Translation from Polish

CAPITAL GROUP ERBUD

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR I QUARTER OF 2011

PREPARED PURSUANT TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

as at 31 March 2011 (in '000 PLN)

	31.03.2011	31.12.2010	31.03.2010
Fixed assets	**116 845**	**112 611**	**89 905**
Intangibles	601	406	440
Goodwill	20 102	20 102	20 102
Tangible fixed assets	33 492	33 343	31 100
Real estate investments	5 755	5 776	8 433
Financial assets available for sale	0	0	0
Other non-current financial assets	29 930	29 481	6 828
Investments valued using equity method	0	0	0
Non-current receivables	40	130	103
Long-term prepayments	0	11	34
Deferred tax assets	26 925	23 362	22 865
Current assets	**563 498**	**511 275**	**510 925**
Inventory	103 103	95 872	102 706
Delivery, services and other receivables	280 692	173 898	199 557
Income tax receivables	4 730	5 179	1 495
Financial assets	6 241	5 030	2 825
Building securities	33 482	32 016	30 877
Cash and cash equivalents	47 102	147 229	122 194
Short-term prepayments and accruals	773	546	6 569
Construction contracts	87 375	51 505	44 702
Total assets		**623 886**	**600 830**
Equity attributable to shareholders of the parent company	**225 707**	**239 199**	**240 075**
Share capital	1 260	1 260	1 257
Called up share capital	0	0	0
Treasure shares	0	0	(1 994)
Exchange rate differences on translation of foreign entities	59	0	92
Supplementary capital	210 296	209 558	178 510
Capital reserves	0	0	2 000
Undistributed profits	14 092	28 381	60 210
Minority interests	9 226	9 381	2 914
Total shareholders' equity	**234 933**	**248 580**	**242 989**
Long-term liabilities	**59 973**	**53 904**	**43 985**
Bank loans and borrowings	19 090	14 822	5 107
Provision for deferred income tax	23 965	22 415	17 916
Provision for retirement and similar benefits	1 358	1 358	2 303
Other provisions	1 083	1 074	1 981
Other financial liabilities	5 983	5 744	5 344
Other liabilities	8 494	8 491	11 334
Short-term liabilities	**385 437**	**321 402**	**313 856**
Credits and loans	47 679	24 146	26 754
Derivative financial instruments	0	56	8 671
Trade and other liabilities	200 764	191 454	169 153
Current tax liabilities	1 994	2 393	0
Provision for retirement and similar benefits	3 108	3 109	2 487
Provisions	6 663	7 776	7 890
Building securities	68 085	68 108	46 556
Construction contracts	39 338	7 745	46 064
Other accruals	14 338	13 147	6 281
Liabilities due to fixed assets classified as held for sale	3 468	3 468	0
Total liabilities	**680 343**	**623 886**	**600 830**

Calculation of book value per share

	31.03.2011	31.12.2010	31.03.2010
Book value (in 000' PLN)	225 707	239 199	240 075
Number of shares	12 602 711	12 602 711	12 571 025
Book value per share (in PLN)	17.91	18.98	19.10

Book value per share is calculated from equity less the minority interests.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

for the 3-month period ended 30 March 2011 (in 000' PLN)

	3-month period ended 31.03.2011	3-month period ended 31.03.2010
CONTINUING OPERATIONS		
Revenues from sales of products and services and of goods and materials	**276 017**	**184 360**
Cost of sold products and services and of goods and materials	**278 338**	**163 703**
Profit (loss) from sales	**-2 321**	**20 657**
Cost of sales	495	323
General and administrative costs	11 758	13 275
Other operating income	**182**	**2 431**
Other operating expenses	**85**	**1 556**
Profit (loss) on operating activities	**-14 477**	**7 934**
Other gains (losses) on investments	**0**	**263**
Financial income	**932**	**535**
Financial expenses	**1 895**	**2 687**
Profit (loss) on continuing operations before tax	**-15 440**	**6 045**
Income tax	-1 067	1 466
Net profit (loss) for the financial period attributable to:	**-14 373**	**4 579**
- Shareholders of the parent company	**-14 217**	**4 557**
- Minority shareholders	**-156**	**22**
Weighted average number of ordinary shares / Diluted weighted average number of ordinary shares (in units)	**12 602 711 / 12 679 988**	**12 571 025**
Earnings (loss) per share / Diluted earnings (loss) per share (in PLN) on continuing operations	**-1.13 / -1.12**	**0.36**

Consolidated net profit	**-14 373**	**4 579**
Exchange rate differences from translation of foreign branches and entities	-12	-29
Deferred income tax due to items of other comprehensive incomes	0	0
Other comprehensive net incomes	**-12**	**-29**
Total a comprehensive incomes attributable to:	-14 385	4 550
- Shareholders of the parent company	-14 230	4 528
- Minority shareholders	-155	22

CONSOLIDATED STATEMENT OF CASH FLOW
for the 3-month period ended 30 March 2011 (in 000' PLN)

	3-month period ended 31.03.2011	3-month period ended 31.03.2010
Cash flow from operating activities		
Net profit (loss)	**-14 373**	**4 579**
Total adjustments	**-109 919**	**-45 016**
Depreciation and amortization	1 324	1 512
Share in net profit of subsidiaries valued using equity method	0	0
Gains / losses from exchange rate differences	-12	176
Interest and profit sharing (dividend)	522	444
Profit / loss on investment activities	0	1 743
Change in provisions	446	3 909
Change in inventories	-7 231	-3 205
Change in receivables	-107 723	-8 450
Change in short-term liabilities, excluding loans and borrowings	8 888	-25 449
Change in prepayments and accruals	-6 865	-15 326
Other adjustments	732	-370
Net cash used in operating activities	**-124 292**	**-40 437**
Cash flow from investment activities		
Inflows	**393**	**531**
Disposal of intangible and tangible fixed assets	117	37
Disposal of real property investments	0	0
Disposal of financial assets	0	300
Dividends and interest received	246	194
Repayment of long-term loans	30	0
Other investment inflows	0	0
Outflows	**2 458**	**6 733**
Acquisition of intangible and tangible fixed assets	834	494
Investments in real property	0	0
Acquisition of financial assets	0	0
Long-term loans granted	1 624	0
Acquisition of subsidiary after deducting the funds acquired	0	0
Other	0	6 239
Net cash flow from investment activities	**-2 065**	**-6 202**

	3-month period ended 31.03.2011	3-month period ended 31.03.2010
Cash flow from financial activities		
Inflows	**31 956**	**0**
Net inflows from issue of shares and other capital instruments and from capital contributions	0	0
Credits and loans	31 919	0
Issue of debt instruments	0	0
Other	37	0
Outflows	**5 726**	**3 714**
Redemption of own shares	0	0
Dividends and other payments to the shareholders of the parent	0	0
Dividends and other payments to the minority shareholders	0	0
Repayment of credits and loans	4 161	2 139
Repayment of debt instruments issued	0	0
Due to other financial liabilities	51	0
Payment of liabilities arising from financial leases	798	852
Interest paid	716	723
Other	0	0
Net cash flow from financial activities	**26 230**	**-3 721**
Total net cash flow	**-100 127**	**-50 353**
Balance sheet change in cash, including:	**-100 127**	**-50 353**
- change in cash due to foreign exchange differences	0	0
Cash opening balance	**147 229**	**172 547**
Closing balance of cash, including:	**47 102**	**122 194**
- restricted cash	12 422	20 426

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 31 March 2011 (in 000' PLN)

	Share capital	Treasury shares	Other capital	Foreign exchange differences on translation of foreign entities	Undistributed profit (loss)		Total	Minority interests	Total shareholders' equity
					Retained profit / accumulated loss brought forward	Net profit / net loss			
As at 1 January 2011	**1 260**	**0**	**209 558**	**0**	**28 381**	**0**	**239 199**	**9 381**	**248 580**
Profit/loss for the period						-14 217	**-14 217**	-156	**-14 373**
Other total incomes				59	-72		**-13**	1	**-12**
Total revenue				**59**	**-72**	**-14 217**	**-14 230**	**-155**	**-14 385**
Payment in form of dividends			738				**738**		**738**
Parent's result of the previous year brought forward to capital reserve									
As at March 2011	**1 260**	**0**	**210 296**	**59**	**28 309**	**-14 217**	**225 707**	**9 226**	**234 933**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 31 December 2010 (in 000' PLN')

	Share capital	Treasury shares	Other capital	Foreign exchange differences on translation of foreign entities	Undistributed profit (loss)		Total	Minority interests	Total shareholders' equity
					Retained profit / accumulated loss brought forward	Net profit / net loss			
As at 1 January 2010	**1 257**	**-1 994**	**180 510**	**64**	**55 710**	**0**	**235 547**	**2 892**	**238 439**
Profit/loss for the period						12 094	**12 094**	56	**12 150**
Other total incomes	0	0	0	-64	43	0	**-21**	-63	**-84**
Total revenue	**0**	**0**	**0**	**-64**	**-452**	**12 094**	**11 578**	**-7**	**11 571**
Dividend to shareholders of ERBUD S.A.	0	0	0	0	-6 266	0	**-6 266**	0	**-6 266**
Initial capital increase under the authorised capital	3	0	345	0	0	0	**348**	0	**348**
Payment in form of shares	0	0	2 053	0	0	0	**2 053**	0	**2 053**
Disposal of shares of Budlex Sp. z o,o.	0	0	-6 292	0	0	0	**-6 292**	6 403	**111**
Acquisition of shares of Erbud Energetyka sp. z oo	0	0	214	0	0	0	**214**	-234	**-20**
PRD - capital increase	0	0	150	0	0	0	**150**	50	**200**
Parent's result of the previous year brought forward to capital reserve	0	0	32 704	0	-32 704	0	**0**	0	**0**
Presentation adjustment	0	0	-806	0	529	0	**-277**	277	**0**
Redemption of own shares	0	1 994	484	0	0	0	**2 478**	0	**2 478**
Other	0	0	8	0	0	0	**8**	0	**8**
Dividend - Budlex subsidiary	0	0	0	0	-530	0	**-530**	0	**-530**
Budlex - capital increase agio	0	0	188	0	0	0	**188**	0	**188**
As at 31 December 2010	**1 260**	**0**	**209 558**	**0**	**16 287**	**12 094**	**239 199**	**9 381**	**248 580**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 31 March 2010 (in 000' PLN)

	Share capital	Treasury shares	Other capital	Foreign exchange differences on translation of foreign entities	Undistributed profit (loss)		Total	Minority interests	Total shareholders' equity
					Retained profit / accumulated loss brought forward	Net profit / net loss			
As at 1 March 2010	**1 257**	**(1 994)**	**180 510**	**64**	**55 710**		**235 547**	**2 892**	**238 439**
Profit/loss for the period			0	0	0	4 557	**4 557**	22	**4 579**
Other total incomes	0	0	0	28	-57	-29	**0**	0	**0**
Total revenue	**0**	**0**	**0**	**28**	**-57**	**0**	**-29**	**0**	**-29**
As at 31 March 2010	**1 257**	**(1 994)**	**180 510**	**92**	**55 653**	**4 557**	**240 075**	**2 914**	**242 989**

The average PLN exchange rates against the EURO during the period covered by the financial statements

Period	Average exchange rate for the reported period	Exchange rate as of the last day of the period
31.03.2011	3.9742	4.0119
31.12..2010	3.9603	4.0044
31.03.2010	3.9669	3.8622

Key items of the balance sheet converted to the EURO (as of the last day of the period, in 000' PLN)

Balance-sheet item	31.03.2011		31.03.2010	
	PLN	EUR	PLN	EUR
Total assets	680 343	169 582	600 830	155 567
Fixed assets	116 845	29 125	89 905	23 278
Current assets	563 498	140 457	510 925	132 289

Balance-sheet item	31.03.2011		31.03.2010	
	PLN	EUR	PLN	EUR
Total liabilities	680 343	169 582	600 830	155 567
Shareholders' equity	234 933	58 559	242 989	62 915
Liabilities and provisions for liabilities	445 410	111 023	357 841	92 652

Items of the balance sheet as at 31 March 2011 were converted at the Euro rate which was set by the NBP as at that date i.e. 4.0119 PLN/EUR.

Items of the balance sheet as at 31 March 2010 were converted at the Euro rate which was set by the NBP as at that date i.e. 3.8622 PLN/EUR.

Key items of the profit and loss statement converted to the EURO (as of the last day of the period, in 000' PLN)

Item of profit and loss account	3-month period ended 31.03.2011		3-month period ended 31.03.2010	
	PLN	EUR	PLN	EUR
Net revenues from sales of products	276 017	69 452	184 360	46 475
Manufacturing cost of products sold	278 338	70 036	163 703	41 267
Gross profit on sales	-2 321	-584	20 657	5 208
Profit from operating activities	-14 477	-3 643	7 934	2000
Gross profit (loss)	-15 440	-3 885	6 045	1 524
Net profit (loss)	-14 373	-3 617	4 579	1 154

Items of the cash flow for the period 1.01.2011 - 31.03.2011 were translated at the EURO mid-rate which was calculated as an arithmetic mean of average rates prevailing as at the last day of each month during the said period, set by the NBP as at that date, i.e. 3.9742 PLN/EUR.

Items of the cash flow for the period 01.01.2010 - 31.03.2010. were translated at the mid-rate which was calculated as an arithmetic mean of average rates prevailing as at the last day of each month during the said period, set by the NBP as at that date, i.e. 3.9669 PLN/EUR.

Key items of cash flow converted to the EURO (as of the last day of the period, in 000' PLN)

Cash flow items	3-month period ended 31.03.2011		3-month period ended 31.03.2010	
	PLN	**EUR**	**PLN**	**EUR**
A. Cash flow from operating activities	-124 292	-31 275	-40 437	-10 194
B. Cash flow from investing activities	-2 065	-520	-6 202	-1 563
C. Cash flow from financing activities	26 230	6 600	-3 714	-936
D. Total net cash flow (A+/-B+/-C)	-100 127	-25 194	-50 353	-12 693
F. Cash and cash equivalents at the beginning of the period	147 229	37 176	172 547	42 001
G. Cash and cash equivalents at the end of the period	47 102	11 741	122 194	31 638

Cash flow items for the period of 01 January 2011 - 31 March 2011 were converted as follows:

A, B, C, and D item figures - at the average exchange rate which was calculated as an arithmetic mean of average rates set by the NBP as at the last day of each month in the period, i.e.3.9742 PLN/EUR,

F item figures - at the exchange rate set by the NBP as at the 31 December 2010, i.e. 3.9603 PLN/EUR,

G item figures- at the exchange rate set by the NBP on the 31 March 2011, i.e. 4.119 PLN/EUR.

Cash flow items for the period of 01 January 2010 - 31 March 2010 were converted as follows:

A, B, C, and D item figures - at the average exchange rate which was calculated as an arithmetic mean of average rates set by the NBP as at the last day of each month in the period, i.e. 3.9669 PLN/EUR,

F item figures - at the exchange rate set by the NBP on the 31 December 2009, i.e. 4.1082 PLN/EUR,

G item figures - at the exchange rate set by the NBP on the 31 March 2010, i.e. 3.8622 PLN/EUR.

Reconciliation of movements in balance sheet items to changes reported in the cash flow statement as at 31 March 2010 is as below:

	31.03.2010
Change in receivables in the balance sheet	**-11 950**
Balance as of the date of acquisition of units	0
Receivables from sale of fixed assets in Budlex	3 500
Change in receivables in the statement of cash flows	**-8 450**

Note 1. Tangible fixed assets

	31.03.2011	31.12.2010	31.03.2010
a) Fixed assets, including:	33 002	33 190	31 072
- Land (incl. perpetual usufruct)	5 802	5 802	4 260
- Buildings, premises and civil and water engineering structures	6 198	6 341	6 684
- Plant and equipment	12 212	12 620	13 684
- Means of transport	7 777	7 558	5 652
- Other tangible fixed assets	1 013	864	792
b) Fixed assets under construction	490	158	25
c) Prepaid tangible fixed assets under construction	0	0	3
Total tangible fixed assets	**33 492**	**33 343**	**31 100**

Note 2. Long-term financial assets

	31.03.2011	31.12.2010	31.03.2010
a) in associates	16 789	16 753	429
- shares or stocks	179	179	429
- loans granted	16 610	16 574	0
- other	0	0	0
b) in other units	13 141	12 728	6 399
- shares or stocks	557	557	496
- loans granted	11 634	11 221	5 175
- other non-current financial assets	950	950	729
Total long-term financial assets	**29 930**	**29 481**	**6 828**

Note 3. Deferred income tax assets

Assets / liabilities due to	31.03.2011	31.12.2010	31.03.2010
- Contracts valuation	6 684	7 785	9 769
- Provisions	2 416	1 208	1 791
- Loss on taxes	9 674	5 074	3 972
- Margin on intra-Group sales	2 367	0	4 059
- Adjustment of revenues in connection with the settlement (Angel)	0	2 060	0
- Other fees charged statistically	91	49	40
- Receivables revaluation	2 667	668	640
- Other financial liabilities	1 835	775	1 647
- Provisions revaluation	0	0	121
- Financial instruments	0	1 341	0
- Consolidation adjustments	0	3 350	0
- Other	1 191	1 052	825
Total deferred tax assets	**26 925**	**23 362**	**22 865**

Deferred tax liabilities are created based on the rate of 19% for positive and negative temporary differences on domestic assets and liabilities, and for temporary differences on the balance sheet items for foreign operations - based on the tax rates applicable in the country that is the basic economic environment in which the entity operates and regulates its liability due to income tax from legal persons.

Note 4. Short-term receivables

Note 4.1 Short-term trade receivables and other debts

	31.03.2011	31.12.2010	31.03.2010
Short-term receivables before tax	**328 308**	**220 493**	**242 291**
Due to deliveries and services	288 114	191 786	233 462
- from associates	3 304	62	1 770
- from other entities	284 810	191 724	231 693
From the public sector	12 245	7 941	4 757
Other	27 948	20 766	4 071
Impairment of receivables	**9 403**	**9 400**	**10 362**
Net short-term receivables	**318 904**	**211 093**	**231 929**

Note 4.2 Allowances for short-term trade receivables and other debts

	31.03.2011	31.12.2010	31.03.2010
Write-downs at the beginning of the period	9 400	**13 878**	13 878
Created to other operating costs	0	217	0
Reversed into other operating costs	60	-627	1 989
Used	8	4 999	940
Foreign exchange differences	71	-323	-518
Write-downs on short-term receivables at the end of the period	**9 403**	**9 400**	**10 432**

Age structure of receivables is presented in the table below:

Note 4.3 Receivables from deliveries and services (gross)

	31.03.2011	31.12.2010	31.03.2010
a) up to 3 months	273 607	136 533	191 068
b) between 3 and 6 months	718	19 778	5 141
c) between 6 and 12 months	1 706	13 012	16 938
d) over 12 months	4 779	14 092	5 447
e) overdue debts	7 304	8 371	14 868
Total receivables from deliveries and services (gross)	288 114	**191 786**	233 462

f) Allowances for trade receivables	8 528	8 525	10 347
Total net receivables from deliveries and services	**279 586**	**183 261**	**223 116**

Write-downs on receivables are created for receivables over 180 days past due at their full value.

In particular cases, it can be applied the individual principles of charging an impairment.

There is no credit risk concentration for trade receivables, as the Group has a large number of clients, both domestic and foreign.

The fair value of receivables due to deliveries and services and other receivables is approximately equivalent to their balance value.

Note 5. Construction contracts

	31.03.2011	31.12.2010	31.03.2010
Building contracts income	265 164	1 046 953	177 456
Building contracts costs, including:	264 675	974 188	159 750
- recorded loss	0	481	0
Profit before tax	**489**	**72 785**	**17 706**

The following table shows the value of recognized receivables and liabilities under long-term contracts for construction services in the Parent Company:

	31.03.2011	31.12.2010	31.03.2010
Assets:			
Amounts due from customers	87 375	**51 505**	44 702
Contracts valuation	87 375	51 505	44 702
Liabilities:			
Amounts due to customers, including:	39 338	**8 226**	46 064
Contracts valuation	39 338	7 745	46 064
Provision for losses on contracts	0	481	0

Note 6. Share capital of ERBUD SA (structure)

Note 6.1 Structure of the share capital ownership as at 31 March 2010

Series	Shareholder	Class of shares	Preferences on shares	Restrictions on shares	Number of shares	Equity percentage	Disposal restrictions
A	Wolff & Muller Holding Gmbh & Co.KG	Ordinary	None	None	282 137	2.24%	None
A	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	717 863	5.70%	None

B	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	3 152 865	25.01%	None
	Total	Ordinary	None	None	**4 152 865**	**32.95%**	None
B	Juladal Investment Ltd	Ordinary	None	None	2 761 147	21.91%	None
A	Dariusz Grzeszczak	Ordinary	None	None	750 000	5.95%	None
D	AVIVA Otwarty Fundusz Emerytalny BZ WBK	Ordinary	None	None	927 978	7.36%	None
D	ING Otwarty Fundusz Emerytalny	Ordinary	None	None	786 677	6.24%	None
D,E,C	Free Float	Ordinary	None	None	3.224 044	25.59%	None
	Total				12 602 711	100%	

The table presents shareholders holding more than 5% of the capital.

Structure of the share capital ownership as at 31.12.2010

Series	Shareholder	Class of shares	Preferences on shares	Restrictions on shares	Number of shares	Equity percentage	Disposal restrictions
A	Wolff & Muller Holding Gmbh & Co.KG	Ordinary	None	None	282 137	2.24%	None
A	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	717 863	5.70%	None
B	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	3 304 865	26.22%	None
	Total	**Ordinary**	**None**	**None**	**4 304 865**	**34.16%**	None
B	Juladal Investment Ltd	Ordinary	None	None	2 761 147	21.91%	None
A	Dariusz Grzeszczak	Ordinary	None	None	750 000	5.95%	None
D	AVIVA Otwarty Fundusz Emerytalny BZ WBK	Ordinary	None	None	927 978	7.36%	None
D	ING Otwarty Fundusz Emerytalny	Ordinary	None	None	786 677	6.24%	None
D,E,C	Free Float	Ordinary	None	None	3 072 044	24.38%	None
	Total				**12 602 711**	**100%**	

The table presents shareholders holding more than 5% of the capital.

The share capital of the Parent as of 31 March 2010 consisted of 12,571,025 shares with a total value of PLN 1,257,102.50. The structure of the share capital of the Parent Company as at 31 March 2010 was as follows:

Series	Shareholder	Class of shares	Preferences on shares	Restrictions on shares	Number of shares	Equity percentage	Disposal restrictions
A	Wolff & Muller Holding Gmbh & Co.KG	Ordinary	None	None	282 137	2.24%	None
A	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	717 863	5.71%	None
B	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	3 304 865	26.29%	None
B	Juladal Investment Ltd	Ordinary	None	None	3 314 865	26.37%	None
A	Dariusz Grzeszczak	Ordinary	None	None	750 000	5.97%	None
A	Józef Adam Zubelewicz	Ordinary	None	None	250 000	1.99%	None
D	AVIVA Otwarty Fundusz Emerytalny BZ WBK	Ordinary	None	None	683 146	5.43%	None
D	BPH Towarzystwo Funduszy Inwestycyjnych S.A.	Ordinary	None	None	663 319	5.28%	None
D	ING Otwarty Fundusz Emerytalny	Ordinary	None	None	786 677	6.26%	None
C	Employees and persons related	Ordinary	None	None	40 887	0.33%	None
D	Free Float	Ordinary	None	None	1 777 266	14.13%	None
	Total				**12 571 025**	**100%**	

Description of movements in the Company's share capital during the period from 1 January 2011 to the date of preparing financial statements

On 19 January 2011, the Issuer's Board received information, that Wolff & Müller Baubeteiligungen GmbH & Co. KG sold 152,000 shares of ERBUD SA. Prior to the transaction, Wolff & Müller Baubeteiligungen GmbH & Co. KG, together with a related party Wolff & Müller Holding GmbH & Co. KG held 4,304,865 shares of Erbud SA representing 34.16% of share capital and the same number of votes at a general meeting of Erbud SA. After this transaction, the Group has 4,152,865 shares of Erbud SA, which represents 32.95% of share capital and the same percentage of votes at a general meeting of Erbud SA.

On April 5, 2011, the Issuer's Board was notified about increasing the number of the Issuer's shares held be Otwarty Fundusz Emerytalny Aviva BZ WBK, which as of 31.12.2010 amounted to 927,978 shares of Series D.

Apart from the powers arising from directly held shares of Erbud SA, major shareholders have no other voting rights at a general meeting.
Erbud's shares owned by the above mentioned entities are not preference ones.

The Company's Statute does not give any personal rights in relation to Erbud SA, Company's to the shareholders referred to above, in particular, does not give the right to appoint members of the Management Board or members of the Supervisory Board of the Company.

Note 7 Change in deferred income tax provision
Note 7.1 Deferred income tax provision

Provision due to	31.03.2011	31.12.2010	31.03.2010
- building contracts valuation	15 735	13 480	8 110
- assets revaluation	7 318	7 554	8 595
- financial costs activated	249	266	260
- balance sheet valuation - discounted liabilities	0	418	429
- other	663	697	522
Total provision for deferred income tax	**23 965**	**22 415**	**17 916**

Deferred tax provisions are created on the rate basis of 19% for positive and negative temporary differences on domestic assets and liabilities, while the difference in the balance sheet items relating to the entitles operating abroad - on tax rates basis of the country of the primary economic environment in which the entity operates and pays obligations arising from income corporate tax.

Note 8
Note 8.1 Other non-current liabilities

	31.03.2011	31.12.2010	31.03.2010
a) due to subsidiaries	0	0	0
b) due to other entities	33 567	29 057	21 285
- loans and borrowings	19 090	14 822	5 107
- other financial liabilities,incl.	14 477	14 235	16 678
- from financial lease	5 983	5 744	5 344
- other	8 494	8 491	11 334
Total long term liabilities	**33 567**	**29 057**	**21 785**

Note 9 Liabilities from deliveries and services and other debts, income tax liabilities and building securities

Short-term liabilities	31.03.2011	31.12.2010	31.03.2010
Due to deliveries and services	235 293	218 859	176 270
- form associates	1 637	1 005	1 861
- form other entities	233 656	217 854	174 408
To public sector	8 820	15 660	15 732
- corporate income tax	1 994	2 393	249
- VAT	1 413	7 908	10 333
- income tax on natural persons	1 281	1 164	1 181
- other	4 132	4 195	3 968
Financial liabilities	3 453	3 557	2 215

- lease	3 365	3 557	2 215
Other	26 745	27 347	21 493
- payroll	3 826	3 807	3 301
- prepayments received	19 081	19 470	10 016
- shares	3 468	3 468	7 365
- other	370	602	811
Total	**274 311**	**265 423**	**215 709**

Note 10 Finance lease liabilities

Fail value	**31.03.2011**	**31.12.2010**	**31.03.2010**
Up to 1 year	3 365	3 557	2 173
Over 1 and up to 5 years	5 983	5 774	4 145
Total	**9 348**	**9 331**	**6 318**

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Note 11 Information on issue, redemption and repayment of debt instruments and securities issued
Note 11.1 Issue / Redemption / Repayment of debt instruments issued

In the year ended 31 December 2010, the Group's companies did not issue any debt securities.

During the year ended 31 December 2009, not any equity instruments has been issued.

The issue was conducted in the year ended 31 December 2010.

On 9 July 2010, the Management Board of Erbud SA adopted at its meeting Resolution No. 4/2010 on specifying the amount of the share capital increase in connection with the resolution of the Board No. 3 / 2010. Pursuant to Resolution No. 4/2010, the capital has been increased by PLN 3.168,60 to the value of PLN 1,260,271.10. The increase of equity was carried out in accordance with § 5 item 5 of the Company and the resolution of the Management Board No. 3 / 2010 dated 17 May 2010 on increasing the share capital within the authorized capital by issuing shares of series Eand depriving the existing shareholders' of pre-emptive rights to Series E shares. The capital increase took place under the Employee Incentive Scheme and was a result of the implementation of the I tranche of the Management Stock Option Program, which provides for three issues of shares for persons entitled employed by the Company and its subsidiaries. Next two issues should be carried out respectively by the end of May 2011 and the end of May 2012. Each of the successive equity increases provides for a maximum of 50,000 shares with a maximum value of PLN 5,000. On the basis of results set out in the Program Rules, the Board will determinate the number of shares to be offered to the person entitled.

On 2 September 2010, the Issuer sold all own shares in the number of 39,016 within the transaction in the ordinary session. The cause and purpose of the disposal of shares was the implementation of Resolution of the Extraordinary Shareholders Meeting dated 8 December 2009 on the repeal of Resolution No. 14/2009 of the Annual General Meeting dated 25 June 2009 and on the consent to the sale of treasury shares, which the Company has acquired on the basis of the above resolution, and on the authorization of the Board to determine terms and conditions of the disposal of those shares.

Note 12 Acquisition / Disposal of subsidiaries/ Disposal of long term-investments

In the period from 1 January 2011 to 31 March 2011, there were no changes in the composition of the Capital Group.

Note 13 Net revenues from sales of products(in kind structure - type of activities)

	3-month period ended 31.03.2011	3-month period ended 31.03.2010
- products sale	10 112	6 714
- services sale	265 339	177 456
- goods and materials sale	566	190
- of which: from associates	0	125
- services sale	0	125
Total net income from sales	**276 017**	**184 360**
- of which: from associates	**0**	**125**

Note 14 Costs by type

	3-month period ended 31.03. 2011	3-month period ended 31.03.2010
a) Depreciation and amortisation	1 324	1 512
b) Consumption of materials and power	53 037	19 757
c) External services	180 849	133 055
d) Taxes and charges	1 304	1 326
e) Payroll	22 466	21 833
f) Social security, health care and other benefits	4 913	4 013
g) Other costs	2 581	3 265
h) Value of goods and materials sold	1 923	76
Total expenses by type	**268 395**	**184 837**
Change in inventories, products and deferred expenditures due to construction contracts	22 196	-7 536
Cost of production for in-house use (negative value)	0	0
Cost of sales (negative value)	-495	-323
General and administrative costs (negative value)	-11 758	-13 275
Manufacturing cost of products sold	**278 338**	**163 703**

Note 15 Corporate income tax

	3-month period ended 31.03.2011	12-month period ended 31.12.2010	3-month period ended 31.03.2010
Current income tax	546	2 324	1 120
Deferred income tax	-1 613	4 514	300
Tax liability which is shown in the profit and loss account	**-1 067**	**6 838**	**1 466**

Note 16 Net earnings per share

	3-month period ended 31.03.2011	3-month period ended 31.03.2010
Net earnings (loss)	-14 217	4 557
Weighted average number of shares (in pieces)	12 602 711	12 571 025
Earnings (loss) per share (in PLN)	-1.13	0.36
Weighted average diluted number of shares (in pieces)	12 679 988	12 571 025
Diluted earnings (loss) per share (in PLN)	-1.12	0.36

Basic earnings per share are calculated as a quotient of net income for the period attributable to ordinary shareholders of the Parent Company and the weighted average number of common shares outstanding for the period.

Note 17. Income, expenditures and results on discontinued operations or operations to be discontinued in next period

There were no discontinued operations in the reporting period.

Note 18. Number of Erbud's shares held or rights to them (options) by persons managing and supervising Erbud SA as at the report submitting date, including the indication of changes in ownership in the first quarter of 2011

As of 31 March 2011, the managing staff (the Management Board members and procura holders) held the following number of shares:

Shareholder	Class of shares	Number of shares	Per cent of equity	Number of votes	Per cent of voting rights at a GM
Juladal Investments Ltd. (a company controlled by members of the Board of Erbud SA)	Common	2,761,147	21.91%	2,761,147	21.91%
Dariusz Grzeszczak	Common	750,000	5.95%	750,000	5.95%
Józef Adam Zubelewicz	Common	250,000	1.98%	250,000	1.98%
Walenty Twardy procurist of Erbud S.A.	Common	5,884	0.05%	5,884	0.05%
Piotr Augustyniak procurist of Erbud S.A.	Common	7,397	0.06%	7,397	0.06%
Agnieszka Głowacka procurist of Erbud S.A.	Common	4,136	0.03%	4,136	0.03%
Grzegorz Krzywicki procurist of Erbud S.A.	Common	2,872	0.02%	2,872	0.02%
Bogdan Duerr **procurist of Erbud S.A**	Common	4,895	0.04%	4,895	0.04%
Włodzimierz Czystowski procurist of Erbud S.A	Common	3,225	0.03%	3,225	0.03%
Tomasz Krzywicki procurist of Erbud S.A	Common	1,250	0.01%	1,250	0.01%
Maciej Wyrzykowski procurist of Erbud S.A	Common	1,000	0.01%	1,000	0.01%

As of 31 December 2010, the managing staff (the Management Board members and procura holders) held the following number of shares:

Shareholder	Class of shares	Number of shares	Per cent of equity	Number of votes	Per cent of voting rights at a GM
Juladal Investments Ltd. (a company controlled by members of the Board of Erbud SA)	Common	2,761,147	21.91%	2,761,147	21.91%
Dariusz Grzeszczak	Common	750,000	5.95%	750,000	5.95%
Józef Adam Zubelewicz	Common	250,000	1.98%	250,000	1.98%
Walenty Twardy procurist of Erbud S.A.	Common	5,884	0.05%	5,884	0.05%
Piotr Augustyniak procurist of Erbud S.A.	Common	7,397	0.06%	7,397	0.06%
Agnieszka Głowacka procurist of Erbud S.A.	Common	4,136	0.03%	4,136	0.03%
Grzegorz Krzywicki procurist of Erbud S.A.	Common	2,872	0.02%	2,872	0.02%
Bogdan Duerr **procurist of Erbud S.A**	Common	4,895	0.04%	4,895	0.04%
Włodzimierz Czystowski procurist of Erbud S.A	Common	3,225	0.03%	3,225	0.03%
Tomasz Krzywicki procurist of Erbud S.A	Common	1,250	0.01%	1,250	0.01%
Maciej Wyrzykowski procurist of Erbud S.A	Common	1,000	0.01%	1,000	0.01%

As of 31 March 2010, the managing staff (the Management Board members and procura holders) held the following number of shares:

Shareholder	Class of shares	Number of shares	Per cent of equity	Number of votes	Per cent of voting rights at a GM
Juladal Investments Ltd. ((a company controlled by members of the Board of Erbud SA)	Common	3,314,865	26.37%	3,314,865	26.37%
Dariusz Grzeszczak	Common	750,000	5.97%	750,000	5.97%
Józef Adam Zubelewicz	Common	250,000	1.99%	250,000	1.99%
Agnieszka Głowacka	Common	3,636	0.03%	3,636	0.03%
Piotr Jan Augustyniak	Common	3,636	0.03%	3,636	0.03%
Walenty Twardy	Common	4,979	0.03%	3.636	0.03%
Maciej Piotr Wyrzykowski	Common	0	0	0	0
Grzegorz Krzywicki	Common	1,450	0.01%	1,450	0.01%
Bogdan Duerr	Common	3,636	0.03%	3,636	0.03%
Włodzimierz Czystowski	Common	3,225	0.03%	3,225	0.03%

As at the date of submitting the report, the Board members and procurists do not have any Erbud's stock options.

Members of the Supervisory Board, the Management Board of the Parent and the key management personnel, both as at 31 March 2011 and as at 31 December 2010 did not have outstanding loans, credits or guarantees granted by the companies of the Erbud Group.

Members of the Supervisory Board, the Management Board of the Parent and the key management personnel, both as at 31 March 2011 and as at 31 December 2010 were not a party to the contract obliging to render services to the companies of the Erbud Group.

Note 19. Information about key events occurred in the period of three months of 2011 and after the balance date.

Contracts concluded:

On 17 January 2011, the Issuer signed a contract with the West Pomeranian University of Technology in Szczecin to build the Teaching and Research Centre for Nanotechnology.
Net contract value: PLN 29,250,000.
The contract is to be completed by 30 September 2012 together with the receipt of an occupancy permit.

On **2 March 2011,** Erbud signed a contract with Dom Development S.A. to construct a multi-family residential complex with retail area and underground garage, including technical infrastrukture, instalations and required facilities, named „ADRIA, II phase ".
Net contract value: PLN 43,001,636.
Duration of works: 17 months.

On 23 March 2011, Erbud entered into a contract with M-Alfa Osiedla Spółka z o.o, spółka komandytowa, Gdańsk, ul. Kołobrzeska 41C for erecting the Alfa Park Residential Estate (189 flats in 7 buildings).
Net contract value: PLN 40,990,000.
Duration of works: 18 months.

On 15 April 2011, Erbud signed a contract for the design and construction of the Hospital in Krosno. Building Investor: Wojewódzki Szpital Podkarpacki im. Jana Pawła II, 38-400 Krosno, ul. Korczyńska 57.
Net contract value: PLN 23,443,000.
Completion deadline: 14.12.2012.

In addition to significant construction contracts, Erbud SA signed a number of agreements which do not exceed the criterion set by the "Significant Agreement".

Note 20. Other important events

On 25 February 2011, Erbud SA entered into a settlement agreement with ANGEL CITY Sp. z o.o., based in Krakow at Szlak St. 77/316 and SWIFT ANGEL INVEST Sp. o.o., based in Krakow at Sławskowska St. 6/7 as follows:

Acknowledging a claim of ANGEL CITY for reduction of the remuneration in connection with the execution of the 2006 Agreement, Erbud reduces the amount required and grants a discount of PLN 11,524,095.15 gross and recognizes the additional costs incurred by ANGEL CITY in the amount of PLN 247,130.92 gross.

For the performance of works under the 2005 Agreement, ANGEL INVEST should pay to Erbud the remuneration of PLN 3,945,156.20 gross. Recognizing the additional costs incurred by ANGEL INVEST in the amount of PLN 80,239.27 gross, both parties have agreed, that ANGEL INVEST will pay to Erbud an amount of PLN 3,500,000.00 gross, while for the remaining part of the remuneration amounting to PLN 364,925.92 gross, Erbud grants a discount. Payment received on account of the company on 8 April 2011. The payment was effected to the company's bank account on 8 April 2011.

On 9 May 2011, ERBUD SA signed the Annex No. 2 to the loan agreement with ING Bank Slaski SA. By virtue of this Annex Erbud SA, Budlex Sp. z o. o. and PBDI SA (subsidiaries of the Issuer) may benefit from an overdraft and the financial guarantees line. The line value is PLN 80 million, of which the borrower may fall into debt under the negative balance to the amount of PLN 32 million and arrange the issue of financial guarantees to the amount resulting from the difference between PLN 80 m. and balance of the loan used.
Sublimits for individual borrowers are:
- Erbud SA - PLN 32 m,
- Budlex Sp. z o. o. - PLN 12 m,
-PBDI - PLN 5 m.

The total debt can not exceed PLN 32 million.
Within the financial guarantees limit, the individual borrower can request to issue a guarantee under sublimits:
- Erbud SA - the entire available sublimit,
- PBDI SA - guarantee to three years - 8 m, guarantees over three years - 3 m.

The agreement is secured by:
- assignment of receivables from Erbud SA contracts at 150% of the value of the line,
- security deposit of 10% of the guarantee value for guarantees over 2 years and 20% of the guarantee value in case of guarantees over 4 years,

- bail mortgage up to PLN 96 m. on real estate belonging to PBDI SA and located in Toruń.
The interest rate on the line was established on the market conditions.

Important information about subsidiaries.

On 28 January 2011, the Issuer's Management Board was notified about entering into a contract on behalf of the Issuer, under which it has been established a possessory and registered pledge on 1,160 registered series B shares of the subsidiary - Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A (formerly: Przedsiębiorstwo Robót Drogowych S.A) based in Toruń (the "PBDI S.A.") with a nominal value of PLN 50 per one share and of the aggregate nominal value of PLN 59,160.00 (fifty-nine thousand one hundred and sixty) representing 6.65% of the share capital of the PBDI S.A.
Following the Definitive Agreement on sale of the Budlex Sp. z o. o. shares (the "Definitive Agreement") signed on 19 February 2010 between the Issuer and Rison Limited on which the Issuer reported in the Current Report No. 9/2010 and the Share Pledge Agreement signed on 19 February 2010 between the Issuer and Rison Limited, the Issuer (the "Pledger") established a possessory and registered pledge to Rison Limited (the "Pledgee"). The total amount of the pledged shares is PLN 5,059 and the total nominal value is PLN 252,950 (two hundred fifty-two thousand nine hundred and fifty zlotys), which represents 29% of the share capital of PBDI S.A.
These 5,059 pledged shares is valued in the accounts of the Issuer at PLN 14,372,992.
There is no relationship between the Issuer and persons managing or supervising the Issuer and the Pledgee. The Issuer holds 94.3% of the share capital and voting rights at a general meeting of PBDI S.A. and considers the investment in the PBDI equity as a long-term one.
The criterion to recognize the burden of assets i.e. shares in PBDI S.A. as significant is: total book value of the pledged shares amounts to more than EUR 1 million.

Note 21. Changes in accounting policy applied and method of preparation of financial statements, introduced in relation to the previous financial year (years), their causes and the impact on the asset and financial position, liquidity, result and profitability.

No changes has occurred.

Note 22. Business combinations

During the period from 1 January 2011 to 31 March 2011 there were no mergers between the Company and other entities.

Note 23. Dividend policy - description of policy on the payment of dividends and any restrictions related. The dividend value per share for each financial year of the period covered by the historical financial information, adjusted in case of changes of the number of shares in order to make comparisons

By the Resolution No. 3/2010 of the Extraordinary General Meeting of 11 August 2010 amending the Resolution number 6/2010 passed by the Annual General Meeting of 29 June 2010, the Company resolves to distribute a part of the profit equal PLN 6,266,004.50 to shareholders as a dividend for the year 2009 in the amount of PLN 0.50 per each share entitling to the dividend. The dividend will be paid in two tranches. The first tranche amounting PLN 0.47 per share was paid on 30 July 2010, the second one in the amount of PLN 0.03 per share - on 9 September 2010.

Note 24. Changes in accounting estimates

No significant changes in accounting estimates occurred in the comparable period and in the period ended 31 March 2011.

Note 25. Business segments

No significant changes in accounting estimates occurred in the comparable period and in the period ended 31 March 2011.

Note 24. Business segments

During the reporting period ended 31 March 2011 the Group was operating in the following branch segments:

- Building
- Housing development
- Road engineering
- Construction for the power industry
- Steel structures and products

During the reporting period ended 31 March 2011 the Group was operating on the following region segments:

- in Poland
- abroad (Germany, Belgium and Holland).

Classification of the entities according to their statutory activities was the basis for dividing into segments. The Group applies the same policy of accounting for all segments.

Business segments

The following tables provide figures on proceeds and gains as well as certain assets and liabilities of individual business segments of the Group as at 31 March 2011:

Proceeds and expenses by business segments

For the period from 1 January to 31 March 2011	Construction - cubature activities	Housing development	Road engineering	Construction for the energy sector	Steel structures and products	Total
Sale to external customers	235 535	7 722	17 755	10 254	2 751	**276 017**
Total income	**235 535**	**7 722**	**17 755**	**10 254**	**2 751**	**276 017**
Cost of products, goods and materials sold to external customers	243 414	8 078	15 279	8 637	2 930	**278 338**
Total cost of products, goods and materials sold	**243 414**	**8 078**	**15 279**	**8 637**	**2 930**	**278 338**
Total gross sales	**-5 879**	**-356**	**2 476**	**1 617**	**-179**	**-2 321**
Cost of sales	0	495	0	0	0	**495**
General and administrative costs	9 552	289	1 739	178	0	**11 758**
Profit (loss) on other operating activity	105	-6	9	-3	-8	**97**
Segment profit (loss)	**-15 326**	**-1 146**	**746**	**1 436**	**-187**	**-14 477**
Profit (loss) on financing activity	-459	-318	-154	-2	-30	**-963**
Income tax	-1 856	636	-29	128	54	**-1 067**
Net profit	**-13 929**	**-2 100**	**621**	**1 306**	**-271**	**-14 373**

Other items by business segments

For the period from 1 January to 31 March 2011	Construction-cubature activities	Housing development	Road engineering	Construction for the energy sector	Steel structures and products	Total
Segment depreciation and amortisation	271	198	739	11	105	**1 324**
Interest income	664	11	13	0	0	**688**
Interest cost	410	275	164	2	30	**881**
Impairment of assets	0	0	0	0	0	**0**
Reversal of impairment of assets	60	0	0	0	0	**60**
Capital expenditure for:	565	65	674	4	0	**1 308**
Tangible fixed assets	565	60	145	3	0	**773**
Intangible fixed assets	0	5	22	1	0	**28**
Increase due to taking over						
Other non-monetary outlays	0	0	507	0	0	**507**

Assets and liabilities by business segments

As at 31 March 2011	Construction-cubature activities	Housing development	Road engineering	Construction for the energy sector	Steel structures and products	Total
Segment assets	452 142	136 785	51 566	1 416	11 508	**653 418**
Investment in associated company	0	0	0	0	0	**0**
Deferred tax assets	18 668	4 521	2 561	65	1 110	**26 925**
Total assets	**470 810**	**141 306**	**54 127**	**1 481**	**12 618**	**680 343**
Total liabilities	**352 347**	**55 715**	**30 556**	**505**	**6 287**	**445 410**

The following tables provide figures on proceeds and gains as well as certain assets and liabilities of individual business segments of the Group as at 31 December 2010:

Assets and liabilities by business segments

For the period from 1 January to 31 December 2010	Construction - cubature activities	Housing development	Road engineering	Construction for the energy sector	Steel structures and products	Exclusions	Total
Sale to external customers	941 588	45 329	83 322	24 447	9 221	0	**1 103 907**
Sale between segments	0	0	23 974	0	0	-23 974	**0**
Total income	**941 588**	**45 329**	**107 296**	**24 447**	**9 221**	**-23 974**	**1 103 907**
Cost of products, goods and materials sold to external customers	865 372	39 920	86 622	23 370	12 747	0	**1 028 031**
Cost of products, goods and materials sold to other segments	0	0	23 974	0	0	-23 974	**0**
Total cost of products, goods and materials sold	**865 372**	**39 920**	**110 596**	**23 370**	**12 747**	**-23 974**	**1 028 031**
Total gross sales	**76 216**	**5 409**	**-3 300**	**1 077**	**-3 526**	**0**	**75 876**
Cost of sales	0	2 181	0	0	810	0	**2 991**
General and administrative costs	40 759	2 110	6 076	551	1 335	0	**50 831**
Profit (loss) on other operating activity	1 673	-3 125	200	20	50	0	**-1 182**
Segment profit (loss)	**37 130**	**-2 007**	**-9 176**	**546**	**-5 621**	**0**	**20 872**
Profit (loss) on financing activity	-1 307	-60	-426	1	-92	0	**-1 884**
Income tax	7 930	985	-999	-63	-1 015	0	**6 838**
Net profit	**27 893**	**-3 052**	**-8 603**	**610**	**-4 698**	**0**	**12 150**

Other items by business segments

For the period from 1 January to 31 December 2010	Construction - cubature activities	Housing development	Road engineering	Construction for the energy sector	Steel structures and products	Total
Segment depreciation and amortisation	2 243	974	4 498	61	386	**8 162**
Interest income	2 826	98	297	9	85	**3 315**
Interest cost	765	1 639	613	8	173	**3 198**
Impairment of assets	438	554	21	0	8	**1021**
Reversal of impairment of assets	-715	0	55	0	33	**-627**

Capital expenditure for:	4 447	727	4 941	179	1 423	**11 717**
Tangible fixed assets	1 611	360	2 673	45	633	**5 322**
Intangible fixed assets	163	39	36	29	20	**287**
Increase due to taking over						
Other non-monetary outlays	2 673	328	2 232	105	770	**6 108**

Assets and liabilities by business segments

As at 31 December 2010	**Construction - cubature activities**	**Housing development**	**Road engineering**	**Construction for the energy sector**	**Steel structures and products**	**Total**
Segment assets	417 310	130 841	41 950	1 558	8 865	**600 524**
Investment in associated company						
Deferred tax assets	14 509	4 127	3 051	74	1 601	**23 362**
Total assets	**431 819**	**134 968**	**45 001**	**1 632**	**10 466**	**623 886**
Total liabilities	**285 923**	**49 662**	**32 573**	**478**	**6 670**	**375 306**

The following tables provide figures on proceeds and gains as well as certain assets and liabilities of individual business segments of the Group as at 31 March 2010:

As at 31 March 2010	**Construction - cubature activities**	**Housing development**	**Road engineering**	**Construction for the energy sector**	**Steel structures and products**	**Total**
Sale to external customers	168 797	5 705	8 561	126	1 171	**184 360**
Sale between segments	0	0	3 292	0	0	**-3 292**
Total income	**168 797**	**5 705**	**11 853**	**126**	**1 171**	**184 360**
Cost of products, goods and materials sold to external customers	149 187	5 222	8 156	93	1 045	**163 703**
Cost of products, goods and materials sold to other segments	0	0	3 292	0	0	**-3 292**
Total cost of products, goods and materials sold	**149 187**	**5 222**	**11 448**	**93**	**1 045**	**163 703**
Total gross sales	**19 610**	**483**	**404**	**32**	**126**	**20 657**
Cost of sales	0	223	0	0	101	**323**
General and administrative costs	10 314	634	1 852	128	346	**13 275**

Profit (loss) on other operating activity	2 103	-1 505	-20	0	297	**876**
Segment profit (loss)	**11 399**	**-1 878**	**-1 468**	**-96**	**-23**	**7 934**
Profit (loss) on financing activity	-1 634	-398	155	4	-17	**-1 889**
Income tax	2 015	920	329	42	0	**1 466**
Net profit	**7 751**	**-1 357**	**-1 642**	**-134**	**-40**	**4 579**

As at 31 March 2010	**Construction - cubature activities**	**Housing development**	**Road engineering**	**Construction for the energy sector**	**Steel structures and products**	**Total**
Segment depreciation and amortisation	202	345	880	36	50	**1 512**
Interest income	268	7	160	5	2	**442**
Interest cost	383	356	97	1	12	**850**
Impairment of assets	0	0	0	0	0	**0**
Reversal of impairment of assets	1 989	0	0	0	0	**1 989**
Capital expenditure for:	**346**	**0**	**1 279**	**64**	**0**	**1 689**
Tangible fixed assets	305	0	220	35	0	**560**
Intangible fixed assets	41	0	10	29	0	**81**
Increase due to taking over						
Other non-monetary outlays	0	0	1 049	**0**	0	**1 049**

Assets and liabilities by business segments

As at 31 March 2010	**Construction - cubature activities**	**Housing development**	**Road engineering**	**Construction for the energy sector**	**Steel structures and products**	**Total**
Segment assets	407 686	117 996	44 617	1 824	5 841	**577 965**
Deferred tax assets	15 448	6 497	887	1	31	**22 865**
Total assets	**423 134**	**124 494**	**45 504**	**1 826**	**5 873**	**600 830**
Segment liabilities	291 547	47 004	14 798	684	3 808	**357 841**
Total liabilities	**291 547**	**47 004**	**14 798**	**684**	**3 808**	**357 841**

Geographical segments

The following tables provide figures on proceeds, expenditures, and certain assets of individual business segments of the Group as at 31 March 2011:

Assets and liabilities by geographical segments

Year ended 31 March 2011	Domestic	Abroad	Total
Sale to external customers	256 120	19 897	**276 017**
Total income	**256 120**	**19 897**	**276 017**
Cost of products, goods and materials sold to external customers	257 666	20 672	**278 338**
Total cost of products, goods and materials sold	**257 666**	**20 672**	**278 338**
Total gross sales	**-1 546**	**-775**	**-2 321**
Cost of sales	495	0	**495**
General and administrative costs	10 330	1 428	**11 758**
Profit (loss) on other operating activity	37	60	**97**
Segment profit (loss)	**-12 334**	**-2 143**	**-14 477**
Profit (loss) on financing activity	-1 301	338	**-983**
Income tax	-990	-77	**-1 067**
Net profit	**-12 645**	**-1 728**	**-14 373**

Year ended 31 March 2011	Domestic	Abroad	Total
Segment depreciation and amortisation	1 227	97	**1 324**
Interest income	271	417	**688**
Interest cost	712	169	**881**
Impairment of assets	0	0	**0**
Reversal of impairment of assets	0	60	**60**
Capital expenditure for:	**1 190**	**118**	**1 308**
Tangible fixed assets	655	118	**773**
Intangible fixed assets	8	0	**28**
Increase due to taking over			
Other non-monetary outlays	507	0	**507**

Assets and liabilities by geographical segments

Year ended 31 March 2011	Domestic	Abroad	Total
Segment assets	600 516	52 902	**653 418**
Deferred tax assets	25 597	1 328	**26 925**
Total assets	**626 113**	**54 230**	**680 343**
Segment liabilities	411 720	33 690	**445 410**
Total liabilities	**411 720**	**33 690**	**445 410**

The following tables provide figures on proceeds, expenditures, and certain assets of individual business segments of the Group as at 31 March 2011:

Assets and liabilities by geographical segments

Year ended 31 December 2011	Domestic	Abroad	Total
Sale to external customers	1 003 273	100 634	**1 103 907**
Total income	**1 003 273**	**100 634**	**1 103 907**
Cost of products, goods and materials sold to external customers	931 281	96 750	**1 028 031**
Total cost of products, goods and materials sold	**931 281**	**96 750**	**1 028 031**
Total gross sales	**71 992**	**3 884**	**75 876**
Cost of sales	2 991	0	**2 991**
General and administrative costs	42 731	8 100	**50 831**
Profit (loss) on other operating activity	-1 693	511	**-1 182**
Segment profit (loss)	**24 577**	**-3 705**	**20 872**
Profit (loss) on financing activity	-2 343	459	**-1 884**
Income tax	6 260	578	**6 838**
Net profit	**15 974**	**-3 824**	**12 150**

Year ended 31 December 2011	Domestic	Abroad	Total
Segment depreciation and amortisation	7 905	256	**8 161**
Interest income	2 426	889	**3 315**

Interest cost	2 866	332	**3 198**
Impairment of assets	758	0	**758**
Reversal of impairment of assets	1 455	-2 082	**-627**
Capital expenditure for:	**10 661**	**1 056**	**11 717**
Tangible fixed assets	4 270	1 052	**5 322**
Intangible fixed assets	283	4	**287**
Increase due to taking over			
Other non-monetary outlays	6 108	0	**6 108**

Assets and liabilities by geographical segments

Year ended 31 December 2011	**Domestic**	**Abroad**	**Total**
Segment assets	556 966	43 558	**600 524**
Deferred tax assets	22 349	1 013	**23 362**
Total assets	**579 315**	**44 571**	**623 886**
Segment liabilities	346 213	29 093	**375 306**
Total liabilities	**346 213**	**29 093**	**375 306**

The following tables provide figures on proceeds, expenditures, and certain assets of individual business segments of the Group as at 31 March 2010:

Assets and liabilities by geographical segments

As at 31 March 2010	**Domestic**	**Abroad**	**Total**
Sale to external customers	167 410	16 951	**184 360**
Total income	**167 410**	**17 245**	**184 360**
Total cost of products, goods and materials sold	**146 459**	**17 245**	**163 703**
Total gross sales	**20 951**	**-294**	**20 657**
Cost of sales	323	0	**323**
General and administrative costs	11 192	2 082	**13 275**
Profit (loss) on other operating activity	-1 167	2 043	**876**
Segment profit (loss)	**8 268**	**-334**	**7 934**
Profit (loss) on financing activity	-871	-1 018	**-1 890**
Income tax	1 650	-184	**1 466**
Net profit	**5 747**	**-1 168**	**4 579**

As at 31 March 2010	Domestic	Abroad	Total
Segment depreciation and amortisation	1 451	61	**1 512**
Interest income	323	119	**442**
Interest cost	835	15	**850**
Impairment of assets	0	0	**0**
Reversal of impairment of assets	0	1 989	**1 989**
Capital expenditure for:	**1 477**	**212**	**1 689**
Tangible fixed assets	348	212	**560**
Intangible fixed assets	81	0	**81**
Increase due to taking over			
Other non-monetary outlays	1 049	0	**1 049**

Assets and liabilities by geographical segments

As at 31 March 2010	Domestic	Abroad	Total
Segment assets	545 519	32 446	**577 965**
Deferred tax assets	22 106	759	**22 865**
Total assets	**567 624**	**33 205**	**600 830**
Segment liabilities	341 870	15 972	**357 841**
Total liabilities	**341 870**	**15 972**	**357 841**

Note 26. Construction contracts deposits

Construction contracts deposits as of 31 March 2011 were as follows:

	31.03.2011	31.03.2010
Deposits retained by customers		
Deposits to be returned beyond 12 months	7 599	1 764
Deposits to be returned within 12 months	25 883	29 113
Total	**33 482**	**30 877**
Deposits retained to suppliers		
Deposits to be returned beyond 12 months	7 785	3 302

Deposits to be returned within 12 months	60 300	43 254
Total	**68 085**	**46 556**

Note 27. Litigation and claims

As at 31 March 2011 there are not any legal proceedings brought by Erbud S.A.

Note 28. Asset-backed securities

Possessory lien on assets of substantial value i.e. on 5,059 shares in the company Przedsiębiorstwo Budownictwa Drogowo Inżynieryjnego S.A with its registered seat in Toruń.

1) Inventory value of the above shares in the books of the Issuer:

Name and legal form of the subsidiary	Seat	Core business	Type of the relationship (subsidiary, interdependent, associate, detailing the direct and indirect relationships)	Method of consolidation / equity method or indication that the unit is not subject to consolidation / to valuation by equity method	Value adjustment (total)	Carrying amount of shares /stocks	Equity stake held	Voting power at the GM
Przedsiębiorstwo Budownictwa Drogowo Inżynieryjnego S.A	Toruń	road engineering	subsidiary	full method	0	49 554	94.27%	94.27%

2) Relationship type between Erbud SA and persons managing or supervising Erbud SA and the pledgee (the Seller):

None

3) Percentage of the pledged shares in the nominal capital of PRD and the value at par of shares and their character as long-term or current capital investment of Erbud:

Pledged shares represent 29% of the nominal capital of PRD S.A. The Issuer considers the investment in PRD shares as a long-term one.

The Agreement on guarantee and credit line with PKO BP SA provides for to secure the limit by capped mortgage to the amount of PLN 65,000 thousand for the property, which are undeveloped parcels No. 275/3, 288/10 and 288/17 entered into the land register managed by business District Court in Torun under No. TO1T00003133/2 and transfer of receivables due to construction work amounting to PLN 157,444 thousand net. The agreement was concluded for the period from 30 June 2009 to 29 June 2012.

Contingent liabilities arising from guarantees given by banks are also secured by transfers of receivables from customers for construction works, in blanco promissory notes and freezing of term deposits.

Note 30. Additional information that, according to the Issuer, is relevant for the assessment of its financial standing and financial results, assets and human resources and any changes thereof, as well as information relevant to assess the Issuer's ability to meet its obligations

With the exception of information presented in this report, there is no other information that, according to the Issuer, is relevant for the assessment of its financial standing and financial results, assets and human resources and any changes thereof, as well as information relevant to assess the Issuer's ability to meet its obligations.

Signature of person preparing the Financial Statement

Mariola Zielińska
/Chief Accountant/

Signatures of Board Members

Józef Zubelewicz
/Member of the Board/

Dariusz Grzeszczak
/Member of the Board/

Warsaw, 12 May 2011