

Netia S.A.
Ul. Poleczki 13
02-822 Warszawa
Poland



22 December, 2005

To the Management Board of Netia S.A.:

Gentlemen,

You have requested our opinion as to the fairness from a financial point of view of the public tender (the "Offer") announced on 19 December 2005 by Novator Telecom Poland II S.a.r.l. ("Novator") for 13.01% of the shares in Netia S.A. ("Netia" or the "Company") for a price of PLN 6.15/share. If successful, this offer will increase the 9.99% stake already held by Novator in Netia to 23.00%. In particular, you have requested our opinion as to whether the consideration offered by Novator reflects the fair value of the Company.

In connection with this opinion, we have reviewed inter alia:

- i. Certain publicly available business and financial information about the Company and the market in which the Company operates, in particular the published annual reports of the Company for the years 2002, 2003 and 2004;
- ii. Published quarterly reports of the Company for the periods 1 January 2002 to 30 September 2005;
- iii. The budget of the Company for 2006, as approved by the Supervisory Board on 19 December 2005;
- iv. Netia operational and financial forecasts for the core Netia business to 2010;
- v. Netia operational and financial forecasts for the WiMax business to 2015;
- vi. Netia operational and financial forecasts for the P4 mobile joint venture to 2015; and
- vii. Certain reports published by equity research analysts, financial forecasts and other analyses concerning the Company.

In addition, we have:

- i. Reviewed the current and historic share price development of Netia, including the trading activity before the announcement of the decision by Novator to launch the Offer;
- ii. Compared the financial and operating performance of the Company with publicly available information concerning other companies we deemed relevant, and

- reviewed the current and historical market price development of these companies' shares;
- iii. Compared the proposed financial terms of the Offer with the publicly available financial terms of certain other market transactions we deemed relevant;
 - iv. Performed a discounted cash flow valuation, based on Netia's financial forecasts and scenario analyses we deemed appropriate; and
 - v. Performed such other studies and analyses as we deemed appropriate in this context.



We also have held discussions with individual members of the Management Board and senior management of the Company regarding their assessment of the Company's past and current business performance, financial condition, future prospects, and certain other circumstances, which we deemed appropriate in the context of arriving at our opinion.

We were not requested, neither by the Company nor any third party, to provide advice concerning the transaction structure or any other terms or aspects of the Offer.

Finally, we point out that this opinion is not based on a valuation as typically performed by qualified auditors. Instead, it is based on a valuation of the Company as is typically performed by investment banks in similar market transactions. Such valuations are carried out using internationally common valuation methods and differ in a number of important respects from a valuation performed by auditors and from asset based valuations generally.

For the purposes of rendering this opinion and providing other advice in relation to the Offer, we have relied upon the accuracy and completeness of all of the financial, accounting, tax and other information and documents reviewed or used by us. This applies regardless of whether the information was publicly available, has been provided by the Company or was made available to us by any other means. Accordingly, we have not undertaken an independent review of the information and documents concerning their correctness and completeness. In addition, we have not made an independent evaluation or appraisal of the Company's or its subsidiaries' assets and liabilities (including any off-balance-sheet liabilities) and did not receive any corresponding valuations or reviews. We have assumed that the Netia forecasts have been prepared reasonably on a basis reflecting the best currently available estimates and judgments of the Management Board of the Company.

This opinion and all information and views given herein are based on economic, market and other conditions as in effect on, and the information and plans made available to us as of, the date hereof. It should be understood that these as well as other assumptions underlying this opinion may change in the future. Although such subsequent changes may affect the content and conclusion of this opinion we do not have any obligation to update this opinion or highlight changes which could change the content of this opinion.

Our advisory services as well as this opinion are provided solely for the information and assistance of the Management Board of the Company in connection with its consideration of the Offer. It is not meant to address any third party nor does it give rise to any obligations towards third parties. In particular, this opinion is not addressed to Netia shareholders and therefore does not constitute a recommendation as to whether or not any shareholder of the Company should tender shares in the Company in connection with the Offer by Novator.

While we understand that this letter will be attached to and published in full with the opinion of Netia's Management Board issued in response to the Offer, it may not otherwise be reproduced in part or whole without our prior written approval.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Offer of PLN 6.15/share cash per Netia share reflects the fair value of the Company on a per share basis. We would, however, draw the attention of the Management Board to the fact that the Offer is only being made for 13.01% of the Company and that in the event the Offer is successful, Novator will control 23.00% of Netia's ordinary voting share capital and, as such, may exercise significant influence in all matters requiring Netia shareholder approval and the outcome of potential realisation opportunities for other shareholders.



Very truly yours,

Andrzej Szostak
President of the Management Board

Rothschild Polska sp. z o.o.

Jacek Chwedoruk
Member of the Management Board

Rothschild Polska sp. z o.o.