

Budimex SA

Condensed financial statements
for I quarter of 2013

BUDIMEX SA

Condensed financial statement for I quarter of 2013

BALANCE SHEET

	As at 31.03.2013	As at 31.12.2012	As at 31.03.2012
	(PLN '000)	(PLN '000)	(PLN '000)
Assets			
I. Non-current assets	1 251 543	1 256 112	1 334 276
1. Intangible assets, including:	2 854	2 996	2 084
- goodwill	-	-	-
2. Tangible fixed assets	77 808	84 079	95 477
3. Long-term receivables	-	-	-
3.1. From related parties	-	-	-
3.2. From other entities	-	-	-
4. Long-term investments	818 346	811 856	841 613
4.1. Investment property	8 313	8 382	7 733
4.2. Intangible assets	-	-	-
4.3. Long-term financial assets	810 033	803 474	833 880
a) in related parties, including:	807 848	801 289	831 695
- shares in subordinate entities equity accounted	-	-	-
b) in other entities	2 185	2 185	2 185
4.4. Other long-term investments	-	-	-
5. Long-term deferred costs	352 535	357 181	395 102
5.1. Deferred tax assets	348 480	353 085	389 873
5.2. Other prepayments and deferred costs	4 055	4 096	5 229
II. Current assets	1 430 977	1 820 607	1 820 598
1. Inventories	158 263	143 580	345 564
2. Short-term receivables	490 892	402 875	472 299
2.1. From related parties	118 211	97 192	107 245
2.2. From other entities	372 681	305 683	365 054
3. Short-term investments	551 345	1 043 008	726 971
3.1. Short-term financial assets	551 345	1 043 008	726 971
a) in related parties	-	-	-
b) in other entities	611	1 460	46
c) cash and cash equivalents and other monetary assets	550 734	1 041 548	726 925
3.2. Other short-term investments	-	-	-
4. Short-term deferred costs	230 477	231 144	275 764
Total Assets	2 682 520	3 076 719	3 154 874
Liabilities and Shareholders' Equity			
I. Shareholders' equity	434 111	380 769	604 759
1. Share capital	127 650	127 650	127 650
2. Unpaid share capital (negative value)	-	-	-
3. Own shares purchased (negative value)	-	-	-
4. Reserve capital	282 570	282 570	280 845
5. Revaluation reserve	5 987	5 936	4 189
6. Other reserves	-	-	-
7. Accumulated profits (losses) from previous years	(35 387)	(147 636)	132 732
8. Net profit (loss) for the period	53 291	112 249	59 343
9. Deductions from profit for the period (negative value)	-	-	-
II. Liabilities and provisions	2 248 409	2 695 950	2 550 115
1. Provisions	273 129	280 312	274 199
1.1. Deferred tax liability	55 047	56 342	69 072
1.2. Provision for retirement bonuses and related obligations	3 283	3 283	3 364
a) long-term	2 542	2 542	2 637
b) short-term	741	741	727
1.3. Other provisions	214 799	220 687	201 763
a) long-term	115 394	113 930	108 791
b) short-term	99 405	106 757	92 972
2. Long-term liabilities	24 277	27 740	31 315
2.1. To related parties	-	-	-
2.2. To other entities	24 277	27 740	31 315
3. Short-term liabilities	1 250 418	1 615 954	1 248 601
3.1. To related parties	188 129	168 806	106 884
3.2. To other entities	1 054 882	1 442 469	1 134 450
3.3. Special funds	7 407	4 679	7 267
4. Accruals and deferred income	700 585	771 944	996 000
4.1. Negative goodwill	-	-	-
4.2. Other accruals and deferred income	700 585	771 944	996 000
a) long-term	4 980	5 014	5 150
b) short-term	695 605	766 930	990 850
Total Liabilities and Shareholders' Equity	2 682 520	3 076 719	3 154 874
Book value per share calculation	As at 31.03.2013	As at 31.12.2012	As at 31.03.2012
Net assets (thd zł)	434 111	380 769	604 759
Number of shares	25 530 098	25 530 098	25 530 098
Book value per share (zł)	17,00	14,91	23,69

BUDIMEX SA

Condensed financial statement for I quarter of 2013

OFF-BALANCE SHEET ITEMS (in PLN thousands)

	As at 31.03.2013	As at 31.12.2012	As at 31.03.2012
	(PLN '000)	(PLN '000)	(PLN '000)
1. Contingent receivables	349 957	347 223	376 816
1.1. From related parties, of which:	4 215	4 208	7 071
- guarantees and suretyships received	2 379	2 372	5 764
- bills of exchange received as security	1 836	1 836	1 307
1.2. From other entities	342 742	340 015	366 745
- guarantees and suretyships received	341 223	338 497	364 650
- bills of exchange received as security	1 519	1 518	2 095
1.3. Other	3 000	3 000	3 000
- other contingent receivables	3 000	3 000	3 000
2. Contingent liabilities	1 416 304	1 466 852	1 708 887
2.1. To related parties, of which	129 765	126 333	129 827
- guarantees and suretyships issued	129 765	126 333	129 827
- promissory notes issued as security	-	-	-
2.2. To other entities, of which	1 286 539	1 340 519	1 579 060
- guarantees and suretyships issued	1 282 034	1 336 014	1 577 005
- promissory notes issued as security	4 505	4 505	2 055
3. Other	143 180	143 180	135 010
- other contingent liabilities	143 180	143 180	135 010
Total off-balance sheet items	(1 209 527)	(1 262 809)	(1 467 081)

BUDIMEX SA

Condensed financial statement for I quarter of 2013

PROFIT AND LOSS ACCOUNT

	1. quarter for the period from 01.01.13 to 31.03.13 (PLN '000)	1. quarter for the period from 01.01.12 to 31.03.12 (PLN '000)
I. Sales of finished products, goods for resale and raw materials, including:	674 314	930 020
- to related parties	31 114	50 918
1. Sales of finished products	673 222	928 900
2. Sales of goods for resale and raw materials	1 092	1 120
II. Cost of finished products, goods for resale and raw materials, including:	(624 460)	(853 340)
- from related parties	(19 740)	(32 676)
1. Cost of finished products	(623 725)	(852 634)
2. Cost of goods for resale and raw materials sold	(735)	(706)
III. Gross profit (loss) on sales (I - II)	49 854	76 680
IV. Selling expenses	(2 431)	(2 934)
V. General and administrative expenses	(34 037)	(34 993)
VI. Profit (loss) on sales (III - IV - V)	13 386	38 753
VII. Other operating revenue	5 903	4 108
1. Profits on the sale of non-financial fixed assets	-	-
2. Subsidies	-	-
3. Other	5 903	4 108
VIII. Other operating expenses	(5 306)	(2 015)
1. Losses on the sale of non-financial fixed assets	(55)	(13)
2. Revaluation of non-financial assets	(1 935)	(235)
3. Other	(3 316)	(1 767)
IX. Operating profit (loss) (VI+VII-VIII)	13 983	40 846
X. Financial revenue	48 094	34 972
1. Dividends received and share in profits, including:	41 498	20 000
- from related parties	41 498	20 000
2. Interest revenue, including:	6 332	12 293
- from related parties	-	-
3. Profits on the sale of investments	264	-
4. Revaluation of investments	-	1 806
5. Other	-	873
XI. Financial expenses	(4 879)	(5 894)
1. Interest expenses, including:	(834)	(1 242)
- to related parties	(27)	(57)
2. Losses on the sale of investments	-	(1 021)
3. Revaluation of investments	(694)	-
4. Other	(3 351)	(3 631)
XII. Profit (loss) on the sale of shares in subordinate entities	57 198	69 924
XIII. Extraordinary items (XIV.1. - XIV.2.)	-	-
1. Extraordinary gains	-	-
2. Extraordinary losses	-	-
XIV. Gross profit (loss) (XIII+/-XIV)	57 198	69 924
XV. Corporate income tax	(3 907)	(10 581)
a) current	(597)	(398)
b) deferred	(3 310)	(10 183)
XVI. Other obligatory charges	-	-
XVII. Profit (loss) on shares in subordinate entities equity accounted	-	-
XVIII. Net profit (loss) (XIV+/-XV+/-XVI+/-XVII)	53 291	59 343
Calculation of net profit (loss) per ordinary share	1. quarter for the period from 01.01.13 to 31.03.13	1. quarter for the period from 01.01.12 to 31.03.12
Net profit (loss) (annualised)	106 197	125 188
Weighted average number of ordinary shares	25 530 098	25 530 098
Net profit (loss) for the first quarter per ordinary share (zł)	2,09	2,32

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	1. quarter for the period from 01.01.13 to 31.03.13	year 2012	1. quarter for the period from 01.01.12 to 31.03.12
	(PLN '000)	(PLN '000)	(tys. zł)
I. Shareholders' equity at the beginning of the period	380 769	692 960	692 960
a) changes in accounting policies	-	-	-
b) adjustments due to errors	-	(147 636)	(147 636)
I.a. Shareholders' equity at the beginning of the period, restated	380 769	545 324	545 324
1. Share capital at the beginning of the period	127 650	127 650	127 650
1.1 Changes in share capital	-	-	-
a) increases	-	-	-
b) decreases	-	-	-
1.2. Share capital at the end of the period	127 650	127 650	127 650
2. Unpaid share capital at the beginning of the period	-	-	-
2.1. Changes in unpaid share capital	-	-	-
a) increases	-	-	-
b) decreases	-	-	-
2.2. Unpaid share capital at the end of the period	-	-	-
3. Own shares purchased at the beginning of the period	-	-	-
3.1. Changes in own shares purchased	-	-	-
a) increases	-	-	-
b) decreases	-	-	-
3.2. Own shares purchased at the end of the period	-	-	-
4. Reserve capital at the beginning of the period	282 570	280 845	280 845
4.1. Changes in reserve capital	-	1 725	-
a) increases	-	1 725	-
- profit distribution (in excess of statutory requirements)	-	303	-
- fair value of rights to shares granted to employees of the parent	-	1 422	-
4.2. Reserve capital at the end of the period	282 570	282 570	280 845
5. Revaluation reserve at the beginning of the period	5 936	4 097	4 097
5.1. Changes in revaluation reserve	51	1 839	92
a) increases	51	1 839	92
- exchange differences on revaluation of foreign entities	51	62	92
- transfer of the exchange differences on revaluation liquidated foreign entities to the profit of the period	-	1 777	-
b) decreases	-	-	-
- exchange differences on revaluation of foreign entities	-	-	-
5.2. Revaluation reserve at the end of the period	5 987	5 936	4 189
6. Accumulated profit (loss) from previous years at the beginning of the period	(35 387)	280 368	280 368
6.1. Accumulated profit from previous years at the beginning of the period	112 249	280 368	280 368
a) changes in accounting policies	-	-	-
b) adjustments due to errors	-	-	-
6.2. Accumulated profit from previous years at the beginning of the period, restated	112 249	280 368	280 368
a) increases	-	-	-
b) decreases	-	(280 368)	-
- transfer to reserve capital	-	(303)	-
- dividend payment	-	(280 065)	-
6.3. Accumulated profit from previous years at the end of the period	112 249	-	280 368
6.4. Accumulated loss from previous years at the beginning of the period	(147 636)	-	-
a) changes in accounting policies	-	-	-
b) adjustments due to fundamental errors	-	(147 636)	(147 636)
6.5. Accumulated loss from previous years at the beginning of the period, restated	(147 636)	(147 636)	(147 636)
a) increases	-	-	-
b) decreases	-	-	-
6.6. Accumulated loss from previous years at the end of the period	(147 636)	(147 636)	(147 636)
6.7. Accumulated profit (loss) from previous years at the end of the period	(35 387)	(147 636)	132 732
7. Net profit	53 291	112 249	59 343
a) net profit	53 291	112 249	59 343
b) net loss	-	-	-
c) net profit distribution	-	-	-
II. Shareholders' equity at the end of the period	434 111	380 769	604 759
III. Shareholders' equity at the end of the period, after proposed profit distribution / loss absorption	322 034	380 769	472 330

CASH FLOW STATEMENT

	1. quarter for the period from 01.01.13 to 31.03.13	1. quarter for the period from 01.01.12 to 31.03.12
	(PLN '000)	(PLN '000)
A. Cash flows from operating activities		
I. Net profit (loss) for the period	53 291	59 343
II. Adjustments for:	(540 880)	(897 126)
1. Depreciation and amortisation	6 263	7 544
2. Foreign exchange (gains)/losses	41	(540)
3. Interest and dividends	(40 950)	(19 287)
4. (Profit) / loss on investing activities	(209)	1 034
5. Change in provisions	(7 183)	18 960
6. Change in inventories	(14 683)	(82 217)
7. Change in receivables	(52 929)	(17 952)
8. Change in short-term liabilities and special funds (excluding loans and borrowings)	(365 575)	(539 332)
9. Change in accruals and deferred income / costs	(66 046)	(263 347)
10. Other	391	(1 989)
III. Net cash flows from operating activities	(487 589)	(837 783)
B. Cash flows from investing activities		
I. Inflows	7 907	4 788
1. Sale of intangible assets and tangible fixed assets	1 162	112
2. Sale of investments in property and intangible assets	-	-
3. From financial assets, including:	6 481	4 676
a) in related parties	6 481	4 676
- sale of financial assets	-	4 676
- dividends received and share in profits	6 481	-
- repayment of long-term loans granted	-	-
- interest received	-	-
- other inflows from financial assets	-	-
b) in other entities	-	-
- sale of financial assets	-	-
- dividends received and share in profits	-	-
- repayment of long-term loans granted	-	-
- interest received	-	-
- other inflows from financial assets	-	-
4. Other investment inflows	264	-
II. Outflows	(8 337)	(6 226)
1. Purchase of intangible assets and tangible fixed assets	(1 778)	(3 705)
2. Purchase of investments in property and intangible assets	-	-
3. From financial assets, including:	(6 559)	(1 500)
a) in related parties	(6 559)	(1 500)
- purchase of financial assets	(6 559)	(1 500)
- long-term loans granted	-	-
b) in other entities	-	-
- purchase of financial assets	-	-
- long-term loans granted	-	-
4. Other investment outflows	-	(1 021)
III. Net cash flows from investing activities	(430)	(1 438)
C. Cash flows from financing activities		
I. Inflows	-	-
1. Issuance of shares and capital contributions and additional payments to capital	-	-
2. Proceeds from bank loans and borrowings	-	-
3. Issuance of bonds and other securities	-	-
4. Other financing inflows	-	-
II. Outflows	(2 931)	(3 896)
1. Purchase of own shares	-	-
2. Dividends and other payments to shareholders	-	-
3. Other payments relating to distribution of profit (excluding payments to shareholders)	-	-
4. Repayment of bank loans and borrowings	-	-
5. Redemption of debt securities	-	-
6. Other financial liabilities payments	-	-
7. Finance lease payments	(2 410)	(3 239)
8. Interest paid	(521)	(657)
9. Other financing outflows	-	-
III. Net cash flows from financing activities	(2 931)	(3 896)
D. Net cash flows	(490 950)	(843 117)
E. Change in cash and cash equivalents	(490 814)	(843 070)
- changes in cash and cash equivalents arising from foreign exchange gains/losses	136	47
F. Cash and cash equivalents at the beginning of the period	1 041 548	1 569 995
G. Cash and cash equivalents at the end of the period	550 734	726 925
- including restricted cash	37 503	32 984

1. Principles applied for the purpose of preparation of financial statements**1.1. Accounting policies applied**

The financial statements of Budimex SA for the 3-month period of 2013 together with comparative data were prepared in accordance with Polish accounting regulations, described in the introduction to the financial statements of the Company for the year 2012.

The financial statements and the comparative data contain aggregate data of the reporting organizational branches acting as at 31 March 2013, 31 December 2012 and 31 March 2012, prepared in foreign currencies and translated into Polish zloty using the rate of exchange presented in the point 1.4 of herein condensed financial statements.

The financial statements and the comparative data contain also data corresponding to Budimex SA share in jointly controlled entities: Budimex SA Sygnity SA Sp. j., Budimex SA Ferrovia Agroman SA Sp. j. and Budimex SA Ferrovia Agroman SA S.C. that were aggregated using the proportionate method pursuant to Art. 61 of the Accounting Act.

1.2. Differences between current and comparative data reported in the herein condensed financial statements and the data contained in the prior period condensed financial statements

As at 30 June 2012 the Company recognised an impairment write-down of Budimex shares in Przedsiębiorstwo Napraw Infrastruktury Sp. z o. o. (the company related to Budimex SA) in the amount of PLN 290 267 thousand, of which the amount of PLN 182 267 thousand was presented as an accumulated loss from prior years.

Due to above, the comparative data as at 31 March 2012 presented in the herein condensed financial statements was adjusted related to the issued condensed financial statements for the I quarter of 2012 as follows:

	Data as at 31 March 2012 in accordance with condensed financial statements for the I quarter of 2012	Change	Data as at 31 March 2012 in accordance with condensed financial statements for the I quarter of 2012
Long-term financial assets	1 016 147	(182 267)	833 880
Deferred tax assets	355 242	34 631	389 873
Net profit (loss)	280 368	(147 636)	132 732

1.3. Changes in the method of preparation of financial statements

There were not any other significant changes introduced in the preparation of financial statements.

1.4. The principles of translation of selected financial data into euro

Selected financial data was translated into euro in accordance with the following rules:

- individual asset and liability items – using the average exchange rate prevailing as at 31 March 2013 – 4.1774 PLN/EUR,
- individual profit and loss account and cash flow statement items for the first quarter of 2013 – using the exchange rate being an arithmetic average of average exchange rates established by

BUDIMEX SA

Condensed financial statements for 1 quarter of 2013

the National Bank of Poland for the last day of each ended month for the period from 1 January 2013 to 31 March 2013 – 4.1738 PLN/EUR,

- individual asset and liability items of comparative financial data for the year 2012 – using the average exchange rate prevailing as at 31 December 2012 – 4.0882 PLN/EUR
- individual profit and loss account and cash flow statement items of comparative financial data for the first quarter of 2012 - using the exchange rate being an arithmetic average of average exchange rates established by the National Bank of Poland for the last day of each ended month for the period from 1 January 2012 to 31 March 2012 – 4.1750 PLN/EUR.

1.5. Going concern

The financial statements of the Company were prepared on the assumption that the Company will be going concern during the period of 12 months from the balance sheet date, i.e. 31 March 2013 without a significant limitation in its activities. As at the date of signing the financial statements, the Management Board of the Company is not aware of any facts or circumstances that would indicate a threat to the Company's continued activities after the balance sheet date, due to an intended or compulsory withdrawal from or a significant limitation in its activities.

As at 31 March 2013 the excess of the current liabilities, provisions and short-term accruals (excluding sales revenue adjustments which are result of a contract valuation) over the current assets except guarantee provisions kept or granted by Budimex of due date above 12 months amounted to PLN 230 726 thousand.

As at 31 March 2013 the excess of current assets over current liabilities excluding sales revenue adjustments which are result of a contract valuation in consolidated financial statements of Budimex Group amounted to PLN 541 572 thousand. A net treasury position of Budimex Group including cash, cash equivalents and short-term securities reducing by external financing amounted to PLN 717 994 thousand as at 31 March 2013.

Taking into account the above, the Company's Management Board does not state as at the date of signing the financial statements any threat to Company's ability to continue as a going concern.

2. Changes in the shareholding structure

According to the information held by Budimex SA, the shareholding structure of Budimex SA as at 24 April 2013 was as follows:

Shareholder	Type of shares	Number of shares	% of the share capital	Number of votes	% of voting rights at the AGM
Valivala Holdings B.V. Amsterdam (Holandia) - Spółka z Grupy Ferroviol SA (Hiszpania)	ordinary	15 078 159	59,06%	15 078 159	59,06%
Aviva OFE Aviva BZ WBK	ordinary	1 304 851	5,11%	1 304 851	5,11%
OFE PZU „Złota Jesień”	ordinary	2 561 102	10,03%	2 561 102	10,03%
Other shareholders	ordinary	6 585 986	25,80%	6 585 986	25,80%
Total		25 530 098	100.00%	25 530 098	100.00%

As at 8 April 2013 Aviva OFE Aviva BZ WBK, as a result of purchase of Budimex shares, increased its share in the Company above 5%. Before that, Aviva OFE held 1 259 427 shares of Budimex, which gave 4,93% of the Company share capital and entitled to 1 259 427 votes in GM (4,93% of total number of votes).

3. Description of factors and events which had a material effect on a financial result of Budimex SA**3.1. Business operation of the Company in the I quarter of 2013**

In the period of three months of 2013 Budimex SA earned sales revenue in the amount of PLN 674 314 thousand, mainly related to sales of construction services (99,43%) amounted to PLN 670 448 thousand.

In the comparative period of the year 2012, sales revenue amounted to PLN 930 020 thousand, mainly related to sales of construction services (99,14%) amounted to PLN 922 049 thousand.

A decrease in sales of construction services related mainly due to termination of contracts for EURO 2012.

Gross profit on sales and the operating profit for the 3-month period of 2013 accordingly amounted to PLN 13 386 thousand and PLN 13 983 thousand, in the comparative period of the previous year they accordingly amounted to PLN 38 753 thousand and PLN 40 846 thousand.

Due to the positive result from financial activity, mainly including dividends and interests received, the gross profit for the period of 3-months of 2013 amounted to PLN 57 198 thousand (in the period of 3-months of 2012 amounted to 69 924 thousand).

In the period of three months of 2013 the Company reported a net profit of PLN 53 291 thousand gaining net profit margin of 7.90%.

3.2. Changes of estimates***Provisions for expected contract losses***

In accordance with accounting policies adopted, the Company creates provisions for expected contract losses if budgeted contract costs exceed the entire expected contract revenue. In the subsequent periods, a part of the created provision is released in proportion to the percentage of contract completion, after taking into account total negative margin on the entire contract. As at 31 March 2013, the balance of the provision for contract losses amounted to PLN 229 646 thousand, while as at 31 March 2012 amounted to PLN 325 378 thousand. In the 3-month period of 2013 the balance of provision increased by PLN 1 234 thousand.

Provision for legal proceedings

The Company recognises provisions for legal proceedings when it is suited and the probability of an unfavourable court judgement is higher than the probability of a favourable one. An estimation of that result is made on the basis of analysis of a legal proceedings progress as well as lawyers' opinions. As at 31 March 2013, the balance of the provision in this respect amounted to PLN 34 606 thousand, while as at 31 March 2012 amounted to PLN 32 627 thousand. In the 3-month period of 2013 the balance of provision was not changed.

Provision for penalties

The Company recognises provisions for penalties related to the realization of construction contracts. A provision is recognised only when the Company has a present obligation as a result of past event, the settlement of that obligation is highly probable and a reliable estimate can be made of the amount of the obligation. As at 31 March 2013, the balance of the provision in this respect amounted to PLN 27 079 thousand, while as at 31 March 2012 amounted to PLN 26 971 thousand. In the 3-month period of 2013 the balance of provision increased by PLN 27 thousand.

Costs of future warranty repairs

The Company is required to issue guarantees for its construction services. It is accepted that the provision between 0.15%-1.4% of revenue from the given contract is made what depends

on particular construction segment. This general value is assessed on an individual basis and may be increased or reduced, as appropriate. As at 31 March 2013, the balance of the provision in this respect amounted to PLN 145 349 thousand, while as at 31 March 2012 amounted to PLN 142 007 thousand. In the 3-month period of 2013 the balance of provision increased by PLN 5 915 thousand.

Deferred tax asset and liability

During the 3-month period of 2013 deferred tax asset increased by PLN 4 605 thousand (a fall by PLN 41 393 thousand compared to the amount recognized as at 31 March 2012), while deferred tax liability increased by PLN 1 295 thousand (a fall by PLN 14 025 thousand compared to the amount recognized as at 31 March 2012).

Impairment write-downs against receivables

As at 31 March 2013, the balance of recognized impairment write-downs against receivables amounted to PLN 89 991 thousand, while as at 31 March 2012 amounted to PLN 74 847 thousand. In the 3-month period of 2013 the Company recognized impairment write-downs in the amount of PLN 1 935 thousand and reversed it in the amount of PLN 2 133 thousand.

Impairment write-downs against inventory

As at 31 March 2013, the balance of recognised impairment write-downs against inventory amounted to PLN 30 435 thousand, while as at 31 March 2012 amounted to PLN 443 thousand. In the 3-month period of 2013 the balance of recognised impairment write-downs was not change.

3.3. Material changes of the legal proceedings pending in I quarter of 2013

As at 31 March 2013, the total value of the proceedings relating to the Company's liabilities and claims accordingly amounted to PLN 315 931 thousand and PLN 261 526 thousand, and as at 31 March 2012 accordingly PLN 273 846 thousand and PLN 272 812 thousand.

3.4. Bank guarantees and insurance agreements signed in I quarter 2013

On 24 January 2013 Budimex SA signed with Bank Handlowy SA in Warsaw the Annex to the Loan Agreement of 8 February 2011. Under the aforementioned agreement, the Bank made the promised standby overdraft of up to PLN 50 000 thousand available to Budimex until 5 February 2014. On account of using the overdraft facility, the company will pay to the bank the interest calculated as per the WIBOR1M base rate increased by the amount of the margin. As security for the repayment of the amounts due to the bank, Budimex made an authorization to command of its bank account and representation on voluntary submission to bank enforcement under the provisions of the Banking Law Act.

On 13 February 2013 Budimex SA signed with Bank Zachodni WBK SA (before Kredyt Bank SA) the Annex to the Contract Insurance Guarantee of 2 March 2012. Pursuant to the Annex, the limit of PLN 116 000 thousand has been established until 31 May 2013. Other provisions of the Contract remain unchanged.

On 18 February 2013 Budimex SA signed with ING Bank Śląski SA about the short-term loan agreement. Under the aforementioned agreement, the Bank made the promised standby overdraft of up to PLN 25 000 thousand available to Budimex until 18 February 2014. On account of using the overdraft facility, the company will pay to the bank the interest calculated as per the WIBOR1M base rate increased by the amount of the margin. As security for the repayment of the amounts due to the bank under the above-mentioned agreement, Budimex made a representation on voluntary submission to bank enforcement under the provisions of the Banking Law Act. Other terms and conditions are standard for this type of agreement.

The above-mentioned agreement has been concluded as part of the overdraft facility of PLN 201 000 thousand already available to the company, which has been previously used by Budimex to instruct the bank to issue bank guarantees. Therefore, the Bank and the company also

concluded an addendum to the Framework Agreement regarding bank guarantees which specified the new limit of bank guarantees to be PLN 176 000 thousand.

On 4 March 2013 Budimex SA signed with Bank Zachodni WBK SA about the short-term loan agreement. Under the aforementioned agreement, the Bank made the promised standby overdraft of up to PLN 50 000 thousand available to Budimex until 3 March 2014. On account of using the overdraft facility, the company will pay to the bank the interest calculated as per the WIBOR1M base rate increased by the amount of the margin. As security for the repayment of the amounts due to the bank under the above-mentioned agreement, Budimex made a representation on voluntary submission to bank enforcement under the provisions of the Banking Law Act. The above-mentioned agreement has been concluded as part of the overdraft facility already available to the company, which has been previously used by Budimex to instruct the bank to issue bank guarantees. Therefore, the Bank and the company also concluded an addendum to the Framework Agreement regarding bank guarantees which specified the the new limit of bank guarantees to be PLN 100 000 thousand.

On 13 March 2013 Budimex SA signed with Towarzystwo Ubezpieczeń Ergo Hestia S.A., located in Sopot, an annex to the agreement concerning cooperation in providing insurance guarantees within the granted guarantee limit of 18 May 2009. Pursuant to the annex it was agreed that the total amount of all guarantees established under the agreement shall not exceed PLN 100 000 thousand. Other provisions of the contract remain unchanged.

3.5. Other material events in I quarter of 2013

On 27 March 2012 the Incorporation Act of Budimex SA – Budimex Budownictwo Sp. z o.o. Spółka Cywilna was signed. Shares have been contributed by shareholders in the following proportions: Budimex SA – 95% (PLN 905) and Budimex Budownictwo Sp. z o.o. – 5% (PLN 50). The company was established for the period essential for the realization of investment task called "Rozbudowa pola wzlotów w Porcie Lotniczym im. Fryderyka Chopina – przebudowa i rozbudowa PSS 2, PPS 4, PPS 6 (wraz z DK D1) oraz przebudowa drogi startowej i rozbudowa drogi kołowania".

On 26 March 2013 the Management Board of Budimex SA recommend taking the decision to pay out a dividend of PLN 4.39 gross per one share to the Ordinary General Meeting in 2013. It is suggested to reserve unit net profit for the period from 1 January 2012 to 31 December 2012 in the amount of PLN 112 077 thousand for the dividend. Dividend day, i.e. the day of establishing the list of shareholders entitled to dividend for 2012, is suggested to be set for 7 May 2013. Deadline for payment of dividend is proposed to be set for 22 May 2013.

**President
of the Management Board**

**Member
of the Management Board**

Dariusz Blocher

Marcin Węglowski

Warsaw, 24 April 2013