

**Independent Auditors' Review Report
on the Interim Condensed Financial Statements
for the six month period ended 30 June 2006**

To the Supervisory Board of Grupa LOTOS S.A.

1. We have reviewed the attached condensed financial statements of Grupa LOTOS S.A. ('the Company') located in Gdańsk, at 135 Elbląska Street, including:
 - the interim condensed balance sheet as of 30 June 2006 with total assets amounting to 6 014 530 thousand zlotys,
 - the interim condensed income statement for the period from 1 January 2006 to 30 June 2006 with a net profit amounting to 322 098 thousand zlotys,
 - the interim condensed statement of changes in equity for the period from 1 January 2006 to 30 June 2006 with a net increase of equity amounting to 322 098 thousand zlotys,
 - the interim condensed cash flow statement for the period from 1 January 2006 to 30 June 2006 with a net cash outflow amounting to 65 060 thousand zlotys and
 - notes to the financial statements('the attached interim condensed financial statements').
2. The truth and fairness¹ of the attached interim condensed financial statements prepared in accordance with International Financial Reporting Standards applicable to interim financial reporting as adopted by the European Union ('IAS 34') and the proper maintenance of the accounting records are the responsibility of the Company's Management Board. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the provisions of the law binding in Poland and auditing standards issued by the National Council of Statutory Auditors ('Standards'). These standards require that we plan and perform our review in such a way as to obtain moderate assurance as to whether the financial statements are free of material misstatement. The review was mainly based on applying analytical procedures to the financial data, review of accounting records and discussions with the management of the Company as well as its employees. The scope of work² of a review differs significantly from an audit of financial statements, the objective of which is to express an opinion on the truth and fairness³ of the financial statements. Review provides less assurance than audit. We have not performed an audit of the attached interim condensed financial statements and, accordingly, do not express an audit opinion.
4. The financial statements for the prior financial year ended 31 December 2005 were subject to our audit and we issued an opinion including emphases of matter on these financial statements, dated 27 April 2006. The emphases of matter concerned the liabilities relating to the financing operating and investment activities of Rafineria Nafty Glimar S.A. ('RN Glimar') becoming payable and the fact of preparing consolidated financial statements by the Company. We describe these matters in paragraph 6 of this report.

¹ Translation of the following expression in Polish language: "prawidłowość, rzetelność i jasność"

² In Polish language two expressions are used ("zakres i metoda") that in English language translation are covered by one expression "the scope of work";

³ Translation of the following expression in Polish language: "prawidłowo, rzetelnie i jasno"

5. Our review did not reveal the need to make material changes for the attached interim condensed financial statements to present truly and fairly⁴ in all material respects the financial position of the Company as at 30 June 2006 and the financial result, for the 6 months ended 30 June 2006 in accordance with IAS 34.
6. Without qualifying our review report to the truth and fairness of the attached interim condensed financial statements we draw attention to the following matters:
- a) The Company signed loan agreements with RN Glimar, dated 23 September 2003 and 8 April 2004, in order to finance its operating and investing activities, including in particular the Hydrokompleks Glimar project, for the total amount of 90 million zlotys. In the attached interim condensed financial statements prepared as at 30 June 2006, the Company created a provision for the loans granted to RN Glimar, and provisions for liabilities resulting from the above-mentioned agreements, in the total amount of 90 million zlotys. We draw attention to the fact that, in accordance with the loan agreements, under certain circumstances not all of these liabilities may be payable in their full amount.

In addition, the Company committed to co-finance the Hydrokompleks Glimar project and to maintain appropriate financial and economic position of RN Glimar, which on 19 January 2005 was declared bankrupt.

Above mentioned issues were described in detail in Note 19 to the interim consolidated financial statements of Grupa LOTOS S.A. Capital Group ('The Capital Group'), where the Company is a dominant entity.

- b) The Company has disclosed in the attached interim condensed financial statements shares in subsidiaries and associates at the acquisition cost diminished by impairment write-offs. The Capital Group, where the Company is a dominant entity, has prepared interim consolidated financial statements. Net result of the Capital Group for the six month period ended 30 June 2006 amounts to 414 265 thousand zlotys and net assets of the Capital Group as at 30 June 2006 amount to 5 221 623 thousand zlotys.

Certified Auditor
Registration No. 10402/7665

Marcin Zieliński

on behalf of
Ernst & Young Audit sp. z o.o.
Rondo ONZ 1, 00-124 Warsaw
Registration No. 130

Jacek Hryniuk
Certified Auditor
Registration No. 9262/6958

Warsaw, 27 September 2006

⁴ Translation of the following expression in Polish language: "rzetelny, prawidłowy i jasny"