Dear Shareholders,

The last year was marked by further development of our company in the promising segments of the construction market at home and abroad. The Erbud capital group has strengthened its position in the industry, successfully competing with other entities on the market.

In 2012, the Erbud Group singed 103 construction contracts in Poland and Europe. The company's largest projects are: Eurocentrum Office Park in Warsaw, development of the Magnolia Park Shopping and Service Centre in Wrocław, the Marshal's Office in Poznań and Municipal Waste Incineration Plant in Konin.

The Group's sales for the whole year amounted to PLN 1,384,454,000, i.e. fell by 10% YTY. Due to the policy of the Management Board and based on carefully selected projects and maintenance of financial security of the contracts performed, at the end of the year ,the Company reached a net profit of PLN 18,527,000. The net profit margin of the Erbud Group at the end of December 2012 was 1.34%. In the period concerned, the Group reported a positive operating result in all segments of its activities. The segment of residential, office and industrial buildings completed the year with a profit of PLN 9,214,000, while the foreign segment reached PLN 4,306,000. The property development activity added PLN 7,152,000 to the consolidated profit of the Group, the road-engineering segment PLN 7,265,000, while the construction for the power industry PLN 2,388,000.

Another milestone in further development of the Group was a takeover, in November 2012, of shares in the company Engorem Sp. z o.o. Engorem operates in the sector of comprehensive investment, repair and diagnostic services for the power industry, mainly in the region of Łódź. By the end of December 2012, the total transaction value amounted to PLN 8 million(80.2% of shares). At the end of March 2013 Erbud held 97% of the company's shares with a total value of PLN 9.7 million. At the end of 2012 the company's revenues reached PLN 49.288,000 and an operating profit of PLN 1.011 million. In the opinion of the Erbud's Management Board, a new entity constitutes a platform for further development of the Group's competencies in the power segment.

Last year was marked by development of competencies of key managerial staff and operating personnel. Over 240 employees participated in trainings and workshops. As a part of optimising business processes in the group, the Internal Audit, Legal and procurement and logistics department were developed. Business and financial effects of these activities are already visible in the 2012 results.

As regards the situation concerning the Modlin airport project, the Management Board has undertaken the appropriate actions to explain reasons for construction errors on the runway that will allow ascertaining the scope of responsibilities of individual entities participating in the investment process.

The first months of this year show the implementation potential of the Group and the following contracts we are adding to our portfolio confirm the prospects for a stable position of Erbud in the upcoming quarters. The Group entered 2013 with PLN 202 million in cash anda contract portfolio with a value of about PLN 1.3 billion. Stable cash flow and an access to debt financing guarantee safe implementation of ongoing construction contracts and show further implementation capacities of the company. The Management Board expects that in the current year revenues of the Erbud Group will be at least at the same level as in 2012 assuming that the current level of sales in the segment of residential, office and industrial buildings will be maintained and the sales in the power segment will grow, which will compensate stagnation in the road-engineering construction.

The credit for stable prospects for the Group's growth goes to our clients and investors who declare readiness to cooperate with Erbud, a company with solid business and financial foundations and responsibility for the projects under implementation. Today Erbud has 1,630 employees, including 239 administrative and sales staff, 386 engineers and technicians and 1,005 construction workers. It is owing to their professionalism that we can build our power on. We would like to sincerely thank all of you for your contribution and commitment to development of the Erbud Capital Group in the past year. We wish to express our appreciation to the members of the Supervisory Board for their engagement in motivating the Management Board to continue our hard work. Finally, we would like to thank ourshareholders for their faith in the company's potential. We hope that the current year will bring further opportunities for development of the Capital Group and new challenges in the construction industry.

Best regards,

Management Board