SUPERVISORY BOARD
OF ERBUD SPÓŁKA AKCYJNA

ERBUD SA SUPERVISORY BOARD REPORT
FROM THE ASSESSMENT OF:

- **SEPARATE FINANCIAL STATEMENTS OF ERBUD SA AND CONSOLIDATED FINANCIAL STATEMENTS OF THE ERBUD CAPITAL GROUP FOR THE YEAR ENDED 31 DECEMBER 2014**

- **MANAGEMENT BOARD REPORT ON OPERATIONS OF ERBUD SA IN 2014 AND MANAGEMENT BOARD REPORT ON OPERATIONS OF THE ERBUD CAPITAL GROUP IN 2014**

- **MANAGEMENT BOARD MOTION ON DISTRIBUTION OF NET PROFIT OF ERBUD SA FOR THE YEAR ENDED 31 DECEMBER 2014**

Warsaw, April 28, 2015

This document constitutes a report of the Supervisory Board of ERBUD Spółka Akcyjna and concerns the following:

1) assessment of the Separate Financial Statements of ERBUD SA for the year ended 31 December 2014,
2) assessment of the Consolidated Financial Statements of the ERBUD Capital Group for the year ended 31 December 2014,
3) assessment of the Management Board Report on operations of ERBUD SA in 2014,
4) assessment of the Management Board Report on operations of the ERBUD Capital Group in 2014,
5) assessment of the Company's Management Board motion on distribution of profit.

Assessment of ERBUD SA financial statements for the year ended 31 December 2014 and Management Board Report on ERBUD SA operations in 2014.

Pursuant to Article 382 § 3 of the Commercial Company Code, the special duties of the Supervisory Board include assessment of the Management Board report on the company's activity and the financial statements for the previous financial year in terms of their compliance with the ledgers, documents and the factual status, and of the Management Board motion on distribution of profit, and submitting to the General Meeting of Shareholders an annual written report on the outcome of the above assessment.

The ERBUD SA Supervisory Board, acting pursuant to the Company's Articles of Association and in connection with Chapter 11 section 2 point 4 of the Regulations of the Supervisory Board, selected TPA Horwath Horodko Audit sp. z o. o. ("auditor") as an entity authorized to audit financial statements in order to audit the Separate Financial Statements of ERBUD SA and the annual Consolidated Fnancial Statements of the ERBUD SA Capital Group for the year ended 31 December 2014.

Preparation of ERBUD SA financial statements and the Management Board Report on the ERBUD SA activities compliant with prevailing regulations is the responsibility of the Company's Management Board, whereas the Supervisory Board, together with the Management Board, is responsible for ensuring that the aforementioned financial statements and reports satisfy the requirements stipulated by Article 4 of the Accountancy Act of 29 September 1994 (Journal of Laws of 2013 No. item 330, as amended) and the executive regulations issued on its basis.

ERBUD SA financial statement for the year ended 31 December 2014 and the Management Board Report on ERBUD SA activity in 2014 were assessed in detail by the ERBUD SA Supervisory Board Audit Committee at the meeting held on 28 April 2015 and discussed with the Management Board and the Company's auditor at the ERBUD SA Supervisory Board meeting on 28 April 2015.

In its opinion dated 24 April 2015, the auditor made an assurance that the audit of the financial statements was scheduled and conducted in such a manner as to obtain reasonable certainty allowing us to express an opinion on the financial statements. In particular, the audit included checking the correctness of the accounting principles (policy) used by the Company and material estimates, verification (mostly by random sampling) of accounting evidence and accounting records, from which the figures and information included in the financial statements originate, as well as a general assessment of the financial statements. The audit provided a sufficient basis to express an opinion.

In the opinion of the independent auditor, the Separate Financial Statements of ERBUD SA, in all material aspects:

- accurately and clearly depict information of material importance for the assessment of the Company's material and financial standing as at 31 December 2014, as well as its financial result for the financial year from 1 January 2014 to 31 December 2014,
- were drawn up in accordance with the applicable accounting principles (policy) prescribed by the Accountancy Act and the executive regulations duly issued on in basis, based on properly kept accounting ledgers,

- comply with the provisions of the law and the provisions of the Company's Articles of Association that affect the content of the financial statements.

The auditor's opinion on the audit of the Separate Financial Statements of ERBUD SA was issued as an unqualified opinion on 24 April 2015.

In addition, the auditor also made an assurance that the Report on ERBUD SA operations in the financial year 2012 is complete within the meaning of Article 49 sec. 2 of the Accountancy Act and the provisions of the Finance Minister's Regulation of 19 February 2009 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent (Journal of Laws of 2009 No. 33, Item 259, as amended) and the information contained therein is consistent with the audited financial statements from which it originated.
The ERBUD SA Management Board also represented that ERBUD SA financial statements for 2014 were prepared in an accurate manner and correctly reflect the business events in the Company and are free of irregularities resulting from intentional actions or errors.

ERBUD SA Supervisory Board, after examining the documents submitted by the Management Board:

1) Separate Financial Statements of ERBUD Spółka Akcyjna for the year ended 31 December 2014, encompassing the following:
   a) Management Board Report on operations of ERBUD SA in the financial year ended 31 December 2014
   b) Balance sheet as of 31 December 2014, showing total assets and total liabilities of PLN 796,420,802.74 (seven hundred and ninety-six million, four hundred and twenty thousand, eight hundred and two, point seven four Zlotys);
   c) Profit and loss statement for the period from 1 January 2014 to 31 December 2014, showing as of 31 December 2014 a profit of PLN 12,244,531.10 (twelve million, two hundred and forty-four thousand, five hundred and thirty-one, point one zero Zlotys);
   d) Cash flow statement for the period from 1 January 2014 to 31 December 2014, showing as of 31 December 2014 an increase in cash of PLN 64,820,184.39 (sixty-four million, eight hundred and twenty thousand, one hundred and eighty-four, point three nine Zlotys);
   e) Statement of changes in equity for the period from 1 January 2014 to 31 December 2014, showing as of 31 December 2014 an increase in equity of PLN 2,917,166.66 (two million, nine hundred and seventeen thousand, one hundred and sixty-six, point six six Zlotys);
   f) information about the accounting policy applied and other explanatory notes.

2) Consolidated Financial Statements of the ERBUD Capital Group for the year ended 31 December 2014, encompassing the following:
   a) Management Board Report on operations of the ERBUD Capital Group in the financial year ended 31 December 2014
   b) Consolidated balance sheet of the ERBUD Capital Group as of 31 December 2014, showing total assets and total liabilities of PLN 1,051,445,160.78 (one billion, fifty-one million, four hundred and forty-five thousand, one hundred and sixty, point seven eight Zlotys);
   c) Consolidated profit and loss statements of the ERBUD Capital Group for the period from 1 January 2014 to 31 December 2014, showing as of 31 December 2014 a profit of PLN 27,891,515.10 (twenty-seven million, eight hundred and ninety-one thousand, five hundred and fifteen, point one zero Zlotys);
   d) Consolidated cash flows statement of the ERBUD Capital Group for the period from 1 January 2014 to 31 December 2014, showing as of 31 December 2014 an increase in cash of PLN 84,672,551.56 (eighty-four million, six hundred and seventy-two thousand, five hundred and fifty-one, point five six Zlotys);
   e) Statements of changes in consolidated equity for the period from 1 January 2014 to 31 December 2014, showing as of 31 December 2014 an increase in equity of PLN 20,564,847.41 (twenty million,

five hundred and sixty-four thousand, eight hundred and forty-seven, point four one Zlotys);

f) information about the accounting policy applied and other explanatory notes.

3) Auditor's opinion and report dated 24 April 2015

positively assessed the above documents as to their compliance with the Company's ledgers and documents and the factual status.

Consequently, the ERBUD SA Supervisory Board resolved to submit this assessment to the ERBUD SA Annual General Meeting of Shareholders.
The Supervisory Board recommends that the ERBUD SA Annual General Meeting approve:

- the Separate Financial Statements of ERBUD SA for the financial year ended 31 December 2014,
- the Consolidated Financial Statements of the ERBUD Capital Group for the financial year ended 31 December 2014,
- the Management Board Report on operations of ERBUD SA in 2014,
- the Management Board Report on operations of the ERBUD Capital Group in 2014.

Assessment of the Management Board motion on distribution of ERBUD SA's net profit for the year ended on 31 December 2012.

1. The Supervisory Board issues a positive assessment of the ERBUD SA Management Board motion to the ERBUD SA Shareholder Meeting on distribution of ERBUD SA net profit for the financial year ended 31 December 2014 and recommends to the Annual General Meeting to distribute the profit in the amount of PLN 12,244,531.10 (twelve million, two hundred and forty-four thousand, five hundred and thirty-one, point one zero Zlotys) in the following manner:
   a) PLN 6,380,962.50 (six million, three hundred and eighty thousand, nine hundred and sixty-two, point five zero), i.e. PLN 0.50 per share - for disbursement as a dividend;
   b) PLN 5,863,568.60 (five million, eight hundred and sixty-three thousand, five hundred and sixty-eight, point six zero) for reserve capital.
2. The Supervisory Board recommends to the Annual General Meeting of ERBUD SA that:
   - list of shareholders entitled to the dividend for 2014 would be set for 15 July 2015,
   - date of payment of dividend for 2014 would be set for 30 July 2015.

Chairman of ERBUD SA Supervisory Board

Udo Berner