

**POLSKIE GÓRNICTWO NAFTOWE I  
GAZOWNICTWO S.A.  
WARSAW, UL. KRUCZA 6/14**

**FINANCIAL STATEMENTS  
FOR THE 2005 FINANCIAL YEAR  
WITH  
AUDITOR'S OPINION  
AND  
AUDIT REPORT**

## TABLE OF CONTENTS

<b>AUDITOR'S OPINION .....</b>	<b>3</b>
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<b>REPORT SUPPLEMENTING THE OPINION ON THE AUDIT OF THE FINANCIAL STATEMENTS OF POLSKIE GÓRNICTWO NAFTOWE I GAZOWNICTWO S.A. FOR THE 2005 FINANCIAL YEAR .....</b>	<b>6</b>
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I. GENERAL INFORMATION.....	6
1. Details of the audited entity .....	6
2. Information on the financial statements for the previous financial year ....	10
3. Details on the authorized entity and the certified auditor acting on its behalf .....	11
4. Availability of data and management's representations .....	11
5. Economic and financial position of the Company .....	12
II. DETAILED INFORMATION.....	13
1. Evaluation of the accounting system .....	13
2. Information on the audited financial statements .....	14
3. Information on selected material items of the financial statements .....	14
4. Completeness and correctness of drawing up the introduction to the financial statements, additional information and explanations and the report on the activities of the Company.....	16
5. Final information and findings .....	17

### **FINANCIAL STATEMENTS OF POLSKIE GÓRNICTWO NAFTOWE I GAZOWNICTWO S.A. FOR THE 2005 FINANCIAL YEAR**

1. INTRODUCTION	
2. BALANCE SHEET	
3. PROFIT AND LOSS ACCOUNT	
4. STATEMENT OF CHANGES IN EQUITY	
5. CASH FLOW STATEMENT	
6. ADDITIONAL INFORMATION AND EXPLANATIONS	

### **REPORT ON THE ACTIVITIES OF THE COMPANY**

## **AUDITOR'S OPINION**

### **To the Shareholders and Supervisory Board of Polskie Górnictwo Naftowe i Gazownictwo S.A.**

We have audited the attached financial statements of Polskie Górnictwo Naftowe i Gazownictwo S.A. with registered office in Warsaw, ul. Krucza 6/14, including:

- introduction to the financial statements;
- balance sheet prepared as of 31 December 2005, with total assets and liabilities plus equity of PLN 19,203,888 thousand;
- profit and loss account for the period from 1 January 2005 to 31 December 2005, disclosing a net profit of PLN 1,132,228 thousand;
- statement of changes in equity for the period from 1 January 2005 to 31 December 2005, disclosing an increase in equity of PLN 3,244,813 thousand;
- cash flow statement for the financial year from 1 January 2005 to 31 December 2005, showing a cash inflow of PLN 2,226,513 thousand;
- additional information and explanations.

Preparation of these financial statements is the responsibility of the Management Board of the Company. Our responsibility was to audit and express an opinion on the accuracy, correctness and clarity of these financial statements and the accuracy of the underlying accounting records.

Our audit was planned and performed in accordance with:

- section 7 of the Accounting Act of 29 September 1994 (Dz.U. of 2002 No. 76, item 694 with subsequent amendments);
- auditing standards issued by the National Council of Certified Auditors in Poland;

in such a way as to obtain reasonable and sufficient basis for expressing an opinion as to whether the financial statements were free of material misstatements. Our audit included in particular examining, largely on a test basis, the accounting evidence and records supporting the amounts and disclosures in the financial statements, assessing the accounting principles

(policy) applied, significant estimates made by the Management Board, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the audited financial statements of Polskie Górnictwo Naftowe i Gazownictwo S.A. for the 2005 financial year, in all material respects, were prepared:

- in form and content complying with the requirements of the Accounting Act of 29 September 1994 and the Company's By-laws;
- in accordance with the accounting principles determined by the Accounting Act and the Company's accounting policy;
- based on properly kept accounting records;
- in accordance with the Minister of Finance's Ordinance of 18 October 2005 on the scope of information disclosed in financial statements and consolidated financial statements, required in the prospectuses of issuers with registered offices in the Republic of Poland, which should apply Polish Accounting Standards (Dz.U. No. 209 item 1743), as well as the Minister of Finance's Ordinance of 19 October 2005 on the ongoing and periodic information provided by the issuers of securities (Dz. U. No 209 item 1744);

and give a true and fair view of all the information essential for evaluating the economic and financial position of the audited Company as of 31 December 2005 and its financial result for the period from 1 January to 31 December 2005.

Without qualifying the accuracy and fairness of the audited financial statements, we would like to point out the following issues:

1. The presented financial statements are individual financial statements and were prepared in accordance with Polish Accounting Standards. These financial statements cannot constitute the sole basis for evaluating the financial and economic position of the Company which is a holding company in the Capital Group. In addition to the individual financial statements, the Company also prepares the consolidated financial statements of the Capital Group, in which it acts as the holding company, in accordance with International Financial Reporting Standards. By the opinion date, the consolidated financial statements had not been prepared.
2. In point 10.3 of the Introduction to the financial statements the Company informs that in 2002 land perpetual usufruct titles acquired free-of-charge were entered into accounting records. These rights were measured at values determined by administrative decisions issued before 1 January 2002 by authorities granting such rights. The equivalent of recognised perpetual usufruct titles was also disclosed in accounting records under prepayments and accruals. For the purpose of presentation in the financial statements, the value of recognised land perpetual usufruct rights was decreased by related prepayments and accruals.

The Report on the Company's activities in the 2005 financial year is complete within the meaning of Article 49 clause 2 of the Accounting Act and consistent with underlying information disclosed in the audited financial statements.

.....  
Maria Rzepnikowska  
Certified auditor  
No. 3499

.....  
Persons representing the entity

.....  
Entity authorised to audit  
financial statements entered under  
number 73 on the list kept by the  
National Council of Certified Auditors

Warsaw, 3 April 2006

***The above audit opinion together with audit report is a translation from the original Polish version. In case of any discrepancies between the Polish and English version, the Polish version shall prevail.***

**REPORT SUPPLEMENTING THE OPINION ON THE AUDIT OF  
THE FINANCIAL STATEMENTS OF  
POLSKIE GÓRNICTWO NAFTOWE I GAZOWNICTWO S.A.  
FOR THE 2005 FINANCIAL YEAR**

**I. GENERAL INFORMATION**

**1. Details of the audited entity**

The Company operates under the name Polskie Górnictwo Naftowe i Gazownictwo S.A. The Company's registered office is located in Warsaw, ul. Krucza 6/14.

The Company operates as a joint stock company established by the notarized deed of 21 October 1996 drawn up by Paweł Błaszczak, Notary Public, in Warsaw (Repertory No. A 18871/96).

The Company was registered in the Commercial Register kept by the District Court, XVI Business-Registry Division in Warsaw, under number RHB 48382, based on the decision of 27 December 2001. Currently, the Company is recorded in the register of entrepreneurs kept by the District Court, XX Business Registry Division for Warsaw under number KRS 0000059492.

The Company has the following tax identification number NIP: 525-000-80-28, assigned by the Second Tax Office Warszawa-Śródmieście on 22 November 1996.

The REGON number assigned to the Company by the Statistical Office on 14 November 1996 is 012216736.

The Company operates based on the provisions of the Code of Commercial Companies.

In accordance with its By-laws the Company conducts its business activities in the following areas:

- geological and engineering excavations and drillings;
- general construction work on line structures: pipelines, electric energy lines, electric traction, telecommunication-transmission lines;
- construction of central heating and ventilation installations;
- service and repair of motor vehicles;
- retail sale of fuels;
- wholesale of solid, liquid and gas fuels as well as derivative products;
- wholesale of semi-finished products;
- freight road transport using specialised vehicles;
- freight road transport using general-purpose vehicles;
- pipeline transport;
- warehousing and storage in other storage facilities;
- production of crude oil;
- production of natural gas;
- services related to exploration of crude oil and natural gas fields;

- mining of sulphur-bearing materials;
- other mining, not classified anywhere else;
- production of crude oil refined products;
- reprocessing of crude oil refined products;
- services related to installation, repair and maintenance of machines for mining and the building industry;
- fixed line telephony and telegraphy;
- mobile telephony;
- data transmission; information and communication technology;
- radio communications;
- research and development work in technical science;
- geological and exploration activity;
- surveying and map making;
- rental of real property on own account;
- purchase and sales of real property on own account;
- activity of non-public libraries;
- archive activity;
- activity of museums;
- production of electricity;
- transmission of electricity;
- distribution of electricity;
- production of gas fuels;
- distribution of gas fuels through the network;
- hotels and motels with restaurants and without restaurants;
- travel agency activities;
- production and distribution of heat (steam and hot water);
- construction of gas installations;
- management of residential and non-residential real property;
- lease of the Company's assets dedicated to the transmission of energy and gas;
- technical tests and analyses;
- other specialised wholesale trade.

As of 31 December 2005, the Company's share capital equalled PLN 5 900 000 000.00 and was divided into:

- 1) 4,250,000,000 A series bearer shares with a face value of PLN 1 each;
- 2) 750,000,000 A1 series bearer shares with a face value of PLN 1 each;
- 3) 900,000,000 B series bearer shares with a face value of PLN 1 each.

As of 31 December 2005, the Company's shareholders included:

- o the State Treasury – 84.74% of shares;
- o publicly traded shares – 15.26% of shares.

On 30 March 2005 the Extraordinary Shareholders Meeting passes a resolution to increase the share capital of Polskie Górnictwo Naftowe i Gazownictwo S.A. by issuing 900,000,000 B series shares and allocating them for public trading. These shares were offered for public trading as of 23 September 2005. The increase in capital was registered in the National Court Register in 2005.

No changes in the Company's shareholder structure, other than the aforementioned, took place in the audited period.

No changes in the Company's share capital took place after the balance sheet date.

The Company's financial year is the calendar year.

The Company has the following related parties:

- Karpacka Spółka Gazownictwa Sp. z o.o. – 100% of shares;
- Górnioślaska Spółka Gazownictwa Sp. z o.o. – 100% of shares;
- Mazowiecka Spółka Gazownictwa Sp. z o.o. – 100% of shares;
- Wielkopolska Spółka Gazownictwa Sp. z o.o. – 100% of shares;
- Pomorska Spółka Gazownictwa Sp. z o.o. – 100% of shares;
- Dolnoślaska Spółka Gazownictwa Sp. z o.o. – 100% of shares;
- Górnictwo Naftowe Sp. z o.o. – 100% of shares;
- PNIG Jasło Sp. z o.o. – 100% of shares;
- PNIG Kraków Sp. z o.o. – 100% of shares;
- Geovita Sp. z o.o. – 100% of shares;
- PN Diament Sp. z o.o. – 100% of shares;
- PNIG Nafta Piła Sp. z o.o. – 100% of shares;
- BUG Gazobudowa Sp. z o.o. – 100% of shares;
- Geofizyka Kraków Sp. z o.o. – 100% of shares;
- Geofizyka Toruń Sp. z o.o. – 100% of shares;
- BN Naftomontaż Sp. z o.o. – 88.83% of shares;
- Zakład Robót Górniczych Krosno Sp. z o.o. – 100% of shares;
- ZUN Naftomet Sp. z o.o. – 100% of shares;
- ZRUG Sp. z o.o. (in Pogórska Wola) – 100% of shares;
- PGNiG Finance B.V. – 100% of shares;
- BUD-GAZ Sp. z o.o. – 100% of shares;
- BSiPG Gazoprojekt S.A. – 75% of shares;
- PI Gazotech Sp. z o.o. – 69.44% of shares;
- PP-UiH TURGAZ Sp. z o.o. – 51.14% of shares;
- Nysagaz Sp. z o.o. – 51% of shares;
- InterTransGas GmbH – 50% of shares;
- Investgas S.A. – 49% of shares;
- Polskie Elektrownie Gazowe Sp. z o.o. – 48% of shares;
- SGT EuRoPol Gaz S.A. – 48% of shares;
- PFK Gaskon S.A. – 45.94% of shares;
- Gas Trading S.A. – 43.41% of shares;
- ZWUG Intergaz Sp. z o.o. – 38.30% of shares;
- Dewon S.A. – 36.38% of shares;
- ZRUG Warszawa S.A. (in liquidation) – 49% of shares;
- Sahara Petroleum Technology Llc – 49% of shares;



- Gazomontaż S.A. – 45.18% of shares;
- "ZRUG" Sp. z o.o.(in Poznań) – 40.08% of shares;
- HS Szczakowa S.A. – 33.30% of shares;
- ZRUG Toruń S.A. – 31.33% of shares;
- Przeds. Wielobranżowe MED.-FROZ S.A. (in liquidation)- 23.07% of shares;
- ZRUG Zabrze Sp. z o.o. – 21.82% of shares;
- "TE-MA" WOC Sp. z o.o.- 20.97% of shares;
- TENET 7 Sp. z o.o. – 10% of shares.

As at the opinion date, the composition of the Company's Management Board was as follows:

- Bogusław Marzec – Vice Chairman of the Management Board for Economic and Financial issues;
- Stanisław Niedbalec – Vice Chairman of the Management Board for Technical and Production issues.

The following changes in the Company's Management Board took place during the audited period:

- Based on Resolution 2/2005 of 10 January 2005 the Supervisory Board appointed Jan Anysz as Member of the Management Board;
- Minutes from the Management Board's meeting of 16 November 2005 – Marek Kossowski resigned as Chairman of the Management Board;
- Based on Resolution 67/IV/05 of 25 November 2005 the Supervisory Board suspended Paweł Kamiński as Vice Chairman of the Management Board;
- Based on Resolution 66/IV/05 of 25 November 2005 the Supervisory Board suspended Marek Foltynowicz as Vice Chairman of the Management Board;
- Based on Resolution 29/IV/06 of 17 February 2006 the Supervisory Board appointed Bogusław Marzec as Member of the Management Board – the Vice Chairman for Economic and Financial issues;
- Based on Resolution 30/IV/06 of 17 February 2006 the Supervisory Board appointed Stanisław Niedbalec as Member of the Management Board – the Vice Chairman for Technical and Investment issues;
- Based on Resolution 33/IV/06 of 3 March 2006 the Supervisory Board dismissed the Vice Chairman of the Management Board for Trade and Marketing;
- Rep. A 613/05 of 12 December 2005 – the General Shareholders Meeting introduced the following changes to the composition of the Company's Management Board - Marek Foltynowicz and Mieczysław Jankiel were dismissed from the Management Board as of 1 January 2006.

## **2. Information on the financial statements for the previous financial year**

In 2004 the Company's activity resulted in a net profit of PLN 746,712,501.43. The Company's financial statements for the 2004 financial year were audited by a certified auditor. The audit was performed by the authorised entity Deloitte & Touche Audit Services Sp. z o.o. On 11 April 2005, the certified auditor issued an unqualified opinion on these financial statements with a comment pointing out the following issues:

1. The presented financial statements are individual financial statements and should be used primarily for statutory purposes. These financial statements cannot constitute the sole basis for evaluating the financial and economic position of the Company which is a holding company in the Capital Group. In addition to the individual financial statements, the Company also prepares consolidated financial statements of the Capital Group in which it acts as the holding company.
2. In point 10.3 of the Introduction to the financial statements the Company informs that in 2002 land perpetual usufruct titles acquired free-of-charge were entered into accounting records. These rights were measured at values determined by administrative decisions issued before 1 January 2002 by authorities granting such rights. The equivalent of recognised perpetual usufruct titles was also disclosed in accounting records under prepayments and accruals. For the purpose of presentation in the financial statements, the value of recognised land perpetual usufruct rights was decreased by related prepayments and accruals.

The Annual Meeting which approved the financial statements for the 2004 financial year was held on 29 April 2005. The Annual Shareholders Meeting decided about the following distribution of the net profit for 2004:

- write-down to supplementary capital – PLN 219,457,501.43;
- write-down to the Company Social Benefits Fund of the Head Office of PGNiG S.A. – PLN 7,255,000.00;
- payments of bonuses from profit with charges to the employees of PGNiG S.A. – PLN 20,000,000.00;
- dividends for shareholders – PLN 500,000,000.00 (non-cash dividend payment in the form of the assets of Regional Transmission Branches and elements of the transmission system in the form of gas pumping stations and gas regulation stations).

The financial statements for the 2004 financial year were submitted in accordance with the law to the National Court Register on 12 May 2005 and submitted for publication in Monitor Polski B on 13 May 2005. These financial statements were published in Monitor Polski B no. 1220 on 9 August 2005.

### **3. Details on the authorized entity and the certified auditor acting on its behalf**

The audit of the financial statements was performed based on the agreement of 3 February 2006 concluded between Polskie Górnictwo Naftowe i Gazownictwo S.A. and Deloitte Audyt Sp. z o.o. with registered office in Warsaw, ul. Piękna 18, registered under number 73 on the list of entities authorised to provide audit services kept by the National Council of Certified Auditors. On behalf of the authorised entity, the audit of the financial statements was conducted under the supervision of certified auditor Maria Rzepnikowska (No. 3499), at the Company's premises from 13 February to 17 March 2006.

The authorised entity was appointed by the Supervisory Board by the resolution of 8 December 2005 based on the authorisation defined in Article 33, clause 1, point 5 of the Company's By-Laws.

Deloitte Audyt Sp. z o.o. and the certified auditor Maria Rzepnikowska confirm that they are authorised to carry out audits and meet the requirements of Article 66 clauses 2 and 3 of the Accounting Act to express an unbiased and independent opinion on the consolidated financial statements of Polskie Górnictwo Naftowe i Gazownictwo S.A.

### **4. Availability of data and management's representations**

The scope of our audit was not limited.

During the audit, all necessary documents and data as well as detailed information and explanations were provided to the authorised entity and the certified auditor, as confirmed in a written representation of the Management Board of the Company of 3 April 2006.

**5. Economic and financial position of the Company**

Presented below are the main items from the profit and loss account as well as financial ratios describing the financial result of the Company and its economic and financial position compared with previous years.

<u>Main items from the profit and loss account (PLN '000)</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Sales revenues	9,867,803.0	8,447,521.0	8,024,774.7
Operating expenses	8,592,856.3	6,848,677.0	6,721,549.0
Other operating revenues	633,330.2	142,045.0	260,814.8
Other operating expenses	332,444.5	352,153.5	103,478.2
Financial revenues	889,901.2	1,062,703.8	969,036.1
Financial expenses	929,313.3	1,332,276.3	1,710,533.8
Extraordinary gains (losses)	(795.1)	(910.9)	(416.0)
Income tax	252,703.0	225,764.9	372,332.4
Other statutory reductions in profit	166,842.3	145,774.7	74,383.6
Net profit	1,132,227.9	746,712.5	271,932.6

<u>Profitability ratios</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
– gross profit margin	16%	13%	9%
– net profit margin	11%	9%	3%
– net return on equity	10%	9%	4%

<u>Effectiveness ratios</u>			
– assets turnover ratio	51%	58%	53%
– receivables turnover in days	38	43	63
– liabilities turnover in days	27	31	32
– inventory turnover in days	27	27	26

<u>Liquidity/Net working capital</u>			
– debt ratio	41%	44%	51%
– equity to fixed assets ratio	59%	56%	49%
– net working capital (in PLN '000)	3,033,401	(2,480,921)	1,571,840
– current ratio	2.33	0.53	1.75
– quick ratio	2.01	0.42	1.52

The analysis of the above figures and ratios indicated the following trends occurring in 2005:

- an increase in net profit margin and net return on equity;
- a decrease in receivables and liabilities turnover in days;
- a decrease in the debt ratio;
- an improvement of liquidity ratios.

## **II. DETAILED INFORMATION**

### **1. Evaluation of the accounting system**

#### Accounting system

The Company has valid documentation describing the accounting principles (policy) applied, including in particular: definition of the financial year and reporting periods thereof, methods for measuring assets and liabilities, and determining the financial result, method of keeping the accounting records and the system of data and file protection. The documentation of the accounting policy was developed in line with the Accounting Act and approved for use as of 1 January 2002 by resolution No. 383/2002 passed by the Management Board on 23 December 2002. Changes in the accounting policy arising from amended accounting and tax regulations have been introduced by separate resolutions of the Company's Management Board.

Accounting principles accepted by the Company comply with the Accounting Act and were applied consistently.

Until 31 March 2005 the Company used the FK PIĄTKA computerised accounting system to record all business events occurring in the Company, except for the payment of gas allowances to retired individuals. This process has been outsourced to Gaskon and Mentor. The FK PIĄTKA system is password protected against unauthorised access and has functional access controls.

The above system is not used in the Zielona Góra Branch, which uses the SPECTRA accounting system, and Zakład Robót Górniczych, which uses the FIX system.

In addition to the main computer system individual branches use separate applications to keep subledgers for:

- fixed assets;
- management of materials;
- payroll;
- sales;
- purchases;
- invoicing;
- cash desk;
- taxes.

The Company uses the SAP computerised accounting system as of 1 April 2005, which enables it to recording all business transactions. The SAP system is password protected against unauthorised access and has functional access controls.

The Company additionally uses the a HR-Payroll module developed by Warsoft. The description of the IT system complies with the requirements of Article 10 clause 1 point 3 item c) of the Accounting Act.

The opening balance resulting from the approved financial statements for the previous financial year was properly introduced into the accounting records of the audited period.

In the audited sample, the documentation of business transactions, the accounting records and the relationships between the accounting entries financial documents and financial statements comply with the requirements of section 2 of the Accounting Act.

The accounting records and vouchers, the documentation of the accounting system and the approved financial statements of the Company are stored in compliance with section 8 of the Accounting Act.

The Company performed physical counts of assets and liabilities within the scope, timing and frequency provided for in the Accounting Act. Identified differences were recorded and settled in the accounting records for the audited period.

## **2. Information on the audited financial statements**

The audited financial statements were prepared as of 31 December 2005 and include:

- introduction to the financial statements;
- balance sheet prepared as of 31 December 2005, with total assets and liabilities plus equity of PLN 19,203,888 thousand;
- profit and loss account for the period from 1 January 2005 to 31 December 2005, disclosing a net profit of PLN 1,132,228 thousand;
- statement of changes in equity for the period from 1 January 2005 to 31 December 2005, disclosing an increase in equity of PLN 3,244,813 thousand;
- cash flow statement for the financial year from 1 January 2005 to 31 December 2005, showing a cash inflow of PLN 2,226,513 thousand;
- additional information and explanations.

The structure of assets and liabilities plus equity as well as items affecting the financial result was presented in the financial statements.

## **3. Information on selected material items of the financial statements**

### Tangible fixed assets

The Company's tangible fixed assets include:

- fixed assets - PLN 3,252,014,523.55;
- fixed assets under construction - PLN 1,210,752,513.34.

The changes in tangible fixed assets were correctly described in Note 2 of the additional information and explanations to the financial statements.

The Company applied revaluation write-downs on fixed assets under construction that are planned to be discontinued.

Long-term investments

The long-term investments of the Company include shares in controlled entities in the amount of PLN 5,006,255,342.17.

Note 4 correctly describes changes in investments during the financial year.

Structure of inventory

The structure of inventory was correctly presented in the respective explanatory note.

Structure of receivables

The ageing analysis of receivables was correctly presented in the respective explanatory note. The audited sample did not include expired or redeemed receivables.

Liabilities

The ageing analysis and long-term liabilities by type were correctly presented in explanatory note 19.

Key items of the Company's liabilities include:

- long-term credit and loans - PLN 2,315,880,000.00;
- short-term credit and loans - PLN 8,356,408.01;
- trade liabilities - PLN 725,697,189.19.

The specification of drawn loans and description of their collateral are presented in Note 19d to the additional information and explanations to the financial statements. The audited sample did not include expired or redeemed liabilities.

Prepayments, accruals and provisions for liabilities

The structure of prepayments, accruals and provisions for liabilities is correctly described in the respective notes.

Expenses and revenues settled over time were correctly classified in respect to the audited financial year.

Provisions for liabilities were determined at reliably estimated amounts.

The items are complete and correct in all material respects in relation to the financial statements as a whole.

Justification of the opinion issued

As a result of our audit we issued an unqualified opinion, pointing out the following issues:

1. The presented financial statements are individual financial statements and were prepared in accordance with Polish Accounting Standards. These financial statements cannot constitute the sole basis for evaluating the financial and economic position of the Company which is a holding

company in the Capital Group. In addition to the individual financial statements, the Company also prepares the consolidated financial statements of the Capital Group, in which it acts as the holding company, in accordance with International Financial Reporting Standards. By the opinion date, the consolidated financial statements had not been prepared.

2. In point 10.3 of the Introduction to the financial statements the Company informs that in 2002 land perpetual usufruct titles acquired free-of-charge were entered into accounting records. These rights were measured at values determined by administrative decisions issued before 1 January 2002 by authorities granting such rights. The equivalent of recognised perpetual usufruct titles was also disclosed in accounting records under prepayments and accruals. For the purpose of presentation in the financial statements, the value of recognised land perpetual usufruct rights was decreased by related prepayments and accruals.

#### **4. Completeness and correctness of drawing up the introduction to the financial statements, additional information and explanations and the report on the activities of the Company**

The introduction to the financial statements includes all information required under Attachment 1 to the Accounting Act. The Company confirmed the validity of the going concern principle followed in preparing the financial statements. The introduction gives a correct and complete description of valuation principles regarding assets and liabilities, principles of measurement of the financial result and preparation of the financial statements.

The Company prepared the additional information and explanations consisting of tabular notes to individual balance sheet and profit and loss account items as well as narrative descriptions.

Explanatory notes describing tangible fixed assets, intangible assets, investments, liabilities and provisions correctly presented increases and decreases as well as their basis during the financial year. Limitations imposed on individual assets disclosed in the balance sheet arising from pledges and other security granted to creditors were described.

The additional information and explanations to the financial statements give a correct and complete description of reporting items as well as in a clear manner present other information in accordance with the requirements specified in the Minister of Finance's Ordinance of 18 October 2005 on the scope of information disclosed in financial statements and consolidated financial statements, required in the prospectuses of issuers with registered offices in the Republic of Poland, which should apply Polish Accounting Standards (Dz.U. No. 209 item 1743), as well as the Minister of Finance's Ordinance of 19 October 2005 on the ongoing and periodic information provided by the issuers of securities (Dz. U. No. 209 item 1744).



The financial statements are supplemented with the Management Board's Report on the activities of the Company in the 2005 financial year. The Report contains all information required under Article 49 clause 2 of the Accounting Act. We have audited the Report in respect to the disclosed information derived directly from the audited financial statements.

## **5. Final information and findings**

### Management Board's Representation

Deloitte Audyt Sp. z o.o. and the certified auditor received a representation letter from the Company's Management Board in which the Board stated that the Company complied with the laws in force.

.....  
Maria Rzepnikowska  
Certified auditor  
No. 3499

.....  
Persons representing the entity

.....  
Entity authorised to audit  
financial statements entered under  
number 73 on the list kept by the  
National Council of Certified Auditors

Warsaw, 3 April 2006