Translation from Polish

ERBUD S.A.

Condensed Separate Financial Statements for three quarters of 2013

Financial Statements for the period of 9-month ended 30 September 2013 (in PLN '000)

Balance Sheet

ASSETS

		30.09. 2013	30.06.2013	31.12.2012	30.09. 2012
A.	**Fixed assets**	**205 515**	**213 481**	**214 391**	**212 085**
I.	**Intangible fixed assets**	**430**	**451**	**437**	**415**
1.	Development costs	0	0	0	0
2.	Goodwill	0	0	0	0
3.	Other intangibles	63	84	70	48
4.	Advances for intangibles	367	367	367	367
II.	**Tangible fixed assets**	**6 696**	**6 791**	**7 605**	**8 370**
1.	Fixed assets	6 696	6 791	7 605	8 370
a)	Land (incl. perpetual usufruct)	0	0	0	0
b)	Buildings, premises and civil and water engineering structures	3 358	3 383	3 432	3 457
c)	Plant and equipment	101	109	89	98
d)	Means of transport	2 945	2 970	3 723	4 419
e)	Other tangible fixed assets	292	329	361	396
2.	Fixed assets under construction	0	0	0	0
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**	**177 145**	**179 384**	**185 489**	**176 457**
1.	Real property	515	515	515	515
2.	Intangibles	0	0	0	0
3.	Non-current financial assets	176 630	178 869	184 974	175 942
a)	In associates, incl.:	175 890	178 128	184 197	175 219
–	shares or stocks	136 713	136 713	142 485	133 181
–	other securities	0	0	0	0
–	loans granted	39 177	41 415	41 712	42 038
–	other non-current financial assets	0	0	0	0
b)	In other entities, incl.:	740	741	777	723
–	shares / stocks	5	5	5	5
–	other securities	0	0	0	0
–	loans granted	0	0	0	0
–	other non-current financial assets	735	736	772	718
4.	Other long-term investments	0	0	0	0
V.	**Long-term prepayments**	**21 244**	**26 855**	**20 860**	**26 843**
1.	Deferred tax assets	21 244	26 855	20 860	26 843
2.	Other prepayments	0	0	0	0

		30.09. 2013	30.06.2013	31.12.2012	30.09. 2012
B.	**Current assets**	**397 032**	**390 951**	**504 883**	**531 156**
I.	**Inventory**	**0**	**0**	**1 110**	**398**
1.	Materials	0	0	1 110	0
2.	Semi-products and unfinished products	0	0	0	0
3.	Finished products	0	0	0	0
4.	Goods	0	0	0	398
5.	Advances for deliveries	0	0	0	0
II.	**Short-term accounts receivable**	**238 019**	**230 126**	**260 197**	**365 985**
1.	From associates	4 590	3 944	3 133	8 852
a)	Deliveries and services, with maturity	1 076	431	3 133	8 852
–	up to 12 months	1 076	431	3 133	8 852
–	over 12 months	0	0	0	0
b)	Other	3 514	3 513	0	0
2.	Receivables from other entities	233 429	226 182	257 064	357 133
a)	Deliveries and services, with maturity	213 308	195 084	207 121	320 830
–	up to 12 months	201 660	184 980	201 282	314 531
–	over 12 months	11 648	10 104	5 839	6 299
b)	Tax, subsidies, duty, social security, health care and other benefits	7 436	7 486	6 923	1 275
c)	Other	12 685	23 612	43 020	35 028
d)	Receivables claimed at court	0	0	0	0
III.	**Short-term financial assets**	**35 136**	**33 312**	**152 193**	**56 715**
1.	Current financial assets	35 136	33 312	152 193	56 715
a)	In associates, incl.:	0	1 000	0	0
–	Shares or stocks	0	0	0	0
–	Other securities	0	0	0	0
–	Loans granted	0	1 000	0	0
–	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	35 136	32 312	152 193	56 715
–	Cash at bank and in hand	17 680	15 040	134 435	33 277
–	Other cash	17 456	17 272	17 758	23 438
–	Other financial assets	0	0	0	0
2.	Other current financial investments	0	0	0	0
IV.	**Short-term prepayments**	**123 877**	**127 513**	**91 383**	**108 058**
	TOTAL ASSETS	**602 547**	**604 432**	**719 274**	**743 241**

LIABILITIES

		30.09. 2013	30.06.2013	31.12.2012	30.09. 2012
A.	**Equity**	**240 110**	**235 908**	**235 313**	**233 998**
I.	**Share capital**	1 268	1 268	1 268	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**	234 136	234 136	228 454	227 955
V.	**Revaluation capital**	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)**	4 706	504	5 591	4 779
IX.	**Write-offs from net profit for the financial year (negative value)**	0	0	0	0
B.	**Liabilities and provisions for liabilities**	**362 437**	**368 524**	**483 961**	**509 243**
I.	**Provisions for liabilities**	**33 223**	**37 326**	**33 829**	**31 207**
1.	Deferred income tax provision	20 630	24 803	18 288	20 294
2.	Provision for retirement and related benefits	3 209	3 209	3 423	2 972
–	Non-current	528	528	349	480
–	Current	2 681	2 681	3 074	2 492
3.	Other provisions	9 384	9 314	12 118	7 941
–	Non-current	0	0	0	0
–	Current	9 384	9 314	12 118	7 941
II.	**Long-term liabilities**	**278**	**50 278**	**50 556**	**50 993**
1.	To associates	0	0	0	0
2.	To other entities	278	50 278	50 556	50 993
a)	Loans and borrowings	0	0	0	0
b)	Issuance of debt securities	0	50 000	50 000	50 000
c)	Other financial liabilities	278	278	556	993
d)	Other	0	0	0	0
III.	**Short-term liabilities**	**284 492**	**225 151**	**358 003**	**371 680**
1.	To associates	15 288	14 665	49 588	29 030
a)	Deliveries and services, with maturity:	15 288	14 665	49 588	29 030
–	up to 12 months	14 619	14 058	48 992	27 818
–	over 12 months	669	607	596	1 212
b)	Other	0	0	0	0
2.	To other entities	269 204	210 486	308 415	342 650
a)	Loans and borrowings	9	24 533	262	25 532
b)	Issuance of debt securities	50 000	0	0	0
c)	Other financial liabilities	1 628	2 419	3 057	3 177
d)	Deliveries and services, with maturity :	207 152	168 355	258 272	276 828
–	up to 12 months	203 265	164 154	253 674	273 007
–	over 12 months	3 887	4 201	4 598	3 821
e)	Advances for deliveries	4 797	8 434	34 009	29 159
f)	Bills	0	0	0	0
g)	Taxes, customs, social insurance and other benefits	2 053	2 865	2 220	1 932
h)	Payroll	1 200	2 050	1 538	912
i)	Other	2 365	1 830	9 057	5 110
3.	Special funds	0	0	0	0
IV.	**Accruals**	**44 444**	**55 769**	**41 573**	**55 363**
1.	Other accruals	44 444	55 769	41 573	55 363
	TOTAL LIABILITIES	**602 547**	**604 432**	**719 274**	**743 241**

Calculation of book value per share

	30.09. 2013	30.06.2013	31.12.2012	30.09. 2012
Book value (in PLN '000)	240 110	235 908	235 313	233 998
Number of shares	12 677 956	12 677 956	12 677 956	12 644 169
Book value per share	18.94	18.61	18.56	18.51

PROFIT AND LOSS STATEMENT

	Quarter to 30.09.2013	Year to 30.09.2013	Quarter to 30.09.2012	Year to 30.09.2012
Income from sales of products, goods and materials, incl.:	**200 412**	**584 489**	**274 660**	**748 404**
- from associates	886	1 605	603	14 355
Net revenues on sales of products	200 412	584 489	274 645	735 593
Net revenues on sales of goods and materials	0	0	15	12 811
Cost of sold products, goods and materials, incl.:	**184 287**	**546 904**	**265 325**	**713 053**
- to associates	14 661	26 860	23 677	98 075
Cost of manufacturing products sold	184 287	548 181546 904	265 310	700 273
Cost of manufacturing goods and materials sold	0	0	15	12 780
Profit (loss) on sales before taxes	**16 125**	**37 585**	**9 335**	**35 351**
Selling costs	0	0	0	0
General and administrative expenses	8 956	24 217	6 412	24 158
Profit (loss) on sales	**7 169**	**13 368**	**2 923**	**11 193**
Other operating income	**1 273**	**1 737**	**717**	**972**
Gain on disposal of non-financial fixed assets	29	82	12	36
Subsidies and donations	0	0	0	0
Other operating income	1 244	1 655	705	936
Other operating expenses	**923**	**3 074**	**869**	**1 948**
Loss on disposal of non-financial fixed assets	0	0	0	0
Revaluation of non-financial assets	0	0	0	0
Other operating expenses	923	3 074	869	1 948
Profit (loss) on operating activity	**7 519**	**12 031**	**2 771**	**10 217**
Financial income	**131**	**2 120**	**293**	**3 326**
Dividends and shares in profit	0	610	0	750
- from associates	0	610	0	750
Interests	298	989	208	2 084
- from associates	189	312	0	1 447
Gain on sale of investments	0	228	0	0
Investment revaluation	0	0	0	0
Other	-167	293	86	491
Financial expenses	**2 171**	**7 486**	**2 796**	**7 158**
Interests	1 264	5 081	1 919	4 759
- to associates	-87	325	0	0
Loss on disposal of investments	0	0	0	0
Investment revaluation	0	0	0	0
Other	907	2 405	877	2 399
Profit (loss) on economic activity	**5 479**	**6 665**	**268**	**6 385**
Result on extraordinary items	**0**	**0**	**0**	**0**
Extraordinary gains	0	0	0	0
Extraordinary losses	0	0	0	0
Profit (loss) before taxes	**5 479**	**6 665**	**268**	**6 385**
Income tax	1 278	1 959	90	1 606
Other mandatory profit decrease (loss increase)	0	0	0	0
Net profit (loss)	**4 201**	**4 706**	**178**	**4 779**
Net earnings (loss) per share				
Current	**0.3309**	**0.3706**	**0.0141**	**0.3780**
Diluted	**0.3295**	**0.3690**	**0.0141**	**0.3780**
Weighted average number of shares	**12 696 251**	**12 696 251**	**12 644 169**	**12 644 169**

CASH FLOW STATEMENT

	Quarter to 30.09.2013	Year to 30.09.2013	Quarter to 30.09.2012	Year to 30.09.2012
Net profit (loss)	**4 201**	**4 706**	**178**	**4 779**
Total adjustments	**20 397**	**-117 845**	**4 915**	**-48 546**
Depreciation and amortization	190	1 196	160	1 273
Gains / losses from foreign exchange differences	-37	-62	154	254
Interest and share in profit (dividends)	1 329	2 577	361	1 925
Profit / loss on investment activities	171	178	-12	-1 483
Change in provisions	-4 103	-606	-11 144	930
Change in inventory	0	1 110	-398	729
Change in accounts receivable	-7 892	25 678	-105 980	-105 233
Change in short-term liabilities, net of loans and borrowings	32 672	-118 146	71 984	50 638
Change in prepayments and accruals	-2 077	-30 006	50 316	2 773
Other adjustments	144	236	-526	-352
Net cash flow from operating activities	**24 598**	**-113 139**	**5 093**	**-43 767**
Cash flow from investing activities				
Inflow	**5 029**	**13 486**	**392**	**2 088**
Disposal of intangible and tangible fixed assets	33	103	16	246
Disposal of investments in real property and intangible fixed assets	0	0	0	0
From financial assets, incl.:	4 996	13 383	376	1 842
a) In associates	4 913	12 806	168	1 205
- Disposal of financial assets	0	6 000	0	0
- Dividends and share in profits	0	610	0	0
- Repayment of long-term borrowings	4 504	5 787	0	0
- Interest	409	409	0	0
- Other income from financial assets	0	0	168	1 205
b) In other entities	83	577	208	636
- 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	83	577	208	636
- Other income from financial assets	0	0	0	0
Other investing inflow	0	0	0	0
Outflow	**1 728**	**13 235**	**-2 923**	**12 500**
Acquisition of tangible and intangible fixed assets	71	229	77	606
Investments in real property and intangible fixed assets	0	0	0	0
Financial assets, incl.	1 657	13 006	-3 000	11 894
a) In associates	1 657	13 006	0	4 622
- acquisition of financial assets	0	9 167	0	3 534
- granted long-term borrowings	1 657	3 839	0	1 088
b) In other entities	0	0	-3 000	7 272
- acquisition of financial assets	0	0	-3 000	7 272
- granted long-term borrowings	0	0	0	0
Other investing outflow	0	0	0	0
Net cash flow from investing activities	**3 301**	**251**	**3 315**	**-10 412**

	Quarter to 30.09.2013	Year to 30.09.2013	Quarter to 30.09.2012	Year to 30.09.2012
Cash flow from financing activities				
Inflow	**0**	**252**	**16 900**	**25**
Net proceeds from issue of shares, other equity instruments and additional contributions to equity	0	0	0	0
Loans and borrowings	0	252	16 900	25
Issuance of debt securities	0	0	0	0
Other financing inflow	0	0	0	0
Outflow	**25 172**	**4 421**	**2 660**	**9 401**
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	24 019	0	3	3 156
Redemption of debt securities	0	0	0	0
Other financial liabilities	0	0	0	0
Finance lease liabilities	0	708	0	1 043
Interests	1 153	3 714	2 657	5 202
Other financing cash outflow	0	0	0	0
Net cash flow from financing activities	**-25 172**	**-4 169**	**14 240**	**-9 376**
Total net cash flow	**2 727**	**-117 057**	**22 648**	**-63 555**
Balance-sheet change in cash, incl.:	**2 824**	**-117 057**	**22 648**	**-63 555**
- Change in cash due to foreign exchange differences	97	0	-154	0
Cash at the beginning of the period	**32 312**	**152 193**	**34 067**	**120 271**
Cash at the end of the period, incl.:	**35 136**	**35 136**	**56 715**	**56 715**
- Restricted cash	184	17 456	1 759	23 438

RECONCILIATION OF MOVEMENTS IN EQUITY

	Quarter to 30.09.2013	Year to 30.09.2013	Quarter to 30.09.2012	Year to 30.09.2012
I. Equity at the beginning of the period	**235 908**	**235 313**	**229 219**	**229 219**
- Changes in accounting principles (policies) adopted	0	0	0	0
- Basic errors adjustment	0	0	0	0
I.a. Equity at the beginning of the period , after reconciliation to comparable data	**235 908**	**235 313**	**229 219**	**229 219**
1. Share capital at the beginning of the period	**1 268**	**1 268**	**1 264**	**1 264**
1.1. Change in share capital	**0**	**0**	**4**	**0**
a) Increase	0	0	4	0
- Issue of Series G Shares	0	0	4	0
- Issue of Series H Shares	0	0	0	0
b) Decrease	0	0	0	0
- redemption of shares/stocks	0	0	0	0
1.2. Share capital at the end of the period	**0**	**1 268**	**1 268**	**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 (due to)	0	0	0	0
b) Decrease (due to)	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 – disposal of own shares	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	**234 136**	**228 454**	**253 239**	**253 239**
4.1. Change in capital reserves	0	5 682	-24 785	25 284
a) Increase (due to)	0	5 682	499	0
- Capital reserves transfer	0	0	0	0
- Profit distribution	0	5 591	0	0
- Repurchase of own shares	0	0	0	0
- Profit on sales of own shares	0	0	0	0
- Issue of Series G Shares above their par value	0	0	369	0
- Issue of Series H Shares above their par value	0	0	0	0
- Called up Series C Shares	0	0	0	0
- Manager options	0	91	130	0
b) Decrease (due to)	0	0	25 284	25 284
– 2011 loss covering	0	0	25 284	25 284
– Redemption of shares	0	0	0	0
4.2. Capital reserves at the end of the period	**234 136**	**234 136**	**228 454**	**227 955**
5. Revaluation of 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 held 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 30.09.2013	Year to 30.09.2013	Quarter to 30.09.2012	Year to 30.09.2012
4.2. Capital reserves at the end of the period	**0**	**5 591**	**-25 284**	**25 284**
5. Revaluation of capital reserves at the beginning of the period	0	5 591	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	5 591	0	0
- Conversion of balance of Branch Germany from EUR to PLN	0	0	0	0
b) Decrease	0	5 591	0	0
– Valuation of financial instruments held for sale	0	5 591	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**	**-25 284**	**25 284**
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	-25 284	25 284
6.2. Other capital reserves at the end of the period	0	0	0	0
4.2. Capital reserves at the end of the period	0	0	0	0
5. Revaluation of capital reserves at the beginning of the period	0	0	25 284	25 284
5.1. Change in revaluation of capital reserves	0	0	25 284	25 284
a) Increase	**0**	**0**	**0**	**0**
- Valuation of financial assets	**0**	**0**	**0**	**0**
- Conversion of balance of Branch Germany from EUR to PLN	**4 201**	**4 706**	**5 591**	**4 779**
b) Decrease	4 201	4 706	5 591	4 779
– Valuation of financial instruments held 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	**240 110**	**240 110**	**235 313**	**233 998**
6. Other capital reserves at the beginning of the period	**240 110**	**240 110**	**235 313**	**233 998**

1. Policies adopted to prepare the report

1.1. Accounting principles applied

The Financial Statements of ERBUD SA for three quarters of 2013 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 2012.

KEY ITEMS CONVERTED TO THE EURO

	30.09.2013		30.09.2012	
	PLN	**EUR**	**PLN**	**EUR**
Fixed assets	205 515	48 743	212 085	51 554
Current assets	397 032	94 166	531 156	129 116
Shareholders' equity	240 110	56 948	233 998	56 881
Liabilities and provisions for liabilities	362 437	85 961	509 243	123 789

- Assets and liabilities items - at the average exchange rate as at 30 September 2013, i.e. 4.2163 PLN/EUR.
- Assets and liabilities items - at the average exchange rate as at 30 September 2012, i.e. 4.1138 PLN/EUR.

	Year to 30.09.2013		Year to 30.09.2012	
	PLN	**EUR**	**PLN**	**EUR**
Revenues from sales of products and services and of goods and materials	584 489	138 403	748 404	178 412
Cost of sold products and services and of goods and materials	546 904	129 503	713 053	169 985
Profit on sales before taxes	37 585	8 900	35 351	8 427
Profit on operating activities	12 031	2 849	10 217	2 436
Profit (loss) before taxes	6 665	1 578	6 385	1 522
Net profit (loss)	4 706	1 114	4 779	1 139

- Items of the profit or loss statement and cash flow for three quarters of 2013 - 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 30 September 2012, i.e. 4.2231 PLN/EUR.

- Items of the profit or loss statement and cash flow for three 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 30 September 2012, i.e. 4.1948 PLN/EUR.

	Year to 30.09.2013		Year to 30.09.2012	
	PLN	**EUR**	**PLN**	**EUR**
Cash flow from operating activities	-113 139	-26 790	-43 767	-10 434
Cash flow from investing activities	251	59	-10 412	-2 482
Cash flow from financing activities	-4 169	-987	-9 376	-2 235
Net cash flow	-117 057	-27 718	-63 555	-15 151
Cash at the beginning of the period	152 193	36 051	120 271	27 230
Cash at the end of the period	35 136	8 333	56 715	13 787

Items of the cash flow for the period 1.01.2013 - 30.09.2013 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 day, i.e. 4.2231 PLN/EUR.

Items of the cash flow for the period 1.01.2012 - 30.09.2012 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 day, i.e. 4.1948 PLN/EUR.

In order to translate cash as of 1 January 2013, it was applied the exchange rate set by the NBP on that day, i.e. 4.0882PLN/EUR.

In order to translate cash as of 1 January 2012, it was applied the exchange rate set by the NBP on that day, i.e. 4.4168 PLN/EUR.

In order to translate cash as of 30 September 2013, it was applied the exchange rate set by the NBP on that day, i.e. 4.2163 PLN/EUR.

In order to translate cash as of 30 September 2012, it was applied the exchange rate set by the NBP on that day, i.e. 4.1138 PLN/EUR.

EXPLANATORY NOTES

Nota 1. Operating segments information

During the reporting period ended 30 September 2013 the Company has conducted operations under the following business segments:

- civil engineering - large volume construction
- road-engineering
- construction for power industry.

During the reporting period ended 30 September 2013 the Company has conducted operations in the following geographical segments:

- domestic
- abroad. (Belgium, Luxembourg).

The segmentation was made on classification basis of individual construction contracts. The Company applies a uniform accounting policy 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 30 September 2013

Proceeds and expenses by business segments

For the period from 1 January to 30 September 2013	Cubature construction	Road engineering	Services for the energy sector	Other	Total
Sale to external customers	575 664	2 271	6 553	0	584 489
Total income	**575 664**	**2 271**	**6 553**	**0**	**584 489**
Cost of products, goods and materials sold to external customers	537 585	1 685	7 633	**0**	546 904
Total cost of products, goods and materials sold	**537 585**	**1 685**	**7 633**	**0**	**546 904**
Total gross sales	**38 079**	**586**	**-1 080**	**0**	**37 585**
Cost of sales	0	0	0	0	**0**
General and administrative costs	21 273	647	1 629	668	**24 217**
Profit (loss) on other operating activity	-1 337	0	0	0	**-1 337**
Segment profit (loss)	**15 469**	**-61**	**-2 709**	**-668**	**12 031**
Profit (loss) on financing activity	-5 367	0	0	0	**-5 367**
Income tax	1 959	0	0	0	**1 959**
Net profit	**8 144**	**-61**	**-2 709**	**-668**	**4 706**

For the period from 1 January to 30 September 2012	Cubature construction	Road engineering	Services for the energy sector	Other	Total
Sale to external customers	642 336	78 103	27 964	0	748 404
Total income	**642 336**	**78 103**	**27 964**	**0**	**748 404**
Cost of products, goods and materials sold to external customers	618 695	69 492	24 866	**0**	713 053
Total cost of products, goods and materials sold	**618 695**	**69 492**	**24 866**	**0**	**713 053**
Total gross sales	**23 642**	**8 612**	**3 098**	**0**	**35 351**
Cost of sales	0	0	0	0	**0**
General and administrative costs	21 133	937	896	1 192	**24 158**

Profit (loss) on other operating activity	-976	0	0	0	**-976**
Segment profit (loss)	**1 532**	**7 675**	**2 201**	**-1 192**	**10 217**
Profit (loss) on financing activity	-3 833	0	0	0	**-3 833**
Income tax	-488	1 627	467	0	**1 606**
Net profit	**-1 813**	**6 048**	**1 735**	**-1 192**	**4 779**

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 September 2013

Proceeds and expenses by geographical segments

For the period from 1 January to 30 September 2013	**Domestic**	**Abroad**	**Total**
Sale to external customers	552 432	32 057	584 489
Total income	**552 432**	**32 057**	**584 489**
Cost of products, goods and materials sold to external customers	516 077	30 827	546 904
Total cost of products, goods and materials sold	**516 077**	**30 827**	**546 904**
Total gross sales	**36 355**	**1 230**	**37 585**
Cost of sales	0	0	**0**
General and administrative costs	23 250	967	**24 217**
Profit (loss) on other operating activity	-1 316	-21	**-1 337**
Segment profit (loss)	**11 788**	**243**	**12 031**
Profit (loss) on financing activity	-6 291	924	**-5 367**
Income tax	1 616	343	**1 959**
Net profit	**3 882**	**824**	**4 706**

For the period from 1 January to 30 September 2012	**Domestic**	**Abroad**	**Total**
Sale to external customers	746 182	2 222	748 404
Total income	**746 182**	**2 222**	**748 404**
Cost of products, goods and materials sold to external customers	711 423	1 630	713 053
Total cost of products, goods and materials sold	**711 423**	**1 630**	**713 053**
Total gross sales	**34 760**	**592**	**35 351**
Cost of sales	0	0	**0**
General and administrative costs	23 206	952	**24 158**
Profit (loss) on other operating activity	-940	-36	**-976**
Segment profit (loss)	**10 614**	**-396**	**10 217**
Profit (loss) on financing activity	-4 981	1 148	**-3 833**
Income tax	1 606	0	**1 606**
Net profit	**4 027**	**751**	**4 779**

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 accounting principles accepted 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

	30.09.2013	31.12.2012	30.09.2012
Revenue surplus over partial invoices, by staging	78 092	78 081	81 144
Costs surplus over expenses arising from the accounting costs, by staging	40 795	40 372	50 963
Surplus on partial invoices over incomes, by staging	3 633	1 201	4 400
Surplus on costs resulting from the accounting costs over expenses, by staging	41 852	10 750	24 839
Total amounts presented in deferred expenditures	119 944	88 831	105 983
Total amounts presented in deferred revenues	44 428	41 573	55 363

Provisions and assets due to deferred income tax

Assets due to deferred income tax	30.09.2013	30.06.2013	31.12.2012	30.09.2012
- Valuation of long-term contracts	8 441	10 593	7 899	10 519
- Tax loss	7 939	10 541	6 665	10 539
- Costs of subsequent periods	1 048	1 973	2 036	2 792
- Provision for loss on contracts	0	21	71	0
- Other	3 815	3 727	4 189	2 993
Total assets due to deferred income tax	**21 244**	**26 855**	**20 860**	**26 843**

Provisions	30.09.2013	30.06.2013	31.12.2012	30.09.2012
- Valuation of long-term contracts	19 508	23 244	16 878	18 927
- Other	1 122	1 559	1 410	1 367
Total provisions due to deferred income tax	**20 630**	**24 803**	**18 288**	**20 294**

Impairment allowances for receivables

Change in write-downs on short-term receivables

	30.09.2013	31.12.2012	30.09.2012
As at the beginning of the period	**2 645**	2 848	**2 848**
a) Increase (due to)	1 059	0	0
- Creation	1 059	0	0
b) Decrease (due to)	95	203	203
- Impairment loss release	95	203	203
- Use of write-downs	0	0	0
Write-downs on short-term receivables at end of the period	**3 609**	**2 645**	**2 645**

Significant amount of impairment losses recognized and reversed due to the impairment

Write-downs on long-term financial assets	30.09.2013	31.12.2012
Opening balance sheet	**2 960**	**2 960**
Increases/Decreases	0	0
Closing balance sheet	**2 960**	**2 960**

2.2. 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 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
/Board Member/

Dariusz Grzeszczak
/Board Member/

Warsaw, 12 November 2013