

ASSESSMENT OF THE SITUATION OF THE COMPANY
Przedsiębiorstwo Robót Inżynieryjnych „POL-AQUA” Spółka Akcyjna
based in Warsaw
for the turnover year 2012
prepared by the Company's Board
on 28th May 2013.

Pursuant to § 29 of the Rules of the Supervisory Board of P.R.I. "POL-AQUA" S.A., the Supervisory Board submits to the General Meeting of Shareholders the concise assessment of Company's situation during fiscal year 2012.

The main events of 2012 regarding Company's situation and its capital group included:

1. Winding up a unit General Construction in Gdańsk and the unification of two previous units General Construction and Engineering Construction in Warsaw Headquarter.
2. The restructuring of the Company employment, resulting in employment has been reduced from 1,333 employees as of December 31, 2011 to 957 employees as of December 31, 2012
3. Conclusion of the contract for the construction of section no 5 the national road S8 between P.R.I. "POL-AQUA" S.A. consortium (leader) and DRAGADOS S.A. (partner) and State Treasury – the General Directorate for National Roads and Motorways, Łódź Division. The value of the contract amounts to: PLN 1.129.111.686,73 net (PLN1.388.807.374,68 gross). The participation of P.R.I. "POL-AQUA" S.A. in the consortium equals 51%. Due to the appendix concluding at the beginning of 2013 the leader of consortium become DRAGADOS S.A. and the participation of P.R.I. "POL-AQUA" S.A. in the consortium equals 1%.
4. Conclusion the appendix to the agreement on the construction of the Northern Bridge Route in Warsaw for the extension of the complete date up to 31st July 2012.
5. The letter notified that in the open tender proceedings for "Designing and execution of construction works for LCS Łuków - Siedlce station, Łuków and Międzyrzec Podlaski (full extent of the works), as well as sections of slags (only signalling systems and telecommunications) under the OPIE 7.1 – 9.1 project "Modernisation of E 20/CE 20 railway line on the section: Siedlce - Terespol, stage II", the most advantageous offer was considered the offer of a consortium consisting of:
 - Przedsiębiorstwo Robót Inżynieryjnych "POL-AQUA" S.A., Piaseczno – Leader
 - DRAGADOS S.A., Madrid – Partner
 - Vias y Construcciones S.A., Madrid – Partner
 - Electren S.A., Madrid – Partner.

The value of the contract amounts to: PLN 427,390,878.05 net (PLN 525,690,780 gross). The participation of P.R.I. "POL-AQUA" S.A. in the consortium is 38% (Dragados S.A. – 37%, Vias y Construcciones S.A. – 20%, Electren – 5%).

Entities participating in this tender may, within 10 days from the date of selection of the most advantageous offer, appeal to the National Board of Appeal.

The contract shall be signed after the procedures stipulated in the Public Procurement Law of 29 January 2004 have been completed.

P.R.I. "POL-AQUA" S.A. shall report on the further course of the tender proceedings in current reports.

6. A contract for variation works amounts PLN 9.978.034,08 for MPWiK supplementing contract "Building collector W".
7. Conclusion of loan agreements with DRAGADOS in amount PLN 101.286.469,10.
8. On 25th October 2012 the public opening public opening of offers for the completion of the investment "Design and completion of construction works for the project of improving the quality of transport services by improving the technical condition of railway line no. 1 at the Koluszki – Częstochowa section" took place. The best bid concerning the performance of the investment in question was submitted by a consortium comprising P.R.I. POL-AQUA S.A. (the leader of the consortium),

DRAGADOS S.A. (partner of the consortium), Vias y Construcciones S.A. (partner of the consortium) and Electren S.A. (partner of the consortium) at PLN 483 300 000 net.

The participation of P.R.I. POL-AQUA S.A. in the consortium equals approx. 25-30%. The contract was awarded to the Contractor and the relevant agreement was signed in 2013. Finally the participation of P.R.I. POL-AQUA S.A. in the consortium equals 1%.

The Supervisory Board took action to optimise the process of the Company and Capital Group management to match the market challenges and prepare for comprehensive realisation of various investment projects in the next few years.

The Supervisory Board upon familiarizing itself with the Report of the Management Board from activity of the Company for year 2012 resolves that it contains the necessary information referring to the operation of the Company during that turnover year and assesses it positively. The Supervisory Board asserts positively the work of the Management Board in the year 2012 and recommends giving the voice of approval to the Management Board members.