

The Management Board of KGHM Polska Miedź S.A., based on the financial results of the Company after the first 11 months of 2011, and on verified assumptions with respect to macroeconomic conditions, effects of the measurement of derivatives and exchange differences, hereby presents the adjusted forecast of financial results for 2011.

The adjusted forecast anticipates the achievement in 2011 of revenues from sales in the amount of PLN 20 084 million, and profit for the period of PLN 11 192 million, meaning an increase in the planned results respectively by 6% and 16% in relation to the forecast published in the current report dated 5 September 2011.

Following are details of the adjusted basic forecast assumptions:

		Forecast dated 5 September 2011	Adjusted forecast	Change % Forecast of 5 Sept 2011=100
Sales	million PLN	18 934	20 084	106.1
Profit for the period	million PLN	9 643	11 192	116.1
Average annual copper price	USD/t	9 000	8 827	98.1
Average annual silver price	USD/troz	32.00	35.11	109.7
USD/PLN exchange rate	USD/PLN	2.80	2.97	106.1
Capital expenditure	million PLN	1 732	1 645	95.0
Equity investments	million PLN	10 757	642	6.0

The increase in forecast revenues and profit for the period is primarily due to the higher price and sales volume of silver, a more favourable USD/PLN exchange rate and gains on exchange differences, which had a substantial impact on the result on other operating activities.

The result on exchange differences and on the measurement of derivatives is particularly sensitive to changes in macroeconomic parameters. This is due mainly to the high level of hedging of future revenues and to the substantial cash position in foreign currency (to be used in the realisation of resource projects). Consequently, taking into consideration the current high volatility in macroeconomic parameters, the result on other operating activities in 2011 will depend on the actual level of metals prices and the exchange rate at the end of the current year, and may vary substantially from the amounts assumed in this forecast.

The decrease in the planned level of investment expenditures in 2011 is related to the deferment of these expenditures to 2012, both in the case of equity investments (the Company assumes that the acquisition of Quadra FNX will be finalised in the first quarter of 2012) as well as capital expenditure.

Realisation of this forecast will be monitored by the Company on an on-going basis. Should there occur significant deviation from the forecasted financial results, the Company will make an adjustment to the forecast and will publish it in the form of a current report.

Legal basis: § 5 sec. 1 point 25 of the Decree of the Minister of Finance dated 19 February 2009 regarding current and periodic information published by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state (Journal of Laws from 2009 No. 33, item 259 with subsequent amendments)