

Warsaw, 2 March 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2014 (in PLN thousands)

	31.12.2014	30.09.2014	31.12.2013	30.09.2013
Fixed assets	**161 305**	**128 887**	**117 755**	**116 817**
Intangibles	2 193	1 686	1 875	1 812
Goodwill	22 066	20 102	20 102	20 102
Tangible fixed assets	41 291	36 265	35 335	32 096
Investment property	10 328	10 611	5 492	5 499
Non-current financial assets	41 603	18 007	17 604	20 494
Non-current receivables	0	0	0	0
Deferred tax assets	43 748	42 152	37 310	36 814
Prepayments	76	64	37	0
Current assets	**907 318**	**822 406**	**678 175**	**646 397**
Inventory	112 363	110 705	112 140	109 693
Trade and other receivables	319 031	354 031	223 305	239 991
Income tax receivables	4 271	4 017	7 336	5 074
Financial assets	574	7 890	220	339
Building contracts retentions	55 708	52 445	49 941	46 804
Cash and cash equivalents	209 260	93 948	124 590	95 151
Short-term prepayments	6 479	6 964	4 541	4 944
Building contracts	199 632	192 406	156 102	144 401
Total assets	**1 068 623**	**951 293**	**795 930**	**763 214**
Equity attributable to shareholders of the Parent Company	**274 947**	**263 305**	**255 218**	**248 771**
Share capital	1 276	1 271	1 271	1 268
Exchange rate differences on translation of foreign entities	-646	620	591	663
Capital reserve	223 362	222 734	222 793	222 204
Undistributed profits	50 955	38 680	30 563	24 636
Minority interests	**12 542**	**12 273**	**11 748**	**11 638**
Total equity	**287 489**	**275 578**	**266 966**	**260 409**
Long-term liabilities	**156 434**	**146 946**	**61 308**	**52 147**
Bank loans and borrowings	23 992	27 503	14 487	4 678
Provision for deferred income tax	44 499	42 536	36 211	34 517
Provision for retirement and similar benefits	2 319	2 008	1 751	7 398
Other provisions	13 968	4 040	3 433	2 753
Other financial liabilities	6 624	5 564	5 426	2 681
Liabilities from issuance of bonds	65 032	62 295	0	0
Other liabilities	0	0	0	120
Short-term liabilities	**624 700**	**528 769**	**467 656**	**450 658**
Borrowings and loans	28 873	58 948	24 488	38 246
Trade and other liabilities	389 392	256 743	194 148	185 019
Current tax liabilities	2 887	1 694	7	12
Liabilities from issuance of bonds	0	0	50 000	50 000
Provision for retirement and similar benefits	6 492	5 288	5 588	5 473
Other provisions	5 221	14 287	16 573	14 242
Building securities	92 756	88 059	80 535	81 425
Construction contracts	70 906	82 948	82 244	61 799
Other accruals	28 173	20 802	14 073	14 442
Total liabilities	**1 068 623**	**951 293**	**795 930**	**763 214**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 12-month period ended 31 December 2014 (in PLN thousands)

	Year to 31.12.2014	Quarter to 31.12.2014	Year to 31.12.2013	Quarter to 31.12.2013
CONTINUING OPERATIONS				
Revenues from sales of products and services and of goods and materials	**1 693 818**	**556 455**	**1 223 609**	**400 518**
Cost of sold products and services and of goods and materials	**1 594 587**	**526 094**	**1 132 699**	**376 410**
Profit (loss) from sales before tax	**99 231**	**30 361**	**90 910**	**24 108**
Cost of sales	4 949	1 492	3 518	770
General and administrative costs	56 698	16 242	54 474	16 123
Other operating income	**7 453**	**1 607**	**7 401**	**9 239**
Other operating expenses	**8 589**	**4 007**	**7 530**	**4 704**
Share in profit of subsidies valued under the equity method	**7 272**	**7 336**	**-89**	**0**
Profit (loss) on operating activities	**43 720**	**17 563**	**32 700**	**11 750**
Other gains (losses) on investments	**0**	**0**	**0**	**0**
Financial income	**3 931**	**1 774**	**3 580**	**150**
Financial expenses	**11 171**	**3 581**	**11 186**	**3 285**
Profit (loss) on continuing operations before tax	**36 480**	**15 756**	**25 094**	**8 615**
Income tax	8 515	3 406	7 015	821
Net profit (loss) on continuing operations	**27 965**	**12 350**	**18 079**	**7 794**
Net profit (loss) on discontinued operations	**0**	**0**	**0**	**0**
Net profit (loss) for the financial period	**27 965**	**12 350**	**18 079**	**7 794**
attributable to:				
Shareholders of the Parent Company	27 154	12 113	17 217	7 445
Minority shareholders	811	237	862	349
Weighted average number of ordinary shares / Diluted weighted average number of ordinary shares (in units)	**12 761 925/ 12 791 962**		**12 696 251/ 12 744 407**	
Profit (loss) per share / Diluted profit (loss) per share on continuing operations (in PLN)	**2.13 / 2.12**		**1.36 / 1.35**	

	12-month period ended 31.12.2014	12-month period ended 31.12.2013
Consolidated net profit (loss)	27 965	18 079
Exchange rate differences from translation of foreign branches and entities	230	-42
Deferred income tax due to items of other total incomes	0	0
Other total profit (loss)	230	-42
Total profit (loss) for the financial period	28 195	18 037
attributable to:		
Shareholders of the Parent Company	27 339	17 157
Minority shareholders	856	880

CONSOLIDATED STATEMENT OF CASH FLOW

as at 31 December 2014 (in PLN thousands)

	Year to 31.12.2014	Quarter to 31.12.2014	Year to 31.12.2013	Quarter to 31.12.2013
Cash flow from operating activities				
Net profit (loss)	**27 965**	**12 350**	**18 079**	**7 794**
Total adjustments	**77 868**	**155 897**	**-72 670**	**27 113**
Depreciation and amortization	8 875	2 959	7 727	2 297
Share in profit of entities valued under the equity method	-7 272	-7 272	0	0
Profit / losses from exchange rate differences	-108	-210	-488	-359
Interest and share in profit (dividends)	3 388	-1 773	4 839	1 387
Profit / loss on investment activities	-1 990	-10	-2 311	-1 549
Change in provisions	8 166	3 974	2 583	-1 145
Change in inventory	-2 414	-1 337	4 140	-326
Change in receivables	-89 138	39 114	38 880	6 165
Change in short-term liabilities, excluding loans and borrowings	204 524	133 254	-95 671	11 151
Change in prepayments and accruals	-46 657	-12 468	-32 814	9 568
Other adjustments	494	-334	445	-76
Net cash used in operating activities	**105 833**	**168 247**	**-54 591**	**34 907**
Cash flow from investment activities				
Inflows	**5 556**	**2 367**	**11 210**	**3 033**
Disposal of intangible and tangible fixed assets	2 799	1 501	2 090	1 731
Disposal of investment property	13	0	0	0
Disposal of financial assets:				
- Repayment of loans	2 353	866	8 139	764
- Dividends and interest received	68	0	973	538
- Sale of financial assets	323	0	0	0
Other investment inflows			8	0
Outflows	**30 351**	**18 014**	**10 843**	**654**
Acquisition of intangible and tangible fixed assets	4 818	1 912	1 923	654
Investment property	1 859	107	0	0
Acquisition of financial assets	7 509	7 509	7 637	0
Loans granted	15 857	8 178	1 201	0
Other investment outflows	308	308	82	0
Net cash flow from investment activities	**-24 795**	**-15 647**	**367**	**2 379**

	Year to 31.12.2014	Quarter to 31.12.2014	Year to 31.12.2013	Quarter to 31.12.2013
Cash flow from financial activities				
Inflows	**90 764**	**679**	**36 891**	**1 768**
Net inflows from issue of shares and other capital instruments and from capital contributions	522	522	402	402
Borrowings and loans	67 690	0	35 896	1 366
Issue of debt instruments	22 395	0	0	0
Other financial inflows	157	157	593	0
Outflows	**87 132**	**37 967**	**59 846**	**9 614**
Retirement of own shares	20	16	6	4
Dividends and other payments to the shareholders	9 378	0	0	0
Repayment of borrowings and loans	54 517	34 304	47 524	5 784
Payment of liabilities arising from financial leases	3 999	1 192	4 270	1 570
Interest paid	9 169	2 406	7 837	2 256
Redemption of debt securities	10 000	0	0	0
Other financial outflows	49	49	209	0
Net cash flow from financial activities	**3 632**	**-37 288**	**-22 955**	**-7 846**
Total net cash flow	**84 670**	**115 312**	**-77 179**	**29 440**
Balance sheet change in cash, including:	**84 670**	**115 312**	**-77 179**	**29 440**
- change in cash due to exchange differences				0
Cash opening balance	**124 590**	**93 948**	**201 769**	**95 151**
Closing balance of cash, including:	**209 260**	**209 260**	**124 590**	**124 590**
- restricted cash	32 813	9 959	35 989	11 346

	31.12.2014
Change in provisions in the balance sheet	**8 943**
Balance as at the entity acquisition date	-777
Change in provisions in the cash flow	**8 166**

	31.12.2014
Change in inventories in the balance sheet	**-223**
Balance as at the entity acquisition date	248
Capitalized finance costs	1 189
Reclassification of inventory to investment	**-3 628**
Change in inventories in the cash flow	**-2 414**

	31.12.2014
Change in receivables in the balance sheet	**-98 428**
Balance as at the entity acquisition date	9 290
Change in receivables in the cash flow	**-89 138**

	31.12.2014
Change in liabilities in the balance sheet	**210 346**
Balance as at the entity acquisition date	-5 822
Change in liabilities in the cash flow	**204 524**

	31.12.2014
Change in prepayments and accruals in the balance sheet	**-49 184**
Balance as at the entity acquisition date	799
Bounds discount	**1 728**
Change in prepayments and accruals in the cash flow	**-46 657**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 31 December 2014 (in PLN 000')

	Equity attributable to shareholders of the Parent								
	Share capital	Treasury shares	Other capital	Foreign exchange differences on translation of foreign entities	Undistributed profit (loss)		Total	Minority interests	Total equity
					Retained profit / accumulated loss brought forward	Net profit / net loss			
As at 1 January 2014	**1 271**	**0**	**222 793**	**591**	**30 563**	**0**	**255 218**	**11 748**	**266 966**
Profit / loss for the period	0	0	0	0	0	27 154	**27 154**	811	**27 965**
Other total income	0	0	0	80	105	0	**185**	45	**230**
Total income for the period	**0**	**0**	**0**	**80**	**105**	**27 154**	**27 339**	**856**	**28 195**
Acquisition of Engorem Sp. z o.o shares	0	0	-9	0	0	0	**-9**	0	**-9**
Increase of share capital within the authorized capital	5	0	517	0	0	0	**522**	0	**522**
Shares-based payment (Management Stock Option Scheme)	0	0	433	0	0	0	**433**	0	**433**
Dividend for shareholders	0	0	-484	0	-8 416	0	**-8 900**	0	**-8 900**
Transfer of net profit from the previous year to retained earnings	0	0	0	0	0	0	**0**	0	**0**
Increase of the capital in subsidiary	0	0	112	0	0	0	**112**	0	**112**
First time consolidation of the jointly controlled entity	0	0	0	0	1 549	0	**1 549**	439	**1 988**
	0	0	0	0	0	0	**0**	0	**0**
Valuation of bonds	0	0	0	-1 317	**0**	**0**	**-1 317**	**0**	**-1 317**
Dividend to non-controlling interests	0	0	0	0	**0**	**0**	**0**	**-501**	**-501**
As at 31 December 2014	**1 276**	**0**	**223 362**	**-646**	**23 801**	**27 154**	**274 947**	**12 542**	**287 489**

Signature of person preparing the Financial Statements

Mariola Zielińska
/Chief Accountant/

Signatures of Board Members

Józef Zubelewicz
/Board Member/

Dariusz Grzeszczak
/Board Member/

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 31 December 2013 (in PLN 000')

	Equity attributable to shareholders of the Parent								
	Share capital	Treasury shares	Other capital	Foreign exchange differences on translation of foreign entities	Undistributed profit (loss)		Total	Minority interests	Total equity
					Retained profit / accumulated loss brought forward	Net profit / net loss			
As at 1 January 2013	**1 268**	**0**	**215 669**	**455**	**20 260**	**0**	**237 652**	**13 791**	**251 443**
Profit/loss for the period	0	0	0	0	0	17 217	**17 217**	862	**18 079**
Other total incomes	0	0	0	136	-196	0	**-60**	18	**-42**
Total comprehensive income	**0**	**0**	**0**	**136**	**-196**	**17 217**	**17 157**	**880**	**18 037**
Acquisition of Engorem Sp. z o.o shares	0	0	849	0	0	0	**849**	-2 689	**-1 840**
Increase of share capital within the authorized capital	3	0	399	0	0	0	**402**	0	**402**
Shares-based payment (Management Stock Option Scheme)	0	0	285	0	0	0	**285**	0	**285**
Transfer of net profit from the previous year to retained earnings	0	0	5 591	0	-5 591	0	**0**	0	**0**
First time consolidation of the jointly controlled entity	0	0	0	0	-1 127	0	**-1 127**	-125	**-1 252**
Dividend to non-controlling GWI shares	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-109**	**-109**
As at 31 December 2013	**1 271**	**0**	**222 793**	**591**	**13 346**	**17 217**	**255 218**	**11 748**	**266 966**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

attributable to shareholders of the Parent Company as at 30 September 2014 (in PLN 000')

	Equity attributable to shareholders of the Parent								
	Share capital	Treasury shares	Other capital	Foreign exchange differences on translation of foreign entities	Undistributed profit (loss)		Total	Minority interests	Total equity
					Retained profit / accumulated loss brought forward	Net profit / net loss			
As at 1 January 2014	**1 271**	**0**	**222 793**	**591**	**30 563**	**0**	**255 218**	**11 748**	**266 966**
Profit/loss for the period	0	0	0	0	0	15 041	**15 041**	574	**15 615**
Other total incomes	0	0	0	29	-57	0	**-28**	13	**-15**
Total comprehensive income	**0**	**0**	**0**	**29**	**-57**	**15 041**	**15 013**	**587**	**15 600**
Shares-based payment (Management Stock Option Scheme)	0	0	322	0	0	0	**322**	0	**322**
Dividend for shareholders	0	0	-484	0	-8 416	0	**-8 900**	-501	**-9 401**
Inclusion t of the subsidiary ERBUD Rzeszow to the consolidation	0	0	0	0	1 549	0	**1 549**	439	**1 988**
Acquisition of Engorem Sp. z o.o shares	0	0	-9	0	0	0	**-9**	0	**-9**
Capital increase in the subsidiary ERBUD Industry	0	0	112	0	0	0	**112**	0	**112**
As at 30 September 2014	**1 271**	**0**	**222 734**	**620**	**23 639**	**15 041**	**263 305**	**12 273**	**275 578**

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

Date	Average exchange rate for the reported period	Exchange rate as of the last day of the period
31.12.2014	4.1893	4.2623
31.12.2013	4.2110	4.1472

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

	31.12.2014		31.12.2013	
	PLN	EUR	PLN	EUR
Fixed assets	161 305	37 844	117 755	28 394
Current assets	907 318	212 871	678 175	163 526
Equity	287 489	67 449	266 966	64 373
Liabilities and provisions for liabilities	781 134	183 266	528 964	127 547

For translating the balance sheet items as of 31 December 2014, it was applied the Euro exchange rate set by the NBP on that day, i.e. 4.2623 PLN/EUR.

For translating the balance sheet items as of 31 December 2013, it was applied the Euro exchange rate set by the NBP on that day, i.e. 4.1472 PLN/EUR.

Key items of the profit and loss converted to the EURO (during the reporting period, in PLN 000')

Profit and loss account item	12-month period ended 31.12.2014		12-month period ended 31.12.2013	
	PLN	EUR	PLN	EUR
Net revenues from sales of products	1 693 818	404 320	1 223 609	290 574
Manufacturing cost of products sold	1 594 587	380 633	1 132 699	268 986
Gross profit on sales	99 231	23 687	90 910	21 589
Profit from operating activities	43 720	10 436	32 700	7 787
Gross profit (loss)	36 480	8 708	25 094	5 959
Net profit (loss)	27 965	6 675	18 079	4 293

Items of the profit and loss account for the period of 1.01.2014 - 31.12.2014 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 day, i.e. 4.1893 PLN/EUR.

Items of the profit and loss account for the period of 1.01.2013 - 31.12.2013 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 day, i.e. 4.2110 PLN/EUR.

Key items of the profit and loss converted to the EURO (during the reporting period, in PLN 000')

Cash flow item	12-month period ended 31.12.2014		12-month period ended 31.12.2013	
	PLN	EUR	PLN	EUR
A. Cash flow from operating activities	105 833	25 263	-54 591	-12 964
B. Cash flow from investing activities	-24 795	-5 919	367	87
C. Cash flow from financing activities	3 632	867	-22 955	-5 451
D. Total net cash flow (A+/-B+/-C)	84 670	20 211	-77 179	-18 328
F. Cash and cash equivalents at the beginning of period	124 590	30 042	201 769	49 354
G. Cash and cash equivalents at the end of the period	209 260	49 096	124 590	30 042

Cash flow items for the period of 01 January 2014 - 31 December 2014 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 on the last day of given month in the period, i.e. 4.1893 PLN/EUR,

F item figures - at the exchange rate set by the NBP on the 31 December 2013, i.e. 4.1472 PLN/EUR,

G item figures- at the exchange rate set by the NBP on the 31 December 2014, i.e. 4.2623 PLN/EUR.

Cash flow items for the period of 01 January 2013 - 31 December 2013 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 on the last day of given month in the period, i.e. 4.2110 PLN/EUR,

F item figures - at the exchange rate set by the NBP on the 31 December 2012, i.e. 4.0882 PLN/EUR,

G item figures- at the exchange rate set by the NBP on the 31 December 2013, i.e. 4.1472 PLN/EUR.

Note 1. Significant acquisitions and sales of property, plant and equipment and significant liabilities arising from the purchase of property, plant and equipment

No significant acquisitions and sales of property, plant and equipment did not occur in the reporting period.
As of 31 December 2014, the Group had no material commitments due to the purchase of fixed assets.

Note 2. Deferred income tax assets

Assets / liabilities due to	**31.12. 2014**	**30.09.2014**	**31.12.2013**	**30.09.2013**
- Building contracts valuation	15 894	20 117	16 092	12 121
- Provisions	5 552	5 807	5 087	5 175
- Loss on taxes to be deducted in future periods	3 081	9 104	8 175	11 616
- Margin on intra-Group sales	2 300	487	487	487
- Accrued expenses	12 496	1 334	1 242	1 048
- Other fees charged statistically	745	205	226	240
- Revaluation of receivables	826	1 212	1 062	1 320
- Valuation of bonds interests	0	176	359	359
- Other financial liabilities	1 972	791	1 385	1 680
- Consolidation adjustments	0	0	1 807	1 909
- Other	882	2 919	1 388	859
Total deferred tax assets	**43 748**	**42 152**	**37 310**	**36 814**

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

	31.12. 2014	**30.09.2014**	**31.12.2013**	**30.09.2013**
Short-term receivables before tax				
due to deliveries and services	350 503	388 614	266 634	269 541
- from associates	46	91	131	62

- from other entities	350 457	388 523	266 503	269 479
From the public sector	25 595	16 311	10 524	12 007
Other	9 922	12 811	11 006	16 694
Impairment of receivables	**7 010**	**7 243**	**7 582**	**6 373**
Net short-term receivables	**379 010**	**410 493**	**280 582**	**291 869**

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

	31.12. 2014	30.09.2014	31.12.2013	30.09.2013
Write-downs at the beginning of the period	**7 582**	**7 582**	**9 962**	**9 962**
Created to other operating costs	3 316	2 324	2 711	1 164
Reversed into other operating costs	1 671	376	595	384
Used	2 665	2 740	4 603	4 516
Impairment allowances taken from Erbud Rzeszów	441	450	0	0
Foreign exchange differences	7	3	107	147
Write-downs at the end of the period	**7 010**	**7 243**	**7 582**	**6 373**

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.

Because the Group has a large number of customers both on domestic and foreign market, there is no concentration of credit risk for trade receivables.

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

	31.12. 2014	30.09.2014	31.12.2013	30.09.2013
Building contracts income	1 624 748	1 096 367	1 125 805	787 744
Building contracts costs, incl.	1 512 868	1 020 598	1 042 806	723 350
- recorded loss	0	0	51	0
Profit before tax	**111 880**	**75 769**	**82 999**	**64 394**

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

	31.12. 2014	30.09.2014	31.12.2013	30.09.2013
Assets:				
Amounts due from customers	199 632	192 406	156 102	144 401
Valuation of contracts'	199 632	192 406	156 102	144 401
Liabilities:				
Amounts due to customers, incl.:	70 906	82 948	82 244	61 799
Valuation of contracts'	70 906	82 948	82 244	61 799

Note 5. Share capital of ERBUD SA (structure)
Note 5.1 Structure of the share capital ownership as at 31 December 2014

The share capital of the Parent as of 31 December 2014 consisted of 12,761,925 shares with a total value of PLN 1,276,192.50. The structure of the share capital of the Parent as at 31 December 2014 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	2.21%	None
A	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	717 863	5.62%	None
B	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	3 152 865	24.71%	None
	Total				**4 152 865**	**32.54%**	
B	Juladal Investment Ltd	Ordinary	None	None	30 173	0.24%	None
A	Dariusz Grzeszczak	Ordinary	None	None	773 900	6.06%	None
B	DGI Fundusz Inwestycyjny Zamkniety Aktywów Niepublicznych controlled by Dariusz Grzeszczak	Ordinary	None	None	2 136 260	16.74%	None
D	AVIVA Otwarty Fundusz Emerytalny BZ WBK	Ordinary	None	None	1 183 146	9.27%	None
A	Józef Zubelewicz	Ordinary	None	None	259 500	2.03%	None
B	Adler Properties Sp z o.o. controlled by Józef Zubelewicz	Ordinary	None	None	681 914	5.34%	None
D	ING Otwarty Fundusz Emerytalny	Ordinary	None	None	1 266 900	9.93%	None
D,E,C, F,G,H,I	Free Float	Ordinary	None	None	2 277 267	17.85%	None
	TOTAL				**12 761 925**	**100%**	
	Par value of shares of all series in PLN	0.10		Share capital value in PLN	1 276 192.50		

The share capital of the Parent as of 31 December 2013 consisted of 12,714,546 shares with a total value of PLN 1,271,454.60. The structure of the share capital of the Parent as at 31 December 2013 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	2.22%	None
A	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	717 863	5.65%	None
B	Wolff & Muller Baubeteiligungen Gmbh & Co.KG	Ordinary	None	None	3 152 865	24.79%	None
	Total				**4 152 865**	**32.66%**	
B	Juladal Investment Ltd	Ordinary	None	None	2 848 347	22.40%	None
A	Dariusz Grzeszczak	Ordinary	None	None	773 900	6.09%	None
D	AVIVA Otwarty Fundusz Emerytalny BZ WBK	Ordinary	None	None	1 183 146	9.31%	None

D	ING Otwarty Fundusz Emerytalny	Ordinary	None	None	1 266 900	9.96%	None
D,E,C,F	Free Float	Ordinary	None	None	2 489 388	19.58%	None
	Total				**12 714 546**	**100%**	
	Par value of shares of all series in PLN	0.10	Share capital value in PLN		1 271 454.60		

The above table presents the shareholders holding over 5% of the share capital.

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 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	**31.12. 2014**	**30.09.2014**	**31.12.2013**	**30.09.2013**
- valuation of building contracts	34 882	32 926	26 685	25 614
- valuation of financial instruments (contracts)	0	0	0	0
- revaluation of assets	6 011	5 888	6 245	6 360
- amortisation	0	0	0	267
- financial costs activated	350	371	314	273
- balance sheet valuation	1 015	954	309	902
- balance sheet valuation - interest	0	0	1 823	983
- other	2 241	2 397	835	118
Total provision for deferred income tax	**44 499**	**42 536**	**36 211**	**34 517**

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

	31.12. 2014	**30.09.2014**	**31.12.2013**	**30.09.2013**
Other financial liabilities, of which:				
- financial lease	6 608	5 564	5 426	2 681
- debt securities issued (bonds)	65 032	65 295	0	0
- other	16	0	0	120
Total long- term liabilities	**71 656**	**70 859**	**5 426**	**2 801**

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

Short-term liabilities	31.12. 2014	30.09.2014	31.12.2013	30.09.2013
a) Due to deliveries and services	432 136	310 253	249 860	239 446
- form associates	0	0	615	271
- form other entities	432 136	310 253	249 245	239 175
b) To public sector	15 984	11 337	14 083	11 230
- corporate income tax	2 887	1 694	7	12
- VAT	4 963	2 741	8 110	4 282
- income tax on natural persons	1 540	1 727	1 536	1 387
- other	6 594	5 175	4 430	5 549
c) Financial liabilities , incl.:	7 217	4 432	55 004	53 055
- lease	4 771	3 647	3 095	2 135
- interest on bonds	785	785	1 889	889
- due to interest	1 661	0	20	31
a) Issue of bonds	0	0	50 000	50 000
e) Other	29 698	20 474	5 743	12 725
- payroll	5 446	5 611	3 360	4 943
- prepayments received	22 749	13 198	291	4 797
- liabilities due to dividend	0	0	0	0
- other	1 503	1 665	2 092	2 985
Total	**485 035**	**346 496**	**324 690**	**316 456**

Note 9. Finance lease liabilities

Fair value	31.12.2014	30.09.2014	31.12.2013
Up to 1 year	4 771	3 647	3 095
Over 1 and up to 5 years	6 608	5 564	5 426
Over 5 years			
Total	**11 379**	**9 211**	**8 521**

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 do not include 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 Issue / Redemption / Repayment of debt instruments issued

On 18 June 2014, Budlex issued a total of 13,000 bearer bonds of series A with a total nominal value of PLN 13,000,000.00. The nominal value of one bond amounted to PLN 1,000. The issue price was PLN 1,000. The redemption date has been set for 18 June 2017. The interest rate on bonds is a variable and based on 6M WIBOR pus a margin of 5.35%. The only bond holder is Open Finance Obligacji Przedsiębiorstw Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych. The Company has allocated funds for implementation of strategic projects and to finance current operations.

On 26 March 2014, ERBUD SA issued a total of 5,200 bearer bonds, dematerialized, unsecured, with a total nominal value of PLN 52 million zł. The par value of one bond amounted to PLN 10,000. The issue price was PLN 9.587. The redemption date was set for 26 March 2018. The interest ate on bonds is variableand based on 6M WIBOR plus a margin equal to 3.0. The interest rate will be paid every six months. The Company will apply for placing bonds on the trading platform for debt financial instruments carried by the Stock Exchange in Warsaw in the form of alternative trading system. The Company has allocated funds for the redemption of 40,000 series A bonds issued by the Issuer and to finance the increased demand for working capital associated with a record portfolio of the Capital Group. The remaining 10,000 bonds of Series A will be redeemed by the original fixed term, i.e. 15 July 2014..

On 14 July 2011, ERBUD SA issued 50,000 unsecured three-year bearer bonds with a total nominal value of PLN 50,000,000. The issue price corresponded to the nominal value of the bonds and the interest rate was based on 6M WIBOR plus a margin of 3.4% per annum. The maturity date was set for 15 July 2014. Interest is

payable every 6 months. On 2 August 2011, bearer bonds series A issued by the Parent were introduced to the BondSpot alternative trading system operating within Catalyst. The first day of trading fell on 9 August, 2011..

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 authorized capital. 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. Moreover, the subscription will be effected on the condition that the Capital Group will achieve in 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.

On 15 April 2013, the Management Board adopted Resolution No. 4/2013 on the capital increase within the authorized capital through the issuance of H shares and deprivation existing shareholders of the pre-emptive right to acquire shares series H. The issue was offered to entitled employees in connection with the first tranche of the second Employee Incentive Scheme, and the number of shares which would be granted to persons entitled should not exceed 50,000 shares.

On 19 March 2014, in connection with the planned by the Management Board increase of the share capital by an amount not exceeding PLN 5.000 through the issuance of not more than 50,000 shares of Series I for the purpose of the adopted Management Option Plan, the Supervisory Board of Erbud SA passed at the request of the Management Board of the Company dated 5 March 2014 Resolution No. 6/2014 on depraving the existing shareholders of pre-emptive rights to acquire Series I shares and determining the issue price of shares of Series I in the amount of PLN 11.00. There was no issue, redemption and repayment of equity securities.

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

On 1 October 2014, Erbud Industry sp. z o.o. (a company belonging to the Erbud SA Capital Goup) became a sole owner of NGK Ojrzyński, seated in Gdańsk.

On 3 November 2014, Erbud Industry sp. z o.o. (a company belonging to the Erbud SA Capital Goup) became a sole owner of ENERGOSERV Pomorze sp. z o.o. z, seated in Toruń.

Note 12. Revenues from sales

	Year to 31.12.2014	Quarter to 31.12.2014	Year to 31.12.2013	Quarter to 31.12.2013
Revenues from finished products sold	43 812	11 349	46 055	11 933
Revenues from services sold	1 646 553	543 766	1 171 013	383 888
Revenues from goods and materials sold	3 453	1 340	6 541	4 697
Total	**1 693 818**	**556 455**	**1 223 609**	**400 518**

Note 13. Costs by type

	Year to 31.12.2014	Quarter to 31.12.2014	Year to 31.12.2013	Quarter to 31.12.2013
a) Depreciation and amortisation	8 875	2 959	7 727	2 297
b) Consumption of materials and power	242 485	63 215	178 565	56 007
c) External services	1 243 626	438 471	822 096	269 020
d) Taxes and charges	8 275	2 243	8 473	1 668
e) Payroll	129 957	37 950	114 878	28 880
f) Social security, health care and other benefits	29 289	8 201	25 319	6 268
g) Other costs	16 502	4 488	15 472	4 266
h) Goods and materials sold	3 315	1 216	6 666	4 709
Total expenses by type	**1 682 324**	**558 743**	**1 179 196**	**373 115**
Change in inventories, products and deferred expenditures due to construction contracts	-26 090	-14 986	11 495	20 188
Cost of production for in-house use (negative value)	0	71	0	0
Cost of sales (negative value)	-4 949	-1 492	-3 518	-770
General and administrative costs (negative value)	-56 698	-16 242	-54 474	-16 123
Manufacturing cost of products sold	**1 594 587**	**526 094**	**1 132 699**	**376 410**

Note 14. Income tax

	31.12. 2014	30.09.2014	31.12.2013	30.09.2013
Profit and loss account	**8 515**	**4 877**	**7 015**	**4 643**
Deferred income tax due to the origination and reversal of temporary differences	1 256	-78	2 180	3 648
Current income tax	7 259	4 955	4 835	995

Note 15. Net earnings per share

	Year to 31.12.2014	Quarter to 31.12.2014	Year to 31.12.2013	Quarter to 31.12.2013
Profit (loss) attributable to the Parent's shareholders	27 154	12 113	17 217	7 445
Weighted average number of shares (in units)	12 761 925	12 761 925	12 696 251	12 696 251
Earnings (loss) per share (in PLN)	2.13	0.95	1.36	0.59
Weighted average diluted number of shares	12 791 962	12 791 962	12 744 407	12 744 407
Diluted earnings (loss) per share (in PLN)	2.12	0.95	1.35	0.58

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 December 2014, the managing staff (the Management Board members and procuration 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 the GM
DGI Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych controlled by Dariusz Grzeszczak	Ordinary	2 136 260	16,74%	2 136 260	16,74%
Adler Properties Sp z o.o. controlled by Józef Zubelewicz	Ordinary	681 914	5,34%	681 914	5,34%
Juladal Investments Ltd. (a company controlled by Board members of Erbud SA)	Ordinary	30 173	0,24%	30 173	0,24%
Dariusz Grzeszczak	Ordinary	773.900	6,06%	773.900	6,06%
Józef Adam Zubelewicz	Ordinary	259.500	2,03%	259.500	2,03%
Albert Duerr- Supervisory Board member	Ordinary	14.500	0,11%	14.500	0,11%
Walenty Twardy Erbud SA procuration holder	Ordinary	9.852	0,08%	9,852	0,08%
Piotr Augustyniak Erbud SA procuration holder	Ordinary	890	0,01%	890	0,01%
Agnieszka Głowacka Erbud SA procuration holder	Ordinary	5.500	0,04%	5.500	0,04%
Bogdan Duerr Erbud SA procuration holder	Ordinary	7.297	0,06%	7.297	0,06%
Włodzimierz Czystowski Erbud SA procuration holder	Ordinary	5.921	0,05%	5.921	0,05%
Mirosław Młynarski Procuration holder	Ordinary	14.952	0,12%	14.952	0,12%
Radosław Kałamaga Procuration holder	Ordinary	9.516	0,07%	9.516	0,07%
Maciej Wyrzykowski Erbud SA procuration holder.	Ordinary	2.200	0,02%	2.200	0,02%

Kryspin Jarosz Erbud SA procuration holder	Ordinary	3.244	0,03%	3.244	0,03%
Piotr Dobosz - procuration holder	Ordinary	9.256	0,07%	9.256	0,07%
Mariola Zielińska Chief Accountant of Erbud SA	Ordinary	5.618	0,04%	5.618	0,04%

Members of the Supervisory Board, the Management Board of the Parent and the key management personnel, both as at 31 December 2014 and as at 31 December 2013 did not have outstanding loans, credits or guarantees granted by the companies of the Erbud Group.

Members of the Supervisory Board, the Management Board of the Parent and the key management personnel, both as at 31 December 2014 and as at 31 December 2013 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 2013 and after the balance date

Contracts concluded:

On 21 February 2014, Erbud S.A. signed a significant contract for construction works under the following terms and conditions:
1. Contract subject: construction of the complex of multi-family buildings with commercial area and basement car park (MU04)
2. Builder: Promenady II VD Sp. z o.o. seated in Wrocław
3. Max. contract value: PLN 30,600,816.84 net
4. Site location: Wrocław
5. Completion period: 66 weeks from the issue of Instruction to Proceed Commencement of Works to the obtaining Occupancy Permit.

On 25 March 2014, the Management Board of ERBUD SA entered into a significant contract for execution of construction works under the following terms and conditions:
1. Builder: Dom Development S.A. seated 00-078 Warszawa, Pl. Piłsudskiego 3
2. Contract value: PLN 31,075,750 plus VAT due
3. Contract subject: Willa Lindego residential complex located in Warsaw on Wrzeciono St.
4. Completion period: 18 months from the delivery of the construction site; expected commencement date - April 2014, expected completion date - September 2015.

On 31 March 2014, the Issuer signed the Amendment No. 2 to the Agreement on the Loan increasing the level of the Issuer's funding by Alior Bank SA from PLN 50m to PLN 80m.
The increased limit applies to the sublimit for financial guarantees. Therefore, overdraft facilities of PLN 10m are available to the Issuer at present, while the possible limit for contract performance bonds rose from PLN 40m to PLN 70m.

On 16 April 2014, the Management Board of ERBUD SA received information about the signing of a significant contract for construction works by GWI GmbH, a subsidiary of Erbud. The contract was signed on the following terms and conditions:
1. Contract subject: shell & core of Mitsubishi Ratingen office building
2. Parties to the contract:
a) Customer: RS & Partner Immobiliengesellschaft mbH, Brabantstrasse 1, 40235 Düsseldorf
b) Contractor: GWI Bauunternehmung GmbH, Schiessstrasse 55, 40549 Düsseldorf
3. Contract value: EUR 8,300,000 net, EUR 9,877,000 gross.

On 19 May 2014, Erbud entered into a significant contract for construction works on the conditions and terms as below:
1. Builder: Dom Development S.A. seated 00-078 Warszawa, Pl. Piłsudskiego
2. Contract value: PLN 45,930,000 + VAT due
3. Contract subject: Mokotów Residence" apartment building located in Warsaw at Naruszewicza St. corner of Al. Niepodległości St.
4. Completion period: 18 months from the date of the site delivery. Expected commencement date - May 2014, expected completion date - October 2015.

On 9 June 2014, the Issuer signed a contract for construction works with RAFAKO SA under the conditions as below:
1. Contract concluded on 06.09.2014
2. Builder: Grupa Azoty Zakłady Azotowe Kędzierzyn S.A. with its registered office in 47-220 Kędzierzyn-Koźle, ul. Mostowa 30 A
4. Contract value: PLN 58,746,104.43 net
5. Contract subject: Building and engineering works, plant and equipment, services under the project "New heat and power plant in Azoty Holding - Zakłady Azotowe Kędzierzyn SA".
7. Completion period: 06.06.2014 - 01.10.2016.

On 18 June 2014, Erbud S.A. signed a significant contract for construction works on the following terms and conditions:
1. Builder: VALEO AUTOSYSTEMY sp. z o.o., ul. Przemysłowa 3, 32-050 Skawina
2. Contract value: PLN 25,618,116.69 net
3. Contract subject: Extension of the existing windscreen wiper manufacturing facility for VALEO AUTOSYSTEMY Sp. z o.o. located in Skawina with manufacturing area, laboratory, warehouse, offices and welfare rooms, including accompanying utilities and systems such as water and sewer infrastructure, HVAC, electrical wiring, gas rough-in, transformer station and driveway to the building that meets the requirements of the fire road together with the pavement for pedestrians
4. Completion period: July 2014 - January 2015.

On 24 June 2014, ERBUD SA ("Partner") in consortium with Energomontaż Północ Bełchatów Sp. z o.o. ("Leader") with its registered office in 97-427 Rogowiec, 2 Montażowa St. signed with EDF Polska SA with its registered office in 00-120 Warsaw, 59 Złota St. ("Builder") a contract for "Plant, construction, installation, start-up and commissioning of flue gas ducts at EDF Polska SA, Rybnik Power Station."
1. Total contract value: PLN 60,798,656 net
2. Erbud SA works value: PLN 21,940,041.80 PLN net
3. Scope of works of ERBUD SA: performance of a part of design, construction and installation works, supply and installation of support structures for flue gas ducts, participation in the start-up of the system.
4. Completion period: from 24/07/2014 (signing a contract) to 16/12/2015 (Issue of Final Commissioning Certificate).

On 24 June 2014, the Issuer conclude a contract with the PEP Group - Farma Wiatrowa 4 Spółka z o. o. seated in 02-526 Warsaw, 24/26 Krucza St. (the "Builder") to execute comprehensive construction works for the Skurpie Wind Farm, including construction of foundations for wind turbines, adaptation of access roads for oversize hauling, upgrading of existing roads, construction of service roads and assembly platforms.
The Issuer is a partner of the consortium with Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. headquartered in Toruń (consortium leader), a subsidiary owned 94.27% by the Issuer.
The total net value of the contract is 26,105,920.01
The task completion date is scheduled for 31 October 2015.

On 5 August 2014, Erbud signed a significant contract for construction works on the following terms and conditions:
1. Builder: Hala Koszyki Grayson Investments Spółka z ograniczoną odpowiedzialnością Sp.k., seated in Warsaw, 6 Al. Szucha St., 00-582 Warszawa
2. Contract value: PLN 115,457,787.00 net – the amount will be converted into Euros at the average exchange rate of EUR/PLN published by the NBP on the date of information delivery about "Conversion Rate" by the Builder to the Contractor
3. Contract subject: construction of an office and shopping building Site
4. Location: Warsaw, 61/63/65 Koszykowa St., plot No. 8, precinct 5-05-05; plot No. 9, precinct 5-05-05
5. Completion period: Commencement - immediately after the takeover by protocol of the Real Estate from the Builder, which will take place no later than three days after the receipt of Order to Proceed from the Builder together with final Building Permission; completion date - 30.06.2016.

On 22 August 2014, Erbud SA signed a subcontracting agreement with Mitsubishi Hitachi Power Systems Ltd. (General Contractor), headquartered in 3-1, Minatomirai 3-chome, Nishi-ku, Yokohama 220-8401, for construction and installation works within the project to construct NOx reduction system for boilers K2 (Stage I) and K1 (Stage II) in Kozienice Power Plant for Enea Wytwarzanie SA (Investor).
Net contract value: 40,800,000 PLN.

Erbud's scope of works: basic design, incl. obtaining building permit, execution of construction and installation works; procurement and construction of supporting structures and flue gas ducts; design, procurement and installation of feedwater heater and ash removal system; installation of plant, incl. SCR reactor; participation in the start-up.
Completion period: 22.08.2014 (signing the contract) - 30.03.2016 (Acceptance of the Commissioning Protocol by the Investor).

On 17 September 2014, Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. seated in Toruń (a subsidiary in which the Issuer holds 94.27 per cent in share capital) signed with Eco-Power spółka z ograniczoną odpowiedzialnością with its registered office in 93-231 Łódź, 22 Dostawcza St. (Investor) a contract for the execution of comprehensive power works, necessary works for the 110/30 kV substation with MV electrical network, road works and construction of foundations for wind farm turbines.
Total net contract value: PLN 26,998,952.26 (twenty-six million, nine hundred and ninety-eight thousand, nine hundred and fifty-two, point two six Zlotys).
The task is to be completed no later than 31 August 2015.

On 25 September 2014, a construction contract with the Builder Promenady ZITA sp. z o.o., a subsidiary of Vantage Development SA, has been concluded. Since 24 February 2014, i.e. from the publishing of Current Report 38/2014, the Issuer has entered with subsidiaries of Vantage Development SA into contracts with a total value of PLN 93,298,200.88. The contract signed on 25 September 2014 with Promenady ZITA Sp. z o.o. has the highest remuneration amounting to PLN 70,272,383.00. The contract has been concluded for the period necessary to fulfil all obligations hereunder, with a deadline falling no later than 13 months after obtaining the occupancy permit, which should take place 66 weeks after the issue of Notice to proceed works. Under the contract, ERBUD as a contractor will complete the Promenady ZITA office building, phase A, C and D, incl. necessary infrastructure and site development.

On 15 October 2014, Erbud S.A. signed with Wiatromil Sp. z o.o based in 80-307 Gdansk, 1A Abrahama St. (the Employer) a contract for the design, plant, construction and commissioning of building and power infrastructure for a wind farm in the towns of of Banie i Kozielice in Poland, consisting of 96 wind turbines, three power stations and connections to the 220 kV transmission grid in Krajnik station.
The Issuer is a Partner of the Consortium formed together with the company PBDI SA seated in Toruń as a Consortium Leader - a subsidiary in which the Issuer owns 94.27% in share capital, and Electrum sp. z o.o. based in Białystok as a Consortium Partner.
The total net contract value is PLN 250,740,540.13 (say: two hundred and fifty million, seven hundred and forty thousand, five hundred and forty point one three).
The range value to be completed by Electrum sp. z o.o. amounts to PLN 136,558,300.00 (say: one hundred and thirty-six million, five hundred and fifty-eight thousand, three hundred) net.
The task should be ended by 12 December 2015.

On 14 October 2014, Erbud S.A. signed the following significant contract:
1. The Investor: ACE 2 Sp. z o.o., ul. Prosta 70, 00-838 Warszawa
2. Contract value: PLN 96,500,000 net
3. Contract subject: construction of VIVO Retail and Entertainment Centre
4. Site location: Stalowa Wola, Podskarpowa St./ Chopina St.
5. Completion period: 14.10.2014 - 15.10.2015.

On 31 October 2014, Erbud S.A. signed the following significant contract:
1. The Investor: Zdrojowa Invest Sp. z o.o. Projekt 7 S.K.A. ul. Marszałkowska 72/17, 00-545 Warszawa
2. Contract value: PLN 57,340,000 net, of which the value of works executed by ERBUD within the consortium is PLN 43,005,000 (75%)
3. Contract subject: shell and roof of the hotel portion of Baltic Park Molo, incl. Aquapark and 5-star Radisson Blu Resort, Świnoujście
4. Site location: Świnoujście, Uzdrowiskowa St.
5. Completion period: 31.10.2014–15.04.2016.

On 18 December 2014, the Issuer entered with the GB Radzyń 401 Sp. z o.o based in Warsaw, 46 Wilcza St. (the "Investor"), into a contract to design and execute construction works connected with the completion of the Radzyń Chełmiński Wind Farm. The Issuer is a Partner of the Consortium formed with Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. with its registered office in Torun (the "Consortium Leader"), a subsidiary which is 94.27 per cent owned by the Issuer. Total net contract value: PLN 43,699,049.46 (forty-three

million, six hundred ninety-nine thousand and forty-nine, point four-six). The project is expected to be completed by 31 January 2016.

On 12 January 2015, Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. from Toruń (the "Contractor") - a subsidiary owned 94.27 per cent by the Issuer, concluded on 12 January 2015 with the Dąbrowice Wind Power Plant based 28-230 Połaniec, Zawada 26 (the "Builder") - a company belonging to GDF Suez Energy Polska SA, a contract for preparing detail design and construction works: distribution substation, roads, foundations, assembly yards for wind power plants with installation of high and medium voltage cable lines, fibre-optic cable for the 36,2MW Dąbrowice Wind Farm as well as electrical works.
Total contract value: PLN 38,500,000 net (said: thirty-eight million five hundred thousand Zlotys).
The commissioning of the Dąbrowice Wind Farm will be by 31 December 2015, while the final settlement of the task by 31 March 2016.

On 19 January 2015, the Issuer entered with Potegowo Winergy sp. z o.o. with its registered office in Warsaw (00-633), 11 Polna St. (the "Employer") into a contract to build the Potęgowo - East Wind Farm with a capacity of 101.25 MW, consisting of 38 wind turbines grouped into four wind farms: Karżcino, Wrzeście-Kępno, Bięcino, Głuszynko-Grapice, including accompanying infrastructure (i.e. building facilities, roads, energy infrastructure and low voltage systems) and power transfer system, i.e. 30/110 kV cable lines with associated network and 30/110 kV power take-off unit.
The Issuer is a Partner of Consortium formed with PBDI SA based in Torun (the "Consortium Leader") - a subsidiary 94.27 percent owned by the Issuer and Electrum Sp. z o. o. based in Białystok (the "Consortium Partner").
The total net Contract value is PLN 198,600,000.00 (in words: one hundred and ninety-eight million, six hundred thousand Zlotys).
The value of Electrum sp. z o.o. works amounts to PLN 102,012,500.00 (in words: one hundred and two million, twelve thousand, five hundred Zlotys) net.

On 11 February 2015, the Issuer concluded with the PEP Group - Farma Wiatrowa Mycielin Spółka z ograniczoną odpowiedzialnością with its registered office in 02-526 Warsaw, 24/26 Krucza St. (the "Builder") a contract to build the Mycielin Wind Farm, including accompanying infrastructure, with a total capacity of 48 MW, located in Niegosławice and Szprotawa Commune, Żagań District, Lubuskie Provinz.
The Issuer is a Partner of a Consortium formed with PBDI SA based in Torun (the "Consortium Leader"), a subsidiary 94.27 percent owned by the Issuer.
The total net Contract value is PLN 72,548,990 (in words: seventy-two million, five hundred and forty-eight thousand, nine hundred and ninety Zlotys).
The project is scheduled to be completed by the Consortium till 3 March 2016.

On 11 February 2015, the Issuer concluded with the PEP Group - Farma Wiatrowa 4 Spółka z ograniczoną odpowiedzialnością seated in 02-526 Warsaw, 24/26 Krucza St. (the "Builder") a contract to execute complex construction works for the construction of wind turbines constructions, service roads and mezzanine platforms for the second stage of Skurpie Wind Farm.
The Issuer is a Partner of a Consortium formed with PBDI SA based in Torun (the "Consortium Leader"), a subsidiary 94.27 percent owned by the Issuer.
The total net Contract value is PLN 3,410,648.36 (in words: three million, four hundred and ten thousand, six hundred and forty-eight point three six Zlotys).
The project is scheduled to be completed by the Consortium till 4 January 2016.

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 22 December 2014, The Issuer's Management Board signed a Guarantee Line Agreement with Credit Agricole Bank Polska S.A. (the Bank).
The limit amounts to PLN 30 million (said: thirty million Zlotys). Within the line the Issuer can apply for a financial guarantee with a maturity of not more than 60 months.
Under the granted limit, Erbud Industry Centrum Sp. z o.o. with its registered office in Łódź (formerly Engorem Sp. z o.o.), a subsidiary of the Issuer, can use the sublimit of PLN 5 million (said: five million Zlotys).
The guarantee line is secured by transfer of dues from the contracts for which the Bank will provide guarantees.
Price conditions are at arm's length.

On 29 December 2014, Erbud SA (the Issuer) and its subsidiary PBDI SA that belongs to the ERBUD Group, signed with HSBC Bank Polska SA (the Bank) a tripartite Guarantee Line Agreement.
Within the line the Issuer and PBDI SA can apply for bid bonds, performance guarantees, warranties, repayment of advances, payment guarantees and other securities acceptable to the Bank.

The value of provided line amounts to PLN 30 million. The maximum period of the guarantee validity may not exceed 5 years. Under the granted limit the Issuer may use up to PLN 20 million and for PBDI SA the guarantee limit is up to PLN 10 million.

Following the conclusion of a contract for construction works with the company Hala Koszyki Grayson Investments Spółka z ograniczoną odpowiedzialnością Sp.k., headquartered in 00-582 Warsaw at 6 Szucha Allee the Issuer entered on 14.08.2014 into some par forward agreements hedging cash flows from the above said contract. The hedging transaction was concluded with ING Bank Śląski in Katowice.
The Issuer secured cash flows for a total amount of EUR 26,116,695.38. The transaction was made at arm's length. The Issuer will apply hedge accounting to the transaction.

Note 20. Changes in accounting principles (policy) applied and the 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

In the current period, the Company introduced the following changes in appleid accounting principles and the method of preparation of financial statements in relation to the previous year

Investment Property

In 2014, the Erbud Group together with an external partner, launched the first building phase of its own large investment project called DEPTAK, involving the construction of an office and shopping center in the downtown of Poznań, at 2 Półwiejska Street.
This project is performed by a jointly controlled company DEPTAK PROJEKT P2 Sp. z o.o. (an external partner participates in 50%) recognized in the consolidated financial statements under the equity accounting method. In connection with the fulfillment of such key indicators as received building permit, significant advancement of the construction process and signed lease agreements for the greater part of the surface of the real estate, the Board decided to recognize the measurement of the investment property in construction progress at their fair value, in accordance with the regulations of IAS 40, based on the valuation as at 31 December 2014, prepared by an independent licensed expert.
In the opinion of the Management Board the measurement of investment property under advanced stage of construction at fair value will better reflect the results and financial position of the Group as at 31 December 2014.
Recognition of investment property at fair value is the change in accounting policy in relation to the recognition and measurement of the Erbud's Group investment properties, which in prior periods were measured at historical cost and amortized. However, the Management Board assessed the potential impact of changes in accounting policy on comparative data presented in the accompanying financial statements and stated that due to the fact that the Deptak Project is the first important investment one carried out in the Erbud Group, this change has no significant influence on the comparative figures for the year 2013.
Impact of recognizing the Deptak Project at fair value on financial data of the Group for 2014 is presented in Note 24.

Hedge accounting has been applied to secure construction contracts denominated in foreign currencies.

Kind of hedged risk: cash flows risk associated with highly probable flows in foreign currencies in the future arising from construction contracts. This risk is related to the appreciation of polish currency (PLN) – expected flows in foreign currency from the contract will be worth less in PLN.

Type of hedging instrument: forward foreign exchange contracts to sell foreign currency in the amounts and dates corresponding to the expected flows arising from construction contract. To assess the effectiveness of hedge, the interest rate component (swap points) and the exchange rate component (spot rate) are not separated, but there are analysed changes in the fair value of the whole forward transaction.

Prospective hedge effectiveness testing: tests are performed at inception of the hedging instrument and on every balance sheet day. The hedge is considered effective if the expected changes in fair value or cash flows of the hedged item are offset by changes in fair value or cash flows of the hedging instrument.

As for hedging risks associated with construction contracts denominated in foreign currencies are only used hedging instruments with tailored key parameters (the same currency, amounts and dates of expected cash flows), the Management Board considers that so constructed hedge will be effective.

However, for a fuller justification of applying hedge accounting, the Group also tests the effectiveness prospectively using a quantitative method with the following parameters:

- Effectiveness testing method: by comparing the cumulative change in the fair value of the hedging instrument to that of the hedged item ("dollar offset method") using so called hypothetical derivative.

- **Hypothetical derivative:** for assessing the effectiveness of the financial instrument we selected from a construction contract a hypothetical derivative being a forward contract to buy specific quantities of foreign currencies at some future dates, corresponding to the amounts and the dates under the construction contract. So separated hypothetical derivative instrument is subject to the same risks as construction contract, i.e. its value decreases together with the strengthening of polish currency (expected cash flows from the contract in the currency will be worth less in PLN).
- The **fair value** of the hedging instrument and the hypothetical derivative instrument as at the measurement date is understood as the sum of discounted net cash flows of future receivables / payables under agreed instrument terms. Net cash flows at a given future date are calculated as the difference between the amount of PLN resulting from a forward contract and the amount of foreign currency resulting from the forward contract multiplied by the forward exchange rate for a given future date valid on the measurement date. Discounting of such net cash flows is done using zero-coupon rates implied by the interest swap curve in PLN, valid as at the measurement date.
- For the purpose of a prospective test there are used **historical market rates** of exchange rates and interest rates on twelve monthly dates prior to the planned date of the transaction or the balance sheet day (in the case of measuring the effectiveness during the transaction).
- For each of the above 12 historical dates, the cumulative change in fair value of the hypothetical derivative instrument is calculated and compared with the cumulative change in fair value of the hedging instrument. The ratio of so calculated changes on each date should be in the range of 80-125 per cent.

Retrospective hedge effectiveness testing: effectiveness testing is performed at each balance sheet date throughout the life of the hedge. The hedge is considered effective if during the given period the actual changes in fair value or cash flows of the hedged item are offset by changes in fair value or cash flows of the hedging instrument. Like with the prospective testing, the "dollar offset method" is applied when using the hypothetical derivative instrument, measuring the ratio of the cumulative change in the fair value of the hedging instrument to the cumulative changes in the hypothetical derivative instrument. For the purpose of testing the efficiency, the actual result must be within the range of 80-125 per cent for each accounting period.

Note 21. Business combinations

On 1 July 2014 there was a merger between ERBUD Industry Sp. z o.o and ERBUD Energetyka. The business combination took place through taking over of ERBUD Energetyka Sp. z o.o by ERBUD Industry Sp. z o.o by transferring all assets of ERBUD Energetyka Sp. z o.o. to ERBUD Industry Sp. z o.o. against shares delivered by ERBUD Industry Sp. z o.o. to the shareholders of ERBUD Energetyka Sp. z o.o.

On 2 February 2015 there was a merger between ERBUD Industry Sp. z o.o and DELTA Sp. z o.o.. The business combination took place through taking over of DELTA Sp. z o.o. by ERBUD Industry Sp. z o.o by transferring all assets of DELTA Sp. z o.o.. to ERBUD Industry Sp. z o.o. against shares delivered by ERBUD Industry Sp. z o.o. to the shareholders of DELTA Sp. z o.o..

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

By Resolution No. 5/2014 of 25 June 2014, the Annual General Meeting of Erbud decided to distribute the net profit for the year 2013 in the amount of PLN 8, 416,000 in the form of dividends payable to shareholders.
The total amount of dividends paid in 2014 is PLN 8,900,000 of which PLN 484,000 came from the reduction of the supplementary capital of Erbud SA.

Note 24. Business segments

During the reporting period ended 31 December 2014 the Group was operating in the following business segments:

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

During the reporting period ended 31 December 2014 the Group was operating in the following region segments:

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

The 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 presents data on proceeds and gains as well as certain assets and liabilities of the Group's business segments for the period form 01 January to 31 December 2014

Proceeds and expenses by business segments

For the period of 01.01 – 31.12. 2014	Large volume construction	Development activity	Road-engineering	Energy sector	Total
Income	**1 398 204**	**45 448**	**160 545**	**89 621**	**1 693 818**
Total cost of products, goods and materials sold	**1 333 471**	**40 418**	**144 822**	**75 876**	**1 594 587**
Total sales before tax	**64 733**	**5 030**	**15 723**	**13 745**	**99 231**
Cost of sales	170	1 783	1 690	1 306	**4 949**
Overhead costs	38 574	1 619	7 916	8 589	**56 698**
Profit (loss) on other operating activity	-836	374	-543	-131	**-1 136**
Segment profit (loss)	0	7 272*	0	0	**7 272**
Profit (loss) on financing activity	**25 153**	**9 274**	**5 574**	**3 719**	**43 720**
Income tax	-6 226	-417	-183	-414	**-7 240**
Net profit	5 344	143	1 437	1 591	**8 515**
Total sales before tax	**13 583**	**8 714**	**3 954**	**1 714**	**27 965**

* Deptak Project of PLN 7, 272,000

Business segments

The following table presents data on proceeds and gains as well as certain assets and liabilities of the Group's business segments as of 31 December 2013

Proceeds and expenses by business segments

For the period of 01.01 – 31.12. 2013	Large volume construction	Development activity	Road-engineering	Energy sector	Other segments	Total
Sale to external customers	998 102	48 485	96 219	79 658	1 145	**1 223 609**
Sale between segments	0	0	0	0	0	**0**
Total income	**998 102**	**48 485**	**96 219**	**79 658**	**1 145**	**1 223 609**
Cost of products, goods and materials sold to external customers	940 831	38 867	85 175	66 746	1 080	**1 132 699**
Total cost of products, goods and materials sold	**940 831**	**38 867**	**85 175**	**66 746**	**1 080**	**1 132 699**
Total sales before tax	**57 271**	**9 618**	**11 044**	**12 912**	**65**	**90 910**
Cost of sales	0	1 979	1 539	0	0	**3 518**
Overhead costs	34 417	2 560	6 415	11 082	0	**54 474**
Profit (loss) on other operating activity	-1 890	197	1 534	-64	5	**-218**
Segment profit (loss)	**20 964**	**5 276**	**4 624**	**1 766**	**70**	**32 700**
Profit (loss) on financing activity	-7 171	-170	-155	-195	-4	**-7 695**
Income tax	4 012	725	1 221	929	128	**7 015**
Net profit	**9 781**	**4 470**	**3 248**	**642**	**-62**	**18 079**

The following table presents data on proceeds and gains as well as certain assets and liabilities of the Group's business segments for the period from 1 January to 30 September 2014

Proceeds and expenses by business segments

For the period of 01.01 – 30.09. 2014	Large volume construction	Development activity	Road-engineering	Energy sector	Total
Income	**935 335**	**33 867**	**88 232**	**79 929**	**1 137 363**
Total cost of products, goods and materials sold	**890 153**	**30 081**	**79 949**	**68 310**	**1 068 493**
Total sales before tax	**45 182**	**3 786**	**8 283**	**11 619**	**68 870**
Cost of sales	14	1 274	1 281	888	**3 457**
Overhead costs	27 001	1 225	5 112	7 118	**40 456**
Profit (loss) on other operating activity	1 189	341	-141	-125	**1 264**
Segment profit (loss)	**19 356**	**1 628**	**1 749**	**3 488**	**26 221**
Profit (loss) on financing activity	-5 180	85	-180	-222	**-5 497**
Income tax	3 421	266	661	761	**5 109**
Net profit	**10 755**	**1 447**	**908**	**2 505**	**15 615**

Geographical segments

The following table provides figures on proceeds and gains as well as certain assets and liabilities of the Group's business segments as at 31 December 2014

Proceeds and expenses by geographical segments

For the period of 01.12 – 31.12. 2014	Domestic	Abroad	Total
Sale to external customers	1 497 778	196 040	**1 693 818**
Total income	**1 497 778**	**196 040**	**1 693 818**
Cost of products, goods and materials sold to external customers	1 408 709	185 878	**1 594 587**
Total cost of products, goods and materials sold	**1 408 709**	**185 878**	**1 594 587**
Total sales before tax	**89 069**	**10 162**	**99 231**
Cost of sales	4 949	0	**4 949**
Overhead costs	48 158	8 540	**56 698**
Profit (loss) on other operating activity	-3 498	2 362	**-1 136**
Segment profit (loss)	**7 272***	**0**	**7 272**
Profit (loss) on financing activity	**39 736**	**3 984**	**43 720**
Income tax	-7 570	330	**-7 240**
Net profit	7 625	890	**8 515**
Sale to external customers	**24 541**	**3 424**	**27 965**

* Deptak Project of PLN 7, 272,000

Proceeds and expenses by geographical segments

For the period of 01.12 – 30.09.2014	Domestic	Abroad	Total
Sale to external customers	993 008	144 355	**1 137 363**
Total income	**993 008**	**144 355**	**1 137 363**
Cost of products, goods and materials sold to external customers	932 182	136 311	**1 068 493**
Total cost of products, goods and materials sold	**932 182**	**136 311**	**1 068 493**
Total sales before tax	**60 826**	**8 044**	**68 870**
Cost of sales	3 457	0	**3 457**
Overhead costs	33 673	6 783	**40 456**
Profit (loss) on other operating activity	-1 005	2 269	**1 264**
Segment profit (loss)	**22 691**	**3 530**	**26 221**
Profit (loss) on financing activity	-5 335	-162	**-5 497**
Income tax	4 163	946	**5 109**
Net profit	**13 193**	**2 422**	**15 615**

Note 25. Construction contracts retention money

Construction contracts retentions as of 31 December 2014 were as follows:

	31.12.2014	30.09.2014	31.12.2013
Retentions retained by customers			
Retentions to be released beyond 12 months	12 450	18 797	20 153
Retentions to be released within 12 months	43 258	33 648	29 788
Total	**55 708**	**52 445**	**49 941**
Retentions retained to suppliers			
Retentions to be released beyond 12 months	11 554	4 655	8 514
Retentions to be released within 12 months	81 202	83 404	72 021
Total	**92 756**	**88 059**	**80 535**

Note 26. Litigation and claims

The register of court cases in which the Erbud Capital Group is a party to the proceedings as plaintiff and defendant, did not change significantly in relation to the 31 December 2013. 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 – shares in Delta Sp. z o.o. based in Toruń

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

Name and legal form of the subsidiary	Seat	Core business	Type of the relationship	Method of consolidation	Value adjustment (total)	Carrying amount of shares /stocks	Equity stake held	Voting power at the GM
Delta Sp. z o.o.	Toruń	construction	subsidiary	full method	0	3 532	100%	100%

2) Relationship type between Erbud and persons managing or supervising Erbud and the pledgee (Polski Bank Przedsiębiorczości S.A.):
None

3) Percentage of the pledged shares in the nominal capital of Delta Sp. z o.o. and the value at par of shares and their character as non-current or current capital investment of Erbud:
Pledged shares represent 30% of the nominal capital of Delta Sp. z o.o. The Issuer considers the investment in Delta Sp. z o.o. shares as a long-term one.

Mortgages on fixed assets of the company

1) The book value of fixed assets of the company covered by the mortgage – PLN 3.284 thousand.

Collaterals

Conventional mortgage up to PLN 120m on cooperative ownership right to the premises registered under KW WA5M/00451397/7, WA5M/00451398/4, WA5M/00451399/1, managed by the District Court in Warsaw.

Mortgage on the company's long-term investments

1) The book value of property fixed assets covered by the mortgage – PLN 480 thousand.
Collaterals

Capped mortgage up to PLN 65m on the property consisting of vacant plots No 275/3, 288/10, 288/17 registered under KW TO1T/00003133/2, managed by the District Court in Toruń.

Note 29. Information on changes in economic outlook and business conducting 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 2014, 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 December 2014, 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 31 December 2014, the Group did not change the classification of financial assets as a result of changing targets or use of such assets.

Note 31. 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.

Signature of person preparing the Financial Statements

Mariola Zielińska
/Chief Accountant/

Signatures of Board Members

Józef Zubelewicz
/Board Member/

Dariusz Grzeszczak
/Board Member/

Warsaw, 27 February 2015