HYDROBUDOWA POLSKA CAPITAL GROUP

MID-YEAR CONSOLIDATED FINANCIAL STATEMENT

FOR THE PERIOD FROM THE 1ST OF JANUARY 2010 TO THE 31ST OF MARCH 2010

WYSOGOTOWO, 10.05.2010.

SPIS TREŚCI

All sums are in PLN thousands (unless specified otherwise)

CONSOLIDATED BALANCE

Specification	as of 31.03.2010	as of 31.03.2009	as of 31.12.2009
Assets			
Fixed assets	**289 516**	**277 316**	**239 929**
Goodwill	37 605	37 586	37 605
Intangible assets	1 743	2 072	1 898
Tangible fixed assets	136 255	163 258	142 116
Finite natural resources			
Investment property	41 530	12 298	29 299
Investments in subsidiaries			
Investments in affiliated entities			
Other long-term financial assets	51 469	89	92
- from related entities	51 377		
- from other entities	92	89	92
Long-term receivables from derivative financial instruments	4 448		2 331
Long-term receivables	4 433	9 220	4 636
- from related entities	107	79	106
- from other entities	4 326	9 141	4 530
Assets from deferred corporate income tax	8 946	48 025	17 819
Long-term accruals	3 087	4 768	4 133
Current Assets	**977 446**	**1 003 251**	**1 217 909**
Inventories	4 085	15 084	6 602
Receivables due to construction service contracts	495 556	472 535	435 014
- from related entities	2 093	72 991	9 094
- from other entities	493 463	399 544	425 920
Receivables from deliveries and services	374 939	425 625	658 194
- from related entities	30 462	140 104	116 109
- from other entities	344 477	285 521	542 085
Current income tax receivables	2 292	1 062	2
Other short-term receivables	17 095	12 740	2 172
- from related entities	583	3 390	686
- from other entities	16 512	9 350	1 486
Other short-term financial assets	156	293	16 731
- from related entities			16 574
- from other entities	156	293	157
Short-term receivables from derivative financial instruments	7 255		5 936
Cash and equivalents	68 004	68 243	84 144
Short term accruals	8 064	7 669	9 114
Fixed assets classified for sale			
Total Assets	**1 266 962**	**1 280 567**	**1 457 838**

Name of the capital group:	HYDROBUDOWA POLSKA CAPITAL GROUP		
Period covered by the financial statement:	01.01.2010 – 31.03.2010	Reporting currency:	Polish zloty (PLN)
Round up level:	All sums are in PLN thousands (unless specified otherwise)		

CONSOLIDATED BALANCE (CONTINUED)

Specification	as of 31.03.2010	as of 31.03.2009	as of 31.12.2009
Liabilities			
Equity Capital	**421 706**	**169 493**	**389 502**
Equity assigned to parent company shareholders	**421 437**	**168 944**	**389 253**
Base share capital	210 558	210 558	210 558
Stocks / own shares			
Reserve capital from sales of stocks exceeding their face value	257 209	257 209	257 209
Capital from the evaluation of securing transactions and exchange rate differences from consolidation	(20 913)	(170 453)	(44 905)
Other capitals	52 529	45 905	52 043
Undivided financial result	(77 946)	(174 275)	(85 652)
- profit (loss) from previous years	(86 851)	(181 407)	(183 562)
- net profit (loss) from the current year assigned to parent company shareholders	8 905	7 132	97 910
Minority shares	269	549	249
Liabilities	**845 256**	**1 111 074**	**1 068 336**
Long-term liabilities	**46 161**	**50 257**	**48 788**
Long-term credits and loans	8 845	23 682	11 929
- from related entities	8 845		
- from other entities		23 682	11 929
Long-term liabilities from the issue of due securities and financial leasing	10 172	6 140	12 707
Long-term liabilities from derivative financial instruments	3 012	6 330	-
Other long-term liabilities	15 395	9 319	15 640
- from related entities	155	158	153
- from other entities	15 240	9 161	15 487
Deferred income tax reserve	-	-	-
Provisions for liabilities due to employee benefits	3 739	2 442	3 739
Other long-term provisions	4 998	2 344	4 773
Short-term liabilities	**799 095**	**1 060 817**	**1 019 548**
Short-term credits and loans	329 675	351 471	289 466
- from related entities		10 030	
- from other entities	329 675	341 441	289 466
Short-term liabilities from the issue of due securities and financial	10 254	5 486	13 577
Short-term liabilities from derivative financial instruments	26 902	258 109	59 020
Liabilities from deliveries and services	360 380	312 949	541 082
- from related entities	87 439	28 112	108 658
- from other entities	272 941	284 837	432 424
Liabilities from construction service contracts	12 669	24 941	13 619
- from related entities		189	
- from other entities	12 669	24 752	13 619
Current income tax liabilities	17	2	778
Other short-term liabilities	28 776	37 134	61 962
- from related entities	26	1 717	12
- from other entities	28 750	35 417	61 950
Provisions for liabilities due to employee benefits	3 596	3 493	3 698
Other short term provisions	25 230	66 099	34 182
Short-term accruals	1 596	1 133	2 164
Total Liabilities	**1 266 962**	**1 280 567**	**1 457 838**

Name of the capital group:	*HYDROBUDOWA POLSKA CAPITAL GROUP*		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Continued activity			
Revenue from sales	322 681	209 442	1 675 623
- from related entities	11 880	29 175	213 103
Revenue from product sales			
Revenue from service sales	322 351	208 549	1 624 682
Revenue from goods and materials sales	330	893	50 941
Own cost of sales	(297 747)	(184 348)	(1 510 971)
- from related entities	(41 859)	(7 108)	(255 760)
Cost of sold products			
Cost of sold services	(297 412)	(184 348)	(1 461 405)
Cost of sold goods and materials	(335)		(49 566)
Gross sales profit (loss)	24 934	25 094	164 652
Cost of sale			
General management costs	(10 891)	(12 187)	(50 474)
Other operational revenue	16 327	9 668	23 142
Other operational expenses	(18 765)	(7 678)	(22 076)
Share in profits of entities settled with the ownership rights method			
Costs of restructuring			
Profit (loss) on operating activities	11 605	14 897	115 244
Financial revenue	6 949	3 498	7 727
Financial costs	(7 113)	(14 734)	(18 988)
Other investment profit (loss)			
Profit (loss) before taxation	11 441	3 661	103 983
Corporate income tax	(2 529)	3 353	(6 049)
Net profit (loss) from continued activities	8 912	7 014	97 934
Discontinued activity			
Net loss on discontinued activity			
Net profit (loss)	8 912	7 014	97 934
Net profit (loss) assigned to:			
- parent company shareholders	8 905	7 132	97 910
- minority shareholders	7	(118)	24

NET PROFIT (LOSS) PER ONE COMMON SHARE (PLN)

Specification	for the period from 01.01. to 31.03.2010 1 / share	for the period from 01.01. to 31.03.2009 1 / share	for the period from 01.01. to 31.12.2009 1 / share
Net profit (loss) from continued activity	8 905	7 132	97 910
Net profit (loss) from continued and discontinued activity	8 905	7 132	97 910
Weighted average number of common shares (in thousand pcs.)	210 558	210 558	210 558
Weighted average diluted number of common shares (in thousand pcs.)	210 558	210 558	210 558
from continued activity			
- basic	0,04	0,03	0,47
- diluted	0,04	0,03	0,47
from continued and discontinued activity			
- basic	0,04	0,03	0,47
- diluted	0,04	0,03	0,47

All sums are in PLN thousands (unless specified otherwise)

CONSOLIDATED TOTAL YEARLY INCOME REPORT

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Net profit (loss)	8 912	7 014	97 934
Other total income			
Reassessment of fixed assets			1 085
Financial assets available for sale	-	-	-
- income (loss) included in other total income during the period			
- sums transferred to the financial result			
Instruments securing cash flows:	30 144	(92 507)	72 096
- income (loss) included in other total income during the period	26 858	(89 220)	7 736
- sums transferred to the financial result	3 286	(3 287)	64 360
- sums included in the initial value of secured positions			
Income tax referring to the constituents of other total income	(6 150)	16 327	(14 513)
Other total income after taxation	23 994	(76 180)	58 668
Total Income	32 906	(69 166)	156 602
Total income assigned to:			
- parent company shareholders	32 899	(69 048)	156 578
- minority shareholders	7	(118)	24

Name of the capital group:	***HYDROBUDOWA POLSKA CAPITAL GROUP***		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

CONSOLIDATED LIST OF EQUITY CHANGES

Specification	Equity assigned to parent company shareholders							Minority shares	Total equity
	Basic capital	Capital from the sale of shares	Capital from the evaluation of cash flow securing transactions	Other capitals	Result from the previous year	Current year result	Total		
The Balance as of 01.01.2010	**210 558**	**257 209**	**(43 044)**	**52 043**	**(85 652)**		**391 114**	**249**	**391 363**
Changes in the accounting policy rules							-	-	-
Correction of basic error			(1 861)				(1 861)		(1 861)
Balance after changes	**210 558**	**257 209**	**(44 905)**	**52 043**	**(85 652)**	**-**	**389 253**	**249**	**389 502**
Changes in equity in the period from 01.01 to 31.03.2010									
Issue of shares							-		-
Issue of shares in relation to option realization (shares payment program)							-		-
Evaluation of options (share payment program)							-		-
Other adjustments				486	(1 199)		(713)	13	(700)
Dividends							-		-
Transferring financial results to equity							-		-
Total transactions with owners	-	-	-	486	(1 199)	-	(713)	13	(700)
Net profit for the period from 01.01 to 31.03.2010						8 905	8 905	7	8 912
Other total income:									-
Reassessment of fixed assets							-		-
Cash flow securing instruments			30 143				30 143		30 143
Exchange rate differences from the assessment of entities operating abroad							-		-
Participation of entities assessed by the ownership rights method in other total income							-		-
Income tax referring to constituents of other total income			(6 151)				(6 151)		(6 151)
Added total income	-	-	23 992	-	-	8 905	32 897	7	32 904
Transfer to retained profits (sale of reassessed fixed assets)							-	-	-
The Balance as of 31.03.2010	**210 558**	**257 209**	**(20 913)**	**52 529**	**(86 851)**	**8 905**	**421 437**	**269**	**421 706**

Name of the capital group:	***HYDROBUDOWA POLSKA CAPITAL GROUP***		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

CONSOLIDATED LIST OF EQUITY CHANGES (CONTINUED)

Specification	Equity assigned to parent company shareholders							Minority share	Total equity
	Basic capital	Capital from the sale of shares	Capital from the evaluation of cash flow securing transactions	Other capitals	Result from the previous year	Current year result	Total		
The Balance as of 01.01.2009	**210 558**	**257 209**	**(100 847)**	**43 867**	**(179 594)**		**231 193**	**667**	**231 860**
Changes in the accounting policy rules							-	-	-
Correction of basic error					(2 038)		(2 038)	-	(2 038)
Balance after changes	**210 558**	**257 209**	**(100 847)**	**43 867**	**(181 632)**	**-**	**229 155**	**667**	**229 822**
Changes in equity in the period from 01.01 to 31.03.2009									
Issue of shares							-	-	-
Issue of shares in relation to option realization (shares payment program)							-	-	-
Evaluation of options (share payment program)				2 038	2 038		4 076	-	4 076
Other adjustments					980		980		980
Dividends							-		-
Transferring financial results to equity					(2 793)		(2 793)		(2 793)
Total transactions with owners	-	-	-	2 038	225	-	2 263	-	2 263
Net profit for the period from 01.01 to 31.03.2010						7 132	7 132	(118)	7 014
Other total income:									
Reassessment of fixed assets							-	-	-
Financial assets available for sale							-	-	-
Cash flow securing instruments			(85 934)				(85 934)		(85 934)
Exchange rate differences from the assessment of entities operating abroad							-	-	-
Participation of entities assessed by the ownership rights method in other total income							-	-	-
Income tax referring to constituents of other total income			16 328				16 328		16 328
Added total income	-	-	(69 606)	-	-	7 132	(62 474)	(118)	(62 592)
Transfer to retained profits (sale of reassessed fixed assets)							-		-
The Balance as of 31.03.2009	**210 558**	**257 209**	**(170 453)**	**45 905**	**(181 407)**	**7 132**	**168 944**	**549**	**169 493**

All sums are in PLN thousands (unless specified otherwise)

CONSOLIDATED LIST OF EQUITY CHANGES (CONTINUED)

Specification	Equity assigned to parent company shareholders							Minority share	Total equity
	Basic capital	Capital from the sale of shares	Capital from the evaluation of cash flow securing transactions	Other capitals	Result from the previous year	Current year result	Total		
The Balance as of 01.01.2009	**210 558**	**257 209**	**(100 847)**	**43 867**	**(179 594)**		**231 193**	**667**	**231 860**
Changes in the accounting policy rules							-	-	-
Correction of basic error					(2 038)		(2 038)	-	(2 038)
Balance after changes	**210 558**	**257 209**	**(100 847)**	**43 867**	**(181 632)**	**-**	**229 155**	**667**	**229 822**
Changes in equity in the period from 01.01 to 31.12.2009									
Issue of shares							-		-
Issue of shares in relation to option realization (shares payment program)							-		-
Evaluation of options (share payment program)				4 076			4 076		4 076
Other adjustments				1 596	863		2 459	(442)	2 017
Dividends							-		-
Transferring financial results to equity				1 639	(2 793)		(1 154)		(1 154)
Total transactions with owners	-	-	-	7 311	(1 930)	-	5 381	(442)	4 939
Net profit for the period from 01.01 to 31.12.2009						97 910	97 910	24	97 934
Other total income:									-
Reassessment of fixed assets				1 085			1 085		1 085
Cash flow securing instruments			72 096				72 096		72 096
Exchange rate differences from the assessment of entities operating abroad							-		-
Participation of entities assessed by the ownership rights method in other total income							-		-
Income tax referring to constituents of other total income			(16 154)	(220)			(16 374)		(16 374)
Added total income	-	-	55 942	865	-	97 910	154 717	24	154 741
Transfer to retained profits (sale of reassessed fixed assets)							-	-	-
The Balance as of 31.12.2009	**210 558**	**257 209**	**(44 905)**	**52 043**	**(183 562)**	**97 910**	**389 253**	**249**	**389 502**

Name of the capital group:	*HYDROBUDOWA POLSKA CAPITAL GROUP*		
Period covered by the financial statement:	*01.01.2010 – 31.03.2010*	Reporting currency:	*Polish zloty (PLN)*
Round up level:	*All sums are in PLN thousands (unless specified otherwise)*		

CONSOLIDATED CASH FLOW ACCOUNT

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Cash flow from operating activities			
Net profit before taxation	**11 441**	**3 661**	**103 983**
Corrections:	**(7 298)**	**30 660**	**(3 029)**
Depreciation of intangible assets	184	227	672
Updating write offs by virtue of loss of goodwill			
Updating write offs by virtue of loss of tangible fixed assets		109	134
Depreciation of value of tangible fixed assets	4 812	3 762	17 120
(Profit) loss on sale of tangible fixed assets	67	67	(427)
(Profit) loss on sales of financial assets available for sale (assigned for turnover)	(12 217)	10 274	(23 243)
Profits (losses) on the assessment of investment real estate according to fair value			(1 379)
(Profits) losses due to the change of fair value of financial assets shown according to fair value	(3 314)	10 127	(17 019)
Share in profits (losses) of associated entities			
Profits (losses) due to exchange rate differences	(1 156)	366	497
Cost of interest	6 760	5 924	21 649
Received interest	(2 434)	(196)	(1 031)
Acquired dividends			(2)
Cash from operational activity before considering changes in the turnover capital	**4 143**	**34 321**	**100 954**
Change in inventory	2 518	(2 665)	2 549
Changes in receivables	222 526	(59 302)	(242 933)
Changes in liabilities	(229 795)	(12 185)	242 395
Changes in provisions and accruals	(7 298)	(11 306)	(39 780)
Other adjustments	(159)	239	(195)
Cash generated in operating activity	**(8 065)**	**(50 898)**	**62 990**
Paid interest		(71)	(166)
Paid income tax	(3 477)	(14 570)	(24 605)
Net cash from operating activities	**(11 542)**	**(65 539)**	**38 219**
Cash flows from investment activities			
Outflows for the purchase of intangible assets	(78)	(133)	(407)
Inflows from the disposal of intangible assets			10
Outflows for the purchase of tangible fixed assets	(904)	(1 599)	(37 904)
Inflows from the disposal of tangible fixed assets	117	83	27 246
Outflows for the purchase of investment real estate		(16 036)	
Inflows from the disposal of investment real estate			
Outflows for the purchase of financial assets kept until their due date			
Inflows from the disposal of financial assets kept until their due date			
Outflows for the purchase of financial assets available for sale (assigned for turnover)		(18 628)	
Inflow from the sale of financial assets available for sale (assigned for turnover)			5 685
Outflows for the purchase of financial assets assigned for turnover			
Inflows from the sale of financial assets assigned for turnover			
Outflows for the purchase of subsidiaries (reduced by the acquired cash)			(5 000)
Inflows from the disposal of subsidiaries			8 949
Other outflows – additional capital payments			
Inflows from acquired government subsidies			

All sums are in PLN thousands (unless specified otherwise)

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Granted loans	(51 378)		(16 550)
Payments acquired from granted loans	16 500		
Received interest	955	196	
Acquired dividends			2
Other inflows		50	
Other outflows from investment activities			
Net cash used in investment activities	**(34 788)**	**(36 067)**	**(17 969)**
Cash flows from financial activity			
Net inflows from issuing shares			5 000
Purchase of one's own shares			
Payment of bonds			(5 000)
Inflows from issuing debt securities			
Payment of interest on bonds			(685)
Buyout of securities			
Inflows from credits and loans taken	67 071	111 546	88 891
Payment of credits and loans	(29 219)	(10 017)	(67 741)
Payment of interest on credits and loans	(5 279)	(4 774)	(19 549)
Inflows from interest on deposits	228		143
Payment of liabilities resulting from financial leasing	(2 187)	(782)	(9 713)
Paid interest	(331)	(179)	(1 011)
Paid dividends			
Commissions on credits	(104)	(267)	(868)
Other inflows			
Net cash from financial activities	**30 179**	**95 527**	**(10 533)**
Change of the net cash and equivalents	**(16 151)**	**(6 079)**	**9 717**
Cash and equivalents at the beginning of the period	84 144	74 322	74 315
Change in cash due to exchange differences	11		112
Cash and equivalents at the end of the period	**68 004**	**68 243**	**84 144**

All sums are in PLN thousands (unless specified otherwise)

ADDITIONAL INFORMATION TO THE HYDROBUDOWA POLSKA CAPITAL GROUP'S RESULTS

The following construction contracts were among the most significant **sources of income** from the HBP Group's basic activity in the first quarter of the year:

a) the contract named „ Construction of the multipurpose National Stadium in Warsaw along with the accompanying infrastructure" signed between Narodowe Centrum Sportu Ltd. and HYDROBUDOWA POLSKA S.A. – partner in the Consortium – with a realized revenue of **67 million PLN**;

b) the contract named „Development of the Poznań City Stadium for the purposes of EURO 2012" signed between the EURO Poznań Ltd. Company in Poznań and Hydrobudowa Polska SA – with a realized revenue of **55,4 million PLN;**

c) the contract named „Construction of the sewage transfer system from left-bank Warsaw to the Czajka Sewage Treatment Plant – Stage I" signed between Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w m.st. Warszawie S.A. and HYDROBUDOWA 9 S.A. – leader of the Consortium – with a realized revenue of **36,1 million PLN;**

d) the contract named „Design and construction of the waste neutralization plant in Gdańks Szadółki – construction and installation works" signed between Zakład Utylizacji Ltd. in Gdańsk and HYDROBUDOWA POLSKA S.A.– with a realized revenue of **26,7 million PLN;**

e) the contract named „Construction of the Waste Management Plant in Trzebania" signed between The City Cleaning Company in Leszno and HYDROBUDOWA 9 S.A.– with a realized revenue of **24,3 million PLN;**

f) the contract named „Construction of Arena Bałtycka – the football stadium in Gdańsk Letnica", signed between the Municipality of Gdańsk and Hydrobudowa Polska SA – with a realized revenue of **22,2 million PLN;**

g) the contract named „The Karkonowski Waterworks and Canalworks System, stage I within the Cohesion Fund, named Construction and modernization of the waterworks and canalworks network in the Szklarska community" signed between the Karkonowski Waterworks and Canalworks System and HYDROBUDOWĄ 9 S.A.– with a realized revenue of **14,8 mln zł;**

Profitability indicators

Profitability indicators	1st quarter of 2009	1st quarter of 2010
Net sales profitability[1]	12,0%	7,7%
Profitability of operations[2]	7,1%	3,6%
Net profitability[3]	3,4%	2,8%

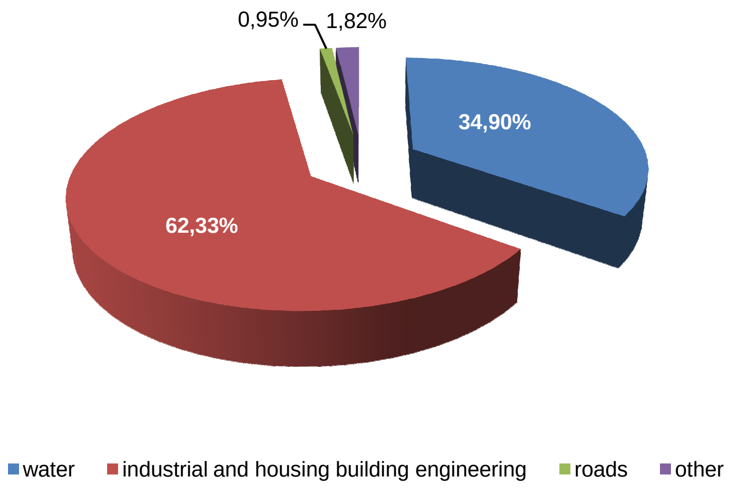
[1]gross sales profit / sales income *100
[2]profit from operational activity / sales income *100
[3]net profit assigned to parent company shareholders / sales income *100

While comparing the HYDROBUDOWA POLSKA Capital Group's financial results achieved in the first quarter of the year 2010 and in the same period of the previous year, a decrease in profitability on all specifications of the profit and loss account can be observed. That decrease is mainly a result of an exceptionally long, cold and snowy winter, which made it necessary to temporarily halt work at the construction sites and resulted in the need to incorporate other technologies which would allow to continue work in negative temperatures, which had a significant impact on the increase of costs planned in the contract budgets. This mainly concerns stadium construction contracts for the EURO 2012 in Warsaw, Gdańsk and Poznań.

The gross net sales margin was 7,7% and compared to the same period of the previous year was lower by 4,3 percentage points. The operating margin was 3,6%, which is a result worse compared to the previous year by 3,5 percentage points. The net margin decreased by 0,6 percentage points to 2,8% from 3,4% in the same period of the previous year.

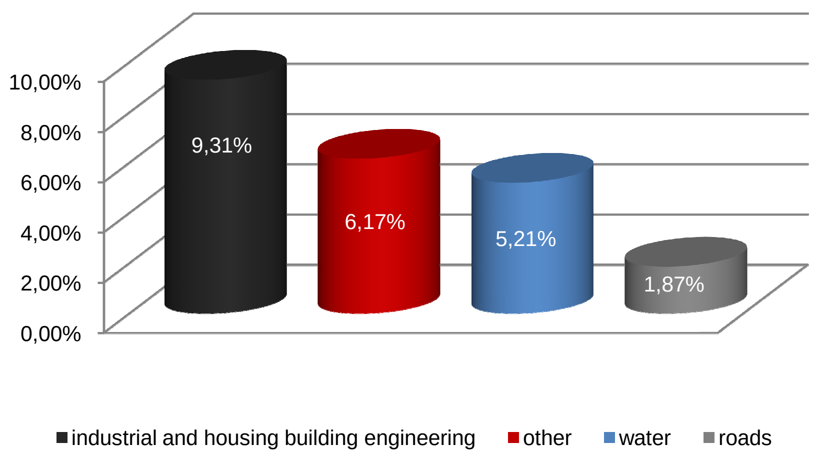
In the first quarter of 2010 the HBP Group's sales revenues rose from the sum of **209,4 million PLN** to **322,7 million PLN**, which constitutes an over 54% increase. The gross sales profit was **24,9 million PLN** and was 0,6^ lower compared to its value in the first quarter of the year 2009. The profit on operations in the first quarter of 2010 was 22,1% lower, with 14,9 million PLN in 2009 reduced to 11,6 million PLN in 2010, while the net profit assigned to parent company shareholders increased by 24,9% from the sum of 7,1 million PLN to **8,9 million PLN**.

Share of the operating segments in the HBP Capital Group's sales revenue in the 1st quarter of 2010



The largest share in the total sales revenue of the HBP Group was reported by the "industrial and housing construction" segment, which constituted 62,33 %. This segment covers the revenue from the contracts carried out by the Group for the construction of three football stadiums for the EURO 2012 in Warsaw, Gdańska and Poznań, as well as the Waste Neutralization Plant in Gdańsk – Szadółki. The second largest segment was the "Water" segment with a 34,90% share in sales revenues. Contracts carried out within this segment are contracts co-financed by the European Union, are characterized by a large unit value and are related to investments in environment protection and hydraulic engineering.
Sales in other segments had no significant impact.

The gross sales margins of specific segments in the 1st quarter of 2010



All sums are in PLN thousands (unless specified otherwise)

INFORMATION REGARDING THE POSITION OF OTHER OPERATIONAL REVENUES AND COSTS AS WELL AS FINANCIAL REVENUES AND COSTS

Other operational revenues

In the first quarter of 2010 other operational revenues equaled 16,3 million PLN, the majority of which were revenues from the reversal of receivable value updating write offs (14,2 million PLN).
A significant position in other revenues is also held by the damages acquired due to insurance agreements and fines – 1,3 million PLN.
Compared to the same period of the previous year, the value of other operational revenues was increased by 68,9%.

OTHER OPERATIONAL REVENUES

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
a) profit on the sale of non-financial fixed assets	**89**		**647**
b) Reversal of asset constituent updating write offs pertaining to:	**14 224**	**9 177**	**8 896**
- tangible fixed assets and intangible assets			37
- receivables	14 219	9 069	8 446
- inventories	5		411
- other		108	2
c) Other, including:	**2 014**	**491**	**13 599**
- subsidies			44
- acquired damages due to insurance agreements and fines	1 318	447	2 858
- release of provisions for guarantee repairs	100		242
- rent, lease	104		11
- return of legal fees	183		61
- valuation of investment real estate according to fair value			10 235
- other	309	44	148
Other operating revenues in total	**16 327**	**9 668**	**23 142**

Other operational expenses

The operational expenses in the first quarter of 2010 were 18,8 million PLN, which constitutes a 144% increase compared to the same period of the previous year. The main position included in other operational expenses is held by damages due to insurance agreements which equaled 14,3 million PLN in the first quarter.
A significant constituent of other operational expenses were updating write offs pertaining to receivables (4,1 million PLN).

OTHER OPERATING EXPENSES

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
a) Loss on the sale of non-financial fixed assets	**156**	**67**	**236**
b) asset constituent updating write offs pertaining to:	4 059	5 136	14 030
- fixed tangible assets and intangible assets			134
- receivables	4 051	5 027	13 896
- inventories	8		
- others		109	
c) Others, including:	**14 550**	**2 475**	**7 810**
- donations	7	459	2 422
- damages due to insurance agreements and fines	14 258	1 913	4 616
- faultless deficiencies of current property constituents	28		44

All sums are in PLN thousands (unless specified otherwise)

- written off receivables, which were overdue, amortized and unrecoverable			5
- other typical events (recurring)	62	55	215
- other non-standard events of a unique character	195	48	508
Other operational expenses in total	**18 765**	**7 678**	**22 076**

Financial revenues

Financial revenues in the first quarter of 2010 reached over 6,9 million PLN and were 98,7% higher than in the same period of the previous year. The main constituent in financial revenues were interests – 3,8 million PLN. Also of significant value were positive exchange rate differences: 3,1 million PLN.

FINANCIAL REVANUES

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
a) Interest	**3 835**	**903**	**2 114**
- from granted loans	84	16	83
- bank interest	243	343	795
- from security bonds			
- other	3 508	544	1 236
b) Other	**3 114**	**2 595**	**5 613**
- foreign exchange rate profits	3 063		3 738
- financial market transaction revenues		2 590	1 109
- discount rates (regarding long-term accounts)	45		688
- from dividends and profit shares			2
- guarantee commissions			76
- other	6	5	
Financial revenues in total	**6 949**	**3 498**	**7 727**

Financial expenses

Financial expenses in the first quarter of 2010 reached 7,1 million PLN, which constitutes a 51,7% decrease compared to the same period of the previous year. The most significant position in the financial expenses was held by interests and commissions from bank credits – 4,1 million PLN.

FINANCIAL EXPENSES

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
a) interest, bank commissions	**4 636**	**7 230**	**18 480**
- from obtained loans		30	216
- interest and commissions from bank credits	4 089	5 050	17 906
- from bonds		2 030	
- other	547	120	358
b) Other financial expenses	**2 477**	**7 504**	**508**
- foreign exchange rate losses	1 661	6 297	(284)
- financial market transaction expenses			17
- discounts (regarding long-term accounts)	3	593	(11)
- commissions for guarantees			
- write offs updating guaranteed loans			696
- capital increase costs			24
- other	813	614	66
Total financial expenses	**7 113**	**14 734**	**18 988**

All sums are in PLN thousands (unless specified otherwise)

ADDITIONAL INFORMATION AND CLARIFICATION TO THE MID-YEAR ABBREVIATED CONSOLIDATED FINANCIAL REPORT

1. General information

1.1. Information regarding the Parent Company and the Capital Group

The Hydrobudowa Polska Capital Group constitutes the parent company Hydrobudowa Polska S.A. as well as subsidiary companies:
- HYDROBUDOWA 9 S.A.
- Przedsiębiorstwo Robót Górniczych „METRO" Ltd.,
- Gdyńska Projekt Sp. z o.o. (a subsidiary of Hydrobudowy 9 S.A.).

HYDROBUDOWA POLSKA S.A. with the seat in Wysogotowo, in Skórzewska Street 35; 62-081 Przeźmierowo is a company operating in the construction sector and specializing in construction of water and land engineering structures, carrying out of engineering and general construction hydro-technical engineering works.
The Company was registered on 24th of February 1993 by the District Court in Włocławek under the number RHB-794 in the trade register, and was then registered by the District Court in Toruń in Młodzieżowa Street 31, VII Economic Division of the National Court Register under the KRS number 0000017342 – on the 6th of June, 2001.
The Extraordinary General Meeting of Shareholders held on the 9th of October 2006 by force of Resolution no.1 changed that seat of the Company to Wysogotowo near Poznań, in Skórzewska Street 35. On the 20th of November 2006 the District Court in Toruń registered the change of the seat and the address of the entity and performed the passing over of the Registering Act of the Company according to the appropriate location of the District Court in Poznań XXI Commercial Division of the National Court Register. On the 27th of August 2007 the District Court in Poznań registered a merger of the Company with the Company "Hydrobudowa Śląsk" S.A. and on the 7th of January 2008 the change of the name of the Company was registered from HYDROBUDOWA Włocławek S.A. to HYDROBUDOWA POLSKA S.A.
Currently the registration documents are held by the District Court of Poznań – Nowe Miasto and Wilda, VIII Commercial Division of the National Court Register.
The Company was assigned the statistical REGON number 910097080.

The main subjects of the parent Company's operation as well as its subsidiaries are:
- Construction works related to erecting residential and non-residential structures PKD 41.20 Z
- Works related to the construction of hydraulic engineering structures PKD 42.91.Z
- Preparation of terrain for construction 43.12.Z
- Works related to the construction of transfer pipelines and distribution grids PKD 42.21.Z
- Purchase and sale of real estate on one's own account PKD 68.10.Z.

A broader description of the operations carried out by the Capital Group was presented in note no 6 regarding operational segments.

The mid-year abbreviated consolidated financial report covered the parent Company as well as the following subsidiaries:

Name of the subsidiary	Seat	Group's share in the capital:		
		31.03.2010	31.03.2009	31.12.2009
Przedsiębiorstwo Robót Górniczych „METRO" Ltd.	Warsaw	98,49 %	86,46 %	98,49 %
HYDROBUDOWA 9 S.A.	Wysogotowo	100 %	100 %	100 %
GDYŃSKA PROJEKT Ltd. (subsidiary of HB9)	Poznań	100 %	100 %	100 %
GÓRECKA PROJEKT Ltd. (subsidiary of HB9)	Poznań	-	100 %	-
Hydrobudowa Polska Konstrukcje Ltd.	Mikołów	-	100 %	-

The Group doesn not hold shares (stocks) in affiliated entities.

This mid-year abbreviated consolidated financial report was approved for publication by the parent Company's Board of Directors on the 10th of May 2010.

1.2. Membership of the Board of Directors, Proxies and Supervisory Board of the Parent Company

On the approval day of this financial report, that is the 10th of May 2010, the parent Company's Board of Directors was comprised of the following members:
- Jerzy Ciechanowski – Chairman of the Board of Directors
- Edward Kasprzak – Vice-Chairman of the Board of Directors
- Jarosław Dusiło – Vice-Chairman of the Board of Directors

- Szymon Tamborski – Vice-Chairman of the Board of Directors
- Rafał Damasiewicz – Member of the Board of Directors
- Andrzej Zwierzchowski – Member of the Board of Directors.

There were no changes to the membership of the parent Company's Board of Directors reported in the period between the 1st of January 2010 and the 10th of May 2010.

In 10.05.2010 the parent Company's Supervisory Board included the following members:

- Małgorzata Wiśniewska – Supervisory Board Member
- Andrzej Wilczyński - Supervisory Board Member
- Przemysław Szkudlarczyk - Supervisory Board Member
- Grzegorz Wojtkowiak - Supervisory Board Member
- Jacek Krzyżaniak - Supervisory Board Member
- Robert Oppenheim - Supervisory Board Member
- Adam Hamrol – Supervisory Board Member
- Marek Obrusiewicz – Supervisory Board Member

The following changes in the membership of the parent Company's Supervisory Board took place during the period from the 1st of January 2010 to the 10th of May 2010:
By force of Resolution no 25 from the 21st of April 2010, due to the expiry of the tenures of hitherto Members of the Supervisory Board and the expiry of the mandates of Mrs. Małgorzata Wiśniewska – Chairman of the Supervisory Board, Mr. Andrzej Wilczyński – Vice-Chairman of the Supervisory Board, Mr. Grzegorz Wojtkowiak – Secretary of the Supervisory Board and Mr. Przemysław Szkudlarczyk – Member of the Supervisory Board, the Ordinary General Meeting of Shareholders appointed the following new Members of the Supervisory Board:

1) Pani Małgorzata Wiśniewska,
2) Pan Andrzej Wilczyński,
3) Pan Przemysław Szkudlarczyk,
4) Pan Grzegorz Wojtkowiak,
5) Pan Adam Hamrol,
6) Pan Marek Obrusiewicz.

On the publication approval of this financial report, that is 10.05.2010, the parent Company's Proxies included:

- Andrzej Szultka – Independent Proxy
- Joanna Zwolak – Independent Proxy

No changes in the membership of the Company's Proxies were reported during the period from the 1st of January 2010 to the 10th of May 2010.

2. Basis of preparation and rules of accounting

2.1. Basis of preparation

The Capital Group's mid-year abbreviated consolidated financial report covers the period of three months ending on the 31st of March 2010 and was prepared in accordance with MSR 34 *Mid-year financial reporting*.
For the purposes of better comprehension of the Group's financial and property situation, additional data covering comparable time periods was included in the form of a consolidated balance prepared according to the state on 31.03.2010 as well as the consolidated total income balance, consolidated listing of changes in equity, consolidated cash flow account for the year 2009, despite MSR 34 not requiring such data.

The mid-year abbreviated consolidated financial report does not contain all the information which is disclosed in the annual consolidated financial report prepared in accordance with MSSF. The following mid-year abbreviated consolidated financial statement should only be read in connection with the Capital Group's consolidated financial report for the year 2009 which is available at the parent Company's website: http://hbp-sa.pl/en/investor-relations/periodical-reports.html
The reporting currency of this mid-year abbreviated consolidated financial report is the Polish zloty, and all sums are presented in thousands of Polish zlotys (unless specified otherwise).
The mid-year abbreviated consolidated financial report was prepared with the assumption of continued business activity by the Group's companies in the foreseeable future. On the publication approval date of this abbreviated consolidated financial statement there were no circumstances indicating a threat to the continued activity of companies being part of the Group.

2.2. Rules of accounting

The following mid-year abbreviated consolidated financial report was prepared in accordance with the rules of accounting presented in the Group's recent consolidated financial report for the year concluded on the 31st of December 2009.
The changes in standards and interpretation in force since the 1st of January 2010 have no influence on this abbreviated consolidated financial report.

All sums are in PLN thousands (unless specified otherwise)

2.3. Correction of errors and change in the rules of accounting

This abbreviated consolidated financial report includes corrections of errors which had an influence on comparable periods:

- the balance as on the 31.03.2009 includes costs of the motivation program regarding the year 2008 in the result from previous years (the correction was first disclosed in the 2009 report),
- the balance as on the 31.12.2009 includes a correction of the asset value of deferred income tax from executed derivative instruments (the correction disclosed by one of the subsidiaries in the 2009 report was not included in the 2009 consolidated report).

The Capital Group changed the rules of presentation which influenced the presented financial data for comparable periods:

1. Receivables and liabilities from the valuation of financial instrument derivatives in the balance. Due to the significance of positions associated with financial instrument derivatives which are also securing instruments, the following additional specifications were listed:
   - Long-term receivables from financial instrument derivatives
   - Short-term receivables from financial instrument derivatives
   - Long-term liabilities from financial instrument derivatives
   - Short-term liabilities from financial instrument derivatives
2. Provisions for overdue employee leave. Hitherto they were presented in the “Short-term accruals” position, while after the change they are included in the “Provisions for liabilities due to employee benefits”.

Influence of the error correction and rules of presentation on the comparable periods is presented by the following table.

BALANCE	Was on 31.03.2009.	After the change 31.03.2009.	Was on 31.12.2009.	After the change 31.12.2009.
Assets				
Other long-term financial assets	89	89	92	92
Long-term receivables from financial instrument derivatives	-	-	-	-
Other short-term financial assets	293	293	16 731	16 731
Short-term receivables from financial instrument derivatives	-	-	5 936	5 936
Assets from deferred income tax	48 025	48 025	19 680	17 819
Liabilities				
Securing transaction evaluation capital	(170 453)	(170 453)	(43 044)	(44 905)
Other capitals	43 867	45 905	52 043	53 043
Profit (loss) from previous years	(179 369)	(181 407)	(183 562)	(183 562)
Other long-term financial liabilities *	12 470	6 140	12 707	12 707
Long-term liabilities from financial instrument derivatives	-	6 330	-	-
Other short-term financial liabilities *	263 595	5 486	13 577	13 577
Short-term liabilities from financial instrument derivatives	-	258 109	59 020	59 020
Provisions for liabilities due to employee benefits	686	3 493	3 698	3 698
Short-term accruals	3 940	1 133	2 164	2 164

* The Group also changed the names of individual specifications in the balance:

- The specification „Other long-term financial liabilities” is now called *„ Long-term liabilities from the issue of due securities and financial leasing”*
- The specification „Other short-term financial liabilities” is now called *„Short-term liabilities from the issue of due securities and financial leasing”.*

All sums are in PLN thousands (unless specified otherwise)

3. Significant events and transactions

In the 1st quarter of 2010 the exceptionally long, cold and snowy winter had a significant impact on the achieved financial results. Despite an over 54% increase of sales revenues compared to the first quarter of the previous year, the HBP Group achieved much lower profitability compared to the 1st quarter of 2009.
The low temperatures reaching over a dozen degrees below zero caused a temporary halt of the conducted construction works and resulted in the necessity to incorporate other technologies which would allow to continue work in negative temperatures. This mainly concerned stadium construction contracts for the EURO 2012 in Warsaw, Gdańsk and Poznań.

During the period covered by the mid-year abbreviated consolidated financial report:

- **Sales revenues** reached **322,7 million PLN**, which constitutes a 54,1% increase compared to the same period of the previous year,
- **Net sales profits** were **24,9 million PLN** and were slightly lower than the ones achieved in the 1st quarter of 2009, when they reached 25,1 million PLN,
- **Profit on operational activity** reached **11,6 million PLN** compared to a profit of 14,9 million PLN reported a year before, which gives a 22,1% decrease,
- **The net profit assigned to parent company shareholders** was **8,9 million PLN** compared to 7,1 million PLN in the comparable period of the previous year, which gives a 29,4% increase.
- Employment in the HBP Capital Group in the first quarter of 2010 was 1 698 employees, which is 89 employees less than in the same period of 2009.
- As on the 31st of March 2010 the HBP Group's order portfolio value **exceeded 1,9 billion PLN**. The order portfolio value was calculated on the basis of a new method of income recognition, which means that only income from contracts acquired and executed in a syndicated arrangement, which are assigned to be executed by a partner from outside the capital group, as well as when the position of leader is held by HBP or one of its subsidiaries, are taken into account. The currently largest share in the order portfolio structure is held by contracts in the "housing and industrial construction" segment. The second largest segment of the portfolio is "water", the value of which constitutes 44,8% of the entire order portfolio value.

Order portfolio structure as on the 31st of March 2010 r.	**Share in %**
water	**44,80**
water and canal works infrastructure	**33,72**
hydraulic engineering	**11,08**
renovations	**0,00**
residential and industrial construction	**55,20**
TOTAL	**100,00**

3.1. Significant achievements and set-backs of the Capital Group

In the first quarter of 2010, despite an exceptionally long and cold winter, the HBP Capital Group managed to achieve over 54% greater revenues compared to the first quarter of 2009.
This increase is the effect of the execution of high unit value contracts acquired during the last year (including for the construction of three stadiums for the EURO 2012). Were it not for the long-holding colds and heavy snowfalls, the increase in revenues would have been undoubtedly higher. The difficult winter also had an impact on the decrease in the Groups operation profitability due to the necessity to incorporate technologies which would allow to continue works in negative temperatures.

Currently, the most significant events which occurred in the first quarter of 2010 up until now were:

- Unfavorable weather conditions which played a part in the reduction of the HYDROBUDOWA POLSKA Group's operational profitability,
- A contract for the Elektrobudowa S.A, Quamak – Sekom S.A. and "AGAT" Enterprise S.A. (subcontractor) Companies for the comprehensive execution of electrical power engineering, low-current and BMS works at the National Stadium in Warsaw. The parties extablished the net value of the concluded agreement to be 91 million PLN,

- A contract for the Imtech Ltd. Company with a seat in Warsaw ("Subcontractor") for the comprehensive execution of sanitary plumbing and the outer networks at the Natioal Stadium in Warsaw. The parties established the net value of the concluded agreement to be 118 million PLN,
- Increase of the granted credit limit from the sum of 90 million PLN to the sum of 138 million PLN within the 27th of April 2007 credit line agreement signed between the Companies of the PBG Capital Group and Bank Gospodarki Żywnościowej S.A.,
- Approval of the Company's and HBP Capital Group's financial reports by the Company's Ordinary General Meeting on the 21.04.2010 and giving a vote of confidence to all Members of the Board of Directors and Supervisory Board,
- Appointment by the Company's OGM of Mrs. Małgorzata Wiśniewska, Mr. Andrzej Wilczyński, Mr. Przemysław Szkudlarczyk, Mr. Grzegorz Wojtkowiak, Prof. Adam Hamrol and Mr. Marek Obrusiewicz for another tenure,
- Increase of the granted renewable credit limit from the sum of 80 million PLN to the sum of 120 million PLN within the 5th of June 2007 contract guarantee agreement signed between the Companies of the PBG Capital Group and TU Allianz Polska S.A.

Signed investment agreements

The only significant agreements in the 1st quarter of 2010 were the subcontractor agreements at the National Stadium in Warsaw.

Subcontractor agreements at the National Stadium in Warsaw

On the 7th of January 2010 HYDROBUDOWA POLSKA S.A. along with Alpine Construction Polska Ltd. concluded two significant subcontractor agreements with annexes regarding the construction of the National Stadium in Warsaw.
The subject of the first agreement contracted to the Elektrobudowa S.A, Quamak – Sekom S.A. and "AGAT" Enterprise S.A. (subcontractor) Companies is the comprehensive execution of electrical power engineering, low-current and BMS works.
The net value of contracted works including the agreement and annex was established at 91 million PLN
The completion time of the contracted works was established on the 28th of February 2011.
The final execution time is: 4th of May 2011.

The subject of the second agreement which was contracted by HYDROBUDOWA POLSKA S.A. and Alpine Construction Polska Ltd to the Imtech Ltd. Company with a seat in Warsaw ("Subcontractor") is the comprehensive execution of sanitary plumbing and the outer networks.
The net value of contracted works including the agreement and annex was established at 118 million PLN.
The completion time of the contracted works was established on the 28th of February 2011.
The final execution time is: 4th of May 2011.

3.2. Description of factors and events, especially of a non-typical nature, which significantly influenced the consolidated financial results

THE INFLUENCE OF CURRENCY EXCHANGE RATE SECURITY ON THE RESULTS ACHIEVED BY THE HBP CAPITAL GROUP.

The HYDROBUDOWA POLSKA S.A. Company and its subsidiaries have security transactions relating exclusively to future planned currency expositions incorporating the standard forward type financial instrument. The companies of the HBP Group do not own any currency option type financial instruments. The currently open security transactions were made according to the current security policy, regarded agreements signed with investors (mainly nominated in EUR) and were not of a speculative character, as they were made within the security policy currently carried out in order to ensure the future level of sales revenue cash flow (from long-term construction contracts).
As a result of open positions on the currently market, the HBP Capital Group remains secure for the cash flow part (regarding sales revenues) assigned for the year 2010 in the sum of 72,20 million EUR and for the year 2011 in the sum of 16,85 million EUR (15,19 million EUR out of which in the first half of 2011). These transactions were made at the average weighted forward rate of 3,5972 EUR/PLN. Based on the data received from banks, the balance valuation of open positions on forward type financial instruments on the 31st of March 2010 was minus 18,21 million PLN, including minus 10,24 million PLN included in the Group's results due to the occurrence of security revenues, out of which 1,88 million PLN was included in the consolidated profit and loss account for 2010, the remaining part, that is minus 7,97 million PLN included in the capital. The result on forward contracts carried out (accounted) in 2010 was 1,78 million PLN, which was stated and accounted in the consolidated profit and loss account.
Security contracts are concluded in accordance with the HBP Group's current policy of securing the business enterprise against exchange rate risks.

All sums are in PLN thousands (unless specified otherwise)

The basis of the strategy is adjusting the financial instruments to the planned transactions of the secured contracts taking into account the net position, offer rate, time frame, quarterly quantitative distribution of currency revenues. Adopting the approach of a maximum restriction of the exchange rate risk's influence on the Group's operational result it is assumed that they will incorporate forward transactions. The HBP Capital Group keeps accounts of securities, which requires carrying out security effectiveness assessments in specified quarterly periods.

4. Profit per share

The basic profit per share is calculated on the basis of the net profit assigned to parent company shareholders divided by the average weighted number of common shares which exist during the given period.
Calculation of the diluted profit per share takes into account the diluting influence of options exchangeable to parent Company shares issued within the motivational programs carried out by the Group.
The parent Company did not issue any options exchangeable to shares in the presented period.

The profit per share calculation is presented in the table below:

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Continued activity			
Net profit (loss) from continued activity	8 905	7 132	97 910
Average weighted number of common shares	210 558	210 558	210 558
Diluting influence of options exchangeable to shares	-	-	-
Weighted average diluted number of common shares	210 558	210 558	210 558
Basic profit (loss) per share from continued activity (PLN)	0,04	0,03	0,47
Diluted profit (loss) per share from continued activity (PLN)	0,04	0,03	0,47
Discontinued activity			
Net profit (loss) from discontinued activity	-	-	-
Average weighted number of common shares	210 558	210 558	210 558
Diluting influence of options exchangeable to shares	-	-	-
Weighted average diluted number of common shares	210 558	210 558	210 558
Basic profit (loss) per share from discontinued activity (PLN)	-	-	-
Diluted profit (loss) per share from discontinued activity (PLN)	-	-	-
Continued and discontinued activity			
Net profit (loss)	8 905	7 132	97 910
Weighted average number of common shares	210 558	210 558	210 558
Diluting influence of options exchangeable to shares	-	-	-
Weighted average diluted number of common shares	210 558	210 558	210 558
Basic profit (loss) per share from total activity (PLN)	**0,04**	**0,03**	**0,47**
Diluted profit (loss) per share from total activity (PLN)	**0,04**	**0,03**	**0,47**

5. Seasonality of operations

The Group's operations in the range of construction and installation engineering services is characterized by seasonality – in the past the Group reported higher revenues and profits during the second half of the year. Sales revenues achieved in the first quarter of 2010 constitute nearly 20 % of the Group's turnover during the last year and are significantly better than past results.
It is noteworthy that, were it not for the long, cold and snowy winter, the level of revenues would be much higher. Undoubtedly the factor which determines the course of works carried out by the Group are atmospheric conditions. Low temperatures make ground and installation works more difficult and as a result may influence the level of revenues generated by sales.

The HBP Capital Group's strategy assumes acquiring contracts of a possibly high unit value. Acquiring such contracts plays a role in nullifying the seasonality of revenues, all the while ensuring a more even distribution of revenues throughout the financial year.

6. Operational segments

While specifying operational segments the Board of Directors takes into account product lines which represent the main services and products supplied by the Group. Each of the segments is managed separately within the given product line, due to the specification of services provided, the execution of which requires separate technologies, resources and approaches. The incorporation of MSSF 8 influenced a changed approach to the separation of segments compared to the Capital Group's recent consolidated financial report.
The Hydrobudowa Polska Capital Group establishes the operational segment as the basic reporting template.
The listing of segments conforms to the presentation of operational segments in the consolidated report of the controlling company, that is the PBG Capital Group.
Four main segments are distinguished, within which the Group carries out its operations:

- **natural gas, crude oil and fuels,**
- **water,**
- **industrial and housing building engineering,**
- **roads.**

The following ranges of services are distinguished within the individual segments:

- **Natural gas, crude oil and fuels include:**

- surface installations for the mining of crude oil and natural gas
- natural gas condensation, storage and LNG regasification installations
- LPG, C5+ separation and storage stations
- LNG storage and vaporization stations
- underground gas storage facilities
- sulfur removal installations
- surface installations of underground natural gas storage facilities
- crude oil containers
- natural gas and crude oil transfer systems, including:
  reduction and measurement, measurement and settlement stations, mixing stations, distribution nodes, extractors, etc.
- fuel storage facilities

- **Water includes:**

- technological and sanitary installations for water and canal works systems, such as:
  - waterworks
  - canal works
  - water mains and collectors
  - water intakes
  - sewage treatment plants
- hydraulic engineering structures, such as:
  - water dams
  - storage reservoirs
  - flood banks
- renovation of waterworks and canal work installations

- **Industrial and housing building engineering includes:**
  - general construction
  - industrial infrastructure
  - construction of stadiums
- construction of waste incineration facilities

- **Roads include:**

- road construction

Also, the Capital Group distinguishes an additional segment of operations called "other", which covers, among others, revenues from the sales of goods and materials as well as other services, which do not qualify as the ones specified in the four main segments.

The Capital Group presents the sales revenues, costs and results (gross margins) divided among the abovementioned segments, however, it does not present assets and liabilities divided into the operational segments due to the fact, that part of the fixed assets is used for production is classified in various segments and material inventories cannot be assigned to specific segments and it is not possible to assign liabilities from deliveries and services as well as revenues and costs of other operating and financial activity to the segments.

Information regarding individual operational segments are presented in the tables below.

All sums are in PLN thousands (unless specified otherwise)

Revenues, results and assets of operational segments:

Operational segments for the period of 01.01.-31.03.2010

Specification	Segments				other	Consolidation exclusions	Consolidated value
	natural gas, crude oil and fuels	water	housing and industrial building engineering	roads			
Financial results of branch segments for the period from 01.01 to 31.03.2010							
Total revenue	**-**	**112 625**	**201 120**	**3 054**	**5 882**	**-**	**322 681**
External sales		112 625	201 120	3 054	5 882		322 681
Sales between segments	-	-	-	-	-	-	-
Total costs	(45)	(106 761)	(182 424)	(2 997)	(5 520)		(297 747)
Result of the segment	**(45)**	**5 863**	**18 696**	**57**	**363**	**-**	**24 934**
Undistributed expenses	x	x	x	x	x	x	(10 891)
Other operating revenues / expenses	x	x	x	x	x	x	(2 438)
Profit on operating activity	x	x	x	x	x	x	**11 605**
Financial revenue	x	x	x	x	x	x	6 949
Financial expenses	x	x	x	x	x	x	(7 113)
Share in profits of entities settled with the ownership rights method	x	x	x	x	x	x	-
Profit before taxation	x	x	x	x	x	x	**11 441**
Corporate income tax	x	x	x	x	x	x	(2 529)
Net profit	x	x	x	x	x	x	**8 912**

All sums are in PLN thousands (unless specified otherwise)

Operational segments for the period of 01.01 – 31.12.2009

Specification	Segments				other	Consolidated value
	natural gas, crude oil and fuels	water	housing and industrial building engineering	roads		
Financial results of branch segments for the period from 01.01 to 31.12.2009						
Total revenue	**26 517**	**840 134**	**729 555**	**24 127**	**55 290**	**1 675 623**
External sales	26 517	840 134	729 555	24 127	55 290	1 675 623
Sales between segments	-	-	-	-	-	-
Total costs	-38 942	-740 072	-657 905	-23 807	-50 245	-1 510 971
Result of the segment	**-12425**	**100 062**	**71 650**	**320**	**5 045**	**164 652**
Undistributed expenses	x	x	x	x	x	-50 474
Other operating revenues / expenses	x	x	x	x	x	1 066
Profit on operating activity	x	x	x	x	x	**115 244**
Financial revenue	x	x	x	x	x	7 727
Financial expenses	x	x	x	x	x	-18 988
Share in profits of entities settled with the ownership rights method	x	x	x	x	x	-
Profit before taxation	x	x	x	x	x	**103 983**
Corporate income tax	x	x	x	x	x	-6 049
Net profit	x	x	x	x	x	**97 934**

All sums are in PLN thousands (unless specified otherwise)

Operational segments for the period of 01.01 – 31.03.2009

Specification	Segments				Other	Consolidated value
	natural gas, crude oil and fuels	water	housing and industrial building engineering	roads		
Financial results of branch segments for the period from 01.01 to 31.03.2009						
Total revenue	**28186**	**119 914**	**55 897**	**-**	**5 445**	**209 442**
External sales	28186	119 914	55 897	-	5 445	209 442
Sales between segments	-	-	-	-	-	-
Total costs	-26153	-101 937	-51 083	-	-5 175	-184 348
Result of the segment	**2033**	**17 977**	**4 814**	**-**	**270**	**25 094**
Undistributed expenses	x	x	x	x	x	-12 187
Other operating revenues / expenses	x	x	x	x	x	1 990
Profit on operating activity	x	x	x	x	x	**14 897**
Financial revenue	x	x	x	x	x	3 498
Financial expenses	x	x	x	x	x	-14 734
Share in profits of entities settled with the ownership rights method	x	x	x	x	x	-
Profit before taxation	x	x	x	x	x	**3 661**
Corporate income tax	x	x	x	x	x	3 353
Net profit	x	x	x	x	x	**7 014**

All sums are in PLN thousands (unless specified otherwise)

7. Tangible fixed assets

In the first quarter of 2010 the Group did not place any significant expenses into tangible fixed assets. The expenses on the purchase of intangible assets were 904 thousand PLN.

The distribution of tangible fixed assets among specific type groups is presented in the table below.

Specification	as of 31.03.2010	as of 31.03.2009	as of 31.12.2009
Land	15 981	18 327	15 981
Buildings and structures	28 971	36 462	29 250
Machines and devices	66 892	57 246	72 266
Means of transport	19 783	23 027	20 487
Other fixed assets	2 755	3 222	2 762
Net balance value	**134 382**	**138 284**	**140 746**
Tangible fixed assets during production	1 562	21 854	1 289
Advance payments for fixed assets	311	3 119	81
Tangible fixed assets in total	**136 255**	**163 257**	**142 116**
Classification of tangible fixed assets as intended for sale	-	-	-
Tangible fixed assets	**136 255**	**163 257**	**142 116**

8. Intangible assets

In the 1st quarter of 2010 the Group did not make any significant purchases of intangible assets. The expenses on the purchase of intangible assets were 78 thousand PLN.
The Group did not make write offs by virtue of permanent loss of intangible assets in the 1st quarter of the year.

9. Overdue receivables and liabilities

The following table presents the aging of overdue receivables and the value of write offs updating these receivables.

Specification	as of 31.03.2010	as of 31.12.2009
Overdue receivables from deliveries and services	**209 760**	**183 926**
- up to 1 month	21 128	73 298
- from 1 month to 6 months	150 871	60 234
- from 6 months to a year	13 014	19 790
- more than a year	35 644	51 650
- write offs updating the value of overdue receivables (-)	(10 897)	(21 046)
Other overdue short-term receivables	**-**	**387**
- up to 1 month	-	371
- from 1 month to 6 months	-	5
- from 6 months to a year	-	-
- more than a year	55 443	55 787
- write offs updating the value of overdue receivables (-)	(55 443)	(55 776)
Gross overdue receivables	**276 100**	**261 135**
Write offs updating the value of overdue receivables	(66 340)	(76 822)
Net overdue receivables	**209 760**	**184 313**

All sums are in PLN thousands (unless specified otherwise)

The division of overdue short-term liabilities according to their overdue period is presented in the table below.

Specification	as of 31.03.2010	as of 31.12.2009
Overdue liabilities from deliveries and services	**128 272**	**127 039**
- up to 1 month	59 766	87 425
- from 1 month to 6 months	56 134	30 825
- from 6 months to a year	7 280	3 525
- more than a year	5 091	5 264
Other overdue short-term liabilities	**518**	**15**
- up to 1 month	-	8
- from 1 month to 6 months	3	6
- from 6 months to a year	-	-
- more than a year	515	1
Gross overdue liabilities	**128 790**	**127 054**

10. Basic capital

In the three month period of 2010 the parent Company did not issue shares.

The basic capital according to the state on the balance day:

	31.03.2010	31.03.2009	31.12.2009
Number of shares	210 558 445	210 558 445	210 558 445
Nominal share value (PLN)	1,00	1,00	1,00
Basic capital	**210 558**	**210 558**	**210 558**

10.1. Significant shareholders

Shareholders who directly or indirectly via subsidiary entities hold at least 5 % of the total number of votes at the issuer's general meeting on the day of publishing of the consolidated quarterly report along with the listing of shares held by these entities, their percentage share in the share capital, the number of votes granted by the shares and the percentage share in the total number of votes at the general meeting as well as an indication of changes in the ownership structure of significant issuer share packages during the period following the publication of the recent quarterly report.

The Company's shareholding structure based on the declarations received from shareholders in votes at the Company's GM as on the 31.03.2010 is presented below.

No	Shareholder	Number of shares	Number of votes	Share in the capital	Share in the total number of votes
1.	PBG S.A.	132 098 185	132 098 185	62,74%	62,74%
2.	ING OFE in Warsaw	10 550 000	10 550 000	5,01%	5,01%
3.	Other Shareholders	67 910 260	67 910 260	32,26%	32,26%
	TOTAL	**210 558 445**	**210 558 445**	**100,00%**	**100,00%**

In the period following the publication of the annual report for the year 2010 until the 31st of March 2010 there were no changes in the ownership structure of significant share packages

On the 12th of April 2010 a purchase transaction of a 650.507 share package of the HYDROBUDOWA POLSKA S.A. by PBG S.A. took place at the purchase price of 3,60 PLN per share. As a result of the transaction, the share of PBG S.A. in the share capital increased to 132.748.692 shares which constitute 63,05% of the share capital and total number of votes.

Taking into account the above, based on the declarations received from shareholders in votes at the Company's GM, the Company's shareholding structure on the publishing day of this report is as follows:

All sums are in PLN thousands (unless specified otherwise)

No	Shareholder	Number of shares	Number of votes	Share in the capital	Share in the total number of votes
1.	PBG S.A.	132 748 692	132 748 692	63,05%	63,05%
2.	ING OFE in Warsaw	10 550 000	10 550 000	5,01%	5,01%
3.	Other Shareholders	67 259 753	67 259 753	32,26%	31,94%
	TOTAL	**210 558 445**	**210 558 445**	**100,00%**	**100,00%**

10.2. Listing of shares held by members of the managerial and supervisory staff

Company's Board of Directors	Number of shares held /pcs./ 22.03.2010 r.	Increases	Decreases	Current number of shares held /pcs./
Jerzy Ciechanowski	-	-	-	-
Edward Kasprzak	438 100	-	-	438 100
Jarosław Dusiło	150	-	-	150
Szymon Tamborski	3 182 695	-	-	3 182 695
Andrzej Zwierzchowski	4 850	-	-	4 850
Rafał Damasiewicz	-	-	-	-

Supervisory Board	Number of shares held /pcs./ 22.03.2010 r.	Increases	Decreases	Current number of shares held /pcs./
Małgorzata Wiśniewska	-	-	-	-
Andrzej Wilczyński	-	-	-	-
Grzegorz Wojtkowiak	-	-	-	-
Robert Oppenheim	605 507	-	650 507	-
Jacek Krzyżaniak	-	-	-	-
Adam Hamrol*	-	-	-	-
Marek Obrusiewicz*	-	-	-	-
Przemysław Szkudlarczyk	16 100	20 000	-	36 100

* Mr. Adam Hamrol and Mr. Marek Obrusiewicz are newly appointed Members of the Supervisory Board. Appointed by the Company OGM's Resolution no 25 from the 21st of April 2010.

Company Proxies	Number of shares held /pcs./ 22.03.2010 r.	Increases	Decreases	Current number of shares held /pcs./
Andrzej Szultka	9 000	9 000	-	18 000
Joanna Zwolak	50	-	-	50

11. Share payment program

Since the year 2008 the Group includes in their accounts the costs of the motivational program based on the issued Hydrobudowa Polska S.A. shares.
The motivational program was broadly described in note 15.4. of the Consolidated financial report for the year 2009.

The Group included the sum of 510 thousand PLN, corresponding to ¼ of the annual value of the program in the costs of the 1st quarter of 2010.

No programs based on options on shares and other capital instruments other than the ones described above exist within the Capital Group.

12. Dividends

The Company did not pay nor declare payment of any dividends in the first quarter of 2010.

13. Issue and repurchase of debt securities

In the three month period of 2010 the Company did not issue any debt securities.
The Company also does not have debt securities which would result in a repurchase obligation.

14. Contingent liabilities

The value of contingent liabilities according to the state at the end of specific periods (including the ones relating to associated entities) is as follows:

Contingent liabilities	as at 31.03.2010 in PLN thousands	as at 31.12.2009 in PLN thousands
Guarantees:	**469 262**	
For associated entities:	**0**	**0**
For the benefit of other entities:	**469 262**	**648 612**
- of proper execution	345 392	500 325
- of proper fault and malfunction removal	51 635	42 806
- tender security	13 533	20 750
- of advance payment return	55 557	81 412
- of withheld sums	2 745	2 919
- of payment	400	400
Surety:	**1 938 235**	**1 876 979**
For associated entities:	**1 930 761**	**1 870 472**
- of contract guarantee repayment	433 020	416 174
- of loan and credit repayment	352 994	305 948
- of bond repurchase repayment	1 000 000	1 000 000
- repayment of limits for transactions made by financial instruments (treasury limits)	131 772	147 738
- other	12 809	400
- sureties of present and future leasing contracts	166	212
For the benefit of other entities:	**7 474**	**6 507**
- of contract guarantee repayment	876	931
- of loan and credit repayment	5 000	5 175
- of bond repurchase repayment	0	0
- repayment of limits for transactions made by financial instruments (treasury limits)	0	0
- other	1 220	0
- of trade liabilities repayment	0	0
- sureties of present and future leasing contracts	378	401
Promissory notes:	**39 380**	**45 903**
For associated entities:	14 191	19 118
- guarantees of contractual liabilities	14 191	19 118
For the benefit of other entities:	25 189	26 785
- guarantees of contractual liabilities	25 189	26 785
Contingent liabilities in total:	**2 446 877**	**2 571 494**

One significant warranty of a value exceeding 10% of the Capital Group's equity capital was given in the 1st quarter of 2010. The warranty was given to the PBG S.A. Company in relation to the agreement signed with Nordea Bank Polska S.A. to the 10.04.2009 credit agreement FKR-PLN-ZOKK1-09-000012 with an execution title of 45 million PLN [13.829 thousand].

The above warranties are the maximum warranty sums. In accordance with the rule applied in the Capital Group, the amount of the warranty corresponds to the degree of involvement on the given day, hence, for example, on the 31.03.2010 the warranty amount was according to the values stated in the brackets.

The Group did not grant any significant warranties exceeding 10% of the Group's equity capital in the 1st quarter of 2010.

15. Information regarding significant court, arbitration and administrative proceedings

The court, arbitration and administrative proceedings against the parent Company and its subsidiaries do not exceed 10% of the equity capital and therefore are considered insignificant.

16. Mergers of business entities

The Capital Group did not purchase nor dispose of any subsidiaries during the 1st quarter of 2010.
There were also no other transactions, such as purchase of shares, increase in capital, which could influence the Capital Group's structure.

17. Discontinued activities

The Capital Group does not have any discontinued activities.

18. Transactions with associated entities

Transactions between the Group's companies which were eliminated in the consolidation process are presented in the stand-alone financial reports of the companies.
Below is a list of transactions with associated entities included in the Group's abbreviated consolidated financial report:

All sums are in PLN thousands (unless specified otherwise)

TABLE OF TRANSACTIONS WITH ASSOCIATED ENTITIES

Specification / Associated entity	PBG	Metorex	Infra	KWG	GK APRIVIA	GK PBG DOM	AVATIA	PBG Technologia	Personal associations	TOTAL
Total receivables	**2 023**	**2 340**	**15 674**	**127**	**3**	**10 382**	**-**	**479**	**124**	**31 152**
Long-term receivables for deliveries and services	-	-	107	-	-	-	-	-	-	**107**
Short-term receivables for deliveries and services	2 023	1 884	15 567	-	3	10 382	-	479	124	**30 462**
Other short-term receivables	-	456	-	127	-	-	-	-	-	**583**
Total liabilities	**51 021**	**15 885**	**1 048**	**2 585**	**388**	**172**	**76**	**13 532**	**2 893**	**87 594**
Long-term liabilities for deliveries and services	-	-	155	-	-	-	-	-	-	**155**
Short-term liabilities for deliveries and services	51 021	15 885	893	2 585	388	172	76	13 526	2 893	**87 439**
Other short-term receivables	-	-		-	-	-	-	26	-	**26**
Other long-term financial assets	-	-	-	-	-	-	-	-	51 377	**51 377**
Other short- term financial assets	-	-	-	-	-	-	-	-	-	**-**
Financial liabilities	-	-	-	-	-	-	-	-	-	**-**
Revenue from products, services, materials and goods sales	57	190	2 640	-	6	8 628	-	255	104	**11 880**
Own cost of products, services, materials and goods sold	376	13 521	1 619	5 417	1 966	214	40	15 399	3 307	**41 859**
Management costs	66	-	-	-	-	176	120	10		**372**
Financial revenue	503	10		-	-	-	-	-	-	**513**
Financial costs	-	1	2	-	-	-	-	-	-	**3**

19. Events after the accounting day

Conclusion of an annex to the contract guarantee agreement with TU Allianz Polska S.A.

On the 8th of April 2010 HYDROBUDOWA POLSKA S.A. along with Companies of the PBG Capital Group ("the Companies"), namely:
- PBG S.A.,
- Infra S.A.,
- HYDROBUDOWA 9 S.A.

concluded an annex to the 5th of June 2007 contract guarantee within a renewable credit limit agreement signed with TU Allianz Polska S.A. with a seat in Warsaw.

By force of the annex the period during which TU Allianz Polska S.A. will issue contract guarantees (bidding guarantees, proper contract execution guarantees, proper fault and malfunction removal and advance payment return guarantees) to the Companies was extended to the 30th of June 2010.
Additionally the renewable limit was increased from the sum of 80 million PLN to 120 million PLN.

20. The Board of Directors' standpoint regarding the possibility of realizing the prognoses published earlier

The Company did not publish any financial result prognoses for the year 2010 before the publishing date of this report.

21. Indication of factors which will have the largest influence on future financial results

Among the most significant factors which may influence the Issuer's financial situation in at least another quarter are:

- economic situation of the construction trade,
- financial market situation,
- the speed and direction of using European Union relief funds,
- the speed of preparing investments related to the organization of the EURO 2012 European Football Championships in Poland,
- increase of operational and financial control within the executed contracts,
- the level of material and construction service prices influencing the direct costs of executed contracts,
- employment costs and availability of qualified employees.

22. Chosen financial data in Euros

The following PLN to EUR exchange rates established by the National Bank of Poland were used for the calculation of chosen financial data in the periods covered by the abbreviated consolidated financial report:

- The exchange rate on the last day of the reporting period: 31.03.2010 3,8622 PLN/EUR, 31.02.2009 4,7013 PLN/EUR, 31.12.2009 4,1082 PLN/EUR,
- The average exchange rate during the period, calculated as the arithmetic average of exchange rates on the last day of each month during the given period: 01.01 – 31.03.2010 3,9669 PLN/EUR, 01.01 – 31.03.2009 4,5994 PLN/EUR, 01.01 - 31.12.2009 4,3406 PLN/EUR,
- The highest and lowest exchange rate during the given period: 01.01 - 31.03.2010 4,0969 – 3,8622 PLN/EUR, 01.01 - 31.03.2009 4,8999 – 3,9170 PLN/EUR, 01.01 - 31.12.2009 4,8999 – 3,9170 PLN/EUR.

Basic elements of the consolidated balance, consolidated profit and loss account and consolidated cash flow account in EURO are presented in the following table:

Name of the capital group:	HYDROBUDOWA POLSKA CAPITAL GROUP		
Period covered by the financial statement:	01.01.2010 – 31.03.2010	Reporting currency:	Polish zloty (PLN)
Round up level:	All sums are in PLN thousands (unless specified otherwise)		

Specification	for the period from 01.01. to 31.03.2010 PLN	for the period from 01.01. to 31.03.2009 PLN	for the period from 01.01. to 31.12.2009 PLN	for the period from 01.01. to 31.03.2010 EUR	for the period from 01.01. to 31.03.2009 EUR	for the period from 01.01. to 31.12.2009 EUR
Profit and loss account						
Sales revenue	322 681	209 442	1 675 623	81 343	45 537	386 035
Profit (loss) on operating activities	11 605	14 897	115 244	2 925	3 239	26 550
Profit (loss) before taxation	11 441	3 661	103 983	2 884	796	23 956
Profit (loss) on continued activities	8 912	7 014	97 934	2 247	1 525	22 562
Net profit (loss) assigned to:	8 912	7 014	97 934	2 247	1 525	22 562
- parent company shareholders	8 905	7 132	97 910	2 245	1 551	22 557
- minority shareholders	7	(118)	24	2	(26)	6
Net profit (loss) per common share (in PLN / EUR)	0,04	0,03	0,47	0,01	0,01	0,11
Diluted net profit (loss) per common share (in PLN / EUR)	0,04	0,03	0,47	0,01	0,01	0,11
Average PLN / EUR exchange rate *				3,9669	4,5994	4,3406
Cash flow account						
Net cash from operating activities	(11 542)	(65 539)	38 219	(2 910)	(14 249)	8 805
Net cash used in investment activities	(34 788)	(36 067)	(17 969)	(8 770)	(7 842)	(4 140)
Net cash from financial activities	30 179	95 527	(10 533)	7 608	20 769	(2 427)
Change in the state of net cash and equivalents	(16 151)	(6 079)	9 717	(4 071)	(1 322)	2 239
Average PLN / EUR exchange rate*				3,9669	4,5994	4,3406

Specification	as on 31.03.2010 PLN	as on 31.03.2009 PLN	as on 31.12.2009 PLN	as on 31.03.2010 EUR	as on 31.03.2009 EUR	as on 31.12.2009 EUR
Balance						
Assets	1 266 962	1 280 567	1 457 838	328 042	272 386	354 861
Long-term liabilities	46 161	50 257	48 788	11 952	10 690	11 876
Short-term liabilities	799 095	1 060 817	1 019 548	206 902	225 643	248 174
Equity capital	421 706	169 493	389 502	109 188	36 052	94 811
Basic capital	210 558	210 558	210 558	54 518	44 787	51 253
Number of shares	210 558 445	210 558 445	210 558 445	210 558 445	210 558 445	210 558 445
Book value per common share (in PLN / EUR)	2,00	0,80	1,85	0,52	0,17	0,45
Declared or paid dividend per common share (in PLN / EUR)	-	-	-	-	-	-
PLN / EUR exchange rate at the end of the period**				3,8622	4,7013	4,1082

All sums are in PLN thousands (unless specified otherwise)

MID-YEAR ABBREVIATED STAND-ALONE FINANCIAL REPORT OF THE HYDROBUDOWA POLSKA S.A. COMPANY

BALANCE

Specification	as on 31.03.2010	as on 31.03.2009	as on 31.12.2009
Assets			
Fixed assets	**516 986**	**499 389**	**467 183**
Goodwill			
Intangible assets	331	496	383
Tangible fixed assets	76 964	89 173	78 482
Finite natural resources			
Investment property	13 762	7 090	13 762
Investments in subsidiaries	371 083	374 115	371 084
Investments in affiliated entities			
Other long-term financial assets	51 469	15 961	92
- from related entities	51 377	15 872	
- from other entities	92	89	92
Long-term receivables from derivative financial instruments			
Long-term receivables	1 285	4 672	1 267
- from related entities		1 013	
- from other entities	1 285	3 659	1 268
Assets from deferred corporate income tax		4 852	
Long-term accruals	2 092	3 030	2 113
Current Assets	**737 397**	**757 488**	**880 834**
Inventories	2 877	5 299	4 409
Receivables due to construction service contracts	367 207	324 320	316 792
- from related entities	10 720	78 736	12 028
- from other entities	356 487	245 584	304 764
Receivables from deliveries and services	278 192	335 085	439 942
- from related entities	47 523	141 681	122 078
- from other entities	230 669	193 404	317 864
Current income tax receivables	2 290	947	
Other short-term receivables	16 813	5 786	1 742
- from related entities	583	4 019	676
- from other entities	16 230	1 767	1 066
Other short-term financial assets	31 963	41 351	74 916
- from related entities	31 807	41 058	74 759
- from other entities	156	293	157
Short-term receivables from derivative financial instruments			
Cash and equivalents	34 578	39 728	38 728
Short term accruals	3 477	4 972	4 305
Fixed assets classified for sale			
Total Assets	**1 254 383**	**1 256 877**	**1 348 017**

All sums are in PLN thousands (unless specified otherwise)

BALANCE CONTINUED

Specification	as on 31.03.2010	as on 31.03.2009	as on 31.12.2009
Liabilities			
Equity capital	**834 013**	**748 299**	**830 479**
Base share capital	210 558	210 558	210 558
Stocks / own shares			
Reserve capital from sales of stocks exceeding their face value	543 001	543 001	543 001
Capital from the evaluation of securing transactions	(4 082)	(56 027)	(7 271)
Other capitals	45 295	43 790	45 295
Undivided financial result	39 241	6 977	38 896
- profit (loss) from previous years	38 895	2 605	
- net profit (loss) from the current year	346	4 372	38 896
Liabilities	**420 370**	**508 578**	**517 538**
Long-term liabilities	**27 632**	**37 840**	**28 405**
Long-term credits and loans	8 845	23 682	11 929
- from related entities			
- from other entities	8 845	23 682	11 929
Long-term liabilities from the issue of due securities and financial leasing	1 569	8 202	1 590
Long-term liabilities from derivative financial instruments			
Other long-term liabilities	5 497	3 323	5 688
- from related entities	154	187	153
- from other entities	5 343	3 136	5 535
Deferred income tax reserve	6 721		4 388
Provisions for liabilities due to employee benefits	1 394	690	1 394
Other long-term provisions	3 606	1 943	3 416
Government grants			
Long-term accruals			
Short-term credits and loans	**392 738**	**470 738**	**489 133**
- from related entities	170 682	194 777	124 653
- from other entities		10 030	
Short-term liabilities from the issue of due securities and financial	170 682	184 747	124 653
Short-term liabilities from derivative financial instruments	518	95 741	486
Liabilities from deliveries and services	6 446		14 171
- from related entities	191 233	145 103	304 413
- from other entities	70 533	24 170	84 161
Liabilities from construction service contracts	120 700	120 933	220 252
- from related entities	2 776	6 385	2 613
- from other entities		30	
Current income tax liabilities	2 776	6 355	2 613
Other short-term liabilities			630
- from related entities	17 131	25 676	37 656
- from other entities	26	69	12
Provisions for liabilities due to employee benefits	17 105	25 607	37 644
Other short term provisions	1 408	1 045	1 373
Short-term credits and loans	1 037	954	1 063
Government grants			
Short-term accruals	1 507	1 057	2 075
Liabilities associated with fixed assets assigned for sale			
Total liabilities	**1 254 383**	**1 256 877**	**1 348 017**

PROFIT AND LOSS ACCOUNT

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Continued activity			
Revenue from sales	196 476	160 108	1 125 755
- from related entities	5 997	30 575	181 714
Revenue from product sales			
Revenue from service sales	196 159	159 325	1 120 098
Revenue from goods and materials sales	317	783	5 657
Own cost of sales	(186 231)	(147 946)	(1 040 449)
- from related entities	(37 663)	(18 982)	(222 945)
Cost of sold products			
Cost of sold services	(185 914)	(147 207)	(1 035 231)
Cost of sold goods and materials	(317)	(739)	(5 218)
Gross sales profit (loss)	10 245	12 162	85 306
Cost of sale			
General management costs	(4 550)	(5 521)	(23 199)
Other operational revenue	15 695	397	7 885
Other operational expenses	(18 527)	(1 626)	(18 622)
Share in profits of entities settled with the ownership rights method			
Costs of restructuring			
Profit (loss) on operating activities	2 863	5 412	51 370
Financial revenue	3 876	6 291	7 873
Financial costs	(5 282)	(5 597)	(10 328)
Other investment profit (loss)			950
Profit (loss) before taxation	1 457	6 106	49 865
Corporate income tax	(1 111)	(1 734)	(10 969)
Net profit (loss) from continued activities	346	4 372	38 896
Discontinued activity			
Net loss on discontinued activity			
Net profit (loss)	346	4 372	38 896

NET PROFIT (LOSS) PER ONE COMMON SHARE

Specification	for the period from 01.01. to 31.03.2010 1 / share	for the period from 01.01. to 31.03.2009 1 / share	for the period from 01.01. to 31.12.2009 1 / share
Net profit (loss) from continued activity	346	4 372	38 896
Net profit (loss) from continued and discontinued activity	346	4 372	38 896
Weighted average number of common shares (in thousand pcs.)	210 558	210 558	210 558
Weighted average diluted number of common shares (in thousand pcs.)	210 558	210 558	210 558
from continued activity			
- basic	0,00	0,02	0,18
- diluted	0,00	0,02	0,18
from continued and discontinued activity			
- basic	0,00	0,02	0,18
- diluted	0,00	0,02	0,18

Name of the capital group:	***HYDROBUDOWA POLSKA CAPITAL GROUP***		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

TOTAL INCOME REPORT

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Net profit (loss)	346	4 372	38 896
Other total income			
Reassessment of fixed assets			
Financial assets available for sale			
- income (loss) included in other total income during the period			
- sums transferred to the financial result			
Instruments securing cash flows:	4 411	(15 511)	44 681
- income (loss) included in other total income during the period	5 246	(15 511)	243
- sums transferred to the financial result	(835)		44 438
- sums included in the initial value of secured positions			
Income tax referring to the constituents of other total income	(1 221)	2 947	(8 489)
Other total income after taxation	3 190	(12 564)	36 192
Total Income	3 536	(8 192)	75 088

CASH FLOW ACCOUNT

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Cash flow from operating activities			
Net profit before taxation	**1 457**	**6 106**	**49 865**
Corrections:	**263**	**15 062**	**(4 311)**
Depreciation of intangible assets	74	73	328
Updating write offs by virtue of loss of goodwill			
Updating write offs by virtue of loss of tangible fixed assets		109	134
Depreciation of value of tangible fixed assets	2 122	2 279	8 754
(Profit) loss on sale of tangible fixed assets	156	(25)	(659)
(Profit) loss on sales of financial assets available for sale (assigned for turnover)			(950)
Profits (losses) on the assessment of investment real estate according to fair value			(1 379)
(Profits) losses due to the change of fair value of financial assets shown according to fair value	(3 314)	10 127	(17 019)
Share in profits (losses) of associated entities			
Profits (losses) due to exchange rate differences			
Cost of interest	3 648	2 499	7 166
Received interest	(2 423)		(684)
Acquired dividends			(2)
Cash from operational activity before considering changes in the turnover capital	**1 720**	**21 168**	**45 554**
Change in inventory	1 532	(916)	(26)
Changes in receivables	96 187	(68 709)	(159 001)
Changes in liabilities	(133 698)	3 018	174 446
Changes in provisions and accruals	480	(128)	5 088
Other adjustments			(295)
Cash generated in operating activity	**(33 779)**	**(45 567)**	**65 766**
Paid interest		(71)	(164)
Paid income tax	(2 920)	(14 355)	(24 218)
Net cash from operating activities	**(36 699)**	**(59 993)**	**41 384**
Cash flows from investment activities			
Outflows for the purchase of intangible assets	(21)		(146)
Inflows from the disposal of intangible assets			
Outflows for the purchase of tangible fixed assets	(621)	(1 347)	(5 644)

All sums are in PLN thousands (unless specified otherwise)

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009	for the period from 01.01. to 31.12.2009
Inflows from the disposal of tangible fixed assets	29	24	3 295
Outflows for the purchase of investment real estate			
Inflows from the disposal of investment real estate			
Outflows for the purchase of financial assets kept until their due date			
Inflows from the disposal of financial assets kept until their due date	11 468		5 685
Outflows for the purchase of financial assets available for sale (assigned for turnover)			
Inflow from the sale of financial assets available for sale (assigned for turnover)			
Outflows for the purchase of financial assets assigned for turnover			
Inflows from the sale of financial assets assigned for turnover			
Outflows for the purchase of subsidiaries (reduced by the acquired cash)			(5 000)
Inflows from the disposal of subsidiaries			9 000
Other outflows – additional capital payments			
Inflows from acquired government subsidies			
Granted loans	(51 378)		(45 200)
Payments acquired from granted loans	31 500	(25 000)	
Received interest	955		
Acquired dividends			2
Other inflows			
Other outflows from investment activities			
Net cash used in investment activities	**(8 068)**	**(26 323)**	**(38 008)**
Cash flows from financial activity			
Net inflows from issuing shares			
Purchase of one's own shares			
Payment of bonds			
Inflows from issuing debt securities			
Payment of interest on bonds			
Buyout of securities			
Inflows from credits and loans taken	66 921	90 479	64 888
Payment of credits and loans	(23 973)	(10 017)	(66 275)
Payment of interest on credits and loans	(2 128)	(2 393)	(10 235)
Inflows from interest on deposits			
Payment of liabilities resulting from financial leasing	(133)	(129)	(731)
Paid interest	(28)	(41)	(140)
Paid dividends			
Commissions on credits	(42)	(24)	(322)
Other inflows			
Net cash from financial activities	**40 617**	**77 875**	**(12 815)**
Change of the net cash and equivalents	**(4 150)**	**(8 441)**	**(9 439)**
Cash and equivalents at the beginning of the period	38 728	48 167	48 167
Change in cash due to exchange differences			
Cash and equivalents at the end of the period	**34 578**	**39 726**	**38 728**

Name of the capital group:	*HYDROBUDOWA POLSKA CAPITAL GROUP*		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

LIST OF CHANGES IN THE EQUITY

Specification	Basic capital	Own shares (-)	Capital from the sale of shares above their nominal value	Capital from the evaluation of cash flow securing transactions	Other capitals	Result from the previous year	Current year result	Total
The Balance as of 01.01.2010	**210 558**	**-**	**543 001**	**(7 271)**	**45 295**	**38 896**		**830 479**
Changes in the accounting policy rules								-
Correction of basic error								-
Balance after changes	**210 558**	**-**	**543 001**	**(7 271)**	**45 295**	**38 896**	**-**	**830 479**
Changes in equity in the period from 01.01 to 31.03.2010								
Issue of shares								-
Issue of shares in relation to option realization (shares payment program)								-
Evaluation of options (share payment program)								-
Other adjustments								-
Dividends								-
Transferring financial results to equity								-
Total transactions with owners	-	-	-	-	-	-	-	-
Net profit for the period from 01.01 to 31.03.2010							346	346
Other total income:								
Reassessment of fixed assets								-
Cash flow securing instruments				4 410				4 410
Income tax referring to constituents of other total income				(1 221)				(1 221)
Added total income	-	-	-	3 189	-	-	346	3 535
Transfer to retained profits (sale of reassessed fixed assets)								-
The Balance as of 31.03.2010	**210 558**	**-**	**543 001**	**(4 082)**	**45 295**	**38 896**	**346**	**834 014**

Name of the capital group:	*HYDROBUDOWA POLSKA CAPITAL GROUP*		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

Specification	Basic capital	Own shares (-)	Capital from the sale of shares above their base value	Cash flow securing transaction valuation capital	Other capital	Result from the previous year	Result from the current year	Total
The Balance as of 01.01.2009	**210 558**		**543 001**	**(43 463)**	**43 790**	**2 605**		**756 491**
Changes in the accounting policy rules								-
Correction of basic error								-
Balance after changes	**210 558**	**-**	**543 001**	**(43 463)**	**43 790**	**2 605**	**-**	**756 491**
Changes in equity in the period from 01.01 to 31.03.2009								
Issue of shares								-
Issue of shares in relation to option realization (shares payment program)								-
Evaluation of options (share payment program)								-
Other adjustments								-
Dividends								-
Transferring financial results to equity								-
Total transactions with owners	-	-	-	-	-	-	-	-
Net profit for the period from 01.01 to 31.03.2010							4 372	4 372
Other total income:								
Reassessment of fixed assets								-
Financial assets available for sale								-
Cash flow securing instruments				(15 511)				(15 511)
Income tax referring to constituents of other total income				2 947				2 947
Added total income	-	-	-	(12 564)	-	-	4 372	(8 192)
Transfer to retained profits (sale of reassessed fixed assets)								-
The Balance as of 31.03.2009	**210 558**	**-**	**543 001**	**(56 027)**	**43 790**	**2 605**	**4 372**	**748 299**

All sums are in PLN thousands (unless specified otherwise)

Specification	Basic capital	Own shares (-)	Capital from the sale of shares above their base value	Cash flow securing transaction valuation capital	Other capital	Result from the previous year	Result from the current year	Total
The Balance as of 01.01.2009	**210 558**		**543 001**	**(43 463)**	**43 790**	**2 605**		**756 491**
Changes in the accounting policy rules								-
Correction of basic error								-
Balance after changes	**210 558**	**-**	**543 001**	**(43 463)**	**43 790**	**2 605**	**-**	**756 491**
Changes in equity in the period from 01.01 to 31.12.2009								
Issue of shares								-
Issue of shares in relation to option realization (shares payment program)								-
Evaluation of options (share payment program)								-
Other adjustments								-
Dividends								-
Transferring financial results to equity					1 505	(2 605)		(1 100)
Total transactions with owners	-	-	-	-	1 505	(2 605)	-	(1 100)
Net profit for the period from 01.01 to 31.12.2009							38 896	38 896
Other total income:								
Reassessment of fixed assets								-
Cash flow securing instruments				44 681				44 681
Income tax referring to constituents of other total income				(8 489)				(8 489)
Added total income	-	-	-	36 192	-	-	38 896	75 088
Transfer to retained profits (sale of reassessed fixed assets)								-
The Balance as of 31.12.2009	**210 558**	**-**	**543 001**	**(7 271)**	**45 295**	**-**	**38 896**	**830 479**

All sums are in PLN thousands (unless specified otherwise)

ADDITIONAL INFORMATION TO THE HYDROBUDOWA POLSKA S.A. COMPANY'S RESULT

The following construction contracts were among the most significant sources of income from the Company's basic activity in the first quarter of the year:

- **a)** the contract named „ Construction of the multipurpose National Stadium in Warsaw along with the accompanying infrastructure" signed between Narodowe Centrum Sportu Ltd. and HYDROBUDOWA POLSKA S.A. – partner in the Consortium – with a realized revenue of **67 million PLN**;
- **b)** the contract named „Development of the Poznań City Stadium for the purposes of EURO 2012" signed between the EURO Poznań Ltd. Company in Poznań and Hydrobudowa Polska SA – with a realized revenue of **55,4 million PLN;**
- **c)** the contract named „Design and construction of the waste neutralization plant in Gdańks Szadółki – construction and installation works" signed between Zakład Utylizacji Ltd. in Gdańsk and HYDROBUDOWA POLSKA S.A.– with a realized revenue of **26,7 million PLN;**
- **d)** the contract named „Construction of Arena Bałtycka – the football stadium in Gdańsk Letnica", signed between the Municipality of Gdańsk and Hydrobudowa Polska SA – with a realized revenue of **22,2 million PLN;**
- a) the contract named "Modernization and development of the sewage treatment plant in Starachowice" signed between Przedsiębiorstwo Wodociągów i Kanalizacji Ltd. in Starachowice and HYDROBUDOWA POLSKA S.A. – with a realized revenue of **4,2 million PLN**,

ADDITIONAL INFORMATION REGARDING REVENUES AND COSTS

Revenues from sales

The revenues from sales achieved by the HYDROBUDOWA POLSKA S.A. Company in the first quarter of 2010 were 196,5 million PLN which constitutes a 22,7% increase compared to the revenues from sales in the same period of the previous year.

Own cost of sales

In the first quarter of 2010 the own cost of sales reached 186,2million PLN and increased by almost 26% compared to its value in the first quarter of 2009. The share of variable costs in sales revenues during the first quarter of 2010 increased by 94,8% compared to 92,4% achieved in the first quarter of 2009, which gives an increase by 2,4 percentage points.

Costs according to types are listed in the table below:

Specification	for the period from 01.01 to 31.03.2010	for the period from 01.01 to 31.03.2009
Amortization	2 196	2 352
Material and energy use	23 586	21 843
Outside services	140 499	89 423
Taxes and payments	1 588	1 680
Salaries	14 173	13 511
Social security and other benefits	2 900	2 848
Other prime costs	1 500	1 683
Costs according to type	**186 442**	**133 340**
Change of the sate of inventories, unfinished products, accruals	4 022	19 388
own work capitalized		
Sales costs		
General management costs	(4 550)	(5 521)
Production costs of sold products and services	**185 914**	**147 207**

All sums are in PLN thousands (unless specified otherwise)

General management costs

The general management costs in the first quarter of 2010 reached 4,6 million PLN and were 17,6% lower than in the comparable period of the previous year. The share of general management costs in sales revenues during the first quarter of 2010 decreased by 1,2 percentage points from 3,5% to 2,3%.

Other operational revenues

Other operational revenues in the first quarter of 2010 reached nearly 15,7 million PLN, out of which the main share is attributed to the reversal of write offs updating receivables (13,8 million PLN).
Furthermore, a significant part of other operational revenues are the acquired damages (nearly 1,3 million PLN). Compared to the same period of the previous year the value of other operational revenues is 3 853% higher.

A detailed listing of other operational revenues is presented in the table below.

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009
Other operational revenues	**15 696**	**397**
a) profit on the disposal of non-financial fixed assets	-	25
b) reversal of write offs updating asset constituent values	13 824	139
- tangible fixed assets and intangible assets	-	-
- receivables	13 824	139
- inventories	-	-
- other	-	-
c) subsidies	-	-
d) damages by virtue of insurance agreements, fines and fees	1 278	218
e) release of provisions for guarantee repairs	-	-
f) rent, lease	-	-
g) legal cost returns	182	-
h) other – significant	412	15

Other operational costs

Other operational costs in the first quarter of 2010 were 18,5 million PLN and were 1 039% higher than their value in the comparable period of the previous year. These costs included damages by virtue of insurance agreements and fines (14,3 million PLN).
A significant part of the operational costs were also write offs updating the value of receivables (3,9 million PLN).

A detailed listing of other operational costs is presented in the table below.

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009
Other costs of operations	**(18 527)**	**(1 626)**
a) loss on the disposal of non-financial fixed assets	(156)	-
b) write offs updating asset constituent values	(3 912)	(478)
- tangible fixed assets and intangible assets	-	-
- receivables	(3 904)	(368)
- inventories	(8)	-
- other	-	(110)
c) subsidies	(7)	-
d) damages by virtue of insurance agreements, fines and fees	(14 258)	(1 101)
e) involuntary deficiencies of current property constituents	-	-
f) written off overdue, amortized and unrecoverable receivables	-	-
g) other	(194)	(47)

Financial revenues

All sums are in PLN thousands (unless specified otherwise)

Financial revenues in the first quarter of 2010 reached 3,9 million PLN and were 38,4% lower than in the comparable period of 2009. The main part were interests (3,8 million PLN) which include: other interest (2,7 million PLN), from issued bonds (0,6 million PLN) and from granted loans (0,4 million PLN).

A detailed listing of financial revenues is presented in the table below.

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009
Financial revenues	**3 876**	**6 291**
a) interest	3 843	1 480
- from granted loans	401	160
- bank interest	156	143
- from bonds	569	633
- other interest	2 717	544
b) exchange rate differences	-	2 200
c) financial market transaction revenues	-	2 607
d) discounts (on long-term accounts)	27	-
e) from dividends and shares in profits	-	-
f) other	6	4

Financial costs

In the first quarter of 2010 the Company's financial costs were 5,3 million PLN and were 5,6% lower than in the comparable period of the previous year. The main part of these were interests and commissions on bank credits and loans (2,2 million PLN) and exchange rate differences (1,9 million PLN).

A detailed listing of financial costs is presented in the table below.

Specification	for the period from 01.01. to 31.03.2010	for the period from 01.01. to 31.03.2009
Financial costs	**(5 282)**	**(5 597)**
a) bank interest and commissions	(2 577)	(4 291)
- from acquired loans	-	(30)
- bank credit interest and commissions	(2 168)	(2 415)
- from bonds	-	-
- other interest	(409)	(1 846)
b) exchange rate differences	(1 891)	-
c) financial market transaction costs	-	-
d) discounts (on long-term accounts)	-	(579)
e) other (surety commissions)	-	
f) other	(814)	(727)
Other profits (losses) on investments	**-**	**-**

ADDITIONAL INFORMATION REGARDING THE RESULT POSITIONS OF THE PROFIT AND LOSS ACCOUNT

In the first quarter of 2010 the Company achieved a net profit of 0,3 million PLN, which constitutes a 92,1% decrease compared to the net profit achieved in the first quarter of 2009. The increase in sales revenue in the first quarter of 2010 was accompanied by a decrease in the gross sales profit and operating profit, by 15,8% and 47,1% respectively.

EBITDA

Expenses on the purchase of tangible fixed assets as well as expenses on the purchase of intangible and legal assets in the first quarter of 2010 totaled 0,6 million PLN compared to 1,3 million PLN in the same period of the previous year. The amortization costs in the first quarter of 2010 were 2,2 million PLN compared to 2,4 million PLN a year before.

All sums are in PLN thousands (unless specified otherwise)

The EBITDA result (profit from operations plus amortization) in the first quarter of 2010 was 5,1 million PLN and was 34,8% lower than its value reported in the comparable period of the previous year.

Profitability indicators
In the first quarter of 2010 the lowered dynamic of sales revenue which equaled 122,7% compared to the dynamic of the sales own cost which equaled 125,9% had a negative influence on the overall shape of profitability of all the profit and loss account elements.
The gross sales margin in the first quarter of 2010 was 5,2% compared to 7,6% in the first quarter of the previous year.
The operating margin, similarly to the gross sales margin also reported a fall in the first quarter of 2010 to the level of 1,5% from 3,4% in the first quarter of 2009.
The net margin in the first quarter of 2010 was 0,2% while in the first quarter of the year 2009 it was 2,7%.

Profitability indicators	1st quarter of 2009	1st quarter of 2010
Net sales profitability[1]	7,6%	5,2%
Profitability of operations[2]	3,4%	1,5%
Net profitability[3]	2,7%	0,2%

[1] gross sales profit / sales income *100
[2] profit from operational activity / sales income *100
[3] net profit / sales income *100

CHOSEN FINANCIAL DATA OF THE HYDROBUDOWA POLSKA S.A. COMPANY IN EUROS

Specification	for the period from 01.01. to 31.03.2010 PLN	for the period from 01.01. to 31.03.2009 PLN	for the period from 01.01. to 31.12.2009 PLN	for the period from 01.01. to 31.03.2010 EUR	for the period from 01.01. to 31.03.2009 EUR	for the period from 01.01. to 31.12.2009 EUR
Profit and loss account						
Sales revenue	196 476	160 108	1 125 755	49 529	34 811	259 355
Profit (loss) on operation activities	2 863	5 412	51 370	722	1 177	11 835
Profit (loss) before taxation	1 457	6 106	49 865	367	1 328	11 488
Profit (loss) from continued operations	346	4 372	38 896	87	951	8 961
Net profit (loss)	346	4 372	38 896	87	951	8 961
Profit (loss) per one common share (in PLN / EUR)	0,00	0,02	0,18	0,00	0,00	0,04
Diluted profit (loss) per one common share (in PLN / EUR)	0,00	0,02	0,18	0,00	0,00	0,04
Average PLN / EUR exchange rate*				3,9669	4,5994	4,3406
Cash flow account						
Net cash from operation activities	(36 699)	(59 993)	41 384	(9 251)	(13 044)	9 534
Net cash used in investment activities	(8 068)	(26 323)	(38 008)	(2 034)	(5 723)	(8 756)
Net cash from financial activities	40 617	77 875	(12 815)	10 239	16 932	(2 952)
Net change of the state of cash and equivalents	(4 150)	(8 441)	(9 439)	(1 046)	(1 835)	(2 175)
Average PLN / EUR exchange rate*				3,9669	4,5994	4,3406

Name of the capital group:	***HYDROBUDOWA POLSKA CAPITAL GROUP***		
Period covered by the financial statement:	***01.01.2010 – 31.03.2010***	**Reporting currency:**	***Polish zloty (PLN)***
Round up level:	***All sums are in PLN thousands (unless specified otherwise)***		

Specification	as on 31.03.2010 PLN	as on 31.03.2009 PLN	as on 31.12.2009 PLN	as on 31.03.2010 EUR	as on 31.03.2009 EUR	as on 31.12.2009 EUR
Balance						
Assets	1 254 383	1 256 877	1 348 017	324 785	267 347	328 128
Long-term liabilities	27 632	37 840	28 405	7 154	8 049	6 914
Short-term liabilities	392 738	470 738	489 133	101 688	100 129	119 063
Equity capital	834 013	748 299	830 479	215 942	159 169	202 152
Basic capital	210 558	210 558	210 558	54 518	44 787	51 253
Number of shares	210 558 445	210 558 445	210 558 445	210 558 445	210 558 445	210 558 445
Booking value per share (in PLN / EUR)	3,96	3,55	3,94	1,03	0,76	0,96
Declared or paid dividends per share (in PLN / EUR)	-	-	-	-	-	-
PLN / EUR exchange rate at the end of the period**				3,8622	4,7013	4,1082

Signatures of all Members of the parent company's Board of Directors

Date	First and last name	Position	Signature
10.05.2010r.	Jerzy Ciechanowski	Chairman of the Board of Directors	
10.05.2010r.	Edward Kasprzak	Vice-Chairman of the Board of Directors	
10.05.2010r.	Jarosław Dusiło	Vice-Chairman of the Board of Directors	
10.05.2010r.	Szymon Tamborski	Vice-Chairman of the Board of Directors	
10.05.2010r.	Rafał Damasiewicz	Member of the Board of Directors	
10.05.2010r.	Andrzej Zwierzchowski	Member of the Board of Directors	

Signatures of the person responsible for preparing the consolidated financial report

Date	First and last name	Position	Signature
10.05.2010r.	Joanna Zwolak	Main Accountant	