



KGHM
POLSKA MIEDŹ S.A.

Company Results

for Q1 2008

*Presentation for Analysts Meeting
12 May 2008*

May 2008

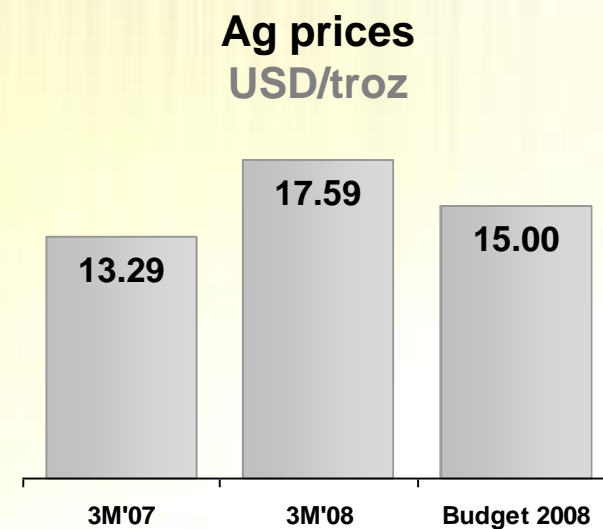
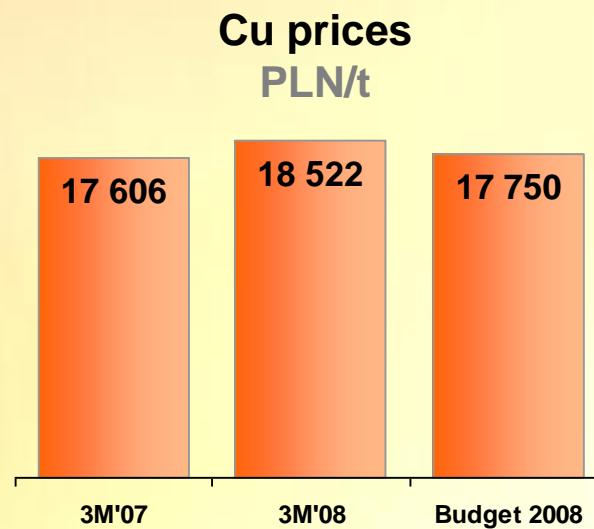
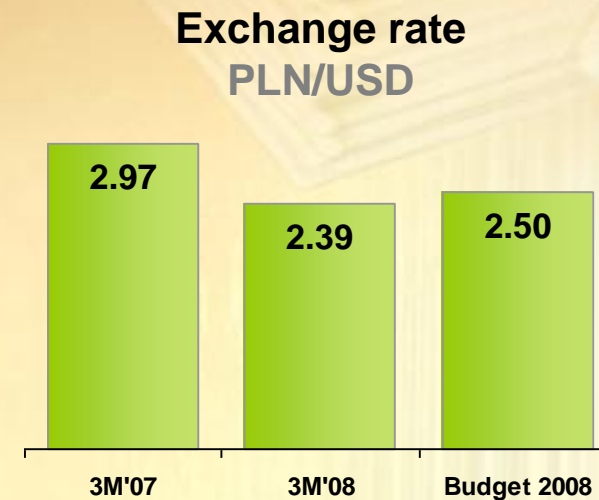
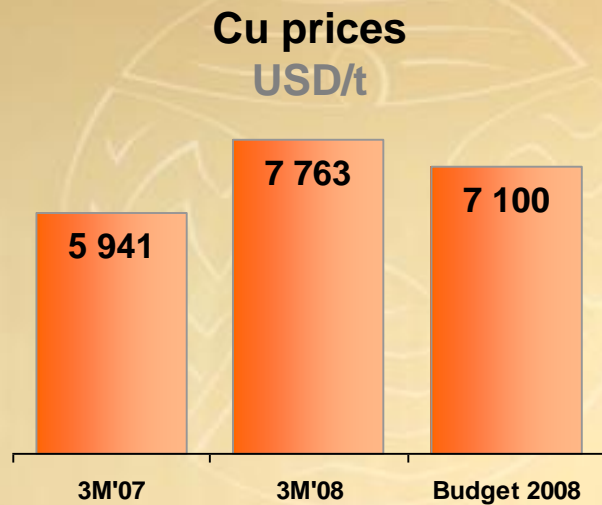
Contents

- **Consolidated financial result for Q1 2008**
- **Company results for Q1 2008**
 - **Macroeconomic conditions**
 - **Production results**
 - **Financial results**
 - **Risk management**
 - **Budget 2008**
 - **Sales sensitivity**
 - **Costs by type and unit cost**
 - **Balance sheet**
 - **Cash flow**
 - **Basic indicators**

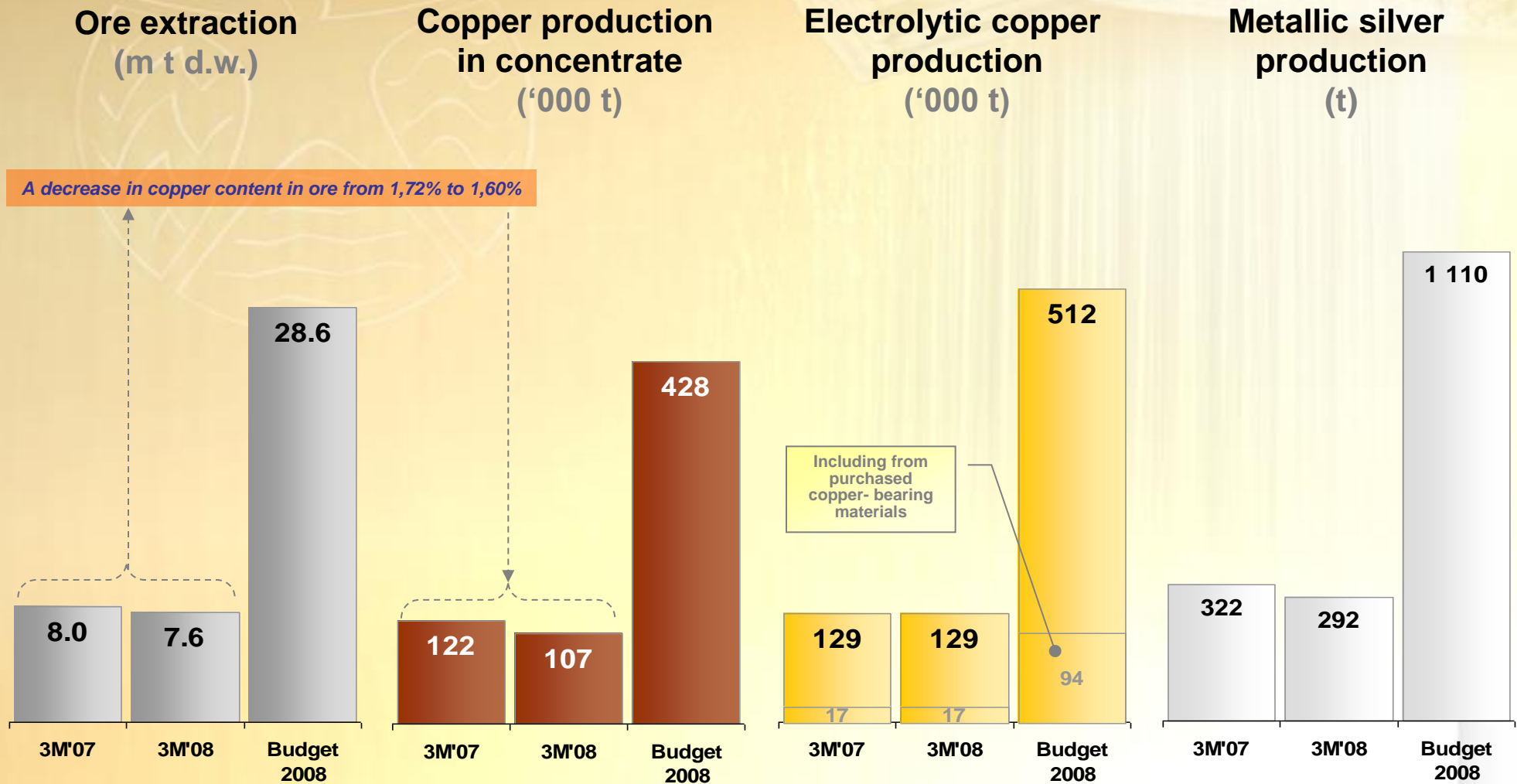
Consolidated financial result for Q1 2008 (mPLN)

	Consolidated Result 3M'07	Consolidated result 3M'08	Result 3M'08
Revenue from sales	2 930	3 340	3 002
Basic operating costs	1 901	2 151	1 836
Net profit from sales	1 029	1 189	1 167
Result on other operating activities	-109	-180	1
Operating profit	919	1 009	1 168
Result on financial activities	-8	-12	-9
Share of profits of associates accounted for using the equity method	54	71	x
Profit before taxation	966	1 067	1 158
Income tax	173	189	176
Net profit	792	877	982
EBITDA	1 062	1 173	1 284

Macroeconomic conditions



Production results

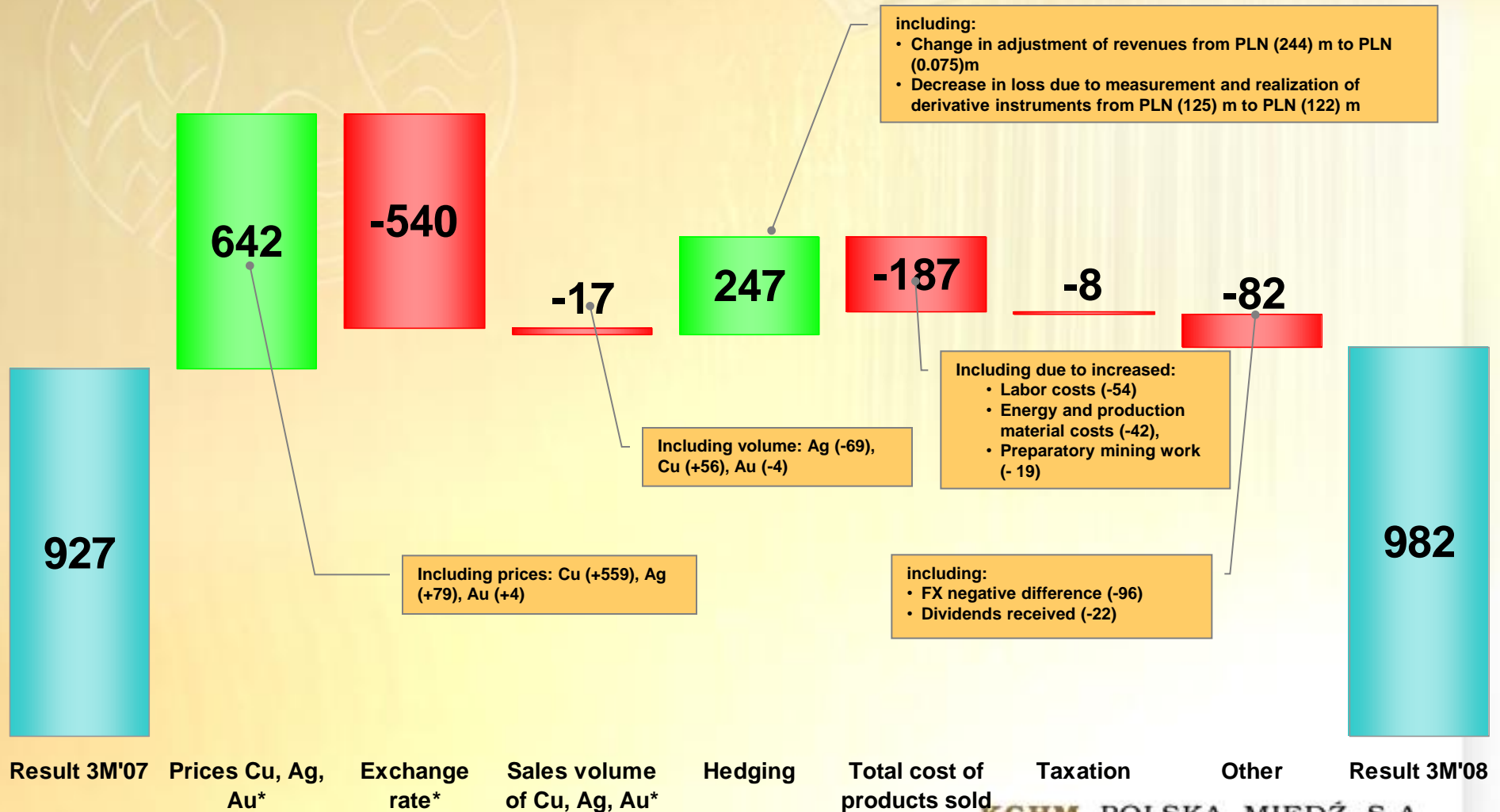


Financial results (mPLN)

	3M'07	3M'08	Budget 2008
Revenues from sales	2 643	3 002	11 193
Including adjustment of revenues by the effects of hedging transactions	(244)	0	+9
Basic operating costs	1 644	1 836	7 816
Net profit from sales	1 000	1 167	3 376
Result on other operating activities	101	1	205
Operating profit	1 101	1 168	3 582
Result on financial activities	(6)	(9)	(27)
Profit before taxation	1 095	1 158	3 555
Income tax	168	176	651
Net profit	927	982	2 904
<i>EBITDA</i>	<i>1 202</i>	<i>1 284</i>	<i>4 077</i>

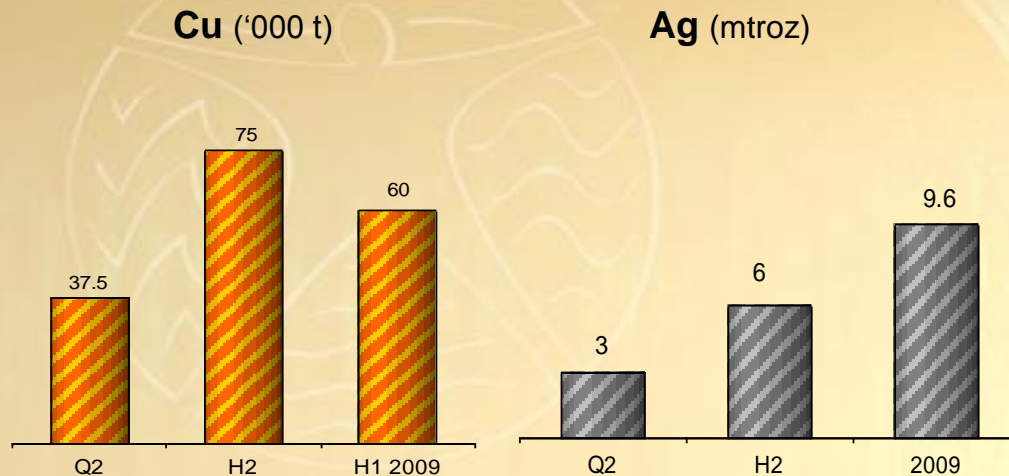
Financial results (mPLN)

An increase in net profit by PLN 55 m versus Q1 2007 results



Risk management

Nominal hedged volume – position held at 31.03.2008

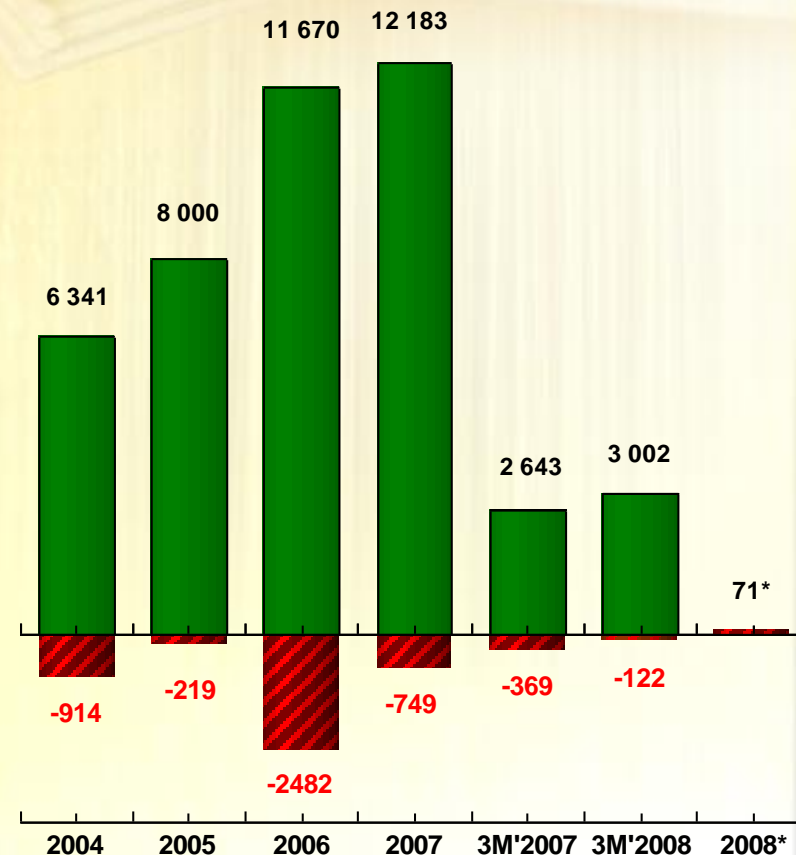


Since 2006 the Company has been using hedging instruments enabling participation in price rises

Hedging transactions entered into in Q1 2008:

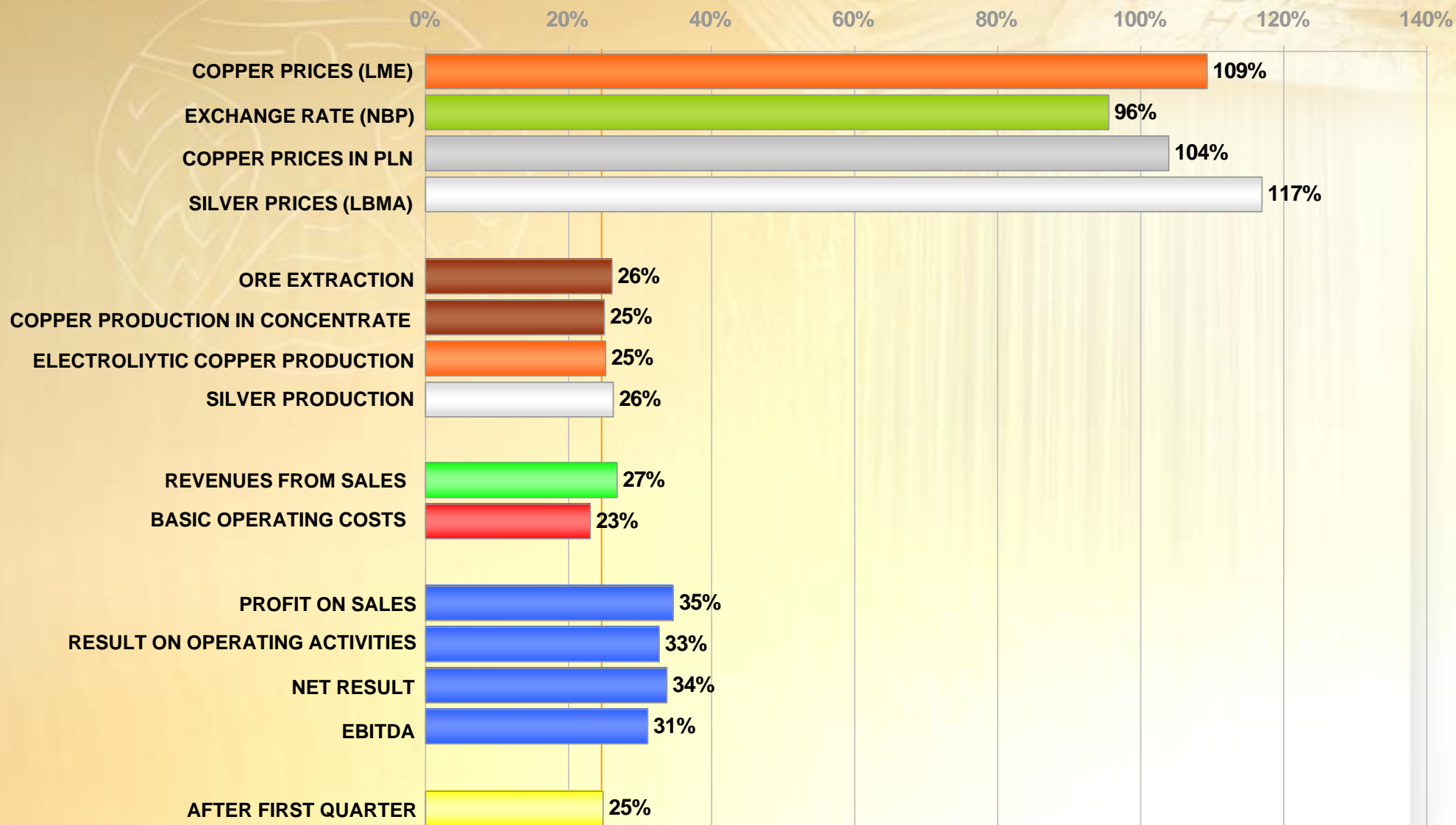
- 60 000 tonnes of copper in H1 2009 using options

Revenues & results on hedging transactions (mPLN)



* Fair value of open positions in derivatives at 31 March 2008

Execution of Budget 2008

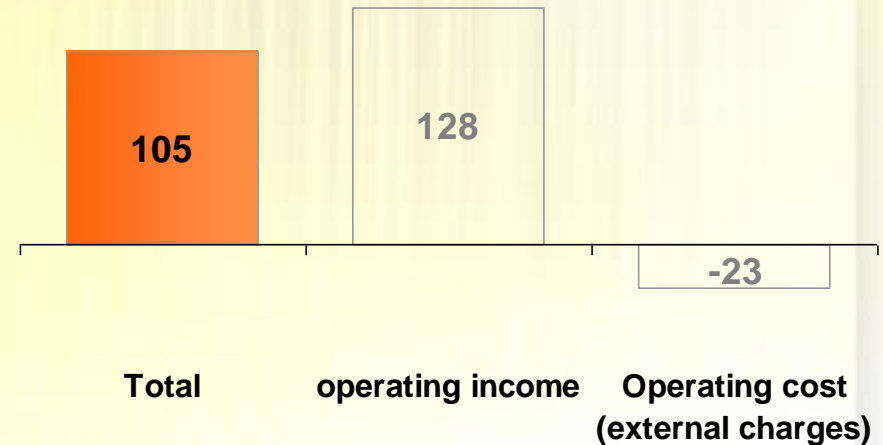
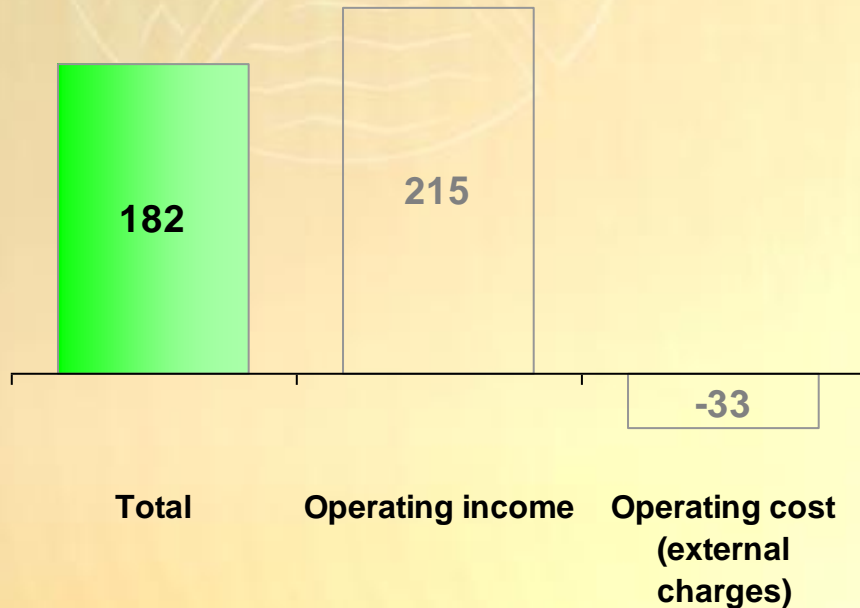


Sales sensitivity (mPLN)

Based on Budget 2008

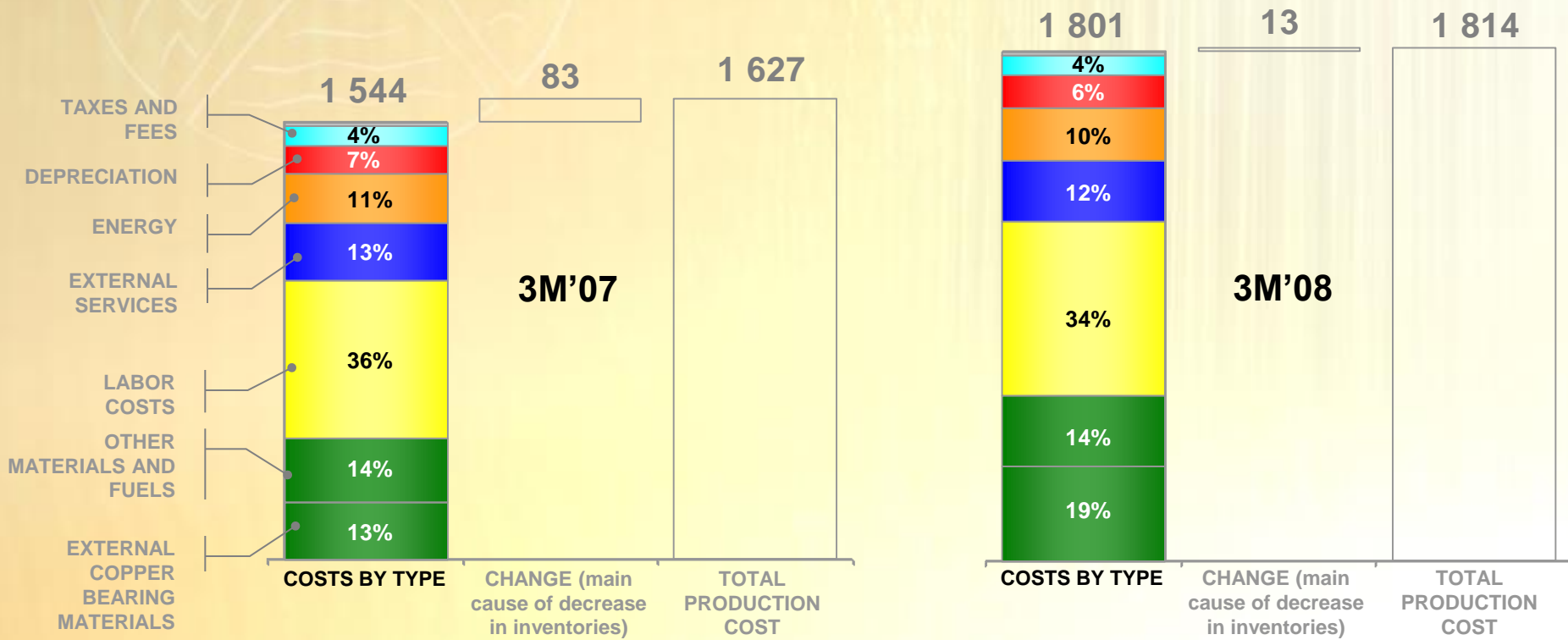
A change in the average annual exchange rate by PLN 0.05 /USD (2.0%) in 2008 causes a change in profit before tax of PLN 182 m

A change in average annual copper prices by 100 USD/t (1.4%) in 2008 causes a change in profit before tax of PLN 105 m



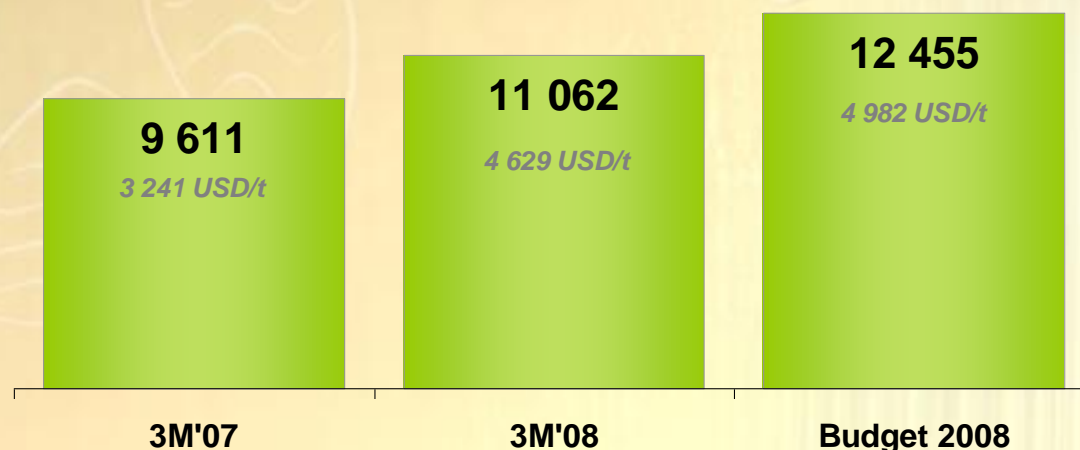
Costs by type (mPLN)

An increase in costs by type versus 3M'07 by PLN 257m, i.e. by 17%
 An increase in total production cost by PLN 187 m i.e. by 12%

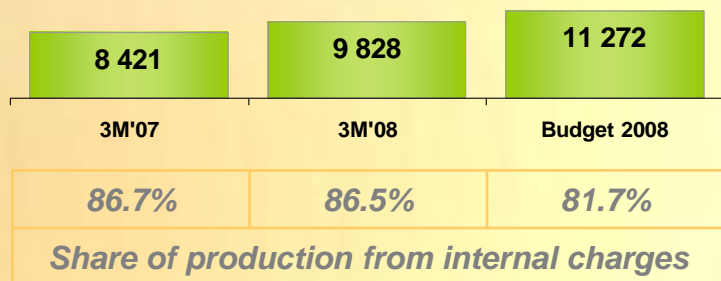


Unit cost of electrolytic copper production (PLN/t)

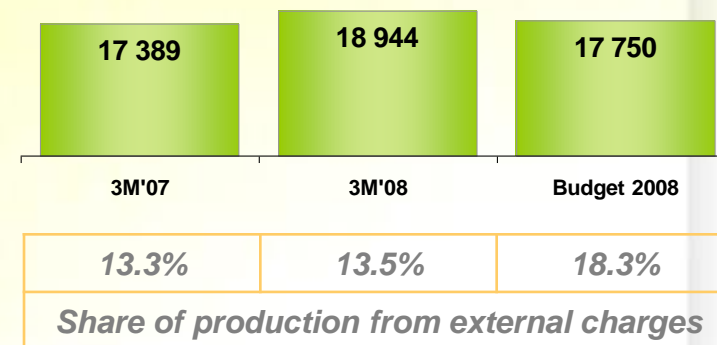
Unit cost of electrolytic copper production



... from internal charges

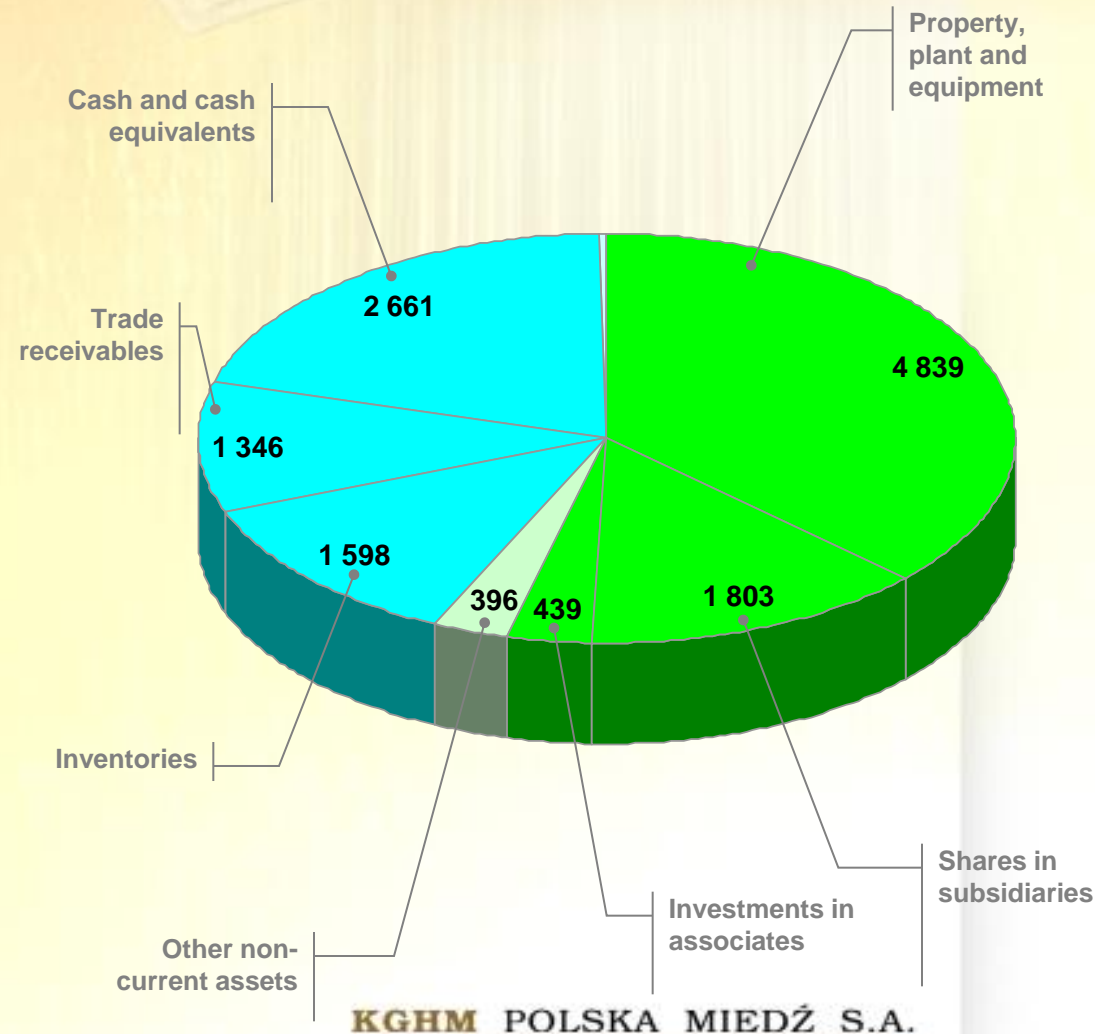
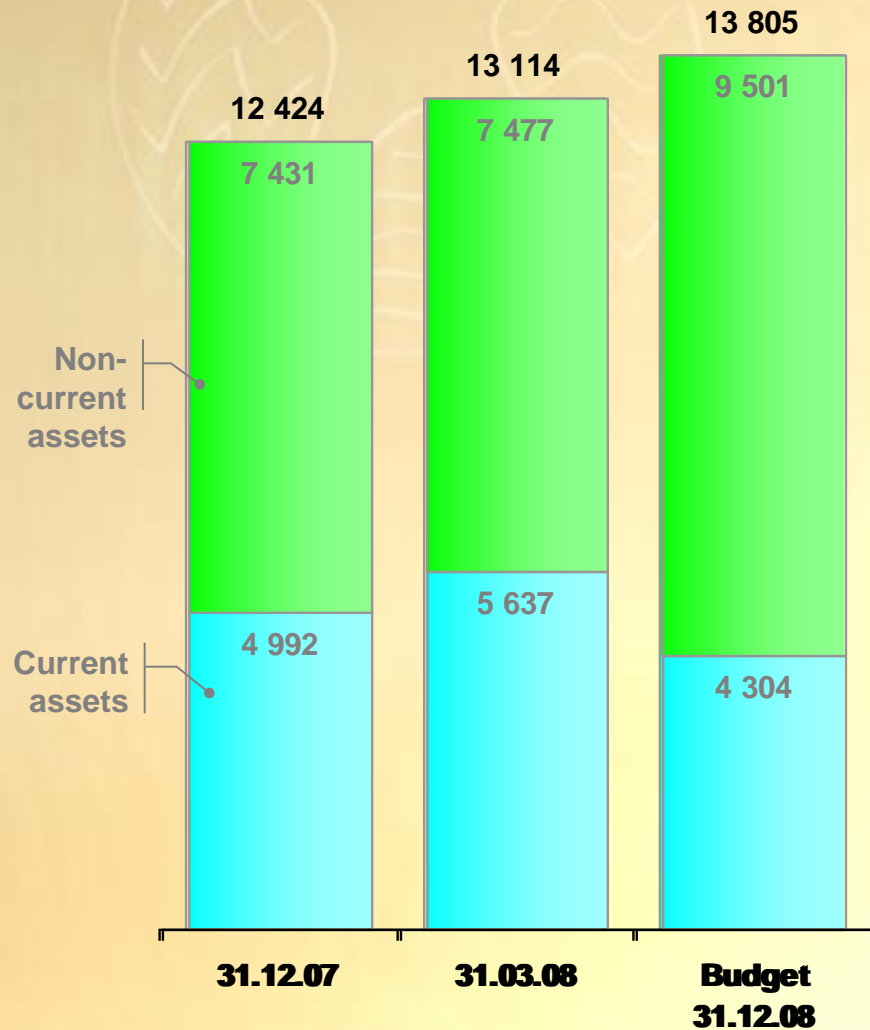


... From purchased copper-bearing materials



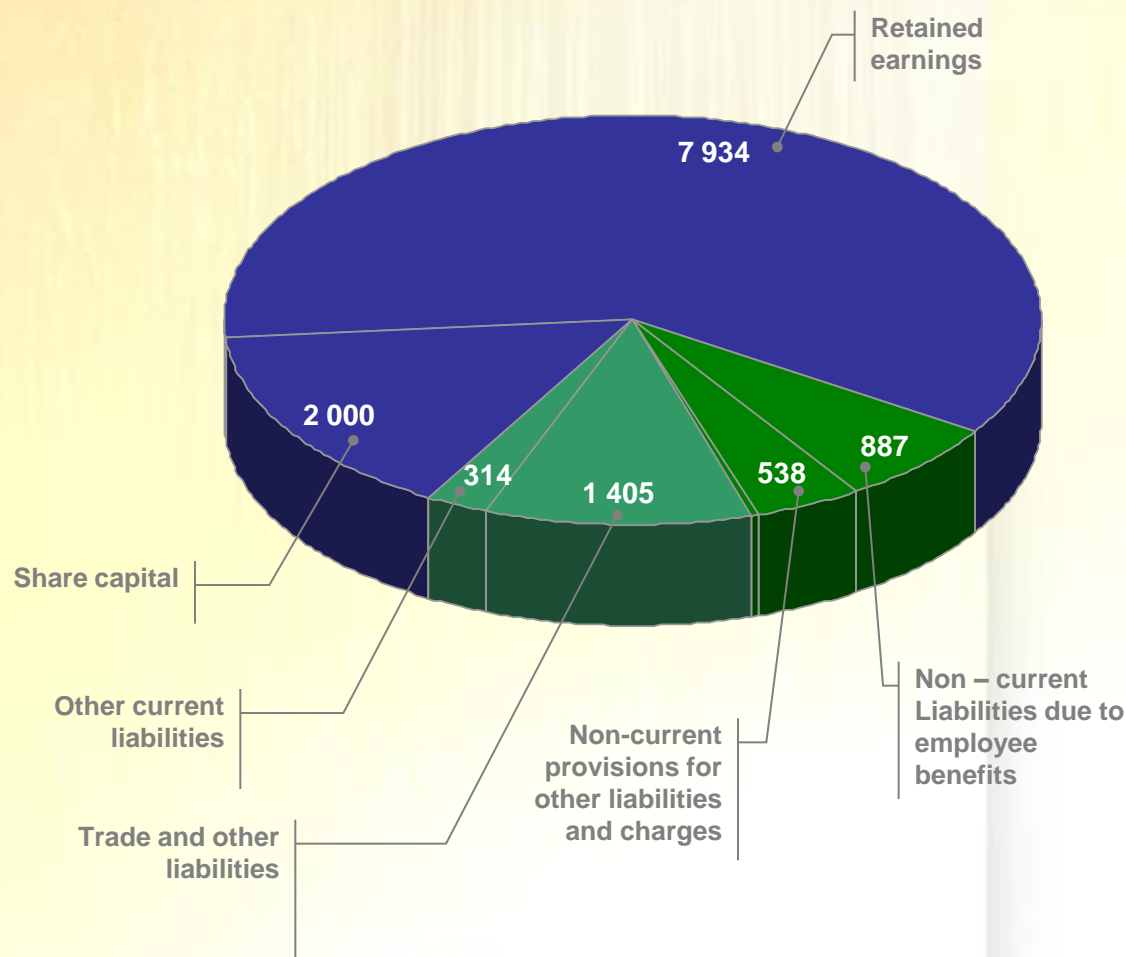
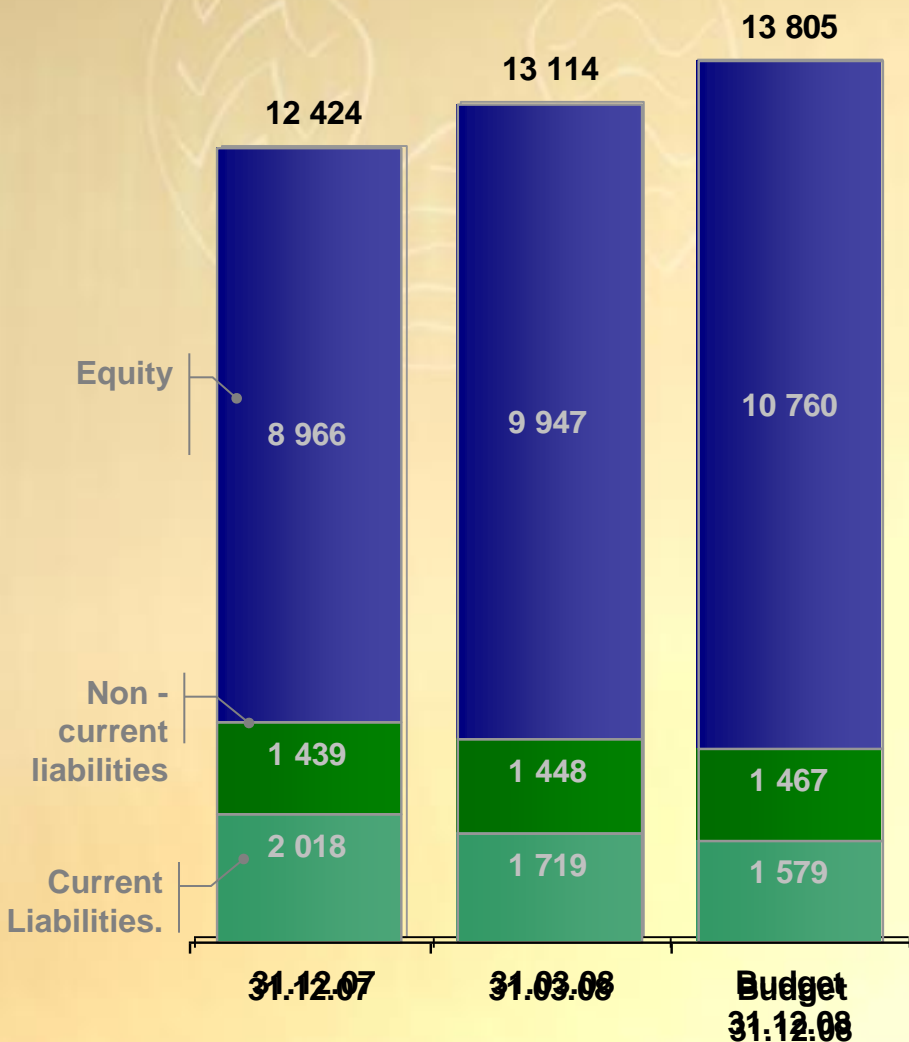
Balance sheet - Assets (mPLN)

An increase in Company assets in Q1 2008 by PLN 691 m, i.e. by 6%

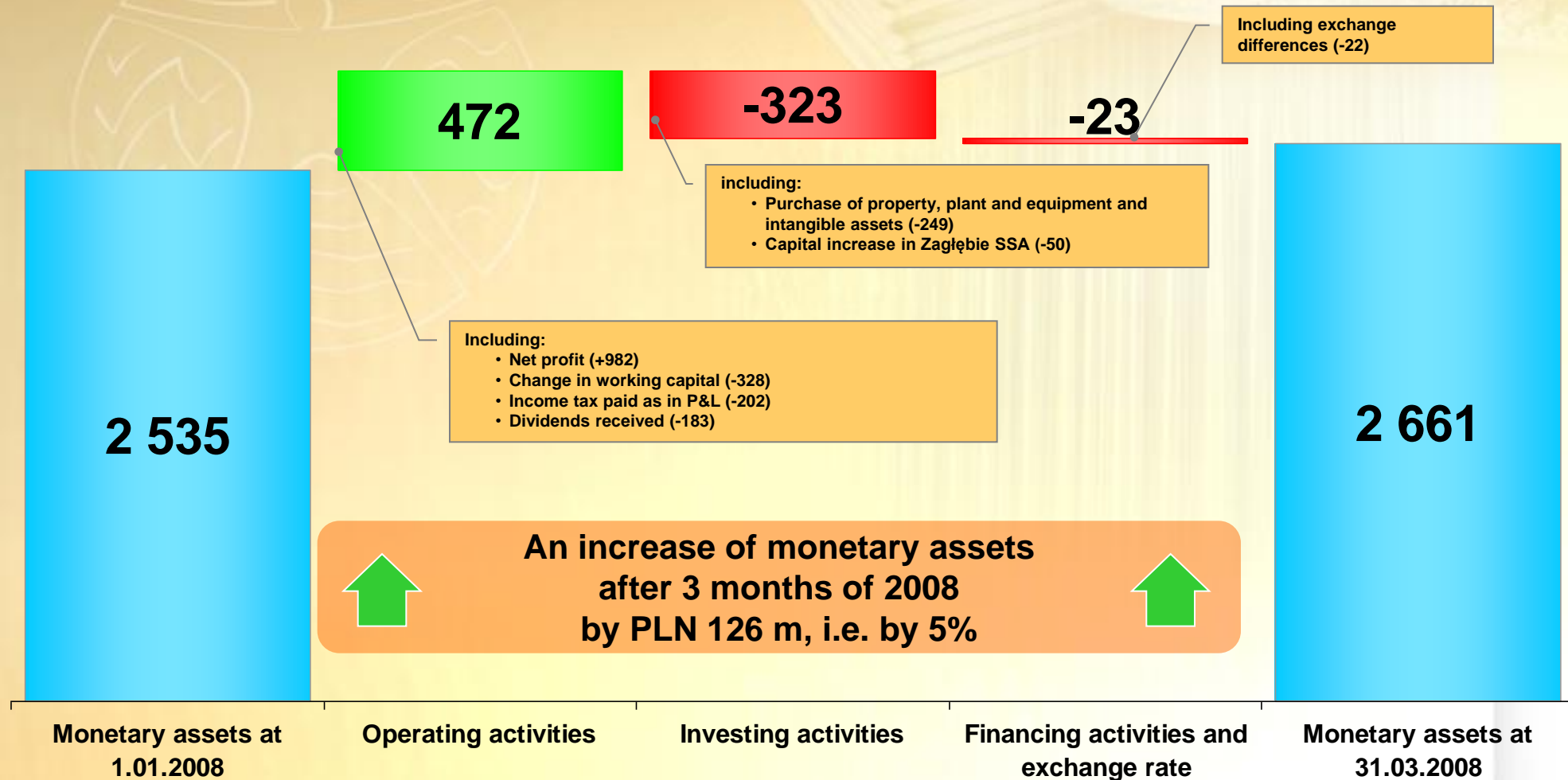


Balance sheet – Equity and Liabilities (mPLN)

An increase in Company equity and liabilities in Q1 2008 by PLN 691 m, i.e. by 6%

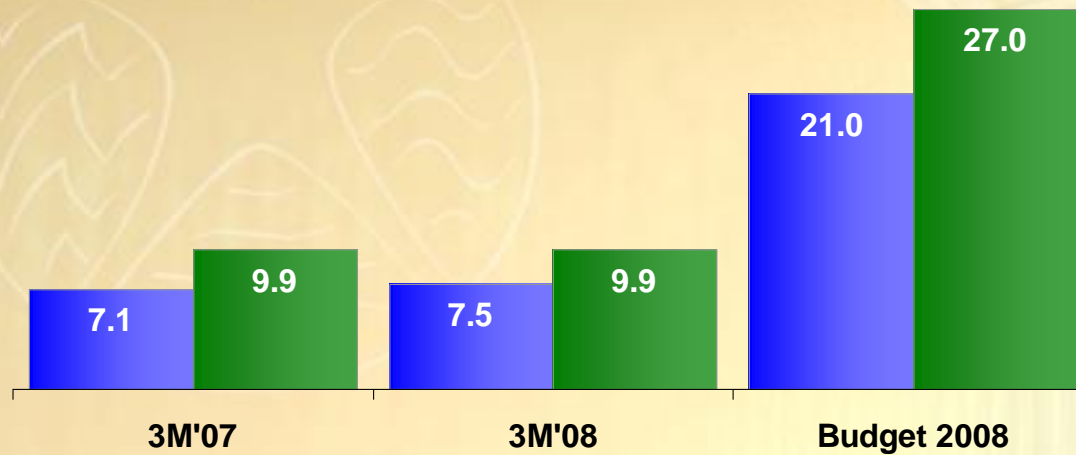


Cash flow (mPLN)

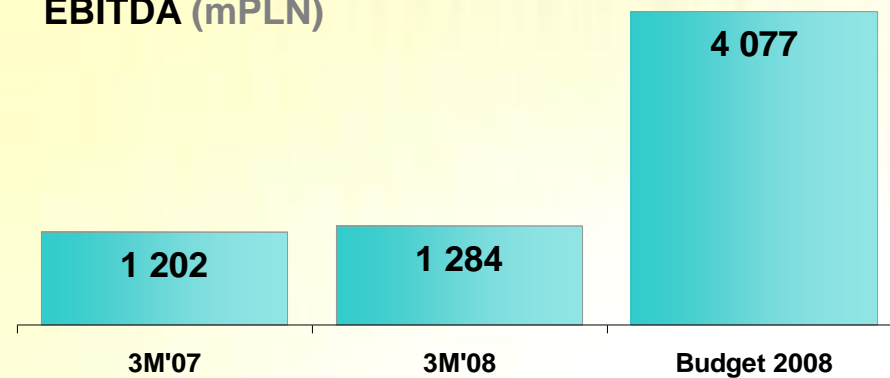


Basic economic indicators

Profitability ratios

ROA  ROE  (%)

EBITDA (mPLN)





Thank you . . .

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