

**Consolidated Financial Statements  
for the period from  
1 January 2009 to 31 December 2009**

**Prepared in accordance with the International Financial  
Reporting Standards**



Ząbki, 16 March 2010

## A. INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION ABOUT THE PARENT COMPANY

**J.W. Construction Holding S.A.** ("JWCH"), a joint-stock company domiciled in Ząbki at ul. Radzymińska 326, REGON id. no.: 010621332 was initially registered as Towarzystwo Budowlano-Mieszkaniowe Batory Sp. z o.o., a limited liability company, on 7 March 1994 under number RHB 39782. On 15 January 2001 it was transformed into a joint-stock company and registered with the District Court for Warsaw under number RHB 63464. On 16 July 2001 the Company changed its name to the current "J.W. Construction Holding S.A." and was entered into the National Court Register under number KRS 0000028142.

In accordance with the Polish Classification of Activities (Polska Klasyfikacja Działalności - PKD) the core business of the Company is development and sale of own real estate. The business comprises construction designing and support production, trade in real estate, sale of aggregates and supply of hotel services.

As at 31 December 2008 the lifetime of the Parent Company was unlimited. The accounting year of the Company is a calendar year i.e. the period from 1 January to 31 December.

### 2. ACCEPTED PRINCIPLES (POLICY) OF ACCOUNTING

#### Basic information about the Group consisting of the parent company and its subsidiaries consolidated in these financial statements

The Group's structure and the share of the parent company in share capital of the Group subsidiaries as at 31 December 2009 are presented in the following table:

Company	Country of registration	Parent company's share in share capital	Parent company's share in voting rights	Method of consolidation
<b>Subsidiaries</b>				
Lokum Sp. z o.o	Poland	99,99%	99,99%	fully consolidated
Interlokum Sp. z o.o	Poland	99,00%	99,00%	fully consolidated
Project 55 Sp. z o.o	Poland	99,99%	99,99%	fully consolidated
Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o	Poland	99,99%	99,99%	fully consolidated
Deweloper Sp. z o.o	Poland	99,00%	99,00%	fully consolidated
J.W. Construction International Sp. z o.o	Poland	100,00%	100,00%	fully consolidated
J.W. Construction S.A	Poland	99,99%	99,99%	fully consolidated
JWCH Produkcja Budowlana Sp. z o.o	Poland	99,99%	99,99%	fully consolidated
JWCH Budownictwo Drogowe Sp. z	Poland	99,95%	99,95%	fully

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o.o				consolidated
JW. Projekt Sp. z o.o	Poland	99,98%	99,98%	fully consolidated
Porta Transport Sp. z o.o in liquidation	Poland	100,00%	100,00%	fully consolidated
Construction Invest Sp. z o.o	Poland	100,00%	100,00%	fully consolidated
Ośrodek Wypoczynkowy "Ogniok" Sp. z o.o (presently Yakor House Sp. z o.o)	Russia	70,00%	70,00%	fully consolidated

The core business of the Group companies is:

- Lokum Sp. z o.o. - development and sale of own real estate,
- Interlokum Sp. z o.o. - development and sale of own real estate,
- Project 55 Sp. z o.o. - development and sale of own real estate,
- Towarzystwo Budownictwa Społecznego "Marki" Sp. z o.o. - sale and administration of social building estates,
- J.W. Construction International Sp. z o.o. - general building works connected with erection of buildings, general building and civil engineering, building production,
- Ośrodek Wypoczynkowy "Ogoniok" Sp. z o.o. (presently Yakor House Sp. z o.o.) - development and sale of own real estate,
- Deweloper Sp. z o.o. - building and assembly production,
- Construction Invest Sp. z o.o. - development and sale of own real estate,
- Porta Transport Sp. z o.o. - transport services,
- J.W. Construction S.A. - building production,
- JW Projekt Sp. z o.o. - designing services,
- JWCH Produkcja Budowlana Sp. z o.o. - prefabricated unit production for the building industry,
- JWCH Budownictwo Drogowe Sp. z o.o. - road construction.

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

### **Preparation of the consolidated financial statements**

The consolidated financial statements for the years 2008-2009 were prepared based on separate financial statements of the companies of the Capital Group of J.W. Construction Holding S.A. and compiled in such a manner as if the Group was one company. The consolidated financial statements cover the financial statements of the parent company - J.W. Construction Holding S.A. and financial statement of the following subsidiaries of the parent company.

In the years 2008-2009 the parent company excluded the following subsidiaries from the obligatory consolidation:

In 2008:

- Business Financial Construction Sp. z o.o. - 100%
- J.W. Construction AZS Politechniki Warszawskiej S.A. - 75%
- Polonia SSA - 100%
- J.W. Construction 1 Sp. z o.o. - 100%
- J.W. Bułgaria Sp. z o.o. - 100%

In 2009:

- Business Financial Construction Sp. z o.o. - 100%
- Polonia SSA - 100%
- J.W. Construction 1 Sp. z o.o. - 100%
- J.W. Bułgaria Sp. z o.o. - 100%

The legal ground for the aforesaid exclusion from the consolidated financial statements was conceptual assumptions of the International Financial Reporting Standards to the extent of useful and reliable information. In accordance with the aforesaid assumptions, benefits from collected information should exceed the costs of providing the same. It was found out that costs of collecting information about subsidiaries not covered by consolidation and costs of consolidating such information exceeded benefits derived from the same. Moreover, when excluding the subsidiaries from obligatory consolidation the parent company was driven by the fact that they were not significant for fair and accurate presentation of the assets, financial standing and earnings of the Capital Group.

### **Going concern assumption and comparability of financial statements**

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

### **Declaration of unconditional compliance with IFRS**

The consolidated financial statements of the Capital Group of J.W. Construction Holding S.A., covering the parent company and its subsidiaries, were prepared in accordance with the International Financial Reporting Standards, as approved by the European Union.

The Management Board of the Parent Company of J.W. Construction Holding S.A. has assumed that besides accounting estimates, a professional judgement of the management was significant for the financial statements.

### **Significant estimations and assumptions**

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

- Estimation of impairment allowance. Impairment allowance is established taking account of expected risk connected with receivables and created collateral having impact on effective debt collection. Although the assumptions are made using the best knowledge, real results may be different than expected.
- Estimations connected with establishing deferred tax assets in accordance with IAS 12. Due to the highly volatile economy it may happen that real earnings and tax income are different than planned.
- Estimation of potential costs of fiscal and court proceedings pending against the parent company. When preparing the financial statements the opportunities and risks connected with pending proceedings are reviewed on a case by case basis, and provisions for potential losses are created accordingly. However, it is also possible that

a court or a fiscal authority makes a judgement or issues a decision other than expected by the company and the created provisions may prove insufficient.

- The company gains revenues from services supplied by the Issuer under contracts for a specified time. Services supplied by the Issuer are long-term ones and their term of performance is over six months.

Due to the necessity of accounting changes in the valuation of developer contracts, the Group examined the transformations of the results of previous years. The data for previous years were converted in accordance with new principles, but some information was based on estimates. The final conversion ended on 31 December 2009.

### **Changes in IFRS**

From 1 January 2009, due to changes in International Financial Reporting Standards (IFRS), the Group/Company made some changes in accounting policies in relation to:

#### IAS 1 Presentation of financial statements.

Both terminology and the scope of particular elements of the financial statements were changed:

- Balance sheet → Statement of financial position
- Income statement → Statement of comprehensive income or income statement and statement of comprehensive income (includes income and losses and other income that constituted before items of income and expenses in other capitals),
- Statement of changes in equity → Statement of changes in equity (includes only the changes resulting from transactions with shareholders as owners),
- Cash flow statement → statement of cash flows

#### IAS 23 “Borrowing Costs”

The change in the Standard refers to the accounting treatment for borrowing costs, which can be directly attributable to the acquisition, construction or production of an asset that requires a significant period of time to prepare it for its intended use or sale. As a part of this change, the possibility of immediate recognition of these costs, in the statement of comprehensive income for the period they were incurred, was removed. Under the new requirements of the Standard, these costs should be capitalized.

The Board provides the amendments to this standard will affect the rules (policy) of accounting used by the Group, because the Company currently applies the standard approach in accordance with IAS 23

#### IFRIC 15 Agreements for the Construction of Real Estate

This interpretation provides general guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 Construction Contracts or IAS 18 Revenue and when revenue from the construction should be recognized.

On 3 July 2008, the Committee on International Interpretations Financial Statements (IFRIC) published the Interpretation (IFRIC-15) regarding the recognition of revenue in case of sale of property, which is applicable for annual periods beginning on or after 1 January 2009. This Interpretation changed the recognition of revenue from the sale of property. So far, revenues

from property sales were accounted for in IAS 11 Construction Contracts before transferring to the buyer control. From 1 January 2009 in accordance with this interpretation, revenue from sales and cost of sales are recognized only upon the transfer of immovable property (flats, apartment utilities) to the buyer under the sale contract that is concluded in a form of a notarial deed, according to IAS 18 "Revenue". The change will result in a subsequent retrospective recognition of revenues and expenses on the developer project, without causing the loss of its profitability.

Accordingly, the Group changed the accounting rules for valuation of developer contracts starting from 1 January 2009. At the same time, the group estimated the data conversion for previous years as if the method had always been applied.

The influence of changes in accounting policies on particular entries of the financial position statement and statement of comprehensive income of the consolidated statement drawn up on 31 December 2008 are presented below:

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	MSR 11 31-12-2008	MSR 11–MSR 18	Uninvoiced receivables	Deferred tax, presentation corrections, others	Selling costs	Adjustment report Yakor House	MSR 18
<b>ASSETS</b>							
<b>NON-CURRENT ASSETS</b>	472,360,719.67	-	-	339,940.74	-	173.48	472,700,833.88
Intangible assets	11,235,023.52	0.00	0.00	0.00	0.00	173.48	11,235,197.00
Goodwill of subsidiaries	12,390,453.72	0.00	0.00	0.00	0.00	0.00	12,390,453.72
Tangible assets	354,679,921.88	0.00	0.00	0.00	0.00	0.00	354,679,921.88
Investment real estate	12,352,400.98	0.00	0.00	0.00	0.00	0.00	12,352,400.98
Other financial assets	45,110,846.59	0.00	0.00	0.00	0.00	0.00	45,110,846.59
Deferred income tax assets	23,073,972.76	0.00	0.00	339,940.74	0.00	0.00	23,413,913.50
Trade and other receivables	13,518,100.22	0.00	0.00	0.00	0.00	0.00	13,518,100.22
Prepaid expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>CURRENT ASSETS</b>	<b>1,229,095,110.96</b>	<b>704,886,309.77</b>	<b>-611,266,129.36</b>	<b>-2,905,342.64</b>	<b>3,808,283.47</b>	<b>-2,011,197.18</b>	<b>1,321,607,035.02</b>
Inventories	42,865,904.65	0.00	0.00	0.00	0.00	0.00	42,865,904.65
Construction contracts	1,054,142,931.82	704,886,309.77	-611,266,129.36			0.00	1,147,763,112.23
Trade and other receivables	79,508,469.09	0.00	0.00	0.00	0.00	-2,010,653.47	77,497,815.63
Available-for-sale financial assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other financial assets	2,731,543.80	0.00	0.00	0.00	0.00	0.00	2,731,543.80
Cash and cash equivalents	36,685,776.84	0.00	0.00	0.00	0.00	-543.72	36,685,233.13
Prepaid expenses	13,160,484.76	0.00	0.00	-2,905,342.64	3,808,283.47	0.00	14,063,425.59
<b>Total assets</b>	<b>1,701,455,830.63</b>	<b>704,886,309.77</b>	<b>-611,266,129.36</b>	<b>-2,565,401.90</b>	<b>3,808,283.47</b>	<b>-2,011,023.71</b>	<b>1,794,307,868.90</b>
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>	655,322,513.12	-414,668,413.19	0.00	78,793,059.47	3,808,283.47	-2,217,574.90	321,037,867.97
Share capital	10,939,656.00	0.00	0.00	0.00	0.00	0.00	10,939,656.00
Revaluation reserve	7,471,818.19	0.00	0.00	0.00	0.00	0.00	7,471,818.19
Own shares	-2,476,626.31	0.00	0.00	0.00	0.00	0.00	-2,476,626.31
Other capital	539,555,117.84	0.00	0.00	0.00	0.00	0.00	539,555,117.84
Retained earnings	-1,049,421.43	-396,239,998.56	0.00	78,883,805.60	1,179,210.58	-53,921.97	-317,280,325.77
Net profit/loss	100,881,968.82	-18,428,414.63	0.00	-90,746.13	2,629,072.89	-2,163,652.94	82,828,228.02
<b>LIABILITIES</b>	1,046,133,317.51	1,119,554,722.95	-611,266,129.36	-81,358,461.41	0.00	206,551.20	1,473,270,000.89
Non-current liabilities	358,310,909.83	0.00	0.00	-77,870,761.08	0.00	0.00	280,44,148.75
Borrowings	168,305,639.77	0.00	0.00	0.00	0.00	0.00	168,305,639.77



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Derivatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deffered income tax liabilities	93,352,101.83		0.00	-77,870,761.08	0.00		15,481,340.75
Retirement benefit obligations	436,924.50	0.00	0.00	0.00	0.00	0.00	436,924.50
Provision for other liabilities and charges	13,368,786.83	0.00	0.00	0.00	0.00	0.00	13,368,786.83
Other liabilities	82,847,456.89	0.00	0.00	0.00	0.00	0.00	82,847,456.89
Current liabilities	687,822,407.68	1,119,554,722.95	-611,266,129.36	-3,487,700.33	0.00	206,551.20	1,192,829,852.14
Trade and other payables	140,414,874.10	0.00	0.00	0.00		156,736.14	140,571,610,24
Construction contracts	104,237,341.64	1,119,554,722.95	-611,266,129.36		0.00	49,815.06	612,575,750.29
Borrowings	269,178,721.05	0.00	0.00	0.00	0.00	0.00	269,178,721.05
Derivatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Provision for other liabilities and charges	25,741,602.20	0.00	0.00	624,717.33	0.00	0.00	26,366,319,53
Other liabilities	148,249,868.69	0.00	0.00	-4,112,417.66	0.00	0.00	144,137,451.03
Total equity and liabilities	1,701,455,830.63	704,886,309.76	-611,266,129,36	-2,565,401.94	3,808,283.47	-2,011,023.71	1,794,307,868,85

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## **Policy of accounting**

### ***Intangible assets***

Intangible assets cover such property rights as concessions, patents, licences, trademarks, copyrights, know-how and computer software. Intangible assets are identifiable non-monetary assets. Intangible assets are recognisable if:

- they are identifiable,
- the company controls such assets, due to which it is entitled to future economic benefits that are attributable to them and is able to restrict third party access to such benefits,
- they generate future economic benefits in the form of revenues from sales or cost savings for the company,
- the acquisition price or manufacturing cost of a given asset can be measured reliably.

Intangible assets are amortised with the straight-line method for the period of their expected useful life.

Intangible assets of an indefinite useful life (goodwill) are not amortised but tested for impairment on an annual basis, in accordance with IAS 36.

### ***Tangible assets***

Tangible assets cover resources controlled by the company (owned by the same) as a result of past events, from which future economic benefits are expected to flow to the company and which are kept by the same for use in production or supply of goods and services, for rendering them for use to other entities under lease agreements or for the purpose of administration, and which are expected to be used for over one year.

The company recognises tangible assets as assets when they are usable, complete and their cost (acquisition price or manufacturing cost) may be measured reliably.

Tangible assets are measured at acquisition price or manufacturing cost. Tangible assets are depreciated with the straight-line method for the period of their useful life as follows:

- Buildings and structures: the depreciation rates from 2% - 4,5%
- Machinery and equipment: 6% - 30%
- Means of transport: 12,5% - 20%

Subsequent expenditures on tangible assets are included in their carrying value if it is probable that the business entity will gain future economic benefits exceeding the ones obtainable under the initially estimated earnings from assets held before such expenditures. Current costs of maintenance and repairs are expensed in the period in which they were incurred.

Fixed small assets with a value below PLN 3,500,00 are amortized once on the date of purchase. In case of fixed assets, which permanently lost their economic usefulness, unplanned depreciation charge included in other operating costs is made. The Company verified the value of their assets. Fixed assets that are disclosed in the financial statements do not differ from their assumed cost.

### **Impairment of tangible assets and intangible assets**

Whenever there are indications that tangible assets and intangible assets may be impaired, the said assets are tested for impairment. The established amounts of impairment losses reduce the carrying value of an asset subject to impairment and are disclosed in the income statement.

Impairment losses on assets that were earlier remeasured adjust the revaluation reserve up to the amounts disclosed in equity, and below the acquisition price they are disclosed in the income statement. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's net realizable value and the value in use. Impairment losses are reversed when the circumstances due to which they were made cease to exist. Impairment loss reversals are disclosed in the income statement except for the ones which earlier reduced the revaluation reserve. They then adjust the said reserve up to the value of earlier reductions.

### ***Investment real estate***

Investment real estate is real estate (land, building or a part of the same, or both) treated by the owner as a source of revenues from rents or held for growth in value. Such real estate is not used in production, supply of goods and services or administration activities, neither is it held for sale in an ordinary course of business. Investment real estate is in particular land kept for its long-term growth in value or land whose future use is presently undetermined. Investment real estate is initially measured at acquisition price or manufacturing cost less transaction expenses.

On the balance sheet day, the investment property is evaluated according to the model of the purchase price, that is the purchase price or production cost reduced by depreciation allowances and impairment losses.

### ***Lease***

A lease is an agreement whereby a lessor conveys to a lessee, in return for a specific payment or a series of payments, the right to use an asset for a specified time. The company classifies leases as operating leases or financial leases. A lease is classified as a financial lease when substantially all risks and rewards of ownership of the leased asset are transferred to company. A financial lease is initially disclosed on the lease commencement date understood as the day from which the company is entitled to use the leased asset. As at the lease commencement date the financial lease is disclosed in the balance sheet of the company as an asset and a liability at the lower of:

- the amount equal to the market value of the leased asset,
- the present (discounted) value of lease payments.

Lease payments are divided into financial expenses (presented in the income statement for a given period) and principal payments, reducing the liability under the lease. Financial expenses are disclosed directly in the income statement. Leased assets disclosed in the balance sheet are amortised and depreciated under the same principles as other purchased assets of a similar kind. The period of amortisation or depreciation is equal to the period of

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lease unless after the end of the lease the company intends to buy the ownership right to the leased asset. Any lease that does not satisfy the criteria of a financial lease is classified as an operating lease. Payments made under an operating lease are expensed in the income statement on a straight-line basis over the period of lease.

***Inventories***

Inventories comprising materials, work in progress, finished products, goods and trade advances are understood as assets which are:

- materials or raw materials designated for use during production or supply of services,
- produced for the purpose of sale in an ordinary course of business,
- held for sale in an ordinary course of business.

**Finished products** are in particular components of completed projects (housing estates, multi-family housing estates) such as apartments, commercial premises, basements, garages, garage places, parking places. This item comprises other finished products used in the production process of the company. Finished products are measured at the lower of acquisition price (manufacturing cost - including direct costs and a substantiated part of indirect costs as well as costs of borrowings incurred until the production completion date) and a net realisable value.

Should the acquisition price or manufacturing cost be higher than the expected net realisable value, the company discloses an impairment loss adjusting costs of goods sold.

Work in progress covers expenditures made on building housing estates and costs connected with supporting production. Supporting production is measured at manufacturing cost. Production connected with building of housing estates is valued in accordance with IAS 11 "Construction Contracts" and the principles referred to under section "Long-term developer contracts".

***Costs of borrowings***

Costs of borrowings comprise interest, exchange losses and other financial expenses incurred by the company due to borrowings. Group companies defer costs of borrowings that may be allocated directly to acquisition (land and construction services), construction or manufacturing of an asset as a part of acquisition price or manufacturing cost of such asset. The said costs are deferred until the production or construction completion date. Other costs of borrowings are recognised in the period in which they are incurred, regardless of the manner of using the borrowings.

***Current and non-current receivables***

Receivables are disclosed in the financial statements at the amount due less impairment allowance. Receivables are remeasured taking account of the probability of their payment, by way of making impairment allowance. Impairment allowance is included in other operating expenses or financial expenses, respectively, depending on the type of receivables covered by such allowance. Remitted, prescribed or uncollectible debts reduce the impairment allowance earlier recognised for the same. Remitted, prescribed or uncollectible debts for which no or only some impairment allowance was recognised are charged to other operating expenses or financial expenses, respectively.

***Guarantee deposits***

Guarantee deposits being parts of receivables, retained by customers under contractual provisions as security for the guarantee and warranty period, are disclosed in assets of the Group companies.

Guarantee deposits securing claims of the Company against sub-contractors are disclosed as payables in liabilities. Deposits are measured as at the balance sheet date at acquisition price adjusted with an effective discount rate.

***Cash and cash equivalents***

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

***Prepaid expenses***

The Group companies defer expenditures in prepaid expenses when it is probable that incurred costs refer to more than one reporting period, and in accordance with the principles of significance and prudence in accounting. The most important criterion for deferment of expenses is satisfaction of the definition of assets i.e. resources whose value can be measured reliably, recognised as a result of past events and from which future economic benefits are expected to flow to the company.

***Provisions for liabilities***

Provisions are liabilities of uncertain amount or timing. The Group companies recognise provisions when all the following conditions are fulfilled:

- the company has a present (legal or constructive) obligation as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of such obligation.

Provisions for liabilities in J.W. Construction Holding S.A. comprise:

- a provision for guarantee repairs disclosed at amounts of guarantee repair costs incurred in previous periods,
- a provision for unused annual leaves of employees, recognised based on records on unused days of annual leaves of particular employees at a given date and their daily gross salaries plus social insurance premiums paid by the Employer,
- a provision for retirement benefit obligations,
- deferred income tax liabilities.

***Long-term developer contracts***

The core business of the Group is performance of developer contracts. The characteristic feature of developer contracts is the construction of apartments that are generally financed by the principal over the whole project, by way of contractually agreed advances, and then - after

the investment process has been completed - the ownership right is transferred to the apartment buyer. Such contracts are performed for over one year. Advances paid by buyers under concluded agreements are recorded as deferred income. Costs by nature incurred in a given period are disclosed as work in progress under inventories. From 1 January 2009, the Group recognizes revenues and expenses regarding the developer contracts in accordance with the IFRIC 15 interpretation : “ Agreements for the construction of real estate”, published in July 2008. This interpretation concerns the moment of recognition of revenue from sales of property and it is applicable to annual financial statements that were done for the periods from 1 January 2009.

Until 31 December 2008, the Group recognized revenue from developer services by the percentage of completion method according to IAS 11 “Construction Contracts”. The stage of each project was determined for each accounting period based on the analysis of the percentage of completion of the construction costs and sales budget. Implementation of the construction costs was determined on the basis of the analysis of completed works in relation to the planned costs. The degree of the progress of the sales revenue was established by comparing the revenue value arising from signed preliminary agreements to sell with the expected total income based on budget from sales revenues.

From 2009, the Group recognizes revenues from developer contracts – sale of immovable property to the purchaser upon the transfer of control and significant risk of ownership. Transfer of control and significant risk of ownership take place the latest on the date of concluding the contract in a form of a notarial deed.

The Group using the interpretation of IFRIC 15 recognizes revenue from the sale of the property after meeting the following conditions:

- Obtaining a permit for the use,
- Payment of 100% of value of the premises, garage, etc...,
- Receiving property transfer protocol.

### ***Long-term developer contracts***

As a provider of construction services, the Group of Issuers applies the regulations under IAS 11 "Construction Contracts" for accounting and recognition of construction services:

#### **a) Zero-profit method**

The zero-profit method is applied when it is not possible to measure the stage of completion of an unfinished construction service reliably. In accordance with the said method revenues from an unfinished construction service are established at a month end at costs incurred in the said month, not higher than costs probable to be covered by the principal in future. When invoiced revenues exceed incurred costs, a relevant part of revenues is derecognised to deferred income

#### **b) Percentage-of-completion method**

The percentage-of-completion method is applied when it is possible to measure the stage of completion of an unfinished construction service reliably. Revenues from an unfinished

construction contract are disclosed pro rata to costs incurred at a given moment of its performance. Revenues, expenses and profits are disclosed proportionally to the stage of work completion.

To measure the stage of completion of a construction contract the Group applies a method that will allow it to reliably establish the stage of completion of works as at a given date. Depending on the nature of a contract such method may comprise:

- establishing costs of the contract incurred due to work performed to date proportionally to estimated total costs of such contract,
- surveying the work performed,
- comparing physically completed parts of work with contractual works.

When establishing the stage of completion of a construction service, based on contractual expenses incurred to date, costs of the said works include only those contractual expenditures that can be allocated to the stage of completed work.

### ***Borrowings***

Borrowings are recognised at acquisition price equal to fair value of received cash less costs of acquisition. Borrowings are subsequently measured at acquisition price adjusted with an effective interest rate. All effects of the adjusted acquisition price and effects of derecognition of a liability from the balance sheet or recognition of its impairment are disclosed in the income statement.

### ***Deferred income tax***

Deferred income tax assets and liabilities are estimated based on temporary differences between the value of assets and liabilities disclosed in books and their tax value and a tax loss deductible in future from the tax base. Income tax liabilities are recognised for temporary positive differences at the amount of income tax payable in future.

Deferred income tax assets are recognised at the amount of expected future deduction from income tax due to temporary negative differences and a deductible tax loss, in accordance with the principle of prudence in accounting. The carrying value of deferred income tax assets is verified as at each balance sheet date unless it is probable that taxable income sufficient to realise the whole or a part of a deferred income tax asset will be generated. Deferred income tax assets and deferred income tax liabilities are measured at tax rates applicable for the period when the asset is realised and the liability is discharged, based on tax rates applicable as at the balance sheet date.

### ***Held-for-sale assets and discontinued operations***

Available-for-sale assets and discontinued operations are assets or groups of assets classified as such, disclosed in the financial statements at the lower of their carrying value or fair value less selling expenses. Assets can be classified to that group when active operations are performed to locate a buyer, it is highly probable that assets will be sold within one year of their classification and they are available for immediate sale.



### **Liabilities**

Liabilities are obligations of the Company, arising from future events, the value of which can be measured reliably and which will cause the use of present or future assets of the company.

Based on their characteristics, liabilities can be divided into:

- current liabilities,
- non-current liabilities,
- financial liabilities,
- contingent liabilities.

Current liabilities are all trade payables and all or those of other liabilities that fall due within one year of the balance sheet date. Non-current liabilities are those liabilities, other than trade payables, which fall due after one year of the balance sheet date.

Financial liabilities are obligations of the company to deliver financial assets or to exchange a financial instrument with another company on unfavourable conditions.

Contingent liabilities are obligations dependent on occurrence of certain events. Contingent liabilities are disclosed in additional information and notes. Liabilities are measured as at the balance sheet date at the amount payable.

### ***Accrued expenses***

Accrued expenses are recognised at the amount of probable obligations falling to the reporting period.

### ***Revenues***

The Group of Issuers recognise revenues at the amount of probable economic benefits flowing due to a transaction, which can be measured reliably. Revenues are recognised on an accrual basis, regardless of the date of payment receipt.

Revenues from sales of developer services - apartments - are disclosed in the manner provided under section "Long- term developer contracts".

Revenues from sales of construction services are recognised in the period of service supply, on the basis of the stage of completion of a concrete transaction, established based on the relation of actually performed works to all services to supply.

### ***Other income, expenses, gains and losses***

Other operating income and expenses are income and expenses not connected directly with operating activities. Financial income and expenses comprise, among other things, interest connected with loans and credits granted and used, default interest received and paid, foreign exchange gains and losses, commissions paid and received, gains and losses on sale of securities, provisions dissolved and created against financial expenses.

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Extraordinary profits and losses present financial results of events that come into existence outside the main business of the company.

***Taxes***

Corporate income tax expense is calculated based on taxable earnings (tax base) for a given accounting year. Tax profit (loss) differs from net book profit (loss) due to exclusion of next-year taxable income and tax deductible costs, as well as permanently non-taxable income and expenses. Tax expense is calculated at a tax rate applicable in a given accounting year.

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**B. CONSOLIDATED FINANCIAL STATEMENTS**

Consolidated balance sheet

<b>ASSETS</b>	<b>Note</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
<b>NON-CURRENT ASSETS</b>		<b>425 652 804,47</b>	<b>472 700 833,88</b>
Intangible assets	1	6 806 122,55	11 235 197,00
Goodwill of subsidiaries	2	12 389 648,22	12 390 453,72
Tangible assets	3	359 654 819,12	354 679 921,88
Investment real estate	4	12 401 059,31	12 352 400,98
Other financial assets	5	4 993 980,00	45 110 846,59
Deferred income tax assets	15	15 603 170,14	23 413 913,50
Trade and other receivables	6	13 804 005,13	13 518 100,22
<b>CURRENT ASSETS</b>		<b>1 097 310 440,53</b>	<b>1 321 607 035,02</b>
Inventories	7	38 436 055,05	42 865 904,64
Construction contracts	7	916 170 146,18	1 147 763 112,23
Trade and other receivables	8	57 331 713,05	77 497 815,63
Other short-term financial assets	9	43 745 024,23	2 731 543,80
Cash and cash equivalents	10	27 162 017,40	36 685 233,13
Prepaid expenses	11	14 465 484,62	14 063 425,59
<b>Total assets</b>		<b>1 522 963 245,00</b>	<b>1 794 307 868,90</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>		<b>416 207 350,50</b>	<b>321 037 868,02</b>
Share capital	12	10 939 656,00	10 939 656,00
Revaluation reserve		7 471 818,19	7 471 818,19
Own shares		-4 429 867,11	-2 476 626,31
Other capital	13	654 297 098,77	539 555 117,84
Retained earnings		-352 468 231,69	-317 280 325,72
Net profit / loss		100 396 876,34	82 828 228,02
<b>LIABILITIES</b>		<b>1 106 755 894,51</b>	<b>1 473 270 000,89</b>
<b>Non-current liabilities</b>		<b>203 706 663,84</b>	<b>280 440 148,75</b>
Borrowings	14	113 407 529,12	168 305 639,77
Deferred income tax liabilities	15	6 666 818,16	15 481 340,75
Retirement benefit obligations	16	373 197,28	436 924,50
Provision for other liabilities and charges	17	12 773 133,76	13 368 786,83
Other liabilities	18	70 485 985,52	82 847 456,89

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<b>Current liabilities</b>		<b>903 049 230,66</b>	<b>1 192 829 852,13</b>
Trade and other payables	19	111 150 535,42	140 571 610,24
Construction contracts	7	346 450 585,73	612 575 750,29
Borrowings	14	276 689 294,52	269 178 721,05
Provision for other liabilities and charges	17	27 127 164,50	26 366 319,53
Other liabilities	19	141 631 650,50	144 137 451,03
<b>Total equity and liabilities</b>		<b>1 522 963 245,00</b>	<b>1 794 307 868,91</b>

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Consolidated income statement

	Note	1 January 2009 - 31 December 2009	1 January 2008 - 31 December 2008
<b>Net revenues from sales of products, goods and materials, of which:</b>	<b>24</b>	<b>713 283 680,03</b>	<b>758 939 456,14</b>
Net revenues from sales of products		707 442 953,32	743 124 202,04
Net revenues from sales of goods and materials		5 840 726,71	15 815 254,10
<b>Costs of products, goods and materials sold, of which:</b>	<b>25</b>	<b>527 977 786,84</b>	<b>565 814 458,37</b>
Costs of products sold		524 270 770,51	547 204 299,12
Value of goods and materials sold		3 707 016,33	18 610 159,25
<b>Gross profit (loss) on sales</b>		<b>185 305 893,19</b>	<b>193 124 997,77</b>
Selling expenses	25	20 752 591,17	24 807 535,02
Overhead expenses	25	25 684 483,66	29 498 829,68
Revaluation of investment real estate		0,00	0,00
<b>Profit (loss) on sales</b>		<b>138 868 818,36</b>	<b>138 818 633,07</b>
Other operating income	26	10 836 266,60	8 507 877,01
Other operating expenses	27	6 973 017,46	24 203 412,10
<b>Operating profit (loss)</b>		<b>142 732 067,50</b>	<b>123 123 097,98</b>
Financial income	28	8 469 183,51	15 361 578,32
Financial expenses	29	31 986 179,32	29 695 004,51
<b>Profit (loss) on ordinary activities</b>		<b>119 215 071,70</b>	<b>108 789 671,79</b>
Results on assets held for sale			
<b>Profit (loss) before tax</b>		<b>119 215 071,70</b>	<b>108 789 671,79</b>
Income tax	22	18 818 195,36	25 961 443,58
<b>Net profit (loss)</b>		<b>100 396 876,34</b>	<b>82 828 228,22</b>

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<b>Other comprehensive income</b>		<b>-3 274 153,03</b>	<b>7 816 765,05</b>
Exchange differences on foreign operations conversion		-226 258,03	-82 439,01
Profit/loss from acquisitions		0,00	427 385,87
Profit from revaluation of tangible fixed assets		0,00	7 471 818,19
Other comprehensive income		-3 047 895,00	0,00
<b>Total revenue</b>		<b>97 122 723,31</b>	<b>90 644 993,27</b>

Consolidated cash flow statement

<b>Operating cash flow - two-step method</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
<b>Net profit (loss)</b>	<b>100 396 876,34</b>	<b>82 828 228,02</b>
<b>Total adjustments, of which:</b>	<b>36 524 312,32</b>	<b>-39 069 745,67</b>
Depreciation and amortisation	14 034 256,29	17 364 790,74
(Profits) losses on exchange differences related to investment and financial activities	1 346 206,44	0,00
(Profits) loss from financial activities	-103 865,33	0,00
Interest and dividends	23 120 704,70	12 971 300,97
Changes in provisions and accruals	-1 534 506,56	-62 323 920,53
Other adjustments	-338 483,22	-7 081 916,85
- other adjustments	-338 483,22	-7 081 916,85
<b>Changes in working capital</b>	<b>-28 021 069,33</b>	<b>-137 608 706,00</b>
Changes in inventories	4 429 849,59	-14 546 857,42
Changes in construction contracts	-16 273 037,22	-169 959 251,86
Changes in receivables	19 880 197,67	-5 380 424,97
Changes in current liabilities, except for borrowings	-36 058 079,38	52 277 828,25
	<b>0,00</b>	<b>0,00</b>
<b>Net operating cash flow</b>	<b>108 900 119,33</b>	<b>-93 850 223,65</b>
Investment cash flow	0,00	0,00
Disposal of tangible and intangible assets and other non-current assets	4 130 229,84	2 065 867,50
Purchase of tangible and intangible assets and other non-current	-19 055 664,49	-7 444 255,85

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Assets		
Expenses associated with the asset to be sold	0,00	0,00
Purchase of equity instruments and debt instruments	0,00	236 000 000,00
Disposal of equity instruments and debt instruments	0,00	-176 000 000,00
Loans granted	-387 733,47	-28 179 234,28
Loans repaid	0,00	330 980,00
Other purchase of financial assets	-100 000,00	101,00
Other disposal of financial assets	0,00	0,00
Dividends received	0,00	0,00
Interest received	148 526,00	1 142 950,00
Disposal of subsidiaries	0,00	0,00
Acquisition of subsidiaries	0,00	0,00
<b>Net investment cash flow</b>	<b>-15 264 642,12</b>	<b>27 916 408,37</b>
<b>Financing cash flow</b>	<b>0,00</b>	<b>0,00</b>
Net proceeds from issue of shares, other equity instruments and additional capital contributions	0,00	0,00
Purchase of own shares or repayment of shares	-1 953 240,80	-2 476 626,31
Borrowings	501 342 007,79	508 281 757,31
Borrowings repaid	-549 334 666,73	-433 790 708,60
Debt securities issued	0,00	378 500 000,00
Debt securities redeemed	-71 000 000,00	-448 000 000,00
Payments under financial lease agreements	-11 752 957,87	-12 284 408,77
Dividends and other shared profits	0,00	0,00
Interest paid	-36 159 836,28	-17 676 107,32
Other financial proceeds (including notes)	88 700 000,00	77 500 000,00
Other financial expenditures (including notes)	-23 000 000,00	-22 766 627,15

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<b>Net financing cash flow</b>	<b>-103 158 693,89</b>	<b>27 287 279,16</b>
<b>NET DECREASE/(INCREASE) IN CASH</b>	<b>-9 523 216,68</b>	<b>-38 646 536,12</b>
Cash and cash equivalents at the beginning of the year	36 685 233,13	75 331 769,20
- foreign exchange gains/(losses) on cash	0,00	0,00
<b>CLOSING BALANCE OF CASH AND CASH EQUIVALENTS</b>	<b>27 162 017,40</b>	<b>36 685 233,13</b>



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Consolidated statement of changes in equity

	Share capital	Own shares (negative figure)	Revaluation reserve	Supplementary capital	Other capital reserves	Hedge valuation reserve and currency translation reserve	Retained earnings	Net earnings	Equity
<b>As at 31 December 2008</b>	<b>10 939 656,00</b>	<b>-2 476 626,31</b>	<b>7 471 818,19</b>	<b>533 909 791,85</b>	<b>5 731 587,19</b>	<b>-86 261,20</b>	<b>-317 280 325,77</b>	<b>82 828 228,02</b>	<b>321 037 867,97</b>
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>As at 1 January 2009</b>	<b>10 939 656,00</b>	<b>-2 476 626,31</b>	<b>7 471 818,19</b>	<b>533 909 791,85</b>	<b>5 731 587,19</b>	<b>-86 261,20</b>	<b>-317 280 325,77</b>	<b>82 828 228,02</b>	<b>321 037 867,97</b>
Issue of shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	-1 953 240,80	0,00	0,00	0,00	0,00	0,00	0,00	-1 953 240,80
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on revaluation of fixed assets and investment property	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gains / (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Exchange gains / (losses) on translation of financial statements of foreign operations	0,00	0,00	0,00	0,00	0,00	22 871,99	-249 130,02	0,00	-226 258,03
Gains / (losses) on business acquisitions(unitary jwch)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profit/loss from the inclusion/exclusion of companies to consolidate	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,01	0,00	0,00	-3 047 895,00	0,00	-3 047 894,99
Consolidation adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

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<b>Total profit / (loss) recognised directly in equity</b>	<b>0,00</b>	<b>-1 953 240,80</b>	<b>0,00</b>	<b>0,01</b>	<b>0,00</b>	<b>22 871,99</b>	<b>-3 297 025,02</b>	<b>0,00</b>	<b>-5 227 393,82</b>
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	100 396 876,34	100 396 876,34
<b>Total profit / (loss) recognised in equity and net earnings</b>	<b>0,00</b>	<b>-1 953 240,80</b>	<b>0,00</b>	<b>0,01</b>	<b>0,00</b>	<b>22 871,99</b>	<b>-3 297 025,02</b>	<b>100 396 876,34</b>	<b>95 169 482,52</b>
Increase / decrease from profit distribution	0,00	0,00	0,00	114 719 108,93	0,00	0,00	-31 890 880,90	-82 828 228,02	0,00
<b>As at 31 December 2009</b>	<b>10 939 656,00</b>	<b>-4 429 867,11</b>	<b>7 471 818,19</b>	<b>648 628 900,78</b>	<b>5 731 587,19</b>	<b>-63 389,21</b>	<b>-352 468 231,69</b>	<b>100 396 876,34</b>	<b>416 207 350,49</b>

	Share capital	Own shares (negative figure)	Revaluation reserve	Supplementary capital	Other capital reserves	Hedge valuation reserve and currency translation reserve	Retained earnings	Net earnings	Equity
<b>As at 31 December 2007</b>	<b>10,939,656.00</b>	<b>0.00</b>	<b>0.00</b>	<b>377,696,720.04</b>	<b>5,576,255.17</b>	<b>-3,822.19</b>	<b>7,195,257.85</b>	<b>148,104,239.39</b>	<b>549,508,306.25</b>
Basic error corrections	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>As at 1 January 2008</b>	<b>10,939,656.00</b>	<b>0.00</b>	<b>0.00</b>	<b>377,696,720.04</b>	<b>5,576,255.17</b>	<b>-3,822.19</b>	<b>7,195,257.85</b>	<b>148,104,239.39</b>	<b>549,508,306.25</b>
Additional capital contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares		-2,476,626.31							
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gains / (losses) on revaluation of available-for-sale assets	0.00	0.00	7,471,818.19	0.00	0.00	0.00	0.00	0.00	7,471,818.19
Gains / (losses) on cash flow hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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Exchange gains / (losses) on translation of financial statements of foreign operations	0.00	0.00	0.00	0.00	0.00	-82,439.01	0.00	0.00	-82,439.01
Gains / (losses) on business acquisitions	0.00	0.00	0.00	71,992.35	155,332.02	0.00	200,061.50	0.00	427,385.87
Consolidation adjustments	0.00	0.00	0.00	0.00	0.00	0.00	2,409.70	0.00	2,409.70
First-time consolidation	0.00	0.00	0.00	167,414.63	0.00	0.00	-577,725.32	0.00	-410,310.69
Total profit / (loss) recognised directly in equity	10,939,656.00	-2,476,626.31	7,471,818.19	377,936,127.02	5,731,587.19	-86,261.20	6,820,003.72	148,104,239.39	554,440,543.99
Net profit (loss) for the accounting year	0.00	0.00	0.00		0.00	0.00	0.00	100,881,968.82	100,881,968.82
Total profit / (loss) recognised in equity and net earnings	10,939,656.00	-2,476,626.31	7,471,818.19	377,936,127.02	5,731,587.19	-86,261.20	6,820,003.72	248,986,208.21	655,322,512.82
Increase / decrease from profit distribution	0.00	0.00	0.00	155,973,664.83	0.00	0.00	-7,869,425.14	-148,104,239.39	0.30
<b>As at 31 December 2008</b>	<b>10,939,656.00</b>	<b>-2,476,626.31</b>	<b>7,471,818.19</b>	<b>533,909,791.85</b>	<b>5,731,587.19</b>	<b>-86,261.20</b>	<b>-1,049,421.42</b>	<b>100,881,968.82</b>	<b>655,322,513.12</b>

## C. ADDITIONAL INFORMATION

### SIGNIFICANT PREVIOUS-YEAR EVENTS DISCLOSED IN THESE FINANCIAL STATEMENTS

These financial statements of the Group do not disclose other than those already described (regarding the changes of the accounting policy in the scope of recognition of income) significant events from previous years.

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

The financial statements of the Group for 2009 disclose all events that occurred until the day of these statements i.e till 16 March 2010 and had effect on the Consolidated Financial Statements of the Group for the period from 1 January 2009 to 31 December 2009.

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

In 2009, the Group changed the accounting rules, which are described in the “Amendments to IFRS” .

### FUNCTIONAL AND PRESENTATION CURRENCY

Items presented in the financial statements of particular companies of the Group are measured with the currency of the basic economic environment where the company has a fixed establishment (functional currency). The functional and presentation currency of the parent company is Polish zloty (PLN). The reporting currency of the financial statements of the Group is Polish zloty (PLN).

The functional currency of some companies of the Group is other currency than Polish zloty. Financial statements of those companies, prepared in their functional currencies, are included in these consolidated financial statements upon translation into PLN in accordance with IAS 21.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1. Intangible assets

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

<b>INTANGIBLE ASSETS</b>	<b>31 December 2009</b>	<b>31 December 2009</b>
a) research and development	0,00	0,00
b) goodwill on consolidation	0,00	3 047 895,06
c) other intangible assets	6 806 122,55	8 187 301,94
d) advances on intangible assets	0,00	0,00
<b>Total intangible assets</b>	<b>6 806 122,55</b>	<b>11 235 197,00</b>

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CHANGES IN INTANGIBLE ASSETS PER GROUPS OF ASSETS IN 2009				
Group of non-current assets		Goodwill	Other intangible assets	Total intangible assets
VALUE	Opening balance	0,00	15 159 789,08	15 159 789,08
	Combination	0,00	0,00	0,00
	Total upon combination	0,00	15 159 789,08	15 159 789,08
	Receipts	0,00	5 760,61	5 760,61
	Movements	0,00	0,00	0,00
	Issues	0,00	4 165,82	4 165,82
	Closing balance	0,00	15 161 383,87	15 161 383,87
DEPRECIATION	Opening balance	0,00	6 972 660,62	6 972 661,62
	Combination	0,00		
	Total upon combination	0,00	6 972 660,62	6 972 661,62
	Amortisation for the year	0,00	1 386 766,52	1 386 766,52
	Increase	0,00		
	Decrease	0,00	4 165,82	4 165,82
	Closing balance	0,00	8 355 261,32	8 355 262,32
Opening balance (net)			8 187 128,46	8 187 128,46
Closing balance (net)			6 806 122,55	6 806 122,55

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

Upon initial recognition intangible assets are measured at acquisition price or manufacturing cost less amortisation and impairment losses. Intangible assets are amortised with the straight-line method for the period of their expected useful life. The period and method of amortisation are verified at the end of each accounting year. As at 31 December 2009 and 31 December 2008 there were no circumstances requiring the Group to make impairment allowance on intangible assets.

In 2009, the Parent Company cleared the value of the company with the capital of PLN 3,047,895.06. Goodwill was established by merging Łucka InvestCo Sp. z o.o with JWCH S.A (transferee company). The connection was under Article 492, Sec.1, Item 1 of Polish Commercial Companies Code by transferring all the assets of Łucka InvestCo Sp. z o.o (oferee company) to JWCH S.A (transferee company). The Company JWCH at the acquisition date, held 100% of shares of Łucka InvestCo Sp. z o.o. In years 2009-2008 the Group did not conduct any development activities and did not incur any costs.

The Companies had no advances on tangible assets.

BALANCE SHEET INTANGIBLE ASSETS (OWNERSHIP STRUCTURE)	31 December 2009	31 December 2008
a) own	2 019 534,26	5 593 101,69
b) leasehold	4 786 588,29	5 642 095,31
<b>TOTAL BALANCE SHEET INTANGIBLE ASSETS</b>	<b>6 806 122,55</b>	<b>11 235 197,00</b>

In connection with development of the Group, in 2003 the Management Board resolved to change the software and implement the same in the Group. In 2003 the parent company launched implementation of the SAP integrated system. The implementation was performed in phases and accounted for in subsequent years. After the system had been implemented in

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the parent company, the project covered other Group companies conducting business activity similar to the one of the parent company. That project required expenditures for computer hardware, licences, software and implementation. The Group raised some funds for financing that projects from ECS International Polska Sp. z o.o. under Lease Agreement No. 27/2003 executed on 20 October 2003.

**Note 2. Goodwill of subsidiaries**

The goodwill of subsidiaries was established as the difference of acquisition price of a given company and fair value of acquired net assets, lower than the same.

<b>GOODWILL OF SUBSIDIARIES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) goodwill - subsidiaries	12 389 648,22	12 390 453,72
b) goodwill - fellow subsidiaries	0,00	0,00
c) goodwill - associates	0,00	0,00
<b>Total intangible assets</b>	<b>12 389 648,22</b>	<b>12 390 453,72</b>

This value concerns the acquisition of Project 55 Sp. z o.o. On the balance sheet date a test for impairment was conducted. As a result, it can be stated that the depreciation of this item assets did not occur

**Note 3. Tangible assets**

<b>TANGIBLE ASSETS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) property, plant and equipment, of which:	278 832 643,75	291 544 192,19
- land (including right of perpetual usufruct)	45 416 381,21	45 639 953,09
- buildings and structures	209 377 926,24	215 004 322,00
- plant and machinery	14 688 034,15	17 981 617,30
- motor vehicles	7 540 862,40	10 050 216,87
- other property, plant and equipment	1 809 439,75	2 868 082,93
b) constructions in progress	80 822 175,37	63 135 729,69
c) advances on constructions in progress	0,00	0,00
<b>Total tangible assets</b>	<b>359 654 819,12</b>	<b>354 679 921,88</b>

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

Upon initial recognition tangible assets are measured at acquisition price or manufacturing cost less amortisation and impairment losses. Tangible assets are amortised with the straight-line method for the period of their expected useful life. The assets that are under construction are valued at the amount of the total cost of remaining in direct relation to their acquisition or construction, less accumulated permanent loss of value. The assets under construction are not depreciated until they are completed and commissioned.

The companies did not hold any advances on intangible assets.

<b>BALANCE SHEET TANGIBLE ASSETS (OWNERSHIP STRUCTURE)</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) own	280 323 837,51	275 827 020,58
b) leasehold	79 330 981,61	78 852 901,31
<b>TOTAL BALANCE SHEET TANGIBLE ASSETS</b>	<b>359 654 819,12</b>	<b>354 679 921,89</b>

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Group of non-current assets		Land (including right of perpetual usufruct)	Buildings and structures	Plant and machinery	Motor vehicles	Other property, plant and equipment	Total property, plant and equipment	Constructions in progress	Advances on constructions in progress	Total tangible assets
VALUE	Opening balance	47 000 067,81	248 169 262,43	44 675 186,06	30 656 082,15	13 999 647,90	384 500 246,35	66 149 855,35	0,00	450,650, 101,70
	Combination-revaluation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Total upon combination	47 000 067,81	248 169 262,43	44 675 186,06	30 656 082,15	13 999 647,90	384 500 246,35	66 149 855,35	0,00	450 650 101,70
	First-time consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Receipts	0,00	9 530,00	2 482 603,41	657 996,11	60 847,11	3 210 976,63	19 800 275,25	0,00	23 011 251,88
	Movements	0,00	3 074 308,85	630 495,29	0,00	0,00	3 704 804,14	513 652,00	0,00	4 218 456,14
	Issues	119 000,00	4 919 019,27	3 337 510,27	4 812 561,19	88 856,23	13 276 946,96	2 627 481,57	0,00	15 904 428,53
	Closing balance	46 881 067,81	246 334 082,01	44 450 774,49	26 501 517,07	13 971 638,78	378 139 080,16	83 836 301,03	0,00	461 975 381,19
DEPRECIATION	Opening balance	1 360 114,72	33 164 940,43	26 693 568,76	20 605 865,28	11 131 564,96	92 956 054,15	464 273,20	0,00	93 420 327,35
	Combination	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Total upon combination	1 360 114,72	33 164 940,43	26 693 568,76	20 605 865,28	11 131 564,96	92 956 054,15	464 273,20	0,00	93 420 327,35
	First-time consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Depreciation for the year	104 571,88	4 706 348,12	4 319 891,44	2 393 218,53	1 123 459,80	12 647 489,77	0,00	0,00	12 647 489,77
	Increase	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Increase/decrease/movements	0,00	915 132,78	1 250 719,86	4 038 429,14	92 825,73	6 297 107,51	0,00	0,00	6 297 107,51
	Closing balance	1 464 686,60	36 956 155,77	29 762 740,34	18 960 654,67	12 162 199,03	99 306 436,41	464 273,20	0,00	99 770 709,61
Impairment allowance	Opening balance	0,00	0,00	0,00	0,00	0,00	0,00	2 549 852,46	0,00	2 549 852,46
	Closing balance	0,00	0,00	0,00	0,00	0,00	0,00	2 549 852,46	0,00	2 549 852,46
Opening balance (net)		45 639 953,09	215 004 322,00	17 981 617,30	10 050 216,87	2 868 082,94	291 544 192,20	63 135 729,69	0,00	354 679 921,89
Closing balance (net)		45 416 381,21	209 377 926,24	14 688 034,15	7 540 862,40	11 103 555,84	278 832 643,75	80 822 175,37	0,00	359 654 819,12

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On 29 December 2004 the parent company executed the Real Estate Lease Agreement (No. 0/WA/2004/615/N) with Bankowy Fundusz Leasingowy, for an office building at ul. Radzymińska 326 in Ząbki. Net value of the leased asset was PLN 20,000,000.00 (of which: land - PLN 1,328,613.00 and infrastructure - PLN 18,671,387.00). The Group also uses services of lease companies when purchasing building equipment, trucks and passenger cars necessary for ordinary operations. In the years 2007-2008 the Group used services of BEL Leasing Sp. z o.o., Europejski Fundusz Leasingowy, Bankowy Fundusz Leasingowy and ECS International Polska Sp. z o.o. and other companies.

#### Sale and lease back

On 30 November 2004 the parent company executed a financial sale and lease back agreement for developed real estate located in Tarnów Podgórny. The total net value of the leased asset was PLN 25,941,833.10 while revenues from sale were established at PLN 30,545,000. The said real estate is a plot of land developed with a hotel building and a restaurant, as well as internal and external technical infrastructure. In accordance with IAS 17 "Lease" the Company defers revenues from sale of the leased asset exceeding the carrying value of the same for the term of the lease.

On 31 August 2001 "Hotele 500" Sp. z o.o. executed a financial sale and lease back agreement for real estate located in Zegrze Południowe. When entering into the transaction the fair value of the leased asset (PLN 19,860,048.69) was higher than revenues from its sale (PLN 18,444,200.52) due to which the Company - in accordance with IAS 17 "Lease" - immediately recognised a loss on sale in earnings for the given accounting year.

#### Note 4. Investment real estate

<b>Other long-term investments</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) investment real estate	12,401,059.31	12,352,400.98
b) other	0.00	0.00
<b>Total other long-term investments</b>	<b>12,401,059.31</b>	<b>12,352,400.98</b>

#### Note 5. Other financial assets

<b>LONG-TERM FINANCIAL ASSETS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) shares	4 605 996,60	4 975 851,98
b) loans granted	387 983,40	40 134 994,61
c) other long-term investments	0,00	0,00
<b>Total long-term financial assets</b>	<b>4 993 980,00</b>	<b>45 110 846,59</b>

<b>LONG-TERM FINANCIAL ASSETS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) in subsidiaries	4 446 019,91	45 080 216,59
- shares	4 362 171,98	4 945 221,98
- debt securities	0,00	0,00
- other securities	83 847,93	0,00
- loans granted	0,00	40 134 994,61



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- other long-term financial assets	0,00	0,00
b) in other parties	547 960,09	30 630,00
- shares	243 824,62	30 630,00
- debt securities	0,00	0,00
- other securities	304 135,47	0,00
- loans granted	0,00	0,00
- other long-term financial assets		0,00
c) other long-term investments	0,00	0,00
<b>Total long-term financial assets</b>	<b>4 993 980,00</b>	<b>45 110 846,59</b>

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	<b>Name of a unit (and its legal form)</b>	<b>Domicile</b>	<b>Business</b>	<b>Relation</b>	<b>Method of consolidation</b>	<b>Date of assuming control</b>	<b>Value of shares at acquisition price</b>	<b>Revaluation adjustments (total)</b>	<b>Carrying value of shares</b>	<b>% of total number of votes in the general meeting</b>
1.	TBS Marki Sp. z o.o. (limited liability company)	Warsaw	social building	subsidiary	fully consolidated	14 November 2003	13,359,500,00	0	13,359,500,00	99,99%
2.	J.W. Construction International Sp. z o.o. (limited liability company)	Kolomna (Russia)	construction and developer activity	subsidiary	fully consolidated	14 November 2003	1,272,90	0	1,272,90	100,00%
3.	Business Financial Construction Sp. z o.o. (limited liability company)	Warsaw	services	subsidiary	not consolidated	16 June 2003	4,346,500,00	0	4,346,500,00	99,99%
4.	Project 55 Sp. z o.o. (limited liability company)	Warsaw	developer activity	subsidiary	fully consolidated	13 January 2005	19,655,537,59	0	19,655,537,59	99,99%
5.	Interlokum Sp. z o.o. (limited liability company)	Warsaw	developer activity	subsidiary	fully consolidated	23 November 2004	49,500,00	0	49,500,00	99,00%
6.	Lokum Sp. z o.o. (limited liability company)	Warsaw	developer activity	subsidiary	fully consolidated	13 September 2005	3,778,000,00	0	3,778,000,00	99,99%
7.	Deweloper Sp. z o.o. (limited liability company)	Siemianowice Śląskie	construction	subsidiary	fully consolidated	8 September 2004	49,500,00	0	49,500,00	99,00%
8.	JW Projekt Sp. z o.o. (limited liability company)	Warsaw	architecture and designing	subsidiary	fully consolidated	14 November 2003	1,155,400,00	0	1,155,400,00	99,98%
9.	Królewski Port Żerań Sp. z o.o. (limited liability company)	Warsaw	developer activity	associate	not consolidated	8 September 2000	500,000,00	500,000,00	0	4,92%
10.	Polonia SSA	Warsaw	sports	subsidiary	not consolidated	30 March 2006	15,440,00	15,440,00	0	100,00%
11.	TBS Nowy Dom Sp. z o.o. (limited liability company)	Ząbki	social building	associate	not consolidated	30 September 2006	1,000,00	0	1,000,00	2,00%

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12.	Construction Invest Sp. z o.o. (limited liability company)	Ząbki	real estate development and sale	subsidiary	fully consolidated	25 January 2006	50,000,00	0	50,000,00	100,00%
13.	J.W. Construction S.A. (joint-stock company)	Ząbki	construction	subsidiary	fully consolidated	26 September 2007	11,526,617,00	0	11,526,617,00	99,99%
14.	J.W. Construction 1 Sp. z o.o. (limited liability company)	London	services	subsidiary	not consolidated	31 July 2007	5,618,00	0	5,618,00	100,00%
15.	J.W. Bułgaria Sp. z o.o. (limited liability company)	Sofia	developer activity	subsidiary	not consolidated	8 October 2007	9,854,98	0	9,854,98	100,00%
16.	Porta Transport Sp. z o.o. (limited liability company) in liquidation	Szczecin	transport	subsidiary	Fully consolidated	12 November 2007	19,118,737,41	0	118,737,41	100,00%
17.	YAKOR HOUSE Sp. z o.o. (limited liability company)	Sochi	developer activity	subsidiary	fully consolidated	7 December 2007	9,810,000,00	0	9,810,000,00	70,00%
18.	JWCH Produkcja Budowlana Sp. z o.o. (limited liability company)	Ząbki	prefabricated unit production for the building industry	subsidiary	fully consolidated	19 February 2008	15,494,950,00	0	15,494,950,00	99,99%
19.	JWCH Budownictwo Drogowe Sp. z o.o. (limited liability company)	Ząbki	road construction	subsidiary	fully consolidated	7 February 2008	99,950,00	0	99,950,00	99,95%
20.	Trinity Self Companies (currently SASPOL INFRASTRUCTURE Sp. z o.o.)	Warszawa	Participation in public tenders as a leader of the consortium	associate	Not consolidated	6 October 2009	4,644,62	0,00	4,644,62	25,00%
21.	TBS Marki Sp. z o.o. (limited liability company)	Warsaw	social building	subsidiary	fully consolidated	18 October 2006	500	0	500	0,01%
22.	Business Financial Construction Sp. z o.o. (limited liability company)	Warsaw	services	subsidiary	not consolidated	16 June 2003	500	0	500	0,01%
23.	Interlokum Sp. z o.o. (limited liability company)	Warsaw	developer activity	subsidiary	fully consolidated	18 October 2006	500	0	500	1,00%

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24.	Lokum Sp. z o.o. (limited liability company)	Warsaw	developer activity	subsidiary	fully consolidated	18 October 2006	500	0	500	0,01%
25.	Project 55 Sp. z o.o. (limited liability company)	Warsaw	developer activity	subsidiary	fully consolidated	13 January 2005	500		500	
26.	Deweloper Sp. z o.o. (limited liability company)	Siemianowice Śląskie	construction	subsidiary	fully consolidated	18 October 2006	500	0	500	1,00%
27.	JW Projekt Sp. z o.o. (limited liability company)	Warsaw	architecture and designing	subsidiary	fully consolidated	14 November 2003	200	0	200	0,01%
28.	Stadnina Mazowiecka Sp. z o.o. (limited liability company)	Warsaw	services	subsidiary	not consolidated	19 February 2007	50,000,00	0	50,000,00	100,00%
29.	Karczma Regionalna Sp. z o.o. (limited liability company)	Krynica Górská	hotel activity	subsidiary	not consolidated	16 December 2004	208,550,00	0	208,550,00	8,06%
30.	J.W. Construction S.A. (joint-stock company)	Ząbki	construction	subsidiary	fully consolidated	26 September 2007	1	0	1	0,01%
31.	JWCH Produkcja Budowlana Sp. z o.o. (limited liability company)	Ząbki	prefabricated unit production for the building industry	subsidiary	fully consolidated	19 February 2008	50	0	50	0,01%
32.	JWCH Budownictwo Drogowe Sp. z o.o. (limited liability company)	Ząbki	road construction	subsidiary	fully consolidated	7 February 2008	50	0	50	0,05%
33.	Fabryka Maszyn i Urządzeń FAMAK S.A. (joint-stock company)	Kluczbork	production	associate	not consolidated	12 November 2007	29,630,00	0	29,630,00	0,04%

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**Note 6. Non-current receivables.**

<b>NON-CURRENT RECEIVABLES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) guarantee receivables	0.00	0.00
b) deposit receivables( leasing)	13,804,005.13	13,518,100.22
b) Rother receivables	0.00	0.00
<b>Total receivables</b>	<b>13,804,005.13</b>	<b>13,518,100.22</b>

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

**Note 7. Inventories and construction contracts**

<b>INVENTORIES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) materials	5 151 425,88	6 608 049,28
b) semi-finished products and work in progress	2 524 109,81	10 455 871,15
c) finished products	3 816 622,58	1 523 507,89
d) goods	26 750 150,56	23 879 438,18
e) trade advances	193 746,22	399 038,15
<b>Total inventories</b>	<b>38 436 055,05</b>	<b>42 865 904,64</b>

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

<b>CONSTRUCTION CONTRACTS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
<b>CONSTRUCTION CONTRACTS (current assets)</b>		
a) semi-finished products and work in progress	575 936 919,83	956 491 918,65
b) finished products	333 017 193,60	139 643 699,26
c) advances for supplies	5 069 693,39	11 922 118,97
d) short-term prepayments	2 146 339,36	39 705 375,35
<b>Total construction contracts</b>	<b>916 170 146,18</b>	<b>1 147 763 112,23</b>
<b>CONSTRUCTION CONTRACTS (current liabilities)</b>		
a) accruals	346 450 585,73	612 575 750,29
<b>Total construction contracts</b>	<b>346 450 585,73</b>	<b>612 575 750,29</b>

Due to the conducted activity the Company takes loans secured among other things with mortgage on real estate. As at 31 December 2009 the Company established collateral in the form of mortgage on real estate presented as inventories and construction contracts at PLN 716.5 million and presented as property, plant and equipment at PLN 211.60 million. Additionally, the Company established collateral on third party real estate worth PLN 10.0 million. The value of mortgage is established at the amount of the granted loan (or higher), therefore, it is significantly higher than the value of real estate disclosed in assets of the Company. As at 31 December 2009 loan liabilities amounted to PLN 390.00 million.

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<b>ACCRUALS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
-advances on the premises	339 732 995,63	550 728 834,67
-provisions for works	2 733 481,36	56 244 289,22
-other	3 984 108,74	5 602 626,40
<b>The total value of accruals</b>	<b>346 450 585,73</b>	<b>612 575 750,29</b>

**Note 8. Trade and other receivables**

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

<b>CURRENT RECEIVABLES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) trade receivables - related parties	0.00	0.00
b) trade receivables - other parties	39,832,649.21	31,549,404.46
c) taxes, subsidies, customs duties, social and health insurance and other payments	14,732,929.31	41,684,261.32
d) other	2,766,134.53	747,319.95
<b>Total receivables</b>	<b>57,331,713.05</b>	<b>77,497,815.63</b>

**Note 9. Other short-term financial assets**

<b>SHORT-TERM FINANCIAL ASSETS</b>	<b>31 December 2009</b>	<b>31 December 2009</b>
- shares	0,00	0,00
- loans granted	43 637 420,05	2 731 543,80
- other investments	107 604,18	0,00
<b>Total value of short-term financial assets</b>	<b>43 745 024,23</b>	<b>2 731 543,80</b>

<b>SHORT-TERM FINANCIAL ASSETS</b>	<b>31 December 2009</b>	<b>31 December 2009</b>
a) in subsidiaries	35 640 469,63	0,00
- shares	0,00	0,00
- debt securities	0,00	0,00
- other securities	0,00	0,00
- loans granted	35 640 469,63	0,00
- other short-term financial assets	0,00	0,00
b) in other parties	8 104 554,60	2 731 543,80
- shares	0,00	0,00
- debt securities	0,00	0,00
- other securities	107 604,18	0,00
- loans granted	7 996 950,42	2 731 543,80
- other short-term financial assets	0,00	0,00

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<b>Total value of short-term financial assets</b>	<b>43 745 024,23</b>	<b>2 731 543,80</b>
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**Note 10. Cash and cash equivalents**

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

<b>CASH AND CASH EQUIVALENTS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) cash on hand and with bank	23 683 191,22	22 611 805,11
b) other cash	2 249 980,57	14 025 942,41
c) other cash equivalents	1 228 845,61	47 485,60
<b>Total cash</b>	<b>27 162 017,40</b>	<b>36 685 233,13</b>

**Note 11. Short-term prepayments**

<b>ACCRUALS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
- short-term prepayments	14 465 484,62	14 063 425,59
<b>Total value of short-term prepayments</b>	<b>14 465 484,62</b>	<b>14 063 425,59</b>

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

<b>ACCRUALS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
- property insurance	230 507,83	415 381,00
- interest	542 107,33	1 628 819,21
- commission expenses	9 884 791,87	8 837 445,86
- other	3 808 077,59	3 181 779,52
<b>Total value of accruals</b>	<b>14 465 484,62</b>	<b>14 063 425,59</b>

**Note 12. Share capital**

Class / issue	Share type	Type of preference	Type of restriction	Number of shares	Par value of class/issue	Coverage of capital	Date of registration	Right to dividend (from)
A	Bearer		-	51,250,000	10,250,000	Assets of transformed company - TBM Batory Sp. z o.o. / cash	28 Feb 2007	
B	Bearer	-	-	3,448,280	689,656	cash	27 Jun 2007	1 Jan 2008
Total number of shares				54,698,280				
Total share capital					10,939,656			
Par value of one share = <b>PLN 0.20</b>								



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As at 31 December 2008 the shareholding structure was as follows:

Shareholder	Number of shares	% of share capital	Number of votes	% of total votes in the General Meeting
Józef Wojciechowski	15 413 713,00	28,18%	15 413 713,00	28,18%
EHT S.A domiciled in Luxembourg	24 448 300,00	44,70%	24 448 300,00	44,70%
Company	625 000,00	1,14%	625 000,00	1,14%
Other	14 211 267,00	25,98%	14 211 267,00	25,98%

Shareholder	Number of shares	% of share capital	Number of votes	% of total votes in the General Meeting
Józef Wojciechowski	15 413 713,00	28,18%	15 413 713,00	28,18%
EHT S.A domiciled in Luxembourg	20 568 300,00	37,60%	20 568 300,00	37,60%
Company	625 000,00	1,14%	625 000,00	1,14%
Other	18 091 267,00	33,07%	18 091 267,00	33,07%

In connection with Resolution No. 26 taken by the Annual General Meeting on 19 June 2008, authorising the Management Board to buy back own shares for the purpose of their redemption, on 9 July 2008 the Company concluded an agreement with an investment firm, within the meaning of Article 6.3.B) of Commission Regulation (EC) No. 2273/2003 of 22 December 2003. The Company bought back own shares through the said firm, for the purpose of their redemption, in accordance with the principles provided under the Commission Regulation and Resolution No. 26 of the Annual General Meeting. As at 31 December 2009, the Company completed the purchase of shares. Until the day of executing these financial statements of the Company, the General Shareholders Meeting has not taken any redemption resolutions of own shares and the reduction of share capital.

### Note 13. Other capital

<b>OTHER CAPITAL</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) supplementary capital	648,628,900.79	53,909,791.85
b) other reserve capital	5,731,587.19	5,731,587.19
c) translation reserve	-63,389.21	-86,261.20
<b>Total other capital</b>	<b>654,297,098.77</b>	<b>539,555,117.84</b>

The supplementary capital of the Company comes from the profits that were obtained in the previous years, and because of the surplus value of the issue over the nominal value of issued shares.

### Note 14. Borrowings

In year 2009 and from the balance sheet date until preparing these financial statements none of the concluded loan agreements was terminated by the bank.

<b>BORROWINGS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) loans	385 793 436,98	437 215 401,29
of which: long-term	113 407 529,12	168 305 639,77

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short-term	272 385 907,86	268 909 761,52
b) cash loans	4 303 386,66	268 959,53
of which: long-term	0,00	0,00
short-term	4 303 386,66	268 959,53
<b>Total borrowings</b>	<b>390 096 823,64</b>	<b>437 484 360,82</b>
<b>Borrowings - long-term</b>	<b>113 407 529,12</b>	<b>168 305 639,77</b>
<b>Borrowings - short-term</b>	<b>276 689 294,52</b>	<b>269 178 721,05</b>

<b>LOANS PER MATURITY</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Up to 1 year	272 385 907,86	268 909 761,52
Over 1 year up to 2 years	8 866 376,00	64 180 438,04
Over 2 years up to 5 years	1 701 491,05	516 000,00
Over 5 years	102 839 662,07	103 609 201,73
<b>Total loans, of which:</b>	<b>385 793 436,98</b>	<b>437 215 401,29</b>
- long-term	113 407 529,12	168 305 639,77
- short-term	272 385 907,86	268 909 761,52

<b>CASH LOANS PER MATURITY</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Up to 1 year	4 303 386,66	268 959,53
Over 1 year up to 2 years	0,00	0,00
Over 2 years up to 5 years	0,00	0,00
Over 5 years	0,00	0,00
<b>Total loans, of which:</b>	<b>4 303 386,66</b>	<b>268 959,53</b>
- long-term	0,00	0,00
- short-term	4 303 386,66	268 959,53

**Note 15. Deferred income tax assets and liabilities**

The below items are the main items of deferred income tax assets and liabilities disclosed in the period covered by historical financial information.

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

<b>DEFERRED INCOME TAX ASSETS AND DEFERRED INCOME TAX LIABILITIES</b>	<b>31 December 2009</b>		
	<b>Deferred income tax assets</b>	<b>Deferred income tax liabilities</b>	<b>Net value</b>
Tangible assets	0,00	2 579 310,13	-2 579 310,13
Non-current receivables	0,00	0,00	0,00
Inventories and construction contracts	6 358 438,24	2 795 488,19	3 562 950,05
Borrowings	401 117,08	0,00	401 117,08
Provisions	5 876 629,28	0,00	5 876 629,28
Trade and other payables	176 262,24	0,00	176 262,24
Other financial liabilities	0,00	1 292 019,84	-1 292 019,84
Other	2 790 723,31	0,00	2 790 723,31
<b>Deferred income tax assets / liabilities disclosed in the balance sheet</b>	<b>15 603 170,15</b>	<b>6 666 818,16</b>	<b>8 936 351,99</b>

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**Note 16. Retirement benefit obligations**

<b>CHANGE IN RETIREMENT BENEFIT OBLIGATIONS</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Opening balance	436 924,50	373 000,00
Increase	0,00	63 924,50
Dissolution	63 727,22	0,00
<b>Closing balance</b>	<b>373 197,28</b>	<b>436 924,50</b>

**Note 17. Provisions for other liabilities and charges**

<b>PROVISIONS FOR OTHER LIABILITIES AND CHARGES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
<b>a) short-term, of which:</b>	<b>27 127 164,50</b>	<b>26 366 319,53</b>
- accrued expenses, including:	24 959 799,77	23 335 331,42
- provision for guarantee repairs	10 387 811,00	11 451 543,12
- other	14 571 988,77	11 883 788,30
- other provisions, including:	2 167 364,73	3 030 988,11
- provisions for future liabilities	1 000 000,00	1 008 835,54
- provisions for severance pays (Porta Transport)	0,00	1 027 787,84
- provision - other	1 167 364,73	994 364,73
<b>b) long-term, of which:</b>	<b>12 773 133,76</b>	<b>13 368 786,83</b>
- accrued expenses, including:	12 773 133,76	13 368 786,83
- participation in costs of construction - TBS Marki	4 652 086,02	4 735 473,30
- deferred income - loan remittance - TBS Marki	6 356 500,42	6 408 449,53
- deferred surplus of revenues from sales over the carrying value/sale and lease back	1 764 547,32	2 224 864,00
<b>Total provisions for other liabilities and charges</b>	<b>39 900 298,26</b>	<b>39 735 106,36</b>

**Note 18. Other non-current liabilities**

In the years 2008-2009 other financial liabilities comprised among other things liabilities under concluded lease agreements. The detailed description of leased assets is presented under "Lease" in the note on "Intangible assets" and "Tangible assets". Other financial liabilities included among other things liabilities to subcontractors due to received security deposits.

<b>OTHER NON-CURRENT LIABILITIES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) lease obligations	53 061 317,61	64 698 174,41
b) deposit liabilities	13 601 695,20	13 444 213,47
c) other non-current liabilities	3 822 972,71	4 705 069,01
<b>Total other liabilities</b>	<b>70 485 985,52</b>	<b>82 847 456,89</b>

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**Note 19. Trade and other payables**

<b>TRADE AND OTHER PAYABLES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) trade payables - other parties	75 586 471,47	114 868 951,15
b) trade payables - related parties	1 577 506,72	1 186 439,07
c) taxes, customs duties, insurance and other payments	19 240 042,11	14 919 347,85
d) salaries	2 791 292,41	3 638 025,38
e) trade advances received	0,00	52 934,71
f) other	11 955 222,72	5 905 912,09
<b>Total trade and other payables</b>	<b>111 150 535,42</b>	<b>140 571 610,24</b>

<b>OTHER LIABILITIES</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
a) issue of debt securities	0,00	71 000 000,00
b) note liabilities	129 440 719,18	56 660 530,21
c) other financial liabilities	12 190 931,32	16 476 920,82
<b>Total other liabilities</b>	<b>141 631 650,50</b>	<b>144 137 451,03</b>

\* On 17 November 2006 three agreements were concluded with BRE Bank S.A. pertaining to implementation of the bonds issue programme i.e. dealer agreement, agency agreement and underwriting agreement. BRE Bank S.A. was appointed as an issuing agent, payment agent, depository and dealer. The maximum value of the programme is PLN 250,000,000. The lifetime of the programme, during which bonds may be issued, is three years i.e. until 17 November 2009. Bonds may be issued in tranches of at least PLN 3,000,000 each. Bonds are not designated for issue under public offering. On 31 December 2009, the program was terminated.

**Note 20. Risk management**

Risk management is described under the Management Commentary.

**Note 21. Earnings per share**

<b>CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Profits		
(A) Profits of the Group disclosed in the consolidated financial statements	100,396,876.34	82,828,228.22
(B) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating earnings per share *	54,689,280.00	54,689,280.00
(C) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share*	54,689,280.00	54,689,280.00
<b>Basic earnings per share = (A)/(B)</b>	<b>1.84</b>	<b>1.51</b>
<b>Diluted earnings per share = (A)/(B)</b>	<b>1.84</b>	<b>1.51</b>

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

**Note 22. Income tax**

INCOME TAX	1 January 2009 - 31 December 2009	1 January 2008 - 31 December 2008
a) current income tax	19 569 144,00	10 434 203,08
b) deferred income tax	-750 948,64	15 527 240,50
<b>Total income tax</b>	<b>18 818 195,36</b>	<b>25 961 443,58</b>

**Note 23. Segment reporting**

Business segments

It was assumed that the primary division into segments is based on business segments. The Group operates mainly in three following segments:

- developer activity,
- social building,
- hotel activity.

In accordance with IAS 14 "Segment Reporting" financial data on particular business segments are prepared in accordance with the principle that income and expenses, as well as assets and liabilities of a segment are established before intercompany balances and related party transactions are eliminated under the consolidation, except when such balances and transactions have been made within one segment. Internal transactions within one segment are eliminated.

Financial data about particular business segments include separate financial statements of the Group companies without eliminating balances and transactions, while exclusions of income, expenses and mutual balances are presented in column "Eliminations".

An exception is developer activity under which separate financial statements of companies conducting such activity have been consolidated. In 2009 that segment was composed of J.W. Construction Holding SA, Project 55 Sp. z o.o., Lokum Sp. z o.o., Interlokum Sp. z o.o. and Construction Invest. The basic type of goods and services under each business segment:

- developer activity - building production, designing and supporting works, sale of real estate,
- social building - sale and administration of social building housing estates,
- other construction - building and assembly production,
- transport,
- hotel activity - catering and hotel services connected with organisation of tourist and recreational services.

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2009	Developer activity	Hotel activity	Social building	Construction	Transport, other	Eliminations	Total
<b>Net revenues from sales of products, goods and materials, of which:</b>	<b>664 577 326,97</b>	<b>15 510 927,67</b>	<b>11 540 458,36</b>	<b>278 675 307,56</b>	<b>10 261 781,28</b>	<b>-267 282 121,81</b>	<b>713 283 680,03</b>
Net revenues from sales of products	660 292 350,20	15 499 936,35	11 540 458,36	274 427 719,68	10 259 960,43	-264 577 471,70	707 442 953,32
Net revenues from sales of goods and materials	4 284 976,77	10 991,32	0,00	4 247 587,88	1 820,85	-2 704 650,11	5 840 726,71
<b>Costs of products, goods and materials sold, of which:</b>	<b>480 835 018,03</b>	<b>15 186 953,26</b>	<b>6 449 506,10</b>	<b>255 919 724,37</b>	<b>9 954 385,35</b>	<b>-240 367 800,27</b>	<b>527 977 786,84</b>
Costs of products sold	475 801 331,00	15 179 271,28	6 449 506,10	254 551 034,25	9 952 778,04	-237 663 150,16	524 270 770,51
Value of goods and materials sold	5 033 687,03	7 681,98	0,00	1 368 690,12	1 607,31	-2 704 650,11	3 707 016,33
<b>Gross profit (loss) on sales</b>	<b>183 742 308,94</b>	<b>323 974,41</b>	<b>5 090 952,26</b>	<b>22 755 583,19</b>	<b>307 395,93</b>	<b>-26 914 321,54</b>	<b>185 305 893,19</b>
Selling expenses	20 743 473,70	0,00	0,00	8 917,47	200,00	0,00	20 752 591,17
Overhead expenses	13 914 966,31	435 870,42	968 481,20	7 474 227,75	3 164 277,98	-273 340,00	25 684 483,66
<b>Profit (loss) on sales</b>	<b>149 083 868,93</b>	<b>-111 896,01</b>	<b>4 122 471,06</b>	<b>15 272 437,97</b>	<b>-2 857 082,05</b>	<b>-26 640 981,54</b>	<b>138 868 818,36</b>
Other operating income	3 700 634,57	481 331,61	1 447 377,27	1 349 106,91	5 004 399,68	-1 146 583,44	10 836 266,60
Other operating expenses	1 620 477,02	682 793,04	1 199 157,05	1 681 690,33	3 533 205,21	-1 744 305,19	6 973 017,46
<b>Operating profit (loss)</b>	<b>151 164 026,48</b>	<b>-313 357,44</b>	<b>4 370 691,28</b>	<b>14 939 854,55</b>	<b>-1 385 887,58</b>	<b>-26 043 259,79</b>	<b>142 732 067,50</b>
Financial income	5 622 365,34	638 688,02	1 789 006,35	197 672,19	221 451,61	0,00	8 469 183,51
Financial expenses	22 904 852,31	2 520 497,38	4 503 505,14	1 159 456,51	300 146,23	597 721,75	31 986 179,32
<b>Profit (loss) on ordinary operations</b>	<b>133 881 539,51</b>	<b>-2 195 166,80</b>	<b>1 656 192,49</b>	<b>13 978 070,23</b>	<b>-1 464 582,20</b>	<b>-26 640 981,54</b>	<b>119 215 071,70</b>
<b>Gross profit (loss)</b>	<b>133 881 539,51</b>	<b>-2 195 166,80</b>	<b>1 656 192,49</b>	<b>13 978 070,23</b>	<b>-1 464 582,20</b>	<b>-26 640 981,54</b>	<b>119 215 071,70</b>
Income tax	15 943 894,00	0,00	0,00	3 557 963,00	0,00		19 501 857,00
Deferred tax	1 052 795,33	561 406,78	67 287,00	-266 790,26	-36 574,00	-2 061 786,49	-683 661,64
<b>Net profit (loss)</b>	<b>116 884 850,18</b>	<b>-2 756 573,58</b>	<b>1 588 905,49</b>	<b>10 686 897,49</b>	<b>-1 428 008,20</b>	<b>-24 579 195,04</b>	<b>100 396 876,34</b>

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2008	Developer activity	Hotel activity	Social building	Construction	Transport, other	Eliminations	Total
Net revenues from sales of products, goods and materials, of which:	681 875 573,21	21 127 850,91	10 798 557,75	417 323 464,38	18 631 097,16	-390 817 087,27	758 939 456,14
Net revenues from sales of products	669 938 859,76	21 031 433,79	10 798 557,75	411 458 997,07	18 612 902,07	-388 716 548,40	743 124 202,04
Net revenues from sales of goods and materials	11 936 713,45	96 417,12	0,00	5 864 467,31	18 195,09	-2 100 538,87	15 815 254,10
Costs of products, goods and materials sold, of which:	496 265 341,48	17 362 510,85	6 533 189,27	397 492 723,10	16 917 550,59	-368 756 856,92	565 814 458,37
Costs of products sold	483 137 998,81	17 283 360,03	6 533 189,27	390 011 477,60	16 900 933,67	-366 662 660,26	547 204 299,12
Value of goods and materials sold	13 127 342,67	79 150,82	0,00	7 481 245,50	16 616,92	-2 094 196,66	18 610 159,25
Gross profit (loss) on sales	185 610 231,74	3 765 340,06	4 265 368,48	19 830 741,28	1 713 546,57	-22 060 230,35	193 124 997,77
Selling expenses	24 807 535,02	0,00	0,00	0,00	0,00	0,00	24 807 535,02
Overhead expenses	19 192 861,11	503 119,35	907 514,30	6 002 516,78	3 155 713,14	-262 895,00	29 498 829,68
Profit (loss) on sales	141 609 835,61	3 262 220,71	3 357 854,18	13 828 224,50	-1 442 166,57	-21 797 335,36	138 818 633,07
Other operating income	3 895 858,01	496 079,76	1 529 924,03	2 794 056,91	919 003,64	-1 127 045,34	8 507 877,01
Other operating expenses	21 621 117,35	108 285,53	1 449 082,62	375 649,42	2 280 641,87	-1 631 364,69	24 203 412,10
Operating profit (loss)	123 884 576,27	3 650 014,94	3 438 695,59	16 246 631,99	-2 803 804,80	-21 293 016,01	123 123 097,98
Financial income	15 002 231,59	847 499,00	1 510 245,10	129 350,54	371 049,39	-2 498 797,30	15 361 578,32
Financial expenses	22 856 822,37	4 316 193,12	4 396 595,90	608 401,63	130 576,83	-2 613 586,34	29 695 003,51
Profit (loss) on ordinary operations	116 029 985,49	181 320,82	552 344,79	15 767 580,90	-2 563 332,24	-21 178 226,97	108 789 672,79
Gross profit (loss)	116 029 985,49	181 320,82	552 344,79	15 767 580,90	-2 563 332,24	-21 178 226,97	108 789 672,79

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Income tax	26 766 385,82	0,00	205 798,00	3 013 123,07	0,00	-4 023 862,31	25 961 444,58
Deferred tax	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net profit (loss)	89 263 599,67	181 320,82	346 546,79	12 754 457,83	-2 563 332,24	-17 154 364,65	82 828 228,22



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NOTES TO THE CONSOLIDATED INCOME STATEMENT

**Note 24. Operating income**

<b>OPERATING INCOME</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Revenues from sales of products	649 526 973,99	670 003 157,89
Revenues from sales of services	57 915 979,33	73 121 044,15
Revenues from sales of goods	5 840 726,71	15 815 254,10
<b>Total income</b>	<b>713 283 680,03</b>	<b>758 939 456,14</b>

	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
<b>Revenues from sales, of which:</b>	<b>713 283 680,03</b>	<b>758 939 456,14</b>
- sales of products - premises	648 298 761,39	668 994 871,20
- sales of products - other	1 228 212,60	1 008 286,70
- sales of services	57 915 979,33	73 121 044,15
- sales of goods	5 840 726,71	15 815 254,10

	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Revenues from sales of products and services per business segments	707 442 953,32	743 124 202,04
- developer activity	664 766 839,99	677 320 164,18
- hotel activity	15 499 936,35	21 031 433,79
- social building	10 586 369,24	10 798 557,75
- transport	5 273 638,68	13 612 699,30
- construction	11 316 169,06	20 361 347,03

	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Revenues from sales of products - premises per geographic segments	648 298 761,39	668 994 871,20
- Warsaw and vicinity	540 800 036,69	594 473 332,75
- Gdynia	37 004 672,02	19 691 590,54
- Łódź	31 508 850,86	27 208 949,65
- Katowice	3 792 112,16	1 086 910,43
- Russia	35 193 089,66	26 534 087,83

	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
<b>Revenues from sales of hotel services per geographic segments</b>	<b>15 499 936,35</b>	<b>21 031 433,79</b>
- Warsaw and vicinity	5 632 496,60	7 776 266,45
- Tarnowo	4 486 666,08	5 472 444,63
- Stryków	3 918 624,83	4 557 297,43

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- Cieszyn	1 194 014,65	1 172 742,98
- Święta Lipka	144 101,72	1 017 868,72
- Krynica Górská	124 032,47	1 034 813,58

**Note 25. Operating expenses**

<b>OPERATING EXPENSES</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Costs on sale of products	473 344 923,34	487 365 484,17
Costs on sale of services	50 925 847,17	59 838 814,95
Costs on sale of goods	3 707 016,33	18 610 159,25
<b>Total costs of products, services and goods sold</b>	<b>527 977 786,84</b>	<b>565 814 458,37</b>

<b>Selling and overhead expenses</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Selling expenses	20 752 591,17	24 807 535,02
Overhead expenses	25 684 483,66	29 498 829,68
<b>Total selling and overhead expenses</b>	<b>46 437 074,83</b>	<b>54 306 364,70</b>

<b>Expenses by nature</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
Depreciation and amortisation	14 034 256,29	17 364 790,74
Materials and power	68 803 314,82	157 047 333,15
Outsourcing	207 370 615,95	336 606 414,02
Fees and taxes	8 555 709,47	10 540 911,18
Salaries	52 093 133,95	67 585 083,67
Social insurance and other payments	9 318 292,55	12 845 547,66
Other expenses by nature	17 975 494,12	26 631 633,37
<b>Total expenses by nature</b>	<b>378 150 817,15</b>	<b>628 621 713,79</b>

**Note 26. Other operating income**

<b>OPERATING INCOME</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
a) profit on disposal of non-financial fixed assets	0,00	493 614,70
b) other operating income	10 836 266,60	8 014 262,31
<b>Total operating income</b>	<b>10 836 266,60</b>	<b>8 507 877,01</b>

**Note 27. Other operating expenses**

<b>OPERATING EXPENSES</b>	<b>1 January 2009- 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
a) loss on disposal of non-financial fixed assets	255 032,23	0,00
b) revaluation of non-financial assets	364 047,85	13 247 727,15
c) other operating expenses	6 353 937,38	10 955 684,95
<b>Total operating expenses</b>	<b>6 973 017,46</b>	<b>24 203 412,10</b>

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**Note 28. Financial income**

<b>FINANCIAL INCOME</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
a) dividends	0,00	0,00
b) interest	5 042 442,06	6 351 940,88
c) revaluation of investments	0,00	0,00
d) other	3 426 741,45	9 009 637,44
<b>Total financial income</b>	<b>8 469 183,51</b>	<b>15 361 578,32</b>

**Note 29. Financial expenses**

<b>FINANCIAL EXPENSES</b>	<b>1 January 2009 - 31 December 2009</b>	<b>1 January 2008 - 31 December 2008</b>
a) interest	27 896 768,10	27 870 743,62
b) revaluation of investments	0,00	0,00
c) other	4 089 411,22	1 824 260,89
<b>Total financial expenses</b>	<b>31 986 179,32</b>	<b>29 695 004,51</b>

**Note 30. Proposal for distribution of profit**

All transactions for the related parties were concluded on commercial terms.

INTERCOMPANY BALANCES (from the point of view of the parent company)\*

<b>JWCH BALANCES WITH THE COMPANIES THE GROUP</b>	<b>Receivables from related parties</b>		<b>Liabilities to related parties</b>	
	<b>31 December 2009</b>	<b>31 December 2008</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
TBS Marki Sp. z o.o.	0,00	0,00	22 423 424,90	19 304 785,00
JW. Construction International Sp. z o.o.	14 161 890,46	7 806 330,77	0,00	0,00
Business Financial Construction Sp. z o.o.	0,00	0,00	2 251 427,98	2 647 292,19
Project 55 Sp. z o.o.	0,00	6 251 953,71	8 843 603,19	9 624 633,40
Interlokum Sp. z o.o.	285 000,00	4 124 054,95	6 287 625,41	3 831 814,57
Lokum Sp. z o.o.	19 168,89	4 206 852,88	0,00	0,00
Deweloper Sp. z o.o.	0,00	0,00	21 620,56	75 293,26
JW. Projekt Sp. z o.o.	2 136 498,95	1 008 569,79	17 269,11	1 348 796,99
TBS Nowy Dom Sp. z o.o.	9 639,18	8 447,34	0,00	1 000,00
Construction Invest Sp. z o.o.	3 770 743,23	3 433 912,12	0,00	0,00

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JW. Construction SA	2 050 387,83	1 387 055,05	103 213 488,88	95 891 250,88
J.W.Bułgaria Sp. zo.o.	30 514 275,75	35 153 265,81	0,00	0,00
Porta Transport Sp. z o.o.w likwidacji	21 829,01	22 782,22	0,00	0,00
Yakor House Sp.z o.o.	7 352 340,43	6 888 497,03	0,00	0,00
JWCH Produkcja Budowlana Sp. z o.o.	7 392 537,18	4 533 769,73	0,00	26 356,63
JWCH Budownictwo Drogowe Sp. z o.o.	2 332 175,13	887 472,26	0,00	0,00
SASPOL INFRASTRUKTURE Sp.z.o.o.	40 000,00	0,00	0,00	0,00

\* The aforesaid statement presents balances with related parties from the point of view of the parent company. The said balances cover the following transactions between the related parties: trade receivables and payables, loans, direct charge, paid security deposits, advances and other transactions, except for the amounts derived from valuation of construction contracts concluded by the parent company with special purpose vehicles.

**J.W. Construction Holding S.A. as a recipient of products or services**

Counterparty	Subject of a transaction/agreement	1 January 2009 - 31 December 2009	1 January 2008 - 31 December 2008
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**Related parties subject to consolidation**

Project 55 Sp. z o.o.	media- direct charge	305 441,57	420 606,73
Deweloper Sp. z o.o.	building works	0,00	3 199 721,43
Interlokum Sp. z o.o.	media- direct charge	0,00	153 157,02
Lokum Sp. z o.o.	media- direct chargere	0,00	107 073,01
J.W.Projekt	designing works	0,00	4 473 372,37
JWCH Budownictwo Drogowe Sp. z o.o.	building works	0,00	886 442,21
JWCH Produkcja Budowlana Sp. z o.o.	other	45 837,69	334 223,00
JWCH Produkcja Budowlana Sp. z o.o.	materials, goods	0,00	124 977,86
J.W.Construction S.A.	building works	264 871 272,08	276 026 132,90
J.W.Construction S.A.	guarantee repairs	916 685,17	3 010 845,59
J.W.Construction S.A.	other	117 893,36	62 216,12
J.W.Construction S.A.	investment project services	1 038 392,72	728 746,00
J.W.Construction S.A.	purchase of materials and goods	186 109,60	164 986,25
J.W.Construction S.A.	direct charge	42 690,16	125 174,83

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Counterparty	Subject of a transaction/agreement	1 January 2009 - 31 December 2009	1 January 2008 - 31 December 2008
Related parties excluded from consolidation			
Business Financial Construction Sp. z o.o.	Marketing and commercial services	3 085 804,10	2 442 628,82
J.W. Construction Holding S.A. as a service provider (seller)			
Counterparty	Subject of a transaction/agreement	1 January 2009 - 31 December 2009	1 January 2008 - 31 December 2008
Related parties subject to consolidation			
Project 55 Sp. z o.o.	direct charge	445,94	124 623,45
Project 55 Sp. z o.o.	other	90 235,18	723 060,76
Project 55 Sp. z o.o.	sale of share in the land	0,00	9 200 000,00
Interlokum Sp. z o.o.	building works	0,00	11 982 544,54
Interlokum Sp. z o.o.	sale of share in the land	0,00	13 800 000,00
Lokum Sp. z o.o.	building works	0,00	2 211 123,83
J.W.Construction S.A.	sale of goods and materials	310 104,23	3 328 347,97
J.W.Construction S.A.	other	3 602 695,74	3 065 792,78
J.W.Construction S.A.	direct charge	5 631 567,87	8 010 523,90
Construction Invest Sp. z o.o.	other	208 344,63	11 765,49
JW. Construction International	secondment of personnel	4 525 903,27	3 026 206,00
J.W.Projekt Sp. z o.o	other	672 505,05	430 204,12
JWCH Budownictwo Drogowe Sp. z o.o.	other	8 914,50	314 417,88
JWCH Produkcja Budowlana Sp .z o.o.	other	2 609 378,25	1 517 215,35
JWCH Produkcja Budowlana Sp .z o.o.	sale of goods and materials	824,80	1 395 979,42
JWCH Produkcja Budowlana Sp .z o.o.	direct charge	145 656,93	202 569,94
Porta Transport Sp .z o.o. w likwidacji	other	145 257,98	116 118,02
J.W.Bu.garia sp. z o.o.	other	1 094 695,78	1 357 327,69
Yakor House Sp. z o.o.	other	448 841,48	313 130,95

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TRANSACTIONS WITH RELATED PARTIES (Members of the Management Board, Supervisory Board, their families and significant others.

Counterparty	Management Authority	Subject of transaction	The value of transaction	Date of payment	Notarial deed
Wojcik Robert	Management Board	Sale of an apartment.	397 366,18	397 366,18	19/10/2009
		Sale of an apartment	245 500,80	245 500,80	19/10/2009
Czyż Barbara	Management Board	Sale of an apartment	285 720,82	285 720,82	11/03/2009
Szafarowska Grażyna	Management Board	Sale of an apartment	387 401,90	387 401,90	17/06/2009
Malinowska Bożena	Management Board	Sale of an apartment	315 684,76	315 684,76	30/10/2009
Rajchert Wojciech	Management Board	Sale of an apartment	263 941,91	266 228,17	-
Kobyliński Roman	Supervisory Board	Sale of an apartment	280 938,17	280 938,17	14/12/2009

**Note 31. Remuneration of members of authorities of the Company, the structure of employment.**

Below is presented remuneration for 2009. The tables contain aggregate data of members of authorities of all companies of the Parent Company per remuneration for offices held in Group Companies, employment in Group Companies and other forms of remuneration.

<b>J.W. Construction Holding S.A.</b>	<b>2009</b>	<b>2008</b>
<b>Management Board</b>		
Czyż Barbara	78 000,00	78 000,00
Wojcik Robert	0,00	0,00
Szafarowska Grażyna	15 000,00	123 000,00
Rajchert Wojciech	0,00	104 000,00
Panabażys Tomasz	0,00	0,00
Ciszewski Piotr	129 228,26	0,00
Łopuszyńska Irmina	137 739,13	280 000,00
Malinowska Bożena	0,00	83 000,00
Zdrzałka Jerzy	0,00	228 655,90
<b>Supervisory Board</b>		

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Kobyliński Roman	24 000,00	24 000,00
Obłəkowski Jacek	24 000,00	24 000,00
Oleksy Jozef	24 000,00	4 695,65
Pietraszkiewicz Henryk	24 000,00	24 000,00
Rocki Marek	0,00	12 000,00
Ślak Grzegorz	0,00	7 797,09
Wojciechowski Jozef	0,00	0,00

<b>Other Companies of the Capital Group</b>	<b>2009</b>	<b>2008</b>
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**Management Board**

Czyż Barbara	190 000,00	180 000,00
Wojcik Robert	240 000,00	237 000,00
Szafarowska Grażyna	297 000,00	199 953,00
Rajchert Wojciech	312 000,00	225 857,00
Panabażys Tomasz	185 469,80	0,00
Ciszewski Piotr	0,00	0,00
Łopuszyńska Irmina	0,00	0,00
Malinowska Bożena	264 000,00	176 000,00
Zdrzałka Jerzy	0,00	0,00

**Supervisory Board**

Kobyliński Roman	16 800,00	41 884,00
Obłəkowski Jacek	0,00	0,00
Oleksy Jozef	144 000,00	24 000,00
Pietraszkiewicz Henryk	0,00	0,00
Rocki Marek	0,00	0,00
Ślak Grzegorz	0,00	0,00
Wojciechowski Jozef	0,00	0,00

Average headcount per occupational groups

Occupational group	31 December 2009	31 December 2008
Management Board	6	6
Managers	56	66
Administration	333	358
Other employees	484	822
Total	879	1252

Contract	31 December 2009	31 December 2008
Employment contract	879	1252
Commission /for a specific task contract	119	156
<b>TOTAL</b>	<b>998</b>	<b>1408</b>

**Note 32. Significant events during the accounting year**

The following events occurred during the reporting period:

Changes in the Management Board.

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On 9 July 2009 the Supervisory Board recalled from membership in the Supervisory Board of this Company the following person:

- Ms. Irmina Łopuszyńska,
- Ms. Bożena Malinowska.

On 9 July 2009 the Supervisory Board of the Company appointed as members of the Management Board the following person:

- Mr. Piotr Ciszewski,
- Mr. Tomasz Panabażys

Changes in the Supervisory Board

On 31 December 2009 the shareholder holding more than 50% of the shares of the Company exercised his personal rights and recalled Mr. Roman Kobyliński from membership in the Supervisory Board

The General Assembly

On 24 June 2009 the Annual General Meeting of Shareholders was held. The AGM approved the Financial Statements of the Company for the financial year 2008, the Report on the Company's activities for the financial year 2008, the Consolidated financial statements of the Capital Group of the Company for the financial year 2008 and the Consolidated Report of the Board on the activities of the Group for the fiscal year 2008 and allocated the whole earned profit to capital reserves.

Both in 2009 and in the period from the balance sheet date to the date of this report to the Group's activities none of the credit agreements was terminated.

During the reporting period the Parent Company concluded the following credit agreement:

On 31 March 2009 the Parent Company entered into a working-capital credit of PLN 17,300,000 with PKO Bank BP S.A. The repayment date: 31 August 2010.

In addition, the following significant changes occurred in credit agreements that were concluded before 2009:

- On 9 January 2009, the Parent Company executed an annex to Investment Credit with Bank Polskiej Spółdzielczości S.A. dedicated to finance the investment "Bursztynowe Osiedle" in Korkowa Street, Warsaw. In virtue of the annex, the loan value was raised from PLN 16,000,000 to PLN 50,000,000 and repayment date was postponed until 31.12.2010,
- On 4 February 2009, the Parent Company executed the annex number 12 to the Working-Capital Credit with Invest Bank S.A. In virtue of this annex dated on 25 February 2010, the debt was partially repaid in the amount of PLN 7,500,000, The deadline for repayment of the remaining part was postponed until 25 January 2010,
- On 29 May 2009, the Parent Company executed an annex to the credit for the purchase of land in Ożarów with Bank Millennium S.A. In virtue of this annex, the deadline for a total repayment until 30 November 2010,
- On 24 June 2009, the Company executed an annex to the short-term overdraft credit under which the repayment was postponed until 24 December 2009,
- On 25 September 2009, the Parent Company executed an annex to Open-End and Operating Credit with PKO BP S.A. dedicated to finance the investment "Lewandów II" under which the loan value was raised from PLN 45,000,000 to PLN 67,000,000 and the deadline for the repayment was postponed until 31 December 2009 ,
- On 25 September 2009, the Parent Company executed an annex to Open-End and Operating Credit with PKO BP S.A. dedicated to finance the investment "Lewandów



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I” under which the loan value was changed from PLN 43,000,000 to PLN 29,500,000 and the deadline was postponed until 31 December 2010,

- On 12 November 2009, the Parent Company executed an annex to Open-End and Opening Credit with BOŚ S.A dedicated to finance the investment “Górczewska Park”. In virtue of this annex the deadline of the repayment was postponed until 31 October 2010,

During the reporting period, the Parent Company repaid the following credits in the total amount of PLN 122,000,000, as described below:

- In BZ WBK S.A, in the amount of PLN 2,800,000, which was allocated for the investment project “Hotel in Święta Lipka”,
- In Invest Bank S.A, in the amount of PLN 4,500,000, which was allocated for the investment project “Katowice”,
- In Bank Millenium S.A, in the amount of PLN 53,300,000, which was allocated for the investment project “Osiedle Lazurowa”,
- in BOŚ BANK S.A, in the amount of PLN 26,000,000, which was allocated for the investment project “Rezydencja Quatro”,
- In BRE BANK S.A- the working capital credit in the amount of PLN 22,400,000,
- In Invest Bank S.A, in the amount of PLN 13,000,000, which was allocated for the investment project “Osada Wiślana”,

In 2009 J.W. Construction have proved the leading position of J.W. Construction Holding S.A and the whole Group among Polish developers in Warsaw and in whole Poland. All commenced investments were being carried out according to the accepted schedule of works. In 2009, eleven investments were being implemented simultaneously, they covered over 250 000m<sup>2</sup> PUM with 5197 premises in total.

**The following investment projects were commenced in 2009:**

N <sup>o</sup>	Investment project	Number of premises
1	Osiedle Lazurowa , Lazurowa Street	669
2	Górczewska Park, Górczewska Street	890
3	Rezydencja Quatro, Łukowska	243
4	Osiedle Lewandów I	631
5	Osiedle Lewandów II	1274
6	Osiedle Bursztynowe, Korkowa Street	328
7	Wiślana Aleja, Odkryta Street	200
8	Osada Wiślana, Marcina Wrocimowic Street	404
9	Pyry II, Al. Ludwinowska Street	24
10	Lazurowe Ustronie – 1 <sup>st</sup> stage	376
11	Osiedle Victoria Park, Russia	158

**The following investment projects were completed and given the occupancy permit.**

- “Osiedle Lazurowa” in Warsaw – the investment includes 669 premises in total
- “Osada Wiślana” in Warsaw (1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> stage)
- “Górczewska Park” in Warsaw
- “Pyry II” in Warsaw

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- “Rezydencja Quatro” in Warsaw
- “Osiedle Victoria Park” ,Kołomna, Russia

In 2009 the Group didn't suspend any implementation of investment projects that were carried out last year. Some projects were already completed, but there are also some still running intensive building works. Moreover, in 2009 we started building works on the first office project “Jerozolimskie Point” located in Al.Jerozolimskie and Bądyłarska Street in Warsaw with a total surface of 4,760m<sup>2</sup>. The Company plans to start new office projects – in Pilecki Street, Warsaw and in Szczecin. Additionally in 2009, a preliminary contract for purchasing ground for the office project in Wrocław was signed.

Acquisition of land

On 23 February 2009, the Company acquired a property situated in Białołęka district, Warsaw with the area of 8,504m<sup>2</sup>.

On 5 June 2009, the Company acquired a property situated in Mokotów district, Warsaw with the area of 15,763m<sup>2</sup>.

On 21 December 2009, the Company signed a preliminary contract of sale for the purchase of property located in Powstańców Śląskich Street, Wrocław with a total area of 4,952m<sup>2</sup>.

A significant agreement for the implementation of the investment.

Since the construction activity was separated from the structures of the Company and an organised part of the enterprise of the Company, operating as J.W. Construction Holding S.A. Oddział "Budownictwo", was contributed in kind to a subsidiary - J.W. Construction S.A. domiciled in Ząbki, and joined with Przedsiębiorstwo Turystyczne “CZARNY POTOK” S.A. domiciled in Krynica it became necessary to conclude agreements for completing investments in progress so far implemented under the structures of the Company. Therefore, on 6 January 2009, the contract for completing a comprehensive construction, modernization and expansion of a resort together with the technical infrastructure Czarny Potok 65 Street, Krynica Zdrój. Building works were divided into two stages, the completion date of works set out in the first stage was dated on 21 August 2009, and for works set out in the second stage the completion date was set on 23 December 2009. The salary was set on the basis of the total value of elements that were included in the technical and financial scope of works at PLN 59,700,504.00 net.

**Note 33. Significant events after the balance sheet date**

**Changes in the Board**

On 25 January 2010, the Management Board of the Company appointed Mr. Marek Samarcew on the basis of personal right that the shareholder is entitled to have more than 50% of the share capital.

**Changes in the Supervisory Board**

On 21 January 2010, the Supervisory Board of the Company appointed Mr. Marek Maruszyński on the basis of personal right that the shareholder is entitled to have more than 50% of the share capital.

**The capital raising in the subsidiary**

On 25 February 2010, in a subsidiary JWCH Budownictwo Drogowe Limited Liability Company domiciled in Ząbki, passed a resolution to raise the share capital up to the amount of PLN 1,300,000. The share capital will be raised by creating 17,000 of new shares with a par value of PLN 50,00 each and the total value of PLN 850,000. The total amount of raised capital will include J.W. Construction Holding S.A

**A significant agreement for the investment**

On 2 March 2010, the Company entered into an agreement with J.W. Construction S.A (a subsidiary of the Company), under which the Company commissioned the implementation of

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the office building in Al. Jerozolimskie and Badylarska Street, Warsaw. The contract value was set to the amount of PLN 15,994,691 net. The completion date was agreed on 1 April 2011.

**Credit agreements.**

On 25 January 2010, the company concluded an annex 14 to the working-capital credit with Invest Bank S.A. By virtue of this annex, the repayment was postponed on 25 April 2010.

Other events are described in the Management Commentary on the Group.

**Note 34. Significant events during the accounting year with items in thousand of PLN.**

In order to convert the balance for the period from 01.01.2009 – 31.12.2009, the average EUR exchange rate was assumed, that was determined by the National Bank of Poland on that day; the exchange rate PLN 4,1082/EUR.

In order to convert the balance for the period from 01.01.2008 – 31.12.2008, the average EUR exchange rate was assumed, that was determined by the National Bank of Poland on that day; the exchange rate PLN 4,1724/EUR.

In order to convert the income statement for the period from 01.01.2009 – 31.12.2009, the average EUR exchange rate was assumed, that was calculated as the arithmetic mean of exchange rates on the last day of month of the given period, as determined by the National Bank of Poland on that day; the exchange rate PLN 4,3406/EUR.

In order to convert the income statement for the period from 01.01.2008 – 31.12.2008, the average EUR exchange rate was assumed, that was calculated as the arithmetic mean of exchange rates on the last day of month of the given period, as determined by the National Bank of Poland on that day; the exchange rate PLN 3,5322/EUR

Consolidated balance sheet item	31 December 2009		31 December 2008	
	PLN	EUR	PLN	EUR
<b>Total assets</b>	<b>1,522,963</b>	<b>370,713</b>	<b>1,794,308</b>	<b>430,042</b>
Non-current assets	425,653	103,611	472,701	113,292
Current assets	1,097,310	267,102	1,321,607	316,750
<b>Total equity and liabilities</b>	<b>1,522,963</b>	<b>370,713</b>	<b>1,794,308</b>	<b>430,042</b>
Equity	416,207	101,311	321,038	76,943
Non-current liabilities	203,707	49,585	280,440	67,213
Current liabilities	903,049	219,816	1,192,830	285,886

Consolidated income statement item	1 January 2009 - 31 December 2009		1 January 2008 - 31 December 2008	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	713,284	164,327	758,939	214,863
Costs of products, goods and materials sold	527,978	121,636	565,814	160,188
<b>Gross profit (loss) on sales</b>	<b>185,306</b>	<b>42,691</b>	<b>193,125</b>	<b>54,676</b>
Selling expenses	20,753	4,781	24,808	7,023

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Overhead expenses	25,684	5,917	29,499	8,351
Profit (loss) on sales	138,869	31,993	138,819	39,301
Operating profit (loss)	142,732	32,883	123,123	34,857
<b>Gross profit (loss)</b>	<b>119,215</b>	<b>27,465</b>	<b>108,790</b>	<b>30,799</b>
Income tax	18,818	4,335	25,961	7,350
<b>Net profit (loss)</b>	<b>100,397</b>	<b>23,130</b>	<b>82,828</b>	<b>23,449</b>

Consolidated balance sheet item of the Issuer	31 December 2009		31 December 2008	
	PLN	EUR	PLN	EUR
Total assets	1 366 315	332 582	1 457 140	349 233
Non-current assets	317 537	77 293	357 135	85 595
Current assets	1 048 777	255 289	1 100 005	263 638
Total equity and liabilities	1 366 315	332 582	1 457 140	349 233
Equity	393 394	95 758	321 253	76 995
Non-current liabilities	87 048	21 189	147 165	35 271
Current liabilities	885 873	215 635	988 721	236 967

Consolidated income statement item	1 January 2009 - 31 December 2009		1 January 2008 - 31 December 2008	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	548 048	126 260	384 138	108 753
Costs of products, goods and materials sold	407 468	93 873	301 884	85 466
Gross profit (loss) on sales	140 580	32 387	82 255	23 287
Selling expenses	19 514	4 496	23 820	6 744
Overhead expenses	13 508	3 112	18 439	5 220
Profit (loss) on sales	107 558	24 779	39 996	11 323
Operating profit (loss)	108 941	25 098	31 953	9 046
Gross profit (loss)	90 069	20 750	23 841	6 750
Income tax	12 927	2 978	6 847	1 938
Net profit (loss)	77 142	17 772	16 994	4 811

**Note 35. Off-balance sheet items**

COLLATERALS	31 December 2009
Investment real estate pledged as collateral - loans	927,870,992.00
Other companies' real estate pledged as collateral - loans	10,000,000.00
Blank promissory notes	455,683,741.72
Enforceable title	568794,416.00
Other	1,567194,84
Guarantees to the benefit of TBS "Marki" Sp z o.o.	22,400,000.00
Guarantees to the benefit of JWCH Budownictwo Drogowe sp. z o.o.	700,000.00

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Guarantees to the benefit of JW. Construction S.A.	2,000,000.00
Guarantees to the benefit of ZPM Metalcon Sp. z o.o.	1,600,000.00
Guarantees to the benefit of JWCH Produkcja Budowlana sp. z o.o.	300,000.00

\* the amounts of collateral in the form of blank promissory notes are presented up to the full value of the principal liability;

\*\* the item covers collateral in the form of a freeze on bank accounts, assignment of rights under insurance policies.

The table above presents all collateral under concluded loan agreements. Since several items of collateral were established under particular loan agreements, the value of collateral was not summed up.

As at 31 December 2009 there were disclosed insurance guarantees to remove failures and defects, granted by banks and insurance institutions to the benefit of the Company. Moreover, there were blank promissory notes issued to the benefit of J.W. Construction Holding S.A. to secure rights of such companies under guarantees granted by counterparties, which JWCH S.A. companies may fill in at any time with the amount corresponding to the costs of failure and defect removal. As at 31 December 2009 the total value of guarantees was PLN 21.3 million.

**Note 36. Significant issues in litigation**

In 2009 there were no procedures pending before a court, arbitration tribunal or public administration authority, regarding liabilities or receivables of J.W. Construction Holding SA or its subsidiaries, the total value of which would constitute at least 10% of equity of the Company.

**Note 37. Financial instruments and hedge accounting**

In 2009 the Group did not apply hedge accounting and did not hold embedded derivatives.

**Note 38. Changes in composition of the Management Board and Supervisory Board of the Capital Group –J.W. Construction Holding SA**

Management Board of the Company

As at 1 January 2009 the Management Board of the Company was composed of:

Mr. Robert Wójcik	Vice-President of the Management Board
Ms. Barbara Czyż	Vice-President of the Management Board
Ms. Grażyna Maria Szafarowska	Member of the Management Board
Ms. Irmina Łopuszyńska	Member of the Management Board
Ms. Bożena Regina Malinowska	Member of the Management Board
Mr. Wojciech Rajchert	Member of the Management Board

During the audited period the composition of the Management Board of the Company was changed as follows:

- On 9 July 2009, Ms. Bożena Malinowska and Irmina Łopuszyńska were dismissed from the Management Board,
- On 9 July 2009 Mr. Piotr Ciszewski and Tomasz Panabażys were appointed as members of the Management Board

As at 31 December 2009 the Management Board of the Company was composed of:

Ms. Barbara Czyż	Vice-President of the Management Board
Mr. Robert Wójcik	Vice-President of the Management Board
Ms. Grażyna Maria Szafarowska	Member of the Management Board

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Mr. Piotr Ciszewski	Member of the Management Board
Mr. Tomasz Panabażys	Member of the Management Board
Mr. Wojciech Rajchert	Member of the Management Board

From the balance sheet date until the end of audit of the financial statement, the following changes occurred:

- On 25 January 2010, Mr. Marek Samarcew was appointed as a member of the Management Board,

#### Supervisory Board

As at 1 January 2009 the Supervisory Board of the Company was composed of:

Mr. Józef Kazimierz Wojciechowski	Chairman of the Supervisory Board
Mr. Henryk Pietraszkiewicz	Vice-Chairman of the Supervisory Board
Mr. Roman Kobyliński	Member of the Supervisory Board
Mr. Jacek Obłękowski	Member of the Supervisory Board
Mr. Józef Oleksy	Member of the Supervisory Board

During the audited period the General Meeting of J.W. Construction Holding SA and the shareholder exercising his personal rights, introduced the following changes to the composition of the Supervisory Board:

On 31 December 2009, Mr Roman Kobyliński was recalled from the Supervisory Board in the virtue of personal rights. As at balance sheet date the composition of the Supervisory Board was composed of:

Mr. Józef Kazimierz Wojciechowski	Chairman of the Supervisory Board
Mr. Henryk Pietraszkiewicz	Vice-Chairman of the Supervisory Board
Mr. Jacek Obłękowski	Member of the Supervisory Board
Mr. Józef Oleksy	Member of the Supervisory Board

From the balance sheet date until the end of audit of the financial statements the composition, on 21 January 2010 Mr. Marek Maruszyński was appointed as a Member of the Supervisory Board of the Company in the virtue of personal rights of the shareholder.

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Signature of the preparer of the Financial Statements

Irmína Łopuszyńska Chief Accountant	Signature:  /-/ Irmína Łopuszyńska Chief Accountant
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Signatures of Members of the Management Board

Barbara Czyż Vice-President of the Management Board	Signature:
Robert Wójcik Vice-President of the Management Board	Signature:
Grażyna Szafarowska Member of the Management Board	Signature:
Wojciech Rajchert Member of the Management Board	Signature:
Piotr Ciszewski Member of the Management Board	Signature:
Tomasz Panabażys Member of the Management Board	Signature:
Marek Samarcew Member of the Management Board	Signature:

Ząbki, 16 March 2010