

## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF THE INTERIM ABBREVIATED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED JUNE 30, 2007**

### **To the Supervisory Board of Polish Energy Partners S.A.:**

1. We have reviewed the attached abbreviated financial statements of Polish Energy Partners ("Company") with its registered office located in Warsaw, at ul. Wiertnicza 169, containing:
  - the interim balance sheet as at June 30, 2007 with total assets amounting to 136,182 thousand zlotys,
  - the interim profit and loss account for the period from January 1, 2007 to June 30, 2007 with a net profit amounting to 16,442 thousand zlotys,
  - the interim statement of changes in shareholders' equity for the period from January 1, 2007 to June 30, 2007 with a net increase in shareholders' equity amounting to 17,939 thousand zlotys,
  - the interim cash flow statement for the period from January 1, 2007 to June 30, 2007 with a net cash inflow amounting to 15,153 thousand zlotys and
  - the additional notes and explanations ("enclosed interim abbreviated financial statement").
2. The truth and fairness<sup>1</sup> of the enclosed interim abbreviated financial statement prepared with the provisions of International Financial Reporting Standards which apply to the interim financial reporting, which were approved 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 was to issue a report based on the review of this financial statement.
3. We conducted our review of the enclosed interim abbreviated financial statement in accordance with the regulations being in force in Poland and the auditing standards issued by the National Chamber of Auditors ("Standards"). The Standards require from us planning and conducting the review in a manner to obtain reasonable assurance that the financial statements does not contain any material errors. We conducted our review mainly by analyzing financial data, review of documentation and information received from the management and personnel of the Company. The scope and method of the review of financial statements are significantly different from the audit methodology which is the basis for an audit opinion about the true, fairness and clarity of the financial statements. The review provides less assurance than audit. We did not perform the audit of the enclosed interim consolidated financial statements so we do not issue an audit opinion.
4. The financial statements for the previous year ended December 31, 2006 were subject to our audit and on February 26, 2007 we issued an qualified opinion on these financial statements relating to limitation of verification of accuracy of estimates of impairment write downs against investment property related directly to energy generation for one of the customers of the Company, provisions for doubtful debt from that customer, and the provisions for shares in the subsidiary which is related to that customer. This issue is presented in details in section 5 of this report.

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<sup>1</sup> Translation of the following expression in Polish: "*rzetelność, prawidłowość i jasność*"

5. As of June 30, 2007 the Company includes in its financial statements impairment write down against investment property related directly to energy generation for one of the customers of the Company in the amount of 10,959 thousand zlotys, and the provision for shares in the subsidiary which is related to that customer in the amount of 1,145 thousand zlotys. As of the date of this report the Company did not change the value of the provisions created in 2006. Had the Company changed the above mentioned estimates the results of that change would have had impact on the net profit for the period of 6 months ended June 30, 2007.
6. Except for potential consequences of the issues, which are presented in section 5 above the review we conducted does not indicate any needs for material changes in the enclosed interim abbreviated financial statement to present the true, fair and clear view in all material aspects of the financial and material situation of the Company as at June 30, 2007 and its financial result for the period of 6 months ended June 30, 2007 in accordance with IAS 34.

Certified Auditor  
No 10402/7665

on behalf of  
Ernst & Young Audit Sp. z o.o.,  
Rondo ONZ 1, 00-124 Warszawa  
Ident. no. 130

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Marcin Zieliński

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Artur Żwak  
Certified Auditor No 9894/7366

Warsaw, 6 August 2007