THE LOTOS GROUP

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE FINANCIAL PERFORMANCE IN Q1 2010

(This is a translation of a document originally issued in Polish)

Contents

1 Market Environment

In Q1 2010, the average price of Brent oil (Dated Brent FOB) was 76.36 USD/bbl, more than in Q4 2009 (by 1.83 USD/bbl, or 2.5%) and in Q1 2009 (by 31.90 USD/bbl, or 71.7%).

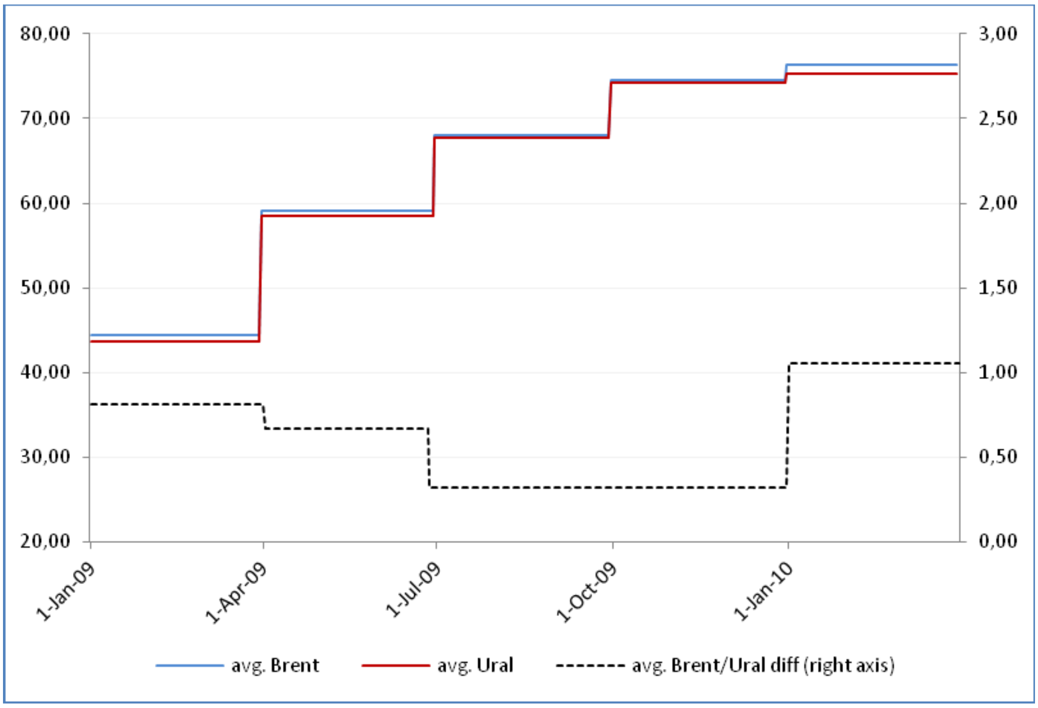
Increase in Ural crude prices to 75.31 USD/bbl

The average price of Ural CIF Rotterdam oil was 75.31 USD/bbl, and was higher than in Q4 2009 (by 1.1 USD/bbl, or 1.5%) and in Q1 2009 (by 31.66 USD/bbl, or 72.5%).

Increase in Brent/Ural differential to 1.05 USD/bbl

The increase in oil prices in Q1 2010 from the levels reported for Q4 2009 and Q1 2009 was accompanied by a considerable rise in the Brent/Ural differential, to 1.05 USD/bbl (0.32 USD/bbl in Q4 2009 and 0.81 USD/bbl in Q1 2009).

Chart 1: Average prices of Ural crude and Brent crude



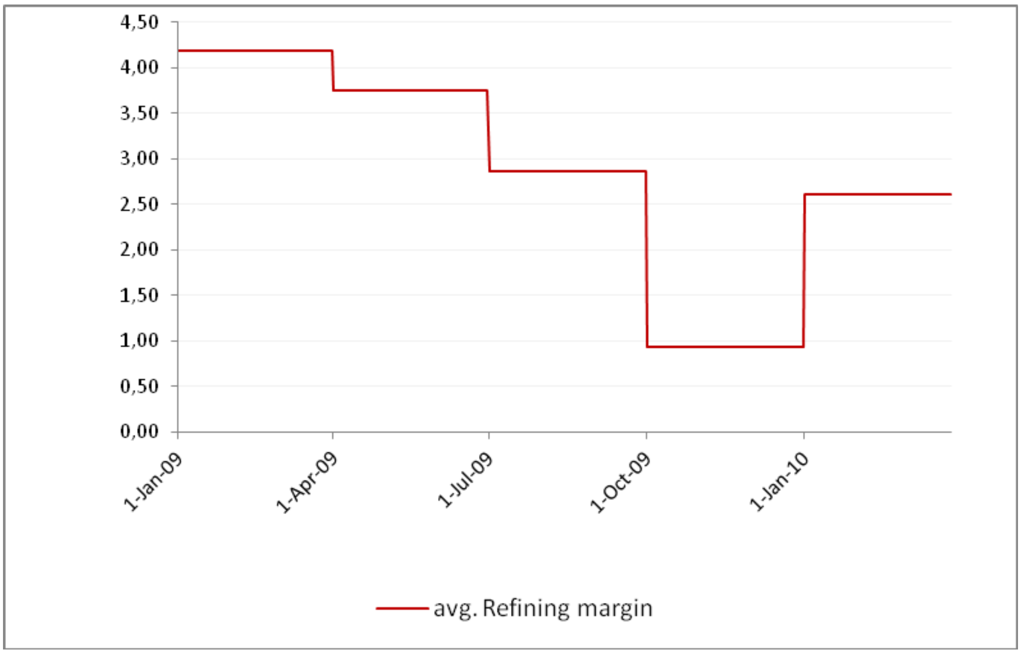
Q1 2010 saw an increase in the average refining margin from 0.93 USD/bbl to 2.61 USD/bbl. The margin was 180.6% higher than in Q4 2009, and 37.7% lower (by 1.58 USD/bbl) year on year.

180.6% increase in refining margin relative to Q4 2009

In Q1 2010, the crack margin on key refinery products improved compared with Q4 2009. Only the margin on heavy fuel oil declined by 3.3% quarter on quarter.

The crack margin on gasoline increased significantly (by 80.5%) year on year, while crack margins on other products declined relative to Q1 2009.

Chart 2: Average refining margin



Q1 2010 saw a slight depreciation of the Polish zloty against the US dollar relative to Q4 2009 and an appreciation relative to Q1 2009. As at the end of March 2010, the USD/PLN exchange rate was 2.87. In Q1 2010, the average USD/PLN exchange rate stood at 2.88, that is 2.1% higher than the average exchange rate in Q4 2009 and 16.5% lower than the average exchange rate in Q1 2009.

Average USD/PLN FX rate increase up to 2.88

Q1 2010 saw the Polish złoty strengthen against the euro. As at the end of Q1 2010, the EUR/PLN exchange rate was 3.86. In Q1 2010, the average EUR/PLN exchange rate was 3.99, that is 4.3% lower than the average exchange rate in Q4 2009 and 11.3% lower than the average exchange rate in Q1 2009.

Average EUR/PLN FX rate decrease down to 3.99

Chart 3: USD/PLN and EUR/PLN exchange rates

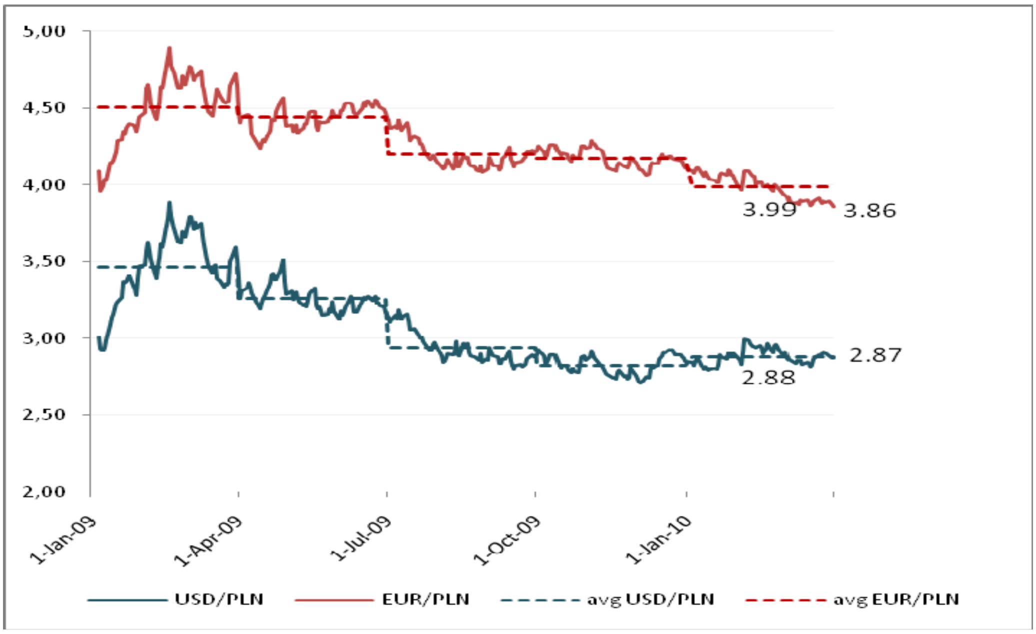


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Table 1: Macroeconomic conditions

		Q110	Q409	Q109	ΔQ110/ Q409	ΔQ110 / Q109
Dated Brent FOB prices	USD/bbl	76.36	74.53	44.46	2.5%	71.7%
Ural CIF Rotterdam prices	USD/bbl	75.31	74.21	43.65	1.5%	72.5%
Brent/Ural differential	USD/bbl	1.05	0.32	0.81	228.1%	29.6%
Refining margin	USD/bbl	2.61	0.93	4.19	180.6%	-37.7%
Crack margin: Gasoline	USD/t	154.77	119.00	85.76	30.1%	80.5%
Crack margin: Diesel oil (0.001)	USD/t	72.95	64.69	107.66	12.8%	-32.2%
Crack margin: Light fuel oil	USD/t	59.18	49.71	86.01	19.1%	-31.2%
Crack margin: Aviation fuel	USD/t	106.23	99.21	116.10	7.1%	-8.5%
Crack margin: Heavy fuel oil	USD/t	-137.54	-133.21	-109.30	-3.3%	-25.8%
Average quarterly PLN/USD exchange rate	PLN/USD	2.88	2.82	3.45	2.1%	-16.5%

2 Upstream Segment

In Q1 2010, LOTOS Petrobaltic S.A.'s key operations included:

- Production from the B3 field, including water pumping to the reservoir from the Offshore Oil Rig located at the Baltic Beta Platform
- Production from the existing wells in the B8 field using the Petrobaltic platform
- Continued work on the base engineering design comprising the production centre and the related infrastructure for the B8 field.

In Q1 2010, in the APA 2009 licensing round, LOTOS E&P Norge AS was granted a 50% interest in, and the operator status with respect to, license PL556 located in the Norwegian Sea, and a 10% interest in licence PL497B (extension of licence PL497). Under its licences, the Company conducted exploration activities, both as the operator (licences PL498 and PL503) and as an interest holder (licences PL316DS, PL316CS, PL455, PL497 and PL515). The work included preparation for drilling an exploration well in the licence PL316DS area, in which no hydrocarbons have been identified.

50% interest in the PL 556 licence in the Norwegian Sea

Moreover, LOTOS Exploration & Production Norge AS's operations carried out as part of the YME Production Project included drilling of production wells and work on the construction and transport of a production rig to Norway. The start of production from the YME field is expected in H2 2010.

Start of production from the Yme field scheduled for H2 2010

The higher revenue and results of the upstream segment for Q1 2010 compared with Q1 2009 were the effect of a 71.7% increase in Brent dtd crude prices on the global markets and a 125.8% increase in the volume of Rozewie crude oil sales.

The operating result of the upstream segment in Q1 2010 was adversely affected by impairment losses on assets of PLN 21.8m connected with negative results of exploration drillings by LOTOS E&P Norge as well as by general and administrative expenses incurred in the absence of any operating income. Under Norwegian tax regulations, 78% of the amount of impairment losses relating to the costs of exploratory drillings reduced the company's loss at the net level.

Table 2: Operating result of the upstream segment

		Q110	Q409	Q109	ΔQ110/Q409	ΔQ110/Q109
Sales of Rozewie crude	*000' t*	87.6	56.5	38.8	*55.0%*	*125.8%*
Sales of natural gas	*m m^3*	3.1	3.4	0.4	*-8.8%*	*675.0%*
Sales revenue	*PLN m*	134.2	82.7	35.8	62.3%	274.9%
Operating profit/loss	*PLN m*	39.4	-5.5	-15.4	-	-
Amortisation and depreciation	*PLN m*	15.9	17.9	10.9	-11.2%	45.9%
EBITDA	*PLN m*	55.3	12.4	-4.5	346.0%	-

Increased production and sales of Rozewie crude in Q1 2010

In Q1 2010, the total crude oil output in the Baltic Sea area (B3 and B8 fields) was 76.4 thousand tonnes. Crude sales to Grupa LOTOS S.A. during the period amounted to 87.6 thousand tonnes, which represented a year-on-year increase of 48.8 thousand tonnes (+125.8%). During the quarter, output of natural gas was 8.7m m^3, having increased by 128.9% year on year.

Table 3: Operating data of the upstream segment

		Q110	Q409	Q109	Q1/Q4	Q1/Q1
Crude oil output	***000' t***	**76.4**	**60.9**	**33.1**	***25.5%***	***130.8%***
from B3 field	*000' t*	45.4	45.6	30.1	*-0.4%*	*50.8%*
from B8 field	*000' t*	31.0	15.3	3.0	*102.6%*	*933.3%*
Natural gas output	***m m^3***	**8.7**	**6.8**	**3.8**	***27.9%***	***128.9%***

3 Downstream Segment

In Q1 2010, Grupa LOTOS S.A. processed 1,614.8 thousand tonnes of crude oil, 39.2% up year on year. During the analysed period, the nameplate throughput capacity was utilised at 102.7%.

Progress of the 10+ Programme at 97.05% as at the end of Q1 2010

As at the end of March 2010, the degree of implementation of the 10+ Programme was 97.05%, compared with the planned 96.88%. Design, delivery and execution work related to the HDS, KAS, CDU/VDU and HGU units was completed. In April 2010, tests of the CDU/VDU unit were performed.

Table 4: Structure of crude oil refining

		Q110	Q409	Q109	ΔQ110/Q409	ΔQ110/Q109
Volume of crude processed by the Gdańsk refinery	*000' t*	1,614.8	1,558.4	1,159.7	*3.6%*	*39.2%*
including:						
Ural crude	*000' t*	1,412.6	1,305.6	1,024.8	*8.2%*	*37.8%*
Rozewie crude	*000' t*	83.4	122.1	35.6	*-31.7%*	*134.3%*
Other types of crude	*000' t*	118.8	130.7	99.3	*-9.1%*	*19.6%*

Rise in crude processing to 1,614.8 thousand tonnes

Higher sales revenue generated by the downstream segment in Q1 2010 relative to Q1 2009 was mostly due to the year-on-year increase in prices of crude oil and petroleum products on the global markets. In Q1 2010, the average price of Dated Brent was USD 76.36 per barrel, which represented a year-on-year increase of 71.1%. The average net selling price in the downstream segment grew by 23.8%, from PLN 1,665 per tonne in Q1 2009 to PLN 2,062 per tonne in Q1 2010.

In Q1 2010, the operating result of the downstream segment was driven by a 288.1 thousand tonnes rise in the volume of products and goods sold relative to Q1 2009. The growth was caused by many factors, including a 39.2% rise in the volume of crude processed by the Gdańsk refinery (low base mainly due to an overhaul stoppage in 2009).

Increased operating result of the downstream segment relative to Q1 2009

Given the sales structure at the LOTOS Group in Q1 2010, changes in crack spreads for the individual petroleum products contributed to a higher operating result relative to the corresponding period of 2009. Additionally, the average Brent/Ural differential which amounted to USD 1.05 per barrel during Q1 2010, following a rise of USD 0.24 per barrel relative to the corresponding period of 2009, was a factor contributing to the improved operating result in Q1 2010 relative to Q1 2009.

Table 5: Operating profit (loss) of the downstream segment

		Q110	Q409	Q109	ΔQ110/Q109	ΔQ110/Q109
Sales revenue	*PLN m*	3,913.5	4,019.2	2,679.5	*-2.6%*	*46.1%*
Operating profit	*PLN m*	33.2	97.9	4.6	*-66.1%*	*621.7%*
Depreciation/Amortisation	*PLN m*	62.0	46.7	51.3	*32.8%*	*20.9%*
EBITDA	*PLN m*	95.2	144.6	55.9	*-34.2%*	*70.3%*

In Q1 2010, the volume of sales of the LOTOS Group's downstream segment amounted to 1,897.8 thousand tonnes, up by 288.1 thousand tonnes (or 17.9%) over the corresponding period of 2009. Compared to the sales volume reported by the analysed segment in Q1 2009, amounting to 1,609.7 thousand tonnes, in the discussed period growth was recorded mainly in the volume of diesel oil sales (+122.1 thousand tonnes), heavy fuel oil (+91.7 thousand tonnes) and gasoline (+51.7 thousand tonnes), accompanied by a decline mainly in the volume of JET A-1 sales (-14.8 thousand tonnes).

17.9% rise in the volume of sales relative to Q1 2009

Table 6: Structure of sales generated by the LOTOS Group

		Q110	Q409	Q109	ΔQ110/ Q409	ΔQ110/ Q109
Consolidated sales of products and goods for resale	*000' t*	1,899.4	2,071.4	1,645.0	-8.3%	15.5%
Gasoline	*000' t*	331.3	340.3	279.6	-2.6%	18.5%
Diesel oil	*000' t*	885.2	1,069.4	763.1	-17.2%	16.0%
JET fuel	*000' t*	74.2	61.4	89.0	20.8%	-16.6%
Light fuel oil	*000' t*	107.4	106.3	115.9	1.0%	-7.3%
Heavy fuel oil	*000' t*	320.9	127.0	229.2	152.7%	40.0%
Bitumen	*000' t*	41.8	212.3	38.0	-80.3%	10.0%
Other petroleum products	*000' t*	138.6	154.7	130.2	-10.4%	6.5%
Consolidated sales of products and goods for resale, including:						
Downstream segment	*000' t*	1,897.8	2,061.8	1,609.7	-8.0%	17.9%
Other business	*000' t*	1.6	9.6	35.3	-83.3%	-95.5%

The retail business's operating loss reported for Q1 2010 was attributable to a low unit retail margin on fuel sales continuing from Q4 2009. The lower operating result of the retail business in Q1 2010 compared with Q1 2009 was an outcome of higher costs of land lease related to service stations located along motorways, which are yet to begin operations.

Table 7: Operating results of the retail segment

		Q110	Q409	Q109	ΔQ110/Q409	ΔQ110/Q109
Sales revenue	*PLN m*	433.9	440.5	344.5	-1.5%	26.0%
Operating profit/(loss)	*PLN m*	-4.5	-3.8	-1.9	-	-
Depreciation/amortisation	*PLN m*	11.0	10.9	9.7	0.9%	13.4%
EBITDA	*PLN m*	6.5	7.1	7.8	-8.5%	-16.7%

As at the end of March 2010, the number of CODO stations was 148 (up by four stations relative to the end of 2009), the number of DOFO stations was 103 (up by five stations) and the number of DODO stations remained unchanged at 62. The number of concluded franchise agreements was 107.

10.9% increase in the volume of retail sales relative to Q1

In Q1 2010, retail sales grew by 10.9% year on year, but declined by 9.6% relative to Q4 2009.

Table 8: Retail sales

		Q110	Q409	Q109	ΔQ110/Q409	ΔQ110/Q109
CODO and DOFO service stations	*000' t*	142.3	157.4	128.3	-9.6%	10.9%

4 Other Business

In Q1 2010, sales revenue from other business fell by PLN 66.3m relative to Q1 2009, which was due to changes in the structure of the LOTOS Group resulting from the sale of an organised part of business in the form of the LPG Trading Division of LOTOS Gaz S.A. in December 2009 to LOTOS Paliwa Sp. z o.o.

Table 9: Operating results of other business

		Q110	Q409	Q109	ΔQ110/Q409	ΔQ110/Q109
Sales revenue	*PLN m*	6.2	35.7	72.5	-82.6%	-91.4%
Operating profit (loss)	*PLN m*	0.1	11.4	-7.0	-99.1%	-
Depreciation/amortisation	*PLN m*	2.4	1.0	0.3	140.0%	700.0%
EBITDA	*PLN m*	2.5	12.4	-6.7	-79.8%	-

5 Impact of the LIFO Inventory Valuation

In Q1 2010, on the back of the upward trend in crude oil prices which continued from mid-Q1 2010, the weighted average method of inventory valuation applied by the LOTOS Group drove up the operating result by PLN 69.3m. In the comparable period, the effect of the application of the method was higher and reached PLN 100.9m. If the LIFO method had been applied to inventory valuation, the operating result would have been -PLN 2.9m in Q1 2010 and -PLN 88.2m in Q1 2009.

Table 10: Impact of inventory valuation on operating result*

Item	PLN m	Q1 2010	Q1 2009
1.	Operating profit (loss)	66.4	12.7
2.	Effect of LIFO valuation	-69.3	-100.9
3.	Operating profit (loss) – LIFO method	-2.9	-88.2

Negative effect of LIFO valuation of PLN 69.3 m

**In line with its inventory valuation policies, the LOTOS Group uses the weighted average of the acquisition cost to measure decrease in inventories. This method of inventory valuation defers the impact of changes in oil prices on the prices of finished products. Thus, an increase in oil prices on the global market has a positive effect on the financial performance, while a decrease drives it down. The operating result accounting for the impact of this valuation method is presented as item 1 in the table below.*
The impact of the LIFO valuation is presented as item 2, and consolidated operating profit of the LOTOS Group for Q1 2010 accounting for the estimated impact of using the LIFO method (along with the comparable data for Q1 2009) is presented as item 3.

6 Statement of Comprehensive Income

Consolidated operating profit in Q1 2010 was PLN 66.4m

In Q1 2010, the LOTOS Group posted PLN 66.4m in operating profit, which represented a year-on-year improvement of PLN 53.7m.

Unrealised margin as at the end of Q1 2010 was PLN 44.0m

In Q1 2010, the economies of scale accruing from the production of Rozewie crude at Petrobaltic S.A. (an increase of 130.8% relative to Q1 2009), which boosted the upstream segment's performance, were further reinforced by a 71.7% increase in Brent dtd prices. The economies of scale also led to an increase in the unit upstream margin, which had an effect on the unrealised margin on intra-group transactions between the upstream and downstream segments. At the end of Q1 2010 the margin stood at PLN 44.0m and was related to 54.6 thousand tonnes of Rozewie crude kept as inventory of raw materials and unsold products. In Q1 2010 alone, the effect of unrealised margin on crude oil production was -PLN 6.7m. The unrealised Q4 2009 margin of PLN 37.3m related to 114.9 thousand of Rozewie crude (mainly in the form of unsold products) was realised in Q1 2010.

Loss on financing activities was PLN 62.2m

The LOTOS Group's net loss on financing activities of PLN 62.2m reported in Q1 2010 resulted chiefly from the negative valuation and settlement of market risk hedging transactions of -PLN 93.8m and the interest balance of -PLN 16.0m, adjusted by the excess of foreign exchange gains over losses in the amount of PLN 37.7m.

The total excess of the negative settlement of derivatives in Q1 2010, which was charged to finance expenses, amounted to -PLN 62.6m and included settlement of foreign exchange risk hedging transactions (forwards) of PLN 16.7m, settlement of futures executed to hedge the prices of CO_2 emission allowances of PLN 0.4m and settlement of interest rate risk hedging transactions (IRS) of -PLN 79.7m.

In Q1 2010, open (not settled) forward and futures contracts were valued at -PLN 31.2m, which included valuation of interest rate risk hedging IRSs of PLN 43.4m, valuation of embedded (currency and commodity) derivatives of PLN 3.3m, valuation of interest rate risk hedging FRAs of -PLN 0.2m, valuation of futures executed to hedge the prices of CO_2 emission allowances of -PLN 0.4m, valuation of oil products prices hedging transactions (bitumen) of -PLN 2.0m, and valuation of foreign exchange risk hedging transactions (forwards) of -PLN 75.3m.

Table 11: Oil products prices hedging transactions as at March 31st 2010

Period		Q2 2010		Q3 2010		Q4 2010	
Product/ Commodity	Index	Volume (tonne)	Price range USD/tonne	Volume (tonne)	Price range USD/tonne	Volume (tonne)	Price range USD/tonne
Light fuel oil	Gasoil .1 Cargoes CIF NWE / ARA (Platts)	-592	676.70 – 676.70	-5,274	676.70 – 693.00	-3,921	676.70 – 693.00
Heavy fuel oil	3.5 PCT Barges FOB Rotterdam (Platts)	2,692	462.00 – 462.00	23,974	460.75 – 462.00	17,821	460.75 – 462.00

Period		Q2 2011		Q3 2011		Q4 2011	
Product/ Commodity	Index	Volume (tonne)	Price range USD/tonne	Volume (tonne)	Price range USD/tonne	Volume (tonne)	Price range USD/tonne
Light fuel oil	Gasoil .1 Cargoes CIF NWE / ARA (Platts)	-2,848	715.00 - 716.00	-3,384	715.00 - 716.00	-1,213	715.00 - 716.00
Heavy fuel oil	3.5 PCT Barges FOB Rotterdam (Platts)	12,948	473.00 - 476.25	15,384	473.00 - 476.25	5,513	473.00 - 476.25

Table 12: Foreign exchange risk hedging transactions as at March 31st 2010

Currency pair	Instrument	Volume	Currency	FX rate range
EUR/USD	Forward	195,870,000	EUR	1.3370 - 1.4520
EUR/PLN	Forward	3,750,000	EUR	4.0350 - 4.1076
USD/PLN	Forward	-42,500,000	USD	2.8664 - 3.2400

Table 13: Interest rate risk hedging transactions as at March 31st 2010

Instrument	Start date	Expiry date	Nominal value	Currency	Interest rate range	Reference rate
IRS	from Oct 15 2008 to Jul 15 2011	from Jun 30 2011 to Jan 15 2018	1,280,000,000	USD	3.33% - 4.33%	6M LIBOR
FRA	from Apr 15 2010 to Jan 18 2011	from Jul 15 2010 to Apr 15 2011	900,000,000	USD	0.33% - 1.225%	3M LIBOR

In Q1 2010, net profit on continuing operations was PLN 26.8m, compared with net loss from continuing operations of -PLN 657.5m reported in Q1 2009. Net profit attributable to owners of the parent reached PLN 25.5m.

Net profit attributable to owners of the parent reached PLN 25.5m

7 Consolidated Statement of Financial Position

As at March 31st 2010, the LOTOS Group's total assets stood at PLN 15,607.6m, which means a PLN 545.1m increase for Q1 2010. In Q1 2010, non-current assets grew by PLN 321.2m, chiefly due to a PLN 330.6m increase in property, plant and equipment, mainly in connection with the implementation of the 10+ Programme at the Parent Undertaking.

Due to higher prices of crude oil and petroleum products as at the end of Q1 2010 relative to the prices as at the end of 2009, trade receivables rose by PLN 164.8m and inventories went up by PLN 65.2m, resulting in a PLN 224.5m rise in current assets.

In the discussed period, cash and cash equivalents grew by PLN 53.3m (mainly at the Parent Undertaking), prepayments and accrued income increased by PLN 28.5m, current tax receivable fell by PLN 54.4m, and current financial assets (including mostly hedging transactions) declined by PLN 32.9m.

As at March 31st 2010, equity stood at PLN 6,722.7m, having increased by PLN 8.9m within the three months of 2010, primarily due to an increase in retained earnings and a decrease in non-controlling interests connected with the acquisition of the remaining minority interests in the southern companies by Grupa LOTOS S.A.

In Q1 2010, non-current liabilities increased by PLN 253.7m, mainly owing to a PLN 304.8m rise in non-current loans and borrowings, connected primarily with the implementation of the 10+ Programme. Foreign currency debt under non-current loans at the Parent Undertaking grew in Q1 2010 by USD 98.3m. As at March 31st 2010, non-current liabilities in the LOTOS Group totalled PLN 5,883.4m, including interest-bearing loans and borrowings of PLN 5,247.4m.

As at the end of March 2010, current liabilities totalled PLN 3,001.5m, having increased by PLN 282.5m in Q1 2010, primarily due to a PLN 400.1m increase in trade payables. The change was attributable to a 24.0% increase in the volume and 26.7% increase in the value of crude oil acquired in March 2010, as compared with the crude oil acquired in December 2009. In the discussed period, other current financial liabilities increased by PLN 51.7m and at the end of Q1 2010 amounted to PLN 70.9m, of which PLN 67.7m was related to negative valuation of financial instruments.

As at the end of Q1 2010, financial debt increased by PLN 146.8m and reached PLN 5,847.9m

As at March 31st 2010, the financial debt of the LOTOS Group amounted to PLN 5,847.9m, up by PLN 146.8m on the 2009 figure. The ratio of financial debt (adjusted by free cash) to equity was 80.8%, having increased by 1.3 percentage points compared with December 31st 2009.

Table 14: Consolidated statement of financial position

		Mar 31 2010	Dec 31 2009	Change	%
Assets	***PLN m***	**15,607.6**	**15,062.5**	*545.1*	*3.6%*
Non-current assets	*PLN m*	10,252.1	9,930.9	*321.2*	*3.2%*
Property, plant and equipment	*PLN m*	9,692.6	9,362.0	*330.6*	*3.5%*
Current assets	*PLN m*	5,350.9	5,126.4	*224.5*	*4.4%*
Inventories	*PLN m*	3,088.3	3,023.1	*65.2*	*2.2%*
Trade and other receivables	*PLN m*	1,701.7	1,536.9	*164.8*	*10.7%*

Current financial assets	*PLN m*	14.1	47.0	*-32.9*	*-70.0%*
Cash and cash equivalents	*PLN m*	415.4	362.1	*53.3*	*14.7%*
Equity and liabilities	***PLN m***	**15,607.6**	**15,062.5**	*545.1*	*3.6%*
Equity	*PLN m*	6,722.7	6,713.8	*8.9*	*0.1%*
Non-current liabilities	*PLN m*	5,883.4	5,629.7	*253.7*	*4.5%*
Current liabilities	*PLN m*	3,001.5	2,719.0	*282.5*	*10.4%*

8 Consolidated Statement of Cash Flows

In Q1 2010, net cash provided by operating activities was over 7 times higher than the balance of cash flows recorded in the comparable period, mainly as a result of a PLN 464.5m increase in current liabilities.

In the discussed period, the negative cash flows from investing activities grew by PLN 489.3m, which was mainly attributable to lower (by PLN 402.0m) expenses incurred in connection with the acquisition of property, plant and equipment and intangible assets as well as lower (by PLN 91.2m) prepayments for tangible assets under construction.

In Q1 2010, net cash from financing activities declined by PLN 344.0m relative to Q1 2009. The difference was mainly attributable to lower (by PLN 356.3m) cash inflows under contracted loans and borrowings less repayments of loans and borrowings and interest paid.

Table 15: Consolidated statement of cash flows

		Q1 2010	Q1 2009	Change	%
Cash flows from operating activities	*PLN m*	410.1	56.6	353.5	624.6%
Cash flows from investing activities	*PLN m*	-372.9	-862.2	489.3	-
Cash flows from financing activities	*PLN m*	275.5	619.5	-344.0	-55.5%
Change in net cash	*PLN m*	307.2	-183.2	490.4	-
Cash and cash equivalents at beginning of period	*PLN m*	-148.6	338.4	-487.0	-
Cash and cash equivalents at end of period	*PLN m*	158.6	155.2	3.4	2.2%