

CIECH Group

**Opinion and Report
of the Independent Auditor
Financial Year ended
31 December 2014**

The opinion contains 2 pages
The supplementary report contains 14 pages
Opinion of the independent auditor
and supplementary report on the audit
of the consolidated financial statements
for the financial year ended
31 December 2014

This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

OPINION OF THE INDEPENDENT AUDITOR

To the General Meeting of CIECH S.A.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the CIECH Group, whose parent entity is CIECH S.A. with its registered office in Warsaw, ul. Puławska 182 (“the Group”, “CIECH Group”), which comprise the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

Management’s and Supervisory Board’s Responsibility for the Consolidated Financial Statements

Management of the Parent Entity is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations and preparation of the report on the Group’s activities. Management of the Parent Entity is also responsible for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

According to the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”), Management of the Parent Entity and members of the Supervisory Board are required to ensure that the consolidated financial statements and the report on the Group’s activities are in compliance with the requirements set forth in the Accounting Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with section 7 of the Accounting Act, National Standards on Auditing issued by the National Council of Certified Auditors and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the Parent Entity, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the accompanying consolidated financial statements of CIECH Group have been prepared and present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union, and are in compliance with the respective regulations that apply to the consolidated financial statements, applicable to the Group.

Specific Comments on Other Legal and Regulatory Requirements

Report on the Group's Activities

As required under the Accounting Act, we report that the accompanying report on the Group's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2014, item 133) and the information is consistent with the consolidated financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
Registration No. 3546
ul. Chłodna 51
00-867 Warsaw

Signed on the Polish original

.....
Zbigniew Libera
Key Certified Auditor
Registration No. 90047
Limited Liability Partner
with power of attorney

23 March 2015

CIECH Group

**Supplementary report
on the audit of the
consolidated financial
statements
Financial Year ended
31 December 2014**

The supplementary report contains 14 pages
The supplementary report on the audit of the
consolidated financial statements
for the financial year ended
31 December 2014

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1. General

1.1 Identification of the Group

1.1.1 Name of the Group

CIECH Group

1.1.2 Registered office of the Parent Company of the Group

ul. Puławska 182
02-670 Warsaw

1.1.3 Registration of the Parent Company in the register of entrepreneurs of the National Court Register

Registration court:	District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Department of the National Court Register
Date:	25 May 2001
Registration number:	KRS 0000011687
Share capital as at the end of reporting period:	PLN 263,500,965.00

1.1.4 Management of the Parent Company

The Management Board is responsible for management of the Parent Company.

As at 31 December 2014, the Management Board of the Parent Company was comprised of the following members:

- Dariusz Krawczyk – President of the Management Board,
- Artur Osuchowski – Member of the Management Board,
- Maciej Tybura – Member of the Management Board.

On 7 July 2014 Mr. Andrzej Kopeć resigned from the position of the Member of the Management Board, effective 7 July 2014.

According to the resolution of the Supervisory Board dated 9 October 2014, Mr. Maciej Tybura was appointed to the position of Member of the Management Board

1.2 Information about companies comprising the Group

1.2.1 Companies included in the consolidated financial statements

As at 31 December 2014, the following companies were consolidated by the Group:

Parent Company:

- CIECH S.A.

Subsidiaries consolidated on the full consolidation basis:

- S.C. Uzinele Sodice Govora - Ciech Chemical Group S.A.,
- Janikowskie Zakłady Sodowe JANIKOSODA S.A.,
- Ciech Nieruchomości S.A. (till 18 June 2014 under the name Inowrocławskie Zakłady Chemiczne „SODA MAŁY” S.A.),
- „VITROSILICON” S.A.,
- Przedsiębiorstwo Transportowo – Usługowe TRANSCLEAN Sp. z o.o.,
- Ciech – Polsin Private Limited,
- Ciech FINANCE Sp. z o.o.,
- Ciech Trading S.A.,
- Ciech Pianki Sp. z o.o.,
- Ciech Group Financing AB,
- Verbis ETA Sp. z o.o.,
- Verbis ETA Spółka z ograniczoną odpowiedzialnością SKA,
- Ciech Trademarks Sp. z o.o. (till 15 January 2014 under the name Turia Sp. z o.o., from 25 February 2015 under the name Centrum Badawczo Rozwojowe Ciech Sp. z o. o.),
- Soda Polska Ciech S.A.,
- TRANSODA Sp. z o.o.,
- Cerium Sp. z o.o.,
- Cerium Spółka z ograniczoną odpowiedzialnością SKA,
- Soda Deutschland Ciech GmbH,
- Sodawerk Holding Stassfurt GmbH,
- Sodawerk Stassfurt Verwaltungs GmbH,
- Sodawerk Stassfurt GmbH&Co. KG,
- KWG - Kraftwerksgesellschaft Stassfurt mbH,
- Zakłady Chemiczne „Organika – Sarzyna” S.A.,
- Verbis KAPPA Sp. z o.o.,
- Verbis KAPPA Spółka z ograniczoną odpowiedzialnością SKA,

- Algete Sp. z o.o.

The following subsidiaries were consolidated for the first time during the year ended 31 December 2014, as a result of the Parent Company acquiring a controlling interest:

- Cerium Sp. z o.o. – subject to consolidation for the period from 19 December 2014 to 31 December 2014,
- Cerium Spółka z ograniczoną odpowiedzialnością SKA – subject to consolidation for the period from 19 December 2014 to 31 December 2014.

The following subsidiaries were consolidated until the date control by the Parent ceased:

- Sagrera Sp. z o.o – subject to consolidation for the period from 1 January 2014 to 18 September 2014,
- Infrastruktura Kapuściska S.A. w upadłości likwidacyjnej – on 14 March 2014 the control of the Parent over the company ceased due to declaration of its bankruptcy. Due to lack of financial data as at this date, the Company was deconsolidated based on financial data as at 31 December 2013.

1.2.2 Entities excluded from consolidation

As at 31 December 2014, the following subsidiaries of the Group were not consolidated:

- Chemia.com S.A. in liquidation,
- Nordiska Unipol AB,
- Polcommerce Handel- und Vertretungs GmbH,
- Calanda Polska Sp. z o.o. in liquidation,
- Komunalna Biologiczna Oczyszczalnia Ścieków Sp. z o.o.

1.3 Key Certified Auditor and Audit Firm Information

1.3.1 Key Certified Auditor information

Name and surname: Zbigniew Libera
Registration number: 90047

1.3.2 Audit Firm information

Name: KPMG Audyty Spółka z ograniczoną odpowiedzialnością sp.k.
Address of registered office: ul. Chłodna 51, 00-867 Warsaw
Registration number: KRS 0000339379
Registration court: District Court for the Capital City of Warsaw in Warsaw,
XII Commercial Department of the National Court Register
NIP number: 527-26-15-362

KPMG Audyty Spółka z ograniczoną odpowiedzialnością sp.k. is entered in the register of audit firms, maintained by the National Council of Certified Auditors, under number 3546.

1.4 Prior period consolidated financial statements

The consolidated financial statements for the financial year ended 31 December 2013 were audited by KPMG Audyty Spółka z ograniczoną odpowiedzialnością sp.k. and received an unmodified opinion.

The consolidated financial statements were approved at the General Meeting of the Parent Entity on 23 May 2014.

The consolidated financial statements were submitted to the Registry Court on 29 May 2014.

1.5 Audit scope and responsibilities

This report was prepared for the General Meeting of CIECH S.A. with its registered office in Warsaw, ul. Puławska 182 and relates to the consolidated financial statements comprising: the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

The consolidated financial statements were audited in accordance with the contract dated 11 June 2013 concluded on the basis of the resolution of the Supervisory Board dated 4 June 2013 on the appointment of the auditor.

We conducted the audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”), National Standards on Auditing issued by the National Council of Certified Auditors, and International Standards on Auditing.

We audited the consolidated financial statements at the Group entities during the period from 17 November 2014 to 21 November 2014 and from 19 January 2015 to 13 February 2015 and from 23 February 2015 to 13 March 2015.

Management of the Parent Company is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations and preparation of the report on the Group’s activities.

Our responsibility is to express an opinion and to prepare a supplementary report on the audit of the financial statements.

The Management Board of the Parent Company submitted a statement, dated as at the same date as this report, as to the true and fair presentation of the accompanying consolidated financial statements, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the consolidated financial statements.

All required statements, explanations and information were provided to us by Management of the Group and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of the Audit Firm.

The Key Certified Auditor and the Audit Firm fulfill the independence requirements as described in Art. 56 points 3 and 4 of the Act on Certified Auditors and their Self-Governance, Audit Firms authorized to Audit Financial Statements and Public Oversight dated 7 May 2009 (Official Journal from 2009 No. 77, item 649 with amendments).

1.6 Information on audits of the financial statements of the consolidated companies

1.6.1 Parent Company

The separate financial statements of the Parent Company for the year ended 31 December 2014 were audited by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k., certified auditor number 3546, and received an unmodified opinion.

1.6.2 Other consolidated entities

Entity's name	Authorised auditor	Financial year end	Type of auditor's opinion
S.C. Uzinele Sodice Govora - Ciech Chemical Group S.A.	KPMG Romania SRL	31 December 2014	in progress
Janikowskie Zakłady Sodowe JANIKOSODA S.A.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
Ciech Nieruchomości S.A.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
„VITROSILICON” S.A.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
Przedsiębiorstwo Transportowo - Usługowe TRANSCLEAN Sp. z o.o.	Audit4 Business Sp. z o.o.	31 December 2014	unmodified opinion
Ciech - Polsin Private Limited	not audited	31 December 2014	n/a
Ciech FINANCE Sp. z o.o.	not audited	31 December 2014	n/a
Ciech Trading S.A.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
Ciech Pianki Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
Ciech Group Financing AB	KPMG AB	31 December 2014	in progress
Verbis ETA Sp. z o.o.	not audited	31 December 2014	n/a
Verbis ETA Sp. z o.o. SKA	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	in progress
Ciech Trademarks Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	in progress
Soda Polska Ciech S.A.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
TRANSODA Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
Cerium Sp. z o.o.	not audited	31 December 2014	n/a
Cerium Sp. z o.o. SKA	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	30 September 2015	n/a
Soda Deutschland Ciech GmbH	not audited	31 December 2014	n/a
Sodawerk Holding Stassfurt GmbH	not audited	31 December 2014	n/a
Sodawerk Stassfurt Verwaltungs GmbH	not audited	31 December 2014	n/a
Sodawerk Stassfurt GmbH&Co. KG	KPMG AG Wirtschaftsprüfungsgesellschaft	31 December 2014	unmodified opinion
KWG - Kraftwerksgesellschaft Stassfurt mbH	KPMG AG Wirtschaftsprüfungsgesellschaft	31 December 2014	unmodified opinion
Zakłady Chemiczne „Organika - Sarzyna” S.A.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	unmodified opinion
Verbis KAPPA Sp. z o.o.	not audited	31 December 2014	n/a
Verbis KAPPA Sp. z o.o. SKA	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	in progress
Algete Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31 December 2014	in progress

2 Financial analysis of the Group

2.1 Summary analysis of the consolidated financial statements

2.1.1 Consolidated statement of financial position

ASSETS	31.12.2014		31.12.2013	
	PLN '000	% of total	PLN '000	% of total
Non-current assets				
Property, plant and equipment	2 036 738	63,5	1 863 012	58,0
Right of perpetual usufruct	32 357	1,0	47 083	1,5
Intangible assets	116 516	3,6	134 190	4,2
Investment property	42 567	1,3	91 497	2,8
Non current receivables	78 264	2,4	69 728	2,2
Investments in associates and jointly - controlled entities measured under the equity method	4 944	0,2	4 769	0,1
Other long-term investments	46 404	1,4	12 415	0,4
Deferred income tax assets	128 282	4,0	77 622	2,4
Total non-current assets	2 486 072	77,6	2 300 316	71,6
Current assets				
Inventories	257 770	8,0	217 338	6,8
Short-term investments	-	-	621	-
Income tax receivables	25 109	0,8	17 590	0,6
Trade and other receivables	383 962	12,0	566 562	17,6
Cash and cash equivalents	49 162	1,5	105 593	3,3
Non current assets held for sale	3 622	0,1	2 708	0,1
Total current assets	719 625	22,4	910 412	28,4
TOTAL ASSETS	3 205 697	100,0	3 210 728	100,0
EQUITY AND LIABILITIES				
	31.12.2014	% of total	31.12.2013	% of total
	PLN '000		PLN '000	
Equity				
Share capital	287 614	9,0	287 614	8,9
Share premium	470 844	14,7	470 844	14,7
Cash flow hedge	(28 254)	0,9	(6 395)	0,2
Actuarial gains	(114)	-	74	-
Other reserve capital	78 521	2,4	78 521	2,4
Currency translation reserve	(47 716)	1,5	(76 951)	2,4
Retained earnings	233 879	7,3	157 781	4,9
Equity attributable to equity holders of the parent	994 774	31,0	911 488	28,3
Non-controlling interest	(9 300)	0,3	(14 199)	0,4
Total equity	985 474	30,7	897 289	27,9
Liabilities				
Loans, borrowings and other debt instruments	1 176 455	36,7	1 303 154	40,6
Finance lease liabilities	15 825	0,5	4 840	0,2
Other non-current liabilities	92 819	2,9	160 728	5,0
Employee benefits	12 720	0,4	18 743	0,6
Provisions (other long-term)	75 244	2,3	44 785	1,4
Deferred income tax liability	98 481	3,0	84 578	2,6
Total non-current liabilities	1 471 544	45,8	1 616 828	50,4
Loans, borrowings and other debt instruments	27 707	0,9	7 388	0,2
Finance sale-and-lease-back liabilities	-	-	929	-
Finance lease liabilities	4 190	0,1	2 805	0,1
Trade and other liabilities	619 639	19,3	562 297	17,5
Income tax liabilities	34 813	1,1	24 605	0,8
Provisions (short-term provisions for employee benefits and other provisions)	62 330	1,9	98 587	3,1
Total current liabilities	748 679	23,4	696 611	21,7
Total liabilities	2 220 223	69,3	2 313 439	72,1
TOTAL EQUITY AND LIABILITIES	3 205 697	100,0	3 210 728	100,0

2.1.2 Consolidated statement of profit or loss

	1.01.2014 - 31.12.2014	% of total sales	1.01.2013 - 31.12.2013	% of total sales
	PLN '000		PLN '000	
CONTINUING OPERATIONS				
Sales revenues	3 243 900	100,0	3 229 700	100,0
Cost of sales	(2 563 050)	79,0	(2 658 053)	82,3
Gross profit on sales	680 850	21,0	571 647	17,7
Other operating income	95 161	2,9	87 528	2,7
Selling costs	(214 267)	6,6	(202 618)	6,3
General and administrative expenses	(150 377)	4,6	(147 146)	4,5
Other operating expenses	(89 552)	2,8	(128 130)	4,0
Operating profit	321 815	9,9	181 281	5,6
Financial income	8 371	0,3	31 539	1,0
Financial expenses	(151 364)	4,7	(166 323)	5,2
Net financing income/expenses	(142 993)	4,4	(134 784)	4,2
Share of profit of equity accounted investees	251	-	354	-
Profit before tax	179 073	5,5	46 851	1,4
Income tax	(45 291)	1,4	95 654	3,0
Profit from continuing operations	133 782	4,2	142 505	4,4
DISCONTINUED OPERATIONS				
Profit/(loss) from discontinued operations	32 571	1,0	(102 945)	3,2
Net profit	166 353	5,1	39 560	1,2
including, attributable to:				
Shareholders of the parent company	167 116	5,1	49 447	1,5
Non-controlling interest	(763)	-	(9 887)	0,3
Earnings per share				
Basic earnings per share (PLN)	3,17	-	0,94	-
Diluted earnings per share (PLN)	3,17	-	0,94	-

2.1.3 Consolidated statement of other comprehensive income

	1.01.2014 - 31.12.2014 % of profit		1.01.2013 - 31.12.2013 % of profit	
	PLN '000		PLN '000	
<i>Net profit for the period</i>	166 353	100,0	39 560	100,0
CONTINUING OPERATIONS				
Other comprehensive income before tax that may be reclassified to profit or loss				
Currency translation differences (foreign companies)	29 973	18,0	(14 354)	36,3
Cash flow hedge	(26 986)	16,2	(11 256)	28,4
Other components	100	0,1	-	-
Other comprehensive income before tax that may not be reclassified to profit or loss				
Actuarial gains	(256)	0,2	74	0,2
Income tax attributable to other comprehensive income				
Income tax attributable to other comprehensive income that may be reclassified to profit or loss	6 002	3,6	2 186	5,5
Income tax attributable to other comprehensive income that may not be reclassified to profit or loss	69	0,0	-	-
<i>Other comprehensive income for the period, net of tax</i>	8 902	5,4	(23 350)	59,0
<i>TOTAL COMPREHENSIVE INCOME</i>	175 255	105,4	16 210	41,0
Total comprehensive income attributable to:	175 255	105,4	16 210	41,0
Shareholders of the parent company	174 404	104,8	25 475	64,4
Non-controlling interest	851	0,5	(9 265)	23,4

2.2 Selected financial ratios

	2014	2013	2012
1. Return on sales in continuing operations			
<u>net profit from continuing operations</u> x 100%	4,1%	4,4%	negative
net revenues from continuing operations			value
2. Return on equity			
<u>net profit</u> x 100%	20,3%	4,6%	negative
equity - net profit			value
3. Debtors turnover			
<u>average trade receivables (gross)</u> x 365 days	43 days	52 days	48 days
net revenues			
4. Debt ratio			
<u>liabilities</u> x 100%	69,3%	72,1%	76,4%
equity and liabilities			
5. Current ratio			
<u>current assets</u>	1,0	1,3	1,1
current liabilities			

- Revenue includes revenue from sales of finished products, merchandise and raw materials.
- Average trade receivables represent the average of trade receivables at the beginning and at the end of the period, with no deduction made for allowances.

3 Detailed report

3.1 Accounting principles

The Parent Company maintains current documentation describing the accounting principles applied by the Group and adopted by the Management Board of the Parent Company.

The accounting principles are described in the notes to the consolidated financial statements to the extent required by International Financial Reporting Standards as adopted by the European Union.

In view of the fact that not all entities being part of the Group apply common accounting principles consistent with the accounting principles applied by the Parent Company, appropriate adjustments to the financial statements of those entities were made to ensure consistency with the accounting principles applied by the Parent Company.

The financial statements of the entities included in the consolidated financial statements were prepared at the end of the same reporting period as the financial statements of the Parent Company.

3.2 Basis of preparation of the consolidated financial statements

The consolidated financial statements of the CIECH Group were prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations.

The consolidated financial statements were prepared on the basis of the consolidation documentation prepared in accordance with the requirements the Decree of the Ministry of Finance dated 25 September 2009 on principles for the preparation of consolidated financial statements of a group by companies other than banks and insurance companies (Official Journal from 2009 No. 169, item 1327).

3.3 Method of consolidation

The method of consolidation is described in note 3.1 to the consolidated financial statements.

3.4 Goodwill arising on consolidation

The method of calculating goodwill arising on consolidation is described in note 3.2.4 to the consolidated financial statements.

3.5 Consolidation of equity and calculation of non-controlling interest

The share capital of the Group is equal to the share capital of the Parent Company.

Other equity items of the Group are determined by adding the equity balances of subsidiaries included in the consolidated financial statements in the proportion reflecting the Parent Company's share in the subsidiaries' equity as at the end of the reporting period to the corresponding positions of the equity of the Parent Company.

Only equity of subsidiaries arising after the Parent Company obtained control of the subsidiary is included in the equity of the Group.

Non-controlling interests in subsidiaries included in the consolidated financial statements were determined based on the non-controlling interests' share in the subsidiaries' equity as at the end of the reporting period.

3.6 Consolidation eliminations

Intercompany balances within the Group were eliminated on consolidation.

Sales between entities and other intercompany operating revenues and expenses and financial revenues and expenses were eliminated on consolidation.

The consolidation eliminations were based on the accounting records of CIECH S.A. (or subsidiary entities) and agreed with information received from the subsidiaries.

3.7 Notes to the consolidated financial statements

All information included in the notes to the consolidated financial statements, comprising of a summary of significant accounting policies and other explanatory information, is, in all material respects, presented correctly and completely. This information should be read in conjunction with the consolidated financial statements.

3.8 Report of the Management Board of the Parent Company on the Group's activities

The report of the Management Board of the Parent Company on the Group's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2014, item 133) and the information is consistent with the consolidated financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
Registration No. 3546
ul. Chłodna 51
00-867 Warsaw

Signed on the Polish original

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Zbigniew Libera
Key Certified Auditor
Registration No. 90047
Limited Liability Partner
with power of attorney

23 March 2015