Translation from Polish

ERBUD S.A.

Condensed Separate Financial Statements for four quarters of 2012

FINANCIAL STATEMENTS FOR THE PERIOD OF 12-MONTH ENDED 31 DECEMBER 2012

Balance Sheet

ASSETS

		31.12.2012	30.09.2012	31.12.2011	30.09.2011
A.	**Fixed assets**	**201 137**	**212 085**	**206 539**	**195 669**
I.	**Intangible fixed assets**	**437**	**415**	**388**	**245**
1.	Development costs	0	0	0	0
2.	Goodwill	0	0	0	0
3.	Other intangibles	70	48	71	245
4.	Advances for intangibles	367	367	317	0
II.	**Tangible fixed assets**	**7 605**	**8 370**	**8 596**	**8 820**
1.	Fixed assets	7 605	8 370	8 596	8 770
a)	Land (incl. perpetual usufruct)	0	0	0	0
b)	Buildings, premises and civil and water engineering structures	3 432	3 457	3 532	3 557
c)	Plant and equipment	89	98	125	239
d)	Means of transport	3 723	4 419	4 524	4 518
e)	Other tangible fixed assets	361	396	415	456
2.	Fixed assets under construction	0	0	0	50
3.	Prepaid tangible fixed assets under construction	0	0	0	0
III.	**Long-term receivables**	**0**	**0**	**0**	**0**
1.	From associates	0	0	0	0
2.	From other entities	0	0	0	0
IV.	**Long-term investments**	**172 716**	**176 457**	**173 065**	**156 747**
1.	Real property	515	515	515	515
2.	Intangibles	0	0	0	0
3.	Non-current financial assets	172 201	175 942	172 550	156 232
a)	In associates, incl.:	171 424	175 219	171 827	155 446
–	shares or stocks	142 485	133 181	132 965	128 065
–	other securities	0	0	0	0
–	loans granted	28 939	42 038	38 862	27 382
–	other non-current financial assets	0	0	0	0
b)	In other entities, incl.:	777	723	723	786
–	shares or stocks	5	5	5	5
–	other securities	0	0	0	0
–	loans granted	0	0	0	0
–	other non-current financial assets	777	718	718	781
4.	Other long-term investments	0	0	0	0
V.	**Long-term prepayments**	**20 379**	**26 843**	**24 490**	**29 857**
1.	Deferred tax assets	20 379	26 843	24 490	29 857
2.	Other prepayments	0	0	0	0

		31.12.2012	30.09.2012	31.12.2011	30.09.2011
B.	**Current assets**	**517 139**	**531 156**	**476 205**	**544 655**
I.	**Inventory**	**1 110**	**398**	**1 127**	**0**
1.	Materials	1 110	0	1 127	0
2.	Semi-products and unfinished products	0	0	0	0
3.	Finished products	0	0	0	0
4.	Goods	0	398	0	0
5.	Advances for deliveries	0	0	0	0
II.	**Short-term accounts receivable**	**260 462**	**365 985**	**253 401**	**365 802**
1.	From associates	3 133	8 852	8 741	7 006
a)	Deliveries and services, with maturity	3 133	8 852	8 741	7 006
–	up to 12 months	3 133	8 852	8 741	7 006
–	over 12 months	0	0	0	0
b)	Other	0	0	0	0
2.	Receivables from other entities	257 329	357 133	244 660	358 796
a)	Deliveries and services, with maturity	206 652	320 830	230 724	339 838
–	up to 12 months	200 923	314 531	229 146	336 800
–	over 12 months	5 729	6 299	1 578	3 038
b)	Tax, subsidies, duty, social security, health care and other benefits	6 784	1 275	11 105	11 742
c)	Other	43 893	35 028	2 831	7 216
d)	Receivables claimed at court	0	0	0	0
III.	**Short-term financial assets**	**165 059**	**56 715**	**121 707**	**57 704**
1.	Current financial assets	165 059	56 715	121 707	57 704
a)	In associates, incl.:	12 867	0	1 436	16 553
–	shares or stocks	0	0	0	0
–	other securities	0	0	0	0
–	loans granted	12 867	0	1 436	16 553
–	other current investments	0	0	0	0
b)	In other entities, incl.:	0	0	0	0
–	shares or stocks	0	0	0	0
–	other securities	0	0	0	0
–	loans granted	0	0	0	0
–	other current financial assets	0	0	0	0
c)	Cash and cash equivalents	152 193	56 715	120 271	41 151
–	cash at bank and in hand	135 026	33 277	108 027	23 658
–	other cash	17 167	23 438	12 244	17 493
–	other financial assets	0	0	0	0
2.	Other current financial investments	0	0	0	0
IV.	**Short-term prepayments**	**90 508**	**108 058**	**99 970**	**121 149**
	TOTAL ASSETS	**718 276**	**743 241**	**682 744**	**740 324**

LIABILITIES

		31.12.2012	30.09.2012	31.12.2011	30.09.2011
A.	**Equity**	**236 233**	**233 998**	**229 219**	**227 258**
I.	**Share capital**	1 268	1 264	1 264	1 264
II.	**Called-up share capital not paid (negative value)**	0	0	0	0
III.	**Treasury shares (negative value)**	0	0	0	0
IV.	**Capital reserves**	228 323	227 955	253 239	253 239
V.	**Revaluation capital reserve**	0	0	0	0
VI.	**Other capital reserves**	0	0	0	0
VII.	**Retained profit / accumulated loss brought forward**	0	0	0	0
VIII.	**Net profit (loss)**	6 642	4 779	-25 284	-27 245
IX.	**Write-offs from net profit for the financial year (negative value)**	0	0	0	0
B.	**Liabilities and provisions for liabilities**	**482 043**	**509 243**	**453 525**	**513 066**
I.	**Provisions for liabilities**	**32 767**	**31 207**	**30 277**	**32 259**
1.	Deferred income tax provision	18 201	20 294	19 928	24 086
2.	Provision for retirement and related benefits	3 423	2 972	2 985	2 995
–	non-current	349	480	420	887
–	current	3 074	2 492	2 565	2 108
3.	Other provisions	11 143	7 941	7 364	5 178
–	non-current	0	0	0	0
–	current	11 143	7 941	7 364	5 178
II.	**Long-term liabilities**	**50 556**	**50 993**	**56 537**	**60 052**
1.	To associates	0	0	0	0
2.	To other entities	50 556	50 993	56 537	60 052
a)	Loans and borrowings	0	0	0	0
b)	Issuance of debt securities	50 000	50 000	50 000	50 000
c)	Other financial liabilities	556	993	1 261	1 514
d)	Other	0	0	5 276	8 538
III.	**Short-term liabilities**	**355 213**	**371 680**	**324 560**	**351 806**
1.	To associates	49 556	29 030	41 729	16 577
a)	Deliveries and services, with maturity:	49 556	29 030	41 729	16 577
–	up to 12 months	48 960	27 818	41 729	15 953
–	over 12 months	596	1 212	0	624
b)	Other	0	0	0	0
2.	To other entities	305 657	342 650	282 831	335 229
a)	Loans and borrowings	262	25 532	28 663	14 786
b)	Issuance of debt securities	0	0	0	0
c)	Other financial liabilities	3 058	3 177	3 609	1 636
d)	Deliveries and services, with maturity :	254 893	276 828	243 808	307 839
–	up to 12 months	250 394	273 007	236 321	298 994
–	over 12 months	4 499	3 821	7 487	8 845
e)	Advances for deliveries	34 349	29 159	16	7 922
f)	Bills	0	0	0	0
g)	Taxes, customs, social insurance and other benefits	2 500	1 932	1 931	1 831
h)	Payroll	1 538	912	1 306	1 158
i)	Other	9 057	5 110	3 498	56
3.	Special funds	0	0	0	0
IV.	**Accruals**	**43 507**	**55 363**	**42 151**	**68 949**
1.	Other accruals	43 507	55 363	42 151	68 949
	TOTAL LIABILITIES	**718 276**	**743 241**	**682 744**	**740 324**

Calculation of book value per share

	31.12.2012	30.09.2012	31.12.2011	30.09.2011
Book value (in PLN '000)	236 233	233 998	229 219	227 258
Number of shares	12 677 956	12 644 169	12 644 169	12 644 169
Book value per share	18.63	18.51	18.13	17.97

PROFIT AND LOSS STATEMENT

	Quarter to 31.12.2012	Year to 31.12.2012	Quarter to 31.12.2011	Year to 31.12.2011
Income from sales of products, goods and materials, incl.:	**330 177**	**1 078 582**	**329 074**	**1 245 578**
- from associates	1 552	15 906	1 580	3 080
Net revenues on sales of products	330 177	1 065 771	329 074	1 245 574
Net revenues on sales of goods and materials	0	12 811	0	4
Cost of sold products, goods and materials, incl.:	**318 138**	**1 031 191**	**314 041**	**1 231 809**
- to associates	43 921	141 996	38 999	113 987
Cost of manufacturing of products sold	318 138	1 018 411	314 041	1 231 809
Value of goods and materials sold	0	12 780	0	0
Profit (loss) on sales before taxes	**12 039**	**47 391**	**15 033**	**13 769**
Selling costs	0	0	0	0
General and administrative expenses	7 346	31 504	7 296	34 341
Profit (loss) on sales	**4 693**	**15 887**	**7 737**	**-20 572**
Other operating income	**175**	**1 146**	**-2 503**	**162**
Gain on disposal of non-financial fixed assets	47	82	-26	0
Subsidies and donations	0	0	0	0
Other operating income	128	1 064	-2 477	162
Other operating expenses	**685**	**2 633**	**-261**	**1 381**
Loss on disposal of non-financial fixed assets	0	0	41	41
Revaluation of non-financial assets	0	0	0	0
Other operating expenses	685	2 633	-300	1 340
Profit (loss) on operating activity	**4 183**	**14 400**	**5 495**	**-21 791**
Financial income	**1 077**	**4 402**	**1 765**	**7 380**
Dividends and other share in profit	0	750	0	950
- from associates	0	750	0	950
Interest	991	3 075	1 765	5 929
- from associates	861	2 309	1 652	3 302
Gain on disposal of investments	0	0	0	0
Investment revaluation	32	32	0	0
Other	54	545	0	501
Financial expenses	**2 617**	**9 775**	**4 091**	**13 711**
Interest	1 931	6 690	2 497	3 983
- to associates	0	0	0	0
Loss on disposal of investments	0	0	0	0
Investment revaluation	0	0	431	6 092
Other	686	3 085	1 163	3 636
Gain (loss) on ordinary activities	**2 642**	**9 027**	**3 169**	**-28 122**
Result on extraordinary items	**0**	**0**	**0**	**0**
Extraordinary gains	0	0	0	0
Extraordinary losses	0	0	0	0
Profit (loss) before taxes	**2 642**	**9 027**	**3 169**	**-28 122**
Income tax	779	2 385	1 209	2 838
Other mandatory decrease of profit (increase of loss)	0	0	0	0
Net profit (loss)	**1 863**	**6 642**	**1 961**	**-25 284**
Net earnings (loss) per share				
Weighted average number of ordinary shares / Diluted weighted average number of ordinary shares (in units)		**12 677 956/ 12 717 719**		**12 614 864/ 12 621 415**
Earnings (loss) per ordinary share / Diluted earnings (loss) per share (in PLN)	**0.147 /0.146**	**0.524/ 0.522**	**0.16/ 0.15**	**-2.004/ -2.003**

STATEMENT OF CASH FLOW

	Quarter to 31.12.2012	Year to 31.12.2012	Quarter to 31.12.2011	Year to 31.12.2011
Net profit (loss)	**1 863**	**6 642**	**1 961**	**-25 284**
Total adjustments	**122 176**	**73 630**	**12 249**	**-36 633**
Depreciation and amortization	866	2 139	799	2 141
Gains / losses from foreign exchange differences	-102	152	186	343
Interest and share in profit (dividends)	609	2 535	259	410
Profit / loss on investment activities	-908	-2 391	439	5 383
Change in provisions	1 560	2 490	11 926	11 907
Change in inventory	-712	17	6 274	62
Change in accounts receivable	99 117	-6 116	-40 653	-59 715
Change in short-term liabilities, net of loans and borrowings	8 884	59 522	71 775	36 572
Change in prepayments and accruals	12 157	14 930	-38 938	-34 255
Other adjustments	705	352	183	519
Net cash flow from operating activities	**124 039**	**80 272**	**14 209**	**-61 917**
Cash flow from investing activities				
Inflows	**10 337**	**12 425**	**196**	**2 210**
Disposal of intangible and tangible fixed assets	47	294	71	203
Disposal of investments in real property and intangible fixed assets	0	0	0	0
From financial assets, incl.:	10 290	12 131	125	2 007
a) In associates	1 155	2 360	0	1 247
- disposal of financial assets	0	0	0	0
- dividends and share in profits	750	750	0	700
- repayment of long-term borrowings	405	1 610	0	547
- interest	0	0	0	0
- other income from financial assets	0	0	0	0
b) In other entities	9 135	9 771	125	760
- disposal of financial assets	0	0	0	0
- dividends and share in profits	0	0	0	0
- repayment of long-term borrowings	0	0	0	0
- interest	75	711	125	760
- other income from financial assets	9 060	9 060	0	0
Other investing inflow	0	0	0	0
Outflows	**12 550**	**25 050**	**1 749**	**16 644**
Acquisition of tangible and intangible fixed assets	64	670	140	947
Investments in real property and intangible fixed assets	0	0	0	0
Financial assets, incl.	12 486	24 380	1 609	15 697
a) In associates	9 488	14 110	1 609	15 697
- other outflow from financial assets	9 488	13 022	0	4 884
- loans granted	0	1 088	1 609	10 813
b) In other entities	2 998	10 270	0	0
- acquisition of financial assets	2 998	10 270	0	0
- long-term borrowings granted	0	0	0	0
Other investing outflow	0	0	0	0
Net cash flow from investing activities	**-2 213**	**-12 625**	**-1 553**	**-14 434**

	Quarter to 31.12.2012	Year to 31.12.2012	Quarter to 31.12.2011	Year to 31.12.2011
Cash flow from financing activities				
Inflows	**372**	**372**	**15 791**	**79 119**
Net proceeds from issue of shares, other equity instruments and additional contributions to equity	372	372	4	456
Loans and borrowings	0	0	15 387	28 663
Issuance of debt securities	0	0	0	50 000
Other financing inflow	0	0	400	0
Outflows	**26 721**	**36 097**	**1 835**	**3 688**
Repurchase of treasury shares	0	0	0	0
Dividends and other distributions to shareholders	0	0	0	0
Profit distribution other than distributions to shareholders	0	0	0	0
Repayment of loans and borrowings	25 270	28 401	0	0
Redemption of debt securities	0	0	0	0
Other financial liabilities	0	0	0	0
Finance lease liabilities	846	1 889	923	1 859
Interest	605	5 807	912	1 829
Other financing cash outflow	0	0	0	0
Net cash flow from financing activities	**-26 348**	**-35 725**	**13 956**	**75 431**
Total net cash flow	**95 478**	**31 922**	**79 120**	**-920**
Balance-sheet change in cash, incl.:	**95 478**	**31 922**	**79 120**	**-920**
- change in cash due to foreign exchange differences				
Cash at the beginning of the period	**56 715**	**120 271**	**41 151**	**121 191**
Cash at the end of the period, incl.:	**152 193**	**152 193**	**120 271**	**120 271**
- restricted cash		17 167		12 244

RECONCILIATION OF MOVEMENTS IN EQUITY

	Quarter to 31.12.2012	Year to 31.12.2012	Quarter to 31.12.2011	Year to 31.12.2011
I. Equity at the beginning of the period	**229 219**	**229 219**	**251 973**	**251 973**
– changes in accounting principles (policies)	0	0	0	0
– basic error adjustment	0	0	0	0
I.a. Equity at the beginning of the period, after adjustments	**229 219**	**229 219**	**251 973**	**251 973**
1. Share capital at the beginning of the period	**1 264**	**1 264**	**1 260**	**1 264**
1.1. Change in share capital	**4**	**4**	**4**	**0**
a) Increase	4	4	4	0
- issue of Series G Shares	4	4	0	0
- issue of Series F Shares	0	0	4	0
b) Decrease	0	0	0	0
– redemption of shares	0	0	0	0
1.2. Share capital at the end of the period	**1 268**	**1 268**	**1 264**	**1 264**
2. Called-up share capital not paid at the beginning of the period	**0**	**0**	**0**	**0**
2.1. Change in called-up share capital not paid	0	0	0	0
a) Increase	0	0	0	0
b) Decrease	0	0	0	0
2.2. Called-up share capital not paid at the end of the period	**0**	**0**	**0**	**0**
3. Treasury shares/stocks at the beginning of the period	**0**	**0**	**0**	**0**
a) Increase – repurchase of own shares	0	0	0	0
b) Decrease – own shares sold	0	0	0	0
3.1. Treasury shares/stocks at the end of the period	**0**	**0**	**0**	**0**
4. Capital reserves at the beginning of the period	**227 955**	**253 239**	**220 709**	**253 239**
4.1. Change in capital reserves	369	24 915	32 530	0
a) Increase	369	369	32 530	0
- capital reserves transfer	0	0	0	0
- profit distribution	0	0	30 004	0
- repurchase of own shares	0	0	0	0
- issue of Series G Shares above their par value	0	0	0	0
- issue of Series F Shares above their par value	369	369	0	0
- payment for Series C	0	0	452	0
- manager options	0	0	0	0
b) Decrease	0	0	2 074	0
– losses cover for 2011	0	25 284	0	0
– redemption of shares	0	25 284	0	0
4.2. Capital reserves at the end of the period	0	0	0	0
- capital reserves transfer	**228 323**	**228 323**	**253 239**	**253 239**
5. Revalued capital reserves at the beginning of the period	**0**	**0**	**0**	**0**
5.1. Change in revaluation of capital reserves	0	0	0	0
a) Increase	0	0	0	0
- valuation of financial assets	0	0	0	0
- conversion of balance of Branch Germany from EUR to PLN	0	0	0	0
b) Decrease	0	0	0	0
- valuation of financial instruments available for sale	0	0	0	0
- conversion of balance of Branch Germany from EUR to PLN	0	0	0	0
5.2. Capital reserves at the end of the period	**0**	**0**	**0**	**0**
6. Other capital reserves at the beginning of the period	**0**	**0**	**0**	**0**
6.1. Change in other capital reserves	0	0	0	0
a) Increase	0	0	0	0
- resources reserved for the Staff Incentive Program	0	0	0	0
b) Decrease - transfer to the capital reserves	0	0	0	0
6.2. Other capital reserves at the end of the period	**0**	**0**	**0**	**0**

	Quarter to 31.12.2012	Year to 31.12.2012	Quarter to 31.12.2011	Year to 31.12.2011
7. Accumulated loss/retained profit brought forward at the beginning of the period	**0**	**25 284**	**30 004**	**0**
7.1. Retained profit brought forward at the beginning of the period	0	0	30 004	0
- changes in accounting principles (policies)	0	0	0	0
- correction of basic errors	0	0	0	0
7.2. Retained profit brought forward at the beginning of the period, after adjustments	0	0	30 004	0
a) Increase(due to)	0	0	0	0
b) Decrease (due to)	0	0	30 004	0
- allocation of retained profit to capital reserves	0	0	30 004	0
- allocation of retained profit to dividend	0	0	0	0
- allocation of retained profit to cover losses from previous years	0	0	0	0
7.3. Retained profit brought forward at the end of the period	**0**	**0**	**0**	**0**
7.4. Accumulated loss brought forward at the beginning of the period	**0**	**0**	**0**	**0**
- changes in accounting principles (policies)	0	0	0	0
- correction of basic errors	0	0	0	0
7.5. Accumulated loss brought forward at the beginning of the period, after adjustments	0	25 284	0	0
a) Increase (due to)	0	0	0	0
b) Decrease (due to)	0	0	0	0
- allocation of retained profit to cover losses	0	25 284	0	0
7.6. Loss from previous years brought forward at the end of the period	0	25 284	0	0
7.7. Retained profit or accumulated loss brought forward at the end of the period	**0**	**0**	**0**	**0**
8. Net result	**0**	**0**	**0**	**0**
a) Net profit	**1 863**	**6 642**	**-25 284**	**1 961**
b) Net loss	1 863	6 642	0	1 961
c) Write-offs from profit	0	0	25 284	0
II. Equity at the end of the period	0	0	0	0
III. Equity, after proposed distribution of profit (coverage of loss)	**236 233**	**236 233**	**229 219**	**229 219**
7.5. Accumulated loss brought forward at the beginning of the period, after adjustments	**236 233**	**236 233**	**229 219**	**229 219**

Policies adopted to prepare the report

1.1. Accounting principles applied

The Financial Statement of ERBUD SA for four quarters of 2012 and comparable data has been drawn up in accordance with accounting principles prevailing in Poland, described in the introduction to the Company's Financial Report for the year 2011.

1.2. The principles adopted for the conversion of selected financial data to the euro

Selected financial data were converted to the euro as follows:

- Assets and liabilities items - at the average exchange rate as at 31 December 2012, i.e. 4.0882 PLN/EUR;
- Items of the profit and loss statement and cash flow for four quarters of 2012 - at the rate calculated as an arithmetic mean of the average exchange rates published by Polish National Bank on the last day of each month during the period from 1 January to 31 December 2012, i.e. 4.4168 PLN/EUR;

- Assets and liabilities items - at the average exchange rate as at 31 December 2011, i.e. 4.4168 PLN/EUR;
- Items of the profit and loss statement and cash flow for four quarters of 2011 - at the rate calculated as an arithmetic mean of the average exchange rates published by Polish National Bank on the last day of each month during the period from 1 January to 31 December 2011, i.e. 4.1401 PLN/EUR.

KEY ITEMS CONVERTED TO THE EURO

	31 December 2012		31 December 2011	
	PLN	EUR	PLN	EUR
Fixed assets	201 137	49 199	206 539	46 762
Current assets	517 139	126 496	476 205	107 817
Shareholders' equity	236 233	57 784	229 219	51 897
Liabilities and provisions for liabilities	482 043	117 911	453 525	102 682

	12-month period ended 31.12.2012		12-month period ended 31.12.2011	
	PLN	EUR	PLN	EUR
Revenues from sales of products and services and of goods and materials	1 078 582	258 430	1 245 578	300 857
Cost of sold products and services and of goods and materials	1 031 191	247 075	1 231 809	297 531
Profit on sales before taxes	47 391	11 355	13 769	3 326
Profit on operating activities	14 400	3 450	-21 791	-5 263
Profit (loss) before taxes	9 027	2 163	-28 122	-6 793
Net profit (loss)	6 642	1 591	-25 284	-6 107

	12-month period ended 31.12.2012		12-month period ended 31.12.2011	
	PLN	EUR	PLN	EUR
Cash flow from operating activities	80 272	19 233	-61 917	-14 955
Cash flow from investing activities	-12 625	-3 025	-14 434	-3 486
Cash flow from financing activities	-35 725	-8 560	75 431	18 219
Net cash flow	31 922	7 648	-920	-222
Cash at the beginning of the period	120 271	27 230	121 191	30 601
Cash at the end of the period	152 193	37 227	120 271	27 230

ADDITIONAL INFORMATION

Note 1. Operating segments information

During the reporting period ended 31 December 2012, the Company was operating in the following business segments:

- Large volume construction
- Road-engineering
- Construction for the power industry

During the reporting period ended 31 December 2012, the Company was operating in the following region segments:

- in Poland
- abroad (Belgium, Luxembourg).

Classification of contracts was the basis for dividing into segments. The Company applies the same policy of accounting for all segments.

Business segments

The following tables present data on the revenues and profits of the Company's operating segments for the period from 1 January to 31 December 2012.

Proceeds and expenses by business segments

For the period from 1 January to 30 December 2012	Cubature construction	Road engineering	Construction for the energy sector	Other	Total
Sale to external customers	1 012 150	31 231	35 200	0	**1 078 582**
Total income	**1 012 150**	**31 231**	**35 200**	**0**	**1 078 582**
Cost of products, goods and materials sold to external customers	978 007	22 729	30 454		**1 031 191**
Total cost of products, goods and materials sold					
Total gross sales	**978 007**	**22 729**	**30 454**	**0**	**1 031 191**
Cost of sales					
General and administrative costs	26 078	2 363	1 593	1 471	**31 504**
Profit (loss) on other operating activity	-1 487	0	0	0	**-1 487**
Segment profit (loss)	**6 579**	**6 139**	**3 153**	**-1471**	**14 400**
Profit (loss) on financing activity	-5 373	0	0	0	**-5 373**
Income tax	0	1 576	809	0	**2 385**
Net profit	**1 205**	**4 563**	**2 344**	**-1471**	**6 642**

For the period from 1 January to 30 December 2011	Cubature construction	Road engineering	Construction for the energy sector	Total
Sale to external customers	1 082 100	121 219	42 259	**1 245 578**
Total income	**1 082 100**	**121 219**	**42 259**	**1 245 578**
Cost of products, goods and materials sold to external customers	1 082 640	109 283	39 886	**1 231 809**
Total cost of products, goods and materials sold	**1 082 640**	**109 283**	**39 886**	**1 231 809**
Total gross sales	**-540**	**11 936**	**2 373**	**13 769**
Cost of sales	0	0	0	**0**
General and administrative costs	32 021	1 376	944	**34 341**
Profit (loss) on other operating activity	-1 219	0	0	**-1 219**
Segment profit (loss)	**-33 780**	**10 560**	**1 429**	**-21 791**
Profit (loss) on financing activity	-6 331	0	0	**-6 331**
Income tax	-2 838	0	0	**-2 838**
Net profit	**-37 273**	**10 560**	**1 429**	**-25 284**

Geographical segments

The following tables present data on the revenues and profits of the Company's region segments for the period from 1 January to 30 December 2012

Proceeds and expenses by geographical segments

For the period from 1 January to 30 September 2012	Domestic	Abroad	Total
Sale to external customers	1 070 366	8 215	1 078 582
Total income	**1 070 366**	**8 215**	**1 078 582**
Cost of products, goods and materials sold to external customers	1 023 983	7 208	1 031 191
Total cost of products, goods and materials sold	**1 023 983**	**7 208**	**1 031 191**
Total gross sales	**46 383**	**1 007**	**47 391**
Cost of sales			
General and administrative costs	29 486	2 018	**31 504**
Profit (loss) on other operating activity	-1 487	0	**-1 487**
Segment profit (loss)	**15 411**	**-1 011**	**14 400**
Profit (loss) on financing activity	-6 703	1 330	**-5 373**
Income tax	2 385	0	**2 385**
Net profit	**6 323**	**319**	**6 642**

For the period from 1 January to 30 September 2011	Domestic	Abroad	Total
Sale to external customers	1 241 449	4 129	**1 245 578**
Total income	**1 241 449**	**4 129**	**1 245 578**
Cost of products, goods and materials sold to external customers	1 226 542	5 267	**1 231 809**
Total cost of products, goods and materials sold	**1 226 542**	**5 267**	**1 231 809**
Total gross sales	**14 907**	**-1 138**	**13 769**
Cost of sales	0	0	**0**
General and administrative costs	32 096	2 245	**34 341**
Profit (loss) on other operating activity	-1 303	84	**-1 219**
Segment profit (loss)	**-18 492**	**-3 299**	**-21 791**
Profit (loss) on financing activity	-6 076	-255	**- 6 331**
Income tax	-3 088	250	**-2 838**
Net profit	**-21 480**	**-3 804**	**-25 284**

2. Description of factors and events, which had a significant impact on financial results achieved by ERBUD SA.

2.1. Changes in estimates

Construction contracts

In accordance with accepted accounting principles for valuation of the long-term building services, the Company applied a percentage method. Revenues, costs and profit were shown in proportion to the phase of works. To qualify the progress of works, it was used a method of proportional contract costs incurred for work performed to date in relation to the estimated cost of the contract.

Prepayments for construction contracts

	31.12.2012	30.09.2012	31.12.2011
Revenue surplus over partial invoices, by staging	78 032	81 144	63 470
Costs surplus over expenses arising from the accounting costs, by staging	42 306	50 963	29 523
Surplus on partial invoices over incomes, by staging	1 201	4 400	12 628
Surplus on costs resulting from the accounting costs over expenses, by staging	9 874	24 839	36 079
Total amounts presented in deferred expenditures	87 956	105 983	99 549
Total amounts presented in deferred revenues	43 507	55 363	42 151

Provisions and assets due to deferred income tax

Provisions and assets due to deferred income tax	**31.12.2012**	**30.09.2012**	**31.12.2011**	**30.09.2011**
- valuation of long-term contracts	8 266	10 519	8 009	13 100
- tax loss	6 340	10 539	10 359	13 175
- deferred costs	1 656	2 792	2 841	364
- provision for loss on contracts	71	0	31	0
- other	4 046	2 993	3 250	3 218
Total assets due to deferred income tax	**20 379**	**26 843**	**24 490**	**29 857**

Provisions	**31.12.2012**	**30.09.2012**	**31.12.2011**	**30.09.2010**
- valuation of long-term contracts	16 712	18 927	18 573	23 018
- other	1 489	1 367	1 355	1 068
Total provisions due to deferred income tax	**18 201**	**20 294**	**19 928**	**24 086**

Impairment allowances for receivables

Change in write-downs on short-term receivables

	31.12.2012	**30.09.2012**	**31.12.2011**
At the beginning of the period	**2 848**	2 848	**2 908**
a) Increase (due to)	0	0	153
- creation of write-offs	0	0	153
b) Decrease (due to)	203	203	213
- impairment loss	203	203	213
- use of write-offs	0	0	0
Write-downs on short-term debts at the end of the period	**2 645**	**2 645**	**2 848**

Impairment charges are created on overdue receivables over 180 days at it full value.
In single reasonable cases, it can be applied the individual principles of calculating write-downs.

Significant amount of impairment losses recognized and reversed

Impairment of long-term financial assets	**31.12.2012**	**31.12.2011**
Opening balance sheet	**2 960**	**110**
Increase / Decrease	32	2 850
Closing balance sheet	**2 928**	**2 960**

Other important events

In the period from 27 December 2012 to 4 January 2013, it has been done works related to the removal of damages on two thresholds of a runway in Modlin. Cost of works executed amounted to PLN 450 thousand. The company DSH, a subcontractor responsible for the completion of the runway in Modlin was charged by the incurred costs. The cost of final removal of defects at the airport will be known after a detailed technology development and its approval by the Investor. For this purpose Erbud created a reserve of PLN 2 million.

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

During the period form 1 January to 31 December 2012, this type of significant changes did not occur.

Signature of person preparing the Financial Statements

Mariola Zielińska
/Chief Accountant/

Signatures of Board Members

Józef Zubelewicz
/Member of the Board/

Dariusz Grzeszczak
/Member of the Board/

Warsaw, 25 February 2013