

The Management Commentary on the Capital Group

**for the period from 1 January 2011
to 30 June 2011.**



Ząbki, 30 August 2011

1. Introduction.

J.W. Construction Holding S.A., a joint-stock company domiciled in Ząbki (“the Parent Company”), registered with the Register of Companies of the National Court Register under number 0000028142, whose registration files are kept by the District Court for the Capital City of Warsaw, 14th Business Division of the National Court Register, is the parent company of the Capital Group of J.W. Construction Holding S.A. (the “Capital Group”).

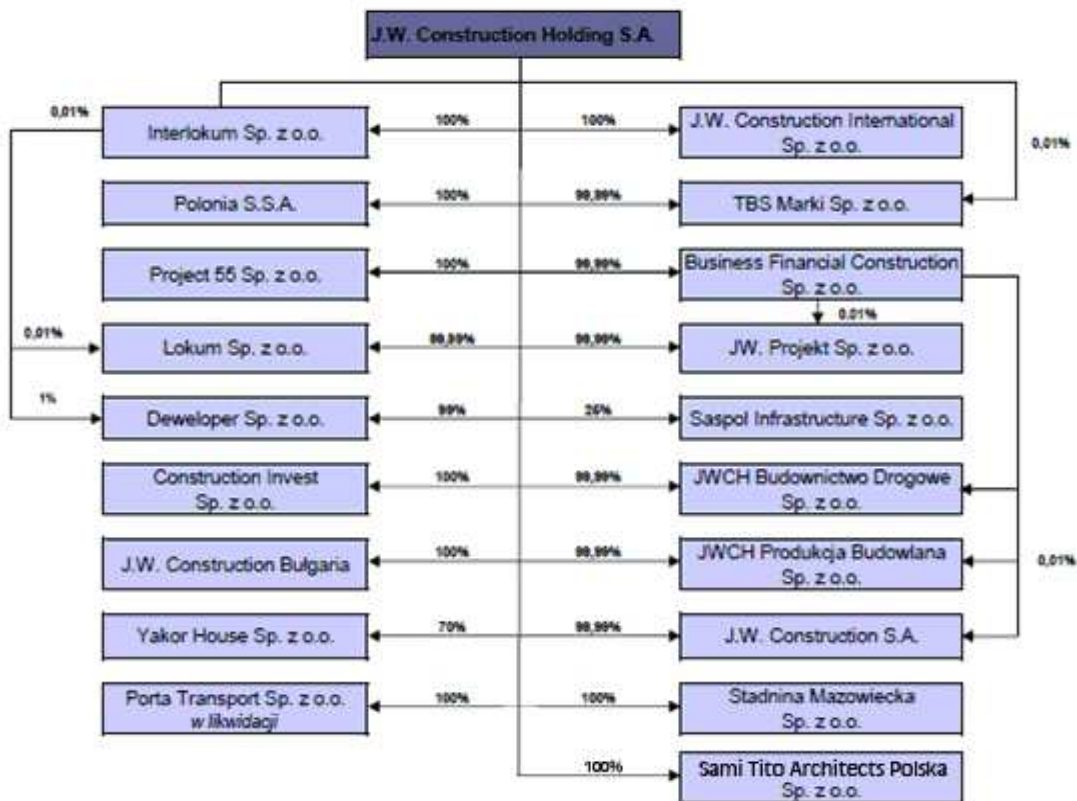
The Company was entered into the Register of Companies of the National Court Register on 16 July 2001, when a change in the name of the Company was registered – from the then-current “Towarzystwo Budowlano - Mieszkaniowe Batory S.A.” to the present “J.W. Construction Holding S.A.”

The Company was formed from transformation of Towarzystwo Budowlano - Mieszkaniowe Batory Sp. z o.o. domiciled in Ząbki, established on 10 February 1994. The transformation of a limited liability company into a joint stock company, executed under a notarial deed of 28 December 2000, was registered by the District Court for the Capital City of Warsaw, 16th Business and Registry Division on 15 January 2001.

Share capital of the Company amounts to PLN 10,814,656 and is divided into 54,073,280 A-and-B-class ordinary bearer with a par value of PLN 0.20 each.

2. The description of the structure of Capital Group with an indication of entities subject to consolidation.

As at 30 June 2011 the Issuer’s Capital Group had the following structure:



J.W Construction S.A (full consolidation)

J.W. Construction S.A., a joint-stock company domiciled in Ząbki entered in the register of entrepreneurs of the National Court Register under KRS number 0000290315. Share capital of J.W. Construction S.A. amounts to PLN 11,526,618 and is divided into 11,526,618 shares with a par value of PLN 1,00 each. J.W. Construction S.A. took over the construction activity of the Company. The Company holds 99.99% of share capital of J.W. Construction S.A.

JWCH Produkcja Budowlana Sp. z o.o. (full consolidation)

JWCH Produkcja Budowlana Sp. z o.o., a limited liability company domiciled in Ząbki entered in the register of entrepreneurs of the National Court Register under KRS number 0000300959. The Company holds 99.99% of its shares. Share capital of JWCH Produkcja Budowlana Sp. z o.o. amounts to PLN 15,495,000 and is divided into 309,900 shares with a par value of PLN 50,00 each. The business of JWCH Produkcja Budowlana Sp. z o.o. is production of building prefabricated units.

JW Projekt Sp. z o.o.(full consolidation)

JW Projekt Sp. z o.o., a limited liability company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 195210 on 20 February 2004. The Company holds 99.99% of its shares. Share capital of JW Projekt Sp. z o.o. amounts to PLN 1,155,060 and is divided into 5,775 shares with a par value of PLN 200 each. The business of JW Projekt Sp. z o.o. is architecture and designing.

Construction Invest Sp. z o.o. (full consolidation)

Construction Invest Sp. z o.o., a limited liability company domiciled in Ząbki entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 250688 on 9 February 2006. The Company holds 100% of its shares. Share capital of Construction Invest Sp. z o.o. amounts to PLN 50,000 and is divided into 100 shares with a par value of PLN 500 each. The business of Construction Invest Sp. z o.o. is own real estate development and sale. Construction Invest Sp. z o.o. was established to purchase real estate, apply for building permits and then transfer the real estate with the corresponding building permit to the Company.

TBS Marki Sp. z o.o. (full consolidation)

TBS Marki Sp. z o.o., a limited liability company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 65232 on 28 November 2001. The Company holds 99.99% of its shares. Share capital of TBS Marki Sp. z o.o. amounts to PLN 13,360,000 and is divided into 26,720 shares with a par value of PLN 500 each. TBS Marki Sp. z o.o. was established as a social building society, within the meaning of the Act on Some Forms of Supporting Housing Building Projects. TBS Marki Sp. z o.o. is an investor responsible for implementation of four projects i.e. "Lisi Jar", "Marki V", "Warszawa Białołęka" and "Sochaczew, ul. Piłsudskiego".

Lokum Sp. z oo (full consolidation)

Lokum Sp. z o.o., a limited liability company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 170570 on 20 August 2003. The Company holds 99.99% of its shares. Share capital of Lokum Sp. z o.o. amounts to PLN 3,778,500 and is divided into 7,557 shares with a par value of PLN 500 each. Lokum Sp. z o.o. is a special purpose vehicle. An investment project – “Willa Konstancin” in Konstancin-Jeziorna was implemented under its structures.

Project 55 Sp. z o.o. (full consolidation)

Project 55 Sp. z o.o., a limited liability company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 139665 on 22 November 2002. The Company holds 100% of its shares. Share capital of Project 55 Sp. z o.o. amounts to PLN 7,528,500 and is divided into 15,057 shares with a par value of PLN 500 each. Project 55 Sp. z o.o. is a special purpose vehicle conducting developer activity. An investment project – “Górczewska” was implemented under its structures.

Interlokum Sp. z o.o. (full consolidation)

Interlokum Sp. z o.o., a limited liability company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 170216 on 18 August 2003. The Company holds 100% of its shares. Share capital of Interlokum Sp. z o.o. amounts to PLN 50.000 and is divided into 7,557 shares with a par value of PLN 500 each. Interlokum Sp. z o.o. is a special purpose vehicle. An investment project – “Rezydencja na Skarpie” in Warsaw was implemented under its structures.

Deweloper Sp. z o.o. (full consolidation)

Deweloper Sp. z o.o., a limited liability company domiciled in Siemianowice Śląskie entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 170493 on 22 August 2003. The Company holds 99% of its shares. Share capital of Deweloper Sp. z o.o. amounts to PLN 50,000 and is divided into 100 shares with a par value of PLN 500 each. The business of Deweloper Sp. z o.o. is road construction. In the structure of the Capital Group it was assigned the role of the general contractor of a housing estate in Katowice.

J.W. Construction International Sp. z o.o (full consolidation)

J.W. Construction International Sp. z o.o., a limited liability company is registered in the territory of Russia. The Company holds a 100% of its share capital. The business of J.W. Construction International Sp. z o.o. is investments in housing building industry in the territory of the Russian Federation. Presently it builds a housing estate – “Victoria Park” in Kolomna near Moscow.

Porta Transport Sp. z o.o. in liquidation (full consolidation)

Porta Transport Sp. z o.o., a limited liability company domiciled in Szczecin entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register KRS 0000177420. Share capital of Porta Transport Sp. z o.o. is divided into 258,308 shares with a par value of PLN 100 each. The business of the company was transport services provided to Porta Szczecińska Nowa Sp. z o.o. in the territory of the Szczecin shipyard and forwarding services in the country and abroad. The Company holds 100% of its share capital.

JWCH Budownictwo Drogowe Sp. z o.o. (full consolidation)

JWCH Budownictwo Drogowe Sp. z o.o., a limited liability company domiciled in Ząbki entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 0000299665 on 21 February 2008 on 21 February 2008. The Company holds 99.99% of its shares. Share capital of JWCH Budownictwo Drogowe Sp. z o.o. amounts to PLN 450,000 and is divided into 9,000 shares with a par value of PLN 50 each. The business of JWCH Budownictwo Drogowe Sp. z o.o. is road construction and construction of infrastructure.

Yakor House Sp. z o.o. - former Ośrodek Wypoczynkowy "Ogoniok" (full consolidation)

Yakor House Sp. z o.o., a limited liability company domiciled in Sochi, Russian Republic. The Company holds 70% of its share capital amounting or RBL 10,500,000. Yakor House Sp. z o.o. owns real estate in the territory of Sochi on which it prepares a housing and commercial investment project.

Business Financial Construction Sp. z o.o. - BFC (not subject to consolidation)

Business Financial Construction Sp. z o.o., a limited liability company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 114675 on 24 May 2002. The Company holds 99.99% of its shares. Share capital of Business Financial Construction Sp. z o.o. amounts to PLN 4,347,000 and is divided into 8,694 shares with a par value of PLN 500 each. The business of Business Financial Construction Sp. z o.o. is to serve sales of apartments built by the Company and other companies of the Group.

Polonia S.S.A (not subject to consolidation)

Polonia S.S.A a sports joint-stock company domiciled in Warsaw entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 173656 on 19 September 2003. The Company holds 100% of its shares. Share capital of Polonia S.S.A. amounts to PLN 1,544,000 and is divided into 5,000 A-class registered shares with a par value of PLN 100 each and 10,440 B-class registered shares with a par value of PLN 100 each.

J.W. Construction Bulgaria (not subject to consolidation)

J.W. Construction Bulgaria EOOD was registered by the Municipal Court for Sofia (Bulgaria) on 8 October 2007 under name J.W. Construction Bulgaria EOOD domiciled in Sofia (a Bulgarian law company – equivalent to a Polish limited liability company). The Company holds 500 (five hundred) shares with a par value of BGN 10 (ten) each and the total value of BGN 5,000 (five thousand) in J.W. Construction Bulgaria EOOD. The said shares constitute 100% of its share capital. The Company plans to implement investment projects in the territory of Bulgaria through J.W. Construction Bułgaria EOOD.

Saspol Infrastructure Sp. z o.o. (not subject to consolidation)

SASPOL INFRASTRUCTURE Sp. z o.o., a limited liability company domiciled in Ząbki, entered in the register of entrepreneurs of the National Court Register entered in the register of entrepreneurs of the National Court Register 0000335050 on 21 February 2010. The company holds 25% its share capital. Share capital of SASPOL INFRASTRUCTURE Sp. z o.o amounts to PLN 5,000 and is divided into 100 shares with a per value of PLN 50,00 each. SASPOL INFRASTRUCTURE Sp. z.o.o is a special purpose vehicle made up of foreign partners through which, the Company, together with these partners, will take part in tenders for the realization of works connected with infrastructure.

Stadnina Mazowiecka Sp. z o.o. (full consolidation)

Stadnina Mazowiecka Sp. z o.o. a limited liability company domiciled in Ząbki, entered in the register of entrepreneurs of the National Court Register on 3 January 2007. The company obtained 100% its share capital on 30 June 2010. Share capital of Stadnina Mazowiecka Sp. z o.o. amounts to PLN 50,000 and is divided into 1,000 shares with a nominal value of PLN 0,50 each.

Sami Tito Architects Polska Sp. z o.o (not consolidated)

The Company Sami Tito Architects Sp. z o.o domiciled in Ząbki was entered in the register of entrepreneurs on 9 January 2011, under KRS number 376090 whose share capital amounts to PLN 5.000 and is divided into 100 shares with a par value of PLN 50 each. The business of Sami Tito Architects Polska Sp. z o.o is architecture and designing. The Company took control of Sami Tito Architects Polska Sp. z o.o in June 2011.

3. Principles of preparing the semi-annual consolidated financial statements

The principles of preparing the consolidated financial statements are described in the financial statements under “Accepted principles (policy) of accounting”.

4. Selected financial figures presenting the key items of the summary financial statements for the period of six months.

Below there are presented selected financial data from the consolidated and separate financial statements (also translated into EUR).

Consolidated balance sheet item	30 -06 -2011		31 -12 -2010	
	PLN	EUR	PLN	EUR
Total Assets	1,340,849	336,339	1,382,179	349,009
Non-current assets	593,524	148,880	570,564	144,071
Current assets	747,325	187,459	811,616	204,938
Total Equity and Liabilities	1,340,849	336,339	1,382,179	349,009
Equity	487,585	122,306	462,891	116,883
Non-current liabilities,	423,114	106,134	414,416	104,643
Current liabilities	430,151	107,899	504,872	127,483

Consolidated income statement item	1 January 2011 - 31 June 2011		1 January 2010 - 30 June 2010	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	218,720	55,131	241,154	60,225
Costs of products, goods and materials sold	153,430	38,674	172,842	43,165
Gross profit (loss) on sales	65,290	16,457	68,312	17,060
Selling expenses	12,649	3,188	11,421	2,852
Overhead expenses	17,308	4,363	12,911	3,224
Profit (loss) on sales	47,535	11,982	43,981	10,984
Operating profit (loss)	47,208	11,899	48,677	12,156
Gross profit (loss)	30,781	7,759	39,349	9,827
Income tax	6,076	1,532	7,316	1,827
Net profit (loss)	24,705	6,227	32,032	8,000

Issuer's balance sheet item	30 -06 -2011		31 -12 -2010	
	PLN	EUR	PLN	EUR
Total Assets	1,189,487	298,371	1,250,870	315,852
Non-current assets	489,759	122,851	459,792	116,100
Current assets	699,727	175,520	791,078	199,752
Total Equity and Liabilities	1,189,487	298,371	1,250,870	315,852
Equity	491,021	123,168	472,795	119,384
Non-current liabilities,	275,801	69,182	261,564	66,047
Current liabilities	422,665	106,021	516,510	130,422

Consolidated income statement item	1 January 2011 - 31 June 2011		1 January 2010 - 30 June 2010	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	199,464	50,277	215,578	53,837
Costs of products, goods and materials sold	147,720	37,234	158,113	39,487
Gross profit (loss) on sales	51,744	13,043	57,464	14,351
Selling expenses	12,488	3,148	11,174	2,791
Overhead expenses	12,106	3,052	7,029	1,755
Profit (loss) on sales	39,352	9,919	39,261	9,805
Operating profit (loss)	38,954	9,819	43,395	10,837
Gross profit (loss)	22,669	5,714	38,293	9,563
Income tax	4,444	1,120	7,626	1,905
Net profit (loss)	18,226	4,594	30,667	7,659

Financial ratios of both the Company and the whole Group are on a satisfactory, safe level. Also the liquidity ratios prove safe financial flows and at the same time reflect the ability of the Company and the whole Group to serve current liabilities.

<i>Financial ratios of the Capital Group</i>		30/06/2011
Net profit margin on sales	$\frac{\text{Net profit/loss}}{\text{Revenues from sales}}$	11.21%
Liquidity ratios I	$\frac{\text{total current assets}}{\text{current liabilities}}$	1.74
Liquidity ratios II	$\frac{\text{total current assets- inventories}}{\text{current liabilities}}$	1.63
Liquidity ratios III	$\frac{\text{Cash and cash equivalents}}{\text{current liabilities}}$	0.10
equity-to-fixed-assets	$\frac{\text{Equity}}{\text{fixed assets}}$	0.82
Debt rate	$\frac{\text{long-term liabilities + current liabilities}}{\text{Total liabilities}}$	63.66%

Financial ratios of the Parent Company		30/06/2011
Net profit margin on sales	$\frac{\text{Net profit/loss}}{\text{Revenues from sales}}$	9.14%
Liquidity ratios I	$\frac{\text{total current assets}}{\text{current liabilities}}$	1.66
Liquidity ratios II	$\frac{\text{total current assets- inventories}}{\text{current liabilities}}$	1.62
Liquidity ratios III	$\frac{\text{Cash and cash equivalents}}{\text{current liabilities}}$	0.09
equity-to-fixed-assets	$\frac{\text{Equity}}{\text{fixed assets}}$	1.00
Debt rate	$\frac{\text{long-term liabilities + current liabilities}}{\text{Total liabilities}}$	58.72%

5. Activity of the Group and major events in the first half of 2011.

The following important events took place over the period of time covered in this report:

Corporate Affairs

The Extraordinary General Meeting

On 29 June 2011 the Annual General Meeting was held, which approved unitary financial statements, consolidated financial statements for 2010, reports on activities of the Management Board of the Company and its Capital Group and gave discharge to the members of the Company, appropriated the profit by allocating it entirely for a supplementary capital of the Company. In addition, the resolutions on the change in the number of members of the Supervisory Board from six to five were taken, Mr. Marcin Michnicki was appointed as the Vice Chairman of the Supervisory Board and resolutions on the merger of the Company with its subsidiaries were passed: Project 55 Sp. z o.o with its seat in Warsaw, Interlokum

Sp. z o. with its seat in Warsaw, Stadnina Mazowiecka Sp. z o.o with its seat in Ząbki and Construction Invest Sp. z o.o with its seat in Ząbki.

Supervisory Board

On 1 June 2011, Mr. Henry Pietraszkiewicz, who held the position of the Vice Chairman of the Supervisory Board resigned from his function for personal reasons.

Due to the Resolution No 25 which was taken by the Annual General Meeting on 29 June 2011 relating to changes in the number of the Supervisory Board members, there was no new person appointed to the Supervisory Board, and the position of the Vice Chairman of the Supervisory Board was entrusted to Mr. Marcin Michnicki.

Accordingly, the Supervisory Board as at 30 June 2011 was as follows:

Józef Wojciechowski – the Chairman of the Supervisory Board
Józef Oleksy – the Vice Chairman of the Supervisory Board
Marcin Michnicki – the Vice Chairman of the Supervisory Board
Andrzej Podsiadło – The Member of the Supervisory Board
Jarosław Król – the Member of the Supervisory Board

Management Board

Due to termination of the Management Board's term of office, the Supervisory Board, at the meeting which took place on 1 June 2011, appointed the Board in the number of four members for another term:

On behalf of the Supervisory Board the following members were appointed:

Mr. Tomasz Panabażys - Vice President of the Management Board

Mr. Wojciech Rajchert - the Member of the Management Board

On the basis of personal rights of a shareholder who holds more than 50% of the shares the following persons were appointed:

Mr. Marek Samarcew - the Member of the Management Board

Mr. Robert Wójcik - the Member of the Management Board

Concluding loan agreements

On 18 February 2011, the Company concluded an investment credit agreement in the amount of PLN 33 million to finance the investment of "Osiedle Centrum" at Tymienieckiego Street, Łódź with Invest Bank S.A. The repayment date was set on 31 March 2013.

On 28 April 2011, the Company concluded a revolving credit agreement in the amount of PLN 10 million with Bank Polskiej Spółdzielczości S.A. The repayment term is set on 27 April 2012.

On 28 April 2011, the Company concluded an overdraft agreement in the amount of PLN 10 million with Bank PKO BP. The repayment term is set on 27 April 2012.

On 05 May 2011, the Company concluded an overdraft agreement in the amount of PLN 13 million with Bank Ochrony Środowiska S.A . The repayment term is set on 30 April 2012.

On 30 June 2011, the Company concluded an investment credit agreement in the amount of PLN 19 million with Getin Noble Bank S.A to finance the implementation of the investment at Światowida Street, Warsaw. The repayment term is set on 20 December 2013.

Concluding annexes to loan agreements

On 18 March 2011, the Company concluded an Annex to the working capital credit granted by Bank Polskiej Spółdzielczości S.A in the amount of PLN 30 million, dedicated for the purchase of a property located at Spokojna - Leśna Street, Gdynia. By virtue of the Annex, credit legal collaterals in the form of the mortgage establishment on the property credited were changed.

On 31 March 2011, the Company concluded an Annex to the investment credit granted by Bank PKO BP S.A in the amount of PLN 66,803,028, dedicated for the financing of the implementation of "Czarny Potok" investment in Krynica Zdrój. By virtue of the Annex, the credit use period and repayment date were postponed. The final repayment date is set on 31 July 2019.

On 31 March 2011, and then on 29 June 2011, the subsidiary J.W Construction S.A concluded Annexes to the overdraft credit agreement which was granted by Bank PKO BP S.A in the amount of PLN 7,000,000. By virtue of the Annex, the repayment term of the credit was postponed and set on 31 March 2012.

On 22 April 2011, the Company concluded the Annex to the overdraft facility agreement with Invest Bank S.A . In virtue of the annex, the loan value was raised to PLN 15.000.000 and repayment date was postponed until 25 April 2012.

On 30 June 2011, the Company entered into the Annex to the credit agreement granted by Millennium Bank S.A to finance the commercial investment of "Jerozolimskie Point" at Al.Jerozolimskie / Badyłarska Street, Warsaw. By virtue of the Annex, the loan value was raised to PLN 23.000.000 and repayment date was postponed until 31 December 2021.

Credit Repayment

On 31 March 2011, the Company has made a full repayment of revolving working capital loan granted by the Bank PKO BP SA in the amount of PLN 67 million which was dedicated to finance "Lewandów II" investment at Lewandów Street, Warsaw.

On 29 April 2011, the Company has made a full repayment of a credit granted by the Bank Polskiej Spółdzielczości S.A in the amount of PLN 50 million which was dedicated to finance "Bursztynowe Osiedle" investment at Korkowa Street, Warsaw.

Payment of interest on bonds

On 25 March 2011 and 27 June 2011, the Company paid bond interests, which the Company issued on 25 June 2010 in the total number of 1,300 pieces. Interests were paid in accordance with a rate based on 3M WIBOR plus a margin percentage. Bonds on which interests were paid, are long-term, unsecured, with a nominal value of PLN 100,000 each. Maturity date was set as at 25 June 2013

Granting the guarantee

On 23 June 2011, the agreement was concluded in which the Company granted the guarantee to Klosters Beteiligungs-gesellschaft GmbH, with its seat in Kempen ("Buyer") in respect of the sale agreement for the benefit of the aforesaid entity by Sezam II Closed Investment Fund and J.W. Consulting Sp. z.o.o J.W. 5 - Partnership limited by shares - with its seat in Warsaw (the "Seller") of shares representing 100% of the share capital of the company operating under the name J.W Agro Ltd. with its seat in Nowogard ("JWA"). The company ensured that all statements submitted by the sellers in the sale agreement are true and correct and do not mislead in any significant scope that is covered by them, while ensuring fulfilment of obligations of the Sellers which result from the agreement. The buyer, in case of untrue and incomplete data, or if the assurance provided is misleading in a significant way about the condition of JWA or purchased shares, has the right to demand the restoration which would have occurred if the assurance was consistent with the truth, to pay an amount of money required to bring the state to a consistent one with the provision of the agreement, or to demand a reduction in selling price. The value of the sale agreement amounts to PLN 57,000,000. The buyer is entitled to file a claim on the Sellers in case of assurances on public law liabilities within 10 years, and the rest within 2 years from the date of the contract.

Acquisition of land

On 29 March 2011, the Company concluded a preliminary agreement on acquisition of the right of perpetual usufruct of land plots with number No. 3 / 1 and 3 / 3 (q WA4M/00162186/5) with a total area of 81,185 m² located in Warsaw in Kasprzaka 29/31 Street and the title to buildings and structures located on the property with VIS Investments Limited liability company Limited joint-stock partnership with its seat in Warsaw. The amount of the agreement was set for net PLN 173,980,000 (PLN 176,914,183.17 gross). The agreement was concluded under the condition precedent in the form of entry into force (in accordance with Article 29 paragraph.1 of the Act of 27 March 2003 on Spatial Planning and Development) of zoning plan covering an area of a real estate, which in relation to property will stipulate provisions and parameters of the development not worse than indicated in the letter annexed to the contract, but no later than until 31 December 2011. The Company is planning to implement a mixed residential-office-service development on the real estate.

On 7 April 2011 the company won a tender organized by the trustee in bankruptcy of "Buditalia" Sp. z oo in liquidation bankruptcy with its seat in Lodz for the purchase of ownership of a plot with No. 104 / 5 with the area of 7,014 m² located in Lodz, at Ks. Bp. Tymienieckiego 16 and for which a land and mortgage register with No. LD1M/00111879/7 lis kept. The purchase price was set for the amount of PLN 4,247,000 gross. The maximum term for concluding a sales contract was set for 4 months from the date of selection of the winning tender.

Conclusion of a significant agreement

On 17 January 2011, the Company concluded an agreement with a subsidiary of J.W. Construction S.A with its seat in Ząbki which subject is a complex construction in the system of a general construction of the investment of a housing estate "Łódź Tymienieckiego II" in Łódź, a plot with number 96/3; 96/7, 96/8 within S -09, consisting of nine multi-family buildings with garages, parking lots and necessary infrastructure for the network, connections, heating substations, roads, parking lots, sidewalks, greenery and landscaping elements with a connection to the infrastructure with obtaining an occupancy permits ("the Agreement "). The term of obtaining the occupancy permit was defined in the Agreement and set on 30 September 2012. The remuneration for the Agreement performance was agreed for the amount of PLN 35,441,434.60 net, equal to a fixed fee compensation based on a scope of works.

On 24 May 2011, a subsidiary of J.W Construction S.A with its seat in Ząbki (the "Contractor") concluded an agreement with J.W Wronia Spółka z o.o with its seat in Ząbki with the amount of net PLN 80 million. The subject of the agreement is a complex construction, performed by the Contractor, in the system of a general construction of a multi-family building with services, underground garage and necessary technical infrastructure in the scope of networks, connections, heating substations, roads, parking lots, sidewalks, greenery and landscaping elements with a connection to the infrastructure with obtaining an occupancy permit according to submitted project documentation, on a real estate which is in perpetual usufruct of the Investor, located in Warsaw, in Wronia 45 Street constituting a plot of land with register number 10 with an area of 6978 m², for which the District Court for Warsaw-Mokotów, X Division of Land Registry maintains land and mortgage register No. WA4M/00138852/8. The term of completion of works by the Contractor was defined in the Agreement and set on 25 March 2013, the date of obtaining the occupancy permit is set for 60 days after completion of works.

A building permit

On 22 February 2011, the Company received the decision on building permit for an office-service-residential building of "Nowa Dana" with an underground garage at Wyzwolenia / Odzieżowa Street in Szczecin. The designed building will consist of approximately 34,077 m² of UFA. The permit is final.

On 04 March 2011, the Company received the decision on building permit for a multif-family residential building at Jaroczyńskiego Street in Poznań. The permit is final.

On 15 April 2011, the Company received the decision on building permit for 3 multi-family buildings at Światowida Street in Warsaw. The permit is final.

On 10 May 2011, the Company received the decision on building permit of a multi-family housing estate - "Zielona Dolina" in the area of Zdziarska and Ostródzka Street in Warsaw. The permit is final.

Implemented investments

In the first half of 2011, the Company continued the previously commenced projects: „Osiedle Centrum II” at Tymienickiego Street in Łódź, „Słoneczny Park I” stage 1, and „Willa Park” - houses in Ożarów.

The company commenced building works and continued the implementation of works associated with the construction of networks and media in „Zielona Dolina I” investment.

After receiving the final decision on building permit, the Company commenced preparatory works in the investment at Światowida Street in Warsaw, where an estate consisting of 184 units will be built.

The company realised 5 residential projects together with the total number of 1 411 flats and 12 single-family houses comprising 70,240 square metres of UFS.

At the same time, construction works were being conducted on commercial investment in Warsaw with the number of 4,157 sqm of PUU at Badyłarska Street and on „Czarny Potok” hotel investment in Krynica Górská with the number of 20,500 sqm of PUU. The Company also commenced works on a commercial investment of „Dana” in Szczecin, which will have 34,077 m² of UFA.

The following investments were implemented in the first half of 2011.

No.	Housing investments	Number of units
1	„Osiedle Centrum II”, Łódź	255
2	„Słoneczny Park” 1st stage, Ożarów	376
3	„Willa Park” - houses, Ożarów	12
4	Zielona Dolina I, Warsaw	596
5	„Osiedle Światowida”, Warsaw (preparatory works)	184

No.	Commercial and hotel investments	PUU
1	„Jerozolimskie Point” Badyłarska Street	4,157
2	„Czarny Potok” – Krynica Zdrój	20,500
3	„Dana” - Szczecin	34,077

Investments planned

In addition to the continuation of ongoing investments, the Company intends to expand its offer with another new segment of the housing projects in the near future. Over the next two years, the Company plans to launch housing investments with 6,382 units. The investments which are planned to launch are as follows:

Housing investments which are about to be launched in 2011	City/ District	Number of units/houses:
Jaroczyńskiego Street	Poznań	183
Lewandów Park , Lewandów Street	Warsaw / Białołęka	208
Powstania Wielkopolskiego Street (scheduled date to obtain a building permit 12/2011, there is a threat of commencement)	Gdynia	52
Sochaczewska Street (scheduled date to obtain a building permit 11/2011, there is a threat of commencement)	Gdynia	51
Ożarów - houses	Ożarów Mazowiecki	10

Housing investments which are about to be launched in 2012	City/ District	Number of units
Miasteczko Kasprzaka Kasprzaka Street	Wola, Warsaw	3,000
Zielona Dolina II, Zdziarska Street	Warsaw / Białołęka	901
Katowice , Tysiaclecia Street	Katowice	550
Gdynia Spokojna Street	Gdynia	452
Katowice , Bałtycka Street	Katowice	238
Antoniewska Street	Warsaw / Mokotów	234
Berensona Street	Warsaw / Białołęka	234
Aluzyjna II	Warsaw / Białołęka	147
Odkryta II	Warsaw / Białołęka	82
Aluzyjna I	Warsaw / Białołęka	40

In addition, currently there are some preparations for the implementation of next office projects. The works are connected with designing and obtaining appropriate permits and decisions which allow to commence these investments.

It is planned that in 2012 and in subsequent periods the implementation of the following commercial investments will begin:

Planned commercial investments	City/ District	Usable Space
Miasteczko Kasprzaka Kasprzaka Street	Wola, Warsaw	72,055
Powstańców Śląskich Street	Wrocław	29,800
Pileckiego Street	Warsaw / Ursynów	10,022
Zdziarska Street	Warsaw / Białołęka	2,533

Objectives and development prospects

The analyse of the property market and our own preferences recognition of the Buyers prove the right direction of our current action strategy that is focused on meeting our quite well-off Clients needs. In connection with the foregoing, the activity of the Company in the scope of housing building will be still developed by launching new investments in a segment of popular flats.

According to a document recently adopted by the Sejm RP titled "The main problems, objectives and directions of the program of promoting housing development to 2020" in Poland, there are still about 1.5 million homes lacking. The average wage in Poland is sufficient for the purchase of 0.8 m² of living space, while in western Europe for 2-3 m². Accordingly, the Company's activities within housing construction will be continuously developed by launching new investments from the segment of popular flats. The activity of the Company will be based on attractively priced locations, as well as on adjusting the size of apartments sold to demand reported by the Buyers. The most often purchased units are two-bedroom ones with an area of 40-45 m².

Taking into account the above assumptions and still difficult situation in the mortgage market, the Company offers its Clients flexible solutions to purchase a flat. Within financing offer there are programs that are adjusted to different groups of Purchasers. The most innovative solution dedicated especially to customers without creditworthiness, is the program "First move in then buy". The program allows the clients to rent a flat and then after a period of time specified in the sale agreement to purchase it for a price that already includes a part of incurred expenses for renting a flat. Moreover, the Company has a very varied credit offer prepared on the basis of preferential conditions dedicated only to our Company's Clients. The premises that meet criteria for obtaining the credit within the program "Rodzina na swoim", which additionally extends the possibilities for financing, predominate in the Company's offer.

Nowadays, the Company sees also some promising possibilities of development activity in the field of commercial building projects. In connection to this, the expansion of new and attractive commercial investments in a few the biggest cities in Poland such as Warsaw, Wrocław and Szczecin is planned.

Both in the previous half-year as well as in the previous periods, the Company was running hotel activity. The current hotel accommodation consists of two and three star hotels that are located in very attractive places in Poland. This sector is being developed by enlargement and modernization of the "Czarny Potok" hotel in Krynica Górská obtaining the category "Resort and SPA". Ultimately, this building will be a four-star hotel with gastronomy facilities, multifunctional conferences room and five-star SPA/Wellness complex. Construction works on this building object were commenced in the previous years and they are still being pursued intensely.

A significant element in the Capital Group's development strategy is the executive arm – J.W. Construction S.A. Through separating the Company with a building profile, the possibilities of obtaining new, external contracts in the scope of works connected with , for example, road infrastructure have significantly increased.

The Group also continues the activities connected with development of Group Companies by implementing strategic objectives such as:

- Increasing a land bank by further attractive plots (including those in the downtown of a capital city),
- Cutting costs among other things by shortening the period of investment implementation while using a new prefabricated unit production technology under a separated company – JWCH Produkcja Budowlana Sp. z o.o
- Carrying on the works connected with preparing new investments by drawing up the documents, including project documentation (J.W Projekt Sp. z o.o) and applying for building permits which will allow to smoothly launch further investments in the future.

The Group Companies are also able to acquire third party contacts on the general building market.

The company regardless of the situation on the market diversifies risk through:

- introducing the sale of office and commercial space to the offer
- carrying on the housing investment projects in progress and preparing to launch new ones
- a broad commercial offer – including apartments ready for immediate move-in.

Moreover, the following significant events occurred during the reporting period:

Awards and prizes

During the period covered by this report, the following awards and prizes were awarded to the Company:

- J.W. Construction Holding S.A was awarded **Housing Brand of the Year 2011** - the first place in the category "Property developer Warsaw."
- J.W. Construction Holding S.A was awarded the title of Top Brand 2011. This award is given within the national program of consumer - Customer Laurel.
- Editorial staff of a monthly "**Polish Market**" and the Institute of Economics of Polish Science Academy confirms that the company of **J.W Construction Holding S.A** is awarded a certificate in the ranking of Polish companies and received the title of **Pearl of Polish Economy** in the category of Large Pearls for consistent execution of policy and enterprise's strategy as well as leader position among the most dynamic and the most effective enterprises in Poland 2010.

6. Events which occurred after the date of drawing up the abbreviated quarterly financial statement, which were not included in this statement but which could possibly have remarkable influence on the Issuer's future financial results.

Obtaining a credit decision

On 25 August 2011, the Company received a favourable decision on crediting the implementation of "Zielona Dolina I" investment, substage I and II, by Bank Ochrony Środowiska S.A. Financing will be in two credit facilities in the amount of: substage I - PLN 46 million, substage II - PLN 41 million.

Conclusion of a significant agreement

On 22 August 2011, the Company concluded two agreements on the implementation of the investment of a multi-family construction of Zielona Dolina I with J.W. Construction S.A with its seat in Żąbki, a wholly owned subsidiary. The project was divided into two stages: Stage I includes 11 multi-family buildings with 290 residential and service dwellings. The date of completion of works is set on 21.12.2012, the date of obtaining an occupancy permit for 30 days from the date of the final acceptance. The value of fixed remuneration for the contract was agreed for the amount of PLN 43,785,047 net.

Stage II includes 12 multi-family buildings with 306 residential and service dwellings. The date of completion of works is set on 15.12.2012, the date of obtaining an occupancy permit for 30 days from the date of the final acceptance. The value of fixed remuneration for the contract was agreed for the amount of PLN 42.717.745 net.

In other provisions, the agreements are similar and include in its scope comprehensive assembly works in the buildings along with land development, with full accompanying infrastructure in the form of roads, sidewalks, fences, etc.

A building permit

On 09 August 2011, the Company received the decision on building permit for 4 multi-family buildings "Lewandów I", at Lewandów Street in Warsaw. The permit is final.

The purchase of a property

On 04 August 2011 the company concluded an agreement with the trustee in bankruptcy of "Buditalia" Sp. z o.o on purchase of ownership rights to the plot with number No. 104 / 5 with an area of 7,014 m² located in Lodz, at Ks. Bp. Tymienieckiego 16 Street and for which a land and mortgage register with No. LD1M/00111879/7 is kept . The value of the agreement is PLN 4,247,000 gross.

Merger of the Companies

On 29 July 2011, the District Court for the City of Warsaw, XIV Commercial Division of the National Court Register registered the merger of the Company with its subsidiaries: Project 55 Sp. z o.o with its seat in Warsaw, Interlokum Sp. z o. with its seat in Warsaw, Stadnina Mazowiecka Sp. z o.o with its seat in Żąbki and Construction Invest Sp. z o.o with its seat in Żąbki. The acquired companies were subject to consolidation in the consolidated financial statements.

7. Description of major threats and risks.

The risks identified by the Group are interest rate risk, liquidity risk, currency risk, credit risk and management decision risk.

Interest rate risk

The Group raises funds for implementation of its projects based on floating interest rate loans. Those are mainly loans incurred for the period of the construction of a given investment project – on the average for 1.5 years. It is assumed that in such period the interest rate risk would not require additional hedging options.

The only non-current liabilities were liabilities of TBS Marki – a Group company - under loans incurred with the National Housing Fund on entirely separate terms and conditions.

Currency risk

Within the whole Group the companies not to conclude transactions in PLN are Russian law companies – J.W. Construction International in Kolomna near Moscow and YAKOR HOUSE Sp. z o.o. in Sochi, as well as a Bulgarian law company – J.W. Construction Bulgaria EOOD. Settlements made in Russia did not require additional hedging since both revenues and costs are recognised in the same currency, while the Bulgarian company has not launched operations yet.

Credit Risk

A very significant part of the Group's clients purchase with bank loans. Risks connected with the offered loans are secured with insurance of particular debts on behalf of clients. There is no significant credit risk concentration in any group of clients. Moreover, the Group systematically evaluates payments made by the clients, as well as their financial standing. However, a smaller availability of mortgage loans should be taken into account, connected indirectly with more stringent lending procedures, also due to the situation on the mortgage loan market. In effect, this results in a reduced demand for housing.

Liquidity risk

The Group pays special attention to keeping the balance between financing its investment activities and timely payment of its liabilities. The liquidity is dependent on the banks' credit policy, both mortgage and investment. The lack of banks' financing may have impact on the demand for apartments and, thus, on cash flows.

Administrative risk

The developer activity is based on administrative decisions required in connection with the present or future projects. The lack of licences, permits or concessions or late obtainment of the same may have adverse effect on the Capital Group's ability to commence, conduct or complete present and new developer projects. All those factors may have impact on financial flows and overall operations.

Competition risk

In the last period of time, the competition on the building market has increased. This situation is caused both by the reduction of the volume tradings of the housing industry, and because of the EU funds inflow, that encouraged foreign companies to compete for orders in our country. In the light of such circumstances, it will be much harder to obtain any external orders for assembly works as well as prefabricated building materials. There is also a risk that the increased competition will be reflected in profit margins from external building contracts.

Consolidated Risk

Financial statement s item	Value in '000 PLN	Interest rate risk				Currency risk				Other price risk			
		Effect on earnings		Effect on equity		Effect on earnings		Effect on equity		Effect on earnings		Effect on equity	
		+ 50 pb in PLN	+ 50 pb in PLN	+ 50 pb in PLN	+ 50 pb in PLN								
		+ 25 pb in USD/E UR	- 25 pb in USD/E UR	+ 25 pb in USD	- 25 pb in PLN	10%	- 10%	10%	- 10%	6%	- 6%	6%	- 6%
Financial assets													
Cash in current accounts	24,855	124	-124										
Bank deposits	19,766	99	-99										
Bonds held		0	0										
Loans granted		0	0										
Effect on financial assets before tax		223	-223	0	0	0	0	0	0				
Tax (19%)		-42	42	0	0	0	0	0	0				
Effect on financial assets after tax		181	-181	0	0	0	0	0	0				
Financial liabilities													
Bonds issues	130,000	-650	650										
Bank Loans	243,239	-1,216	1,216										
Effect on financial liabilities before tax		-1,866	1,866	0	0	0	0	0	0				
Tax (19%)		355	-355	0	0	0	0	0	0				
Effect on financial liabilities after tax		-1,512	1,512	0	0	0	0	0	0				
Total increase / (decrease)		-1,331	1,331	0	0	0	0	0	0	0.00	0.00	0.00	0.00

8. Indicating the consequences of changes in an economic entity's structure, including the consequences resulting from entities' joint activity, the take-over or sale of entities of the Issuer's capital group, long-term investments, distribution, restructuring or abandonment of activity.

There were no major changes in the organisational structure of the capital group of the Issuer during the reporting period and that would have significant impact on the activity of the Issuer and its Capital Group.

9. Management Board's position on the ability to realise earlier published projections for the given year in the light of the results presented in the semi-annual report compared to the projected ones.

The Management Board of J.W. Construction Holding S.A did not publish any financial forecasts both for the Company and the Capital Group.

10. Shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes in the general meeting of the Issuer as at specific dates, the number of shares held by the same, percentage share in share capital, number of votes attributed to the same and their percentage share in the total number of votes in the general meeting.

As at 31/12/2010

<i>Shareholder</i>	<i>Number of shares held</i>	<i>% of share capital</i>	<i>Number of votes</i>	<i>% of total number of votes in the General Meeting</i>
<i>Józef Wojciechowski</i>	<i>15.413.713</i>	<i>28.51 %</i>	<i>15.413.713</i>	<i>28.51 %</i>
<i>EHT S.A.</i>	<i>18.568.300</i>	<i>34.34 %</i>	<i>18.568.300</i>	<i>34.34 %</i>
<i>Investment funds managed by PKO TFI S.A</i>	<i>Between 5 and 10% of the shares^x</i>			
<i>Pioneer Pekao TFI S.A</i>	<i>Between 5 and 10% of the shares^{xx}</i>			

^x on 9 April 2010, the Company received a notification on exceeding a 5% threshold of the share capital of the Company by the Funds managed by PKO TFI S.A, as at 9 April 2010 it was 3,245,668 shares representing 5.93% of the share capital of the Company entitling to 3,245,668 votes at the General Meeting of the Company and representing 5.93% of the total number of votes. In accordance with applicable law, a shareholder have to notify the Company of exceeding the threshold of 5% and 10% of the total number of shares of the Company.

^x on 15 April 2010, the Company received a notification on exceeding a 5% threshold of the share capital of the Company by the Funds managed by PKO TFI S.A, as at 9 April 2010 it was 2.740.767 shares representing 5.01 % of the share capital of the Company entitling to 2.740.767 votes at the General Meeting of the Company and representing 5.01 % of the total number of votes. In accordance with applicable law, a shareholder have to notify the Company of exceeding the threshold of 5% and 10% of the total number of shares of the Company.

As at 30/06/2011

<i>Shareholder</i>	<i>Number of shares held</i>	<i>% of share capital</i>	<i>Number of votes</i>	<i>% of total number of votes in the General Meeting</i>
<i>Józef Wojciechowski</i>	<i>15.413.713</i>	<i>28.51 %</i>	<i>15.413.713</i>	<i>28.51 %</i>
<i>EHT S.A.</i>	<i>18.568.300</i>	<i>34.34 %</i>	<i>18.568.300</i>	<i>34.34 %</i>
<i>Investment funds managed by PKO TFI S.A</i>	<i>Between 5 and 10% of the shares ^x</i>			
<i>Pioneer Pekao TFI S.A</i>	<i>Between 5 and 12 % of the shares ^{xx}</i>			

^x on 9 April 2010, the Company received a notification on exceeding a 5% threshold of the share capital of the Company by the Funds managed by PKO TFI S.A, as at 9 April 2010 it was 3,245,668 shares representing 5.93% of the share capital of the Company entitling to 3,245,668 votes at the General Meeting of the Company and representing 5.93% of the total number of votes. In accordance with applicable law, a shareholder have to notify the Company of exceeding the threshold of 5% and 10% of the total number of shares of the Company. To date, the Company has not received any notice from a shareholder, which would include information about reducing the number of shares held less than 5% or increase above 10% of the share capital of the Company.

^x on 05 May 2011, the Company received a notification on exceeding a 10 % threshold of the share capital of the Company by the Pioneer Open_End Investment Fund managed by Pioneer Pekao TFI S.A, as at 5 May 2011 it was 5.411.843 shares representing 10.008 % of the share capital of the Company entitling to 5.411.843 votes at the General Meeting of the Company and representing 10.008 % of the total number of votes. In accordance with applicable law, a shareholder have to notify the Company of exceeding the threshold of 10 % of a total number of the Company's shares, and after exceeding this threshold, a shareholder have to notify of the change of more than 2 % of the hold shares. To date, the Company has not received any notice from a shareholder, which would include information about reducing the number of shares held less than 10 % or a change by over 2 % of the share capital of the Company.

As at 30/08/2011

<i>Shareholder</i>	<i>Number of shares held</i>	<i>% of share capital</i>	<i>Number of votes</i>	<i>% of total number of votes in the General Meeting</i>
<i>Józef Wojciechowski</i>	<i>15.413.713</i>	<i>28.51 %</i>	<i>15.413.713</i>	<i>28.51 %</i>
<i>EHT S.A.</i>	<i>18.568.300</i>	<i>34.34 %</i>	<i>18.568.300</i>	<i>34.34 %</i>
<i>Investment funds managed by PKO TFI S.A</i>	<i>Between 5 and 10% of the shares ^x</i>			
<i>Pioneer Pekao TFI S.A</i>	<i>Between 5 and 12 % of the shares ^{xx}</i>			

^x on 9 April 2010, the Company received a notification on exceeding a 5% threshold of the share capital of the Company by the Funds managed by PKO TFI S.A, as at 9 April 2010 it was 3,245,668 shares representing 5.93% of the share capital of the Company entitling to

3,245,668 votes at the General Meeting of the Company and representing 5.93% of the total number of votes. In accordance with applicable law, a shareholder have to notify the Company of exceeding the threshold of 5% and 10% of the total number of shares of the Company. To date, the Company has not received any notice from a shareholder, which would include information about reducing the number of shares held less than 5% or increase above 10% of the share capital of the Company.

^x on 05 May 2011, the Company received a notification on exceeding a 10 % threshold of the share capital of the Company by the Pioneer Open_End Investment Fund managed by Pioneer Pekao TFI S.A, as at 5 May 2011 it was 5.411.843 shares representing 10.008 % of the share capital of the Company entitling to 5.411.843 votes at the General Meeting of the Company and representing 10.008 % of the total number of votes. In accordance with applicable law, a shareholder have to notify the Company of exceeding the threshold of 10 % of a total number of the Company's shares, and after exceeding this threshold, a shareholder have to notify of the change of more than 2 % of the hold shares. To date, the Company has not received any notice from a shareholder, which would include information about reducing the number of shares held less than 10 % or a change by over 2 % of the share capital of the Company.

11. Issuer's shares or rights to shares (options) held by members of the management board and supervisory board of the Issuer as at specifics date, separately for each member.

Shares of the Issuer held by members of authorities of the Company:

As at 31/12/2010

<i>Person</i>	<i>Office</i>	<i>Number of shares held</i>
Józef Wojciechowski	Chairman of the Supervisory Board	15.413.713

As at 30/06/2011

<i>Person</i>	<i>Office</i>	<i>Number of shares held</i>
Józef Wojciechowski	Chairman of the Supervisory Board	15.413.713

As at 30/08/2011

<i>Person</i>	<i>Office</i>	<i>Number of shares held</i>
Józef Wojciechowski	Chairman of the Supervisory Board	15.413.713

There were no changes during the reporting period.

12. Law actions of the value over 10% of equity of the Issuer.

The Company is a party to a significant procedure. This is a proceeding filed by the Company against SAWA Residential Fund Ltd. with its seat in Warsaw ("Respondent") for a payment of the amount of PLN 58,876,568.28 of surcharge of the rest of the money for a sale of 100 premises, which the Company committed to build and transfer the ownership to the Respondent, after paying the full payment by the Respondent as it was agreed between the

Parties. The Company obtained an order for payment in the writ proceedings, the Court adjudicated for the Company the whole demanded amount of money. The defendant lodged an objection against an order issued by a court regarding a payment in the writ proceedings. The Company has been reaching the implementation of provisions of the agreement in accordance with its terms.

13. Information about concluding, by the Issuer or by its subsidiary entity, one or many transactions with the related subjects separately or in total if they are significant and concluded on different than on an arm's length basis.

All transactions concluded by the Company or its related parties are arm's length transactions.

No.	COMPANY NAME	Receivables from related parties		Liabilities to related parties	
		30 -06 -2011	31 -12 -2010	30 -06 -2011	31 -12 -2010
1.	TBS Marki Sp. z o.o.	53,479.31	10,878.25	24,109,316.04	23,459,075.35
2.	JW. Construction International Sp. z o.o	13,551,533.30	14,859,173.91	0.00	0.00
3.	Business Financial Construction Sp. z o.o.	29,474.67	24,754.13	2,783,045.46	3,076,242.48
4.	Project 55 Sp. z o.o.	0.00	0.00	6,046,828.65	5,963,891.71
5.	Interlokum Sp. z o.o.	0.00	0.00	6,934,913.28	5,963,748.86
6.	Lokum Sp. z oo	124,765.31	121,514.11	60,735.04	1,452,654.93
7.	Deweloper Sp. z o.o.	115,907.66	112,201.47	20,000.00	20,000.00
8.	JW. Projekt Sp. z o.o.	2,264,226.67	3,345,187.42	1,916,710.61	327,443.69
9.	Construction Invest Sp. z o.o.	4,196,425.86	4,096,571.76	0.00	0.00
10.	JW. Construction S.A.	1,742,509.39	332,194.72	44,950,803.05	69,107,931.33
11.	J.W. Bułgaria	36,222,252.91	35,152,442.71	0.00	0.00
12.	Porta Transport Sp. z o.o. in liquidation	30,801.00	30,561.00	8,847,104.06	5,482,016.64
13.	Yakor House Sp.z o.o.	9,415,661.85	9,794,255.25	0.00	0.00
14.	JWCH Produkcja Budowlana Sp. z o.o.	10,838,294.26	10,304,420.09	61,312.86	18,690.98
15.	JWCH Budownictwo Drogowe Sp. z o.o.	3,017,901.09	2,501,484.39	0.00	0.00

14. Information about standing by the Issuer or a subsidiary company a credit or loan surety or about granting a guarantee jointly to one subject or its subsidiary entity if the aggregate value of the existing sureties or guarantees constitutes the equivalent of at least 10% of Issuer's equity capital.

Granting the guarantee

On 23 June 2011, the agreement was concluded in which the Company granted the guarantee to Klosters Beteligungsgesellschaft GmbH, with its seat in Kempen ("Buyer") in respect of the sale agreement for the benefit of the aforesaid entity by Sezam II Closed Investment Fund and J.W. Consulting Sp. z.o.o J.W. 5 - Partnership limited by shares - with its seat in Warsaw (the "Seller") of shares representing 100% of the share capital of the company operating under the name J.W Agro Ltd. with its seat in Nowogard ("JWA"). The company ensured that all statements submitted by the sellers in the sale agreement are true and correct and do not mislead in any significant scope that is covered by them, while ensuring fulfilment of obligations of the Sellers which result from the agreement. The buyer, in case of untrue and incomplete data, or if the assurance provided is misleading in a significant way about the condition of JWA or purchased shares, has the right to demand the restoration which would have occurred if the assurance was consistent with the truth, to pay an amount of money

required to bring the state to a consistent one with the provision of the agreement, or to demand a reduction in a selling price. The value of the sale agreement is PLN 57 million. The buyer is entitled to file a claim on the Sellers in case of assurances on public law liabilities within 10 years, and the rest within 2 years from the date of the contract.

15. Auditor's remuneration for the review.

<i>Type of service</i>	Year ended	Year ended
	30 -06 -2011	31 -12 -2010
A mandatory review of annual financial statements	138,000.00	138,000.00
Audit of the financial statement	95,000.00	95,000.00
Tax Advisory Services	0.00	0.00
Other services	0.00	70,000.00
Total	233,000.00	303,000.00

16. Other information which in the opinion of the Issuer is significant for evaluation of its personnel, assets, financial standing, profit (loss) and changes in the same, and information significant for assessment of the ability of the Issuer to fulfil its obligations.

None besides the aforesaid ones.