2 March 2010 decided in favour of PARAMO, a.s. and dismissed the Action of minority shareholders.

With respect to the above described facts regarding determination of consideration value, Czech National Bank decision and approval of the Extraordinary General Meeting of PARAMO, a.s., UNIPETROL, a.s. considers the petition for review of reasonableness of consideration unfounded.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

12. OTHER INVESTMENTS

Other investments as at 31 March 2010 were as follows:

Company	Registered office	Cost of investment	Ownership percentage	Carrying amount	Dividend income for the period
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	780.8	0.63	780.8	--
POLYMER INSTITUTE BRNO, spol. s r.o.	Brno	954	1	954	--
Total		4,151		4,151	--

Other investments as at 31 December 2009 were as follows:

Company	Registered office	Cost of investment	Ownership percentage	Carrying amount	Dividend income for the period
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	205
UNIRAF SLOVENSKO s.r.o.	Bratislava	95	13.04	95	--
PETROTRANS, s.r.o.	Praha	780.8	0.63	780.8	230
POLYMER INSTITUTE BRNO, spol. s r.o.	Brno	954	1	954	45
Total		4,151		4,151	480

* till 13 October 2009 UNIRAF SLOVENSKO s.r.o.

13. ASSETS HELD FOR SALE

As at 31 March 2010 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 was CZK 1,093 thousand CZK (2009: CZK 1,093 thousand).

On 24 March 2010 UNIPETROL, a.s. as the seller entered into an agreement for the sale and purchase of its shares (10.53 %) in CELIO a.s. with TICATANOR s.r.o., a special purpose vehicle established by two top managers of CELIO a.s., as the buyer.

The closing of the sale of shareholding in CELIO, a.s. under the above agreement took place on 14 April 2010.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

14. 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 2,905,382 thousand as at 31 March 2010. 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 2,712,556 thousand as at 31 March 2010. Carrying amount of this loans amounts to CZK 2,194,447 thousand. The portion of non-current loans due within one year is reported as current loans to subsidiaries (note 17).

Movement table of non-current loans to subsidiaries:

	31/03/2010	31/12/2009
Balance at beginning of the period	2,963,304	3,006,223
Loans granted	34,323	319,406
Reclassification to current loans to subsidiaries	(92,245)	(362,325)
Balance at end of the period	2,905,382	2,963,304

15. NON-CURRENT RECEIVABLES FROM SUBSIDIARIES

Non-current receivables from subsidiaries include advance payment for Benzina's cards in amount CZK 163 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 31 March 2010 is CZK 73,396 thousand (31 December 2009: CZK 73,396 thousand). The nominal value of the non-current receivable is CZK 263,000 thousand as of 31 March 2010 (31 December 2009: CZK 263,000 thousand) and the current part is CZK 40,000 thousand as of 31 March 2010 (31 December 2009: CZK 40,000 thousand).

16. TRADE AND OTHER RECEIVABLES

	31/03/2010	31/12/2009
Trade accounts receivable	121,585	243,058
Other receivables	163,923	163,687
Allowances for other receivables	(131,510)	(131,520)
Total accounts receivable	153,998	275,225

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	31/03/2010	31/12/2009
CZK	153,246	274,412
EUR	750	811
USD	2	2
Total accounts receivable	153,998	275,225

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

Movement in the allowance for doubtful debts

	31/03/2010	31/12/2009
Balance at beginning of the year	131,520	131,585
Release	(10)	(65)
Balance at end of the year	131,510	131,520

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the debtor from the date credit was initially granted up to the reporting date. Accordingly, the management considers that there is no further credit risk allowance required in excess of the allowance for impairment charges.

The Company has no past due but not impaired trade receivables as at 31 March 2010 and 31 December 2009.

17. 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., UNIPETROL DOPRAVA, s.r.o., UNIPETROL SLOVENSKO, s.r.o. and Butadien Kralupy a.s.

The following table presents loans granted as at 31 March 2010 and 31 March 2009.

	31/03/2010	31/12/2009
Cash pooling	2,387,157	1,402,198
Operating loans	9,766,830	6,878,136
Total	12,153,987	8,280,334

The movements on operating loans were as follows:

	31/03/2010	31/12/2009
Balance as at 1 January 2010		6,878,136
Loans granted		3,952,540
Repayment		(1,156,091)
Reclassification from non-current loans to subsidiaries		92,245
Total as at 31 March 2010		9,766,830

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 14). The current loans provided to subsidiaries are not collateralised. The current loans to subsidiaries as at 31 March 2010 include the portion of non-current loans due within one year amounted to CZK 477,304 thousand (31 December 2009 – CZK 425,334 thousand).

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

Denominated in	31/03/2010	31/12/2009
CZK	11,327,024	8,258,150
EUR	826,963	12,311
USD	3,723	9,873
Total	12,153,987	8,280,334

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

18. CURRENT LOANS TO RELATED COMPANIES

In 2010 the Company provided a short-term loan to related entity SPOLANA a.s. The carrying amount of the loan amounted CZK 250,019 thousand as at 31 March 2010 (31 December 2009 – CZK 250,214 thousand). The interest rates were based on appropriate inter-bank rates and the fair value of the loan approximated its carrying amount as at 31 March 2010. Zakłady Azotowe ANWIL Spółka Akcyjna provided full guarantee for the loan obligation of SPOLANA a.s.

19. CASH AND CASH EQUIVALENTS

	31/03/2010	31/12/2009
Cash in hand	49	61
Cash at bank	37,894	253,815
Total	37,943	253,876

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	31/03/2010	31/12/2009
CZK	9,101	211,791
EUR	17,787	36,161
USD	11,055	5,924
Total cash and cash equivalents	37,943	253,876

20. SHARE CAPITAL

The issued capital of the Company as at 31 March 2010 was CZK 18,133,476 thousand (2009: CZK 18,133,476 thousand). This represents 181,334,764 (2009: 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.

21. 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 thousands. In accordance with Article 26 (1) of the Company's Articles of Association CZK 221,407 thousands was allocated to the reserve fund and CZK 4,206,740 thousands to retained earnings.

The decision regarding appropriation of 2009 profit will be made on the annual general meeting of shareholders, which will be held in June 2010.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

22. NON-CURRENT LOANS AND BORROWINGS

Non-current interest-bearing borrowings as at 31 March 2010 were as follows:

Creditor	Currency	Balance at 31/03/2010	Fair value at 31/03/2010	Balance at 31/12/2009	Fair value at 31/12/2009	Effective interest rate	Form of collateral
Long-term bonds	CZK	2,000,000	2,721,000	2,000,000	2,634,838	9.82%	Unsecured
Total	CZK	2,000,000		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 2,191,639 thousand (CZK 2,136,614 thousand at 31 December 2009). 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 2,721,000 thousand. Accrued interest, which will be repaid before 31 December 2010, is presented within current loans and borrowings in note 24 amounts to CZK 191,639 thousand (CZK 136,614 thousand at 31 December 2009).

23. TRADE AND OTHER PAYABLES AND ACCRUALS

	31/03/2010	31/12/2009
Trade payables	26,179	97,569
Other payables	72,630	62,368
Social security and other taxes	32,073	34,422
Total accounts payable	130,882	194,359

The average credit period for trade payables is 30 days.

Denominated in	31/03/2010	31/12/2009
CZK	127,186	188,745
EUR	3,433	3,889
USD	--	184
Other currencies	263	1,541
Total accounts payable	130,882	194,359

As of 31 March 2010 and 31 December 2009, the Company did not have any trade payables after their due dates. Management of the Company is of the opinion that the carrying amount of trade payables approximates their fair values.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

24. CURRENT LOANS AND BORROWINGS

Current loans and borrowings as at 31 March 2010 were as follows:

	31/03/2010	31/12/2009
Bank loans	3,249,984	18,141
Current loans from subsidiaries	535,164	294,017
Current portion of non-current loans and borrowings	191,639	136,614
Total current loans and borrowings	3,976,787	448,772

As at 31 March 2010 the Company had bank loans in amount of CZK 3,249,984 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	6,674	1,788	9,679	18,141
Loans taken	2,608,470	636,125	3,606	3,248,201
Accrued interest	1,116	667	--	1,783
Repayments	(6,674)	(1,788)	(9,679)	(18,141)
Balance at end of the period	2,609,586	636,792	3,606	3,249,984

The current loans from subsidiaries are connected with a cash-pool structure. During the year 2010 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., Calyon Bank Czech republic, 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 total amount within the range from CZK 1,000,000 thousand to CZK 1,500,000 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 795,469 thousand, other bank loans amounted CZK 2,454,515 thousand and cash-pooling liabilities to subsidiaries were in amount of CZK 535,164 thousand as at 31 March 2010 (as at 31 December 2009 CZK 18,141 thousand and CZK 294,017 thousand).

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

25. OPERATING LEASES

The Company as a lessee

Operating lease arrangements

At the balance sheet date, the Company had future minimum lease payments under non-cancelable operating leases for the following periods:

Non-cancellable operating lease commitments

	Minimum lease payments	
	31/03/2010	31/12/2009
Not later than one year	1,228	4,776
Later than one year and not later than five years inclusive	19,648	19,104
Later than five years	19,648	19,104
Total	40,524	42,984

Payments recognised as an expense were as follows:

	31/03/2010	31/03/2009
Non-cancellable operating lease	1,228	1,708
Cancellable operating lease	209	128
Total	1,437	1,836

26. COMMITMENTS AND CONTINGENCIES

*Contingent liabilities and commitments related to the sale of shares in KAUČUK, a.s.
(currently SYNTHOS Kralupy a.s.)*

On 30 January 2007, UNIPETROL, a.s., as seller, and FIRMA CHEMICZNA DWORY S.A., with its registered office at ul. Chemików 1, 32-600 Oświęcim, Poland, KRS No.: 38981 ("Dwory"), as purchaser, executed the Share Purchase Agreement (the "Share Purchase Agreement") on sale of 100% shares of KAUČUK, a.s., with its registered office at Kralupy nad Vltavou, O. Wichterleho 810, District Mělník, Postal Code: 278 52, Czech Republic, Id. No: 25053272).

Determination of Liability for Impacts of Operation of SYNTHOS Kralupy a.s. on Environment

The environmental audit of plots of land owned by the Company and used by SYNTHOS Kralupy a.s. was performed for the purpose of determining the liability of contractual parties arising from existing or future impacts of SYNTHOS Kralupy 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).

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

26. COMMITMENTS AND OTHER CONTINGENCIES (CONTINUED)

The Company's management, based on the available information and current knowledge of the situation, does not expect any additional expense / payment related to described issue.

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

On 10 July 2007 the Company and SYNTHOS Kralupy a.s. executed the agreement pursuant to which UNIPETROL, a.s. undertook to create in favor of SYNTHOS Kralupy 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 SYNTHOS Kralupy 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 SYNTHOS Kralupy 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 SYNTHOS Kralupy 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.

The Company's management, based on the available information and current knowledge of the situation, does not expect any additional expense / payment related to described issue.

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.

- (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.

The Company's management, based on the available information and current knowledge of the situation, does not expect any additional expense / payment related to described issue.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

26. COMMITMENTS AND OTHER CONTINGENCIES (CONTINUED)

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. The Company challenged the jurisdiction of the UK courts to deal with the claim. The Company's challenge is pending.

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.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

27. RELATED PARTIES

Ultimate controlling party

During 2010 and 2009 a majority of the Company's shares were in possession of PKN Orlen (62.99%).

	PKN Orlen	Parties under control of the Company	31/03/2010 Entities under control or significant influence of PKN Orlen	Other related parties
Current receivables	--	12,276,586	250,019	--
Current payables including loans	1,922	546,704	--	--
Non-current receivables	--	2,905,544	--	--
Expenses	2,798	19,490	--	--
Revenues	10	34,697	25	--
Financial income and expense	--	108,482	1,728	--

	PKN Orlen	Parties under control of the Company	31/12/2009 Entities under control or significant influence of PKN Orlen	Other related parties
Current receivables	4	8,424,262	250,213	--
Current payables including loans	2,148	308,564	--	--
Non-current receivables	--	2,963,304	--	--
Expenses	13,682	111,901	18	--
Revenues	10	220,164	90	--
Purchases of financial assets	4,308	446	--	--
Sales of property, plant and equipment	--	8,086	--	--
Dividends income	--	150,562	--	1,000
Financial income and expense	--	509,137	7,703	--

28. 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 14 and 17).

Currency risk is mostly covered by natural hedging with bank loans and borrowings (see notes 22 and 24) 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 22 and 24). There are no loans and borrowings used for Company's own purposes.

UNIPETROL, a.s.

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

Period ended 31 March 2010
(in thousands of CZK)

28. RISK MANAGEMENT (CONTINUED)

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 14 and 17) 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 14 and 17. 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 2009.

29. SIGNIFICANT POST BALANCE SHEET EVENTS

On 14 April 2010 the Company sold its share in CELIO a.s. classified as at 31 March 2010 as asset held for sale. Details are included in Note 13.

The Company's management is not aware of any other events that have occurred since the balance sheet date that would have any material impact on the financial statements as at 31 March 2010.

Signature of statutory representatives	10 May 2010
Piotr Chelminski	Wojciech Ostrowski
Chairman of the Board of Directors	Vice-chairman of the Board of Directors