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**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2016 TO 30 JUNE 2016**

To the Shareholders and Supervisory Board of Powszechny Zakład Ubezpieczeń SA

Introduction

We have reviewed the accompanying condensed separate interim financial statements of Powszechny Zakład Ubezpieczeniowy Spółka Akcyjna, with its registered office in Warsaw, al. Jana Pawła II 24 ("the Company"), which comprise:

- the introduction to condensed separate interim financial statements,
- the interim balance sheet as at 30 June 2016,
- the interim list of off-balance sheet items as at 30 June 2016,
- the interim technical non-life insurance account for the three-month and six-month periods ended 30 June 2016,
- the interim general profit and loss account for the three-month and six-month periods ended 30 June 2016,
- the interim statement of changes in equity for the six-month period ended 30 June 2016,
- the interim cash flow statement for the six-month period ended 30 June 2016, and
- additional information and notes

further referred to as "the interim financial statements".

Management of the parent company is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the Accounting Act dated 29 September 1994 (Official Journal from 2016, item 1047) ("the Accounting Act") and related bylaws as well as other binding regulations. Our responsibility is to express a conclusion on these condensed interim financial statements, based on our review.



Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by International Auditing and Assurance Standards Board (IAASB) as adopted by the National Council of Certified Auditors as the National Standard on Assurance 2410. A review of condensed 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 interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2016 and its financial performance and its cash flows for the six-month period then ended in accordance with the accounting principles applicable to the territory of the Republic of Poland as set out in the Accounting Act and related bylaws as well as other binding regulations.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
registration number 3546
ul. Inflancka 4a, 00-189 Warsaw

Signed on the Polish original

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Marcin Dymek
Key Certified Auditor
Registration No. 9899

Signed on the Polish original

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Stacy Ligas
Member of the Management Board of
KPMG Audyt Sp. z o.o., entity which
is the General Partner of KPMG Audyt
Spółka z ograniczoną
odpowiedzialnością Sp.k.

23 August 2016
Warsaw