Independent Auditors' Review Report on the Interim Condensed Financial Statements for the 6-month period ended 30 June 2010

To the Supervisory Board of Polimex – Mostostal S.A.

1. We have reviewed the accompanying interim condensed financial statements of Polimex-Mostostal S.A. ('the Company') located at Czackiego 15/17 Street in Warsaw, including the interim condensed income statement, the interim condensed statement of comprehensive income for the period from 1 January 2010 to 30 June 2010, the interim condensed balance sheet as at 30 June 2010, the interim condensed statement of cash flows, the interim condensed statement of changes in equity for the period from 1 January 2010 to 30 June 2010 and accounting policies and other explanatory notes ('the accompanying interim condensed financial statements').

2. The Company's Management Board is responsible for the compliance of the accompanying interim condensed financial statements with International Financial Reporting Standard IAS 34 "Interim financial reporting" as adopted by the European Union ('IAS 34'). Our responsibility was to issue a report on these financial statements, based on our review.

3. We conducted our review in accordance with the provisions of the law binding in Poland and national auditing standards issued by the National Council of Statutory Auditors in Poland. These standards require that we plan and perform our review to obtain moderate assurance as to whether the financial statements are free of material misstatement. The review was mainly based on applying analytical procedures to the financial data, inspection of accounting records and discussions with the management of the Company as well as its employees. The scope[1] of a review differs significantly from an audit of financial statements, the objective of which is to express an opinion on whether financial statements comply with the required applicable accounting policies, and on the truth and fairness[2] of these financial statements. Consequently, the review does not enable us to obtain sufficient 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.

4. The financial statements for the prior financial year ended 31 December 2009 were subject to our audit and we issued a qualified opinion including an emphasis of matter on these financial statements, dated 26 April 2010. The qualifications related to the recognition of revenue from consortium contracts and the recognition of deferred tax asset for unused tax credits in the Special Economic Zone, while the emphasis of matter – to the uncertainty concerning future realization of assumptions made to value the Company's investment in Coifer Group. The above mentioned qualification relating to recognition of deferred tax asset for unused tax credits in the Special Economic Zone is discussed in paragraph 5 below.

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[1] Translation of the following expression in Polish language: "*zakres i metoda*"
[2] Translation of the following expression in Polish language: "*rzetelności i jasności*"

5. In 2010 the Company continued with its investment in building a new factory in Siedlce in a Special Economic Zone. In Note 8.1 of accounting policies and other explanatory notes to the accompanying interim condensed financial statements, the Company described possible tax benefits relating to starting business in a Special Economic Zone. In accordance with International Accounting Standard 12 ("IAS 12"), the Company should recognize a deferred tax asset for unused tax credit in proportion to the investment expenditure incurred where reasonable assurance exists that the entity will comply with all the conditions to use the tax credit awarded, and where it is probable that future taxable profit will be available against which the unused tax credit can be utilised. As at 30 June 2010, the value of deferred tax asset recognized in the Company's books of account relating to the investment in a Special Economic Zone is PLN 35.2 million, while the maximum tax credit to be utilised in connection with the investment expenditure already incurred – approx. PLN 103 million. During our review, basing on the obtained documentation, we were unable to conclude whether and in what amount should the Company recognise an additional deferred tax asset in connection with that investment.

6. Based on our review, except for the potential effect of the matter described in paragraph 5, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not in accordance, in all material respects, with IAS 34.

7. Without further qualifying our review report we draw attention to the following matter:

   As described in Note 11 of accounting policies and other explanatory notes to the accompanying interim condensed financial statements, as at 30 June 2010 the Company reported under financial assets an investment of PLN 74.1 million in shares of a subsidiary company, Coifer ('Coifer'), which the Company acquired at the beginning of 2008, and which conducts business in Romania. Based on an impairment test performed at the reporting date, the Company's Management did not recognize any impairment write-down against this investment, as justified in the Note referred to above. During the year ended 31 December 2009, as well as during the 6-month period ended 30 June 2010 Coifer incurred a significant loss from continuing operations as well as net loss. Valuation of Coifer investment depends on the fulfilment in the future of a number of assumptions, including the assumptions concerning operating results. As at the date of the preparation of the attached interim condensed financial statements, there is an uncertainty relating to the realization of the assumptions used in investment valuation, and consequently – the value of the investment itself.

on behalf of
Ernst & Young Audit sp. z o.o.
Rondo ONZ 1, 00-124 Warsaw
Reg. No 130

Key Certified Auditor

Sebastian Łyczba
certified auditor
No. 9946

Warsaw, 30 August 2010