
INSIDE INFORMATION

**PARAMO, A.S. AND ORLEN ASFALT SP. Z O. O.
EXECUTED QUOTA PURCHASE AGREEMENT ON PURCHASE OF
100% QUOTA IN PARAMO ASFALT S.R.O.**

On October 22, 2012, PARAMO, a.s. (“PARAMO”) and ORLEN Asphalt Sp. z o. o. (“ORLEN Asphalt”) executed a quota purchase agreement, pursuant to which ORLEN Asphalt, as purchaser, shall acquire from PARAMO, as seller, 100% quotaholding in Paramo Asphalt s.r.o. (“Paramo Asphalt”).

The purchase price for 100% quotaholding amounts to CZK 116.1 million. The purchase price was agreed on the basis of a valuation report prepared for PARAMO by court-appointed valuation expert.

The sale of Paramo Asphalt to ORLEN Asphalt is the next step in the PARAMO restructuring and refinery assets’ optimization, part of which was transfer of PARAMO’s bitumen business activities to Paramo Asphalt in January 2012. The optimization shall, among others, create synergies and competitive advantages from centralization of bitumen business within Central and Eastern Europe, secure stable and long-term off-take of bitumen products from Litvínov and Pardubice plants and transfer their trading risk while focusing on production efficiency.

Paramo Asphalt started its operations on 1 February 2012 after purchase of PARAMO’s bitumen business activities. It is responsible for wholesale trading of all bitumen from UNIPETROL RPA, s.r.o. and PARAMO.

PARAMO is a company, in which 100% shares is held by UNIPETROL a.s. ORLEN Asphalt is a Polish limited liability company, in which 82.5% shares is held by PKN ORLEN S.A. directly and the remaining shares are held by a PKN ORLEN S.A. subsidiary.

In Prague, 23 October 2012
UNIPETROL, a.s.
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