

HYDROBUDOWA WŁOCŁAWEK S.A.

CONSTRUCTED FINANCIAL STATEMENTS
FOR 3RD QUARTER OF 2007

Wysogotowo, this 4th November 2007

SELECTED FINANCIAL DATA	(thousand x PLN)		thousand x EUR	
	3 quarters increasingly 2007	3 quarters increasingly 2006	3 quarters increasingly 2007	3 quarters increasingly 2006
I. Net income from sale of products, goods and materials	329 653	177 161	86 040	45 228
II. Profit (loss) from operational activity	12 954	5 983	3 381	1 527
III. Profit (loss) before tax	24 114	5 175	6 294	1 321
IV. Profit (loss) net	20 049	4 195	5 233	1 071
V. Monetary resources net from operational activity	(118 571)	(124 978)	(30 947)	(31 906)
VI. Monetary resources net used in investment activity	24 809	1 085	6 475	277
VII. Monetary resources net from financial activity	77 463	91 470	20 218	23 351
VIII. Assets together	508 203	366 443	134 534	91 990
IX. Obligations and reserves	393 863	277 951	104 266	69 776
X. Obligations and long-term reserves	40 742	25 088	10 785	6 298
XI. Obligations and short-term reserves	353 121	252 863	93 480	63 478
XII. Equity capital	114 340	88 492	30 269	22 215
XIII. Share capital	138 673	107 155	36 710	26 900
XIV. Weighted average number of shares ¹⁾	2,773	2,374	2,773	2,374
XV. Profit (loss) for one ordinary share (in PLN/EUR)	7,23	1,77	1,89	0,45
<i>From continued activity ²⁾</i>	7,23	1,77	1,89	0,45
- basic	7,23	1,77	1,89	0,45
- watered	-	-	-	-
<i>from continued and discontinued activity</i>	7,23	1,77	1,89	0,45
- basic	7,23	1,77	1,89	0,45
- watered	-	-	-	-
XVI. Book value for one share in (PLN/EUR)	41,23	31,91	10,91	8,01
XVII. Diluted book value for one share in (PLN/EUR)	-	-	-	-
XVII. Declared or paid-out dividend for one share in (PLN/EUR)	-	-	-	-
XVIII. profit (loss) net annualized ³⁾	26,276	10,422	6,852	2,673
XIX. Weighted average number of shares in the period of twelve months ¹⁾	2,773	2,475	2,773	2,475
XX. Annualized profit (loss) for one share (in PLN/EUR)	9,48	4,21	2,48	1,08

¹⁾ Weighted average number of shares for the period before the merger with Hydrobudowa Ślqsk was calculated by summing up weighted average number of shares of Hydrobudowa Włocławek and Hydrobudowa Ślqsk, calculated according to exchange parity of the shares of Hydrobudowa Ślqsk into merger shares.

²⁾ Only continued activity occurs in the company for the period included in the report

³⁾ Due to the lack of data comparable for the 4th quarter of 2005, annualized profit was given for the following periods:

- 01.10.2006. – 30.09.2007. (up-to-date data)
- 01.01.2006. – 31.12.2006. (comperable data)

1. Selected items of assets and liabilities were converted into EUR according to the average exchange rate of NBP for this:

	30.09.2007	30.09.2006
1 EUR =	3,7775	3,9835

2. Selected items on profit and loss account were converted into EUR according to the exchange rate being the arithmetic mean of average exchange rates of NBP valid for the last day of each month included in the report:

	2007	2006
January	3,9320	3,8285
February	3,9175	3,7726
March	3,8695	3,9357
April	3,7879	3,8740
May	3,8190	3,9472
June	3,7658	4,0434
July	3,7900	3,9321
August	3,8230	3,9369
September	3,7775	3,9835
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	34,4822/9 = 3,8314	35,2539/9= 3,9171

Average rate of EUR used for converting the annualized profit:

	2006 / 2007	2006
October	3,8871	3,8871
November	3,8166	3,8166
December	3,8312	3,8312
January	3,9320	3,8285
February	3,9175	3,7726
March	3,8695	3,9357
April	3,7879	3,8740
May	3,8190	3,9472
June	3,7658	4,0434
July	3,7900	3,9321
August	3,8230	3,9369
September	3,7775	3,9835
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	3,8348	3,8991

BALANCE SHEET	For this	For this	For this	For this
	30.09.2007	30.06.2007	31.12.2006.	30.09.2006
<i>Assets</i>				
Fixed assets	71 698	73 982	70 277	70 220
Intangible assets	785	749	848	777
Company value taken over within the framework of the merger of economic units	-	-	-	-
Property, plant and equipment	61 137	61 826	57 374	54 139
Investment properties	-	-	-	-
Investments in subsidiaries	-	-	-	-
Investments in affiliated undertakings	-	-	-	-
Other long-term financial assets	429	520	377	33
- from related undertakings	-	-	-	-
- from other undertakings	429	520	377	33
Long-term liabilities	7 499	9 237	10 439	13 942
- from related undertakings	286	278	-	-
- from other undertakings	7 213	8 959	10 439	13 942
Assets on account of deferred income tax	-	-	-	-
Long-term accrued liabilities	1 848	1 650	1 239	1 329
Current assets	436 505	403 007	312 806	296 223
Supplies	3 888	5 312	5 875	8 860
Liabilities from the ordering parties on account of the works resulting from construction service / long-term contracts	229 483	208 647	145 777	147 245
- from related undertakings	17 690	-	1 423	109
- from other undertakings	211 793	208 647	144 354	147 136
Liabilities on account of deliveries and services	140 420	96 062	83 990	57 157
- from related undertakings	33 633	8 466	2 023	2 450
- from other undertakings	106 787	87 596	81 967	54 707
Liabilities on account of current income tax	41	589	566	-
Other short-term liabilities	34 058	42 218	33 960	30 053
- from related undertakings	357	11 608	83	-
- from other undertakings	33 701	30 610	33 877	30 053
Other short-term financial assets	7 013	9 640	7 243	3 558
- from related undertakings	-	-	-	-
- from other undertakings	7 013	9 640	7 243	3 558
Monetary resources and their equivalents	18 603	35 763	23 162	30 260
Short-term accrued liabilities	2 999	4 776	2 564	2 474
Fixed assets classified as held for sale	-	-	9 669	16 616
Assets together	508 203	476 989	383 083	366 443

	For this 30.09.2007	For this 30.06.2007	For this 31.12.2006	For this 30.09.2006
<i>Liabilities</i>				
Equity capital	114 340	119 702	95 177	88 492
Initial capital	138 673	107 155	107 155	107 155
Treasury shares	-	-	-	-
Reserve capital from the sale of shares above their nominal value	-	50 779	50 779	50 782
Capital from the valuation of lhedge operations and differences in rates from consolidation	371	1 029	(1 175)	977
Other capitals	41 032	22 636	18 123	18 015
Undivided financial result	(65 736)	(61 897)	(79 705)	(88 437)
- profit (loss) from previous years	(85 785)	(86 218)	(90 126)	(92 632)
- profit (loss) net from current year	20 049	24 321	10 421	4 195
Obligations	393 863	357 287	287 906	277 951
Long-term obligations	40 742	45 457	21 438	25 088
Long-term credits and loans	7 034	12 954	8 154	8 635
- from related undertakings	-	8 157	7 966	7 875
- from other undertakings	7 034	4 797	188	760
Other long-term financial obligations	20 609	20 358	165	233
Other long-term obligations	4 309	1 371	3 012	2 536
- from related undertakings	101	173	145	72
- from other undertakings	4 208	1 198	2 867	2 464
Reserve on account of deferred income tax	7 824	7 367	6 599	5 693
Reserves for obligations on account of employee benefits	826	3 235	3 324	3 626
Other long-term reserves	140	172	184	4 365
Governmental subsidies	-	-	-	-
Long-term accrued liabilities	-	-	-	-
Short-term obligations	353 121	311 830	266 468	252 863
Short-term credits and loans	208 909	178 108	138 182	112 129
- from related undertakings	90 751	81 879	56 172	21 274
- from other undertakings	118 158	96 229	82 010	90 855
Other short-term financial obligations	176	240	418	1 558
Obligations on account of deliveries and services	106 205	96 784	84 325	65 569
- from related undertakings	12 849	15 834	6 767	14 804
- from other undertakings	93 356	80 950	77 558	50 765
Obligations on account of current income tax	3 446	1 154	-	232
Other short-term obligations	31 166	30 553	30 611	38 232
- from related undertakings	1	8	288	
- from other undertakings	31 165	30 545	30 323	38 232
Reserves for obligations on account of employee benefits	610	673	673	181

	For this 30.09.2007	For this 30.06.2007	For this 31.12.2006	For this 30.09.2006
Other short-term reserves	582	1 520	10 346	33 648
Governmental subsidies	-	-	-	-
Short-term accrued liabilities	2 027	2 798	1 913	1 314
Obligations connected with fixed assets held for sale	-	-	-	-
Liabilities together	508 203	476 990	383 083	366 443

Book value	114 340	119 702	95 177	88 492
Number of shares *	2.773	2.773	2.773	2.773
Book value for one share (in PLN)	41,23	43,16	34,32	31,91
Watered number of shares	-	-	-	-
Watered book value for one share (in PLN)	-	-	-	-

* Number of shares according to the state for balance sheet date Before the merger with Hydrobudowa Śląsk, the number of shares was calculated by summing up the number of shares of Hydrobudowa Włocławawek and Hydrobudowa Śląsk, calculated according to exchange parity of the shares of Hydrobudowa Śląsk into merger shares.

OFF BALANCE SHEET ITEM	balance on this 30.09.2007	balance on this 30.06.07	balance on this 31.12.06	balance on this 30.09.06
Conditional liabilities	-	-	-	-
From related undertakings (on the account of):	-	-	-	-
- received guarantees and sureties	-	-	-	-
From other undertakings (on the account of):	-	-	-	-
- received guarantees and sureties	-	-	-	-
Conditional liabilities for related undertakings (on the account of):	437 335	389 325	321 447	297 008
- granted guarantees	261 150	224 693	159 616	119 205
- sureties	-	-	-	-
For other undertakings (on the account of):	261 150	224 693	159 616	119 205
- granted guarantees	176 185	164 632	161 831	177 803
- sureties	168 097	158 964	155 336	166 503
Others (on account of):	8 088	5 668	6 495	11 300
- bills of exchange	199	337	337	138
OFF BALANCE SHEET ITEMS TOGETHER	199	337	337	138
	437 534	389 662	321 784	297 146

PROFIT AND LOSS ACCOUNT	3 rd quarter 01.07 – 30.09.2007	3 quarters 01.01 - 30.09.2007	3 rd quarter 01.07 – 30.09.2006	3 quarters 01.01- 30.09.2006.
<i>Continued activity</i>				
Cash revenue on sales	134 146	329 653	83 164	177 161
- from related undertakings	25 379	47 380	928	5 176
Revenue on sale of products	235	927	625	982
Fees earned	130 874	318 424	81 679	174 437
Revenue on sale of goods and materials	3 037	10 302	860	1 742
Cost of sales	(129 977)	(306 624)	(81 631)	(163 553)
- from related undertakings	(4 083)	(19 504)	(10 092)	(19 980)
Cost of sold products	(1 594)	(2 963)	(563)	(881)
Cost of sold services	(125 404)	(293 389)	(80 285)	(161 073)
Cost of sold goods and materials	(2 979)	(10 272)	(783)	(1 599)
Profit (loss) gross on sales	4 169	23 029	1 533	13 608
Costs of sales	-	-	-	-
General administrative costs	(6 132)	(16 439)	(6 194)	(16 685)
Other operational profit	1 992	10 614	7 232	14 945
Other operational costs	731	(4 250)	(770)	(5 885)
Restructuring costs	-	-	-	-
Profit (loss) from operational activity	760	12 954	1 801	5 983
Financial income	3 145	6 682	4 213	9 441
Financial costs	(5 427)	(11 672)	(4 672)	(10 411)
Other profit (loss) from investment	-	16 150	162	162
Profit (loss) before tax	(1 522)	24 114	1 504	5 175
Income tax	(2 750)	(4 065)	(938)	(980)
Profit (loss) net from continued activity	(4 272)	20 049	566	4 195
<i>Discontinued activity</i>	-	-	-	-
Loss net from discontinued activity	-	-	-	-
Profit (loss) net	(4 272)	20 049	566	4 195

Profit (loss) for one ordinary share (in PLN):	(1,54)	7,23	0,20	1,77
<i>from continued activity</i>	(1,54)	7,23	0,20	1,77
- basic	(1,54)	7,23	0,20	1,77
- watered	-	-	-	-
<i>from continued and discontinued activity</i>	(1,54)	7,23	0,20	1,77
- basic	(1,54)	7,23	0,20	1,77
- watered	-	-	-	-

CASH FLOW ACCOUNT	3 quarters 01.01 - 30.09.2007	3 quarters from 01.01 - 30.09.2006
<i>Cash flow from operational activity</i>		
Profit net before tax	24 114	5 175
Adjustments:	(11 793)	2 120
Depreciation of intangible assets	363	168
Write downs on account of the loss of goodwill	-	-
Write downs on account of the loss of property, plant and equipment	-	(70)
Depreciation of the value of property, plant and equipment	3 144	2 784
(Profit) loss on the sale of property, plant and equipment	(1 044)	(3 598)
(Profit) loss on the sale of financial assets available for sales (allocated for trading)	(21 896)	(1 817)
Profit (loss) from valuation of investment properties according to fair value	-	(358)
(Profit) loss on account of fair value of financial assets declared according to fair value	(342)	766
Share in profit (loss) of related undertakings	-	-
Profit (loss) on account of differences in rates	7	-
Interest expenses	8 423	5 177
Interest received	(420)	(931)
Dividend received	(28)	(1)
Monetary resources from operational activity before considering changes in working capital	12 321	7 296
Change of stock level	2 228	(12 678)
Change of liabilities level	(133 009)	(18 380)
Change of obligations level	13 425	(30 216)
Change of reserves level and accrued liabilities	(13 519)	(33 825)
Other adjustments	219	(36 594)
Monetary resources generated in the course of operational activity	(118 335)	(124 397)
Paid interest	(199)	537
Paid income tax	(37)	44
Monetary resources net from operational activity	(118 571)	(124 978)
<i>Cash flow from investment activity</i>		
Expenses on purchasing intangible assets	(300)	(129)
Income from the sale of intangible assets	-	-
Expenses on purchasing property, plant and equipment	(20 831)	(8 902)
Income from the sale of property, plant and equipment	8 374	426
Expenses on purchasing investment properties	-	-
Income from the sale of investment properties	12 107	3 650
Expenses for purchasing financial assets available for sale	(28)	(1 912)
Income form the sale of financial assets available for sale	25 391	3 560
Expenses for purchasing financial assets available for sale	-	-
Income form the sale of financial assets allocated for trading	-	306
Expenses for purchasing related undertakings (reduced by monetary resources taken over)	-	-
Income from sale of related undertakings	-	-
Other expenses – additional payment to capital	-	-

Income from received governmental subsidies	-	-
Granted loans	-	(951)
Received payments of loans granted	-	3 850
Interest received	111	990
Dividend received	28	-
Other income	167	662
Other investment expenses	(210)	(465)
Money resources net used in investment activity	24 809	1 085
<i>Cash flow from financial activity</i>		
Income net on account of issuance of shares	-	75 682
Acquisition of treasury shares	-	-
Income on account of issuance of debt securities	20 000	-
Payment of interest on bond	-	-
Redemption of debt securities	-	-
Income on account of borrowing	64 713	65 311
Payment of credits and loans	(1 307)	(44 177)
Payment of interest on credits and loans	(5 587)	(3 789)
Income on account on investment		-
Payment of obligations on account of financial leasing	(321)	(1 557)
Paid interest	(1)	-
Paid-out dividend	-	-
Credit commissions	-	-
Other expenses	(20)	-
Monetary resources net from financial activity	77 463	91 470
Net change of the state of monetary resources and their equivalents	(16 299)	(32 423)
Monetary resources and their equivalents at beginning of the period	34 567	63 837
Change of the state on account of differences in rates	343	(1 118)
Monetary resources and their equivalents at the end of the period	18 610	30 296

STATEMENT OF CHANGES IN EQUITY CAPITAL	Initial capital	Other capitals	Undivided financial result	Total
Balance as at 01.01.2006	82 255	12 654	(81 772)	13 137
Changes of accounting rules (policy)	-	(782)	-	(782)
Adjustments on account of basic mistakes	-	(87)	-	(87)
Balance after the changes	82 255	11 785	(81 772)	12 268
<i>Changes in equity capital in the period from 01.01. to 30.09.2006</i>				
Profit (loss) on account of update of valuation	-	22	(3 626)	(3 603)
Investments available for sale:	-	-	-	-
profit (loss) on valuation referred to the equity	-	-	-	-
- transferred to profit (loss) on sale	-	-	-	-
Instruments securing cash flow:	-	(51)	-	(51)
profit (loss) on valuation referred to the equity	-	(51)	-	(51)
- profit (loss) transferred to the financial result of the period	-	-	-	-
- profit (loss) taken into consideration at the valuation of balance value of secured items	-	-	-	-
Tax connected with the items presented in the capital or transferred from the capital	-	-	-	-
Profit net presented directly in equity capital	-	(28)	(3 626)	(3 654)
Profit net for the period from 01.01. to 30.09.2006	-	-	4 195	4 195
Amount of profit and loss embraced in the period from 01.01. to 30.09.2006.	-	(28)	569	541
Dividend	-	-	-	-
Division of result	-	1 425	(1 425)	-
Issued initial capital	24 900	50 782	-	75 682
Issued options changeable for shares	-	-	-	-
Balance as at 30.09.2006	107 155	63 964	(82 628)	88 491
Balance as at 01.10.2006	107 155	63 964	(82 628)	88 491
Changes of accounting rules (policy)	-	-	-	-
Adjustments on account of basic mistakes	-	-	(335)	(335)
Balance after the changes	107 155	63 964	(82 963)	88 156
<i>Changes in equity capital in the period from 01.10 to 31.12.2006</i>				
Profit (loss) on account of update of valuation	-	109	2 554	2 663
Investments available for sale:	-	-	-	-
- profit on valuation referred to equity capital	-	-	-	-
- transferred to profit (loss) on sale	-	-	-	-
Instruments securing cash flow:	-	(1 865)	-	(1 865)
- profit (loss) referred to equity capital	-	(1 865)	-	(1 865)
- profit (loss) transferred to the financial result of the period	-	-	-	-
- profit (loss) taken into consideration at the valuation of balance value of secured items	-	-	-	-
Differences in rates from valuation of undertakings operating abroad	-	-	-	-
Tax connected with the items presented in the capital or transferred from the capital	-	-	-	-
Profit net presented directly in equity capital	-	(1 756)	2 554	798
Profit net for the period from 01.10.2006 to 31.12.2006.	-	-	6 227	6 227
Amount of profit and loss embraced in the period from 01.10.2006. to 31.12.2006.	-	(1 756)	8 781	7 025
Dividend	-	-	-	-
Division of result	-	-	-	-
Issued initial capital	-	(4)	-	(4)
Issued options changeable for shares	-	-	-	-

STATEMENT OF CHANGES IN EQUITY CAPITAL	Initial capital	Other capitals	Undivided financial result	Total
Balance as at 31.12.2006	107 155	62 204	(74 182)	95 177
Balance as at 01.01.2007	107 155	62 204	72 182	95 177
Changes of accounting rules (policy)	-	(632)	632	-
Adjustments on account of basic mistakes	-	-	-	-
Balance after the changes	107 155	61 573	(73 551)	95 177
<i>Changes in equity capital in the period from 01.01. to 30.09.07</i>				
Profit (loss) on account of update of valuation	-	-	(243)	(243)
Investments available for sale:	-	-	-	-
- profit on valuation referred to equity capital	-	-	-	-
- transferred to profit (loss) on sale	-	-	-	-
Instruments securing cash flow:	-	1 546	-	1 546
- profit (loss) referred to equity capital	-	1 546	-	1 546
- profit (loss) transferred to the financial result of the period	-	-	-	-
- profit (loss) taken into consideration at the valuation of balance value of secured items	-	-	-	-
Differences in rates from valuation of undertakings operating abroad	-	-	-	-
Tax connected with the items presented in the capital or transferred from the capital	-	-	-	-
Profit net presented directly in equity capital	-	1 546	(243)	1 303
Profit net for the period from 01.01. to 30.09.07	-	-	20 049	20 049
Amount of profit and loss embraced in the period from 01.01. to 30.09.07.	-	1 546	19 806	21 352
Dividend	-	-	-	-
Division of result	-	9 991	(11 991)	(2 000)
Issued initial capital	31 518	(31 707)	-	(189)
Issued options changeable for shares	-	-	-	-
Balance as at 30.09.2007	138 673	41 403	(65 736)	114 340

1. General information

HYDROBUDOWA Włocławek S.A. with its seat in Wysogotowo, ul. Skórzewska 35; 62-081 Przeźmierowo is a company operating in construction sector specializing in the construction of water engineering facilities, execution of engineering and hydrotechnical general construction works, civil engineering.

The company was registered on this 24.02.1993 by District Court in Włocławek under the number RHB-794 in commercial register, and then it was entered by District Court in Toruń, ul. Młodzieżowa 31, 7th Economic Division of National Court Register under the National Court Register no. KRS: 0000017342 on this 06.06.2001.

The Extraordinary General Shareholders Meeting on this 09.10.2006 changed the Company register for Wysogotowo near Poznań, ul. Skórzewska 35, with Resolution 1. On this 20.11.2006 District Court in Toruń made the entry of the change of the seat and the address of the entity and made the transfer of Company Registration Act pursuant to jurisdiction for District Court in Poznań, 21st Economic Division of the National Court Register.

The presented financial statements include the period of 3 months, completed on this 30.09.2007.

2. Rules accepted for preparation of the report for the 3rd quarter of 2007.

The presented financial statements were prepared pursuant to International Financial Reporting Standards and International Accounting Standards, and in particular pursuant to International Accounting Standards 34 "Mid-year reporting".

Financial statements were prepared with the assumption of continuing economic activity by the Company in foreseeable future. As for the day of preparing these financial statements, the existence of the circumstances indicating the threat of continuing the activity by the Company was not stated.

The valuation of the components of assets and liabilities was made pursuant to the rule of historical cost, with the exception of financial assets available for sale, investment properties and derivative financial instruments which are valued according to fair value. Balance value of included secured assets and liabilities is corrected with the changes of fair value, which may be attributed to the risk against which these assets and liabilities are secured.

In connection with the merger of the Company Hydrobudowa Śląsk S.A., comparable data were presented pursuant to pooling interest method i.e. they include summed up adequate items of assets and liabilities as well as income and costs of merged companies upon bringing their values to unified valuation methods and set off of receivables and liabilities and other settlements of a similar nature, income and costs of economic operations made in a given

accounting year, profit and loss from economic operations made before the merger between the merging companies, included in the values subject to pooling of assets and liabilities. The choice of pooling interest method results from the interpretation of the provisions of International Financial Reporting Standards no. 3 "Business combinations". Provision of clause 3 of International Financial Reporting Standards no. 3 excludes the possibility of using the method of acquisition for business combinations being under joint control. Due to the fact that for both merging businesses, the dominant business is, pursuant to International Financial Reporting Standards, the Company PBG S.A., it was decided to use a different method of accounting, in this case the model described in art. 44c of the Act on Accounting - pooling interest method.

ASSETS AND LIABILITIES VALUATION METHODS

Intangible assets

Intangible assets are understood as fixed assets in the form of property rights acquired by the Company, subject to economic use, and in anticipated life of economic utility longer than 1 year, allocated for the use of the Company's own needs. Intangible assets are valued according to acquisition prices reduced by depreciation charges and write offs on account of permanent value loss. Depreciation rates were determined with the consideration of the period of economic utility of intangible assets. Intangible assets are depreciated with straight-line method with the use of the following periods:

Title:	Annual depreciation rate
Computer software	20%
Other property rights	50%

The Company does not apply value criterion, all intangible assets are depreciated.

The Company does not have intangible assets of undefined utility period.

Property, plant and equipment

Fixed assets

Fixed assets are property, plant and equipment, of anticipated life of economic utility longer than 1 year, complete, subject to use and allocated for the Company needs.

Fixed assets include:

- Properties – including land, perpetual usufructuary right, structures, buildings and well as premises being the separate property, cooperative member's right of ownership of commercial premises;
- Machines, devices, means of transport;
- Improvements in third party fixed assets.

Initial value of fixed assets is subject to the increase with the value of expenses borne for their improvement (reconstruction, modernization). Expenses for repair and maintenance are attributed to profit and loss account of accounting period in which they were borne.

Depreciation rates for all fixed assets, with the exception of plots of land and construction-in process, were determined with the consideration of the life of economic utility of the components of the assets, with the use of straight-line method, with the application of the following annual depreciation rates.

Title:		Annual depreciation rate
Group 0	Lands and perpetual usufructary right	-
Group I	Buildings and premises	2,5%
Group III	Boilers and energetic machines	10%- 20%
Group IV	General machines and devices	10%-30%
Group V	Special machines and devices	10%-20%
Group VI	Technical devices	10%-20%
Group VII	Means of transport	10%-20%
Group VIII	Tools, deives, equipment	10%-20%

As for balance sheet date, the Company does not have civil engineering facilities accepted for use. Therefore, it didn't make the choice of the criterion of depreciation rate for this group of fixed assets.

The Company does not recognize as fixed assets and does not make depreciation and amortization write-offs of items with the initial value equal to or less than 1,500.00PLN

The Company transfers the expenses for their acquisition in whole into costs of revenue in the month of accepting them for use.

The Company includes fixed assets of anticipated life of economic utility longer than 1 year, whose initial value amounts to from 1,501.00 PLN to 3,500.00 PLN to fixed assets making one-time write downs in costs, in their full initial value, in the next month after the month in which they were put into service.

Profit or loss resulting from sale/winding up or the cessation of the use of fixed assets are defined as the difference between the cash revenue on sales and net value of these fixed assets and they are booked in profit and loss account.

Construction in process

Construction-in process being created for production , lease or administration purposes as well as for the purposes not yet defined, are presented in the balance sheet according to the cost of manufacture reduced by permanent value loss. Manufacture cost is increased by fees and capitalized costs of external financing for defined assets.

Fixed assets on loan and leased fixed assets.

Fixed assets accepted for use pursuant to lease contract or other contract of a similar nature are included also in Company fixed assets. Leasing agreements occurring in the Company meet the requirements of financial leasing, which means that pursuant to these agreements fundamentally all the risk and all potential benefits resulting from being the owner are transferred by the Company (the lessee).

The assets used on the basis of financial leasing contracts are treated as equal to Company assets and are valued according to acquisition price. Leasing payments are divided into capital part and interest part. Leasing interest costs are apportioned for accounting periods constituting constant percentage in relation to the balance of unpaid obligation on account of the value of subject of the leasing in each of accounting periods.

Assets maintained on the basis of financial leasing agreement are depreciated throughout the life of their economic utility, correspondingly as equity.

External financing costs

External financing costs directly linked with the acquisition or generation of assets components, are added to the value of generated fixed assets until the moment of putting these fixed assets in service. These costs are reduced with income obtained from temporary investment of means gained for the generation of a given component of assets.

All other external financing costs are referred directly to the burden of profit and loss account in the period in which they were borne.

Investment properties

Properties which are treated as the source of income from rents and/or are kept in possession due to anticipated increase in their value are considered investment properties. Investment properties are valued for balance sheet date in fair value. Profit and loss resulting from the change of fair value of investment properties are currently referred to financial result.

Fixed assets and groups of net assets allocated for sale

Fixed assets classified as allocated for sale as well as groups of net assets allocated for sale are valued at a lower, out of two values: balance value or fair value reduced by costs connected with sale.

Fixed assets and groups of net assets are classified as allocated for sale if their balance value is recovered rather as a result of sale transaction than as a result of further use. This condition is deemed met only if assets component (or group of net assets allocated for sale) is available in its present condition for immediate sale, and the occurrence of transaction sale is very probable in a year from the moment of the change of classification.

Financial assets

As a financial instrument, the Company classifies each contract, which at the same time results in the creation of financial assets component at one party and financial obligation or capital

instrument at the other party, on the condition that economic consequences unequivocally result from the contract concluded between two or more parties.

Pursuant to International Accounting Standards no. 39, the Company classifies financial instruments with the division into:

- A. Instruments allocated for trading – components of assets or financial obligations which were acquired or arose mostly to generate profit obtained due to short-term price fluctuations or broker's mark-up fluctuations.
- B. Financial instruments maintained until time of maturity – financial assets of defined or possible to define payments or agreed upon time of maturity, which the company intends and is able to keep in possession until the time of maturity, with the exception of loans granted by units and own receivables,
- C. Financial instruments available for sale – are financial assets not being loans granted and own liabilities, assets maintained until time of maturity as well as not being financial assets allocated for trading.
- D. Loans and liabilities – financial assets not being derivative instruments, with defined or possible to define payments, which are not quoted on active market.

As for balance sheet date, depending on the financial instruments the Company has, the Company values them in the following way:

5. according to depreciated cost, with the consideration of effective interest rate: assets maintained until time of maturity, loans granted and own liabilities as well as other financial obligations which were classified for trading,
6. in case of the above mentioned titles, the valuation may take place also in the value demanding payment if discount effect is not significant.
7. in the amount demanding payment: liabilities and obligations with short time of maturity / due date.
8. according to fair value: assets and financial obligations allocated for trading and financial assets allocated for sale.

In case of financial assets available for sale, the change of fair value of these instruments, the Company includes in profit and loss account as income or financial costs at the moment of its occurrence.

Liabilities

The Company classifies liabilities with the distinction into long- and short-term and from related undertakings and other undertakings.

Liabilities on account of deliveries and services are in books in nominal value corrected with adequate write downs updating the value of doubtful liabilities. The Company makes the write

down taking into consideration the degree of likelihood of payment in relation to the due receivable.

For the liabilities with long, exceeding 12 months, payment term, the Company makes the valuation of the value of deferred receivables according to depreciated acquisition price, correcting the liabilities with cumulated amount of discounted difference between the initial value and their value in time of maturity, calculated by means of effective interest rate based on WIBOR 1M rate. The difference which arose in the valuation is referred to profit and loss account.

The Company uses times of maturity between 7 and 90 days with reference to liabilities on account of deliveries and services.

Obligations

Obligations on account of deliveries and services and shown in the balance sheet in nominal value. For the obligations with long, exceeding 12 months, payment term, the Company makes the valuation of the value of indebtedness value according to depreciated acquisition price, correcting the liabilities with cumulated amount of discounted difference between the initial value and their value in time of maturity, calculated by means of effective interest rate based on WIBOR 1M rate. The difference which arose in the valuation is deferred to profit and loss account.

Financial obligations are classified depending on their economic contents resulting from the contracts concluded. As for the balance sheet date, the Company values financial obligations whose settlement pursuant to the concluded contract takes place by means of spending financial assets other than monetary resources or exchange for financial instruments – according to fair value. Obligations payment terms on account of deliveries and services are between 0 and 60 days.

Bank credits

Interest-bearing bank loans are booked on the purchase price corresponding to the fair value of the funds obtained

In the next periods the credits are valued according to depreciated acquisition price, with the use of effective interest rate.

Derivative financial instruments and hedge operations

Derivative financial instruments are booked initially according to fair value as for the day of concluding derivative contract and then their valuation is updated to the level of current fair value. The method of booked of profit or loss which arise, depends on the fact if the derivative instrument was considered securing instrument and if so, on the nature of secured item. The Company nominates derivative instruments for securing defined risks connected with booked assets or obligations.

The Company documents the connection between securing instruments and secured items as well as the purpose of risk management and the strategy connected with concluding hedge operations. The Company also documents its effectiveness appraisal for each end of the

quarter stating if securing documents are highly effective at compensating for cash flow changes of secured items. Effective part of the changes of fair value of derivative instruments nominated and classified as the security of cash flows is booked in equity capital. Profit or loss on account of the ineffective part are booked immediately in profit and loss account, in financial part. The amounts cumulated in equity capital are transferred to profit and loss accounts, in the periods in which the secured item influenced profit and loss account. Profit and loss concerning effective part of currency contracts securing sale in foreign currency is booked in profit and loss account in the item "sale".

The Company signs construction contracts with EU aid measures disposers. In a part of these contracts, the income amount is determined on a lump-sum basis as the equivalent of the amounts agreed upon in EURO. The Company does not recognise embedded derivative financial instruments in these contracts. Contracts of this kind, in most cases, are signed in currency formula. The Company treats EURO currency as natural currency in contracts of this kind.

Supplies

Supplies are shown according to purchase price or manufacture cost not higher than sales price net. The Company does not use acquisition price due to insignificant purchase costs. Sales price net corresponds to estimated sales price reduced by all the costs of preparing inventories for sale or finding a purchaser (i.e. costs of sale, marketing etc.)

For the outgoings of property, plant and equipment as well as current assets, the Company uses "first-in, first-out basis"

The Company charges off materials and goods transferred directly from the purchase, at the moment of submitting them for production / sale according to actual purchase price.

Write downs updating the value of current tangible assets

Write offs updating the value of current tangible assets are connected with the loss in their value or the valuation for the balance sheet date charging other operational costs or financial operations costs. In the event of the cessation of the cause of making the write off, the value of current tangible assets is referred to the good of other operational income or financial income.

The rules of determining write offs updating the balance value of supplies, were defined individually for particular material groups as the period of keeping stock depends, to a large extent, on the specificity of the undertaking's activity and the kind of the stock purchased.

Calculation of construction services contracts

The costs connected with the construction service contract are booked at the moment of being borne. The Company uses the method of proportionate progress of works, with determination of the amount of income booked in profit and loss account. The degree of the progress is measured on the basis of the relation of costs on account of the contract, borne by the balance sheet date to total estimated costs of a given construction service contract.

If the contract result may be credibly estimated and making a profit on account of the contract realization is probable, the income is booked throughout the period of the contract being in force. If it is probable that total costs exceed total income on account of the contract, the anticipated loss is immediately booked in profit and loss account.

If contract result cannot be credibly estimated, income is booked only to the amount of the costs borne.

The difference between higher value of the income defined pursuant to cost method, and the lower invoiced value is presented in current assets of the balance sheet, on a separate item as the liability on account of calculating construction services.

The income coming in part from invoicing the service in the value higher than the income with reference to which the undertaking gains constant profit margin in successive accounting years, is shown in the liabilities of the balance sheet as short-term liabilities on account of deliveries and services.

Capitals

The Company books equity capitals in accounting books in the nominal value, with the division into kinds and pursuant to the rules defined by legal regulations and provisions of the Company contract. The Company includes the following into equity capitals: share capital, supplementary capital from the sale of treasury shares above their nominal value, other supplementary capital, revaluation capital, reserve capitals, valuation of hedge operations capital, financial result. The Company converted the components of equity capital pursuant to the requirements of International Accounting Standards 29 "Financial reporting in Hyperinflationary Economies". The results of conversion and the required disclosures are presented by the Company exclusively in notes to financial statements.

Reserves and accrued liabilities

The reserves are created if the Company is under obligation (legal or customary) resulting for past events and when it is probable that fulfilling this obligation shall cause the necessity of the outflow of resources and it is possible to make a credible estimate of the amount of this obligation.

Reserves for future loss arisen at the services realized pursuant to construction contract are booked at the moment of the appraisal of material and financial schedule and with the best estimation of future costs to be borne by the Company in the period of task realization.

Reserves for guarantee service are created for contracts which liability on account of performance security obliges. The Company accepts the criterion of estimating future costs based on the following indices: in the first year in the amount of 0.05% of the contract value, in the second year 0.025% of the contract value, and in the third year of the guarantee being in force 0.0125% of the contract value.

The Company creates reserves for retirement and pension schemes and jubilee prizes. The necessity of creating the above mentioned reserves results from the Rules and Regulations of remuneration being in force in the Company.

The reserves for jubilee prizes and retirement severance pay are determined pursuant to Projected Unit Credit Method pursuant to International Accounting Standards 19 and actuarial methods. The basis for credible estimation of reserves volume are: the criteria for purchasing the rights to the above mentioned benefits in the Company and actuarial assumptions. They were calculated as for balance sheet date as a sum of reserves concerning particular employees, calculated on the basis of estimated average realistic (above inflation level) annual increase in remuneration on the level of 1%, estimated average realistic (above inflation level) semi-annual increase in remuneration 0.5%. Annual discount rate in the amount of 3.8% was accepted for determining current value of future payments.

The Company also makes holiday pay reserve and future costs reserve connected with audit. They are shown in the item of accrued liabilities, on the side of liabilities.

Deferred income tax

The Company determines the reserve and the assets on account of deferred income tax in connection with timing differences between the value of assets and liabilities shown in accounting books, and their tax value and tax loss possible to deduct in the future, for each balance sheet date for which the financial statements are prepared.

The Company values assets and reserves for deferred tax with the application of tax rates, which shall be applied according to expectations, when the assets component is realized or the provision is released, taking tax regulations being in force as for the balance sheet date as the basis.

The Company presents the surplus of deferred income tax in the item of assets or reserves on account of deferred income tax, in financial statements.

Cash revenue on sales

Cash revenue on sales are booked – pursuant to International Accounting Standard no. 18 “Revenue” – in fair value of payments received or due and represent the liabilities for products, goods, materials and services delivered within the framework of normal economic activity, after reduction by discounts, goods and services tax and other taxes connected with sale.

The sale of goods is booked at the moment of the delivery of products, goods, materials and transfer of ownership rights.

Revenue on account of the realization of construction service contracts are booked in a way defined in the item concerning calculating construction service contracts.

Revenue on account of interest is booked successively as they accumulate with reference to main amount due.

Revenue on account of dividend is booked at the moment of determining the shareholders' right to receiving them.

Foreign currency transactions

Transactions expressed in currencies other than PLN are calculated into PLN according to exchange rate valid for the day of concluding the transaction.

As for balance sheet date the monetary items expressed in currencies different than PLN are converted into PLN at closing rate adequately valid for the end of reporting period (immediate performance rate) i.e. at the rate of the leading bank at balance sheet date. Nonmonetary balance sheet items booked pursuant to historical cost expressed in foreign currency are shown at historical rate from the day of transaction. Nonmonetary balance sheet items recorded according to fair value expressed in foreign currency are valued at exchange rate from the day of determining fair value. Rate differences arisen from conversion are booked adequately in the item of financial revenue (costs) or, in cases defined by rules (policy) of accounting, capitalized in the assets value, with the exception of cases when they arose as a result of valuation of nonmonetary assets and liabilities, in case of which the changes of fair value are directly referred to the capital.

Selected issues concerning determining financial result

Direct costs and production overhead calculated in relation to indirect costs referred to a given contract constitute technical cost of generating the services sold. Production overhead (of fixed costs' nature) borne in the period in which a given department does not realize tasks at the building site (e.g. in winter season) constitute the sum of unused production capacity, transferred to prime cost of generated services.

Taxes

Mandatory charges on financial results are as follows: current tax and deferred tax. Current tax is calculated on the basis of tax result (tax base) of a given accounting year. Tax profit (loss) differs from gross profit (loss) presented in the profit and loss account in connection with exclusion of revenue consisting in taxation and costs constituting costs of revenues in the following years and items of revenue and costs which shall never be subject to taxation. Current burden on taxation is calculated on the basis of tax rates valid in a given accounting year.

Deferred tax is the tax subject to return or payment in the future. It is calculated with balance method as the difference between balance value of assets and liabilities, and tax values corresponding to them. The amount of this tax is defined according to tax rate which will be in force at the moment when the assets are realized or the reserve is due.

Reserve for deferred tax is created from all positive temporary differences, and assets for deferred tax on the basis of recognised negative temporary differences which give the possibility of reducing tax profit in the future. Value of an asset for the deferred tax purposes is analyzed for each balance sheet date, and in a case when the anticipated future tax profits are not sufficient for the performance of the entire or a part of the asset, the asset is written off.

Deferred tax is booked in profit and loss account, except for the case when it concerns the items booked in equity capital. In such a case this tax is calculated directly in equity capital.

3. Description of the issuer's group business organization, with the indication of entities subject to consolidation.

The Company does not have subsidiaries. The dominating entity for "Hydrobudowa Włocławek" S.A. is PBG S.A. with its seat in Wysogotowo, and the Company's financial statements are subject to consolidation by this undertaking.

4. Indicating the results of changes in economic entity's structure, including the ones as a result of the merger of economic entities, takeover or sale of the entities of the issuer's group business, long-term investments, division, restructuring and cessation of activity.

By the decision of District Court in Poznań, 21st Economic Division of the National Court Register, on this 27th August 2007, the merger of the company HYDROBUDOWA Włocławek S.A. with its seat in Wysogotowo with the company "Hydrobudowa Ślqsk" S.A. with its seat in Katowice, was entered in the register of entrepreneurs.

The merger took place as a takeover of „Hydrobudowa Ślqsk” S.A. by HYDROBUDOWA Włocławek S.A. as defined in art. 492 clause 1 of commercial companies code i.e. by transferring all the assets of the Acquired Company to Receiving Company in exchange for new issuance shares of HYDROBUDOWA Włocławek S.A. which the Receiving Company issued to the shareholders of the Acquired Company.

Merger shares were issued to the shareholders of "Hydrobudowa Ślqsk" S.A. in the ratio to the shares of „Hydrobudowa Ślqsk” S.A. they had, in such a way that in exchange for each 1 (say: one) share of “Hydrobudowa Ślqsk” S.A. 0.3873 (say: zero and 3873/10000) Merger Share was issued (share exchange ration hereinafter referred to as “Exchange Parity”).

As at the merger date, in light of the law HYDROBUDOWA WŁOCŁAWEK assumed all rights and obligations of “Hydrobudowa Ślqsk” under the provisions of Art. 494 § 1 of the Commercial Companies Code. Upon the merger, „Hydrobudowa Ślqsk” was dissolved without the need for liquidation proceedings to be conducted, in compliance with Art. 493 § 1 of the Commercial Companies Code.

In consideration of regulations on accounting, the method described in art. 44c of the Act on Accounting i.e. pooling of interest method was used for the merger. The choice of this method was made due to the provisions of clause 3 of International Financial Reporting Standards “Economic entities mergers” excluding the possibility of applying this standard for the merger of the companies being under joint control.

As a result of the application of the pooling of interest method, the elimination of share capital of Hydrobudowa Ślqsk S.A. of the value of 33,655,170 PLN was made in the balance sheet. Then share capital was increased by the value of the issued merger shares i.e. by 65,173,200 PLN. The adjustment of supplementary capital was also made by the amount of 31,518,030 PLN, the difference between the value of the issued shares and the excluded of Hydrobudowa Ślqsk.

In connection with the applied method of merger, the Company does not identify the company value.

The following exclusions were also made:

- mutual liabilities and obligations as for the day of the merger in the amount of 12,189 thousand PLN.
- revenue resulting from mutual operations for the amount of 12,802 thousand PLN and costs for the amount of 12,315 PLN.
- the value of property, plant and equipment was corrected for the amount of 487 thousand PLN on account of the profit on economic operations made before the merger between the merging companies, concluded in the values subject to pooling of assets.

5. Brief description of significant achievements or failures of the issuer in the period which the report concerns, along with the list of most important events concerning them.

5.1. Concluded contracts

The contract with the Community of Zabrze

On this 20th June 2007, HYDROBUDOWA WŁOCŁAWEK S.A. – as a Syndicate Partner concluded the contract with the Community of Zabrze for the performance of works for the task called: Improvement in water-sewage management in the area of the Community Zabrze – Reconstruction of the sewage treatment plant "Śródmieście" - Task 5. The value of the contract concluded by the parties amounts to 11,900,418.19 EUR (net).

It was agreed that the task would be completed until this 31.12.2008.

The contract with the Community of Piaseczno

On this 20th June 2007, Hydrobudowa Włocławek S.A. as a Syndicate Leader signed the contract for development and reconstruction of sewage treatment plant in Piaseczno, with the Community of Piaseczno. The contract concluded by the parties is worth: 38,490,000.00 EURO (net).

The Parties agreed that the contract would be completed until this 30.09.2008.

The contract with the Community of Wrocław

On this 17th August 2007, HYDROBUDOWA Włocławek S.A. as a Syndicate Leader signed the contract for the realization of the task called "Development of sewage system of Ołtaszyn district", with the Community of Wrocław.

Within the framework of the task, the Syndicate shall construct, among others:

- sanitary sewage system of the length of 22,8 km together with service lines to premises boundaries,
- sewage intermediate pumping station,
- stormwater drainage system of the length of 9.6 km together with devices for cleaning water,
- water-pipe network of the length of 16 km, together with service lines for exchange,

The contract concluded by the parties is worth: 35,147,495.52 EURO (net).

The Parties agreed upon the following division of works:

- HYDROBUDOWA Włocławek S.A. – Syndicate Leader as a General Constructor shall perform and shall be responsible for 80% of works

PBG S.A. – Syndicate Partner will perform and will be responsible for 10% of the works

- Hydrobudowa 9 – Syndicate Partner will perform and will be responsible for 10% of the works

It was agreed that the task would be completed within 21 months from the day of commencement.

The Contract with Zakład Usługowy "WIERTMAR"

On this 20th August 2007, the Issuer, as the Contractor, concluded the contract with Zakład Usługowy "WIERTMAR" " Marian Piekarski, Bogumiła Piekarska, Marek Piekarski, Tomasz Piekarski Spółka Jawna /*registered partnership*/ as the Ordering Party.

The subject of the concluded contract is the performance of construction-assembly works within the framework of the task called: "Modernization of distributive water pipe-sewage system in Łódź".

The remuneration in the amount of 55,502,068.65 PLN net was defined for the performance of works being the subject of the contract.

The date of completion of works was defined for the 30th November 2009.

The Contract with Bydgoszcz Water Supply and Sewerage System Sp. z o.o. /*limited liability company*/

On this 24th September 2007 the Syndicate consisting of:

- HYDROBUDOWA 9 Przedsiębiorstwo Inżynieryjno Budowlane S.A. – Syndicate Leader;
- PBG S.A. – Syndicate Partner;
- HYDROBUDOWA Włocławek S.A. – Syndicate Partner,

signed with Bydgoszcz Water Supply and Sewerage System Sp. z o.o. the contract for the realization of the task called "Reconstruction of Fordon sewage treatment plant". The contract concluded by the parties is worth: 31,503,449.72 EURO (net).

The Parties agreed upon the following division of works:

- HYDROBUDOWA 9 – Syndicate Leader will perform and will be responsible for 60% of the works

- PBG S.A. – Syndicate Partner will perform and will be responsible for 15% of the works
- HYDROBUDOWA Włocławek S.A. – Syndicate Partner will perform and will be responsible for 25% of the works

It was agreed that the task would be completed within 32 months from the day of commencement.

5.2. The merger with the Company "Hydrobudowa Śląsk" S.A.

On this 27th August 2007 District Court in Poznań, 21st Economic Division of the National Court Register entered in the register of entrepreneurs of the National Court Register the merger of the company under the name of HYDROBUDOWA WŁOCŁAWEK joint stock company with its seat in Wysogotowo with the company under the name of "Hydrobudowa Śląsk" joint stock company with its seat in Katowice by takeover of "Hydrobudowa Śląsk" joint stock company by HYDROBUDOWA WŁOCŁAWEK joint stock company pursuant to art. 492 clause 1, item 1 and art. 498 and the following of the commercial companies code.

As at the merger date, in light of the law HYDROBUDOWA WŁOCŁAWEK assumed all rights and obligations of "Hydrobudowa Śląsk" under the provisions of Art. 494 § 1 of the Commercial Companies Code. Upon the merger, „Hydrobudowa Śląsk” was dissolved without the need for liquidation proceedings to be conducted, in compliance with Art. 493 § 1 of the Commercial Companies Code.

The merger shall enable more effective use of the potential for both Companies for increasing the capacity for the realization of contracts of significant unit value, it shall enable more effective use of human resources, equipment and material resources and it shall ensure greater capacity for gaining capital for development and current activity.

5.3. Debut of the Company on Stock Exchange joint stock company

On this 18th September 2007, HYDROBUDOWA Włocławek S.A. had its debut on the official market of the Stock Exchange S.A. 2,773,464 ordinary bearer shares of the Company, including 1,303,464 so-called "merger" shares, which the shareholders of "Hydrobudowa Śląsk" S.A. received in connection with the merger, were admitted to trading.

6. Description of factors and events, in particular the ones of untypical nature, having significant influence on the achieved financial results.

- 6.1. On this 10th August 2007, by means of the Sales Contract confirmed in Notary Deed no. 8840/2007, the Company HYDROBUDOWA Włocławek S.A. sold the property situated in Smólsk, community of Włocławek, entered in the Land and Mortgage Register WL1W/00063947/4. The properties were sold to the company under the business name of Dwór w Smólsku Spółka w organizacji (company in formation). The facility was sold for the net amount of 9,090,598.75.
- 6.2. The sale, on this 21.09.2007, by the Issuer to the Company Dwór w Smólski, of the movables constituting the equipment of palace complex for the price of 988,945.54 PLN.

Concluding on this 20th August 2007 the contract for transferring to the Company PBG Dom Sp. z o.o. perpetual usufructary right of the land situated in Katowice – Roździeń, of the total area of 2,30.09 ha, entered in the Land and Mortgage Register KA1K/00063541/5 in exchange for 3,572 shares in the Company PBG Dom Sp. z o.o. of the nominal value 100.00 PLN each. The concluded contract is worth 357,200.00 PLN.

7. Clarifications concerning seasonal or cyclical nature of the Issuer's activity in the presented period.

Company revenue on sales is above all construction-assembly production in which there is the seasonal aspect of sale, characteristic of the whole construction branch.

Weather conditions are the factor determining the course of works. Low temperatures hamper the performance of earth works and assembly works and, as a consequence, they may have an influence on the level of generated revenue on sales.

Therefore, Issuer's revenue on sales is usually the lowest in the first quarter of the year and its definite increase takes place in the following periods.

Long-term contracts of high unit value, which to a greater extent enable equal distribution of revenue in the year, have a beneficial effect on levelling the seasonal nature of revenue on sales.

8. Information concerning the issuance, redemption and payment of debt and capital securities.

In the 3rd quarter of 2007, in connection with the merger with the Company "Hydrobudowa Śląsk" S.A. which took place as a takeover of "Hydrobudowa Śląsk" S.A. by Hydrobudowa Włocławek as defined in art. 492 clause 1 item 1 of the commercial companies code, i.e. by transferring all the assets of the Acquired Company to the Receiving Company in exchange for the new issuance shares of Hydrobudowa Włocławek S.A. The Company issued 1,303,464 J series ordinary bearer merger shares for previous shareholders of "Hydrobudowa Śląsk" S.A.

Merger shares were issued to the shareholders of "Hydrobudowa Śląsk" S.A. in the ratio the the shares of "Hydrobudowa Śląsk" S.A. they have, in such a way that in exchange for each one share of "Hydrobudowa Śląsk" S.A. 0.3873 Merger Shares was issued.

Information concerning payout (or declared) dividend, in total and in conversion for one share, with the division into ordinary and preference shares. The Company did not pay out nor did it declare dividend payment.

9. Presentation of events which occurred after the day as for which the constructed quarterly financial statements were prepared, not included in these statements, and which might have a significant influence on the future financial results of the issuer.

I.

On this 15th October 2007 the contract with the company Remaxbud Sp. z o.o. (Contractor) with its seat in Wysogotowo was concluded.

The subject of this contract is complex performance of administration building for the Branch of the Company HYDROBUDOWA Włocławek S.A. at ul. Żwirki i Wigury in Mikołów by Remaxbud Sp. z o.o.

The concluded contract is worth 12,528,714.12 PLN. (net)

II.

On this 24th September 2007 the Syndicate consisting of:

- HYDROBUDOWA Włocławek S.A. – Syndicate Leader

PBG S.A. – Syndicate Partner

signed with the Community of Zabrze the contract on the realization of the task called "The improvement of water and sewage management system in the area of the Community of Zabrze – Districts Grzybowice and Rokitnica" being the part of the Project called "THE IMPROVEMENT OF WATER – SEWAGE MANAGEMENT SYSTEM IN THE AREA OF THE COMMUNITY OF ZABRZE".

The performance of construction works connected with the construction and reconstruction of water-pipe network, sanitary sewage system and stormwater drainage system and street layout and street lightning in two districts of Zabrze – Grzybowice and Rokitnica.

The Syndicate shall perform the following tasks, among others, within the framework of the task:

Construction and reconstruction of sanitary sewage system of the length of 38 km

Construction and reconstruction of sanitary sewage system of the length of 21 km

Construction and reconstruction of water-pipe network of the length of 19 km

Construction of industrial water pipeline of the length of 6,5 km

Construction of the intermediate pumping station of the capacity of average $Q_h=545$ m³/h in Rokitnica

Modernization of the pumping station in water purification plant in Grzybowice

Construction of five network intermediate sewage pumping stations

The contract concluded by the parties is worth: 33,191,628.85 EURO (net).

According to the arrangements, HYDROBUDOWA Włocławek S.A. – Syndicate Leader as a General Contractor shall perform 90% of the works connected with the realization of the task.

It was agreed that the task shall be performed within 24 months from the day of signing the contract.

III.

On this 30th October 2007 the Issuer concluded the contract with the Company PBG S.A.

The subject of the concluded contract is the delivery and complex performance of underground steel containers with concrete casing for storing liquid fuels, located on the territory of the Republic of Poland.

The Issuer shall receive the remuneration in the total amount of 44,290,585.96 PLN net for the performance of the whole subject of the contract.

The Parties agreed that the whole task shall be performed within 16 months from the date of obtaining the permit for construction.

10. The Executive Board's position concerning the possibilities of realizing previously published forecasts of results for a given year, in the light of the results presented in the quarterly reports in relation to forecast results.

The Executive Board of the Company states that in the light of the results presented in consolidated quarterly report, it maintains its position that the results forecast for 2007 shall be realized as assumed.

11. Presenting shareholders having directly or indirectly, by subsidiaries, at least 5% of the total number of shares at the general meeting of the issuer as for the day of transferring the consolidated quarterly report together with the indication of the number of shares these entities have, their proportional share in share capital, number of votes resulting from this and their proportional share in the general number of votes in the general shareholders meeting as well as indicating the changes in the ownership structure of the issuer's major holdings in the period from transferring the previous quarterly report.

No	Shareholder	Kind of share	Number of shares	Number of votes	Share in the Issuer's share capital	Share in the general number of votes at the Issuer's General Shareholders Meeting of the
1.	PBG S.A.	directly	2 107 946	2 107 946	76,00%	76,00%
2.	ING TFI S.A. in Warszawa	indirectly by managed funds	199 508	199 508	7,19%	7,19%
3.	Other shareholders		466 010	466 010	16,81%	16,81%
	TOTAL		2 773 464		100,00%	

On this 21st September 2007 the notification informing that, in connection with the performance of the allocation of shares of the merger issuance as a result of the merger of the Companies "Hydrobudowa Śląsk" S.A. and HYDROBUDOWA Włocławek S.A. the total number of shares on the General Meeting of Shareholders of the Company HYDROBUDOWA Włocławek S.A. increased to the level of more than 5%, from ING Towarzystwo Funduszy Inwestycyjnych S.A. was received.

ING Towarzystwo Funduszy Inwestycyjnych SA acts on behalf of:

- ING Fundusz Inwestycyjny Otwarty Średnich i Małych Spółek,
- ING Fundusz Inwestycyjny Otwarty Stabilnego Wzrostu,
- ING Fundusz Inwestycyjny Otwarty Akcji,
- ING Fundusz Inwestycyjny Otwarty Zrównoważony,
- ING Specjalistyczny Fundusz Inwestycyjny Otwarty Akcji 2,
- ING Parasol Specjalistyczny Funduszu inwestycyjnego Otwartego.

Pursuant to the notification, for the day of drawing the notification and for the day of the allocation of merger issuance shares resulting from the change of shares of the Company "Hydrobudowa Śląsk" S.A. for the shares of the Company HYDROBUDOWA Włocławek S.A., as a result of the merger of these companies, the funds managed by ING Towarzystwo Funduszy Inwestycyjnych S.A. have in total 199,508 shares of HYDROBUDOWA Włocławek S.A., which constitutes 7,19% of the share capital of the Issuer and gives the right to perform 199,508 votes at the General Meeting of Issuer's Shareholders, which constitutes 7,19% of the total number of votes at the General Meeting of the Company's Shareholders.

Before the allocation of the merger issuance shares resulting from the change of shares of the Company „Hydrobudowa Śląsk” S.A. for the shares of the Company HYDROBUDOWA Włocławek S.A., as a result of the merger of these companies, the investment funds managed by ING Towarzystwo Funduszy Inwestycyjnych S.A. had 437,677 shares of "Hydrobudowa Śląsk" S.A. which constituted 13% of the share capital and gave the right to perform 437,677 votes constituting 13% of the total number of votes at the General Meeting of the Shareholders of

"Hydrobudowa Śląsk" S.A. Investment Funds managed by ING Towarzystwo Funduszy Inwestycyjnych S.A. did not have any shares of the Company HYDROBUDOWA Włocławek S.A. before the allocation of the merger issuance shares.

On the 24th September 2007 the notification informing about the reduction of the share in the total number of votes to the threshold below 5% of votes at the General Meeting of the Company Shareholders, from Deutsche Bank AG Group was received.

Pursuant to the received notification, on the day of drawing the notification, Deutsche Bank AG Group has, indirectly by DWS Polska TFI S.A., 77,791 shares of HYDROBUDOWA Włocławek S.A., which constitutes 2,80% of the Issuer's share capital and gives the right to perform 77,791 votes on the General Meeting of Shareholders of the Issuer, which constitutes 2,80% of the general number of votes on the General Meeting of Shareholders of the Issuer.

Before the amendment, Deutsche Bank AG Group had, indirectly by DWS Polska TFI S.A, 200,863 shares of "Hydrobudowa Śląsk" S.A. in total, which constituted 5,97% of the share capital of "Hydrobudowa Śląsk" S.A. and gave the right to perform 200,863 votes on the General Meeting of Shareholders of "Hydrobudowa Śląsk" S.A., which constituted 5,97% of the general number of votes on the General Meeting of the Company Shareholders.

Specification of the number of the issuer's shares or rights to the shares taken by persons who manage or supervise the issuer as at the date of the quarterly report submission, including information on changes in the number of shares or rights held in the period from the last quarterly report – separately for each holder.

<i>The Executive Board of the Company</i>	
	Current state
Tomasz Woroch	0
Tomasz Starzak	0
Andrzej Zwierzchowski	97
Rafał Damasiewicz	0

/in items/

Edward Kasprzak	8762
Jarosław Duśiło	3
Joanna Zwolak	1
Jan Krzysztof Diduch	0

The Supervisory Board of the Company:

/in items/

	Current state
Małgorzata Wiśniewska	0
Andrzej Wilczyński	0
Przemysław Szkudlarczyk	0
Piotr Stobiecki	0
Grzegorz Wojtkowiak	0
Marcin Idziorek	0

Commercial Proxies of the Company

/in items/

	Current state
Paweł Kujawa	0
Andrzej Szultka	0

12. Indicating the proceedings being conducted in court, authority proper for arbitration proceedings or public administration body.

Suit dated 24th September 2007 The action concerns taking of the amount of 8,000 thousand PLN from the bank guarantee including performance security granted by the Company, contrary to the contract, by Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w m.st. Warszawie S.A. /joint stock company/. Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w m.st. Warszawie /joint stock company/ used the above mentioned guarantee for covering baselessly calculated contractual penalties connected with the alleged delay in the performance of works pursuant to the Contract no. 3/2007 dated 31st July 2007 "Construction of Południe Sewage Treatment Plant" in Warsaw.

13. Information about concluding by the issuer or its subsidiary one or more transactions with affiliated entities if the transaction value (total value of all the transactions concluded in the period from the beginning of accounting year) exceeds the equivalent of 500 thousand expressed in PLN, EUR – if these are not typical or routine transactions.

Affiliated companies	Liabilities as for 30.09.2007	Obligations as for 30.09.2007	Loans		Revenue on sales in the 3 rd quarter of 2007	Purchasing in the 3 rd quarter of 2007	Financial income	Financial costs
			granted	received				
PBG S.A.	25.771	7.640		90.751	41.613	8.536		3.764
ATG SP.ZO.O.		212			1	79		
METOREX SP.ZO.O.	33	1.383			135	6.042		
INFRA SP.ZO.O.	168	1.031			389	1.673		
DROMOST SP.ZO.O.		2.510			50	4.309		
HYDROBUDOWA 9 SP.ZO.O	6.876	2			5.192	90		
PBG DOM SP.ZO.O	359	153			361	374		
Total	33 207	12 931	-	90 751	47 741	21 103	-	3 764

Apart from transactions with the entities with equity links indicated above, the transaction with the entity with personal links was concluded. On this 28th September 2007 pursuant to the Notary Deed Rep. A no. 10676/2007 the Company HYDROBUDOWA Włocławek S.A. purchased the perpetual usufructuary right to land and the ownership rights to the buildings and fixed assets situated in the property in question from Przedsiębiorstwo Usługowe "Technologie i Wykonawstwo" with its seat in Chyby run by the Member of the Executive Board of the Company. Gross value of the subject of the contract was determined for the amount of 2,890,000.00.

14. Information about granting by the issuer or its subsidiary the surety for the credit or loan or granting guarantee - in total to one entity or unit being the subsidiary of this entity, if the value of the surety or the guarantee constitutes the equivalent of at least 10% of the Issuer's equity.

In the period of the 3rd quarter the Company granted the following sureties and guarantees:

		Surety amount: (thousand x PLN)	for	Valid until
1	ING Bank Śląski, ul. Piekary, Poznań	0,00	INFRA Sp. z o.o., ul. Skórzewska 35, 62-081 Przeźmierowo,	2012-09-06

		Surety amount: (thousand x PLN)	for	Valid until
2	Raiffeisen Bank Polska S.A., ul. Piękna 20, Warszawa	20 979,00	INFRA Sp. z o.o., ul. Skórzewska 35, 62-081 Przeźmierowo,	2015-11-30
3	HDI-Gerling Polska TU S.A., ul. Hrubieszowski 2, 01-209 Warszawa	0,00	INFRA Sp. z o.o., ul. Skórzewska 35, 62-081 Przeźmierowo,	2008-06-01
4	TU Euler Hermes S.A., ul. Domaniewska 50 B, 02-672 Warszawa	0,00	INFRA Sp. z o.o., ul. Skórzewska 35, 62-081 Przeźmierowo,	2008-09-27
	Total	20 979		
		Guarantee amount (thousand x PLN)	for	Valid until
1	GENERALI	16 198,00	Community of Wrocław	2009-08-21
	Total	16 198		

15. Information concerning the changes of contingent liabilities or contingent assets which occurred from the completion of previous accounting year.

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
1. Guarantees			
PTU S.A. - Reconstruction of Malinka ski-jumping take-off in Wisła - performance security	Centralny Ośrodek Sportu Szczyrk Plażowa 8	1 772	532
PTU S.A. – Modernization of waste-water management Gliwice – Łabędy – performance security	PWiK Gliwice Rybnicka 47	2 181	2 151
GERLING - Modernization of waste-water disposal Gliwice – Brzezinka – performance security / remedy defects	PWiK Gliwice Rybnicka 47	2 060	2 032
PTU S.A. – Performance of construction of sewerage system in the districts Golejów, Zamysłów and Kamień – performance security	PWiK Rybnik Pod Lasem 6	840	828
PTU S.A. – Construction of sewerage system in the drainage area of the Sewage Treatment Plant Orzegów – performance security	City of Ruda Śląska Plac Jana Pawła II 6	2 679	2 642
PTU S.A. – Construction of sewerage system in the drainage area of the Sewage Treatment Plant Halemba – performance security	City of Ruda Śląska Plac Jana Pawła II 6	3 284	3 238
PKO S.A. – Reconstruction of the pipeline DN800 into DN600 Żory Rybnik – performance security	GPW in Katowice ul. Wojewódzka 19	23	23
PKO S.A. – Reconstruction equipment and commissioning of digested sludge tanks – performance security	Grupowa Oczyszczalnia Ścieków in Łódź Sanitariuszek 66	45	45
PKO S.A. – sanitary sewage system in Kęty in the region of Krakowska and Głowackiego streets – performance security	Community Office Kęty Rynek 7	46	46
PKO S.A. – performance security	The town of Wodzisław Śląski Bogumińska 8	382	0

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
PKO S.A. - Modernization of water purification station in Strumień in the scope of deposit-sewage disposal - performance security	GPW Katowice Olimpijska 11	403	403
PKO S.A. – Modernization of sewage treatment plant Rydułtowy, ul. Obywatelska – performance security	Rydułtowy City Office	26	8
CIGNA STU S.A. – modernization of Rydułtowy sewage treatment plant, ul. Obywatelska in Rydułtowy – performance security / remedy defects	Town of Rydułtowy, Ofiar Terroru 36	1 385	415
CIGNA STU S.A. – Modernization of 3 tanks in sewage treatment plant in Cieszyn - performance security	Zakład Gospodarki Komunalnej Cieszyn Słowicza 59	11	37
KREDYT BANK – Modernization and Reconstruction of Sewage Treatment Plant Płaszów II in Kraków – performance security	M.P.W. i K. Kraków Senatorska 1	13 800	13 606
TU ALLIANZ – Construction of sewage system in the districts of Rybnik Niewiadom Górny and in the communities Gaszowice and Jejkowice – performance security	The town of Rybnik B. Chrobrego 2	1 359	1 340
TU ALLIANZ – Construction of sewage system in the districts of Rybnik Niewiadom Górny and in the communities Gaszowice and Jejkowice – performance security	The town of Rybnik B. Chrobrego 2	1 506	1 484
TU ALLIANZ – performance of sewage system in the community of Goczałkowice – remedy defects	Community of Goczałkowice Zdrój	82	82
PTU S.A. – the realization of the reconstruction of water-pipe DN 1100mm / 800 mm in Piekary Śląskie – performance security	GPW Katowice Wojewódzka 19	347	104
TU ALLIANZ – tender guarantee	R.P.W. i K. Sp. z o.o. Chrzanów	900	0
TU ALLIANZ – tender guarantee	COMMUNITY OF BĘDZIN	600	0
TU ALLIANZ – tender guarantee	COMMUNITY OF BĘDZIN	400	0
TU ALLIANZ – tender guarantee	ZACHOD.ZARZĄD MELOIR. I URZ. WOD. SZCZECIN	100	0
TU ALLIANZ – tender guarantee	ZACHOD.ZARZĄD MELOIR. I URZ. WOD. SZCZECIN	65	0
TU ALLIANZ – tender guarantee	R.P.W. i K. Sp. z o.o. Chrzanów	400	0
TU ALLIANZ – tender guarantee	R.P.W. i K. Sp. z o.o. Chrzanów	2 100	0
TU ALLIANZ – tender guarantee	Chorz.-Świętoch. P.W. i K. Chorzów	400	0
TU ALLIANZ – tender guarantee	R.P.W. i K. Sp. z o.o. Chrzanów	40	0
TU ALLIANZ – tender guarantee	COMMUNITY of TYCHY	380	0
TU ALLIANZ – tender guarantee	P.WiK. GLIWICE	383	0
PTU S.A. – advance payment return	PWiK Gliwice Rybnicka 47	1 098	0

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
PTU S.A. – advance payment return	City of Ruda Śląska Plac Jana Pawła II 6	3 257	0
PTU S.A. – advance payment return	City of Ruda Śląska Plac Jana Pawła II 6	2 644	0
CIGNA STU S.A. – Construction of sewage system in the districts of Rybnik Niewiadom Górny and in the communities Gaszowice and Jejkowice – advance payment	Town of Rybnik B. Chrobrego	1 506	1 484
CIGNA STU S.A. – Construction of sewage system in the districts of Rybnik Niewiadom Górny and in the communities Gaszowice and Jejkowice – advance payment	Town of Rybnik B. Chrobrego	1 359	1 340
PKO S.A. – performance security	Przedsiębiorstwo Remontów Ulic i Mostów Gliwice Nad Bytomką 1	450	0
PKO S.A. - payments	BP POLSKA Kraków	70	0
PKO S.A. – performance security	KEM Dąbrowa Górnicza	600	0
PKO S.A. - payments	Petkus Technologie Gmbh Germany	172	0
PKO S.A. - Reconstruction of Malinka ski-jumping take-off in Wisła - payments	AXION Sp. z o.o. Bielsko-Biała Straconi 115	200	200
CIGNA STU S.A. – remedy defects	RZGW w Gliwicach Sienkiewicza 2	1 424	0
CIGNA STU S.A. – Performance ul. Słoneczna to ul. Żniwna in Siemianowice Śląskie	Siemianowice Śląskie City Office, Jana Pawła II 10	6	6
CIGNA STU S.A. – Construction of sanitary sewage system and Centrum sewage treatment plant for the town of Mikołów	Mikołów City Office Rynek 16	232	232
CIGNA STU S.A. – Construction of sewage systems of the districts Bańków – Przetajka in Siemianowice	Siemianowice Śląskie City Office, Jana Pawła II 10	143	143
CIGNA STU S.A. – Performance of earth works and works on the pipe-line for inside finishing of cement lining of drinking water pipe-line	Preuss Pipe Rehabilitation Polska Sp. z o.o. Katowice Wojewódzka 19	15	15
CIGNA STU S.A. – repair of Soła river-bed in 9+550 - 10+441 km, in the locality of Grojec	RZGW Kraków Piłsudskiego 22	70	70
CIGNA STU S.A. – remedy defects	Zakład Wodociągów i Kanalizacji Sp. z o.o. Racibórz 1-go Maja 8	7	0
CIGNA STU S.A. – remedy defects	Community of Skoczów Rynek 1	76	0
CIGNA STU S.A. – water intake protection for the agglomeration of Silesia	The Community of Kęty, Rynek 7	25	25
CIGNA STU S.A. – Modernization of reinforced concrete structures and diversion weirs in Goczałkowice	GPW Katowice Wojewódzka 19	4	4
CIGNA STU S.A. – Construction of mechanical – biological sewage treatment plant with increased degree of removing biogenic substances in Siewierz	The Community of Siewierz, Żwirki I Wigury 16	49	49
CIGNA STU S.A. – water production plant Goczałkowice. Technological systems of clean water tanks	GPW Katowice Wojewódzka 19	107	107
CIGNA STU S.A. -Modernization of the grate building for the sewage treatment plant Lewy Brzeg in Konin	P W i K Sp. z o.o Konin Poznańska 49	13	13

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
CIGNA STU S.A. – construction of sanitary system Bierunia Starego, stage III	City Management Bieruń Rynek 14	48	48
CIGNA STU S.A. – remedy defects	Tyskie Drogi Sp z o.o. Tychy Urbanowicka 8	28	0
CIGNA STU S.A. – Construction of sewage treatment plant on the territory Gminy Osiek	Community of Osiek, główna 125	89	89
CIGNA STU S.A. – Rawa river regulation	RPWiK Katowice Obr.Westerp. 89	333	333
CIGNA STU S.A. – Reconstruction of sewage system between ul. Ondraszka and Oświęcimska	City Office Ruda Śląska, Plac Wolności	30	30
CIGNA STU S.A. – Modernization of existing sewage treatment plant in Czerwionka	Community and Town of Czerwionka Leszczyny, Pawowa 9	56	56
CIGNA STU S.A. – performance of sanitary system, village administrator's office Nowa Wieś	The Community of Kęty, Rynek 7	27	27
CIGNA STU S.A. – Construction of sanitary system network, stage A, construction of stormwater drainage system ul. Wołodyjowskiego i Żeleńskiego	Community of Chełm Śląski Ul. Konarskiego 2	156	156
CIGNA STU S.A. – performance of roofing and driveway to Telecommunication Tower of group sewage treatment plant of Łódź Agglomeration	Grupowa Oczyszczalnia Ścieków in Łódź Sanitariuszek 66	3	3
CIGNA STU S.A. – Performance of earth works and works on the pipe-line for inside performance of cement lining of drinking water pipe-line	Preuss Pipe Rehabilitation Polska Sp. z o.o. Katowice Wojewódzka 19	32	32
CIGNA STU S.A. - Modernization of the closing of the bottom trigger at the dam in Kozłowa Góra	GPW Katowice Wojewódzka 19	9	9
CIGNA STU S.A. – Modernization of frontal dam in Goczałkowice	GPW Katowice + PROMESA Wojewódzka 19	12	12
CIGNA STU S.A. – Modernization of reinforced concrete structures and drain devices of the dam in Goczałkowice	GPW Katowice Wojewódzka 19	23	23
CIGNA STU S.A. -	GPW Katowice Wojewódzka 19	8	0
CIGNA STU S.A. – sewage system in the community of Goczałkowice Zdrój task V	The community of Goczałkowice, ul. Szolana 13	6	6
CIGNA STU S.A. – Reconstruction of water-pipe DN 500 in Zabrze Rokitnica	GPW Katowice Wojewódzka 19	30	30
CIGNA STU S.A. – Repair of water-pipe DN 1200 mm made of ductile cast-iron	GPW Katowice Wojewódzka 19	52	52
CIGNA STU S.A. – Construction of sanitary system network, stage A, construction of stormwater drainage system ul. Wołodyjowskiego i Żeleńskiego	Community of Chełm Śląski Ul. Konarskiego 2	2	2
CIGNA STU S.A. – Construction of sewage treatment plant in Piszowice	Community of Wilamowice Rynek 1	49	49
CIGNA STU S.A. – construction of sanitary system, stage A and stormwater drainage system for the locality of Chełm Śląski	Community of Chełm Śląski Ul. Konarskiego 2	10	10
GENERALI – Design and construction of the collector Wełnowiecki II – remedy defects	DTŚ S.A. Mieszka I 10 Katowice	101	101
GERLING - additional equipment of sewage treatment plant Pszczyna - performance security	Community of Pszczyna, Rynek 2, 43-200 Pszczyna	0	160
GERLING – improvement in water-sewage management on the territory of the Community of Zabrze – Districts Pawłów, Kończyce – tender guarantee	Community of Zabrze and Zabrzeńskie Przedsiębiorstwo Wodociągów i Kanalizacji Sp. z o.o.	0	700

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
GERLING – improvement in water-sewage management on the territory of the Community of Zabrze – Districts Grzybowo, Rokitnica – tender guarantee	Community of Zabrze and Zabrzeńskie Przedsiębiorstwo Wodociągów i Kanalizacji Sp. z o.o.	0	700
PKO S.A. – Deposit disposal in the sewage treatment plant Urbanowice – remedy defects	SKANSKA SA Warszawa	0	7
WARTA SA – sewage management in Tychy - sanitary system and stormwater drainage system in the districts Wilkowyje and Mąkotowiec – performance security	Community of Tychy, Aleja Niepodległości 49, 43-100 Tychy	0	11 185
WARTA SA- Modernization of sewage treatment plant Rydułtowy, ul. Obywatelska in Rydułtowy – remedy defects	Town of Rydułtowy, ul. Ofiar Terroru 36 44-280 Rydułtowy	0	6
WARTA SA – Investments in the scope of sewage management in the community of Jasto - performance security	Związek Gmin Dorzecza Wiśtoki, ul. Konopnickiej 82, 38-200 Jasto	0	1 630
WARTA SA – archeological skansen „Karpacka Troja” in Trzcinica - tourist attraction of the region - tender guarantee	Muzeum Podkarpackie in Krosno	0	50
WARTA SA – Modernization of water-pipe network and sewage system in Chorzów - tender guarantee	Chorzowsko- Świątchłowickie Przedsiębiorstwo Wodociągów i Kanalizacji Sp. z o.o.	0	300
WARTA SA – Improvement in water-sewage management on the territory of the Community Bytom - A - tender guarantee	Bytomskie Przedsiębiorstwo Komunalne Sp. z o.o.	0	150
WARTA SA – Improvement in water-sewage management on the territory of the Community Bytom - B - tender guarantee	Bytomskie Przedsiębiorstwo Komunalne Sp. z o.o.	0	250
WARTA SA – Improvement in water-sewage management on the territory of the Community Bytom - C - tender guarantee	Bytomskie Przedsiębiorstwo Komunalne Sp. z o.o.	0	70
WARTA SA – Improvement in water-sewage management on the territory of the Community Bytom - D - tender guarantee	Bytomskie Przedsiębiorstwo Komunalne Sp. z o.o.	0	110
WARTA SA – Improvement in water-sewage management on the territory of the Community Bytom - E - tender guarantee	Bytomskie Przedsiębiorstwo Komunalne Sp. z o.o.	0	90
PKO S.A. - payments	ITT FLYGT Sp. z o.o. Warszawa	0	6
PKO S.A. – Construction of four fuel storage tanks of the capacity 10,000 m3 each together with ancillary facilities in Fuel Base no.4 in Rejowiec - payments	ARMATECH Sp. z o.o. Warszawa	0	219
ERGO HESTIA SA – Improvement in water-sewage management on the territory of the Community of Zabrze - Reconstruction of sewage treatment plant "Śródmieście" - performance security	The community of Zabrze	0	5 484
WARTA SA – Modernization and development of sewage treatment plant for the city and community of Przyborzyce - tender guarantee	Mayer of the City of Bytów	120	0
WARTA SA – Modernization of drinking water Purification Plant in Rzeszów – tender guarantee	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w Rzeszowie	1 000	0
WARTA SA – Reconstruction and modernization of Water Purification Plant in the town of Bochnia – tender guarantee	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w Bochnia	800	0
WARTA SA – Maślice waste disposal reclamation – tender gurantee	Community of Wrocław	300	0
WARTA SA – Construction of the installation for sludge utilization together with installation for sludge dehydration - tender guarantee	Wodociągi Miejskie in Radom	250	0
WARTA SA – Development of Oporów II district – performance security	Community of Wrocław	10 702	7 386
WARTA SA – Development of Oporów II district – remedy defects and failures	Community of Wrocław	3 211	0,00
WARTA SA – Królewiecka Water Purification Plant and development of water-pipe network in Elbląg – performance security	Elbląskie Przedsiębiorstwo Wodociągów i Kanalizacji	4 693	4 627

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
WARTA SA – Królewiecka Water Purification Plant and development of water-pipe network in Elbląg – remedy defects and failures	Elbląskie Przedsiębiorstwo Wodociągów i Kanalizacji	1 807	0
WARTA SA – Królewiecka Water Purification Plant and development of water-pipe network in Elbląg – surety	Elbląskie Przedsiębiorstwo Wodociągów i Kanalizacji	204	0
PZU SA – transfer of sewage from the community of Białe Błota to the sewage system of the town of Bydgoszcz – tender guarantee	Miejskie Wodociągi i Kanalizacja in Bydgoszcz	50	0
PZU SA – Construction of the main sewage collector with pumping station in Słupsk – tender guarantee	Wodociągi Słupsk Spółka z o.o.	120	0
PZU SA – Construction of sewage treatment plant Gdańsk-Wschód – Stage II B – Contract no. 3	Gdańska Infrastruktura Wodociągowo-Kanalizacyjna	1 916	0
PZU SA – Development of sanitary sewage system together with service lines in the locality of Wardów – remedy defects and failures	Community of Kotlin	19	19
PZU SA – 1st part of stage I of the Construction of Miasteczko Galicyjskie in Nowy Sącz – remedy defects and failures	Muzeum Okręgowe Nowy Sącz	48	48
PZU SA – Development of tourism and Small and Medium Enterprises in the Community of Ozimek	Community of Ozimek	187	0
PZU SA – Modernization of sewage disposal in Gliwice Ligota Zabrska - performance security	PWiK Gliwice	1 150	0,00
PZU SA – Modernization of sewage management in Gliwice Ligota Zabrska – remedy defects and failures	PWiK Gliwice	345	340
PZU SA – Construction of main sewage intermediate pumping stations with gravitational canals – norther part of Bydgoszcz – performance security	Miejskie Wodociągi i Kanalizacja in Bydgoszcz	5 977	5 893
PZU SA – Construction of main sewage pumping stations with gravitational canals – norther part of Bydgoszcz – remedy failures and defects	Miejskie Wodociągi i Kanalizacja in Bydgoszcz	1 793	0
PZU SA – Modernization of sewage management in Gliwice Sośnica- performance security	PWiK Gliwice	1 074	0
PZU SA – Modernization of sewage management in Gliwice Sośnica– remedy defects and failures	PWiK Gliwice	322	318
PZU SA – Construction of main sewage intermediate pumping stations with gravitational canals – northern part of Bydgoszcz – advance payment return	Miejskie Wodociągi i Kanalizacja in Bydgoszcz	5 977	0
PZU SA – Królewiecka Water Purification Plant and development of water-pipe network in Elbląg – advance payment return	Elbląskie Przedsiębiorstwo Wodociągów i Kanalizacji	6 046	5 961
PZU SA – Construction of sanitary sewage system on the territory of the Community Skrzyszów and Tarnów – performance security	Tarnowskie Wodociągi	2 778	2 739
PZU SA – Construction of sanitary sewage system on the territory of the Community Skrzyszów and Tarnów – remedy defects and failures	Tarnowskie Wodociągi	833	0
PZU SA – Development of water purification plant in Bogatynia together with technological commissioning – performance security	Community of Bogatynia	444	1 480
PZU SA – Development of water purification plant in Bogatynia together with technological commissioning – remedy of defects and failures	Community of Bogatynia	133	0
CIGNA STU SA– Development of sewage treatment plant in Ustka together with technological commissioning – performance security	Wodociągi Ustka	1 543	1 543
CIGNA STU SA– Development of sewage treatment plant in Ustka together with technological commissioning – remedy of defects and failures	Wodociągi Ustka	463	0
CIGNA STU SA- Development of sewage system – stage I – part 1 and 2 – retention amount	Community of Wrocław	931	918
CIGNA STU SA – Improvement in water-sewage management on the territory of the Community Bytom - performance security	Bytomskie Przedsiębiorstwo Komunalne	3 023	2 980
CIGNA STU SA – Improvement in water-sewage management on the territory of the Community Bytom – remedy of defects and failures	Bytomskie Przedsiębiorstwo Komunalne	917	0
CIGNA STU SA – Modernization of border crossing point Gronowo-Mamonowo- performance security	Governor of Warmińsko-Mazurskie Province	247	0

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
CIGNA STU SA – Modernization of border crossing point Gronowo-Mamonowo- remedy of defects and failures	Governor of Warmińsko-Mazurskie Province	74	74
CIGN STU SA development of sewage system with intermediate pumping station- performance security	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji in Bochnia	4 436	4 374
CIGNA STU SA development of sewage system with intermediate pumping station- remedy of defects and failures	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji in Włocławek	1 331	0
CIGNA STU SA - Guarantee of payment for using the fleet cards from PKN Orlen - payments	Polski Koncern Naftowy ORLEN	150	0
CIGNA STU SA– Reconstruction and modernization of intermediate pumping station at ul. Droga Łąkowa on Herman Rów and reconstruction of Herman Rów– remedy of defects and failures	Kujawsko Pomorski Zarząd Melioracji i Urządzeń Wodnych in Włocławek	27	27
CIGNA STU SA – Improvement in water-sewage management on the territory of the Community Bytom – remedy of defects and failures	Kujawsko Pomorski Zarząd Melioracji i Urządzeń Wodnych in Włocławek	15	15
CIGNA STU SA – Construction of water main at ul. Olsztyńska- remedy of defects and failures	Toruńskie Wodociągi S.A.	32	0,00
CIGNA STU SA – Economic development of Skierniewice – performance security and remedy of defects and failures	Town of Skierniewice	1 494	0,00
CIGNA STU SA - Construction of sewage system with service lines, stage I- remedy of defects and failures	Community of Żerków	59	0
CIGNA STU SA- Development of sewage system – stage I – part 1 and 2 – performance security and remedy of defects and failures	Community of Wrocław	2 048	2 020
PTU SA – Development of industrial and service areas in Bierawa – retention amounts	Community of Bierawa	282	278
PZU SA – Modernization and development of sewage treatment plant in Włocławek – advance payment return	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji in Włocławek	6 318	0
PZU SA – Modernization and development of sewage treatment plant in Włocławek – performance security	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji in Włocławek	6 318	6 229
PZU SA – Performance of the project of construction of the infrastructure of Toruński Industrial – Technological Park– performance security	Toruńska Agencja Rozwoju Regionalnego	943	0,00
BZ WBK – Modernization of water purification plant in Bydgoszcz Czyżkówko– removal of defects and failures	Miejskie Wodociągi i Kanalizacja Sp. z o.o. in Bydgoszcz	1 829	1 829
BZ WBK - External infrastructure of the Polyethylene and Polypropylene installations and expedition logistics– performance security	Polski Koncern Naftowy ORLEN	160	160
BZ WBK - Construction of water main providing water to the city of Szczecin – performance security	Zakład Wodociągów i Kanalizacji Sp. z o.o. in Szczecin	4 846	4 779
BZ WBK – Modernization of surface water purification plant together with deposit disposal Czyżkówko – guarantee and surety	Miejskie Wodociągi i Kanalizacja w Bydgoszczy Sp. z o.o.	240	240
BZ WBK – Delivery, assembly and commissioning of biogas installation devices in sewage treatment plant in Włocławek - payments	SIGA TECH	735	0,00
TU ALLIANZ – Development of sewage treatment plant and construction of main sewage collector in Słupsk – performance security	Wodociągi Słupsk Sp. z o.o.	615	606
TU ALLIANZ – Development of sewage treatment plant and construction of main sewage collector in Słupsk remedy of defects and failures	Wodociągi Słupsk Sp. z o.o.	264	0
GERLING – Development of industrial and service areas in Bierawa – performance security	Community of Bierawa	1 128	1 112
ING Bank Śląski – Construction of main collectors for southern Toruń and sewage system for districts: Podgórz, Stawki and Rudak – advance payment return	Toruńskie Wodociągi S.A.	4 546	0
ING Bank Śląski - Replacement of asbestos-cement pipes– performance security	Toruńskie Wodociągi S.A.	848	836

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
ING Bank Śląski – Construction of main collectors for southern Toruń and sewage system for districts: Podgórz, Stawki and Rudak – performance security	Toruńskie Wodociągi S.A.	4 546	4 483
WARTA SA – Reconstruction of Głogowska street in Poznań, the section from Strumień Junikowski to ul. Rawicka – tender guarantee	Zarząd Dróg Miejskich in Poznań	0	600
WARTA SA – Modernization of the water supply system in Łódź- Łódź II – tender guarantee	Łódzka Spółka Infrastrukturalna	0	529
WARTA SA – Modernization and development of sewage treatment plant in Piaseczno – performance security	Community of Piaseczno	0	8040
WARTA SA – Task A/1/1 – districts Strachocin Wojnów - performance security	MPWiK Wrocław	0	6 708
WARTA SA – Recultivation of the deposit lagoons- tender guarantee	Community of the City of Kraków	0	246
PZU SA – Contract no. 3.1. Development of sewage treatment plant Gdańsk – Wschód, Stage II B – tender guarantee	Gdańska Infrastruktura Wodociągowo-Kanalizacyjna	0	756
WARTA SA – Modernization of combined sewage system and storm overflows, Stage I - tender guarantee	Łódzka Spółka Infrastrukturalna	0	227
PZU SA – Development of Central Sewage Treatment Plant – advance payment return	Zielonogórskie Wodociągi i Kanalizacja	0	1 363
PZU SA – Construction of the main sewage collector with pumping station in Słupsk – performance security	Wodociągi Słupsk Sp. z o.o.	0	1 323
CIGNA STU SA – Construction of the sections of the networks connecting service lines with the main sewage system on the area of the realization of the contract W - 08 - performance security	Toruńskie Wodociągi S.A.	0	958
CIGNA STU SA – Development of Central Sewage Treatment Plant – performance security	Zielonogórskie Wodociągi i Kanalizacja	0	2 725
CIGNA STU SA -Guarantee of payment for using the fleet cards from PKN Orlen - payments	PKN ORLEN S.A.	0	200
BZ WBK – Delivery, assembly and commissioning of biogas recovery devices in sewage treatment plant in Włocławek - payments	SIGA TECH	0	238
ERGO HESTIA SA– Maślice waste disposal ground reclamation – performance guarantee	MPWiK Bydgoszcz	0	4 793
ERGO HESTIA SA– Task A/1/1 – districts Strachocin Wojnów – tender guarantee	Community of Wrocław	0	100
ERGO HESTIA SA – Sanitary sewage system of the city of Zgierz together with modernization of sewage treatment plant, part of the contract no. 1 D	MPWiK Wrocław Wodociągi i Kanalizacja Zgierz	0	65
ERGO HESTIA SA – Sanitary sewage system of the city of Zgierz together with modernization of sewage treatment plant, part 7 of the contract no. 1 G	Wodociągi i Kanalizacja Zgierz	0	100
ERGO HESTIA SA – Sanitary sewage system of the city of Zgierz together with modernization of sewage treatment plant, part 3 of the contract no. 1 C	Wodociągi i Kanalizacja Zgierz	0	45
ERGO HESTIA SA– shut down and reclamation of waste disposal ground – tender guarantee	Miejski Zakład Oczyszczania SP. z o.o. in Leszno	0	200
ERGO HESTIA SA– development and modernization of sewage treatment plant "Sitkówka" for the city of Kielce – tender guarantee	Wodociągi Kieleckie	0	2 000
HDI- GERLING POLSKA SA – modernization of sewage treatment plant Klimzowiec and sludge disposal – tender guarantee	Chorzowsko-Świętochłowickie PWiK Sp. z o.o.	0	1 000
WARTA SA – Reconstruction of Krakowska street at the section from ul. Traugutta to al. Armii Krajowej in Wrocław – tender guarantee	Zarząd Dróg Miejskich in Wrocław	0	1 000
ING Bank Śląski -Replacement of asbestos-cement pipes ul. Brązowa i Grzybowa– performance security	Toruńskie Wodociągi S.A.	0	60
HDI- GERLING POLSKA SA – Development of the sewage system of Ołtaszyn district– performance security	Community of Wrocław	0	16 198

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
ING Bank Śląski – Construction of main collectors for southern Toruń and sewage system for districts: Podgórz, Stawki and Rudak – advance payment return	Toruńskie Wodociągi S.A.	0	2 420
TOTAL:		155 336	168 097
2. Sureties			
ING BANK ŚLĄSKI "AGENT"	PBG S.A.	110 000	110 000
PZU S.A., AL.. Jana Pawła II 24, Warszawa	PBG S.A.	3 264	6 787
TUIR CIGNA STU, E. Orzeszkowej 1, 60-778 Poznań	PBG S.A.	513	730
DZ BANK POLSKA, Pl. Piłsudskiego 3, 00-078 Warszawa	PBG S.A.	4 523	4 523
BZ WBK S.A., Rynek 9/11, 50-950 Wrocław	PBG S.A.	9434	4 629
BZ WBK S.A., Rynek 9/11, 50-950 Wrocław	PBG S.A.	1516	1 516
TUIR WARTA, ul. Chełmońskiego 21, Poznań	PBG S.A.	6 636	10 044
WEST LB Bank Polska S.A., Pileckiego 65, Warszawa	PBG S.A.	0	0
ING BANK ŚLĄSKI	PBG S.A.	23 730	19 095
DZ BANK POLSKA, Pl. Piłsudskiego 3, 00-078 Warszawa	PBG S.A.	0	0
TU ALLIANZ, ul. Rodziny Hiszpańskich 1, Warszawa	PBG S.A.	0	35 285
BGŻ S.A.	PBG S.A.	0	0
BGŻ S.A.	PBG S.A.	0	0
WEST LB Bank Polska S.A., Pileckiego 65, Warszawa	Infra Sp. z o.o.	0	0
BGŻ S.A.	Infra Sp. z o.o.	0	0
BGŻ S.A.	Infra Sp. z o.o.	0	0
TUIR Warta S.A. ul. Chmielna 85/87, Warszawa	Infra Sp. z o.o.	0	3 308
TU ALLIANZ, ul. Rodziny Hiszpańskich 1, Warszawa	Infra Sp. z o.o.	0	0
WEST LB Bank Polska S.A., Pileckiego 65, Warszawa	KWG S.A.	0	39 572
National Environment Protection Fund	LUBICKIE WODOCIĄGI /FORMER ELWIK/	3 175	2 725
PROVINCIAL ENVIRONMENT PROTECTION AND WATER MANAGEMENT FUND KATOWICE	RPWIK KATOWICE	1 320	510
PROVINCIAL ENVIRONMENT PROTECTION AND WATER MANAGEMENT FUND KATOWICE	PRZESIĘBIORSTWO WODOCIĄGOWE I KANALIZACYJNE ŻORY SP Z O.	2 000	2 000
T.U.i R. "WARTA S.A. ul. Chmielna 85/87, Warszawa	P.P.U.H "MAZUR" ul. Sportowe 33 B, 86-105 Świecie	0	2 853
HDI-Gerling Polska TU S.A., ul. Hrubieszowska 2, 01-209 Warszawa	PBG S.A.	0	0
TU Euler Hermes S.A., ul. Domaniewska 50 B, 02-672 Warszawa	PBG S.A.	0	0
ING Bank Śląski, ul. Piekary, Poznań	PBG S.A.	0	0
Raiffeisen Bank Polska S.A., ul. Piękna 20, Warszawa	PBG S.A.	0	0
TU Euler Hermes S.A., ul. Domaniewska 50 B, 02-672 Warszawa	Infra Sp. z o.o.	0	0
HDI-Gerling Polska TU S.A., ul. Hrubieszowska 2, 01-209 Warszawa	Infra Sp. z o.o.	0	0
ING Bank Śląski, ul. Piekary, Poznań	Infra Sp. z o.o.	0	0
Raiffeisen Bank Polska S.A., ul. Piękna 20, Warszawa	Infra Sp. z o.o.	0	20 979
HDI-Gerling Polska TU S.A., ul. Hrubieszowska 2, 01-209 Warszawa	Hydrobudowa 9 O I-B SA ul. Sienkiewicza 22, 60-900 Poznań	0	4 682
TU Euler Hermes S.A., ul. Domaniewska 50 B, 02-672 Warszawa	Hydrobudowa 9 O I-B SA ul. Sienkiewicza 22, 60-900 Poznań	0	0
Total		166 111	269 238
3. Bills of exchange			
Contract 912/99	Community of Rydułtowy	117	0
Contract IRI/118/01	Community of Rydułtowy	21	0

CONTINGENT LIABILITIES	for	01.01.2007	30.09.2007
Contract 71/ZPP/2006	Carboautomatyka SA	199	199
Total		337	199

16. Other information which, according to the Issuer, is significant for the appraisal of its HR, asset, financial situation, financial result and their changes as well as the information which is significant for the assessment of the realization of the obligations by the issuer;

Changes in the composition of the Executive Board

I.

On this 31st August 2007, Issuer's Supervisory Board called back all members of the Executive Board and nominated the new Executive Board in the following composition:

- Tomasz Woroch – the President of the Executive Board
- Tomasz Starzak – Vice-President of the Executive Board
- Edward Kasprzak – Vice-President of the Executive Board
- Andrzej Zwierzchowski – Member of the Executive Board
- Rafał Damasiewicz – Member of the Executive Board
- Joanna Zwolak – Member of the Executive Board

II.

The Supervisory Board of the Company, at the session on this 19th September 2007, nominated Mr. Jarosław Dusiło to act as the Member of the Executive Board.

Mr. Jarosław Dusiło does not run activity competitive towards the activity of HYDROBUDOWA Włocławek S.A. Moreover, he is not entered in the Insolvent Debtors Register run on the basis on the act on the National Court Register.

III.

The Supervisory Board of the Company, at the session on this 1st October 2007, nominated Mr. Krzysztof Jan Diduch to act as the Member of the Executive Board.

Mr. Krzysztof Jan Diduch shall be responsible for the development of the segment of steel constructions including oil tanks and specialist constructions for oil-petrochemical industry in Poland and abroad.

Mr. Krzysztof Jan Diduch does not run activity competitive towards the activity of HYDROBUDOWA Włocławek S.A. Moreover, he is not entered in the Insolvent Debtors Register run on the basis on the act on the National Court Register.

As for the day of transferring the quarterly report for the 3rd quarter of 2007, the following persons constitute the Executive Board, the Supervisory Board and the Commercial Proxies:

The Supervisory Board:

- Małgorzata Wiśniewska – President of the Supervisory Board
- Andrzej Wilczyński – Vice-President of the Supervisory Board
- Piotr Stobiecki – Secretary of the Supervisory Board
- Marcin Idziorek – Member of the Supervisory Board
- Przemysław Szkudlarczyk – Member of the Supervisory Board
- Grzegorz Wojtkowiak – Member of the Supervisory Board

The Executive Board

- Tomasz Woroch – the President of the Executive Board
- Tomasz Starzak – Vice-President of the Executive Board
- Edward Kasprzak – Vice-President of the Executive Board
- Krzysztof Jan Diduch – Member of the Executive Board
- Rafał Damasiewicz – Member of the Executive Board
- Andrzej Zwierzchowski – Member of the Executive Board
- Joanna Zwolak – Member of the Executive Board
- Jarosław Duśiło – Member of the Executive Board

Commercial Proxies:

- Paweł Kujawa – Independent Proxy
- Andrzej Szultka – Independent Proxy

17. Indication of factors which, according to the issuer, shall have an influence on the result achieved by the issuer, in the prospect of at least the next quarter.

The factors which may have an influence on the Issuer's financial situation in the prospect of at least the next quarter include:

- Business outlook in construction branch of industry,
- Pace and directions of the use of aid measures from the European Union
- Intensification of actions aimed at recovery of overdue debts which were included in write offs,
- Strengthening of operational and financial supervision within the framework of the contracts realized,
- Level of materials and construction services prices, having the influence on the amount of direct costs of the contracts realized,
- Achieving stable political situation and creating a positive economic climate by the government.