

ENERGOMONTAŻ-POŁUDNIE CAPITAL GROUP



ENERGOMONTAŻ-POŁUDNIE

GRUPA PBG

**Mid-year consolidated financial statements for the third
quarter of 2011**

**prepared in accordance with the International Financial Reporting
Standards**

Katowice, 14 November 2011

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

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Name of capital group:	ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP		
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Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

CONSOLIDATED FINANCIAL STATEMENTS OF THE ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

Item	as at 30.09.11	as at 31.12.10	as at 30.09.10
Assets			
I. Non-current assets	172 599	171 893	172 842
1. Property, plant and equipment	69 194	75 345	74 463
2. Intangible assets	1 619	1 693	1 441
3. Goodwill	0	0	0
4. Goodwill of subsidiaries	0	0	0
5. Investment properties	83 941	83 887	86 554
6. Financial assets	471	309	290
6a. Investments in affiliated companies	0	0	0
6b. Investments in subsidiaries	0	0	0
6c. Investments held for sale	184	214	195
6d. Other financial assets	95	95	95
6e. Loans granted	192	0	0
7. Non-current receivables	7 787	4 010	3 839
8. Deferred income tax assets	9 507	6 546	6 227
9. Prepayments and accrued income	80	103	28
II. Current assets	221 897	259 570	291 351
1. Inventories	91 548	114 218	110 294
2. Current receivables	127 694	128 744	154 038
2a. Trade receivables	62 108	84 162	113 690
2b. Other receivables	19 952	19 133	19 954
2c. Income tax receivables	1 775	5 014	2 220
2d. Prepayments and accrued income	43 859	20 435	18 174
3. Current financial assets	40	3 024	2 725
3a. Loans granted	40	0	0
3b. Financial assets designated for sale	0	0	0
3c. Foreign exchange forward contracts	0	3 024	2 725
4. Cash and cash equivalents	2 615	13 584	24 294
III. Non-current assets designated for sale	0	0	0
Total assets	394 496	431 463	464 193
<i>Liabilities</i>			
I. Shareholders' equity with minority interests	112 534	129 905	133 109
1. Share capital	92 307	92 307	92 307
- including revaluation of capital due to hyperinflation	21 335	21 335	21 335
2. Capital reserves	38 268	39 308	104 308
3. Own shares	0	0	0
4. Revaluation reserve	12 377	19 032	15 522
5. Other capital reserves	69 968	69 968	4 968
6. Retained profit (loss)	-88 729	-70 906	-70 918
7. Profit (loss) for the current year	-11 657	-19 804	-13 078
1a. Shareholders' equity without minority interests	112 534	129 905	133 109

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
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Item	as at 30.09.11	as at 31.12.10	as at 30.09.10
7. Minority capital	0	0	0
II. Non-current liabilities	73 418	79 148	81 434
1. Provisions	17 783	19 269	19 023
1a. Provisions for employee benefits	5 996	6 177	5 860
1b. Provision for deferred income tax	11 787	13 092	13 163
1c. Other provisions	0	0	0
2. Financial liabilities	51 928	56 075	59 215
2a. Credit facilities and loans	2 300	4 831	6 773
2b. Leasing liabilities	49 628	51 244	52 442
3. Other non-current liabilities	3 707	3 804	3 196
III. Current liabilities	208 544	222 410	249 650
1. Provisions	2 935	2 806	2 460
1a. Provisions for employee benefits	844	1 060	1 197
1b. Other provisions	2 091	1 746	1 263
2. Financial liabilities	77 867	63 187	86 530
2a. Credit facilities and loans	63 986	54 303	76 825
2b. Leasing liabilities	8 785	8 599	8 604
2c. Foreign exchange forward contracts	5 096	285	1 101
3. Current liabilities	127 742	156 417	160 660
3a. Trade liabilities	40 077	45 729	43 735
3b. Other liabilities	69 414	84 562	79 091
3c. Income tax liabilities	0	0	0
3d. Accruals and deferred income	18 251	26 126	37 834
IV. Liabilities associated with non-current assets designated for sale	0	0	0
Total liabilities	394 496	431 463	464 193
Book value	112 534	129 905	133 109
Average weighted number of ordinary shares (in '000)	69 467	68 966	68 290
Book value per share (in PLN)	1.62	1.88	1.95

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
I. Net revenues from the sale of products, goods and materials	86 760	232 040	84 716	224 060
II. Costs of products, goods and materials sold	71 040	216 450	77 332	221 772
III. Gross profit (loss) from sales	15 720	15 590	7 384	2 288
IV. Other revenue	2 744	8 704	2 220	9 751
V. Sales costs	102	290	117	338
VI. General management costs	4 622	14 291	5 276	15 395
VII. Other costs	6 122	15 834	1 750	5 978
VIII. Operating profit (loss)	7 618	- 6 121	2 461	-9 672
IX. Financial revenue	313	1 938	4 651	5 721
X. Finance costs	3 386	9 248	2 384	6 367
XI. Income (loss) from shares in affiliated companies	0	0	0	0
XII. Gross (pre-tax) profit (loss)	4 545	-13 431	4 728	-10 318
XIII. Income tax	-2 773	-1 774	2 140	2 760
XIV. Net profit (loss) from continuing operations	7 318	-11 657	2 588	-13 078
XV. Profit (loss) on discontinued operations	0	0	0	0
XVI. Minority profits	0	0	0	0
XVII. Net profit (loss) on continuing and discontinued operations	7 318	-11 657	2 588	-13 078
Item				
Net profit (loss)	7 318	-11 657	2 588	-13 078
Other comprehensive income	-6 626	-6 656	0	-6
Financial assets held for sale	0	-30	0	-6
Cash flow hedging	-6 930	-6 930	0	0
Effects of revaluation of property	0	0	0	0
Income tax relating to elements of other comprehensive income	304	304	0	0
Total comprehensive income	692	-18 313	2 588	-13 084
Net profit (loss)	7 318	-11 657	2 588	- 13 078
Average weighted number of ordinary shares (in '000)	70 898	69 467	70 972	68 290
Profit (loss) per ordinary share (in PLN)	0,10	-0,17	0,04	-0,19
Attributed to:	0	0	0	0
Owners of the parent company's capital	7 318	-11 657	2 588	-13 078
Minority interest in equity	0	0	0	0

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CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

01.01.11	Share capital	Capital reserves	Revaluation reserve	Other capital reserves	Own shares	Retained profit (loss) from previous years and the current year	Shareholders' equity without minority interests	Minority capital	Shareholders' equity with minority interests	Equity attributable to equity holders of parent company
Balance at beginning of period	92 307	39 308	10 397	69 968	0	-49 539	162 441	0	162 441	162 441
- including revaluation of capital due to hyperinflation	21 335	0	0	0	0	0	21 335	0	21 335	21 335
Changes in accounting principles	0	0	0	0	0	0	0	0	0	0
Correction of basic errors	0	0	8 635	0	0	-41 171	-32 536	0	-32 536	-32 536
Opening balance after changes	92 307	39 308	19 032	69 968	0	-90 710	129 905	0	129 905	129 905
Increases (+) / decreases (-) on account of deferred income tax on the valuation of fixed assets	0	0	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from profit distribution	0	0	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from loss accounting	0	0	0	0	0	0	0	0	0	0
Net profit (loss)	0	0	0	0	0	-11 657	-11 657	0	-11 657	-11 657
Increases (+) / decreases (-) from revaluation of financial assets	0	0	-30	0	0	0	-30	0	-30	-30
Consolidation adjustments	0	-1 933	0	0	0	1 981	48	0	48	48
Buy-back of own shares	0	0	0	0	0	0	0	0	0	0
Premium on the sale of own shares	0	893	0	0	0	0	893	0	893	893
Creation of capital from valuation of hedging transactions	0	0	-6 625	0	0	0	-6 625	0	-6 625	-6 625
Other increases (+) / decreases (-)	0	0	0	0	0	0	0	0	0	0
30.09.11	92 307	38 268	12 377	69 968	0	-100 386	112 534	0	112 534	112 534

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01.01.10	Share capital	Capital reserves	Revaluation reserve	Other capital reserves	Own shares	Retained profit (loss) from previous years and the current year	Shareholders' equity without minority interests	Minority capital	Shareholders' equity with minority interests	Equity attributable to equity holders of parent company
Balance at beginning of period	69 725	105 967	10 408	7 269	0	4 295	197 664	0	197 664	197 664
- including revaluation of capital due to hyperinflation	21 335	0	0	0	0	0	21 335	0	21 335	21 335
Changes in accounting principles	0	0	0	0	0	0	0	0	0	0
Correction of basic errors	0	0	5 120	0	0	-54 000	-48 880	0	-48 880	-48 880
Opening balance after changes	69 725	105 967	15 528	7 269	0	-49 705	148 784	0	148 784	148 784
Increases (+) / decreases (-) from valuation of fixed assets	0	0	3 515	0	0	0	3 515	0	3 515	3 515
Increases (+) / decreases (-) from profit distribution	0	18 468	0	0	0	-16 162	2 306	0	2 306	2 306
Increases (+) / decreases (-) from loss accounting	0	-328	0	0	0	-81	-409	0	-409	-409
Exchange of warrants for shares	22 582	-25 171	0	0	0	0	-2 589	0	-2 589	-2 589
Net profit (loss)	0	0	0	0	0	-19 804	-19 804	0	-19 804	-19 804
Increases (+) / decreases (-) from revaluation of financial assets	0	0	-11	0	0	0	-11	0	-11	-11
Merger with subsidiary	0	0	0	0	0	7 647	7 647	0	7 647	7 647
Expansion of capital group	0	0	0	0	0	0	0	0	0	0
Own shares	0	0	0	0	0	0	0	0	0	0
Liquidation of reserve for purchase of own shares	0	5 372	0	-7 269	0	0	-1 897	0	-1 897	-1 897
Creation of capital reserve for dividend payment	0	0	0	4 968	0	-4 968	0	0	0	0
Creation of reserve for purchase of own shares	0	-65 000	0	65 000	0	0	0	0	0	0
Merger with subsidiary	0	0	0	0	0	-7 648	-7 648	0	-7 648	-7 648
Other increases (+) / decreases (-)	0	0	0	0	0	11	11	0	11	11
31.12.10	92 307	39 308	19 032	69 968	0	-90 710	129 905	0	129 905	129 905

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01.01.10	Share capital	Capital reserves	Revaluation reserve	Other capital reserves	Own shares	Retained profit (loss) from previous years and the current year	Shareholders' equity without minority interests	Minority capital	Shareholders' equity with minority interests	Equity attributable to equity holders of parent company
Balance at beginning of period	69 725	105 967	10 408	7 269	0	4 295	197 664	0	197 664	197 664
- including revaluation of capital due to hyperinflation	21 335	0	0	0	0	0	21 335	0	21 335	21 335
Changes in accounting principles	0	0	0	0	0	0	0	0	0	0
Correction of basic errors	0	0	5 120	0	0	-54 000	-48 880	0	-48 880	-48 880
Opening balance after changes	69 725	105 967	15 528	7 269	0	-49 705	148 784	0	148 784	148 784
Increases (+) / decreases (-) from valuation of fixed assets		0	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from buy back of own shares	0	0	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from profit distribution	0	18 468	0	0	0	-18 468	0	0	0	0
Net profit (loss)	0	0	0	0	0	-13 078	-13 078	0	-13 078	-13 078
Increases (+) / decreases (-) from revaluation of financial assets		0	-6		0	0	-6	0	-6	-6
Consolidation adjustments	0	0	0	0	0	0	0	0	0	0
Exchange of warrants for shares	22 582	-22 582	0	0	0	0	0	0	0	22 582
Sale of tangible assets	0	0	0	0	0	0	0	0	0	0
Other increases (+) / decreases (-)	0	2 455	0	-2 301	0	-2 745	-2 591	0	-2 591	-2 591
30.09.10	92 307	104 308	15 522	4 968	0	-83 996	133 109	0	133 109	133 109

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CONSOLIDATED CASH FLOW STATEMENT

Item	For period from 01.01.11 to 30.09.11	For period from 01.01.10 to 31.12.10	For period from 01.01.10 to 30.09.10
A. Cash flow from operating activities (indirect method)			
I. Gross profit (loss)	-13 431	-19 294	-10 318
II. Total adjustments	18 358	13 868	-23 931
1. Minority profit (loss)	0	0	0
2. Share in net (profit) loss of subordinated companies valued by the equity method	0	0	0
3. Amortisation/depreciation	6 675	9 981	7 443
4. Profit (loss) from exchange rate differences	0	-239	-231
5. Interest and profit distribution (dividends)	-3 202	5 588	3 991
6. Profit (loss) on investment activity	120	95	-59
7. Change in provisions	-51	-73	231
8. Change in inventories	22 671	-62 302	-13 137
9. Change in receivables	20 483	67 632	37 164
10. Change in current liabilities, excluding credit facilities and loans	-3 420	47 089	-5 218
11. Change in prepayments and accruals	-31 276	19 210	12 240
12. Income tax paid	3 239	-5 003	-2 757
13. Other adjustments	3 119	-68 110	-63 598
III. Net cash flow from operating activities (I+/-II)	4 927	-5 426	-34 249
B. Cash flow from investment activities			
I. Inflows	498	5 922	6 705
1. Sale of intangible assets and property, plant and equipment	275	3 520	4 446
2. Sale of investments in real property and intangible assets	0	0	0
3. From financial assets, of which:	223	2 402	2 259
a) in affiliated companies	0	0	0
- sale of financial assets	0	0	0
- dividends and profit distribution	0	0	0
- repayment of loans granted	0	0	0
- interest	0	0	0
- other inflows from financial assets	0	0	0
b) in other entities	223	2 402	2 259
- sale of financial assets	0	0	0
- dividends and profit distribution	36	39	0
- repayment of loans granted	18	0	0
- interest	169	663	559
- other inflows from financial assets	0	1 700	1 700
4. Other investment inflows	0	0	0
II. Outflows	7 019	33 356	22 985
1. Purchase of intangible assets and property, plant and equipment	6 769	27 448	22 985
2. Investments in real property and intangible assets	0	0	0
3. On financial assets, of which:	250	5 908	0
a) in affiliated companies	0	5 908	0
- purchase of financial assets	0	0	0
- short-term loans granted	0	5 908	0
b) in other entities	250	0	0
- purchase of financial assets	0	0	0
- loans granted	250	0	0

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Item	For period from 01.01.11 to 30.09.11	For period from 01.01.10 to 31.12.10	For period from 01.01.10 to 30.09.10
4. Other investment outflows	0	0	0
III. Net cash flow from investment activities (I-II)	-6 521	-27 434	-16 280
C. Cash flow from financial activities			
I. Inflows	19 209	75 319	75 319
1. Net inflow from issue of shares and other capital instruments and additional payments to capital	0	75 319	75 319
2. Borrowings	7 152	0	0
3. Issue of debt securities	0	0	0
4. Sale of own shares	12 057	0	0
II. Outflows	28 584	51 228	22 841
1. Purchase of own shares	11 165	0	0
2. Dividends and other payments to owners	0	0	0
3. Profit distribution outflows other than payments to owners	0	0	0
4. Repayment of borrowings	0	28 546	4 277
5. Redemption of debt securities	0	0	0
6. From other financial obligations	0	0	0
7. Payment of liabilities from financial lease agreements	11 642	16 392	12 291
8. Interest	5 777	6 290	6 273
9. Other financial outflows	0	0	0
III. Net cash flow from investment activities (I-II)	-9 375	24 091	52 478
D. Total net cash flow (A.III+/-B.III+/-C.III)	-10 969	-8 769	1 949
E. Balance-sheet change in cash, of which:	-10 969	-8 530	2 180
- change in cash from exchange rate differences	0	239	231
F. Cash at the beginning of the period	13 584	22 114	22 114
G. Cash at the end of the period (F+/- D)	2 615	13 345	24 063

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NOTES ON THE RESULTS OF THE ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP

In the period covered by the mid-year short-form consolidated financial statements:

- **Revenue from sales** in the third quarter of 2011 came to **PLN 86.8 million**, which is an increase of 2.4% compared with the same period of the previous year,
- **Gross profit from sales** came to **PLN 15.7 million** and was 112.9% greater than the profit in the third quarter of 2010,
- **Operating profit** came to **PLN 7.6 million** in the third quarter of this year, compared with a profit of **PLN 2.5 million** a year ago,
- **Net profit attributable to shareholders of the parent company** amounted to **PLN 7.3 million**, as opposed to **PLN 2.6 million** in the same period the previous year,
- **Employment in the EP CG** at the end of the third quarter of 2011 was **1,314**, remaining practically unchanged as compared with the end of the first six months of this year, but constituting a decrease in employment of 82 compared with the end of the third quarter of 2010.

The most significant **sources of revenue** from the EP Group's basic operations in the third quarter of 2011 included the following contracts:

Energy segment:

Name of contract	Value of revenue achieved in Q3 2011 [PLN '000]
Production and installation of exhaust and air flues for power units in the Eemshaven power station in Holland	13 737,5
Installation of the pressure component of a boiler in Rheinhafen-Dampfkraftwerk power station in Karlsruhe, Germany	12 126,7
Production and installation of exhaust and air flues of coal-fired boilers in Westfalen power station in Germany	11 344,0
Installation during modernisation of unit No. 6 of Elektrownia Bełchatów S.A.	5 914,5

Residential and industrial construction segment:

Name of contract / type of activity	Value of revenue achieved in Q3 2011 [PLN '000]
Sale of apartments in the Osiedle Książęce housing estate in Katowice Ligota	2 805,2
Construction of the roof structure for the PGE Arena Gdańsk football stadium	1 981,4

Other segment:

Type of activity	Value of revenue achieved in Q3 2011 [PLN '000]
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Type of activity	Value of revenue achieved in Q3 2011 [PLN '000]
Operation of steel materials warehouse	2 558,5

Profitability indicators

Profitability indicators	Q3 2010	Q3 2011
Gross profitability from sales ¹	8,7%	18,1%
Operating profitability ²	2,9%	8,8 %
Net profitability ³	3,1%	8,4 %

¹gross profit from sales / revenue from sales*100

²profit from operating activity / revenue from sales*100

³net profit attributable to shareholders of parent company/revenue from sales*100

In comparing the financial results of the ENERGOMONTAŻ POŁUDNIE Capital Group achieved in the third quarter of 2011 and in the same period of the previous year, one can observe a significant increase in profitability at the level of the gross result from sales and the operating result. The gross margin from sales was 18.1 per cent (an increase of 9.4 percentage points year-on-year), and operating profitability reached 8.8 per cent (an increase of 5.9 percentage points).

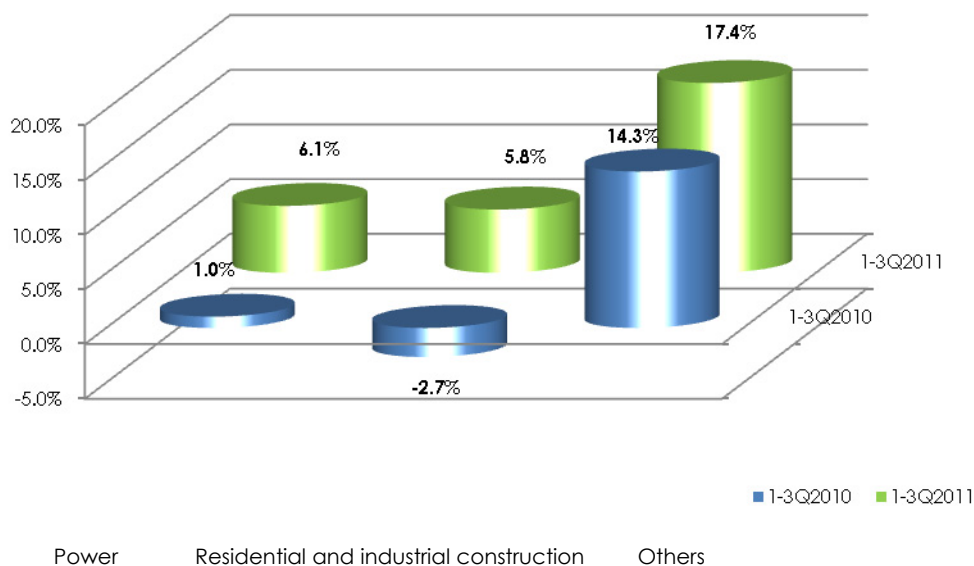
The margin growth in the third quarter of this year is caused primarily by the small share in sales of the contract concluded in previous years concerning the installation and delivery of the roof structure at the PGE Arena Gdańsk stadium (formerly the "Baltic Arena"). This contract had a much higher revenue and costs involvement in the third quarter of 2010, whereas in the third quarter of 2011 its share in EP CG sales is slight and does not have a negative impact on profitability.

The increase in operating profitability is also worth stressing because of the influence of AMONTEX on the Group result in the current reporting period was minus PLN 3.7 million at the level of operating profit (the "other operating costs" item). This is caused by the disclosure of write-downs made at the level of the parent company in the first six months, which were at that time subject to exclusions for consolidation, reduced by the negative equity of AMONTEX at the time of leaving the EP Capital Group.

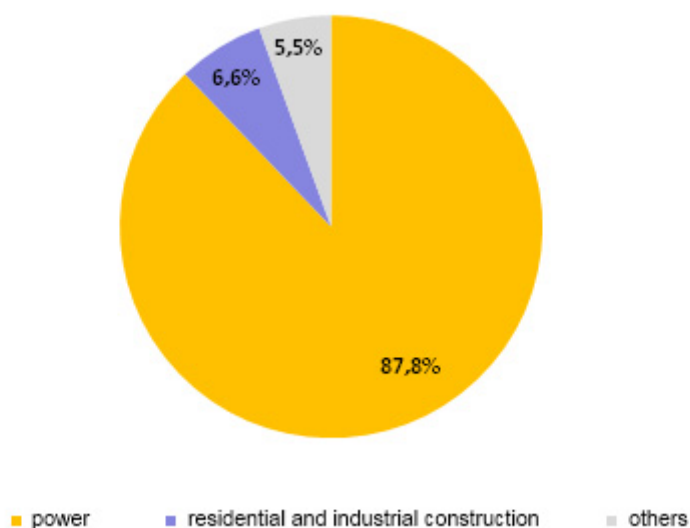
The net margin achieved by the ENERGOMONTAŻU POŁUDNIE CG in the third quarter of 2011 increased by 5.3 percentage points year-on-year, to 8.4 per cent.

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

Gross margin from sales in particular segments in the first three quarters of 2010 and 2011



Share of business segments in revenue from sales of the EP CG in the first three quarters of 2011



The greatest share in total revenue from sales of the EP CG went to the "power" segment, which was 87.8 per cent. This segment shows revenue from contracts carried out by the Group which were performed in Poland and abroad, mainly on the German and Dutch markets. These contracts are carried out primarily for the power wing of the Alstom concern - Alstom Power. The "residential and industrial construction" and "other" segments did not have a significant influence on revenues from sales in the first three quarters of this year.

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
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OTHER REVENUE AND OPERATING COSTS AND REVENUE AND FINANCE COSTS ITEMS

Sales costs

In the third quarter of 2011 sales costs stood at **PLN 75.8 million**, a decrease of 8.4 per cent compared with the third quarter of 2010.

The following table shows costs according to type:

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
Amortisation/depreciation	2 129	6 355	3 241	7 290
Consumption of materials and energy	8 539	23 622	12 466	46 476
External services	17 173	70 221	47 645	105 800
Taxes and charges	495	1 555	457	1 324
Employee benefits	34 690	92 899	28 042	74 614
Other costs according to kind	2 177	7 806	3 562	8 595
Total costs according to kind	65 203	202 458	95 413	244 099
Value of goods and materials sold	2 609	9 710	4 276	12 683
Change of balance of products, production in progress (-)	8 005	18 970	- 16 964	-19 272
Cost of creating benefits for the company's own needs	-52	-107	-	-5
Own sales costs, sales costs and general management costs	75 765	231 031	82 725	237 505

Other operating income

In the third quarter of 2011 other operating income amounted to **PLN 2.7 million**, the main value of which is revenue from rentals and leases.

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
profit from the sale of non-financial fixed assets	277	653	319	831
reversal of write-downs of assets	152	313	55	1 313
- receivables	152	286	55	1 313
- inventories	0	27	0	0
subsidies	0	36	21	62
compensation obtained under insurance contracts, penalties and fines	84	695	77	199
rentals, leases	2 056	5 542	1 709	4 805
other	175	405	39	230
release of provision for future Wrocław liabilities	0	1 060	0	1 000
correction of invoices	0	0	0	1 311
Total other operating revenue	2 744	8 704	2 220	9 751

Other operating costs

In the third quarter of 2011, other operating costs amounted to **PLN 6.1 million** compared with PLN 1.8 million in the same period of the previous year. In the third quarter of 2011 the biggest item was the result from the sale of a subsidiary (PLN 3.7 million).

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
receivables revaluation write-downs	158	256	153	252
donations	53	102	14	98
compensation under insurance contracts, penalties and fines	82	1 276	443	1 530
time-barred receivables, written off and uncollectible	6	14	0	24
costs which are not operating costs	0	620	0	0
accident-related repairs, other damage	198	1 092	74	199
provision for holidays, court and enforcement expenses, compensatory allowances, other	0	1 016	179	1 008
lease costs relating to investments in real property	1 342	3 178	887	2 867
taxes, including VAT - allowance for bad debts; gratuitous handover of infrastructure; fx ineffective part	574	2 484	0	0
result from sale of subsidiary	3 709	3 709	0	0
provision for Wrocław penalties, equivalent Tenants' Association	0	2 087	0	0
Total other operating costs	6 122	15 834	1 750	5 978

Financial revenue

Financial revenue in the third quarter of 2011 amounted to **PLN 0.3 million** compared with PLN 4.7 million in the same period of the previous year.

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
interest	54	371	71	633
- from loans granted	54	58	0	0
- bank interest	0	106	17	450
- other interest	0	207	54	183
revenue from financial market transactions	92	1 260	4 525	4 861
due to dividends and share in profits	12	36	39	39
Other	155	271	16	188
Total financial revenue	313	1 938	4 651	5 721

Finance costs

Finance costs in the third quarter of 2011 amounted to **PLN 3.4 million** compared with PLN 2.4 million in the same period of the previous year. The most important finance costs item is the cost of servicing the debt of the parent company, amounting to PLN 2.0 million.

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
interest, bank fees	2 032	6 020	2 046	4 855
- from loans received	1	5	292	554
- interest and fees from bank credit	1 154	3 190	850	1 449
- other interest	877	2 825	904	2 852
exchange rate differences	698	595	161	786
discount (re long-term settlements)	587	1 849	36	36
other	69	784	141	690

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Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
Total finance costs	3 386	9 248	2 384	6 367

ADDITIONAL INFORMATION AND EXPLANATIONS CONCERNING THE MID-YEAR SHORT-FORM CONSOLIDATED FINANCIAL STATEMENTS

1. General information

1.1. Information about the Parent Company and the Capital Group

As on the day of publication of these statements, the ENERGOMONTAŻ-POŁUDNIE Capital Group is composed of the parent company - ENERGOMONTAŻ-POŁUDNIE S.A. – and the following subsidiaries:

- MODUS II Sp. z o.o. [MODUS II]
- Open Sp. z o.o. (company not subject to consolidation)
- Energomontaż Zachód Sp. z o.o. (company not subject to consolidation)

MODUS II is subject to consolidation by the full method. ENERGOMONTAŻ-POŁUDNIE S.A. also holds 70 per cent of the shares in Open Sp. z o.o. of Wrocław, and 90.3 per cent of the shares in Energomontaż Zachód Sp. z o.o. of Warsaw. The Company has no control over those two companies on account of pending bankruptcy procedures.

The parent company, ENERGOMONTAŻ-POŁUDNIE S.A. with its registered office in Katowice at ul. Mickiewicza 15, 40-951 Katowice, has been operating on the Polish and international power and industrial construction market for more than half a century.

Its core business is providing services involving construction and assembly production, general contracting for investments, and assembling, upgrading and refurbishing power production and industrial equipment and installations. The main customers for its services and products are commercial and industrial power companies, foundries, coking plants and chemical works.

The parent company and the subsidiary MODUS II are covered in the mid-year short-form consolidated financial statements.

Name of subsidiary	Registered office:	EP's share in capital:		
		30.09.2011	30.09.2010	31.12.2010
MODUS II	Katowice	100 %	100 %	100 %

MODUS II does not hold shares in the capital of other companies. The parent company holds shares/ownership interests in other companies. The parent company's connections with those companies do not have a significant impact on the results of the EP Capital Group.

These mid-year short-form consolidated financial statements were approved for publication by the Management Board of the parent company on 10 November 2011.

1.2. Composition of the Parent Company's Management Board, Registered Holders of a Commercial Power of Attorney, and Supervisory Board

The Management Board of the parent company as on the day of approval of the financial statements for publication consisted of:

- Krzysztof Jan Diduch – President of the Management Board,
- Waldemar Barański – Vice-president of the Management Board,
- Radosław Kamiński – Vice-president of the Management Board.

In the period from 1 January 2011 to the day of approval of the financial statements for publication, the following changes were made to the Management Board of the parent company:

- on 22 March 2011 the Supervisory Board of ENERGOMONTAŻ-POŁUDNIE S.A. appointed Mr Radosław Kamiński to exercise the function of President of the Management Board of the Company (in the period from 1 January 2011, Mr Kamiński was temporarily delegated by the Supervisory Board of the parent company to perform the obligations of President of the Management Board of the Company),

Name of capital group:	<i>ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP</i>		
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Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

- on 22 March 2011 the Supervisory Board of ENERGOMONTAŻ-POŁUDNIE S.A. appointed Mr Ryszard Radomski to the Management Board,
- on 22 March 2011 the Supervisory Board of the Company recalled Mr Dariusz Kowzan from the Management Board,
- on 28 June 2011 Mr Radosław Kamiński resigned as President of the Management Board, but remained on the Management Board of the Company,
- on 28 June 2011 the Supervisory Board of the Company appointed Mr Krzysztof Jan Diduch as President of the Management Board of the Issuer,
- on 3 August 2011 the Supervisory Board of the Company appointed Mr Waldemar Barański to the Management Board,
- on 27 October 2011 the Supervisory Board of the Company recalled Mr Ryszard Radomski and Mr Jacek Fydrych from the Management Board.

The Supervisory Board of the parent company as on the day of approval of the financial statements for publication consisted of:

- Andrzej Wilczyński – Chairman of the Supervisory Board,
- Stanisław Gasinowicz – Deputy Chairman of the Supervisory Board,
- Marek Skibiński – Secretary of the Supervisory Board,
- Grzegorz Wojtkowiak – Member of the Supervisory Board,
- Andrzej Kowalski – Member of the Supervisory Board,
- Tomasz Woroch – Member of the Supervisory Board.

In the period from 1 January 2011 to the day of publication of the financial statements, the following changes were made to the Supervisory Board of the parent company:

- on 13 January 2011 the Extraordinary General Meeting of Shareholders of the Company appointed Mr Stanisław Gasinowicz and Mr Marek Skibiński to the Supervisory Board of ENERGOMONTAŻ-POŁUDNIE S.A.,
- on 22 April 2011 Mr Radosław Kamiński resigned as member of the Supervisory Board of ENERGOMONTAŻ-POŁUDNIE S.A.,
- on 27 October 2011 Mr Stanisław Gasinowicz resigned as Chairman of the Supervisory Board. The resignation applies to the function of Chairman of the Supervisory Board of the Company, but not to membership on the Supervisory Board of the Company. On the same day, the Supervisory Board of the Company appointed Mr Andrzej Wilczyński as Chairman of the Supervisory Board. In connection with the resignation referred to above, Mr Stanisław Gasinowicz was appointed by the Supervisory Board to exercise the function of Deputy Chairman of the Supervisory Board.

2. Basis for preparation, and accounting principles

2.1. Basis for preparation

This consolidated report for the third quarter of 2011 was drawn up in accordance with Article 87 par. 1-10 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information disclosed by issuers of securities [...] (Journal of Laws No. 33, item 259, as amended) and includes financial data for ENERGOMONTAŻ-POŁUDNIE S.A. (the "Company") and its subsidiaries. The non-consolidated and consolidated financial statements set out in this report were drawn up in accordance with the International Accounting Standards and the International Financial Reporting Standards (IAS/IFRS).

Unless stated otherwise, all financial figures are given in thousands of Polish zlotys.

The Company also declares that, acting on the basis of Article 83 par. 1 of the above-mentioned Regulation, Energomontaż-Południe S.A. will not provide a separate non-consolidated quarterly report. Abridged non-consolidated financial statements of ENERGOMONTAŻ-POŁUDNIE S.A. are included in this extended consolidated quarterly report.

2.2. Accounting principles

The non-consolidated and consolidated financial statements in this report were drawn up in accordance with the International Financial Reporting Standards (IFRS). Detailed information about the principles adopted in preparing the report for the third quarter of 2011 was included in the non-consolidated and consolidated interim report for 2010. The reports were published with the aid of the

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
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ESPI system on 21 March 2011. The Company is making the content of the reports available on the website www.energomontaz.pl

2.3. Adjustments made and changes in accounting principles

There were no changes in accounting principles in the reporting period in relation to those applied in the previous financial year. In the quarterly financial statements and in the quarterly consolidated financial statements, the same accounting principles and calculation methods were applied as those applied in the most recent annual financial statements and the annual consolidated financial statements.

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

DESCRIPTION OF ADJUSTMENTS MADE TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 30.09.2011

	Item of statements		Adjustment amount	Effect on retained earnings 30.09.2010
	(+)	(-)		
Total changes to non-consolidated statements				(73 758)
[Q] consolidation adjustments-removal of the write-down of the value of shares disclosed in the non-consolidated statements			33 023	33 023
[Q] establishment of a goodwill write-down (Amontex)		Retained goodwill / profit (loss)	26 219	-26 219
[S] adjustment of leaseback (settlement)	Other operating income	Current accruals and deferred income (liabilities)	771	771
[S] Adjustment of leaseback - removal of profits from sale	Current accruals and deferred income (liabilities)	Retained profit (loss)	5 147	-5 147
[K] Adjustment of the depreciation write-down of the development business inventory, in connection with a disclosure of the right of perpetual usufruct of land and adjustment of the merger with CK Modus	Inventory	Investments in subsidiaries	2 395	
[R] Provision for deferred tax on Amontex contracts	Provision for deferred income tax	Retained profit (loss)	492	-492
[R] Deferred tax concerning adjustments introduced to the Amontex financial statements	Provision for deferred income tax	Net profit (loss) attributable to the shareholders of the parent company	172	-172
[S] Deferred tax concerning adjustments introduced to the consolidated financial statements	Provision for deferred income tax	Net profit (loss) attributable to the shareholders of the parent company / Deferred income tax assets	880	880
		Total		-71 114

ADJUSTMENTS MADE AND CHANGES TO ACCOUNTING PRINCIPLES - AGREEING ON ITEMS OF THE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - ASSETS	30.09.2010		
	Before	Adjustments	After
Tangible assets			
Goodwill	26 219	(26 219)	-
Intangible assets	1 441	-	1 441
Property, plant and equipment	64 347	10 116	74 463
Investment properties	96 740	(10 186)	86 554
Investments in subsidiaries	-	-	-
Investments in affiliated companies	-	-	-
Borrowings	-	3 839	3 839

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - ASSETS	30.09.2010		
	Before	Adjustments	After
Derivative financial instruments	-	-	-
Other non-current financial assets	290	-	290
Non-current prepayments and accrued income	8 998	(8 970)	28
Deferred income tax assets	4 652	1 575	6 227
Tangible assets	202 687	(29 845)	172 842
Current assets			
Inventories	82 394	27 900	110 294
Construction service agreement receivables	-	-	-
Trade and other receivables	138 052	(4 408)	133 644
Current income tax receivables	2 220	-	2 220
Loans	-	-	-
Derivative financial instruments	2 725	-	2 725
Other current financial assets	-	-	-
Current prepayments and accrued income	24 164	(5 990)	18 174
Cash and cash equivalents	24 294	-	24 294
Non-current assets designated for sale	-	-	-
Current assets	273 849	17 502	291 351
Total assets	476 536	(12 343)	464 193

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - LIABILITIES	30.09.2010		
	Before	Adjustments	After
Equity			
<i>Equity attributable to shareholders of the parent company:</i>			-
Stated capital	92 307	-	92 307
Own shares (-)	-	-	-
Capital from sale of shares above their par value	-	-	-
Other capital	119 678	5 120	124 798
Retained earnings:	(12 882)	(71 114)	(83 996)
Retained profit (loss)	(18 416)	(52 502)	(70 918)
- net profit (loss) attributable to the shareholders of the parent company	5 534	(18 612)	(13 078)

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
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CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - LIABILITIES	30.09.2010		
	Before	Adjustments	After
Equity attributable to shareholders of the parent company	199 103	(65 994)	133 109
Non-controlling shares			-
Equity	199 103	(65 994)	133 109
Liabilities			
Non-current liabilities			
Credit facilities, loans and other debt instruments	6 773	-	6 773
Financial leases	60 804	(8 362)	52 442
Derivative financial instruments	-	-	-
Other liabilities	-	3 196	3 196
Provision for deferred income tax	6 626	6 537	13 163
Liabilities and provisions for employee benefits	5 860	-	5 860
Other long-term provisions	-	-	-
Non-current accruals and deferred income	-	-	-
Non-current liabilities	80 063	1 371	81 434
Current liabilities			
Trade and other liabilities	85 077	37 749	122 826
Current income tax liabilities	-	-	-
Credit facilities, loans and other debt instruments	76 825	-	76 825
Financial leases	11 593	(2 989)	8 604
Derivative financial instruments	1 101	-	1 101
Liabilities and provisions for employee benefits	1 197	-	1 197
Other current provisions	1 263	-	1 263
Current accruals and deferred income	20 314	17 520	37 834
Liabilities associated with non-current assets designated for sale		-	-
Current liabilities	197 370	52 280	249 650
Total liabilities	277 433	53 651	331 084
Total liabilities	476 536	(12 343)	464 193

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	from 01.01.10 to 30.09.10		
	Before	Adjustments	After
Continuing operations			
Sales revenue	250 531	(26 471)	224 060
Own sales costs	230 117	(8 345)	221 772
Gross profit (loss) from sales	20 414	(18 126)	2 288
Sales costs	338	-	338
General management costs	15 395	-	15 395
Other operating income	8 980	771	9 751
Other operating costs	5 393	585	5 978
Profit (loss) on sale of subsidiaries (+/-)		-	-
Operating profit (loss)	8 268	(17 940)	(9 672)
Financial revenue	7 956	(2 235)	5 721
Finance costs	8 566	(2 199)	6 367
Share in profits (losses) of subordinated companies valued by the equity method (+/-)			-
Profit (loss) before tax	7 658	(17 976)	(10 318)
Income tax	2 124	636	2 760
Net profit (loss) from continuing operations	5 534	(18 612)	(13 078)
Discontinued operations			
Net profit (loss) from discontinued operations			-
Net profit (loss)	5 534	(18 612)	(13 078)
Net profit (loss) attributable to:			
- shareholders of the parent company	5 534	(18 612)	(13 078)
- non-controlling entities			-

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

DESCRIPTION OF ADJUSTMENTS MADE TO NON-CONSOLIDATED FINANCIAL STATEMENTS AS AT 30.09.2011

	Item of statements		Adjustment amount	Effect on retained earnings 30.09.2010
	(+)	(-)		
[A] Adjustment of the revaluation write-down for the shares of Amontex	Share revaluation write-downs	Result from previous years	33 023	-33 023
[B] Adjustment of the industrial production entry – revenues from sales	Trade and other liabilities	Retained profit (loss)	26 516	-26 516
	Trade and other liabilities	Sales revenues	14 802	-14 802
[B] Adjustment of the industrial production entry - provision for future costs	Inventories / Short-term accruals and deferred income	as at 31.12.2009	959	
		as at 30.09.2010	1 521	
		Own sales cost	12 675	12 675
[B] Adjustment of the industrial production entry – own sales cost	Retained profit (loss) / inventories		15 310	15 310
[M] - Adjustment of the settlement of long-term contracts	Current accruals and deferred income (liabilities)	Sales revenue /Current prepayments and accrued income (assets)	11 669	
			3 001	-11 669
			8 668	
[E] Established provision for warranty repairs	Own sales cost / Current accruals and deferred income (liabilities)	as at 30.09.2010	894	-894
		Current accruals and deferred income (liabilities)	Retained profit (loss)	1 422
[H] Correcting entry of value recorded by result concerning headquarters building (in connection with re-qualification from investments in real property to tangible assets)	Other capital	Retained profit (loss)	4 944	-4 944
[H] Change of classification of part of headquarters building at fair value as at 31.12.2009	Property, plant and equipment	Investments in real property	6 584	
[H] Depreciation of management building (in connection with re-qualification from investments in real property to tangible assets)	Own sales cost	Property, plant and equipment		-64
		as at 30.09.2010	64	
		Retained profit (loss)/Property, plant and equipment	582	-582
[D] Creating provision for unused leave	Other operating costs / Current accruals and deferred income (liabilities)	as at 30.09.2010	585	-585
		Current accruals and deferred income (liabilities)	Retained profit (loss)	683

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

	Item of statements		Adjustment amount	Effect on retained earnings 30.09.2010
	(+)	(-)		
[J] Recording investments in real property at fair value	Retained profit (loss) on Investments in real property		628	628
[G] Recording tangible assets at fair value	Property, plant and equipment Other capital as at 31.12.2009		1 376	
[K] Adjustment of the depreciation write-down of the development business inventory, in connection with a disclosure of the right of perpetual usufruct of land and adjustment of the merger with CK MODUS	Retained result/ investments in subsidiaries		2 395	2 395
[I] Recording investments in real property at fair value as at 31.12.09 (Wrocław)		Investment property Retained profit (loss)	5 567	-5 567
[N] disclosure of land under financial lease	Investments in real property	Non-current financial liabilities	608	
[F] Discount of non-current receivables on deposits	Finance costs	Trade and other receivables	4	-4
		Trade and other receivables and retained profit (loss)	565	-565
[F] Discount of non-current liabilities on deposits	Finance costs / Trade and other liabilities		32	-32
	Retained profit (loss)	Trade and other liabilities	404	404
[C] Disclosure of right of perpetual usufruct of land as on day of switching to IFRS	Retained profit (loss) Property, plant and equipment; Investments in real property		3 530	3 530
[L] Deferred tax concerning adjustments introduced to the financial statements	Provision for deferred income tax	Retained profit (loss)	4 116	-4 116
	Deferred income tax assets Retained profit (loss)		507	507
[L] Deferred tax concerning adjustments introduced to the financial statements	Provision for deferred income tax	Net profit (loss)		
		as at 30.09.2010	556	-556
	Net profit Deferred income tax assets	as at 30.09.2010	189	189
[L] Deferred tax concerning adjustments introduced to the financial statements	Deferred tax provision	Other capital	1 200	
[P] changes to the disclosure of financial market transactions result – as per account balance		Financial revenue / Finance costs	2 235	

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
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Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

	Item of statements		Adjustment amount	Effect on retained earnings 30.09.2010
	(+)	(-)		
[O] changes to the disclosure of non-current interest concerning financial leasing		Non-current prepaid expenses / non-current liabilities		
		30.09.2010	8 970	
[O] changes to the disclosure of current interest concerning financial leasing		Non-current prepaid expenses / current liabilities		
		30.09.2010	2 989	
[O] changes to the disclosure of non-current retained amounts - receivables	Non-current receivables	Trade receivables		
		30.09.2010	4 408	
[O] changes to the disclosure of non-current retained amounts - liabilities	Non-current liabilities	Trade liabilities		
		30.09.2010	3 569	
		Total		-73 758

NON-CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - ASSETS	30.09.2010		
	Before	Adjustments	After
Tangible assets			
Goodwill	-	-	-
Intangible assets	1 429		1 429
Property, plant and equipment	60 429	10 116	70 545
Investments in real property	96 740	(10 186)	86 554
Investments in subsidiaries	35 601	(30 628)	4 973
Investments in affiliated companies	-	-	-
Borrowings	28 294	3 839	32 133
Derivative financial instruments	-	-	-
Other non-current financial assets	291	-	291
Non-current prepayments and accrued income	12 115	(8 970)	3 145
Deferred income tax assets	4 545	695	5 240
Tangible assets	239 444	(35 134)	204 310
Current assets			
Inventories	30 185	25 505	55 690

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
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NON-CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - ASSETS	30.09.2010		
	Before	Adjustments	After
Construction service agreement receivables	-	-	-
Trade and other receivables	143 801	(4 408)	139 393
Current income tax receivables	2 220	-	2 220
Loans	-	-	-
Derivative financial instruments	2 725	-	2 725
Other current financial assets	-	-	-
Current prepayments and accrued income	19 081	(5 990)	13 091
Cash and cash equivalents	23 254	-	23 254
Non-current assets designated for sale	-	-	-
Current assets	221 266	15 107	236 373
Total assets	460 710	(20 027)	440 683

NON-CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - LIABILITIES	30.09.2010		
	Before	Adjustments	After
Equity			
<i>Equity attributable to shareholders of the parent company:</i>			-
Stated capital	92 307	-	92 307
Own shares (-)	-	-	-
Capital from sale of shares above their par value	-	-	-
Other capital	113 263	5 120	118 383
Retained earnings:	13 509	(73 758)	(60 249)
- retained profit (loss)	-	(54 644)	(54 644)
- net profit (loss) attributable to shareholders of the parent company	13 509	(19 114)	(5 605)
Equity attributable to shareholders of the parent company	219 079	(68 638)	150 441
Non-controlling shares			-
Equity	219 079	(68 638)	150 441
Liabilities			

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

NON-CONSOLIDATED STATEMENT OF FINANCIAL CONDITION - LIABILITIES	30.09.2010		
	Before	Adjustments	After
Non-current liabilities			
Credit facilities, loans and other debt instruments	5 600	-	5 600
Financial leases	60 449	(8 362)	52 087
Derivative financial instruments	-	-	-
Other liabilities	-	3 196	3 196
Provision for deferred income tax	6 616	5 873	12 489
Liabilities and provisions for employee benefits	5 708	-	5 708
Other long-term provisions	-	-	-
Non-current accruals and deferred income	-	-	-
Non-current liabilities	78 373	707	79 080
Current liabilities			
Trade and other liabilities	82 830	37 749	120 579
Current income tax liabilities	-	-	-
Credit facilities, loans and other debt instruments	47 783	-	47 783
Financial leases	11 289	(2 989)	8 300
Derivative financial instruments	1 101	-	1 101
Liabilities and provisions for employee benefits	909	-	909
Other current provisions	1 000	-	1 000
Current accruals and deferred income	18 346	13 144	31 490
Liabilities associated with non-current assets designated for sale	-	-	-
Current liabilities	163 258	47 904	211 162
Total liabilities	241 631	48 611	290 242
Total liabilities	460 710	(20 027)	440 683

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
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NON-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	from 01.01.2010 to 30.09.2010		
	Before	Adjustments	After
Continuing operations			
Sales revenue	256 169	(26 471)	229 698
Own sales cost	233 985	(8 345)	225 640
Gross profit (loss) from sales	22 184	(18 126)	4 058
Sales costs	346	-	346
General management costs	12 380	-	12 380
Other operating income	9 975	-	9 975
Other operating costs	5 271	585	5 856
Profit (loss) on sale of subsidiaries (+/-)	-	-	-
Operating profit (loss)	14 162	(18 711)	(4 549)
Financial revenue	9 166	(2 235)	6 931
Finance costs	7 709	(2 199)	5 510
Share in profits (losses) of subordinated companies valued by the equity method (+/-)	-	-	-
Profit (loss) before tax	15 619	(18 747)	(3 128)
Income tax	2 110	367	2 477
Net profit (loss) from continuing operations	13 509	(19 114)	(5 605)
Discontinued operations			
Net profit (loss) from discontinued operations	-	-	-
Net profit (loss)	13 509	(19 114)	(5 605)
Net profit (loss) attributable to:			
- shareholders of the parent company	13 509	(19 114)	(5 605)
- non-controlling entities	-	-	-

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
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The following adjustments had a significant negative impact on the results in comparative periods, i.e. the result of the third quarter of 2010, as follows:

- by lowering the consolidated net result for the first three quarters of 2010 by PLN 18,612,000,
- by lowering the non-consolidated net result for the first three quarters of 2010 by PLN 19,14,000.

The main error adjustments concerned:

1/FOR THE NON-CONSOLIDATED STATEMENTS:

- A. including in the data for 30 June 2010 a revaluation write-down of the value of the shares of Amontex (PLN 33,023,000) disclosed against the 2009 result in connection with an incorrect assessment of the value of balance sheet revenues and incorrect impairment test; the adjustment was entered in the 2010 annual report,
- B. an incorrect determination of the time of the transfer to the customer of significant risks and benefits involved in industrial sales,
- C. a determination that the right of perpetual usufruct of land meets the IFRS assumptions regarding assets and their disclosure under fixed assets as land together with any changes in their fair value,
- D. the inclusion of white-collar employees in the provision estimates and updating the provisions for the first half of 2010,
- E. disclosure of the provision for warranty repairs in proportion to contract implementation,
- F. discounting long-term retained amounts,
- G. accounting for changes in the fair value of fixed assets in the group of buildings as at 31 December 2010,
- H. adjusting the qualification of a portion of the main office building as an investment property rather than property occupied by an owner,
- I. disclosure of a change in the fair value of the investment property being the subject of currency financial leasing as at 31 December 2009,
- J. entry of a change in the fair value of land investment property,
- K. adjustment of an entry in the settlement of a merger with the subsidiary CK-Modus Sp. z o.o., the in-kind contribution surplus that arose at the time of increasing the share capital of that company and its effect on inventory revaluation write-downs,
- L. adjustment of the provisions for deferred income tax mainly due to the valuation of contracts and fixed assets,
- M. settlement of long-term contracts, primarily a contract from a few years ago, concerning a steam boiler upgrade at Energetyka Dwory Sp. z o.o. and a contract concerning the building of the roof structure for the PGE Arena Gdańsk stadium – a decrease in the profitability of these contracts was disclosed primarily in the first half of 2010,
- N. disclosure of land under financial lease,
- O. changes to the disclosure of interest on financial lease, long-term retained amounts,
- P. changes to the disclosure of the financial market transactions result.

2/FOR THE CONSOLIDATED STATEMENTS:

- Q. including in the data for 30 June 2010 a revaluation write-down of the goodwill of Amontex disclosed against the 2009 result in connection with an incorrect assessment of the value of balance sheet revenues and incorrect impairment test,
- R. an increase in the provision for deferred income tax on account of assessing contracts in the subsidiary,

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- S. disclosure in the consolidated financial statements of the sale by a subsidiary of fixed assets used by the parent company under a financial lease agreement as leaseback together with deferred income tax.

3. Important achievements and failures of the Capital Group

3.1. Significant events and transactions

The following may be regarded as being among the most important events in the third quarter of 2011 and in the period after the balance sheet date:

- **sale of own shares by parent company** – the sale price for **678,250** own shares was **PLN 4.10 per share**,
- **sale by ENERGOMONTAŻ-POŁUDNIE S.A. of all ownership interests in the subsidiary AMONTEX Przedsiębiorstwo Montażowe Sp. z o.o.**
- **merger of Energomontaż-Południe S.A.** with its subsidiary **EP Hotele i Nieruchomości Sp. z o.o.**,
- exceeding the threshold of 10 per cent of the Company's equity in the total value of agreements concluded by **Energomontaż-Południe S.A. with Południowy Koncern Energetyczny S.A.** (currently **TAURON Wytwarzanie S.A.**) – in the past 12 months the value of agreements concluded with that party was approximately PLN 22.5 million,
- exceeding the threshold of 10 per cent of the Company's equity in the total value of agreements concluded by **Energomontaż-Południe S.A. with E. ON Anlagenservice GmbH** – in the past 12 months the value of agreements concluded with that party was approximately PLN 17.7 million,
- **suretyship by ENERGOMONTAŻ-POŁUDNIE S.A.** for series C and D corporate bonds of **PBG S.A.** – the total amount of suretyships granted by EP was **PLN 990 million**,
- **participation by the parent company – ENERGOMONTAŻ-POŁUDNIE S.A.** – in an agreement to grant contractual guarantees concluded by companies from the PBG Capital Group with **HDI Asekuracja Towarzystwo Ubezpieczeń S.A.** – the guarantees will be granted within a limit determined at PLN 80 million.

Construction agreements

Apart from the aforementioned events concerning significant commercial agreements, the parent company gave notification of the events described below which occurred in the reporting period.

Change of contractor of the subject of a significant agreement

On 27 July 2011 ENERGOMONTAŻ-POŁUDNIE S.A. terminated an agreement for an initial value of **13 million euros**, concluded in previous years with the subsidiary **AMONTEX Przedsiębiorstwo Montażowe Sp. z o.o.** (Subcontractor), the subject of which was installation work regarding flues for two power units (D and E, each of 800 MW) in Westfalen, Germany. The agreement was terminated with effect from 31 July 2011. The part of the work which has not as yet been performed will be carried out directly by the parent company by the end of June 2012.

Understanding with Instal-Rem S.A.

On 29 September 2011 ENERGOMONTAŻ-POŁUDNIE S.A. concluded an **understanding with** the Subcontractor – **Instal-Rem S.A.** – concerning the dissolution of a significant agreement for an initial value of **5.38 million euros**, the subject of which was subcontractor works at the Eemshaven power plant in Holland. The agreement was dissolved on the day the understanding was signed.

Work still remaining to be done will be carried out by the Company or another subcontractor. It must be emphasised that the understanding concluded indicates the possibility of the parties co-operating further in other areas, and in particular with regard to Instal-Rem S.A.'s provision of work or other types of services and deliveries within the scope indicated by Energomontaż-Południe S.A. up to an amount constituting the difference between their liabilities.

Financial agreements

In the reporting period the parent company gave notification of the events described below concerning financial agreements.

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Credit agreements concluded with Bank PEKAO S.A.

A package of annexes was concluded to agreements between the parent company and Bank **PEKAO S.A.** signed in previous years. By virtue of the annexes, the time for the repayment of credit facilities was extended, as were the periods for the availability of other banking products used by the Company, as referred to below:

- extension to 30 September 2011 of the period for repaying part of the working capital credit, amounting to **PLN 10 million**,
- extension to 30 June 2012 of the period of availability of credit on the current account, amounting to **PLN 15 million**,
- extension to 30 June 2012 of the possibility of the Company making use of banking products (bank guarantees and letters of credit) to a total amount equivalent to **PLN 7 million**,
- extension to 30 June 2012 of the deadline for repayment of, and the possibility for the Company to make use of, credit on the current account, in the amount of **EUR 1 million**.

Credit agreement with Fortis Bank Polska S.A.

An annex was concluded to the credit agreement of 31 August 2010, by virtue of which a credit limit at **FORTIS Bank Polska S.A.** of **PLN 34 million** was made available to the Company for a further annual period until 30 August 2012.

Cooperation agreement with BRE Bank S.A.

Annexes were concluded by virtue of which the limit concerning products of **BRE Bank S.A.** (guarantees, credit on the current account and working capital credit) was increased to **PLN 20 million**, and the period of applicability of the limit extended to 31 July 2012.

Order portfolio

As on 1 October 2011 the value of the order portfolio of the EP Group **was almost PLN 321 million**, of which more than PLN 97 million is to be performed in 2011.

The value of the portfolio was estimated on the basis of the euro exchange rates accepted by the parent company in calculating orders. The portfolio includes the estimated value of orders that will be realised in subsequent reporting periods.

The greatest share in the order portfolio structure is made up by contracts from the "power" segment, with a share of 99.6 per cent. The share of the "residential and industrial construction" and "other" segments in the portfolio is small.

3.2. Description of extraordinary factors and events, particularly those that had a material effect on the consolidated financial results

In the third quarter of 2011 the parent company carried out a transaction to sell all shares in the subsidiary AMONTEX. In subsequent reporting periods AMONTEX will no longer exert a negative influence on the consolidated results.

INFLUENCE OF EXCHANGE RATE HEDGING ON RESULTS ACHIEVED BY THE EP CAPITAL GROUP

As a result of open items on the currency market, the EP Capital Group remains secured for an essential part of the cash flows (concerning revenue from sales) to be settled in 2012 in the amount of approximately EUR 16 million, and in 2013 of approximately EUR 0.8 million. These transactions were concluded with an average weighted forward rate at the level of PLN 4.1963/EUR. On the basis of data received from banks, the balance sheet value of open items on forward hedging instruments as at 30 September 2011 amounted to minus PLN 5.1 million (of which, in connection with the appearance of revenue being hedged, in the Group result an amount of minus PLN 0.4 million was recorded), plus PLN 1.8 million of which was credited and posted in the consolidated income statement, including plus PLN 0.6 million in the result of the income statement in 2011, but minus PLN 6.9 million in equity. The result since the start of the year on forward and futures contracts performed (settled) to the end of the third quarter of 2011 amounted, on an increasing scale, to plus PLN 0.3 million.

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Hedging contracts are being concluded in accordance with the strategy, applicable in the EP Group, of securing business operations against exchange rate risk.

Since 1 July 2011 the EP Capital Group has been applying hedging accounting principles. Hedging instruments (forward exchange contracts) serve to hedge the profitability of specific business contracts of the EP Capital Group, and are not, and never have been, concluded for speculative purposes.

4. Profit per share

The basic/diluted profit per share is calculated according to the formula of the net profit attributable to shareholders of the parent company divided by the average weighted number of ordinary shares in a given period. The profit per share in the third quarter of 2011 was **PLN 0.10**, compared with PLN 0.04 in the same period the previous year.

5. Seasonal nature of operations

The market for construction/assembly services is subject to seasonal cycles, largely due to the weather. Work in the power sector, the main customer for the parent company's services, is also cyclical in nature. Refurbishment and modernisation work on power production facilities are mostly carried out in summer, because they operate in the winter period.

6. Operating segments

In separating operating segments, the Management Board is guided by those areas which represent the main services and products offered by the Capital Group.

In the Capital Group an operating segment has been determined to be the basic reporting model.

The list of segments is consistent with the presentation of operating segments in the consolidated financial statements of a higher level parent company, i.e. the PBG Capital Group.

The EP Capital Group recognises three segments in which operating activity is carried out:

- **power,**
- **residential and industrial construction,**
- **others.**

The following service ranges are distinguished in these segments:

POWER	RESIDENTIAL AND INDUSTRIAL CONSTRUCTION	OTHERS
<ul style="list-style-type: none"> ▪ installation services performed for the professional and industrial power industry ▪ construction and installation services performed for industry ▪ industrial manufacture of metal products 	<ul style="list-style-type: none"> ▪ developer operations ▪ general construction of buildings 	<ul style="list-style-type: none"> ▪ sale of metallurgical products ▪ training services ▪ laboratory and research services ▪ repair services, maintenance and servicing of machines and equipment ▪ equipment services ▪ lease of real property, equipment, machines and devices ▪ financing activities

In the period of the third quarter of 2011, segmentation changes were made due to adapting the operating segments to those functioning in the PBG Capital Group. The previous segments of production, construction, trade and auxiliary operations were again classified in the three areas of segment activity listed above.

The Group discloses revenue from sales, costs and the result (gross margin) as divided into the aforementioned segments, but does not disclose the assets and liabilities balance sheet divided into operating segments because part of the tangible assets are used for production classified into various

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segments and there is no possibility of assigning inventories of materials to particular segments; neither is it possible to assign payables or revenue and costs of other operating and financial activity to segments.

Information on particular segments is presented in the tables below.

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Revenue and results of operating segments:

Item	Segments		Others	Consolidated value
	Power	Residential and industrial construction		
<i>Financial results of segments for the period from 01.01.2011 to 30.09.2011</i>				
Total revenue	203 832	15 353	12 855	232 040
External sales	203 832	15 353	12 855	232 040
Sales among segments	-	-	-	-
Total costs	191 363	14 464	10 623	216 450
Segment result	12 469	889	2 232	15 590
<i>Financial results of segments for the period from 01.01.2010 to 31.12.2010</i>				
Total revenue	218 227	71 622	23 838	313 687
External sales	218 227	71 622	23 838	313 687
Sales among segments	-	-	-	-
Total costs	198 297	85 732	20 757	304 786
Segment result	19 930	- 14 110	3 081	8 901
<i>Financial results of segments for the period from 01.01.2010 to 30.09.2010</i>				
Total revenue	137 885	67 653	18 521	224 059
External sales	137 885	67 653	18 521	224 059
Sales among segments	-	-	-	-
Total costs	136 452	69 448	15 871	221 771
Segment result	1 433	- 1 795	2 650	2 288

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Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

7. Property, plant and equipment

The table below presents the division of property, plant and equipment into particular groups according to type.

Item	As at 30.09.2011	As at 30.09.2010	As at 31.12.2010
Land	7 438	3 999	7 613
Buildings and constructions	38 176	37 439	35 173
Machines and equipment	11 376	14 604	14 579
Means of transport	8 891	11 229	10 817
Other tangible assets	2 878	2 401	2 905
Net book value	68 759	69 672	71 087
Property, plant and equipment in production	435	4 791	4 258
Advance payments for tangible assets			
Total property, plant and equipment	69 194	74 463	75 345
Classification of property, plant and equipment as assets designated for sale			-
Property, plant and equipment	69 194	74 463	75 345

In the third quarter of 2011, the Group made no significant outlays on tangible assets.

8. Stated capital

In the first three quarters of 2011, the parent company did not issue any shares.

Stated capital as at balance sheet date:

	30.09.2011	30.09.2010	31.12.2010
Number of shares	70 972 001	70 972 001	70 972 001
Nominal value of shares (PLN)	1,00	1,00	1,00
Stated capital	70 972	70 972	70 972

8.1. Significant shareholders

Shareholders directly or indirectly holding, through subsidiaries, at least 5 per cent of the total number of votes at the General Meeting of Shareholders of the Issuer as on the day of publication of the consolidated quarterly report, together with an indication of the number of shares held by those 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 of Shareholders, and also an indication of ownership structure changes of significant blocks of shares of the parent company, in the period since the previous interim report was published.

We present below the Company's shareholding structure on the basis of notifications received from shareholders in votes at the General Meeting of Shareholders of the Company, as on the day on which the previous interim report was published, i.e. on **29.08.2011**.

Item Shareholder	Number of shares	Number of votes	Share in the share capital	Share in the total number of votes
1. PBG S.A.	46 021 520	46 021 520	64,84%	64,84%
2. VENA Sp. z o.o. Projekt 2 S.K.A.	4 214 296	4 214 296	5,94%	5,94%
3. Customers of PIONEER PEKAO Investment Management S.A.	3 594 619	3 594 619	5,06%	5,06%
4. Other shareholders	17 141 566	17 141 566	24,16%	24,16%
TOTAL	70 972 001	70 972 001	100,00%	100,00%

Changes in the ownership structure of significant blocks of shares

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Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

In the period from the publication of the previous interim report to the day of publication of this report, no changes in the ownership structure of significant blocks of shares were made.

8.2. Breakdown of shares held by management and supervisory personnel

Management Board of the Company	Number of shares held 29.08.2011	Increases	Decreases	Number of shares held currently
Krzysztof Jan Diduch	-	-	-	-
Radosław Kamiński	2 413 187	65 313	400 000	2 078 500
Waldemar Barański	-	-	-	-

Supervisory Board	Number of shares held 29.08.2011	Increases	Decreases	Number of shares held currently
Andrzej Wilczyński	-	-	-	-
Stanisław Gasinowicz	1 450 203	-	-	1 450 203
Marek Skibiński	-	-	-	-
Grzegorz Wojtkowiak	-	-	-	-
Andrzej Kowalski	-	-	-	-
Tomasz Woroch	-	-	-	-

9. Purchase of shares

In a session block transaction, the Company sold 678,250 own shares at a selling price of PLN 4.10 per unit. The shares were acquired in the first stage of the purchase of own shares. Settlement of the above block transaction for the sale of own shares was made on 11 July 2011. Since the settlement of that transaction, Energomontaż-Południe no longer holds any own shares.

The shares sold constituted 0.96 per cent of the share capital, providing 678,250 votes at the General Meeting of Shareholders of EP, which is 0.96 per cent of the total number of votes in the Company.

The Management Board of the parent company received approval from the Supervisory Board of the Company to complete the first stage of the purchase of own shares and suspend any further purchase of own shares, and on 27 October 2011 it completed the purchase of own shares carried out pursuant to Resolution No. 7 of the Extraordinary General Meeting of Shareholders of Energomontaż-Południe S.A. of 20 December 2010.

10. Dividends

In the third quarter of 2011 the Company did not pay, or declare that it would pay, a dividend.

11. Issuance and buy-back of debt securities

In the third quarter of 2011 the Group did not issue any debt securities. Neither does the Group hold debt securities with a buy-back obligation.

12. Contingent liabilities

The value of contingent liabilities as at the end of particular periods (also concerning affiliated companies) is as follows:

Contingent liabilities	Balance as at 30.09.2011	Balance as at 31.12.2010	Balance as at 30.09.2010
Guarantees:			
For affiliated companies:	0	0	0
For other companies:	97 809	71 657	80 565

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Contingent liabilities	Balance as at 30.09.2011	Balance as at 31.12.2010	Balance as at 30.09.2010
- proper performance	56 438	43 830	49 433
- proper removal of defects and faults	19 428	11 503	11 377
- bid security	639	802	49
- return of advance payment	21 304	15 522	19 706
- retained amounts	0	0	0,0
- payments	0	0	0,0
Suretyships:			
For affiliated companies:	825 000		24 577
- repayment of contractual guarantees			
- repayment of borrowings			24 577
- repayment of bond buy-back	825 000		
- repayment of limits for financial instrument transactions (treasury limits)			
- other			
- current and future leasing agreements			
For other companies:	91	119	141
- repayment of contractual guarantees			
- repayment of borrowings			
- repayment of bond buy-back			
- repayment of limits for financial instrument transactions (treasury limits)			
- other			
- repayment of commercial liabilities			
- current and future leasing agreements	91	119	141
Promissory notes:			
For affiliated companies:			
- securing contractual obligations			
For other companies:	1 272	1 436	1 958
- securing contractual obligations	1 272	1 436	1 958
Total contingent liabilities:	924 172	73 212	107 241

In the third quarter of 2011 the Group granted significant suretyships and guarantees in a value exceeding 10 per cent of the Group's equity.

The parent company – ENERGOMONTAŻ-POŁUDNIE S.A. (Surety) – granted suretyships for Series C and D corporate bonds of PBG S.A. (the Bond Issuer). The total value of the suretyships granted for the aforementioned bonds was PLN 990 million, of which:

- a suretyship for up to PLN 450 million granted for the period ending 10 March 2013 relates to PBG S.A.'s three-year Series C bearer bonds with a nominal value of PLN 100,000 each (the total nominal value of that series of bonds amounts to PLN 375 million). The bonds' maturity date falls on 10 September 2012, the interest is payable at a variable rate based on the 6M WIBOR, and their issuing yield is based on market conditions,
- a suretyship for up to PLN 540 million granted for the period ending 23 April 2014 relates to PBG S.A.'s three-year Series D bearer bonds with a nominal value of PLN 100,000 each (the total nominal value of that series of bonds amounts to PLN 450 million). The bonds' maturity date falls on 22 October 2013, and the interest is payable at a variable rate based on the 6M WIBOR plus a margin based on market conditions.

For granting the suretyships the Company will receive remuneration, which will be settled in annual periods on market terms. The Surety is a subsidiary of the Bond Issuer.

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

After the balance sheet date ENERGOMONTAŻ-POŁUDNIE S.A. participated in an agreement to grant contractual guarantees, concluded by companies from the PBG Capital Group with HDI Asekuracja Towarzystwo Ubezpieczeń S.A. According to the agreement, the amount of the renewable limit under which insurance guarantees will be granted to the Policyholders (companies from the PBG Capital Group - PBG S.A., HYDROBUDOWA POLSKA S.A., HYDROBUDOWA 9 S.A., APRIVIA S.A., "KWG" S.A., ENERGOMONTAŻ-POŁUDNIE S.A.) was established at PLN 80 million. The security for any claims by HDI arising from payments made under all the guarantees provided is thirty promissory notes in blanco with a promissory note declaration made by the Policyholders – five notes issued by each of the Policyholders, each of which is guaranteed by the remaining Policyholders (cross-suretyships).

13. Information about important court, arbitration and administrative proceedings

As on the date of publication of these financial statements, Energomontaż-Południe S.A. is party to pending court proceedings whose value amounts to 10 per cent or more of the Company's equity.

On 17 January 2011, the parent company received a copy of a claim by Martifer Polska Sp. z o.o. with its registered office in Gliwice (the "claimant") for payment, together with a motion for granting security of the claim. The value of the dispute indicated by the claimant was PLN 90,753,000. The claimant maintained that it was owed the requested amount as payment for the completed construction works on the basis of the construction works agreement of 29 October 2009, contractual penalties for rescinding the agreement, and damages for other breaches of the construction works agreement.

The defendants are: Energomontaż-Południe S.A., Hydrobudowa Polska S.A., Hydrobudowa 9 S.A., Alpine Construction Polska Sp. z o.o. and PBG Technologia Sp. z o.o.

The parent company's Management Board believes that the statement of claims contains unjustified claims with no legal or factual basis. The Management Board of Energomontaż-Południe S.A. believes that the statement of claims filed by Martifer Polska Sp. z o.o. was an example of strategic behaviour, aimed at improving the negotiating position of Martifer Polska Sp. z o.o. in connection with flagrant breaches by Martifer Polska Sp. z o.o. of the construction works agreement concluded with the Issuer, from which the Issuer, for reasons attributable to Martifer Polska Sp. z o.o., withdrew on 2 September 2010, as announced in Current Report No. 41/2010 of 3 September 2010.

The Company announced the conclusion of an agreement with the consortium of Hydrobudowa Polska S.A. and Alpine Construction Polska Sp. z o.o. for the construction of the steel roof structure of Arena Bałtycka (currently PGE Arena Gdansk) in Current Report No. 58/2009 of 21 October 2009. The performance of part of the work, of a value of PLN 44 million, was subcontracted to the consortium of Martifer Polska Sp. z o.o. and Ocekon Engineering s.r.o. Slovakia. The work was to have been completed by 30 June 2010.

Martifer Polska Sp. z o.o. failed to meet the work completion deadline, which led to the pending dispute. Currently, the amount of the claim has been reduced to PLN 60,313,000, mainly as a result of providing Martifer Polska Sp. z o.o. with a support structure.

Apart from what is set out above, in the reporting period neither the Issuer nor its subsidiary were parties to proceedings underway before a court, an arbitration body or a public administration body regarding the Issuer's or its subsidiary's liabilities or debts whose value would equal 10 per cent or more of the Issuer's equity, or to two or more proceedings regarding liabilities or debts whose total value would equal 10 per cent or more of the Issuer's equity.

14. Mergers of business units

In the third quarter of 2011 ENERGOMONTAŻ-POŁUDNIE S.A. merged with the subsidiary EP Hotele i Nieruchomości Sp. z o.o.

On 25 August 2011 the District Court of Katowice-Wschód in Katowice, Division VIII Commercial of the National Court Register, entered the merger of ENERGOMONTAŻ-POŁUDNIE S.A. with the subsidiary EP Hotele i Nieruchomości Sp. z o.o. (hereinafter: EP Hotele i Nieruchomości) in the Commercial Register.

The merger was conducted pursuant to Article 492 par. 1 pt. 1 of the Commercial Companies Code, through a transfer of the entire assets of EP Hotele i Nieruchomości as the target company to ENERGOMONTAŻ-POŁUDNIE S.A. as the acquiring company, by way of a takeover. The merger was effected without an increase in the share capital of the parent company, in compliance with Article 515 par. 1 of the Commercial Companies Code.

The target company – EP Hotele i Nieruchomości - ran tourism, hotel, recreation and catering operations, based on a holiday resort in Mrzeżyno (until April 2011) and a hotel in Będzin Łagisza. As a result of the merger, the structure of the EP Capital Group was simplified.

Name of capital group:	<i>ENERGOMONTAŻ-PÓŁUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Apart from the aforementioned merger of companies in the third quarter of 2011, a transaction to sell all shares in the subsidiary Amontex Przedsiębiorstwo Montażowe Sp. z o.o. also had an effect on the shape of the Capital Group structure.

15. Discontinued operations

The Group has no discontinued operations.

16. Transactions with affiliates

Suretyships for PBG S.A.'s corporate bonds

In the reporting period the parent company granted suretyships for Series C and D corporate bonds of an affiliate - PBG S.A. (the Bond Issuer). Energomontaż-Południe S.A. is a subsidiary in the PBG Capital Group. The suretyship transactions have been described in detail in Item 13 of these financial statements, concerning contingent liabilities.

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

INFORMATION ABOUT AFFILIATES – SALES AND RECEIVABLES

	Revenues from operating activities			Receivables		
	01.01 - 30.09.2011	01.01. - 30.09.2010	01.01. - 31.12.2010	30.09.2011	30.09.2010	31.12.2010
Sales to:						
Parent company	2	-	-	54	-	-
Subsidiaries	-	13 623	17 010	-	9 075	4 970
Subsidiary belonging to PBG Capital Group not subject to consolidation by Energomontaż-Południe Capital Group	2 479			1 410		
Associates						
Joint ventures						
Other affiliates		-	-		-	-
Total	2 481	13 623	17 010	1 464	9 075	4 970

INFORMATION ABOUT AFFILIATES – PURCHASES AND LIABILITIES

	Purchase (costs, assets)			Liabilities		
	01.01 - 30.09.2011	01.01. - 30.09.2010	01.01. - 31.12.2010	30.09.2011	30.09.2010	31.12.2010
Purchase from:						
Parent company	13	-	-	26	-	-
Subsidiaries	-	26 641	39 820	-	4 334	5 665
Subsidiary belonging to PBG Capital Group not subject to consolidation by Energomontaż-Południe Capital Group	1762			318		
Associates						
Joint ventures						
Other affiliates	219	-	-	35		
Total	1 994	26 641	39 820	379	4 334	5 665

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

INFORMATION ABOUT AFFILIATES – LOANS GRANTED

	30.09.2011		30.09.2010		31.12.2010	
	Granted in the period	Accumulated balance	Granted in the period	Accumulated balance	Granted in the period	Accumulated balance
Loans granted to:						
Parent company						
Subsidiaries	11	11	564	28 794	6 091	5 158
Subsidiary belonging to PBG Capital Group not subject to consolidation by Energomontaż-Południe Capital Group						
Associates						
Joint ventures						
Other affiliates						
Total	11	11	564	28 794	6 091	5 158

The EP Capital Group did not receive any loans from external entities.
Transactions with affiliated companies are concluded on market terms in the course of normal operations.

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

17. Occurrences after the balance sheet date

No other events occurred after the balance sheet date which had a significant effect on the consolidated result other than those described in point 3.1 of the financial statements.

18. The position of the Management Board regarding the possibility of fulfilling previously published forecasts

The Company did not publish any forecasts of financial results for 2011.

19. Factors which will have an influence on future financial results

The most important factors which could influence the Issuer's financial situation within at least the next quarter include:

- the business outlook in the industry,
- the situation on financial markets,
- the sale of shares in the subsidiary AMONTEX,
- the planned sale of assets (real property) not connected with the parent company's basic operations,
- the strengthening of operational and financial control as part of contracts being fulfilled,
- the level of prices of construction materials and services influencing the amount of direct costs of contracts being fulfilled,
- the costs of employing and the availability of qualified employees.

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

20. Selected financial data converted into euros

In the periods covered by the short-form consolidated financial statements, the following average exchange rates of the zloty in relation to the euro, determined by the National Bank of Poland, were used to convert selected financial data:

- the rate applicable on the last day of the reporting period: 30.09.2011 PLN 4.4112/EUR, 30.09.2010 PLN 3.9870/EUR, 31.12.2010 PLN 3.9603/EUR,
- the average rate in the period, calculated as the arithmetical mean of the rates applicable on the last day of each month in a given period: 01.01 – 30.09.2011 PLN 4.0413/EUR, 01.01 – 30.09.2010 PLN 4.027/EUR, 01.01 – 31.12.2010 PLN 4.0044/EUR,
- the highest and lowest rate applicable in each period: 01.01 - 30.09.2011 PLN 3.8403 – 4.4900/EUR, 01.01 - 30.09.2010 PLN 3.8356 – 4.1770/EUR, 01.01 - 31.12.2010 PLN 3.8356 – 4.1770/EUR.

The basic items of the consolidated statement of financial position, the consolidated statement of comprehensive income and the consolidated cash flow statement, converted into euros, are presented as follows:

Item	from 01.01.11 to 30.09.11	from 01.01.10 to 30.09.10	from 01.01.10 to 31.12.10	from 01.01.11 to 30.09.11	from 01.01.10 to 30.09.10	from 01.01.10 to 31.12.10
	PLN '000			EUR '000		
Statement of comprehensive income						
Sales revenues	232 040	224 060	313 687	57 417	55 977	78 336
Operating profit (loss)	(6 121)	(9 672)	(17 748)	(1 515)	(2 416)	(4 432)
Profit (loss) before tax	(13 431)	(10 318)	(19 294)	(3 323)	(2 578)	(4 818)
Net profit (loss)	(11 657)	(13 078)	(19 804)	(2 884)	(3 267)	(4 946)
Net profit (loss) attributable to shareholders of the parent company	(11 657)	(13 078)	(19 804)	(2 884)	(3 267)	(4 946)
Profit per share (PLN)	(0,17)	(0,19)	(0,29)	(0,04)	(0,05)	(0,07)
Diluted profit per share (PLN)			(0,29)	-	-	(0,07)
Average PLN / EUR rate in period				4,0413	4,0027	4,0044
Cash flow statement						
Net cash generated from operating activities	4 927	(34 249)	(5 426)	1 219	(8 556)	(1 355)
Net cash from investment activities	(6 521)	(16 280)	(27 434)	(1 614)	(4 067)	(6 851)
Net cash from financial activities	(9 375)	52 478	24 091	(2 320)	13 111	6 016
Net change in cash and cash equivalents	(10 969)	1 949	(8 769)	(2 714)	487	(2 190)
Average PLN / EUR rate in period				4,0413	4,0027	4,0044
Statement of financial position						
Assets	394 496	464 193	431 463	89 431	116 427	108 947

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Item	from 01.01.11 to 30.09.11	from 01.01.10 to 30.09.10	from 01.01.10 to 31.12.10	from 01.01.11 to 30.09.11	from 01.01.10 to 30.09.10	from 01.01.10 to 31.12.10
	PLN '000			EUR '000		
Non-current liabilities	73 418	81 434	79 148	16 644	20 425	19 985
Current liabilities	208 544	249 650	222 410	47 276	62 616	56 160
Equity	112 534	133 109	129 905	25 511	33 386	32 802
Equity attributable to shareholders of the parent company	112 534	133 109	129 905	25 511	33 386	32 802
PLN / EUR rate at end of period				4,4112	3,9870	3,9603

Name of capital group:	ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

SHORT-FORM NON-CONSOLIDATED FINANCIAL STATEMENTS OF ENERGOMONTAŻ-POŁUDNIE S.A.

STATEMENT OF FINANCIAL POSITION

Item	as at 30.09.11	as at 31.12.10	as at 30.09.10
Assets			
I. Non-current assets	171 857	171 478	204 310
1. Property, plant and equipment	69 088	72 333	70 545
2. Intangible assets	1 619	1 676	1 429
3. Goodwill	0	0	0
4. Investments in real property	83 941	83 887	86 554
5. Financial assets	471	3 991	33 558
5a. Investments in subsidiaries	0	100	4 973
5b. Investments held for sale	184	214	195
5c. Other financial assets	95	95	95
5d. Loans granted	192	3 582	28 295
6. Non-current receivables	7 787	4 011	3 839
7. Deferred income tax assets	8 871	5 500	5 240
8. Prepayments and accrued income	80	80	3 145
II. Current assets	222 160	257 402	236 373
1. Inventories	91 808	113 863	55 690
2. Current receivables	127 686	125 698	154 704
2a. Trade receivables	62 110	83 810	116 228
2b. Other receivables	19 944	21 796	23 165
2c. Income tax receivables	1 775	5 014	2 220
2d. Prepayments and accrued income	43 857	15 078	13 091
3. Current financial assets	51	4 599	2 725
3a. Loans granted	51	1 576	0
3b. Financial assets designated for sale	0	0	0
3c. Foreign exchange forward contracts	0	3 023	2 725
4. Cash and cash equivalents	2 615	13 242	23 254
III. Non-current assets designated for sale	0	0	0
Total assets	394 017	428 880	440 683
Liabilities			
I. Equity	115 400	136 107	150 441
1. Share capital	92 307	92 307	92 307
- including overvaluation of capital due to hyperinflation	21 335	21 335	21 335
2. Own shares	0	0	0
3. Capital reserves	33 385	32 492	97 492
4. Revaluation reserve	12 787	19 443	15 923
5. Other capital reserves	69 968	69 968	4 968
6. Retained profit (loss)	-78 824	-62 292	-54 644
7. Profit (loss) for the current year	-14 223	-15 811	-5 605
II. Non-current liabilities	73 418	77 615	79 080

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Item	as at 30.09.11	as at 31.12.10	as at 30.09.10
1. Provisions	17 783	18 077	18 197
1a. Provisions for employee benefits	5 996	5 996	5 708
1b. Provision for deferred income tax	11 787	12 081	12 489
1c. Other provisions	0	0	0
2. Financial liabilities	51 928	55 734	57 687
2a. Credit facilities and loans	2 300	4 775	5 600
2b. Leasing liabilities	49 628	50 959	52 087
3. Other non-current liabilities	3 707	3 804	3 196
III. Current liabilities	205 199	215 158	211 162
1. Provisions	2 935	1 844	1 909
1a. Provisions for employee benefits	844	844	909
1b. Other provisions	2 091	1 000	1 000
2. Financial liabilities	77 867	62 830	57 184
2a. Credit facilities and loans	63 986	54 241	47 783
2b. Leasing liabilities	8 785	8 304	8 300
2c. Foreign exchange forward contracts	5 096	285	1 101
3. Current liabilities	124 397	150 484	152 069
3a. Trade liabilities	40 078	46 564	44 579
3b. Other liabilities	69 414	82 438	76 000
3c. Income tax liabilities	0	0	0
3d. Accruals and deferred income	14 905	21 482	31 490
III. Liabilities associated with non-current assets designated for sale	0	0	0
Total liabilities	394 017	428 880	440 683
Book value	115 400	136 107	150 441
Average weighted number of ordinary shares (in '000)	69 467	68 966	68 290
Book value per share (in PLN)	1,66	1,97	2,20

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

STATEMENT OF COMPREHENSIVE INCOME

Item	Period from 01.07.11 to 30.09.11	Period from 01.01.11 to 30.09.11	Period from 01.07.10 to 30.09.10	Period from 01.01.10 to 30.09.10
I. Net revenues from the sale of products, goods and materials	85 732	228 363	84 087	229 698
II. Costs of products, goods and materials sold	69 657	208 398	78 973	225 640
III. Gross profit (loss) from sales	16 075	19 965	5 114	4 058
IV. Other revenue	2 405	8 413	2 252	9 975
V. Sales costs	103	290	121	346
VI. General management costs	4 473	12 434	4 480	12 380
VII. Other costs	2 164	20 104	1 645	5 856
VIII. Operating profit (loss)	11 740	-4 450	1 120	-4 549
IX. Financial revenue	187	1 875	5 061	6 931
X. Finance costs	3 347	14 288	2 082	5 510
XI. Gross (pre-tax) profit (loss)	8 580	-16 863	4 099	-3 128
XII. Income tax	-2 668	-2 640	2 160	2 477
XIII. Net profit (loss) from continuing operations	11 248	-14 223	1 939	-5 605
XIV. Profit (loss) on discontinued operations	0	0	0	0
XV. Net profit (loss) on continuing and discontinued operations	11 248	-14 223	1 939	-5 605
Item				
Net profit (loss)	11 248	-14 223	1 939	-5 605
Other comprehensive income	-6 626	-6 656	0	-6
Financial assets held for sale	0	-30	0	-6
Cash flow hedging	-6 930	-6 930	0	0
Effects of revaluation of property	0	0	0	0
Income tax relating to elements of other comprehensive income	304	304	0	0
Total comprehensive income	4 622	-20 879	1 939	-5 611
Net profit (loss)	11 248	-14 223	1 939	-5 605
Average weighted number of ordinary shares (in '000)	70 898	69 467	70 972	68 290
Profit (loss) per ordinary share (in PLN)	0,16	-0,20	0,03	-0,08

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

STATEMENT OF CHANGES IN EQUITY

01.01.2011	Share capital	Own shares	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) from previous years and the current year	Equity
Balance at beginning of period	92 307	0	32 492	10 808	69 968	-41 272	164 303
- including revaluation of capital due to hyperinflation	21 335						21 335
Changes in accounting principles	0	0	0	0	0	0	0
Correction of basic errors	0	0	0	8 635	0	-36 831	-28 196
Opening balance after changes	92 307	0	32 492	19 443	69 968	-78 103	136 107
Increases (+) / decreases (-) from liquidation and sale of fixed assets	0	0	0	0	0	0	0
Increases (+) / decreases (-) from profit distribution	0	0	0	0	0	0	0
Increases (+) / decreases (-), valuation of tangible assets				0			0
Dividend	0	0	0	0	0		0
Purchase of own shares		0	0	0			0
Valuation of financial assets				-30			-30
Creation of capital from valuation of hedging transactions				-6 626			-6 626
Net profit (loss)	0	0	0	0	0	-14 223	-14 223
Premium on the sale of own shares	0	0	893	0	0	0	893
Other increases (+) / decreases (-)	0	0	0		0	-721	-721
30.09.2011	92 307	0	33 385	12 787	69 968	-93 047	115 400

01.01.2010	Share capital	Own shares	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) from previous years and the current year	Equity
Balance at beginning of period	69 725	0	99 953	10 809	7 269	20 409	208 165
- including revaluation of capital due to hyperinflation	21 335						21 335
Changes in accounting principles	0	0	0	0	0	0	0

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

<i>01.01.2010</i>	Share capital	Own shares	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) from previous years and the current year	Equity
Correction of basic errors	0	0	0	5 120	0	-54 643	-49 523
Opening balance after changes	69 725	0	99 953	15 929	7 269	-34 234	158 642
Increases (+) / decreases (-) from share issues	0		0				
Increases (+) / decreases (-) from liquidation and sale of fixed assets	0	0	0	0	0		0
Increases (+) / decreases (-) from profit distribution	0		17 338	0	0	-22 306	-4 968
Increases (+) / decreases (-), valuation of tangible assets				3 515			3 515
Dividend	0	0	0	0	0	0	0
Transfer from the Share Purchase Support Fund			0	0			0
Exchange of warrants for shares	22 582		-22 582	0			0
Valuation of financial assets				0			0
Creation of capital reserve for dividend payment					4 968		4 968
Creation of capital reserve for purchase of own shares			-65 000		65 000		0
Net profit (loss)	0	0	0	0	0	-15 811	-15 811
Premium on the sale of own shares	0	0	0	0	0	0	0
Other increases (+) / decreases (-)	0	0	2 783	-1	-7 269	-5 752	-10 239
31.12.2010	92 307	0	32 492	19 443	69 968	-78 103	136 107

<i>01.01.2010</i>	Share capital	Own shares	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) from previous years and the current year	Equity
Balance at beginning of period	69 725	0	99 953	10 809	7 269	20 409	208 165
- including revaluation of capital due to hyperinflation	21 335						21 335
Changes in accounting principles	0	0	0	0	0	0	0
Correction of basic errors	0	0	0	5 120	0	-54 643	-49 523

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

01.01.2010	Share capital	Own shares	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) from previous years and the current year	Equity
Opening balance after changes	69 725	0	99 953	15 929	7 269	-34 234	158 642
Increases (+) / decreases (-) from liquidation and sale of fixed assets	0	0	0	0	0	0	0
Increases (+) / decreases (-) from revaluation of tangible assets				0			0
Increases (+) / decreases (-) – deferred tax from revaluation of tangible assets		0	0	0		0	0
Transfer from the Share Purchase Support Fund		0	0			0	0
Increases (+) / decreases (-) from profit distribution	0	0	17 338	0	0	-22 306	-4 968
Creation of capital reserve for dividend payment					4 969		4 969
Buy-back of own shares		0					0
Dividend	0	0	0	0	0	0	0
Net profit (loss)	0	0	0	0	0	-5 605	-5 605
Exchange of warrants for shares	22 582		-22 582				0
Valuation of financial assets	0	0	0	-6	0	0	-6
Other increases (+) / decreases (-)	0	0	2 783	0	-7 270	1 896	-2 591
30.09.2010	92 307	0	97 492	15 923	4 968	-60 249	150 441

Name of capital group:	ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

CASH FLOW STATEMENT

Item	For period from 01.01.11 to 30.09.11	For period from 01.01.10 to 31.12.10	For period from 01.01.10 to 30.09.10
A. Cash flow from operating activities (indirect method)			
I. Gross profit (loss)	-16 863	-15 862	-3 128
II. Total adjustments	21 535	-35 930	-53 972
1. Share in net (profit) loss of subordinated companies valued by the equity method	0	0	0
2. Amortisation/depreciation	6 129	8 917	6 635
3. Profit (loss) from exchange rate differences	0	-239	-231
4. Interest and profit distribution (dividends)	6 416	4 862	2 137
5. Profit (loss) on investment activity	145	45	-60
6. Change in provisions	1 091	-777	-31
7. Change in inventories	22 055	-99 801	-16 123
8. Change in receivables	19 775	56 415	24 248
9. Change in current liabilities, excluding credit facilities and loans	-7 075	33 141	-19 213
10. Change in prepayments and accruals	-35 356	19 143	11 423
11. Taxes paid	3 239	-5 003	-2 757
12. Other adjustments	5 116	-52 633	-60 000
III. Net cash flow from operating activities (I+/-II)	4 672	-51 792	-57 100
B. Cash flow from investing activities			
I. Inflows	526	4 256	3 463
1. Sale of intangible assets and property, plant and equipment	250	1 522	1 329
2. Sale of investments in real property and intangible assets	0	0	0
3. From financial assets, of which:	276	2 734	2 134
a) in affiliated companies	143	2 200	1 700
- sale of financial assets	0	0	0
- dividends and profit distribution	0	0	0
- repayment of loans granted	143	500	0
- other inflows	0	1 700	1 700
- interest	0	0	0
b) in other entities	133	534	434
- sale of financial assets	0	0	0
- dividends and profit distribution	36	39	0
- repayment of loans granted	18	0	0
- interest	79	495	434
- other inflows from financial assets	0	0	
4. Other investment inflows	0	0	0
II. Outflows	6 946	40 819	24 686
1. Purchase of intangible assets and property, plant and equipment	6 685	26 351	21 979
2. Investments in real property and intangible assets	0	0	0
3. On financial assets, of which:	261	14 468	2 707
a) in affiliated companies	11	14 468	2 707
- purchase of financial assets	0	2 902	2 050
- loans granted	11	11 566	657
b) in other entities	250	0	0
- purchase of financial assets	0	0	0

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Item	For period from 01.01.11 to 30.09.11	For period from 01.01.10 to 31.12.10	For period from 01.01.10 to 30.09.10
- loans granted	250	0	0
4. Other investment outflows	0	0	0
III. Net cash flow from investment activities (I-II)	-6 420	-36 563	-21 223
C. Cash flow from financial activities			
I. Inflows	19 327	104 317	98 685
1. Net inflow from issue of shares and other capital instruments and additional payments to capital	0	75 319	75 319
2. Borrowings	7 270	28 998	23 366
3. Issue of debt securities	0	0	0
4. Sale of own shares	12 057	0	0
II. Outflows	28 206	21 503	15 883
1. Purchase of own shares	11 165	0	0
2. Dividends and other payments to owners	0	0	0
3. Profit distribution outflows other than payments to owners	0	0	0
4. Repayment of borrowings	0	0	0
5. Redemption of debt securities	0	0	0
6. From other financial obligations	0	0	0
7. Payment of liabilities from financial lease agreements	11 511	16 107	12 064
8. Interest	5 530	5 396	3 819
9. Other financial outflows	0	0	0
III. Net cash flow from investment activities (I-II)	-8 879	82 814	82 802
D. Total net cash flow (A.III+/-B.III+/-C.III)	-10 627	-5 541	4 479
E. Balance-sheet change in cash, of which:	-10 627	-5 302	4 710
- change in cash from exchange rate differences	0	239	231
F. Cash at the beginning of the period	13 242	18 544	18 544
G. Cash at the end of the period (F+/- D)	2 615	13 003	23 023

Name of capital group:	ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP		
Period covered by financial statements:	01.07.2011 – 30.09.2011	Reporting currency:	Polish zloty (PLN)
Level to which amounts are rounded off:	all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)		

NOTES ON THE RESULTS OF ENERGOMONTAŻ-POŁUDNIE S.A.

Sales revenue

In the third quarter of 2011, the sales revenue of ENERGOMONTAŻ-POŁUDNIE S.A. amounted to **PLN 85.7 million**, which is an increase of 1.9 per cent compared with the sales revenue generated in the same period the previous year.

Operating activities result

In the third quarter of 2011, ENERGOMONTAŻ-POŁUDNIE S.A. posted operating profit of **PLN 11.7 million** as against PLN 1.1 million operating profit in the same period in 2010.

Financial activities result

In the third quarter of 2011, ENERGOMONTAŻ-POŁUDNIE S.A. incurred a loss of **PLN 3.2 million** on financial activities as against a profit of almost PLN 3 million in the same period in the previous year. The loss on financial activities for the current reporting period is primarily due to debt servicing costs incurred in the reporting period.

Net result

In the third quarter of 2011, the Company achieved a **net profit of PLN 11.2 million** compared with PLN 1.9 million net profit in the third quarter of 2010.

EBITDA

Depreciation costs in the third quarter of 2011 amounted to **PLN 2.3 million** compared with almost PLN 3.0 million in the same period of the previous year.

EBITDA (operating profit plus amortisation and depreciation) in the third quarter of 2011 was **PLN 14.1 million** and was approximately PLN 10 million greater than that recorded in the same period of the previous year.

Profitability indicators

In the third quarter of 2011, a significant decrease in own sales costs was recorded, which had a positive effect on gross profitability.

The gross margin from sales in the third quarter of 2011 was 18.8 per cent, compared with 6.1 per cent in the third quarter of the previous year, which is an increase of 12.7 percentage points.

The operating margin in the third quarter of 2011 increased to 13.7 per cent from 1.3 per cent in the third quarter of 2010.

The net margin in the third quarter of 2011 was 13.1 per cent, compared with 2.3 per cent in the third quarter of 2010, which is an increase of 10.8 percentage points.

Profitability indicators	Q3 2010	Q3 2011
Gross profitability from sales ¹	6,1%	18,8%
Operating profitability ²	1,3%	13,7%
Net profitability ³	2,3%	13,1%

¹gross profit from sales / sales revenue*100

²profit from operating activity / sales revenue*100

³net profit attributable to shareholders of parent company/sales revenue*100

Name of capital group:	<i>ENERGOMONTAŻ-POŁUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

SELECTED NON-CONSOLIDATED FINANCIAL DATA OF ENERGOMONTAŻ-POŁUDNIE S.A. CONVERTED INTO EUROS

Item	from 01.01.10 to 30.09.11	from 01.01.10 to 30.09.10	from 01.01.10 to 31.12.10	from 01.01.11 to 30.09.11	from 01.01.10 to 30.09.10	from 01.01.10 to 31.12.10
	PLN '000			EUR '000		
Statement of comprehensive income						
Sales revenue	228 363	229 698	308 935	56 507	57 386	77 149
Operating profit (loss)	(4 450)	(4 549)	(12 297)	(1 101)	(1 136)	(3 071)
Profit (loss) before tax	(16 863)	(3 128)	(15 862)	(4 173)	(781)	(3 961)
Net profit (loss)	(14 223)	(5 605)	(15 811)	(3 519)	(1 400)	(3 948)
Net profit (loss) attributable to shareholders of the parent company	(14 223)	(5 605)	(15 811)	(3 519)	(1 400)	(3 948)
Profit per share (PLN)	(0,20)	(0,08)	(0,23)	(0,05)	(0,02)	(0,06)
Diluted profit per share (PLN)				-	-	-
Average PLN / EUR rate in period				4,0413	4,0027	4,0044
Cash flow statement						
Net cash generated from operating activities	4 672	(57 100)	(51 792)	1 156	(14 265)	(12 934)
Net cash from investment activities	(6 420)	(21 223)	(36 563)	(1 589)	(5 302)	(9 131)
Net cash from financial activities	(8 879)	82 802	82 814	(2 197)	20 687	20 681
Net change in cash and cash equivalents	(10 627)	4 479	(5 541)	(2 630)	1 119	(1 384)
Average PLN / EUR rate in period				4,0413	4,0027	4,0044
Statement of financial position						
Assets	394 017	440 683	428 880	89 322	110 530	108 295
Non-current liabilities	73 418	79 080	77 615	16 644	19 834	19 598
Current liabilities	205 199	211 162	215 158	46 518	52 963	54 329
Equity	115 400	150 441	136 107	26 161	37 733	34 368
PLN / EUR rate at end of period	X	X	X	4,4112	3,9870	3,9603
Assets	394 017	440 683	428 880	89 322	110 530	108 295
Non-current liabilities	73 418	79 080	77 615	16 644	19 834	19 598
Current liabilities	205 199	211 162	215 158	46 518	52 963	54 329
Equity	115 400	150 441	136 107	26 161	37 733	34 368
PLN / EUR rate at end of period				4,4112	3,9870	3,9603

Name of capital group:	<i>ENERGOMONTAŻ-POLUDNIE S.A. CAPITAL GROUP</i>		
Period covered by financial statements:	<i>01.07.2011 – 30.09.2011</i>	Reporting currency:	<i>Polish zloty (PLN)</i>
Level to which amounts are rounded off:	<i>all amounts are expressed in thousands of Polish zlotys (unless otherwise stated)</i>		

Signatures of all members of the Management Board of the parent company			
Date	Name and surname	Position	Signature
14.11.2011	Krzysztof Jan Diduch	President of the Management Board	
14.11.2011	Radosław Kamiński	Vice-President of the Management Board	
14.11.2011	Waldemar Barański	Vice-President of the Management Board	