



KGHM

POLSKA MIEDŹ S.A.

**Company results
for Q3 2007**

*Presentation for Analysts Meeting
9 November 2007*

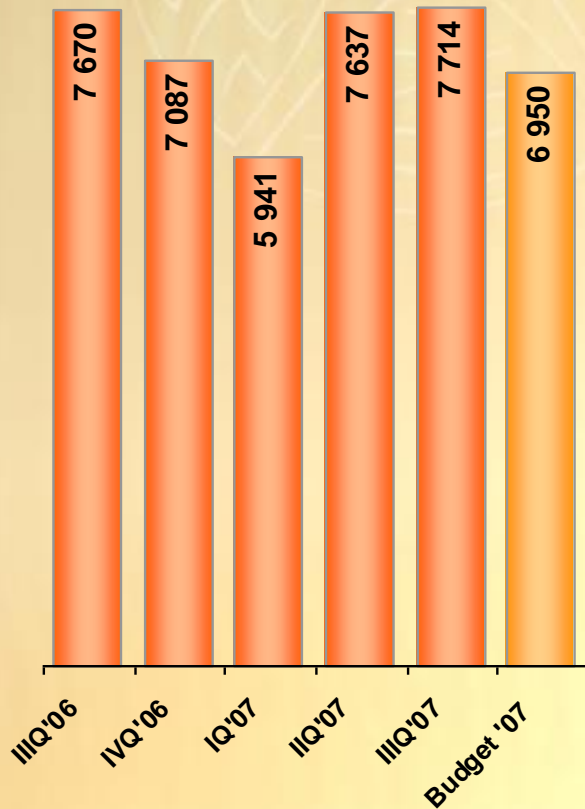
November 2007

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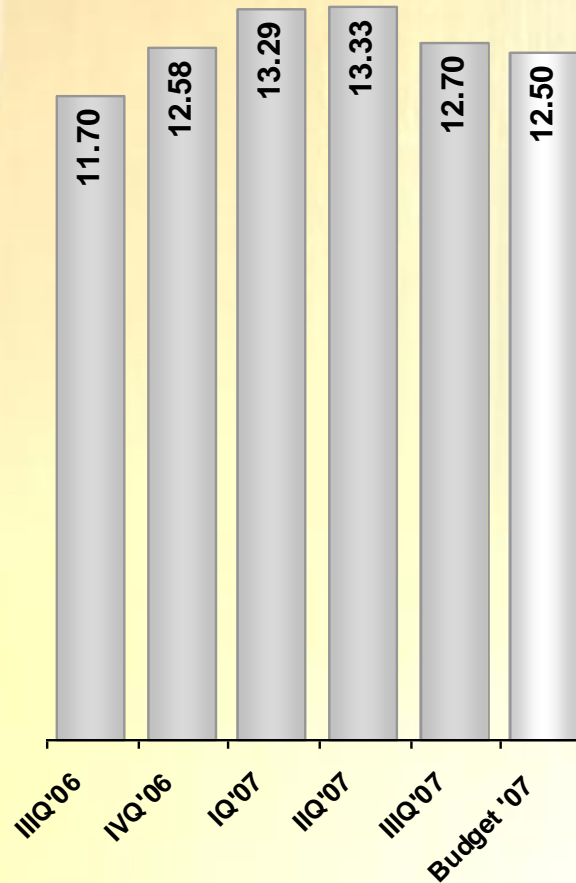
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Macroeconomic conditions

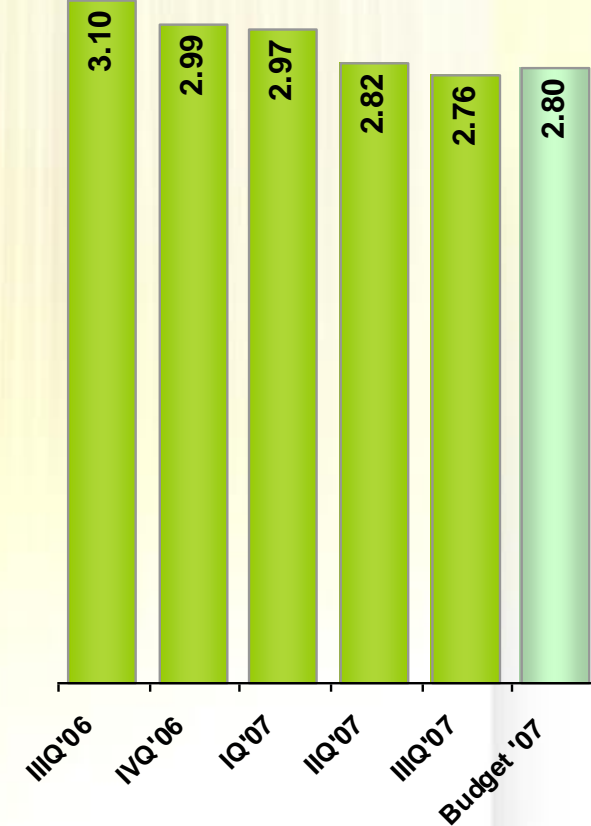
Copper prices
USD/t



Silver prices
USD/troz



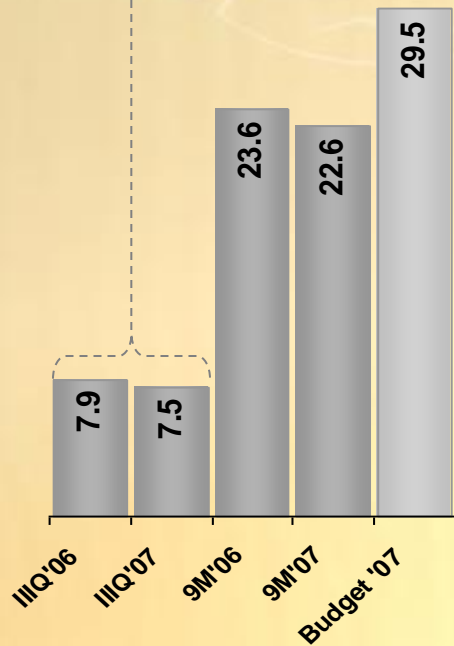
Exchange rate
PLN/USD



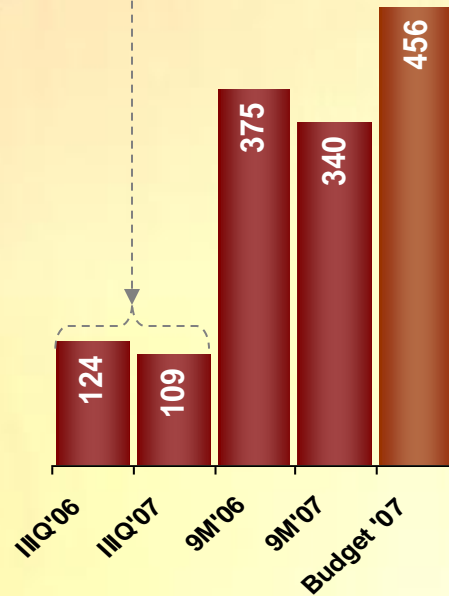
Production results

Ore extraction
(mln t d.w.)

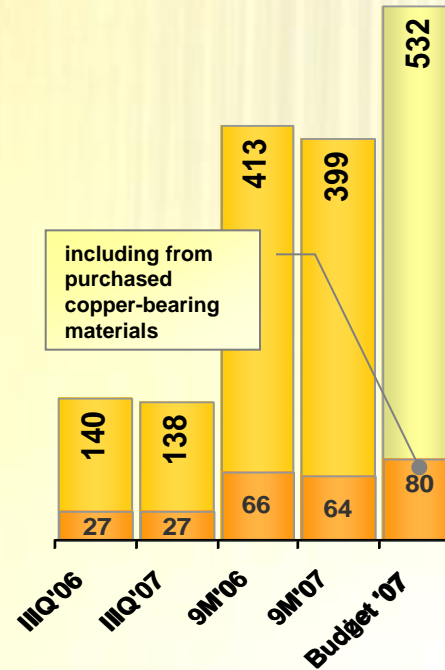
A decrease in copper content in ore from 1.78% to 1.64%



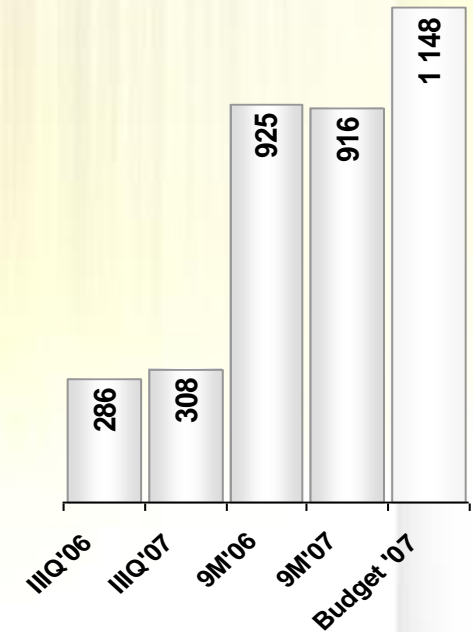
Copper production
in concentrate
(‘000 t)



Electrolytic
copper production
(‘000 t)



Metallic silver
production
(t)

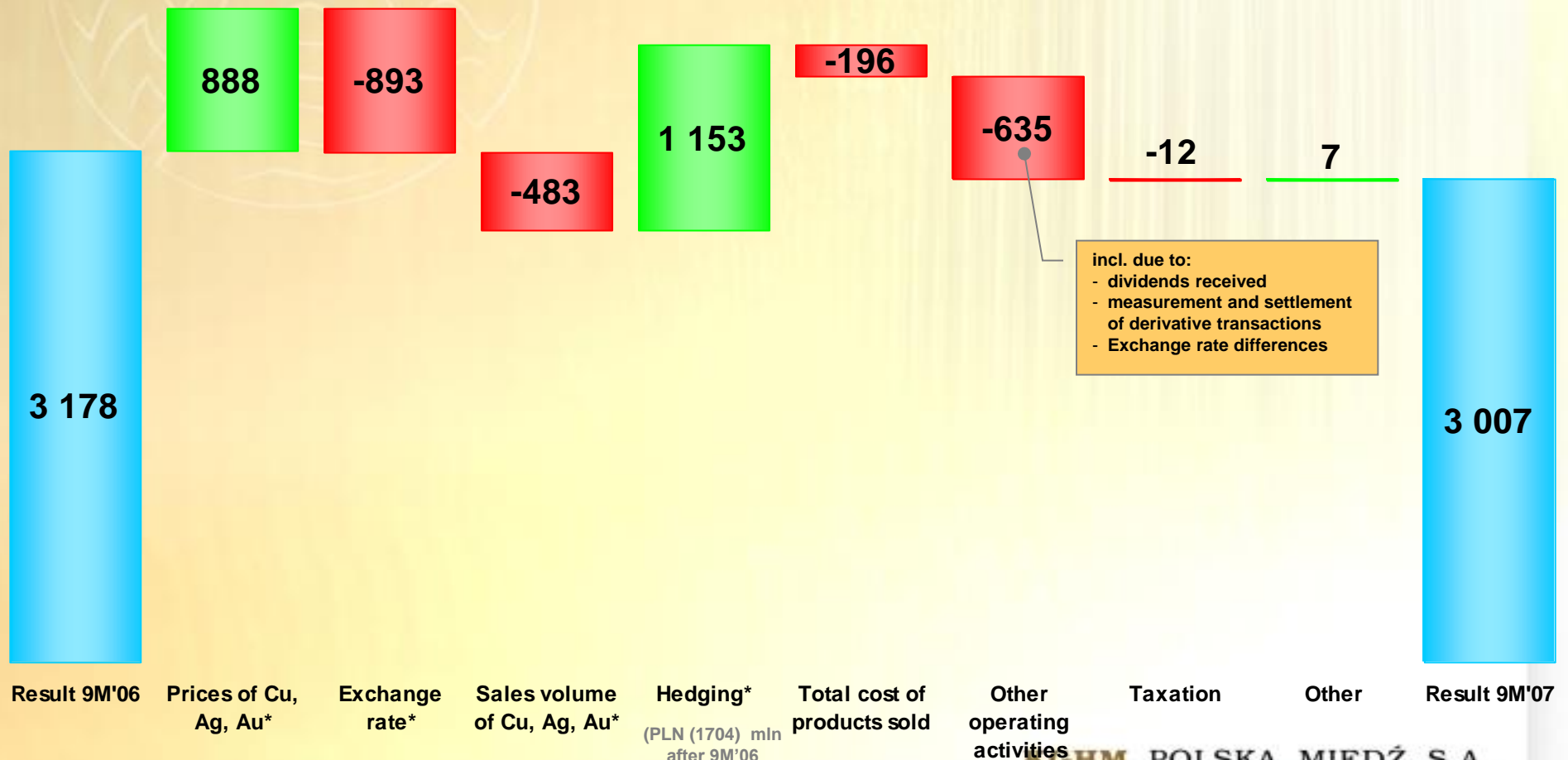


Financial results (mIn PLN)

	IIIQ'06	IIIQ'07	9M'06	9M'07	Budget '07
Revenues from sales (excluding effects of hedging transactions)	4 112	3 342	10 645	9 821	12 409
Adjustment of revenues due to effects of hedging transactions	(773)	69	(1 704)	(551)	(555)
Sales (including effects of hedging transactions)	3 339	3 411	8 941	9 271	11 854
Basic operating costs	2 087	1 903	5 574	5 424	7 241
Other operating costs	(71)	(79)	484	(151)	(48)
Operating profit	1 182	1 428	3 852	3 695	4 565
Profit before taxation	1 175	1 420	3 835	3 675	4 524
Income tax	227	257	657	668	842
Profit for the period	948	1 163	3 178	3 007	3 682
<i>EBITDA</i>	1 276	1 534	4 132	4 005	4 985

Financial results (mIn PLN)

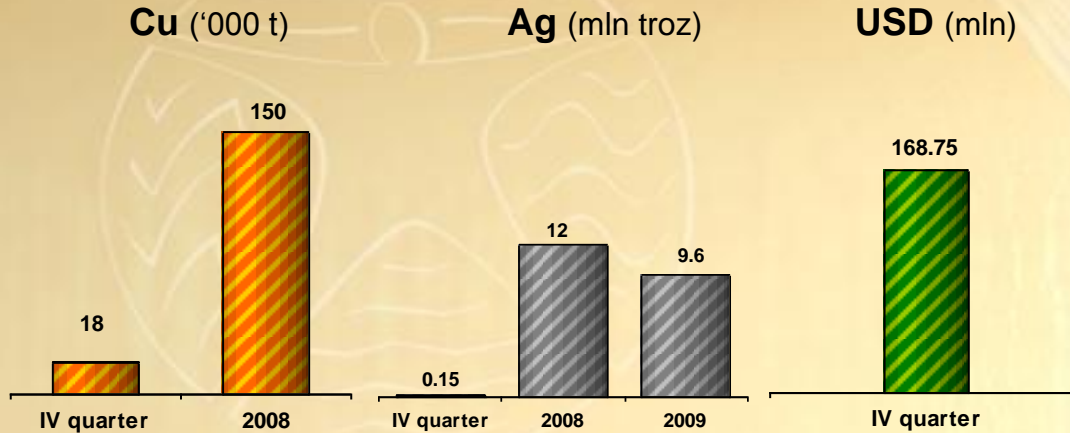
A decrease in net profit versus the first 9 months of 2006 by PLN 171 mln



* Effect on revenues from product sales

Risk management

Volume/nominal value of hedges – at 30.09.2007

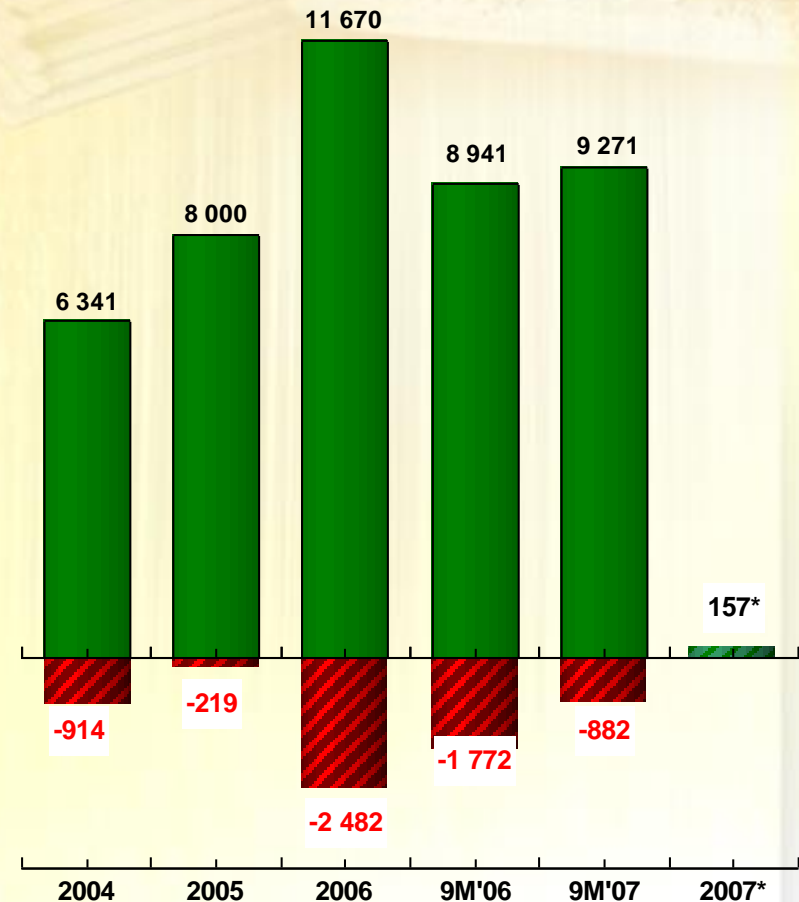


Since 2006 the Company has been using hedging instruments enabling participation in price rises

Hedging transactions entered into during first 9 months of 2007:

- 150 tonnes of copper in 2008 with put options
- 19.2 m troz hedging transactions on silver (put options)
- USD 300 mln for H2 of 2007 with forwards

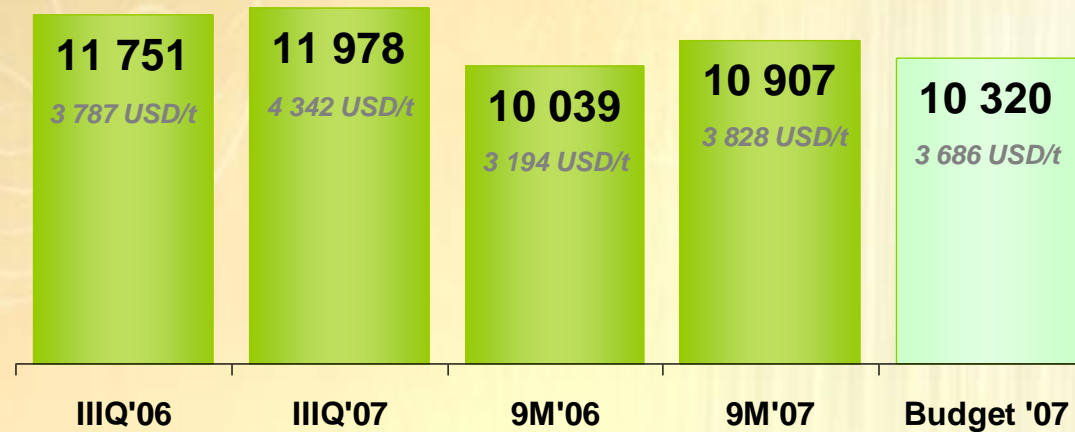
Revenues & results on hedging transactions (mln PLN)



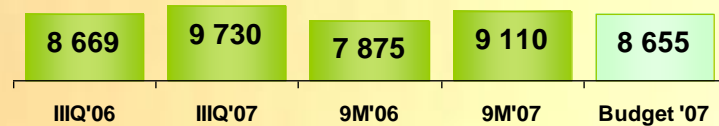
* Fair value of open positions in derivatives at 30 September 2007

Unit cost of electrolytic copper production (PLN/t)

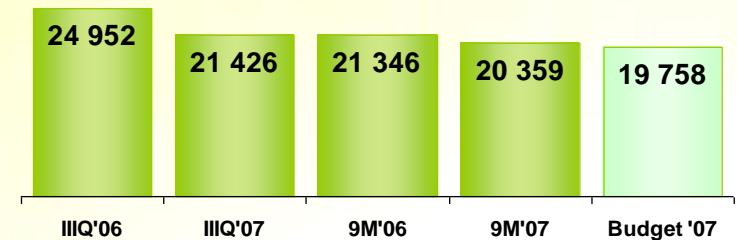
Unit cost of electrolytic copper production



... from internal charges

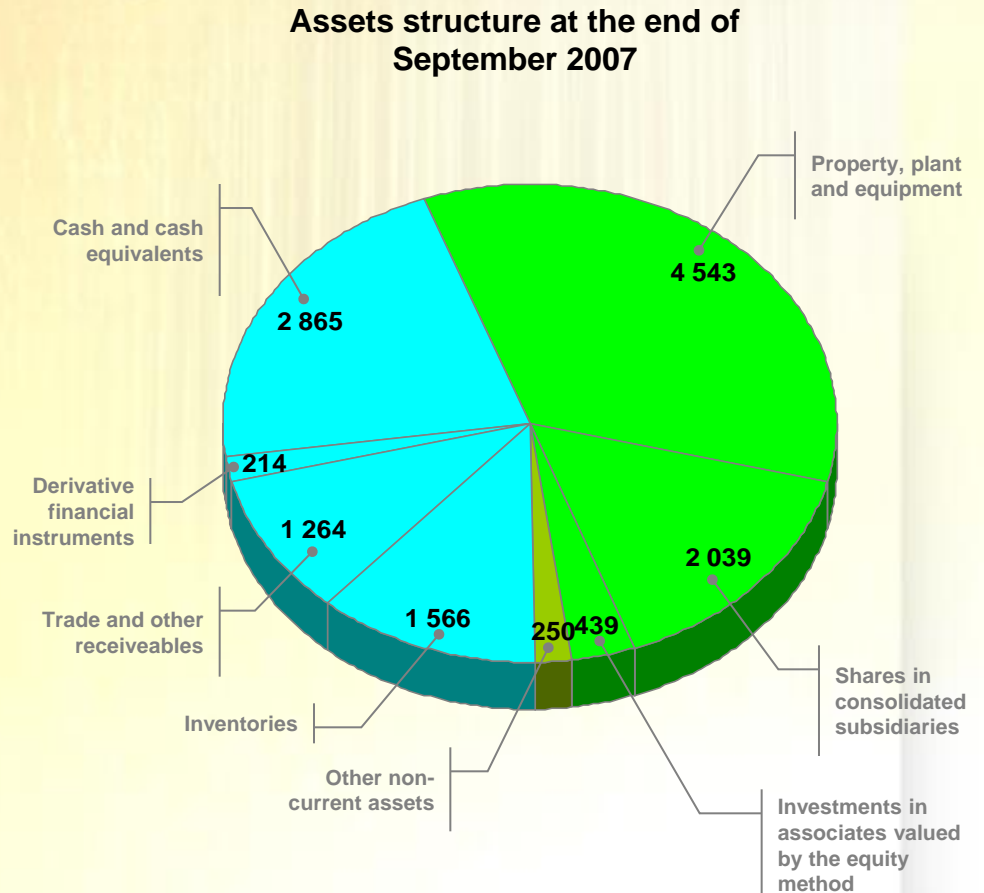
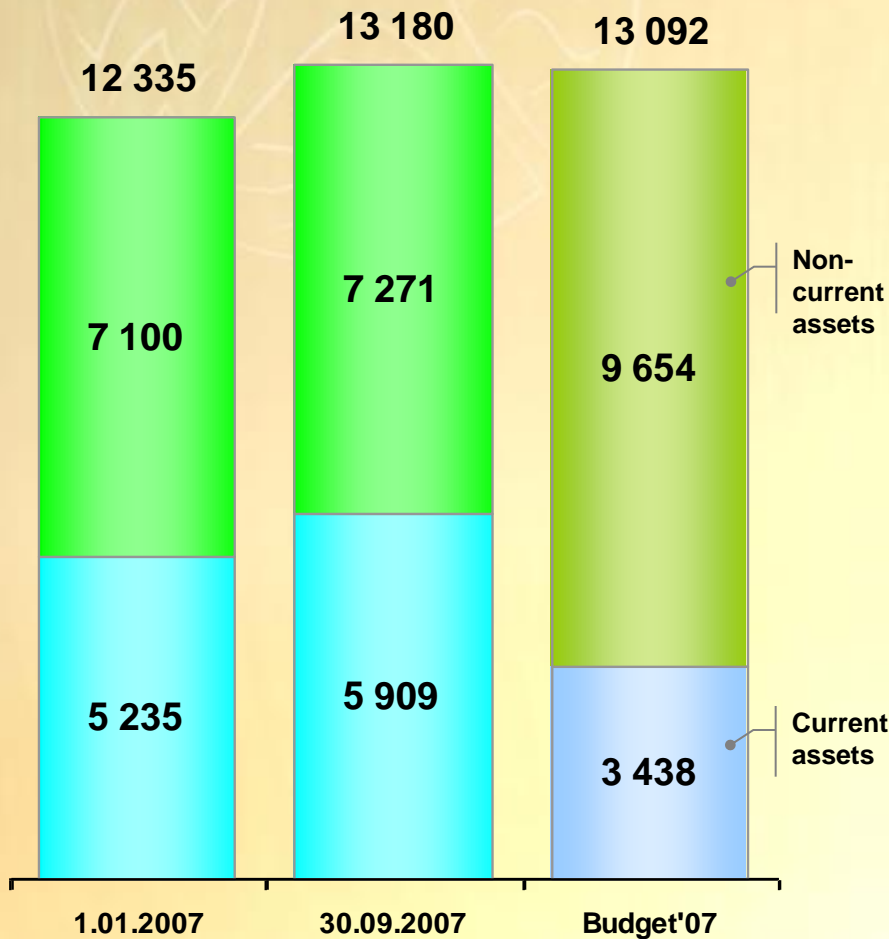


... from purchased copper-bearing materials



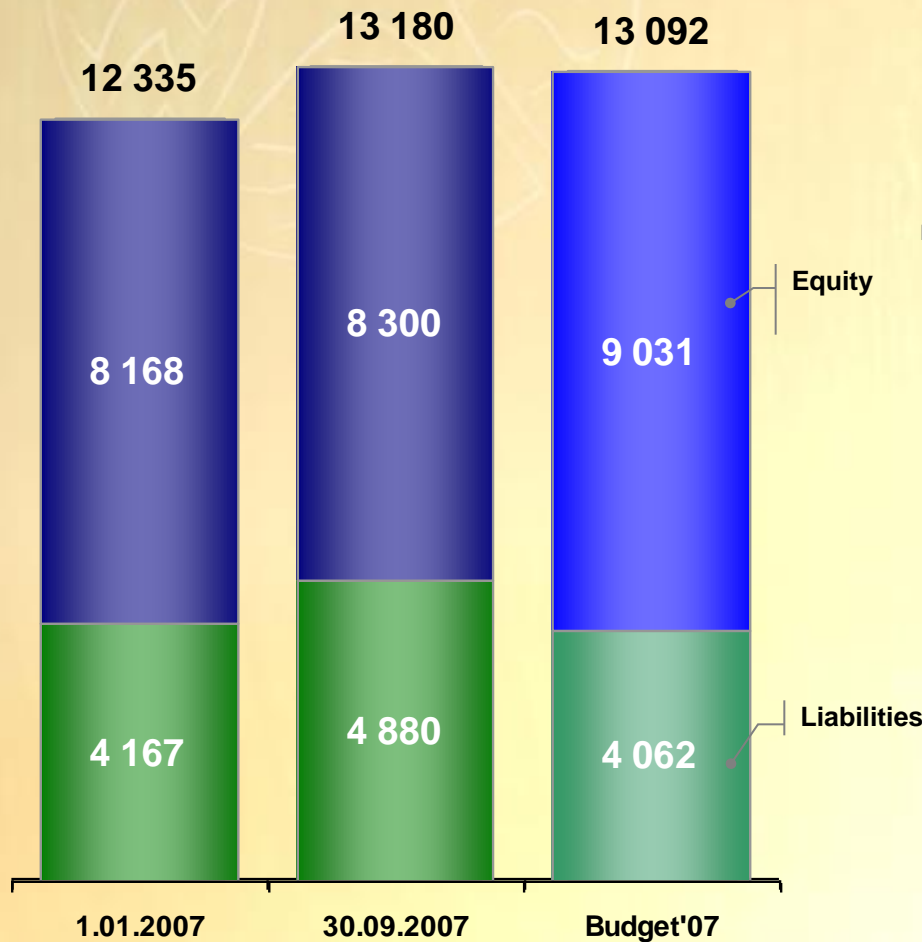
Balance sheet - Assets (mln PLN)

An increase in Company assets after the first 9 months of 2007 by PLN 845 mln, i.e. by 7%

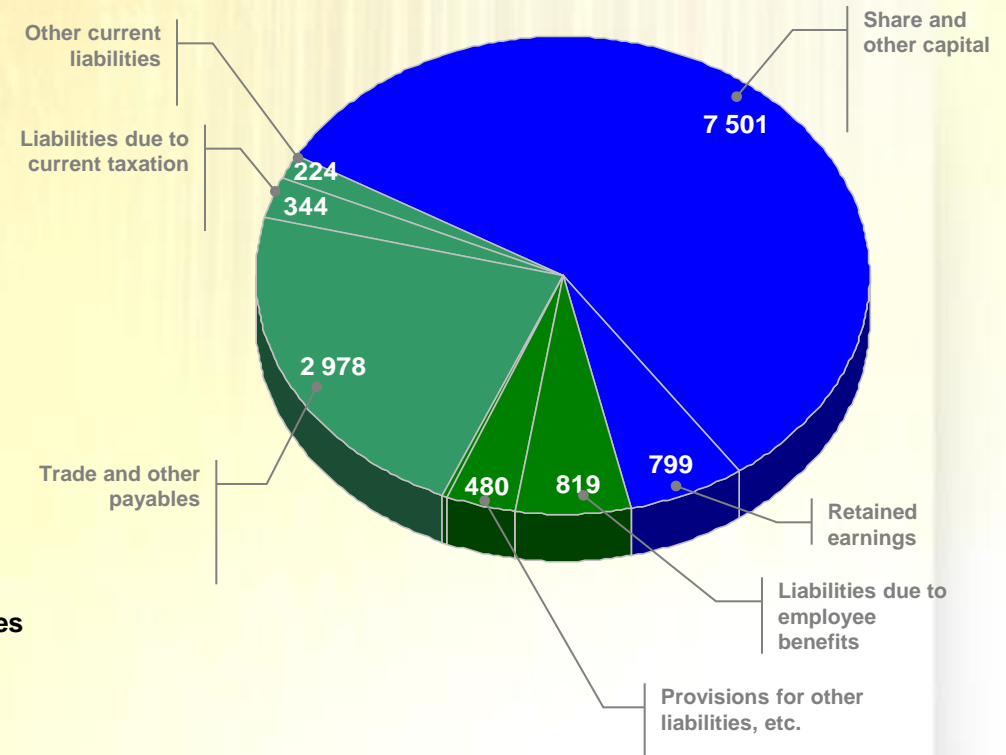


Balance sheet – Equity and Liabilities (mIn PLN)

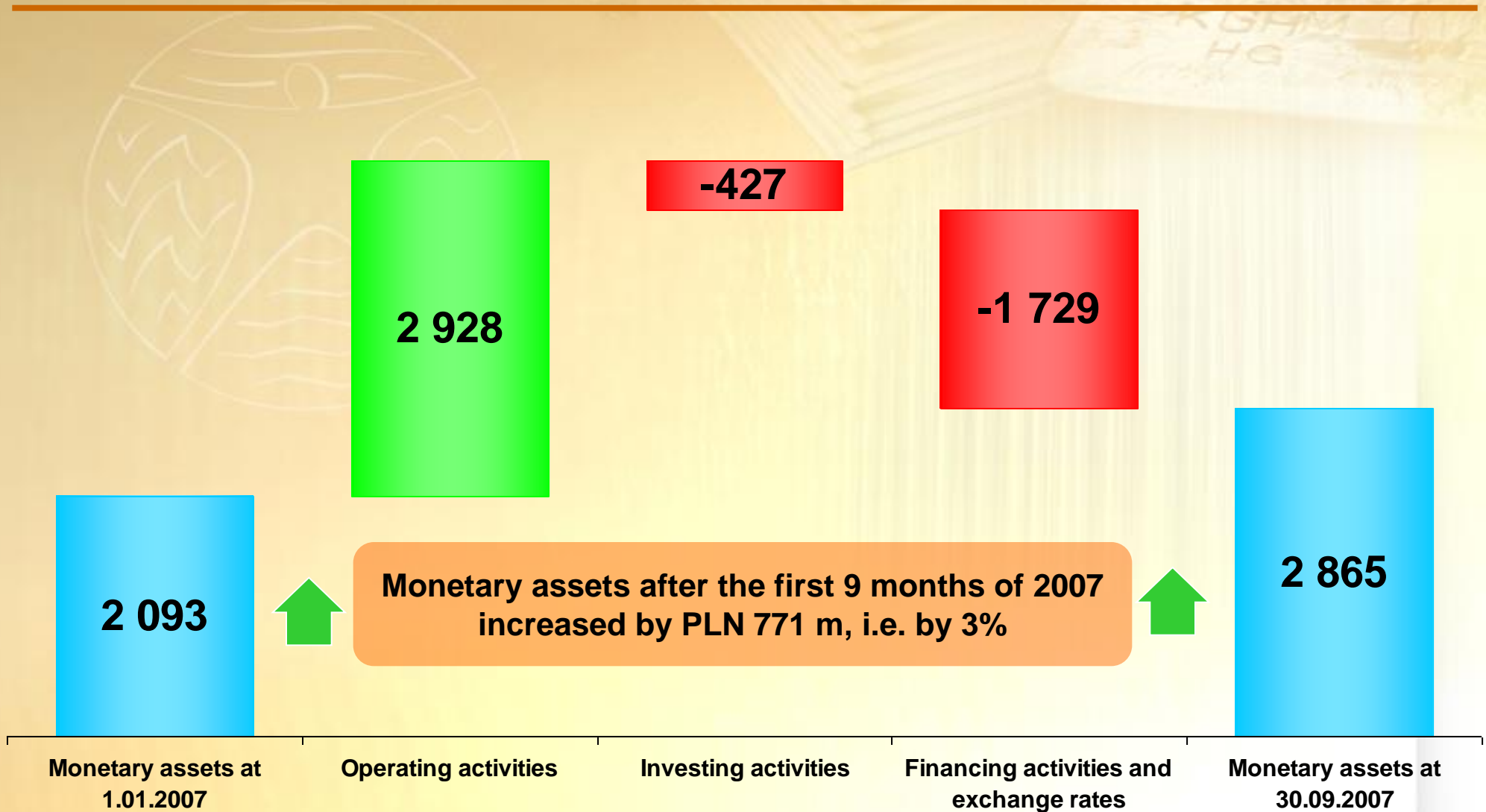
An increase in Company equity and liabilities after the first 9 months of 2007 by PLN 845 mln, i.e. by 7%



Equity and liabilities structure at the end of September 2007



Cash flow (mIn PLN)





Thank you

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