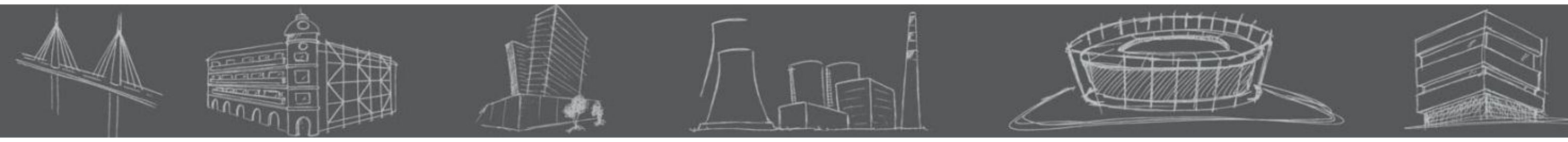
EXTENDED CONSOLIDATED REPORT OF THE

ULMA Construccion Polska S.A. CAPITAL GROUP

FOR THE THIRD QUARTER OF 2013

From the beginning of your projects



ULMA Construccion Polska S.A.
CAPITAL GROUP

GENERAL INFORMATION

Business activity

The object of the activity of ULMA Construccion Polska S.A. Capital Group (hereinafter referred to as the Group) includes:

- lease and sales of scaffolding and construction shuttering,
- performance of shuttering and scaffolding application designs on commission,
- export of construction services provided by the Group companies,
- sales of construction materials and raw materials and concrete accessories,
- transport, equipment and repair activity, including sales and lease of construction equipment.

The parent company, ULMA Construccion Polska S.A., is a joint-stock company (Company). It commenced its activity on 14 February 1989 under the company name Bauma Sp. z o.o., as a private limited liability company, and was registered in the Register No. A.II – 2791. On 15 September 1995 it was transformed into a joint-stock company incorporated by a notarial deed before Robert Dor, a notary public, in the Notary Public Office in Warsaw, registered under No. A 5500/95. On 29 October 2001 the District Court in Warsaw, 20th Commercial Division of the National Court Register, registered the Company in the Register of Entrepreneurs under entry No. KRS 0000055818. On 6 November 2006 the General Shareholders Meeting, in its Resolution No. 1, decided to change the Company's name from BAUMA S.A. to ULMA Construccion Polska S.A. A relevant entry to the National Court Register was made on 14 November 2006.

Registered office

ULMA Construccion Polska S.A.
(parent company of ULMA Construccion Polska S.A. Capital Group)
Koszajec 50
05-840 Brwinów

Company's Supervisory and Management Boards

Aitor Ayastuy Ayastuy	Chairman of the Supervisory Board
Lourdes Urzelai Ugarte	Deputy Chairperson of the Supervisory Board
Ander Ollo Odriozola	Member of the Supervisory Board
Ernesto Julian Maestre Escudero	Member of the Supervisory Board until 18 June 2013
Iñaki Irizar Moyua	Member of the Supervisory Board until 18 June 2013
Félix Esperesate Gutiérrez	Member of the Supervisory Board
Rafał Alwasiak	Member of the Supervisory Board

Audit Committee

Rafał Alwasiak	Committee Chairman
Aitor Ayastuy Ayastuy	Committee Member
Lourdes Urzelai Ugarte	Committee Member

Management Board

Andrzej Kozłowski	President of the Management Board
Krzysztof Orzełowski	Member of the Management Board
José Ramón Anduaga Aguirre	Member of the Management Board
José Irizar Lasa	Member of the Management Board
Andrzej Sterczyński	Member of the Management Board

Statutory auditor

KPMG Audyt Sp. z o.o. spółka komandytowa
ul. Chłodna 51
00-867 Warszawa
The Company is registered in the register of entities authorized to audit financial statements under the number 3546.

Banks

BRE Bank S.A.,
PEKAO S.A.,
BNP PARIBAS Bank Polska S.A.
PKO Bank Polski S.A.

Stock exchange listings

The Company is listed at the Warsaw Stock Exchange (“GPW”).

GPW symbol: ULM.

All amounts in PLN ‘000 unless specified otherwise

ULMA Construccion Polska S.A.
CAPITAL GROUP

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER OF 2013

Consolidated financial position report

As at:

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
ASSETS				
I. Fixed assets (long-term)				
1. Tangible fixed assets	287 325	297 395	323 468	329 454
2. Intangible assets	696	847	787	763
3. Shares in affiliates	309	438	792	883
4. Other fixed assets	4 192	4 206	4 234	4 247
5. Long-term receivables	1 021	1 048	992	997
Total fixed assets (long-term)	**293 543**	**303 934**	**330 273**	**336 344**
II. Working assets (short-term)				
1. Inventory	6 430	7 694	5 978	3 463
2. Trade and other receivables	82 874	81 919	88 510	92 491
3. Income tax receivables	82	64	86	62
4. Financial derivates	163	-	149	68
5. Cash and cash equivalents	17 072	31 320	29 538	34 416
Total working assets (short-term)	**106 621**	**120 997**	**124 261**	**130 500**
Total assets	**400 164**	**424 931**	**454 534**	**466 844**
EQUITY AND LIABILITIES				
I. Equity				
1. Share capital	10 511	10 511	10 511	10 511
2. Reserve capital - share premium	114 990	114 990	114 990	114 990
3. Currency exchange differences from consolidation	(4 051)	(3 070)	(3 888)	(3 542)
4. Retained profit, of which:	178 085	175 524	188 543	183 714
a) Net profit/(loss) for the financial period	*53*	*(2 508)*	20 427	*15 598*
Total equity	**299 535**	**297 955**	**310 156**	**305 673**
II. Liabilities				
1. Long-term liabilities				
a. Loans	17 428	24 252	40 618	50 910
b. Deferred income tax liabilities	9 544	10 437	11 197	10 360
c. Long-term liabilities due to pension benefits	102	102	102	114
d. Long-term liabilities due to finance lease	26	62	136	162
Total long-term liabilities	**27 100**	**34 853**	**52 053**	**61 546**
2. Short-term liabilities				
a. Loans	35 673	42 687	47 826	54 934
b. Short-term liabilities due to pension benefits	14	14	14	3
c. Short-term liabilities due to finance lease	148	543	147	148
d. Current income tax liabilities	1 303	148	655	416
e. Financial derivates	-	129	-	-
f. Trade and other liabilities	36 391	48 602	43 683	44 124
Total short-term liabilities	**73 529**	**92 123**	**92 325**	**99 625**
Total liabilities	**100 629**	**126 976**	**144 378**	**161 171**
Total equity and liabilities	**400 164**	**424 931**	**454 534**	**466 844**

All amounts in PLN '000 unless specified otherwise

Consolidated profit and loss account and other comprehensive income

	Q3 2013	3 quarters of 2013	Q3 2012	3 quarters of 2012
Sales revenues	58 111	157 144	65 265	193 582
Costs of sold products, goods and materials	(48 284)	(136 442)	(48 577)	(146 021)
I. Gross profit on sales	**9 827**	**20 702**	**16 688**	**47 561**
Sales and marketing costs	(1 690)	(5 675)	(4 891)	(10 466)
General administration costs	(3 950)	(10 835)	(3 603)	(9 730)
Other operating expenses	(63)	(852)	(247)	(1 976)
II. Profit (loss) on operations	**4 124**	**3 340**	**7 947**	**25 389**
Financial income	92	407	564	1 326
Financial expenses	(879)	(2 789)	(1 991)	(6 750)
Net financial expenses	(787)	*(2 382)*	*(1 427)*	*(5 424)*
Share in profit (loss) of affiliates	(128)	(480)	(40)	(278)
III. Profit (loss) before income tax	**3 209**	**478**	**6 480**	**19 687**
Current portion of income tax	(1 401)	(2 059)	(359)	(620)
Deferred income tax	753	1 634	(977)	(3 469)
IV. Net profit (loss) for the period	**2 561**	**53**	**5 144**	**15 598**
Other total income:				
FX differences from translation of foreign affiliates	(1 035)	(98)	(644)	(657)
Income tax on other total income	54	(65)	33	82
V. Total income for the period	**1 580**	**(110)**	**4 533**	**15 023**
Net profit (loss) for the period per owners from the parent company	2 561	53	5 144	15 598
Weighted average number of common shares	5 255 632	5 255 632	5 255 632	5 255 632
Basic and diluted profit (loss) per share in the period (in PLN per share)	0,49	0,01	0,98	2,97

All amounts in PLN '000 unless specified otherwise

Specification	Share capital at nominal value	Surplus from the sales of shares above the par value	Currency exchange differences from consolidatio n	Retained profit	Total equity
As at 31.12.2011	**10 511**	**114 990**	**(2 967)**	**182 096**	**304 630**
Total income in 2012	-	-	(921)	20 427	19 506
Dividend - profit distribution for 2012	-	-	-	(13 980)	(13 980)
As at 31.12.2012	**10 511**	**114 990**	**(3 888)**	**188 543**	**310 156**
Total income in 3 quarters of 2013	-	-	(163)	53	(110)
Dividend - profit distribution for 2012	-	-	-	(10 511)	(10 511)
As at 30.09.2013	**10 511**	**114 990**	**(4 051)**	**178 085**	**299 535**

Statement of changes in consolidated equity

Specification	Share capital at nominal value	Surplus from the sales of shares above the par value	Currency exchange differences from consolidatio n	Retained profit	Total equity
As at 31.12.2011	**10 511**	**114 990**	**(2 967)**	**182 096**	**304 630**
Total income in 3 quarters of 2012	-	-	(575)	15 598	**15 023**
Dividend - profit distribution for 2011			-	(13 980)	**(13 980)**
As at 30.09.2012	**10 511**	**114 990**	**(3 542)**	**183 714**	**305 673**

All amounts in PLN ‘000 unless specified otherwise

Consolidated cash flow statement

	Q3 2013	3 quarters of 2013	Q3 2012	3 quarters of 2012
Net profit for the financial period	**2 561**	**53**	**5 144**	**15 598**
Adjustments:				
- Income tax	648	425	1 337	4 089
- Fixed assets depreciation	18 964	59 777	21 018	64 408
- Intangible assets depreciation	153	434	117	367
- Net value of scaffolding - fixed assets sold	3 720	9 372	3 440	11 763
- (Profit)/loss on goodwill changes due to financial instruments	(292)	(14)	(80)	(242)
- Interest received	(92)	(407)	(524)	(1 209)
- Interest costs	755	3 028	1 949	6 359
- (Profit)/loss on currency exchange differences	(271)	(306)	182	204
Change in working capital:				
- Inventory	1 264	(452)	1 059	1 740
- Trade and other receivables	(700)	5 896	(4 365)	8 698
- Trade and other liabilities	2 033	(4 965)	2 877	(3 934)
	28 743	**72 841**	**32 154**	**107 841**
Income tax paid	(658)	(1 405)	(159)	272
Net cash flow on operations	**28 085**	**71 436**	**31 995**	**108 113**
Acquisition of tangible fixed assets	(17 411)	(35 435)	(19 215)	(29 262)
Inflow from sales of tangible fixed assets	43	93	17	59
Purchase of intangible assets	(4)	(343)	(51)	(73)
Loans granted	-	-	-	-
Interest received	79	350	470	1 157
Net cash flow on investment activity	**(17 293)**	**(35 335)**	**(18 779)**	**(28 119)**
Credits and loans received	(128)	949	-	-
Repayment of credit and loan facilities	(13 617)	(36 146)	(12 587)	(39 086)
Payments due to financial lease	(35)	(109)	(37)	(124)
Interest paid	(848)	(3 173)	(1 845)	(6 331)
Dividend distribution	(10 511)	(10 511)	(13 980)	(20 024)
Net cash flow on financial activity	**(25 139)**	**(48 990)**	**(28 449)**	**(65 565)**
Net increase / (decrease) of cash and revolving facility	**(14 347)**	**(12 889)**	**(15 233)**	**14 429**
Cash, cash equivalents and revolving facilities as of the beginning of the period	31 320	29 592	47 527	17 865
(Loss)/Profit on currency exchange differences on valuation of cash and revolving facility	99	369	(58)	(58)
Cash, cash equivalents and revolving facilities as of the end of the period	**17 072**	**17 072**	**32 236**	**32 236**

All amounts in PLN '000 unless specified otherwise

ULMA Construccion Polska S.A.
CAPITAL GROUP

ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

Notes to consolidated financial statements

Description of key accounting principles

Basic accounting principles applied to the preparation of these consolidated financial statements have been presented below. The described principles were applied in all the presented periods consistently.

Basis for the preparation

Consolidated financial statements of ULMA Construccion Polska S.A. Capital Group, whose parent entity is ULMA Construccion Polska S.A. with its office in Warsaw, for the period of 9 months ended on 30 September 2013, were prepared in compliance with IAS 34 “Interim Financial Reporting”.
These statements were prepared in compliance with the historical cost principle, except for financial assets and liabilities (financial derivatives) valued at fair value through P&L.

Consolidation

Subsidiary undertakings (including special purpose vehicles) are all undertakings with respect to which the Group is able to manage their financial and operating policy, which is usually accompanied by holding the majority of the total number of votes in their governing bodies. In assessing whether the Group controls a given undertaking, the existence and influence of potential voting rights which may be exercised or exchanged at the moment is taken into account. Subsidiary undertakings are subject to full consolidation from the date on which the Group takes over control of them. Consolidation ends on the date when the control ceases to exist. The acquisition cost is determined as a fair value of the transferred assets, issued capital instruments and obligations incurred or taken as of the exchange date, increased by costs directly attributable to acquisition. Identifiable acquired assets, as well as liabilities, including contingent liabilities taken over as a result of merger of business entities, are valued initially as at the acquisition date according to their fair value, regardless of the value of potential minority shares. The surplus of the take-over value over the fair value of the Group’s shares in identifiable acquired net assets is reported as the company goodwill. If the take-over cost is lower than the net fair value of the assets of the acquired subsidiary, the difference is charged directly against the financial result.

Transactions, settlements, unrealised profit on transactions between Group companies are eliminated. Unrealised loss is also eliminated, unless the transaction provides evidence for the loss of value of a particular asset.

FX differences on cash positions being part of a net investment in an entity operating abroad are charged to the financial result in the individual financial statements of the entity preparing the consolidated statements or the entity operating abroad. In the consolidated statements such differences are posted initially as a separate item of equity and disclosed in other total income, and once the net investment is disposed of are charged to the financial result.

The accounting principles applied by the subsidiaries have been changed wherever necessary in order to ensure compliance with the accounting principles applied by the Group.

Valuation of items in foreign currency

Functional currency and reporting currency

Particular items of the Group's financial statements are valued in the currency of their basic business environment, in which the substantial part of the Group operates (functional currency). The functional currency of the parent company is Polish zloty, which is also the reporting currency in the Group's financial statements.

Transactions and balances

Transactions in foreign currencies are translated into the functional currency according to the rate applicable as at the transaction date. FX profit and loss due to transaction settlement and balance sheet valuation of cash assets and liabilities in foreign currencies are charged accordingly to the financial result. Both negative and positive FX differences under investment and financial activity are charged to financial costs.
FX differences on revaluation and balance sheet valuation of trade settlements increase or decrease revenues or cost items they are related to.
The Group assumes the mean exchange rate of a particular currency announced by the National Bank of Poland as of the balance sheet date as the closing exchange rate for such currency.

Foreign companies

Financial statements of companies from the Capital Group whose functional currencies differ from the reporting currency are translated into the reporting currency in the following way:

- assets and liabilities are translated according to the closing rate as of the balance sheet date,
- revenues and costs in the total income statement are translated separately for each financial month according to the closing rate as of the last day of each month,
- all the resultant FX differences are recognized as a separate item of equity and disclosed in other total income.

Currency exchange rates and inflation

	Mean PLN/UAH exchange rate published by the National Bank of Poland	Mean PLN/LIT exchange rate published by the National Bank of Poland	Mean PLN/KZT exchange rate published by the National Bank of Poland	Mean PLN/EUR exchange rate published by the National Bank of Poland	Change of the PCI index published by the Central Statistical Office
30 September 2013	0.3811	1.2211	0.020349	4.2163	1.0%
30 June 2013	0.4043	1.2538	0.021845	4.3292	0.9%
31 December 2012	0.3825	1.2341	0.020458	4.0882	3.7%
30 September 2012	0.3920	1.1914	0.021431	4.1138	4.0%

All amounts in PLN '000 unless specified otherwise

Financial instruments

Financial instruments disclosed in the statements include cash in hand and with banks, trade and other receivables, financial assets disclosed at fair value and settled through financial result, financial assets for sale, trade liabilities and other liabilities, as well as credits and loans.

The adopted methods of presentation and valuation of particular financial instruments were included in items below which describe the adopted accounting principles.

Financial derivatives are initially recognized at fair value as of the contract date. Subsequently their value is updated to the actual fair value. Derivates held by the Group cannot be classified as hedges, and therefore the result of their fair value valuation is recognized in the financial result.

As at the balance sheet date, the Group assesses if there are objective premises suggesting the impairment of financial assets. If such events occur, the Group recognizes them in the total income report as accumulated loss calculated as the difference between the balance sheet value and the current fair value, decreasing simultaneously the balance sheet value of a particular asset.

Tangible fixed assets

Tangible fixed assets comprising buildings, machinery and devices used for the purpose of production, delivery and products and provision of services for the purpose of management were valued as of the balance sheet date according to the purchase price or production cost less accumulated depreciation and revaluation write downs.

Further expenditures are recognized in the balance sheet value of a particular asset or as a separate fixed asset (when appropriate) only when it is probable that such expenditures will bring economic benefits for the Group and the cost of such item may be credibly measured. Further expenditures which do not increase the initial usable value of a given fixed asset are charged against the costs of the period in which they were incurred.

The land owned by the Group is disclosed according to the purchase price and is not depreciated. Other fixed assets are redeemed with a straight line method in order to divide their initial value less the potential end value during their usable period for particular groups by kind.

The usable periods applied to particular groups of fixed assets are the following (in years):

- buildings and structures **25 – 40**
- investments in third party facilities **10**
- plant and machinery **3 – 20**
- equipment, scaffolding systems and other fixed assets **3 – 7**

The verification of the fixed assets end value and usable periods is performed as of each balance sheet date and adjusted when necessary.

If the balance sheet value of a fixed asset is higher than its estimated realisable value, the balance sheet value is decreased to the realisable value level (note 1l).

Profit and loss due to disposal of fixed assets is determined by comparing the income on sales with their balance sheet value and are charged to the financial result.

Leasing - lessee's (beneficiary's) accounting

The lease of assets in which significant portion of risks and benefits arising of the ownership title remain with the lessor is classified as operational lease. Leasing fees the Group is charged with within operational leasing are charged to the financial result on a straight line basis throughout the lease agreement period.

The lease of tangible fixed assets in the case of which the Group assumes significant portion of risks and benefits arising of the ownership title is classified as financial leasing. The financial lease object is recognized in assets as from the lease commencement date in the lower of the two following amounts: fair value of the leased asset or the present value of the minimum lease payments. Lease fees incurred in the reporting period in the portion pertaining to principal decrease the principal amount of liability due to financial leasing, while the remaining interest part is charged against the financial costs of the period. Leasing fees are divided into principal and interest in such a way as to obtain a fixed interest rate for the period in relation to the outstanding principal.

Tangible fixed assets subject to financial leasing are disclosed in the financial report together with other financial assets and are depreciated in line with the same rules. If there is no sufficient certainty that following the end of the lease period the Group receives the ownership right, the assets are depreciated in a shorter of the two periods: lease period or the economic usability period.

Leasing – lessor's (financing party's) accounting

Leasing is a contract under which the lessor (financing party) grants the lessee (beneficiary) the right to use a specific asset for an agreed period of time in exchange for a fee. If assets are used on the basis of operational lease, such asset is revealed in the financial report in line with its nature (type). Revenues under operational lease are recognized throughout the lease period in compliance with the straight line method.

Short-term operational lease is applicable to fixed assets belonging to the Group "Scaffolding systems".

Intangible assets

Software

Purchased licenses for computer software are capitalized in the costs of their purchase and preparation for the use of particular software. Capitalized costs are depreciated over the estimated software use period: 2-5 years.

Impairment of fixed assets

Depreciable fixed assets are analysed from the perspective of loss of value in case of occurrence of premises which suggest the possibility that the balance sheet value of tangible and intangible assets may not be realized. The amounts of revaluation write downs determined as a result of analysis decrease the balance sheet value of the asset they pertain to and are charged to the costs of the period. Impairment loss is recognized in the amount by which the balance sheet value of an asset exceeds its realisable value. The realisable value is the higher of the two following amounts: fair value less costs of sales and the usable value (reflected by the current value of cash flows related to such asset). For the purpose of the impairment analysis, assets are grouped at the lowest level in relation to which there are identifiable separate cash flows (cash flow-generating centres). Non-financial assets other than goodwill, which were

All amounts in PLN '000 unless specified otherwise

subject to impairment in the past are reviewed from the perspective of possible reversal of the write down on each balance sheet date.

Investments

Financial assets available for sale

Group's investments include the value of shares and stock in other entities than subsidiaries and affiliates. Investments in other entities are presented as financial assets for sale, since the Management Board does not intend to dispose of such investments in the period of the next 12 months. Investments are recognized initially at their fair value plus additional transaction costs. The increase of the investment value due to revaluation to fair value is charged to equity. The decrease of the investments values which have been previously increased decreases the revaluation capital. All the other decreases due to impairment are charged to financial result. Financial instruments available for sale whose fair value cannot be reliably determined (no active market for such instruments exists) are valued according to the financial instrument purchase costs less write downs.

Inventory

The inventory of raw materials, materials, semi-finished goods and finished products and purchased goods are valued as of the balance sheet date in the lower of the following: purchase price (manufacturing costs) or realisable net sales price. The cost of finished goods and products in making includes design costs, the value of used raw materials, direct manwork, other direct costs and corresponding indirect costs (based on normal production capacity), but excluding external financing costs.

Net sales price is the price of sales in normal business activity, less estimated costs of manufacturing completion and variable costs which must be incurred to finalize the sales.

Outgoing inventories are valued in compliance with the FIFO principle, except for raw materials and materials for the production of scaffolding, in relation to which outgoing inventory is valued at mean purchase price.

If necessary, write-downs revaluating the obsolete, unsellable or defective inventories are made.

Trade and other receivables

Trade receivables are initially recognized at fair value and subsequently valued according to the depreciated cost method applying the effective interest rate and are decreased by impairment write-downs. Trade receivables classified as uncollectable are charged to costs once classified as such. If the Management Board finds it probable that the Group will not be able to collect receivables in the original amount, an impairment write-down is made. The write-down amount corresponds to the difference between the book value and the current value of expected future cash flows discounted by the effective interest rate. Changes to the value of impairment write-downs are charged to the financial result, against the sales and marketing costs in the period in which the change took place.

Prepayments

The item "Trade and other receivables" includes also capitalized amount of expenses incurred in a specific financial year, but pertaining to future reporting periods. Their value has been reliably determined and will cause influx of economic benefits in the future.

Cash and cash equivalents

Cash and cash equivalents are recognized in the statements at their fair value corresponding to the nominal value. The item comprises cash in hand and with banks, short-term investments characterized by high liquidity with initial maturity period not longer than three months.

Cash and cash equivalents shown in the cash flow statement comprise the above-mentioned cash and cash equivalents, less outstanding revolving facilities.

Revolving facilities are disclosed in the financial statements in the item obligations - short-term loans.

Equity

Share capital

Common shares are classified as equity. Initial capital is disclosed according to the par value of shares. Share premium less costs directly related to the issue of new shares is disclosed as the reserve capital.

Retained profit

The item "Retained profit" comprises accumulated, retained profit and loss generated by the Group in previous reporting periods and the financial result from the current financial year.

Credits and loans

Loans are recognized initially in their fair value less transaction costs. Next, bank loans are valued at adjusted cost of acquisition (amortised cost) using the effective interest rate.

Credit and loan facilities are classified as short-term liabilities, unless the Group has an unconditional right to postpone the repayment for the period of at least 12 months from the balance sheet date.

Provisions

Provisions are established for existing liabilities of the Group (legal or arising from common law) resulting from past events, if there is probability that it will be necessary to spend the Group's resources in order to satisfy such obligation and if its estimated value may be reliably determined.

Accruals

The item "Trade and other liabilities" of the Group's statements comprises:

- reliably estimated value of costs incurred in the reporting period, for which the suppliers have not issued invoices as until the balance sheet date. The period and manner of settlement is justified by the nature of settled costs, applying the prudence principle.
- Accrued income including in particular the equivalent of payments received from or payable by the business partners for performances to be made in future reporting periods.

Significant accounting estimates and valuations

To prepare the financial statements in compliance with the International Financial Reporting Standards the Management Board makes certain accounting estimates, taking into account its own knowledge and estimates referring to the future changes to the analysed values. Actual values may differ from the estimated ones. The balance sheet value of tangible assets is determined with the use of estimates concerning the usability periods of particular fixed asset groups. The assumed usability periods of tangible fixed assets are verified periodically on the basis of analyses carried out by the Group.

Receivables are verified from the perspective of impairment in case of premises suggesting their uncollectibility. In this case, the value of write-downs on receivables is specified on the basis of estimates prepared by the Group.

Revenues

Revenues include fair value of revenues from sales of products, goods and services less VAT, rebates and discounts.

The Group recognizes revenues from sales once the amount of revenues may be credibly measured, it is probable that the entity will obtain economic benefits in the future and that the specific criteria for each type of the Group's activity described below have been met.

Revenues from sales of products and goods

Revenues from sales of goods and products are recognized if significant risks and benefits resulting from ownership of goods or products have been transferred to the buyer and if the amount of sales revenue can be reliably estimated and collectability of receivables is sufficiently certain.

This category includes also revenues from sales of scaffolding systems classified as tangible fixed assets. The result on sales of other tangible fixed assets is recognized in other operating costs.

In the case of domestic sales, sales of goods or products takes place when products or goods are released to the buyer from a Group's warehouse. In the case of export and Intercommunity Delivery of Goods, revenues are recognized depending on the delivery terms and conditions specified in compliance with Incoterms 2000 and agreed in the performed contract. For FCA (or EXW) contracts, revenues from sales are recognized once products or goods are released to the buyer from a Group's warehouse. For CPT and CIP contracts, revenues from sales of products and goods are recognized on the date of delivery confirmation by the buyer.

All amounts in PLN ‘000 unless specified otherwise

Revenues from sales of services

Revenues from sales of services pertain primarily to the lease of construction shuttering.

Revenues from sales of services are recognized in the period in which the service was provided, on the basis of the degree of advancement of a specific transaction specified as the relation of actually performed works to total works if:

- the amount of income may be valued in a reliable way,
- it is likely that the entity will obtain economic benefits due to the transaction,
- the degree of transaction performance as of the date when the revenues are recognized may be credibly determined,
- costs incurred in connection with the transaction and the costs of transaction completion may be credibly valued.

Interest

Revenues due to interest are recognized on the accruals basis with the use of the effective interest rate method. These revenues pertain to fees for the use of cash by the Group companies. In case of receivables impairment, the Group decreases its balance sheet value to realisable value corresponding to the estimated future cash flows discounted by the initial effective interest rate of the instrument, and subsequently settles the discount amount in relation to the revenues due to interest.

Dividends

Dividend revenues are recognised when the shareholder's right to receive dividend is established.

Deferred income tax

Deferred income tax assets and liabilities arising from temporary differences between the tax value of assets and liabilities and the balance sheet value in the consolidated financial statements recognised with the balance sheet method. However, if deferred tax results from the initial recognition of an asset or liability in other transaction than merger of business units which has no impact on financial result or tax income (loss), it is not recognized. Deferred income tax is determined applying the tax rates (and provisions) legally or actually binding as of the balance sheet date which, according to expectations, will be in force at the time of realising relevant deferred income tax assets or payment of deferred income tax liabilities.

Deferred income tax assets are recognized if there is probability of obtaining future taxable income which will make it possible to utilize temporary differences.

Deferred income tax assets and liabilities are set off against each other if it is legally admissible to compensate current tax assets and liabilities and if the entity intends to pay the net amount of tax or settle the receivables and liabilities at the same time.

Employee benefits

Retirement payments

Retirement benefits become payable once the employee gains the right to pension pursuant to the Labour Code. The amount of the retirement benefit payable to the employee who obtains the right to pension is calculated in the amount of an additional salary per one month calculated in the same way as holiday leave equivalent. Group recognizes provisions for retirement benefits. The value of such liability is calculated each year by independent actuaries.

The provision for the employee is calculated on the basis of the estimated amount of the retirement benefit or disability benefit the Group undertakes to pay on the basis of the Regulations. The amount calculated in this way is subject to actuarial discount as of the balance date. The discounted amount is decreased by the amounts of write downs allocated annually to this provision and subject to actuarial discount, made to increase the provision per employee. The actuarial discount is the product of the financial discount and the probability that a specific person will work for the Group until obtaining the right to pension. Pursuant to IAS 19, the financial discount rate applicable to the calculation of current value of liabilities due to employee benefits was established on the basis of market rates of treasury bonds whose currency and maturity correspond to the currency and estimated maturity of liabilities due to employment benefits.

Definition of the presented financial periods

This report presents the following financial periods:

- Q3 2013 – from 1 July to 30 September 2013
- 3 quarters of 2013 – from 1 January to 30 September 2013
- Q3 2012 – from 1 July to 30 September 2012
- 3 quarters of 2012 – from 1 January to 30 September 2012

Additional information to the quarterly report

Brief description of issuer's significant successes or failures in the period of the report, specifying relevant major events and the description of factors and events, in particular atypical ones, with significant impact on the financial results

Market environment in Poland

The economic indicators for Q3 2013 suggest that the economy is slowly overcoming the downward trend.

In terms of sector performance, **industry** was the fastest developing sector in that period, which positively surprising growth dynamics maintained throughout the third quarter of 2013.

Over the period, the **construction and assembly production** decreased by **9%** in relation to the corresponding period of the previous year; however, the drop was much lower than that recorded in the entire first half of 2013 (-21.5%) which may be a sign of a slow recovery from the depression of the construction sector.

In Q3 2013, similarly to H1 2013, the poorest results were recorded in **engineering construction (-13%)** as compared to -30.7% after the first half of 2013, mainly due to the decreasing number fo projects in road construction which shrank by almost 25% and delayed projects in railway infrastructure. There was a negative growth in **housing construction (-8%)** although throughout the analysed period there was a growth of the number of house starts by several percent (for the first time since May 2012). The only construction segment which recorded a slight improvement in Q3 2013 was **non-housing construction (+1%)**.

After many months with the downward trend, in Q3 2013 stability of employment in construction was observed and the net profitability ratio of construction companies substantially improved already in Q2 2013.

Due to the major market slump in the second half of 2012 and in the first half of 2013, resulting in negative margins and financial liquidity problems of construction companies, in Q3 2013 the companies accounted for the largest proportion of all bankrupt companies (according to Euler Hermes in Q3 2013 there were 72 construction companies that went bankrupt as compared to 67 in the equivalent period in the previous year).

Market environment abroad

In the assessment of the Polish government, Kazakhstan is one of the five most perspective markets for further development of bilateral economic collaboration. In H1 2013 Kazakhstan's economic growth was 5.1% there and the local construction market in the three quarters of 2013 grew by 2.5%. Soon investment boom is to be expected, in particular in Astana, as the capital will host Expo 2017. Since last year the Capital Group has been operating as a pioneer in Kazakhstan offering deliveries of scaffolding. Anticipating the development of the strategic market for the Capital Group, a branch office was opened in Almaty and

All amounts in PLN '000 unless specified otherwise

further steps have been taken to extend the offer of ULMA and develop the logistical and warehousing facilities.

The situation in Ukraine is less promising – in Q3 2013 GDP drop by 1.5 % was recorded and in the three quarters of 2013 the drop of construction production was 16.2%. The Association Agreement to be signed soon between Ukraine and the European Union is expected to help overcome the negative market conditions.

Operating profitability

In Q1-Q3 2013 the Capital Group recorded positive result on operating activity, in the amount of PLN 4,124,00 compared to PLN 25,389,000 in the analogous period of the previous year (decrease by PLN 21,265,000).

The basic values related to EBIT (operating profit) and EBITDA (operating profit + depreciation/amortisation) in the analysed periods were the following:

	Q1 2013	Q2 2013	Q3 2013	3 quarters of 2013	2012	3 quarters of 2012
Sales	46 239	52 794	58 111	157 144	259 393	193 582
EBIT	(3 344)	2 560	4 124	3 340	32 604	25 389
% for sale	(7.23)	4.85	7.10	2.13	12.57	13.12
Depreciation	20 377	20 717	19 117	60 211	85 374	64 775
EBITDA	17 033	23 277	23 241	63 551	117 978	90 164
% for sale	36.84	44.09	39.99	40.44	45.48	46.58

In Q1-Q3 2013 the Capital Group recorded EBITDA decrease in absolute terms by PLN 26,613,000 compared to the level achieved in Q1-Q3 2012.
The lower absolute EBITDA results from the decreased revenues of the Capital Group in the three quarters of 2013 (in particular relating to the rental of scaffolding systems) down to PLN 157,144,000 as compared to PLN 193,582,000 generated in the equivalent period of the previous year (-18.8%) being a consequence of the poor market situation generating price wars between market players and the decrease of the unit prices of the offered services.

Since the last year, the Capital Group has been consistently consolidating its position in export markets (Kazakhstan, Ukraine, Lithuania, Russia - Kaliningrad) thus adding geographical diversification to its operations. Trading operations in those markets are performed by subsidiary companies or through direct export transactions. As a result, the total revenues in export markets grew to 23% from 13% in the equivalent period of the previous year.

In Q1 2013 the Capital Group completed the construction of the logistics centre in Koszajec (municipality of Brwinów). On 1 March 2013 the centre officially started operating and Ulma Construccion Polska S.A. changed its registered office. In consequence, the results of the three quarters of 2013 were charged with one-off costs related to the transfer to the new office and in particular due to the need to revalue certain fixed assets constituting investments in third party assets made by the Company at ul. Klasyków in Warsaw. It was required to appraise the fair value of the investments. The total value of the investments after revaluation in the three quarters of 2013 amounted to PLN 896,000.

All amounts in PLN '000 unless specified otherwise

The Management Board of the Capital Group has been taking steps to maintain cost discipline and to adapt the level of operational costs to the current market situation on an ongoing basis. In this connection, already in Q1 2013 the Management Board of the Capital Group took certain actions and decisions to reduce certain cost items, including: renegotiations of agreements relating to the management and operation of logistics centres, car fleet management principles. Positive results of the optimisation efforts are already visible in the financial results generated in the analysed period and they will continue to be in Q4 2013.

Definition of Capital Group's exposure to currency risk

The Capital Group companies are exposed to currency risk on the dates of actual cash flows, which the Group tries to mitigate in the following way:

- by mutual compensation of liabilities and receivables in the same foreign currency and with the same maturity period,
- by activity on the FX market (acquisition and sales of currencies in which parallel liabilities or receivables are expressed),
- by activity on the futures market and concluding Non-Delivery Forward (NFD) contracts.

All the NDF instruments held by the Capital Group are acquired only for the purposes of hedge against the FX risk and are not of asymmetric nature.

The Capital Group does not apply the so-called "hedge accounting", and therefore the results from hedge transaction execution and valuation (positive and negative) are charged to the result for the period.

Results of hedge transactions mitigate to a high extent the currency risk the Capital Group is exposed to.

Apart from economic effects pertaining to the settlement and valuation of hedging contracts (NDF) other operating activity includes also economic effects related to the customization of shuttering system elements to individual customer's needs and general effects of assets management (negative and positive count results and provisions for impairment of inventory). In Q1-Q3 2013 the costs of the foregoing amounted to PLN 2,540,000 compared to PLN 1,937,000 in the equivalent period of 2012.

Financial costs and other total income

The Capital Group uses bank loans to finance investments related to the purchase of products for lease (i.e. shuttering and scaffolding systems).

The (short and long-term) loan balance, together with interest calculated as until the balance sheet date as of 30 September 2013 amounted to PLN 53,101,000 in comparison to PLN 105,844,000 as at 30 September 2012.

As a consequence of the decrease of the balance of loans, financial costs related to the interest on loans decreased and in Q1-Q3 2013 amounted to PLN 3,009,000 compared to PLN 6,335,000 in the equivalent period of the previous year (decrease by 52.5%).

Net profit

After taxation, Capital Group in Q1-Q3 2013 recorded positive financial result in the amount of PLN 53,000 compared to PLN 15,598,000 of net financial result in the equivalent period of the previous year.

Cash flows

The table below presents the Group's abbreviated cash flow statement for the analysed periods:

	3 quarters of 2013	3 quarters of 2012
Net profit (loss)	53	15 598
Depreciation	60 211	64 775
Total financial surplus	**60 264**	**80 373**
Other elements of net operating cash flow	11 172	27 740
Net cash flow on operations	71 436	108 113
Net cash flow on investment activity	(35 335)	(28 119)
Net cash flow on financial activity	(48 990)	(65 565)
Net cash flow	(12 889)	14 429

Cash flow from operating activities

In Q1-Q3 2013 the Capital Group generated positive cash flow (net profit + depreciation/amortisation), which amounted to PLN 60,264,000.

In the same period the cash flows on operating activity amounted to PLN 71,436,000 compared to PLN 108,113,000 in the equivalent period of the previous year (increase by PLN 36,677,000).

Cash flow from investing activities

In Q1-Q3 2013 the Capital Group made relatively small capital expenditures, mostly to supplement its portfolio of offered products (shuttering and scaffolding systems) and the completion and furnishing of the Logistics Centre and the new registered office of the parent company in Koszajec. As a result, the investment expenses in Q1-Q3 2013 related to the acquisition of tangible fixed assets amounted to PLN 35,435,000.

Financing cash flow

In Q1-Q3 2013 in line with the repayment schedules resulting from loan agreements concluded by the Group, the Group repaid the instalments of bank loans incurred in previous years. Such expenses amounted to PLN 36,146,000. In the equivalent period of the previous year the Group repaid loan instalments in a total amount of PLN 39,086,000. Additionally, in the three quarters of 2013 the Group distributed dividend of PLN 10,511,000 and in the period of three quarters of 2012 the distributed dividend amounted to PLN 20,024,000. Consequently, in the above period Q1-Q3 2013 the excess of expenses above the income on financial activity amounted to PLN 48,990,000 compared to PLN 65,565,000 of the excess of expenses above income in the equivalent period of 2012.

All amounts in PLN ‘000 unless specified otherwise

In consequence of the above, in Q1-Q3 2013 the level of the Group's cash and overdraft revolving facility decreased by PLN 12,889,000 to PLN 17,072,000 as of 30 September 2013.

Information regarding seasonal or cyclical character of the Issuer's activity in the discussed period

Construction business is characterised by high seasonality, which has direct impact on the revenues from sales of products and services of ULMA Construccion Polska S.A. Capital Group. Particularly unfavourable weather conditions and frequent delays in execution of budget investments usually occur in Q1.

In Q1 2013 the weather conditions were extremely unfavourable and the extended winter adversely affected the entire construction sector in Poland and in Ukraine.

These factors usually improve in the subsequent quarters of the year, and in 2013 this was reflected in the improving profitability on sales.

Information about the issue, redemption and repayment of debt and equity securities

In Q1-Q3 2013 there were no operations of that type.

Information concerning the dividend paid (or declared), in aggregate and per share, divided into ordinary and preferred shares.

On 18 June 2013, the General Shareholders Meeting adopted a resolution on payment of dividend in the amount of PLN 10,511,264.00 (PLN 2.00 per share) from the profit generated in 2012. Pursuant to this resolution, the date for determination of the right to dividend was 1 July 2013, and the dividend was paid on 12 July 2013.

Events occurring after the day at which the abridged quarterly financial statements were prepared, which were not covered by these statements and which may significantly influence future financial results of ULMA Construccion Polska S.A. Capital Group

Despite high effectiveness of hedging measures mitigating the FX risk, the net result on such transactions is subject to volatility of foreign currency exchange rates. The above in particular applies to transactions hedging FX risk resulting from the loans granted by ULMA Construccion Polska S.A. to its subsidiary companies.
In consequence, the volatility of the EUR and USD rates to PLN, UAH (Hryvnya in Ukraine) and KZT (Tenge in Kazakhstan) continues to have impact on the Total Income generated by the Capital Group.

Information on changes in contingent liabilities or contingent assets, occurring following the end of the previous financial year

No changes to contingent liabilities or contingent assets have taken place as from the end of the last financial year.

Information on revenues and results per sectoral and geographic segments, specified in compliance with IAS, according to the basic division

ULMA Construccion Polska S.A. Capital Group distinguishes two basic segments in its business activity:

- servicing construction works – segment covering the lease of shuttering and scaffolding systems with broadly understood logistic service and settlement of the construction at the end of the contract,
- sales of construction materials – segment covering the sales of shuttering systems classified as fixed assets or working assets (products and goods) of the Capital Group and other construction materials.

Results per segments were the following:

Q3 2013 – period of 3 months ended on 30 September 2013

Item description	Servicing construction sites	Sales of construction materials	Capital Group
Total sales revenues	46 953	21 138	68 091
Sales between segments	(449)	(9 531)	(9 980)
Sales revenues	**46 504**	**11 607**	**58 111**
Operating expenses less depreciation	(23 500)	(11 370)	(34 870)
EBITDA	**23 004**	**237**	**23 241**
Depreciation	(18 438)	(679)	(19 117)
Profit on operating activity (EBIT)	**4 566**	**(442)**	**4 124**

Q1-Q3 2013 – period of 9 months ended on 30 September 2013

Item description	Servicing construction sites	Sales of construction materials	Capital Group
Total sales revenues	130 851	50 859	181 710
Sales between segments	(1 059)	(23 507)	(24 566)
Sales revenues	**129 792**	**27 352**	**157 144**
Operating expenses less depreciation	(66 131)	(27 462)	(93 593)
EBITDA	**63 661**	**(110)**	**63 551**
Depreciation	(58 516)	(1 695)	(60 211)
Profit on operating activity (EBIT)	**5 145**	**(1 805)**	**3 340**

All amounts in PLN '000 unless specified otherwise

Q3 2012 – period of 3 months ended on 30 September 2012

Item description	Servicing construction sites	Sales of construction materials	Capital Group
Total sales revenues	59 423	8 684	68 107
Sales between segments	(167)	(2 675)	(2 842)
Sales revenues	**59 256**	**6 009**	**65 265**
Operating expenses less depreciation	(31 765)	(4 418)	(36 183)
EBITDA	**27 491**	**1 591**	**29 082**
Depreciation	(20 825)	(310)	(21 135)
Profit (loss) on operations EBIT	**6 666**	**1 281**	**7 947**

Q1-Q3 2012 – period of 9 months ended on 30 September 2012

Item description	Servicing construction sites	Sales of construction materials	Capital Group
Total sales revenues	173 950	28 268	202 218
Sales between segments	(414)	(8 222)	(8 636)
Sales revenues	**173 536**	**20 046**	**193 582**
Operating expenses less depreciation	(88 675)	(14 743)	(103 418)
EBITDA	**84 861**	**5 303**	**90 164**
Depreciation	(63 715)	(1 060)	(64 775)
Profit (loss) on operations EBIT	**21 146**	**4 243**	**25 389**

Profit(loss) reconciliation with the net profit or loss of the Group has been presented below.

	Q3 2013	**3 quarters of 2013**	**Q3 2012**	**3 quarters of 2012**
Profit (loss) on operations per segment	**4 124**	**3 340**	**7 947**	**25 389**
Interest income	92	407	524	1 208
Other financial income	-	-	40	118
Interest expense	(755)	(3 028)	(1 949)	(6 359)
Other financial expenses	(124)	239	(42)	(391)
Share in profit of affiliated entities	(128)	(480)	(40)	(278)
Profit (loss) before income tax	**3 209**	**478**	**6 480**	**19 687**
Income tax	(648)	(425)	(1 336)	(4 089)
Net profit (loss)	**2 561**	**53**	**5 144**	**15 598**

All amounts in PLN '000 unless specified otherwise

Translation of selected financial data into EUR

	in PLN '000		in EUR '000	
SPECIFICATION	3 quarters of 2013	3 quarters of 2012	3 quarters of 2013	3 quarters of 2012
Net income on sales of products, goods and materials	157 144	193 582	37 211	46 148
Result on operations	3 340	25 389	791	6 052
Profit before taxation	478	19 687	113	4 693
Net result	53	15 598	13	3 718
Net cash flow on operations	71 436	108 113	16 915	25 773
Net cash flow on investment activity	(35 335)	(28 119)	(8 367)	(6 703)
Net cash flow on financial activity	(48 990)	(65 565)	(11 601)	(15 630)
Net cash flow	(12 889)	14 429	(3 052)	3 440
Diluted profit per common share (in PLN/EUR)	0,01	2,97	-	0,71
Basic profit per common share (in PLN/EUR)	0,01	2,97	-	0,71
	30.09.2013	**31.12.2012**	**30.09.2013**	**31.12.2012**
Total assets	400 164	454 534	94 909	111 182
Liabilities	100 629	144 378	23 867	35 316
Long-term liabilities	27 100	52 053	6 428	12 733
Short-term liabilities	73 529	92 325	17 439	22 583
Equity	299 535	310 156	71 042	75 866
Share capital	10 511	10 511	2 493	2 571
Weighted average number of shares	5 255 632	5 255 632	5 255 632	5 255 632
Number of shares as at the balance-sheet date	5 255 632	5 255 632	5 255 632	5 255 632
Book value per share (in PLN/EUR)	56.99	59.01	13.52	14.44

Particular items of assets, equity and liabilities have been converted to EUR applying the mean exchange rates announced by the President of the National Bank of Poland, applicable as at the balance sheet date. The mean EUR exchange rate on 30 September 2013 was PLN 4.2163, while on 31 December 2012 – PLN 4.0882.
The rate applied to the total revenues report items and the cash flow statement items was the arithmetic mean of exchange rates effective on the last day of each month in the specified period, i.e. data for the period 1.01 – 30.09.2013 translated according to the rate = 4.2231 PLN/EUR, data for the equivalent period of 2012 were translated according to the rate = 4.1948 PLN/EUR.

Organisation of the ULMA Construccion Polska S.A. Capital Group with details of consolidated entities

The Group is controlled by ULMA C y E, S. Coop. with its office in Spain which as at 31 March 2013 held 75.49% of the Company's shares. The remaining 24.51% shares were held by many shareholders.

ULMA Construccion Polska S.A. Capital Group is composed of the following companies:

Parent entity:

- **ULMA Construccion Polska S.A.**, a company incorporated under the Polish law, with its registered office in Warsaw, ul. Klasyków 10. On 15.09.1995 on the basis of the Resolution of the Shareholders Meeting it was transformed from a private limited liability company into a joint-stock company (Notarial Deed of 15.09.1995, Register A 5500/95). It was registered in the Register of Entrepreneurs by the District Court for the capital city of Warsaw, 20th Commercial Division of the National Court Register under no. KRS 0000055818.

Subsidiaries:

- **ULMA Opałubka Ukraina sp. z o.o.** with its registered office in Kiev, Grata Juri 9, incorporated on 18.07.2001. It was registered in the Sviatoshyn Branch of State Administration for the city of Kiev under no. 5878/01 and was assigned the ID. no. 31563803. The company operates in the area of sales and lease of shuttering, sales of construction materials. The issuer holds 100% in the capital and total number of votes of the company.
- **ULMA Opałubka Kazachstan sp. z o.o.** with its registered office in Astana, Taszenowa 25. Its strategic purpose is development of the basic activity of the Capital Group, i.e. lease of shuttering and scaffolding systems and dissemination of knowledge in the area of application of the shuttering technology to the construction process in Kazakhstan. The issuer holds 100% in the capital and total number of votes of the company.
- **ULMA Construccion BALTIC sp. z o.o.** with its registered office in Vilnius, ul. Pylimo 41-12. The Company operates in the area of lease of scaffolding and shuttering, wholesale and retail sale of scaffolding and shuttering, sale and lease of other construction equipment and other commercial activities. The issuer holds 100% in the capital and total number of votes of the company.

Affiliate:

- **ULMA Cofraje SRL** with its registered office in Bragadiru at ul. Soseaua de Centura No. 2-8 Corp C20 (Romania), established on 9.10.2007. It is registered in the National Trade Register Office in Bucharest under no. 22679140. The Company operates in the area of lease and sale of shuttering and scaffolding, also on the basis of leasing. The issuer holds 30% in the capital and total number of votes of the company.

Subsidiaries are consolidated with the full method, while the affiliated entities with the equity method.

Effects of changes in the structure of business undertaking, including those resulting from combination of business undertakings, acquisition or disposal of Capital Group undertakings, long-term investments, division, restructuring and discontinuation of operations

In the period under report there were no changes to the structure of ULMA Construccion Polska S.A. Capital Group.

Position of the Management Board regarding the possibility to achieve previously published forecasts for the given year, in light of the results presented in the quarterly report in relation to the forecasted results

ULMA Construccion Polska S.A. Capital Group does not publish forecasted results.

Shareholders holding, directly or indirectly through subsidiary entities, at least 5% of the total number of votes at the general shareholders meeting of ULMA Construccion Polska S.A. as at the date of submitting the quarterly report, and the number of shares held by such entities, the percentage share in the share capital, the number of resulting votes and changes in the structure of ownership of significant blocks of shares of ULMA Construccion Polska S.A. over the period from providing the previous quarterly report.

As of the date of submitting this quarterly report, shareholders holding more than 5% of the total number of votes include:

- **ULMA C y E S, Coop.** (Spain) holding directly 3,967,290 shares in ULMA Construccion Polska S.A., which account for 75.49% of shares in the Company's share capital and entitle it to 3,967,290 votes at the general meeting, which accounts for 75.49% of the total number of votes.
- **Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK** holding directly 466,679*) shares in ULMA Construccion Polska S.A., which account for 8.88% of shares in the Company's share capital and entitle it to 466,679 votes at the general meeting, which accounts for 8.88% of the total number of votes.

*)The details on the basis of the announcement of the right to divided on 1 July 2013.

In the period from the date of submitting the previous report, there have been no changes to the ownership structure of significant blocks of shares in ULMA Construccion Polska S.A.

Changes in the shareholding of shares in ULMA Construccion Polska S.A. or rights (options) thereto held by persons managing and supervising the Issuer, in accordance with information held by ULMA Construccion Polska S.A in the period from the date of submitting the previous quarterly report

According to the information held by ULMA Construccion Polska S.A, in the period from the date of submitting the previous report there were no changes to the holding of ULMA Construccion Polska S.A. of shares or rights thereto (options) by the persons specified above. None of the persons managing or supervising ULMA Construccion Polska S.A. holds any shares of the issuer.

Proceedings pending in courts, arbitration bodies or public administration bodies, taking into account the information concerning:

- proceedings relating to liabilities or receivables of ULMA Construccion Polska S.A. or its subsidiary with the value at least equal to 10% of equity of ULMA Construccion Polska S.A., specifying: object of the proceedings, value of the dispute, date of commencement of the proceedings, parties to the proceedings and the position of the Company
- two or more proceedings relating to liabilities or receivables with total value corresponding to at least 10% of equity of ULMA Construccion Polska S.A., specifying total value of such proceedings for liabilities and receivables separately and describing the position of the Company in the case, and, in reference to the biggest proceedings in the groups of liabilities and receivables – specifying their object, the value of the dispute, date of commencement of the proceedings and parties thereto

Proceedings concerning receivables of ULMA Construccion Polska S.A. as of 30.09.2013:

ULMA Construccion Polska S.A. is engaged in 88 court proceedings involving receivables (as at 30 September 2013) in the total amount of PLN 29,264,000. These cases include court proceedings for which the court has not issued so far an enforcement order with a writ of execution (legally binding payment order), and receivables from debtors to whom the court has issued a bankruptcy order, with both options – arrangement bankruptcy or liquidation bankruptcy.

None of the court cases pursued by ULMA Construccion Polska S.A. involves a value higher than 10% of its equity.

Particular groups of court proceedings are listed in the table below:

Specification	Number of	Total	Current status of the case
Court proceedings	**33**	**8 456**	
Including 5 largest cases			
SIAC CONSTRUCTION LIMITED		4 357	The debtor was sued for default in payment as member of the Hydrobudowa Polska S.A. consortium for the construction of A4 motorway (Dębica-Rzeszów).
MAX BOGL SP. Z O.O.		1 290	The Court issued a payment order in proceedings by writ of payment and the enforcement title is pending.
P.H.U. POLKON SP. Z O.O.		715	The Court designated the date of the hearing for May 2013.
VIGORIS SP. Z O.O.		344	The enforcement titles against the debtor and guarantors are pending. Proceedings against the debtor and guarantor.
FIRMA BUDOWLANA MAKOMA		258	The debtor is sued for payment, the enforcement title is pending.
	All of the	**6 964**	**82% in the total number**

All amounts in PLN '000 unless specified otherwise

Specification	Number of	Total	Current status of the case
bankruptcy proceedings	**55**	**20 808**	
Including 5 largest cases			
HYDROBUDOWA POLSKA SA		6 602	Receivables notified to the receiver in bankruptcy include amounts due from the debtor for all implemented contracts, including the construction of A4 motorway (Dębica-Rzeszów), implemented by the debtor under consortium with SIAC Construction ltd.
RADKO SP. Z O.O.		4 358	Regardless of the notified receivables, proceedings for payment against guarantors (the debtor's management board) are pending
GRUPA BIP SP. Z O.O.		792	Receivables notified to the receiver.
LPBO S.A.		762	Receivables notified to the receiver.
FENIX SP. Z O.O.		696	Receivables notified to the receiver.
	All of the	**13 210**	**63% in the total number**
total pending proceedings	**88**	**29 264**	

The Group makes write-downs to all doubtful receivables and receivables subject to litigation. The write-downs are recognised in "Sales and marketing costs" and the amount corresponds to the estimated realisable value of the receivables as a result of litigation and collection proceedings.

Information about ULMA Construccion Polska S.A. or its subsidiary undertaking concluding one or more transactions with related entities, if they are material on a single or aggregate basis and were concluded on other terms than at arm's length, with specification of their value and:

a) information about the entity with which the transaction was concluded,
b) information on relations of ULMA Construccion Polska S.A. or its subsidiary with the entity being a party to the transaction,
c) information about the transaction object,
d) significant terms and conditions of the transaction, including in particular financial conditions and specification of special terms and conditions, typical for the contract which depart from terms and conditions commonly applied in such contracts,
e) other information on such transactions, if necessary to understand the issuer's standing in terms of assets, financial standing and financial result,
f) all changes to the transactions with affiliates described in the last annual report which could have a significant impact on the issuer's assets, financial standing and financial result.

Transactions concluded in Q3 2013 by ULMA Construccion Polska S.A. and its subsidiaries with affiliates were of typical and routine nature, were concluded at arm's length, and their nature and conditions resulted from running ongoing operations.

The most significant transactions involved the purchase of shuttering and lease services concerning shuttering systems by ULMA Construccion Polska S.A. from ULMA C y E, S. Coop. with the value of PLN 14,379,000.
In the period of the last 12 months (from 1.10.2012 to 30.09.2013) the value of these transactions amounted to PLN 18,722,000.

All amounts in PLN '000 unless specified otherwise

Information about the ULMA Construccion Polska S.A. or its subsidiary undertaking advancing suretyship for a loan or credit facility or providing a guarantee – in aggregate to one entity or a subsidiary undertaking of such entity, if the total value of the existing suretyships or guarantees is equivalent to 10% of the shareholders' equity of the ULMA Construccion Polska S.A., specifying:

a) name of the entity to whom surety or guarantees were provided,
b) total value of loans secured or guaranteed in full or in a specified part,
c) period for which the sureties or guarantees were provided,
d) financial terms and conditions on which the sureties or guarantees were provided, specifying the remuneration of ULMA Construccion Polska S.A. or its subsidiary for provision of sureties or guarantees,
e) the nature of connections between ULMA Construccion Polska S.A. and the entity which incurred loans.

In 2008 ULMA Construccion Polska S.A. granted an investment loan to its subsidiary, ULMA Opałubka Ukraine sp. z o.o., in the amount of EUR 3,100,000 and fixed interest rate at the market level. On the basis of the annex of 15.09.2011, the date for loan repayment was agreed as 25 December 2015. As of 31 March 2013, the debt of ULMA Opałubka Ukraine due to the loan amounts to EUR 1,412,000.

In 2011 ULMA Construccion Polska S.A. extended to its affiliate ULMA Cofraje srl Romania a long-term loan in the amount of EUR 241,000. The loan was extended on arm's length basis until 31 May 2015.

In 2012 ULMA Construccion Polska S.A. extended to its subsidiary, ULMA Opałubka Kazakhstan, a long-term loan in the amount of EUR 300,000. The loan was extended on arm's length basis until 14 February 2015. As of 30 September 2013, the debt of ULMA Opałubka Kazakhstan due to the loan amounts to EUR 40,000.

In 2012 ULMA Construccion Polska S.A. extended to its subsidiary, ULMA Construcction BALTIC, a long-term loan in the amount of EUR 1,100,000. The loan was extended on arm's length basis until 30 June 2015. As of 31 March 2013, the debt of ULMA Construccion BALTIC due to the loan amounts to EUR 1,100,000.

Other information, which according to ULMA Construccion Polska S.A. Group is significant for assessment of the personnel, property or financial situation, financial results and changes thereof, as well as information which is significant for assessment of the capacity of liabilities fulfilment by the ULMA Construccion Polska S.A. Group.

Apart from the events described above, there were no other major events in Q1-Q3 2013. Moreover, the Management Board of ULMA Construccion Polska S.A. is not aware of any information important for the assessment of the Company's staff, assets, financial standing, financing results and changes thereto, as well as the assessment of the Capital Group's ability to satisfy its obligations.

Factors which, in the opinion of ULMA Construccion Polska S.A., will affect results of ULMA Construccion Polska S.A. Capital Group at least in the next quarter

Market in Poland

Although the economic recovery observed now raises no doubts among analysts, the growth rate in the months to come will remain moderate.

The statistics presented by the Polish Central Statistical Office show that for the last four months the slowdown in the construction market has stabilised and no longer intensifies, and the negative growth ratios have been in one-digit numbers. The trend is expected to continue and in 2014 the construction industry will resume growth.

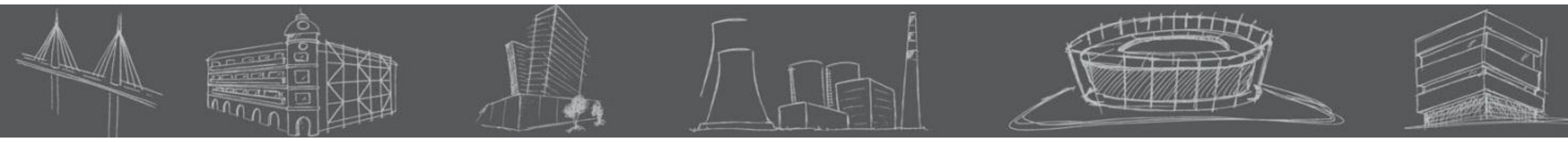
As a result of the modifications to the current National Road Construction Programme for 2011-2015 approved in the beginning of June 2013 by the Council of Ministers, a majority of almost 50 tenders planned until the end of 2013 have been already announced and they cover expressways of over 700 km for over PLN 35 billion. The amendment is the first step to developing a comprehensive road investment programme co-financed within the new EU perspective (2014-2020).

The construction sector also looks forward to the planned investments in power generation industry (power plants and waste incineration facilities) which – albeit delayed – are expected to fuel growth in the construction and assembly sector already in 2014.

Although the statistics concerning the value of construction and assembly production in the non-residential sector for Q3 2012 show a growth by 1%, the first major signs of growth are expected no earlier than in 2015, when local governments will begin utilising the EU funds available for the development of public infrastructure including commercial and industrial construction.

No major recovery is to be expected in the residential sector in the months to come although the credit policy of banks has been loosened with reduced interest rates thus decreasing the funding costs of investments. Despite the good sales results of developers and the growth of the number of house starts in Q3 2013, it is difficult to predict with certainty if the symptoms are the beginning of a revival in the residential sector or if it is just a favourable combination of various factors. In 2014 the “Flat for Youth" programme (MdM programme) is expected to stimulate demand in the segment of dwellings of a basic standard – the supply will be PLN 600 million in the form of subsidy to customers’ own contributions and which is expected to partially mitigate the consequences of the implementation of Recommendation S3 preventing banks from lending to cover 100% and more of the purchase price.

All amounts in PLN ‘000 unless specified otherwise



ULMA Construccion Polska S.A.
CAPITAL GROUP

INDIVIDUAL ABBREVIATED FINANCIAL STATEMENTS

FOR THE THIRD QUARTER OF 2013

Consolidated financial report

As at:

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
ASSETS				
I. Fixed assets (long-term)				
1. Tangible fixed assets	280 271	292 389	323 669	330 220
2. Intangible assets	603	748	720	700
3. Shares in affiliates	8 960	8 960	8 960	8 960
4. Other fixed assets	4 191	4 206	4 233	8 232
5. Long-term receivables	11 839	12 142	8 153	4 247
Total fixed assets (long-term)	**305 864**	**318 445**	**345 735**	**352 359**
II. Working assets (short-term)				
1. Inventory	3 653	5 066	4 561	3 423
2. Trade and other receivables	86 689	82 574	87 499	94 478
3. Income tax receivables	82	64	86	62
4. Financial derivates	163	-	149	68
5. Cash and cash equivalents	13 911	29 936	28 168	32 675
Total working assets (short-term)	**104 498**	**117 640**	**120 463**	**130 706**
Total assets	**410 362**	**436 085**	**466 198**	**483 065**
EQUITY AND LIABILITIES				
I. Equity				
1. Share capital	10 511	10 511	10 511	10 511
2. Reserve capital – share premium	114 990	114 990	114 990	114 990
3. Retained profit, of which:	187 129	185 469	197 781	196 115
a) Net profit/(loss) for the financial period	*(141)*	*(1 801)*	*14 107*	*12 441*
Total equity	**312 630**	**310 970**	**323 282**	**321 616**
II. Liabilities				
1. Long-term liabilities				
a. Loans	17 428	24 252	40 618	50 910
b. Deferred income tax liabilities	12 025	12 456	12 486	11 674
c. Long-term liabilities due to pension benefits	102	102	102	114
d. Long-term liabilities due to finance lease	27	62	136	162
Total long-term liabilities	**29 582**	**36 872**	**53 342**	**62 860**
2. Short-term liabilities				
a. Loans	33 577	40 463	46 678	54 934
b. Short-term liabilities due to pension benefits	14	14	14	3
c. Short-term liabilities due to finance lease	148	148	147	148
d. Current income tax liabilities	336	-	50	-
e. Financial derivates	-	129	-	-
f. Trade and other liabilities	34 075	47 489	42 685	43 504
Total short-term liabilities	**68 150**	**88 243**	**89 574**	**98 589**
Total liabilities	**97 732**	**125 115**	**142 916**	**161 449**
Total equity and liabilities	**410 362**	**436 085**	**466 198**	**483 065**

All amounts in PLN '000 unless specified otherwise

Profit and loss account and other comprehensive income

	Q3 2013	3 quarters of 2013	Q3 2012	3 quarters of 2012
Sales revenues	56 066	153 318	61 427	185 437
Costs of sold products, goods and materials	(49 099)	(138 358)	(47 971)	(145 524)
I. Gross profit on sales	**6 967**	**14 960**	**13 456**	**39 913**
Sales and marketing costs	(1 119)	(4 638)	(4 187)	(9 068)
General administration costs	(2 869)	(7 940)	(2 928)	(8 547)
Other operating expenses	(64)	(861)	131	(1 253)
II. Profit (loss) on operations	**2 915**	**1 521**	**6 472**	**21 045**
Financial income	319	1 043	775	1 992
Financial expenses	(1 046)	(2 206)	(2 290)	(6 975)
Net financial expenses	*(727)*	*(1 163)*	*(1 515)*	*(4 983)*
III. Profit (loss) before income tax	**2 188**	**358**	**4 957**	**16 062**
Current portion of income tax	(959)	(959)	-	-
Deferred income tax	431	460	(1 172)	(3 621)
IV. Net profit (loss) for the period	**1 660**	**(141)**	**3 785**	**12 441**
Other total income:	-	-	-	-
V. Total income for the period	**1 660**	**(141)**	**3 785**	**12 441**
Net profit (loss) for the period	**1 660**	**(141)**	**3 785**	**12 441**
Weighted average number of common	5 255 632	5 255 632	5 255 632	5 255 632
Basic and diluted profit (loss) per share in the period (in PLN per share)	0.32	(0.03)	0.72	2.37

All amounts in PLN '000 unless specified otherwise

Statement of changes in equity

Specification	Share capital at nominal value	Surplus from the sales of shares above the par value	Retained profit	Total equity
As at 31.12.2011	**10 511**	**114 990**	**197 654**	**323 155**
Total net income in 2012	-	-	14 107	**14 107**
Dividend – profit distribution for 2011	-	-	(13 980)	**(13 980)**
As at 31.12.2012	**10 511**	**114 990**	**197 781**	**323 282**
Total net income in Q1-Q3 2013	-	-	(141)	**(141)**
Dividend – profit distribution for 2012	-	-	(10 511)	**(10 511)**
As at 30.09.2013	**10 511**	**114 990**	**187 129**	**312 630**

Specification	Share capital at nominal value	Surplus from the sales of shares above the par value	Retained profit	Total equity
As at 31.12.2011	**10 511**	**114 990**	**197 654**	**323 155**
Total net income in Q1-Q3 2012	-	-	12 441	**12 441**
Dividend – profit distribution for 2011	-	-	(13 980)	**(13 980)**
As at 30.09.2012	**10 511**	**114 990**	**196 115**	**321 616**

All amounts in PLN '000 unless specified otherwise

Cash flow statement

	Q3 2013	3 quarters of 2013	Q3 2012	3 quarters of 2012
Net profit for the financial period	**1 660**	**(141)**	**3 785**	**12 441**
Adjustments:				
- Income tax	528	498	1 172	3 621
- Fixed assets depreciation	19 026	60 340	21 333	65 725
- Intangible assets depreciation	146	417	114	361
- Net value of scaffolding – fixed assets sold	3 059	7 682	2 021	9 355
- (Profit)/loss on goodwill changes due to financial instruments	(292)	(13)	(80)	(243)
- Interest received	(319)	(1 043)	(735)	(1 874)
- Interest costs	706	2 848	1 890	6 209
- (Profit)/loss on currency exchange differences	397	(726)	255	509
Change in working capital:				
- Inventory	1 413	908	220	725
- Trade and other receivables	(4 115)	814	(6 824)	5 904
- Trade and other liabilities	1 087	(6 028)	3 469	(3 954)
	23 296	**65 556**	**26 620**	**98 779**
Income tax paid	(640)	(668)	(16)	512
Net cash flow on operations	**22 656**	**64 888**	**26 604**	**99 291**
Acquisition of tangible fixed assets	(13 987)	(27 257)	(16 618)	(24 754)
Inflow from sales of tangible fixed assets	43	93	17	59
Purchase of intangible assets	-	(299)	(31)	(35)
Loans granted	-	(4 041)	(269)	(1 146)
Repayment of loans granted	-	781	1 429	1 875
Acquisition of shares in a subsidiary or affiliate	-	-	-	(142)
Interest received	307	987	682	1 823
Net cash flow on investment activity	**(13 637)**	**(29 736)**	**(14 790)**	**(22 320)**
Inflow from share issues	-	-	-	
Credits and loans received	-	-	-	-
Repayment of credit and loan facilities	(13 617)	(36 146)	(10 898)	(37 597)
Payments due to financial lease	(35)	(109)	(37)	(124)
Interest paid	(799)	(2 993)	(1 787)	(6 181)
Dividend distribution	(10 511)	(10 511)	(13 980)	(20 024)
Net cash flow on financial activity	**(24 962)**	**(49 759)**	**(26 702)**	**(63 926)**
Net increase / (decrease) of cash and revolving facility	**(15 943)**	**(14 607)**	**(14 888)**	**13 045**
Cash, cash equivalents and revolving facilities as of the beginning of the period	29 936	28 168	45 417	17 446
(Loss)/Profit on currency exchange differences on valuation of cash and revolving facility	(82)	350	(34)	4
Cash, cash equivalents and revolving facilities as of the end of the period	**13 911**	**13 911**	**30 495**	**30 495**

All amounts in PLN '000 unless specified otherwise

Description of key accounting principles

Basic accounting principles applied to the preparation of these consolidated financial statements have been presented below. The described principles were applied in all the presented periods consistently.

Investments in subsidiaries and affiliates

Investments in subsidiaries and affiliates are recognized according to the historical cost adjusted by revaluation. The effects of the revaluation of investments in subsidiaries are classified as financial income or costs of the reporting period in which the change took place.

Translation of selected financial data into EUR

Translation of selected financial data into EUR is presented in the table below:

SPECIFICATION	in PLN '000		in EUR '000	
	3 quarters of 2013	**3 quarters of 2012**	**3 quarters of 2013**	**3 quarters of 2012**
Net income on sales of products, goods and materials	153 318	185 437	36 304	44 206
Result on operations	1 521	21 045	360	5 017
Gross result	358	16 062	85	3 829
Net result	(141)	12 441	(33)	2 966
Net cash flow on operations	64 888	99 291	15 365	23 670
Net cash flow on investment activity	(29 736)	(22 320)	(7 041)	(5 321)
Net cash flow on financial activity	(49 759)	(63 926)	(11 782)	(15 239)
Net cash flow	(14 607)	13 045	(3 459)	3 110
Basic profit per common share (in PLN/EUR)	(0,03)	2,37	(0,01)	0,56
Diluted profit per common share (in PLN/EUR)	(0,03)	2,37	(0,01)	0,56
	30.09.2013	**31.12.2012**	**30.09.2013**	**31.12.2012**
Total assets	410 362	466 198	97 327	114 035
Liabilities	97 732	142 916	23 179	34 958
Long-term liabilities	29 582	53 342	7 016	13 048
Short-term liabilities	68 150	89 574	16 163	21 910
Equity	312 630	323 282	74 148	79 077
Share capital	10 511	10 511	2 493	2 571
Weighted average number of shares	5 255 632	5 255 632	5 255 632	5 255 632
Number of shares as at the balance-sheet date	5 255 632	5 255 632	5 255 632	5 255 632
Book value per share (in PLN/EUR)	59.48	61.51	14.11	15.05

Particular items of assets, equity and liabilities have been converted to EUR applying the mean exchange rates announced by the President of the National Bank of Poland, applicable as at the balance sheet date. The mean EUR exchange rate on 30 September 2013 was PLN 4.2163, while on 31 December 2012 – PLN 4.0882.

The rate applied to the total revenues report items and the cash flow statement items was the arithmetic mean of exchange rates effective on the last day of each month in the specified period, i.e. data for the period 1.01 – 30.09.2013 translated according to the rate = 4.2231 PLN/EUR, data for the equivalent period of 2012 were translated according to the rate = 4.1948 PLN/EUR.