

CONDENSED CONSOLIDATED STATEMENT FOR THE PERIOD OF 3 MONTHS

Ended on March 31, 2018 prepared in accordance
with the International Financial Reporting Standards



Ząbki, May 2018

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Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

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1. Fixed assets
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A. INTRODUCTION TO CONSOLIDATED FINANCIAL STATEMENT

1. GENERAL INFORMATION ABOUT THE DOMINANT ENTITY



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

In accordance with the Polish Classification of Activities (Poland Klasyfikacja Działalności) the core business of the Company is development and sale of own properties for the Company's own account. The subject of the Company's activity is also the implementation of the building, designing and supportive production, as well as trade in real estate and hotel services

As of Saturday, March 31, 2018, the lifetime of the Company is unlimited. The financial year for the company is a calendar year, i.e. the period between January 1 and December 31.

2. ADOPTED PRINCIPLES (POLICY) OF ACCOUNTING

Basic information about the Group consisting of the parent and the subsidiaries of the parent company included in the consolidated financial statement

The structure of the Group and the share of the Parent in the share capital of the entities being part of the Group and subject to consolidation as of Saturday, March 31, 2018 is presented in the below table:

Company	Registration country	Parent company's share in share capital	Parent company's share in voting rights	Consolidation method
Subsidiaries:				
Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
J.W. Construction Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Porta Transport Sp. z o.o. in liquidation	Poland	100,00%	100,00%	full consolidation
JW. Marka Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Yakor House Sp. z o.o.	Russia	70,00%	70,00%	full consolidation
Seahouse Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Nowe Tysiąclecie Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Business Financial Construction Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Dana Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Varsovia Apartamenty Sp. z o.o. (Bałtycka Invest Sp. z o.o.)	Poland	100,00%	100,00%	full consolidation
Berensona Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Bliska Wola 4 Sp. z o.o. 1SK	Poland	48,00%	48,00%	full consolidation
Bliska Wola 4 Sp. z o.o. 2SK	Poland	48,00%	48,00%	full consolidation
Wola Invest Sp. z o.o. (formerly known as Bliska Wola 3 Sp. z o.o.)	Poland	100,00%	100,00%	full consolidation
Bliska Wola 4 Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Zdziarska Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Łódź Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Lewandów Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Hanza Invest S.A.	Poland	100,00%	100,00%	full consolidation

The core business of the Group's companies is:

- JW. Marka Sp. z o.o. — marketing activity,
- Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o. - sale and administration of social buildings,
- Yakor House Sp. z o.o. — development and sale of own properties on its own account,
- Porta Transport Sp. z o.o. — transport services,
- J.W. Construction Sp. z o.o. — construction activity, prefabricated units production for the construction industry,
- Seahouse Sp. z o.o. — development and sale of own properties on its own account,
- Nowe Tysiąclecie Sp. z o.o. — development and sale of own properties on its own account,
- Business Financial Construction Sp. z o.o. — sales and marketing,
- Dana Invest Sp. z o.o. — development and sale of own properties on its own account,
- Varsovia Apartamenty Sp. z o.o. - hotels and similar accommodation buildings,
- Berensona Invest Sp. z o.o. — development and sale of own properties on its own account,
- Bliska Wola 4 Sp. z o.o. 1SK — development and sale of own properties on its own account,
- Bliska Wola 4 Sp. z o.o. 2SK — development and sale of own properties on its own account,
- Wola Invest Sp. z o.o. — development and sale of own properties on its own account,
- Bliska Wola 4 Sp. z o.o. - management of limited partnerships,
- Zdziarska Invest Sp. z o.o. — development and sale of own properties on its own account,
- Łódź Invest Sp. z o.o. — development and sale of own properties on its own account,
- Lewandów Invest Sp. z o.o. — development and sale of own properties on its own account,
- Hanza Invest S.A. — development and sale of own properties on its own account,

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

Preparation of the consolidated financial statement

The consolidated financial statements for the years 2015-2016 were prepared based on separate financial statements of the companies of the Capital Group of J.W. Construction Holding S.A. and compiled in such a manner as if the Group was one company. The consolidated financial statements cover the financial statements of the parent company -J.W. Construction Holding S.A. and financial statements controlled by the holding entity of the subsidiaries

The dominant entity, in the years 2017-2018, excluded from an obligation to consolidate the following subsidiaries:

In 2018:

- J.W. Construction Bułgaria Sp. z o.o.-100%
- JW. Ergo Energy -50%
- TBS Nowy Dom Sp. z o.o. — 100%
- Wielopole 19/21 Sp. z o.o. — 100%

In 2017:

- J.W. Construction Bułgaria Sp. z o.o.-100%
- JW. Ergo Energy -100%
- TBS Nowy Dom Sp. z o.o. — 100%

The legal basis for the applied exclusion of companies from the consolidated financial statements were the conceptual framework of the International Financial Reporting Standards relating to restrictions on the usefulness and reliability of the information. Under these assumptions the benefits received by the acquired information must exceed the costs of providing them. It was found that the cost of obtaining information on non-consolidated subsidiaries, and their inclusion in the cost of consolidation outweigh the benefits achieved in this respect. **Furthermore, when making the exclusion of subordinated companies from consolidation, the driven fact was that they were not essential** for a true and fair presentation of the financial position and results of the Capital Group.

Going concern basis and comparability of financial statement

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

financial statements presented in the consolidated financial statements are comparable.

Significant estimations and assumptions

Estimations and assumptions made by the Capital Group of the Company are subject to periodic verification. When making estimations J.W. Construction Holding S.A. makes the following assumptions regarding the future:

- Estimation of impairment allowance regarding receivables. Impairment allowance is established taking account of expected risk connected with receivables and created collateral having impact on effective debt collection. Although the assumptions are made using the best knowledge, real results may be different than expected.
- Estimations connected with establishing deferred tax assets in accordance with IAS 12. Due to the highly volatile economy it may happen that real earnings and tax income are different than planned.
- Estimation of potential costs of fiscal and court proceedings pending against the parent company. **When preparing the financial statements, the opportunities and risks connected with pending proceedings are reviewed on a case by case basis, and provisions for potential losses are created accordingly. However, it is also possible that a court or a fiscal authority provides a verdict or issues a decision other than expected by the company and the created provisions may prove insufficient.**
- The entity receives revenue from the services performed by the Issuer based on the task contracts for a fixed period of time. The services performed by the Issuer are long-term services. The period of their performance exceeds 6 months.

The results of applying new standards of accounting and changes to the accounting

The principles (policy) of accounting that were used for preparation of this consolidated financial statement for Q3 of 2018 are consistent with those used for preparation of the financial statement for the financial year of 2017, with the exception of changes described below.

The same principles were applied for the current period and the period being compared. A detailed description of the accounting policies adopted by J.W. Construction Holding SA Capital Group was presented in the annual consolidated financial statements for the financial year of 2017, published on 10 March 2017.

- **Changes resulting from the changes to IFRS**

The following new or revised standards or interpretations issued by the International Accounting Standards Board or IFRS Interpretations Committee are in force since Monday, January 01, 2018.

- **IFRS 9 *Financial Instruments***

This new standard was published on July 24, 2014 and is applicable towards annual periods starting from January 1, 2018 or later. The purpose of this standard to arrange in order the classification of financial assets and introduction of a unified approach towards the assessment of the loss of value regarding all financial instruments. **This standard also introduces a new hedge accounting model** in order to unify the principles for presentation of risk management information in financial statements.

Company has applied the modified standard in the scope of introduced changes from January 1, 2018. The adoption of the changed standard has no influence on Company financial statement.

- **IFRS 15 *Revenue from contracts with customers***

This new unified standard was published on May 28, 2014 and is applicable towards annual reports starting on January 1, 2018 or later and its earlier application is permitted. **This standard establishes new framework for presentation of revenue and involves principles that shall replace the majority of guidelines in the scope of presentation of existing revenue currently found in IFRS, in particular in IAS 18 *Revenues*, IAS 11 *Construction contracts* and interpretations related thereto.**

Company has applied the modified standard in the scope of introduced changes from January 1, 2018.

The Management Board has performed an analysis of the influence of the above standard on the financial situation, the financial results of the group, as well as the scope of information presented in the financial statement. The adoption of the changed standard has no influence on Company financial statement.

- **Clarifications to IFRS 15: *Revenue from Contracts with Customers***

Clarifications to IFRS 15 were published on 12 April 2016 and apply to annual periods beginning on or after 1 January 2018 (according to the date of application of the whole standard). The goal of the changes was to clarify the doubts emerging during the pre-implementation analysis with regard to: the use of standard guidelines on the identification of the client / agent, and revenue from licensing intellectual property, and finally transition periods at initial adoption of the new standard.

The Group shall apply those regulations as of the date of the IAS 15 entering into force, i.e. as of January 1, 2018. The adoption of the changed standard has no influence on Company financial statement.

- **Changes to IFRS 2: *Classification and Measurement of Share-based Payment Transactions***

Changes to IFRS 2 were published on 20 June 2016 and apply to annual periods beginning on or after 1 January 2018. The aim was to clarify the method of accounting for certain types of payment transactions based on

The Group has applied the new interpretation starting from 1 January 2018. The adoption of the changed standard did not influence the Company financial statement.

- Changes resulting from the review of the International Financial Reporting Standards for the years (published on December 8, 2016).

The Group has applied the new interpretation starting from 1 January 2018. The adoption of the changed standard did not influence the Company financial statement.

- **Changes made independently by the Group**

The Group did not adjust the presentation of comparable data for the first three quarters of 2017 and Sunday, December 31, 2017.

Not effective standards (New standards and interpretations)

In this financial statement, the Group did not decide of an earlier use of published standards or interpretations before their effective date.

The following standards and interpretations were issued by the IFRS Interpretations Committee and IFRIC and not yet entered into force on the balance sheet date:

- **IFRS 16 Leasing**

This new standard was published on January 13, 2016 and applies to annual period starting on January 1, 2019 or later. Its earlier application is allowed (on the condition of the simultaneous application of the IFRS 15). This standard replaces current regulations regarding leasing (e.g. IFRS 17) and drastically changes the approach towards lease agreements of various character. It makes leaseholders disclose assets and liabilities in balance sheets that relate to lease agreements no matter their type.

- **IFRS 17 Insurance Contracts**

This new standard was published on Thursday, May 18, 2017 and is applicable towards annual periods starting from Friday, January 01, 2021 or later. The earlier application of this standard is allowed (on the condition that IFRS 15 and IFRS 9 are applied simultaneously). This standard replaces the current regulations regarding insurance contracts (IFRS 4).

- Changes to IFRS 10 and IAS 28: *Sale or transfer of assets between investor and its affiliated unit or common enterprise*

Changes to IFRS 10 and IAS 28 were published on 11 September 2014 and apply to annual periods beginning on or after 1 January 2016 (the date of entry into force has now been deferred without indicating the start date). The changes clarify the accounting of transactions under which a dominant entity loses a control over an affiliated unit that is not a business in accordance with the definition in IFRS 3 "Merger of Units" by way of sale of all or part of units in an affiliated unit to another affiliated unit or a common enterprise presented by the ownership right method.

The Group will apply the new standard no earlier than the date set by the European Union as the date of entry into force of this standard. As of now, the European Commission has decided to defer the formal procedure of approving the changed standards.

- **IFRIC 22 Foreign Currency Transactions and Advance Consideration**

The new interpretation was published on 8 December 2016 and applies to annual periods beginning on or after 1 January 2018. The purpose of the interpretation is to indicate how to determine the date of the transaction for the purpose of determining the appropriate exchange rate for the transaction in foreign currency when an entity pays or receives an advance in foreign currency.

- **Changes to IAS 40 Transfers of Investment Property**

The amendment to IAS 40 was published on Thursday, December 08, 2016 and applies to annual periods beginning on or after Monday, January 01, 2018. Its purpose is to make it clear that the transfer of real estate from or to investment real estate can take place only if the conversion of the use of real estate takes place.

- **IFRIC 23 Uncertainty over Income Tax Treatments**

The new interpretation was published on 7 June 2017 and applies to annual periods beginning on or after 1 January 2019. The purpose of the interpretation is to indicate how to incorporate income tax in the financial statements in cases where existing tax provisions may leave room for interpretation and disagreement between the tax payer and the tax authorities.

- Changes to IFRS 9: *Contracts with the prepayment features with a negative compensation*

The amendment to IAS 9 was published on 8 October 2017 and applies to annual periods beginning on or after 1 January 2019. Its goal is to indicate the principles for the valuation of financial assets that can be paid earlier based on contractual provisions and, formally, could not meet the requirements of the "only capital and interest payment" test that would exclude their valuations in the amortized costs or in fair value by other comprehensive income.

- Changes to IAS 28: *Investments in associates and joint-ventures*

The amendment to IAS 28 was published on October 12, 2017 and applies to annual periods beginning on or after January 1, 2019. Its goal is to indicate the principles of valuation of assets in associates and joint ventures in a situation when they are not valued based on equity method.

- Changes to IAS MSR 19 *Changes, limitations or program settlement*

Changes to IAS 19 were published on February 07, 2018 and apply to annual periods beginning on or after January 1, 2019. The changes concern the revaluation of defined plan when those are being changed. The changes in the standard



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mean that in case of a revaluation of an asset/net obligation due to a different plan updated assumptions need to be used with an eye to determining the current employment costs and interest costs for the periods after the program change. Until now, the IAS 19 had not explained that precisely.

The management board is verifying the influence of the above standards on the financial situation, the results of the Group's activity and the scope of information presented in the financial report and is not expecting significant changes.



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B. CONSOLIDATED FINANCIAL STATEMENT

1. Consolidated report on the financial situation

ASSETS	Note	March 31, 2018	December 31, 2017
FIXED ASSETS		785,825,189.71	745,462,743.34
Intangible assets	1	12,477,358.44	12,489,047.53
Tangible assets	2	411,690,221.01	413,497,228.56
Investment real estate	3	284,888,593.65	279,544,497.36
Other financial assets	4	42,495,012.22	3,753,010.25
Deferred income tax assets		31,241,730.54	33,146,685.79
Trade and other receivables	5	3,032,273.85	3,032,273.85
CURRENT ASSETS		950,335,827.79	945,424,569.82
Inventories	6	30,075,544.15	30,400,513.03
Construction contracts	7	680,574,137.53	629,595,306.51
Trade and other receivables	8	39,476,143.20	42,139,203.55
Other financial assets	9	17,160,891.98	55,725,214.89
Cash and cash equivalents	10	163,070,773.35	174,271,089.37
Accruals	11	19,978,337.58	13,293,242.47
Total assets		1,736,161,017.49	1,690,887,313.15
EQUITY AND LIABILITIES			
EQUITY		679,606,471.56	678,227,625.57
Share capital		17,771,888.60	17,771,888.60
Revaluation capital		7,490,208.19	7,490,208.19
Other capital	13	644,374,580.38	643,347,486.83
Retained earnings		9,142,289.71	-16,318,050.13
Net profit / loss		827,504.68	25,936,092.09
LIABILITIES		1,056,554,545.92	1,012,659,687.57
Non-current liabilities		429,980,207.92	463,811,348.81
Borrowings	12	111,497,302.11	144,689,144.73
Deferred income tax liabilities		34,775,379.52	37,474,920.23
Retirement benefit obligations		241,204.48	241,204.48
Provision for other liabilities and charges	15	54,498,915.07	54,578,877.99
Other liabilities	14	228,967,406.74	226,827,201.37
Current liabilities		626,574,338.00	548,848,338.76
Trade and other payables	15	68,137,546.94	60,625,467.65
Construction contracts	7	438,837,988.19	377,519,939.66
Borrowings	12	53,670,535.85	60,247,273.99
Provision for other liabilities and charges	15	40,829,791.50	27,735,675.12
Other liabilities	16	25,098,475.52	22,719,982.34
Total equity and liabilities		1,736,161,017.48	1,690,887,313.15



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for the period of 3 months finished on March 31, 2018.

2. Consolidated total income statement

	Note	for the period by 01-01-2018 and 31-03-2018	for the period by 01-01-2017 and 31-03-2017
Net revenues from sales of products, goods and materials, of which:	17	50,525,199.75	74,002,947.34
Net revenue from the sales of products		49,354,086.63	73,471,597.74
Net revenues from sales of goods and materials		1,171,113.12	531,349.60
Costs of sold products, goods and materials, including:	18	38,498,783.48	55,810,876.49
Manufacturing cost of products sold		37,323,203.19	55,311,918.12
Value of sold goods and materials		1,175,580.29	498,958.37
Gross profit (loss) on sales		12,026,416.27	18,192,070.85
Sales costs		4,869,008.31	4,897,774.32
Overheads		5,841,462.15	4,667,574.12
Revaluation of investment properties		-3,770,915.75	-452,951.46
Profit (loss) on sales		-2,454,969.93	8,173,770.96
Other operating income	19	386,041.62	675,743.52
Other operating expenses	20	1,535,905.18	2,322,462.26
Profit (loss) on operations		-3,604,833.49	6,527,052.22
Financial Revenues	21	8,635,473.35	596,371.14
Financial costs	22	4,994,685.64	5,323,723.66
Profit (loss) on operations		35,954.22	1,799,699.70
Gross profit (loss)		35,954.22	1,799,699.70
Income tax	23	-791,550.47	-265,894.75
Net profit (loss)		827,504.69	2,065,594.45

Other comprehensive income:		551,341.30	-30,920.32
Foreign exchange gains and losses the calculation of foreign operations		551,341.30	-30,920.32
Profit/loss from acquisitions		0.00	0.00
Profit from revaluation of tangible assets		0.00	0.00
Other comprehensive income:		0.00	0.00
Total revenue		1,378,845.99	2,034,674.13

		for the period by 01-01-2018 and 31-03-2018	for the period by 01-01-2017 and 31-03-2017
BASIC AND DILUTED EARNINGS PER SHARE			
Profits			
(A) Profits of the Group disclosed in the consolidated financial statements		827,504.69	2,065,594.45
Number of shares			
(B) Number of ordinary shares and preferred shares (asto the right to vote in the General Meeting of the Company) for the purpose of calculating earnings per share *		88,859,443.00	88,859,443.00
(C) Number of ordinary shares and preferred shares (asto the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share		88,859,443.00	88,859,443.00
Basic earnings per share = (A)/(B)		0.01	0.02
Basic earnings per share = (A)/(B)		0.01	0.02

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



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3. Consolidated statement of changes in equity

	Share capital	Own shares (negative value)	Revaluation capital	Reserve capital	Other capital reserves	Capital from the valuation of security transactions and foreign exchange differences	Retained earnings	Net result	Equity
As at December 31, 2017	17,771,888.60	0.00	7,490,208.19	638,322,939.75	7,947,307.60	-2,922,760.52	-16,318,050.13	25,936,092.09	678,227,625.57
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments due to presentation change	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at Monday, January 01, 2018	17,771,888.60	0.00	7,490,208.19	638,322,939.75	7,947,307.60	-2,922,760.52	-16,318,050.13	25,936,092.09	678,227,625.57
Share issuance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own share redemption	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0.00	0.00	0.00	0.00	0.00	551,341.30	0.00	0.00	551,341.30
Profit/loss from acquisitions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consolidation adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Including a company for consolidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total profit / loss recognized directly in equity	17,771,888.60	0.00	7,490,208.19	638,322,939.75	7,947,307.60	-2,371,419.22	-16,318,050.13	25,936,092.09	678,778,966.87
Net profit (loss) for the accounting year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	827,504.68	827,504.68
Total profit / (loss) recognized in equity and the net result	17,771,888.60	0.00	7,490,208.19	638,322,939.75	7,947,307.60	-2,371,419.22	-16,318,050.13	26,763,596.77	679,606,471.56
Increase / decrease from profit distribution	0.00	0.00	0.00	475,752.25	0.00	0.00	25,460,339.84	-25,936,092.09	0.00
As at Saturday, March 31, 2018	17,771,888.60	0.00	7,490,208.19	638,798,692.00	7,947,307.60	-2,371,419.22	9,142,289.71	827,504.68	679,606,471.56



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

	Share capital	Own shares (negative value)	Revaluation capital	Reserve capital	Other capital reserves	Capital from the valuation of security transactions and foreign exchange differences	Retained earnings	Net result	Equity
As at Saturday, December 31, 2016	17,771,888.60	0.00	7,490,208.19	646,600,115.53	7,947,307.60	-2,021,991.29	-49,573,465.57	24,978,238.97	653,192,302.02
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments due to presentation change	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at Sunday, January 01, 2017	17,771,888.60	0.00	7,490,208.19	646,600,115.53	7,947,307.60	-2,021,991.29	-49,573,465.57	24,978,238.97	653,192,302.02
Share issuance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own share redemption	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0.00	0.00	0.00	0.00	0.00	-900,769.23	0.00	0.00	-900,769.23
Profit/loss from acquisitions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting policies/presentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consolidation adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.70
Including a company for consolidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total profit / loss recognized directly in equity	17,771,888.60	0.00	7,490,208.19	646,600,115.53	7,947,307.60	-2,922,760.52	-49,573,464.87	24,978,238.97	652,291,533.49
Net profit (loss) for the accounting year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,936,092.09	25,936,092.09
Total profit / (loss) recognized in equity and the net result	17,771,888.60	0.00	7,490,208.19	646,600,115.53	7,947,307.60	-2,922,760.52	-49,573,464.87	50,914,331.06	678,227,625.58
Increase / decrease from profit distribution	0.00	0.00	0.00	-8,277,175.78	0.00	0.00	33,255,414.75	-24,978,238.97	0.00
As at December 31, 2017	17,771,888.60	0.00	7,490,208.19	638,322,939.75	7,947,307.60	-2,922,760.52	-16,318,050.13	25,936,092.09	678,227,625.58



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

	Share capital	Own shares (negative value)	Revaluation capital	Reserve capital	Other capital reserves	Capital from the valuation of security transactions and foreign exchange differences	Retained earnings	Net result	Equity
As at Saturday, December 31, 2016	17,771,888.60	0.00	7,490,208.19	646,600,115.53	7,947,307.60	-2,021,991.29	-49,573,465.57	24,978,238.97	653,192,302.02
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments due to presentation change	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at Sunday, January 01, 2017	17,771,888.60	0.00	7,490,208.19	646,600,115.53	7,947,307.60	-2,021,991.29	-49,573,465.57	24,978,238.97	653,192,302.02
Share issuance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own share redemption	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0.00	0.00	0.00	0.00	0.00	-30,920.32	0.00	0.00	-30,920.32
Profit/loss from acquisitions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting policies/presentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consolidation adjustments	0.00	0.00	0.00	-2,147,426.10	0.00	0.00	2,147,426.10	0.00	0.00
Including a company for consolidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total profit / loss recognized directly in equity	17,771,888.60	0.00	7,490,208.19	644,452,689.43	7,947,307.60	-2,052,911.61	-47,426,039.47	24,978,238.97	653,161,381.70
Net profit (loss) for the accounting year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,065,594.45	2,065,594.45
Total profit / (loss) recognized in equity and the net result	17,771,888.60	0.00	7,490,208.19	644,452,689.43	7,947,307.60	-2,052,911.61	-47,426,039.47	27,043,833.42	655,226,976.15
Increase / decrease from profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	24,978,238.97	-24,978,238.97	0.00



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

As at Friday, March 31, 2017	17,771,888.60	0.00	7,490,208.19	644,452,689.43	7,947,307.60	-2,052,911.61	-22,447,800.51	2,065,594.45	655,226,976.15
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Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

4. Consolidated cash flow statement

	from January 1, 2018 until March 31, 2018	From January 1, 2017 until March 31, 2018
Operating cash flow - indirect method		
Net profit (loss)	827,504.68	2,065,594.45
Item adjustments	15,263,417.07	1,524,473.12
Depreciation and amortization	2,706,371.48	2,732,325.15
(Profit) loss on foreign exchange differences concerning financial and business activity	-349,475.92	1,865,691.17
Profit (loss) on investment activities	0.00	1,075,250.00
(Profit) loss on investment activities - shares	0.00	0.00
Interest and dividends	3,287,011.35	3,046,024.24
Changes in provisions and accruals	5,249,826.31	-7,548,221.64
Other adjustments	4,369,683.84	353,404.20
- investment real estate write-off	3,770,915.75	452,951.46
- other adjustments	598,768.09	-99,547.26
Changes in working capital	29,543,336.76	26,053,125.51
Change in inventories	324,968.88	-15,908.83
Change in construction contracts	15,635,219.76	16,792,783.57
Changes in investment property	0.00	0.00
Changes in receivables	3,663,060.35	-4,191,494.36
Changes in current liabilities, except for borrowings	9,920,087.77	13,467,745.14
Operating net financing cash flow	45,634,258.51	29,643,193.08
Investment activity cash flows	0.00	0.00
Disposal of tangible and intangible assets and other non-current assets	0.00	561,750.00
Acquisition of tangible and intangible assets and other non-current assets	-14,498,728.78	-1,709,937.06
Expenses related to assets earmarked for sale	0.00	0.00
Purchase of capital instruments and other security papers	-603,312.00	-36,300,000.00
Sale of capital instruments and other security papers	69,275.97	9,973,609.00
Loans granted	-18,151.14	-116,919.07
Interest received	15,139.54	26,391.00
Disposal of subsidiaries	0.00	0.00
Acquisition of subsidiaries:	0.00	0.00
Net investment activity cash flow	-15,035,776.41	-27,565,106.13
Investment activity cash flow	0.00	0.00
Net influx from the share issuance (share issuance) and other capital instruments, as well as additional capital contributions	0.00	0.00
Purchase of own shares and share repayments	0.00	0.00
Loans and borrowings granted	9,395,611.83	24,014,584.29
Loans and borrowings repaid	-49,155,998.70	-9,594,649.85
Issuance of security papers	0.00	0.00
Redemption of debt securities	0.00	0.00
Payments under financial lease agreements	-327,259.61	-339,523.89
Dividends and other shares in profits	0.00	0.00
Interest paid	-1,711,152.64	-3,187,305.77
Other financial proceeds (including promissory notes)	0.00	0.00
Other financial proceeds (including promissory notes)	0.00	-2,250,000.00
Net financing cash flow	-41,798,799.12	8,643,104.78
NET DECREASE / (INCREASE) IN CASH	-11,200,317.02	10,721,191.73
Closing balance of cash and cash equivalents	174,271,089.37	88,312,239.72
- change of the cash balance due to foreign exchange rate changes	0.00	0.00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	163,070,773.35	99,033,431.73

C. NOTES TO CONSOLIDATED FINANCIAL STATEMENT



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

1. FIXED ASSETS

Note 1. Intangible assets

INTANGIBLE ASSETS	March 31, 2018	December 31, 2017
a) research and development expenses	0.00	0.00
b) goodwill from consolidation	12,389,648.22	12,389,648.22
c) other intangible assets	87,710.22	99,399.31
d) advances on intangible assets	0.00	0.00
Total intangible assets	12,477,358.44	12,489,047.53

Note 2. Tangible assets

TANGIBLE ASSETS	March 31, 2018	December 31, 2017
a) fixed assets including:	397,583,645.24	399,910,708.06
- land (including right of perpetual usufruct)	41,475,107.91	41,475,107.91
- buildings and structures	327,351,202.75	328,504,635.75
- plant and machinery	15,647,060.43	15,947,875.40
- motor vehicles	2,023,645.04	2,400,907.49
- other fixed assets	11,086,629.11	11,582,181.51
b) constructions in progress	14,106,575.77	13,586,520.50
c) advances on constructions in progress	0.00	0.00
Total tangible assets	411,690,221.01	413,497,228.56

Note 3. Investment real estate

Other long-term investments	March 31, 2018	December 31, 2017
a) investment properties	284,888,593.65	279,544,497.36
b) other	0.00	0.00
Total other long-term investments	284,888,593.65	279,544,497.36

CHANGES IN INVESTMENT PROPERTIES	In accordance with fair value	According to historical cost	Value of investment properties in total
a) opening balance	211,115,853.59	68,428,643.77	279,544,497.36
expenditure incurred	128,322,749.06	65,525,085.71	193,847,834.77
Financial expenses	14,891,508.16	2,903,558.06	17,795,066.22
revaluation value	67,901,596.37	0.00	67,901,596.37
b) increase (due to)	3,118,135.54	10,489,790.30	13,607,925.84
expenditure incurred	3,104,221.74	10,489,790.30	13,594,012.04
Financial expenses	0.00	0.00	0.00
revaluation value	13,913.80	0.00	13,913.80
Reclassification from construction contracts	0.00	0.00	0.00
c) decrease (due to)	8,263,829.55	0.00	8,263,829.55
incurred expenses - sale, corrections	0.00	0.00	0.00
Financial expenses	0.00	0.00	0.00
revaluation value	6,677,277.33	0.00	6,677,277.33
reclassification to construction contracts / goods	1,586,552.22	0.00	1,586,552.22
d) closing balance	205,970,159.58	78,918,434.07	284,888,593.65
expenditures	129,840,418.58	76,014,876.01	205,855,294.59
Financial expenses	14,891,508.16	2,903,558.06	17,795,066.22
revaluation value	61,238,232.84	0.00	61,238,232.84



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	March 31, 2018	December 31, 2017
a) shares	425,219.98	221,907.98
b) loans granted	38,416,955.39	112,067.95
c) other long-term investments	3,652,836.85	3,419,034.32
Total long-term financial assets	42,495,012.22	3,753,010.25

LONG-TERM FINANCIAL ASSETS	March 31, 2018	December 31, 2017
a) in subsidiaries	38,633,625.37	124,425.93
- shares	216,669.98	12,357.98
- security papers	0.00	0.00
- other security papers	0.00	0.00
- loans granted	38,416,955.39	112,067.95
- other long-term financial assets	0.00	0.00
b) in other units	3,861,386.85	3,628,584.32
- shares	208,550.00	209,550.00
- security papers	0.00	0.00
- other security papers	3,652,836.85	3,419,034.32
- loans granted	0.00	0.00
- other long-term financial assets	0.00	0.00
c) other long-term investments	0.00	0.00
Total long-term financial assets	42,495,012.22	3,753,010.25



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

	Name of a unit (and its legal form)	Registered office	Company business	Type of affiliation	Method of consolidation	Date of assuming control	Value of shares/inter-estate acquisition price	Revaluation adjustment value	Write-offs upto book value of in-kind contribution	Carrying value of shares	% of total number of votes in the General Meeting
1	TBS Marki Sp.z o.o.	Warsaw	-social building	subsidiary	full consolidation	11/14/2003	13,360,000.00	0.00	0.00	13,360,000.00	100,00%
2	Business Financial Construction Sp. z o.o.	Warsaw	services	subsidiary	not consolidated	6/16/2003	4,347,000.00	0.00	0.00	4,347,000.00	100,00%
3	J.W. Construction Bulgaria Sp. z o.o.	Warna (Bulgaria)	-real estate development activity	subsidiary	not consolidated	10/8/2007	9,854.98	0.00	0.00	9,854.98	100,00%
4	Yakor House Sp. z o.o.	Sochi (Russia)	-real estate development activity	subsidiary	full consolidation	12/7/2007	9,810,000.00	0.00	0.00	9,810,000.00	70,00%
5	J.W. Construction Sp. z o.o.	Ząbki	production of prefabricated goods for construction	subsidiary	full consolidation	2/19/2008	70,197,456.00	0.00	36,125,456.00	34,072,000.00	100,00%
6	JW. Marka Sp. z o.o.	Ząbki	lease of intellectual property	subsidiary	full consolidation	8/23/2011	186,661,450.00	0.00	172,044,225.58	14,617,224.42	100,00%
7	Seahouse Sp.z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	10/18/2012	10,950,000.00	0.00	0.00	10,950,000.00	100,00%
8	Nowe Tysiąclecie Sp.z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	6/11/2013	15,240,000.00	0	0	15,240,000.00	100,00%
9	Dana Invest Sp z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	11/22/2013	14,308,350.00	0.00	0.00	14,308,350.00	99,99%
10	Varsovia Apartamenty Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	1/23/2014	305,000.00	0.00	0.00	305,000.00	100,00%
11	Berensona Invest Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	1/28/2014	5,000.00	0.00	0.00	5,000.00	100,00%
12	Bliska Wola 4 Sp. z o.o. 1 SK	Ząbki	-real estate development activity	subsidiary	full consolidation	1/22/2014	13,979,850.00	0.00	0.00	13,979,850.00	48,00%
13	Bliska Wola 4 Sp. z o.o. 2 SK	Ząbki	-real estate development activity	subsidiary	full consolidation	1/29/2014	6,769,550.00	0.00	0.00	6,769,550.00	48,00%
14	Wola Invest Sp z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	1/23/2014	5,000.00	0.00	0.00	5,000.00	100,00%
15	Bliska Wola 4 Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	1/24/2014	5,000.00	0.00	0.00	5,000.00	100,00%
16	Zdziarska Invest Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	1/22/2014	5,000.00	0.00	0.00	5,000.00	100,00%



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

	Name of a unit (and its legal form)	Registered office	Company business	Type of affiliation	Method of consolidation	Date of assuming control	Value of shares/inter-estate acquisition price	Revaluation adjustment value	Write-offs upto book value of in-kind contribution	Carrying value of shares	% of total number of votes in the General Meeting
17	Łódź Invest Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	1/22/2014	3,800,000.00	0.00	0.00	3,800,000.00	100,00%
18	Porta Transport	Szczecin	-real estate development activity	subsidiary	full consolidation	4/24/2014	19,309,914.41	0.00	0.00	19,309,914.41	100,00%
19	Lewandów Invest Sp zoo	Ząbki	-real estate development activity	subsidiary	full consolidation	7/24/2014	5,000.00	0.00	0.00	5,000.00	100,00%
20	J.W. Ergo Energy	Ząbki	-real estate development activity	subsidiary	full consolidation	10/6/2014	2,501.00	0.00	0.00	2,501.00	100,00%
21	Hanza Invest S.A.	Ząbki	-real estate development activity	subsidiary	full consolidation	10/26/2016	75,117,223.20	0.00	0.00	75,117,223.20	100,00%
22	TBS Nowy Dom Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	not consolidated	11/21/2017	1,002.00	0.00	0.00	1,002.00	100,00%
23	WIELOPOLE 19/21 SP.Z O.O.	Cracow	-real estate development activity	subsidiary	not consolidated	3/29/2018	203,312.00	0.00	0.00	203,312.00	100,00%

Partial affiliation											
1	Bliska Wola 4 Sp z o.o.1 SK	Ząbki	-real estate development activity	subsidiary	full consolidation	2/26/2016	30,820,450.00	0.00	0.00	30,820,450.00	51,00%
2	Bliska Wola 4 Sp z o.o.2SK	Ząbki	-real estate development activity	subsidiary	full consolidation	2/26/2016	12,745,500.00	0.00	0.00	12,745,500.00	51,00%
3	Bliska Wola 4 Sp z o.o.1SK	Ząbki	-real estate development activity	subsidiary	full consolidation	2/26/2016	211.74	0.00	0.00	211.74	1,00%
4	Bliska Wola 4 Sp z o.o.2SK	Ząbki	-real estate development activity	subsidiary	full consolidation	2/26/2016	178.00	0.00	0.00	178.00	1,00%
5	Dana Invest Sp. z o.o.	Ząbki	-real estate development activity	subsidiary	full consolidation	11/27/2014	50.00	0.00	0.00	50.00	0,01%
6	Karczma Regionalna Sp.z o.o.	Krynica Górska	hotel services	subsidiary	not consolidated	12/16/2004	208,550.00	0.00	0.00	208,550.00	8,06%

Note 5. Non-current receivables

NON-CURRENT RECEIVABLES	March 31, 2018	December 31, 2017
a) guarantee receivables	3,032,273.85	3,032,273.85
b) deposit receivables(lease)	0.00	0.00
b) other receivables	0.00	0.00
Total receivables	3,032,273.85	3,032,273.85

2. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	March 31, 2018	December 31, 2017
a) materials	2,232,718.94	2,591,802.87
b) semi-finished products and work in progress	0.00	0.00
c) finished products	249,627.77	249,627.77
d) goods	27,497,274.95	27,482,711.03
e) trade advances	95,922.49	76,371.36
Total inventories	30,075,544.15	30,400,513.03

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	March 31, 2018	December 31, 2017
CONSTRUCTION CONTRACTS (current assets)		
a) semi-finished products and work in progress	644,430,860.42	580,192,722.05
b) finished products	16,988,965.82	32,089,840.45
c) advances for supplies	18,855,546.28	17,114,540.28
d) short-term prepayments	298,765.01	198,203.74
Total construction contracts	680,574,137.53	629,595,306.51

CONSTRUCTION CONTRACTS (Current liabilities)	March 31, 2018	December 31, 2017
a) Accruals	438,837,988.19	377,519,939.66
Total construction contracts	438,837,988.19	377,519,939.66

Construction contracts

Accruals	March 31, 2018	December 31, 2017
- advances on premises	436,050,617.45	373,504,903.13
- works reserves	1,619,163.87	2,839,681.53
- other	1,168,206.87	1,175,355.00
The total value of accruals	438,837,988.19	377,519,939.66

The Companies of the Group, in connection with the business activities, incur loans that are secured with the mortgage on the property. As at Saturday, March 31, 2018, the companies of the group established securities in the form of mortgages presented in inventories and construction contracts with the value of PLN 657.6 million. The value of the mortgage is established on the amount of the credit granted (or higher), therefore, this amount exceeds the value of the property shown in assets of the Companies of the Group. As at March 31, 2018, the loan liabilities amounted to PLN 164.3 million (excluding credits of TBS Marki Sp. z o.o., liabilities amount to PLN 74,3 million).

Note 8. Current receivables

CURRENT RECEIVABLES	March 31, 2018	December 31, 2017
a) trade receivables - related parties	8,405.00	7,783.70
b) trade receivables - other parties	20,203,514.82	25,576,919.46
c) taxes, subsidies, customs duties, social and health insurance and other payments	16,629,254.13	12,436,070.61
d) other	2,634,969.25	4,118,429.78
Total receivables	39,476,143.20	42,139,203.55

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	March 31, 2018	December 31, 2017
a) shares	0.00	0.00
b) loans granted	826,017.78	39,683,837.60
c) other investments	16,334,874.20	16,041,377.29
Total value of short-term investments	17,160,891.98	55,725,214.89

SHORT-TERM INVESTMENTS	March 31, 2018	December 31, 2017
a) in subsidiaries	770,533.24	39,683,837.60
- shares	0.00	0.00
- security papers	0.00	0.00
- other security papers	0.00	0.00
- loans granted	770,533.24	39,683,837.60
- other short-term financial assets	0.00	0.00
b) in other units	16,390,359.73	16,041,377.29
- shares	0.00	0.00
- security papers	0.00	0.00
- other security papers	16,334,875.19	16,041,377.29
- loans granted	55,484.54	0.00
- other short-term financial assets	0.00	0.00
c) other short-term investments	0.00	0.00
Total value of short-term investments	17,160,891.98	55,725,214.89

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	March 31, 2018	December 31, 2017
a) cash on hand and with bank	112,530,835.38	173,027,606.33
b) other cash	50,216,747.80	1,015,460.11
c) other cash assets	323,190.17	228,022.93
Total cash	163,070,773.35	174,271,089.37

	March 31, 2018	December 31, 2017
Cash in escrow accounts	60,086,342.28	45,584,183.26
JW. Construction Holding SA	44,564,797.72	37,174,715.67
Hanza Invest S.A.	15,513,777.41	8,401,700.44
Nowe Tysiąclecie Sp. z o.o.	7,767.15	7,767.15

Note 11. Accruals

ACCRUALS	March 31, 2018	December 31, 2017
a) short-term accruals	19,978,337.58	13,293,242.47
The total value of accruals	19,978,337.58	13,293,242.47

Accruals	March 31, 2018	December 31, 2017
- property insurance	112,573.52	116,644.20
- interest	1,133,839.55	1,418,486.12
- commission expenses	11,293,384.30	10,275,254.20
- property tax, perpetual usufruct, road tax	5,279,144.80	14,811.00
- other	2,159,395.41	1,468,046.95
The total value of accruals	19,978,337.58	13,293,242.47

3. LIABILITIES

Note 12. Borrowings

BORROWINGS	March 31, 2018	December 31, 2017
a) credits	164,278,820.90	204,039,207.77
<i>of which: long-term</i>	111,497,302.11	144,689,144.73
<i>short-term</i>	52,781,518.79	59,350,063.04
b) loans	889,017.06	897,210.95
<i>of which: long-term</i>	0.00	0.00
<i>short-term</i>	889,017.06	897,210.95
Total borrowings	165,167,837.96	204,936,418.72
Borrowings - long-term	111,497,302.11	144,689,144.73
Borrowings - short-term	53,670,535.85	60,247,273.99

CREDITS PER MATURITY	March 31, 2018	December 31, 2017
Up to 1 year:	52,781,518.79	59,350,063.04
Over 1 year up to 2 years	14,571,697.14	46,682,411.57
Over 2 years up to 5 years	23,005,328.07	19,388,653.94
Over 5 years	73,920,276.90	78,618,079.22
Total loans, including:	164,278,820.90	204,039,207.77
- long-term	111,497,302.11	144,689,144.73
- short-term	52,781,518.79	59,350,063.04

LOANS PER MATURITY	March 31, 2018	December 31, 2017
Up to 1 year:	889,017.06	897,210.95
Over 1 year up to 2 years	0.00	0.00
Over 2 years up to 5 years	0.00	0.00
Over 5 years	0.00	0.00
Total loans, including:	889,017.06	897,210.95
- long-term	0.00	0.00
- short-term	889,017.06	897,210.95

Including the loans of TBS Marki sp. z o.o.

BORROWINGS	March 31, 2018	December 31, 2017
a) credits	90,042,515.70	90,903,238.42
<i>of which: long-term</i>	84,925,026.56	85,736,830.84
<i>short-term</i>	5,117,489.14	5,166,407.58
b) loans	0.00	0.00
<i>of which: long-term</i>	0.00	0.00
<i>short-term</i>	0.00	0.00
Total borrowings	90,042,515.70	90,903,238.42
Borrowings - long-term	84,925,026.56	85,736,830.84
Borrowings - short-term	5,117,489.14	5,166,407.58

CREDITS PER MATURITY	March 31, 2018	December 31, 2017
Up to 1 year:	5,117,489.14	5,166,407.58
Over 1 year up to 2 years	5,117,489.14	5,166,407.58
Over 2 years up to 5 years	15,352,467.42	15,085,505.94
Over 5 years	64,455,070.00	65,484,917.32
Total loans, including:	90,042,515.70	90,903,238.42
- long-term	84,925,026.56	85,736,830.84
- short-term	5,117,489.14	5,166,407.58

TBS Marki Sp. z o.o. took the loan from the National Housing Fund on an entirely separate conditions, regulated by the Ordinance of 26 October 1995 in the Act on Some Forms of Supporting Housing Construction Journal of Law 00.98.1070, consolidated text. These are long-term loans with repayment terms attributable to the years 2033-2044. Loans are repaid from rent received from tenants of TBS apartments.

Note 13. Other capital

OTHER CAPITAL	March 31, 2018	December 31, 2017
a) supplementary capital	638,798,692.00	638,322,939.75
b) other reserve capital	7,947,307.60	7,947,307.60
c) translation reserve	-2,371,419.22	-2,922,760.52
Total other capital	644,374,580.38	643,347,486.83

Note 14. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	March 31, 2018	December 31, 2017
a) lease obligations	330,494.91	598,298.02
b) deposit liabilities	24,422,343.13	22,035,243.99
c) other non-current liabilities	5,114,568.70	5,093,659.36
d) note liabilities	0.00	0.00
e) bonds	199,100,000.00	199,100,000.00
Total other long-term liabilities	228,967,406.74	226,827,201.37

All financial lease liabilities are in PLN. The fair value of the financial lease liabilities corresponds to the book value and as at Saturday, March 31, 2018 constitutes PLN 1.650.290,40 with PLN 330.494,91 of which constitutes short-term liabilities.

Prospect leasing payments are payable, including:

	Minimum leasing payments	Interest	Current value of liability
	March 31, 2018	March 31, 2018	March 31, 2018
under 1 year	1,362,214.38	42,418.89	1,319,795.49
between 1 year and 5 years	334,370.21	3,875.30	330,494.91
Over 5 years	0.00	0.00	0.00
	1,696,584.59	46,294.19	1,650,290.40

	Minimum leasing payments	Interest	Current value of liability
	December 31, 2017	December 31, 2017	December 31, 2017
under 1 year	1,434,668.84	55,416.85	1,379,251.99
between 1 year and 5 years	621,704.87	23,406.85	598,298.02
Over 5 years	0.00	0.00	0.00
	2,056,373.71	78,823.70	1,977,550.01

Current value of leasing liabilities is presented in the report as follows:

FINANCIAL LEASE OBLIGATIONS	March 31, 2018	December 31, 2017
Current liabilities	1,319,795.49	1,379,251.99
Non-current liabilities	330,494.91	598,298.02
	1,650,290.40	1,977,550.01

Note 15. Trade and other payables

TRADE AND OTHER PAYABLES	March 31, 2018	December 31, 2017
a) trade payables - other entities	48,361,620.66	46,702,569.04
b) trade payables - related entities	0.00	0.00
c) taxes, customs duties, insurance and other payments	7,993,282.50	3,568,122.28
d) salaries	2,196,078.39	2,388,654.25
e) trade advances received	0.00	0.00
f) other	9,586,565.38	7,966,122.08
Trade and other payables, in total	68,137,546.93	60,625,467.65

PROVISIONS FOR OTHER LIABILITIES AND CHARGES	March 31, 2018	December 31, 2017
a) short-term, of which:	40,829,791.50	27,735,675.12

- accrued expenses, including:	11,344,774.04	13,057,926.22
- <i>interest charged</i>	1,114,077.81	1,122,006.79
- <i>rent deposit</i>	480,433.64	480,433.64
- <i>hotel down payments</i>	1,873,242.34	3,879,548.64
- <i>other</i>	7,877,020.25	7,575,937.15
- other provisions, including:	29,485,017.46	14,677,748.90
- <i>provision for future liabilities,</i>	0.00	0.00
- <i>provisions for guaranteed repairs</i>	1,509,355.90	1,509,355.90
- <i>other provisions</i>	27,975,661.56	13,168,393.00
a) long-term, of which:	54,498,915.07	54,578,877.99
- accrued expenses, including:	54,498,915.07	54,578,877.99
<i>participation in costs of construction - TBS Marki</i>	48,496,235.25	48,525,652.37
- <i>deferred income- loan remittance-TBS Marki</i>	6,002,679.82	6,053,225.62
Provisions for other liabilities and charges in total	95,328,706.57	82 14,553.11

On March 9, 2018 the Supreme Court repealed a verdict of the court of appeals issued on September 27, 2016 issued in the 2nd instance resulting from a legal action filed by the capital city of Warsaw against the Company regarding the payment for the perpetual usufruct of the plot of land no. 2/6 located in Warsaw at 181 Górczewska street for the years 2009 -2013. The Capital City of Warsaw returned the due sum in the amount of PLN 14.123.786,25 and the interest to the sum of PLN 7.965.869,81. The interest was presented in the report as revenue, and the for the principal amount a reserve was created.

Note 16. Other liabilities

OTHER LIABILITIES	March 31, 2018	December 31, 2017
a) debt securities issue liabilities	23,205,367.40	20,767,451.05
b) promissory note liabilities	573,312.64	573,279.31
c) financial lease liabilities	1,319,795.49	1,379,251.99
d) other financial liabilities	0.00	0.00
Total other long-term liabilities	25,098,475.53	22,719,982.35

All financial lease liabilities are in PLN. The fair value of the financial lease liabilities corresponds to the book value and as at Saturday, March 31, 2018 constitutes PLN 1.650.290,40 with PLN 1.319.795,49 of which constitutes short-term liabilities.

4. OPERATING INCOME AND EXPENSES

Note 17. Operating income

OPERATING INCOME	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products	26,243,862.02	53,859,234.47
Revenues from sales of services	23,110,224.61	19,612,363.27
Revenues from sales of goods	1,171,113.12	531,349.60
Total Income	50,525,199.75	74,002,947.34

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Proceeds from sales, including:	50,525,199.75	74,002,947.34
- sales of products - units, plots, buildings	26,520,502.38	53,859,234.47
-sales of goods - other	0.00	0.00
- from sales of services	22,833,584.25	19,612,363.27
-sales of goods	1,171,113.12	531,349.60

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products and services by segment	49,354,086.63	73,471,597.74
-real estate development activity	29,960,372.11	56,976,224.17
-business activity related to hotels	15,509,363.06	12,935,699.20
-social building	3,565,026.11	3,559,674.37
-construction	319,325.35	0.00

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products – premises, plots, buildings by geographical segment	26,520,502.38	53,859,234.47
-Warsaw and the surrounding area	23,998,986.92	3,506,669.47
-Gdynia	1,818,486.81	50,109,325.39
- Łódź	0.00	243,239.61
- Katowice	426,388.29	0.00
- plots	276,640.36	0.00

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products -premises, plots, buildings per geographic segments	15,509,363.06	12,935,699.20
-Warsaw and the surrounding area	705,150.97	946,991.16
- Tarnowo	1,639,638.98	1,117,644.83
- Stryków	923,747.49	876,387.75
- Szczecin	1,230,233.79	842,298.90
- Krynica Górská	10,508,720.91	9,152,376.56
- Jerozolimskie Point	501,870.92	0.00

Note 18. Operating expenses

OPERATING EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Costs on sale of products	21,653,990.21	42,387,607.39



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

Costs on sale of services	15,669,212.97	12,924,310.73
Costs on sale of goods	1,175,580.29	498,958.37
Total costs of products, services and goods sold	38,498,783.48	55,810,876.49

Sales and overhead expenses	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Sales costs	4,869,008.31	4,897,774.32
Overheads	5,841,462.15	4,667,574.12
Sales and overhead expenses in total	10,710,470.46	9,565,348.44

Expenses per type	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Depreciation and amortization	2,776,530.23	2,732,325.15
Materials and energy costs, land acquisition	17,093,464.74	7,568,285.15
Third party services	71,252,827.69	59,974,261.86
Taxes and charges/fees	2,869,144.11	2,661,140.61
Remunerations	9,399,302.15	9,375,392.29
Social security and other payments	1,756,605.71	1,596,632.06
Other expenses per type	2,352,676.67	1,659,893.20
Expenses per type in total	107,500,551.30	85,567,930.32

Note 19. Other operating income

OPERATING REVENUE	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) profit on sale of non-financial fixed assets	6,002.51	245.00
b) other operating revenues	380,039.11	675,498.52
Total value of operating revenue	386,041.62	675,743.52

OPERATING REVENUE	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) profit on sale of non-financial fixed assets	6,002.51	245.00
b) transaction handling fees	80,603.73	57,232.58
c) reserves	0.00	0.00
d) others (including contractual penalties, damages)	299,435.38	618,265.94
Total amount of operating costs	386,041.62	675,743.52

Note 20. Other operating expenses

OPERATING EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) loss on sale of non-financial fixed assets	0.00	0.00
b) revaluation of non-financial assets	43,769.08	0.00
c) other operating costs	1,492,136.10	2,322,462.26
Total amount of operating costs	1,535,905.18	2,322,462.26

OPERATING EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) loss on sale of non-financial fixed assets	0.00	0.00
b) revaluation of non-financial assets	43,769.08	0.00
c) reserves	683,482.31	683,382.31
d) compensations, penalties, damages	664,453.18	208,614.29



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

e) compensations for breach of contracts	0.00	983.00
f) costs of court proceedings	0.00	69,464.97
g) others	144,200.61	1,360,017.69
Total amount of operating costs	1,535,905.18	2,322,462.26

Note 21. Financial Revenues

FINANCIAL REVENUES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) dividends	0.00	0.00
b) interest	8,552,108.16	564,315.11
c) profit on disposal of investments	0.00	0.00
d) other	83,365.19	32,056.03
Total financial revenues	8,635,473.35	596,371.14

FINANCIAL REVENUES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) dividends	0.00	0.00
b) interest from customers	37,355.32	41,849.20
c) loan interest	109,825.46	125,911.91
d) deposit interest	223,707.74	110,220.35
e) interest on promissary notes	211,715.94	256,713.18
f) other interest	7,969,503.70	29,620.47
g) profit on disposal of investments	0.00	0.00
h) foreign exchange rate differences	0.00	0.00
i) other	83,365.19	32,056.03
In total	8,635,473.35	596,371.14

Note 22. Financial costs

FINANCIAL EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) interest	4,605,428.48	3,336,838.27
b) loss on disposal of investments	30,384.75	0.00
c) others	358,872.41	1,986,885.39
Total financial expenses	4,994,685.64	5,323,723.66

FINANCIAL EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) interest, commissions, loans	964,842.14	1,298,729.11
b) interest-leasing	18,781.06	33,540.58
c) interest- loans	-8,193.89	39,487.33
d) interest- promissary notes	33.33	83,040.20
e) interest- bond issuance	2,722,562.92	1,720,766.02
f) other interest	907,402.92	161,275.03
g) loss on disposal of investments	30,384.75	0.00
h) other	358,872.41	1,986,885.39
Total financial expenses	4,994,685.64	5,323,723.66

Note 23. Income tax

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
INCOME TAX		
a) income tax	3,035.00	1,064,449.32
b) deferred income tax	-794,585.47	-1,330,344.07
Total Income tax	-791,550.47	-265,894.75

D. SUPPLEMENTARY INFORMATION

1. Significant achievements or failures in the period covered by the report, including the list of the most important events concerning them.

In the reporting period the following significant events occurred:

Corporate affairs

On January 16, 2018, an Extraordinary General Meeting of Shareholders took place during which the following resolutions were made: the increase of the number of the Supervisory Board members and the appointment of Mr. Ryszard Matkowski to the Supervisory Board of the Company.

On January 16, 2018, Ms. Barbara Czyż resigned her post in the Supervisory Board.

On January 16, 2018, Ms. Barbara Czyż resigned her post in the Supervisory Board.

On January 30, 2018, Mr. Jacek Radziwiłski resigned his post in the Audit Committee.

On February 1, 2018, Mr. Ryszard Matkowski was appointed to the Audit Committee as its President.

On March 28, 2018, an Extraordinary Meeting of Shareholders was held that adopted a decision on conducting a merger by and between the Company and the following subsidiaries was adopted and signed: Seahouse sp. z o.o. with its business seat in Ząbki, Lodź Invest sp. z o.o. with its business seat in Ząbki, Nowe Tysiąclecie sp. z o.o. with its business seat in Ząbki, Zdziarska Invest sp. z o.o. with its business seat in Ząbki, Lewandów Invest sp. z o.o. with its business seat in Ząbki, Porta Transport sp. z o.o. in liquidation with its business seat in Szczecin, J.W. Ergo J.W. Ergo Energy Spółka z o.o. with its business seat in Ząbki, Towarzystwo Budownictwa Społecznego Nowy Dom Spółka z o.o. with its business seat in Ząbki, J.W. Marka Spółka z o.o. with its business seat in Ząbki, and Business Financial Construction Spółka z o.o. with its business seat in Warsaw (hereinafter known as "Companies being merged"). The merger is taking place within the Capital Group. The Company holds a 100% stake in the share capital of the companies being merged. The merger is taking place in accordance with the Art. 492 §1.1 of the Polish Code of Commercial Companies through the transfer of the entire equity to the Company as a sole shareholder. As of the day of the publication of this financial report our Company is expecting the merger to be registered by the court.

Merger procedure

On February 16, 2018, a plan of a merger between the Company and the following subsidiaries was adopted and signed: Seahouse sp. z o.o. with its business seat in Ząbki, Lodź Invest sp. z o.o. with its business seat in Ząbki, Nowe Tysiąclecie sp. z o.o. with its business seat in Ząbki, Zdziarska Invest sp. z o.o. with its business seat in Ząbki, Lewandów Invest sp. z o.o. with its business seat in Ząbki, Porta Transport sp. z o.o. in liquidation with its business seat in Szczecin, J.W. Ergo Energy Spółka z o.o. with its business seat in Ząbki, Towarzystwo Budownictwa Społecznego Nowy Dom Spółka z o.o. with its business seat in Ząbki, J.W. Marka Spółka z o.o. with its business seat in Ząbki, and Business Financial Construction Spółka z o.o. with its business seat in Warsaw (hereinafter known as "Companies being merged").

The merger shall take place within the Capital Group. The Company holds a 100% stake in the share capital of the companies being merged. A planned merger shall take place in accordance with the Art. 492 §1.1 of the Polish Code of Commercial Companies through the transfer of the entire equity to the Company as a sole shareholder. The aim of the merger is the decrease of the cost of the functioning of the Capital Group and the concentration of the conducted activity of the Company. The merger shall take place in accordance with the Art. 515 §1 of the Polish Code of Commercial Companies without increasing the company share capital.

Credit agreement payment

On February 5, 2018, the Company paid in full a credit for co-financing the costs of the realization of the Bernadowo Park phase 2 investment in Gdynia to the sum of PLN 33.700.000 granted by Millennium Bank S.A.

On February 28, 2018, the Company paid in full a credit for co-financing the costs of the realization of the Zielona Dolina III investment in Gdynia to the sum of PLN 5.000.000 granted by BOŚ Bank S.A.

Construction permit

On January 10,12,15 and February 13, 2018, the Company received a building permit for the construction of a complex of terraced single-family houses located in the gmina of Kręcki Kaputy near Ożarów Mazowiecki. The permit is final and binding.

On February 2, 2018, the Company received a permit for the construction of a hotel with services and an underground garage located at Pileckiego street in Warsaw. The permit is not final and binding.

Acquisition of real estate

On February 2, 2018, the Company obtained an ownership title to a plot of land with an area of 2,3544 ha located at Poznańska street in Skórzewo, gmina Doplewo. The purchase price was set at the net sum of PLN 9,800,000 + VAT at an applicable rate and was paid on the purchase day. the construction of multi-family buildings. The company estimates that on the plot it is possible to build approx. 14,000 sq.m. of the useable living space.

Real estate acquisition preliminary agreement

On February 6, 2018 the Company entered into a preliminary agreement regarding the sale of a perpetual usufruct right for 2 plots with a total area of 0,2287 ha located in Gdańsk at Starowiejska street. The date for signing the final agreement was fixed to be some date not later than June 13, 2018. The price of the real estate was decided to be PLN 4.250.000 + VAT at an applicable rate. During the preliminary agreement, a sum of PLN 522.750 was paid with the remaining sum to be paid during the signing of the final agreement. The seller granted to the Company a right to use the real estate for construction purposes. The real estate is adjacent to the plots for which a preliminary sales agreement was signed in 2017 and will allow for the construction on one mutli-family living complex. The company plans to build approx. 5,100 sq. m. of useable area on the said plot.

On March 23, 2018 the Company entered into a conditional agreement regarding the purchase of a perpetual usufruct right for the plot no. 215 with a total area of 16,902 sq. m. located in Pruszków at 5/7 Waryńskiego street for the net sum of PLN 15.900.000 that was subsequently increased by an applicable rate of VAT tax. The condition for signing a final and binding agreement was that the president of the city of Pruszków did not exercise its preemptive right with regard to the purchase of the said real estate. The company plans to build approx. 19.000 sq. m. of apartment useable area on the said plot.

Sales

In the period between January 1, 2018 and March 31, 2018, the Company sold 426 units.

Units taken over

In the period between January 1 and March 31, 2018, the company transferred and recognized in its revenue 79 units.

Out of the investments carried out in the Q1 of 2018, the units being on offer to be recognized in next quarters total 4.044 units, including: 2.891 units sold and not transferred to owners, with 1,153 units on offer to be sold.

Investments being carried out

In Q1 of 2018, the Company carried out 12 real estate development investmentss with the total amount of 3.446 units and the total area of 161.821 sq. m., including aparthotel investments, single-family homes, and terraced houses. The works conducted comprises the construction of the following investments:

- in Warsaw: Bliska Wola/Wola Invest (phases C and E), Osiedle Zielona Dolina II phase II and Zielona Dolina III, Osiedle Wrzosowa Aleja IV, as well as terraced houses – Villa Campina near Warsaw close to Ożarów Mazowiecki.
- in Gdynia: The Bernadowo Park community phase II and the Kamerata Community,
- in Katowice: The Nowe Tysiąclecie phase III community
- in Szczecin: Hanza Tower.

In Q1 of 2018, the following investments were carried out:

Investment name	Total number of units	Total useable area	Aparthotel and commercial area	% of sold units as at March 31, 2018.	% of construction work completion as at March 31, 2018.
Bliska Wola - phase E - residential part, Warsaw, J.W. Construction Holding S.A.	671	30,454		99%	52%
Zielona Dolina II phase II, Warsaw, J.W. Construction Holding S.A.	570	25,360		54%	81%
Hanza Tower, Szczecin, Hanza Invest S.A.	502	21,957	10,844	44%	22%
Bliska Wola - phase C - Wola Invest, Warsaw, J.W. Construction Holding S.A.	457		14,501	97%	96%
Bliska Wola - phase E, Warsaw, J.W. Construction Holding S.A.	433	4,549	10,089	95%	42%
Nowe Tysiąclecie phase 3, Katowice Construction Holding S.A.	346	18,261		28%	19%
Bernadowo Park phase II, Gdynia, J.W. Construction Holding S.A.	236	13,184		98%	96%
Wrzosowa Aleja (Lewandów Park IV), Warsaw J.W. Construction Holding S.A.	81	2,958		10%	1%
Kamerata, Gdynia, J.W. Construction Holding S.A.	55	3,420		98%	63%
Zielona Dolina III, Warsaw, J.W. Construction Holding S.A.	54	2,247		85%	98%
Villa Campina single-family homes - Alicja (D row), Ożarów Mazowiecki, J.W. Construction Holding S.A.	21	2,017		90%	33%
Villa Campina single-family homes - Alicja (D row), Ożarów Mazowiecki, J.W. Construction Holding S.A.	20	1,980		25%	1%
In total	3,446	126,387	35,434		

Planned investments

In the perspective of the coming years, the Group is preparing 25 new residential, aparthotel, warehouse investments with a total number of 5,322 units and a total space of 396 thousand sq.m. based on its available land inventory.

In case of all planned real estate development and aparthotel projects, the Capital Group is the owner or holds a perpetual usufruct in the land or has signed preliminary contracts for land acquisition. With regard to the majority of the planned projects, the Group has also conducted design and preparatory works. The realization of investments will be financed based on the Group's own funds, customer cash inflow in case of an open-ended escrow account as well as through a credit loan.

The planned projects for realization in the nearest years are planned in the below table.

The list of projects planned for realization - as at 3/31/2018:

Investment name	Total number of units	Useable area (in sq. m.)	Aparthotel and commercial space (sq. m.)
Bliska Wola phase D (residential, aparthotel, commercial), Warsaw	1,059	25,416	17,058
ul. Celna, Szczecin ^{1) 2)}	623	18,862	14,796
ul. Starowiejska, Gdańsk- Letnica ¹⁾	527	26,203	
ul. Waryńskiego, Pruszków ²⁾	475	19,000	
Bliska Wola phase D (residential), Warsaw ³⁾	418	19,178	
ul. Poznańska - Skórzewo near Poznan	280	14,000	
ul. Berensona, Warsaw	264	11,855	
Varsovia Apartamenty Pileckiego – Aparthotel, Warsaw	240		8,013
ul. Antoniewska, Warsaw	221	13,763	
ul. Spokojna – aparthotel, Gdynia	257		9,414
Single-family homes, phase VI and later, Ożarów Mazowiecki	150	15,675	
Lewandów Park III phase II, Warsaw	146	4,709	
ul. Mikołaja Trąby, Warsaw	130	5,895	
ul. Odkryta, phase II, Warsaw	104	4,581	

ul. Radosława, Nowogard	96	4,800	
ul. Starowiejska, Gdańsk- Letnica II ¹⁾	75	5,090	
ul. Jesionowa/Partyzantów, Gdańsk- Wrzeszcz ¹⁾	74	4,000	
ul. Aluzyjna, phase II, Warszawa	68	3,670	
Lewandów Park III phase I, Warsaw	40	1,631	
ul. Aluzyjna, phase I, Warszawa	32	1,850	
Villa Campina single-family homes, phase V, Ożarów	30	2,857	
ul. Nowodworska, Warsaw	13	1,180	
Port (warehouses), Szczecin			80,000
Małopole (warehouses), near Warsaw ¹⁾			52,000
ul. Wielopole 19-21 street, Dietla 86,88, and 90 street in Krakow			10,500
IN TOTAL	5,322	204,215	191,781

¹⁾ preliminary agreements

²⁾ land real estate purchased in Q2 of 2018

³⁾ investments entered into sales as at March 31, 2018

2. Description of factors and events, especially of extraordinary nature, having a significant impact on financial results

A significant and an extraordinary event having affect the financial result in Q1 was a court decision issued on March 9, 2018 based on which the Supreme Court appealed a 2nd instance decision of the Court of Appeals of September 27, 2016 with reference to the claim of the capital city of Warsaw against the Company regarding the payment for the perpetual usufruct of the plot of land no. 2/6 located in Warsaw at 181 Górczewska street for the years 2009 -2013. The plot of land in question in accordance with the local zoning plan is meant for communication purposes, i.e. the construction of the NS road. The repealed verdict ordered the Company to pay to the Capital City of Warsaw a sum of PLN 14.123.786,25 with interest and court proceeding costs. The case was referred back to a court of appeals as a 2nd instance case. As a result of the return by the capital city of Warsaw of the principal amount and due interest, the principal interest to the amount of PLN 7.965.869,81 was recognized as revenue, with a reserve being created for the principal amount to the sum of PLN 14.123.786,25.

3. Explanations regarding the Issuer's seasonal and cyclical nature in the reporting period.

Do not apply.

4. Information concerning the issue, redemption and repayment of debt and equity securities

Do not apply.

5. Information on paid and/or declared dividend in total and per one share, divided into ordinary shares and preference shares

Do not apply.

6. Events which occurred after the date of drawing up the abbreviated quarterly financial statement, which were not included in this statement but which could possibly have a remarkable influence on the Issuer's future financial results.

Signing an annex to a loan agreement

On April 20, 2018, the Company signed an annex to a revolving credit agreement granted by Plus Bank S.A. Based on the annex, on the Company's motion the credit limit was decreased to the sum of PLN 8,000,000 with the payment and utilization period being changed. The new payment date falls on Saturday, April 25, 2020.

On Wednesday, April 25, 2018, the Company signed an annex to a credit in a current account granted by PKO BP S.A. to the sum of PLN 10,000,000. Under the Annex, the deadline for the use and repayment of the loan has been postponed. The new payment date falls on Thursday, April 25, 2019.

On April 25, 2018 J.W. J. W. Construction Sp. z o.o. a subsidiary of the Issuer concluded the Annex to the overdraft agreement granted by PKO BP S.A. in the amount of PLN 7,000,000. Under the Annex, the deadline for the use and repayment of the loan has been postponed. The new repayment date was set at Thursday, April 25, 2019.

Construction permit

On May 8, 2018, the Company received a building permit for the construction of the Bliska Wola phase D residential and business complex on the real estate surrounded by Ordon, Kasprzka, and Al. Prymasa Tysiąclecia street in Warsaw. The permit is not final and binding.

Real estate purchase

On April 4, 2018, as a result of the fact that the president of the city of Pruszków did not his pre-emptive right, the Company signed an agreement on the transfer of a perpetual usufruct right no. 215 with an area of 16.902 sq. m. located in Pruszków at 5/7 Waryńskiego street for the net sum of PLN 15.900.000 that was subsequently increased by an applicable rate of VAT tax. The company plans to build approx. 19.000 sq. m. of apartment useable area on the said plot.

Real estate acquisition preliminary agreement

On April 25, 2018, the Company signed a real estate acquisition preliminary agreement regarding the purchase of a purputual usufruct for the plots of land no. 5/4, 7/2 and 7/4 with a total area of 1.4471ha with no existing buildings thereon located in Szczecin at Cenlna street for the net sum of PLN 14.600.000 that was subsequently increased by an applicable rate of VAT tax. On signing the agreement, a deposit was made in the net sum of PLN 1,500,000 increased by VAT tax in an applicable rate. The date for signing a conditional agreement was fixed on November 10, 2018. The company plans to build approx. 33,700 sq. m. of a usable area for apartments and apart-hotels.

7. Information concerning the changes in conditional liabilities

In conducting economic activity, conditional instruments securing transactions are applied. Especially, based on the current loan agreements, banks in case of the company failure to fulfill the Group's obligations resulting from the signed agreements may seek compensation based on the created securities. Securities are created from the sum of granted credit multiplied by a certain factor. The multiplier depending on the type of credit agreement, security type, financing bank and other factors varies between 100% and 200%. Regardless of the number and the sum of created securities, the bank may seek compensation from the sum of real debt with due interest. As at March 31, 2018, the debt amount resulting from granted loans was PLN 164,3m (including debt on the part of TBS Marki sp. z o.o. in the sum of PLN 90 million) and there were no reasons that could indicate that any credit loan could not be paid on time.

In case of J.W. Construction Holding S.A. credits, mortgage securities are mainly used.

Below is the list of mortgage securities:

OFF-BALANCE SECURITIES	March 31, 2018
The sum of collateral on the company's own real estate - pertaining to loans*	626,073,086
The sum for securities on other real estate - loans	21,000,000
The sum for securities on other real estate - guarantee	10,500,000

*Including collaterals on the real estate of TBS Marki sp. z o.o. — PLN 22,4 million.

For one credit agreement, typically several securities are applied that exceed the credit amount. However, it is impossible to sum up the sums of securities as the value of a possible claim would be strictly related to the security sum, and a entitled entity could choose a type of security.

In addition to mortgage security, there are other forms of securities, such as writs of execution, promissory notes, powers of attorney to accounts or liens on accounts. In addition, in case of investment credits, the security instruments are transfers from contracts related to concrete constructions (for instance, general contractorship agreements, insurance agreements, good quality guarantees). Also, if a borrower is a subsidiary of J.W. Construction Holding S.A., banks typically require also a guarantee from the Company, and in some other cases - lien on the shares of a subsidiary.

Below is the value of granted guarantees.

OFF-BALANCE SHEET COLLATERALS - other	March 31, 2018
Guarantee of J.W. Construction Holding S.A. to the benefit of Hanza Invest SA for an investment loan incurred at Alior Bank S.A.	141,789,712
Guarantee of J.W. Construction Holding S.A. to the benefit of Dana Invest Sp. z o.o. for an investment loan granted by BZ WBK SA.	29,694,876
Registered pledge on J.W. Construction Holding S.A. Dana Invest Sp. z o.o.	23,499,582
Guarantees to the benefit of J.W. Construction Sp. z o.o. by PKO BP for the loan and surety.	14,500,000
Sureties to the benefit of TBS "Marki" Sp z o.o.	22,400,000

As at Saturday, March 31, 2018, there were bank and insurance securities regarding the removal of defects granted by banks and insurance companies that the companies of the Capital Group were the beneficiary of. In addition, blank



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promissory notes were issued to the benefit of the Capital Group companies as a security for the customer guarantees that the Companies may use at any time to the sum corresponding to the costs corresponding to removal of defects. The total value of collaterals as at March 31, 2018 was PLN 23,2m and 37 thousand euro (J.W. Construction Holding S.A), PLN 4,0 million and EUR 128 thousand (J.W. Construction Sp. z o.o.

8. Selected financial data including basic items of the condensed financial statement in thousands PLN (also denominated to euro).

In order to convert the balance sheet data on the last day of the period between January 1 and Saturday, March 31, 2018, the exchange rate of euro was adopted, which was determined by the National Bank of Poland to be PLN 4,2085 per 1 euro.

In order to convert the balance sheet data on the last day of the period between January 1 and December 31, 2017, the exchange rate of euro was adopted, which was determined by the National Bank of Poland to be PLN 4,1709 per 1 euro.

In order to convert the balance sheet data for the period between January 1 and December 31 2018, the adopted exchange rate of euro was fixed by the National Bank of Poland, which was PLN 4,1784 per 1 euro.

In order to convert the balance sheet data for the period between March 1 and March 31, 2017, the adopted exchange rate of euro was fixed by the National Bank of Poland, which was PLN 4,2092 per 1 euro.

Balance sheet item	March 31, 2018		December 31, 2017	
	PLN	EUR	PLN	EUR
Total assets	1,736,161	412,537	1,690,887	405,401
Fixed assets	785,825	186,723	745,463	178,729
Current assets	950,336	225,813	945,425	226,672
Total equity and liabilities	1,736,161	412,537	1,690,887	405,401
Equity	679,606	161,484	678,228	162,609
Non-current liabilities	429,980	102,169	463,811	111,202
Current liabilities	626,574	148,883	548,848	131,590

Consolidated profit and loss account item	between 01-01-2018 and 31-03-2018		between 01-01-2017 and 31-03-2017	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	50,525	12,092	74,003	17,581
Costs of sold products, goods and materials,	38,499	9,214	55,811	13,259
Gross profit (loss) on sales	12,026	2,878	18,192	4,322
Sales costs	4,869	1,165	4,898	1,164
Overheads	5,841	1,398	4,668	1,109
Profit (loss) on sales	-2,455	-588	8,174	1,942
Profit (loss) on operations	-3,605	-863	6,527	1,551
Gross profit (loss)	36	9	1,800	428
Income tax	-792	-189	-266	-63
Net profit (loss)	828	198	2,066	491

Issuer's balance sheet item	March 31, 2018		December 31, 2017	
	PLN	EUR	PLN	EUR
Total assets	1,664,464	395,500	1,631,702	391,211
Fixed assets	861,028	204,593	800,807	191,999
Current assets	803,436	190,908	830,895	199,212
Total equity and liabilities	1,664,464	395,500	1,631,702	391,211
Equity	711,203	168,992	711,230	170,522
Non-current liabilities	316,031	75,093	345,105	82,741
Current liabilities	637,231	151,415	575,366	137,948

Profit and loss account item	between 01-01-2018 and 31-03-2018		between 01-01-2017 and 31-03-2017	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	44,608	10,676	70,192	16,676



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Costs of sold products, goods and materials,	33,968	8,129	54,484	12,944
Gross profit (loss) on sales	10,640	2,546	15,708	3,732
Sales costs	5,857	1,402	6,132	1,457
Overheads	4,433	1,061	3,994	949
Profit (loss) on sales	-3,420	-819	5,128	1,218
Profit (loss) on operations	-4,598	-1,100	4,250	1,010
Gross profit (loss)	-898	-215	-2,032	-483
Income tax	-870	-208	2,949	701
Net profit (loss)	-28	-7	-4,981	-1,183

9. Description of the changes in the structure of the business unit, including mergers, acquisitions or sale of Group entities, long-term investments, division, restructuring and discontinued operations.

In the reporting period, the Company purchased 100 shares with a nominal value of PLN 100 each and a total value of PLN 10,000 constituting 100% of the share capital in the company Wielopole 19/21 sp. z o.o. with its business seat in Cracow.

10. The Management Board's statement regarding implementation of previously published results for the year, in the light of the results presented in the quarterly report in relation to forecasted results

The Company does not publish financial forecasts for the Company and the Group.

11. Shareholders holding directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting of the Issuer on the date of the quarterly report including the number of shares held by these entities, their percentage share in the share capital, the number of votes resulting from them and their percentage share in the total number of votes at the general meeting and changes in the ownership structure of significant blocks of the Issuer's shares in the period from the previous quarterly report.

The share capital of Company amounts to 17.771.888,60 zł and is divided into 88.859.443 ordinary bearer series A, Band C shares with a nominal value of 0.20 zł each. Each of them entitles to one vote at the General Meeting of Shareholders.

As at 5/22/2018.

Shareholder	Number of sharesheld	% of share capital	Number of votes	% of total number of votes in the General Meeting
Józef Wojciechowski	32.094.963	36,12 %	32.094.963	36,12 %
EHT S.A.	47.846.225	53,84 %	47.846.225	53,84 %

Mr. Józef Wojciechowski controls the Company EHT SA based in Luxembourg.

In the period from March 14, 2018 (date of submission of the report for the first half of 2017) until the date of this report, there were no changes in significant holdings of the Issuer

12. Statement of ownership of the Issuer's shares or rights to them (options) by persons managing and supervising the Issuer on a given day, separately for each person.

As at 5/22/2018.

Person	Function	Number of sharesheld
Józef Wojciechowski	President of the Supervisory Board	32.094.963

No changes in the reporting period have occurred since the publication of the last quarterly report.

13. Litigation.

As at March 31, 2018, there was no court proceedings significant for the business activity carried out by the company to which the Company or any of its subsidiary was a party.

On March 9, 2018, the Supreme Court repealed a verdict of the court of appeals issued on September 27, 2016 issued in the 2nd instance resulting from a legal action filed by the capital city of Warsaw against the Company regarding the payment for the perpetual usufruct of the plot of land no. 2/6 located in Warsaw at 181 Górczewska street for the years

2009 -2013. The plot of land in question in accordance with the local zoning plan is meant for communication purposes, i.e. the construction of the NS road. The repealed verdict ordered the Company to pay to the Capital City of Warsaw a sum of PLN 14.123.786,25 with interest and court proceeding costs. The case was referred back to a court of appeals as a 2nd instance case. The said verdict does not have an influence on the achieved result in the presented reporting period.

14. Information on the conclusion by the Issuer or its subsidiary of one or more transactions with related entities.

COMPANY NAME	Receivables from related parties	
	March 31, 2018	December 31, 2017
Marka Sp. z o.o.	127,309.73	127,222.70
J.W. Marka Sp. z o.o.	383,058.74	365,478.50
Business Financial Construction Sp. z o.o.	515,698.92	392,873.90
J.W. Construction Sp. z o.o.	1,689,004.29	3,599,498.60
Nowe Tysiąclecie Sp. z o.o.	39,752.96	30,088.23
Dana Invest Sp. z o.o.	134,852.69	127,429.95
Porta Transport Sp. z o.o. in liquidation	14,760.00	14,760.00
Bliska Wola 4 Sp.z o.o.1 SK	106,038.89	210,414.04
Bliska Wola 4 Sp. z o.o. 2 SK	496,455.46	517,261.58
Wola Invest Sp z o.o.	23,692.26	23,692.26
Bliska Wola 4 Sp. z o.o.	20,834.80	20,834.80
Berensona Invest Sp. z o.o.	26,644.26	26,644.26
Varsovia Apartamenty Sp.z o.o.	360,664.83	208,158.13
Hanza Invest S.A.	572,895.51	22,724.53

COMPANY NAME	Liabilities towards subsidiaries	
	March 31, 2018	December 31, 2017
Marka Sp. z o.o.	30,007,781.32	29,779,250.20
J.W. Marka Sp. z o.o.	1,746,299.18	709,047.00
Business Financial Construction Sp. z o.o.	1,388,713.76	1,705,811.10
J.W. Construction Sp. z o.o.	3,009,698.10	3,845,230.61
Nowe Tysiąclecie Sp. z o.o.	24,888.83	24,888.83
Bliska Wola 4 Sp.z o.o.1 SK	4,212.00	4,212.00
Varsovia Apartamenty	13,035.47	13,035.47

J.W. Construction Holding S.A. as an entity buying products or services (transactions for more than PLN 100 thousand)

THE OTHER PARTY OF TRANSACTION	TRANSACTION/AGREEMENT SUBJECT	for the period by 01-01-2018 and 31-03-2018
Subsidiaries subject to consolidation		
J.W. Marka Sp. z o.o.	marketing services	185,835.00
J.W. Marka Sp. z o.o.	licensing fee for a trademark	1,161,418.66
Business Financial Construction Sp. z o.o.	marketing services	775,059.01
J.W. Construction Sp. z o.o.	construction works at Ożarów living blocks	213,137.03
J.W. Construction Sp. z o.o.	construction works in Katowice	4,584,629.24
J.W. Construction Sp. z o.o.	staffing services at Kasprzaka CK	311,241.00

J.W. Construction Holding S.A. as an entity rendering or services (seller) (transactions for more than PLN 100 thousand)

	TRANSACTION/AGREEMENT SUBJECT	for the period by 01-01-2018 and 31-03-2018

Subsidiaries subject to consolidation		
J.W. Construction Sp. z o.o.	guaranteed repair work services	422,171.87
Hanza Invest S.A.	administrative services	513,699.00
Hanza Invest S.A.	sales services	156,000.00

All concluded transactions by the Company or its subsidiary with the related parties are concluded on market terms.

15. Information on granting by the Issuer or its subsidiary credit or loan guarantees or sureties to a single entity or its subsidiary if the total value of existing warranties or guarantees is significant.

In this reporting period, neither the Company nor its subsidiaries did not grant any sureties or guarantees whose value was significant for the Company's activity.

16. Other information that is relevant, in the opinion of the Issuer, for assessing its personnel situation, financial result and their changes and information that are relevant for assessing the feasibility of Issuer's liabilities.

Not present

17. Factors which in the Issuer's opinion will affect its results in the perspective of at least next quarter

The most important factors that may affect Company's results:

- The rate of finishing investments conditioning the transfer of units in investments in the nearest quarters, especially: Wola Invest phase C (aparthotel), Zielona Dolina II phase I and III, Bernadowo Park phase II, Kamerata in Gdynia.
- Maintaining a high rate of sales along with expanding the offer, which is conditioned upon:
 - Launching new projects, ,
 - Availability of mortgage loans on real estate market,
 - Low interest rate - lower costs of servicing loans for the Company as well as for the purchasers of apartments, which can have a significant influence on the rate of sales apartments,
 - Expanding the offer for more aparthotel units and warehouse areas
 - Launching investments on schedule.
- Good state of the economy, especially with regard to real estate market.
- Increase of the costs of construction works (materials and works) as well as difficulties in attracting construction contractors, which can relate to extended periods of starting and completing investments.

18. Information on revenues and results of each business or geographical segments depending on the basic classification.

Branch segments

As assumed, the primary division of activity into segments is the division based on branch segments. The business of the Group is conducted mainly in three following segments:

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

Pursuant to IFRS 14 Operating segments, when drawing up financial data concerning particular segments of activity, according to the principle applied revenue and expenses along with assets and liabilities of a segment are established before the moment of consolidation when the settlement of balance sheet statements and transactions carried out among the Group's economic entities are excluded, with an exception of cases where this type of settling balances and transactions among entities were done within one segment. Internal transactions within the segment's framework were eliminated.

Financial data regarding relevant activity segments encompass unitary financial statements of the companies of the Group without the exclusion of balances and transactions, with a reservation that the revenue exclusions, costs, and mutual settlements were presented in the Eliminations columns. An exception is real estate development activity as part of which subsidiaries are consolidated regarding this type of activity.

The basic type of services as part of every branch segment:

- real estate development activity - realization of construction, design and auxiliary productions, as well as real estate sales,
- social buildings - sales and administration of social buildings,
- other construction - implementation of construction - assembly production,
- hotel activities - catering and hotel services connected with the organization of tourism and recreation.



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January 1, 2018 - March 31, 2018	Real estate development activity	Hotel services, apart-hotels	Social building	Other activity	In total
Net revenues from sales of products, goods and materials, of which:	30,734,272.47	15,511,489.86	3,568,074.40	711,363.02	50,525,199.75
Net revenue from the sales of products	29,568,334.44	15,509,363.06	3,565,026.11	711,363.02	49,354,086.63
Net revenues from sales of goods and materials	1,165,938.03	2,126.80	3,048.29	0.00	1,171,113.12
Costs of sold products, goods and materials, including:	25,731,881.83	10,692,665.52	1,943,685.64	130,550.49	38,498,783.48
Manufacturing cost of products sold	24,561,476.63	10,690,538.72	1,940,637.35	130,550.49	37,323,203.19
Value of sold goods and materials	1,170,405.20	2,126.80	3,048.29	0.00	1,175,580.29
Gross profit (loss) on sales	5,002,390.64	4,818,824.34	1,624,388.76	580,812.53	12,026,416.27
Sales costs	3,475,088.00	1,393,920.31	0.00	0.00	4,869,008.31
Overheads	4,052,095.67	833,465.69	351,075.47	604,825.32	5,841,462.15
Revaluation of investment properties	-3,770,915.75	0.00	0.00	0.00	-3,770,915.75
Profit (loss) on sales	-6,295,708.77	2,591,438.34	1,273,313.29	-24,012.79	-2,454,969.93
Other operating income	375,808.47	4,230.57	0.07	6,002.51	386,041.62
Other operating expenses	1,480,951.87	141.26	54,810.92	1.13	1,535,905.18
Profit (loss) on operations	-7,400,852.17	2,595,527.65	1,218,502.44	-18,011.41	-3,604,833.49
Financial Revenues	8,148,512.91	4,515.36	248,206.89	234,238.19	8,893,597.68
Financial costs	4,128,006.37	277,827.43	588,835.57	16.27	4,994,685.64
Profit (loss) on operations	-3,380,345.63	2,322,215.58	877,873.76	216,210.51	35,954.22
Gross profit (loss)	-3,380,345.63	2,322,215.58	877,873.76	216,210.51	35,954.22
Income tax	2,647.00	0.00	0.00	388.00	3,035.00
Deferred tax	-993,779.31	164,602.85	0.00	34,591.00	-794,585.47
Net profit (loss)	-2,389,213.32	2,157,612.73	877,873.76	181,231.51	827,504.69



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January 1, 2017 - March 31, 2017	Real estate development activity	Business activity related to hotels	Social building	Other activity	In total
Net revenues from sales of products, goods and materials, of which:	56,815,291.05	12,936,399.20	3,571,554.37	6,424,155.14	74,002,947.34
Net revenue from the sales of products	56,297,120.45	12,935,699.20	3,559,674.37	6,233,376.30	73,471,597.74
Net revenues from sales of goods and materials	518,170.60	700.00	11,880.00	190,778.84	531,349.60
Costs of sold products, goods and materials, including:	44,328,438.28	9,841,678.95	1,944,641.49	5,642,364.97	55,810,876.49
Manufacturing cost of products sold	43,831,166.31	9,841,006.95	1,932,761.49	5,463,050.73	55,311,918.12
Value of sold goods and materials	497,271.97	672.00	11,880.00	179,314.24	498,958.37
Gross profit (loss) on sales	12,486,852.77	3,094,720.25	1,626,912.88	781,790.17	18,192,070.85
Sales costs	5,592,146.45	1,089,313.20	0.00	84.00	4,897,774.32
Overheads	2,692,767.39	704,515.09	277,513.53	1,061,405.67	4,667,574.12
Revaluation of investment properties	-452,951.46	0.00	0.00	0.00	-452,951.46
Profit (loss) on sales	3,748,987.48	1,300,891.96	1,349,399.35	-279,699.50	8,173,770.95
Other operating income	180,182.61	11,480.98	387.59	483,692.34	675,743.52
Other operating expenses	1,442,634.61	16,148.57	9,005.03	6,540.91	2,322,462.26
Profit (loss) on operations	2,486,535.48	1,296,224.37	1,340,781.91	197,451.93	6,527,052.21
Financial Revenues	817,480.28	302.94	247,350.69	292,885.48	596,371.14
Financial costs	5,244,476.38	362,709.60	408,028.96	70,156.97	5,323,723.66
Profit (loss) on operations	-1,940,460.62	933,817.71	1,180,103.64	420,180.44	1,799,699.69
Gross profit (loss)	-1,940,460.62	933,817.71	1,180,103.64	420,180.44	1,799,699.69
Income tax	53,969.00	0.00	0.00	1,010,480.32	1,064,449.32
Deferred tax	-2,239,882.63	44,507.13	0.00	865,031.43	-1,330,344.07
Net profit (loss)	245,453.01	889,310.58	1,180,103.64	-1,455,331.31	2,065,594.44



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

E. ISSUER'S FINANCIAL STATEMENT

1. Report on the financial situation

ASSETS	Note	March 31, 2018	December 31, 2017
FIXED ASSETS		861,028,296.55	800,807,045.30
Intangible assets	1	12,433,259.30	12,439,850.18
Tangible assets	2	240,071,674.86	241,173,240.65
Investment real estate	3	286,383,593.65	281,039,497.36
Other financial assets	4	301,161,883.75	243,334,149.93
Deferred income tax assets		18,757,593.51	20,599,035.70
Trade and other receivables	5	2,220,291.48	2,221,271.48
CURRENT ASSETS		803,435,551.36	830,894,631.06
Inventories	6	29,165,499.61	29,512,779.26
Construction contracts	7	579,468,145.21	533,665,050.83
Trade and other receivables	8	36,460,358.39	40,382,788.04
Other financial assets	9	2,759,376.36	60,394,634.28
Cash and cash equivalents	10	138,301,489.68	154,593,605.44
Accruals	11	17,280,682.11	12,345,773.21
Total assets		1,664,463,847.91	1,631,701,676.36
EQUITY AND LIABILITIES			
EQUITY		711,202,508.19	711,230,400.37
Share capital		17,771,888.60	17,771,888.60
Revaluation capital		7,493,208.19	7,493,208.19
Other capital	13	659,020,541.44	659,020,541.44
Retained earnings		26,944,762.14	0.00
Net profit / loss		-27,892.18	26,944,762.14
LIABILITIES		953,261,339.72	920,471,275.99
Non-current liabilities		316,030,825.79	345,104,791.04
Borrowings	12	13,649,935.65	45,819,151.99
Deferred income tax liabilities		32,152,577.61	34,863,727.02
Retirement benefit obligations		200,416.45	200,416.45
Provision for other liabilities and charges	15	0.00	0.00
Other liabilities	14	270,027,896.08	264,221,495.58
Current liabilities		637,230,513.93	575,366,484.95
Trade and other payables	15	121,198,345.23	118,345,204.20
Construction contracts	7	406,841,871.98	356,575,590.20
Borrowings	12	47,716,135.71	54,246,609.41
Provision for other liabilities and charges	15	36,375,685.48	23,479,098.79
Other liabilities	16	25,098,475.53	22,719,982.35
Total equity and liabilities		1,664,463,847.91	1,631,701,676.36



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

2. Total income statement

	Note	for the period by 01-01-2018 and 31-03-2018	for the period by 01-01-2017 and 31-03-2017
Net revenues from sales of products, goods and materials, of which:	17	44,607,614.42	70,191,790.80
Net revenue from the sales of products		43,610,416.53	69,580,793.07
Net revenues from sales of goods and materials		997,197.89	610,997.73
Costs of sold products, goods and materials, including:	18	33,967,610.47	54,484,096.58
Manufacturing cost of products sold		32,971,678.26	53,873,779.48
Value of sold goods and materials		995,932.21	610,317.10
Gross profit (loss) on sales		10,640,003.95	15,707,694.22
Sales costs		5,856,773.44	6,132,378.65
Overheads		4,432,585.98	3,994,324.90
Revaluation of investment properties		-3,770,915.75	-452,951.46
Profit (loss) on sales		-3,420,271.22	5,128,039.21
Other operating income	19	292,341.72	178,499.67
Other operating expenses	20	1,469,920.05	1,056,100.11
Profit (loss) on operations		-4,597,849.55	4,250,438.77
Financial Revenues	21	8,734,320.90	454,255.02
Financial costs	22	5,034,070.75	6,736,244.77
Profit (loss) on operations		-897,599.40	-2,031,550.98
Gross profit (loss)		-897,599.40	-2,031,550.98
Income tax		-869,707.22	2,949,345.81
Net profit (loss)		-27,892.18	-4,980,896.79

Other comprehensive income:		0.00	0.00
Foreign exchange gains and losses the calculation of foreign operations		0	0.00
Profit/loss from acquisitions		0	0.00
Profit from revaluation of tangible assets		0	0.00
Other comprehensive income:		0	0.00
Total revenue		-27,892.18	-4,980,896.79

		for the period by 01-01-2018 and 31-03-2018	for the period by 01-01-2017 and 31-03-2017
BASIC AND DILUTED EARNINGS PER SHARE			
Profits			
(A) Profit resulting from the financial statements		-27,892.18	-4,980,896.79
Number of shares			
(B) Number of ordinary shares and preferred shares (asto the right to vote in the General Meeting of the Company) for the purpose of calculating earnings pershare *		88,859,443.00	88,859,443.00
(C) Number of ordinary shares and preferred shares (asto the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share		88,859,443.00	88,859,443.00
Basic earnings per share = (A)/(B)		0.00	-0.06
Basic earnings per share = (A)/(B)		0.00	-0.06



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

3. Consolidated statement of changes in equity

	Share capital	Own shares (negative value)	Revaluation capital	Reserve capital	Other capital	Retained earnings	Net result	Equity
As at December 31, 2017	17,771,888.60	0.00	7,493,208.19	653,288,954.25	5,731,587.19	0.00	26,944,762.14	711,230,400.37
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conversion to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at Monday, January 01, 2018	17,771,888.60	0.00	7,493,208.19	653,288,954.25	5,731,587.19	0.00	26,944,762.14	711,230,400.37
Share issuance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own share redemption	0.00	0.00		0.00				0.00
Purchase of own shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/loss from acquisitions (unitary JWCH)	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Changes in accounting policies/presentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conversion to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total profit / loss recognized directly in equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit (loss) for the accounting year	0.00	0.00	0.00	0.00	0.00	0.00	-27,892.18	-27,892.18
Total profit / (loss) recognized in equity and the net result	0.00	0.00	0.00	0.00	0.00	0.00	-27,892.18	-27,892.18
Increase / decrease from profit distribution	0.00	0.00	0.00	0.00	0.00	26,944,762.14	-26,944,762.14	0.00
As at Saturday, March 31, 2018	17,771,888.60	0.00	7,493,208.19	653,288,954.25	5,731,587.19	26,944,762.14	-27,892.18	711,202,508.19



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

	Share capital	Own shares (negative value)	Revaluation capital	Reserve capital	Other capital	Retained earnings	Net result	Equity
As at Saturday, December 31, 2016	17,771,888.60	0.00	7,493,208.19	649,377,530.08	5,731,587.19	-5,679,509.98	9,590,934.16	684,285,638.24
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conversion to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at Sunday, January 01, 2017	17,771,888.60	0.00	7,493,208.19	649,377,530.08	5,731,587.19	-5,679,509.98	9,590,934.16	684,285,638.24
Share issuance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own share redemption	0.00	0.00		0.00				0.00
Purchase of own shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/loss from acquisitions (unitary JWCH)	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Profit / loss from inclusion/exclusion to/from consolidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in accounting policies/presentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conversion to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total profit / loss recognized directly in equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit (loss) for the accounting year	0.00	0.00	0.00	0.00	0.00	0.00	26,944,762.14	26,944,762.14
Total profit / (loss) recognized in equity and the net result	0.00	0.00	0.00	0.00	0.00	0.00	26,944,762.14	26,944,762.14
Increase / decrease from profit distribution	0.00	0.00	0.00	3,911,424.18	0.00	5,679,509.98	-9,590,934.16	0.00
As at December 31, 2017	17,771,888.60	0.00	7,493,208.19	653,288,954.26	5,731,587.19	0.00	26,944,762.14	711,230,400.38

	Share capital	Own shares (negative value)	Revaluation capital	Reserve capital	Other capital	Retained earnings	Net result	Equity
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Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

As at Saturday, December 31, 2016	17,771,888.60	0.00	7,493,208.19	649,377,530.08	5,731,587.19	-5,679,509.98	9,590,934.16	684,285,638.24
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conversion to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at Sunday, January 01, 2017	17,771,888.60	0.00	7,493,208.19	649,377,530.08	5,731,587.19	-5,679,509.98	9,590,934.16	684,285,638.24
Share issuance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own share redemption	0.00	0.00		0.00				0.00
Purchase of own shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/loss from acquisitions (unitary JWCH)	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Changes in accounting policies/presentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conversion to IFRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total profit / loss recognized directly in equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit (loss) for the accounting year	0.00	0.00	0.00	0.00	0.00	0.00	-4,980,896.79	-4,980,896.79
Total profit / (loss) recognized in equity and the net result	0.00	0.00	0.00	0.00	0.00	0.00	-4,980,896.79	-4,980,896.79
Increase / decrease from profit distribution	0.00	0.00	0.00		0.00	9,590,934.16	-9,590,934.16	0.00
As at Friday, March 31, 2017	17,771,888.60	0.00	7,493,208.19	649,377,530.08	5,731,587.19	3,911,424.18	-4,980,896.79	679,304,741.46



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

4. Cash flow statement

	for the period by 01-01-2018 and 31-03-2018	for the period by 01-01-2017 and 31-03-2017
Operating cash flow - indirect method		
Net profit (loss)	-27,892.18	-4,980,896.79
Item adjustments	16,301,649.64	6,464,670.00
Depreciation and amortization	1,990,787.26	1,956,258.99
(Profit) loss on foreign exchange differences concerning financial and business activity	-10,732.97	3,024,130.94
Profit (loss) on investment activities	0.00	1,075,250.00
Interest and dividends	3,712,970.84	2,304,161.48
Changes in provisions and accruals	6,807,324.00	-2,348,083.49
Other item adjustments	3,801,300.51	453,013.46
- investment real estate write-off	3,770,915.75	452,951.46
- other adjustments	30,384.76	0.62
Changes in working capital	23,048,612.01	29,908,070.23
Change in inventories	347,279.65	-15,821.85
Change in construction contracts	9,759,189.65	18,357,574.27
Changes in receivables	4,923,409.65	-6,332,543.75
Changes in current liabilities, except for borrowings	8,018,733.06	17,898,861.56
Operating cash flows	39,322,369.47	31,391,843.44
Investment activity cash flows		
Disposal of tangible and intangible assets and other non-current assets	0.00	561,750.00
Acquisition of tangible and intangible assets and other non-current assets	-14,476,642.63	-1,656,793.66
Sale of capital instruments and other security papers	69,275.97	0.00
Loans granted	-421,857.70	-826,756.32
Loans repaid	54,168.03	0.00
Other financial assets acquisition	-400,000.00	-200,000.00
Other financial assets acquisition	0.00	0.00
Dividends received	0.00	0.00
Interest received	22,413.29	0.00
Acquisition of subsidiaries	-203,312.00	0.00
Net investment activity cash flow	-15,355,955.04	-2,121,799.98
Investment activity cash flow		
Loans and borrowings granted	8,202,742.31	22,852,593.39
Loans and borrowings repaid	-46,894,238.46	-5,557,823.27
Issuance of security papers	0.00	0.00
Redemption of debt securities	0.00	0.00
Payments under financial lease agreements	-327,259.61	-339,523.89
Dividends and other shares in profits	0.00	0.00
Interest paid	-1,239,774.43	-1,426,112.91
Other financial proceeds (including promissory notes)	0.00	7,626,391.00
Other financial proceeds (including promissory notes)	0.00	-35,800,000.00
Net financing cash flow	-40,258,530.19	-12,644,475.68
NET DECREASE / (INCREASE) IN CASH	-16,292,115.76	16,625,567.78
Closing balance of cash and cash equivalents	154,593,605.44	69,622,774.77
- change of the cash balance due to foreign exchange rate changes	0.00	0.00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	138,301,489.68	86,248,342.59

F. NOTES TO THE ISSUER'S FINANCIAL STATEMENT

1. FIXED ASSETS

Note 1. Intangible assets

INTANGIBLE ASSETS	March 31, 2018	December 31, 2017
a) research and development expenses	0.00	0.00
b) goodwill on consolidation	12,389,648.22	12,389,648.22
c) other intangible assets	43,611.08	50,201.96
d) advances on intangible assets	0.00	0.00
Total intangible assets	12,433,259.30	12,439,850.18

Note 2. Tangible assets

TANGIBLE ASSETS	March 31, 2018	December 31, 2017
a) fixed assets including:	234,322,619.22	235,944,240.28
- land (including right of perpetual usufruct)	16,000,958.39	16,000,958.39
- buildings and structures	198,614,989.42	199,330,732.72
- plant and machinery	11,093,801.15	11,276,461.02
- motor vehicles	2,018,234.04	2,395,132.49
- other fixed assets	6,594,636.22	6,940,955.66
b) constructions in progress	5,749,055.64	5,229,000.37
c) advances on constructions in progress	0.00	0.00
Total tangible assets	240,071,674.86	241,173,240.65

Note 3. Investment real estate

Other long-term investments	March 31, 2018	December 31, 2017
a) investment properties	286,383,593.65	281,039,497.36
b) other	0.00	0.00
Total other long-term investments	286,383,593.65	281,039,497.36

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	March 31, 2018	December 31, 2017
a) shares	236,436,332.01	236,233,020.01
b) loans granted	63,790,756.58	6,370,832.30
c) other long-term investments	934,795.16	730,297.62
Total long-term financial assets	301,161,883.75	243,334,149.93

LONG-TERM FINANCIAL ASSETS	March 31, 2018	December 31, 2017
a) in subsidiaries	300,227,971.58	242,601,400.31
- shares	236,227,782.01	236,023,470.01
- other security papers	209,432.99	207,098.00
- loans granted	63,790,756.58	6,370,832.30
- other long-term financial assets	0.00	0.00
b) in other units	933,912.17	732,749.62
- shares	208,550.00	209,550.00
- other security papers	725,362.17	523,199.62
- loans granted	0.00	0.00
- other long-term financial assets	0.00	0.00
Total long-term financial assets	301,161,883.75	243,334,149.93

Note 5. Non-current receivables



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

NON-CURRENT RECEIVABLES	March 31, 2018	December 31, 2017
a) guarantee receivables	0.00	0.00
b) deposit receivables(lease)	0.00	0.00
b) other receivables	2,220,291.48	2,221,271.48
Total receivables	2,220,291.48	2,221,271.48

2. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	March 31, 2018	December 31, 2017
a) materials	1,572,302.17	1,953,696.87
b) semi-finished products and work in progress	0.00	0.00
c) finished products	0.00	0.00
d) goods	27,497,274.95	27,482,711.03
e) trade advances	95,922.49	76,371.36
Total inventories	29,165,499.61	29,512,779.26

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	March 31, 2018	December 31, 2017
a) semi-finished products and work in progress	547,588,182.17	488,115,616.49
b) finished products	13,562,575.07	28,891,800.21
c) advances for supplies	18,317,387.92	16,657,634.08
d) short-term prepayments	0.05	0.05
Total construction contracts	579,468,145.21	533,665,050.83

CONSTRUCTION CONTRACTS	March 31, 2018	December 31, 2017
a) Accruals	406,841,871.98	356,575,590.20
Total construction contracts	406,841,871.98	356,575,590.20

Accruals	March 31, 2018	December 31, 2017
- advances on premises	404,232,586.08	352,738,038.51
- works reserves	1,482,988.34	2,696,824.13
- other	1,126,297.56	1,140,727.56
The total value of accruals	406,841,871.98	356,575,590.20

Note 8. Trade and other receivables

CURRENT RECEIVABLES	March 31, 2018	December 31, 2017
a) trade receivables - related parties	4,591,232.11	5,764,859.35
b) trade receivables - other parties	14,938,844.84	20,653,614.32
c) taxes, subsidies, customs duties, social and health insurance and other payments	14,908,266.32	10,459,499.74
d) other	2,022,015.12	3,504,814.63
Total receivables	36,460,358.39	40,382,788.04

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	March 31, 2018	December 31, 2017
a) shares	0.00	0.00
b) loans granted	2,085,310.10	59,843,976.06
c) other security papers	674,066.26	550,658.22
d) other short-term investments	0.00	0.00
Total long-term financial assets	2,759,376.36	60,394,634.28

SHORT-TERM INVESTMENTS	March 31, 2018	December 31, 2017
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Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

a) in subsidiaries	2,029,825.56	59,843,976.06
- shares	0.00	0.00
- other security papers	0.00	0.00
- loans granted	2,029,825.56	59,843,976.06
- other short-term financial assets	0.00	0.00
b) in other units	729,550.80	550,658.22
- shares	0.00	0.00
- other security papers	674,066.26	550,658.22
- loans granted	55,484.54	0.00
- other short-term financial assets	0.00	0.00
Total value of short-term investments	2,759,376.36	60,394,634.28

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	March 31, 2018	December 31, 2017
a) cash on hand and with bank	88,084,741.88	153,571,373.70
b) other cash	50,216,747.80	1,015,460.11
c) other cash assets	0.00	6,771.63
Total cash	138,301,489.68	154,593,605.44

CASH IN ESCROW ACCOUNTS	March 31, 2018	December 31, 2017
Cash in escrow accounts	44,564,797.72	37,174,715.67
JW. Construction Holding SA	44,564,797.72	37,174,715.67

Note 11. Accruals

ACCRUALS	March 31, 2018	December 31, 2017
a) short-term accruals	17,280,682.11	12,345,773.21
The total value of accruals	17,280,682.11	12,345,773.21

Accruals	March 31, 2018	December 31, 2017
- property insurance	86,249.35	104,063.28
- interest	1,089,300.29	1,373,946.86
- commission expenses	10,610,760.15	9,636,039.13
- property tax, perpetual usufruct, road tax	4,378,162.87	0.00
- other	1,116,209.45	1,231,723.94
The total value of accruals	17,280,682.11	12,345,773.21

3. LIABILITIES

Note 12. Borrowings

BORROWINGS	March 31, 2018	December 31, 2017
a) credits	60,477,054.30	99,168,550.45
<i>of which: long-term</i>	<i>13,649,935.65</i>	<i>45,819,151.99</i>
<i>short-term</i>	<i>46,827,118.65</i>	<i>53,349,398.46</i>
b) loans	889,017.06	897,210.95
<i>of which: long-term</i>	<i>0.00</i>	<i>0.00</i>
<i>short-term</i>	<i>889,017.06</i>	<i>897,210.95</i>
Total borrowings	61,366,071.36	100,065,761.40
Borrowings - long-term	13,649,935.65	45,819,151.99
Borrowings - short-term	47,716,135.71	54,246,609.41

CREDITS PER MATURITY	March 31, 2018	December 31, 2017
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Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

Up to 1 year:	46,827,118.65	53,349,398.46
Over 1 year up to 2 years	8,606,880.00	41,516,003.99
Over 2 years up to 5 years	5,043,055.65	4,303,148.00
Over 5 years	0.00	0.00
Total loans, including:	60,477,054.30	99,168,550.45
- long-term	13,649,935.65	45,819,151.99
- short-term	46,827,118.65	53,349,398.46

LOANS PER MATURITY	March 31, 2018	December 31, 2017
Up to 1 year:	889,017.06	897,210.95
Over 1 year up to 2 years	0.00	0.00
Over 2 years up to 5 years	0.00	0.00
Over 5 years	0.00	0.00
Total loans, including:	889,017.06	897,210.95
- long-term	0.00	0.00
- short-term	889,017.06	897,210.95

Note 13. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	March 31, 2018	December 31, 2017
a) lease obligations	330,494.91	598,298.02
b) deposit liabilities	37,280,257.13	34,523,416.85
c) liabilities from securities	199,100,000.00	199,100,000.00
d) other long-term liabilities	0.00	0.00
e) promissory note liabilities - affiliates	33,317,144.04	29,999,780.71
f) promissory note liabilities -third parties	0.00	0.00
g) loans received - affiliates	0.00	0.00
Total other long-term liabilities	270,027,896.08	264,221,495.58

Note 14. Trade and other payables

TRADE AND OTHER PAYABLES	March 31, 2018	December 31, 2017
a) trade payables - other entities	35,079,365.32	34,421,338.35
b) trade payables - related entities	6,443,795.21	6,558,188.88
c) taxes, customs duties, insurance and other payments	5,919,918.36	2,238,049.93
d) salaries	1,744,732.34	1,711,974.00
e) trade advances received	0.00	0.00
f) loans received - affiliates	23,833,948.25	23,660,038.25
g) promissory notes – related parties	38,856,326.40	41,438,988.16
h) other	9,320,259.35	8,316,626.63
Trade and other payables, in total	121,198,345.23	118,345,204.20

PROVISIONS FOR OTHER LIABILITIES AND CHARGES	March 31, 2018	December 31, 2017
a) short-term, of which:	36,375,685.48	23,479,098.72
- accrued expenses, including:	8,596,507.09	10,507,188.89
- <i>interest charged</i>	1,114,075.62	1,122,004.60
- <i>rent deposit</i>	480,433.64	480,433.64
- <i>hotel down payments</i>	1,838,813.54	3,843,839.48
- <i>other</i>	5,163,184.29	5,060,911.17
- other provisions, including:	27,779,178.39	12,971,909.83
- <i>other provisions</i>	27,779,178.39	12,971,909.83
a) long-term, of which:	0.00	0.00
- accrued expenses, including:	0.00	0.00
Provisions for other liabilities and charges in total	36,375,685.48	23,479,098.72

Note 15. Other liabilities

OTHER LIABILITIES	March 31, 2018	December 31, 2017
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a) debt securities issue liabilities	23,205,367.40	20,767,451.05
b) promissory note liabilities - other	573,312.64	573,279.31
c) financial lease liabilities	1,319,795.49	1,379,251.99
d) other financial liabilities	0.00	0.00
Total other long-term liabilities	25,098,475.53	22,719,982.35

4. OPERATING INCOME AND EXPENSES

Note 16. Operating income

OPERATING INCOME	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products	26,094,114.09	50,925,140.20
Revenues from sales of services	17,516,302.44	18,655,652.87
Revenues from sales of goods	997,197.89	610,997.73
Total Income	44,607,614.42	70,191,790.80

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Proceeds from sales, including:	44,607,614.42	70,191,790.80
-sales of products — properties, plots, buildings	26,094,114.09	50,925,140.20
- from sales of services	17,516,302.44	18,655,652.87
-sales of goods	997,197.89	610,997.73

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products and services by segment	43,610,416.53	69,580,793.07
-real estate development activity	28,373,757.96	55,971,198.86
-business activity related to hotels	13,777,258.35	12,093,400.30
-real estate management	1,459,400.22	1,516,193.91

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of products — premises, plots, buildings by geographical segment	26,094,114.09	50,925,140.20
-Warsaw and the surrounding area	23,998,986.92	50,363,390.20
-Gdynia	1,818,486.81	0.00
- Szczecin	0.00	561,750.00
- Katowice	276,640.36	0.00

	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Revenues from sales of hotel services per geographic segments	13,777,258.35	12,093,400.30
-Warsaw and the surrounding area	705,150.97	946,991.16
- Tarnowo	1,639,638.98	1,117,644.83
- Stryków	923,747.49	876,387.75
- Krynica Górská	10,508,720.91	9,152,376.56



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Note 17. Operating expenses

OPERATING EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Costs on sale of products	21,882,340.72	40,120,101.09
Costs on sale of services	11,089,337.54	13,753,678.39
Costs on sale of goods	995,932.21	610,317.10
Total costs of products, services and goods sold	33,967,610.47	54,484,096.58

Sales and overhead expenses	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Sales costs	5,856,773.44	6,132,378.65
Overheads	4,432,585.98	3,994,324.90
Sales and overhead expenses in total	10,289,359.42	10,126,703.55

Expenses per type	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
Depreciation and amortization	1,990,787.26	1,956,258.99
Materials and energy costs	14,598,611.11	6,013,097.24
Third party services	67,499,796.70	59,696,195.92
Taxes and charges/fees	2,267,727.22	1,983,846.82
Remunerations	7,039,411.29	7,367,985.41
Social security and other payments	1,332,791.72	1,220,940.62
Other expenses per type	3,112,397.02	2,962,225.16
Expenses per type in total	97,841,522.32	81,200,550.16

Note 18. Other operating income

OPERATING REVENUE	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) profit on sale of non-financial fixed assets	0.00	245.00
b) other operating revenues	292,341.72	178,254.67
Total value of operating revenue	292,341.72	178,499.67

OPERATING REVENUE	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) profit on sale of non-financial fixed assets	0.00	245.00
b) transaction handling fees	80,603.73	57,232.58
c) reserves, write downs	0.00	0.00
d) asset disclosure	0.00	0.00
e) others (including damages)	211,737.99	121,022.09
Total amount of operating costs	292,341.72	178,499.67

Note 19. Other operating expenses

OPERATING EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) loss on sale of non-financial fixed assets	0.00	0.00
b) revaluation of non-financial assets	0.00	0.00
c) other operating costs	1,469,920.05	1,056,100.11
Total amount of operating costs	1,469,920.05	1,056,100.11



Condensed Consolidated Financial Statement
for the period of 3 months finished on March 31, 2018.

OPERATING EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) loss on sale of non-financial fixed assets	0.00	0.00
b) revaluation of non-financial assets	0.00	0.00
c) reserves	683,482.31	683,382.31
d) compensations, penalties, damages	664,453.18	200,120.74
e) compensations for breach of contracts	0.00	983.00
f) costs of court proceedings	16,955.39	69,464.97
g) costs of cancelled investments	0.00	0.00
h) other	105,029.17	102,149.09
Total amount of operating costs	1,469,920.05	1,056,100.11

Note 20. Other operating revenue

FINANCIAL REVENUES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) dividends	0.00	0.00
b) interest	8,525,853.15	452,582.57
c) investment revaluation	0.00	0.00
d) profit on disposal of investments	0.00	0.00
e) other	208,467.75	1,672.45
Total financial revenues	8,734,320.90	454,255.02

FINANCIAL REVENUES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) dividends	0.00	0.00
b) interest from customers	26,095.66	41,849.20
c) loan interest	320,494.18	298,316.14
d) deposit interest,	201,072.41	108,401.70
e) interest on promissary notes	12,321.09	4,015.53
f) other interest	7,965,869.81	0.00
g) foreign exchange rate differences	9,865.79	0.00
h) other	198,601.96	1,672.45
In total	8,734,320.90	454,255.02


Note 21. Other financial expenses

FINANCIAL EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
a) interest	5,003,614.23	3,612,039.95
b) investment revaluation	0.00	0.00
c) loss on disposal of investments	30,384.75	0.00
d) other	71.77	3,124,204.82
Total financial expenses	5,034,070.75	6,736,244.77


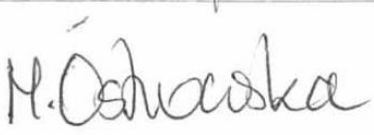

FINANCIAL EXPENSES	from January 1, 2018 until March 31, 2018	between January 1, 2017 until March 31, 2018
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a) interest, commissions, loans	493,463.93	742,949.20
b) interest-leasing	18,781.06	33,540.58
c) interest- loans	165,716.11	213,864.82
d) interest- promissory notes	734,734.90	837,967.91
e) interest- bond issuance	2,722,562.92	1,720,766.02
f) other interest	868,355.31	62,951.42
g) foreign exchange rate differences	0.00	3,024,131.56
h) loss on disposal of investments	30,384.75	0.00
i) other	71.77	100,073.26
Total financial expenses	5,034,070.75	6,736,244.77

Podpis osoby sporządzającej Sprawozdanie Finansowe

Małgorzata Pisarek Główny Księgowy	Podpis	
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Podpisy Członków Zarządu

Wojciech Rajchert Członek Zarządu	Podpis	
Magdalena Starzyńska Członek Zarządu	Podpis	
Małgorzata Ostrowska Członek Zarządu	Podpis	
Piotr Suprynowicz Członek Zarządu	Podpis	

Ząbki, 22 maja 2018 r.