



**Report of the Management Board on operations of
ULMA Construcccion Polska S.A.
for 12 months ended on 31 December 2011**

Business objects of ULMA Construcccion Polska S.A.

ULMA Construcccion Polska S.A. with its registered office at 10 Klasyków street acts as a joint stock company entered on 29 October 2001 into the Register of Entrepreneurs by the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register under KRS number 0000055818. The Company was established through the transformation into a joint-stock company of Bauma Spółka z ograniczoną odpowiedzialnością pursuant to the relevant entry in the notary deed, Ref. A-5500/95 on 15 September 1995. Due to the type of its business objects, ULMA Construcccion Polska S.A. was assigned no. 7132 in the Polish Classification of Activities (PKD).

The business objects of the Company include:

1. Rental and sale of building scaffoldings and formwork, including leasing thereof,
2. Other specialist construction works,
3. Works related to construction of roads and motorways,
4. Works related to construction of railroads and underground railway,
5. Construction works related to erection of housing and non-housing buildings,
6. Wholesales of wood, construction materials and sanitary equipment,
7. Representative services consisting in sale of wood and construction materials,
8. Road transportation of goods,
9. Manufacture of metal structures and parts thereof,
10. Repairs and maintenance of metal finished products,
11. Excavation of gravel and sand, excavation of clay and kaolin,
12. Excavation of ornamental stone and stone for construction purposes, lime rocks, gypsum, chalk and slate,
13. Services related to architecture,
14. Engineering services and related technical support,
15. Execution of construction projects related to building erection,
16. Site preparation works,

17. Disassembly and demolition of buildings,
18. Other services not classified elsewhere, except for insurance and pension funds,
19. Other services related to the business of the Company,
20. Accounting and tax consulting.

Presentation of the basic economic and financial data disclosed in the annual financial statements, in particular details of factors and events, including extraordinary ones that materially affect the Issuer's operations and the profits generated or losses incurred by it in the financial year, as well as a presentation of prospects of the Issuer's business development over the minimum period of the following financial year

Below, the basic details included in the financial statements of the Company for the years 2010-2011 have been presented.

Total income statement

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	2011	2010	Dynamics i 2011/2010
Sales revenues	46 978	71 271	84 924	83 686	286 859	205 776	1.39
Costs of sold products, goods and materials	(40 477)	(49 342)	(54 628)	(53 524)	(197 971)	(165 910)	1.19
Gross profit on sales	6 501	21 929	30 296	30 162	88 888	39 866	2.22
Costs of sales and marketing	(1 165)	(2 933)	(1 949)	(2 964)	(9 011)	(5 752)	1.56
Overheads	(2 573)	(2 664)	(3 027)	(4 048)	(12 312)	(9 509)	1.29
Other net operating expenses	(185)	(782)	(840)	(91)	(1 898)	(2 153)	0.88
Operating profit/(loss)	2 578	15 550	24 480	23 059	65 667	22 452	2.92
Financial income	348	357	316	6 066	7 087	22 222	0.31
Financial expenses	(2 796)	(2 888)	(1 552)	(2 871)	(10 107)	(14 433)	0.7
Gross profit	130	13 019	23 244	26 254	62 647	30 241	2.07
Income tax	(121)	(2 565)	(4 587)	(4 094)	(11 367)	(2 465)	4.61
Net profit	9	10 454	18 657	22 160	51 280	27 776	1.84
Other income	-	-	-	-	-	-	-
Total income	9	10 454	18 657	22 160	51 280	27 776	1.84
Operating profitability (%)	5.48	21.81	28.82	27.55	22.89	10.91	-
Net profitability (%)	0.02	14.66	21.96	26.47	17.87	13.50	-

Operating profitability = $\frac{\text{Operating profit} \times 100\%}{\text{Sales revenues}}$

Net profitability = $\frac{\text{Net profit} \times 100\%}{\text{Sales revenues}}$

Statement of financial position

	31.12.2011	Structure %	31.12.2010	Structure %	Dynamics
Tangible fixed assets	377 907	72	413 263	78	0.91
Other fixed assets	25 520	5	29 048	5	0.88
Total fixed assets	403 427	77	442 311	83	0.91
Stocks	4 148	1	5 891	1	0.70
Receivables	98 990	19	76 383	15	1.30
Derivative instruments	-	-	177	-	-
Other current assets	18 563	3	5 505	1	3.37
Total current assets	121 701	23	87 956	17	1.38
Total assets	525 128	100	530 267	100	0.99
Share capital	10 511	2	10 511	2	1.00
Supplementary capital	114 990	22	114 990	22	1.00
Retained profit	197 654	38	160 722	30	1.23
Total equity	323 155	62	286 223	54	1.13
Long-term liabilities	95 508	18	145 669	27	0.66
Short-term liabilities	106 465	20	98 375	19	1.08
Total liabilities	201 973	38	244 044	46	0.83
Total equity and liabilities	525 128	100	530 267	100	0.99
Return on equity (%)	18.8	-	10.7	-	-
Debt ratio (%)	38.5	-	46.0	-	-
Trade receivables turnover (in days)	120	-	129	-	-
Trade liabilities turnover (in days)	34	-	60	-	-
Liquidity ratio (current)	1.1	-	0.9	-	-

Return on equity = $\frac{\text{Net profit for the financial year} \times 100\%}{\text{Equity} - \text{net profit for the financial year}}$

Debt ratio = $\frac{\text{Liabilities} \times 100\%}{\text{Total equity and liabilities}}$

Trade receivables turnover = $\frac{\text{Net trade receivables as of the balance sheet date} \times 365 \text{ days}}{\text{Sales revenues}}$

Trade liabilities turnover = $\frac{\text{Average value of trade liabilities} \times 365 \text{ days}}{\text{Operating expenses}}$

Liquidity ratio (current) = $\frac{\text{Current assets}}{\text{Short-term liabilities}}$

Market environment in Poland

Market in Poland

In 2011, construction was the fastest developing branch of economy. According to preliminary data developed by the Central Statistical Office (GUS), construction and assembly output increased last year by 16.3%. Such an increase was due to the largest extent to road projects, and additionally commercial projects, industrial projects and multi-dwelling buildings.

The housing market was characterized by stable sales, with falling prices and deteriorating credit conditions for key groups of customers. The growth in construction and housing output in this sector amounted to +14.4%. The number of flats under construction remained at a level close to the analogous period of the last year, while an increase in the number of construction permits for flats (by 19.2%) was recorded mainly in the category of flats for sale or rent.

A high growth rate in construction output was achieved also in almost all key **non-residential construction** sub-sectors. The growth in the entire sector in the analysed period was 15.7%, mainly due to a very high growth rate in the category of retail and service buildings (23.3%) and industrial and warehousing ones (22.9%).

In **the engineering sector**, the value of construction and assembly output increased by 19.1%, while in the period March-August the growth rate was above 30%. Such excellent performance is due primarily to continuation of investments in the road sector. Its share in the construction and assembly output was as much as 27%, and the amount of expenditures incurred by the General Directorate for National Roads and Motorways (GDDKiA) for construction of motorways and expressways reached a record level of PLN 26.3 billion.

Although the growth rate in the sector remained at a high level, the overall outlook ratio in the construction industry was negative since August 2011. This prudent assessment of the market by enterprises results from, e.g. postponing payment deadlines, low margins and an expected further decline in the number of tender procedures, as well as increasing debt of construction companies. According to *Coface* the growth rate in bankruptcies of construction companies in the first three quarters of 2011 years was 47%.

Market environment abroad

In Ukraine, an 11.1% increase in the construction output was recorded in 2011 (according to *the National Bank of Ukraine*). The residential sector remained stagnant, mainly due to very high credit costs. A recovery was recorded in the non-residential sector - primarily due to investments in hotel, public utility construction and industrial construction (agricultural sector), as well as in the road sector.

In Kazakhstan, the dynamics of the level of construction output in current prices oscillated around 0% (*according to the Agency of Statistics of the Republic of Kazakhstan*). Mainly housing projects frozen during the crisis, and investments in the industrial sector financed within government priority programs were continued.

Sales revenues

In 2011, the Company recorded total sales revenues of TPLN 286,859 compared to TPLN 205,776 in 2010 (an increase by 39.4%).

The growth in sales revenues concerns mainly the basic business objects of the Company, i.e. rental of formwork and scaffolding systems. Revenues from this amounted in 2011 to a total of TPLN 268,170 compared to TPLN 186,925 in the analogous period of the preceding year (an increase by TPLN 81,245) i.e. 43.5%).

In 2011, the Company recorded total revenues from export (*i.e. from operations carried out via the branches in Kazakhstan or via a group of intermediaries and final recipients in such countries as Russia, Germany, Ukraine, Italy, Spain, etc.*) of TPLN 8,999.

The amount of the aforementioned sales revenues was influenced primarily by export to Kazakhstan where symptoms of recovery in the construction market after several years of downturn caused by a severe economic crisis in that country may be observed. The Company managed to win in that market several major contracts, including contracts concerning formwork and scaffoldings for the purposes of a cement plant.

Those phenomena resulted in undertaking by the Management Board a strategic decision concerning establishment of a subsidiary company: ULMA Opałubka Kazachstan Sp z o. o., whose objective is to strengthen ULMA's position on that market.

Operating profitability

In 2011, the Company achieved operating profit in the amount of TPLN 65,667 compared to TPLN 22,452 in the preceding year (an increase by TPLN 43,215).

The aforementioned operating result was influenced by higher revenues from the basic objects of the Company, i.e. rental of formwork systems and scaffoldings, as compared to those generated in the analogous period of the preceding year.

Key items related to EBIT (operating profit) and EBITDA (operating profit + depreciation/amortization) in the analysed periods are as follows:

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	2011	2010
Sales	46 978	71 271	84 924	83 686	286 859	205 776
EBIT	2 578	15 550	24 480	23 059	65 667	22 452
% of sales	5.48	21.81	28.83	27.55	22.89	10.91
Amortization/ depreciation	20 118	20 829	21 900	22 441	85 288	78 671
EBITDA	22 696	36 379	46 380	45 500	150 955	101 123
% of sales	48.31	51.04	54.61	54.36	52.62	49.14

In 2011, the Company recorded an increase in EBITDA – in the absolute terms – of TPLN 49,832 (i.e. by 49%) – the EBITDA profitability (EBITDA as a % of sales) amounted to 52% compared to approximately 49% in the analogous period of the preceding year.

The most significant factors influencing the EBITDA increase (in absolute terms) as compared to the analogous period of the preceding year include:

- increase in the revenues from the basic business object of the Company, i.e. rental of formwork systems and scaffoldings, resulting from the better economic outlook in 2011, in particular in the engineering sector,
- increasing unit prices for the offered services after a period of an intensified price war between market participants in the previous periods,
- a consistent policy as regards control of operating expenses and cost discipline following various reorganization measures undertaken in the previous periods and aimed at adjusting the cost structure to the current market situation.

In 2012, further reorganization of the logistics functions in Warsaw and the construction of the Regional Logistics Centre are planned.

Transactions hedging against currency exchange risk

The Company purchases traded products (formwork systems and accessories thereto, as well as scaffoldings) from the parent company in Spain and from other external companies.

As part of its commercial operations, the Company is active on export markets, especially in Ukraine, where economic activity is pursued through its subsidiary, Ulma Opałubka Ukraina sp. z o. o.

As a result, the Company is exposed to currency exchange risk which it seeks to mitigate through entering Non Delivery Forward (NDF) contracts.

All NDF instruments held by the Company are concluded exclusively for the purposes of measures hedging against currency exchange risk and are not asymmetric.

The Company does not apply hedge accounting, hence the results of realization and valuation of hedge transactions (positive and negative) are posted to the result for a given period.

The basic figures concerning NDF contracts concluded by the Company are as follows:

a) recognized in the statement of financial situation

	31 December 2011	31 December 2010
Assets under NDF valuation as of the balance sheet date	-	177
Liabilities under NDF valuation as of the balance sheet date	174	-

b) recognized in the total income statement

	2011	2010
Result for the period due to execution of the previously concluded NDF contracts – (other operating expenses item)	166	(60)
Result for the period of valuation of NDF contracts as of the balance sheet date – (other operating expenses item)	(83)	82
Result for the period due to execution of the previously concluded NDF contracts – financing activity	166	720
Result for the period due to valuation of NDF contracts as of the balance sheet date – financing activity	(269)	-
Total result for the period due to NDF contracts	(20)	742

The results of hedging transaction achieved in 2011 neutralize to a large extent foreign currency exchange risk the Company is exposed to.

Besides the economic results concerning settlement and valuation of NDF contracts, hedging against foreign exchange risk, the other operating activities include the economic effects related to customizing elements of formwork systems to the needs of individual customers and general results of management of the held assets (inventory surpluses and shortages, as well as provisions for stock impairment). In 2011, the costs incurred in connection with the aforementioned phenomena amounted to TPLN 2,336 compared to TPLN 2,732 in 2010.

Financial expenses and other comprehensive income

The Company uses bank credits to finance investments related to purchase of products for rent (i.e. formwork systems and scaffolding systems).

The balance of bank credits (short- and medium-term) with interest accrued until the balance sheet date as of 31 December 2011 amounted to TPLN 142,351, as compared to TPLN 210,576 as of 31 December 2010.

A decrease in the balance on bank credits resulted in a decrease in interest expenses and credit handling costs (e.g. bank fees) – in 2011 these amounted to TPLN 11,039 compared to TPLN 13,611 in 2010.

In Q4 2008, restructuring of intra-group trade settlements between the subsidiary companies was performed. As a result of those measures, the parent company: Ulma Construcción Polska S.A. granted its daughter company: Ulma Opałubka Ukraina Sp. z o.o. - an internal loan in the amount of TEUR 3,100.

The foreign currency exchange risk concerning the aforementioned internal loan and the loan granted to ULMA Cofraje S.R.L. as regards EUR-PLN exposure in Poland is hedged through NDF forward contracts, and a change to their fair value is recognized in *revenues/financial expenses* (the Company does not apply Hedge Accounting). In 2011, change to valuation of the aforementioned forward instruments was negative and amounted to TPLN 103.

The key item in the Company's revenues in 2011 is income in the amount of TPLN 5,758 which the Company generated as a result of liquidation of its subsidiary company ULMA System S.A.

Besides, in 2011, the Company generated interest revenues from loans granted to its subsidiary companies (ULMA System S.A. in liquidation, ULMA Opałubka Ukraina Sp. z o.o.) and its associated company (ULMA Cofraje S.R.L.) in a total amount of TPLN 1,182 (in 2010, interest revenues amounted to TPLN 1,390).

Net profit

Following deduction of corporate income tax the Company achieved in 2011 a positive financial result in the amount of TPLN 51,280 compared to the negative net result in the preceding financial year amounting to TPLN 27,776 (an increase by TPLN 23,504). While analyzing particular quarters of 2011 one should pay attention to the net profitability which increased from quarter to quarter. In Q1 2011, it amounted to 0.02% (with a net profit of TPLN 9), while in Q4 2011, it reached 26.47% (with a net profit of TPLN 22,160).

On 28 November 2011, the Management Board of ULMA Construcccion Polska S.A. resolved to disburse interim dividend for 2011 in a total amount of PLN 6,043,976.80, i.e. in a net amount of PLN 1.15 gross per share.

The Management Board of ULMA Construcccion Polska S.A. proposes to allocate the remaining part of the net profit for 2011 in an amount of PLN 45,235,643.22 to increase the Company's supplementary capital.

Cash flow

An abbreviated cash flow statement of the Company for the analysed periods is presented in the table below:

	12 months 2011	12 months 2010	Dynamics
Net profit/(loss)	51 280	27 776	1.85
Amortization/depreciation	85 288	78 671	1.08
Total cash surplus	136 568	106 447	1.28
Other operating cash flow	5 094	(10 103)	-
Net operating cash flow	141 662	96 344	1.47
Net cash flows from investments	(41 165)	(66 288)	0.62
Net cash flow from financing activity	(84 992)	(45 729)	1.86
Net cash flow	15 505	(15 673)	-

Operating cash flow

In 2011, the Company had a positive financial surplus (net profit + depreciation/amortization) in the amount of TPLN 136,568, i.e. an increase as compared to 2010 by TPLN 30,121 i.e. by ca. 28%.

Operating cash flow amounted in 2011 to TPLN 141,662 compared to TPLN 96,344 in 2010. Besides the financial surplus it includes the effect of trade settlements (of liabilities and receivables) in 2010 and 2011 based on trade credits. As a result the Company retains its capacity to generate added value, the amount of which is influence by the discipline of management of the operating expenses.

The year 2011 was characterized by continued payment backlogs occurring in Poland, in particular due to the fact that a considerable part of revenues of the Company was generated within the engineering construction sector (i.e. civil engineering structures) in which payments are settled often based on progress of construction works ("milestones").

Nonetheless, the Company managed to improve its receivable turnover ratio (as presented in the table below). This was due to:

- keeping enforcement discipline,
- application of an effective policy as regards hedging against trade risk using hedge instruments available on the market.

	31 December 2011	31 December 2010
1. Net trade receivables (after deducting write-downs)	94 625	72 747
2. Gross sales revenues for 12 months following the balance sheet date	349 968	246 931
3. Number of days	365	365

The Company seeks to mitigate the risk of receivable collection through effective implementation of internal procedures and principles for identification, measurement and monitoring of the financial standing and liquidity of the Company's customers at the time of commencement of cooperation and when it is progress.

Cash flow from investments

In 2011, the Company made capital expenditures in order to supplement the portfolio of offered products (formwork systems and scaffoldings). As a result, capital expenditures incurred for this purpose amounted to TPLN 56,217 compared to TPLN 85,829 in 2010.

The other significant amounts in cash flow from investment are due to inflow in the amount of TPLN 6,415 from repayment of loans granted by the Company in previous periods and inflow in the amount of TPLN 10,608 due to division of the assets of the subsidiary company ULMA System S.A. in Starachowice liquidated in 2011.

Cash flow from financing activity

In 2011, cash flows from financing activity amounted to TPLN (84,992) compared to TPLN (45,729) in 2010.

As has already been mentioned, the Company uses bank credits to finance investments related to purchase of products for rent. In 2011, the Company did not contract new credit lines. In Q1 2010, the last tranches were drawn (TPLN 12,933) pursuant to agreements signed in the previous years. On the other hand, the expenses due to repayment of the previously contracted credits are higher (TPLN 65,604 compared to TPLN 44,868 in 2010).

As a result of the aforementioned phenomena, the Company recorded in 2011 an increase in cash by TPLN 15,505, to TPLN 17,446 as of 31 December 2011.

Description of major risk factors and threats and the extent of the Issuer's exposure thereto

Competition and construction market downturn risk

Market in Poland

According to analysts (Euroconstruct, PMR) the growth dynamics in construction output in 2012 will decrease to 4-5%.

Prices on the housing market are expected to remain on a downward trend due to a high supply of unsold flats. Furthermore, recurrence of recession in the global economy and deteriorating credit conditions can have a negative impact on the willingness and capacity to finance housing investment.

Analysts predict stabilization of the construction and housing output also in the non-housing sector, whereas the civil engineering sector is expected to continue to gradually decelerate very high growth dynamics. Although the General Inspectorate for National Roads and Motorways (GDDKiA) plans to spend on road construction in 2012 a record amount of PLN 29 billion, these funds are going to be allocated primarily to the completion of projects which are already under way. The quantity and value of tenders provided for the period 2012-2013 is significantly lower. The development plans related to the industrial sector are a sound

alternative to road investments - according to the PMR report the value of construction output in this sector should increase by the end of 2014 by over PLN 10 billion. The implementation of several large power engineering projects worth several billion zlotys should start already in 2012. The investment plans are complemented by railway, hydrotechnical and environmental protection projects: biogas plants, incinerators and sewage treatment plants.

Due to the aforementioned changes in the market structure, numerous enterprises active so far in the road sector will spend 2012 seeking orders in new markets. Given the above, ULMA is focusing its current operations on thorough monitoring of investments planned within the industry and investing in e.g. the development of self climbing and radial systems, applicable in the construction of tall buildings and special structures in the industrial sector.

Export markets

Forecasts for the construction sector in Ukraine (BUILDECON, PMR) assume that the current positive growth dynamics will be maintained in 2012 due to completion of projects for EURO 2012 and the planned investments in the agricultural processing, environmental protection and public infrastructure sectors. In Kazakhstan, PMR analysts forecast few percent growth in the construction sector (up to ca. 9%), mainly due to government investments in the development of road and air infrastructure, as well as ambitious projects as regards industrial construction.

Foreign currency exchange risk

The Company purchases products (formwork systems and accessories thereto) from the parent company based in Spain or other entities located outside Poland. On the other hand, the Company and its representative offices are active on export markets. As a result, the Company is exposed to foreign currency exchange risk which it seeks to mitigate through operations of the currency market or through operations on the forward market, as well as concluding Non-Delivery Forward (NDF) contracts.

The risk related to financial instruments has been described in Note 2 to the financial statements of ULMA Construcción Polska S.A. for the period of 12 months ended on 31 December 2011.

Identification of court proceedings, arbitration or administrative proceedings with the following details:

- a) proceedings concerning liabilities or receivables of ULMA Construcción Polska S.A. or a subsidiary thereof with minimum value equivalent to 10% of the equity of ULMA Construcción Polska S.A. with details of: subject of the proceedings, value of dispute, commencement date of the proceedings, parties to the proceedings and position of the Company***
- b) two or more proceedings concerning liabilities or receivables the total value of which is equivalent to minimum 10% of the equity of ULMA Construcción Polska S.A. with details of the total value of the proceedings separately for liabilities and receivables along with the position of the Company and – in reference to the largest proceedings in the group of***

liabilities and receivables – with details of the subject, value of dispute, commencement date of the proceedings and parties to the proceedings

Neither ULMA Construcccion Polska S.A. nor any of its subsidiary companies are parties to any proceedings concerning the Company's liabilities or receivables the value of which would be minimum 10% of the Company's equity.

Furthermore, there are no two or more proceedings concerning liabilities or receivables the total amount of which would be equivalent to minimum 10% of the Company's equity.

No proceedings against ULMA Construcccion Polska S.A. or its subsidiary companies whose value would be minimum 10% of the Company's equity were instituted in the period covered by the report

Proceedings concerning liabilities of ULMA Construcccion Polska S.A.:

No proceedings whose value would be minimum 10% of the Company's equity were instituted against ULMA Construcccion Polska S.A. or its subsidiary companies in the period covered by the report.

Proceedings concerning receivables of ULMA Construcccion Polska S.A.:

ULMA Construcccion Polska S.A. is involved in 106 court proceedings concerning its receivables – their total value amounts to TPLN 13,369. Among the proceedings pending at court, ULMA Construcccion Polska S.A. has instituted 56 bankruptcy proceedings in a total amount of TPLN 8,400.

List of major proceedings related to receivables instituted by ULMA Construcccion Polska S.A.

Debtor	Value of dispute in TEUR	Proceeding commencement date
PRIB EKO PRZEM SP. Z O.O.	1 096	17 March 2010 – bankruptcy, enforcement levied against Members of the Management Board
MPRD S.A.	824	8 December 2006 – bankruptcy
GRUPA BIP	792	24 April 2009 – bankruptcy
LPBO S.A.	762	23 March 2009 – bankruptcy
FENIX SP. Z O.O.	696	30 November 2011 – bankruptcy
IMA BUD DEVELOPMENT SP. Z O.O.	592	20 November 2007 - enforced collection
DOMKAR-BUDOWNICTWO	974	10 November 2010 - enforced collection
MAXER S.A.	466	28 April 2006 - bankruptcy
Krupiński Construction Sp. z o.o.	552	5 December 2006 - enforced collection
PAWERBUD SP. Z O.O.	1 154	24 May 2011 – bankruptcy
MH-BUD MUŚ	648	6 August 2011 – enforced collection
PHU POLKON	715	26 September 2011 – warrant for payment
ABRAMOWICZ BUDOWNICTWO SP. Z .O.O.	434	22 September 2011 - bankruptcy
Total	9 705	

Information on key products, goods or services with details of their value and quantity and the share of particular products, goods and services (if material)

or groups thereof in the Issuer's total sales and on changes in that respect in the financial year

The basic source of revenues generated by ULMA Construcción Polska S.A. is rental and sale of formwork systems and scaffoldings produced in Poland and by its parent company in Spain. Additional revenues are generated from the sale of plywood, adhesive liquids for formwork and reinforced concrete accessories.

The order volume is controlled and adjusted to the development of the construction market and potential of collaboration with numerous construction companies. Additionally, the range of products is being adjusted to the changing needs of the construction market.

In 2011, ULMA Construcción Polska S.A. conducted trading and service operations in the following scope:

- 1) sale and rental of formwork systems and scaffolding,
- 2) preliminary assembly of formwork elements for engineering structures,
- 3) sale of commercial goods:
 - accessories to reinforced concrete works,
 - formwork plywood.

Information on output markets with a breakdown into the domestic and foreign markets, and information on sources of supplies of materials for production, goods and services with details of dependence on one or more customers and suppliers, and when the share of one customer or supplier is equivalent to minimum 10% of total sales revenues – names of supplier(s) or customer(s), their share in sales or supplies and their formal relations with the Issuer

The Company's sales are concentrated on the domestic market. The total sales on that market account for over 97% of the Company's revenues. Almost 40% of the revenues are concentrated within a group of 11 largest construction companies in Poland.

The export sales are performed mainly through the Company's own sales network on the eastern and southern European markets and in Asia. In 2011, the share of export in the total sales revenues of the Company accounted for over 3% compared to nearly 4% of the revenues generated in 2010.

Beside Kazakhstan, goods were exported also to Ukraine, Kaliningrad (oblast), Romania, the Czech Republic, Germany, Italy and Spain.

Formwork systems offered in the various output markets were purchased by the Company among others from its subsidiary company ULMA System S.A. in liquidation based in Starachowice. However, a significant part of supplies comes from the principal shareholder from Spain - in 2011, purchases from Spain accounted for 10.2% of the Company's total sales.

The other purchases of goods within formwork systems come from independent suppliers from Germany, Austria and Poland.

Information on concluded contracts that are material to the Issuer's operations, including contracts of which the Issuer is aware concluded between shareholders and insurance or collaboration contracts

During the period covered by the report ULMA Construcción Polska S.A. did not enter into any agreements with its shareholders. The other transactions and contracts were typical and

routine and were concluded on an arm's length basis, and their nature and terms and conditions resulted from the current operating activities conducted by the Company. In 2011, there were no material agreements disclosed by the Company in current reports.

Information on the Issuer's organizational or capital relations with other entities with specification of its major domestic and overseas investments (securities, financial instruments, intangible fixed assets and real properties), including capital expenditures made outside the group of its related companies, and the description of the manner of their financing

The ULMA Construcción Polska S.A. Capital Group is controlled by ULMA C y E, S. Coop. with its registered office in Spain which holds 75.49 % of the Company's shares. The remaining 24.51% of the shares are held by numerous shareholders.

The ULMA Construcción Polska S.A. is composed of the following companies:

Parent company:

- ULMA Construcción Polska S.A., a joint stock company with its registered office in Warsaw, at 10 Klasyków street. On 15 September 1995, the Company was transformed pursuant to the resolution of the Extraordinary Shareholder Meeting from a limited liability company into a joint stock company (Notary Deed of 15 September 1995, Ref. A 5500/95). The Company was registered in the National Court Register by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register under KRS number 0000055818.

Subsidiary companies:

- ULMA System S.A. in liquidation with its registered office in Starachowice at 29 Radomska street was established on 11 July 2000 – Notary Deed Ref. A 2105/2000. The company was registered by a decision of the District Court in Kielce, 10th Commercial Division in the Register of Entrepreneurs under KRS number 0000054140. The business objects of the Company consisted in manufacturing of metal products and structures. The issuer's share in the capital and in the total number of votes is 100%. On 31 May 2010, the Extraordinary General Meeting of Shareholders of ULMA System S.A. adopted a resolution on the Company's liquidation. In December 2011, the process of liquidation of the company and division of its assets was completed. On 23 December 2011, a motion to delete the company from the Register of Entrepreneurs of the National Court Register was filed. The value of the assets received by ULMA Construcción Polska S.A. due to liquidation of ULMA System S.A. was TPLN 10,608.
- ULMA Opałubka Ukraina with its registered office in Kiev at 9 Gnata Juri was established on 18 July 2001. It was registered in the Sviatoshin Branch of State Administration for the City of Kiev under number 5878/01 and was granted ID code 31563803. The business object of the company is sale and rental of formwork as well as sale of construction materials. The Issuer's share in the capital and the total number of votes is 100%.
- ULMA Opałubka Kazachstan in Astana at 25 Taszenowa street was entered on 27 August 2010 to the Register of the Ministry of Justice by the Department of Justice of the capital city of Astana under number 37635-1901-TOO/NU/. The Company's business object consists in sale and rental of formwork, as well as sale of construction materials. The Issuer's share in the capital and the total number of votes is 100%.

Associated company:

- ULMA Cofraje S.R.L. with its registered office in Bucharest at 200 Chitilei street was entered on 2 November 2007 into the Romanian National Trade Registers under number J23/2922. The Issuer's share in the capital and the total number of votes is 30%.

Information on significant transactions concluded by the Issuer or a subsidiary thereof with related companies under terms and conditions other market ones, with details of their values and information specifying the nature of those transactions.

The transactions concluded in 2011 by ULMA Construcción Polska S.A. and its subsidiary companies with related companies were typical and routine. They were concluded on an arm's length basis, and their nature and terms and conditions resulted from the current operations conducted by the Company.

The major transactions included purchases of formwork and overhaul services related to formwork systems made by ULMA Construcción Polska S.A. from ULMA System S.A. in liquidation for TPLN 6,875 and purchases, mainly of formwork and formwork rental services, from ULMA C y E, S. Coop. for TPLN 34,435.

Information on agreements on credits and loans incurred or terminated in the financial year, with details of minimum their amount, type, as well as the interest rate, currency and due date.

In the financial year 2011, ULMA Construcción Polska S.A.:

- did not terminate any credit or loan agreements;
- incurred a working capital credit in the amount of TPLN 5,000 pursuant to a credit agreement concluded on 25 January 2011 with Pekao S.A. The interest rate on the credit is based on the WIBOR 1M + bank margin rate (details have been presented in the table below);

Furthermore, credit lines specified in the table below have been prolonged/renewed.

Bank	Type	Credit no.	Currency	Amount of credit (in TPLN)	Date of agreement conclusion	Date of signing an annex to the agreement	Due date
BRE Bank	overdraft facility	02/480/99/Z/vv	PLN	5 000	27 August 1999	1 September 2011	27 September 2012
PEKAO S.A.	investment credit	2008/1018486697/IVR CK	PLN	45 000	15 May 2008	18 May 2011	31 March 2015
PEKAO S.A.	overdraft facility	2/2011/CK	PLN	5 000	25 January 2011	30 November 2011	30 November 2012
BNP Paribas S.A. (Fortis Bank Polska S.A.)	investment credit	WAR/3013/06/32/CB	PLN	12 000	7 February 2006	25 January 2011	7 February 2013
BNP Paribas S.A. (Fortis Bank Polska S.A.)	investment credit	WAR/3013/07/67/CB	PLN	20 000	12 February 2007	25 January 2011	11 February 2014
BNP Paribas S.A. (Fortis Bank Polska S.A.)	investment credit	WAR/3013/08/194/CB	PLN	14 686	10 June 2008	25 January 2011	9 June 2015
BNP Paribas S.A. (Fortis Bank Polska S.A.)	investment credit	WAR/3013/09/27/CB	PLN	16 400	20 July 2009	25 January 2011	29 June 2015
BNP Paribas S.A. (Fortis Bank Polska S.A.)	line of revolving credit (multi-purpose line)	WAR/3013/08/193/CB	PLN	5 000	26 May 2008	10 May 2011	25 May 2018
BNP Paribas S.A. (Fortis Bank Polska S.A.)	multi-purpose line of credit (overdraft facility)	WAR/3013/10/118/CB	PLN	3 000	27 September 2010	30 March 2011	26 September 2020
BNP Paribas S.A. (Fortis Bank Polska S.A.)	multi-purpose line of credit (guarantee facility)	WAR/3013/10/118/CB	PLN	2 000	27 September 2010	30 March 2011	26 September 2020

All lines of credit are based on the WIBOR 1 M + bank margin rate (except for the investment credit in the amount of TPLN 14,686 concluded with BNP Paribas S.A. (Fortis Bank Polska S.A.) in the case of which the interest rate is based on the WIBOR 3 M rate).

Information on loans granted in a given financial year with particular consideration of their due dates, as well as granted warranties and guarantees, with particular consideration of loans, warranties and guarantees granted to the Issuer's related parties

ULMA Construccin Polska S.A. granted its subsidiary company Ulma Opałubka Ukraina Sp. z o.o. an investment loan in the amount of TEUR 3,100. The loan has a fixed interest rate at the market level. Pursuant to the Annex of 15 September 2011 the date of the loan repayment has been set for 25 December 2015.

In 2011, ULMA Construccin Polska S.A. granted its subsidiary company ULMA Cofraje S.R.L. a long-term loan in the amount of TEUR 241 with a fixed interest rate at the market level.

In connection with pursuing its basic business objects, i.e. rental of formwork, ULMA Construccin Polska S.A. received bank guarantees from related parties in the amount of TPLN 10,607. The detailed list of the guarantees (in excess of TPLN 1,000) has been presented in the table below:

No.	Customer	Amount (in TEUR)	Date of granting
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1	J&P-AVAX SOCIETE	1 500	12 August 2011
2	Dolnośląskie Surowce Skalne S.A.	1 000	28 September 2011
3	Dolnośląskie Surowce Skalne S.A.	2 000	28 September 2011
4	China Overseas Engineering Group Co. Ltd (COVEC)	5 257	28 February 2011

As of the balance sheet date, ULMA Construcción Polska S.A. was bound by an agreement concluded on 27 September 2010 by and between ULMA Construcción Polska S.A. and BNP Paribas (Fortis Bank Polska S.A.) on a credit limit in the amount of TPLN 2,000 within which the following guarantees may be granted:

1. bid bond,
2. performance bond,
3. advance payment bank guarantee,
4. bank payment guarantee.

The agreement was concluded for the period of 10 years. The current crediting period ends on 30 May 2012.

As of the balance sheet date, the payment guarantees granted by the Bank under the above agreement amount to TPLN 320. The guarantees were granted with the validity period until 30 September 2012.

In the case of issue of securities in the period covered by the report - description of the utilization by the Issuer of proceeds from the issue

In 2011, ULMA Construcción Polska S.A. did not issue any shares.

Explanation of differences between the financial results disclosed in the annual report and the previously published forecasts of the results for a given year

ULMA Construcción Polska S.A. does not publish any forecasts concerning the Company's financial results.

Evaluation, together with its justification, concerning the management of financial resources, with particular consideration of the capacity to settle incurred liabilities, and determination of potential risks and actions which have been undertaken by the Issuer or which the Issuer intends to undertake in order to counteract these threats

The Company settles its liabilities; both trade and credit ones, on an ongoing basis.

Due to the nature of its business object, i.e. lease (investments in fixed assets) the Company needs to use long-term financing.

In 2010, the Company continued the hitherto policy of financing its operations. Within this policy, the Company used long-term lines of credit until they were used up in Q1 2010. At present, capital expenditures are covered from the Company's own financial resources.

In 2011, the Company met its capital requirements (formwork systems and scaffoldings) within the process of moving the capital from the countries of operations of the parent Company (ULMA C y E S, Coop.) in which their utilization is low. Within that process the assets rented from subsidiary companies on an arm-length basis are moved, which allows the Capital Group to optimize management of its financial resources.

As of 31 December 2011, the debt ratio in the Company amounted to 40.0% as compared to 46.0% as of 31 December 2010. The decrease in the debt ratio is primarily due to reduced long-term debt, which as of 31 December 2011 accounted for 18% of the balance sheet amount, while as of 31 December 2010 it accounted for 27% of the balance sheet amount.

As has been mentioned above, the Company is exposed to foreign currency exchange risk. The Company seeks to mitigate this risk through active participation in the currency/forward market and actions aimed at seeking natural hedging methods.

Evaluation of the capacity to meet investment targets, including capital investments, relative to the amount of available funds, taking into account any possible changes in the structure of financing of this activity

The major investment targets pursued by the Company in 2011 were related to purchases of formwork systems and scaffoldings, particularly in order to increase the Company's potential in the infrastructural segment in Poland.

Owing to the held credit lines and the cash surplus generated in the course of its operating activities, the Company will be able to continue the aforementioned investments in the subsequent periods.

As of the balance sheet date, the Management Board does not assume changes to the policy of financing the Company's investments pursued to date.

Evaluation of factors and non-standard events which affect the result of operations for the financial year with specification of the extent of the impact of those factors or non-standard events on the achieved result

In 2011, there were no non-standards events which could, at present or in the subsequent years, significantly influence the Company's financial result.

Description of external and internal factors which are material to the development of the Issuer's company together with the description of the prospects for such development with consideration of the market strategy developed by the Issuer

Internal factors material to the Company's further development include:

- obtaining new competences by the Company within design and capacities to utilize formwork systems and scaffoldings used in construction of complex engineering structures, typical of the industrial and power engineering sector,
- a vast portfolio of products and services supplemented recently with e.g. scaffolding systems, MK universal formwork and security systems allowing for comprehensive handling of investments in all sectors of the construction market, with particular consideration of the industrial and power engineering sector, as well as increasing market requirements as regards occupational health and safety,
- optimization of the logistics processes resulting from centralization of those processes within *Regional Logistics Centers* allowing for enhancing the quality of logistics services provided to customers, as well as cost optimization.

External factors which can significantly influence in the near future, both positively and negatively, the dynamics of the Company's development include:

- slowdown in construction. This applies in particular to the engineering sector, including the road segment, which can cause a return to a fierce competitive struggle resulting in price wars between participants of the market,
- an expected growth in the industrial sector and the power engineering sector. Within the last two years, the Company continuously supplemented its knowledge and gained experience and testimonials related to utilization of formwork systems and scaffoldings used in construction of complex engineering structures, including large power units. Owing to that the Capital Group is able to effectively compete in that market segment through providing novelty solutions aimed at meeting increasingly more sophisticated and complex expectations of its customers,
- our country's ability to maintain the hitherto dynamics of utilization of EU funds in the framework of cohesion funds, including those intended for road and railway infrastructure,
- relaunching development of construction in Kazakhstan after a period of many years of downturn resulting from the global crisis.

Changes in the basic principles of managing the Issuer's company and its capital group

In 2011, no changes in the basic principles of managing the parent company and the ULMA Construcccion Polska S.A. Capital Group were introduced.

Changes in the composition of the management and supervisory bodies of the Issuer in the last financial year, principles of appointing and recalling managing persons and powers of managing persons, in particular the right to decide on issue or redemption of shares

Pursuant to the Articles of Association the Management Board of the Company is composed from one to five members. The members of the Management Board are appointed and recalled by the Supervisory Board. The term of office of a member of the Management Board is defined by the Supervisory Board; however, the term cannot be longer than years. The Supervisory Board defines also the number of members of the Management Board and appoints the President.

In accordance with the By-Laws of the Management Board of ULMA Construcccion Polska S.A., the Management Board of the Company adopts resolutions in matters stipulated by law and the Company's Articles of Association, subject to the provision that resolutions whose adoption must be approved by the General Meeting of the Company's Shareholders or the Company's Supervisory Board, can be adopted upon obtaining such consent. The Management Board adopts resolutions particularly in matters related to:

- convening a General Meeting of Shareholders,
- defining the detailed organization structure of the Company and its internal regulations,
- granting and revoking proxies and powers of attorney,
- incurring credits,
- making investments,
- determining the rules of the Company's remuneration system,
- setting the accounting principles and methods,
- setting detailed principles of the Company's financial policy,

- developing the Company's annual financial plans,
- developing the Company's long-term development plans,
- defining and announcing the date of payment of dividend allocated to be paid out by the General Meeting.

Pursuant to the Articles of Association the Company's Supervisory Board is composed of from five to nine members appointed by a General Meeting. The term of office of the Supervisory Board is three years.

The Supervisory Board exercises permanent supervision over the Company's operations. The tasks of the Supervisory Board include in particular:

- balance sheet audit,
- audit of reports of the Management Board and its proposals as regards distribution of profits or losses,
- suspending members of the Management Board or the entire Management Board for important reasons,
- appointing a member or members of the Management Board to temporarily perform the tasks of the Management Board in case the entire Management Board have been suspended or are unable to perform their tasks for other reasons,
- approving the By-Laws of the Company's Management Board,
- setting the rules of remuneration of the members of the Management Board,
- granting consent for investments and purchases in excess of 4/5 (four fifths) of the nominal value of the share capital or incurring credits in excess of this amount,
- choosing an auditor,
- granting consent to purchase or sell by the Management Board real property or interests in real property.

In 2011, there were no changes to the composition of the Management Board and the Supervisory Board of ULMA Construccin Polska S.A.

Any agreements concluded between the Issuer and managing persons assuming compensation in case of their resignation or dismissal from the held position without an important reason or when their recall or dismissal is due to a merger of the Issuer through takeover

There are no agreements concluded by and between ULMA Construccin Polska S.A. and managing persons assuming compensation in case of their resignation or dismissal from the held position without an important reason or when their recall or dismissal is due to a merger of ULMA Construccin Polska S.A. through takeover, except for non-competition agreements after termination of employment in the Company. The aforementioned agreements provide for a ban on undertaking activities competitive to those pursued by the Company for a period from 6 to 18 months. Depending on the agreement, remuneration for refraining from conducting competitive activities is an equivalent of from 3-month to 18-month average remuneration of a given managing person.

Amount of remuneration, rewards and benefits, including those resulting from incentive or bonus schemes based on the Issuer's capital, including schemes based on senior bonds, convertible bonds, subscription warrants (in cash, in kind or in any other form), disbursed, due or potentially due, separately for each managing and supervising person of the Issuer in the Issuer's company, regardless of the fact that these were posted respectively to costs or resulted from profit distribution; in case the parent company or a major investor are the Issuer – separate information on the amount of remuneration or rewards received due to performing a function in the subsidiary companies'

authorities; if relevant information was presented in the financial statements - the duty is deemed fulfilled through indicating the item in which it is recognized in the financial statements

The aforementioned information was included in Note 28 to the Additional Information to the financial statements.

Determination of the total number and nominal value of all shares of the Issuer and shares in the Issuer's related parties held by managing and supervising persons (separately for each person)

To our best knowledge, no member of the Management Board or the Supervisory Board holds shares of ULMA Construcción Polska S.A. as of the date of passing this report.

Identification of shareholders holding directly or indirectly via their subsidiary companies minimum 5% of the total number of votes at the Issuer's General Meeting, with details of the number of shares held by such shareholders, their percentage share in the share capital, the number of votes they entitle to and their percentage share in the total number of votes at a General Meeting

As of the date of passing this annual report, the following shareholders hold over 5% of the total number of votes:

- ULMA C y E S, Coop. (Spain) holding directly 3,967,290 shares of ULMA Construcción Polska S.A., equivalent to 75.49% in the Company's share capital and entitling to 3,967,290 votes at a General Meeting, equivalent to 75.49% of the total number of votes,
- Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK holding directly 516,739 shares of ULMA Construcción Polska S.A., equivalent to 9.83% of the Company's share capital and entitling to 516,739 votes at a General Meeting, equivalent to 9.83% of the total number of votes.

Information on agreements the Issuer is aware of (including those concluded following the balance sheet date) which may result in future changes to the distribution of shares held by the present shareholders and bondholders.

To our best knowledge, there are no agreements which may result in future changes to the distribution of shares held by the present shareholders.

Identification of shareholders of any securities which entitle to special control rights in relation to the Issuer, with details of the rights

As of the date of passing this report, there are no securities entitling to special control rights in relation to ULMA Construcción Polska S.A.

Information on the control system of employee share schemes

No employee share scheme has been implemented in ULMA Construcción Polska S.A.

Information on:

- a) *date of conclusion by the Issuer of an agreement with an entity authorized to audit financial statements on audit or a review of the financial statements or the consolidated financial statements, as well as on the period for which the agreement was concluded,*
- b) *remuneration of the entity authorized to audit the financial statements, disbursed or due for the financial year separately for:*
- *audit of the annual financial statements*
 - *other attestation services, including a review of the financial statements*
 - *tax advisory services*
 - *other services*

The review of the interim financial statements of ULMA Construccin Polska S.A. and audit of the financial statements of ULMA Construccin Polska S.A. and the consolidated financial statements of the ULMA Construccin Polska S.A. Capital Group for 2011 were performed by KPMG Audyty Sp. z o.o. spółka komandytowa pursuant to the agreement concluded on 16 June 2011. The total remuneration under the aforementioned agreement amounts to TPLN 170, including remuneration for the review of the interim financial statements – TPLN 80.

The review of the interim financial statements of ULMA Construccin Polska S.A. and audit of the financial statements of ULMA Construccin Polska S.A., the financial statements of ULMA System S.A. and the consolidated financial statements of the ULMA Construccin Polska S.A. Capital Group for 2010 were performed by KPMG Audyty Sp. z o.o. pursuant to the agreement concluded on 23 June 2010. The total remuneration under the aforementioned agreement amounts to TPLN 195, including remuneration for the review of the interim financial statements – TPLN 85.

On 18 October 2010, ULMA Construccin Polska S.A. concluded an agreement with KPMG Audyty Sp. z o.o. spółka komandytowa on audit of the interim financial statements as of 30 September 2011.

The remuneration under the aforementioned agreement amounted to TPLN 57.

Translation of selected financial data into EUR

Translations of selected financial data into EUR has been presented in the table below:

ITEM	in TPLN		in TEUR	
	12 months 2011	12 months 2010	12 months 2011	12 months 2010
Net revenues from sales of products, goods and materials	286 859	205 776	69 287	51 387
Operating profit/(loss)	65 667	22 452	15 861	5 607
Gross profit/(loss)	62 647	30 241	15 132	7 552
Net profit/(loss)	51 280	27 776	12 386	6 936
Net operating cash flow	141 662	96 344	34 217	24 060
Net cash flow from investments	(41 165)	(66 288)	(9 943)	(16 554)

Net cash flow from financing activity	(84 992)	(45 729)	(20 529)	(11 420)
Net cash flow	15 505	(15 673)	3 745	(3 914)
Basic earnings per share (PLN/EUR)	9.76	5.29	2.36	1.33
Diluted earnings per share (PLN/EUR)	9.76	5.29	2.36	1.33

	in TPLN		in TEUR	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Total assets	525 128	530 267	118 893	133 896
Liabilities	201 973	244 044	45 728	61 623
Long-term liabilities	95 508	145 669	21 624	36 782
Short-term liabilities	106 465	98 375	24 104	24 841
Equity	323 155	286 223	73 165	72 273
Share capital	10 511	10 511	2 380	2 654
Weighted average number of shares	5 255 632	5 255 632	5 255 632	5 255 632
Number of shares as of the balance sheet date	5 255 632	5 255 632	5 255 632	5 255 632
Book value per share (in PLN/EUR)	61.49	54.46	13.92	13.75

The specific asset and equity, as well as liability items were translated into EUR at the average rates of exchange announced by the President of the National Bank of Poland prevailing as of the balance sheet date. The EUR average rate as of 31 December 2011 was PLN 4.4168, and as of 31 December 2010 – PLN 3.9603.

While translating the items of the total income statement and cash flow statement items, a rate being the arithmetic mean of the rates prevailing as of the last day of each month in a given period was applied. For the period 1 January – 31 December 2011 this rate was PLN/EUR 4.1401, while the data for the analogous period in 2010 were translated at the rate PLN/EUR 4.0044.

Investor relations

In order to promote correct investor relations, the Company appointed a person responsible for contacts with the Stock Exchange, the Polish Financial Supervision Authority and shareholders.

Jolanta Szelaż (22) 506-70-00
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Statement by the Company's Management Board

These financial statements of ULMA Construccjon Polska S.A. for 12 months ended on 31 December 2011 were approved by the Management Board of ULMA Construccjon Polska S.A. on 12 March 2012.

These financial statements for 12 months ended on 31 December 2011 were prepared in order to present the economic and financial standing, as well as the results of operations of ULMA Construccjon Polska S.A.

These financial statements for 12 months ended on 31 December 2011 were prepared compliant with International Financial Reporting Standards – IFRS - and the related interpretations announced in the form of regulations of the European Commission.

These financial statements of ULMA Construcción Polska S.A. for 12 months ended on 31 December 2011 include:

- statement of financial position
- total income statement
- statement of changes in equity
- cash flow statement
- additional information.

To our best knowledge, the financial statements of ULMA Construcción Polska S.A. for 12 months ended on 31 December 2011 and the comparable data were prepared in accordance with applicable accounting standards and reflect in a true, reliable and clear manner the economic and financial standing of ULMA Construcción Polska S.A. and its financial result, and the report of the Management Board on operations of ULMA Construcción Polska S.A. for 12 months of 2011 contains a true view of the development and achievements and condition of the Company, including details of major threats and risks.

The entity authorized to audit financial statements which reviewed the financial statements of ULMA Construcción Polska S.A. for 12 months ended on 31 December 2011 was selected in compliance with the applicable regulations. The entity and the auditors who reviewed the financial statements meet the requirements to issue an impartial and independent opinion on the audited statements of ULMA Construcción Polska S.A. for 12 months ended on 31 December 2011, in compliance with the applicable regulations and professional standards.

On behalf of the Management Board of ULMA Construcción Polska S.A.

Andrzej Kozłowski, President of the Management Board

Andrzej Sterczyński, Member of the Management Board

Krzysztof Orzełowski, Member of the Management Board

José Irizar Lasa, Member of the Management Board.....

José Ramón Anduaga Aguirre, Member of the Management Board

Warsaw, 12 March 2012