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**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE CONDENSED SEPARATE
INTERIM FINANCIAL STATEMENTS OF
PROCHEM S.A.
FOR THE PERIOD
FROM 1 JANUARY 2012 TO 30 JUNE 2012**

To the Shareholders of Prochem S.A.

Introduction

We have reviewed the accompanying condensed separate statement of financial position of Prochem S.A., with its registered office in Warsaw, Powązkowska 44c Street as at 30 June 2012, and the condensed separate statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended, and notes to the condensed separate interim financial statements ("the condensed separate interim financial statements"). Management is responsible for the preparation and presentation of these condensed separate 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 separate 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 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 statements 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 national standards on auditing and 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 separate interim financial statements of Prochem S.A. as at 30 June 2012 are not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to notes 6 and 17 to the attached condensed separate interim financial statements. Prochem S.A. has recognized 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 ultimate outcome of matter cannot presently be determined.

On behalf of KPMG Audyt Spółka z ograniczoną
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Signed on the Polish original

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

31 August 2012
Warsaw