INDEPENDENT AUDITORS' OPINION

To the Supervisory Board

1. We have audited the attached consolidated financial statements of Grupa Lotos S.A. Group ('the Group'), for which the holding company is Grupa Lotos S.A. ('the Company') located in Gdańsk, at 135 Elbląska Street, for the year ended 31 December 2005,containing:
   - the consolidated balance sheet as at 31 December 2005 with total assets amounting to 6,989,609 thousand zlotys,
   - the consolidated profit and loss account for the period from 1 January 2005 to 31 December 2005 with a net profit amounting to 968,839 thousand zlotys,
   - the consolidated 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 2,150,597 thousand zlotys,
   - the consolidated cash flow statement for the period from 1 January 2005 to 31 December 2005 with a net cash inflow amounting to 616,782 thousand zlotys and
   - the additional notes and explanations

   ('the attached consolidated financial statements').
2. The truth and fairness[1] of the attached consolidated financial statements and the proper maintenance of the consolidation documentation are the responsibility of the Company's Management Board. Our responsibility was to audit the attached consolidated financial statements and to express an opinion whether, based on our audit, these consolidated financial statements are, in all material respects, true and fair[2].
3. We conducted, except for the issues described in points 5 and 6 below**,** our audit of the attached consolidated financial statements in accordance:
   - 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 consolidated 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 consolidated 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 consolidated financial statements. We believe our audit has provided a reasonable basis to express our opinion on the attached consolidated 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 consolidated 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 Rafineria Jasło S.A. and Rafineria Czechowice S.A. in order to assure the going concern of those entities and the fact that the standalone financial statements, on the basis of which the consolidated financial statements were prepared, were subject to audit by other auditors.
5. The holding company consolidated the UAB Naftos Gavyba Capital Group ("The NG Group"), located in Lithuania, using the equity method. The basis of including in the attached consolidated financial statements the value of the NG Group, being the value of interest in the equity of the NG Group, was the consolidated financial statements of the NG Group prepared according to accounting principles applicable in Lithuania. The auditor of the consolidated financial statements of the NG Group issued a qualified audit opinion, dated 28 March 2006, and the qualifications concerned:
   - lack of independent assessment of the size of natural resources owned by the NG Group, and as a result, limitation of audit scope in relation to the net book value of fixed assets used in mining activities and corresponding depreciation,
   - limitation of audit scope relating to the inability to assess all financial consequences of arbitration proceedings, of which one of the subsidiaries - AB Geonafta is a party. The proceedings are described in detail in Note 43 of the additional notes and explanations to the attached consolidated financial statements.

   As at the date of issue of the opinion, we were unable to assess the potential effect of the issues, which were subject to qualification included in the auditor's opinion on the consolidated financial statements of the NG Group, as well as of the different accounting principles used by the NG Group, on the value of the NG Group as recognised in the attached consolidated financial statements.
6. The Group recognizes in the attached consolidated financial statements, a provision created by Lotos Czechowice S.A. (formerly: Rafineria Czechowice S.A.) ("LC") for both, the potential cost of removing and utilizing production waste stored in so called "acid holes" plus a provision for future reclamation of land, on which certain installations designated as being due for liquidation are located. Total provision amounts to 39,283 thousand zlotys. With reference to the amount of post production waste and the area of land designated as being due for liquidation, which were the basis for the calculation of the provisions' value, the estimation was performed on the basis of LC's documentation as well as its technological employees best knowledge, however no quantity survey, using proper drilling techniques, which would ensure full credibility of the results, was conducted. Furthermore, there is a significant range of the value of the provision for the reclamation of the land, as assessed by the environmental expert. Taking all the above into consideration, as well as the lack of measurement data regarding pollution concentration plus actual contaminated locations, we were unable to verify the appropriateness of the performed estimations and the resulting value of the provision stated above.

7. In our opinion, except the result of potential adjustments resulting from matters described in points 5 and 6 above, the attached consolidated financial statements, in all material respects:
   - present truly and fairly all information material for the assessment of the results of the Group's operations for the period from 1 January 2005 to 31 December 2005, as well as its financial position[3] as at 31 December 2005;
   - have been prepared, in all material aspects correctly, i.e. in accordance with International Financial Reporting Standards as adopted by the EU;
   - are, in respect of the form and content, in accordance with the legal regulations governing the preparation of financial statements.
8. Without further qualifying our opinion, we draw attention to the following issues:
   a) As described in detail in Note 40 of the attached consolidated financial statements, the sales agreement, dated 13 January 2005, between Grupa Lotos S.A. and Nafta Polska S.A. concerning shares of Rafineria Czechowice S.A. (80.04%), Rafineria Jasło S.A. (80.01%), Rafineria Nafty Glimar S.A. in bankruptcy (91.54%) and Petrobaltic S.A. (69.00%) was implemented on 3 February 2005. As required by the International Financial Reporting Standard 3 "Business combinations" as at the acquisition date the Company measured, for each of the acquired entities separately, the value of goodwill, being the difference between the cost of the business combination and the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, as a result of which, in the attached consolidated financial statements of the Group, in the entry 'Excess of interest in the net assets fair value over the acquisition cost' profit of 266.6 million zlotys was recognized.
   b) As described in detail in Note 23 of the attached consolidated 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 consolidated 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 their 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.

[3] Translation of the following expression in Polish: ''*sytuacja majątkowa i finansowa*''

9. 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 consolidated 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).

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Warsaw, 27 April 2006