

Letter from the Executive Board

Dear Sirs, Dear Shareholders,

We proudly present you with this Annual Report which summarises the activities undertaken by ANWIL Group in 2007.

Yet again, the previous year was the period when our market position was remarkably strengthened and when a strong industrial group, apt to take on upcoming challenges on both domestic and foreign markets, continued to fossilise within the sector of Great Chemical Synthesis.

In 2007, we achieved record-breaking results, best ever in the whole history of ANWIL Group: total revenues marked the record level of over PLN 2.8 billion, and the revenues from sales of our core products were also soaring. The net result of PLN 210 million is one of the best in history and so are the total asset turnover and the achieved profitability.

Our production performance also brought outstanding results: over 420 thousand tonnes of polyvinyl chloride, over 298 thousand tonnes of sodium hydroxide, over 85 thousand tonnes of PVC plastics, and over 1.1 million tonnes of nitrogenous fertilisers.

Pursuing the primary aim set forth for the Chemical Segment of PKN ORLEN Group, which is the integration and development of the chemical production area, in 2007 we were deeply engaged in the scheme of the operational integration of ANWIL SA and a Czech company Spolana a.s. taken over in 2006. Above all, our activities concentrated on establishing and executing a common PVC and chlor-alkali sales policy. Being a leader in the chemical segment, ANWIL will continue making endeavours to develop and strengthen the segment in the nearest future.

Following the trend shaped by previous years, in 2007 ANWIL was not restricted merely to production activities. In constant drive to minimise our impact on the natural environment we implemented a number of pro-ecological schemes within the realm of "Responsible Care" Programme including the introduction of the method of selective catalytic reduction of NOx, which resulted in substantially reduced emissions of these compounds into the atmosphere. Moreover, we performed a number of modernisation works in the field of widely understood power management in ANWIL.

All efforts made in 2007 were reflected in our high positions in the most prominent national rankings and in receiving the Sixth Business Centre Club Diamond to the Golden Statue of the Leader of the Polish Business for maintaining the leading position in the chemical branch, excellent financial results and dynamic development. We are also honoured to have received a prestigious title of the Pillar of the Polish Economy, and to have been recognised as the best company in the kujawsko-pomorskie region in the ranking by Puls Biznesu and Coface Poland. We are particularly pleased and proud of this award, as this was the society of the region that appreciated us as a "citizen" business.

Herewith, we would like to thank you, our Shareholders, for the trust you put in the Executive Board and all employees in 2007. We will do our best in order to ensure a further increase in the value of the whole Capital Group. We would also like to thank the Supervisory Board for the assistance they rendered in making essential decisions and for our successful co-operation.

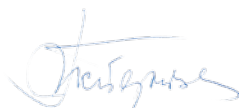
We also thank all the employees of the Capital Group for their engagement and contribution without whom such outstanding results would not have been possible.

Herewith, I present you with the Annual Report.

Ladies and Gentlemen,

During the preparation of this Report, we were struck by an enormous tragedy. On 25 April 2008, the President of the Board of our Company, Mr. Benedykt Michewicz, died tragically. He shall always remain in our hearts and minds. Therefore, this letter is presented to you by the Executive Board of ANWIL SA.

Yours faithfully



Teresa Szeligowska
Vice-President of the Board
Acting President of the Board



Krzysztof Kamiński
Member of the Board