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Bucharest, Romania
17 April 2013

To the shareholders,
S.C. MECANICA CEAHLAU S.A.

INDEPENDENT AUDITOR'S REPORT

Report on the financial standing

1. We have conducted the audit of the financial statements of S.C. MECANICA CEAHLAU S.A. (hereafter referred to as the "Company"), which include the status of finances as of 31 December 2012 as well as the global outcome status, the status of the modifications to the company's own capitals and the cash flow status for the financial exercises closed as of said date, together with a summary of the relevant accounting policies conducted and other explanatory information.

The Management's Liability for the Financial Statements

2. The management is liable for the drafting and accurate presentation of such financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union and for the internal checking the management consider necessary to allow drafting the financial statements which lack significant **denaturations**, caused either by fraud or by error.

The Auditor's Liability

3. Our liability resides in expressing our opinion on such financial statements relying on our audit. We have conducted the audit in compliance with the International Auditing Standards. These standards provide that we observe the requirements with concern to ethics and to plan and conduct the audit in order to reach a reasonable assurance that the financial statements do not contain relevant errors.
4. An audit implies conducting procedures in order to obtain evidence of auditing with respect to the amounts and explanatory notes in the financial statements. The procedures selected depend on the auditor's professional judgement, including the assessment of the risk for relevant errors to occur in the financial statements caused either by error or by fraud. While conducting such risk assessment, the auditor analyses the internal control relevant to the preparation

and accurate presentation of the financial statements, with a view to defining auditing procedures appropriate to the given circumstances, but not in order to express an opinion on the efficiency of the internal checking of the entity. Moreover, auditing consists in assessing the accounting policies used and the reasonability of the accounting estimate the management made as well as assessing the overall presentation of the financial statements.

5. We consider that the auditing evidence we have obtained is sufficient and appropriate to constitute a basis for our auditing opinion with some reserves.

Limiting the Sphere of the Auditor's Activity

6. As we have appointed auditors at a date following 31 December 2011, we could not attend the inventory of the stocks, i.e., the amount of RON 7,743,047 as of 31 December 2011, i.e., the amount of RON 9,242,611 as of 31 December 2010, respectively. Nor could we conduct alternative auditing procedures with respect to the quantitative value of such stocks. As the initial and final sold of stocks affect the operational outcome for the exercise closed on 31 December 2012 and the exercise closed on 31 December 2011, and we were not able to determine the corrections likely to have been made that would have been extremely necessary in terms of the global outcome status, cash flow status, and the financial standing for the financial exercise closed on 31 December 2012 as to this issue.

Opinion with Reserves

7. In our opinion, except for the effects of some adjustments that could have been considered necessary, should we have been able to obtain auditing evidence related to the aspects mentioned above, the financial statements offers an accurate image of the financial standing of S.C. MECANICA CEHLAU S.A. as of 31 December 2012 as well as its financial performance and its cash flow for the year closed as of said date, in compliance with the International Financial Reporting Standards as adopted by the European Union.

Other Issues

8. This report is addressed exclusively to the shareholders of the Company as a group. The purpose of our auditing was solely to enable us report to the shareholders of the Company those aspects that we have to report in a financial auditing report. To the extend allowed by the law, we do not accept and we do not take liability other than to the Company and its shareholders, as a group, for our auditing, for this report, and for the opinion expressed herein.

Report on the compliance of the managers' report with the financial statements

In compliance with the Order of the Ministry of Public Finances No 1286/2012 with further amendments, article 16, item c, we have read the managers' report attached to the financial statements. The Managers' report is not part of the financial statements. In the managers' report, we have not identified historical financial information that may significantly be inconsistent with the information presented in the attached financial statements.

Alina Mirea, Auditing Partner / Signature: illegible---

Registered with the Chamber of Financial Auditors in Romania with Certificate No 1504 of 01/04/2003---

On behalf of DELOITTE AUDIT S.R.L.

Registered with the Chamber of Financial Auditors in Romania with No 25 of 25/06/2001---