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AUDITOR'S STATEMENT

For the Supervisory Board of PBG S.A. w upadłości układowej (in company voluntary arrangement)

1. We have audited the attached financial statements of PBG S.A. w upadłości układowej (in company voluntary arrangement) (the "Company"), with its registered office at ul. Skórzewska 35, Wysogotowo, Poland, prepared for the year ended December 31st 2014 and comprising the statement of financial position prepared as at December 31st 2014, statement of profit or loss, statement of comprehensive income, statement of changes in equity, statement of cash flows for the period January 1st–December 31st 2014, as well as the applied accounting policies and notes (the "attached financial statements").
2. The Company's Management Board is responsible for fair and clear presentation of the attached financial statements, for their preparation in accordance with mandatory accounting principles (policies), as well as for the correctness of the accounting records. The Management Board and the Supervisory Board of the Company are further obliged to ensure that the attached financial statements and the Directors' Report on the Company's operations comply with the requirements stipulated in the Accountancy Act of September 29th 1994 (consolidated text: Dz.U. of 2013.330, as amended − the "Accountancy Act"). Our responsibility was to audit the attached financial statements and give an opinion on whether the statements comply, in all material respects, with the mandatory accounting principles (policies), and whether they present fairly and clearly, in all material respects, the Company's assets and financial position, as well as its financial performance, and whether the accounting records used as a basis of preparation of the financial statements are correct in all material respects.
3. We have audited the attached financial statements in accordance with:
   - Chapter 7 of the Accountancy Act,
   - Polish auditing standards issued by the National Council of Statutory Auditors in Poland.

4. On June 22nd 2012, the decision of the District Court for Poznań-Stare Miasto in Poznań, 11th Commercial Insolvency and Arrangement Division, dated June 13th 2012, declaring the Company to be insolvent in voluntary arrangement, became final. The Company's Management Board is engaged in negotiations with the Company's creditors with a view to confirming the final restructuring terms and executing the arrangement. On February 19th 2015, the court issued a decision setting the date for holding the meeting of creditors and voting on the arrangement as April 27th-29th 2015. In Note 2.5.3 to the attached financial statements, the Management Board stated that given the ongoing bankruptcy proceedings the Company's present financial position poses a material threat to its continuing as a going concern, but given the Management Board's consistent efforts to reach the arrangement with creditors and enable the Company to continue in existence, it was decided to prepare the attached financial statements on the assumption that the Company will continue as a going concern in the foreseeable future of at least 12 months after the reporting date.

   The attached financial statements have been prepared on the assumption that the Company will continue as a going concern and do not contain any adjustments related to different methods of valuation and classification of assets and liabilities that could be necessary if the Company were unable to continue as a going concern for 12 months after the reporting date. However, considering the above circumstances, we are not able to determine whether the application of the going concern assumption is justified.

5. On June 12th 2013, the Company's Court Supervisor provided Judge Commissioner with a list of claims valued at PLN 2,776m. On December 9th 2014, Judge Commissioner issued a decision approving the lists of claims for a total amount of PLN 3,158m. The process of handling creditor objections and complaints and making updates to the list is still ongoing. Therefore, the value of accepted claims, as well as amounts presented in the attached financial statements, may be subject to change. Accordingly, we are unable to assess the correctness of the amounts of liabilities and provisions disclosed in the attached financial statements.

6. The Management Board remeasured the provision for the Company's potential liability under the sureties and guarantees it has issued, for its joint and several liability towards subcontractors under contracts performed under consortium agreements, and for its other liabilities which have not been disclosed in the statement of financial position. Following adjustment of the provision to PLN 355m, as described by the Management Board in Note 5.16.2, PLN 90m was recognised under other income. As at the date of this Statement, it is impossible to determine to what extent and what proportion of these liabilities will have to be paid by the Company. Therefore, we are unable to provide our opinion on the correctness of the provision of PLN 355m or other income of PLN 90m included in the current period result.

7. In the attached financial statements, under property, plant and equipment the Company disclosed buildings and related structures with an aggregate carrying amount of PLN 31m. The Management Board has obtained valuations prepared by an independent appraiser, putting the fair value of those assets at PLN 10m. However, the Management Board is of the opinion that since the financial statements have been prepared on the assumption that the assets will be used by the Company in the ordinary course of business, there is no need to recognise impairment losses on them. The recognition of the property valuation would decrease the value of property, plant and equipment and the profit or loss by PLN 21m.
8. The Company holds indirectly and directly 61.01% of shares in RAFAKO S.A., which are disclosed at cost in the attached financial statements at approximately PLN 551m, while the market value of the shares quoted on the Warsaw Stock Exchange was markedly lower − approximately PLN 238m as at December 31st 2014. As at the reporting date, the Company tested its investments in subsidiaries for impairment using the discounted cash flow method. The calculations were performed using projections covering a period of five years, prepared and signed by the Management Board of RAFAKO S.A. In the course of our procedures, we were not able to obtain evidence that would be sufficient for us to provide an opinion on impairment loss on the investment in RAFAKO S.A.
9. In May 2014, the Company's Management Board was notified that a dispute between Infra S.A. and Łódzka Spółka Infrastrukturalna Sp. z o.o. was decided by the Arbitration Court on April 24th 2014. As a result, in 2014 an amount of PLN 7m was repaid, and a PLN 23m impairment loss was recognised on the outstanding loan amount. Considering the limitations to the scope of audit set out in the auditor's statement as at December 31st 2013, concerning the auditor's inability to express an opinion whether the disclosed amount of PLN 30m in loans was correct, we are not able to provide an opinion as to what portion of the impairment loss should be charged to profit or loss for the year ended December 31st 2014.
10. In the attached financial statements, the Company has disclosed loans advanced to related entities, BATHINEX Sp. z o.o. and BROKAM Sp. z o.o., with a total value of about PLN 28m, as well as shares in BROKAM Sp. z o.o., with a value of about PLN 12m. Currently, the above companies are not conducting operating activities. We have not been provided with any documentation which would confirm the likelihood of recovery of the assets invested by the Company in these entities. Therefore, we are not able to provide an opinion on the amount of impairment losses on these investments.

11. The Company holds investment certificates in the Dialog Plus Closed-End Investment Fund incorporated under the law of Ukraine, disclosed in the attached financial statements as non-current loans with a value of approximately PLN 53m. The investment certificates have been acquired to finance the operations of Energopol Ukraina, a subsidiary. In July 2013, the Company signed a conditional agreement obliging it to sell these assets, pursuant to which the investment certificates will be transferred on the basis of a separate agreement once the Company has received payment of the agreed selling price, no later however than by December 24th 2015. The Company has not provided us with any documentation that would confirm the buyer's ability to finance the purchase of the certificates. Given the above and the uncertain political and economic situation in Ukraine, we are not able to provide an opinion on the amount of impairment losses on these investment certificates.
12. In Note 14 to the financial statements, the Company's Management Board noted that on April 2nd 2014 the Company received a notice from PGNiG S.A. of rescission of the contract for construction of the Wierzchowice Underground Gas Storage Facility of November 19th 2008. The Company has taken the stance that the notice is ineffective and the penalty charged is unjustified, citing numerous arguments supporting its stance. For this reason, the Company's Management Board resolved not to recognise a provision for potential liabilities related to the dispute. The Employer demanded that the consortium pay a contractual penalty of PLN 144m. On February 27th 2015, the Management Board was notified that on November 21st 2014 PGNiG S.A. filed with the Court a request to summon the consortium members to a conciliation hearing. Furthermore, the Company calculated an amount due from PGNiG for works performed since the last billed construction phase, totalling approximately PLN 12m. Given material uncertainties as to the outcome of the dispute, we are not able to provide an opinion on the final value of settlements related to this investment.
13. In Note 5.19, the Management Board presented information on the contract for the construction of the LNG Terminal in Świnoujście, performed by the Company in a consortium. The Management Board stated that following the change of legal regulations during the course of the contract the scheduled completion date had been exceeded. At present, the consortium is engaged in negotiations with the Employer concerning the terms of contract completion, in particular a new project completion deadline and budget revision. Given material uncertainties related to the final settlement of the contract, in particular with respect to contractual penalties, which we cannot determine reliably, we are unable to provide an opinion on the final value of settlements under this project.

14. Considering the significance of the issues described above and their potential impact on the financial result for the period January 1st−December 31st 2014 and on the Company's assets and financial position as at December 31st 2014, we are not able to issue an opinion on the attached financial statements. Therefore, we are not issuing an audit opinion on the attached financial statements.
15. In light of the facts presented above, we have decided that reviewing the Directors' Report on the Company's operations in the period January 1st−December 31st 2014 would be irrelevant.

For
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Lead Auditor

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Warsaw, March 23rd 2015