

Business profile and scope

The LOTOS Group is a leader in production and sales of engine oils, modified bitumens and paraffin in Poland.

The LOTOS Group is a vertically integrated oil company, whose business encompasses exploration for and production of crude oil, processing of crude oil, as well as wholesale and retail sale of high-quality petroleum products. Grupa LOTOS is a major producer and supplier of such products as unleaded petrol, diesel oil and aviation fuel; we are also Poland's leading producer and supplier of engine oils, modified bitumens and paraffins. We operate a nationwide chain of petrol stations under the LOTOS brand.

Grupa LOTOS is incorporated as a joint-stock company, whose shares have been listed on the Warsaw Stock Exchange (WSE) since June 2005.

We operate across Poland and abroad. Grupa LOTOS is the parent company of the LOTOS Group which undertakes the management of the Gdańsk refinery. It comprises such companies as LOTOS Czechowice and LOTOS Jasło (both based in southern Poland), LOTOS Petrobaltic (engaged in exploration for and production of crude oil and natural gas from the floor of the Baltic Sea), as well as 14 other subsidiaries using the LOTOS trademark. Two of them are domiciled abroad – in Lithuania (LOTOS Baltija) and Norway (LOTOS Exploration and Production Norge AS). Both operate in the E&P segment, one on the Baltic Sea and the other on the Norwegian Continental Shelf.

The LOTOS Group's headcount as at the end of 2010 was 5,010 employees. Our sales of petroleum products grew in 2010 from nearly 7.6 million tonnes in 2009 to some 8.8 million tonnes. Over that period, the LOTOS Group's share in the total fuel market increased from 28.3% to 31.3%. Sales revenue for 2010 amounted to PLN 19.7bn, which represented a 37% growth relative to the previous year.

Adherence to the concept of sustainable development and socially responsible business constitutes an integral element of the operations of Grupa LOTOS across all their areas: the Company seeks to minimise its environmental impact, values the intellectual capital and experience of its employees and is committed to furthering the welfare of society.