

ADDITIONAL EXPLAINING NOTES

1. Information on financial instruments.

1.1. Financial instruments divided into categories and groups.

Content	Loans granted and own receivables	Financial liabilities meant for trading	Financial assets maintained until the maturity date.	Assets available for sale
1. Opening position	47,019	0	7,035	110
2. End of period position	41,102	0	11,573	91
including:				
2.1 in balance records with consideration to balance sheet position				
- long-term financial assets				91
- Short-term liabilities	41,102			
- Short-term financial assets				
- other cash			11,573	
- Short-term liabilities				
- loans				

1.2. Characteristics of financial instruments of the entity

The entity possesses the following financial instruments: shares and stock in other entities, financial investments, receivables, overdrafts and other loans. The principles of their valuation were discussed in section 11) of the *Introduction*.

2. Data concerning the balance sheet position, in particular contingent liabilities including guarantees and securities granted by the issuer, with separation of the ones granted for affiliates.

Contingent liabilities in the Company relate to the contractual guarantees. In comparison to the position as of 31.12.2008, the position of contingent liabilities decreased in value by PLN 628 thousand and as of 31.12.2009 reached the level of PLN 61,333 thousand.

During the reporting period the existing warranties issued in foreign currency were revaluated and new liabilities appeared with the value of PLN 46,306 thousand due to

- tendering guarantees and performance bonds granted by Bank Pekao S.A. for Foster Wheeler Energia Polska Sp. z o.o., Fabryka Kotłów Rafako S.A., Alstom Power Ltd., AE&E. Austria GmbH, TMF Bulgaria, Baumgarte Boiler, Prokon Nord Energiesystem, AE&E Inova, Alstom Power Sp. z o.o. and the differences in exchange rates from the assessments of previously issued guarantees amounting to PLN 43,254 thousand
- the assessment of the performance bonds granted by Bank Gospodarki Żywnościowej S.A. for Alstom Power System GmbH, Hitachi Power Europe GmbH and Alstom Power Sp. z o.o. altogether amounting to PLN 581 thousand.
- issuing promissory notes for securing the executed contracts and the assessment of already issued blank promissory notes for securing the obtained guarantees for Polimex-Mostostal S.A. amounting to PLN 1,382 thousand.

- issued blank promissory notes for securing received guarantees for Sefako S.A. altogether amounting to PLN 918 thousand.
- guarantees granted by ING SA Bank in Katowice and the assessment of the already issued guarantees in the total amount of PLN 171 thousand.

In 2009, due to the expiration of the guarantee period and the balance sheet valuation, guarantees expired or decreased their value for the total sum of PLN 46,934 thousand.

Due to the balance sheet valuation, the contingent liabilities as of 31.12.2009 decreased in comparison to 31.12.2008 by PLN 395 thousand and amount to PLN 22,657 thousand. They include the following:

- securities submitted to the issuer by consortium members concluded in the purpose of executing the tasks for performing the sewerage system in Opole and the area of Opole in the total amount of PLN 20,400 thousand.
- performance bond and promissory notes received from the contracting parties in the total amount of PLN 2,257 thousand.

No contingent liabilities were reported towards affiliated entities.

3. Liabilities towards the state budget or units of territorial self-government due to obtaining the rights of ownership for building and premises.

The company does not have liabilities towards the state budget or units of territorial self-government due to obtaining the rights of ownership for buildings and premises.

4. Ceased activity.

In the reporting period the issuer did not cease any important business activity. In the coming period, ceasing of any substantial activity is also not forecasted.

5. Cost of producing fixed assets under construction and fixed assets for own needs.

In 2009 the Company produced, using its own resources, fixed assets for its own needs in the amount of 343 thousand PLN.

6. Incurred and planned investment expenditures, including non-financial fixed assets and incurred and planned expenditures for environmental protection.

In the reporting period the Company incurred investment expenditure in the amount of 5,549 thousand PLN including:

- | | |
|--|--------------------|
| - tangible fixed assets amounting to | PLN 5,367 thousand |
| - intangible fixed assets amounting to | PLN 182 thousand |

The Company did not incur and does not plan to incur investment expenditures for environmental protection.

For the coming 12 months the Company is planning investment expenditures amounting to PLN 13,350 thousand.

7. Information on affiliated entities.

In 2009 the Company did not conclude or execute significant transactions with affiliated entities pursuant to other terms than market terms.

List of transactions with affiliated entities in 2009:

PLN thousand

Detailed list	Sales for affiliated entities	Purchase from affiliated entities	Receivables from affiliated entities	Liabilities towards affiliated entities
Affiliated entity				
Mostostal Warszawa SA	-	35	-	-
Entities from Mostostal Warszawa S.A. capital group.				
Mostostal Plock S.A.	-	6	-	-
Mostostal Puławy S.A.	90	-	-	-

7a. Information on contracts of economic character and purpose concluded by the Issuer, not included in the balance sheet within the scope necessary for the assessment of their impact of financial and economic condition and financial result.

In 2009 the company did not conclude contracts which were not included in the financial statement and which could have influenced financial and economic condition or financial result.

8. Joint undertakings not being subject to consolidation.

In the reporting period no joint undertakings took place, which are not subject to consolidation.

9. Average employment.

Average employment in the Company in 2009 amounted to 909 positions,

	including:	home	export
- white-collar workers -	177	133	44
- blue-collar workers	732	290	442

As of 31 December 2009 the total amount of the employed people amounted to 819 people. 176 employees were on unpaid holiday.

10. Remuneration and awards for supervising and managing personnel

Total sum of remuneration and awards paid (and due) by the Company in 2009 amounted to:

a) for managing personnel

- for members of the Management Board:

Brejwo Marek

PLN 708 thousand

Aleksandra Kowalska	PLN 518 thousand
Adam Rogala	PLN 518 thousand
Zbigniew Cudek	PLN 375 thousand
- for commercial representatives	
Cebula Gabriela	PLN 189 thousand
Ciesielczuk Lesław	PLN 95 thousand
Mrzygłód Bogusław	PLN 247 thousand

b) for members of the Supervisory Board

Wiesław Wilczyński (for the period from 21 October 2009) PLN 16 thousand pursuant to the 19 April 2007 Resolution No. 11 of AGM, members of the Supervisory Board performing their functions in companies belonging to Mostostal Warszawa S.A group do not obtain remuneration for performing their function in the Board.

Remunerations of managing and supervising personnel are concordant with contracts and resolutions of appropriate bodies of the Company.

Managing and supervising personnel did not obtain financial or in-kind awards resulting from the distribution of the profit.

11. Unpaid advances, loans, credits, guarantees and securities granted to supervising and managing personnel.

Managing personnel and members of the issuer's supervisory board do not have unpaid advances, loans, credits, guarantees, securities or other contracts obliging to perform services for the benefit of the issuer as the Company did not grant them or their relatives any advances, credits, guarantees and securities and did not conclude any other agreements binding to perform services for the benefit of the issuer.

11a. Information concerning the contract concluded with the entity entitled to review financial statements

Pursuant to the decision of the Company's Supervisory Board as of 07 May 2009, the company Ernst&Young Audit Sp. z o.o. in Warsaw with the seat at Rondo ONZ 1, entered in the National Chamber of Statutory Auditors (Polish abbreviation - KIBR) register under number 130 was chosen as an entity entitled to review financial statements for 2009.

The agreement with the auditor was signed on 05 June 2009 for the period of the review and examination of financial reports for the financial year 2009.

The remuneration amounts to:

- for the examination of annual financial statement – PLN 110 thousand net,
- for the review of annual financial statement – PLN 47 thousand net,
- costs of additional services amount to 10% of the agreed remuneration.

The amount of the remuneration for the examination and review of financial statements for 2008 amounted to PLN 130 thousand net (the contract specified the total amount of remuneration).

12. Significant events concerning previous years included in the report for current reporting period.

No significant events concerning previous years occurred, which should be considered in the Company's financial statement for 2009.

13. Significant events after the balance sheet date not included in the statement.

Until the date of preparing the financial statement for 2009, no events relating to the previous years occurred which would have significant impact on financial and economic position of the Company, which are not included in the statement.

14. Relations between the legal predecessor and the issuer.

No relations between the legal predecessor and the issuer occur.

15. Preparing financial statements with consideration to cumulated inflation rate above 100% in the period of last three years of the issuer's activity.

In relation to maintaining a cumulated mid-year inflation rate within the last three years of issuer's activity below 100%, no financial results were adjusted due to the inflation rate for the periods covered by this statement.

16. List and explanation of differences between the data revealed in the financial statement and comparable financial data and the previously prepared and published financial statements.

Financial statement for 2009 and financial statement for 2008 are fully comparable.

17. Changes in applied accounting principles (policy) and the way of preparing financial statement, introduced in relation to the previous financial year, their causes, titles and the influence of consequential financial results on the economic and financial position of the company, its liquidity, financial result and profitability.

In 2009 no changes in the applied accounting principles (policy) or in the way of preparing financial statement were introduced.

18. Introduced adjustments of fundamental errors.

In 2009 no need of adjusting fundamental errors occurred, as there were no such errors.

19. The assessment of the uncertainty related to the chances of continuation of the Company's operations.

In the assessment of the Management Board of the Company, there are no uncertainties relating to the chance of continuing the activity in the coming periods. The above opinion is based on the

contracts executed for significant orders. As for the date of preparing this report, the portfolio of the Company's orders for 2010 is filled in 40 %.

20. Financial statement for the merger period.

As no merger of the Company with another entity took place, this financial report is not a report prepared after the merger of the companies.

21. In the situation when a method of property rights for valuation of shares and stock in subsidiary entities is not applied in the financial statement – presenting the results which would follow from its adoption and its impact on the financial result.

In the reporting period, the issuer did not possess any shares or stock in subsidiary entities over whose he would play a supervising role or co-control.

22. The issuer's consolidation obligation.

The issuer does not have shares (stock) in subsidiary entities.

Remak SA is covered by a consolidated financial statement of Mostostal Warszawa SA with the seat in Warsaw.

23. In the additional information to the financial statement as for the balance sheet day, the entity reveals at least the following information concerning all executed long-term contracts in total.

PLN thousand					
Detailed list	Income determined according to Standard principles	Costs determined according to Standard principles	Invoiced income	Incurred costs	Provision for losses
Total contracts for long-term services	253,622	220,411	229,301	209,824	136
- including uncompleted contracts total	236,242	207,063	208,772	195,329	136
- including incomplete contracts determined with zero-profit method					