Translation from Polish

ERBUD CAPITAL GROUP

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR 3 QUARTERS OF 2012

PREPARED PURSUANT TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2012 (in PLN 000')

	30.09.2012	30.06.2012	31.12.2011	30.09.2011
Fixed assets	**117 578**	**138 317**	**126 702**	**130 241**
Intangibles	577	588	602	483
Goodwill	20 102	20 102	20 102	20 102
Tangible fixed assets	28 580	29 649	29 666	32 807
Real estate investments	5 527	5 536	5 693	5 760
Other non-current financial assets	18 317	31 780	31 770	31 013
Non-current receivables	1 550	770	120	18
Deferred tax assets	42 925	49 892	38 749	40 058
Current assets	**773 126**	**620 231**	**648 060**	**731 055**
Inventory	124 339	128 806	107 943	111 815
Trade and other receivables	370 698	255 941	235 606	356 889
Income tax receivables	1 002	3 330	6 957	4 322
Financial assets	13 996	792	571	453
Building securities	37 142	36 991	42 067	38 685
Cash and cash equivalents	93 536	70 232	161 291	76 249
Short-term prepayments and accruals	2 387	1 975	729	687
Construction contracts	130 026	122 164	92 896	141 955
Total assets	**890 704**	**758 548**	**774 762**	**861 296**
Equity attributable to shareholders of the parent company	**232 058**	**228 148**	**220 464**	**216 060**
Share capital	1 264	1 264	1 264	1 264
Treasure shares	0	0	0	0
Exchange rate differences on translation of foreign entities	539	657	1 014	540
Supplementary capital	214 967	215 067	240 255	240 091
Capital reserves	0	0	0	0
Undistributed profits	15 288	11 160	-22 069	-25 835
Minority interests	**10 539**	**10 129**	**9 983**	**9 771**
Total shareholders' equity	**242 597**	**238 277**	**230 447**	**225 831**
Long-term liabilities	**103 517**	**113 555**	**108 668**	**131 193**
Bank loans and borrowings	12 567	11 870	12 564	27 741
Provision for deferred income tax	34 001	43 789	30 927	34 485
Provision for retirement and similar benefits	1 346	1 346	1 320	2 162
Other provisions	1 798	1 910	1 816	1 130
Other financial liabilities	3 805	3 820	5 182	5 778
Other liabilities	0	820	6 859	59 897
Liabilities due to bonds issue	50 000	50 000	50 000	0
Short-term liabilities	**544 590**	**406 716**	**435 647**	**504 272**
Credits and loans	66 057	55 414	66 978	33 108
Trade and other liabilities	292 164	211 422	223 493	283 956
Current tax liabilities	562	205	1 311	1 226
Other liabilities	0	0	0	0
Provision for retirement and similar benefits	4 220	4 221	4 826	4 194
Other provisions	10 342	10 433	10 960	6 436
Building securities	79 377	78 549	79 211	79 397
Construction contracts	59 354	17 418	29 034	72 658
Other accruals	32 514	29 054	19 834	23 297
Total liabilities	**890 704**	**758 548**	**774 762**	**861 296**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 9-month period ended 30 September 2012 (in PLN 000')

	Year to 30.09.2012	3Q for the period from 1.07.2012 to 30.09.2012	Year to 30.09.2011	3Q for the period from 1.07.2011 to 30.09.2011
CONTINUING OPERATIONS				
Revenues from sales of products and services and of goods and materials	**965 780**	**362 368**	**1 109 369**	**424 882**
Cost of sold products and services and of goods and materials	**905 966**	**342 673**	**1 097 079**	**406 998**
Profit (loss) from sales	**59 814**	**19 695**	**12 290**	**17 884**
Cost of sales	1 803	598	2 656	1 040
General and administrative costs	34 979	9 515	34 978	12 202
Other operating income	**3 232**	**858**	**7 726**	**3 697**
Other operating expenses	**2 722**	**1 081**	**3 377**	**1 568**
Profit (loss) on operating activities	**23 542**	**9 359**	**-20 995**	**6 771**
Other gains (losses) on investments	**0**	**0**	**0**	**0**
Financial income	**4 512**	**1 247**	**7 545**	**4 296**
Financial expenses	**11 519**	**4 884**	**12 055**	**4 318**
Profit (loss) on continuing operations before tax	**16 535**	**5 722**	**-25 505**	**6 749**
Income tax	3 624	1 145	-1 277	2 389
Net profit (loss) for the financial period attributable to:	**12 911**	**4 577**	**-24 228**	**4 360**
- Shareholders of the parent company	**12 067**	**4 122**	**-24 658**	**4 010**
- Minority shareholders	**844**	**455**	**430**	**350**
Earnings (loss) per share (in PLN) on continuing operations	**0.95**	**0.33**	**-1.95**	**0.32**
Earnings (loss) per share (in PLN) on continuing and discontinued operations	**0.95**	**0.33**	**-1.95**	**0.32**

	Note	9-month period ended 30.09.2012	9-month period ended 30.09.2011
Consolidated net profit		12 911	-24 228
Exchange rate differences from translation of foreign branches and entities		-757	1 114
Deferred income tax due to items of other comprehensive incomes		0	0
Other comprehensive net incomes		-757	1 114
Total a comprehensive incomes attributable to:		12 154	-23 114
- Shareholders of the parent company		11 598	-23 504
- Minority shareholders		556	390

CONSOLIDATED STATEMENT OF CASH FLOW

as at 30 September 2012 (in PLN 000')

	Year to 30.09.2012	3Q for the period from 1.07.2012 to 30.09.2012	Year to 30.09.2011	3Q for the period from 1.07.2011 to 30.09.2011
Cash flow from operating activities				
Net profit (loss)	**12 911**	**4 577**	**-24 228**	**4 360**
Total adjustments	**-55 451**	**10 098**	**-109 601**	**-16 713**
Depreciation and amortization	5 244	1 575	5 622	1 738
Gains / losses from exchange rate differences	-822	-412	-236	-208
Interest and profit sharing (dividend)	4 024	1 547	2 486	2 247
Profit / loss on investment activities	-917	-965	2 452	-781
Change in provisions	1 858	-9 991	12 675	3 387
Change in inventories	-14 995	4 734	-14 629	2 696
Change in receivables	-118 289	-116 359	-189 445	26 875
Change in short-term liabilities, excluding loans and borrowings	69 192	87 174	105 321	-11 752
Change in prepayments and accruals	38	44 088	-32 213	-40 921
Other adjustments	-784	-1 293	-1 634	6
Net cash used in operating activities	**-42 540**	**14 675**	**-133 829**	**-12 353**
Cash flow from investment activities				
Inflows	**18 343**	**17 108**	**1 615**	**166**
Disposal of intangible and tangible fixed assets	650	148	694	166
Disposal of real property investments	81	0	0	0
Disposal of financial assets	218	198	0	0
Dividends and interest received	893	309	740	0
Repayment of long-term loans	13 501	13 453	181	0
Other investment inflows	3 000	3 000	0	0
Outflows	**32 014**	**16 014**	**5 934**	**150**
Acquisition of intangible and tangible fixed assets	3 865	2 688	2 121	150
Investments in real property	0	0	0	0
Acquisition of financial assets	14 628	624	3 563	0
Long-term loans granted	13 521	12 702	0	0
Other investment outflows	0	0	250	0
Net cash flow from investment activities	**-13 671**	**1 094**	**-4 319**	**16**

	Year to 30.09.2012	3Q for the period from 1.07.2012 to 30.09.2012	Year to 30.09.2011	3Q for the period from 1.07.2011 to 30.09.2011
Cash flow from financial activities				
Inflows	**55 282**	**10 970**	**122 964**	**60 262**
Net inflows from issue of shares and other capital instruments and from capital contributions	224	224	452	452
Credits and loans	55 058	10 746	72 912	10 210
Issue of debt instruments	0	0	49 600	49 600
Other financial inflows	0	0	0	0
Outflows	**66 826**	**3 435**	**55 796**	**32 234**
Redemption of own shares	0	0	0	0
Dividends and other payments to the shareholders	134	134	182	0
Dividends and other payments to the minority shareholders	0	0	0	0
Repayment of credits and loans	55 976	0	49 078	28 482
Repayment of debt instruments issued	0	0	0	0
Other financial liabilities	0	0	0	0
Payment of liabilities arising from financial leases	2 792	286	2 594	502
Interest paid	7 758	3 015	3 230	1 955
Other financial outflows	166	0	712	1 295
Net cash flow from financial activities	**-11 544**	**7 535**	**67 168**	**28 028**
Total net cash flow	**-67 755**	**23 304**	**-70 980**	**15 691**
Balance sheet change in cash, including:	**-67 755**	**23 304**	**-70 980**	**15 551**
- change in cash due to foreign exchange differences	0	0	0	-140
Cash opening balance	**161 291**	**70 232**	**147 229**	**60 698**
Closing balance of cash, including:	**93 536**	**93 536**	**76 249**	**76 249**
- restricted cash	35 086	-6 625	381	381

Reconciliation of changes in balance sheet items to changes reported in the cash flow statement for 3Q 2012 is presented below:

	30.09.2012
Change in receivables in the balance sheet	**-125 641**
Receivables due to acquisition financial assets	7 272
Receivables discount	80
Change in receivables in the statement of cash flows	**-118 289**

	30.09.2012
Change in inventories in the balance sheet	**-16 397**
Financial costs activated	1 402
Change in inventories in the statement of cash flows	**-14 995**

	30.09.2012
Change in liabilities in the balance sheet	**69 327**
Liabilities discount	-135
Change in liabilities in the statement of cash flows	**69 192**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 30 September 2012 (in PLN 000')

	Equity attributable to shareholders of the Parent								
					Undistributed profit (loss)				
	Share capital	Treasury shares	Capital reserve	Foreign exchange differences on translation of foreign entities	Retained profit / accumulated loss brought forward	Net profit / net loss	Total	Minority interests	Total shareholders' equity
As at 1 January 2012	**1 264**	**0**	**240 255**	**1 014**	**-22 069**	**0**	**220 464**	**9 983**	**230 447**
Profit/loss for the period	0	0	0	0	0	12 067	**12 067**	844	**12 911**
Other total incomes	0	0	0	-475	6	0	**-469**	-288	**-757**
Total comprehensive income	**0**	**0**	**0**	**-475**	**6**	**12 067**	**11 598**	**556**	**12 154**
Dividend to shareholders of the GWI subsidiary	0	0	0	0	0	0	**0**	0	**0**
Share capital increase	0	0	0	0	0	0	**0**	0	**0**
Payment in form of shares - shares awarded	0	0	38	0	0	0	**38**	0	**38**
Parent's result of the previous year brought forward to capital reserve	0	0	-25 284	0	25 284	0	**0**	0	**0**
Merger of subsidiaries	0	0	-100	0	0	0	**-100**	0	**-100**
Acquisition of shares in subsidiary Erbud Energetyka	0	0	58	0	0	0	**58**	0	**58**
As at 30 September 2012	**1 264**	**0**	**214 967**	**539**	**3 221**	**12 067**	**232 058**	**10 539**	**242 597**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

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

	Equity attributable to shareholders of the Parent								
					Undistributed profit (loss)				
	Share capital	Treasury shares	Capital reserve	Foreign exchange differences on translation of foreign entities	Retained profit / accumulated loss brought forward	Net profit / net loss	Total	Minority interests	Total shareholders' equity
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	0	0	0	0	0	-20 358	**-20 358**	643	**-19 715**
Other total incomes	0	0	0	1 014	0	0	**1 014**	127	**1 141**
Total comprehensive income	**0**	**0**	**0**	**1 014**	**0**	**-20 358**	**-19 344**	**770**	**-18 574**
Dividend to shareholders of the GWI subsidiary	0	0	0	0	0	0	**0**	-168	**-168**
Share capital increase	4	0	451	0	0	0	**455**	0	**455**
Payment in form of shares - shares awarded	0	0	154	0	0	0	**154**	0	**154**
Parent's result of the previous year brought forward to capital reserve	0	0	30 004	0	-30 004	0	**0**	0	**0**
Presentation adjustment	0	0	88	0	-88	0	**0**	0	**0**
As at 31 December 2011	**1 264**	**0**	**240 255**	**1 014**	**-1 711**	**-20 358**	**220 464**	**9 983**	**230 447**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 30 September 2011 (in PLN 000')

	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	0	0	0	0	0	-24 658	**-24 658**	430	**-24 228**
Other total incomes	0	0	0	540	614	0	**1 154**	-40	**1 114**
Total comprehensive income	**0**	**0**	**0**	**540**	**614**	**-24 658**	**-23 504**	**390**	**-23 114**
Dividend to shareholders of the GWI subsidiary	0	0	0	0	-168	0	**-168**	0	**-168**
Initial capital increase under the authorised capital	4	0	451	0	0	0	**455**	0	**455**
Payment in form of shares									
Payment in form of shares - shares awarded	0	0	78	0	0	0	**78**	0	**78**
Parent's result of the previous year brought forward to capital reserve	0	0	30 004	0	-30 004	0	**0**	0	**0**
As at 30 September 2011	**1 264**	**0**	**240 091**	**540**	**-1 177**	**-24 658**	**216 060**	**9 771**	**225 831**

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 at the last day of the period
30.09.2012	4.1948	4.1138
31.12.2011	4.1401	4.4168
30.09.2011	4.0413	4.4112

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

Balance-sheet item	30.09.2012		30.09.2011	
	PLN	EUR	PLN	EUR
Total assets	890 704	216 516	861 296	195 252
Fixed assets	117 578	28 581	130 241	29 525
Current assets	773 126	187 935	731 055	165 727

Balance-sheet item	30.09.2012		30.09.2011	
	PLN	EUR	PLN	EUR
Total liabilities	890 704	216 516	861 296	195 252
Shareholders' equity	242 597	58 972	225 831	51 195
Liabilities and provisions for liabilities	648 107	157 544	635 465	144 057

Items of the balance sheet as at 30 September 2012 were converted at the Euro rate which was set by the NBP as at that date i.e. 4.1138 PLN/EUR.

Items of the balance sheet as at 30 September 2011 were converted at the Euro rate which was set by the NBP as at that date i.e. 4.4112 PLN/EUR.

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

Item of profit or loss account	9-month period ended 31.09.2012		9-month period ended 31.09.2011	
	PLN	EUR	PLN	EUR
Net revenues from sales of products	965 780	230 233	1 109 369	274 508
Manufacturing cost of products sold	905 966	215 974	1 097 079	271 467
Gross profit on sales	59 814	14 259	12 290	3 041
Profit from operating activities	23 542	5 612	-20 995	-5 195
Gross profit (loss)	16 535	3 942	-25 505	-6 311
Net profit (loss)	12 911	3 078	-24 228	-5 995

Items of the profit or loss account for the period 01.01.2012 - 31.09.2012 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. 4.1948 PLN/EUR.

Items of the profit or loss account for the period 01.01.2011 - 31.09.2011 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. 4.0413 PLN/EUR.

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

Cash flow items	9-month period ended 31.09.2012		9-month period ended 31.09.2011	
	PLN	EUR	PLN	EUR
A. Cash flow from operating activities	-42 540	-10 141	-133 829	-33 115
B. Cash flow from investing activities	-13 671	-3 259	-4 319	-1 069
C. Cash flow from financing activities	-11 544	-2 752	67 168	16 620
D. Total net cash flow (A+/-B+/-C)	-67 755	-16 152	-70 980	-17 564
F. Cash and cash equivalents at the beginning of the period	161 291	36 518	147 229	37 176
G. Cash and cash equivalents at the end of the period	93 536	22 737	76 249	17 285

Cash flow items for the period of 01 January 2012 - 30 September 2012 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. 4.1948 PLN/EUR

F item figures - at the exchange rate set by the NBP as at 1 January 2012, i.e. 4.4168 PLN/EUR

G item figures- at the exchange rate set by the NBP as at 30 September 2012, i.e. 4.1138 PLN/EUR.

Cash flow items for the period of 01 January 2011 - 30 September 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. 4.0413 PLN/EUR

F item figures - at the exchange rate set by the NBP as at 1 January 2010, i.e. 3.9603 PLN/EUR

G item figures- at the exchange rate set by the NBP as at 30 September 2010, i.e. 3.9870 PLN/EUR.

Note 1. Information on significant transactions of purchase and sale of property, plant and equipment and a major commitment for the purchase of property, plant and equipment

In the reporting period, there were no significant acquisitions and sales of property, plant and equipment.

As of 30 September,, the Group has no material commitments for the purchase of property, plant and equipment.

Note 2. Deferred income tax assets

Assets / liabilities due to	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
- Building contracts valuation	15 070	15 966	11 306	13 465
- Provisions	3 719	3 938	2 779	2 312
- Loss of tax to be deducted in future periods	14 621	21 394	14 703	17 163
- Margin on intra-Group sales	4 216	3 219	487	0
- Accrued expenses	2 792	2 115	2 841	0
- Other remuneration charged statistically	200	216	806	202
- Receivables revaluation	137	528	1 193	1 255
- investment revaluation	562	562	0	0
- Other financial liabilities	709	518	1 143	1 176
- Consolidation adjustments	0	0	2 456	3 364
- Other	899	1 436	1 035	1 121
Total deferred tax assets	**42 925**	**49 892**	**38 749**	**40 058**

Assets and liabilities due to deferred income tax assets are offset when there is a legally enforceable entitlement to offset tax receivables and current tax liabilities and when the deferred tax relates to the same tax jurisdiction and will be executed in similar periods.

Margin realized on the intra-Group sales results from the higher tax value of assets sold to the Group companies in relation to their carrying amount due to the exclusion of consolidated profits included in assets.

Note 3. Short-term receivables
Note 3.1 Short-term trade receivables and other debts

	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
Short-term receivables before tax				
Due to deliveries and services	364 934	265 934	267 068	378 424
- from associates	238	110	90	115
- from other entities	364 696	265 824	266 978	378 309
From the public sector	7 660	18 980	16 526	15 196
Other	42 853	18 141	7 822	13 526
Impairment of receivables	**6 605**	**6 793**	**6 786**	**7 250**
Net short-term receivables	**408 842**	**296 262**	**284 630**	**399 896**

The fair value of trade receivables and other receivables is approximately equal to their carrying amount.

Note 3.2. Allowances for short-term trade receivables and other debts

	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
Write-downs at the beginning of the period	**6 786**	**6 786**	**9 400**	**9 400**
Created to other operating costs	406	234	639	0
Reversed into other operating costs	360	110	3 672	2 542
Used	0	0	37	1
Due to business combination	0	0	0	0
Foreign exchange differences	-227	-117	456	393
Write-downs on short-term receivables at the end of the period	**6 605**	**6 793**	**6 786**	**7 250**

The Group creates impairment losses on receivables in case there is an objective evidence proofs that the Group will not receive all amounts due under the original terms of receivables.

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

Note 3.3. Allowances for other financial assets (long-term)

During the reporting period, there were no write-downs due to other long-term financial assets.

Note 4. Construction contracts

	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
Building contracts income	916 394	570 957	1 454 666	1 065 315
Building contracts costs, including:	860 181	530 850	1 427 904	1 052 339
- recorded loss	0	0	162	0
Profit before tax	**56 213**	**40 107**	**26 762**	**12 976**

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

	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
Assets:				
Amounts due from customers	130 026	122 164	92 896	141 955
Contracts valuation	130 026	122 164	92 896	141 955
Liabilities:				
Amounts due to customers, incl.:	59 354	17 418	29 034	72 658
Contracts valuation	59 354	17 418	29 034	72 658
Provision for losses on contracts			0	0

Note 5. Share capital of ERBUD SA (structure)
Note 5.1 Structure of the share capital ownership as at 30 September 2012

The share capital of the Parent as of 31 September 2011 consisted of 12,644,169 shares with a total value of PLN 1,264,416,90. The structure of the share capital of the Parent Company as of 31 September 2012 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	2.23%	None
A	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	717 863	5.68%	None
B	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	3 152 865	24.93%	None
	Total				**4 152 865**	**32.84%**	
B	Juladal Investment Ltd	Ordinary	None	None	2 848 347	22.53%	None
A	Dariusz Grzeszczak	Ordinary	None	None	773 900	6.12%	None
D	AVIVA Otwarty Fundusz Emerytalny BZ WBK	Ordinary	None	None	1 183 146	9.36%	None
D	ING Otwarty Fundusz Emerytalny	Ordinary	None	None	1 269 709	10.04%	None
D,E,C,F	Pozostali Akcjonariusze	Ordinary	None	None	2 416 202	19.11%	None
	Total				**12 644 169**	**100%**	
	Par value of shares of all series	PLN 0.10		Share capital value	PLN 1 264 416,90		

A detailed description of the shareholding as at 31 December 2011 is included in the Annual Financial Statements for the year ended 31 December 2011.

This table presents the shareholders holding over 5% of the share capital and has been prepared on the basis of the stocks book.

Number of shares comprising the authorized capital is equal to the number of shares issued. The nominal value of each share is PLN 0.10. Subsidiaries do not hold any shares of the Parent.

No shares have been reserved for the purpose of issuance under options of sale contracts.

In addition to the powers arising from directly held shares of Erbud S.A., the major shareholders have no other voting rights at a general meeting.

Shares of Erbud S.A. held by the above mentioned persons are not preferred ones.

The Company's Statute does not give any personal rights in relation to Erbud S.A., 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 6. Change in deferred income tax provision
Note 6.1 Deferred income tax provision

Provision due to	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
- long term building contracts valuation	24 838	34 739	21 482	23 662
- assets revaluation	5 981	6 094	6 832	6 886
- amortisation	0	0	0	380
- lease	0	0	0	0
- financial costs activated	368	409	321	362
- balance sheet valuation	495	387	493	618
- balance sheet valuation - interest	1 350	1 333	986	0
- other	969	827	813	1 095
- presentation adjustments	0	0	0	1 482
Total provision for deferred income tax	**34 001**	**43 789**	**30 927**	**34 485**

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 7.
Note 7.1 Other non-current liabilities

	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
Other financial liabilities, of which:				
- from financial lease	3 515	3 820	5 182	5 778
- derivative financial instruments	0	0	0	1 353
- debt securities issued	50 000	50 000	50 000	50 000
- other	290	820	6 859	8 544
Total long term liabilities	**53 805**	**54 640**	**62 041**	**65 675**

Note 8. Trade liabilities other debts, income tax liabilities and building securities

Short-term liabilities	**30.09.2012**	**30.06.2012**	**31.12. 2011**	**30.09.2011**
a) Due to deliveries and services	318 169	252 072	274 220	336 844
- form associates	510	818	852	561
- form other entities	317 659	251 254	273 368	336 283
b) To public sector	9 464	9 595	13 794	9 129
- corporate income tax	562	205	1 311	1 226
- VAT	2 403	2 115	6 101	977
- income tax on natural persons	1 125	1 335	1 384	1 464
- other	5 374	5 940	4 998	5 462

c) Financial liabilities , incl.:	5 666	6 105	6 372	4 193
- interest	0	84	90	0
- interest from bonds	1 650	1 889	1 889	0
- lease	4 016	4 132	4 393	4 193
d) Other	38 804	22 404	9 629	14 413
- payroll	4 068	4 302	4 946	5 032
- prepayments received	29 333	11 707	127	8 931
- shares	5 403	5 403	3 451	0
- other	0	992	1 105	450
Total	**372 103**	**290 176**	**304 015**	**364 579**

Note 9. Finance lease liabilities

Fail value	**30.09.2012**	**31.12.2011**	**30.09.2011**
Up to 1 year	4 016	4 393	4 193
Over 1 and up to 5 years	3 515	5 182	5 778
Over 5 years		0	0
Total	**7 531**	**9 575**	**9 971**

The Group uses financial leasing of vehicles. The average lease duration is 3-4 years. Obligations under finance leases are secured by assets used on basis of these lease agreements.
The lease agreements have not included clauses providing for penalties for early repayment of obligations.

Note 10. Information on issue, redemption and repayment of debt instruments and securities issued
Note 10.1 Liabilities due to debt instruments and securities issued

Over the period ended 31 September 2012, the Group's companies issued the following debt securities and equity financial instruments.

On 14.07.2011, the Parent issued 50,000 unsecured three-years bearer Bonds with a total value of PLN 50 million. The issue price is equal to the par value and the interest rate was set based on WIBOR 6M plus a margin of 3.40% pa The maturity date falls on 15 July 2014.

On 2 August 2011, bearer Bonds of Series A issued by the Parent were introduced to trading in the alternative trading system operated by BondSpot within the Catalyst market of the WSE. The first day of trading fell on 9 August 2011.

On 23 April 2012, the Management Board adopted Resolution No. 5/2012 on the share capital increase under the authorised capital by the issue of shares of series G and of their pre-emptive rights to series G shares. The issue will be addressed to employees entitled in connection with the third tranche of the Staff Incentive Scheme, and the number of shares that would be granted to persons entitled cannot exceed 50 000 shares.

By the Resolution No. 22/2012, the Annual General Meeting of Shareholders of Erbud S.A. agreed that the Company will conduct a Manager Option Scheme over the period of 2013-2015, within the scope of which entitled persons will be granted the possibility to subscribe for shares of the Company issued within the scope of the authorised capita. Shares will be offered to the persons entitled to subscribe in the years 2013 - 2015 in a number not more than 50 000 shares per year. The Manager Option Scheme refers to financial years 2012-2014. The employee may be covered by an option program, if he/she has been working for at least 24 months. As far as concerned persons working in subsidiaries, the company must be a member of the group for at least two years. Morover, the subscribtion will be effected on the condition that the Capital Group will achieve in the the financial year for which the shares will be offered a consolidated net profit of at least ten million Zlotys. In addition, the person who would be entitled may not be upon notice of termination of the employment contract.

Note 11. Acquisition / Disposal of subsidiaries/ Disposal of long term-investments

In the period ended 30 September 2012, there were no changes in the composition of the Capital Group.

Note 12. Revenues from sales

	Year to 30.09.2012	3Q for the period from 1.07.2012 to 30.09.2012	Year to 30.09.2011	3Q for the period from 1.07.2011 to 30.09.2011
Revenues from finished products sold	33 787	15 800	41 671	23 012
Revenues from services sold	914 942	345 709	1 065 773	401 791
Revenues from goods and materials	17 051	859	1 925	79
Total	**965 780**	**362 368**	**1 109 369**	**424 882**

Note 13. Costs by type

	Year to 30.09.2012	3Q for the period from 1.07.2012 to 30.09.2012	Year to 30.09.2011	3Q for the period from 1.07.2011 to 30.09.2011
a) Depreciation and amortisation	5 244	1 575	5 622	1 738
b) Consumption of materials and power	173 527	61 343	187 351	56 335
c) External services	622 187	259 830	853 856	340 918
d) Taxes and charges	5 525	1 629	4 715	1 785
e) Payroll	76 985	25 644	75 802	28 698
f) Social security, health care and other benefits	17 286	5 742	17 071	6 011
g) Other costs	25 259	3 718	11 053	3 519
Total expenses by type	**926 013**	**359 481**	**1 155 470**	**439 004**
Change in inventories, products and deferred expenditures due to construction contracts	16 735	-6 695	-20 757	-18 764
Cost of production for in-house use (negative value)				
Cost of sales (negative value)	-1 803	-598	-2 656	-1 040
General and administrative costs (negative value)	-34 979	-9 515	-34 978	-12 202
Manufacturing cost of products sold	**905 966**	**342 673**	**1 097 079**	**406 998**

Note 14. Income tax

	30.09.2012	30.06.2012	31.12. 2011	30.09.2011
Profit and loss account	**3 624**	**2 479**	**-1 288**	**-1 277**
Deferred income tax due to the origination and reversal of temporary differences	-1 888	1 323	-6 775	-5 192
Current income tax	5 512	1 156	5 487	3 915

Note 15. Net earnings per share

	Year to 30.09.2012	3Q for the period from 1.07.2012 to 30.09.2012	Year to 30.09.2011	3Q for the period from 1.07.2011 to 30.09.2011
Profit (loss) attributable to the Parent's shareholders	12 067	4 122	-24 658	4 010
Weighted average number of shares (in units)	12 644 169	12 644 169	12 644 169	12 644 169
Earnings (loss) per share (in PLN)	0,95	0,33	-1,95	0,32
Weighted average diluted number of shares	12 695 441	12 695 441	12 680 526	12 680 526
Diluted earnings (loss) per share (in PLN)	0,95	0,32	-1,94	0,32

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 issued common shares outstanding for the period.
Diluted earnings per share are calculated by dividing net profit for the period attributable to ordinary shareholders (after deducting interest on redeemable preference shares convertible into ordinary shares) by the weighted average number of ordinary shares outstanding during the period (after adjusting the impact of dilutive options and dilutive redeemable preference shares convertible into ordinary shares).

Note 16. 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 17. Transactions with key executives

As of 31 September 2012, 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 Board members of Erbud SA)	Ordinary	2 848 347	22.53%	2 848 347	22.53%
Dariusz Grzeszczak	Ordinary	773 900	6.12%	773 900	6.12%
Józef Adam Zubelewicz	Ordinary	259 500	2.05%	259 500	2.05%
Albert Duerr - member of the Supervisory Board	Ordinary	8 500	0.07%	8 500	0.07%
Walenty Twardy - Procurist of Erbud S.A.	Ordinary	17 124	0.14%	17 124	0.14%
Piotr Augustyniak – Procurist of Erbud S.A.	Ordinary	6 112	0.05%	6 112	0.05%
Agnieszka Głowacka - Procurist of Erbud S.A.	Ordinary	4 436	0.04%	4 436	0.04%
Grzegorz Krzywicki - Procurist of Erbud S.A.	Ordinary	3 033	0.02%	3 033	0.02%
Bogdan Duerr - Procurist of Erbud S.A.	Ordinary	6 712	0.05%	6 712	0.05%
Włodzimierz Czystowski - Procurist of Erbud S.A.	Ordinary	8 725	0.07%	8 725	0.07%
Tomasz Krzywicki – Procurist (by a person related)	Ordinary	3 636	0.03%	3 636	0.03%
Mirosław Młynarski - Procurist	Ordinary	4 479	0.04%	4 479	0.04%
Radosław Kałamaga - Procurist	Ordinary	3 704	0.03%	3 704	0.03%
Tomasz Krzywicki - Procurist of Erbud S.A.	Ordinary	2 750	0.02%	2 750	0.02%
Mariola Zielińska - Chief Accountant of Erbud S.A	Ordinary	2 818	0.02%	2 818	0.02%

Members of the Supervisory Board, the Management Board of the Parent and the key management personnel, both as at 30 September 2012 and as at 31 December 2011 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 30 September 2012 and as at 31 December 2011 were not a party to the contract obliging to render services to the companies of the Erbud Group.

Note 18. Information about key events occurred in the period of nine months of 2012 and after the balance date.

Contracts concluded:

On 30 January 2012, Erbud S.A. signed a contract for construction of multifamily residential buildings with underground garage for DURHAM Sp. z o.o., seated in Warsawa, Bonifraterska St. 17.
Net contract value: PLN 93,359,000.
Scheduled completion: 30.10.2013.

On 1 February 2012, Erbud S.A. entered into a construction contract for erecting multifamily residential buildings with underground garage and infrastructure for LC Corp XIV Sp. z o.o., seated in Wrocław, Powstańców Śląskich St. 2-4.
Contract value: 1st contract - PLN 12,489,721 net, 2nd contract - PLN 11,710,279 net; the aggregate value is PLN 24,200,000 net.
Duration of works: 02.2012 - 09.2013.

On 6 February 2012, Erbud SA signed a preliminary agreement to acquire shares in the company Facinelli 3 Sp. z o.o. The condition of purchasing shares is that the Company acquired receives the right to ownership of real estate - 2 plots in Grójec (undeveloped plot No. 3151/4, land and mortgage register No. RA1G/00073801/1 and undeveloped plot No. 4380, land and mortgage register No. RA1G/00082852/9) and permit for the construction of a retail mall. The rental level achieved should allow to obtain financing for the construction and a specific major tenant is to be found.
Furthermore, the purchase of shares by Erbud SA requires that the financing of the construction of the shopping and service centre will be granted providing that the investor's contribution will not exceed 20% of the project value.

On 9 March 2012, Erbud S.A. concluded a conditional contract to construct a class A office building ,16 floors and underground garage for DAKOTA Spółka z ograniczoną odpowiedzialnością Spółka, Grupa Capital Park, seated in Warszawa, Marynarska St. 11.
Contract value: € 80,936,083.94 net. Parties agreed fixed clearing rate at 4.16 PLN/EUR. The contract value converted into PLN amounts to 336,694,109.19. The Issuer bears no exchange rate risk.
Conditions precedent: written instruction to start the works made by the Builder at the latest by 30 June 2012.
Duration of works: commencement - not later than the end of June 2012; completion: not later than 45 months from the instruction to start the works.

On 19 April 2012, Erbud S.A. signed a contract with Ulma Construccion Polska S.A. for comprehensive construction of the logistics centre and warehouse in Koszajec.
The contract value amounts to PLN 26,000,000.00 (say: twenty six million zlotys) and meets the criteria of a significant agreement.
The commencement of work is scheduled for April this year and the completion for December 2012.

On 26 April 2012, The Issuer in consortium with its subsidiary PBDI S.A. signed on 26 April 2012 as the consortium leader a contract to build a wind farm in the community of Rząśnia with a capacity of 5.85 MW, including power transmission equipment and associated infrastructure.
The contract was concluded with EKOPAL Sp. o. o. seated in Rząśnia
Net contract value:
a) PLN 8,728,081.48
b) EUR 8,280,851.06.
The performance bond is granted by the Consortium to the Investor as the insurance guarantee and amounts to 10% of the gross contract price.
Deadline: 14 months from the contract conclusion.
This is already the 8th wind farm constructed by the consortium formed by Erbud S.A. and PBDI S.A.

On 27 April 2012, entered into a contract to build a bakery for FSB Piekarnie Sp. o. o., based in Michałów Reginów at 9 Leśna St.
The net contract value is PLN 22,650,000.00. The aggregate value of transactions with FSB Piekarnie Sp. z o.o. after signing of this contract amounts to PLN 24,450,000.00 net.
Commencement: 30.04.2012
Completion: 31.12.2012.

On 6 June 2012, Erbud concluded a contract with ACE 1 Sp. z o.o., based in Kraków, to build the “Galeria Solna” Shopping Centre.
Net contract value: PLN 77,425,987.
Duration of works: 11.06.2012 – 08.05.2013.

On 22 June 2012, Erbud S.A. signed an agreement worth PLN14.5m net to build a three-story retail mall in Sopot on Bohaterów Monte Casino Street. PMP Sopot Sp. z is the Builder. The sole partner of the Builder is the company Otorino Investment Limited and a person related – Dariusz Grzeszczak, Board member - is the shareholder. Completion date: September 2013.

On 09 July 2012, Erbud entered into a significant construction contract to build the Office Park Łopuszańska, (Phase I) located in Warsaw on Równoległa St., incl. on-site infrastructure and landscaping. The contract was signed with Bolero Investment Sp. z o.o., seated in Warsaw (zip code 02-647) at 11 Marynarska St.
Contract value: PLN 46,800,000 plus the VAT due (of which the lump sum remuneration amounts to PLN 37,192,165.54 plus the VAT due, while the amount of PLN 9,607,834.46 plus the VAT due is a Provisional Sum earmarked for the execution of works on rental areas.
Completion:15 months from the date of site delivery.

On 5 October 2012, Erbud signed a significant contract with Kępska S.A., based in Poznań, 6 Samuela Lindego St. to construct and renovate a Trade and Exhibition Centre.
Contract value: PLN 32 million net + the VAT due.
Duration of works: 02.11.2012 – 30.06.2013

On 18 October 2012, Erbud entered into a significant construction contract with Dom Development S.A., seated in Warsaw Pl. Piłsudskiego 3 to erect the ADRIA multi-family residential complex (Phase 3) with retail area, underground garage, including services and utilities, located in Warsaw.
Contract value: PLN 34,491,750.00 plus the VAT due.
Duration of works: 17 months from the site delivery; the commencement of work is scheduled for October this

In addition to the significant agreements for construction works, Erbud SA signed several contracts that do not exceed the criterion set by "Significant agreement".

Note 19. Other important events

On 27 September 2012, the Issuer signed with Alior Bank SA seated in Warsaw a credit agreement No. U0002139462604 in the amount of PLN 50 million (fifty million zlotys). Under this agreement Erbud S.A. may benefit from an overdraft of up to PLN 10 million (ten million zlotys), and place orders for providing financial guarantees by the Bank within the limits of up to PLN 40 million (forty million). The line has been made available for a period of 12 months. Bank debt is secured by assignment of construction contracts receivables in the amount of 150% of the limit granted. Other conditions of this agreement do not differ from the market terms. This is the first agreement entered into by Erbud SA with Alior Bank SA.

Relevant information on the subsidiaries

On 27 September 2012, the Management Board of the Issuer received information, that the company Deptak Projekt P2 Sp. z o.o., in which Budlex S.A. - a subsidiary of the Issuer - holds a 50% stake, has signed with BRE Bank Hipoteczny S.A a credit agreement to finance the development of a retail centre in Poznan at Półwiejska 2 Street. The loan amount is EUR 16,500,000. The loan will be available subject to prior obtaining of final building permit, which is expected to be issued in October this year.

On 23 October 2012, Annex No.6 to the Loan Agreement was signed with ING Bank Śląski SA. Under this Annex, the Issuer as well as its subsidiaries PBDI SA and Budlex SA are allowed to use the credit line and financial guarantees line. The total value of lines amounts to PLN 80 million, of which the debt financing line (overdraft) is PLN 35 million. Other conditions are similar to those on the market. The line will be available by 20 August 2013.

Note 20. Changes in accounting principles (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

Over the current reporting period the Company did not make any changes in accounting policies and method of preparation of financial statements in relation to the previous financial year.

Note 21. Business combinations

On 31 August 2012, the District Court in Toruń, VII Commercial Division of the National Court Register, registered under the decree No. TO.VII NS-REJ.KRS/007753/12/019 the merger of ERSTEEL Limited Liability Company based in Torun as the acquiring company with the acquired company ER SERVICES Limited Liability Company with its registered office in Warsaw as per Art. 492 § 1 item 1 of the Commercial Companies Code, i.e. by transferring the assets of the acquired company to the acquiring company against shares in the increased capital of the acquiring company awarded to the shareholders of the acquired company.

Note 22. 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

In the reporting period, the Parent Company neither declared not paid dividends..

Note 23. Changes in accounting estimates

No changes in accounting estimates occurred in the comparable period and in the period ended 31 September 2012.

Note 24. Business segments

During the reporting period ended 30 September 2012, the Group was operating in the following business segments:

- Large volume construction
- Housing development
- Road-engineering
- Construction for the power industry
- Steel structures

During the reporting period ended 30 September 2012 the Group was operating in the following region segments:

- in Poland
- abroad (Germany, Belgium, Luxembourg 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 table present data on the revenues and profits of the Group's operating segments for the period from 1 January to 30 September 2012

Proceeds and expenses by business segments

For the period from 1 January to 30 September 2012	Cubature construction	Housing development	Road engineering	Construction for the energy sector	Other	Total
Income	**785 017**	**34 321**	**118 408**	**27 964**	**70**	**965 780**
Cost of products, goods and materials sold to external customers	**753 426**	**26 840**	**100 765**	**24 698**	**237**	**905 966**
Total gross sales	**31 591**	**7 481**	**17 643**	**3 266**	**-167**	**59 814**
Cost of sales	0	1 670	133	0	0	**1 803**
General and administrative costs	25 289	1 949	6 092	1 132	517	**34 979**
Profit (loss) on other operating activity	-633	1 306	-44	77	-196	**510**
Segment profit (loss)	**5 669**	**5 168**	**11 374**	**2 211**	**-880**	**23 542**
Profit (loss) on financing activity	-6 777	-31	-177	22	-44	**-7 007**
Income tax	598	195	2 427	484	-80	**3 624**
Net profit	**-1 706**	**4 942**	**8 770**	**1 749**	**-844**	**12 911**

The following table present data on the revenues and profits of the Group's operating segments for the period from 1 January to 30 September 2011

Proceeds and expenses by business segments

For the period from 1 January to 30 September 2012	Cubature construction	Housing development	Road engineering	Construction for the energy sector	Other	Total
Income	**888 450**	**33 415**	**141 161**	**37 316**	**9 027**	**1 109 369**
Cost of products, goods and materials sold to external customers	**897 521**	**27 174**	**128 450**	**33 778**	**10 156**	**1 097 079**
Total gross sales	**-9 071**	**6 241**	**12 711**	**3 538**	**-1 129**	**12 290**
Cost of sales	0	1566	826	0	264	**2 656**
General and administrative costs	24 877	2 751	4 990	1 218	1 142	**34 978**
Profit (loss) on other operating activity	3 567	266	687	-14	-157	4 349
Segment profit (loss)	**-30 381**	**2 190**	**7 582**	**2 306**	**-2 692**	**-20 995**
Profit (loss) on financing activity	-3 893	116	-638	-5	-90	**-4 510**
Income tax	-2 426	1 182	160	152	-345	**-1 277**
Net profit	**-31 848**	**1 124**	**6 784**	**2 149**	**-2 437**	**-24 228**

Geographical 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 30 September 2012

Proceeds and expenses by geographical segments

For the period from 1 January to 30 September 2012	Domestic	Abroad	Total
Sale to external customers	859 322	106 458	**965 780**
Total income	**859 322**	**106 458**	**965 780**
Cost of products, goods and materials sold to external customers	807 458	98 508	**905 966**
Total cost of products, goods and materials sold	**807 458**	**98 508**	**905 966**
Total gross sales	**51 864**	**7 950**	**59 814**
Cost of sales	1 803	0	**1 803**
General and administrative costs	29 591	5 388	**34 979**
Profit (loss) on other operating activity	215	295	**510**
Segment profit (loss)	**20 685**	**2 857**	**23 542**
Profit (loss) on financing activity	-6 222	-785	**-7 007**
Income tax	2 870	754	**3 624**
Net profit	**11 593**	**1 318**	**12 911**

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 30 September 2011:

Proceeds and expenses by geographical segments

For the period from 1 January to 30 September 2011	Domestic	Abroad	Total
Sale to external customers	1 040 694	68 675	**1 109 369**
Total income	**1 040 694**	**68 675**	**1 109 369**
Cost of products, goods and materials sold to external customers	1 029 543	67 536	**1 097 079**
Total cost of products, goods and materials sold	**1 029 543**	**67 536**	**1 097 079**
Total gross sales	**11 151**	**1 139**	**12 290**
Cost of sales	2 656	0	**2 656**
General and administrative costs	29 870	5 108	**34 978**
Profit (loss) on other operating activity	1 865	2 484	**4 349**
Segment profit (loss)	**-19 510**	**-1 485**	**-20 995**
Profit (loss) on financing activity	-4 827	317	**-4 510**
Income tax	-2 992	1 715	**-1 277**
Net profit	**-21 345**	**- 2 883**	**-24 228**

During the period from 1 January to 30 September 2012, the Group did not achieve revenues exceeding 10% of the aggregate proceeds from any customer.

Note 25. Construction contracts deposits

Construction contracts deposits as of 30 September 2012 were as follows

	30.09.2012	31.12.2011	30.09.2011
Deposits retained by customers			
Deposits to be returned beyond 12 months	9 896	8 593	6 537
Deposits to be returned within 12 months	27 246	33 474	32 148
Total	**37 142**	**42 067**	**38 685**
Deposits retained to suppliers			
Deposits to be returned beyond 12 months	4 456	8 248	9 759
Deposits to be returned within 12 months	74 921	70 963	69 638
Total	**79 377**	**79 211**	**79 397**

Note 26. Litigation and claims

The register of court cases in relation to the 31 December 2011, in which the Erbud Capital Group is a party to the proceedings as plaintiff and defendant, did not change significantly. Therefore, during the reporting period, there were no substantial changes in the amount of provisions for liabilities created under litigation.

Note 27. 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) The basic characteristics of assets (type and number votes at the GM), on which the pledge was established: In order to secure an agreement with the Seller, the Issuer has entered with the Buyer (Rison Limited with registered office in Nicosia, Cyprus) into a lien agreement (possessory and registered), under which the Buyer established to the Seller an possessory lien and upon entry in pledge register will establish an registered lien on 5,059 shares representing 29% stake in Przedsiębiorstwo Budownictwa Drogowo Inżynieryjnego S.A headquartered in Toruń. The possessory lien shall expire upon entry of the registered lien in the register of pledges.

2) 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%

Relationship type between Erbud SA and persons managing or supervising Erbud SA and the pledgee (Rison Limited with registered office in Nicosia, Cyprus):
None

4) 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.

Note 28. Events subsequent to the balance sheet date

After the balance sheet date by the date of the financial statements there were no events which have not been, and should be recognized in the accounts of the financial year.

Note 29. Information on changes in economic outlook and business conditions, which have a significant impact on the fair value of Company's financial assets and financial liabilities

In relation to the financial year ended 31 December 2011, this type of significant changes did not occur.

Note 30. Information on changes in the method of determining the value of financial instruments measured at their fair value

In the period ended 30 September 2012, the Group did not change the method of determining the value of financial instruments measured at fair value.

Note 31. Information on changes in the classification of financial assets as a result of target exchange or use of these assets

In the period ended 30 September 2012, the Group did not change the classification of financial assets as a result of target exchange or use of these assets.

Signature of person preparing the Financial Statements

Mariola Zielińska
/Chief Accountant/

Signatures of Board Members

Józef Zubelewicz
/Board Member/

Dariusz Grzeszczak
/Board Member/

Warsaw, 14 October 2012