



Abbreviated Consolidated Financial Statement

**for a 6-month period
ended on 30 June 2013**

Prepared in accordance with International
Financial Reporting Standards



A. INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENT

1. GENERAL INFORMATION ABOUT THE PARENT COMPANY

J.W. Construction Holding S.A. ("JWCH"), a joint-stock company domiciled in Ząbki at ul. Radzyńska 326, REGON id. no.: 010621332 was initially registered as Towarzystwo Budowlano-Mieszkaniowe Batory Sp. z o.o., a limited liability company, on 7 March 1994 under number RHB 39782. On 15 January 2001 it was transformed into a joint-stock company and registered with the District Court for Warsaw under number RHB 63464. On 16 July 2001 the Company changed its name to the current "J.W. Construction Holding S.A." and was entered into the National Court Register under number KRS 000028142.

In accordance with the Polish Classification of Activities (Polska Klasyfikacja Działalności -PKD) the core business of the Company is development and sale of own properties for the Company's own account. The subject of the Company's activity is also the implementation of the building, designing and supportive production, as well as trade in real estate and hotel services.

As at 30/06/2013 the lifetime of the Company was unlimited. The accounting year of the Company is a calendar year i.e. the period from 1 January to 31 December.

2. ADOPTED PRINCIPLES (POLICY) OF ACCOUNTING

Basic information about the Group comprising the holding entity and the subsidiaries of the holding entity covered in the consolidated financial statement

The Group's structure and the holding entity's share in the share capital of subjects belonging to the Group as at 30 June 2013 are presented in the table below:

Company	Country of registration	Parent company's share in share capital	Parent company's share in voting rights	Method of consolidation
Subsidiaries				
Lokum Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
J.W. Construction Sp. z o.o.	Poland	99,99%	99,99%	full consolidation
Porta Transport Sp. z o.o. w likwidacji	Poland	100,00%	100,00%	full consolidation
JW Group Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
JW Group Sp. z o.o. 1 SKA	Poland	100,00%	100,00%	full consolidation
JW Group Sp. z o.o. 2 SKA	Poland	100,00%	100,00%	full consolidation
JW. Marka Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Ośrodek Wypoczynkowy "Ogoniok" Sp. z o.o. (obecnie Yakor House Sp. z o.o.)	Poland	70,00%	70,00%	full consolidation
Seahouse Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
J.W. 6 Sp. z o.o.	Poland	100,00%	100,00%	full consolidation

The core business of the Group's companies is:

- Lokum Sp. z oo - Development and sale of own properties for its own account,
- JW Group Sp. z o.o. 1 SKA - Development and sale of properties for its own account,
- JW Group Sp. z o.o. 2 SKA - Development and sale of properties for its own account,
- JW Group Sp. z o.o. - Development and sale of real estate for its own account,
- JW. Marka Sp. z o.o. – marketing activity,
- Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o. - sale and administration of social building estates,
- Ośrodek Wypoczynkowy "Ogoniok" Sp. z o.o. (currently Yakor House Sp. z o.o.) - Development and sale of properties for its own account,
- Porta Transport Sp. z o.o. - transport services,
- J.W. Construction S.A. - building production, prefabricated units production for the building industry,
- Seahouse Sp. z o.o. – development and sale of real estates for its own account,
- J.W. 6 Sp. z o.o. – development and sale of real esteta on its own account,

All Group companies in Group operate in the territory of Poland, except for Yakor House Sp. z o.o, concentrate on building and developer production in the territory of Russia. The lifetime of the Group companies is unlimited.

Preparation of the consolidated financial statements

The consolidated financial statements for the years 2012-2013 were prepared based on separate financial statements of the companies of the Capital Group of J.W. Construction Holding S.A. and compiled in such a manner as if the Group was one company. The consolidated financial statements cover the financial statements of the parent company -J.W. Construction Holding S.A. and financial statements controlled by the holding entity of the subsidiaries.

In the years 2012-2013 the parent company excluded the following subsidiaries from the obligatory consolidation:

In 2012:

- Business Financial Construction Sp. z o.o.– 100%
- J.W. Construction Bułgaria Sp. z o.o.-100%
- Polonia SSA – 100%

In 2013:

- Business Financial Construction Sp. z o.o.– 100%
- J.W. Construction Bułgaria Sp. z o.o.-100%

The legal basis for the applied exclusion of companies from the consolidated financial statements were the conceptual framework of the International Financial Reporting Standards relating to restrictions on the usefulness and reliability of the information. Under these assumptions the benefits received by the acquired information must exceed the costs of providing them. It was found that the cost of obtaining information on non-consolidated subsidiaries, and their inclusion in the cost of consolidation outweigh the benefits achieved in this respect. Furthermore, when making the exclusion of subordinated companies from consolidation, the driven fact was that they were not essential for a true and fair presentation of the financial position and results of the Capital Group.

Going concern basis and comparability of financial statements

The Capital Group of J.W. Construction Holding S.A assumes a going concern assumption and comparability of financial statements. As at the balance sheet date the Capital Group of J.W. Construction Holding S.A. did not find out any threats to the going concern assumption. The consolidated financial reporting is prepared in accordance with the historical cost convention. The consolidated financial information was not measured with any other method, which guarantees that the financial statements presented in the consolidated financial statements are comparable.

Significant estimations and assumptions

Estimations and judgements are subject to periodic verification of the Capital Group companies. When making estimations J.W. Construction Holding S.A. makes the following assumptions referring to the future:

- Estimation of impairment allowance. Impairment allowance is established taking account of expected risk connected with receivables and created collateral having impact on effective debt collection. Although the assumptions are made using the best knowledge, real results may be different than expected.
- Estimations connected with establishing deferred tax assets in accordance with IAS 12. Due to the highly volatile economy it may happen that real earnings and tax income are different than planned.
- Estimation of potential costs of fiscal and court proceedings pending against the parent company. When preparing the financial statements the opportunities and risks connected with pending proceedings are reviewed on a case by case basis, and provisions for potential losses are created accordingly. However, it is also possible that a court or a fiscal authority makes a judgement or issues a decision other than expected by the company and the created provisions may prove insufficient.
- The company gains revenues from services supplied by the Issuer under contracts for a specified time. Services supplied by the Issuer are long-term ones and their term of performance is over six months.

The results of applying new standards of accounting and changes to the accounting policy

The principles (policy) of accounting that were used for preparation of this abbreviated consolidated financial statements for the Q2 2013 are consistent with those used for preparation of the annual financial statements for 2012, with the exception of changes described below.

Changes resulting from changes to IFRS

The following new or revised standards or interpretations issued by the International Accounting Standards Board or IFRS Interpretations Committee are applied from 01 January 2013:

- IFRS 13 *Evaluation in the fair value*
- Amendments to IAS 19 *Fringe benefits*

- Amendments to IRS 1 *Presentation of the position of Rest total income*
- Amendments to IFRS 7 *Disclosures – compensating financial assets and liabilities*
- IFRIC interpretation 20 *Costs of leading extractions in open-pit mines*
- Amendments to various standards resulting from the annual review of ISFR (*Annual Improvements 2009-2011*)
- Amendments to IFRS 1

Their adaptation did not affect the results of the Group's activity and financial situation, but resulted only in changes of applied accounting policy or eventually in expanding of the scope of required disclosures or terminology used.

The main consequences of the application of new regulations:

- IFRS 13 *Evaluation in the fair value*

The new standard was published on 12 May 2011 and is intended to facilitate the use of fair value measurements by reducing the complexity of solutions and increasing consistency in the application of fair value measurements. The standard clearly specifies the purpose of the valuation, and the definition of fair value is specified.

The use of this new standard has no material impact on the financial statements of the Group.

- Amendments to IRS 19 *Fringe benefits*

Amendments to IRS 19 were published on 16 June 2011 and are effective for annual periods beginning on after 1 January 2013 or later. The amendments eliminate the possibility of delay in recognizing profits and losses known as the "corridor approach". Moreover, they improve the presentation of amendments resulting from fringe benefits plans in the balance sheet and the necessary estimates presented in other full income, as well as expand the scope of required disclosures related to this.

The use of this new standard has no material impact on the financial statements of the Group.

- Amendments to IRS 1 *Presentation of the position of Rest total income*

Amendments to IRS 1 were published on 16 June 2011 and are effective for annual periods beginning on after 1 July 2013 or later. The amendments concern the classification of items of other full income may be transferred to the profit and loss account. Amendments confirm the possibility of presentation of items of other full income and profit and loss account item as one or two separate statements.

The Group will apply the revised IRS since 1 January 2013.

The use of this new standard has no material impact on the financial statements of the Group.

- Amendments to IFRS 7 *Disclosures – compensating financial assets and liabilities*

Amendments to IRS 7 were published on 16 December 2011 and are effective for annual periods beginning on after 1 January 2013 or later. Without changing the general rules for compensation of financial assets and financial liabilities, the scope of disclosures regarding the amounts compensated with each other has been expanded. Also the requirement of wider (more transparent) disclosures related to the management of credit risk with the use of security (pledges) received or transmitted has been implemented.

The Group will apply the revised IFRS since 1 January 2013.

The use of this new standard has no material impact on the financial statements of the Group.

- IFRIC interpretation 20 *Costs of leading extractions in open-pit mines*

IFRIC Interpretation 20 was issued on 19 October 2011 and is effective for annual periods beginning after 1 January 2013 or later. This interpretation provides guidance on accounting for the costs of removing the outer layers of the ground in order to gain access to mineral resources in open-pit mines.

The use of this new standard has no material impact on the financial statements of the Group.

- Changes in various standards resulting from the annual review of ISFR (*Annual Improvements 2009-2011*)

On 17 May 2012 subsequent amendments to seven standards arising from the draft of proposed amendments to International Financial Reporting Standards published in June 2011 were published. They are mostly applicable to annual periods beginning after 1 January 2013 or later (depending on the standard).

The Group will apply the revised standards for the amendments made from 1 January 2013, unless a different period of their entry into force is predicted.

The use of amended standard has no material impact on the financial statements of the Group.

- Amendments to IFRS 1

Amendments to IRS 1 were published on 13 March 2012 and are effective for annual periods beginning after 1 January 2013 or later. The aim of the amendments is to allow the release of entities adopting IFRS for the first time from full retrospective application of all IFRSs when entities use government loans with interest below market rates.

The use of this new standard has no material impact on the financial statements of the Group.

In addition, the Group in these financial statements for the first time applied the following standards or amendments, following the entry into force dates set by the European Commission which differed from those required by the International Financial Reporting Standards.

- Amendments to IFRS 1 *Severe Hyperinflation and Removal of Fixed Dates*

Amendments to IFRS 1 was issued on 20 December 2010 and are effective for annual periods beginning on 1 July 2011 or later. The amendments relate to the fixed date "1 January 2004 " as the date of application of IFRS for the first time and they amend it to "the day of the application of IFRS for the first time" in order to eliminate the need to reconstruct transactions that occurred before the date of transition to IFRS. In addition, the standard

includes guidelines for re-application of IFRS in the periods that follow periods of severe hyperinflation, preventing full compliance with IFRS.

Revised IFRS 1 does not affect the financial statements of the Group.

- Amendment to IAS 12 *Deferred Tax: Recovery of Underlying Assets as a basis for its determination*

The amendment to IAS 12 was published on 20 December 2010 and is effective for annual periods beginning on 1 January 2012 or later. The amendment determine among others the method of evaluation of assets and provisions from deferred tax in case of investment property, evaluated in accordance with the fair value model, specified in IAS 40 *Investment Property*. The entry into force of the revised standard will result in a withdrawal of SIC - 21 *Income Taxes - Recovery of Revalued Non-Depreciable Assets*.

The revised IAS 12 has no impact on the financial statements of the Group.

Changes made by the Group itself

The Group did not made a correction of presentation of comparable data for the H1 of 2013.

Not effective standards (New standards and interpretations)

In this financial statement, the Group did not decide of an earlier use of published standards or interpretations before their effective date.

The following standards and interpretations were issued by the IFRS Interpretations Committee and IFRIC and not yet entered into force on the balance sheet date:

- IFRS 9 *Financial Instruments*

The new standard was published on 12 November 2009 and is the first step of IASB to replace IAS 39 *Financial Instruments: Recognition and Measurement*. Following the publication, a new standard was subject to further works and was partially modified. The new standard will enter into force from 01 January 2015.

The Group will apply the new standard from January 1, 2015.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new standard.

- IFRS 10 *Consolidated financial statements*

The new standard was published on 12 May 2011 and it is supposed to replace the SIC 12 *Consolidation - Special Purpose Entities*, and part of the provisions of IAS 27 *Consolidated and Separate Financial Statements*. The standard defines the meaning of control as a factor determining whether an entity should be included within the consolidated financial statements and provides guidance which help to determine whether an entity maintains control or not.

The Group will apply the new standard from 1 January 2014 – since the coming into force the establishment made by the European Committee.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new standard.

- IFRS 11 *Joint Arrangements*

The new standard was published on 12 May 2011 and it is supposed to replace the SIC 13 *Jointly Controlled Entities - Non-Monetary Contributions by Venturers* and IAS 31 *Interests in Joint Ventures*. The standard emphasizes the rights and obligations arising from the common agreement, regardless of its legal form and eliminates the inconsistencies in reporting by defining the method to account for interests in jointly controlled entities.

The Group will apply the new standard from 1 January 2014 – since the coming into force the establishment made by the European Committee.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new standard.

- IFRS 12 *Disclosure of Interests in Other Entities*

The new standard was published on 12 May 2011 and includes requirements for disclosure of information on the relationship between entities.

The Group will apply the new standard from 1 January 2014 – since the coming into force the establishment made by the European Committee.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new standard.

- IAS 27 *Consolidated and Separate Financial Statements*

The new standard was published on May 12, 2011, and it mainly results from the transfer of certain provisions of the existing IAS 27 to the new IFRS 10 and IFRS 11. The standard contains requirements for the presentation and disclosures in the separate financial statements of the investments in associates, subsidiaries or joint ventures. The standard will replace the previous IAS 27 *Consolidated and Separate Financial Statements*.

The Group will apply the new standard from 1 January 2014 – since the coming into force the establishment made by the European Committee.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new standard.

- IAS 28 — *Investments in Associates and Joint Ventures*

The new standard was published on May 12, 2011, and addresses the accounting for investments in associates. It also specifies requirements for the application of equity method in associates and joint ventures. The standard will replace the previous IAS 28 *Investments in Associates*.

The Group will apply the new standard from 1 January 2014 – since the coming into force the establishment made by the European Committee.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new standard.

- Amendments to IAS 32 *Offsetting Financial Assets and Financial Liabilities*

Amendments to IAS 32 were published on 16 December 2011 and they apply to annual periods beginning on 1 January 2014 or thereafter. These amendments are the response to existing incoherence regarding the application of offsetting criteria in IAS 32.

The Group will apply the amended IAS from 1 January 2014.

As of the date of preparing these Financial Statements, it is not possible to assess reasonably the impact of applying the amended standard.

- Guidelines on the transitional rules (Amendments to IFRS 10, IFRS 11 and IFRS 12)

Guidelines were published on 28 June 2012 and contain additional information regarding the application of IFRS 10, IFRS 11 and IFRS 12, including the presentation of comparative data for the first application of the above mentioned standards.

The Group will apply the amendments from January 1, 2014.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new changes.

- Investment entities (Amendments to IFRS 10 , IFRS 12 and IAS 27)

Guidelines were published on 31 October 2012 and contain other rules concerning the application of IFRS 10 and IFRS 12 in the case of entities of an investment fund.

The Group will apply the amendments from January 1, 2014.

At the date of preparation of these financial statements, it is not possible to reliably estimate the impact of applying new changes.

The IFRS, as approved by the EU, do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following standards, interpretations and amendments thereto which had not been approved by the EU as at the date of approving these Financial Statements.

- IFRS 9 *Financial Instruments* published on 12 November 2009 (as amended),
- Investment entities (Amendments to IFRS 10 , IFRS 12 and IAS 27)

B. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet

ASSETS	Note	30-06-2013	31-12-2012
NON-CURRENT ASSETS		929 855 449,05	909 476 895,11
Intangible assets	1,2	15 364 831,95	15 912 158,66
Tangible assets	3	419 674 584,81	446 767 763,09
Investment real estate	4	404 079 050,20	376 747 529,48
Other financial assets	5	41 950 919,46	25 734 127,57
Deferred income tax assets	15	30 023 885,98	26 095 290,19
Trade and other receivables	6	18 762 176,66	18 220 026,11
CURRENT ASSETS		517 522 170,81	646 630 578,16
Inventories	7	30 378 687,15	31 546 326,84
Construction contracts	7	426 322 630,69	512 719 925,18

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Trade and other receivables	8	34 126 653,21	57 525 716,18
Other financial assets	9	1 452 779,52	14 680 190,04
Cash and cash equivalents	10	10 520 940,48	16 729 078,51
Accruals	11	14 720 479,76	13 429 341,41
Total assets		1 447 377 619,86	1 556 107 473,27
LIABILITIES			
EQUITY		508 476 099,92	503 256 055,60
Share capital	12	10 814 656,00	10 814 656,00
Revaluation capital		7 490 208,19	7 490 208,19
Other capital	13	496 478 528,56	507 785 569,32
Retained earnings		-11 453 396,39	-32 387 426,13
Net profit / loss		5 146 103,56	9 553 048,22
LIABILITIES		938 901 519,94	1 052 851 417,67
Non-current liabilities		655 007 416,10	660 267 786,85
Borrowings	14	230 834 868,12	240 457 011,34
Deferred income tax liabilities	15	25 282 621,32	20 241 725,04
Retirement benefit obligations	16	455 276,52	455 276,52
Provisions for other liabilities and charges	17	55 577 864,94	56 005 157,45
Other liabilities	18	342 856 785,20	343 108 616,49
Current liabilities		283 894 103,84	392 583 630,82
Trade and other payables	19	73 367 395,14	109 621 917,74
Construction contracts	7	39 979 461,87	83 810 988,62
Borrowings	14	143 630 143,14	148 405 991,48
Provisions for other liabilities and charges	17	16 052 980,10	16 003 544,37
Other liabilities	19	10 864 123,59	34 741 188,61
Total Equity and Liabilities		1 447 377 619,86	1 556 107 473,27

Consolidated income statement

	Note	for the period 01-01-2013 to 30-06-2013	for the period 01-01-2012 to 30-06-2012
Net revenues from sales of products, goods and materials, including:	24	181 323 881,79	155 437 902,92
Net revenues from sales of products		180 178 587,70	153 719 274,81
Net revenues from sales of goods and materials		1 145 294,09	1 718 628,11
Costs of products, goods and materials sold, of which:	25	142 657 476,07	111 792 413,56
Manufacturing cost of products sold		140 760 630,24	110 983 992,76
Value of goods and materials sold		1 896 845,83	808 420,80
Gross profit (loss) on sales		38 666 405,72	43 645 489,36
Selling expenses	25	8 927 958,21	10 257 124,35
Overhead expenses	25	10 596 361,72	14 882 086,56
Revaluation of investment properties		3 451 614,70	10 605 809,25
Profit (loss) on sales		22 593 700,48	29 112 087,70
Other operating income	26	5 892 122,08	17 706 312,31
Other operating expenses	27	4 177 600,13	6 659 263,94
Operating profit (loss)		24 308 222,43	40 159 136,07
Financial income	28	3 823 442,40	4 590 477,60
Financial expenses	29	21 877 276,89	34 101 126,80
Profit (loss) on ordinary activities		6 254 387,94	10 648 486,87
Gross profit (loss)		6 254 387,94	10 648 486,87
Income tax	22	1 108 284,38	2 068 671,63
Net profit (loss)		5 146 103,56	8 579 815,23

Other comprehensive income:		73 940,76	0,00
Exchange differences on foreign operations conversion		48 745,10	0,00
Profit/loss from acquisitions		0,00	0,00
Profit from revaluation of tangible fixed assets		0,00	0,00
Other comprehensive income		25 195,66	0,00
Total revenue		5 220 044,32	8 579 815,23

Consolidated cash flow statements

Operating cash flow - two-step method	01-01-2013 to 30-06-2013	01-01-2012 to 30-06-2012
Net profit (loss)	5 146 103,56	8 579 815,23
Total adjustments, of which:	26 223 132,81	18 958 727,92
Depreciation and amortisation	7 007 386,03	5 418 192,20
(Profits) losses on exchange differences related to investment and financial activities	-2 012 994,57	1 256 349,64
Profit (loss) from investment activities	1 380 506,61	3 280 210,51
Interest and dividends	22 732 326,05	16 708 829,30
Changes in provisions and accruals	1 005 639,88	2 920 441,45
Other adjustments	-3 889 731,20	-10 625 295,18
- write-off investment properties	-3 451 614,70	-10 605 809,25
- other adjustments	-438 116,50	-19 485,93
Changes in working capital	20 674 743,39	-14 181 371,93
Change in inventories	1 167 639,69	66 219,56
Change in construction contracts	33 047 501,62	56 739 514,10
Change in investment real estate	0,00	0,00
Change in receivables	22 856 912,43	-44 263 258,83
Change in current liabilities, except for borrowings	-36 397 310,35	-26 723 846,75
Net operating Cash flows	52 043 979,76	13 357 171,23
Investment activity cash flows	0,00	0,00
Disposal of intangible assets, tangible fixed assets and other assets	15 398 519,89	1 731 327,51
Acquisition of intangible assets, tangible fixed assets and other assets	-10 077 408,96	-195 663 306,83
Expenses associated with the asset to be sold	0,00	0,00
Purchase of equity instruments and debt instruments	0,00	0,00
Disposal of equity instruments and debt instruments	0,00	0,00
Loans granted	1 000 000,00	-265 701,00
Loans repaid	0,00	0,00
Other purchase of financial assets	-650 000,00	-200 000,00
Other disposal of financial assets	0,00	0,00
Dividends received	0,00	0,00
Interest received	0,00	0,00
Disposal of subsidiaries	0,00	0,00
Acquisition of subsidiaries	0,00	0,00
Net investment cash flow	5 671 110,93	-194 397 680,32
Financing cash flow	0,00	0,00
Net proceeds from issue of shares, other equity instruments and additional capital contributions	0,00	0,00
Purchase of own shares or repayment of shares	0,00	0,00
Borrowings	41 608 391,78	395 484 184,61
Borrowings repaid	-56 559 474,78	-311 953 078,43
Debt securities issued	0,00	95 000 000,00
Debt securities redeemed	0,00	0,00
Payments under financial lease agreements	-2 527 282,79	-2 699 122,30
Dividends and other shared profits	0,00	0,00
Interest paid	-22 144 862,92	-18 308 990,11
Other financial proceeds (including notes)	0,00	4 500 000,00
Other financial expenditures (including notes)	-24 300 000,00	0,00
Net financing cash flow	-63 923 228,71	162 022 993,77
NET DECREASE/(INCREASE) IN CASH	-6 208 138,02	-19 017 515,32
Cash and cash equivalents at the beginning of the year	16 729 078,51	42 995 638,89
- foreign exchange gains/(losses) on cash	0,00	0,00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	10 520 940,48	23 978 123,56

Consolidated statement of changes in equity

	Share Capital	Own shares (negative figure)	Revaluation capital	Supplementary capital	other rcapital reserves	Hedge valuation reserve and currency translation reserve	Retained earnings	Net earnings	Equity
As at 31 December 2012	10 814 656,00	0,00	7 490 208,19	500 115 552,27	7 947 307,60	-277 290,55	-32 387 426,13	9 553 048,22	503 256 055,60
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Corrections from changes in a presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2013	10 814 656,00	0,00	7 490 208,19	500 115 552,27	7 947 307,60	-277 290,55	-32 387 426,13	9 553 048,22	503 256 055,60
Additional equity contributions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Share redemption	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains/(losses) on revaluation of available-for-sale assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Exchange gains / (losses) on translation of financial statements of foreign operations	0,00	0,00	0,00	0,00	0,00	48 745,10	0,00	0,00	48 745,10
Gains / (losses) on business acquisitions(unitary jwch)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consolidation adjustments	0,00	0,00	0,00	-33,99	0,00	0,00	25 229,65	0,00	25 195,66
Inclusion of the Company to the consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / (loss) recognised directly in equity	10 814 656,00	0,00	7 490 208,19	500 115 518,28	7 947 307,60	-228 545,45	-32 362 196,48	9 553 048,22	503 329 996,36
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	5 146 103,56	5 146 103,56
Total profit / (loss) recognised in equity and net earnings	10 814 656,00	0,00	7 490 208,19	500 115 518,28	7 947 307,60	-228 545,45	-32 362 196,48	14 699 151,78	508 476 099,92
Increase / decrease from profit distribution	0,00	0,00	0,00	-11 355 751,86	0,00	0,00	20 908 800,08	-9 553 048,22	0,00
As at 30 June 2013	10 814	0,00	7 490 208,19	488 759 766,41	7 947 307,60	-228 545,45	-11 453 396,39	5 146 103,56	508 476 099,92

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	656,00							
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	Share Capital	Own shares (negative figure)	Revaluation capital	Supplementary capital	Other capital	Hedge valuation reserve and currency translation reserve	Retained earnings	Net earnings	Equity
As at 31 December 2011	10 814 656,00	0,00	7 490 208,19	475 898 366,19	7 947 307,60	-523 866,03	-39 435 078,64	31 255 811,03	493 447 404,34
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Corrections from changes in a presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 01 January 2012	10 814 656,00	0,00	7 490 208,19	475 898 366,19	7 947 307,60	-523 866,03	-39 435 078,64	31 255 811,03	493 447 404,34
Additional equity contribution	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Share redemption	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains/(losses) on revaluation of available-for-sale assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Exchange gains / (losses) on translation of financial statements of foreign operations	0,00	0,00	0,00	0,00	0,00	246 575,48	0,00	0,00	246 575,48
Gains / (losses) on business acquisitions(unitary jwch)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consolidation adjustments	0,00	0,00	0,00	18 414,00	0,00	0,00	-9 386,44	0,00	9 027,56
Inclusion of the Company to the consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / (loss) recognised directly in equity	10 814 656,00	0,00	7 490 208,19	475 916 780,19	7 947 307,60	-277 290,55	-39 444 465,08	31 255 811,03	493 703 007,38
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	9 553 048,22	9 553 048,22
Total profit / (loss) recognised in equity and net earnings	10 814 656,00	0,00	7 490 208,19	475 916 780,19	7 947 307,60	-277 290,55	-39 444 465,08	40 808 859,25	503 256 055,60
Increase / decrease from profit	0,00	0,00	0,00	24 198 772,07	0,00	0,00	7 057 038,96	-31 255	0,00

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distribution								811,03	
As at 31 December 2012	10 814 656,00	0,00	7 490 208,19	500 115 552,27	7 947 307,60	-277 290,55	-32 387 426,12	9 553 048,22	503 256 055,60

C. SUPPLEMENTARY INFORMATION

SIGNIFICANT PREVIOUS-YEAR EVENTS DISCLOSED IN THE FINANCIAL STATEMENTS

These financial statements of the Group do not disclose any significant events of previous years other than mentioned above (relating to the change of the principles of accounting regarding recognising revenues).

SIGNIFICANT AFTER-BALANCE SHEET DATE EVENTS NOT DISCLOSED IN THESE FINANCIAL STATEMENTS

The interim Financial Statements of the Group for the period from 01 January 2013 to 30 June 2013 disclose all events that occurred until the day of these statements i.e. 30 August 2013 and had effect on the financial statements for the period of six months ended on 30 June 2013.

CHANGES IN THE PRINCIPLES (POLICY) OF ACCOUNTING DURING THE ACCOUNTING YEAR

In the current financial period, i.e. during the first half of 2013, the Group did not make any changes in accounting principles.

FUNCTIONAL AND PRESENTATION CURRENCY

Items presented in the financial statements of particular companies of the Group are measured with the currency of the basic economic environment where the company has a fixed establishment (functional currency). The functional and presentation currency of the parent company is Polish zloty (PLN). The reporting currency of the financial statements of the Group is Polish zloty (PLN). Walutą funkcjonalną niektórych spółek Grupy jest inna waluta niż polski zloty. The functional currency of some companies of the Group is other currency than Polish zloty. Financial statements of those companies, prepared in their functional currencies, are included in these consolidated financial statements upon translation into PLN in accordance with IAS 21.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Intangible assets

The key position of other intangible assets is an integrated SAP system.

Intangible assets	30-06-2013	31-12-2012
a) finished development expenses	0,00	0,00
b) goodwill	12 389 648,22	12 389 648,22
c) other intangible assets	2 975 183,73	3 522 510,44
d) advances on intangible assets	0,00	0,00
Total intangible assets	15 364 831,95	15 912 158,66

Intangible assets are initially disclosed at acquisition price or manufacturing cost.

Upon initial recognition intangible assets are measured at acquisition price or manufacturing cost less amortisation and impairment losses. Intangible assets are amortised with the straight line method for the period of their expected useful life. The period and method of amortisation are verified at the end of each accounting year.

As at 30 June 2013 and 31 December 2012 there were no circumstances requiring the Group to make impairment allowance on intangible assets.

The Group did not conduct in 2013-2012 any development works and no costs were incurred on them. The Companies did not have any advances on intangible assets.

The Management Board of the Parent Company, following a review of the existing depreciation rates in the Group decided with effect from 1 January 2013 to update the existing balance sheet depreciation rates in the Department of "Czarny Potok".

Note 2. Goodwill of subsidiaries

Does not occur.

Note 3. Tangible assets

TANGIBLE ASSETS	30-06-2013	31-12-2012
a) tangible assets, including:	402 849 111,98	429 946 950,19
- land (right of perpetual usufruct)	38 766 055,53	39 408 275,07
- buildings, premises and land and civil engineering facilities	330 090 225,17	353 718 415,78
- technical devices and machinery	20 281 030,90	21 850 646,81
- transport means	1 824 540,21	2 358 412,87
- other tangible assets	11 887 260,16	12 611 199,66
b) constructions in progress	16 825 472,83	16 820 812,90
c) advances on constructions in progress	0,00	0,00
Total tangible assets	419 674 584,81	446 767 763,09

Tangible assets are initially disclosed at acquisition price or manufacturing cost. Upon initial recognition tangible assets are measured at acquisition price or manufacturing cost less amortisation and impairment losses. Tangible assets are amortised with the straight line method for the period of their expected economic useful life.

The assets that are under construction are valued at the amount of the total cost of remaining in direct relation to their acquisition or construction, less accumulated permanent loss of value. The assets under construction are not depreciated until they are completed and commissioned.

The Management Board of the Parent Company, following a review of the existing depreciation rates in the Group decided with effect from 1 January 2013 to update the existing balance sheet depreciation rates in the Department of "Czarny Potok".

Note 4. Investment real estate

Other long-term investments	31-03-2013	31-12-2012
a) investment properties	404 079 050,20	376 747 529,48
b) other	0,00	0,00
Total other long-term investments	404 079 050,20	376 747 529,48

The investment real estate item includes land whose future use is currently undefined and commercial properties which are under construction.

In the first half of 2013, the Group changed the business strategy with respect to property located in Łeba. The property was originally classified as "reserves", as it was intended to implement the investment project on it. Due to changes in the business model, the property will be held in the investment portfolio of the Company in anticipation of the increase in its value.

Note 5. Other financial assets

LONG-TERM FINANCIAL ASSETS	31-03-2013	31-12-2012
a) shares	4 600 629,60	4 600 629,60
b) loans granted	36 478 262,82	21 133 497,97
c) other long-term investments	872 027,04	0,00
Total long-term financial assets	41 950 919,46	25 734 127,57

LONG-TERM FINANCIAL ASSETS	31-03-2013	31-12-2012
a) in subsidiaries	40 382 223,49	25 046 656,93
- shares	4 356 804,98	4 356 804,98
- debt securities	0,00	0,00
- other securities	0,00	0,00
- loans granted	36 025 418,51	20 689 851,95
- other long-term financial assets	0,00	0,00
b) in other parties	1 568 695,97	687 470,64
- shares	243 824,62	243 824,62
- debt securities	872 027,04	0,00
- other securities	0,00	0,00
- loans granted	452 844,31	443 646,02
- other long-term financial assets	0,00	0,00
c) other long-term investments	0,00	0,00
Total long-term financial assets	41 950 919,46	25 734 127,57

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	Name of a unit (and its legal form)	Domicile	Business	Relation	Method of consolidation	Date of assuming control	Value of shares/interests at acquisition price	Write-offs up to book value of in-kind contribution	Carrying value of shares	% of total number of votes in the general meeting
1	TBS Marki Sp.z o.o.	Warsaw	social building	subsidiary	full consolidation	14.11.2003	13 360 000,00	0,00	13 360 000,00	100,00%
2	Business Financial Construction Sp. z o.o.	Warsaw	services	subsidiary	Not consolidated	16.06.2003	4 346 500,00	0,00	4 346 500,00	99,99%
3	Lokum Sp. z o.o.	Warsaw	developer activity	subsidiary	full consolidation	13.09.2005	3 778 500,00	0,00	3 778 500,00	100,00%
4	J.W. Construction Bulgaria Sp. z o.o.	Warsaw (Bulgaria)	developer activity	subsidiary	Not consolidated	08.10.2007	9 854,98	0,00	9 854,98	100,00%
5	Porta Transport Sp. z o.o. w likwidacji	Szczecin	transport	subsidiary	full consolidation	12.11.2007	19 118 737,41	0,00	19 118 737,41	100,00%
6	Yakor House Sp. z o.o.	Soczi (Russia)	developer activity	subsidiary	full consolidation	07.12.2007	9 810 000,00	0,00	9 810 000,00	70,00%
7	J.W. Construction Sp. z o.o.	Ząbki	prefabricated unit production for the building industry	subsidiary	full consolidation	19.02.2008	57 451 956,00	30 430 356,00	27 021 600,00	99,99%
8	JW. Marka Sp. z o.o.	Ząbki	leasing of intellectual property	subsidiary	full consolidation	23.08.2011	155 841 000,00	155 779 575,58	61 424,42	100,00%
9	J.W. Group Sp z o.o.	Ząbki	management of other entities	subsidiary	full consolidation	23.02.2012	50 000,00	0,00	50 000,00	100,00%
10	J.W. Group Sp z o.o. 1 SKA	Ząbki	developer activity	subsidiary	full consolidation	26.03.2012	1 050 000,00	0,00	1 050 000,00	100,00%
11	J.W. Group Sp z o.o. 2 SKA	Ząbki	developer activity	subsidiary	full consolidation	26.03.2012	50 000,00	0,00	50 000,00	100,00%
12	Seahouse Sp. z. o.o.	Ząbki	developer activity	subsidiary	full consolidation	18.10.2012	11 400 000,00	0,00	11 400 000,00	100,00%
13	J.W. 6 Sp. z o.o.	Ząbki	developer activity	subsidiary	full consolidation	16.11.2012	50 000,00	0,00	50 000,00	100,00%

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Indirect ties										
	Name of a unit (and its legal form)	Domicile	Business	Relation	Method of consolidation	Date of assuming control	Value of shares/interests at acquisition price	Write-offs up to book value of in-kind contribution	Carrying value of shares	% of total number of votes in the general meeting
14	SASPOL INFRASTRUKTURA Sp. z o.o. (dawniej Trinity Self Companies Sp. z o.o.)	Warsaw	participation in public tenders as a leader of the consortium	Associate	Not consolidated	06.10.2009	4 644,62	0,00	4 644,62	25,00%
15	TBS Nowy Dom Sp. z o.o.	Ząbki	social building	Associate	Not consolidated	30.09.2006	1 000,00	0,00	1 000,00	2,00%
16	Business Financial Construction Sp. z o.o.	Warsaw	services	subsidiary	Not consolidated	16.06.2003	500,00	0,00	500,00	0,01%
17	Karczma Regionalna Sp. z o.o.	Krynica Górská	hotel activity	subsidiary	Not consolidated	16.12.2004	208 550,00	0,00	208 550,00	8,06%
18	J.W. Construction Sp. z o.o.	Ząbki	prefabricated unit production for the building industry	subsidiary	full consolidation	19.02.2008	50,00	0,00	50,00	0,01%
19	Fabryka Maszyn i Urządzeń FAMAK S.A.	Kluczbork	production	Associate	Not consolidated	12.11.2007	29 630,00	0,00	29 630,00	0,04%

Note 6. Non-current receivables

NON-CURRENT RECEIVABLES	30-06-2013	31-12-2012
a) guarantee receivables	1 944 691,90	1 630 777,30
b) deposit receivables(leasing)	16 817 484,76	16 364 359,90
b) other receivables	0,00	224 888,91
Total receivables	18 762 176,66	18 220 026,11

Non-current receivables include a security deposit for the lease of hotels (securing receivables of the financing party under the sale and lease back agreement) and a guarantee deposit paid by the Company in accordance with the schedule appended to the lease agreement for real estate located in Ząbki (office building).

Note 7. Inventories and construction contracts

INVENTORIES	30-06-2013	31-12-2012
a) materials	2 949 177,72	3 013 489,53
b) semi-finished products and work in progress	1 999 547,67	1 136 208,11
c) finished products	473 145,62	611 581,07
d) goods	24 956 766,55	26 775 040,83
e) trade advances	49,59	10 007,30
Total inventories	30 378 687,15	31 546 326,84

The costs associated with impairment allowances are recognized in statement of comprehensive income of operating activities.

CONSTRUCTION CONTRACTS	30-06-2013	31-12-2012
CONSTRUCTION CONTRACTS (current assets)		
a) semi-finished products and work in progress	229 319 852,08	226 163 774,88
b) finished products	187 979 259,70	282 001 304,83
c) trade advances	3 821 487,11	3 745 460,79
d) short-term prepayments	5 202 031,79	809 384,68
Total construction contracts	426 322 630,69	512 719 925,18
CONSTRUCTION CONTRACTS (current liabilities)		
a) accruals	39 979 461,87	83 810 988,62
Total construction contracts	39 979 461,87	83 810 988,62

The Companies of the Group, in connection with the business activities, incur the loans that are secured with the mortgage on the property. As at 30 June 2013, the Company established securities in the form of mortgages presented in inventories and construction contracts with the value of PLN 411,2 mln and presented in fixed assets with the value of PLN 289,7. The value of the mortgage is established on the amount of the credit granted (or higher), therefore, this amount exceeds the value of the property shown in assets of the Group's Companies. As at 30 June 2013, the loan liabilities amounted to PLN 370,5 mil. (excluding credits of TBS Marki Sp. z o.o., liabilities amount to PLN 266,8 mil).

The Companies of the Group, in connection with the business activities, issue the bonds that are secured with the mortgage on the property. As at 30 June 2013, the Company established securities in the form of mortgages presented in inventories and construction contracts with the value of PLN 355 mil. The value of the mortgage is established on the amount of the bond issued (or higher), therefore, this amount exceeds the value of the property shown in assets of the Group's Companies. As at 30 June 2013, the liabilities from bonds issued are amounted to PLN 296.8 mil.

Accruals	30-06-2013	31-12-2012
-advances on premises	34 925 892,87	66 096 565,90
-works provision	5 052 637,00	17 241 056,83
-other	932,00	473 365,89
The total value of accruals	39 979 461,87	83 810 988,62

Note 8. Trade and other receivables

Impairment allowance was made in accordance with the best knowledge and experience of the Group, by way of detailed analysis of the risk of debt repayment. Income and expenses connected with making and dissolving the allowance were recognised in the income statement under other operating income or expenses.

CURRENT RECEIVABLES	30-06-2013	31-12-2012
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a) trade receivables - related parties	152 761,66	172 560,62
b) trade receivables - other parties	22 748 599,61	36 966 026,95
c) taxes, subsidies, customs duties, social and health insurance and other payments	6 342 935,25	16 388 806,99
d) other	4 882 356,69	3 998 321,62
Total receivables	34 126 653,21	57 525 716,18

Note 9. Other short-term financial assets

SHORT-TERM INVESTMENTS	30-06-2013	31-12-2012
a) shares	0,00	0,00
b) loans granted	795 801,23	13 812 125,19
c) other investments	656 978,29	868 064,85
Total value of short-term investments	1 452 779,52	14 680 190,04

SHORT-TERM INVESTMENTS	30-06-2013	31-12-2012
a) in subsidiaries	295 934,11	13 324 193,03
- shares	0,00	0,00
- debt securities	0,00	0,00
- other securities	0,00	0,00
- loans granted	295 934,11	13 324 193,03
- other short-term financial assets	0,00	1,00
b) in other parties	1 156 845,41	1 355 997,01
- shares	0,00	0,00
- debt securities	0,00	0,00
- other securities	62 181,79	273 268,35
- loans granted	499 867,12	487 932,16
- other short-term financial assets	594 796,50	594 796,50
c) other short-term investments	0,00	0,00
Total value of short-term investments	1 452 779,52	14 680 190,04

Note 10. Cash and cash equivalents

Cash on hand and with bank, as well as current deposits held to maturity are measured at par value.

CASH AND CASH EQUIVALENTS	30-06-2013	31-12-2012
a) cash on hand and with bank	10 354 908,86	11 136 116,35
b) other cash	162 660,99	5 569 568,03
c) other cash equivalents	3 370,63	23 394,13
Total cash	10 520 940,48	16 729 078,51

Note 11. Short-term prepayments

ACCRUALS	30-06-2013	31-12-2012
- short-term prepayments	14 720 479,76	13 429 341,41
The total value of accruals	14 720 479,76	13 429 341,41

Accruals	30-06-2013	31-12-2012
- property insurance	169 726,23	144 214,36
- interest	2 855 971,90	3 619 040,08
- commission expenses	7 258 735,93	6 863 213,12
- property tax, perpetual usufruct, road tax	2 344 618,23	0,00
- other	2 091 427,47	2 802 873,85
The total value of accruals	14 720 479,76	13 429 341,41

Other prepaid expenses of the Group record costs incurred in connection with deferred income. The main item are expenses incurred on commissions received by salesmen for sale of apartments. The said commissions are allocated to concrete apartments/premises sold by the Group and are deferred until premises are delivered to the buyer.

Note 12. Share capital

SHARE CAPITAL (STRUCTURE) as at 30 June 2013								
Class / issue		Type of preference	Types of restrictions on rights to shares	Number of shares	Par value of class/issue	Coverage of capital	Registration Date	Right to Dividend (from)
		shares						

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Share type							
A and B	bearer	-	54 073 280	10 814 656	Assets from transformed company TBM Batory Sp. z o.o. / cash	01.07.2010	
Total number of shares			54 073 280				
Total share capital				10 814 656			
Par value of one share = PLN 0.20							

On 18 May 2010, the General Meeting („General”) adopted the Resolution No.26 on the basis of which the District Court of the Capital City of Warsaw XIV Division of the National Court Register registered on 1 July 2010 the decrease in share capital of the Company from PLN 10.939.656 to PLN 10.814.656 that is PLN 125,000 by cancellation of 625,000 shares. The General was recorded in the minutes by a notary form Warsaw Krzysztof Kruszewski under a notarial deed with a number Rep. A 6811/2010.

Redeemed shares were owned by the Company which were acquired on the basis of the Resolution No.26 of the General Meeting of 19 June 2008 as a result of purchasing its own shares for redemption. Redeemed shares were purchased by net profit contained in the supplementary capital, in accordance with the Article 360.2.2 of the Code of Commercial Companies there was no convocation procedure. The average price of redeemed shares amounted to PLN 7,09.

At 30 June 2013 the shareholding structure was as follows:

Podmiot	Number of shares held	% of share capital	Number of votes	% of total number of votes in the General Meeting
Józef Wojciechowski	15.413.713	28,51 %	15.413.713	28,51 %
EHT S.A. domiciled in Luxembourg	18.568.300	34,34 %	18.568.300	34,34 %
Other*	20.091.267	37,15 %	20.091.267	37,15 %

* w tym

Investment funds manager by PKO TFI S.A.	Between 5 and 10 % of shares ^x
Pioneer Pekso TFI S.A.	Between 5 and 10 % of shares ^{xx}

^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 must 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.

^{xx} on 22 November 2011, the Company received a notification on a decrease below 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 that day it was 5.382.182 shares representing 9.95 % of the share capital of the Company entitling to 5.382.182 votes at the General Meeting of the Company representing 9.95% of the total number of votes. In accordance with applicable law, a shareholder must notify the Company of exceeding the threshold of 5% and 10% of the total number of shares of the Company

Mr. Józef Wojciechowski controls EHT S.A. domiciled in Luxembourg.

Informacje o akcjonariuszach spółki na dzień sporządzenia sprawozdania

Company	Number of shares held	% of share capital	Number of votes	% of total number of votes in the General Meeting
Józef Wojciechowski	15.413.713	28,51 %	15.413.713	28,51 %
EHT S.A. domiciled in Luxembourg	18.568.300	34,34 %	18.568.300	34,34 %
Other*	20.091.267	37,15 %	20.091.267	37,15 %

* including

Investment funds manager by PKO TFI S.A.	Between 5 and 10% of the shares ^x
Pioneer Pekso TFI S.A.	Between 5 and 10% of the shares ^{xx}

^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 must 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.

^{xx} on 22 November 2011, the Company received a notification on a decrease below 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 that day it was 5.382.182 shares representing 9.95 % of the share capital of the Company entitling to 5.382.182 votes at the General Meeting of the Company representing 9.95% of the total number of votes. In accordance with applicable law, a shareholder must 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

Mr. Józef Wojciechowski controls EHT S.A. domiciled in Luxemburg.

Nota 13. Other capital

OTHER CAPITAL	30-06-2013	31-12-2012
a) supplementary capital	488 759 766,41	500 115 552,27
b) other reserve capital	7 947 307,60	7 947 307,60
c) translation reserve	-228 545,45	-277 290,55
Total other capital	496 478 528,56	507 785 569,32

The Group's supplementary capital comes from the retained earnings that were obtained in the previous years, and from the surplus value of the issue over the nominal value of issued shares.

Note 14. Borrowings

BORROWINGS	30-06-2013	31-12-2012
a) credits	370 499 507,57	385 578 602,63
<i>of which: long-term</i>	<i>229 809 079,23</i>	<i>240 457 011,34</i>
<i>Short-term</i>	<i>140 690 428,34</i>	<i>145 121 591,29</i>
b) loans	3 965 503,69	3 284 400,19
<i>of which: long-term</i>	<i>1 025 788,89</i>	<i>0,00</i>
<i>Short-term</i>	<i>2 939 714,80</i>	<i>3 284 400,19</i>
Total borrowings	374 465 011,26	388 863 002,82
Borrowings - long-term	230 834 868,12	240 457 011,34
Borrowings - short-term	143 630 143,14	148 405 991,48

In the first half of 2013 and from the balance sheet date of these financial statements none of the concluded credit agreements was terminated by the bank.

KREDYTY WEDŁUG TERMINU WYMAGALNOŚCI	30-06-2013	31-12-2012
Do 1 roku	140 690 428,34	145 121 591,29
Powyżej 1 roku do 2 lat	70 291 712,70	63 300 760,00
Powyżej 2 lat do 5 lat	57 604 736,48	53 043 392,09
Powyżej 5 lat	101 912 630,05	124 112 859,25
Razem kredyty, w tym:	370 499 507,57	385 578 602,63
- długoterminowe	229 809 079,23	240 457 011,34
- krótkoterminowe	140 690 428,34	145 121 591,29

LOANS PER MATURITY	30-06-2013	31-12-2012
Up to 1 year	2 939 714,80	3 284 400,19
Over 1 year up to 2 years	1 025 788,89	0,00
Over 2 year up to 5 years	0,00	0,00
Over 5 years	0,00	0,00
Total loans, including:	3 965 503,69	3 284 400,19
- long-term	1 025 788,89	0,00
- short-term	2 939 714,80	3 284 400,19

including TBS Marki Sp. z o.o. - loans taken by the Company of TBS Marki Sp. z o.o – the company from the Group, which took the loan from the National Housing Fund on an entirely separate conditions, regulated by the Ordinance of 26 October 1995 in the Act on Some Forms of Supporting Housing Construction (Journal of Laws 00.98.1070.unitary text)

BORROWINGS	30-06-2013	31-12-2012
a) credits	103 727 662,43	104 355 771,00
<i>of which: long-term</i>	<i>98 985 162,23</i>	<i>99 653 557,92</i>
<i>Short-term</i>	<i>4 742 500,20</i>	<i>4 702 213,08</i>
b) loans	0,00	0,00
<i>of which: long-term</i>	<i>0,00</i>	<i>0,00</i>

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<i>Short-term</i>	<i>0,00</i>	<i>0,00</i>
Total borrowings	103 727 662,43	104 355 771,00
Borrowings - long-term	98 985 162,23	99 653 557,92
Borrowings - short-term	4 742 500,20	4 702 213,08

LOANS PER MATURITY	30-06-2013	31-12-2012
Up to 1 year	4 742 500,20	4 702 213,08
Over 1 year up to 2 years	4 742 500,20	4 702 213,08
Over 2 year up to 5 years	14 227 500,60	14 106 639,24
Over 5 years	80 015 161,43	80 844 705,60
Total loans, including:	103 727 662,43	104 355 771,00
- long-term	98 985 162,23	99 653 557,92
- short-term	4 742 500,20	4 702 213,08

Note 15. Deferred income tax assets and liabilities

In the presented period deferred income tax assets and deferred income tax liabilities were not compensated as temporary differences arising from various items and reversed in various periods are not subject to compensation.

	30-06-2013		
	Deferred income tax assets	Deferred tax liabilities	Net value
DEFERRED INCOME TAX ASSETS AND DEFERRED INCOME TAX LIABILITIES	30 023 885,98	25 282 621,32	4 741 264,66

Note 16. Retirement benefit obligations

CHANGE IN RETIREMENT BENEFIT OBLIGATIONS	30-06-2013	31-12-2012
Opening balance	455 276,52	633 000,00
Increases	0,00	0,00
Decreases	0,00	177 723,48
Closing balance	455 276,52	455 276,52

Note 17. Provision for other liabilities and charges

PROVISIONS FOR OTHER LIABILITIES AND CHANGES	30-06-2013	31-12-2012
a) short-term, of which:	16 052 980,10	16 003 544,37
- accrued expenses, including:	15 281 939,31	15 232 503,58
- <i>interests charged</i>	2 168 216,64	2 206 281,27
- <i>rent deposits</i>	477 649,38	477 649,38
- <i>other</i>	12 636 073,29	12 548 572,93
- other provisions, including:	771 040,79	771 040,79
- <i>other provisions</i>	771 040,79	771 040,79
a) long-term, of which:	55 577 864,94	56 005 157,45
- accrued expenses, including:	55 577 864,94	56 005 157,45
- <i>participation in costs of construction - TBS Marki</i>	49 219 563,05	49 452 698,07
- <i>deferred income- loan remittance-TBS Marki</i>	6 204 863,02	6 092 142,78
- <i>deferred surplus of revenues from sales over the carrying value/sale and lease back</i>	153 438,87	460 316,60
Total provisions for other liabilities and charges	71 630 845,04	72 008 701,82

Note 18. Other non-current liabilities

OTHER NON-CURRENT LIABILITIES	30-06-2013	31-12-2012
a) lease obligations	34 910 624,51	37 453 980,19
b) deposit liabilities	7 091 658,72	6 828 954,16
c) other non-current liabilities	4 827 292,56	5 242 504,87
d) note liabilities	4 127 209,41	92 883 177,27
e) bonds	291 900 000,00	200 700 000,00
Total other liabilities	342 856 785,20	343 108 616,49

On 24 April 2013, the Company swapped liabilities for bonds issued from promissory notes in the total number of 9,120 bearer bonds with a nominal value of 10,000 each and a total of PLN 91.2 mil. Redemption of bonds was set for 26 January 2016

Note 19. Trade and other payables

TRADE AND OTHER PAYABLES	30-06-2013	31-12-2012
a) trade payables - other parties	54 700 579,75	85 330 575,12
b) trade payables - related parties	1 340 121,00	1 300 949,05
c) taxes, customs duties, insurance and other payments	7 473 963,27	11 691 667,37
d) salaries	1 483 410,92	2 494 368,63
e) trade advances received	0,00	0,00
f) other	8 369 320,20	8 804 357,57
Total trade and other payables	73 367 395,14	109 621 917,74

OTHER LIABILITIES	30-06-2013	31-12-2012
a) debt securities issue- liabilities	4 955 212,01	28 856 972,00
b) note liabilities	0,00	0,00
c) lease liabilities	5 908 911,58	5 884 216,61
d) other financial liabilities	0,00	0,00
Total other liabilities	10 864 123,59	34 741 188,61

Note 20. Risk Management

Risk management is described under the Management Commentary.

Note 21. Earnings per share

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	01-01-2013 to 30-06-2013	01-01-2012 to 30-06-2012
Profits		
(A) Profit disclosed in the consolidated financial statements	5 146 103,56	8 579 815,23
Number of shares		
(B) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating earnings per share *	54 073 280,00	54 073 280,00
(C) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share	54 073 280,00	54 073 280,00
Basic earnings per share = (A)/(B)	0,10	0,16
Diluted earnings per share = (A)/(B)	0,10	0,16

* In accordance with IAS 33 "Earnings Per Share" the number of shares assumed for calculation of basic earnings per share was the weighted average number of shares during a given period. The said number was established as the number of shares as at the beginning of the given period adjusted by the number of shares bought back or issued during such period, weighted with an index reflecting the period of such number of shares (number of days of existence of shares to total number of days in a given period - from the day of share capital increase registration). During the analysed period there were no circumstances to dilute the number of shares.

Note 22. Income tax

INCOME TAX	From 01-01-2013 to 30-06-2013	From 01-01-2012 to 30-06-2012
a) Current income tax	99 303,00	831 305,32
b) deferred income tax	1 008 981,38	1 237 366,31
Total Income tax	1 108 284,38	2 068 671,63

Note 23. Segment Reporting Branch Segments

As assumed, the primary division of activity into segments is the division based on branch segments. The business of the Group is conducted mainly in three following segments:

- developer activity
- social building
- hotel activities

Pursuant to IFR14 'Reporting concerning segments of activity', when drawing up financial data

concerning particular segments of activity, according to the principle applied revenue and expenses along with assets and liabilities of a segment are established before the moment of consolidation when the settlement of balance sheet statements and transactions carried out among the Group's economic entities are excluded, with an exception of cases where this type of settling balances among entities were done within one segment. Internal transactions within the segment's framework were eliminated. Financial data concerning the particular segments of activity include individual financial statements of Group's companies without the exclusions of balance sheet statements and transactions made, while the exclusion of revenue, expenses and mutual statements were presented in the 'Elimination' column. Developer activity in which consolidation of individual statements of companies running this kind of business was made, is an exception. In 2013, the segment was comprised of the following entities: JW. Construction Holding SA, Lokum Sp. z o.o.. The primary kind of goods and services within the framework of each branch segment:

- developer activity- the implementation of the building, designing and supporting production and sale of properties,
- social housing construction - sale and administration of social building estates,
- other construction - implementation of construction - assembly production
- transport services,
- hotel activities - catering and hotel services connected with the organization of tourism and recreation.

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from 01-01-2013 to 30-06-2013	Developer activity	Hotel activity	social building	construction	Transport and other	eliminations	Total
Net revenues from sales of products, goods and materials, of which:	138 561 812,32	11 188 520,35	6 924 597,03	38 410 945,41	1 464 471,47	-15 226 464,79	181 323 881,79
Net revenues from sales of products	137 754 981,19	11 188 520,35	6 922 597,03	38 045 317,61	0,00	-15 197 299,95	178 714 116,23
Net revenues from sales of goods and materials	806 831,13	0,00	2 000,00	365 627,80	1 464 471,47	-29 164,84	2 609 765,56
Costs of products, goods and materials sold, of which:	99 343 915,91	15 306 089,06	4 101 151,31	38 355 202,69	678 685,33	-15 127 568,23	142 657 476,07
Manufacturing cost of products sold	97 698 398,42	15 306 089,06	4 080 422,34	38 095 438,48	678 685,33	-15 098 403,39	140 760 630,24
Value of goods and materials sold	1 645 517,49	0,00	20 728,97	259 764,21	0,00	-29 164,84	1 896 845,83
Gross profit (loss) on sales	39 217 896,41	-4 117 568,71	2 823 445,72	55 742,72	785 786,14	-98 896,56	38 666 405,72
Selling expenses	8 233 610,38	830 171,79	0,00	13 850,19	0,00	-149 674,15	8 927 958,21
Overhead expenses	7 862 273,38	426 667,09	438 037,71	1 186 304,13	796 392,08	-113 312,67	10 596 361,72
Revaluation of investment properties	3 451 614,70	0,00	0,00	0,00	0,00	0,00	3 451 614,70
Profit (loss) on sales	26 573 627,34	-5 374 407,59	2 385 408,01	-1 144 411,60	-10 605,94	164 090,26	22 593 700,48
Other operating income	2 694 676,40	269 299,91	124 232,76	2 398 227,14	41,40	405 644,47	5 892 122,08
Other operating expenses	1 138 273,23	2 426 740,10	341 958,88	716 350,56	-445 723,44	0,80	4 177 600,13
Operating profit (loss)	28 130 030,51	-7 531 847,78	2 167 681,89	537 464,98	435 158,90	569 733,93	24 308 222,43
Financial income	2 618 663,05	317 953,10	694 085,57	721 293,32	431 285,39	-959 838,03	3 823 442,40
Financial expenses	18 765 911,35	2 392 600,27	2 148 801,40	353 867,19	650,00	-1 784 553,32	21 877 276,89
Profit (loss) on ordinary activities	11 982 782,21	-9 606 494,95	712 966,06	904 891,11	865 794,29	1 394 449,22	6 254 387,94
Gross profit (loss)	11 982 782,21	-9 606 494,95	712 966,06	904 891,11	865 794,29	1 394 449,22	6 254 387,94
Net profit (loss)	9 839 219,00	-8 531 416,86	706 874,06	1 043 958,27	691 377,29	1 396 091,80	5 146 103,56

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from 01-01-2012 to 30-06-2012	Developer activity	Hotel activity	social building	construction	Transport and other	eliminations	Total
Net revenues from sales of products, goods and materials, of which:	113 508 898,76	7 274 440,88	6 884 660,13	97 720 022,92	4 589 251,13	-74 539 370,90	155 437 902,92
Net revenues from sales of products	113 035 133,70	7 274 440,88	6 884 660,13	95 501 267,76	4 589 251,13	-73 565 478,79	153 719 274,81
Net revenues from sales of goods and materials	473 765,06	0,00	0,00	2 218 755,16	0,00	-973 892,11	1 718 628,11
Costs of products, goods and materials sold, of which:	72 586 623,77	7 506 002,89	3 532 086,98	96 782 391,04	3 193 097,54	-71 807 788,66	111 792 413,56
Manufacturing cost of products sold	72 493 498,71	7 506 002,89	3 532 086,98	95 093 203,19	3 193 097,54	-70 833 896,55	110 983 992,76
Value of goods and materials sold	93 125,06	0,00	0,00	1 689 187,85	0,00	-973 892,11	808 420,80
Gross profit (loss) on sales	40 922 274,99	-231 562,01	3 352 573,15	937 631,88	1 396 153,59	-2 731 582,24	43 645 489,36
Selling expenses	10 189 024,46	0,00	0,00	68 099,89	0,00	0,00	10 257 124,35
Overhead expenses	11 341 801,60	161 788,78	491 321,29	1 820 398,49	1 204 030,47	-137 254,07	14 882 086,56
Revaluation of investment properties	10 605 809,25	0,00	0,00	0,00	0,00	0,00	10 605 809,25
Profit (loss) on sales	29 997 258,18	-393 350,79	2 861 251,86	-950 866,50	192 123,12	-2 594 328,17	29 112 087,70
Other operating income	16 331 772,41	231 160,92	34 152,04	822 493,70	1 518 004,02	-2 004 892,39	16 932 690,70
Other operating expenses	5 647 916,27	3 000,67	75 991,29	921 633,79	2 074 434,74	-2 837 334,43	5 885 642,33
Operating profit (loss)	40 681 114,32	-165 190,54	2 819 412,61	-1 050 006,59	-364 307,60	-1 761 886,13	40 159 136,07
Financial income	4 014 705,16	364 692,06	832 775,02	879 985,02	340 870,54	-1 842 550,20	4 590 477,60
Financial expenses	29 841 100,48	748 541,36	2 151 247,73	524 338,64	3 456,56	832 442,04	34 101 126,80
Profit (loss) on ordinary activities	14 854 719,00	-549 039,84	1 500 939,90	-694 360,21	-26 893,62	-4 436 878,37	10 648 486,87
Gross profit (loss)	14 854 719,00	-549 039,84	1 500 939,90	-694 360,21	-26 893,62	-4 436 878,37	10 648 486,87
Income tax	2 358 023,97	43 730,10	16 178,00	-94 288,08	237 950,00	-492 922,35	2 068 671,63
Net profit (loss)	12 496 695,03	-592 769,94	1 484 761,90	-600 072,13	-264 843,62	-3 943 956,02	8 579 815,23

NOTES TO THE CONSOLIDATED INCOME STATEMENTS

Note 24. Operating income

OPERATING INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Revenues from sales of products	133 258 499,02	114 851 970,74
Revenues from sales of services	46 920 088,68	38 867 304,07
Revenues from sales of goods	1 145 294,09	1 718 628,11
Total income	181 323 881,79	155 437 902,92

	From 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Revenues from sales, of which:	181 323 881,79	155 437 902,92
- from sales of products - units, plots, buildings	132 266 329,02	110 219 024,55
- sales of products - other	992 170,00	4 632 946,19
- sales of services	46 920 088,68	38 867 304,07
- sales of goods	1 145 294,09	1 718 628,11

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Revenues from sales of products and services per business segment	180 178 587,70	153 719 274,81
- developer activity	139 669 240,68	117 979 102,98
- hotel activities	11 188 520,35	7 274 440,88
- social building	6 922 597,03	6 884 660,13
- transport services,	0,00	121 075,50
- construction	22 398 229,64	21 459 995,32

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Revenues from sales of products - premises, plots, buildings per geographic segments	132 266 329,02	110 219 024,55
- Warsaw and vicinity	121 358 809,43	84 695 618,63
- Gdynia	430 514,86	939 020,13
- Łódź	10 477 004,73	318 439,79
- Sopot	0,00	24 265 946,00

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Revenues from sales of hotel services per geographic segments	11 188 520,35	7 274 440,88
- Warsaw and vicinity	2 156 312,13	2 771 587,87
- Tarnowo	2 268 905,39	2 422 724,32
- Stryków	1 515 780,32	1 268 212,44
- Cieszyn	392 629,32	504 111,24
- Krynica Górská	4 854 893,19	307 805,01

Note 25. Operating expenses

Operating expenses	od 01-01-2013 do 30-06-2013	od 01-01-2012 do 30-06-2012
Costs on sale of products	96 759 446,21	79 946 555,88
Costs on sale of services	44 001 184,03	31 037 436,88
Costs on sale of goods	1 896 845,83	808 420,80
Total costs of products, services and goods sold	142 657 476,07	111 792 413,56

Selling and overhead expenses	od 01-01-2013 do 30-06-2013	od 01-01-2012 do 30-06-2012
Selling expenses	8 927 958,21	10 257 124,35
Overhead expenses	10 596 361,72	14 882 086,56
Total selling and overhead expenses	19 524 319,93	25 139 210,91

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Costs by type	From 01-01-2013 to 30-06-2013	From 01-01-2012 to 30-06-2012
Depreciation and amortisation	7 007 386,03	5 418 192,20
Cost of materials and energy	9 213 802,32	163 195 882,20
Services made by other contractions	56 220 878,81	109 037 998,03
Taxes and duties	4 782 507,37	6 318 817,70
Wages and Salaries	14 302 868,49	17 788 822,13
Services for the benefit of employees	2 545 908,98	3 317 973,47
Other costs	5 743 760,00	6 375 722,36
Total costs according to types	99 817 112,00	311 453 408,09

Note 26. Other operating income

OPERATING INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) profit from disposal of non-financial fixed assets	0,00	0,00
b) other operating income	5 892 122,08	17 706 312,31
Total operating income	5 892 122,08	17 706 312,31

OPERATING INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) profit from disposal of non-financial fixed assets	0,00	0,00
b) handling charges	0,00	14 179 556,02
c) provisions	491 060,05	2 122 666,59
d) other	5 401 062,03	1 404 089,70
Total operating expenses	5 892 122,08	17 706 312,31

Note 27. Other operating expenses

KOSZTY OPERACYJNE	From 01-01-2013 to 30-06-2013	From 01-01-2012 to 30-06-2012
OPERATING EXPENSES	1 380 506,61	839 509,78
a) loss on disposal of non-financial fixed assets	0,00	2 000 000,00
b) revaluation of non-financial assets	2 797 093,52	3 819 754,16
c) other operating expenses	4 177 600,13	6 659 263,94

OPERATING EXPENSES	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) loss on disposal of non-financial fixed assets	1 380 506,61	839 509,78
b) revaluation of non-financial assets		2 000 000,00
c) provisions	383 932,29	0,00
d) compensation, penalties and damages	519 403,21	503 975,01
e) compensation fee	15 530,66	28 952,72
f) cost of renovation of TBS Marki	0,00	0,00
g) other	1 878 227,36	3 286 826,43
Total operating expenses	4 177 600,13	6 659 263,94

Note 28. Financial income

FINANCIAL INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) dividends	0,00	0,00
b) interest	1 042 883,91	4 452 139,64
c) profit from investment disposal	824 768,88	0,00
d) other	1 955 789,61	138 337,96
Total financial income	3 823 442,40	4 590 477,60

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Financial income	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) dividends	0,00	0,00
b) interests from customers	316 059,42	408 237,13
c) loan interests	307 665,46	416 508,69
d) deposit interests	41 097,21	351 812,98
e) bill interests	34 808,03	35 403,64
f) other interests	343 253,79	3 240 177,20
g) foreign exchange differences	1 955 789,61	0,00
h) other	824 768,88	138 337,96
Total	3 823 442,40	4 590 477,60

Note 29. Financial expenses

KOSZTY FINANSOWE	from 01-01-2013 to 30-06-2013	From 01-01-2012 to 30-06-2012
FINANCIAL EXPENSES	21 745 823,65	17 417 746,99
a) interests	0,00	14 430 895,92
b) loss on disposal of investments	131 453,24	2 252 483,90
c) other	21 877 276,89	34 101 126,80

FINANCIAL EXPENSES	from 01-01-2013 to 30-06-2013	From 01-01-2012 to 30-06-2012
a) interest, commission, credits	9 770 956,07	5 509 918,62
b) interest - leases	1 154 634,35	1 460 839,35
c) interest-loans	56 183,50	0,00
d) interest-bills	2 444 032,14	5 409 599,77
e) interest-bond issue	5 818 945,99	4 984 171,17
f) other interests	2 501 071,60	400 223,28
g) loss on disposal of investments	0,00	14 430 895,92
h) other	131 453,24	1 905 478,70
Total financial expenses	21 877 276,89	34 101 126,81

Note 30. Transactions with related parties

All transactions with the related parties were concluded on market terms.

BALANCES WITH RELATED PARTIES (from the viewpoint of the parent company) *

No.	COMPANY NAME	Receivables from related parties		Liabilities to related parties	
		30-06-2013	31-12-2012	30-06-2013	31-12-2012
1.	TBS Marki Sp. z o.o.	8 272,21	73 441,01	28 856 211,33	26 247 753,11
2.	Business Financial Construction Sp. z o.o.	157 496,10	152 157,80	2 988 927,72	2 954 633,60
3.	Lokum Sp. z o.o.	257 920,01	257 920,01	0,00	0,00
4.	J.W.Bulgaria	36 313 770,72	34 014 045,58	0,00	0,00
5.	Porta Transport Sp. z o.o.w likwidacji	29 520,00	31 491,69	12 285 537,79	11 258 140,04
6.	Yakor House Sp.z o.o.	16 830 360,64	15 316 561,38	0,00	0,00
7.	J.W. Construction Sp. z o.o.	3 791 581,56	22 728 679,96	58 602 484,45	109 062 218,19
8.	Saspol Infrastruktury Sp. z o.o.	51 414,77	49 836,70	0,00	0,00
9.	J.W. Marka Sp. z o. o.	36 624,67	4 602 419,73	378 968,79	5 637 903,61
10.	J.W.Group Sp. z o.o.	18 571,64	16 551,81	0,00	0,00
11.	J.W.Group Sp. z o.o. 1 SKA	174 452 158,29	168 049 284,27	483 572,80	0,00
12.	J.W.Group Sp. z o.o. 2 SKA	10 651,80	10 651,80	0,00	0,00
13.	Seahouse Sp. z o.o.	211 455,77	1 990 536,00	301 326,30	369,00
14.	J.W.6 Sp. z o.o.	25 310,28	25 310,28	0,00	0,00

* In the above statement, the settlement balances are presented with related entities from the perspective of the parent company. These balances include the amounts of the following transactions titles between entities: receivables and liabilities in respect of supplies and services, loans, expenses re-invoicing, paid deposits, advances and other transactions, except for amounts resulting from the valuation of construction contracts that were concluded by the parent company with special purpose vehicle (SPV) (over PLN 200,000).

Note 31. Remuneration of members of authorities of the Company

The remuneration for 2013 is presented below. The tables contain aggregate data of members of authorities of all companies of the Parent Company per remuneration for offices held in Group Companies, employment in Group Companies and other forms of remuneration.

Remuneration of the Management Board	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
For offices held in the Group	430 210,95	564 375,00
For employment in the Group	22 527,23	322 891,30
Other remuneration in the Group	0,00	1,00
Total remuneration	452 738,18	887 267,30

Remuneration of the Supervisory Board	From 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
For offices held in the Group	186 000,00	129 000,00
For employment in the Group	0,00	0
Other remuneration in the Group	0,00	0
Total remuneration	186 000,00	129 000,00

JW Construction Holding S.A.	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Management Board		
Rajchert Wojciech	120 000,00	154 000,00
Starzyńska Magdalena	90 450,00	73 375,00
Łopuszyńska Irmina	126 000,00	151 000,00
Konkel Anna	42 095,24	0,00
Ostrowska Małgorzata	25 665,71	0,00
Wójcik Robert	26 000,00	154 000,00
Panabażys Tomasz	0,00	32 000,00
Malinowska Bożena	0,00	0,00
Supervisory Board		
Król Jarosław	12 000,00	12 000,00
Michnicki Marcin	0,00	12 000,00
Oleksy Józef	81 000,00	93 000,00
Podsiadło Andrzej	12 000,00	12 000,00
Samarcew Marek	81 000,00	0,00
Wojciechowski Józef	0,00	0,00

Other Companies of the Capital Group	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Management Board		
Rajchert Wojciech	0,00	0,00
Starzyńska Magdalena	1 803,23	0,00
Łopuszyńska Irmina	0,00	24 000,00
Konkel Anna	0,00	0,00
Ostrowska Małgorzata	20 724,00	0,00
Wójcik Robert	0,00	0,00
Panabażys Tomasz	0,00	168 891,30
Malinowska Bożena	0,00	130 000,00
Supervisory Board		
Król Jarosław	0,00	0,00
Michnicki Marcin	0,00	0,00
Oleksy Józef	0,00	0,00
Podsiadło Andrzej	0,00	0,00

Samarcew Marek	0,00	0,00
Wojciechowski Józef	0,00	0,00

Average headcount per occupational groups (Capital Group)

Occupational Group	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Management Board	8	9
Managers	31	47
Administration	236	270
Other employees	141	292
Total	416	618

Contracts	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Employment contract	416	618
Commission contract	199	110
Contracts for a specific task	5	13
Total	620	741

Note 32. Significant events during the accounting year

Corporate Affairs

General Meeting

On 12 March 2013 the Extraordinary General Meeting of Shareholders of J.W. Construction Holding S.A. was held, which decreased the amount of remuneration of the Member of Company's Supervisory Board, delegated by Supervisory Board under the article 390 §1 of Commercial Companies Code for the independent and individual supervision over the Company Management.

On 25 June 2013 the General Meeting was held, which approved unitary financial statements, consolidated financial statements for 2012, 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 General Meeting repealed the Resolution No. 27 of 18 May 2010 on the issue of convertible bonds, made changes to the Articles of Association by deleting the provisions concerning the possibility of conditional share capital increase and the possibility of a capital increase within the authorized capital.

Management Board of the Company

In the reporting period, there were following changes in the Management Board:

On 07 February 2013, the Company received declaration of Mr. Robert Wójcik (Member of the Board) on the resignation on 09 February 2013 from the participation in Company Management Board.

On 17 April 2013, the following have been appointed to Management Board:

- Anna Konkel as Member of the Management Board
- Małgorzata Ostrowska as Member of the Management Board

Concluding loan agreements

On 29 January 2013, the Company concluded the investment credit agreement with PKO BP SA Bank in the amount of PLN 10,955,252 for refinancing the construction of part of residential premises, constructed within the frames of "Lewandów Park II" housing development in Warsaw. The repayment date was set on 31 December 2014.

On 29 May 2013, the Seahouse Sp. z o.o. company concluded an agreement with Bank Zachodni WBK SA on loan in the amount of PLN 12,717,422.80 for financing part of residential investment realization – "Rezydencja Redłowo" in Gdynia.

On 24 June 2013, the Company concluded a non-revolving credit agreement in the amount of PLN 10,000,000 with Invest Bank SA, dedicated to finance a current activity. The repayment date was set on 31 October 2014.

Conclusion of the annex to the credit agreement

On the 21 January 2013 the Company concluded an Annex to the overdraft credit agreement with Bank Millennium S.A. By virtue of the Annex, the credit repayment date was set on 22 January 2014.

On the 15 February 2013, the Company concluded an Annex to the revolving credit facility agreement with Bank Millennium S.A. dedicated to the co-finance of "Oaza Piątkowo" investment realization in Poznań. By virtue of the Annex, the amount of the loan granted was lowered from PLN 21,000,000 to PLN 20,000,000 and the credit use period and repayment date were postponed. The final repayment date is set on 30 June 2015.

On the 25 April 2013, the Company concluded an Annex to the revolving credit agreement with Bank Polskiej Spółdzielczości S.A. in the amount of PLN 10,000,000, dedicated to the finance of current activity. By virtue of the Annex, the credit use period and repayment date were postponed. The final repayment date is set on 25 April 2014.

On the 25 April 2013, the Company concluded an Annex to the overdraft facility agreement with Invest Bank S.A. in the amount of PLN 15,000,000. By virtue of the Annex, the credit use period and repayment date were postponed. The new repayment date is set on 25 April 2014.

On the 26 April 2013, the Company concluded an Annex to the overdraft agreement with PKO BP S.A. in the amount of PLN 10,000,000. By virtue of the Annex, the credit use period and repayment date were postponed. The new repayment date is set on 27 April 2014.

Credit repayment

On 9 May 2013, the Company fully repaid the overdraft facility granted by Invest Bank S.A. for the co-finance the realization of "Tymienieckiego II" investment in Łódź.

Occupancy permits

On 12 March 2013, the Company received the decision on the occupancy permit of multi-family housing development "Osiedle Światowida" at Światowida street in Warsaw. The permit is final.

On 14 March 2013, the Company received the decision on the occupancy permit of multi-family housing development "Zielona Dolina" at Zdziarska street in Warsaw. The permit is final.

A building permit

On 3 April 2013, the Company of Group – J.W. Group Sp. z o.o. 1 S.K.A. – received the decision on building permission of the first stage of multi-family housing development "Bliska Wola" at Ordona/Kasprzaka street in Warsaw. The permit is final.

Bonds

Changing the terms of issue

On 24 January 2013, the Board Management passed a resolution, on the basis of which has changed the terms of the issue of bonds, issued pursuant to the Resolution of 26 April 2012, a total of 9,500 units with a nominal value of PLN 10,000 each and a total value of PLN 95 million identified in the NDFS system as PLJWC0000043, on the issue of which, the Company informed in the current report no 14/2012 of 27 April 2012 in respect of: (i) the maturity of the bond, which was changed from 27 April 2015 to 25 January 2016, (ii) completion of table of interest with three new periods of interest falling respectively from 2015-04-24 to 2015-07-24 from 2015-07-24 to 2015-10-23 and from 2015-10-23 to 2016-01-25; (iii) interest rates by increasing the margin by 0.75%, in force since 25 January 2013. the Company obtained the consent of all bondholders to change the above terms of the issue.

The issue of Bonds

On 25 January 2013, the Company issued a total number of 1,057 secured bonds with a nominal value of PLN 100,000 each and total value of PLN 105,700,000 for which the issue price corresponds the nominal value and the interest was determined on the basis of WIBOR 3M plus margin ("Bonds"), thus the maturity date was set on the 25 January 2016. The bonds were used to partially finance the debt from the A series bonds issued by the Company on the basis of the Resolution No. 1 of the Company Management of 18 June 2010, registered in the National Depository for Securities S.A. in Warsaw, under the ISIN code of PLJWC0000035. The bonds were paid in bonds of series A. As a result of the issue of Bonds, from the deposit of securities held by the National Depository for Securities, 1057 series A bonds marked with ISIN code PLJWC0000035 were deregistered and 243 bonds remained. Bonds entitle bondholders to receive payments on the redemption of 10% of nominal value on 25 April 2014 and 25 April 2015. The redemption installments mentioned above reduce the amount of the redemption of the Bonds, attributable to the payment of the final maturity date. Interest is paid quarterly. The bonds are secured by establishing:

(1) joint mortgage in the amount of PLN 135 million for:

(a) the Company's ownership of the real estate, developed by office building, located in Warsaw, 216 Jerozolimskie Avenue, consisting of plot No. 62/2, with an area of 3999 m², for which the District Court for Warsaw Mokotów in Warsaw, the 13th Division of the Land Registry lead Land and Mortgage Register No. KW

WA1M/00149632/9 (the value of aforementioned real estate according to valuation done by a certified expert has been estimated to the amount of PLN 36,365,800 net) (The Company grants the security);

(b) the right to use the real estate consisting of a parcel of land located in Krynica - Zdrój at Czarny Potok street, plot no. 163/1 , 164/1 , 164/4 , 174/4 , 146, 172 , 173, 174/8 , 174/9, with a total area of 29,491 m², and the right of ownership of buildings erected on the property, which are items separate from the land ownership, for which the District Court in Nowy Sącz X, Division of Land Registry in Muszyna lead a Land and Mortgage Register No. KW NS1M/00007069/8 (the aforementioned real estate value according to the valuation prepared by an expert was estimated at PLN 200,268,000,000) (The Company grants the security);

(c) Lokum Spółka z o.o. with its place of residence in Warsaw (a subsidiary of the Company) ownership of undeveloped real estate:

(i) consisting of plots No. 86/2 and 86/4, with a total area of 15,066 m², located in Konstancin – Jeziorna, Bielawska street, for which the District Court in Piaseczno , the 4th Land Registry leads the Land and Mortgage Register No. KW WA11/00006117/5 and

(ii) consisting of a plot of land No. 84/27, with an area of 29 m², located in Konstancin – Jeziorna at Bielawska street, for which the District Court in Piaseczno, 4th Land Registry, leads Land and Mortgage Register No. KW WA11/00006116/8, (the value of the valuation prepared by an expert in real estate has been estimated at PLN 4.212 million) (Lokum Spółka z o.o. grants the security); and

2) a mortgage in the amount of PLN 75 million on the Company's ownership right for the real estate, located in Ożarów Mazowiecki, located in the region of Sochaczewskiej i Żyzna streets, consisting of plots with a total area of 141,497 m², for which the District Court in Pruszkow, 6th Land Registry leads Land and Mortgage Register No. KW WA1P/00105675/5 (the aforementioned. properties' value according to the valuation prepared by an expert is PLN 86,152,000) (Company grants the security.) Upon Company demand, the administrator is obliged to give consent of the exemption from the burden of mortgage separate parcels of land which are up to 10% of the secured property. The consent of the administrator requires presentation (by the Company) the property valuation, prepared by the certified expert not earlier than 30 days before the date of the request for exemption from the mortgage collateral This valuation shows that the value of the remaining land as collateral is not less than PLN 75,000,000.

Mortgages have been granted to the bondholders, for whom the rights and obligations as the mortgagee takes BiedeckiBiedecki and Partners - Legal Advisers, as administrator of the mortgage.

On 24 April 2013, the Company issued a total number of 9,120 bearer bonds with a nominal value of PLN 10,000 each and the total nominal value of PLN 91.2 million, for which the issue price corresponds the nominal value and the interest rate was determined based on WIBOR 3M rate plus margin. The Company is required to fully purchase the bonds until 26 January 2016, by paying the redemption of bonds value plus accrued interest. Interest will be paid annually. Bonds are in the form of the document. Purpose of bonds issuance is to finance the redemption of promissory notes in the amount of PLN 91.2 million. Bonds have been issued as unsecured, but the company is committed to bring to registration (by the competent district court within three months from the issue date, i.e. on 24 April 2013) the security of the Bonds in the form of a mortgage on the property usufruct building, located in Warsaw at 29 Kasprzaka street, flat 31, including lots 3/3 and 3/1 with a total area of 81,185 m² , marked with the land register no WA4M/00162186/5, which is owned by the Treasury and J.W. group Spółka z ograniczoną odpowiedzialnością 1 Spółka komandytowo – akcyjna with its place of residence in Żąbki (the Subsidiary) is the perpetual lessee until 5 December 2089. The granter and establisher of the security is J. W. Group Spółka z ograniczoną odpowiedzialnością 1 Spółka komandytowo—akcyjna domiciled in Żąbki. Under the terms of the bond issue, part of the property securing the bonds will be exempt from the collateral, after approval by the administrator of a mortgage from all bondholders for such an exemption.

Mortgage has been granted to the bondholders, for whom the rights and obligations as the mortgagee takes BiedeckiBiedecki and Partners - Legal Advisers, as administrator of the mortgage.

Redemption of bonds

On 25 January 2013, the Company redeemed part of the 1300 bonds of unsecured A series, issued by the Company pursuant to Resolution of the Board of the Company dated on 18 June 2010, registered with the National Depository for Securities S.A. in Warsaw under ISIN code of PLJWC0000035. 1,057 bonds subject to redemption with a nominal value of PLN 100,000 each and a total value of PLN 105,700,000.

On 25 January 2013, the Company redeemed rest of the 1300 bonds of unsecured A series, issued by the Company pursuant to Resolution of the Board of the Company dated on 18 June 2010, registered with the National Depository for Securities S.A. in Warsaw under ISIN code of PLJWC0000035. 243 bonds subject to redemption with a nominal value of PLN 100,000 each and a total value of PLN 24,300,000.

Payment of interest

On 25 January 2013, the Company paid bonds interests

- 1) issued pursuant to the resolutions of the Board of the Company on 26 April 2012 in an amount of 9500 pieces with a nominal value of PLN 10,000 each and a total value of PLN 95 million, marked in the NDS as PLJWC0000043
- 2) of redeemed part of bonds issued pursuant to the resolutions of the Board of the Company dated 18 June 2010, registered with the National Depository for Securities S.A. in Warsaw under ISIN code of PLJWC0000035

On 25 March 2013, the Company paid interest of the not redeemed part of bonds issued on the basis of the resolutions of the Board of the Company dated 18 June 2010, registered in the National Depository for Securities S.A. in Warsaw under ISIN code of PLJWC0000035.

On 26 April 2013, the Company paid interest on bonds

- 1) issued pursuant to the resolutions of the Board of the Company on 26 April 2012 in an amount of 9500 pieces with a nominal value of PLN 10,000 each and a total value of PLN 95 million, marked in the NDS as PLJWC0000043
- 2) issued pursuant to the Resolutions of the Management Board of 12 December 2012, registered in the National Depository for Securities S.A. in Warsaw under ISIN code of PLJWC0000050

On 25 June 2013, the Company paid interest of the not redeemed part of bonds issued on the basis of the resolutions of the Board of the Company dated 18 June 2010, registered in the National Depository for Securities S.A. in Warsaw under ISIN code of PLJWC0000035.

Note 33. Significant events which occurred after the balance sheet date

Concluding annexes to loan agreements

On the 2 August 2013, J.W. Construction Sp. z o.o. Company concluded an Annex to the overdraft agreement with PKO BP S.A. in the amount of PLN 7,000,000. By virtue of the Annex, the credit use period and repayment date were postponed. The new repayment date is set on 4 July 2014.

Nota 34. Note 34. Selected financial data including the main items of the financial statements (also converted to EURO) in thousands of PLN

In order to convert the balance for the period from 1 January – 30 June 2013, the average EUR exchange rate, that was determined by the National Bank of Poland on that day; was PLN 4.3292 / EUR.

In order to convert the balance for the period from 1 January – 30 June 2012, the average EUR exchange rate, that was determined by the National Bank of Poland on that day; was PLN 4.2613 / EUR.

In order to convert the income statement for the period from 01.01.2013 – 30.06.2013, the average EUR exchange rate was assumed, that was calculated as the arithmetic mean of exchange rates on the last day of month of the given period, as determined by the National Bank of Poland on that day; the exchange rate PLN 4.2140 / EURO.

In order to convert the income statement for the period from 01.01.2012 – 30.06.2012, the average EUR exchange rate was assumed, that was calculated as the arithmetic mean of exchange rates on the last day of month of the given period, as determined by the National Bank of Poland on that day; the exchange rate PLN 4.2246 / EURO.

In order to convert the balance for the period from 1 January – 31 December 2012, the average EUR exchange rate, that was determined by the National Bank of Poland on that day; was PLN 4.0882 / EUR.

Consolidated balance sheet item	30-06-2013		31-12-2012		30-06-2012	
	PLN	EUR	PLN	EUR	PLN	EUR
Total Assets	1 447 378	334 329	1 556 107	380 634	1 503 211	352 759
Non-current assets	929 855	214 787	909 477	222 464	875 347	205 418
Current assets	517 522	119 542	646 631	158 170	627 864	147 341
Total Liabilities	1 447 378	334 329	1 556 107	380 634	1 503 211	352 759
Equity	508 476	117 453	503 256	123 100	502 213	117 855
Non-current liabilities,	655 007	151 300	660 268	161 506	601 203	141 084
Current liabilities	283 894	65 577	392 584	96 028	399 795	93 820

JW. Construction Holding SA
Abbreviated consolidated financial statements
For a 6-month period ended on 30 June 2013

Consolidated income statement item	from 01-01-2013 to 30-06-2013		From 01-01-2012 to 30-06-2012	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	181 324	43 029	155 438	36 794
Costs of products, goods and materials sold	142 657	33 854	111 792	26 462
Gross profit (loss) on sales	38 666	9 176	43 645	10 331
Selling expenses	8 928	2 119	10 257	2 428
Overhead expenses	10 596	2 515	14 882	3 523
Profit (loss) on sales	22 594	5 362	29 112	6 891
Operating profit (loss)	24 308	5 769	40 159	9 506
Gross profit (loss)	6 254	1 484	10 648	2 521
Income tax	1 108	263	2 069	490
Net profit (loss)	5 146	1 221	8 580	2 031

Issuer's balance sheet item	30-06-2013		31-12-2012		30-06-2012	
	PLN	EUR	PLN	EUR	PLN	EUR
Total Assets	1 345 128	310 711	1 452 050	355 181	1 406 238	330 002
Non-current assets	837 044	193 349	826 527	202 174	772 409	181 261
Current assets	508 084	117 362	625 523	153 007	633 829	148 741
Total Liabilities	1 345 128	310 711	1 452 050	355 181	1 406 238	330 002
Equity	526 316	121 574	521 788	127 633	527 546	123 799
Non-current liabilities,	546 856	126 318	554 927	135 739	486 305	114 121
Current liabilities	271 956	62 819	375 335	91 809	392 387	92 082

Consolidated income statement item	from 01-01-2013 to 30-06-2013		From 01-01-2012 to 30-06-2012	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	150 479	35 710	125 136	29 621
Costs of products, goods and materials sold	119 158	28 277	87 320	20 670
Gross profit (loss) on sales	31 321	7 433	37 815	8 951
Selling expenses	8 680	2 060	10 413	2 465
Overhead expenses	7 710	1 830	11 488	2 719
Profit (loss) on sales	18 839	4 471	26 520	6 278
Operating profit (loss)	18 192	4 317	37 151	8 794
Gross profit (loss)	5 527	1 312	8 563	2 027
Income tax	1 000	237	1 749	414
Net profit (loss)	4 528	1 074	6 814	1 613

Note 35. Off-accounting

OFF-BALANCE SECURITIES-credit agreements, bonds	30-06-2013
Investment real estate pledged as collateral - loans	726 676 814,00
blank bill	317 308 280,00
Executory titles	548 962 543,05
Transfer of receivables from insurance contracts	471 191 044,77
The amount of security on their own property - bonds	335 000 000,00
Guarantees to the benefit of TBS "Marki" Sp. of o.o.	22 400 000,00

OFF-BALANCE SECURITIES - other	30-06-2013
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Blank bills	53 327 077,58
Guarantees to the benefit of JW. Wronia Sp. z o.o.	50 000 000,00
Guarantees to the benefit of JW. Consulting Sp. z.o.o J.W.2 partnership limited by shares	16 653 100,00
Guarantees to the benefit of Capital City of Warsaw	907 800,00
Other	500 000,00

The above table presents all the collateral under loan agreements to secure the payment obligations. Due to the fact that under the various loan agreements established several features not summed up the value of collateral.

As at 30 June 2013 there were warranty for defects liability granted by banks and insurance institutions to the benefit of the Company. Moreover, there were issued in favor of Group companies JW Construction Holding SA bills of exchange companies to secure rights under the guarantees granted by counterparties to the Company shall have the right at any time to fill in the amount corresponding to the cost of removal of defects and faults. The total value of guarantees was 23.8 million and 12.3 thousand Euro at 30 June 2013 (JW Construction Holding SA) and 6.4 million and 103.2 thousand Euro (JW Construction Sp. z o.o.)

Note 36. Significant issues in litigation

The Company is a party to the proceedings, the value of which exceeds 10% of equity. On 26 April 2012, the Company filed against the Capital City of Warsaw ("Respondent") a petition for commitment of the Defendant to submit a declaration of intent for the acquisition from the Company right of perpetual use of the plot no 2/6 with the area of 3,2605 ha for which the District Court for Warsaw- Mokotów, X Division of Land Registry maintains a land and mortgage registry no WA4M/00413015/1 KW ("Property") for a net price of PLN 91,130,975 together with interest from the date of 8 January 2010.

The company filed a petition according to the Article 36.1 point. 2) of the Act of 27 March 2003 on spatial planning and development (Journal of Laws 2003.80.717) in connection with the adoption by the Respondent of the area development plan area of Olbrachta Street (approved by the resolution of the City of Warsaw No. LVI/1669/2009, which entered into force on 3 August 2009) ("Plan").

The property has been earmarked for the N-S Route. In the period when the Company acquired the Property, the zoning plan of the property was not obligatory. With the adoption of the Plan and as a result of this adoption, there has been a significant restriction on the use of the Property by the Company, therefore the Company has the right to request to redeem to purchase/buy out the Property by the Defendant.

The Company applied to the Defendant with a request to take steps to voluntary purchase of the Property by the Respondent but the request was refused.

The Company believes the claim is fully justified and deserves the judgement in accordance with the petition of the Company.

Total value of law actions where the Company is the Defendant Party does not exceed 10% of the Company's equity.

Note 37. Financial instruments and hedge accounting

In 2013 the Company did not apply hedge accounting and did not hold embedded derivatives.

Note 38. Changes in the Management and Supervisory Board of the Parent Company in the Capital Group - J.W. Construction Holding SA

Management Board of the Company

As at 1 January 2013 the Management Board of the Company was composed of:

- Mr. Robert Wójcik Member of Management Board
- Ms. Irmína Łopuszyńska Member of Management Board
- Mr. Wojciech Rajchert Member of Management Board
- Ms. Magdalena Starzyńska Member of Management Board

In the reporting period, there were following changes in the Management Board:

- On 7 February 2013, Mr. Robert Wójcik submitted a resignation from participation in Company Management Board.
- On 17 April 2013, the following have been appointed to Management Board:
 - Ms. Anna Konkel as Member of the Management Board
 - Ms. Małgorzata Ostrowska as Member of the Management Board

As at 30 June 2013 the Management Board was composed of:

- Ms. Irmína Łopuszyńska Member of Management Board
- Mr. Wojciech Rajchert Member of Management Board

- Ms. Magdalena Starzyńska Member of Management Board
- Ms. Anna Konkel Member of Management Board
- Ms. Małgorzata Ostrowska Member of Management Board

After the end of the reporting period, the Management Board of the Company did not change.

Supervisory Board

As at 01 January 2013 the Supervisory Board of the Company was composed of:

- Mr. Józef Kazimierz Wojciechowski the Chairman of the Supervisory Board
- Mr. Józef Oleksy the Vice Chairman of the Supervisory Board
- Mr. Marek Samarcew Member of the Supervisory Board
- Mr. Jarosław Król Member of the Supervisory Board
- Mr. Andrzej Podsiadło Member of the Supervisory Board

In the current reporting period, there were no changes in the composition of the Supervisory Board.

As at 30 June 2013 the Supervisory Board was composed of:

- Mr. Józef Kazimierz Wojciechowski the Chairman of the Supervisory Board
- Mr. Józef Oleksy the Vice Chairman of the Supervisory Board
- Mr. Marek Samarcew Member of the Supervisory Board
- Mr. Jarosław Król Member of the Supervisory Board
- Mr. Andrzej Podsiadło Member of the Supervisory Board

From the balance sheet date until the date of the report, there were no changes in the Supervisory Board of the Company.

D. ABBREVIATED FINANCIAL STATEMENTS FOR SIX MONTHS OF 2010 OF THE PARENT COMPANY (ISSUER) AS AT 30 June 2013

Statement of financial standing

ASSETS	Note	30-06-2013	31-12-2012
NON-CURRENT ASSETS		837 044 349,00	826 527 139,72
Intangible assets	1	15 364 205,81	15 910 645,94
Tangible assets	2	259 964 968,12	284 625 843,32
Investment real estate	3	227 527 099,64	205 980 247,51
Other financial assets	4	129 467 106,89	124 667 782,26
Deferred income tax assets		16 865 332,95	14 018 058,51
Trade and other receivables	5	187 855 635,58	181 324 562,18
CURRENT ASSETS		508 083 875,38	625 522 591,89
Inventories	6	27 560 027,81	27 879 623,82
Construction contracts	7	411 113 919,37	502 214 445,43
Trade and other receivables	8	33 174 506,73	58 702 182,75
Other financial assets	9	15 993 977,62	15 281 741,43
Cash and cash equivalents	10	7 239 251,05	8 480 981,31
Accruals	11	13 002 192,80	12 963 617,15
Total Assets		1 345 128 224,37	1 452 049 731,61
EQUITY AND LIABILITIES			
EQUITY		526 315 998,62	521 788 333,53
Share capital		10 814 656,00	10 814 656,00
Revaluation capital		7 493 208,19	7 493 208,19
Other capital		503 480 469,35	511 017 652,86
Retained earnings		0,82	-15 598 247,08
Net profit / loss		4 527 664,26	8 061 063,56
LIABILITIES		818 812 225,75	930 261 398,07
Non-current liabilities,		546 855 728,99	554 926 742,56
Borrowings	12	131 057 382,41	140 803 453,42
Deferred income tax liabilities		28 231 747,46	24 384 909,91
Retirement benefit obligations		300 027,14	300 027,14
Provision for other liabilities and charges	13	153 438,87	460 316,60
Other liabilities	13	387 113 133,11	388 978 035,49
Current liabilities		271 956 496,76	375 334 655,51
Trade and other payables	14	78 365 176,59	118 000 541,55
Construction contracts	7	39 515 151,50	73 963 198,78
Borrowings	12	131 916 303,07	137 813 016,54
Provision for other liabilities and charges	13	11 472 764,72	11 224 303,61
Other liabilities	14	10 687 100,88	34 333 595,03
Total Equity and Liabilities		1 345 128 224,37	1 452 049 731,60

Profit and loss account

	Note	For the period 01-01-2013 to 30-06-2013	For the period 01-01-2012 to 30-06-2012
Net revenues from sales of products, goods and materials, of which:	15	150 478 801,76	125 135 557,28
Net revenues from sales of products		149 423 029,93	123 276 725,12
Net revenues from sales of goods and materials		1 055 771,83	1 858 832,16
Costs of products, goods and materials sold, of which:	16	119 158 254,14	87 320 196,42
Manufacturing cost of products sold		117 263 795,95	85 842 004,26
Value of goods and materials sold		1 894 458,19	1 478 192,16
Gross profit (loss) on sales		31 320 547,62	37 815 360,86
Selling expenses	16	8 680 230,96	10 412 985,49
Overhead expenses	16	7 710 170,87	11 488 214,51
Revaluation of investment properties		3 908 574,98	10 605 809,25
Profit (loss) on sales		18 838 720,77	26 519 970,11
Other operating income	17	2 963 976,31	17 018 443,50
Other operating expenses	18	3 610 513,33	6 387 832,51
Operating profit (loss)		18 192 183,75	37 150 581,10
Financial income	19	13 073 186,72	6 613 135,41
Financial expenses	20	25 738 143,10	35 200 350,30
Profit (loss) on ordinary activities		5 527 227,37	8 563 366,21
Gross profit (loss)		5 527 227,37	8 563 366,21
Income tax		999 563,11	1 749 299,85
Net profit (loss)		4 527 664,26	6 814 066,36

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE		For the period 01-01-2013 to 30-06-2013	For the period 01-01-2012 to 30-06-2012
Profits			
(A) Profit disclosed in the consolidated financial statements		4 527 664,26	6 814 066,36
Number of shares			
(B) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating earnings per share *		54 073 280,00	54 073 280,00
(C) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share		54 073 280,00	54 073 280,00
Basic earnings per share = (A)/(B)		0,08	0,13
Diluted earnings per share = (A)/(B)		0,08	0,13

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Cash flow statements

	For the period 01-01-2013 To 30-06-2013	For the period 01-01-2012 to 30-06-2012
Operating cash flow - two-step method		
Net profit (loss)	4 527 664,26	6 814 066,36
Total adjustments, of which:	23 562 886,04	34 597 028,75
Depreciation and amortisation	5 186 904,00	3 041 315,89
(Profits) losses on exchange differences related to investment and financial activities	-629 850,21	2 739 831,13
(Profits) loss from investment activities	1 205 828,89	18 486 000,94
Interest and dividends	19 399 212,47	14 024 852,55
Changes in provisions and accruals	2 441 037,80	6 964 156,56
Change in investment properties	-3 908 574,98	-10 605 809,25
Other adjustments:	-131 671,93	-53 319,07
- other adjustments	-131 671,93	-53 319,07
Changes in working capital	24 090 679,03	-33 720 412,27
Change in inventories	319 596,01	-1 753 453,12
Change in construction contracts	46 987 569,85	32 822 910,54
Changes in receivables	19 673 317,62	-53 615 447,36
Changes in current liabilities, except for borrowings	-42 889 804,45	-11 174 422,33
Operating cash flow	52 181 229,33	7 690 682,84
Investment activity cash flows		
Disposal of intangible assets, tangible fixed assets and other assets	14 783 777,61	1 731 327,51
Acquisition of intangible assets, tangible fixed assets and other assets	-3 672 229,72	-37 510 063,01
Expenses associated with the asset to be sold	0,00	0,00
Purchase of equity instruments and debt instruments	0,00	0,00
Disposal of equity instruments and debt instruments	0,00	0,00
Loans granted	-1 058 000,00	-587 011,00
Loans repaid	0,00	0,00
Other purchase of financial assets	0,00	-200 000,00
Other disposal of financial assets	-650 000,00	0,00
Dividends received	0,00	0,00
Interest received	0,00	195 140,00
Disposal of subsidiaries	114 940,00	1 272,90
Acquisition of subsidiaries	-3 650 000,00	-150 250,00
Net investment cash flow	5 868 487,89	-36 519 583,60
Financing cash flow		
Net proceeds from issue of shares, other equity instruments and additional capital contributions	0,00	0,00
Purchase of own shares or repayment of shares	0,00	0,00
Borrowings	40 360 410,69	395 044 184,61
Borrowings repaid	-56 337 010,46	-310 378 327,29
Debt securities issued	0,00	95 000 000,00
Debt securities redeemed	-24 300 000,00	0,00
Payments under financial lease agreements	-2 296 711,92	-2 075 811,53
Dividends and other shared profits	0,00	0,00
Interest paid	-19 318 135,79	-17 919 146,63
Other financial proceeds (including notes)	2 600 000,00	5 800 000,00
Other financial expenditures (including notes)	0,00	-157 614 084,50
Net financing cash flow	-59 291 447,48	7 856 814,66
NET DECREASE/(INCREASE) IN CASH	-1 241 730,26	-20 972 086,10
Cash and cash equivalents at the beginning of the year	8 480 981,31	34 198 725,58
- foreign exchange gains/(losses) on cash		
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	7 239 251,05	13 226 639,48

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Statement of changes in equity

	Share capital	Own shares (negative figurek)	Revaluation capital	Supplementary capital	Other capitals	Retained earnings	Net earnings	Equity
As at 31 December 2012	10 814 656,00	0,00	7 493 208,19	505 286 065,67	5 731 587,19	-15 598 247,08	8 061 063,56	521 788 333,53
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
IFRS adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2013	10 814 656,00	0,00	7 493 208,19	505 286 065,67	5 731 587,19	-15 598 247,08	8 061 063,56	521 788 333,53
Issue of shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Share redemption	0,00	0,00		0,00				0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on revaluation of fixed assets and investment properties	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains/(losses) on revaluation of available-for-sale assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Exchange gains / (losses) on translation of financial statements of foreign operations	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Income tax referring to items attributed to equity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on business acquisitions(unitary jwch)	0,00	0,00		0,00	0,00	0,00	0,00	0,00
Profit/loss from the inclusion/exclusion of companies to consolidate	0,00	0,00	0,00	0,00	0,00	0,83		0,83
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Transformation to IFRS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / (loss) recognised directly in equity	0,00	0,00	0,00	0,00	0,00	0,83	0,00	0,83
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	4 527 664,26	4 527 664,26
Total profit / (loss) recognised in equity and net earnings	0,00	0,00	0,00	0,00	0,00	0,83	4 527 664,26	4 527 665,09
Increase / decrease from profit distribution	0,00	0,00	0,00	-7 537 183,51	0,00	15 598 247,07	-8 061 063,56	0,00
As at 30 June 2013	10 814 656,00	0,00	7 493 208,19	497 748 882,16	5 731 587,19	0,82	4 527 664,26	526 315 998,62

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	Share capital	Own shares (negative figurek)	Revaluation capital	Supplementary capital	Other capitals	Retained earnings	Net earnings	Equity
As at 31 December 2011	10 814 656,00	0,00	7 493 208,19	479 905 410,58	5 731 587,19	-8 584 817,69	25 371 585,63	520 731 629,90
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
IFRS adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2012	10 814 656,00	0,00	7 493 208,19	479 905 410,58	5 731 587,19	-8 584 817,69	25 371 585,63	520 731 629,90
Issue of shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Own share redemption	0,00	0,00		0,00				0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on revaluation of fixed assets and investment properties	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Exchange gains / (losses) on translation of financial statements of foreign operations	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Income tax referring to items attributed to equity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on business acquisitions(unitary jwch)	0,00	0,00		9 069,46	0,00	-7 013 429,04	0,00	-7 004 359,58
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments	0,00	0,00	0,00	0,00	0,00	-0,35	0,00	-0,35
Transformation to IFRS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / (loss) recognised directly in equity	0,00	0,00	0,00	9 069,46	0,00	-7 013 429,39	0,00	-7 004 359,93
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	8 061 063,56	8 061 063,56
Total profit / (loss) recognised in equity and net earnings	0,00	0,00	0,00	9 069,46	0,00	-7 013 429,39	8 061 063,56	1 056 703,63
Increase / decrease from profit distribution	0,00	0,00	0,00	25 371 585,63	0,00	0,00	-25 371 585,63	0,00
As at 31 December 2012	10 814 656,00	0,00	7 493 208,19	505 286 065,67	5 731 587,19	-15 598 247,08	8 061 063,56	521 788 333,53

E. NOTES TO THE ABBREVIATED BALANCE SHEET OF THE ISSUER FOR SIX MONTHS AS AT 30 JUNE 2013

1. NON-CURRENT ASSETS

Note 1. Intangible assets

Intangible assets	30-06-2013	31-12-2012
a) finished development expenses	0,00	0,00
b) goodwill	12 389 648,22	12 389 648,22
c) other intangible assets	2 974 557,59	3 520 997,72
Total intangible assets	15 364 205,81	15 910 645,94

The Management Board of the Parent Company, following a review of the existing depreciation rates in the Group decided with effect from 1 January 2013 to update the existing balance sheet depreciation rates in the Department of "Czarny Potok".

Note 2. Tangible assets

Tangible assets	30-06-2013	31-12-2012
a) tangible assets, including:	257 100 011,81	281 680 575,17
- land (including right of perpetua usufruct)	15 871 637,74	16 466 162,74
- buildings, premises and land and civil engineering facilities	211 120 748,54	233 107 819,70
- technical devices and machinery	17 007 858,39	17 943 435,54
- transport means	1 295 294,49	1 651 849,17
- other non-current assets	11 804 472,65	12 511 308,02
b) constructions in progress	2 864 956,31	2 945 268,15
c) advances on constructions in progress	0,00	0,00
Total tangible assets	259 964 968,12	284 625 843,32

The Management Board of the Parent Company, following a review of the existing depreciation rates in the Group decided with effect from 1 January 2013 to update the existing balance sheet depreciation rates in the Department of "Czarny Potok".

Note 3. Investment real estate

Other long-term investments	30-06-2013	31-12-2012
a) investment properties	227 527 099,64	205 980 247,51
b) other	0,00	0,00
Total other long-term investments	227 527 099,64	205 980 247,51

In the first half of 2013, the Group changed the business strategy with respect to property located in Łeba. The property was originally classified as "reserves", as it was intended to implement the investment project on it. Due to changes in the business model, the property will be held in the investment portfolio of the Company in anticipation of the increase in its value.

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	30-06-2013	31-12-2012
a) shares	90 320 811,43	86 770 311,43
b) loans granted	38 274 268,42	36 023 558,08
c) other long-term investments	872 027,04	1 873 912,75
Total long-term financial assets	129 467 106,89	124 667 782,26

LONG-TERM FINANCIAL ASSETS	30-06-2013	31-12-2012
a) in subsidiaries	127 928 040,92	124 009 941,62
- shares	90 106 616,81	86 556 116,81
- other securities	0,00	1 873 912,75
- loans granted	37 821 424,11	35 579 912,06
- other long-term financial assets	0,00	0,00
b) in other parties	1 539 065,97	657 840,64
- shares	214 194,62	214 194,62
- other securities	872 027,04	0,00
- loans granted	452 844,31	443 646,02
- other long-term financial assets	0,00	0,00
Total long-term financial assets	129 467 106,89	124 667 782,26

Note 5. Trade and other receivables

NON-CURRENT RECEIVABLES	30-06-2013	31-12-2012
a) guarantee receivables	0,00	0,00
b) deposit receivables(leasing)	16 817 484,76	16 364 359,90
b) other receivables	171 038 150,82	164 960 202,28
Total receivables	187 855 635,58	181 324 562,18

2. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	30-06-2013	31-12-2012
a) materials	1 342 026,92	1 318 726,95
b) semi-finished products and work in progress	1 261 818,02	0,00
c) finished products	0,00	0,00
d) goods	24 956 133,28	26 550 889,57
e) trade advances	49,59	10 007,30
Total inventories	27 560 027,81	27 879 623,82

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	30-06-2013	31-12-2012
a) semi-finished products and work in progress	214 562 286,98	206 821 622,97
b) finished products	194 316 224,46	293 859 080,01
c) advances for supplies	1 764 003,40	1 102 040,65
d) short-term prepayments	471 404,53	431 701,80
Total construction contracts	411 113 919,37	502 214 445,43

CONSTRUCTION CONTRACTS	30-06-2013	31-12-2012
a) accruals	39 515 151,50	73 963 198,78
Total construction contracts	39 515 151,50	73 963 198,78

Accruals	30-06-2013	31-12-2012
-advances on premises	34 461 584,50	66 096 565,90
-works provision	5 052 637,00	7 865 702,88
-other	930,00	930,00
The total value of accruals	39 515 151,50	73 963 198,78

Note 8. Trade and other receivables

CURRENT RECEIVABLES	30-06-2013	31-12-2012
a) trade receivables - related parties	4 936 798,41	9 860 293,97
b) trade receivables - other parties	18 722 434,07	27 079 650,91
c) taxes, subsidies, customs duties, social and health insurance and other payments	4 785 588,46	13 118 095,52
d) other	4 729 685,79	8 644 142,35
Total receivables	33 174 506,73	58 702 182,75

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	30-06-2013	31-12-2012
a) shares	0,00	0,00
b) loans granted	15 993 977,62	14 944 725,02
c) other securities	0,00	337 016,41
d) other short-term investments	0,00	0,00
Total long-term financial assets	15 993 977,62	15 281 741,43

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SHORT-TERM INVESTMENTS	30-06-2013	31-12-2012
a) in subsidiaries	15 494 110,50	14 580 475,97
- shares	0,00	0,00
- other securities	0,00	123 683,11
- loans granted	15 494 110,50	14 456 792,86
- other short-term financial assets	0,00	0,00
b) in other parties	499 867,12	701 265,46
- shares	0,00	0,00
- other securities	0,00	213 333,30
- loans granted	499 867,12	487 932,16
- other short-term financial assets	0,00	0,00
Total value of short-term investments	15 993 977,62	15 281 741,43

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	30-06-2013	31-12-2012
a) cash on hand and with bank	7 164 933,45	7 383 887,82
b) other cash	70 946,97	1 073 699,36
c) other cash equivalents	3 370,63	23 394,13
Total cash	7 239 251,05	8 480 981,31

Note 11. Accruals

ACCRUALS	30-06-2013	31-12-2012
- short-term prepayments	13 002 192,80	12 963 617,15
The total value of accruals	13 002 192,80	12 963 617,15

Accruals	30-06-2013	31-12-2012
- property insurance	152 818,06	144 214,36
- interest	2 806 031,90	3 619 040,08
- commission expenses	7 108 500,72	6 863 213,12
- property tax, perpetual usufruct, road tax	1 154 151,50	0,00
-other	1 780 690,62	2 337 149,59
The total value of accruals	13 002 192,80	12 963 617,15

3. LIABILITIES

Note 12. Borrowings

BORROWINGS	30-06-2013	31-12-2012
a) credits	259 008 181,79	275 707 149,77
<i>of which: long-term</i>	<i>130 031 593,52</i>	<i>140 803 453,42</i>
<i>Short-term</i>	<i>128 976 588,27</i>	<i>134 903 696,35</i>
b) loans	3 965 503,69	2 909 320,19
<i>of which: long-term</i>	<i>1 025 788,89</i>	<i>0,00</i>
<i>Short-term</i>	<i>2 939 714,80</i>	<i>2 909 320,19</i>
Total borrowings	262 973 685,48	278 616 469,96
Borrowings - long-term	131 057 382,41	140 803 453,42
Borrowings - short-term	131 916 303,07	137 813 016,54

LOANS PER MATURITY	30-06-2013	31-12-2012
Up to 1 year	128 976 588,27	134 903 696,35
Over 1 year up to 2 years	65 549 212,50	63 300 760,00
Over 2 year up to 5 years	42 584 912,40	53 043 392,09
Over 5 years	21 897 468,62	24 459 301,33
Total loans, including:	259 008 181,79	275 707 149,77
- long-term	130 031 593,52	140 803 453,42
- short-term	128 976 588,27	134 903 696,35

CASH LOANS PER MATURITY	30-06-2013	31-12-2012
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Up to 1 year	2 939 714,80	2 909 320,19
Over 1 year up to 2 years	1 025 788,89	0,00
Over 2 year up to 5 years	0,00	0,00
Over 5 years	0,00	0,00
Total loans, of which:	3 965 503,69	2 909 320,19
- long-term	1 025 788,89	0,00
- short-term	2 939 714,80	2 909 320,19

Note 13. Other non-current liabilities

PROVISIONS FOR OTHER LIABILITIES AND CHANGES	30-06-2013	31-12-2012
a) short-term, of which:	11 472 764,72	11 224 303,61
- accrued expenses, including:	10 701 723,93	10 453 262,82
- <i>interests charged</i>	2 168 216,64	2 206 281,27
- <i>rent deposits</i>	477 649,38	477 649,38
- <i>other</i>	8 055 857,91	7 769 332,17
- other provisions, including:	771 040,79	771 040,79
- <i>provisions for future liabilities</i>	0,00	0,00
- <i>provisions for guarantee repairs</i>	0,00	0,00
- <i>other provisions</i>	771 040,79	771 040,79
a) long-term, of which:	153 438,87	460 316,60
- accrued expenses, including:	153 438,87	460 316,60
- <i>deferred surplus of revenues from sales over the carrying value/sale and lease back</i>	153 438,87	460 316,60
Total provisions for other liabilities and charges	11 626 203,59	11 684 620,21

OTHER NON-CURRENT LIABILITIES	30-06-2013	31-12-2012
a) lease obligations	34 900 904,51	37 453 980,19
b) deposit liabilities	4 297 577,49	5 186 085,12
c) liabilities from securities	291 900 000,00	200 700 000,00
d) other non-current liabilities	0,00	0,00
e) bill-of-exchange related liabilities	27 519 078,94	28 900 991,81
f) bill-of-exchange foreign liabilities	4 127 209,41	92 883 177,27
g) loans granted- related parties	24 368 362,76	23 853 801,10
Total other liabilities	387 113 133,11	388 978 035,49

Note 14. Trade and other payables

TRADE AND OTHER PAYABLES	30-06-2013	31-12-2012
a) trade payables - other parties	17 606 614,86	24 348 584,21
b) trade payables - related parties	40 537 463,63	77 084 697,76
c) taxes, customs duties, insurance and other payments	4 797 520,17	3 776 076,97
d) salaries	1 237 117,66	1 797 659,97
e) trade advanced received	0,00	0,00
f) loans granted – related parties	0,00	0,00
g) liabilities on bill of exchange - related parties	5 204 642,22	2 838 710,36
h) other	8 981 818,05	8 154 812,28
Total trade and other payables	78 365 176,59	118 000 541,55

OTHER LIABILITIES	30-06-2013	31-12-2012
a) debt securities issue- liabilities	4 955 212,01	28 856 972,00
b) lease liabilities - foreign	0,00	0,00
c) lease liabilities	5 731 888,87	5 476 623,03
d) other financial liabilities	0,00	0,00
Total other liabilities	10 687 100,88	34 333 595,03

4. Operating income and expenses

Note 15. Operating income

OPERATING INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Revenues from sales of products	132 007 393,76	109 667 058,64
Revenues from sales of services	17 415 636,17	13 609 666,48
Revenues from sales of goods	1 055 771,83	1 858 832,16
Total income	150 478 801,76	125 135 557,28

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2013
Revenues from sales, of which:	150 478 801,76	125 135 557,28
- from sales of products - units, plots, buildings	131 990 588,68	109 667 058,64
- sales of services	17 432 441,25	13 609 666,48
- sales of goods	1 055 771,83	1 858 832,16

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2013
Revenues from sales of products and services per business segment	149 423 029,93	123 276 725,12
- developer activity	134 695 360,44	112 817 313,70
- hotel activities	11 188 520,35	7 274 440,88
- real estates management	3 539 149,14	3 184 970,54

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2013
Revenues from sales of products - premises, plots, buildings per geographic segments	131 990 588,68	109 667 058,64
-Warsaw and vicinity	121 083 069,09	84 143 652,72
-Gdynia	430 514,86	939 020,13
- Łódź	10 477 004,73	318 439,79
- Katowice	0,00	0,00
- Sopot	0,00	24 265 946,00

	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2013
Revenues from sales of hotel services per geographic segments	11 188 520,35	7 274 440,88
-Warsaw and vicinity	2 156 312,13	2 771 587,87
- Tarnowo	2 268 905,39	2 422 724,32
- Stryków	1 515 780,32	1 268 212,44
- Cieszyn	392 629,32	504 111,24
- Krynica Górská	4 854 893,19	307 805,01

Note 16. Operating expenses

Operating expenses	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Costs on sale of products	98 152 996,00	74 464 106,63
Costs on sale of services	19 110 799,95	11 377 897,63
Costs on sale of goods	1 894 458,19	1 478 192,16
Total costs of sales	119 158 254,14	87 320 196,42
Selling and overhead expenses	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Selling expenses	8 680 230,96	10 412 985,49
Overhead expenses	7 710 170,87	11 488 214,51
Total selling and overhead expenses	16 390 401,83	21 901 200,00

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Costs by type	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
Depreciation and amortisation	5 186 904,00	3 041 315,89
Cost of materials and energy	5 675 666,10	311 271,49
Services made by other contractions	23 152 336,03	81 762 162,17
Taxes and duties	3 359 121,17	2 997 941,29
Wages and Salaries	11 841 021,79	9 994 317,45
Services for the benefit of employees	2 084 691,41	1 959 463,07
Other costs	5 212 149,20	5 371 554,12
Total costs according to types	56 511 889,70	105 438 025,48

Note 17. Other operating income

OPERATING INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) profit from disposal of non-financial fixed assets	0,00	0,00
b) other operating income	2 963 976,31	17 018 443,50
Total operating income	2 963 976,31	17 018 443,50

OPERATING REVENUES	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) profit from disposal of non-financial fixed assets	0,00	0,00
b) handling charge	0,00	14 179 556,02
c) provisions	491 060,05	2 122 666,59
g) others (including compensations)	2 472 916,26	716 220,89
Operating revenues in total	2 963 976,31	17 018 443,50

Note 18. Other operating expenses

OPERATING EXPENSES	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) loss on disposal of non-financial fixed assets	1 205 828,89	1 613 131,39
b) revaluation of non-financial assets	0,00	2 000 000,00
c) other operating expenses	2 404 684,44	2 774 701,12
Total operating expenses	3 610 513,33	6 387 832,51
OPERATING EXPENSES	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) loss on disposal of non-financial fixed assets	1 205 828,89	1 613 131,39
b) revaluation of non-financial assets	0,00	2 000 000,00
c) provisions	383 932,29	0,00
d) compensations, penalties	519 403,21	503 975,01
e) restitutions	15 530,66	28 952,72
f) court proceedings expenses	218 587,64	226 428,23
g) other	1 267 230,64	2 015 345,16
Total operating expenses	3 610 513,33	6 387 832,51

Note 19. Other financial income

FINANCIAL INCOME	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) dividends	2 702 165,00	1 842 550,20
b) interest	7 408 925,21	4 767 624,40
c) revaluation of investment	0,00	0,00
d) other	2 962 096,51	2 960,81
Total financial income	13 073 186,72	6 613 135,41

Financial income	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) dividends	2 702 165,00	1 842 550,20
b) interests from clients	291 431,56	381 099,86
c) interests from loans	629 850,21	813 413,58
d) interests from deposits, bank interests	2 304,57	351 812,98

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e) interests from bills	82 729,30	79 290,36
f) other interests	6 402 609,57	3 142 007,62
g) Exchange rate differences	2 956 309,07	2 960,81
h) revaluation of investment	0,00	0,00
i) other	5 787,44	0,00
TOTAL	13 073 186,72	6 613 135,41

Note 20. Other financial expenses

FINANCIAL EXPENSES	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) interests	25 649 098,14	17 018 343,44
b) revaluation of investment	0,00	0,00
c) loss on disposal of investments	0,00	16 871 596,65
d) other	89 044,96	1 310 410,21
Total financial expenses	25 738 143,10	35 200 350,30

FINANCIAL EXPENSES	from 01-01-2013 to 30-06-2013	from 01-01-2012 to 30-06-2012
a) interests, commissions, credits	8 524 529,67	3 238 216,81
b) interests-leasings	1 143 626,29	1 410 393,84
c) interests- loans	570 745,16	653 720,83
d) interests- bills	3 593 793,61	6 436 671,84
e) interests- bonds issuance	9 362 350,99	4 984 171,17
f) interests – other	2 454 052,42	295 168,95
g) Exchange rate differences	0,00	1 301 505,63
h) loss on disposal of investment	0,00	16 871 596,65
i) other	89 044,96	8 904,58
Total financial expenses	25 738 143,10	35 200 350,30

Signature of the person responsible for the Financial Statement

Irmina Łopuszyńska Member of the Management Board Main Accountant	Signature
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Members of the Management Board signatures

Wojciech Rajchert Member of the Management Board	Signature
Magdalena Starzyńska Member of the Management Board	Signature
Małgorzata Ostrowska Member of the Management Board	Signature
Anna Konkel Member of the Management Board	Signature

Ząbki, 28 August 2013