

Ladies and Gentlemen,

On behalf of the Management Board of RAFAKO S.A., I present the Company's financial statements for 2013.

This past year was pivotal for the future development of our business. We completed preparations for the expansion of Elektrownia Opole, the largest investment project in the Polish power sector, to be implemented by a consortium led by RAFAKO S.A. Last year, another RAFAKO-led consortium was awarded the contract for construction of a generating unit at Elektrownia Jaworzno III. The Company also signed a settlement with Alstom Group companies, whereby all disputes between the parties were resolved and RAFAKO S.A. was paid approximately PLN 180m. Thus, we entered 2014 with a robust order book, resolved legal dispute and ability to repay a large portion of a bank loan, resulting in a clearer focus on our business.

It is important to note that in 2013 the Company recorded a year-on-year decline in revenue, which was mainly due to postponement of the effective dates of the Opole and Jaworzno contracts. We expect the downtrend to reverse in 2014 and the reversal to be reflected in our future financial reports. In our plans for 2014 we have assumed that the Company will generate a net profit for the year.

We also expect many sales opportunities to come our way and our business environment to improve in the coming years. The need for new generation capacities is bound to drive a boom in power construction.

It is estimated that about 1.2-1.5 GW of new generation capacities will come online every year in 2011-2020. In the next ten to twenty years, projects in the power segment (including both replacement and development projects) will cost about PLN 140bn.

RAFAKO S.A. is prepared to meet the challenges of the power market. We offer the widest selection of power technologies in Europe. In addition to all environmental protection facilities, which are constantly developed and upgraded, we have competencies necessary to construct power units of all parameters, running on all types of fuels. RAFAKO S.A. is one of Europe's four companies (alongside Alstom, Hitachi Power Europe and Doosan Babcock) offering the complete technology for supercritical power units.

In response to the shortage of new capacities, environmental requirements and insufficient energy resources, the Company's strategy meets the expectations of power sector clients by offering them high-efficiency power facilities and environmental protection systems.

In 2014, RAFAKO S.A. will continue to serve its existing markets, while working to expand the range of its products and services to meet customer expectations. In particular, we want to offer our customers in Poland and abroad complete systems for the power sector, including coal-fired generating units, CCGTs, and environmental solutions, including FGD units and systems for removal of nitrogen and dust from flue gases. We will continue to offer supercritical steam generators, circulating fluidised bed steam generators, heat recovery steam generators, and steam generators for municipal solid waste incineration plants, as well as diagnostics, upgrade and retrofit services and repair of steam generators and auxiliary equipment. This year and beyond, we will also be offering our services as one of Europe's leading producers of steam generator components.

Given the need to meet the increasingly stringent EU environmental standards, the Company should continue to expand its presence on the domestic market of environmental protection systems, where we currently offer our technologies for the construction of complete flue gas desulphurisation units, industrial and municipal waste incineration systems and biomass-fired units, upgrading of steam generators to reduce NOx emissions, as well as dust extraction equipment.

Let me take this opportunity to express sincere thanks on behalf of the entire Management Board to all our Shareholders and Business Partners for their trust and confidence in what we do, to the Supervisory Board for their continued support, and to the Employees for yet another year of hard work.

Paweł Mortas

President of the Management Board

Racibórz, 21 March 2014