INDEPENDENT AUDITOR’S OPINION

To the Supervisory Board

1. We have audited the attached financial statements for the year ended 31 December 2005 of Grupa Lotos S.A. (‘the Company’) located in Gdańsk, at 135 Elbląska Street, containing:
   - the balance sheet as at 31 December 2005 with total assets amounting to 5,375,563 thousand zlotys,
   - the profit and loss account for the period from 1 January 2005 to 31 December 2005 with a net profit amounting to 532,268 thousand zlotys,
   - the statement of changes in shareholders’ equity for the period from 1 January 2005 to 31 December 2005 with a net increase in shareholders’ equity amounting to 1,526,079 thousand zlotys,
   - the cash flow statement for the period from 1 January 2005 to 31 December 2005 with a net cash inflow amounting to 219,084 thousand zlotys and
   - the additional notes and explanations (‘the attached financial statements’).

2. The truth and fairness\(^1\) of the attached financial statements and the proper maintenance of the accounting records are the responsibility of the Company’s Management Board. Our responsibility was to audit the attached financial statements and to express an opinion whether, based on our audit, these financial statements are, in all material respects, true and fair\(^2\) and whether the accounting records that form the basis for their preparation are, in all material respects properly maintained.

3. We conducted our audit of the attached financial statements in accordance with:
   - chapter 7 of the Accounting Act, dated 29 September 1994 (‘the Accounting Act’),
   - the auditing standards issued by the National Chamber of Auditors,

in order to obtain reasonable assurance whether these financial statements are free of material misstatement. In particular, the audit included examining, to a large extent on a test basis, documentation supporting the amounts and disclosures in the attached financial statements. The audit also included assessing the accounting principles adopted and used and significant estimates made by Management Board, as well as evaluating the overall presentation of the attached financial statements. We believe our audit has provided a reasonable basis to express our opinion on the attached financial statements treated as a whole.

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\(^1\) Translation of the following expression in Polish: “prawidłowość, rzetelność i jasność”

\(^2\) Translation of the following expression in Polish: “prawidłowe, rzetelne i jasne”
4. The financial statements for the prior financial year ended 31 December 2004 were subject to our audit and we issued an opinion including emphases of matter on these financial statements, dated 31 March 2005. 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, indicating the necessity to provide additional financial support for the Rafineria Jasło S.A. and Rafineria Czechowice S.A. in order to assure the going concern of those entities and the fact of preparing consolidated financial statements.

5. In our opinion, the attached financial statements, in all material respects:
   - present truly and fairly all information material for the assessment of the results of the Company’s operations for the period from 1 January 2005 to 31 December 2005, as well as its financial position as at 31 December 2005;
   - have been prepared correctly, i.e. in accordance with International Financial Reporting Standards as adopted by the EU and based on properly maintained accounting records;
   - are, in respect of the form and content, in accordance with (i) legal regulations governing the preparation of financial statements and (ii) the Company’s articles of association.

6. Without qualifying our opinion, we draw attention to the following issues:

   a) As described in detail in Note 20 of the attached financial statements, 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 financial statements prepared as at 31 December 2005, 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 full amount.

   In addition, as described in detail in the above mentioned note, 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.

   b) The Company has disclosed in the attached financial statements shares in subsidiaries and associates at the acquisition cost diminished by impairment write-offs. Grupa Lotos S.A. capital group (“The Capital Group”), where the Company is a dominant entity, has prepared consolidated financial statements. Net result and net assets of the Capital Group for the year ended 31 December 2005 amount to, respectively, 968,839 thousand zlotys and 4,808,109 thousand zlotys.

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3 Translation of the following expression in Polish: “sytuacja majątkowa i finansowa”
7. We have read the ‘Directors’ Report for the period from 1 January 2005 to 31 December 2005 and the rules of preparation of annual statements (‘the Directors’ Report’) and concluded that the information derived from the attached financial statements reconciles with these financial statements. The information included in the Directors’ Report corresponds with the relevant regulations of the Decree of the Minister of Finance of 19 October 2005, on current and periodic information published by issuers of securities (Journal of Law No. 209, item 1744).

on behalf of
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Warsaw, 27 April 2006