

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

PBG CAPITAL GROUP



CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

WYSOGOTOWO, 7 AUGUST 2009

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
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I. INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
<i>Assets</i>			
Fixed assets	986 492	849 804	918 184
Goodwill	332 677	298 693	332 522
Intangible assets	16 627	13 564	14 820
Tangible fixed assets (Property, Plant & Equipment)	467 855	355 340	403 749
Non-renewable natural resources	11 999	27 834	11 999
Investment property	37 905	27 137	21 662
Investments in subsidiaries	12 111	34 207	27 000
Investments in associates	-	-	-
Other long-term financial assets	38 287	49 374	35 655
Long-term receivables - derivatives	13 691	19 647	12 916
Long-term receivables	17 769	19 707	20 593
Deferred income tax assets	26 821	-	23 701
Long-term prepaid expenses	10 750	4 301	13 567
Current assets	2 408 442	1 696 304	1 940 325
Inventories	132 284	60 769	69 360
Receivables under contracts for construction services	960 482	582 637	783 930
Trade receivables	696 348	556 484	679 366
Current income tax receivables	5 568	195	978
Other short-term receivables	26 745	52 495	48 751
Other short-term financial assets	103 259	15 896	50 487
Short-term receivables - derivatives	7 573	67 503	1 280
Cash and cash equivalents	456 785	340 167	289 713
Short-term prepaid expenses	19 398	20 158	16 460
Non-current assets classified as held for sale	-	-	-
Total assets	3 394 934	2 546 108	2 858 509

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
<i>Liabilities</i>			
Equity	1 410 612	1 158 776	1 113 618
Equity of the Parent Company shareholders	1 174 604	971 864	928 135
Share capital	14 295	13 430	13 430
Treasury shares	-	-	-
Share premium reserve	733 730	551 178	551 178
Reserve from valuation of hedging transactions and foreign exchange differences on consolidation	(103 633)	21 682	(101 444)
Other reserves	366 025	295 858	274 778
Retained profit/accumulated loss carried forward from previous years	164 187	89 716	190 193
- profit (loss) carried forward from previous years	94 018	39 741	31 952
- net profit (loss) for the current year of the Parent Company shareholders	70 169	49 975	158 241
Minority interest	236 008	186 912	185 483
Item cont.	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
Payables	1 984 322	1 387 332	1 744 891
Long-term payables	429 737	349 639	410 022
Long-term borrowings (credits and loans)	138 099	84 249	112 850
Other long-term financial payables	205 870	208 880	210 386
Long-term payables - derivatives	35 984	-	46 610
Other long-term payables	25 412	17 790	17 115
Deferred income tax provision	-	13 049	-
Provisions for employee benefits	5 530	4 841	5 229
Other long-term provisions	11 226	12 032	9 606

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Government grants	-	-	-
Long-term accruals and deferred income	7 616	8 798	8 226
Short-term payables	1 554 584	1 037 693	1 334 869
Short-term borrowings (credits and loans)	579 664	368 767	475 147
Other short-term financial payables	8 184	5 873	8 045
Short-term payables - derivatives	182 569	838	188 279
Trade payables	599 678	409 725	486 595
Payables under contracts for construction services	31 633	6 473	14 989
Deferred income tax liabilities	3 381	9 171	21 219
Other short-term payables	73 992	117 536	52 016
Provisions for employee benefits	1 309	704	881
Other short-term provisions	64 241	110 467	78 926
Government grants	-	-	-
Short-term accruals and deferred income	9 933	8 139	8 772
Liabilities related to non-current assets held for sale	-	-	-
Total liabilities	3 394 934	2 546 108	2 858 509

INTERIM CONSOLIDATED INCOME STATEMENT (FUNCTION FORMAT)

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
<i>Continuing operations</i>			
Revenues from sales	948 584	826 820	2 091 425
Revenues from sale of products	13 907	9 647	21 741
Revenues from sale of services	928 354	802 874	2 012 270
Revenues from sale of goods and materials	6 323	14 299	57 414
Cost of sales	(801 541)	(700 199)	(1 749 532)
Costs of products sold	(16 011)	(8 706)	(20 790)
Costs of services sold	(779 441)	(678 086)	(1 675 364)
Costs of goods and materials sold	(6 089)	(13 407)	(53 378)
Gross profit (loss) on sales	147 043	126 621	341 893
Selling expenses	-	-	-
General administrative expenses	(59 409)	(45 319)	(107 997)
Other operating revenues	25 429	10 203	18 629
Other operating expenses	(10 534)	(6 615)	(26 914)
Share in profits of related parties accounted for under the equity method	-	-	-
Restructuring costs	-	-	-
Item cont.	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
Operating profit (loss)	102 529	84 890	225 611
Financial revenues	17 816	16 066	50 176
Financial expenses	(25 772)	(32 150)	(62 140)
Other profits (losses) from investments	-	-	2 268
Profit (loss) before tax	94 573	68 806	215 915
Income tax	(7 403)	(4 808)	(25 992)
Net profit (loss) from continuing operations	87 170	63 998	189 923
<i>Discontinued operations</i>			
Net loss from discontinued operations	-	-	-
Net profit (loss)	87 170	63 998	189 923
Net profit (loss), of which:	87 170	63 998	189 923
- Parent Company shareholders	70 169	49 975	158 241
- minority shareholders	17 001	14 023	31 682

NET EARNINGS (LOSS) PER ORDINARY SHARE (EPS)

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
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	1 / share	1 / share	1 / share
Net profit (loss) from continuing operations	70 169	49 975	158 241
Net profit (loss) from continuing and discontinued operations	70 169	49 975	158 241
Weighed average number of ordinary shares in thousands	13 574 000	13 430 000	13 430 000
Weighed average diluted number of ordinary shares in thousands	13 574 000	13 430 000	13 430 000
<i>from continuing operations</i>			
- basic	5.17	3.72	11.78
- diluted	5.17	3.72	11.78
<i>from continued and discontinuing operations</i>			
- basic	5.17	3.72	11.78
- diluted	5.17	3.72	11.78

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Item	IFRS	IFRS	IFRS
	01.01 – 30.06.2009	01.01 – 30.06.2008	01.01 – 31.12.2008
Net profit (loss)	87 170	63 998	189 923
Other comprehensive income			
Revaluation of PP&E	(77)	(234)	-
Available-for-sale financial assets	-	-	-
Cash flow hedges	(10 913)	21 073	(187 585)
Foreign exchange differences – valuation of related parties operating abroad	385	330	666
Share in comprehensive income of other related parties accounted for under the equity method	-	-	-
Income tax relating to other comprehensive income	1 612	(3 645)	34 782
Other comprehensive income after tax	(8 993)	17 524	(152 137)
Comprehensive income	78 177	81 522	37 786
Comprehensive income of:			
- Parent Company shareholders	67 903	62 898	48 038
- minority shareholders	10 274	18 624	(10 252)

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INTERIM STATEMENT OF CHANGES IN CONSOLIDATED EQUITY FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

Item	Equity of the Parent Company shareholders								Minority interest	TOTAL equity
	Share capital	Treasury shares (-)	Share premium reserve	Reserve from measurement of cash flow hedges	Foreign exchange differences (conversion of subsidiaries)	Other equity	Retained profit/accumulated loss	Total		
As at 01.01.2009	13 430	-	551 178	(102 264)	820	274 778	190 193	928 135	185 483	1 113 618
Changes in the adopted accounting principles (policy)	-	-	-	-	-	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-	-	-	-	-	-
Balance after adjustments	13 430	-	551 178	(102 264)	820	274 778	190 193	928 135	185 483	1 113 618
Changes in equity in the period 01.01-30.06.2009										
Issue of shares	865	-	182 552	-	-	-	-	183 417	-	183 417
Issue of shares in connection with the exercise of options (employee share option scheme)	-	-	-	-	-	-	-	-	-	-
Measurement of options (employee share option scheme)	-	-	-	-	-	980	-	980	-	980
Changes in the Capital Group structure (transactions with the minority)	-	-	-	-	-	(171)	-	(171)	39 527	39 356
Other adjustments	-	-	-	-	-	(236)	1 065	829	724	319
Dividends	-	-	-	-	-	-	-	-	-	-
Financial result recognised in equity	-	-	-	-	-	90 751	(97 240)	(6 489)	-	(6 489)
Total capital transactions with owners	865	-	182 552	-	-	91 324	(96 175)	178 566	40 251	218 817
Net profit (loss) for the period from 01.01 to 30.06.2009	-	-	-	-	-	-	70 169	70 169	17 001	87 170
Other comprehensive income:										
Revaluation of PP&E	-	-	-	-	-	(77)	-	(77)	-	(77)
Cash flow hedges	-	-	-	(10 913)	-	-	-	(10 913)	-	(10 913)
Cash flow hedges (KM adjustment)	-	-	-	6 727	-	-	-	6 727	(6 727)	-
Foreign exchange differences – valuation of related parties operating abroad	-	-	-	-	385	-	-	385	-	385
Foreign exchange differences recognised in profit or loss – disposal of foreign subsidiaries	-	-	-	-	-	-	-	-	-	-
Share in other comprehensive income of related parties accounted for under the equity method	-	-	-	-	-	-	-	-	-	-
Income tax relating to other comprehensive income	-	-	-	1 612	-	-	-	1 612	-	1 612
Total comprehensive income	-	-	-	(2 574)	385	(77)	70 169	67 903	10 274	78 177
Transfer to retained profits (sale of PP&E after revaluation)	-	-	-	-	-	-	-	-	-	-
As at 30.06.2009	14 295	-	733 730	(104 838)	1 205	366 025	164 187	1 174 604	236 008	1 410 612

INTERIM STATEMENT OF CHANGES IN CONSOLIDATED EQUITY FOR THE PERIOD FROM 1 JANUARY 2008 TO 30 JUNE 2008

Item	Equity of the Parent Company shareholders								Minority	TOTAL
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	Share capital	Treasury shares (-)	Share premium reserve	Reserve from measurement of cash flow hedges	Foreign exchange differences (conversion of subsidiaries)	Other equity	Retained profit/accumulated loss	Total	interest	equity
As at 01.01.2008	13 430	-	551 178	8 605	154	65 998	111 305	750 670	34 550	785 220
Changes in the adopted accounting principles (policy)	-	-	-	-	-	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-	-	-	-	-	-
Balance after adjustments	13 430	-	551 178	8 605	154	65 998	111 305	750 670	34 550	785 220
Changes in equity in the period 01.01-30.06.2008										
Issue of shares	-	-	-	-	-	-	-	-	-	-
Issue of shares in connection with the exercise of options (employee share option scheme)	-	-	-	-	-	-	-	-	-	-
Measurement of options (employee share option scheme)	-	-	-	-	-	-	-	-	-	-
Changes in the Capital Group structure (transactions with the minority)	-	-	-	-	-	155 303	-	155 303	142 873	298 176
Movements in equity resulting from negative equity of the minority	-	-	-	-	-	8 883	760	9 643	(9 133)	510
Other adjustments	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Financial result recognised in equity	-	-	-	-	-	65 674	(72 324)	(6 650)	-	(6 650)
Total capital transactions with owners	-	-	-	-	-	229 860	(71 564)	158 296	133 740	292 036
Net profit (loss) for the period from 01.01 to 30.06.2008	-	-	-	-	-	-	49 975	49 975	14 021	63 996
Other comprehensive income:										
Revaluation of PP&E	-	-	-	(234)	-	-	-	(234)	-	(234)
Available-for-sale financial assets	-	-	-	-	-	-	-	-	-	-
Cash flow hedges	-	-	-	21 073	-	-	-	21 073	-	21 073
Cash flow hedges (KM adjustment)	-	-	-	(4 601)	-	-	-	(4 601)	4 601	-
Foreign exchange differences – valuation of related parties operating abroad	-	-	-	-	330	-	-	330	-	330
Foreign exchange differences recognised in profit or loss – disposal of foreign subsidiaries	-	-	-	-	-	-	-	-	-	-
Share in other comprehensive income of related parties accounted for under the equity method	-	-	-	-	-	-	-	-	-	-
Income tax relating to other comprehensive income	-	-	-	(3 645)	-	-	-	(3 645)	-	(3 645)
Total comprehensive income	-	-	-	12 593	330	-	49 975	62 898	18 622	81 520
Transfer to retained profits (sale of PP&E after revaluation)	-	-	-	-	-	-	-	-	-	-
As at 30.06.2008	13 430	-	551 178	21 198	484	295 858	89 716	971 864	186 912	1 158 776

INTERIM STATEMENT OF CHANGES IN CONSOLIDATED EQUITY FOR THE PERIOD FROM 1 JANUARY 2008 TO 31 DECEMBER 2008

Item	Equity of the Parent Company shareholders	Minority	TOTAL
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Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
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	Share capital	Treasur y shares (-)	Share premium reserve	Reserve from measurement of cash flow hedges	Foreign exchange differences (conversion of subsidiaries)	Other equity	Retained profit/accumul ated loss	Total	interest	equity
As at 01.01.2008	13 430	-	551 178	8 605	154	65 998	111 305	750 670	34 550	785 220
Changes in the adopted accounting principles (policy)	-	-	-	-	-	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-	-	-	-	-	-
Balance after adjustments	13 430	-	551 178	8 605	154	65 998	111 305	750 670	34 550	785 220
Changes in equity in the period 01.01-31.12.2008										
Issue of shares	-	-	-	-	-	-	-	-	-	-
Issue of shares in connection with the exercise of options (employee share option scheme)	-	-	-	-	-	-	-	-	-	-
Measurement of options (employee share option scheme)	-	-	-	-	-	-	-	-	-	-
Changes in the Capital Group structure (transactions with the minority)	-	-	-	-	-	163 412	(4 640)	158 772	138 598	297 370
Movements between equity resulting from negative equity of the Minority	-	-	-	-	-	(22 695)	-	(22 695)	22 695	-
Other adjustments	-	-	-	-	-	2 243	(2 243)	-	(108)	(108)
Dividends	-	-	-	-	-	-	-	-	-	-
Financial result recognised in equity	-	-	-	-	-	65 820	(72 470)	(6 650)	-	(6 650)
Total capital transactions with owners	-	-	-	-	-	208 780	(79 353)	129 427	161 185	290 612
Net profit (loss) for the period from 01.01 to 31.12.2008	-	-	-	-	-	-	158 241	158 241	31 682	189 923
Other comprehensive income:										
Revaluation of PP&E	-	-	-	-	-	-	-	-	-	-
Available-for-sale financial assets	-	-	-	-	-	-	-	-	-	-
Cash flow hedges	-	-	-	(187 585)	-	-	-	(187 585)	-	(187 585)
Cash flow hedges (KM adjustment)	-	-	-	41 934	-	-	-	41 934	(41 934)	-
Foreign exchange differences – valuation of related parties operating abroad	-	-	-	-	666	-	-	666	-	666
Foreign exchange differences recognised in profit or loss – disposal of foreign subsidiaries	-	-	-	-	-	-	-	-	-	-
Share in financial results of related parties accounted for under the equity method	-	-	-	-	-	-	-	-	-	-
Income tax relating to other comprehensive income	-	-	-	34 782	-	-	-	34 782	-	34 782
Total comprehensive income	-	-	-	(110 869)	666	-	158 241	48 038	(10 252)	37 786
Transfer to retained profits (sale of PP&E after revaluation)	-	-	-	-	-	-	-	-	-	-
As at 31.12.2008	13 430	-	551 178	(102 264)	820	274 778	190 193	928 135	185 483	1 113 618

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INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD)

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
<i>Cash flows from operations</i>			
Net profit before tax	94 573	68 806	215 915
Adjustments:	6 852	16 113	127 893
Amortisation of intangible assets	3 307	1 511	3 384
Goodwill impairment losses	-	-	-
Impairment losses on tangible fixed assets	116	-	761
Depreciation of tangible fixed assets	19 718	18 250	41 761
Profit (loss) from sale of tangible fixed assets	(63)	(344)	(1 022)
(Profit) loss on sale of available-for-sale (held-for-trading) financial assets	(22 999)	(21 200)	7 259
(Profit) loss on valuation of investment property carried at fair value	(5 758)	(234)	-
(Profit) loss on revaluation of financial assets carried at fair value	(4 687)	(5 717)	35 511
Share in profits (losses) of associates	-	-	-
Foreign exchange gains (losses)	79	(16)	205
Interest expense	29 460	35 956	62 744
Interest received	(12 321)	(12 091)	(22 706)
Dividends received	-	(2)	(4)
Cash flows from operations before changes in working capital	101 425	84 919	343 808
Change in inventories	(62 926)	(20 627)	(29 215)
Change in receivables	(168 229)	(166 269)	(493 702)
Change in payables	154 686	(23 626)	20 417
Change in provisions, prepaid expenses, accruals and deferred income	(11 901)	(20 658)	(60 558)
Other adjustments	-	-	-
Cash generated in business operations	13 055	(146 261)	(219 250)
Interest paid	-	(122)	(531)
Income tax paid	(32 021)	(21 514)	(32 336)
Net cash from operations	(18 966)	(167 897)	(252 117)
<i>Cash flows from investments</i>			
Outflows – acquisition of intangible assets	(4 089)	(1 698)	(6 924)
Inflows – sale of intangible assets	10	-	-
Outflows – acquisition of tangible fixed assets	(15 027)	(47 715)	(103 515)
Inflows – sale of tangible fixed assets	1 254	7 633	2 851
Outflows – acquisition of investment property	-	(789)	(10 882)
Inflows – sale of investment property	-	-	21 474
Outflows – acquisition of financial assets	(11 659)	(3 417)	(11 522)
Inflows – sale/repayment of financial assets	16 952	6 894	36 301
Outflows – acquisition of subsidiaries (less cash received)	(14 133)	(68 519)	(96 217)
Inflows – disposal of subsidiaries	-	-	2 500
Other outflows – additional paid-in capital	-	-	-
Inflows from Government grants received	-	-	-
Loans granted	(61 334)	(9 273)	(23 446)
Repayment of loans granted	7 801	2 820	3 285
Interest received	2 655	141	596
Item cont.	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
Dividends received	-	2	4
Other inflows	-	-	-
Other outflows on investments	-	-	(127)
Net cash used in investments	(77 570)	(113 921)	(185 622)
<i>Cash flow from financing activity</i>			
Net inflows – issue of shares	183 493	294 326	292 227
Buy-back of treasury shares	-	-	-
Repayment of bonds	-	(110 000)	(110 000)
Inflows – issue of debt securities	-	-	-
Repayment of interest on bonds	(8 252)	(8 685)	(16 766)
Redemption of debt securities	-	-	-
Inflows – credits and loans incurred	216 517	140 262	289 694
Repayment of credits and loans	(109 456)	(91 694)	(109 134)
Repayment of interest on credits and loans	(17 907)	(16 281)	(36 959)

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Inflows from interest on deposits	3 455	6 587	13 909
Repayment of finance lease liabilities	(3 738)	(2 158)	(5 986)
Interest paid	(639)	(81)	(1 613)
Dividends paid out	-	-	-
Other inflows/outflows	79	(56)	(151)
Net cash from financial activity	263 552	212 220	315 221
Net balance of cash and cash equivalents	167 016	(69 598)	(122 518)
Opening balance of cash and cash equivalents	289 713	410 305	410 305
Change in cash resulting from foreign exchange differences	56	(353)	1 926
Closing balance of cash and cash equivalents	456 785	340 354	289 713

II. ADDITIONAL INFORMATION AND NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

PBG Capital Group is composed of the Parent Company PBG SA and its Subsidiaries. The Parent Company of the Capital Group, PBG SA with its registered office in Wysogotowo near Poznań at ul. Skórzewska 35, 62-081 Przeźmierowo, was established on 2 January 2004 by the Notarial Deed drawn up on 1 December 2003. The Company operates in Poland in accordance with the provisions of the Code of Commercial Companies. The Parent Company is registered in the Register of Entrepreneurs of the National Court Register kept by the Local Court in Poznań – Nowe Miasto i Wilda, VII Commercial Division of the National Court Register, entry no. KRS 0000184508. The Parent Company was assigned the statistical number REGON 631048917.

The Parent Company's registered office is in Wysogotowo near Poznań at ul. Skórzewska 35, 62 – 081 Przeźmierowo. The Parent Company's registered office is also the main place of business of PBG Capital Group.

Objects of the Parent Company and its subsidiaries are as follows:

- PKD 7112 Z engineering activities and related technical consultancy.

Objects of each PBG Capital Group entity is presented in more detail in the following table.

These interim condensed consolidated financial statements were approved for publication (authorised for issue) by the Management Board of the Parent Company on 7 August 2009.

Duration of the Parent Company and the Capital Group companies shall be unlimited.

The interim condensed consolidated financial statements cover the Parent Company and the following subsidiaries:

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Company	Registered office	Company's objects	Court of appropriate jurisdiction or registry court	Consolidation method	Group's share		
					30.06.2009	30.06.2008	31.12.2008
Aprivia SA (1)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Construction of roads and motorways PKD 4211Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	100.00%	100.00%	100.00%
Betpol SA (2)	ul. Fordońska 168a, 85-766 Bydgoszcz POLAND	Construction of roads and motorways PKD 4211Z	Local Court in Bydgoszcz, XIII Commercial Division of the National Court Register	full Subsidiary of Aprivia SA consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	70.00%	70.00%	70.00%
Dromost Sp. z o.o. (3)	Żabno 4A, 63-112 Brodnica POLAND	Production, trade and services for specialist road and bridge construction works PKD 45 23A	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of Aprivia SA consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	87.40%	87.40%	87.40%
Przedsiębiorstwo Robót Inżynieryjno - Drogowych SA (4)	ul. Poznańska 42, 64-300 Nowy Tomyśl POLAND	Construction of roads and railways PKD - 4523A and construction of highways, roads, airfields and sport facilities NACE 4523	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of Aprivia SA consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	100.00%	100.00%	100.00%
Avatia Sp. z o.o. (5)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Reproduction of recorded media PKD 1820Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	99.80%	99.80%	99.80%
Brokam Sp. z o.o. (6)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Quarrying of precious stones and stone for construction PKD 1411Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	100.00%	100.00%	100.00%

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Excan Oil and Gas Engineering Ltd (7)	#201,9637-45 Avenue Edmonton AB T6E 5Z8 CANADA	Agency in contract conclusion, coordination of design and engineering works, trade	CERTIFICATE OF INCORPORATION Edmonton Alberta	full	100.00%	100.00%	100.00%
GasOil Engineering a.s. (8)	Karpatska, 3256/15 Poprad 05801 SLOVAKIA	Design services, investor's supervision services	Obchodne registr Okresneho Sudu Presov	full	62.45%	62.45%	62.45%
Hydrobudowa Polska SA (9)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Construction of transmission pipelines and distribution networks – PKD 2007, and construction of other water projects – PKD 45 24B	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	61.61%	60.69%	61.61%
P.R.G. Metro Sp. z o. o. (10)	ul. Wólczyńska 156 01-919 Warsaw POLAND	Other specialist construction works n.e.c. PKD 4399Z	Local Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register	full Subsidiary of Hydrobudowa Polska SA consolidated at the level of the consolidated financial statements of its parent company, Hydrobudowa Polska SA	53.27%	-	52.09%
Hydrobudowa 9 SA (11)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Construction of hydro-engineering structures PKD 4291	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of Hydrobudowa Polska SA consolidated at the level of the consolidated financial statements of its parent company, Hydrobudowa Polska SA	61.61%	69.26%	61.61%
Gdyńska Projekt Sp. z o.o. (12)	ul. Sienkiewicza 22, 60-900 Poznań POLAND	Buying and selling of own real estate – PKD 6810Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of Hydrobudowa 9 SA consolidated at the level of the consolidated financial statements of its parent company, Hydrobudowa Polska SA	61.61%	-	61.61%

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Infra SA (13)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Plumbing, gas, heat and air- conditioning installation - PKD 4322Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	99.95%	99.95%	99.95%
PRIS Sp. z o.o. (14)	ul. Leona Papielskiego 14, 52-019 Wrocław POLAND	Manufacture of builders' ware of plastic PKD 2523Z	Local Court in Wrocław, VI Commercial Division of the National Court Register	full Subsidiary of Infra SA consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	50.99%	50.99%	50.99%
Wiertmar Sp. z o.o. (15)	Kopanka 13/15, 92-701 ŁÓDŹ POLAND	General construction of buildings PKD 4521A	Local Court for Łódź- Śródmieście in Łódź, XX Commercial Division of the National Court Register	full Subsidiary of Infra SA consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	50.97%	-	50.97%
KWG SA (16)	Aleja Wojska Polskiego 129, 70-490 Szczecin POLAND	Construction of transmission pipelines and distribution networks PKD 4221 Z	Local Court in Szczecin, XI Commercial Division of the National Court Register	full	100.00%	100.00%	100.00%
Metorex Sp. z o.o. (17)	ul. Żwirki i Wigury 17A, 87- 100 Toruń POLAND	Construction of transmission pipelines and distribution networks PKD 4221Z	Local Court in Toruń, VII Commercial Division of the National Court Register	full	99.56%	99.56%	99.56%
PBG Export Sp. z o.o. (18)	Al. Juliusza Słowackiego 64, 30 – 004 Kraków POLAND	Manufacture of metal structures and parts of structures PKD 25111Z	Local Court for Kraków- Śródmieście, XI Commercial Division of the National Court Register	full	99.95%	-	-
PBG Technologia Sp. z o.o. (formerly Hydrobudowa Polska Konstrukcje Sp. z o.o.) (19)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Manufacture of metal structures and parts of structures PKD 25111Z	Local Court in Katowice- Wschód in Katowice, VIII Commercial Division of the National Court Register	full	100%	-	61.61%
PBG Dom Sp. z o.o. (20)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	General construction of buildings PKD 4521A	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	100.00%	84.85%	100.00%

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Apartamenty Poznańskie Sp. z o.o. (21)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	General construction of buildings PKD 4521A	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of PBG Dom Sp. z o.o. consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	51.00%	51.00%	51.00%
Budwil Sp. z o.o. (22)	ul. Mazowiecka 42, 60-623 Poznań POLAND	Development and selling of own real estate PKD 7011 Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of PBG Dom Sp. z o.o. consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	51.00%	-	51.00%
Górecka Projekt Sp. z o.o. (23)	ul. Sienkiewicza 22, 60-900 Poznań POLAND	Construction projects connected with construction of buildings – PKD 4110 Z, and development and selling of own real estate – PKD 7011 Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of PBG Dom Sp. z o.o. consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	100.00%	-	61.61%
PBG Dom Invest I Sp. z o.o. (formerly Dawil Sp. z o.o.) (24)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	Construction projects connected with construction of buildings – PKD 4110 Z, and development and selling of own real estate – PKD 7011 Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of PBG Dom Sp. z o.o. consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	100.00%	-	100.00%
Złotowska 51 Sp. z o.o. (formerly KM Investment Sp. z o.o.) (25)	ul. Skórzewska 35, Wysogotowo 62 – 081 Przeźmierowo POLAND	General construction of buildings PKD 4521A	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full Subsidiary of PBG Dom Sp. z o.o. consolidated at the level of the consolidated financial statements of the Parent Company PBG SA	60.00%	-	-

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Wschodni Invest Sp. z o.o.(26)	ul. Mazowiecka 41, 60 – 623 Poznań POLAND	Other financial intermediation PKD 6419 Z	Local Court in Poznań – Nowe Miasto i Wilda, VIII Commercial Division of the National Court Register	full	100.00%	-	-
Energopol Ukraina (27)	ul. Kondratiuka 1, Kiev UKRAINE	no data	no data	full	51.00%	-	-

The above table shows the Parent Company's interest in equity of Capital Group companies in %.

Percentage share in the equity of Capital Group companies was calculated as follows: % share of the Parent Company PBG in a Subsidiary * % share of this Subsidiary in its subsidiary.

This rule applies to the following Capital Group entities: Hydrobudowa Polska, Infra, PBG Dom, Aprivia, and Wschodni Invest.

1. 1. Aprivia SA has been a subsidiary of PBG SA as of 18 March 2008. PBG SA holds 100% stake in Aprivia SA. At the same time, Aprivia SA has been a parent company in Aprivia Capital Group since 8 October 2008.

2. Betpol SA has been a subsidiary of Aprivia SA as of 8 October 2008. Aprivia SA holds 70% stake in Betpol SA. As at 30.06.2008, Betpol SA was a direct subsidiary of PBG SA – PBG SA held 70% stake in Betpol SA.

3. Dromost Sp. z o.o. has been a subsidiary of Aprivia SA as of 8 October 2008. Aprivia SA holds 87.40% stake in Dromost Sp. z o.o. As at 30.06.2008, Dromost Sp. z o.o. was a direct subsidiary of PBG SA – PBG SA held 87.40% stake in Dromost Sp. z o.o.

4. PRID SA has been a subsidiary of Aprivia SA as of 8 October 2008. Aprivia SA holds 100% stake in PRID SA. As at 30.06.2008, PRID SA was a direct subsidiary of PBG SA – PBG SA held 100 % interest in PRID SA.

5. Avatia Sp. z o.o. has been a subsidiary of PBG SA as of 15 February 2008. PBG SA holds 99.80% stake in Avatia Sp. z o.o..

6. Brokam Sp. z o.o. has been a subsidiary of PBG SA as of 16 August 2007. PBG SA holds 100% stake in Brokam Sp. z o.o..

7. Excan Oil and Gas Engineering Ltd has been a subsidiary of PBG SA as of 5 April 2007. PBG SA holds 100% stake in Excan Oil and Gas Engineering Ltd.

8. GasOil Engineering a.s. has been a subsidiary of PBG SA as of 12 April 2007. PBG SA holds 62.45% stake in GasOil Engineering a.s..

9. Hydrobudowa Polska SA is an entity formed by merging two companies: Hydrobudowa Włocławek SA and Hydrobudowa Śląsk SA on 27 August 2007. As at 30 June 2009, PBG SA held 61.61% stake in Hydrobudowa Polska SA, which at the same time is a parent company in Hydrobudowa Polska Capital Group.

10. P.R.G. Metro Sp. z o. o. has been a subsidiary of Hydrobudowa Polska SA as of 12 September 2008. As at 31.12.2008, Hydrobudowa Polska SA held 84.55% stake in P. R. G. Metro Sp. z o. o., and as at 30.06.2009 Hydrobudowa Polska SA held 86.46% stake in P.R.G. Metro Sp. z o.o.

11. Hydrobudowa 9 SA has been a subsidiary of Hydrobudowa Polska SA as of 30 September 2008. As at 30 June 2008, Hydrobudowa 9 SA was a direct subsidiary of PBG SA with the stake of 69.26%; as at 30 June 2009 it was a direct subsidiary of Hydrobudowa Polska SA with the stake of 100%.

12. Gdyńska Projekt Sp. z o.o. has been a subsidiary of Hydrobudowa 9 SA as of 2 April 2008. Hydrobudowa 9 SA holds 100% stake in Gdyńska Projekt Sp. z o.o.

13. Infra SA has been a subsidiary of PBG SA as of 19 May 2005. PBG SA holds 99.95% stake in Infra SA. At the same time, Infra SA is a parent company in Infra Capital Group.

14. PRIS SA has been a subsidiary of Infra SA as of 31 August 2007. Infra SA holds 51.02% stake in PRIS SA;

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

15. Wiertmar Sp. z o. o. has been a subsidiary of Infra SA as of 2 April 2008. Infra SA holds 51% stake in Wiertmar Sp. z o. o.

16. KWG SA has been a subsidiary of PBG SA as of 30 May 2006. PBG SA holds 100% stake in KWG SA.

17. Metorex Sp. z o.o. has been a subsidiary of PBG SA as of 13 January 2005. PBG SA holds 99.56% stake in Metorex Sp. z o.o..

18. PBG Export Sp. z o.o. has been a subsidiary of PBG SA as of 2 April 2009. PBG SA holds 99.95% stake in PBG Export Sp. z o.o.

19. PBG Technologia Sp. z o.o. (formerly Hydrobudowa Polska Konstrukcje Sp. z o.o.) has been a subsidiary of PBG SA as of 2 April 2009. PBG SA holds 100% stake in PBG Technologia Sp. z o.o. As at 31.12.2008, PBG Technologia Sp. z o.o. was a direct subsidiary of Hydrobudowa Polska SA with the stake of 100%.

20. PBG Dom Sp. z o.o. has been a subsidiary of PBG SA as of 12 April 2007. PBG SA holds 100.00% stake in PBG Dom Sp. z o.o.. At the same time, PBG Dom Sp. z o.o. is a parent company in PBG Dom Capital Group.

21. Apartamenty Poznańskie Sp. z o.o. has been a subsidiary of PBG Dom Sp. z o. o. as of 27 June 2008. PBG Dom Sp. z o.o. holds 51% stake in Apartamenty Poznańskie Sp. z o.o..

22. Budwil Sp. z o.o. has been a subsidiary of PBG Dom Sp. z o.o. as of 8 April 2008. PBG Dom Sp. z o.o. holds 51% stake in Budwil Sp. z o.o.

23. Górecka Projekt Sp. z o.o. has been a subsidiary of PBG Dom Sp. z o.o. as of 25 June 2009. PBG Dom Sp. z o.o. holds 100% stake in Górecka Projekt Sp. z o.o.. As at 31.12.2008, Górecka Projekt Sp. z o.o. was a direct subsidiary of Hydrobudowa 9 SA – an entity of Hydrobudowa Polska Capital Group where Hydrobudowa Polska SA is a parent company. As at 31.12.2008, Hydrobudowa 9 SA held 100% stake in Górecka Projekt Sp. z o.o..

24. PBG Dom Invest I Sp. z o.o. (formerly Dawil Sp. z o. o.) has been a subsidiary of PBG Dom Sp. z o.o. as of 26 August 2008. PBG Dom Sp. z o.o. holds 100% stake in PBG Dom Invest I Sp. z o.o..

25. Złotowska 51 Sp. z o.o. (formerly KM Investment Sp. z o.o.) has been a subsidiary of PBG Dom Sp. z o.o. as of 9 April 2009. PBG Dom Sp. z o.o. holds 60% stake in Złotowska 51 Sp. z o.o.

26. Wschodni Invest Sp. z o.o. has been a subsidiary of PBG SA as of 19 June 2009. PBG SA holds 100% stake in Wschodni Invest Sp. z o.o..

27. Energopol Ukraina has been a subsidiary of Wschodni Invest Sp. z o.o. as of 19 June 2009. Wschodni Invest Sp. z o.o. holds 51% stake in Energopol Ukraina.

Consolidation of indirect subsidiaries

Hydrobudowa Polska SA has two subsidiaries: P.R.G. Metro Sp. z o.o. and Hydrobudowa 9 SA. Hydrobudowa 9 SA has a subsidiary company Gdyńska Projekt Sp. z o.o.. As at 30 June 2009, Hydrobudowa 9 SA does not prepare consolidated financial statements. All entities of Hydrobudowa Polska Capital Group are consolidated at the level of their parent company, Hydrobudowa Polska SA.

PBG Dom Sp. z o.o. has the following subsidiaries: Apartamenty Poznańskie Sp. z o.o., Budwil Sp. z o.o. , Górecka Projekt Sp. z o.o., PBG Dom Invest I Sp. z o.o. (formerly Dawil Sp. z o.o.), and Złotowska 51 Sp. z o.o. (formerly KM Investment Sp. z o.o.). As at 30 June 2009, the company did not prepare consolidated financial statements. These subsidiaries are consolidated at the level of the Parent Company PBG SA.

Infra SA also has subsidiaries: PRIS Sp. z o.o. and Wiertmar Sp. z o.o. As at 30 June 2009, the company did not prepare consolidated financial statements. These subsidiaries are consolidated at the level of the Parent Company PBG SA.

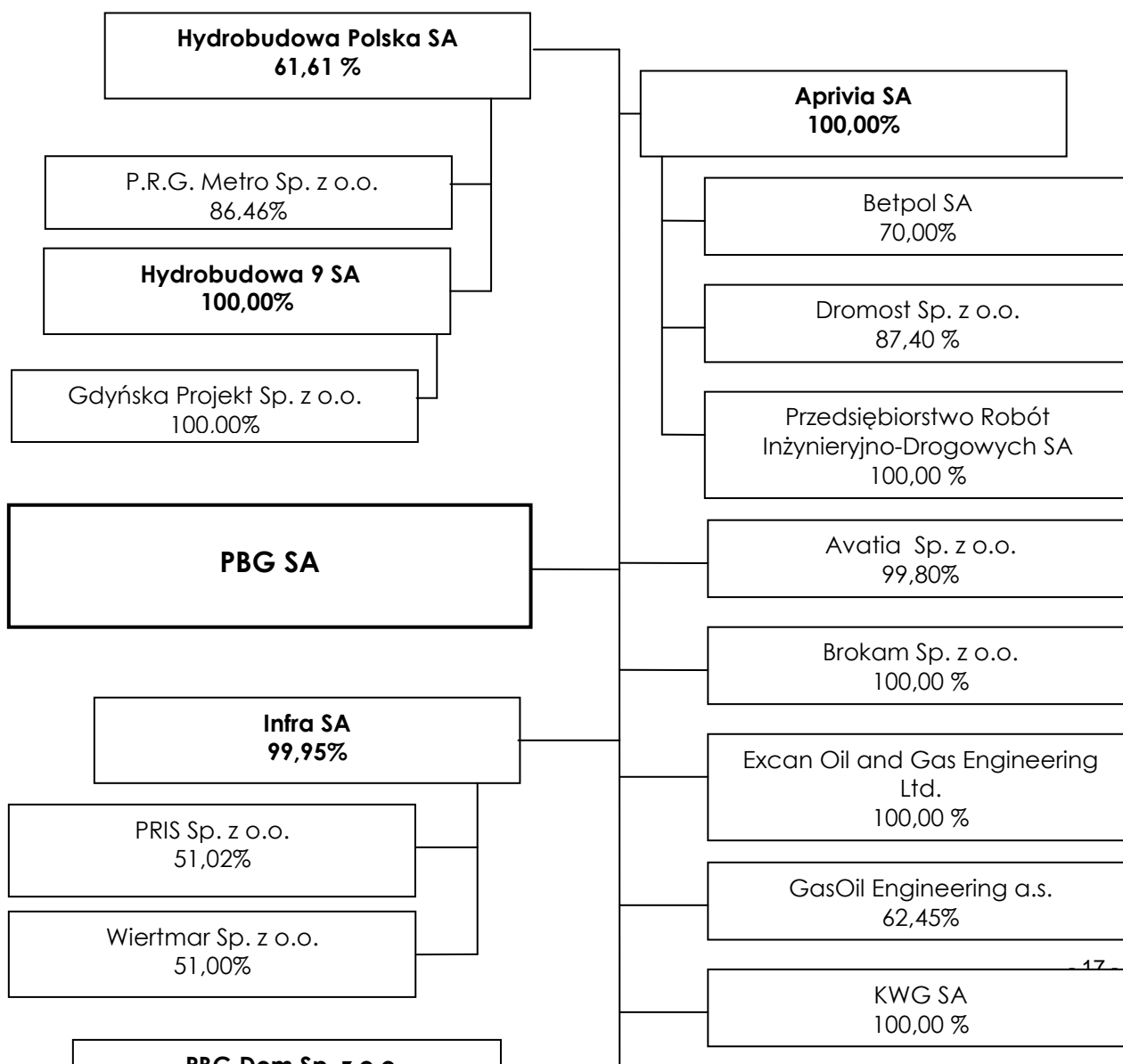
Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Aprivia SA has three subsidiaries: Betpol SA, Dromost Sp. z o.o. , and Przedsiębiorstwo Robót Inżynieryjno – Drogowych SA. As at 30 June 2009, the company did not prepare consolidated financial statements. These subsidiaries are consolidated at the level of the Parent Company PBG SA.

Wschodni Invest Sp. z o.o. has one subsidiary – Energopol Ukraina; as at 30 June 2009, the company did not prepare consolidated financial statements. This subsidiary is consolidated at the level of the Parent Company PBG SA.

As the financial statements drawn up as at the date of acquisition of Energopol Ukraina with its registered office in Kiev, a subsidiary of Wschodni Invest Sp. z o.o., are still being prepared, the Management Board of PBG SA decided to present these acquisitions in the consolidated financial statements of PBG Capital Group for H1 2009 only provisionally. This provisional accounting, allowed under IFRS 3, will be adjusted by the end of 2009.

PBG CAPITAL GROUP STRUCTURE AS AT 30 JUNE 2009



Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

MEMBERS OF THE MANAGEMENT BOARD OF THE PARENT COMPANY

As at 30 June 2009, composition of the Management Board of the Parent Company was as follows:

- Jerzy Wiśniewski – President of the Management Board,
- Tomasz Woroch – Vice President of the Management Board,
- Przemysław Szkudlarczyk – Vice President of the Management Board,
- Tomasz Tomczak – Vice President of the Management Board,
- Mariusz Łożyński – Vice President of the Management Board,
- Tomasz Łatawiec – Member of the Management Board.

Until the date of these consolidated financial statements, composition of the Company's Management Board had not change.

MEMBERS OF THE SUPERVISORY BOARD OF THE PARENT COMPANY

As at 30 June 2009, composition of the Company's Supervisory Board was as follows:

- Maciej Bednarkiewicz – Chairman of the Supervisory Board,
- Jacek Kseń – Vice Chairman of the Supervisory Board,
- Wiesław Lindner – Secretary of the Supervisory Board,
- Dariusz Sarnowski – Member of the Supervisory Board,
- Adam Strzelecki – Member of the Supervisory Board,

On 4 June 2009, Mr Jacek Krzyżaniak handed in his resignation from membership in the Supervisory Board of PBG SA, as he was appointed member of the Supervisory Board of the subsidiary company Hydrobudowa Polska SA.

2. BASIS OF THE FINANCIAL STATEMENTS AND ACCOUNTING PRINCIPLES (POLICY)

2.1. BASIS OF THE FINANCIAL STATEMENTS

The interim consolidated financial statements of PBG Capital Group cover the period of six months ended on 30 June 2009 and were prepared in accordance with IAS 34 Interim Financial Reporting adopted by the European Union, and other applicable regulations.

To fully understand the Capital Group's financial situation and asset structure, the following financial statements covering comparative periods were presented: consolidated statement of financial position as at 30 June 2008 and consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity, and consolidated statement of cash flows for FY 2008, although no such disclosures are required by IAS 34.

The interim condensed consolidated financial statements do not contain the entire scope of information disclosed in the annual consolidated financial statements prepared in accordance with the

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

IFRS. These interim condensed consolidated financial statements should be read together with the consolidated financial statements of PBG Capital Group for FY 2008.

PLN is the reporting currency of these interim condensed consolidated financial statements, and all amounts are presented in PLN thousands (unless indicated otherwise).

The interim condensed consolidated financial statements were prepared based on the assumption that PBG Capital Group companies shall remain going concerns in the foreseeable future. As at the date of approval of these interim condensed financial statements for publication, there are no circumstances indicating otherwise.

In matters not governed by IAS/IFRS, the Capital Group adopts the following provisions:

- the Accounting Act of 29 September 1994 (consolidated text: Journal of Laws of 2002 No 76 item 694, as amended),
- Regulation of the Minister of Finance of 12 December 2001 on detailed principles of recognition, measurement, disclosure and presentation of financial instruments (Journal of Laws of 2001 No. 149, item 1674),
- Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements
- Regulation of the Minister of Finance of 19 February 2009 on current and interim information provided by issuers of securities and on the conditions under which information required by the regulations adopted by countries other than Member States is considered equivalent (Journal of Laws No 33 item 259).

2.2. ACCOUNTING PRINCIPLES

These interim condensed consolidated financial statements were prepared in accordance with the accounting principles presented in the last consolidated financial statements of PBG Capital Group for the financial year ended on 31 December 2008 available at: <http://www.pbg-sa.pl/relacje-inwestorskie/raporty-okresowe/skonsolidowany-raport-roczny-2008-r.html>, with the exception of the following amendments to standards and interpretations effective as of 1 January 2009:

- IAS 1 Presentation of Financial Statements
- IFRS 8 Operating segments
- IAS 23 Borrowing costs
- IFRIC 13 Customer Loyalty Programmes

IAS 1 Presentation of Financial Statements

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

The revised standard introduced changes in terms of titles of financial statements, their format, and presentation of certain items.

This standard had no effect on the principles of recognition and measurement of assets, liabilities, revenues and expenses adopted by PBG Capital Group. However, certain items previously recognised by the Capital Group in equity are now recognised as other comprehensive income, e.g. revaluation of PP&E, measurement of cash flow hedges, or foreign exchange differences from valuation of foreign subsidiaries.

IAS 1 requires that entities must prepare a Statement of Comprehensive Income. PBG Capital Group presents a separate "Consolidated Income Statement" followed directly by the "Consolidated Statement of Comprehensive Income".

PBG Capital Group changed the structure of the "Statement of Changes in Consolidated Equity" – changes in equity resulting from transactions with owners are presented first, followed by the impact of comprehensive income on equity.

IFRS 8 Operating segments

IFRS 8 requires an entity to report information on its operating segments. According to PBG Capital Group, operating segments presented in the last annual consolidated financial statements are consistent with operating segments.

IFRS 8 replaces IAS 14 Segment Reporting and requires the management approach to the disclosure of information on segments, i.e. information about the components of the entity that management uses to make decisions about operating matters – in other words, segment information should be disclosed on the same basis as for internal reporting purposes.

IAS 23 Borrowing costs

The revised standard requires capitalisation of borrowing costs as costs of acquisition or construction. Financial costs that are directly attributable to the acquisition, construction or production, or adaptation of a qualifying asset should be capitalised.

Under the transitional provisions of IAS 23, changes in accounting principles were not applied with retrospective effect. PBG Capital Group capitalises borrowing costs related to the acquisition, construction or production, or adaptation of assets, for which the commencement date is after 1 January 2009.

The revised IAS 23 Borrowing Costs has a limited effect on the accounting principles, as PBG Capital Group entities have applied the alternative treatment, i.e. recognition of borrowing costs.

IFRIC 13 Customer Loyalty Programmes

The new interpretation applies to customer loyalty programmes where loyalty award credits are granted when buying goods or services. Under IFRIC 13, an entity should deduct the amount equal to the fair value of these credits from its revenues from sale.

The adoption of this interpretation had no effect on the Capital Group's results presented herein.

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Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

2.3. CORRECTIONS OF FUNDAMENTAL ERRORS AND CHANGES OF ACCOUNTING PRINCIPLES

These condensed consolidated financial statements contain no correction of errors with an effect on the financial data presented for the comparative periods.

PBG Capital Group changed the principles of presentation of receivables and payables resulting from the measurement of derivatives in its statement of financial position. As items related to derivative financial instruments used as hedges are significant, additional items were presented separately:

- Long-term receivables – derivatives
- Short-term receivables – derivatives
- Long-term payables – derivatives
- Short-term payables – derivatives

Based on the above changes, comparatives were restated as follows:

Item	was		is	
	31.12.2008.	30.06.2008.	31.12.2008.	30.06.2008.
Assets				
Other long-term financial assets	48 571	49 374	35 655	49 374
Long-term receivables – derivatives	-	-	12 916	19 647
Other short-term financial assets	51 767	102 208	50 487	15 896
Short-term receivables - derivatives	-	-	1 280	67 503
Liabilities				
Other long-term financial payables	256 996	17 790	210 386	17 790
Long-term payables - derivatives	-	-	46 610	-
Other short-term financial payables	196 324	5 873	8 045	5 873
Short-term payables – derivatives	-	-	188 279	838

3. SIGNIFICANT EVENTS AND TRANSACTIONS

In the period covered by the interim condensed consolidated financial statements, the following significant events and transactions took place:

MERGERS, ACQUISITIONS, AND ESTABLISHMENT OF NEW SUBSIDIARIES

Establishment of a subsidiary – PBG Export Sp. z o.o.

On 2 April 2009, a subsidiary company **PBG Export Sp. z o.o.** with its registered office in Kraków was established.

The Company's share capital amounts to PLN 1,000,000.00 and is divided to 20,000 shares of nominal value PLN 50.00 per share.

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PBG SA took over 19,990 shares at PLN 50.00 per share, of the total value of PLN 999,500.00. The said shares were paid up for in cash. After this transaction, PBG SA holds 99.95% of share capital and 99.95% of total vote in PBG Export Sp. z o.o.

The company was registered by the Local Court for Kraków-Śródmieście in Kraków, XI Commercial Division of the National Court Register on 6 July 2009.

PBG Export Sp. z o.o. was established to sing contracts in Poland and abroad and supervise their implementation.

Acquisition of shares in PBG Technologia Sp. z o.o. (formerly Hydrobudowa Polska Konstrukcje Sp. z o.o.)

On 2 April 2009, a contract was signed with Hydrobudowa Polska SA for the acquisition of shares in PBG Technologia Sp. z o.o. (formerly Hydrobudowa Polska Konstrukcje Sp. z o.o.).

Under the said contract, PBG SA acquired all 16,100 shares of per-share nominal value of PLN 500.00, of the total value of PLN 8,050,000.00. The said shares represent 100% of share capital and 100% of the total vote at the General Meeting of Shareholders of PBG Technologie Sp. z o.o. The acquisition price was PLN 9,000,000.00

The change of the Company's name from Hydrobudowa Polska Konstrukcje Sp. z o.o. to PBG Technologia Sp. z o.o. was registered on 30 April 2009 by the Local Court in Katowice, VIII Commercial Division of the National Court Register.

Acquisition of Wschodni Invest (disclosure of confidential information)

On 19 June 2009, PBG SA acquired shares of Wschodni Invest Sp. z o.o. with its registered office in Poznań.

Under the said agreement, PBG SA acquired 37,740 shares of per-share nominal value of PLN 100.00, representing 100% of the Company's share capital of the total value of PLN 3,774,000.00 and 100% of the total vote, for the total amount of PLN 40,000,000.00.

The acquired interest in Invest Sp. z o.o. was established as follows:

- 1) 500 shares at PLN 100.00 per share, of the total value of PLN 50,000.00, paid up in cash;
- 2) 37,240 shares at PLN 100.00 per share, of the total value of PLN 3,724,000.00, in exchange for 51 ordinary registered shares series A of the company Energopol - Ukraina incorporated under the laws of Ukraine, with its registered office in Kiev, of the total amount of PLN 3,724,000.00, representing 51% of the Company's share capital.

Energopol – Ukraina with its registered office in Kiev is a joint-stock company incorporated under the laws of Ukraine with 100% foreign capital (Polish). It holds the right to the land of 63,000 square meters located in Kiev, where a real estate development project is planned, with the total built-up area of about 250,000 square meters. The Company provides services covering the wide scope of the entire investment process,

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including general construction, manufacturing, and design works. It has a proven track record in trade and any works connected with the modernisation of industrial facilities.

Commencement of the procedure of establishment of a Company in Ukraine

Pursuant to § 56 par. 1 item 1) of the Act on Public Offering – Confidential Information, a procedure was commenced to establish a joint-stock company incorporated under the laws of Ukraine – PBG Ukraina with its registered office in Kiev.

As at 19 June 2009, the first phase of Company establishment was completed – the entity was provisionally registered in order to make capital contributions to the Company's share capital and to take actions leading to the final registration of PBG Ukraina. As at 19 June 2009, the Company's share capital was UAH 900,000, i.e. USD 117,000, and the Company will be wholly owned by PBG SA. The Company shall operate on the broadly defined construction market.

CHANGES IN SUBSIDIARIES

Increased stake in a subsidiary P.R.G. METRO Sp. z o.o.

On 19 January 2009, by decision of the Local Court for the Capital City of Warsaw, increased share capital of a subsidiary company P.R.G. METRO Sp. z o. o. with its registered office in Warsaw was registered.

This increase covered 78 shares of the nominal value PLN 1,000.00 per share, all taken over by Hydrobudowa Polska SA.

As a result, share capital of P.R.G. METRO Sp. z o. o. was increased from PLN 500,000.00 to PLN 628,000.00 and is now divided to 628 shares of nominal value PLN 1,000.00 per share.

The said shares were paid up by Hydrobudowa Polska SA with a cash contribution of PLN 4,963,631.40.

After registration of the increased share capital, Hydrobudowa Polska SA holds 543 shares of P.R.G. Metro Sp. z o.o., representing 86.46% of share capital and 86.46% of total vote of P.R.G. METRO Sp. z o.o.

Acquisition of shares in the company "Złotowska 51" Sp. z o.o. (formerly KM Investment Sp. z o.o.)

On 9 April 2009, the subsidiary company PBG Dom Sp. z o.o. acquired assets of significant value established after the increase of share capital of the company "Złotowska 51" Sp. z o.o. (formerly KM Investment Sp. z o.o.). Share capital was increased to PLN 125,000 on 9 April 2009 by resolution of the Extraordinary General Meeting of Shareholders of "Złotowska 51" Sp. z o.o., covering 150 shares of the nominal value PLN 500.00 per share. PBG Dom Sp. z o.o. took over all new shares for PLN 75,000 (book value of the acquired shares recorded in books of PBG Dom Sp. z o.o. was PLN 76,664). Shares acquired by PBG Dom Sp. z o.o. represent 60% of share capital and total vote of "Złotowska 51" Sp. z o.o.

Increase of the Company's share capital was registered on 15 May 2009; on the same day, the change of the Company's name from KM Investment Sp. z o.o. to "Złotowska 51" Sp. z o.o. was registered.

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The Company's objects include construction of residential units for sale and rental. The purpose of acquisition of "Złotowska 51" Sp. z o.o. is a joint implementation of a real estate development project. After this project is implemented, PBG Dom and other partners will decide whether to continue joint projects in the real property sector.

Establishment of PBG Dom Management Sp. z o.o. by the subsidiary company PBG Dom Sp. z o.o.

On 5 June 2009, the subsidiary company PBG Dom Sp. z o.o. established PBG Dom Management Sp. z o.o. with its registered office in Wysogotowo near Poznań. The Company's share capital amounts to PLN 5,000.00 and is divided to 100 shares of nominal value PLN 50.00 per share. All shares are equal and indivisible, and each share carries one vote. All shares of PBG Dom Management Sp. z o.o. were taken over by PBG Dom Sp. z o.o. The Company's objects include trade in real property, including development projects.

Statement of intent of PBG Dom Sp. z o.o. to take over shares of City Development Sp. z o.o.

On 9 June 2009, the General Meeting of Shareholders of City Development Sp. z o.o. increased the Company's share capital. The subsidiary of PBG SA – PBG Dom Sp. z o.o., the holder of only 1 share of the Company, expressed its intent to take over 53,250 shares of City Development Sp. z o.o. following the increase in share capital. The nominal value of the newly issued shares is PLN 50.00 per share. The acquisition price of one share will be equal to its nominal value. Shares to be taken over by PBG Dom Sp. z o.o. represent 75% of share capital and votes at the General Meeting of Shareholders of City Development Sp. z o.o. The total value of the investment of PBG Dom Sp. z o.o. will amount to PLN 2,662,500.00. The Company's objects include construction of residential units for sale and rental.

City Development Sp. z o.o. owns two properties (land), where more than 300 residential units are to be built.

Statement of intent of PBG Dom Sp. z o.o. to take over shares of Concept Development BSD 2 Sp. z o.o. with its registered office in Warsaw

On 9 June 2009, PBG Dom Sp. z o.o. expressed its intent to take over the following shares of Concept Development BSD 2 Sp. z o.o. with its registered office in Warsaw, following the increase in share capital:

- 265 preference shares (1 share carries 2 votes);
- 970 ordinary shares.

After the increase in share capital, PBG Dom Sp. z o.o. will hold the total of 1,235 shares, for PLN 61,750 (contribution in cash). The said shares will carry 51% of votes at the General Meeting of Shareholders and will represent 37% of share capital of Concept Development BSD 2. The Company Concept Development BSD 2 owns land and construction plans and specifications based on which a building permit was issued. The Company's objects include construction of an office building in Warsaw.

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Acquisition of shares in Górecka Projekt Sp. z o.o. by PBG Dom Sp. z o.o.

On 25 June 2009, PBG Capital Group companies – Hydrobudowa 9 SA (a subsidiary of Hydrobudowa Polska SA) and PBG Dom Sp. z o.o. (a subsidiary of PBG SA) signed a contract of sale of all shares of Górecka Projekt Sp. z o.o. with its registered office in Poznań.

Under the said contract, Hydrobudowa 9 SA sold 1,000 shares of per-share nominal value of PLN 50.00, for the total amount of PLN 50,000.00, representing 100% of share capital and 100% of votes at the General Meeting of Shareholders of Górecka Projekt Sp. z o.o..

This transaction is connected with the reorganisation process in PBG Capital Group – PBG Dom Sp. z o.o. will be responsible for real property management.

ISSUE OF SHARES AND DISPOSAL OR ACQUISITION OF SHARES BY SHAREHOLDERS OF PBG SA

Conditional registration of series G shares of PBG SA

On 9 June 2009, the Management Board of the National Depository for Securities decided to register 865,000 series G ordinary bearer shares of PBG SA of the nominal per-share value of PLN 1.00, by resolution no. 209/09.

The issue price of series G shares was PLN 220.00.

The issue of series G shares was described in section 10 of the interim consolidated financial statements.

INVESTMENT AGREEMENTS

Agreement connected with the investment "LMG Project – Central Unit, wellsites, pipelines and other"

On 12 February 2009, the Management Board of PBG SA signed two contracts of the total net value of PLN 278,565,000.00. These contracts were signed with Control Process SA with its registered office in Tarnów, with PBG SA as the Contracting Party. Both contracts are connected with the implementation of "LMG Project – Central Unit, wellsites, pipelines and other".

The contract for the total net amount of PLN 183,955,000.00 (i.e. PLN 224,425,100.00 before tax) covers General Contractor services in the area of wellsites and group units, including design, construction, and commissioning of these facilities. The contract for the total net amount of PLN 94,610,000.00 (i.e. PLN 115,424,000.00 before tax) covers General Contractor services in the area of CHP plant, including design, construction, and commissioning of this facility. Both contract shall be completed by 10 April 2013.

Contract for the construction of Arena Bałtycka in Gdańsk

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On 10 April 2009, the Consortium of Hydrobudowa Polska SA, Hydrobudowa 9 SA, Alpine Bau Deutschland AG Berlin, Alpine Bau GmbH Austria, and Alpine Construction Polska, signed a contract for the construction of Arena Bałtycka in Gdańsk.

The stadium will cost nearly PLN 522 million and is to be finished by the end of 2010.

Contract for the extension and upgrade of the wastewater treatment plant in Syców

On 15 April 2009, Hydrobudowa Polska SA as the Consortium Leader signed a contract for the extension and upgrade of a wastewater treatment plant in Syców.

Under this contract, Hydrobudowa Polska SA and Hydrobudowa 9 SA will carry out the replacement of the existing single-stage biological treatment plant with a three-stage treatment plant.

The total amount of this contract is PLN 12,229,931.85.

Hydrobudowa Polska SA has undertaken to complete this project by 28 February 2010.

Material agreement connected with the investment "Construction of the overground part of Wierzchowice Underground Gas Storage Facility 3.5 billion nm³, subphase 1.2 billion nm³"

On 16 April 2009, the Management Board of PBG SA as the Consortium Leader signed the following contracts:

- * with the company Plynostav Pardubice Holding a.s. for the total amount of PLN 84,178,442.00;
- * with the company Plynostav Regulace Plynu for the total amount of PLN 83,731,000.00;

Both contracts are connected with the agreement signed by the Consortium of companies: PBG SA (Consortium Leader), Tecnimont S.P.A. from Italy, Société Française d'Etudes et de Réalisations d'Equipements Gaziers "SOFREGAZ" from France, and Plynostav Pardubice Holding A.S. - Plynostav Regulace Plynu A.S. from the Czech Republic (Consortium Partners) with Polskie Górnictwo Naftowe i Gazownictwo SA for General Contractor services for the investment "Construction of the overground part of Wierzchowice Underground Gas Storage Facility 3.5 billion nm³, subphase 1.2 billion nm³". Both contracts cover the design, supply, and installation of the specified systems.

Consortium Partners acting as parties to the above contracts shall complete their works by 18 November 2011. The said agreement was considered material based on the criterion of total equity.

Contract for the construction of a wastewater transport system by subsidiaries of Hydrobudowa SA

On 27 April 2009, subsidiaries of Hydrobudowa Polska SA: Hydrobudowa 9 SA and P.R.G. Metro Sp. z o.o., with the Consortium Partner – KWG SA, signed a contract for the construction of a wastewater transport system from left-bank Warsaw to Czajka wastewater treatment plant for the total amount of EUR 52.8 million.

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Under the said contract, the Consortium shall construct a combined sewer DN 2,80 m, about 6 km long, upgrade the existing infrastructure conflicting with the planned wastewater transport system, and carry out replacement works.

Net value of this contract is EUR 52.8 million, i.e. PLN 236.2 million. The contract is to be implemented by 31 September 2010.

Contract for the construction of the National Stadium in Warsaw

On 4 May 2009, the Consortium of companies: Alpine Bau Deutschland AG – Consortium Leader, Alpine Bau GmbH – Consortium Partner, Alpine Construction Polska Sp. z o.o. – Consortium Partner, Hydrobudowa Polska SA – Consortium Partner, and PBG SA – Consortium Partner, signed a contract with Narodowe Centrum Sportu Sp. z o.o. acting for and on behalf of the State Treasury. The contract covers the construction of a multi-purpose National Stadium in Warsaw, along with the associated infrastructure necessary for the proper functioning of the stadium hosting UEFA EURO 2012 tournament.

Net value of this contract is PLN 1,252,755,008.64. Works covered by this contract shall be completed within 24 months from the contract date.

The parties have agreed on the following division of work:

Alpinie Bau Deutschland AG, Alpinie Bau GmbH, Alpine Construction Polska Sp. z o.o. shall perform and be responsible for 50% of works under this contract;

Hydrobudowa Polska SA and PBG SA shall perform and be responsible for 50% of works under this contract.

The agreement contains provisions on contractual penalties whereunder the Contractor shall pay to the Contracting Party contractual penalties up to 25% of the agreed net fee.

Contract for the construction of the Goleniów Gas Compressor Station

On 25 May 2009, a contract for the General Contractor services under the investment "Construction of the Goleniów Gas Compressor Station" was signed with the company Operator Gazociągów Przesyłowych Gaz-System SA. Works under this contract are to be completed within 17 months following the date of the contract.

Net fee payable to PBG SA for the performance of this contract was agreed at PLN 54,900,000.00 (PLN 66,978,000.00 before tax).

In order to secure claims of the Contracting Party in the case of non-performance or improper performance of the Contract, PBG SA provided a performance bond of 10% of the agreed fee before tax.

The planned facility will play an important role as a node in the existing and planned natural gas transport system in Poland, to be extended by Gaz-System SA by 2014 with 1000 km of new pipelines. The compressor station in Goleniów will be a key element of the gas transport system in north-western Poland, increasing the amount of gas transported in this region.

Contract under the Consortium

On 7 May 2009, PBG SA as the Consortium Leader signed a contract with Consortium Partners – Tecnimont S.P.A. with its registered office in Milan and Société Française d'Etudes et de Réalisations d'Equipements

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Gaziers "SOFREGAZ" with its registered office in Paris for General Contractor services for the investment "Construction of the overground part of Wierzchowice Underground Gas Storage Facility 3.5 billion nm³, subphase 1.2 billion nm³".

This contract is connected with the agreement signed by the Consortium of companies: PBG SA (Consortium Leader), Tecnimont S.P.A. from Italy, Société Française d'Etudes et de Réalisations d'Equipements Gaziers "SOFREGAZ" from France, and Plynostav Pardubice Holding A.S. - Plynostav Regulace Plynu A.S. from the Czech Republic (Consortium Partners) with Polskie Górnictwo Naftowe i Gazownictwo SA (the Contracting Party) for General Contractor services for the investment "Construction of the overground part of Wierzchowice Underground Gas Storage Facility 3.5 billion nm³, subphase 1.2 billion nm³".

Parties to this contract agreed on the following fees for the proper implementation of the Contract under the Consortium:

- in the case of Tecnimont: PLN 283,224,600.00 net (in words: two hundred eighty three million, two hundred twenty four thousand, and six hundred zloty, 00/100),

- in the case of Sofregaz: PLN 176,327,200.00 net (in words: one hundred seventy six million, three hundred twenty seven thousand, and two hundred zloty, 00/100).

The contract covers the design and supply of the selected systems.

Consortium Partners acting as parties to the above contracts shall complete their works by 18 November 2011.

AGREEMENTS WITH FINANCIAL INSTITUTIONS

Amendment to the material agreement and granting an advance payment guarantee in ING Bank Śląski SA

On 7 January 2009, an annex to the framework agreement concluded on 6 September 2007 by and between ING Bank Śląski SA and PBG Capital Group companies: PBG SA, Hydrobudowa Polska SA, Infra SA, Hydrobudowa 9 PIB SA, Avatia Sp. z o.o. , and PRIS Sp. z o.o. was signed. Under the said Annex, the credit limit was increased from PLN 150,000,000.00 to PLN 220,000,000.00.

In connection with this increase, Borrowers submitted their judgment notes (agreements for judgment) up to PLN 330,000,000.00, and the Bank may apply for an immediate execution of the enforceable title by 5 September 2015. In addition, a corporate guarantee provided by each Company acting as Party to the agreement was increased from PLN 150,000,000.00 to PLN 220,000,000.00.

These corporate guarantees shall remain in effect until all obligations arising from the Framework Agreement in respect of the Bank have been settled. Corporate guarantees were granted at arm's length.

Other provisions of the agreement remained unchanged.

At the same time, under the said agreement and in connection with the request filed by PBG SA on 7 January 2009, ING Bank Śląski granted an advance payment guarantee up to PLN 108,900,000.00 in

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respect of Polskie Górnictwo Naftowe i Gazownictwo SA (Polish Gas and Oil Company) as the Beneficiary. This guarantee was granted in connection with an agreement signed on 19 November 2008 by the Consortium of companies: PBG SA (Consortium Leader), Tecnimont S.P.A., Société Française d'Etudes et de Réalisations d'Equipements Gaziers "SOFREGAZ", and Plynostav Pardubice Holding A.S. - Plynostav Regulace Plynu A. S. (Consortium Partners) with Polskie Górnictwo Naftowe i Gazownictwo SA for General Contractor services for the investment "Construction of the overground part of Wierzchowice Underground Gas Storage Facility 3.5 billion nm³, subphase 1.2 billion nm³". The conclusion of this contract was announced in the Company's current report no. 82/2008 on 19 November 2008. Its net amount is PLN 1,089,000,000.00. The said guarantee was granted until 7 January 2012. It is secured by a deposit coming from the advance payment; this security shall remain in effect until another security is established in the form of the assignment of receivables from the above contract signed with PGNiG SA. The fee of ING Bank Śląski SA was agreed at arm's length.

Annex to the performance bond agreement signed with an insurance company

On 4 February 2009, an annex to the agreement on contract performance bonds within the revolving limit concluded on 28 September of 2007 with TUIR Euler Hermes SA was signed.

Under the said Annex signed by and between the insurance company and PBG SA with the following Capital Group companies: Hydrobudowa Polska SA, Hydrobudowa 9 SA, and Infra SA, the revolving limit was increased from PLN 80,000,000.00 to PLN 100,000,000.00, and the maximum amount of a single guarantee granted within this limit shall be PLN 10,000,000.00. Under provisions thereof, Towarzystwo Ubezpieczeń Euler Hermes SA shall grant contract performance bonds until 29 September 2009, including bid bonds, performance bonds, defect liability bonds, and advance payment guarantees. The fee payable to Towarzystwo Ubezpieczeń Euler Hermes SA for guarantees granted thereunder was agreed at arm's length.

Twenty blank promissory notes with a promissory note agreement issued by Insurers – five promissory notes per each Insurer, each of them guaranteed by other Insurers, shall secure any claims of Towarzystwo Ubezpieczeń Euler Hermes SA resulting from the payment of all bonds granted under this agreement.

This agreement was considered material based on the criterion of the Issuer's total equity.

Agreement with Nordea Bank Polska SA

The agreement with Nordea Bank Polska SA defines the rules of granting loans to finance business operations between PBS SA and its Capital Group companies Hydrobudowa Polska SA and Infra SA. Under this agreement, Companies may use short-term overdraft facilities by 10 April 2012 for the period of one year, bank guarantees for the period of three years, and letters of credit for the period of three years, up to the total amount of the Bank's commitment up to PLN 115,000,000.

The limit will be used based on specific agreements defining e.g. the types of securities, including:

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* assignments of receivables from contracts implemented by the Capital Group companies of the minimum value of 150% of the utilised limit;

* authorisations to debit the Borrowers' current bank accounts in the Bank;

* mutual civil-law surety bonds of the Borrowers,

* blank bill of exchange as a security deposit issued by each Borrower with promissory note agreements;

* judgment note (agreement for judgment).

Annex to the performance bond agreement signed with TU Allianz Polska SA

On 28 April 2009, an annex was signed to the agreement on contract performance bonds within the revolving limit concluded on 5 June 2007 between PBG Capital Group companies: PBG SA, Hydrobudowa Polska SA, Infra SA, and Hydrobudowa 9 SA, and the insurance company TU Allianz Polska SA with its registered office in Warsaw.

Under the said annex, the period during which TU Allianz Polska SA is to grant performance bonds (bid bonds, performance bonds, defect liability bonds, and advance payment guarantees) to PBG Capital Group companies was extended until 31 July 2009.

Other provisions of the agreement were not amended.

Annexes to the framework agreement concluded by and between ING Bank Śląski SA and PBG Capital Group companies

On 27 May 2009 and on 26 June 2009, annexes were signed to the framework agreement concluded on 6 September 2007 by and between ING Bank Śląski SA and PBG Capital Group companies: PBG SA, Hydrobudowa Polska SA, Infra SA, Hydrobudowa 9 SA, Avatia Sp. z o.o., and PRIS Sp. z o.o. for the credit limit up to PLN 220,000,000.00.

Under the said annexes, the agreement was extended until 13 October 2009, and another Capital Group company PBG Technologia Sp. z o.o. (formerly Hydrobudowa Polska Konstrukcje Sp. z o.o.) became party to the agreement..

Annex to a credit agreement with Bank Polska Kasa Opieki SA

On 29 May 2009, an annex to the credit agreement concluded on 19 April 2005 by and between PBG SA and Bank Polska Kasa Opieki SA was signed. Under this annex, the value of bank products was increased from PLN 92,682,661.91 to the maximum total amount of PLN 97,500,000.00. Bank products shall be made available to PBG SA for the maximum period of one year.

The Parties agreed the following maximum amount of limits for Bank Products made available to PBG SA:

- a) Revolving facility in the form of a credit line up to PLN 10,000,000.00,
- b) Investment facility in the form of a credit line up to: PLN 3,000,000.00,
- c) Investment facility in the form of a credit line up to: PLN 14,000,000.00,

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d) Limit for bank guarantees and letters of credit up to PLN 20,000,000.00,

e) Limit for derivative transactions up to PLN 50,000,000.00,

f) Limit for cards up to PLN 500,000.00.

Other provisions of the agreement were not amended.

OTHER EVENTS

Introduction to trading of series L shares of a subsidiary company Hydrobudowa Polska SA

On 21 January 2009, by resolution of the Management Board of the Warsaw Stock Exchange SA, 36,885,245 series L ordinary bearer shares of the subsidiary company Hydrobudowa Polska SA of the nominal per share value PLN 1.00, were introduced to trading on the main market of the WSE under the standard procedure.

Registered pledge on shares of Hydrobudowa Polska SA

On 28 April 2009, the Management Board of PBG SA concluded an agreement on a registered pledge on shares of the subsidiary company Hydrobudowa Polska SA in respect of WESTLB AG.

The registered pledge on shares of Hydrobudowa Polska SA was established in connection with the credit agreement signed on 22 April 2009 by and between PBG SA, WESTLB AG and WESTLB Bank Polska SA for the total amount of PLN 56,000,000.00, to be repaid on 31 January 2012.

To secure this credit, a registered pledge was established on 24,329,508 dematerialised ordinary bearer shares of Hydrobudowa Polska SA, free of any encumbrances, designated as PLHDRWL00010, of the nominal per-share value PLN 1.00, representing 11.50% of the Company's share capital. This pledge shall secure the liability up to the maximum amount of PLN 72,000,000.00. This security shall expire on 30 June 2015. The pledge shall be registered by the court of appropriate jurisdiction.

4. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing net profit of the Parent Company shareholders by the weighted average number of ordinary shares in the period.

The employee incentive scheme adopted by PBG Capital Group has no diluting effect on the calculation of EPS.

Calculation of EPS was presented below:

NET EARNINGS (LOSS) PER ORDINARY SHARE

Item	01.01 – 30.06.2009	01.01 – 30.06.2008	01.01 – 31.12.2008
Continuing operations			

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Net profit (loss) from continuing operations	70 169	49 975	158 241
Weighted average number of ordinary shares	13 574 000	13 430 000	13 430 000
Weighted average diluted number of ordinary shares	13 574 000	13 430 000	13 430 000
Basic EPS from continuing operations (PLN)	5.17	3.72	11.78
Diluted EPS from continuing operations (PLN)	5.17	3.72	11.78
Continuing and discontinued operations			
Net profit (loss)	70 169	49 975	158 241
Weighted average number of ordinary shares	13 574 000	13 430 000	13 430 000
Weighted average diluted number of ordinary shares	13 574 000	13 430 000	13 430 000
Basic EPS from continuing and discontinued operations (PLN)	5.17	3.72	11.78
Diluted EPS from continuing and discontinued operations (PLN)	5.17	3.72	11.78

5. SEASONALITY OF BUSINESS

The business of PBG Capital Group is not seasonal. However, given the specific type of its business activities, i.e. provision of construction and installation services, works carried out by the Capital Group depend mainly on weather conditions. Low temperatures make it difficult to carry out earthworks and installation works and may affect the level of revenues from sale.

The strategy adopted by PBG Capital Group assumes that contracts signed by the Group should have the highest individual value possible. As a result, the impact of seasonality of sales on the Group's revenues will be reduced, and distribution of revenues throughout the financial year will be more uniform.

6. OPERATING SEGMENTS

When defining operating segments, the Management Board considers product lines representing the main services and products supplied by the Group. Each segment is managed separately under a given product line, considering the specific type of services requiring different technologies, resources, and approaches. Adoption of IFRS 8 had no effect on the structure of operating segments vs. the previous consolidated financial statements of the Capital Group.

Operating segment is the primary reporting format adopted by PBG Capital Group. The Group currently operates in five main segments:

- **natural gas and crude oil,**
- **water,**
- **fuels,**
- **residential and industrial construction,**
- **roads.**

Individual segments cover the following services:

- **Natural gas and crude oil:**
 - overground natural gas and crude oil mining facilities
 - natural gas liquefaction facilities and LNG storage and regasification facilities
 - LPG separation and storage stations, C5+
 - LNG storage and vaporisation stations

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

- underground gas storage facilities
- desulphurisation plants
- overground facilities of underground natural gas storage facilities
- crude oil tanks
- natural gas and crude oil transport systems, including:
meter and regulator stations, measurement and settlement stations, mixing plants, distribution stations,
compressor stations, etc.

- **Water:**

- process and sanitary facilities for water and sewerage systems, such as:
 - waterworks
 - sewerage systems
 - water mains and interceptors
 - water intake points
 - wastewater treatment plants
- hydrotechnical facilities, such as:
 - water dams
 - storage reservoirs
 - flood defences (dykes)
- renovation of waterworks and sewerage systems

- **Fuels:**

- fuel depots

- **Residential and industrial construction:**

- general construction
- industrial infrastructure
- construction of stadiums/sport arenas
- construction of waste incineration plants

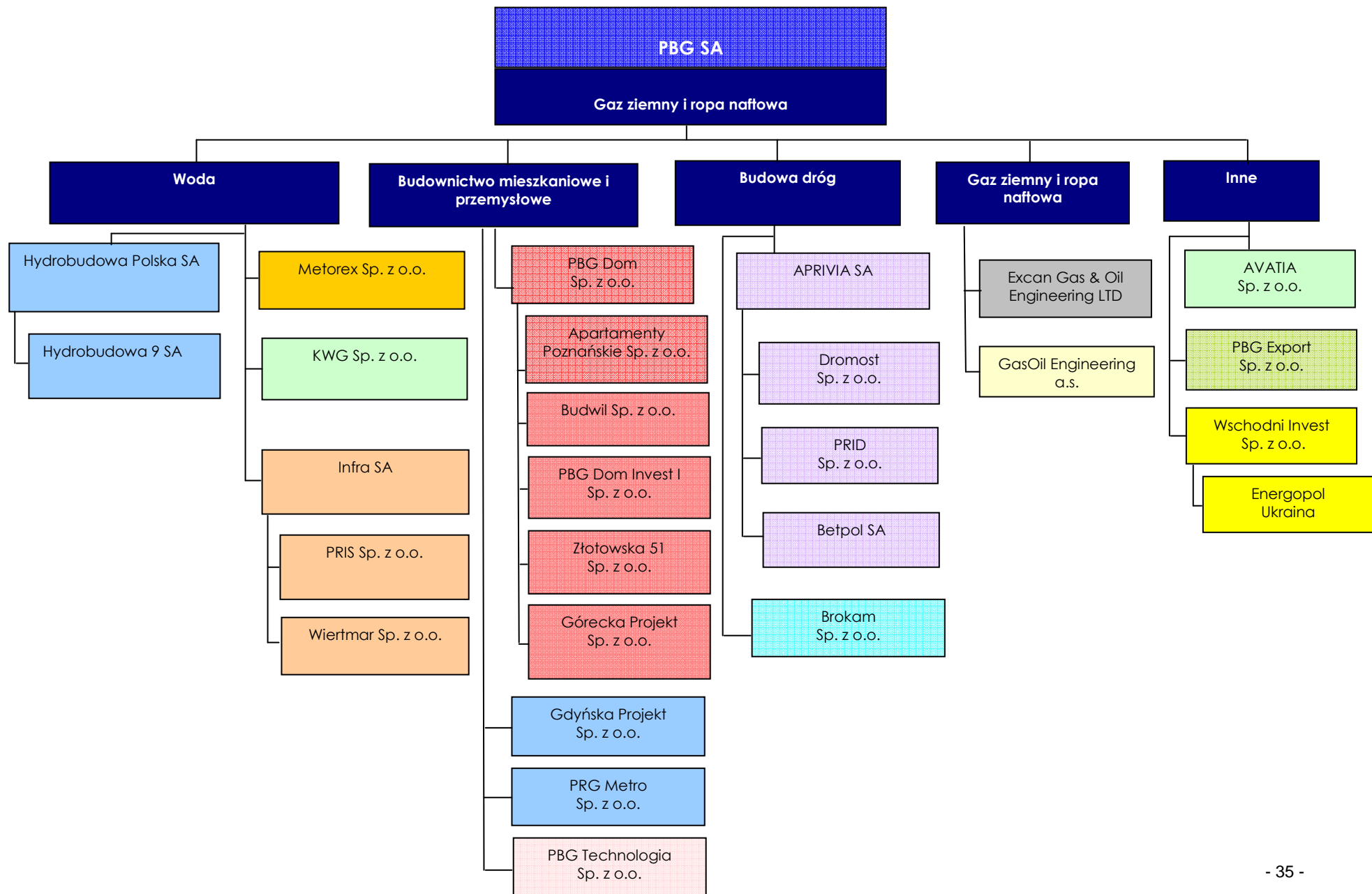
- **Roads:**

- road building.

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	<i>unless indicated otherwise, all amounts are in PLN thousands</i>		

In addition, PBG Capital Group defined an additional operating segment – “Other”. This segment covers revenues from sale of goods and materials, as well as other services that are not classified under the five main segments.

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		



Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Colour coding

	Hydrobudowa Polska Capital Group
	Infra Capital Group
	PBG Dom Capital Group
	Aprivia Capital Group
	Wschodni Invest Capital Group

The remaining colours in the above chart designate other Capital Group companies – direct subsidiaries of the Parent Company PBG SA.

PBG Capital Group presents its revenues from sales, expenses and result (gross profit margin) broken down into these segments, but does not present its assets and liabilities in the Balance Sheet by segments, as some tangible fixed assets (PP&E) are used in production classified under several different segments and it is not possible to allocate the inventory of materials to individual segments; it is also not possible to allocate trade payables as well as other operating and financial revenues and expenses to specific segments.

Information on operating segments is presented in the table below:

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

OPERATING SEGMENTS – DATA FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

Item	Segments					Other	Non-Consolidation	Consolidated amount
	natural gas and crude oil	water	fuels	residential and industrial construction	roads			
<i>Financial results of operating segments for the period from 1 January 2009 to 30 June 2009</i>								
Total revenues	109 647	559 980	73 934	267 702	99 727	58 697	(221 103)	948 584
External sales	109 647	559 980	73 934	267 702	99 727	58 697	(221 103)	948 584
Intersegment sales	-	-	-	-	-	-	-	-
Total expenses	(83 224)	(498 929)	(66 180)	(247 396)	(88 577)	(39 850)	222 615	(801 541)
Segment result	26 423	61 051	7 754	20 306	11 150	18 847	1 512	147 043
Expenses not allocated to segments	x	x	x	x	x	x	x	(59 409)
Other operating revenues/expenses	x	x	x	x	x	x	x	14 895
Operating profit	x	x	x	x	x	x	x	102 529
Financial revenues	x	x	x	x	x	x	x	17 816
Financial expenses	x	x	x	x	x	x	x	(25 772)
Share in profits of related parties accounted for under the equity method	x	x	x	x	x	x	x	-
Profits/losses from investments	x	x	x	x	x	x	x	-
Profit before tax	x	x	x	x	x	x	x	94 573
Income tax	x	x	x	x	x	x	x	(7 403)
Net profit	x	x	x	x	x	x	x	87 170

OPERATING SEGMENTS – DATA FOR THE PERIOD FROM 1 JANUARY 2008 TO 30 JUNE 2008

Item	Segments					Other	Non-Consolidation	Consolidated amount
	natural gas and crude oil	water	fuels	residential and industrial construction	roads			
<i>Financial results of operating segments for the period from 1 January 2008 to 30 June 2008</i>								

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Total revenues	115 683	540 319	74 459	51 731	44 503	90 365	(90 240)	826 820
External sales	115 683	540 319	74 459	51 731	44 503	90 365	(90 240)	826 820
Intersegment sales	-	-	-	-	-	-	-	-
Total expenses	(83 392)	(517 318)	(55 516)	(36 493)	(36 746)	(57 273)	86 539	(700 199)
Segment result	32 291	23 001	18 943	15 238	7 757	33 092	(3 701)	126 621
Expenses not allocated to segments	x	x	x	x	x	x	x	(45 319)
Other operating revenues/expenses	x	x	x	x	x	x	x	3 588
Operating profit	x	x	x	x	x	x	x	84 890
Financial revenues	x	x	x	x	x	x	x	16 066
Financial expenses	x	x	x	x	x	x	x	(32 150)
Share in profits of related parties accounted for under the equity method	x	x	x	x	x	x	x	-
Profits/losses from investments	x	x	x	x	x	x	x	-
Profit before tax	x	x	x	x	x	x	x	68 806
Income tax	x	x	x	x	x	x	x	(4 808)
Net profit	x	x	x	x	x	x	x	63 998

OPERATING SEGMENTS – DATA FOR THE PERIOD FROM 1 JANUARY 2008 TO 31 DECEMBER 2008

Item	Segments					Other	Non-Consolidation	Consolidated amount
	natural gas and crude oil	water	fuels	residential and industrial construction	roads			
<i>Financial results of operating segments for the period from 1 January 2008 to 31 December 2008</i>								
Total revenues	267 721	1 376 801	180 089	199 227	172 107	201 057	(305 577)	2 091 425
External sales	267 721	1 376 801	180 089	199 227	172 107	201 057	(305 577)	2 091 425
Intersegment sales	-	-	-	-	-	-	-	-
Total expenses	(214 686)	(1 272 883)	(150 997)	(153 654)	(142 928)	(143 442)	329 058	(1 749 532)
Segment result	53 035	103 918	29 092	45 573	29 179	57 615	23 481	341 893
Expenses not allocated to segments	x	x	x	x	x	x	x	(107 997)

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Other operating revenues/expenses	x	x	x	x	x	x	x	(8 285)
Operating profit	x	x	x	x	x	x	x	225 611
Financial revenues	x	x	x	x	x	x	x	50 176
Financial expenses	x	x	x	x	x	x	x	(62 140)
Share in profits of related parties accounted for under the equity method	x	x	x	x	x	x	x	-
Profits/losses from investments	x	x	x	x	x	x	x	2 268
Profit before tax	x	x	x	x	x	x	x	215 915
Income tax	x	x	x	x	x	x	x	(25 992)
Net profit	x	x	x	x	x	x	x	189 923

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

7. INTANGIBLE ASSETS

Acquisitions, disposals, and write-downs of intangible assets are presented in the following table:

INTANGIBLE ASSETS

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
Trademarks	-	-	-
Patents and licenses	7 900	4 174	6 120
Software	7 620	5 002	7 634
Development costs	-	-	-
Other intangible assets	574	1 143	859
Net carrying amount	16 094	10 319	14 613
Intangible assets in progress	533	3 242	207
Payments on account of intangible assets	-	3	-
Total intangible assets	16 627	13 564	14 820
Intangible assets classified as held for sale	-	-	-
Intangible assets	16 627	13 564	14 820

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

CHANGES IN INTANGIBLE ASSETS

Item	Patents and licenses	Software	Other intangible assets	Intangible assets in progress	Payments on account of intangible assets	Total
Net carrying amount as at 01.01.2009	6 120	7 634	859	207	-	14 820
Increase – new entities in the Capital Group	-	-	-	-	-	-
Increase – acquisition	3 015	1 697	-	335	-	5 047
Reduction – disposal of a subsidiary (-)	-	-	-	-	-	-
Reduction – disposal (-)	-	(12)	-	-	-	(12)
Reductions and increases from revaluation to fair value	-	-	-	-	-	-
Impairment losses (-)	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-
Amortisation (-)	(1 091)	(1 932)	(284)	-	-	(3 307)
Net foreign exchange differences from the conversion of the financial statements to presentation currency	-	114	(1)	-	-	113
Other changes – reduction resulting from the recognition in the register of intangibles	-	-	-	-	-	-
Other changes	(144)	119	-	(9)	-	(34)
Net carrying amount as at 30.06.2009	7 900	7 620	574	533	-	16 627
Net carrying amount as at 01.01.2008	1 596	5 596	1 423	4 595	52	13 262
Increase – new entities in the Capital Group	-	-	-	-	-	-
Increase – acquisition	2 804	362	4	-	-	3 170
Reduction – disposal of a subsidiary (-)	-	-	-	-	-	-
Reduction – disposal (-)	(10)	-	-	-	-	(10)
Reductions and increases from revaluation to fair value	-	-	-	-	-	-
Impairment losses (-)	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-
Amortisation (-)	(312)	(915)	(284)	-	-	(1 511)
Net foreign exchange differences from the conversion of the financial statements to presentation currency	-	52	-	-	-	52
Other changes – reduction resulting from the recognition in the register of intangibles	-	-	-	(1 353)	(49)	(1 402)
Other changes	96	(93)	-	-	-	3
Net carrying amount as at 30.06.2008	4 174	5 002	1 143	3 242	3	13 564
Net carrying amount as at 01.01.2008	1 596	5 596	1 423	4 595	52	13 262
Increase – new entities in the Capital Group	18	-	-	-	-	18
Increase – acquisition	5 178	3 871	5	-	-	9 054
Reduction – disposal of a subsidiary (-)	-	-	-	-	-	-
Reduction – disposal (-)	(73)	-	-	-	-	(73)
Reductions and increases from revaluation to fair value	-	7	-	-	-	7

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Impairment losses (-)	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-
Amortisation (-)	(694)	(2 121)	(569)	-	-	(3 384)
Net foreign exchange differences from the conversion of the financial statements to presentation currency	-	377	-	-	-	377
Other changes – reduction resulting from the recognition in the register of intangibles	-	-	-	(4 595)	(52)	(4 647)
Other changes	95	(96)	-	207	-	206
Net carrying amount as at 31.12.2008	6 120	7 634	859	207	-	14 820

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

As at the accounting reference date, there were no indications of any impairment of intangible assets; therefore, no impairment losses were recognised by the Capital Group.

As at the date hereof, intangible assets of PBG Capital Group Companies were not used to secure the any liabilities of these Companies.

8. TANGIBLE FIXED ASSETS (PROPERTY, PLANT & EQUIPMENT)

Acquisitions, sale, and write-downs of tangible fixed assets are presented in the following table:

TANGIBLE FIXED ASSETS (PROPERTY, PLANT & EQUIPMENT)

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
Land	112 382	25 945	31 112
Buildings and structures	133 739	92 899	132 612
Plant and equipment	118 077	111 583	124 420
Transport vehicles	64 204	53 495	68 765
Other PP&E	16 999	15 494	16 820
Net carrying amount	445 401	299 416	373 729
PP&E under construction	13 804	53 737	26 768
Payments on account of PP&E	8 650	2 187	3 252
Total tangible fixed assets	467 855	355 340	403 749
Tangible fixed assets classified as held for sale	-	-	-
Tangible fixed assets (Property, Plant & Equipment)	467 855	355 340	403 749

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

CHANGES IN TANGIBLE FIXED ASSETS (PROPERTY, PLANT & EQUIPMENT)

Item	Land	Buildings and structures	Plant and equipment	Transport vehicles	Other PP&E	PP&E under construction	Payments on account of PP&E	Total
Net carrying amount as at 01.01.2009	31 112	132 612	124 420	68 765	16 820	26 768	3 252	403 749
Increase – new entities in the Capital Group	80 291	-	-	-	-	-	-	80 291
Increase – acquisition	1 820	5 514	6 034	826	1 112	30 963	8 740	54 881
Increase – construction	-	-	-	-	-	1 489	-	1 489
Increase – lease contracts	-	-	-	1 089	-	-	-	1 089
Reduction – disposal of a subsidiary (-)	-	-	-	-	-	-	-	-
Reduction – disposal (-)	(10)	(9)	(370)	(779)	(12)	-	-	(1 180)
Reduction – liquidation (-)	-	(1 253)	(359)	(814)	(116)	-	-	(2 542)
Reductions and increases from revaluation to fair value	-	-	-	-	-	-	-	-
Impairment losses (-)	-	-	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-	-	-
Depreciation (-)	-	(2 302)	(11 374)	(5 062)	(980)	-	-	(19 718)
Net foreign exchange differences from the conversion of the financial statements to presentation currency	64	-	(79)	(106)	-	-	-	(121)
Other changes – reduction resulting from the recognition in FAR	-	-	-	-	-	(10 816)	-	(10 816)
Other changes	(895)	(823)	(195)	285	175	(34 600)	(3 342)	(39 395)
Net carrying amount as at 30.06.2009	112 382	133 739	118 077	64 204	16 999	13 804	8 650	467 855
Net carrying amount as at 01.01.2008	22 751	91 866	92 767	42 704	12 465	38 768	5 465	306 786
Increase – new entities in the Capital Group	722	430	12 316	2 216	259	-	-	15 943
Increase – acquisition	1 768	30	19 559	13 893	3 325	14 969	-	53 544
Increase – construction	-	-	-	-	-	-	-	-
Increase – lease contracts	-	-	-	-	-	-	-	-
Reduction – disposal of a subsidiary (-)	-	-	-	-	-	-	-	-
Reduction – disposal (-)	-	(969)	(1 582)	(568)	(75)	-	-	(3 194)
Reduction – liquidation (-)	-	(376)	(201)	-	(6)	-	-	(583)
Reductions and increases from revaluation to fair value	-	-	-	-	-	-	-	-
Impairment losses (-)	-	-	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-	-	-
Depreciation (-)	-	(1 632)	(10 906)	(4 810)	(902)	-	-	(18 250)
Net foreign exchange differences from the conversion of the financial statements to presentation currency	16	-	8	35	-	-	-	59
Other changes – reduction resulting from the recognition in FAR	-	-	-	-	-	-	-	-
Other changes	688	3 550	(378)	25	428	-	(3 278)	1 035

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Net carrying amount as at 30.06.2008	25 945	92 899	111 583	53 495	15 494	53 737	2 187	355 340
Net carrying amount as at 01.01.2008	22 751	91 866	92 767	42 704	12 465	38 768	5 465	306 786
Increase – new entities in the Capital Group	6 857	3 349	17 690	5 288	2 281	-	-	35 465
Increase – acquisition	2 850	45 388	37 162	30 585	6 387	41 381	-	163 753
Increase – construction	-	-	-	-	-	-	-	-
Increase – lease contracts	-	-	2 639	3 498	-	-	-	6 137
Reduction – disposal of a subsidiary (-)	-	-	(50)	-	-	-	-	(50)
Reduction – disposal (-)	(701)	(965)	(1 333)	(1 772)	(137)	-	-	(4 908)
Reduction – liquidation (-)	-	(862)	(563)	(524)	(1 221)	-	-	(3 170)
Reductions and increases from revaluation to fair value	107	-	(28)	(21)	(4)	-	-	54
Impairment losses (-)	-	-	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-	-	-
Depreciation (-)	-	(4 849)	(23 577)	(10 939)	(2 396)	-	-	(41 761)
Net foreign exchange differences from the conversion of the financial statements to presentation currency	120	-	118	258	-	-	-	496
Other changes – reduction resulting from the recognition in FAR	-	-	-	-	-	(53 381)	-	(53 381)
Other changes	(872)	(1 315)	(405)	(312)	(555)	-	(2 213)	(5 672)
Net carrying amount as at 31.12.2008	31 112	132 612	124 420	68 765	16 820	26 768	3 252	403 749

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

PP&E WHOSE LEGAL TITLE IS SUBJECT TO LIMITATIONS AND USED TO SECURE LIABILITIES

Liability / limited right of use	Encumbrance	Collateral	Carrying amount
Credit facility in BZ WBK SA	mortgage	land	9 542
Credit facility in BZ WBK SA	mortgage	buildings and structures	23 177
Credit facility in BZ WBK SA	registered pledge	plant and equipment	14 377
Credit facility in BZ WBK SA	registered pledge	transport vehicles	396
Credit facility in BZ WBK SA	registered pledge	other PP&E	66
Credit facility in Kredyt Bank SA	mortgage	buildings and structures	17 622
Credit facility in Pekao SA	registered pledge	plant and equipment	14 753
Credit facility in Pekao SA	registered pledge	transport vehicles	5 126
Credit facility in Pekao SA	registered pledge	other PP&E	141
Credit facility in BGŻ SA	registered pledge	plant and equipment	5 545
Credit facility in BGŻ SA	registered pledge	transport vehicles	7 923
PEKAO SA	registered pledge	transport vehicles	5 980
PEKAO SA	registered pledge	plant and equipment	7 599
State Treasury	mortgage	land, buildings and structures	615
GTL Leasing (operating lease)	registered pledge	plant and equipment	92
PKO Leasing (operating lease)	registered pledge	plant and equipment	248
Carrying amount of PP&E subject to the limited right of use or used as a security			113 202

As at the accounting reference date, there were no indications of any impairment of tangible fixed assets; therefore, no impairment losses were recognised by the Capital Group.

OFF-BALANCE SHEET PP&E

In addition, the Capital Group rents or leases other PP&E, mainly real property used for the Group's business operations, such as construction site facilities, office spaces, residential units for employees implementing construction contracts away from home, or land used to store equipment, materials, etc.

Costs of use of these assets are recognised in profit or loss.

9. WRITE-DOWNS OF ASSETS

WRITE-DOWNS OF RECEIVABLES, INVENTORIES, AND LOANS

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
Opening balance	78 343	75 874	75 874

Company:	PBG SA		
Reporting period:	01.01-30.06.2009	Reporting currency:	Polish zloty (PLN)
Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

Write-downs – new companies in the Capital Group	-	-	1 741
Write-downs made in the reporting period	3 943	10 518	15 966
Write-downs reversed in the reporting period (-)	(7 224)	(8 512)	(14 720)
Write-downs used in the reporting period (-)	(166)	(895)	(180)
Other changes	513	(777)	(338)
Closing balance	75 409	76 208	78 343

Write-downs of trade receivables were made in view of the expected difficulties in the repayment of debts of certain business partners.

According to the Management Boards of PBG Capital Group companies, the repayment of receivables that were not written down is certain.

In H1 2009, the Capital Group reversed write-downs of overdue receivables, as some of these receivables were partially settled.

10. SHARE CAPITAL

Equity of shareholders of the Parent Company.

In H1 2009, the Parent Company's share capital did not change. As at 30 June 2009, the Company's share capital amounted to PLN 14,295,000.00 and was divided into 14,295,000 shares of nominal value PLN 1.00 per share.

4,500,000 series A registered shares are preference shares – one registered series A share carries two votes at the Company's General Meeting of Shareholders. Other shares are ordinary shares – each carries one vote at the General Meeting.

The issue of the Parent Company's shares is presented in more detail in the following tables:

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
Number of shares	14 295	13 430	13 430
Nominal value (1 / share)	1	1	1
Share capital	14 295	13 430	13 430

Share capital structure as at 30 June 2009:

Series / issue	Preference	Limitation of rights to shares	Number of shares	Value of series/issue at nominal value	Contribution
series A	voting rights: 2:1	none	4 003 000	4 003	in kind

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series A	voting rights: 2:1	none	497 000	497	in cash
series A	none	none	1 200 000	1 200	in kind
series B	none	none	1 500 000	1 500	in cash
series C	none	none	3 000 000	3 000	in cash
series D	none	none	330 000	330	in cash
series E	none	none	1 500 000	1 500	in cash
series F	none	none	1 400 000	1 400	in cash
series G	none	none	865 000	865	in cash
				14 295	

SHAREHOLDERS HOLDING AT LEAST 5% OF THE TOTAL VOTE AT THE GENERAL MEETING OF SHAREHOLDERS AS AT THE DATE OF SUBMISSION HEREOF

Shareholder	Number of shares	Total nominal value in PLN	% of share capital held	% of votes in the total vote
Jerzy Wiśniewski	4,495,054 shares, of which: 4,235,054 series A registered preference shares 260,000 ordinary shares	4 495 054	31.44%	47.10%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	898,581 ordinary shares	898 581	5-10%	5-10%
ING Otwarty Fundusz Emerytalny	912,991 ordinary shares	912 991	5-10%	5-10%

CHANGES IN THE SHARE OWNERSHIP STRUCTURE AFTER 30 JUNE 2009

By the date of submission of these interim condensed financial statements, the ownership structure of blocks of the Issuer's shares changed as follows:

Increase in share capital fo PBG SA by issuing series G shares

On 15 July 2009, amendment to the Company's Articles of Association was registered in connection with the increase in share capital of BPG SA by way of issue of 865,000 series G ordinary bearer shares. After the registration, the Company's share capital increased from PLN 13,430,000.00 to 14,295,000.00, and the total number of votes at the General Meeting of Shareholders increased from 17,930,000 to 18,795,000.

The majority shareholder, Mr Jerzy Wisniewski, informed that his share resulting from direct ownership of 4,495,054 registered preference shares carrying 8,990,108 votes at the Company's General Meeting of Shareholders, dropped:

- from 33.47% to 31.44% of the Company's share capital;
- from 50.14% to 47.83% of the total vote.

Pursuant to Article 69 par. 2 section 1 subsection a) and section 2, in connection with Art. 87 par. 4 of the Act on Public Offering, the Shareholder and his spouse jointly hold 4,498,333 registered preference shares

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Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

carrying 8,996,666 votes at the Company's General Meeting, representing the following share after the said increase in the Company's share capital:

- 31.47% of share capital (vs. 33.49% before the increase);
- 47.87% of the total vote (vs. 50.18% before the increase).

In addition, pursuant to Art. 56 par. 1 section 1 of the Act on Public Offering, the Management Board of PBG S.A. hereby informs that acting upon request of the Company's Shareholder, Mr Jerzy Wiśniewski (submitted to the Company pursuant to Art. 334 § 2 of the Code of Commercial Companies on 16 July 2009 by Dom Maklerski BZ WBK S.A.), the Board adopted a resolution regarding the conversion of 260,000 series A registered preference shares held by Mr Jerzy Wiśniewski into series A ordinary bearer shares. Conversion of these shares in the National Depository for Securities will be required, and the Company applied for this conversion to the National Depository for Securities without delay. Conversion of shares will take effect upon its registration on the day of conversion, in accordance with the relevant regulations adopted by the National Depository for Securities.

Pursuant to § 14 par. 1 of the Company's Articles of Association, series A registered shares are preference shares – one registered series A share carries two votes at the Company's General Meeting of Shareholders. The Company's Articles of Association include no restrictions as to the conversion of series A registered shares into bearer shares. Pursuant to Art. 352 of the Code of Commercial Companies and § 14 par. 2 of the Company's Articles of Association, the aforementioned preference shall expire after the conversion of series A registered shares into bearer shares – each of 260,000 series A shares shall be converted into an ordinary share carrying one vote at the Company's General Meeting. The Company's share capital amounts to PLN 14,295,000.00 (PLN fourteen million two hundred ninety five thousand). As a result of the conversion of series A registered preference shares into series A ordinary bearer shares, all shares issued by the Company shall carry 18,535,000 votes at the General Meeting of Shareholders.

On 31 July 2009, based on the Company's application, the Management Board of the National Depository for Securities adopted resolution no. 266/2009 to designate 260,000 ordinary bearer shares of PBG S.A. with the code PLPBG0000052, after the conversion of 260,000 registered shares of PBG S.A. designated with the code PLPBG0000037 on 31 July 2009. As a result, 4,240,000 shares of PBG S.A. are designated with the code PLPBG0000037, and 260,000 shares of PBG SA are designated as PLPBG0000052 as of 31 July 2009.

The Company's application to the National Depository for Securities was based on the resolution no. 1 of the Management **Board of PBG SA dated 16 July 2009, adopted upon request filed by a shareholder on the same day.**

Under the resolution adopted pursuant to Art. 334 § 2 of the Code of Commercial Companies and § 12 and § 40 of the Company's Articles of Association, the Management Board of PBG SA decided on the conversion of 260,000 series A registered preference shares held by Mr Jerzy Wiśniewski to series A ordinary bearer shares. The said resolution indicates that conversion of these shares in the National Depository for Securities will be required, and the Company will apply for this conversion without delay. At the same time, the Management Board has undertaken to apply to the National Depository for Securities for the assimilation of shares after their conversion, and later for the admission and introduction these shares to

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trading on the regulated market of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie SA).

Until 31 July 2009, 260,000 series A shares subject to conversion had been preference shares – one registered series A share carried two votes at the Company's General Meeting of Shareholders. As a result, 260,000 shares carried 520,000 votes. After the conversion, as of 31 July 2009, these shares carry 260,000 votes.

Before the conversion, 14,295,000 shares representing the share capital of PBG SA totalling PLN 14,295,000, carried 18,795,000 votes. After the conversion, 14,295,000 shares carry 18,535,000 votes.

Under resolution no. 376/2009 of 7 August 2009, the Management Board of the Warsaw Stock Exchange admitted 260,000 (two hundred and sixty thousand) series A ordinary bearer shares of PBG SA to trading on the main market. The nominal value of these shares was PLN 1.00 per share, and they were designated by the National Depository for Securities as "PLPBG0000052".

At the same time, the Management Board of the WSE resolved to admit the said shares of PBG SA to trading on the WSE's main market as of 14 August 2009 under the standard procedure, provided that these shares are assimilated by the National Depository for Securities with other shares of PBG SA currently traded on the WSE.

If these shares are successfully introduced to trading, 10,055,000 shares of PBG SA will be traded as of 14 August 2009.

Notification from Aviva Powszechne Towarzystwo Emerytalne Aviva BZ WBK SA (AVIVA OFE)

On 17 July 2009, Aviva Powszechne Towarzystwo Emerytalne Aviva BZ WBK SA (AVIVA OFE) informed that following the transactions of acquisition of shares of PBG SA on the regulated market, concluded on 13 July 2009, its share of the Company's total vote exceeded 5%.

Before the said transactions, according to the portfolio, as at 15 July 2009 Aviva OFE held 871,081 shares of PBG SA, representing 6.49% of the Company's share capital and carrying 871,081 votes at the General Meeting of Shareholders, i.e. 4.86 % of total vote. After the conclusion and settlement of these transactions on 13 July 2009, as at 16 July 2009 Aviva OFE held 898,581 shares of PBG SA, representing 6.69% of the Company's share capital and carrying 898,581 votes at the General Meeting of Shareholders, i.e. 5.01 % of total vote.

Notification from BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych SA

On 4 August 2009, BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych SA with its registered office in Poznań, acting on behalf of Arka BZ WBK Akcji Fundusz Inwestycyjny Otwarty, Arka BZ WBK Rozwoju Nowej Europy Fundusz Inwestycyjny Otwarty, Arka BZ WBK Zrównoważony Fundusz Inwestycyjny Otwarty and Lukas Fundusz Inwestycyjny Otwarty (hereinafter "Funds"), as a result of transactions of sale of the Company's

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shares, the Funds held shares representing less than 5% of the total vote at the General Meeting of Shareholders of PBG SA.

Before the transaction, Funds held 948,747 shares of PBG SA, representing 6.64% of share capital of PBG SA and carrying 948,747 votes, i.e. 5.12% of the total vote at the General Meeting of Shareholders of PBG SA.

On 4 August 2009, Funds held 786,247 shares of PBG SA, representing 5.5% of Company's share capital and carrying 786,247 votes, i.e. 4.24% of the total vote at the General Meeting of Shareholders of PBG SA.

In addition, BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. informed that the management of investment portfolios of the Funds was commissioned to the company BZ WBK AIB Asset Management SA with its registered office in Poznań. The company shall be responsible for the publication of information related to the acquisition of shares.

Until the date of approval hereof, PBG SA had not received any other notifications from Investment Funds acting as the Company's key shareholders as regards any changes in share ownership. As a result, the Parent Company disclosed the number of shares held by the remaining Funds before the increase of the Company's share capital by way of issues of series G shares was registered.

Share premium reserve is created from the surplus of share issue price over share nominal value – it applies to issues of series B, C, D, E, F, and G shares. As at 30 June 2009, share premium reserve totalled PLN 733,730k.

Reserve from measurement of hedging transactions and foreign exchange differences on consolidation as at 30 June 2009 totalled PLN –103,633k and consisted of:

- balance from the measurement of derivatives satisfying the criteria of hedge accounting for cash flow hedges, i.e. the effective portion of the hedge – PLN -104.838k
- **foreign exchange differences on consolidation of subsidiaries – PLN 1,205k.**

Minority interests

Minority interests cover this portion of net assets of subsidiaries that is not owned (either directly or indirectly) by Parent Company shareholders.

MINORITY INTERESTS

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
HBP Capital Group	181 324	177 693	170 459
Infra Capital Group	3 038	1 270	4 249
Aprivia Capital Group	10 654	7 514	9 701
GasOil Engineering a.s.	1 649	421	1 074
PBG Dom Capital Group	-	14	-
Wschodni Invest Sp. z o.o.	39 343	-	-
Total	236 008	186 912	185 483

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Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

11. SHARE-BASED PAYMENT

INCENTIVE SCHEME

By resolution no. 37/08/2007 of 26 August 2008, the Supervisory Board of the subsidiary company Hydrobudowa 9 SA with its registered office in Poznań adopted an Incentive Scheme under resolution no. 24 of the Annual General Meeting of Shareholders of Hydrobudowa 9 SA dated 24 June 2008 regarding the adoption of rules of an Incentive Scheme to be implemented by the Company, as well as resolution no. 25 of the Annual General Meeting of Shareholders of Hydrobudowa 9 SA dated 24 June 2008 regarding an increase in share capital by way of issue of series D shares without the pre-emptive rights for the current shareholders in order to implement an incentive scheme, and amendment of the Company's Articles of Association.

The scheme is to be implemented until 31 December 2013.

Amounts resulting from the Incentive Scheme have been recorded in the Company's accounts as of H1 2009. The scheme was disclosed in the interim consolidated financial statements based on estimates. The final measurement will take place on the vesting date. On 20 July 2009, the eligible employees were informed of their participation in the scheme. No subsequent measurement of the Incentive Scheme had been performed before the date of the Management Board's approval of the interim consolidated financial statements.

12. DIVIDENDS

Neither the Parent Company nor any of its subsidiaries paid dividends in the reporting period.

13. ISSUE AND REDEMPTION OF DEBT SECURITIES

Within the first six months of FY 2009, PBG Capital Group did not issue or redeem any debt securities.

14. PROVISIONS

The value of provisions disclosed in the interim consolidated financial statements and their changes by period are as follows:

Item	Provision for retirement severance payments	Provision for long-service awards	Provision for losses	Provision for warranty servicing	Other provisions	Total
<i>for the period from 1 January 2009 to 30 June 2009</i>						
As at 01.01.2009	2 611	3 499	1 781	13 603	73 148	94 642
Increase in provisions recognised as an expense in the period	959	202	-	2 777	5 239	9 177
Increase in provisions – new companies in the Capital Group	-	-	-	-	-	-
Reversal of provisions recognised as a revenue in the period (-)	(186)	-	(1 697)	(990)	(11 896)	(14 769)
Provisions used (-)	(99)	(162)	(109)	(196)	(6 029)	(6 595)

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Other changes in provisions (including net foreign exchange differences on conversion)	15	-	36	(201)	1	(149)
As at 30.06.2009	3 300	3 539	11	14 993	60 463	82 306
- long-term provisions	2 145	3 385	-	10 859	367	16 756
- short-term provisions	1 155	154	11	4 134	60 096	65 550
<i>for the period from 1 January 2008 to 30 June 2008</i>						
As at 01.01.2008	2 144	3 160	46 733	9 238	83 509	144 784
Increase in provisions recognised as an expense in the period	93	178	150	2 773	4	3 198
Increase of provisions – new companies in the Capital Group	54	471	-	358	-	883
Reversal of provisions recognised as a revenue in the period (-)	(44)	-	(8 963)	(426)	(8 479)	(17 912)
Provisions used (-)	(226)	(291)	(471)	(1 582)	-	(2 570)
Other changes in provisions (including net foreign exchange differences on conversion)	6	-	(213)	(132)	-	(339)
As at 30.06.2008	2 027	3 518	37 236	10 229	75 034	128 044
- long-term provisions	1 631	3 210	-	7 410	4 622	16 873
- short-term provisions	396	308	37 236	2 819	70 412	111 171
<i>for the period from 1 January 2008 to 31 December 2008</i>						
As at 01.01.2008	2 144	3 160	46 733	9 238	83 509	144 784
Increase in provisions recognised as an expense in the period	731	265	19	6 019	19 203	26 237
Increase of provisions – new companies in the Capital Group	229	471	3 273	1 255	177	5 405
Reversal of provisions recognised as a revenue in the period (-)	(38)	-	(45 097)	(1 051)	(17 011)	(63 197)
Provisions used (-)	(658)	(468)	(3 321)	(1 858)	(12 730)	(19 035)
Other changes in provisions (including net foreign exchange differences on conversion)	203	71	174	-	-	448
As at 31.12.2008	2 611	3 499	1 781	13 603	73 148	94 642
- long-term provisions	2 042	3 187	-	9 240	366	14 835
- short-term provisions	569	312	1 781	4 363	72 782	79 807

15. CONTINGENT LIABILITIES

The value of contingent liabilities as at the end of each reporting period was as follows:

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
In respect of non-consolidated related parties:			
Security for the repayment of trade and other payables	23 562	-	20 396
Total non-consolidated related parties	23 562	-	20 396
In respect of other entities			
Security for the repayment of loans and credits	35 025	9 031	41 144
Security for the repayment of trade and other payables	760	3	20 396
Security for performance bonds	8 009	5 970	7 664
Security for present and future lease agreements	50	189	-
Security for guarantees	-	217	-
Contract performance bonds	729 469	404 447	636 453
Defects liability bonds	35 461	23 138	26 740
Bid bonds	20 166	34 873	10 427
Trade payables repayment bonds	30 123	23 721	12 316
Advance payment guarantees	229 745	80 967	98 424
Retention money guarantees	2 299	3 119	2 139
Total other entities	1 091 107	585 675	855 703
Total contingent liabilities	1 114 669	585 675	876 099

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Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

As of Q2 FY 2007, the financial statements of the Capital Group includes non-consolidated off-balance sheet items, related to guarantees and sureties granted to third parties for liabilities of the Parent Company and its consolidated subsidiaries, that were presented in the consolidated statements as trade payables, credit liabilities, or guarantees granted at the request of the Capital Group companies to third parties.

16. BUSINESS COMBINATIONS

Acquisitions made in the first six months of 2009:

- PBG Export Sp. z o.o.
- Złotowska 51 Sp. z o.o.
- Wschodni Invest Sp. z o.o.

GOODWILL ACQUIRED IN BUSINESS COMBINATION

Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
ATG Sp. z o.o.	1 606	1 606	1 606
Infra SA	2 354	2 354	2 354
Hydrobudowa Polska SA	60 541	60 541	60 541
KWG SA	-	41	-
Hydrobudowa 9 SA	176 443	176 443	176 443
PBG Dom Sp. z o.o.	19	19	19
Dromost Sp. z o.o.	625	625	625
Apartamenty Poznańskie Sp. z o.o.	1 692	1 692	1 692
Przedsiębiorstwo Robót Inżynieryjno Drogowych SA	10 050	10 050	10 050
Gas Oil Engineering A.S.	7 226	7 226	7 226
Excan Oil and Gas Engineering LTD.	160	160	160
Bathinex Sp. z o.o.	-	4 312	-
Brokam Sp. z o.o.	566	566	566
PRIS Sp. z o.o.	1 131	1 131	1 131
Bełpol SA	31 924	31 924	31 924
Budwil Sp. z o.o.	3	3	3
PBG Dom Invest I Sp. z o.o.	1	-	1
Wiertmar Sp. z o.o.	1 433	-	1 433
PRG Metro Sp. z o.o.	36 767	-	36 748
Złotowska 51 Sp. z o.o.	136	-	-
Net goodwill	332 677	298 693	332 522

In June 2009, the Parent Company acquired 100% of share capital of the company Wschodni Invest Sp. z o.o., holding the stake in Energopol Ukraina with its registered office in Kiev of the nominal value of PLN 3,774k. The value of this acquisition was PLN 41,000 k. The key asset of Energopol Ukraina is the right to the land of <63,000 square meters> located in Kiev, where a real estate development project is planned, with the total built-up area of about <250,000 square meters>. As the financial statements drawn up as at the date of acquisition of Wschodni Invest Sp. z o.o. and Energopol Ukraina are still in progress, the

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Approximation:	<i>unless indicated otherwise, all amounts are in PLN thousands</i>		

Management Board of PBG SA decided to account for these acquisitions provisionally. The right to land is the main asset influencing the fair value of the Acquiree. The value of this right was estimated at PLN 80,000k. After this transaction, the interest held indirectly by PBG S.A. in share capital of Energopol Ukraina is 51%. No goodwill was recognised based on the provisional accounting applied to this acquisition. The Management Board declared that the provisional accounting shall be adjusted by the end of 2009 and this acquisition shall be accounted for properly.

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Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

BUSINESS COMBINATIONS IN THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

Item	Acquisition date	% of the acquired equity instruments with voting rights	Cost of business combination	Fair value of the acquiree's net assets taken over by the acquirer	Goodwill acquired in business combination	Surplus of the acquirer's share in the fair value of net assets over the cost of business combination
Złotowska 51 Sp. z o.o.*	2009-04-09	60,00%	104	(32)	136	-

NET REVENUES FROM SALE AND NET RESULT FOR H1 FY09 – DISCLOSURES IN ACCORDANCE WITH IFRS 3, SECTION 70

Item	Net revenues	Net financial result	Revenues not recognised in the Capital Group's financial result by the acquisition date		Revenues recognised in the Capital Group's financial result since the acquisition date		Share in equity
			Net revenues	Net financial result	Net revenues	Net financial result	
Złotowska 51 Sp. z o.o.*	2	3	-	(1)	2	4	60,00%

* Złotowska 51 Sp. z o.o. has been a subsidiary of PBG DOM Sp. z o.o. as of 9 April 2009 – PBG DOM Sp. z o.o. holds 60% share in Złotowska 51 Sp. z o.o.

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Approximation:	unless indicated otherwise, all amounts are in PLN thousands		

17. DISCONTINUED OPERATIONS

Not applicable.

18. RELATED PARTY TRANSACTIONS

Intercompany transactions among PBG Capital Group entities eliminated in the consolidated process are presented in separate financial statements of these related parties.

Presented below are related party transactions disclosed in the condensed consolidated financial statements of PBG Capital Group:

Amounts applicable to related parties

(in PLN '000)

NON-CONSOLIDATED PERSONALLY RELATED PARTIES			
Item	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
Receivables	128 802	28 899	176 940
Payables	23 929	19 453	11 618
Financial assets	47 497	-	23 579
Loans received	682	1 654	711
Financial liabilities (securities)	-	-	-
Payments on account of materials	-	457	-
Revenues from sales	6 673	7 144	60 113
Acquisitions	62 605	15 476	9 657
Financial revenues	1 229	-	1 257
Financial expenses	26	-	-

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR THE PERFORMANCE OF THEIR FUNCTIONS IN THE PARENT COMPANY IN THE PERIOD FROM 01.01.2009 TO 30.06.2009

Item	Base salary	Other benefits	Total
<i>Remuneration of the Management Board members</i>			
Jerzy Wiśniewski	600	2	602
Tomasz Woroch	210	2	212
Przemysław Szkudlarczyk	150	2	152
Tomasz Tomczak	150	2	152
Mariusz Łożyński	150	1	151
Tomasz Łatawiec	120	1	121
Total	1 380	10	1 390
<i>Remuneration of the Supervisory Board members</i>			
Maciej Bednarkiewicz	60	1	61
Jacek Kseń	48	1	49
Wiesław Lindner	30	1	31
Jacek Krzyżaniak	15	1	16
Dariusz Samowski	18	1	19
Adam Strzelecki	18	1	19
Total	189	6	195

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR THE PERFORMANCE OF THEIR FUNCTIONS IN THE PARENT COMPANY IN THE PERIOD FROM 01.01.2008 TO 30.06.2008

Item	Base salary	Other benefits	Total
<i>Remuneration of the Management Board members</i>			
Jerzy Wiśniewski	287	2	289
Tomasz Woroch	210	2	212
Przemysław Szkudlarczyk	150	2	152
Tomasz Tomczak	150	2	152
Mariusz Łożyński	120	1	121
Tomasz Łatawiec	120	-	120
Total	1 037	9	1 046
<i>Remuneration of the Supervisory Board members</i>			
Maciej Bednarkiewicz	60	1	61
Jacek Kseń	48	1	49
Wiesław Lindner	30	1	31
Jacek Krzyżaniak	18	1	19
Dariusz Samowski	18	1	19
Adam Strzelecki	18	1	19
Mirosław Dobruł	18	1	19
Małgorzata Wiśniewska	18	1	19
Total	228	8	236

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR THE PERFORMANCE OF THEIR FUNCTIONS IN THE PARENT COMPANY IN THE PERIOD FROM 01.01.2008 TO 31.12.2008

Item	Base salary	Other benefits	Total
<i>Remuneration of the Management Board members</i>			
Jerzy Wiśniewski	741	-	741
Tomasz Woroch	420	-	420
Przemysław Szkudlarczyk	300	-	300
Tomasz Tomczak	300	-	300
Mariusz Łożyński	245	-	245
Tomasz Łatawiec	240	-	240
Total	2 246	-	2 246

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

<i>Remuneration of the Supervisory Board members</i>			
Maciej Bednarkiewicz	120	-	120
Jacek Kseń	96	-	96
Wiesław Lindner	60	-	60
Jacek Krzyżaniak	36	-	36
Dariusz Sarnowski	36	-	36
Adam Strzelecki	36	-	36
Mirosław Dobruś	6	-	6
Małgorzata Wiśniewska	24	-	24
Total	414	-	414

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR THE PERFORMANCE OF THEIR FUNCTIONS IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES IN THE PERIOD FROM 01.01.2009 TO 30.06.2009

Item	Base salary	Other benefits	Total
Remuneration of the Management Board members			
Jerzy Wiśniewski	-	-	-
Tomasz Woroch	30	-	30
Przemysław Szkudlarczyk	18	-	18
Tomasz Tomczak	1	-	1
Mariusz Łożyński	-	-	-
Tomasz Łatawiec	-	-	-
Total	49	-	49
Remuneration of the Supervisory Board members			
Maciej Bednarkiewicz	-	-	-
Jacek Kseń	-	-	-
Wiesław Lindner	-	-	-
Jacek Krzyżaniak	38	-	38
Dariusz Sarnowski	-	-	-
Adam Strzelecki	-	-	-
Total	38	-	38

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR THE PERFORMANCE OF THEIR FUNCTIONS IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES IN THE PERIOD FROM 01.01.2008 TO 30.06.2008

Item	Base salary	Other benefits	Total
Remuneration of the Management Board members			
Jerzy Wiśniewski	120	-	120
Tomasz Woroch	148	-	148
Przemysław Szkudlarczyk	39	-	39
Tomasz Tomczak	-	-	-
Mariusz Łożyński	-	-	-
Tomasz Łatawiec	60	-	60
Total	367	-	367
Remuneration of the Supervisory Board members			
Maciej Bednarkiewicz	-	-	-
Jacek Kseń	-	-	-
Wiesław Lindner	-	-	-
Jacek Krzyżaniak	36	-	36
Dariusz Sarnowski	-	-	-
Adam Strzelecki	-	-	-

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

Mirosław Dobrut	-	-	-
Małgorzata Wiśniewska	142	-	142
Total	178	-	178

REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR THE PERFORMANCE OF THEIR FUNCTIONS IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES IN THE PERIOD FROM 01.01.2008 TO 31.12.2008

Item	Base salary	Other benefits	Total
Remuneration of the Management Board members			
Jerzy Wiśniewski	190	4	194
Tomasz Woroch	273	5	278
Przemysław Szkudlarczyk	59	-	59
Tomasz Tomczak	-	-	-
Mariusz Łożyński	-	-	-
Tomasz Łatawiec	121	-	121
Total	643	9	652
Remuneration of the Supervisory Board members			
Maciej Bednarkiewicz	-	-	-
Jacek Kseń	-	-	-
Wiesław Lindner	-	-	-
Jacek Krzyżaniak	72	3	75
Dariusz Sarnowski	-	-	-
Adam Strzelecki	-	-	-
Mirosław Dobrut	-	-	-
Małgorzata Wiśniewska	315	1	316
Total	387	4	391

AVERAGE EMPLOYMENT

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
White-collar employees	1 779	1 696	1 781
Blue-collar employees	2 171	2 004	2 196
Total	3 950	3 700	3 977

STAFF ROTATION

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
Recruited	289	572	944
Dismissed	(710)	(430)	(1 072)
Total	(421)	142	(128)

19. EVENTS AFTER THE BALANCE SHEET DATE

ISSUE OF SHARES AND DISPOSAL OR ACQUISITION OF SHARES BY SHAREHOLDERS OF PBG SA

Admission and introduction of series D and series G shares to trading at the Stock Exchange

On 23 June 2009, the Management Board of the Warsaw Stock Exchange adopted a resolution to admit and introduce ordinary bearer shares series D and G to trading on the WSE's main market.

Nazwa grupy kapitałowej:	<i>Grupa Kapitałowa PBG</i>		
Okres objęty sprawozdaniem finansowym:	<i>01.01-30.06.2009</i>	Waluta sprawozdawcza:	<i>złoty polski (PLN)</i>
Poziom zaokrąglenie:	<i>wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)</i>		

In its resolution, the Management Board of the Warsaw Stock Exchange admitted the following ordinary bearer shares of PBG SA of nominal value PLN 1.00 per share:

- 1) 12,500 (twelve thousand five hundred) series D shares,
- 2) 865,000 (eight hundred sixty five thousand) series G shares.

At the same time, the Management Board of the WSE resolved to introduce said shares of PBG SA to trading on the WSE's main market as of 28 June 2009 under the standard procedure, provided that on 28 July 2009:

- 1) series D shares are assimilated with other shares of PBG SA currently traded on the WSE,
- 2) series G shares are registered and designated as "PLPBG0000029" by the National Depository for Securities.

In addition, on 23 July 2009, the Management Board of the National Depository for Securities adopted a resolution to assimilate 12,500 series D shares of PBG SA designated with the code PLPBG0000045 with 8,917,500 shares of PBG SA designated with the code PLPBG0000029 and to designate these shares as PLPBG0000029.

Assimilation of PBG SA shares designated as PLPBG0000045 and registration of 865,000 series G shares of PBG SA designated as PLPBG0000029 took place on 28 July 2009.

The condition for the admission and introduction of series G shares of PBG SA was therefore satisfied and 9,795,000 shares designated as PLPBG0000029 have been traded on the WSE since 28 July 2009.

INVESTMENT AGREEMENTS

Annex to the contract "Construction of the Malczyce barrage on the Odra river"

On 19 July 2009, the Management Board of PBG SA and Maxer SA (currently in liquidation) signed an annex to the agreement of 6 February 2006 for the investment "Construction of the Malczyce barrage on the Odra river". Under the said annex, the financial limit for construction and installation works to be performed by PBG SA under the said agreement in 2009 – 2011 was increased by the net amount of PLN 216,673,815.57 (i.e. PLN 264,342,055.00 before tax). The said works are to be completed by 30 December 2011.

AGREEMENTS WITH FINANCIAL INSTITUTIONS

Annex to the credit line agreement between PBG Capital Group companies and BGŻ SA

On 7 July 2009, the Management Board of PBG SA signed an annex to the credit line agreement for the financing of current operations of 27 April 2007 concluded by and between Bank Gospodarki Żywnościowej SA with its registered office in Warsaw and PBG Capital Group companies, i.e.: PBG SA, Hydrobudowa Polska SA, and Infra SA. Under the said annex, the final date for the repayment of the credit line of PLN 100,000,000.00 was extended until 30 July 2015.

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

In addition, on 25 July 2009, PBG SA and PBG Capital Group companies, i.e. Hydrobudowa Polska SA and Infra SA signed an annex to the credit line agreement of 27 April 2007 concluded with Bank Gospodarki Żywnościowej SA with its registered office in Warsaw.

Under the said annex, the line may be used:

- 1) in the period until 23 August 2009 – in the form of working capital facilities in PLN, EUR or USD, for the financing of on-going needs related to supply, production and sale of goods or provision of services, cash settlement process, and the financing of inventories, prepaid expenses, and receivables from business partners,
- 2) in the period until by 23 August 2009 – in the form of revolving facilities in PLN, EUR or USD earmarked for the purposes set out in section 1),
- 3) in the period until 23 August 2009 – in the form of bank guarantees, in particular bid bonds, advance payment guarantees, performance bonds, defects liability bonds, retention guarantees, and payment guarantees in PLN, EUR or USD,
- 4) in the period until 23 August 2009 – in the form of documentary letters of credit as ordered by the Borrower in PLN, EUR or USD,
- 5) in the period until 30 June 2015 – credit line up to PLN 15,000,000.00 may be used in the form of revolving credit facilities to cover the Bank's receivables arising from transactions concluded with the Borrower under the "Framework Agreement on the Terms and Conditions of conclusion and performance of financial market transactions in BGŻ SA" and/or "Agreement on the conclusion of currency exchange transactions whose conditions are agreed individually with BGŻ SA customers" under the transaction limit granted by the Bank, where the final date for the conclusion of financial market transactions is 23 August 2009,
- 6) in the period until 30 July 2015 in the form of revolving credit facilities to finance guarantee payments,
- 7) in the period until 30 July 2012 in the form of revolving credit facilities to finance payments under letters of credit.

Under the said annex, PBG SA and other Borrowers shall jointly repay the portion of the credit line related to facilities referred to in sections 1) and 2) by 23 August 2009 at the latest, on the dates and in amounts specified in the respective Payment Schedules. As regards the facilities referred to in section 5) and the Bank's receivables arising from the payment of guarantees issued or letters of credit opened, or the facilities referred to in sections 6) and 7) :

- a) on the last day of this period at the latest – if the payment is made by 23 August 2009,
- b) on the date of payment by the Bank – if the payment is made after 23 August 2009.

20. OTHER MATERIAL CHANGES IN ASSETS, LIABILITIES, REVENUES OR EXPENSES

PBG Capital Group implements construction contracts. Receivables (payables) arising from construction services provided in the respective reporting periods are presented below:

CONTRACTS FOR CONSTRUCTION SERVICES

Item	as at	as at	as at
------	-------	-------	-------

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

	30.06.2009	30.06.2008	31.12.2008
Amount of contract revenues initially defined in the contract	8 069 113	4 302 787	7 150 364
Changes	67 716	126 454	158 941
Total amount of contract revenues	8 136 829	4 429 241	7 309 305
Costs incurred until the accounting reference date	3 339 291	2 216 396	3 041 367
Outstanding costs required to complete the contract	3 817 888	1 925 008	3 298 208
Estimated total costs of the contract	7 157 179	4 141 404	6 339 575
Estimated gains	979 650	287 837	969 730
Stage of completion as at the accounting reference date	46,66%	53,52%	47,97%
Advance payments received as at the accounting reference date	168 383	92 894	77 979
Amount of advance payments that may be set off against receivables under contracts for construction services	30 907	40 526	39 501
Amount of retained money	24 069	53 651	39 397
Costs incurred until the accounting reference date related to contract performance	3 339 291	2 216 396	3 041 367
Result recognised until the accounting reference date	404 850	88 407	263 964
Revenues estimated as at the accounting reference date	3 744 141	2 304 803	3 305 331
Amounts invoiced until the accounting reference date	2 790 765	1 688 113	2 496 889
Item cont.	as at 30.06.2009	as at 30.06.2008	as at 31.12.2008
Contract receivables as at the accounting reference date (bottom line)	953 376	616 690	808 442
Contract receivables of the Consortium Partners as at the accounting reference date	6 380	-	-
Contract receivables as at the accounting reference date after the set-off of advance payment referred to in item 10 with Consortium Partners	960 482	582 637	783 930
Contract payables as at the accounting reference date	31 633	6 473	14 989

The Management Board PBG SA disclosed information required by IAS 11 (Construction Contracts) in total amounts and not broken down into individual contracts, as this information is a trade secret.

In 2008, the Management Board of the Parent Company signed two consortium agreements, acting as the Consortium Leader. These consortium agreements are also joint ventures. If any contract between an investor and a consortium is considered a construction contract by the Company as the Consortium Leader, the settlement of long-term contracts shall be based on the budgets of revenues and expenses for the portion of the contract implemented by the Company only, and the amounts of costs received from consortium partners and invoices for the investor relating to the portion of works performed by consortium partners shall not be recognised in the Company's income statement.

Contracts treated as joint ventures between consortium partners under IAS 31, i.e.

Contract for the construction of the LMG mining facility of the total value of PLN 1,397,000k shall be disclosed by the Company in the amount of PLN 1,090,916k.

Contract for the construction of the gas storage facility PMG Wierchowice of the total value of PLN 1,089,000k shall be disclosed by the Company in the amount of about PLN 461,539k.

BORROWINGS IN THE CAPITAL GROUP

The majority of credits taken out by the Capital Group companies are interest-bearing facilities based on floating interest rates. Interest rates are usually based on WIBOR 1M plus the bank's margin depending on

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenia:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

the borrower's creditworthiness. The interest rates of credits granted in the period from 30 June 2008 to 30 June 2009 were between **4.68% and 7.54%**, with monthly interest.

Base interest rates adopted in credit agreements concluded by PBG Capital Group companies as at the accounting reference date were as follows:

Rate %	30.06.2009	30.06.2008	31.12.2008
WIBOR 1M	3.78	6.29	5.61
WIBOR 3M	4.44	6.65	5.88
WIBOR 6M	4.62	6.81	5.95
EURIBOR 1M	0.75	4.44	2.6
rediscount rate	3.75	6.25	5.25

Source: Reuters

According to the respective agreements, the total amount of overdraft facilities granted as at 30 June 2009 reached PLN 372,929k, vs. PLN 287,082k as at 30 June 2008. Of these amounts, PLN 257,484k was used as at 30 June 2009 and PLN 79,149k was used as at 30 June 2008.

Overdraft facilities within bank limits are revolving facilities (on an annual basis).

To increase diversification of the financing sources, in November 2007 an agency and dealership agreement was signed with ING Bank Śląski SA for the organisation and management of a three-year bond issue programme for PBG SA and Hydrobudowa Włocławek SA (currently Hydrobudowa Polska SA) for the total nominal amount of PLN 500,000,000.00.

Under this programme, on 12 December 2007 PBG SA issued the first tranche of bearer bonds in the amount of PLN 200,000,000.00. Redemption date was set at 15 November 2010. Interest is paid based on the variable WIBOR 6M interest rate.

The objective of bonds issue was to improve the structure of financing by changing a short-term debt into a long-term debt, gain funds for acquisitions and CAPEX investments, and repay the current liability under bonds issued in 2005.

Bonds are secured with civil-law sureties up to the total amount of this issue, granted by Hydrobudowa Polska SA, Infra SA and Hydrobudowa 9 SA.

NOTES TO THE SELECTED ITEMS OF THE INCOME STATEMENT

OTHER OPERATING REVENUES

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
a) Gains from sale of non-financial fixed assets	26	555	410
b) Reversal of write-downs of assets	5 654	5 692	6 888
- intangible assets and tangible fixed assets	-	-	-
- receivables	5 249	5 593	6 885
- inventories	405	87	-
- other	-	12	3
b) Other, of which:	19 749	3 956	11 331
- re-invoicing (recharges)	66	-	287
- compensation received under insurance contracts, penalties and fines	1 351	1 376	3 604
- subsidies	894	430	1 130

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

- reversal of provisions for warranty servicing	990	426	1 051
- reimbursement of court fees	-	-	772
- waived and prescribed (statute-barred) liabilities, refunds	-	-	639
- valuation of real property	14 537	-	-
- rental, lease	1 463	1 347	1 219
- other	448	377	2 629
Other operating revenues – total	25 429	10 203	18 629

OTHER OPERATING EXPENSES

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
b) Loss from sale of non-financial fixed assets	-	-	-
b) Write-downs of assets	3 809	587	8 251
- intangible assets and tangible fixed assets	-	-	-
- receivables	3 378	587	7 406
- inventories	431	-	53
- other	-	-	792
b) Other, of which:	6 725	6 028	18 663
- donations	719	508	1 309
- re-invoicing (recharges)	-	12	-
- compensation received under insurance contracts, penalties and fines	4 322	3 093	11 690
- shortages of current assets beyond the Group's control	51	151	256
- costs other than tax-deductible costs	468	899	855
- prescribed, waived and uncollectible receivables – written off	2	481	279
- losses caused by undermining and flooding, damage to transport vehicles	-	-	2 026
- net value of PP&E on disposal	-	-	607
- provision for subcontractors' claims	-	-	966
- other	1 163	884	675
Other operating expenses – total	10 534	6 615	26 914

FINANCIAL REVENUES

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
a) Interest	8 946	12 829	21 810
- loans granted	3 227	707	2 110
- bank interest	4 354	8 848	15 933
- bonds	528	380	1 718
- other	837	2 894	2 049
b) Other	8 870	3 237	28 366
- foreign exchange gains	8 161	-	26 387
- discount (long-term settlements)	-	-	104
- dividends and profit sharing	-	2	4
- commissions on sureties	-	-	1 312
- revenues from financial market transactions	481	3 184	-
- other	228	51	559
Total financial revenues	17 816	16 066	50 176

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

FINANCIAL EXPENSES

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
a) Bank interest and commissions	23 856	27 757	58 482
- loans received	48	262	859
- interest and commissions on bank credits	17 131	15 907	38 173
- bonds	5 924	9 849	17 192
- other	753	1 739	2 258
b) Other financial expenses	1 916	4 393	3 658
- foreign exchange losses	-	2 741	-
- discount (long-term settlements)	847	1 339	-
- write-off – loan and interest	212	-	-
- costs of financial market transactions	-	-	1 217
- other	857	313	2 441
Total financial expenses	25 772	32 150	62 140

21. OTHER INFORMATION REQUIRED BY LAW (SELECTED FINANCIAL DATA CONVERTED TO EURO)

In the reporting periods covered by these consolidated financial statements and the consolidated comparative data, the Group used average exchange rates of PLN vs. EURO set by the National Bank of Poland, and in particular:

a) net revenues from sale of products, goods and materials, operating profit, gross profit and net profit, as well as net cash flows from operations, net cash flows from investments, net cash flows from financial activity, and total net cash flows for H1 2009 were calculated based on the average exchange rate of EURO – arithmetic average of exchange rates set by the National Bank of Poland as at month end in each month of the period, i.e. PLN 4.5184

b) net revenue from sale of products, goods and materials, operating profit, gross profit and net profit, as well as net cash flows from operations, net cash flows from investments, net cash flows from financial activity, and total net cash flows for H1 2008 were calculated based on the average exchange rate of EURO – arithmetic average of exchange rates set by the National Bank of Poland as at month end in each month of the period, i.e. PLN 3.4776

c) net revenues from sale of products, goods and materials, operating profit, profit before tax and net profit, as well as net cash flows from operations, net cash flows from investments, net cash flows from financial activity, and total net cash flows for FY 2008 were calculated at the average exchange rate of EURO – arithmetic average of exchange rates set by the National Bank of Poland as at month end in each month of the period, i.e. : PLN 3.5321

d) total assets, liabilities and provisions for liabilities, long-term payables, short-term payables, and share capital as at 30 June 2009 were calculated at the average exchange rate of EURO as at 30 June 2009, i.e. : PLN 4.4696

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

e) total assets, liabilities and provisions for liabilities, long-term payables, short-term payables, and share capital as at 30 June 2008 were calculated at the average exchange rate of EURO as at 30 June 2008, i.e. : PLN 3.3542

f) total assets, liabilities and provisions for liabilities, long-term payables, short-term payables, and share capital as at 31 December 2008 were calculated at the average exchange rate of EURO as at 31 December 2008, i.e. : PLN 4.1724

Item	30.06.2009	30.06.2008	31.12.2008
Exchange rate as at the period end	4.4696	3.3542	4.1724
Average exchange rate (arithmetic average of exchange rates as at the last day of each month in the period)	4.5184	3.4776	3.5321
Highest exchange rate in the period	4.8999 on 18.02.2009	3.6577 on 22.01.2008	4.1848 on 29.12.2008
Lowest exchange rate in the period	3.9170 on 07.01.2009	3.3542 on 30.06.2008	3.2026 on 31.07.2008

The main items of the consolidated Statement of Financial Position, Statement of Comprehensive Income (Income Statement), and Statement of Cash Flows of the consolidated financial statements and consolidated comparative data converted to EURO are presented in the following table:

SELECTED FINANCIAL DATA AS AT 30 JUNE 2009

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
	PLN			EUR		
Statement of Comprehensive Income (Income Statement)						
Revenues from sales	948 584	826 820	2 091 425	209 938	237 756	592 119
Operating profit (loss)	102 529	84 890	225 611	22 691	24 411	63 874
Profit (loss) before tax	94 573	68 806	215 915	20 931	19 785	61 129
Net profit (loss) from continuing operations	87 170	63 998	189 923	19 292	18 403	53 771
Net profit (loss), of which:	87 170	63 998	189 923	19 292	18 403	53 771
- Parent Company shareholders	70 169	49 975	158 241	15 530	14 371	44 801
- minority shareholders	17 001	14 023	31 682	3 763	4 032	8 970
Earnings (loss) per ordinary share (in PLN / EUR)	5.17	3.72	11.78	1.14	1.07	3.34
Diluted earnings (loss) per ordinary share (in PLN / EUR)	5.17	3.72	11.78	1.14	1.07	3.34
Average exchange rate of PLN / EUR*				4.5184	3.4776	3.5321

Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
	PLN			EUR		
Statement of Cash Flows						
Net cash from operations	(18 966)	(167 897)	(252 117)	(4 198)	(48 280)	(71 379)
Net cash used in investments	(77 570)	(113 921)	(185 622)	(17 168)	(32 759)	(52 553)
Net cash from financial activity	263 552	212 220	315 221	58 329	61 025	89 245
Net balance of cash and cash equivalents	167 016	(69 598)	(122 518)	36 964	(20 013)	(34 687)

Nazwa grupy kapitałowej:	Grupa Kapitałowa PBG		
Okres objęty sprawozdaniem finansowym:	01.01-30.06.2009	Waluta sprawozdawcza:	złoty polski (PLN)
Poziom zaokrąglenie:	wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)		

Average exchange rate of PLN / EUR*				4.5184	3.4776	3.5321
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Item	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008	for the period 01.01 – 30.06.2009	for the period 01.01 – 30.06.2008	for the period 01.01 – 31.12.2008
	PLN			EUR		
Statement of Financial Position						
Assets	3 394 934	2 546 108	2 858 509	759 561	759 081	685 099
Long-term payables	429 737	349 639	410 022	96 147	104 239	98 270
Short-term payables	1 554 584	1 037 693	1 334 869	347 813	309 371	319 928
Equity	1 410 612	1 158 776	1 113 618	315 601	345 470	266 901
Share capital	14 295	13 430	13 430	3 198	4 004	3 219
Number of shares	14 295 000	13 430 000	13 430 000	14 295 000	13 430 000	13 430 000
Weighted average number of ordinary shares	13 574 000	13 430 000	13 430 000	13 574 000	13 430 000	13 430 000
Weighed average diluted number of ordinary shares	13 574 000	13 430 000	13 430 000	13 574 000	13 430 000	13 430 000
Book value per share - BVPS (in PLN / EURO)	82.17	72.37	69.11	18.38	21.57	16.56
Dividend per share – declared or paid (in PLN / EURO)	-	-	-	-	-	-
PLN / EURO exchange rate as at period end **				4.4696	3.3542	4.1724

SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD

Jerzy Wiśniewski – President of the Management Board

.....

Tomasz Woroch – Vice President of the Management Board

.....

Nazwa grupy kapitałowej:	<i>Grupa Kapitałowa PBG</i>		
Okres objęty sprawozdaniem finansowym:	<i>01.01-30.06.2009</i>	Waluta sprawozdawcza:	<i>złoty polski (PLN)</i>
Poziom zaokrąglenie:	<i>wszystkie kwoty wyrażone są w tysiącach złotych polskich (o ile nie wskazano inaczej)</i>		

Przemysław Szkudlarczyk – Vice President of the Management Board

.....

Tomasz Tomczak – Vice President of the Management Board

.....

Mariusz Łożyński – Vice President of the Management Board

.....

Tomasz Łatawiec – Member of the Management Board

.....

Signature of a person responsible for the preparation of the financial statements

Eugenia Bachorz – Proxy, Capital Group Accounting Coordination Director

Wysogotowo, 7 August 2009