



**Summary financial statements for the period
of 3 months ended on March 31, 2008**

prepared in compliance with the International
Financial Reporting Standards

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E. SUMMARY FINANCIAL STATEMENTS

1. Balance Sheet
2. Profit and Loss Account
3. Statement of Changes in Equity
4. Cash Flow Statement

F. NOTES TO THE ISSUER'S FINANCIAL STATEMENTS

1. Fixed assets
2. Current assets
3. Liabilities
4. Operating revenues and expenses

A . INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

J.W. Construction Holding S.A. ("JWCH") with its registered office in Ząbki, ul. Radzywińska 326, REGON (Statistical Number) 010621332, was first registered as Towarzystwo Budowlano-Mieszkaniowe Batory Sp. z o.o. on March 7, 1994 under the number RHB 39782. On January 15, 2001 the company was transformed into a public limited company and registered in the District Court in Warsaw under the number RHB 63464. On July 16, 2001 the Company changed its name into J.W. Construction Holding S.A. and was entered in the National Court Register under the number KRS 0000028142.

A key purpose of the Company's operations based on the Polish Classification of Activities (PKD) is development and sale of real estate for its own account. Other purposes of the Company's operations include design and auxiliary building production, real estate trading, sales of aggregate and hotel services.

2. ACCEPTED ACCOUNTING PRINCIPLES (POLICY)

Basic information about the Group of companies, including the parent company and its subsidiaries covered by the consolidated financial statements

The structure of the Group of companies and the parent company's participation in share capitals of entities belonging to the Group as at March 31, 2008 are presented in the table below:

Entity	Country of registration	The parent company's participation in the share capital	The parent company's participation in voting rights	Consolidation method
Subsidiaries				
Lokum Sp. z o.o.	Poland	99.99%	99.99%	full consolidation
Interlokum Sp. z o.o.	Poland	99.00%	99.00%	full consolidation
Project 55 Sp. z o.o.	Poland	99.99%	99.99%	full consolidation
Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o.	Poland	99.99%	99.99%	full consolidation
Przedsiębiorstwo Turystyczne „Czarny Potok” S.A.	Poland	100.00%	100.00%	full consolidation
Deweloper Sp. z o.o.	Poland	99.00%	99.00%	full consolidation
J.W. Construction International Sp. z o.o.	Russia	100.00%	100.00%	full consolidation
Porta Transport Sp. z o.o.	Poland	100.00%	100.00%	full consolidation
Construction Invest Sp. z o.o.	Poland	100.00%	100.00%	full consolidation

A key purpose of the companies belonging to the Group of companies is:

- Lokum Sp. z o.o. – development and sale of real estate for its own account,
- Interlokum Sp. z o.o. – development and sale of real estate for its own account,
- Project 55 Sp. z o.o. – development and sale of real estate for its own account,
- Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o. – sale and administration of social building estates,
- Przedsiębiorstwo Turystyczne „Czarny Potok” S.A. – catering and hotel operations associated with organization of tourist services and leisure,
- J.W. Construction International Sp. z o.o. – carrying out general construction works including erecting buildings, general construction and civil engineering, building production,
- Deweloper Sp.z o.o. – building and assembly production,
- Construction Invest Sp. z o.o. – development and sale of real estate for its own account
- Porta Transport Sp. z o.o. – transport services

All companies belonging to the Group of companies carry out their operations in the area of Poland, except the subsidiary J.W. Construction International Sp. z o.o. which focuses and carries out its building production and development operations in Russia. Duration of the companies belonging to the Group of companies is unlimited.

Preparation of the financial statements

Consolidated financial statements for the years 2007-2008 were prepared based on financial statements of entities belonging to J.W. Construction Holding S.A. Group of companies and presented as if the Group of companies constituted a single entity. Consolidated financial statements include financial statements of the parent company J.W. Construction Holding S.A. and financial statements of the following subsidiaries controlled by the parent company:

- a) TBS „Marki” Sp. z o.o., Interlokum Sp. z o.o., Lokum Sp. z o.o., Project 55 Sp. z o.o., J.W. Construction International Sp. z o.o., Przedsiębiorstwo Turystyczne „Czarny Potok” S.A., Deweloper Sp. z o.o. – in 2007, Porta Transport Sp. z o.o., Construction Invest Sp. z o.o.- in 2007.
- b) TBS „Marki” Sp. z o.o., Interlokum Sp. z o.o., Lokum Sp. z o.o., Project 55 Sp. z o.o., J.W. Construction International Sp. z o.o., Przedsiębiorstwo Turystyczne „Czarny Potok” S.A., Deweloper Sp. z o.o. – in 2007, Porta Transport Sp. z o.o., Construction Invest Sp. z o.o.- in 2008.

In the years 2007-2008 the parent company excluded the following subordinated entities from consolidation:

In 2007:

- Business Financial Construction Sp. z o.o.– 100%
- J.W. Construction AZS Politechniki Warszawskiej S.A. – 75%
- KSP Polonia Warszawa SSA – 100%
- J.W. Construction S.A.-100%
- J.W. Construction 1 Sp. z o.o.-100%
- J.W. Bułgaria Sp. z o.o.-100%
- Ośrodek Wypoczynkowy "Ogoniok" Sp. z o.o.-70%

In 2008:

- Business Financial Construction Sp. z o.o.– 100%
- J.W. Construction AZS Politechniki Warszawskiej S.A. – 75%
- KSP Polonia Warszawa SSA – 100%
- J.W. Construction S.A.-100%
- J.W. Construction 1 Sp. z o.o.-100%
- J.W. Bułgaria Sp. z o.o.-100%
- Ośrodek Wypoczynkowy "Ogoniok" Sp. z o.o.-70%
- JW. Projekt Sp. z o.o. -100%
- JWCH Produkcja Budowlana Sp. z o.o. – 100%
- JWCH Budownictwo Drogowe Sp.z o.o.

The legal basis for applied exclusions of the above companies from the consolidated financial statements were conceptual assumptions underlying the International Financial Reporting Standards concerning a limited usefulness and reliability of information. According to the aforementioned assumptions benefits from obtained information should exceed expenses for their provision. It was however stated that expenses for provision of information on subordinated companies not included in the consolidation perimeter as well as expenses for their inclusion in the consolidation perimeter exceed benefits which might be otherwise attained. In addition when making a decision on exclusion of subordinated companies from consolidation it was considered that they were not essential for a reliable and clear presentation of assets, financial position and financial results of the Group of companies.

Accounting policy

The consolidated financial statements have been prepared in accordance with principles provided for in the International Financial Reporting Standards as approved by the European Union.

Intangible assets

Intangible assets include such property rights as: franchises, patents, licenses, trademarks, copyrights, know-how and computer software. Intangible assets are defined as identifiable non-cash assets. Intangible assets are recognized if and when:

- a) they are identifiable,

- b) they are controlled so the entity is legally authorized to attain future economic benefits resulting from such assets and is able to limit third parties' access to such benefits,
- c) they will create future economic benefits in the form of revenues from sales or savings within the company's expenses,
- d) their purchase price or manufacturing cost is possible to be reliably established.

Intangible assets are amortized based on the straight line method for periods equal to their estimated economic lives.

Intangible assets with undefined economic lives (goodwill) are not amortized, but are every year tested for impairment in conformity with IAS 36.

Tangible assets

Tangible assets include resources controlled by the entity (constituting its property) and created as a result of past events, from which the entity is expected to attain economic benefits and which are kept by the business entity in order to use them in production processes or in delivery of goods and services, in order to be granted for use to other entities under lease arrangements or for administrative purposes and which are expected to be used for a period exceeding one year.

Tangible assets are disclosed by the company if and when they are useful, complete and their cost could be reliably assessed (a purchase price or manufacturing cost).

Tangible assets are valued at their purchase prices or manufacturing costs. Tangible assets are depreciated based on the straight line method for periods of economic lives of individual tangible assets.

Subsequent expenditures pertaining to tangible assets increase their balance sheet value if and when it is probable that the business entity will attain future economic benefits exceeding benefits attainable under originally estimated business results produced using assets already held. Current maintenance and repair expenses are disclosed in respective reporting periods.

The Company verified the value of tangible assets held. Values of tangible assets reported in the financial statements do not deviate from their carrying values.

Impairment of intangible and tangible assets

In the event when there are indications of a possible impairment of tangible and intangible assets, impairment tests are carried out and resulting amounts of revaluation write-offs reduce the balance sheet value of assets they refer to and are reported in the profit and loss account.

Revaluation write-offs for previously restated assets lead to adjustments under revaluation reserves up to figures disclosed in the capitals, and below respective purchase prices they are reported in the profit and loss account. The balance of revaluation write-offs is determined as a surplus of the balance sheet value of such assets over their recoverable value. Their recoverable value amounts to the higher of: their net realizable value or value in use. Revaluation write-offs are reversed if and when reasons justifying their creation no longer exist. Effects of reversals of revaluation write-offs are recognized under the profit and loss account, except amounts which previously reduced revaluation reserves and now adjust such reserves up to the level of such reductions.

Investment properties

Investment properties are real estate properties (land, building or a part thereof or both) which their owner considers as a source of rental revenues or which their owner keeps due to their expected growth in value. Such properties are not used for production, delivery of goods and services or administrative activities and they are not intended for sale in the frame of the entity's ordinary operations. Investment properties include in particular: lands kept due to their long-term value growth potential; lands whose future use is currently undefined. Initially, investment properties are valued at purchase prices or manufacturing costs, including transaction costs, if any.

Leasing

Under leasing arrangements the lessor against payment or a series of payments grants the lessee rights to use a given asset for a defined period. Leasing contracts are classified by the company as operating leases and financial leases. Financial leases are arrangements under which principally all risks and benefits from holding a given assets pass to the company. Financial leases are initially disclosed on lease starting dates defined as dates starting from which the company is legally authorized to use leased objects. As at lease starting dates, financial leases are recognized in the company's balance sheet as an item of assets and liabilities:

- a) in amounts equal to market values of leased objects or
- b) in current (discounted) amounts of leasing charges, whichever is lower.

Lease contract charges include financial expenses (presented in the income statement of a given year) and principal repayments, reducing asset lease liabilities. Financial expenses are disclosed directly in the profit and loss account. Leased objects presented in the balance sheet are depreciated and amortized based on principles applicable to similar purchased assets. In the event when after expiration of lease arrangements the company does not intend to purchase a title to leased objects, then their depreciation or amortization period equals a duration of their lease.

Leases failing to satisfy criteria of financial leases are classified as operating leases. Operating lease charges are recognized by the company as expenses in the profit and loss account on an equal and proportional basis over the entire term of the lease.

Inventories

Inventories, including materials, work in progress, finished products, goods and advances for deliveries are defined as assets:

- a) which constitute materials or raw materials to be used for production or service delivery purposes,
- b) whose production is in progress and which then are intended for sale in the frame of ordinary business operations,
- c) are intended for sale in the frame of ordinary business operations.

Finished products are parts of already completed projects (housing estates, multi-family estates) such as: apartments, business premises, cellars, garages, garage places, parking places. That item encompasses also other finished products used in the company's production processes. Finished products are stated at the lower of the following two values: purchase price (manufacturing cost - including direct costs and a reasonable portion of indirect costs and external financing costs incurred until their production is finished) or net realizable value. In the event when the purchase price or manufacturing cost exceeds the net realizable value, then the entity recognizes a revaluation write-off adjusting costs of sale.

Work in progress constitutes expenditures incurred in connection with a development of residential estates and expenses associated with auxiliary production. Work in progress is stated at its manufacturing cost. Production associated with a development of estates is valued in conformity with IAS 11 "Construction contracts" and principles described under "Long-term contracts for developer services".

Costs of external financing

Costs of external financing include interest, exchange differences and other financial expenses incurred by the entity under borrowing operations. The Company capitalizes costs of external financing which directly attributable to a purchase (lands and construction services), construction or manufacturing of assets, as a part of purchase price or manufacturing cost of such asset. Such costs are capitalized until when production or construction is finished. Other costs of external financing are disclosed as expenses of the period when they are incurred, regardless of how a respective credit or loan is used.

Short-term and long-term receivables

The Company's receivables are recognized in the financial statements in amounts due less any revaluation write-offs. Receivables are revalued considering probability of their payment by recording necessary revaluation write-offs. Revaluation write-offs to receivables are disclosed respectively under other operating expenses or financial expenses, depending on the nature of receivables revaluation write-offs are applied to. Receivables cancelled, time-barred or uncollectible reduce revaluation write-offs previously applied to their balance. Receivables cancelled, time-barred or uncollectible against which no revaluation write-offs were previously made or against which revaluation write-offs did not amount to their full value, are disclosed respectively under other operating expenses or financial expenses.

Guarantee deposits

Guarantee deposits, constituting a part of receivables retained by customers for services under contractual arrangements as a security in the period of contractual and statutory warranty, are recognized as the Company's assets.

Guarantee deposits constituting a security for the Company's claims against subcontractors are presented under liabilities. Guarantee deposits are stated at the balance sheet date based on their purchase price adjusted using an effective discount rate.

Cash and cash equivalents

Cash at bank and in hand as well as short-term deposits retained to maturity are stated at their nominal value.

Prepayments

The Company capitalizes expenditures under prepayments in the event when it is probable that expenses so incurred refer to more than one reporting period and taking into consideration the principles of relevance and prudence. The most important criterion which has to be satisfied in order to be able to report prepayments is that expenses be attributable to the entity's assets, i.e. to resources with a reliably determined value and emerge from past events which are expected to bring economic benefits to the entity in the future.

Provisions against liabilities

Provisions are a kind of liabilities whose amounts or payment dates are not yet known. Provisions are created in the company if and when all the following conditions are jointly satisfied:

- a) the company has an actual (legal or customary) obligation resulting from past events,
- b) it is probable that in order to satisfy such obligations the company will have to expend resources representing economic benefits,
- c) it is possible to reliably estimate amounts of such obligations.

Provisions against liabilities in J.W. Construction Holding S.A. include:

- provision against warranty repairs disclosed at amounts equal to the balance of warranty repair expenses from past periods,

- provision against unused holidays created based on the list of unused holiday entitlements of individual employees, as at a given date, and their daily gross salary increased by ZUS (Social Security) contributions payable by the Employer,
- provision against retirement gratuities,
- provision against deferred income tax.

Long-term contracts for developer services

Core activities of the Issuer's Group of companies include carrying out developer contracts. A specific feature of developer contracts is construction of apartments which are usually financed by their future buyers during the entire project by payment of advances stipulated in respective contracts, and then, after finishing the investment process, sale and transfer of ownership to apartments to their buyers. Such contracts are carried out for a period longer than 12 months. Advances paid by buyers under respective contracts are recorded under deferred income. Expenses by type incurred in a given period are recognized under inventories as work in progress. The Issuer's Group of companies discloses revenues and expenses on developer contracts in conformity with a percentage progress method. Postings are made based on budgeted revenues and expenses. A percentage progress of individual projects is determined for each financial period based on assessment of an actual percentage progress represented by budgeted development expenses and budgeted sales. Development expenses are settled based on analyses of the value of completed works comparing to the value of budgeted expenses. A percentage progress in revenues from sales is determined by comparing the value of revenues from signed preliminary sale contracts with the value of expected total revenues based on budgeted revenues from sales.

In the event when a percentage progress of services not yet delivered or an expected total cost of their provision cannot be reliably assessed, revenues are determined in the amount of expenses incurred in a given reporting period (zero method). As required by the prudence principle, the Issuer's Group of companies usually applies the "zero" method during the first stage of projects until reaching the following levels:

- a) revenues – percentage progress above 50% (the value of revenues resulting from signed contracts/value of budgeted revenues)
- b) expenses – percentage progress above 40% (the value of works determined based on a physical count/budgeted figures)

When the aforementioned levels are reached, revenues and expenses for a given project start to be recognized as follows:

- a) revenues = budgeted value of revenues * (revenue ratio * expense ratio)
- b) expenses = budgeted value of expenses * (revenue ratio * expense ratio).

Revenues so determined lead to lowering the balance of deferred income (balance sheet) and increasing revenues from sale of products (profit and loss account). In the event when the value of revenues so determined is higher than the value of advances recorded under deferred income, then under a respective project a new item "non-invoiced receivables" is created and it increases the balance of deferred income and short-term prepayments. Expenses determined as referred to above lead to lowering the balance of work in progress (balance sheet) and increasing costs of sale (profit and loss account). In the event when the value of assessed expenses is higher than expenses recorded under work in progress, then a new item "non-invoiced works" is created and it increases the balance of work in progress and accruals at the same time. The above method of accounting for developer contracts is used in the Issuer's Group of companies until when development works are finished.

After a given building is commissioned, the value of individual items is transferred to finished products where they remain until when preliminary sale contracts are signed (applies only when not all items are sold before finishing development works).

Draft amendments to the International Accounting Standards

At the end of 2006 International Financial Reporting Interpretation Committee (IFRIC) published a draft interpretation describing accounting principles applicable to construction and sales of residential buildings in the frame of developer business operations. The document referred to essential differences in application of IAS 11 and IAS 18 standards to developer business operations. Differences pertain to the point of recognition of revenues from sale of residential premises under preliminary contracts and suggest the need to modify currently effective standards and their official interpretations.

On the basis of preliminarily published conclusions authors of the draft recommend a ban on application of IAS 11 (the so called percentage method) in the case of construction and sales of residential buildings in the frame of developer business operations which should be replaced with a completed contract method, IAS 18.

In the event when a final version is accepted by IFRIS, the Issuer will have to change accounting standards. That might require a change in disclosure of revenues from developer contracts in different reporting periods.

Long-term contracts for construction services

Construction services are settled and presented by the Issuer's Group of companies, acting as a construction contractor, in conformity with provisions resulting from IAS 11 "Construction contracts".

a) Zero method

The zero method is used whenever it is not possible to reliably determine progresses of construction services not yet completed. Revenues from such construction services not yet completed, in conformity with that method, are determined at the month end in the amount of expenses incurred in that period, however not higher than expenses whose payment in the future by a respective buyer is probable. In the event when invoiced revenues are higher than incurred expenses a corresponding portion of revenues is derecognized and transferred to deferred income.

b) Percentage method

The percentage method is used whenever it is possible to reliably determine progresses of services not yet completed. Disclosed revenues from construction services not yet completed correspond with expenses incurred as at a given point. Revenues, expenses and profits are recognized proportionately to progresses of works.

When assessing progresses in carrying out construction contracts the Group applies such method which allows to reliably determine progresses of works at certain dates. Those methods, depending on a contract type, might include:

- defining a proportion of contract expenses incurred on works carried out up to a given moment to estimated total contract expenses,
- measurements of completed works,
- physical comparisons of completed parts of works with works stipulated in a respective contract.

When assessing progresses of construction services based on contract expenses incurred up to a certain point in time, expenses for such works include only those contractual expenses which reflect progresses of works.

Bank credits and loans

Bank credits and loans are recognized at their purchase price corresponding with the fair value of cash received, less any expenses associated with obtaining such credit or loan financing.

In subsequent periods credits and loans are valued based on their purchase price adjusted using an effective interest rate. All effects of purchase price adjustments and effects of removing liabilities from the balance sheet or recognizing its impairment are disclosed in the profit and loss account.

Deferred income tax

Deferred income tax provisions and assets are determined considering any existing temporary differences between the value of assets and liabilities stated in the accounting books and their tax value and tax loss which might be deducted in the future from the tax base.

Deferred income tax provisions are created for positive temporary differences in the amount of income tax, required to be paid in the future.

Deferred income tax assets are presented in the amount to be deducted in the future from income taxes due to negative temporary differences and tax losses which might be deducted in conformity with the prudence principle.

The balance sheet value of every deferred tax asset is tested as of each balance sheet date to the extent in which it is no longer probable that a taxable profit sufficient to partly or entirely use such deferred income tax asset is going to be produced. Deferred income tax assets and provisions against deferred tax are stated using tax rates which are expected to be in force when a given asset is going to be used or a given provision is going to be released, accepting as a basis tax rates effective as of the balance sheet date.

Fixed assets for sale and operations to be discontinued

Fixed assets for sale and discontinued operations include assets or their groups classified under this category and presented in the financial statements in an amount lower than their carrying value or fair value reduced by selling expenses.

In order to report assets in this category prospective buyers have to be actively searched, it should be highly probable that those assets are sold within one year from the date of their inclusion under such caption and such assets have to be immediately available for sale.

Liabilities

The Company's liabilities include obligations to deliver performances of a reasonably defined value resulting from past events by using already held or future assets of the entity.

Considering characteristic features, liabilities might be divided into:

- short-term liabilities,
- long-term liabilities,
- financial liabilities,
- contingent liabilities.

Short-term liabilities include the entire catalogue of trade liabilities as well as the whole or a part of remaining liabilities which becomes due within 12 months from the balance sheet date. Long-term liabilities include a portion of non-trade liabilities which becomes due within a period longer than 12 months from the balance sheet date.

Financial liabilities constitute the Company's obligations to deliver financial assets or to exchange a financial instrument with another entity on non-beneficial terms.

Contingent liabilities are obligations to deliver performances whose emergence depends on future existence of certain events. Those liabilities are disclosed in additional information and explanations.

Liabilities are stated as of the balance sheet date in amounts to be paid.

Accruals

Accruals are disclosed in amounts of probable liabilities attributable to the current reporting period.

Revenues

The Issuer's Group of companies recognizes revenues in amounts at which it is probable that the Group is going to obtain economic benefits associated with a given transaction and when the amount of revenues might be reliably stated. Revenues are recognized on an accrual basis, regardless of the date of their receipt.

Revenues from sale of developer services, i.e. apartments, are recorded as described in point "Long-term contracts for developer services"

Revenues from construction services are recognized in the period when services are provided based on progresses of a given transaction, determined as the ratio of actually completed works to the entire scope of works to be carried out.

Other revenues, expenses, gains and losses

Other operating revenues and expenses constitute revenues and expenses not associated directly with operating activities.

Financial revenues and expenses include but are not limited to: interest on credits and loans granted and used, default interest received and paid, exchange differences, commissions paid and received, gains and losses on disposal of securities, provisions released and created for financial expenses.

Taxes

Corporate income tax liabilities are calculated based on taxable results (tax basis) of a given financial year. Tax profits (losses) are different from accounting net profits (losses) following exclusion of revenues taxable and expenses deductible in subsequent years and revenue and expense items which will not be taxed at all. Tax charges are calculated using tax rates effective in a given financial year.

B. CONSOLIDATED FINANCIAL STATEMENTS
1. BALANCE SHEET

ASSETS	31.03.2008	31.12.2007
FIXED ASSETS	382 218 664.26	380 045 382.18
Intangible assets	12 040 311.05	12 356 491.62
Goodwill attributable to subordinated entities	21 026 397.97	21 026 397.97
Tangible assets	294 336 072.10	295 610 264.12
Investment properties	12 266 836.50	12 264 900.36
Other financial assets	17 332 818.38	15 337 952.98
Deferred income tax assets	12 767 141.84	10 989 317.58
Trade receivables and other receivables	12 449 086.42	12 220 598.30
Prepayments	0.00	239 459.24
CURRENT ASSETS	1 078 567 162.20	1 103 623 251.09
Inventories	28 459 697.53	31 288 605.65
Construction contracts	871 759 256.69	847 770 790.83
Trade receivables and other receivables	71 961 914.08	63 748 196.02
Other financial assets	15 387 332.88	73 692 807.18
Cash and cash equivalents	75 744 616.19	75 332 040.80
Prepayments	15 254 344.83	11 790 810.61
Total assets	1 460 785 826.45	1 483 668 633.26
EQUITY AND LIABILITIES		
EQUITY	568 607 827.93	548 966 849.29
Share capital	10 939 656.00	10 939 656.00
Revaluation reserve	0.00	0.00
Treasury shares	0.00	0.00
Other capitals	384 949 931.36	383 132 602.03
Retained earnings	153 614 356.36	6 491 802.80
Net profit/(loss)	19 103 884.21	148 402 788.46
LIABILITIES	892 177 998.52	934 701 783.97
Long-term liabilities	398 718 782.65	368 669 581.07
Credits and loans	229 677 278.90	206 406 678.76
Deferred income tax liabilities	73 520 319.79	66 550 764.33
Retirement benefit liabilities	591 809.82	598 565.82
Provisions against liabilities and charges	13 952 280.71	14 128 638.99
Other liabilities	80 977 093.43	80 984 933.17
Short-term liabilities	493 459 215.87	566 032 202.90
Trade liabilities and other liabilities	70 574 099.50	106 615 819.51
Construction contracts	89 185 647.02	131 845 627.08
Credits and loans	132 217 363.48	156 735 191.05
Provisions against other liabilities and other charges	12 124 458.03	17 995 469.24
Other liabilities	189 357 647.84	152 840 096.01
Total equity and liabilities	1 460 785 826.45	1 483 668 633.26

2. PROFIT AND LOSS ACCOUNT

	for the period 1.1.2008 to 31.3.2008	for the period 1.1.2007 to 31.3.2007
Net revenues from sales of products, goods and materials, including:	119 594 339.73	106 330 573.43
Net revenues from sales of products	116 240 859.02	105 955 674.00
Net revenues from sales of goods and materials	3 353 480.71	374 899.43
Costs of sold products, goods and materials, including:	80 412 588.08	79 538 153.94
Costs of manufacturing of sold products	76 755 683.40	78 488 182.41
Value of goods and materials sold	3 656 904.68	1 049 971.53
Gross profit / (loss) on sales	39 181 751.64	26 792 419.49
Selling expenses	5 971 523.88	4 432 333.35
General overhead expenses	5 842 785.77	5 212 692.74
Revaluation of investment properties	0.00	0.00
Profit / (loss) on sales	27 367 442.00	17 147 393.40
Other operating revenues	1 186 235.92	1 541 880.25
Profit from disposal of non-financial fixed assets	106 319.39	758 621.12
Subsidies	0.00	0.00
Other operating revenues	1 079 916.53	783 259.13
Other operating expenses	944 495.39	808 620.65
Loss on disposal of non-financial fixed assets	0.00	1 560.49
Revaluation of non-financial assets	0.00	0.00
Other operating expenses	944 495.39	807 060.16
Profit (loss) on operating activities	27 609 182.53	17 880 653.00
Financial revenues	2 961 667.07	912 961.27
Dividends and shares in profits, including:	0.00	2.58
Interest	2 373 273.30	780 829.46
Profit from disposal of investments	0.00	0.00
Revaluation of investments	0.00	0.00
Other	588 393.77	132 129.23
Financial expenses	6 690 961.90	4 552 105.25
Interest	6 318 626.02	4 709 619.95
Loss on disposal of investments	0.00	0.00
Revaluation of investments	25 028.01	0.00
Other	347 307.87	-157 514.70
Gross profit / (loss)	23 879 887.70	14 241 509.02
Income tax	78 266.32	3 542 708.87
Deferred tax	4 697 737.17	-541 518.96
Net profit (loss)	19 103 884.21	11 240 319.11

3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Revaluation reserve	Supplementary capital	Other reserves	Hedge revaluation capital and consolidation exchange differences	Retained earnings	Net result	Equity attributable to shareholders of the parent company	Minority shareholders	Equity
Balance as at December 31, 2007	10 939 656.00	0.00	377 696 720.04	5 576 255.17	-3 822.19	7 195 257.85	148 104 239.39	549 508 306.25	0.00	549 508 306.25
Adjustments of fundamental errors	0.00	0.00	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	0.00	0.00
Balance as at January 1, 2008	10 939 656.00	0.00	377 696 720.04	5 576 255.17	-3 822.19	7 195 257.85	148 104 239.39	549 508 306.25	0.00	549 508 306.25
Additional capital contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payment of dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on revaluation of assets available for sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on cash flow hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exchange differences on translation of financial statements of foreign entities	0.00	0.00	0.00	0.00	-4 362.23	-0.30	0.00	-4 362.53	0.00	-4 362.53
Profit/ (loss) on acquisitions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting / presentation principles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inclusion in the consolidation perimeter/Czarny Potok	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profits/(losses) disclosed directly in equity	10 939 656.00	0.00	377 696 720.04	5 576 255.17	-8 184.42	7 195 257.55	148 104 239.39	549 503 943.72	0.00	549 503 943.72
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	0.00	0.00	19 103 884.21	19 103 884.21	0.00	19 103 884.21
Profits/(losses) disclosed in equity and in net result	10 939 656.00	0.00	377 696 720.04	5 576 255.17	-8 184.42	7 195 257.55	167 208 123.60	568 607 827.93	0.00	568 607 827.93
Increases / (decreases) from distribution of profit	0.00	0.00	1 685 140.57	0.00	0.00	146 419 098.82	-148 104 239.39	0.00	0.00	0.00
Balance as at March 31, 2008	10 939 656.00	0.00	379 381 860.61	5 576 255.17	-8 184.42	153 614 356.36	19 103 884.21	568 607 827.93	0.00	568 607 827.93

	Share capital	Revaluation reserve	Supplementary capital	Other capitals	Hedge revaluation capital and consolidation	Retained earnings	Net result	Equity attributable to shareholders of the parent	Minority shareholders	Equity
Balance as at December 31, 2006	10 250 000.00	0.00	74 810 512.66	2 703 534.25	-109 753.75	-26 221 694.92	132 017 400.08	193 449 998.31	0.00	193 449 998.31
Adjustments of fundamental errors	0.00	0.00	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	0.00	0.00
Balance as at January 1, 2007	10 250 000.00	0.00	74 810 512.66	2 703 534.25	-109 753.75	-26 221 694.92	132 017 400.08	193 449 998.31	0.00	193 449 998.31
Issue of shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payment of dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on revaluation of tangible assets and investment properties	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on cash flow hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exchange differences on translation of financial statements of foreign entities	0.00	0.00	0.00	0.00	43 901.50	0.00	0.00	43 901.50	0.00	43 901.50
Profit/ (loss) on acquisitions (individual JWCH entities)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/ (loss) on inclusion in/exclusion from the consolidation perimeter	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting / presentation principles	0.00	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	0.00	0.00	-1 574 380.34	0.00	-1 574 380.34	0.00	-1 574 380.34
Profits/(losses) disclosed directly in equity	0.00	0.00	0.00	0.00	43 901.50	-1 574 380.34	0.00	-1 530 478.84	0.00	-1 530 478.84
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	0.00	0.00	11 240 319.28	11 240 319.28	0.00	11 240 319.28
Profits/(losses) disclosed in equity and in net result	0.00	0.00	0.00	0.00	43 901.50	-1 574 380.34	11 240 319.28	9 709 840.44	0.00	9 709 840.44
Increases / (decreases) from distribution of profit	0.00	0.00	167 204.57	0.00	0.00	131 850 195.51	-132 017 400.08	0.00	0.00	0.00
Balance as at March 31, 2007	10 250 000.00	0.00	74 977 717.23	2 703 534.25	-65 852.25	104 054 120.25	11 240 319.28	203 159 838.75	0.00	203 159 838.75

4. CASH FLOW STATEMENT

Cash flows from operating activities – indirect method	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Net profit (loss)	19 103 884.21	11 240 319.28
Adjusted by	868 485.32	9 969 456.59
Depreciation and amortization	5 240 174.70	4 359 014.55
Interest and dividends	1 076 130.93	0.00
Change in the balance of provisions. prepayments. accruals and	-5 445 884.17	5 610 442.04
Other adjustments by	-1 936.14	0.00
- other adjustments. including deferred income tax referred to equity	-1 936.14	0.00
Change in the balance of working capital	-100 015 097.65	-45 882 108.36
Change in the balance of inventories	-140 650.30	28 760 747.33
Change in the balance of construction contracts	-63 932 204.58	-57 531 778.94
Change in the balance of receivables	-3 805 459.13	-11 105 251.58
Change in the balance of short-term liabilities. except loans and credits	-32 136 783.63	-6 005 825.18
Net cash flows from operating activities	-80 042 728.12	-24 672 332.49
Cash flows from investing activities		
Disposal of intangible assets. tangible assets and other fixed assets	0.00	0.00
Purchase of intangible assets. tangible assets and other fixed assets	-394 162.04	-2 811 388.68
Expenses for assets for sale	0.00	0.00
Purchases of equity and debt instruments	-176 000 000.00	0.00
Disposals of equity and debt instruments	236 000 000.00	0.00
Loans granted	-5 484 826.99	0.00
Repayment of loans	0.00	0.00
Other purchases of financial assets	0.00	0.00
Other disposals of financial assets	0.00	24 500.00
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 cash flows from investing activities	54 121 010.97	-2 786 888.68
Cash flows from financing activities		
Net proceeds from issuing shares and other equity instruments and capital contributions	0.00	0.00
Acquisition of treasury shares or redemptions of shares	0.00	0.00
Credits and loans received	122 988 685.55	63 605 452.07
Repayments of credits and loans	-124 221 620.08	-79 479 475.52
Issue of debt securities	38 000 000.00	37 258 651.45
Repurchase of debt securities	0.00	0.00
Payment of liabilities due to financial lease contracts	-5 162 936.37	-3 220 683.80
Dividends and other shares in profits	0.00	0.00
Interest paid	-5 269 564.97	-5 205 761.10

	Other financial revenues	0.00	0,00
	Other financial expenses	0.00	0,00
	Net cash flows from financing activities	26 334 564,13	12 958 183.10
	NET CASH DECREASE/(INCREASE)	412 846,98	-14 501 038.07
	Opening balance of cash and cash equivalents	75 331 769,20	37 380 444.49
	- change in the balance of cash due to exchange differences	0.00	0,00
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	75 744 616,19	22 879 406.41

C. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
1. Fixed assets
Note 1. Intangible Assets

INTANGIBLE ASSETS	31-03-2008	31-12-2007
a) R&D expenses	0.00	0.00
b) goodwill on consolidation	3 047 895.06	3 047 895.06
c) other intangible assets	8 992 415.99	9 308 596.56
d) advances for intangible assets	0.00	0.00
Total intangible assets	12 040 311.05	12 356 491.62

Note 2. Tangible assets

TANGIBLE ASSETS	31-03-2008	31-12-2007
a) tangible assets, including:	272 465 607.41	273 896 517.54
- land (including right of perpetual usufruct of land)	23 989 735.37	24 014 600.09
- buildings, premises, civil and water engineering facilities	216 301 477.42	218 664 682.22
- technical equipment and machinery	16 961 802.32	15 321 374.15
- vehicles	11 119 484.40	11 470 757.57
- other tangible assets	4 093 107.90	4 425 103.51
b) tangible assets under construction	21 870 464.69	21 697 770.59
c) advances for tangible assets under construction	0.00	15 975.99
Total tangible assets	294 336 072.10	295 610 264.12

Note 3. Investment properties

Other long-term investments	31-03-2008	31-12-2007
a) investment properties	12 266 836.50	12 264 900.36
b) other	0.00	0.00
Total other long-term investments	12 266 836.50	12 264 900.36

Note 4. Other financial assets

OTHER FINANCIAL ASSETS	31-03-2008	31-12-2007
a) shares or holdings	15 537 952.98	15 337 952.98
b) loans granted	0.00	0.00
c) other long-term investments	1 794 865.40	0.00
Total long-term financial assets	17 332 818.38	15 337 952.98

No.	A	B	C	D	E	F	G	H	I	J
		Registered office	Purpose	Relationship (subsidiary, co-subsidiary, associate with a description of direct and indirect relations)	Applied consolidation method / valuation based on the equity method, or statement that the entity is not consolidated / valuated using the equity	Date when control / joint control / significant influence starts to be exercised	Value of shares as at purchase price	Revaluati on adjustments (net)	Carrying value of shares	Share in the total number of votes on the general meeting
1.	TBS Marki Sp.z o.o.	Warsaw	social building	subsidiary	full method	14.11.2003	13 359 500.00	0.00	13 359 500.00	99.99%
2.	J.W. Construction International Sp. z o.o.	Kolomna (Russia)	construction and developer activities	subsidiary	full method	14.11.2003	1 272.90	0.00	1 272.90	100.00%
3.	Przedsiębiorstwo Turystyczne "Czarny Potok" S.A.	Krynica Górská	hotel activities	subsidiary	full method	16.12.2004	7 000 000.00	0.00	7 000 000.00	100.00%
4.	Business Financial Construction Sp. z o.o.	Warsaw	service activities	subsidiary	not consolidated	16.06.2003	4 346 500.00	0.00	4 346 500.00	99.99%
5.	Project 55 Sp. z o.o.	Warsaw	developer activities	subsidiary	full method	13.01.2005	19 655 537.59	0.00	19 655 537.59	99.99%
6.	Interlokum Sp. z o.o.	Warsaw	developer activities	subsidiary	full method	23.11.2004	49 500.00	0.00	49 500.00	99.00%
7.	Lokum Sp. z o.o.	Warsaw	developer activities	subsidiary	full method	13.09.2005	3 778 000.00	0.00	3 778 000.00	99.99%
8.	Deweloper Sp. z o.o.	Siemianowice Śląskie	construction activities	subsidiary	full method	08.09.2004	49 500.00	0.00	49 500.00	99.00%
9.	JW Projekt Sp. z o.o.	Warsaw	architectural and designing activities	subsidiary	not consolidated	14.11.2003	51 800.00	0.00	51 800.00	99.96%
10.	Królewski Port Żerań Sp. z o.o.	Warsaw	developer activities	associate	not consolidated	08.09.2000	500 000.00	500 000.00	0.00	4.92%
11.	KSP Polonia Warszawa SSA	Warsaw	sports activities	subsidiary	not consolidated	30.03.2006	15 440.00	15 440.00	0.00	100.00%
12.	TBS Nowy Dom Sp. z o.o.	Zabki	social building	associate	not consolidated	30.09.2006	1 000.00	0.00	1 000.00	2.00%
13.	Construction Invest Sp. z o.o.	Zabki	development and sale of real estates	subsidiary	not consolidated	25.01.2006	50 000.00	0.00	50 000.00	100.00%
14.	J.W.Construction AZS Politechniki Warszaw. S.A.	Warsaw	sports activities	subsidiary	not consolidated	07.09.2006	375 000.00	0.00	375 000.00	75.00%
15.	J.W. Construction S.A.	Zabki	construction activities	subsidiary	not consolidated	26.09.2007	500 000.00	0.00	500 000.00	100.00%

16.	J.W. Construction 1 Sp.z o.o.	London	service activities	subsidiary	not consolidated	31.07.2007	5 618.00	0.00	5 618.00	100.00%
17.	J.W. Bułgaria Sp. z o.o.	Sophia	developer activities	subsidiary	not consolidated	08.10.2007	9 854.98	0.00	9 854.98	100.00%
18.	Porta Transport Sp. z o.o.	Szczecin	transport activities	subsidiary	full method	12.11.2007	19 118 737.41	0.00	19 118 737.41	100.00%
19.	Ośrodek Wypoczynkowy "Ogoniok" Sp. z o.o.	Sochi	developer activities	subsidiary	not consolidated	07.12.2007	9 810 000.00	0.00	9 810 000.00	70.00%
20.	JWCH Produkcja Budowlana Sp. z o.o.	Zabki	manufacturing prefabricated construction products	subsidiary	not consolidated	19.02.2008	100 000.00	0.00	100 000.00	100.00%
21.	JWCH Budownictwo Drogowo Sp. z o.o.	Zabki	road construction	subsidiary	not consolidated	07.02.2008	100 000.00	0.00	100 000.00	100.00%

Indirect relations										
22.	TBS Marki Sp.z o.o.	Warsaw	social building	subsidiary	full method	18.10.2006	500.00	0.00	500.00	0.01%
23.	Business Financial Construction Sp. z o.o.	Warsaw	service activities	subsidiary	not consolidated	16.06.2003	500.00	0.00	500.00	0.01%
24.	Interlokum Sp. z o.o.	Warsaw	developer activities	subsidiary	full method	18.10.2006	500.00	0.00	500.00	1.00%
25.	Lokum Sp. z o.o.	Warsaw	developer activities	subsidiary	full method	18.10.2006	500.00	0.00	500.00	0.01%
26.	Project 55 Sp. z o.o.	Warsaw	developer activities	subsidiary	full method	13.01.2005	500.00	0.00	500.00	
27.	Deweloper Sp. z o.o.	Siemianowice Śląskie	construction activities	subsidiary	full method	18.10.2006	500.00	0.00	500.00	1.00%
28.	J.W Projekt Sp. z o.o.	Warsaw	architectural and designing	subsidiary	not consolidated	14.11.2003	200.00	0.00	200.00	0.04%
29.	Stadnina Mazowiecka Sp. z o.o.	Warsaw	service activities	subsidiary	not consolidated	19.02.2007	50 000.00	0.00	50 000.00	100.00%
30.	Karczma Regionalna Sp.z o.o.	Krynica Górská	hotel services	subsidiary	not consolidated	16.12.2004	208 550.00	0.00	208 550.00	8.06%
31.	Fabryka Maszyn i Urządzeń FAMA S.A.	Kluczbork	manufacturing activities	associate	not consolidated	12.11.2007	29 630.00	0.00	29 630.00	0.04%

2. Current assets
Note 5. Inventories

INVENTORIES	31-03-2008	31-12-2007
a) materials	9 651 064.32	11 541 446.24
b) semi-finished products and work in progress	7 000 923.21	8 379 145.49
c) finished products	2 860 589.24	2 290 568.38
d) goods	8 406 538.68	8 678 418.87
e) advances for deliveries	540 582.07	399 026.67
Total inventories	28 459 697.53	31 288 605.65

Note 6. Construction contracts

	31-03-2008	31-12-2007
Expected revenues from current projects	4 265 365 344.80	4 874 487 515.98
Expected expenses on current projects	2 929 495 350.10	3 334 008 554.74
Expected margin on current projects	1 335 869 994.70	1 540 478 961.23
Accumulated revenues recognized in the profit and loss account	93 099 831.99	695 777 102.08
Accumulated expenses recognized in the profit and loss account	57 490 053.01	455 544 562.70
Accumulated margin recognized in the profit and loss account	35 609 778.98	240 232 539.38
Margin left to be recognized in subsequent periods	1 300 260 215.72	1 300 246 421.85
Expected margin on current projects	31.16%	31.12%
Value of construction contracts presented under current assets	871 759 256.69	847 770 790.83
Value of construction contracts presented under short-term liabilities	89 185 647.02	131 845 627.07
CONSTRUCTION CONTRACTS (current assets)		
a) semi-finished products and work in progress	290 652 217.62	255 088 283.04
b) finished products	20 793 800.69	25 839 687.50
c) prepayments	8 664 850.16	10 675 250.12
d) non-invoiced receivables	551 648 388.22	556 167 570.16
Total construction contracts	871 759 256.69	847 770 790.83
CONSTRUCTION CONTRACTS (short-term liabilities)		
a) advances for sale of apartments	76 726 307.12	83 095 212.73
b) completed non-invoiced works	11 537 751.11	47 106 421.71
d) other	921 588.79	1 643 992.63
Total construction contracts	89 185 647.02	131 845 627.07

SECURITIES ESTABLISHED ON INVENTORIES AND CONSTRUCTION CONTRACTS	31-03-2008	31-12-2007
Balance sheet value of real estate properties constituting securities for repayment of credit liabilities	877 557 875.78	808 375 177.86
Securities on real estate properties - credits	576 037 076.26	575 187 076.26
Securities on third party's real estate properties - credits	3 500 000.00	3 500 000.00

Note 7. Short-term receivables

SHORT-TERM RECEIVABLES	31-03-2008	31-12-2007
a) trade receivables – related entities	6 330 239.23	6 221 403.61
b) trade receivables – other entities	22 156 119.08	24 755 964.52
c) tax, subsidy, customs, social security and health insurance receivables and other benefits	39 554 124.91	29 973 014.28
d) other	3 921 430.86	2 797 813.61
Total receivables	71 961 914.08	63 748 196.02

Note 8. Short-term investments

SHORT-TERM INVESTMENTS	31-03-2008	31-12-2007
a) in subsidiaries	8 551 595.68	6 975 933.85
- shares or holdings	0.00	0.00
- debt securities	0.00	0.00
- other securities	0.00	0.00
- loans granted	8 551 595.68	6 975 933.85
- other short-term financial assets	0.00	0.00
b) in other entities	6 835 737.20	66 716 873.33
- shares or holdings	0.00	0.00
- debt securities	0.00	0.00
- other securities *	0.00	60 000 000.00
- loans granted	6 835 737.20	6 716 873.33
- other short-term financial assets	0.00	0.00
Total short-term investments	15 387 332.88	73 692 807.18

*Debt securities purchase program A detailed description might be found in Additional information.

No.	Settlement date	Maturity date	Nominal value of bonds as at 31.12.2007 (OB)	Increases by 31.03.2008	Decreases by 31.03.2008	Closing balance as at 31.03.2008
1.	07.12.2007	17.01.2008	60 000 000.00	0.00	60 000 000.00	0.00
2.	11.01.2008	12.02.2008	0.00	38 000 000.00	38 000 000.00	0.00
3.	17.01.2008	19.02.2008	0.00	60 000 000.00	60 000 000.00	0.00
4.	12.02.2008	29.02.2008	0.00	18 000 000.00	18 000 000.00	0.00
5.	19.02.2008	29.02.2008	0.00	30 000 000.00	30 000 000.00	0.00
6.	29.02.2008	28.03.2008	0.00	30 000 000.00	30 000 000.00	0.00
	Total		60 000 000.00	176 000 000.00	236 000 000.00	0.00

Note 9. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	31-03-2008	31-12-2007
a) cash at bank and in hand	22 404 701.14	28 228 407.50
b) other cash	53 085 480.93	46 011 447.15
c) other monetary assets	254 434.12	1 092 186.15
Total cash	75 744 616.19	75 332 040.80

3. Liabilities
Note 10. Credits and loans

CREDITS AND LOANS	31-03-2008	31-12-2007
a) credits	361 177 682.52	362 434 992.07
<i>including: long-term</i>	229 677 278.90	206 406 678.76
<i>short-term</i>	131 500 403.62	156 028 313.31
b) loans	716 959.86	706 877.74
<i>including: long-term</i>	0.00	0.00
<i>short-term</i>	716 959.86	706 877.74
Total credits and loans	361 894 642.38	363 141 869.81
Total long-term credits and loans	229 677 278.90	206 406 678.76
Total short-term credits and loans	132 217 363.48	156 735 191.05

CREDITS BY DUE DATE	31-03-2008	31-12-2007
up to 1 year	131 500 403.62	156 028 313.31
from 1 year to 2 years	123 369 627.93	101 057 039.64
from 2 years to 5 years	1 063 000.00	1 063 000.00
above 5 years	105 244 650.97	104 286 639.12
Total credits, including:	361 177 682.52	362 434 992.07
- long-term	229 677 278.90	206 406 678.76
- short-term	131 500 403.62	156 028 313.31

LOANS BY DUE DATE	31-03-2008	31-12-2007
up to 1 year	716 959.86	706 877.74
from 1 year to 2 years	0.00	0.00
from 2 years to 5 years	0.00	0.00
above 5 years	0.00	0.00
Total loans, including:	716 959.86	706 877.74
- long-term	0.00	0.00
- short-term	716 959.86	706 877.74

Note 11. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	31-03-2008	31-12-2007
a) other financial liabilities	68 730 390.27	69 873 691.86
b) other long-term liabilities	12 246 703.16	11 111 241.31
Total other liabilities	80 977 093.43	80 984 933.17

Note 12. Trade liabilities and other liabilities

TRADE LIABILITIES AND OTHER LIABILITIES	31-03-2008	31-12-2007
a) trade liabilities – other entities	56 059 235.05	81 558 277.71
b) trade liabilities – related entities	676 967.33	2 307 943.56
c) tax, customs, insurance liabilities and other benefits	6 349 181.65	5 104 044.66
d) payroll liabilities	3 577 493.59	3 860 780.59
e) received advances for deliveries	134 578.21	132 951.06
f) other	3 776 643.67	13 651 821.93
Total trade liabilities and other liabilities	70 574 099.50	106 615 819.51

Note 13. Other liabilities

OTHER LIABILITIES	31-03-2008	31-12-2007
a) liabilities due to issue of debt securities	178 500 000.00	140 500 000.00
b) other financial liabilities	10 857 647.84	12 340 096.01
Total other liabilities	189 357 647.84	152 840 096.01

Liabilities due to issue of debt securities

No.	Issue date	Maturity date	Nominal value of bonds as at 31.12.2007 (OB)	Increases by 31.03.2008	Decreases by 31.03.2008	Closing balance as at 31.03.2008
1.	11.04.2007	11.04.2008	40 000 000.00	0.00	0.00	40 000 000.00
2.	27.04.2007	25.04.2008	10 000 000.00	0.00	0.00	10 000 000.00
3.	18.05.2007	16.05.2008	24 500 000.00	0.00	0.00	24 500 000.00
4.	20.06.2007	19.06.2008	66 000 000.00	0.00	0.00	66 000 000.00
5.	09.01.2008	09.04.2008	0.00	38 000 000.00	0.00	38 000 000.00
			140 500 000.00	38 000 000.00	0.00	178 500 000.00

4. Operating revenues and expenses
Note 14. Revenues from operating activities

REVENUES FROM OPERATING ACTIVITIES	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Revenues from sales of products	98 136 067.83	94 766 622.76
Revenues from sales of services	18 104 791.19	11 189 051.24
Revenues from sales of goods	3 353 480.71	374 899.43
Total revenues	119 594 339.73	106 330 573.43

Note 15. Expenses on operating activities

EXPENSES ON OPERATING ACTIVITIES	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Expenses on sales of products	62 616 226.36	69 866 835.80
Expenses on sales of services	14 139 457.04	8 621 346.61
Expenses on sales of goods	3 656 904.68	1 049 971.53
Total costs of sales	80 412 588.08	79 538 153.94

General overhead expenses	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Selling expenses	5 971 523.88	4 432 333.35
Overhead expenses	5 842 785.77	5 212 692.74
Total selling expenses and overhead expenses	11 814 309.65	9 645 026.09

Note 16. Revenues by segment

	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Revenues from sales, including:	119 594 339.73	106 330 573.43
- from sales of products – apartments and premises	98 136 067.83	94 766 622.76
- from sales of services	18 104 791.18	11 189 051.24
- from sales of goods	3 353 480.71	374 899.43

	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Revenues from sales of products and services by segment	116 240 859.02	105 955 674.00
- developer activities	101 200 175.49	96 880 250.13
- hotel activities	4 372 621.19	3 649 459.80
- social building	2 699 169.84	2 646 648.50
- transport services	3 609 490.91	0.00
- building industry	4 359 401.59	2 779 315.57

	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Revenues from sales of products, i.e. apartments and premises by geographical segment	98 136 067.83	94 766 622.76
- Warsaw and surroundings	84 454 053.92	94 766 622.76
- Gdynia	8 182 742.40	0.00
- Łódź	463 035.67	0.00
- Russia	5 036 235.85	0.00

	1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Revenues from sales of hotel services by geographical segment	4 372 621.19	3 649 459.80
- Warsaw and surroundings	1 350 714.30	972 076.89
- Tarnowo	912 872.52	946 903.60
- Stryków	1 092 413.43	1 063 151.54
- Cieszyn	278 917.06	211 558.81
- Święta Lipka	79 196.20	68 113.20
- Krynica Górská	658 507.68	387 655.76

D. ADDITIONAL INFORMATION

1. Description of the Issuer's significant achievements or failures during the reporting period, together with the list of the most important related events

In the reporting period the following important events took place:

Changes in the organizational structure of J.W. Construction Holding S.A. Group of companies

Registration of JWCH Budownictwo Drogowe Sp. z o.o.

JWCH Budownictwo Drogowe Sp. z o.o. with its registered address in Ząbki established under the notarial deed of February 7, 2008 was registered on February 21, 2008 by the District Court for the capital city of Warsaw, 14th Business Department of the National Court Register.

Registration of JWCH Produkcja Budowlana Sp. z o.o.

JWCH Produkcja Budowlana Sp. z o.o. with its registered address in Ząbki established under the notarial deed of February 19, 2008 was registered on March 7, 2008 by the District Court for the capital city of Warsaw, 14th Business Department of the National Court Register.

Registration of changes in JW Projekt Sp. z o.o.

On February 19, 2008 the District Court for the capital city of Warsaw, 12th Business Department of the National Court Register registered a change of the company's business name from „Dremet-Projekt” to „JW Projekt”.

Registration of changes in Yakor House in Sochi

On February 20, 2008 a change of the company's business name from Ośrodek Wypoczynkowy „Ogoniok” to Yakor House was filed in the register.

Joint term of the Management Board

On March 25, 2008 following expiry of the term of Mrs. Grażyna Szafarowska as a member of the Company's Management Board, the Company's Supervisory Board adopted a uniform term for all members of the Management Board by dismissing the Management Board and appointing it for a joint terms pursuant to provisions of the Company's Articles of Association; at the same time Mr. Józef Wojciechowski exercised his rights to personally indicate members of the Management Board. Currently the Company's Management Board is composed of 6 persons including the President of the Management Board – Jerzy Zdrzałka (person indicated by Mr. Józef Wojciechowski), members of the Management Board, Grażyna Szafarowska, Irmina Łopuszyńska, Bożena Malinowska, Barbara Czyż (person indicated by Mr. Józef Wojciechowski) and Wojciech Rajchert (person indicated by Mr. Józef Wojciechowski).

Repayments of credits

As at February 29, 2008 the investment credit contracted from Bank Millenium S.A. in the amount of PLN 6,500,000 for partial financing of development of the investment “Osiedle Pyry” was repaid.

Purchase of debt securities by the Issuer

During the 1st quarter of 2008 the Issuer entered into the following contracts for purchase of debt securities with BRE Bank S.A.

- 1) Contract of January 11, 2008 for sale by BRE Bank S.A. of 380 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 38,000,000. Debt securities were redeemed on February 12, 2008.
- 2) Contract of January 17, 2008 for sale by BRE Bank S.A. of 600 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 60,000,000. Debt securities were redeemed on February 19, 2008.
- 3) Contract of February 12, 2008 for sale by BRE Bank S.A. of 180 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 18,000,000. Debt securities were redeemed on February 29, 2008.
- 4) Contract of February 19, 2008 for sale by BRE Bank S.A. of 300 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 30,000,000. Debt securities were redeemed on February 29, 2008.
- 5) Contract of February 29, 2008 for sale by BRE Bank S.A. of 300 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 30,000,000. Debt securities were redeemed on March 28, 2008.

Redemption of debt securities

On January 17, 2008 debt securities with the aggregate nominal value of PLN 60,000,000 were redeemed. They were purchased by the Company on December 7, 2007.

Acquiring subsequent land properties

In the period from January 2008 to March 31, 2008 the Issuer signed with different individuals subsequent agreements for purchase of real estate properties located in Warsaw, Białoleka district with the total area of ca. 2,9 ha.

Building permit

On January 14, 2008 a building permit for development of Lewandów I estate in Warsaw became final.

On February 12, 2008 the Company was granted a final building permit for development of "Wiślana Aleja" estate located at ul. Odkryta in Warsaw.

List of completed investments, investments in progress and planned investments – in quantity terms

Project name	Number of projects	Commune/district	Market segment	Number of apartments/houses	Number of apartments/houses sold by March 31, 2008	Number of apartments/houses for sale	Number of apartments/houses sold, not delivered to buyers by March 31, 2008
<i>Batorego</i>	–	Ząbki near Warsaw	Standard apartments	46	46	–	–
<i>Drewnicka</i>	–	Ząbki near Warsaw	Standard apartments	220	220	–	–
<i>Kosynierów</i>	–	Marki near Warsaw	Standard apartments	596	596	–	–
<i>Szwależerów</i>	–	Ząbki near Warsaw	Standard apartments	251	251	–	–
<i>Nowodwory</i>	–	Warsaw / Białoleka	Standard apartments	502	502	–	–
<i>Dąbrówka Szlachecka</i>	5	Warszawa / Białoleka	Standard apartments	395	395	0	0
<i>Kolonia F</i>	6	Ząbki near Warsaw	Mieszkania popularne	424	424	0	0
<i>Kolonia D</i>	4	Ząbki near Warsaw	Standard apartments	887	887	0	0
<i>Buczynek</i>	17	Warsaw / Białoleka	Standard apartments	1777	1777	0	0
<i>Pyry</i>	1	Warsaw / Ursynów	Standard apartments	27	27	0	0
<i>Osiedle Jerolimskie</i>	8	Warsaw / Ursus	Standard apartments	908	908	0	0
<i>Dąbrówka Wiślana</i>	16	Warsaw / Białoleka	Standard apartments	2187	2183	4	0
<i>Dębowy Park I</i>	1	Warsaw / Białoleka	Standard apartments	397	397	0	0
<i>Sochaczew</i>	1	Sochaczew	Standard apartments	108	107	1	0
<i>Sady Rembertowskie I</i>	4	Warsaw / Praga Południe	Standard apartments	412	412	0	0
<i>Sady Rembertowskie II</i>	3	Warsaw / Praga Południe	Standard apartments	441	433	8	12
<i>Targówek Plaza</i>	1	Warsaw / Targówek	Standard apartments	169	169	0	0
<i>Dębowy Park II</i>	7	Warsaw / Białoleka	Standard apartments	206	206	0	0
<i>Wojskowa</i>	4	Warsaw / Praga Płn.	Standard apartments	56	55	1	0

Project name	Number of projects	Commune/district	Market segment		Number of apartments/houses	Number of apartments/houses sold by March 31, 2008	Number of apartments/houses for sale	Number of apartments/houses sold, not delivered to buyers by March 31, 2008
<i>Osiedle Parkowa</i>	4	Gdynia	Standard apartments		80	80	0	0
<i>Osiedle Victoria</i>	10	Radzymin	Standard apartments		507	507	0	0
Total standard apartments	114				10 596	10 582	14	12
<i>Ogrody Bema</i>	12	Warsaw / Bemowo	Standard apartments	plus	873	869	4	0
<i>Grochowska</i>	1	Warsaw / Praga Północ	Standard apartments	plus	296	296	0	0
<i>Ostrobramska</i>	3	Warsaw / Praga Południe	Standard apartments	plus	459	459	0	0
<i>Mokotów Plaza I</i>	1	Warsaw / Mokotów	Standard apartments	plus	345	344	1	0
<i>Mokotów Plaza II</i>	2	Warsaw / Mokotów	Standard apartments	plus	789	786	3	75
<i>Marymoncka</i>	1	Warsaw / Bielany	Standard apartments	plus	35	35	0	2
Total standard plus apartments	20				2797	2789	8	77
<i>Elektoralna</i>	1	Warsaw / Śródmieście	Standard suites	plus	159	154	5	0
<i>Łucka City</i>	1	Warsaw / Wola	Standard suites	plus	359	354	5	0
Total standard plus suites	2				518	508	10	0
<i>Dąbrówka Szlachecka</i>	13	Warsaw / Białołęka	Single houses	family	13	13	0	0
<i>Zielona Choszczówka</i>	75	Warsaw / Białołęka	Single houses	family	75	75	0	0
<i>Mickiewicza</i>	58	Marki near Warsaw	Single houses	family	58	58	0	0
<i>Lisi Jar</i>	57	Marki near Warsaw	Single houses	family	57	57	0	0

Project name	Number of projects	Commune/district	Market segment	Number of apartments/houses	Number of apartments/houses sold by March 31, 2008	Number of apartments/houses for sale	Number of apartments/houses sold, not delivered to buyers by March 31, 2008
<i>Kwiatowe</i>	99	Lesznówola near Warsaw / Nowa Iwiczna	Single family houses	99	99	0	0
<i>Willa Józefina</i>	34	Piaseczno near Warsaw	Single family houses	34	33	1	3

Total single family houses	336			336	335	1	3
<i>Warszawska Wenecja</i>	1	Warsaw / Białołęka	Standard apartments (TBS)	654	654	0	0
<i>Lisi Jar</i>	1	Marki near Warsaw	Standard apartments (TBS)	224	221	3	0
<i>Marki</i>	11	Marki near Warsaw	Standard apartments (TBS)	192	192	0	0
<i>Sochaczew</i>	1	Sochaczew	Standard apartments (TBS)	91	91	0	0
Total TBS apartments	14			1161	1158	3	0
	486			15 408	15 372	36	92

*in the case of TBS the category includes tenement apartments for rent

Project name	Number of projects	City	Number of apartments/houses	Number of apartments/houses sold by March 31, 2008	Number of apartments/houses not sold	Number of apartments/houses sold but not commissioned by March 31, 2008
<i>Victoria Park</i>	1	Kolomna near Moscow	192	183	9	7
Total Kolomna projects (Russia)	487		15 600	15 555	45	99

Projects currently carried out; as at March 31, 2008

Project name	Number of projects	Commune/ district	Market segment	Number of apartments/ houses	Number of apartments/houses sold by March 31, 2008	Number of apartments/ houses for sale	Number of apartments/ houses sold, not delivered to buyers by March 31, 2008
<i>Górczewska</i>	4	Warsaw / Bemowo	Standard apartments	1 410	1 409	1	816
<i>Osiedle Centrum</i>	4	Łódź	Standard apartments	324	316	8	316
<i>Osiedle Leśne</i>	9	Gdynia	Standard apartments	202	163	39	163
<i>Lazurowa I – V</i>	23	Warsaw / Bemowo	Standard apartments	669	643	26	643
<i>Osada Wiślana I -III</i>	3	Warsaw/ Białoleka	Standard apartments	404	365	39	365
<i>Lewandów Park I</i>	15	Warsaw/ Białoleka	Standard apartments	631	609	22	609
<i>Lewandów Park II</i>	33	Warsaw/ Białoleka	Standard apartments	1 274	969	305	969
<i>Osiedle Bursztynowe Odkryta</i>	10	Warsaw / Praga Południe	Standard apartments	322	256	66	256
<i>Zdziarska</i>	6	Warsaw/ Białoleka	Standard apartments	200	171	29	171
<i>Katowice</i>	22	Warsaw/ Białoleka	Standard apartments	594	401	193	401
	3	Katowice	Standard apartments	25	0	25	0
Total standard apartments	132			6 055	5 302	753	4 709
<i>Willa Konstancin</i>	3	Konstancin Jeziorna near Warsaw	Standard plus apartments	177	167	10	167
<i>Rezydencja Quatro</i>	1	Warsaw / Praga Południe	Standard plus apartments	243	242	1	242
<i>Górczewska Park</i>	12	Warsaw/Wola	Standard plus apartments	890	737	153	737
Total standard plus apartments	16			1 310	1 146	164	1 146
<i>Rezydencja na Skarpie</i>	1	Warsaw / Mokotów	Standard plus suites	261	261	0	260
<i>Aleja Ludwinowska</i>	17	Warsaw / Ursynów	Standard plus suites	68	68	0	68
Total standard plus suites	18			329	329	0	328
Total	166			7 694	6 777	917	6 183

Projects currently carried out; as at March 31, 2008 Kolomna (Russia)

Project name	Number of projects	City	Number of apartments/houses	Number of apartments/houses sold by 31 March 2008	Number of apartments/houses not sold	Number of apartments/houses sold but not commissioned March 31, 2008	Number of apartments/houses not by
<i>Victoria Park I</i>	1	Kolomna near Moscow	158	99	59	99	

Projects currently carried out; as at March 31, 2008 including Kolomna (Russia)

Project name	Number of projects	City	Number of apartments/houses	Number of apartments/houses sold by 31 March 2008	Number of apartments/houses not sold	Number of apartments/houses sold but not commissioned by March 31, 2008	Number of apartments/houses not by
	167		7 852	6 876	976	6 282	

Projects planned as at March 31, 2008

Investment	City / district	Number of apartments / houses
Lewandów Park III, ul. Lewandów	Warsaw / Białołęka	465
Zielona Dolina, ul. Zdziarska/Ostródzka*	Warsaw / Białołęka	911
Światowida	Warsaw / Białołęka	223
Osiedle Centrum II	Łódź	432
Pogonowskiego	Łódź	109
Uroczysko	Katowice	563
Szczecin, al. Wyzwolenia	Szczecin	400
Szczecin - Porta Transport plot	Szczecin	5 400
Ożarów Mazowiecki I	Ożarów Mazowiecki	1 973
Ożarów Mazowiecki II	Ożarów Mazowiecki	700
Ożarów Mazowiecki III	Ożarów Mazowiecki	100
Ożarów Mazowiecki IV	Ożarów Mazowiecki	1 300
Łeba	Łeba	400
Berensona	Warsaw / Białołęka	170
Aleja Ludwinowska II	Warsaw / Ursynów	24
Victoria Park II	Kolomna/ Russia	782
Aluzyjna I	Warsaw / Tarchomin	46
Aluzyjna II	Warsaw / Tarchomin	120
Konstancin II	Konstancin	136

Sopot, ul. Parkowa	Sopot	17
Badyłarska – Office building	Warsaw	-
Pileckiego - Offices/Hotel	Warsaw	-
Głogoczów – Hotel	Głogoczów	-
Juszkowo I	Gdańsk	-
Krynica - Czarny Potok	Krynica Górská	-
Sochi	Russia	ok. 1200
TOTAL		15 271

* number of apartments not admitted for sale as at March 31, 2008

The following table presents recapitulation of completed projects, projects currently carried out and planned projects.

Progress	Number of projects	Number of apartments	of	
			Number of apartments for sale	Number of apartments to be delivered to buyers
Completed projects	487	15 600	45	99
Projects in progress	167	7 852	976	6 282
Planned projects	-	15 271	15 271	-
Total	654	38 723	16 292	6 381

Sales of apartments in the 1st quarter – in value terms

2008	Value of signed contracts
January	23 183 920.49
February	32 962 275.99
March	15 903 885.77
Total for the 1st quarter 2008	72 050 082.25

Rewards and distinctions

In the 1st quarter 2008 the Issuer was granted the following rewards:

- 1st place in the 2008 Ranking of Developers compiled by the editors of the Business Forum of Gazeta Prawna. The ranking includes the largest and the most dynamic representatives of the developers industry.
- 2007 Company of the Year Title for special achievements in residential constructions and for effective floating on the Warsaw Stock Exchange granted by the Polish Business Club
- 2008 Forbes Diamond for J.W. Construction Holding S.A. granted by Forbes editorial staff for 2008. On the list of awardees there are companies whose value increased the most dynamically in the years 2004-2006, i.e. the ones able to greatly benefit from a boost in the economy.

2. Description of factors and events, especially of an extraordinary nature, significantly affecting produced financial results

In the 1st quarter 2008 there were no events, except the ones referred to above, of an extraordinary nature affecting produced financial results.

3. Explanations concerning seasonality and cyclicity of the Issuer's operations in the reporting period.

There is a certain cyclicity in the Issuer's operations referring to the point when revenues, and thus financial results as well as advances from buyers are recognized; they depend on progresses of investments and, which is important for financial cash flows, from buyer selected settlement procedures (currently the company offers a few sales programs under which it is possible to pay a higher or lower advance when signing a contract or when taking over the keys).

Depending on investment progresses (zero state, raw state / (building) shell / finishing state) payments from buyers are recognized cyclically. Whereas reaching a certain state of project development progresses and level of sales allows to start recognizing a respective financial result. Progresses of investments might be in turn affected by weather conditions.

4. Information about issues, redemptions and repayments of debt and equity securities.

As at January 9, 2008 the Issuer issued 380 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 38,000,000.

5. Information about dividends paid (and/or declared) in aggregate and per share, for common shares and preferred shares.

Not applicable

6. Events having taken place after the date when these summary quarterly financial statements were prepared, not included in these accounts, which might essentially affect future financial results of the Issuer

Extraordinary General Shareholders' Meeting

On April 1, 2008 the Issuer's Extraordinary General Shareholders' Meeting was held and adopted resolutions expressing consent for disposal of organized parts of the enterprise in the form of the Issuer's branches operating under the following business names: J.W. Construction Holding S.A. Oddział „Budownictwo” with the registered address in Ząbki, J.W. Construction Holding S.A. Oddział „Pracownia Architektoniczna” with the registered address in Ząbki and J.W. Construction Holding S.A. Oddział „Zakład Prefabrykacji Budowlanej” with the registered address in Ząbki by contributing them as contributions in kind to the Issuer's subsidiaries.

On April 30, 2008 the Issuer's subsidiary trading under the business name J.W. Construction S.A. with the registered address in Ząbki held the Extraordinary General Meeting which adopted a resolution on raising the share capital from the amount of PLN 500,000 to the amount of PLN 11,526,618, i.e. by PLN 11,026,618 through issuing 11,026,618 registered common B series shares with a par value of PLN 1 each. The entire issue was subscribed for by the Issuer and covered by a contribution in kind in the form of the Issuer's branch which had previously traded under the business name J.W. Construction Holding S.A. Oddział „Budownictwo” with the registered address in Ząbki. In order to carry out the resolution, the Issuer and J.W. Construction S.A. with the registered address in Ząbki entered into a share subscription agreement. On the same date an agreement between the Issuer and J.W. Construction S.A. with the registered address in Ząbki was entered into and provided for transferring an organized part of the enterprise in the form of the Issuer's branch which had previously traded under the business name J.W. Construction Holding S.A. Oddział „Budownictwo” with the registered address in Ząbki

As at April 30, 2008 the Issuer's subsidiary trading under the business name JW Projekt Spółka z o.o. with the registered address in Warsaw held the Extraordinary Shareholders' Meeting which adopted a resolution on raising the share capital from the amount of PLN 52,000 to the amount of PLN 1,155,600, i.e. by PLN 1,103,600 through creation of 5,518 new shares with a par value of PLN 200 each. Shares were subscribed for in their entirety by the Issuer and covered by a contribution in kind in the form of the Issuer's branch which previously traded under the business name J.W. Construction Holding S.A. Oddział „Pracownia Projektowa” with the registered address in Ząbki. In order to carry out the resolution the Issuer made a statement on subscribing for newly created shares. On the same date an agreement was entered into between the Issuer and JW Projekt Spółka z o.o. with the registered address in Warsaw and provided for a transfer of an organized part of the enterprise in the form of the Issuer's branch which had previously traded under the business name J.W. Construction Holding S.A. Oddział „Pracownia Projektowa” with the registered address in Ząbki

As at April 30, 2008 the Issuer's subsidiary trading under the business name JWCH Produkcja Budowlana Spółka z o.o. with the registered address in Ząbki held the Extraordinary Shareholders' Meeting which adopted a resolution on raising the share capital from the amount of PLN 100,000 to the amount of PLN 15,495,000, i.e. by PLN 15,395,000 through creation of 307,900 new shares with a par value of PLN 50 each. Shares were subscribed for in their entirety by the Issuer and covered by a contribution in kind in the form of the Issuer's branch which previously traded under the business name J.W. Construction Holding S.A. Oddział „Zakład Prefabrykacji Budowlanej” with the registered address in Ząbki. In order to carry out the resolution the Issuer made a statement on subscribing for newly created shares. On the same date an agreement was entered into between the Issuer and JWCH Produkcja Budowlana Spółka z o.o. with the registered address in Ząbki and provided for a transfer of an organized part of the enterprise in the form of the Issuer's branch which had previously traded under the business name J.W. Construction Holding S.A. Oddział „Zakład Prefabrykacji Budowlanej” with the registered address in Ząbki.

Value of assets, equity and liabilities transferred as a contribution in kind to individual companies:

Balance sheet items	JWCH Produkcja Budowlana Sp. z o.o.	J.W. Construction S.A.	J.W Projekt Sp. z o.o.
Total assets	16 487 334.30	33 886 607.34	1 738 299.38
Fixed assets	11 098 372.83	13 254 477.35	437 225.70
Current assets	5 388 961.47	20 632 129.99	1 301 073.68
Total equity and liabilities	1 092 380.17	22 859 988.68	634 810.35
Liabilities	1 092 380.17	22 859 988.68	634 810.35

Entering into a significant agreement

As at April 21, 2008 the Issuer entered into an agreement with the company trading under the business name PRUMSTAV DEVELOP POLAND Spółka z o.o. with the registered address in Kłodzko („Contractor”) under which the Contractor, in its capacity as the general contractor, will deliver 14 residential multi-family buildings within the residential estate Lewandów II.

A flat rate value of the agreement is PLN 62,960,000 and the investment has to be finished by October 26, 2009. The Contractor is a subsidiary of PRUMSTAV DEVELOP s.r.o with the registered address in Pilzno (Czech Republic) which delivered a guarantee to the Issuer stating that in the event when the Contractor fails to deliver any stage of the development project, then its parent company, at the Issuer’s written request, within 7 days will take over all duties resulting from the agreement.

Issue of bonds

As at April 4, 2008 the Issuer issued 102 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 10,200,000. Debt securities mature on June 30, 2008.

As at April 9, 2008 the Issuer issued 395 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 39,500,000. Debt securities mature on July 9, 2008.

As at April 11, 2008 the Issuer issued 300 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 30,000,000. Debt securities mature on August 8, 2008.

As at April 25, 2008 the Issuer issued 100 bonds with a nominal value of PLN 100,000 each and the aggregate nominal value of PLN 10,000,000. Debt securities mature on July 25, 2008.

Redemption of bonds

As at April 9, 2008 the Issuer redeemed 380 issued bonds with the aggregate nominal value of PLN 38,000,000.

As at April 11, 2008 the Issuer redeemed 400 issued bonds with the aggregate nominal value of PLN 40,000,000.

As at April 25, 2008 the Issuer redeemed 100 issued bonds with the aggregate nominal value of PLN 10,000,000.

Signing an annex to the credit agreement

As at April 11, 2008 the Company signed Annex No. 2 to the Revolving Credit Agreement No. 368/09/2007/1102/K/OBR entered into with Bank Ochrony Środowiska S.A. on September 17, 2007 for partial financing of the investment „Górczewska Park”. Pursuant to provisions of the annex the value of the credit granted was raised from PLN 60,000,000 to PLN 115,000,000.

Repayment of the credit

As at April 4, 2008 the subsidiary Project 55 Sp. z o.o. repaid the credit contracted from Bank Millenium S.A. in the amount of PLN 40,000,000 for co-financing of development of the investment “Osiedle Górczewska”.

As at April 30, 2008 the subsidiary Interlokum Sp. z o.o. repaid the credit contracted from Bank PKO BP S.A. in the amount of PLN 20,600,000 for co-financing of development of the investment “Rezydencja na Skarpie”.

Purchase of land in Bulgaria

As at April 17, 2008 the subsidiary J.W. Construction Bulgaria EOOD with the registered address in Sophia signed a final agreement for purchase of a real estate located in Złote Piaski (Bulgaria) with the area of 14,667 sq. m. Purchase price amounted to EUR 7,778,867.42 (including VAT), which after translating EUR based on the average exchange rate of the National Bank of Poland as of April 17, 2008 equal to PLN 3.4305 gives the amount of PLN 26,685,404.69.

Building permits

On April 11, 2008 the Company was granted a final building permit for development of "Lewandów II" estate located at ul. Lewandów in Warsaw.

As at April 11, 2008 the Company was granted a building permit for development of "Bursztynowe Osiedle" estate located at ul. Korkowa in Warsaw. The building permit is not final.

As at April 28, 2008 the Company was granted a final building permit for development of 11 buildings under the 1st stage of "Ożarów I" estate located in Kręczki-Kaputy, Ożarów Mazowiecki commune.

Change of information concerning a significant agreement.

As at April 30, 2008 the Issuer received a written notice from the Individual on withdrawal from a part of contracts for development and sales of residential premises under the investment „GÓRCZEWSKA PARK” („Contracts”). The Individual, of the total number of 88 signed Contracts, withdrew from 40 contracts, making at the same time a transfer of amounts paid out for withdrawn contracts as payment of a part of the sales price for residential premises purchased to the company trading under the business name Project 55 Sp. z o.o. with the registered address in Warsaw, which is the Issuer's subsidiary. In 2007 the result of such withdrawal did not exceed 2% of revenues, expenses, gross profit, net profit, therefore the Management Board decided not to adjust results for 2007.

Influence of the aforementioned transaction on the financial result was included in the financial statements for the 1st quarter 2008 which reduced net result by 3.3 m.

7. Information about changes in the balance of contingent liabilities or assets having taken place since the end of the last financial year.

OFF-BALANCE SHEET LIABILITIES	31-03-2008	31-12-2007
Amounts of securities established on investment properties - credits	747 927 076.26	747 077 076.26
Amounts of securities established on real estate properties of other entities - credits	3 500 000.00	3 500 000.00
Blank bills of exchange*	413 670 527.33	416 978 822.68
Other**	0.00	10 000 000.00
Assignment of claims	4 499 600.00	4 299 600.00
Registered pledge of bank account claims	20 000 000.00	20 000 000.00
Surety for TBS „Marki” Sp. z o.o.	22 400 000.00	22 400 000.00
Sureties for Project 55 Sp. z o.o.	40 000 000.00	40 000 000.00
Sureties for Lokum Sp. z o.o.	16 500 000.00	16 500 000.00
Sureties for Interlokum Sp. z o.o.	20 600 000.00	20 600 000.00
Sureties for Budokrusz Sp. z o.o.	2 500 000.00	2 500 000.00

* amounts of securities in the form of blank bills of exchange were presented up to full amounts of principal obligations

** item includes securities such as: blocked cash on bank accounts or assignments of claims from insurance policies

The table above presents all securities resulting from credit contracts, constituting securities for payment of liabilities. As under certain credit agreements a few securities were established, the bottom line value of securities was not added up.

As at March 31, 2008 there were outstanding insurance guarantees for removal of defects and faults granted by banks and insurance companies whose beneficiary is the Company. In addition J.W. Construction Holding S.A. was provided with blank bills of exchange as a security for the company's claims resulting from guarantees granted by contractors which the Issuer is entitled to liquidate any time for amounts corresponding with expenses for removal of defects and faults. As at March 31, 2008 the aggregate value of guarantees reached 34.5 m.

8. Financial risk management objectives and policy

Risks recognized at the Issuer's: interest rate risk, liquidity risk, foreign exchange risk and credit risk.

Interest rate risk

The Company raises financing necessary to carry out its projects based on credits with a variable interest rate. Mostly these are credits contracted for duration of a given construction investment -

for 1.5 year in average. It was decided that fluctuations of interest rates in that period did not require any additional hedges.

Only long-term liabilities are liabilities of TBS Marki, one of the Group's companies, on credits contracted from the National Housing Fund on completely separate terms and conditions.

Foreign exchange risk

In the framework of the group of companies J.W. Construction Holding S.A. the only companies which do not enter into transactions in PLN are two companies – the company incorporated under laws of Russia J.W. Construction International and the company incorporated under laws of Bulgaria J.W. Construction Bulgaria EOOD. USD settlements carried out in Russia did not require any additional hedges as revenues as well as expenses are denominated in USD, and the Bulgarian company only starts its business operations.

Credit risk

A large part of the group's clients finances their purchases referring to bank credits. Risks associated with credits extended are secured by insuring individual receivables on behalf of clients. No concentration of credit risk exists in relation to any group of clients. In addition the Group regularly verifies payments made and financial positions of its clients.

Liquidity risk

The Group is particularly determined to keep a proper balance between financing its investment operations and a timely payment of liabilities. Liquidity ratios (including current debt ratio as at March 31, 2008 equal to 2.7) remain on satisfactory levels which indicates a low risk in that area.

Market risk sensitivity analysis

Item in the financial statements	item value in PLN thousand	Interest rate risk				Foreign exchange risk			
		impact on the result		impact on the capital		impact on the result		impact on the capital	
		+ 50 bp in PLN	- 50 bp in PLN	+ 50 bp in PLN	- 50 bp in PLN	+ 10%	- 10%	+ 10%	- 10%
		+ 25 bp in USD/EUR	- 25 bp in USD/EUR	+ 25 bp in USD	- 25 bp in USD				
Financial assets									
Bank account current balance	21 112	106	-106						
Bank deposits	53 126	266	-266						
Bonds holdings	0	0	0						
Loans granted in USD	4 075	10	-10			407	-407		
Loans granted in EUR	1 795	4	-4			179	-179		
Impact on financial assets before taxation		386	-386	0	0	587	-587	0	0
Income tax (19%)		-73	73	0	0	-112	112	0	0
Impact on financial assets after taxation		313	-313	0	0	475	-475	0	0
Financial liabilities									
Issued bonds	178 500	-893	893						
Bank credits	361 178	-1 806	1 806						
Impact on financial liabilities before taxation		-2 698	2 698	0	0	0	0	0	0
Income tax (19%)		513	-513	0	0	0	0	0	0
Impact on financial liabilities after taxation		-2 186	2 186	0	0	0	0	0	0
Total increases (decreases)		-1 873	1 873	0	0	475	-475	0	0

9. Selected financial figures including key items of the summary financial statements (also translated into EUR)

In order to translate balance sheet figures as of the last day of the period January 1 – March 31, 2008 EUR exchange rate announced by the National Bank of Poland that day, i.e. EUR = PLN 3.6260, was accepted.

In order to translate balance sheet figures as of the last day of the period January 1 – December 31, 2007 EUR exchange rate announced by the National Bank of Poland that day, i.e. EUR = PLN 3.6062, was accepted.

In order to translate figures from the profit and loss account for the period from January 1, 2008 to March 31, 2008, the average EUR exchange rate, calculated as an arithmetic average of exchange rates effective as of the last day of each month within that period, announced by the National Bank of Poland, i.e. EUR = PLN 3.5579, was accepted.

In order to translate figures from the profit and loss account for the period from January 1, 2007 to March 31, 2007, the average EUR exchange rate, calculated as an arithmetic average of exchange rates effective as of the last day of each month within that period, announced by the National Bank of Poland, i.e. EUR = PLN 3.9063, was accepted.

Item of the consolidated	31-12-2007		31-12-2006	
	PLN	EUR	PLN	EUR
Total assets	1 483 669	411 422	907 545	236 883
Fixed assets	380 045	105 387	329 174	85 919
Current assets	1 103 623	306 035	552 909	144 318
Assets for sale	0	0	25 462	6 646
Total equity and liabilities	1 483 669	411 422	907 545	236 883
Equity	548 967	152 229	193 450	50 493
Long-term liabilities	368 670	102 232	350 434	91 468
Short-term liabilities	566 032	156 961	345 537	90 190
Equity and liabilities for sale	0	0	18 124	4 731

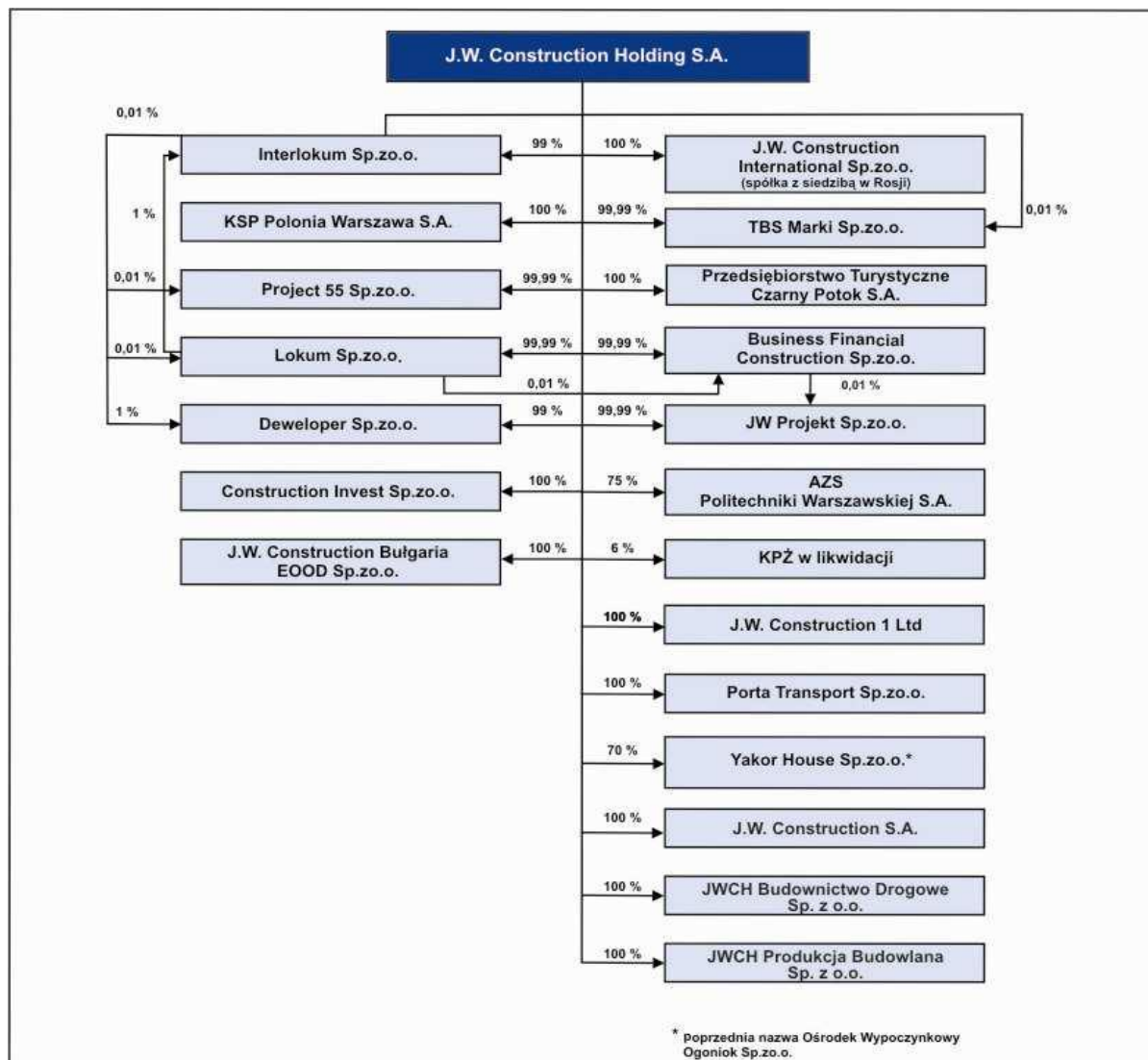
Item of the consolidated profit and loss account	1.1.2008 to 31.03.2008		1.1.2007 to 31.03.2007	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	119 594	33 614	106 331	27 220
Costs of sold products, goods and materials	80 413	22 601	79 538	20 361
Gross profit / (loss) on sales	39 182	11 013	26 792	6 859
Selling expenses	5 972	1 678	4 432	1 135
General overhead expenses	5 843	1 642	5 213	1 334
Profit / (loss) on sales	27 367	7 692	17 147	4 390
Profit (loss) on operating activities	27 609	7 760	17 881	4 577
Gross profit / (loss)	23 880	6 712	14 242	3 646
Income tax	4 776	1 342	3 001	768
Net profit (loss)	19 104	5 369	11 240	2 877

Item of the Issuer's balance sheet	31-03-2008		31-12-2007	
	PLN	EUR	PLN	EUR
Total assets	1 237 029	341 155	1 190 392	330 096
Fixed assets	284 667	78 507	283 300	78 559
Current assets	952 362	262 648	907 092	251 537
Total equity and liabilities	1 237 029	341 155	1 190 392	330 096
Equity	515 267	142 103	494 858	137 224
Long-term liabilities	242 675	66 926	211 000	58 510
Short-term liabilities	479 087	132 125	484 535	134 362

Item of the Issuer's profit and loss account	1.1.2008 to 31.03.2008		1.1.2007 to 31.03.2007	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	102 866.83	27 531.74	69 680.71	17 837.88
Costs of sold products, goods and materials	64 302.49	17 210.21	55 395.36	14 180.91
Gross profit / (loss) on sales	38 564.34	10 321.53	14 285.36	3 656.97
Selling expenses	5 551.38	1 485.80	4 264.50	1 091.69
General overhead expenses	4 828.25	1 292.25	4 313.14	1 104.14
Profit / (loss) on sales	28 184.71	7 543.48	5 707.72	1 461.14
Profit (loss) on operating activities	28 237.36	7 557.57	6 398.92	1 638.09
Gross profit / (loss)	25 405.88	6 799.74	3 602.43	922.20
Income tax	4 928.26	1 319.02	922.94	236.27
Net profit (loss)	20 477.62	5 480.72	2 679.49	685.94

10. Description of the structure of the Issuer's group of companies with indication of consolidated entities.

As at March 31, 2008 the structure of the Issuer's Group of companies was as follows:



Construction Invest Sp. z o.o.

Construction Invest Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on February 9, 2006 under the number KRS 250688. The Issuer holds 100% of shares in the company. The Company's share capital amounts to PLN 50,000 and is divided into 100 shares with the par value of PLN 500 each. Construction Invest Sp. z o.o. carries out development and sale of real estates for its own account. It was established in order to purchase real estates, apply for and obtain building permits, and then to transfer real estates, including respective building permits, to the Issuer. Construction Invest Sp. z o.o. is one of special purpose vehicles established in order to carry out a particular investment.

TBS Marki Sp. z o.o.

TBS Marki Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on November 28, 2001 under the number KRS 65232. The Issuer holds 99.99% of shares in TBS Marki. The Company's share capital amounts to PLN 13,360,000 and is divided into 22,720 shares with the par value of PLN 500 each. TBS Marki Sp. z o.o. was established as a social building society as defined in provisions of the Act on certain forms of support for residential construction projects. The Company acts as an investor for four investments, i.e. „Lisi Jar”, „Marki V”, „Warszawa Białoleka (TBS)” and „Sochaczew, ul. Piłsudskiego (TBS)”.

Lokum Sp. z o.o.

Lokum Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on August 20, 2003 under the number KRS 170570. The Issuer holds 99.99% of shares in the company. The Company's share capital amounts to PLN 3,778,500 and is divided into 7,557 shares with the par value of PLN 500 each. Lokum Sp. z o.o. is a special purpose vehicle. Since 2006 it has carried out investments under the project Willa Konstancin in Konstancin-Jeziorna.

Business Financial Construction Sp. z o.o. (BFC)

Business Financial Construction Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on May 24, 2002 under the number KRS 114675. The Issuer holds 99.99% of shares in the company. The Company's share capital amounts to PLN 4,347,000 and is divided into 8,694 shares with the par value of PLN 500 each. A purpose of Business Financial Construction Sp. z o.o. activities is to manage the process of selling apartments built by the Issuer and by other entities belonging to the Group of companies.

JW Projekt Sp. z o.o.

JW Projekt Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on February 20, 2004 under the number KRS 195210. The Issuer holds 99.96 % of shares in the company. The Company's share capital amounts to PLN 52,000 and is divided into 260 shares with the par value of PLN 200 each. The Company will take over and deal with architectural and designing activities.

Project 55 Sp. z o.o.

Project 55 Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on November 22, 2002 under the number KRS 139665. The Issuer holds 99.99% of shares in the company. The Company's share capital amounts to PLN 7,528,500 and is divided into 15,057 shares with the par value of PLN 500 each. Project 55 Sp. z o.o. is a special purpose vehicle carrying out developer activities. Project 55 Sp. z o.o. acts as an investor for Górczewska estate.

Interlokum Sp. z o.o.

Interlokum Sp. z o.o. with the registered address in Warsaw was recorded in the register of entrepreneurs on August 18, 2003 under the number KRS 170216. The Issuer holds 99% of shares in the company. The Company's share capital amounts to PLN 50,000 and is divided into 100 shares with the nominal value of PLN 500 each. Interlokum 55 Sp. z o.o. is a special purpose vehicle established to carry out "Skarpa IV" investment project.

Przedsiębiorstwo Turystyczne Czarny Potok S.A.

Przedsiębiorstwo Turystyczne Czarny Potok S.A. with the registered address in Krynica was recorded in the register of entrepreneurs on February 14, 2002 under the number KRS 91153. The Issuer holds 100% of shares in the company. The Company's share capital amounts to PLN 1,994,000 and is divided into 500 registered A series shares with the par value of PLN 100 each and 19,440 registered B series shares with the par value of PLN 100 each. A purpose of the company's operations includes hotel activities. The company runs a leisure resort in Krynica Górska. In 2006 a permit for its extension was obtained. Currently modernization works in hotel facilities are in progress.

Deweloper Sp. z o.o.

Deweloper Sp. z o.o. with the registered address in Siemianowice Śląskie was recorded in the register of entrepreneurs on August 22, 2003 under the number KRS 170493. The Issuer holds 99% of shares in the company. The Company's share capital amounts to PLN 50,000 and is divided into 100 shares with the par value of PLN 500 each. The Company carries out road construction activities and in the framework of the Group of companies it was assigned a general contractor's role for a residential estate in Katowice.

Klub Sportowy Piłkarski Polonia Warszawa S.A.

Klub Sportowy Piłkarski Polonia Warszawa S.A. with the registered address in Warsaw was recorded in the register of entrepreneurs on September 19, 2003 under the number KRS 173656. The Issuer holds 100% of shares in the company. The Company's share capital amounts to PLN 1,544,000 and is divided into 5,000 registered A series shares with the par value of PLN 100 each and 10,440 registered B series shares with the par value of PLN 100 each. Klub Sportowy Piłkarski Polonia Warszawa S.A. runs and manages a football team.

J.W. Construction - Akademicki Związek Sportowy Politechniki Warszawskiej S.A.

J.W. Construction - Akademicki Związek Sportowy Politechniki Warszawskiej S.A. with the registered address in Warsaw was recorded in the register of entrepreneurs on October 24, 2005 under the number KRS 243759. The Issuer holds 75% of shares in the company. The Company's share capital amounts to PLN 500,000 and is divided into 5,000 shares with the par value of PLN 100 each. J.W. Construction - AZS Politechniki Warszawskiej S.A. runs and manages a volleyball team playing in the Polish first league.

J.W. Construction International Sp. z o.o.

J.W. Construction Internatiponal Sp. z o.o. is registered in Russia and the Issuer holds 100% of shares in the company's share capital. The company deals with investment activities for residential construction projects in the area of Russian Federation. Currently the company carries out the investment Victoria Park in Kolomna, in the surroundings of Moscow.

J.W. Construction 1 Ltd

J.W. Construction 1 Ltd. with the registered address in London is incorporated in the United Kingdom. The Issuer holds 1,000 shares with the par value of GBP 1 each and the aggregate par value of GBP 1,000 which equals 100% of the company's share capital. J.W. Construction Bułgaria EOOD

J.W. Construction Bułgaria EOOD was registered by the City Court in Sophia (Bulgaria) on October 8, 2007 under the business name J.W. Construction Bułgaria EOOD with the registered address in Sophia (incorporated under laws of Bulgaria – equivalent of Polish spółka z ograniczoną odpowiedzialnością), in which J.W. Construction Holding S.A. took hold of 500 (five hundred) shares with the par value of BGN 10 (ten) each and the aggregate par value of BGN 5,000 (five thousands). Those shares constitute 100% of the share capital of the company under the business name J.W. Construction Bułgaria EOOD. Through J.W. Construction Bułgaria EOOD J.W. Construction Holding S.A. intends to carry out its operations in Bulgaria.

J.W. Construction S.A.

J.W. Construction S.A. with the registered address in Ząbki was recorded in the register of entrepreneurs under the number KRS 0000290315. The company's share capital is divided into 500,000 shares with the par value of PLN 1 each. The Company will take over construction activities from the Issuer.

Porta Transport Sp. z o.o.

Porta Transport Sp. z o.o. with the registered address in Szczecin was recorded in the register of entrepreneurs under the number KRS 0000177420. The company's share capital is divided into 258,308 shares with the par value of PLN 100 each. The Company carries out transport services for Porta Szczecińska Nowa spółka z o.o. in the area of Szczecin shipyard as well as provides forwarding services in Poland and abroad.

JWCH Budownictwo Drogowe Sp. z o.o.

JWCH Budownictwo Drogowe Sp. z o.o. with the registered address in Ząbki was recorded in the register of entrepreneurs on February 21, 2008 under the number KRS 0000299665. The Issuer holds 100% of shares in the company. The Company's share capital amounts to PLN 100,000 and is divided into 2,000 shares with the par value of PLN 50 each. JWCH Budownictwo Drogowe Sp. z o.o. will carry out road construction activities.

JWCH Produkcja Budowlana Sp. z o.o.

JWCH Produkcja Budowlana Sp. z o.o. with the registered address in Ząbki was recorded in the register of entrepreneurs on March 7, 2008 under the number KRS 0000300959. The Issuer holds 100% of shares in the company. The Company's share capital amounts to PLN 100,000 and is divided into 2,000 shares with the par value of PLN 50 each. JWCH Produkcja Budowlana Sp. z o.o. will take over from the Issuer any activities associated with manufacturing prefabricated building materials.

Yakor House (previously Ośrodek Wypoczynkowy „Ogoniok”) Sp. z o.o.

Yakor House Sp. z o.o. with the registered address in Sochi Russian Republic; the Issuer holds 70% of shares in the company's share capital equal to RUB 10,500,000. The Company owns a real estate in Sochi where it intends to start a residential & retail trade investment.

11. Description of consequences of changes in the business organization, including following business combinations, acquisitions or disinvestments of entities from the Issuer's group of companies, long-term investments, splits, restructuring and discontinued operations

Within the organizational structure of the Issuer's group of companies the following changes, referred to in detail herein, took place:

Registration of JWCH Budownictwo Drogowe Spółka z o.o. with the registered address in Ząbki in which the Issuer holds 100% of share capital.

Registration of JWCH Produkcja Budowlana Spółka z o.o. with the registered address in Ząbki in which the Issuer holds 100% of share capital.

Registration of a change of name of JW Projekt Spółka z o.o. with the registered address in Warsaw in which the Issuer holds 99.96% of share capital.

Registration of a change of name of Yakor House Projekt Spółka z o.o. with the registered address in Sochi in which the Issuer holds 70 % of share capital.

12. Statement of the Management Board on the probability of reaching previously published projections of results for the year in the light of results disclosed in the quarterly report comparing to estimates

The Management Board of J. W. Construction Holding S.A. to the best of its current knowledge confirms his statement as to probability of reaching results projected for 2008 considering progresses of current investment and potential start-ups of new construction projects. As a step recognition method is applied (40% of expenses/50% of revenues) newly started investments are going to be included in results only in the last quarter of the year, just like the last year.

13. List of shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes on the Issuer's General Meeting as of the date when the quarterly report is prepared together with indication of the number of shares held by such entities, their percentage share in the share capital, the number of votes they confer and their percentage share in the aggregate number of votes on the General Meeting and description of changes in ownership of large blocks of the Issuer's shares in the period since the date of preparation of the last quarterly report.

Shareholders holding directly or indirectly more than 5% of the total number of votes on the General Meeting on selected dates :

As at December 31, 2007 – end of the previous quarter

Entity	Number of shares held	Share in the capital	Number of votes	Share in the total number of votes on the general meeting
Józef Wojciechowski	19,241,219	35.18 %	19,241,219	35.18 %
EHT	25,448,300	46.52 %	25,448,300	46.52 %

As at March 31, 2008 – end of the reporting quarter

Entity	Number of shares held	Share in the capital	Number of votes	Share in the total number of votes on the general meeting
Józef Wojciechowski	19,241,219	35.18 %	19,241,219	35.18 %
EHT	25,448,300	46.52 %	25,448,300	46.52 %

No shareholding changes occurred in the reporting period.

As at February 13, 2008 – date of publication of the report for the 4th quarter 2007

Shareholder	Number of shares held	Share in the capital	Number of votes	Share in the total number of votes on the general meeting
Józef Wojciechowski	19,308,752	35.30 %	19,308,752	35.30 %
EHT S.A.	25,448,300	46.52 %	25,448,300	46.52 %

As at May 14, 2008 – date of publication of the report for the 1st quarter 2008

Shareholder	Number of shares held	Share in the capital	Number of votes	Share in the total number of votes on the general meeting
Józef Wojciechowski	19,308,752	35.30 %	19,308,752	35.30 %
EHT S.A.	25,448,300	46.52 %	25,448,300	46.52 %

No shareholding changes occurred in that period.

Percentage shareholding figures were rounded to two decimal points

Mr. Józef Wojciechowski – indirectly, through Famhold S.A. with the registered address in Luxembourg, exercises control over EHT S.A. with the registered address in Luxembourg

14. List of the Issuer's shares or rights thereto (options) held by the Issuer's directors, officers and supervisors as of the date when the quarterly report is prepared, together with indication of changes in holdings in the period since the preparation of the last quarterly report, separately for each person.

List of the Issuer's shares held by members of the company's governing bodies

As at May 14, 2008 – date of publication of the report for the 1st quarter 2008

Person	Function	Number of shares held	Increase in the number of shares held since the date of publication of the previous quarterly report
Józef Wojciechowski	President of the Supervisory Board	19,308,752	None

15. Litigations whose value exceeds 10% of equity

Neither the Issuer nor one of its subsidiaries is a party to such litigations pending before courts or any body competent for arbitration cases or any public administration body whose aggregate value exceeds 10% of the Issuer's equity.

16. Information on one or more transactions of the Issuer or the Issuer's subsidiary with related parties in the event when the value of such transactions (aggregate value of all transactions entered into since the beginning of the financial year) exceeds the amount of EUR 500,000 as translated into its PLN equivalent.

The Issuer or its subsidiaries were parties to the following transactions whose value exceeds EUR 500,000 translated into PLN and which are not standard and ordinary transactions, carried out on an arm's length basis between related parties whose nature and terms and conditions result from current operations.

As at March 25, 2008 the Issuer extended to its subsidiary J.W. Construction Bulgaria EOOD with the registered address in Sophia a loan for purchase of a real estate located in Varna Złote Piaski area in the amount of EUR 7,778,867.42 which after translation into Polish zloty based on the average exchange rate of the National Bank of Poland as of the contract date equal to PLN 3.5280 reached PLN 27,443,844.25. The loan bears interest on market conditions based on LIBOR 3M rate plus a margin. The loan was extended for the period until June 30, 2010 with a possible single repayment at the end of the period for which the contract was signed or earlier in instalments.

COMPANY NAME	Receivables from related entities		Liabilities to related entities	
	31-03-2008	31-12-2007	31-03-2008	31-12-2007
EHT	870 449.04	870 449.04	38 621.13	38 621.13
REM S.A.	280 784.00	540 173.17	199 297.78	199 297.78
Załubice Development Sp. z o.o.	235 396.65	1 055 590.50	785 558.26	775 476.14
ZPM Promar Sp.z o.o.	1 543 635.72	1 427 365.48	470 045.07	570 205.29
Zakład Produkcji Szalunków J.W. System Sp. z o.o.	144 975.03	16 398.02	987 069.37	931 604.73
ZPM Metalcon Sp. z o.o.	4 788 368.83	3 269 338.25	2 489 510.43	2 060 185.75
J.W.Agro Sp. z o.o.	0.00	3 254 729.03	0.00	0.00
Hotel 500 Sp. z o.o.	1 817.80	1 232.20	0.00	0.00
Interlokum Sp. z o.o.	22 387 144.44	14 772 971.87	21 056.16	0.00
KSP Polonia Warszawa SSA	9 952 497.63	8 782 261.56	0.00	0.00
Project 55 Sp. z o.o.	67 464 473.91	67 758 821.42	8 520.85	0.00
Lokum Sp. z o.o.	17 097 137.55	14 701 018.37	52 998.10	7 379.77
Deweloper Sp. z o.o.	2 716.62	1 171.08	0.00	266 318.62
Construction Invest Sp. z o.o.	3 107 820.89	2 993 520.69	0.00	0.00
TBS Nowy Dom Sp. z o.o.	7 634.71	7 370.94	1 000.00	1 000.00

JW. International Sp. z o.o.	4 140 973.71	3 094 325.38	0.00	0.00
TBS Marki Sp. z o.o.	0.00	0.00	7 998 952.29	1 999 448.88
Przedsiębiorstwo Turystyczne "Czarny Potok" S.A.	44.84	150 223.94	0.00	0.00
Business Financial Construction Sp. z o.o.	0.00	0.00	1 978 890.86	2 602 531.13
Dremet-Projekt Sp. z o.o.	0.00	0.00	216 131.14	216 131.14
J.W. Construction - Akademicki Związek Sportowy Politechniki Warszawskiej S.A.	0.00	0.00	0.00	0.00
Królewski Port Żerań Sp z o.o.	5 396 764.70	5 396 764.70	0.00	0.00
J.W.Construction 1 LTD	0.00	104 827.49	0.00	0.00
J.W.Consulting J.W. 1	2 277.25	813.25	0.00	0.00
J.W.Consulting J.W. 2	1 789.75	0.00	0.00	0.00
J.W.Consulting J.W. 3	2 196.00	0.00	0.00	0.00
J.W.Consulting J.W. 4	1 789.33	0.00	0.00	0.00
J.W.Consulting J.W. 5	2 196.00	732.00	0.00	0.00
J.W.Consulting J.W. 6	1 789.25	0.00	0.00	0.00
Stadnina Mazowiecka Sp. z o.o.	4 692 632.96	4 605 367.75	0.00	0.00
J.W.Consulting Sp. z o.o.	1 464.00	0.00	0.00	0.00
JWCH Budownictwo Drogowe Sp. z o.o.	2 085.60	0.00	0.00	0.00
JWCH Produkcja Budowlana Sp. z o.o.	0.00	0.00	0.00	0.00
J.W.Construction Bułgaria EOOD	1 794 865.40	0.00	0.00	0.00
JW. Construction SA	1 186.00	0.00	0.00	0.00

17. Information on any credit or loan sureties or guarantees granted by the Issuer or any of the Issuer's subsidiaries to a single entity or its subsidiary in the event when the total value of existing sureties or guarantees constitutes the equivalent of at least 10% of the Issuer's equity.

Not applicable

18. Other information which, in the Issuer's opinion, is essential for assessment of the Issuer's personnel, economic and financial position, the Issuer's financial results and its changes as well as information crucial for assessment of the Issuer's ability to satisfy its obligations.

None, except the ones reported above.

19. Description of factors which in the Issuer's opinion will affect its future results in the period of at least one quarter.

Key factors:

- carrying out subsequent stages of works on investments in line with previously accepted schedules of construction and assembly works,
- starting new construction projects, including in Warsaw at ul. Odkryta, ul. Lewandów and ul. Korkowa
- reaching projected apartment sales plans, mainly under such investments which are gradually included in the result during 2008

20. Information on revenues and results attributable to individual segments or geographic areas depending on which is our core breakdown

1.1.2008 to 31.03.2008	developer activities	hotel activities	social building	building industry	transport	other adjustments
Net revenues from sales of products, goods and materials, including:	104 330 662.91	4 404 558.17	2 699 169.84	6 248 102.00	3 609 490.91	-1 697 644.10
Net revenues from sales of products	101 151 028.62	4 372 621.19	2 699 169.84	6 106 192.56	3 609 490.91	-1 697 644.10
Net revenues from sales of goods and materials	3 179 634.29	31 936.98	0.00	141 909.44	0.00	0.00
Costs of sold products, goods and materials, including:	68 144 578.59	3 661 759.68	1 587 860.97	5 357 427.57	3 276 858.81	-1 615 897.54
Costs of manufacturing of sold products	64 673 949.80	3 635 496.18	1 587 860.97	5 199 032.18	3 275 241.81	-1 615 897.54
Value of goods and materials sold	3 470 628.79	26 263.50	0.00	158 395.39	1 617.00	0.00
Gross profit / (loss) on sales	36 186 084.31	742 798.49	1 111 308.87	890 674.43	332 632.10	-81 746.56
Selling expenses	5 667 737.24	303 786.64	0.00	0.00	0.00	0.00
General overhead expenses	4 771 502.42	158 036.51	207 298.47	271 330.65	527 882.93	-93 265.21
Revaluation of investment properties	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on sales	25 746 844.65	280 975.34	904 010.40	619 343.78	-195 250.83	11 518.65
Other operating revenues	531 631.42	121 549.35	283 706.21	19 130.17	230 218.77	0.00
Other operating expenses	602 782.29	0.32	292 274.05	40 688.17	8 750.56	0.00
Profit (loss) on operating activities	25 675 693.79	402 524.37	895 442.56	597 785.78	26 217.38	11 518.65
Financial revenues	2 455 376.09	199 209.70	267 814.64	4 007.70	62 805.29	-9 600.00
Financial expenses	4 787 118.40	820 682.46	1 076 130.93	361.08	34 215.38	-9 600.00
Profit/(loss) on business operations	23 343 951.48	-218 948.39	87 126.27	601 432.40	54 807.29	11 518.65
Gross profit / (loss)	23 343 951.48	-218 948.39	87 126.27	601 432.40	54 807.29	11 518.65
Net profit (loss)	19 015 944.53	-275 813.39	87 126.27	212 489.40	54 807.29	9 330.11

1.1.2007 to 31.03.2007	developer activities	hotel activities	social building	building industry	other adjustments
Net revenues from sales of products, goods and materials, including:	89 625 322.80	3 659 044.91	2 646 648.50	2 779 829.40	0.00
Net revenues from sales of products	89 260 522.31	3 649 459.80	2 646 648.50	2 779 315.57	0.00
Net revenues from sales of goods and materials	364 800.49	9 585.11	0.00	513.83	0.00
Costs of sold products, goods and materials, including:	64 631 858.34	3 271 509.60	1 621 415.19	2 247 260.99	0.00
Costs of manufacturing of sold products	63 587 753.87	3 265 962.54	1 621 415.19	2 246 940.99	0.00
Value of goods and materials sold	1 044 104.47	5 547.06	0.00	320.00	0.00
Gross profit / (loss) on sales	24 993 464.46	387 535.31	1 025 233.31	532 568.41	0.00
Selling expenses	4 305 385.84	273 329.51	0.00	0.00	0.00
General overhead expenses	4 399 928.79	149 579.47	209 189.26	453 995.22	0.00
Revaluation of investment properties	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on sales	16 288 149.83	-35 373.67	816 044.05	78 573.19	0.00
Other operating revenues	1 094 593.44	132 108.21	314 137.51	1 041.09	0.00
Other operating expenses	456 644.24	1 560.49	321 411.65	29 004.27	0.00
Profit (loss) on operating activities	16 926 099.03	95 174.05	808 769.91	50 610.01	0.00
Financial revenues	508 392.25	175 431.16	226 713.23	2 424.63	0.00
Financial expenses	2 764 385.82	781 035.13	998 855.00	7 829.30	0.00
Profit/(loss) on business operations	14 670 105.46	-510 429.92	36 628.14	45 205.34	0.00
Gross profit / (loss)	14 670 105.46	-510 429.92	36 628.14	45 205.34	0.00
Net profit (loss)	11 717 207.42	-514 749.92	31 000.27	6 861.34	0.00

E. FINANCIAL STATEMENTS OF THE ISSUER
1. BALANCE SHEET

ASSETS	31-03-2008	31-12-2007
FIXED ASSETS	284 667 019.66	283 300 146.90
Intangible assets	8 981 144.15	9 306 220.46
Goodwill attributable to subordinated entities	3 047 895.06	3 047 895.06
Tangible assets	153 954 961.01	154 109 973.09
Investment properties	8 265 881.55	8 264 725.36
Other financial assets	80 156 686.28	78 161 820.88
Deferred income tax assets	5 265 762.40	3 528 218.26
Trade receivables and other receivables	24 994 689.21	26 881 293.79
Prepayments		
CURRENT ASSETS	952 361 868.73	907 091 995.64
Inventories	23 661 518.02	23 528 107.87
Construction contracts	690 010 620.09	612 106 537.69
Trade receivables and other receivables	143 212 910.26	124 013 151.41
Other financial assets	28 265 860.52	84 598 389.16
Cash and cash equivalents	55 799 748.48	51 866 374.15
Prepayments	11 411 211.36	10 979 435.36
Total assets	1 237 028 888.39	1 190 392 142.54
EQUITY AND LIABILITIES		
EQUITY	515 266 910.45	494 857 571.11
Share capital	10 939 656.00	10 939 656.00
Revaluation reserve	0.00	0.00
Treasury shares	0.00	0.00
Other capitals	364 845 121.10	364 845 121.10
Retained earnings	119 004 515.31	-404 512.13
Net profit/(loss)	20 477 618.04	119 477 306.14
LIABILITIES	721 761 977.95	695 534 571.42
Long-term liabilities	242 674 996.75	211 000 050.89
Credits and loans	110 012 031.74	86 474 600.61
Deferred income tax liabilities	52 666 566.90	44 432 857.31
Retirement benefit liabilities	373 000.00	373 000.00
Provisions against liabilities and charges	2 685 180.69	2 685 180.69
Other liabilities	76 938 217.43	77 034 412.28
Short-term liabilities	479 086 981.19	484 534 520.53
Trade liabilities and other liabilities	66 651 693.03	99 052 002.15
Construction contracts	102 787 958.55	118 536 013.05
Credits and loans	108 293 948.12	96 792 357.21
Provisions against other liabilities and other charges	11 996 733.65	17 400 196.41
Other liabilities	189 356 647.84	152 753 951.71
Total equity and liabilities	1 237 028 888.40	1 190 392 142.53

2. PROFIT AND LOSS ACCOUNT

	1.1.2008 31.03.2008	to	1.1.2007 31.03.2007	to
Net revenues from sales of products, goods and materials, including:	102 866 832.04		69 680 713.25	
Net revenues from sales of products	99 687 197.75		69 315 912.76	
Net revenues from sales of goods and materials	3 179 634.29		364 800.49	
Costs of sold products, goods and materials, including:	64 302 494.79		55 395 355.95	
Costs of manufacturing of sold products	60 831 866.00		54 351 251.48	
Value of goods and materials sold	3 470 628.79		1 044 104.47	
Gross profit / (loss) on sales	38 564 337.25		14 285 357.30	
Selling expenses	5 551 378.90		4 264 501.38	
General overhead expenses	4 828 250.62		4 313 136.81	
Profit / (loss) on sales	28 184 707.73		5 707 719.11	
Other operating revenues	485 295.85		1 147 850.00	
Profit from disposal of non-financial fixed assets	449.00		757 418.86	
Subsidies	0.00		0.00	
Other operating revenues	484 846.85		390 431.14	
Other operating expenses	432 640.41		456 644.24	
Loss on disposal of non-financial fixed assets	0.00		0.00	
Revaluation of non-financial assets	0.00		0.00	
Other operating expenses	432 640.41		456 644.24	
Profit (loss) on operating activities	28 237 363.17		6 398 924.87	
Financial revenues	2 657 052.08		679 253.87	
Dividends and shares in profits	0.00		0.00	
Interest	2 083 587.35		549 549.27	
Profit from disposal of investments	0.00		0.00	
Revaluation of investments	0.00		0.00	
Other	573 464.73		129 704.60	
Financial expenses	5 488 532.82		3 475 747.86	
Interest	5 142 557.37		3 637 385.90	
Loss on disposal of investments	0.00		0.00	
Revaluation of investments	0.00		0.00	
Other	345 975.45		-161 638.04	
Profit/(loss) on business operations	25 405 882.43		3 602 430.88	
Gross profit / (loss)	25 405 882.43		3 602 430.88	
Income tax	0.00		3 494 417.00	
Deferred tax	4 928 264.39		-2 571 480.37	
Net profit (loss)	20 477 618.04		2 679 494.25	

3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Revaluati on reserve	Supplem entary capital	Other capitals	Hedge revaluation capital consolidation exchange differences	Retained earnings	Net result	Equity
Balance as at December 31, 2007	10 939 656.00	0.00	359 500 344.45	5 344 776.65	0.00	-404 512.13	119 409 027.74	494 789 292.71
Adjustments of fundamental errors	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
Balance as at January 1, 2008	10 939 656.00	0.00	359 500 344.45	5 344 776.65	0.00	-404 512.13	119 409 027.74	494 789 292.71
Issue of shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on revaluation of tangible assets and investment properties	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on revaluation of assets available for sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on cash flow hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exchange differences on translation of financial statements of foreign entities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income tax on items referred to directly to equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/ (loss) on acquisitions (individual JWCH entities)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/ (loss) on inclusion in/exclusion from the consolidation perimeter	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting / presentation principles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consolidation adjustments	0.00	0.00	0.00	0.00	0.00	-0.31	0.00	-0.31
Change to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profits/(losses) disclosed directly in equity	0.00	0.00	0.00	0.00	0.00	-0.31	0.00	-0.31
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	0.00	0.00	20 477 618.04	20 477 618.04
Profits/(losses) disclosed in equity and in net result	0.00	0.00	0.00	0.00	0.00	-0.31	20 477 618.04	20 477 617.73
Increases / (decreases) from distribution of profit	0.00	0.00	0.00	0.00	0.00	119 409 027.74	-119 409 027.74	0.00
Balance as at March 31, 2008	10 939 656.00	0.00	359 500 344.45	5 344 776.65	0.00	119 004 515.30	20 477 618.04	515 266 910.44

	Share capital	Revaluati on reserve	Supplem entary capital	Other capitals	Hedge revaluation capital and consolidation exchange differences	Retained earnings	Net result	Equity
Balance as at December 31, 2006	10 250 000.00	0.00	57 198 118.91	2 472 055.73	0.00	1 903 386.64	96 696 095.16	168 519 656.44
Adjustments of fundamental errors	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
Balance as at January 1, 2007	10 250 000.00	0.00	57 198 118.91	2 472 055.73	0.00	1 903 386.64	96 696 095.16	168 519 656.44
Issue of shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on revaluation of tangible assets and investment properties	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on revaluation of assets available for sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit / (loss) on cash flow hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exchange differences on translation of financial statements of foreign entities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income tax on items referred to directly to equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/ (loss) on acquisitions (individual JWCH entities)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/ (loss) on inclusion in/exclusion from the consolidation perimeter	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting / presentation principles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consolidation adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profits/(losses) disclosed directly in equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	0.00	0.00	2 679 494.42	2 679 494.42
Profits/(losses) disclosed in equity and in net result	0.00	0.00	0.00	0.00	0.00	0.00	2 679 494.42	2 679 494.42
Increases / (decreases) from distribution of profit	0.00	0.00	0.00	0.00	0.00	96 696 095.16	-96 696 095.16	0.00
Balance as at March 31, 2007	10 250 000.00	0.00	57 198 118.91	2 472 055.73	0.00	98 599 481.80	2 679 494.42	171 199 150.86

4. CASH FLOW STATEMENT

Cash flows from operating activities – indirect method		1.1.2008 to 31.03.2008	1.1.2007 to 31.03.2007
Net profit (loss)		20 477 618.04	2 679 494.42
Adjusted by		2 360 012.70	6 819 250.64
	Depreciation and amortization	3 168 245.39	2 346 501.26
	Interest and dividends	629 262.91	-317 661.86
	Change in the balance of provisions, prepayments, accruals and	-1 436 339.10	4 790 411.24
	Change in the balance of investment properties	-1 156.19	0.00
	Other adjustments by	-0.31	0.00
	- other adjustments, including deferred income tax referred to equity	-0.31	0.00
Change in the balance of working capital		-142 722 817.35	-33 329 667.96
	Change in the balance of inventories	-133 410.15	588 536.26
	Change in the balance of construction contracts	-94 226 838.86	-4 233 875.44
	Change in the balance of receivables	-14 709 464.93	-16 058 563.19
	Change in the balance of short-term liabilities, except loans and credits	-33 653 103.41	-13 625 765.59
Cash flows from operating activities		-119 885 186.61	-23 830 922.89
Cash flows from investing activities			
	Disposal of intangible assets, tangible assets and other fixed assets	0.00	0.00
	Purchase of intangible assets, tangible assets and other fixed assets	-394 162.04	-2 811 388.68
	Expenses for assets for sale	0.00	0.00
	Purchases of equity and debt instruments	-176 000 000.00	0.00
	Disposals of equity and debt instruments	236 000 000.00	0.00
	Loans granted	-5 484 826.99	0.00
	Repayment of loans	22 490.23	1 389 739.41
	Other purchases of financial assets	0.00	0.00
	Other disposals of financial assets	0.00	24 500.00
	Dividends received	0.00	0.00
	Interest received	2 490.23	0.00
	Disposal of subsidiaries	0.00	0.00
	Acquisition of subsidiaries	0.00	0.00
Net cash flows from investing activities		54 145 991.43	-1 397 149.27
Cash flows from financing activities			
	Net proceeds from issuing shares and other equity instruments and capital contributions	0.00	0.00
	Acquisition of treasury shares or redemption of shares	0.00	0.00
	Credits and loans received	128 499 407.97	28 399 742.39
	Repayments of credits and loans	-87 470 468.05	-47 935 252.64
	Issue of debt securities	38 000 000.00	37 258 651.45
	Repurchase of debt securities	0.00	0.00
	Payment of liabilities due to financial lease contracts	-5 162 936.37	-2 425 573.11
	Dividends and other shares in profits	0.00	0.00
	Interest paid	-4 193 434.04	-3 730 586.31

	Other financial inflows	0.00	0,00
	Other financial expenses	0.00	0,00
Net cash flows from financing activities		69 672 569.51	11 566 981.78
NET CASH DECREASE/(INCREASE)		3 933 374.33	-13 661 090.38
Opening balance of cash and cash equivalents		51 866 374.15	29 550 080.27
	- change in the balance of cash due to exchange differences	0.00	0,00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		55 799 748.48	15 888 989.89

F. NOTES TO THE ISSUER'S FINANCIAL STATEMENTS
1. Fixed assets
Note 1. Intangible Assets

INTANGIBLE ASSETS	31-03-2008	31-12-2007
a) R&D expenses	0.00	0.00
b) goodwill on consolidation	3 047 895.06	3 047 895.06
c) other intangible assets	8 981 144.15	9 306 220.46
d) advances for intangible assets	0.00	0.00
Total intangible assets	12 029 039.21	12 354 115.52

Note 2. Tangible assets

TANGIBLE ASSETS	31-03-2008	31-12-2007
a) tangible assets, including:	132 800 543.49	132 514 225.16
- land (including right of perpetual usufruct of land)	14 830 942.83	14 830 942.83
- buildings, premises, civil and water engineering facilities	90 980 484.09	91 689 435.14
- technical equipment and machinery	13 357 573.92	11 618 011.60
- vehicles	9 574 843.43	10 002 345.31
- other tangible assets	4 056 699.22	4 373 490.28
b) tangible assets under construction	21 154 417.52	21 595 747.93
c) advances for tangible assets under construction	0.00	0.00
Total tangible assets	153 954 961.01	154 109 973.09

Note 3. Investment properties

Other long-term investments	31-03-2008	31-12-2007
a) investment properties	8 265 881.55	8 264 725.36
b) other	0.00	0.00
Total other long-term investments	8 265 881.55	8 264 725.36

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	31-03-2008	31-12-2007
a) shares or holdings	78 361 820.88	78 161 820.88
b) loans granted	1 794 865.40	0.00
c) other long-term investments	0.00	0.00
Total long-term financial assets	80 156 686.28	78 161 820.88

2. Current assets
Note 5. Inventories

INVENTORIES	31-03-2008	31-12-2007
a) materials	9 254 524.05	11 111 116.27
b) semi-finished products and work in progress	7 124 349.26	5 774 162.45
c) finished products	2 860 589.24	2 290 568.38
d) goods	4 330 955.94	4 330 616.79
e) advances for deliveries	91 099.53	21 643.98
Total inventories	23 661 518.02	23 528 107.87

Note 6. Construction contracts

CONSTRUCTION CONTRACTS	31-03-2008	31-12-2007
a) semi-finished products and work in progress	287 999 177.85	240 241 385.93
b) finished products	20 793 800.69	24 025 580.38
c) advances for deliveries	8 662 566.11	10 675 250.12
d) short-term prepayments	372 555 075.44	337 164 321.26
Total construction contracts	690 010 620.09	612 106 537.69

CONSTRUCTION CONTRACTS	31-03-2008	31-12-2007
a) prepayments	102 787 958.55	118 536 013.05
Total construction contracts	102 787 958.55	118 536 013.05

Note 7. Short-term receivables

SHORT-TERM RECEIVABLES	31-03-2008	31-12-2007
a) trade receivables – related entities	94 690 734.60	83 444 692.81
b) trade receivables – other entities	15 572 732.78	18 159 420.99
c) tax, subsidy, customs, social security and health insurance receivables and other benefits	29 276 722.54	19 653 915.84
d) other	3 672 720.34	2 755 121.77
Total receivables	143 212 910.26	124 013 151.41

Note 8. Short-term investments

SHORT-TERM INVESTMENTS	31-03-2008	31-12-2007
a) in subsidiaries	21 430 123.32	17 898 469.14
- shares or holdings	0.00	0.00
- other securities	0.00	0.00
- loans granted	21 430 123.32	17 898 469.14
- other short-term financial assets	0.00	0.00
b) in other entities	6 835 737.20	66 699 920.02
- shares or holdings	0.00	0.00
- other securities	0.00	60 000 000.00
- loans granted	6 835 737.20	6 699 920.02
- other short-term financial assets	0.00	0.00
Total short-term investments	28 265 860.52	84 598 389.16

Note 9. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	31-03-2008	31-12-2007
a) cash at bank and in hand	14 726 615.97	23 524 995.74
b) other cash	40 818 698.39	28 291 530.80
c) other monetary assets	254 434.12	49 847.61
Total cash	55 799 748.48	51 866 374.15

3. Liabilities
Note 10. Credits and loans

CREDITS AND LOANS	31-03-2008	31-12-2007
a) credits	217 589 020.00	182 560 080.08
<i>including: long-term</i>	<i>110 012 031.74</i>	<i>86 474 600.61</i>
<i>short-term</i>	<i>107 576 988.26</i>	<i>96 085 479.47</i>
b) loans	716 959.86	706 877.74
<i>including: long-term</i>	<i>0.00</i>	<i>0.00</i>
<i>short-term</i>	<i>716 959.86</i>	<i>706 877.74</i>
Total credits and loans	218 305 979.86	183 266 957.82
Total long-term credits and loans	110 012 031.74	86 474 600.61
Total short-term credits and loans	108 293 948.12	96 792 357.21

Note 11. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	31-03-2008	31-12-2007
a) other financial liabilities	68 592 254.98	69 805 346.79
b) other long-term liabilities	8 345 962.45	7 229 065.49
Total other liabilities	76 938 217.43	77 034 412.28

Note 12. Trade liabilities and other liabilities

TRADE LIABILITIES AND OTHER LIABILITIES	31-03-2008	31-12-2007
a) trade liabilities – other entities	46 255 997.98	77 415 253.27
b) trade liabilities – related entities	1 007 264.22	1 789 665.78
c) tax, customs, insurance liabilities and other benefits	4 765 836.43	4 043 987.96
d) payroll liabilities	3 110 483.16	3 430 272.52
e) received advances for deliveries	134 578.21	132 951.06
f) other	11 377 533.03	12 239 871.56
Total trade liabilities and other liabilities	66 651 693.03	99 052 002.15

Note 13. Other liabilities

OTHER LIABILITIES	31-03-2008	31-12-2007
a) liabilities due to issue of debt securities	178 500 000.00	140 500 000.00
b) other financial liabilities	10 856 647.84	12 253 951.71
Total other liabilities	189 356 647.84	152 753 951.71

4. Operating revenues and expenses

Note 14. Revenues from operating activities

REVENUES FROM OPERATING ACTIVITIES	for the period 1.1.2008 to 31.3.2008	for the period 1.1.2007 to 31.3.2007
Revenues from sales of products	93 131 894.06	63 794 099.35
Revenues from sales of services	6 555 303.69	5 521 813.41
Revenues from sales of goods	3 179 634.29	364 800.49
Total revenues	102 866 832.04	69 680 713.25

Note 15. Expenses on operating activities

EXPENSES ON OPERATING ACTIVITIES	for the period 1.1.2008 to 31.3.2008	for the period 1.1.2007 to 31.3.2007
Expenses on sales of products	55 138 646.38	49 598 261.05
Expenses on sales of services	5 693 219.62	4 752 990.43
Expenses on sales of goods	3 470 628.79	1 044 104.47
Total costs of sales	64 302 494.79	55 395 355.95

General overhead expenses	for the period 1.1.2008 to 31.3.2008	for the period 1.1.2007 to 31.3.2007
Selling expenses	5 551 378.90	4 264 501.38
Overhead expenses	4 828 250.62	4 313 136.81
Total selling expenses and overhead expenses	10 379 629.52	8 577 638.19

President of the Management Board

Jerzy Zdrzałka

Member of the Management Board

Barbara Czyż

Chief Economist – Member of the Management Board

Grażyna Szafarowska

Subcontractors and Invoice Verification Department –
Member of the Management Board

Bożena Malinowska

Chief Accountant – Member of the Management Board

Irmina Łopuszyńska

Acting Director – Member of the Management Board

Wojciech Rajchert