Public Joint Stock Company
"Ukrtransgaz"
The Project Strengthening the Capacity of Project Implementation Unit for Modernization of Ukraine’s Gas Transit System

Management Letter
for the Year Ended 21 October 2016
4 November 2016

To Management of Public Joint Stock Company "Ukrtransgaz":

In planning and performing our audit of the special purpose project financial statements of the project strengthening the capacity of project implementation unit of Public Joint Stock Company "Ukrtransgaz" (the "Company") under Joint European Commission – International Bank for Reconstruction and Development (the "IBRD") Facility to Support the Ministry of Energy and Coal Industry of Ukraine and National Joint Stock Company "Naftogaz of Ukraine" for Modernisation of Ukraine's gas transit system (the "Project") financed by the European Union grant funds (Grant # TF018284), whose beneficiary is the Company for the year ended 21 October 2016, on which we have issued our report dated 4 November 2016, in accordance with International Standards on Auditing ("ISA"), we considered the Company's internal control over reporting on the Project as a basis for designing audit procedures that are appropriate to express our opinion on the special purpose project financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over reporting on the Project. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control over reporting on the Project.

Our consideration of internal control over reporting on the Project was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over reporting on the Project that might be significant deficiencies.

No matters came into our attention while performing our audit procedures, which are considered as control deficiencies under standards established by the International Auditing and Assurance Standards Board.

This letter is intended solely for the information of, and use by, management, others within the Company and IBRD, and is not intended to be, and should not be, used by anyone other than these specified parties. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

I would like to thank management and employees of the Company for their help and cooperation during the audit.

Yours truly,

Deloitte & Touche

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

© 2016 PJSC "Deloitte & Touche USC". All rights reserved.