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**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS OF
PROCHEM S.A. GROUP
FOR THE PERIOD
FROM 1 JANUARY TO 30 JUNE 2011**

To the Shareholders of Prochem S.A.

Introduction

We have reviewed the accompanying consolidated statement of financial position of Prochem S.A. Group, with its registered office in Warsaw, 44c Powązkowska street as at 30 June 2011, the consolidated income statement and the consolidated statements of comprehensive income, changes in equity and cash flows for 6 month period then ended and selected explanatory notes ("the condensed consolidated interim financial statements").

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements, based on our review.

Scope of Review

We conducted our review in accordance with the national standard on auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* and the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 June 2011 are not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to the fact that:

As described in notes no. 7 and 17 to the attached condensed consolidated interim financial statements, the parent company Prochem S.A. has recognised receivables with respect to guarantee deposits from PERN S.A. with a carrying value of PLN 17,364 thousand that, according to the decision of the Regional Court in Warsaw dated 12 August 2010, will be a subject to final settlement of the "Rurociąg w relacji ST-1 Adamowo-Baza Surowcowa Plebanka" construction contract as determined by a court appointed expert. The final result of the settlement is not yet known.

On behalf of KPMG Audyt Spółka z ograniczoną
odpowiedzialnością sp.k. registration number 3546
ul. Chłodna 51, 00-867 Warsaw

Signed on the Polish original

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Certified Auditor No. 12044
Alicja Opara-Kozysa

Signed on the Polish original

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Certified Auditor No. 10268
Limited Liability Partner with power of
attorney
Monika Bartoszewicz

31 August 2011
Warsaw