

To the Management Board of AS Merko Ehitus

**INDEPENDENT ASSURANCE REPORT ON EXAMINATION OF PRO FORMA FINANCIAL INFORMATION**

We have examined the accompanying pro forma financial information for AS Merko Ehitus set out in the Prospectus of AS Merko Ehitus (the "Company" and together with its subsidiaries the "Group") comprising the un-audited pro forma consolidated balance sheet as at 31 March 2008, and the explanatory notes thereto (the "Pro Forma Financial Information").

The Pro Forma Financial Information has been prepared on the basis stated therein, for illustrative purposes only, to provide information on how the Group's consolidated financial information prepared on the basis of its accounting policies might have been affected had the transaction described in the introduction to the Pro Forma Financial Information occurred at an earlier date.

This report is required by item 20.2 of Annex I to the Commission Regulation (EC) 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (the "EU Prospectus Regulation") and is given for the purposes of complying with these regulations and for no other purposes.

Preparation of the Pro Forma Financial Information in accordance with item 20.2 of Annex I to the EU Prospectus Regulation and guidance issued by the Committee of European Securities Regulators is the responsibility of the Management Board of the Company. It is our responsibility to form an opinion, as required by item 7 of Annex II of the EU Prospectus Regulation, as to the proper compilation of the Pro Forma Financial Information. We are not responsible for expressing and do not express any other opinion on the Pro Forma Financial Information or on any of its constituent elements. In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

We conducted our examination in accordance with International Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". Our work, which involved no independent examination of any of the underlying financial information, on which the Pro Forma Financial Information is based, consisted primarily of comparing the unadjusted financial information with the source documents, considering evidence supporting the adjustments and discussing the Pro Forma Financial Information with the management of the Company.

We have planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated therein and that such basis is consistent with the accounting policies of the Group.

Based on our examination, in our opinion:

- a) the Pro Forma Financial Information for AS Merko Ehitus has been properly compiled on the basis stated therein;
- b) such basis is consistent with the accounting policies of the Group described in the consolidated financial statements of AS Järvevana (formerly AS Merko Ehitus) for the year ended 31 December 2007.

Without qualifying our opinion, we draw attention to the fact that, as outlined in the introduction to the Pro Forma Financial Information, this Pro Forma Financial Information has been prepared by using management's assumptions. It is not necessarily indicative of the effects on the financial position that would have been attained had the transaction described in the introduction to the Pro Forma Financial Information actually occurred earlier. Moreover, this accompanying Pro Forma Financial Information is not intended to, and does not, provide all the information and disclosures necessary to present a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union.

For the purpose of item 1.2 of Annex I and item 1.2 of Annex III of the EU Prospectus Regulation we are responsible for this report as part of the Prospectus and we declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I and item 1.2 of Annex III of the EU Prospectus Regulation.

On behalf of AS PricewaterhouseCoopers:



Urmas Kaarlep  
AS PricewaterhouseCoopers

1 August 2008