

**BUDIMEX GROUP
WARSAW, UL. STAWKI 40**

**CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE 2014 FINANCIAL YEAR**

**WITH
AUDITOR'S OPINION
AND
AUDIT REPORT**

TABLE OF CONTENTS

AUDITOR'S OPINION	3
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS OF THE BUDIMEX GROUP FOR THE 2014 FINANCIAL YEAR.....	5
I. GENERAL INFORMATION.....	5
1. Details of the audited Parent Company	5
2. Structure of the Budimex Group	5
3. Information about the consolidated financial statements for the prior financial year	7
4. Details of the authorized entity and the key certified auditor acting on its behalf.....	7
5. Availability of data and management's representations.....	8
II. ECONOMIC AND FINANCIAL POSITION OF THE BUDIMEX GROUP.....	9
III. DETAILED INFORMATION	10
1. Information about the audited consolidated financial statements	10
2. Consolidation documentation.....	10
3. Completeness and correctness of drawing up notes and explanations and the report on the activities of the Budimex Group	11
IV. FINAL NOTES	12

CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR THE 2014 FINANCIAL YEAR

1. Consolidated Statement of Financial Position
2. Consolidated Income Statement
3. Consolidated Statement of Comprehensive Income
4. Consolidated Statement of Changes in Equity
5. Consolidated Statement of Cash Flows
6. Notes comprising a summary of significant accounting policies and other explanatory information

REPORT ON THE ACTIVITIES OF THE GROUP FOR THE 2014 FINANCIAL YEAR

AUDITOR'S OPINION

To the Shareholders and Supervisory Board of Buimdex SA

We have audited the attached consolidated financial statements of the Budimex Group (hereinafter: the "Budimex Group"), for which Budimex SA (hereinafter: the "Parent Company") with its registered office in Warsaw, at Stawki 40 is the Parent Company. Those consolidated financial statements include: consolidated statement of financial position prepared as of 31 December 2014, consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the financial year from 1 January 2014 to 31 December 2014 and notes comprising a summary of significant accounting policies and other explanatory information.

Preparation of consolidated financial statements and a report on the activities of the Budimex Group in line with the law is the responsibility of the Management Board of the Parent Company.

The Management Board of the Parent Company and members of its Supervisory Board are obliged to ensure that the consolidated financial statements and the report on the activities of the Budimex Group meet the requirements of the Accounting Act of 29 September 1994 (Journal of Laws of 2013 item 330, as amended), hereinafter referred to as the "Accounting Act".

Our responsibility was to audit and express an opinion on compliance of the consolidated financial statements with the accounting principles (policy) adopted by the Budimex Group and whether the financial statements give a true and fair view of the financial and economic position as well as the financial performance of the Budimex Group.

Our audit of the financial statements has been planned and performed in accordance with:

- section 7 of the Accounting Act,
- national auditing standards, issued by the National Council of Statutory Auditors in Poland.

We have planned and performed our audit of the consolidated financial statements in such a way as to obtain reasonable assurance to express an opinion on the financial statements. Our audit included, in particular, verification of the correctness of the accounting principles (policy) applied by the Parent Company and the subsidiaries, verification - largely on a test basis - of the basis for the amounts and disclosures in the consolidated financial statements, as well as overall evaluation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the audited consolidated financial statements in all material respects:

- give a true and fair view of the information material to evaluation of the economic and financial position of the Budimex Group as of 31 December 2014 as well as its financial performance in the financial year from 1 January 2014 to 31 December 2014,
- have been prepared in accordance with the International Accounting Standards, International Financial Reporting Standards and related interpretations published as European Commission regulations, and in all matters not regulated in the standards – in accordance with the provisions of the Accounting Act and its executive provisions,
- comply with the provisions of law applicable to the Parent Company and Budimex Group entities which affect the contents of the consolidated financial statements.

The report on the activities of the Budimex Group for the 2014 financial year is complete within the meaning of Article 49.2 of the Accounting Act and the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the rules of equal treatment of the information required by the laws of non-member states (Journal of Laws of 2014 item 133) and consistent with underlying information disclosed in the audited consolidated financial statements.

Wojciech Kłys
Key certified auditor
conducting the audit
No. 11775

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. – entity authorized to audit financial statements entered under number 73 on the list kept by the National Council of Statutory Auditors:

Maria Rzepnikowska – Chairman of the Management Board of Deloitte Polska Sp. z o.o. – which is the General Partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 11 March 2015

The above audit opinion together with audit report is a translation from the original Polish version. In case of any discrepancies between the Polish and English version, the Polish version shall prevail.

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL
STATEMENTS OF THE BUDIMEX GROUP
FOR THE 2014 FINANCIAL YEAR**

I. GENERAL INFORMATION

1. Details of the audited Parent Company

The Parent Company of the Budimex Group operates under the business name Budimex SA (hereinafter: the "Parent Company"). The Company's registered office is located in Warsaw, ul. Stawki 40.

The Parent Company operates as a joint stock company. The Parent Company is recorded in the Register of Entrepreneurs kept by the District Court, XII Business-Registry Division in Warsaw, under KRS number 0000001764.

The Parent Company operates based on the provisions of the Code of Commercial Companies.

As of 31 December 2014, the Parent Company's share capital equaled PLN 127,650,490 and was divided into 25,530,098 shares with a face value of PLN 5 each.

Composition of the Management Board of the Parent Company as at the date of the opinion:

- | | |
|------------------------------------|-------------------------------|
| – Dariusz Blocher | – Chairman of the Board; |
| – Fernando Luis Pascual Larragoiti | – Vice-Chairman of the Board; |
| – Jacek Daniewski | – Member of the Board; |
| – Henryk Urbański | – Member of the Board; |
| – Marcin Węglowski | – Member of the Board; |
| – Andrzej Artur Czynczyk | – Member of the Board. |

Changes in the composition of the Management Board of the Parent Company during the audited period and until the date of the opinion:

- on 24 April 2014 Mr Ignacio Botella Rodriguez resigned from the office of Vice-Chairman of the Management Board – his mandate was revoked the very same day,
- on 24 April 2014 the Supervisory Board appointed Mr Fernando Luis Pascual Larragoiti to hold the position of the Vice-Chairman of the Management Board.

2. Structure of the Budimex Group

The consolidated financial statements as of 31 December 2014 included the following entities:

- a) Parent Company – Budimex SA

We have audited the financial statements of the Parent Company for the period from 1 January to 31 December 2014. As a result of our audit, on 11 March 2015 we issued an unqualified opinion.

b) Companies subject to full consolidation:

Name and address of the Company	Interest in the share capital (%)	Name of entity that audited the financial statements and type of opinion issued	Balance sheet date of the consolidated entity
Mostostal Kraków SA, Cracow, Poland	100	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., unqualified opinion	31.12.2014
Budimex Bau GmbH, Cologne, Germany	100	The financial statements were not audited by a certified auditor	31.12.2014
Budimex Nieruchomości Sp. z o.o., Warsaw, Poland	100	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., unqualified opinion	31.12.2014
Budimex Budownictwo Sp. z o.o., Warsaw, Poland	100	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., opinion not issued by 11.03.2015	31.12.2014
SPV-BN 1 Sp. z o.o., Warsaw, Poland	100	The financial statements were not audited by a certified auditor	31.12.2014
Poznańskie Przedsiębiorstwo Inwestycyjne Sp. z o.o. (formerly: SPV-BN 2 Sp. z o.o.), Warsaw, Poland	100	The financial statements were not audited by a certified auditor	31.12.2014
Budimex Kolejnictwo SA, Warsaw, Poland	100	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., opinion not issued by 11.03.2015	31.12.2014
Budimex Parking Wrocław Sp. z o.o., Warsaw, Poland	100	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., opinion not issued by 11.03.2015	31.12.2014
Budimex B Sp. z o.o. (w likwidacji), Warsaw, Poland	100	The financial statements were not audited by a certified auditor	31.12.2014
Elektromontaż SA Group, Poznan, Poland	92.31	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., unqualified opinion	31.12.2014
Przedsiębiorstwo Budownictwa Mieszkaniowego Nadolnik Sp. z o.o., Warsaw, Poland	100	The financial statements were not audited by a certified auditor	31.12.2014

c) Companies included in relation to interest in assets, liabilities, revenues and expenses:

Name and address of the Company	Interest in the share capital (%)	Name of entity that audited the financial statements and type of opinion issued	Balance sheet date of the consolidated entity
Budimex SA – Budimex Budownictwo Sp. z o.o. s.c., Warsaw, Poland	100	Financial data included in the financial statements of Budimex SA audited by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31.12.2014
Budimex SA Ferrovial Agroman SA s.c., Warsaw, Poland	99.98	Financial data included in the financial statements of Budimex SA audited by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31.12.2014
Budimex SA Sygnity SA Sp. j., Warsaw, Poland	67	Financial data included in the financial statements of Budimex SA audited by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31.12.2014
Budimex SA Ferrovial Agroman SA Sp. j., Warsaw, Poland	50	Financial data included in the financial statements of Budimex SA audited by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31.12.2014
Budimex SA – Cadagua SA s.c., Warsaw, Poland	50	Financial data included in the financial statements of Budimex SA audited by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31.12.2014
Budimex SA – Cadagua II SA s.c., Warsaw, Poland	50	Financial data included in the financial statements of Budimex SA audited by	31.12.2014

		Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	
Budimex SA Tecnicas Reunidas SA Turów s.c., Warsaw, Poland	50	Financial data included in the financial statements of Budimex SA audited by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31.12.2014

d) Companies subject to equity method of consolidation:

Name and address of the Company	Interest in the share capital (%)	Name of entity that audited the financial statements and type of opinion issued	Balance sheet date of the consolidated entity
Promos Sp. z o.o.	26,31	The financial statements were not audited by a certified auditor	31.12.2014
FBSerwis SA	49	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., opinion not issued by 11.03.2015	31.12.2014
Tecpresa – Techniki Sprężania i Usługi Dodatkowe Sp. z o.o., Warszawa, Polska	30	The financial statements were not audited by a certified auditor	31.12.2014

In the audited financial year, the Parent Company included to consolidation the following entities: Przedsiębiorstwo Budownictwa Mieszkaniowego Nadolnik Sp. z o.o., Budimex SA – Cadagua II SA s.c., Budimex SA Tecnicas Reunidas SA Turów s.c.

3. Information about the consolidated financial statements for the prior financial year

The activities of the Budimex Group in 2013 resulted in a net profit of PLN 301,300 thousand. The consolidated financial statements of the Budimex Group for 2013 were audited by a certified auditor. The audit was performed by authorized entity Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. On 7 March 2014 the certified auditor issued an unqualified opinion on those financial statements.

The General Shareholders' Meeting which approved the consolidated financial statements for the 2013 financial year was held on 24 April 2014.

In accordance with applicable laws, the consolidated financial statements for the 2013 financial year were submitted to the National Court Register (KRS) on 30 April 2014.

4. Details of the authorized entity and the key certified auditor acting on its behalf

The entity authorized to audit the financial statements was appointed by the Supervisory Board. The audit of the consolidated financial statements was performed based on the agreement of 17 October 2014 concluded between the Parent Company and Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. with its registered office in Warsaw, al. Jana Pawła II 19, recorded under number 73 on the list of entities authorized to provide audit services kept by the National Council of Statutory Auditors. On behalf of the authorized entity, the audit of the consolidated financial statements was conducted under the supervision of Wojciech Kłys, key certified auditor (No. 11775) in the registered office of the Parent Company from 20 to 31 October 2014, from 19 January to 6 February 2015 as well as outside the Company's premises until the date of this opinion.

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. and the key certified auditor conducting audit confirm that they are authorized to carry out audits and meet the requirements of Article 56 of the Act on statutory auditors and their self-governing body, auditing firms and on public oversight (Journal of Laws of 2009 No. 77, item 649, as amended) to express an unbiased and independent opinion on the consolidated financial statements of the Budimex Group.

5. Availability of data and management's representations

The scope of our audit was not limited.

During the audit, necessary documents and data as well as detailed information and explanations, were provided to the authorized entity and the key certified auditor, as confirmed e.g. in the written representation of the Management Board of the Parent Company of 11 March 2015.

II. ECONOMIC AND FINANCIAL POSITION OF THE BUDIMEX GROUP

Presented below are the main items from the consolidated income statement, consolidated statement of financial position as well as financial ratios describing the financial performance of the Budimex Group and its economic and financial position compared to the prior year.

Main financial data from consolidated income statement 2014 2013 (PLN '000)

Sales revenue	4,949,939	4,749,459
Operating expenses	(4,722,662)	(4,545,324)
Operating profit (loss)	247,318	333,306
Net profit (loss)	193,938	301,300

Main financial data from consolidated statement of financial position (PLN '000)

Inventory	648,655	697,046
Trade receivables	418,369	493,929
Current assets	3,180,713	3,064,523
Total assets	3,858,209	3,686,753
Equity	522,509	645,175
Short-term liabilities (including short-term provisions and accruals)	2,923,071	2,693,593
Trade liabilities	302,065	535,433
Total liabilities and provisions	3,335,700	3,041,578

Profitability and efficiency ratios 2014 2013

– return on sales	5%	7%
– net return on equity	59%	88%
– assets turnover ratio	1.28	1.29
– receivables turnover in days	33	31
– liabilities turnover in days	32	44
– inventory turnover in days	51	62

Liquidity/Net working capital

– debt ratio	86%	83%
– equity to fixed assets ratio	14%	17%
– net working capital (PLN '000)	257,642	370,930
– current ratio	1.09	1.14
– quick ratio	0.87	0.88

An analysis of the above figures and ratios indicated the following trends in 2014:

- a decrease in return on sales and net return on equity;
- a slightly decrease in assets turnover ratio;
- an increase in receivables turnover ratio;
- a decrease in liabilities and inventory turnover ratios;
- an increase in debt ratio.

III. DETAILED INFORMATION**1. Information about the audited consolidated financial statements**

The audited consolidated financial statements were prepared as at 31 December 2014 and include:

- consolidated statement of financial position prepared as of 31 December 2014, with total assets and equity plus liabilities of PLN 3,858,209 thousand,
- consolidated income statement for the period from 1 January 2014 to 31 December 2014, with a net profit of PLN 193,938 thousand,
- consolidated statement of comprehensive income for the period from 1 January 2014 to 31 December 2014, with a total comprehensive income of PLN 193,053 thousand,
- consolidated statement of changes in equity for the period from 1 January 2014 to 31 December 2014, disclosing a decrease in equity of PLN 122,666 thousand,
- consolidated statement of cash flows for the period from 1 January 2014 to 31 December 2014, showing a cash inflow of PLN 136,824 thousand,
- notes, comprising a summary of significant accounting policies and other explanatory information.

The audit covered the period from 1 January 2014 to 31 December 2014 and focused mainly on:

- verification of the correctness and fairness of the consolidated financial statements prepared by the Management Board of the Parent Company;
- verification of the consolidation documentation;
- evaluation of the correctness of the consolidation methods and procedures applied during consolidation;
- review of opinions and reports on audits of financial statements of subsidiaries and associated companies included in consolidation, prepared by other certified auditors.

2. Consolidation documentation

The Parent Company presented the consolidation documentation including:

- financial statements of entities included in the consolidated financial statements;
- financial statements of controlled entities, adjusted to the accounting principles (policy) applied during consolidation;
- financial statements of controlled entities translated into the Polish currency;
- consolidation adjustments and eliminations necessary for preparation of the consolidated financial statements;
- calculation of non-controlling interests;
- calculation of exchange differences arising from translation of the financial statements of controlled entities denominated in foreign currencies.

The financial statements of the subsidiaries were consolidated using the full method, i.e. full amounts of all relevant items of the financial statements of the Parent Company and the subsidiaries included in consolidation were summed up.

The equity method was applied with respect to associated entities and joint ventures. The value of the Parent Company's interest in the associated companies and joint ventures was adjusted by increases or decreases in the equity of the associated companies attributable to the Parent

Company, which occurred in the period covered by consolidation, and decreased by dividends due from such companies.

The Parent Company preparing the consolidated financial statements has not applied any material simplifications and exceptions to the consolidation principles with respect to the controlled entities.

3. Completeness and correctness of drawing up notes and explanations and the report on the activities of the Budimex Group

The Parent Company confirmed the validity of the going concern basis in preparation of the consolidated financial statements. The notes and explanations to the consolidated financial statements give a description of measurement principles regarding assets and equity plus liabilities, financial performance and principles of preparation of the consolidated financial statements.

The Parent Company prepared notes in the form of tables to individual items of the consolidated statement of financial position and consolidated income statement and consolidated statement of comprehensive income as well as narrative descriptions in line with the requirement of IFRS.

The Management Board of Parent Company prepared and supplemented the consolidated financial statements with a report on the activities of the Budimex Group in the 2014 financial year. The report contains information determined by Article 49.2 of the Accounting Act and the Ordinance of the Minister of Finance Ordinance of 19 February 2009 on current and periodic information published by issuers of securities and the rules of equal treatment of the information required by the laws of non-member states (Journal of Laws of 2014 item 133). We have audited the report with respect to the disclosed information derived directly from the audited consolidated financial statements.

IV. FINAL NOTES

Management Board's Representations

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. and the key certified auditor received a representation letter from the Parent Company's Management Board, in which the Board stated that the Budimex Group complied with the laws in force.

Wojciech Kłys
Key certified auditor
conducting the audit
No. 11775

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. – entity authorized to audit financial statements entered under number 73 on the list kept by the National Council of Statutory Auditors:

Maria Rzepnikowska – Chairman of the Management Board of Deloitte Polska Sp. z o.o. – which is the General Partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 11 March 2015