

16. Dividends

On June 27th 2011, the General Meeting of Grupa LOTOS S.A. adopted a resolution on distribution of the Company's net profit for the year ended December 31st 2010. Pursuant to the resolution, the Company's net profit for the year ended December 31st 2010, totalling PLN 464,954 thousand, was excluded in whole from distribution to the Company Shareholders and allocated as follows:

- PLN 463,454 thousand was transferred to the Company's statutory reserve funds,
- PLN 1,500 thousand was transferred to the Special Account designated for financing corporate social responsibility (CSR) projects.

In these consolidated financial statements, the Company presented profit after distribution under retained earnings. In addition, the allocation of profit to the Special Account was recognised as an expense in the year ended December 31st 2011 and presented under short-term provisions.

As at the date of publication of these consolidated financial statements, the Management Board of the Company has not yet adopted a resolution on distribution of the profit for 2011.

This is a translation of a document originally issued in Polish.