Budimex Group

Presentation for investors
for 1H 2009

Budimex Group

Structure of the Group

budimex

Budimex Group

- **CONSTRUCTION BUSINESS**
  - Budimex Dromex S.A.
  - Mostostal Kraków S.A.
  - Sprzęt Transport Sp. z o.o.
- **REAL ESTATE BUSINESS**
  - Budimex Inwestycje Sp. z o.o.
  - Budimex Nieruchomości Sp. z o.o. (a joint venture with Grimaldi Investments BV)*
- **OTHER ACTIVITIES**
  - Budimex DanWood Sp. z o.o.
  - Companies consolidated under equity method

** Budimex Group's consolidated result includes 50% of the result of Budimex Nieruchomości Sp. z o.o.*

budimex

Budimex Group

CONSTRUCTION BUSINESS

Infrastructure
- Construction of roads, highways,
- Renovations of existing roads,
- Construction of bridges.

General construction
- Residential construction,
- Non-residential general construction (office buildings, shopping malls, plants),
- Airports.

Ecological
- Construction of sewage treatment plants,
- Canalization systems.

REAL ESTATE BUSINESS

Residential development
- Development of residential property (flats).

Rental activity
- Rental of investment property to external clients.
- Operating one commercial parking lot.

Other services
- Operating one hotel in Poland.

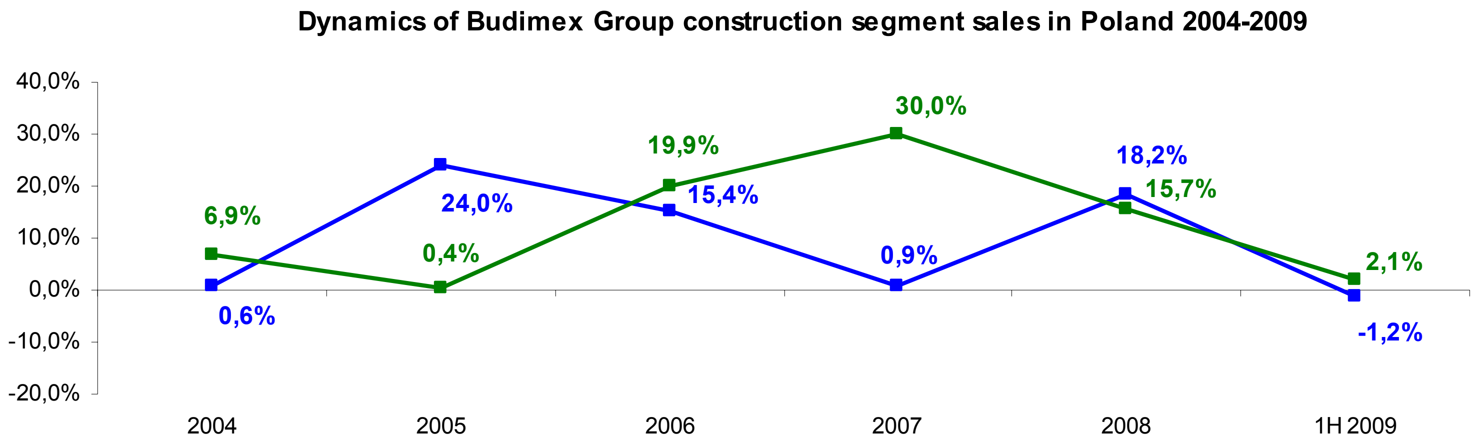
OTHER ACTIVITIES

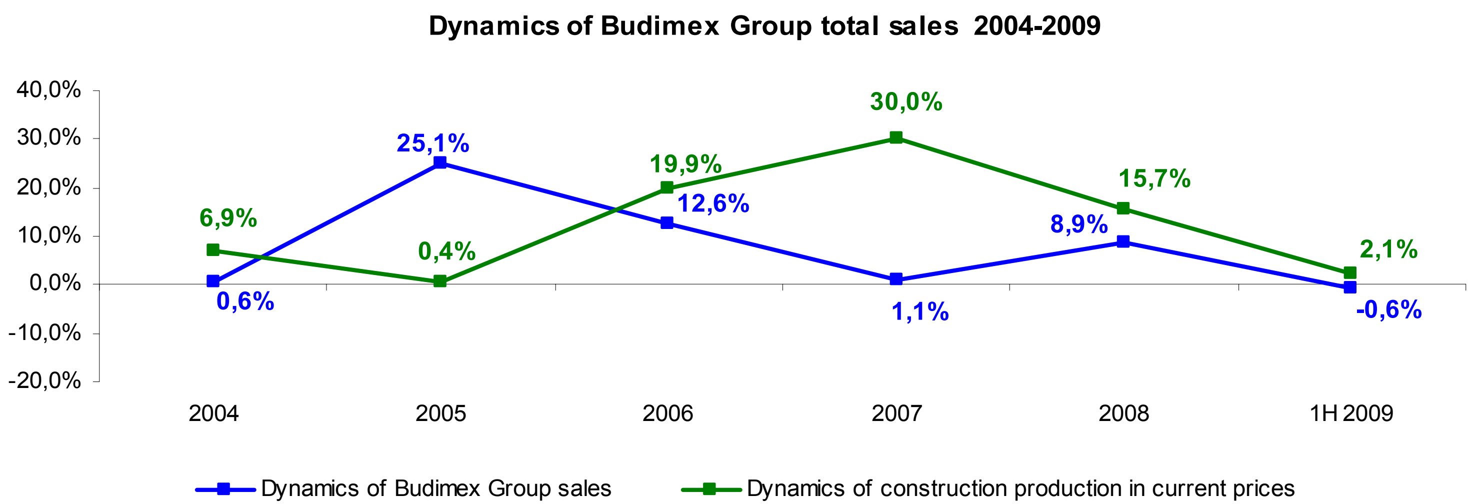
Timber – frame houses
- Production and development of timber – frame houses.

Other activity (equity pick-up)
- Electro – installation company (Elektromontaż Poznań S.A.),
- Production of switchboards (Elektromontaż Poznań S.A.).

Budimex Group
Dynamics of Budimex Group sales (year 2004-2009) vs dynamics of the construction production in Poland

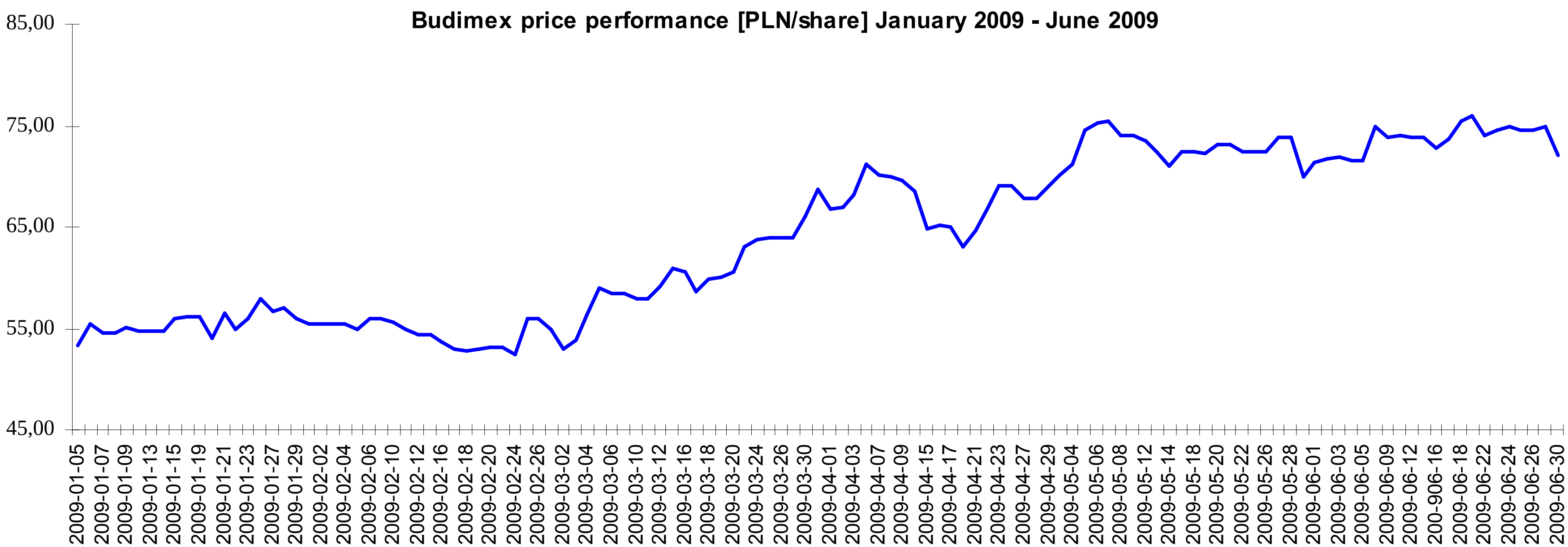
budimex





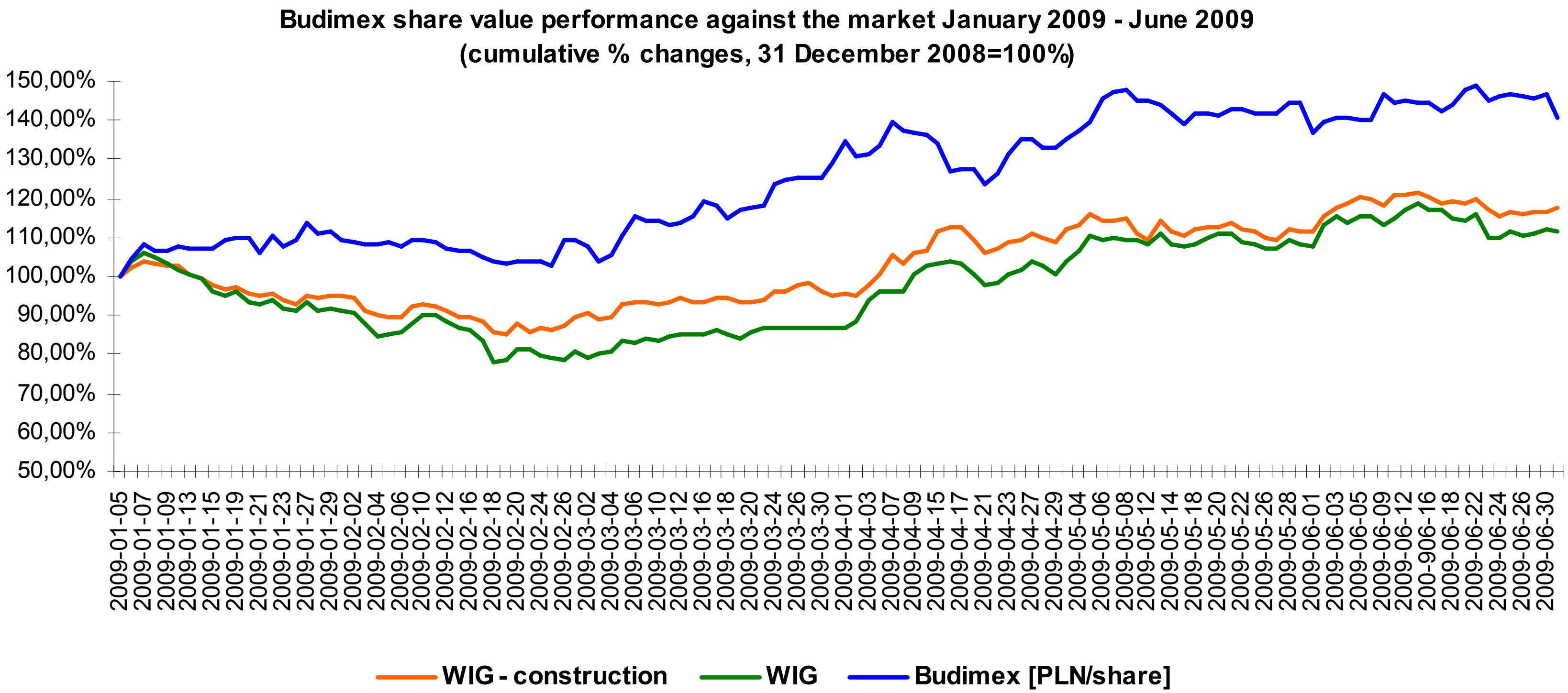
Budimex Group

Budimex price performance 1H 2009



Budimex Group

Stock exchange performance 1H 2009



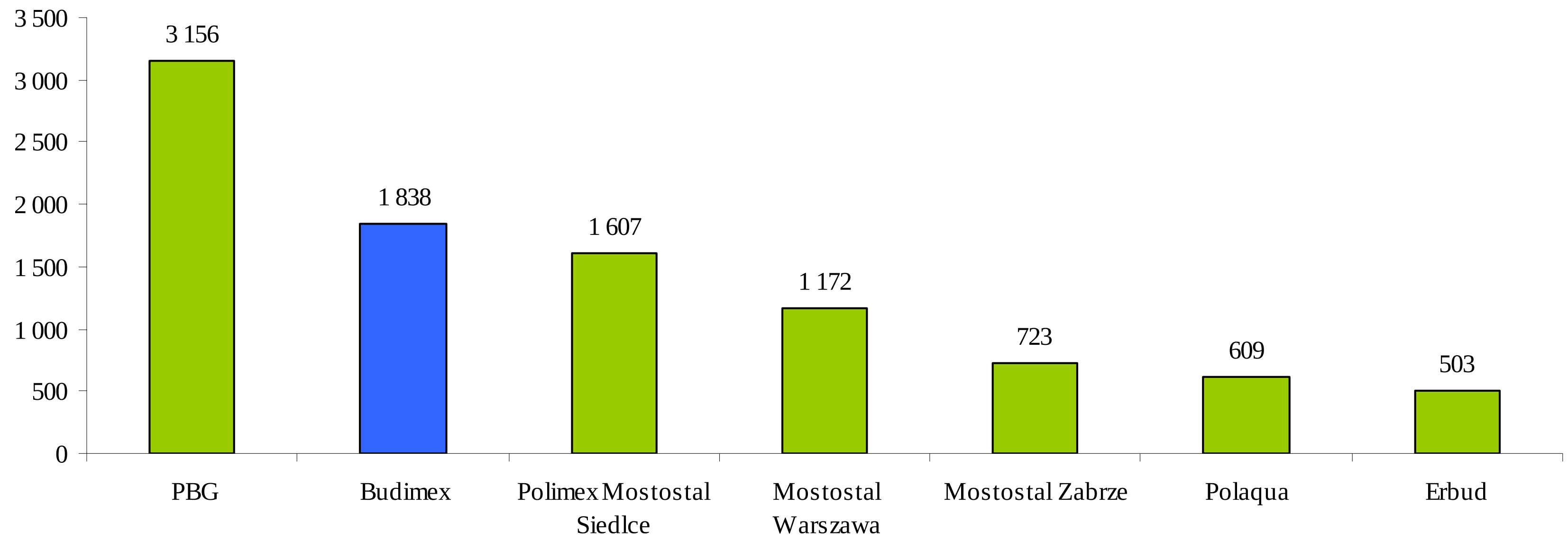
Budimex Group

Market capitalization as of 30 June 2009

budimex

Capitalization as of 30 June 2009 against competitors in mio.PLN
(with % changes vs. 31 December 2008)

vs. 31 December'08	PBG	Budimex	Polimex Mostostal Siedlce	Mostostal Warszawa	Mostostal Zabrze	Polaqua	Erbud
	19,90%	*40,90%*	*13,44%*	*19,11%*	*61,67%*	*27,53%*	*66,74%*



Budimex Group

Results for 1H 2009

Budimex Group
Financial highlights

budimex

mio.PLN	1H 2009	1H 2008	Δ
Sales	1 478	1 486	-8
% change 1H 2009 vs. 1H 2008			*-0,6%*
Gross margin	275	94	181
as % of sales	*18,6%*	*6,3%*	
Cost of sales and overheads	-72	-73	1
as % of sales	*-4,8%*	*-4,9%*	
Result on sales	203	21	182
Other operating activity	-126	29	-156
EBIT	77	50	27
as % of sales	*5,2%*	*3,4%*	
Financial activity	14	9	5
Profit before tax	91	60	31
Net profit	67	44	23
Capital Expenditure	4	16	-12
Construction backlog (as of 30 June)	3 181	3 098	83
Presales of flats (value)	29	140	-111
Land Bank (k m2 of flats) (as of 30 June)	170		

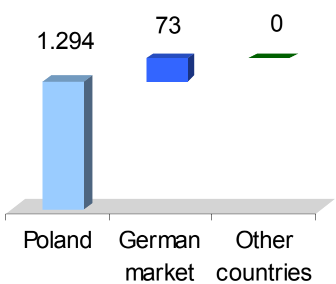
Budimex Group
Result by segments – sales cumulatively
(1H 2009 vs 1H 2008)

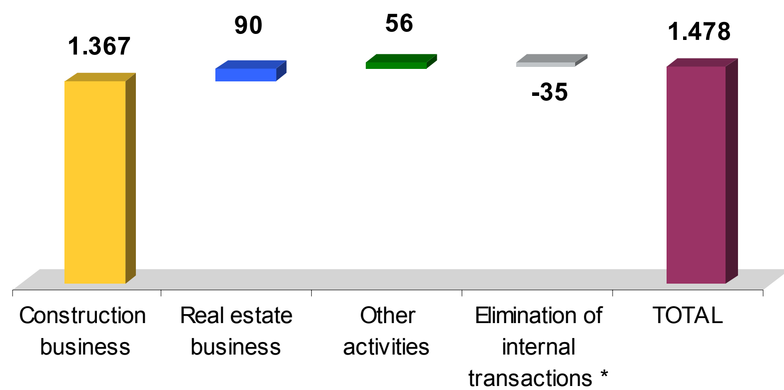
budimex

dynamics of sales vs. PY

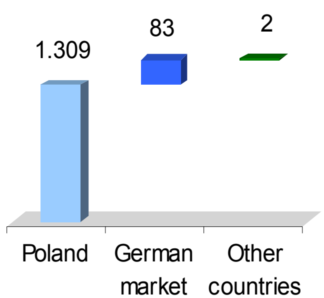
-1,2% -12,0% -100% -2,0% -19,1% -8,6% -0,6%

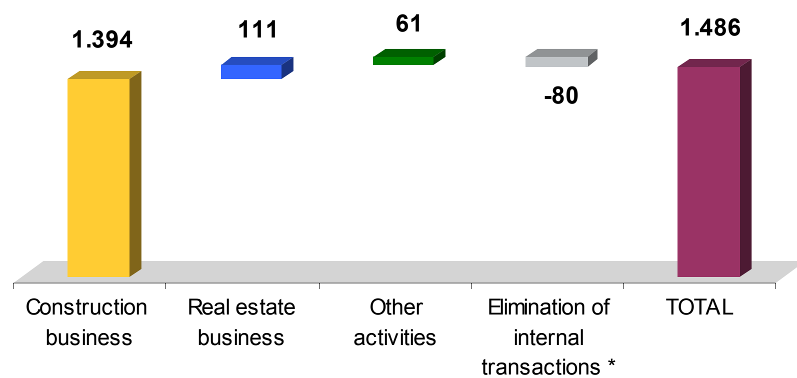
sales 1H 2009 cumulatively





*sales 1H 2008** cumulatively*





** mainly Budimex Dromex (construction segment) sales to real estate segment*

*** comparative data*

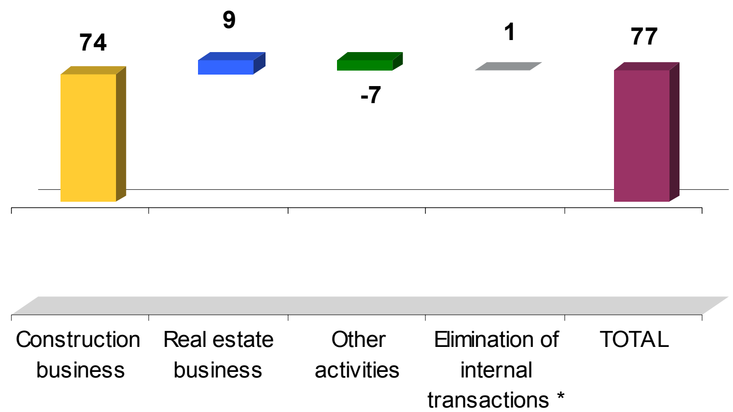
Budimex Group
Result by segments – EBIT cumulatively
(1H 2009 vs 1H 2008)

budimex

EBIT 1H 2009 cumulatively

as % of sales

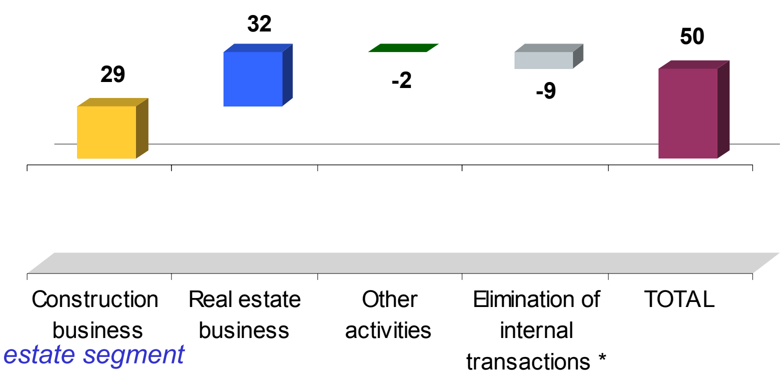
Construction business	Real estate business	Other activities	Elimination of internal transactions *	TOTAL
5,4%	9,5%	-12,1%		5,2%



EBIT 1H 2008** cumulatively

as % of sales

Construction business	Real estate business	Other activities	Elimination of internal transactions *	TOTAL
2,1%	29,0%	-2,8%		3,4%



** mainly Budimex Dromex (construction segment) margin on sales to real estate segment*

*** comparative data*

Budimex Group

Construction segment

Budimex Group
Construction segment
Financial highlights

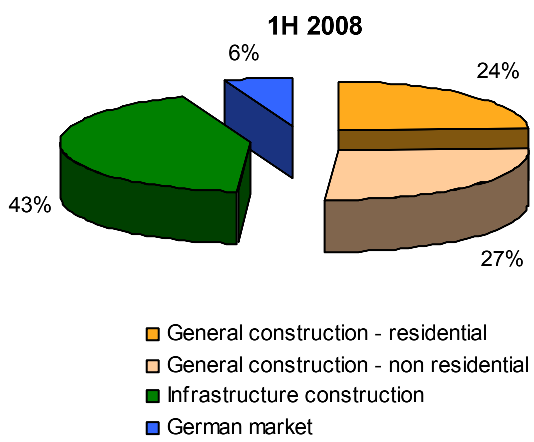
budimex

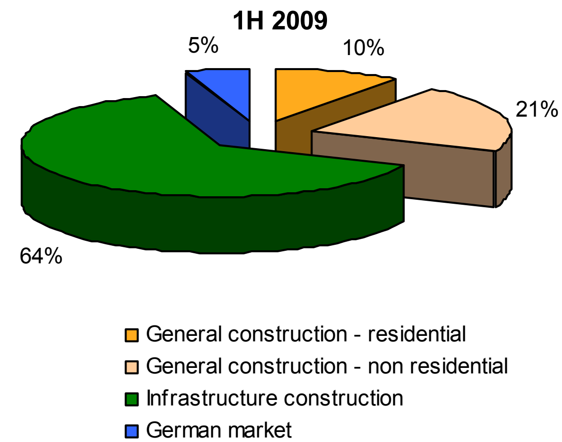
mio.PLN	1H 2009	1H 2008	Δ
Sales	1 367	1 394	-27
% change 1H 2009 vs. 1H 2008			*-2,0%*
EBIT	74	29	45
as % of sales	*5,4%*	*2,1%*	
Profit before tax	96	42	54
Net profit	72	29	43
Capital Expenditure	4	15	-11
Construction backlog (as of 30 June)	3 181	3 098	83

Budimex Group
Construction segment
Sales structure

budimex

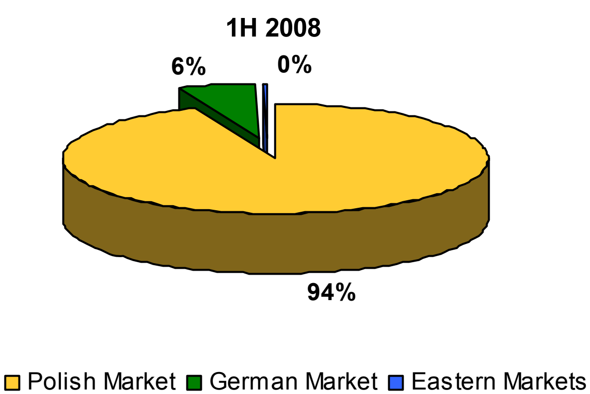
Sales structure by type of works

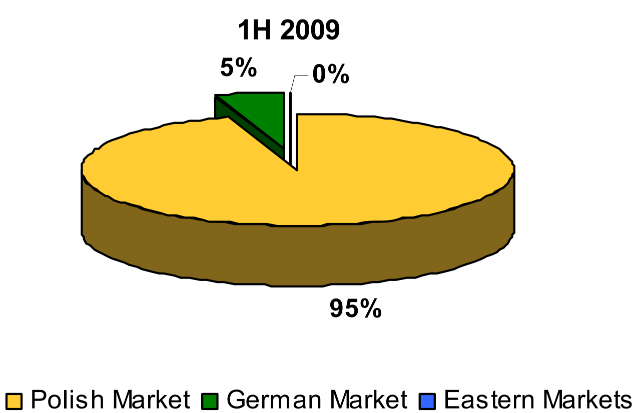




dential:	*1H 2008*	*1H 20*
ternal:	*45%*	*22%*
xternal:	*55%*	*78%*

Sales structure by markets

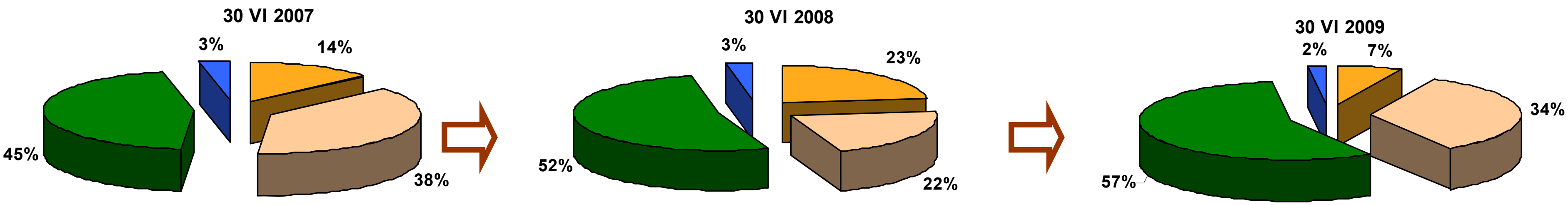




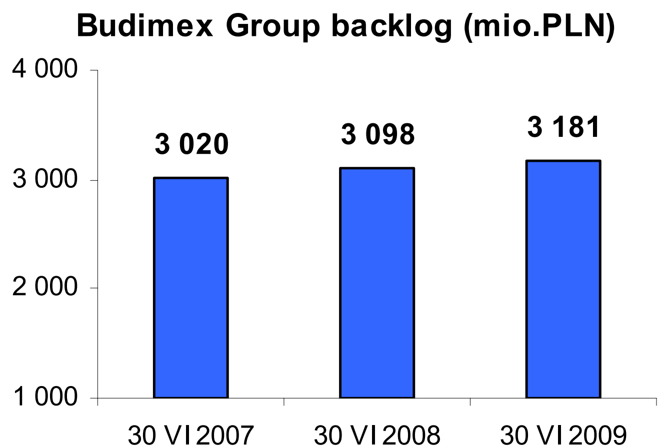
Budimex Group
Construction segment
Backlog structure

budimex

Backlog structure by type of works



infrastructure | general construction: non residential | general construction: residential | German market



average period of contract realization (contracts included in backlog as of 30 VI 2009): 25 months

Residential internal backlog

30 VI 2007	30 VI 2008	30 VI 2009
54%	24%	54%

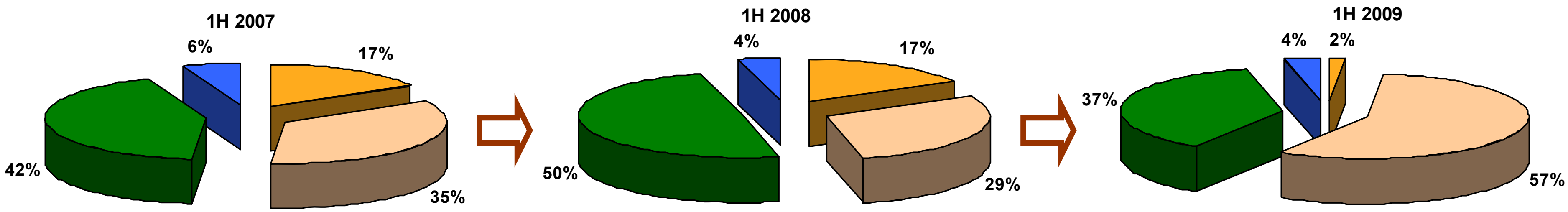
Contracts with value to be realized > 1 mio. PLN

	30 VI 2007	30 VI 2008	30 VI 2009
number of contracts	77	60	62
average value (mio.PLN)	34	47	50

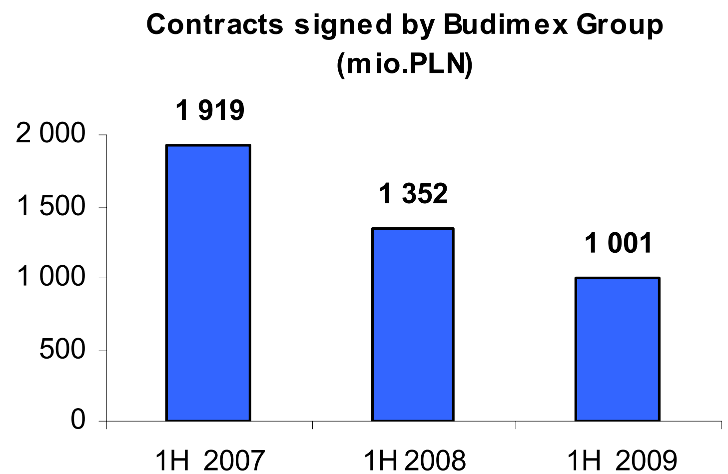
Budimex Group
Construction segment
Contracts signed structure

budimex

Contracts signed structure by type of works

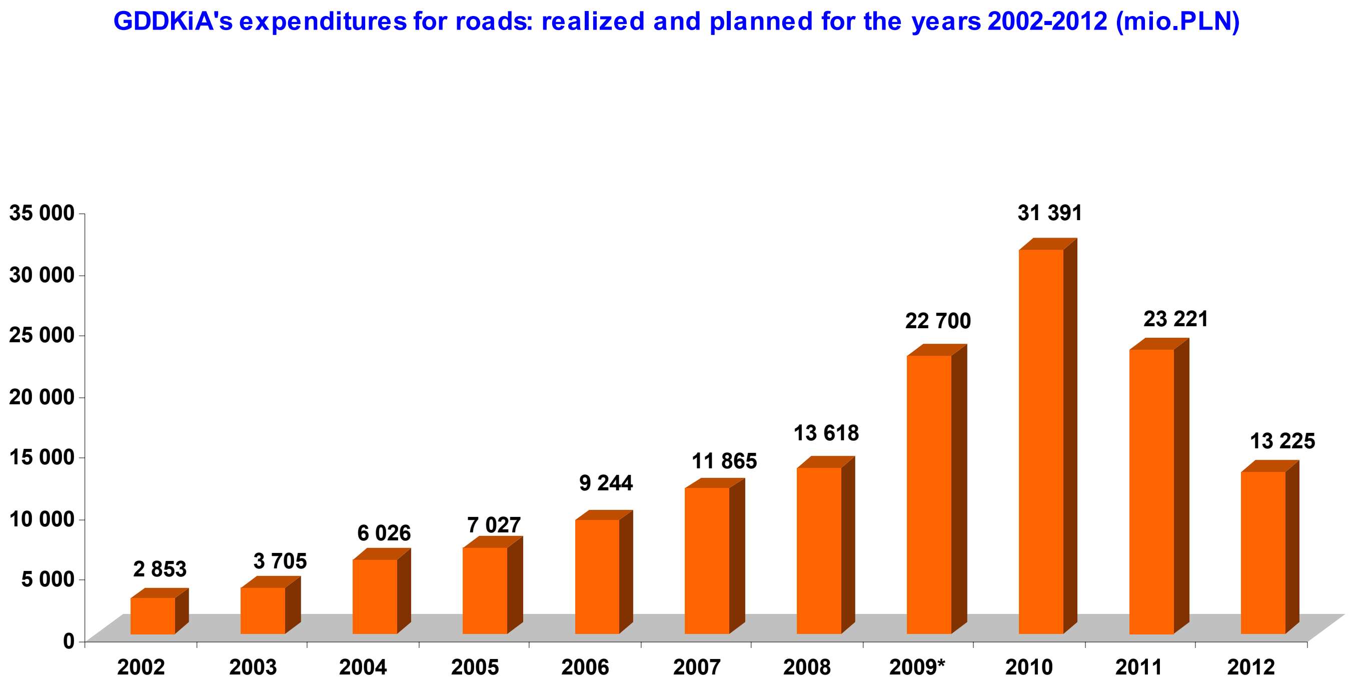


infrastructure general construction: non residential general construction: residential German market



Budimex Group
Construction segment
GDDKiA expenditure for roads

budimex

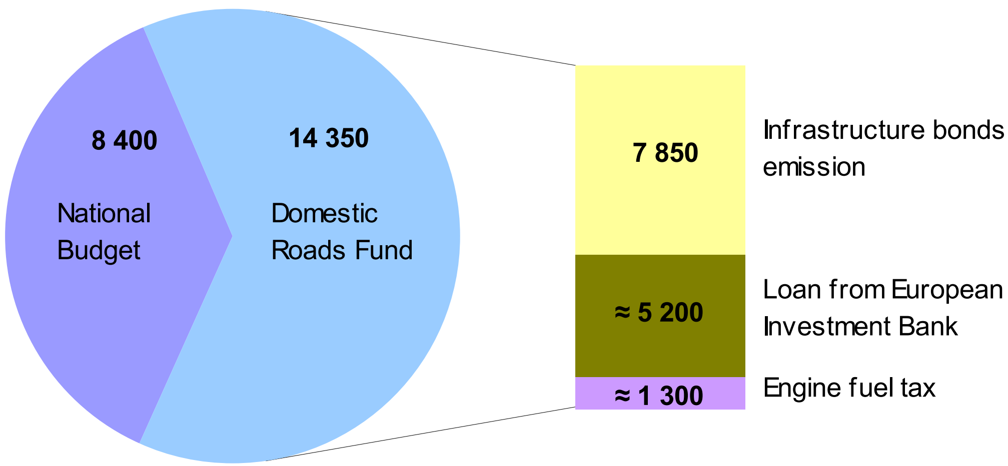


* first version of the plan amounted to 32 358 mio.PLN, next one was updated to the level of 29 424 mio.PLN and actual budget amounts to 22 700 mio.PLN.

source: GDDKiA

Budimex Group
Construction segment
GDDKiA budget for 2009: source of financing

budimex



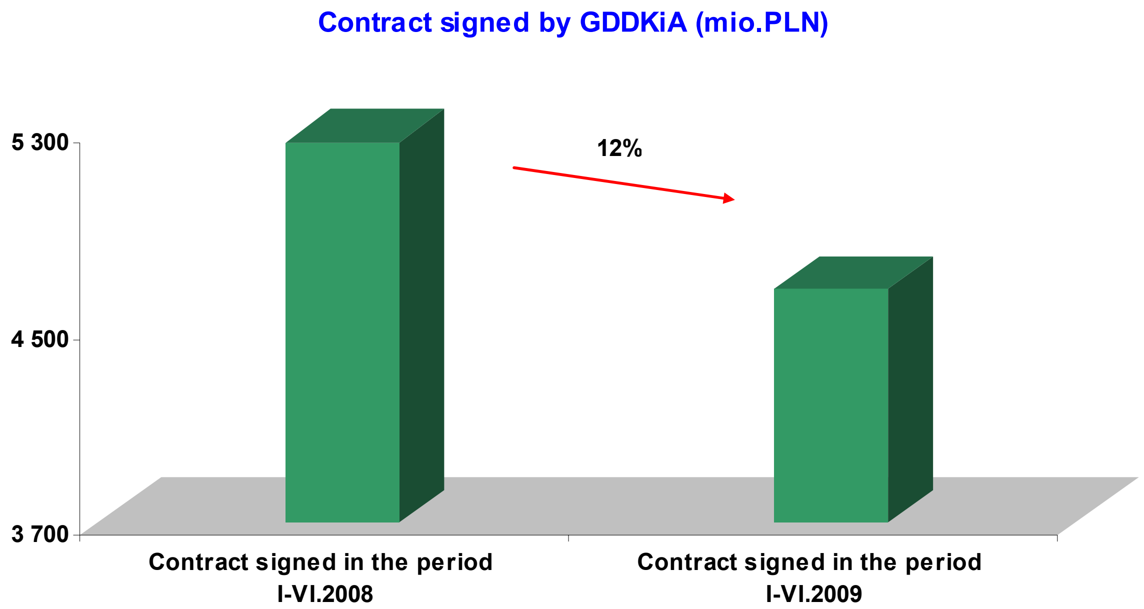
In previous years, financial funds for the construction of roads came mostly from the National Budget.

Currently this method of financing is changing (see the chart above) and most probably the construction of roads will be financed by Domestic Roads Fund in the following years, only renovation and current maintenance of roads will be financed from the National Budget.

source: own calculations based on information from GDDKiA

Budimex Group
Construction segment
Contract signed by GDDKiA in the period I-VI.2009

budimex



Budimex Group
Construction segment

budimex

The most important agreements signed between GDDKiA and General Contractor in the period I-VI.2009 (mio.PLN).

Project name	Contract value (gross value)	GDDKiA budget (gross value)	Contract signing date	Winner
S7 section Skarzysko-Kamienna - Wystepa	643	627	27.01.2009	STRABAG Sp. z o.o., MOTA- ENGIL Polska S.A.
A1 section "Sosnica" junction to "Maciejow" junction (with junction)	1 098	977	09.03.2009	Polimex Mostostal S.A., Doprastav, Eurovia Polska, PRDiM Kędzierzyn Koźle
Bypass of Krasnik	89	162	07.04.2009	Budimex Dromex S.A.
S74 section Kielce - Cedzyna	285	320	24.04.2009	Fart Kielce and Mosty-Łódź
South bypass of Kedzierzyn Kozle part A	31	60	25.05.2009	PRDiM Kędzierzyn Koźle
S7 section Olsztynek - Nidzica and S51 bypass of Olsztynek	1 178	1123	29.05.2009	Sando Budownictwo Polska Sp. z o. o., Construcciones Sanchez Domingez-Sando S.A. Spain, Energopol Szczecin S.A, Wakoz Sp. z o.o. Luzino, Europrojekt Gdańsk Sp. z o.o.
Bypass of Mszczonow	68	115	10.06.2009	Mirbud S.A. Skierniewice, Zakład Robót Mostowych Mostmar, Przedsiębiorstwo Robót Drogowych Lubartów
A1 section Piekary Śląskie (without junction)-Maciejów (without junction)	1 259	1 738	16.06.2009	DRAGADOS S.A.
TOTAL	**4 651**	**5 122**		

Additionally 2 concessions were signed:
A1 section Strykow - Pyrzowice (180 km): Autostrada Południe S.A
A2 section Świecko - Nowy Tomyśl (106 km): Autostrada Wielkopolska II SA

The most important GDDKiA tenders announced in the period I-VI.2009 and not signed as of 30.VI.2009 (mio.PLN)

Project name	Bid value (gross value)	GDDKiA budget (gross value)	Bid submission date	First place	Remarks
A1 section Pyrzowice (with junction) - Piekary Slaskie (with junction)	1 829	2 197	26.03.2009	Budimex Dromex S.A. Mostostal Warszawa S.A.	Contract signed on 27 July 2009
Bypass of Serock	139	282	27.04.2009	SKANSKA S.A.	Contract signed on 06 July 2009
Bypass of Zyrardów	212	321	27.04.2009	DROGBUD Podkarpacki Holding Budowy Dróg Sp.z o.o. Strzyżów / Bogl a Krysl k.s. Czechy / Bogl & Krysl Polska Sp. z o.o. Cieszyn / POL-DRÓG Piła Sp. z o.o.	Contract signed on 21 July 2009
S79 and S2 section from Lotnisko junction (without junction) to Marynarska junction	1123	1733	08.05.2009	Teerag-Asdag Polska Sp. z o.o., Teerag-Asdag Austria, Intop Tarnobrzeg Sp. z o.o.	Contract signed on 10 August 2009
Bypass of Mińsk Mazowiecki	567	872	08.05.2009	Przedsiębiorstwo Budowy Dróg i Mostów Sp. z o.o. Mińsk Mazowiecki, Astaldi S.A. (Italy), Regionalne Drogi Podlaskie Sp. z o.o., Mazowieckie Mosty Sp. z o.o., Mosty S.A.	Contract signed on 9 July 2009
Bypass of Kock and Wola Skromowska	169	362	27.05.2009	Strabag Sp. z o.o.	Contract signed on 4 August 2009
S8 section Warszawa - Modlinska street-Marki	869	1 571	05.06.2009	J&P-Avax Greece	not signed yet
West bypass of Mragowo	135	181	18.06.2009	Budimex Dromex S.A.	Contract signed on 10 August 2009
West bypass of Poznan	459	659	19.06.2009	Skanska, Intercor	Contract signed on 20 July 2009
S8 section Jezewo-Choroszcz	675	981	29.06.2009	Mota-Engil, Strabag, Transprojekt Gdański	not signed yet
TOTAL	**6 177**	**9 159**			

budimex

Budimex Group

Real Estate segment

Budimex Group
Real Estate segment
Financial highlights

budimex

Budimex Group Real Estate segment result

mio.PLN	1H 2009	1H 2008	Δ
Sales	90	111	-22
% change 1H 2009 vs. 1H 2008			*-19,1%*
EBIT	9	32	-23
as % of sales	*9,5%*	*29,0%*	
Profit before tax	0	27	-27
Net profit	0	22	-22
Presales (mio.PLN)	29	140	-111
Presales (volume of flats)	61	229	-168
Land Bank (k m2 of flats) (as of 30 June)	170		

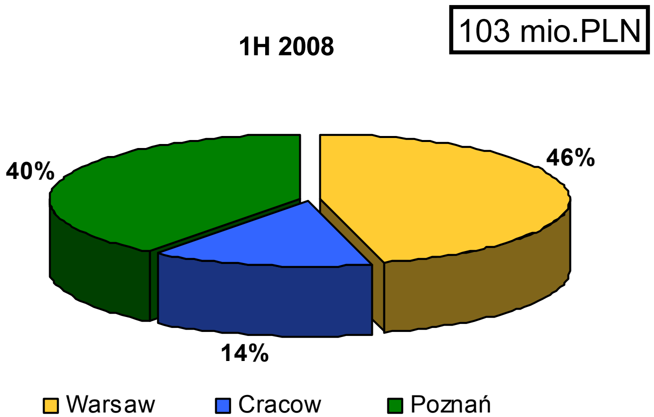
Real Estate segment including 100% of Budimex Nieruchomości Sp. z o.o.

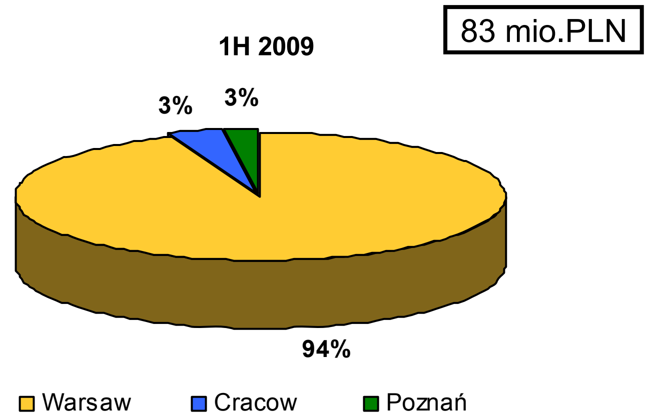
mio.PLN	1H 2009	1H 2008	Δ
Sales	161	168	-6
% change 1H 2009 vs. 1H 2008			*-3,8%*
Net profit	9	29	-20
Presales (volume of flats)	99	366	-267
Land Bank (k m2 of flats) (as of 30 June)	340		

Budimex Group
Real Estate segment
Notary sales and presales structure by city

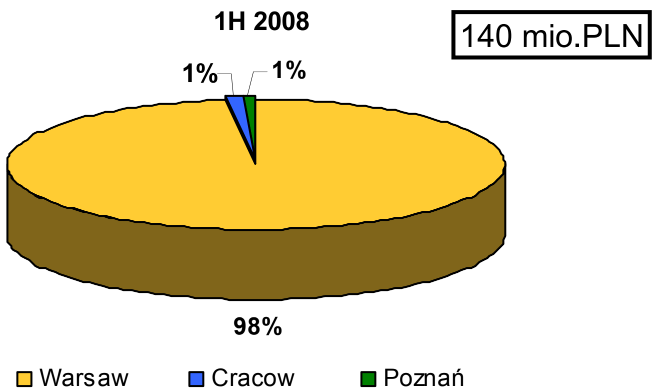
budimex

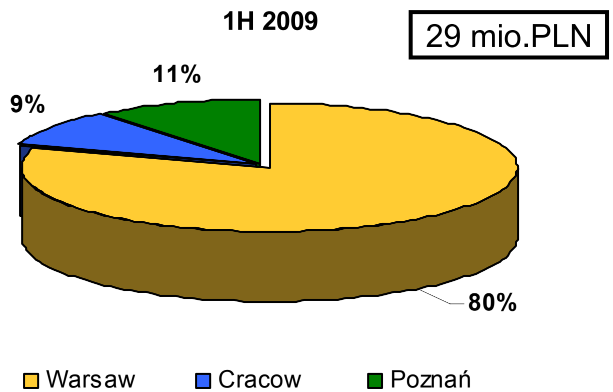
Notary sales of flats geographical structure





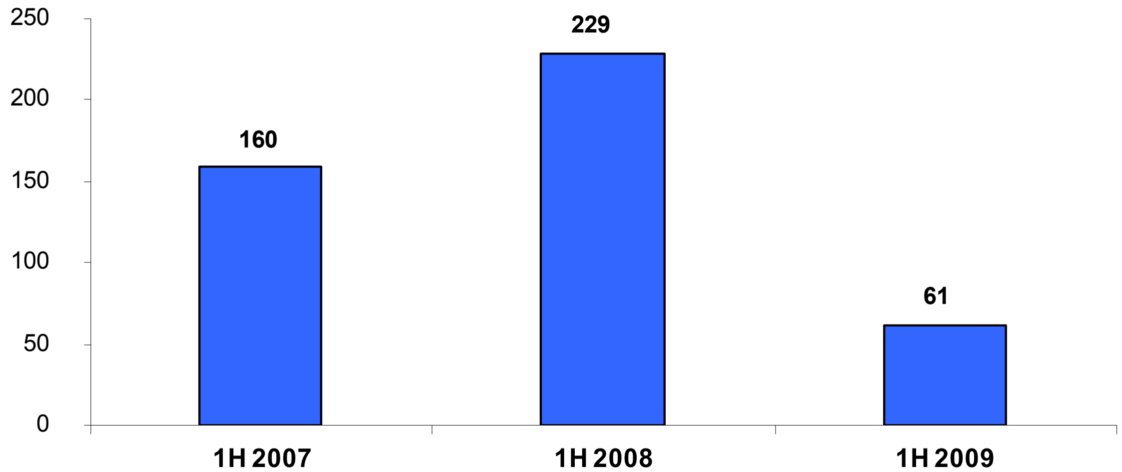
Presales of flats geographical structure

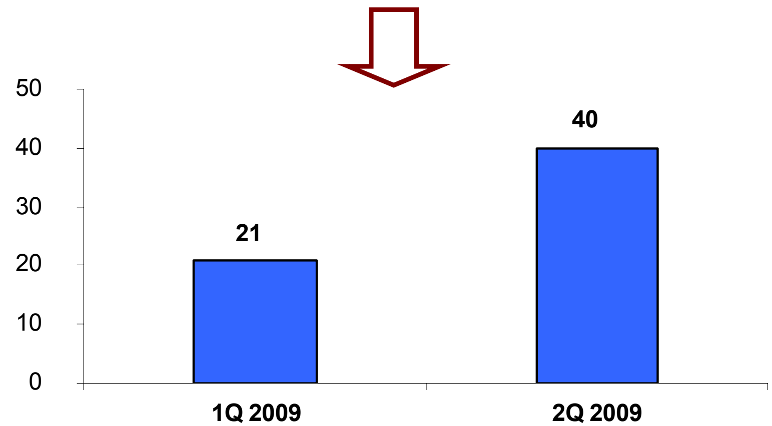




Budimex Group
Real Estate segment
Presales of flats* 1H 2007 - 1H 2009

Budimex Group presales - volume of flats



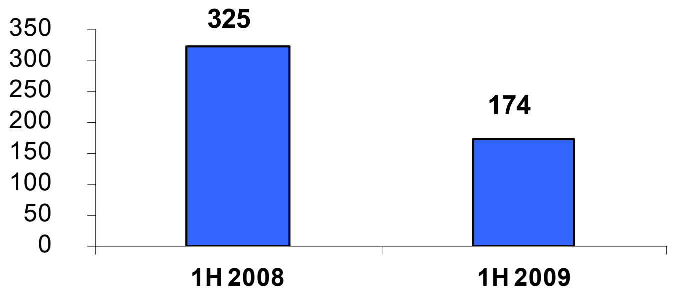


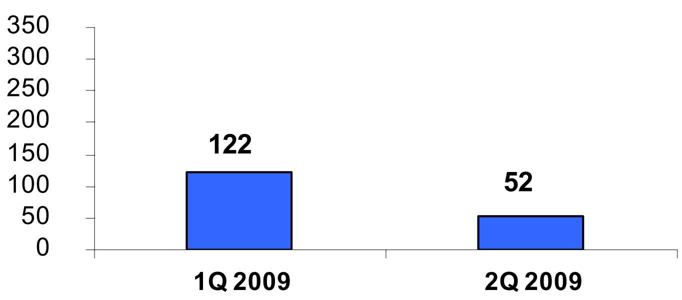
* without flats returned

Budimex Group
Real Estate segment
Notary sales (volume of flats)

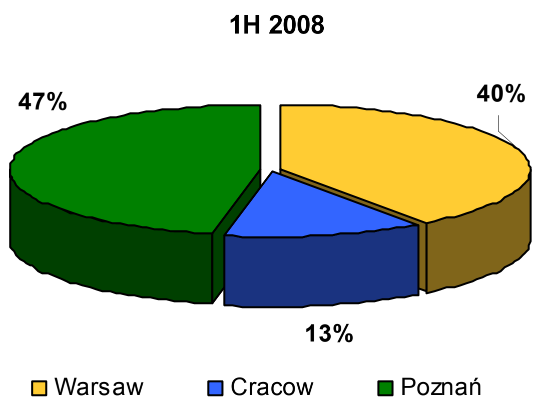
budimex

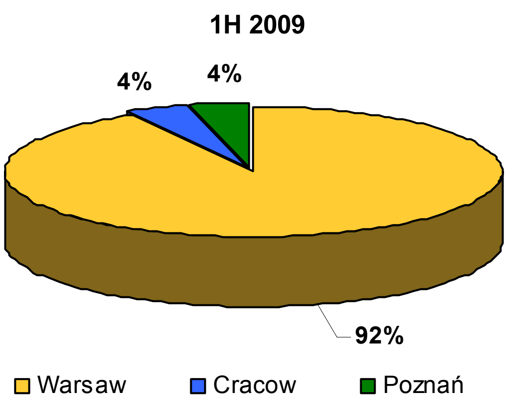
Budimex Group notary sales - volume of flats





Budimex Group notary sales – geographical structure





Budimex Group
Real Estate segment
Projects completed as of 30 June 2009

budimex

Budimex Group projects completed (flats on stock) - volume of flats

	Number of flats completed as of 30 June 2009	incuding: Flats already presold as of 30 June 2009	Flats not yet presold (flats on stock)	Flats not presold as % of total number of flats completed
Bx Inwestycje	21	9	12	57,1%
50% of Bx Nieruchomości (J.V.)	122	58	64	52,5%
TOTAL	143	67	76	53,1%

Number of flat on new projects completed in 1H 2009:

Korsaka: **78*** (total number of flats on the project: 156)

Kocjana I: **120*** (total number of flats on the project: 239)

Kocjana II: **66*** (total number of flats on the project: 131)

* Budimex Group part

Budimex Group
Real Estate segment
Projects under construction as of 30 June 2009

budimex

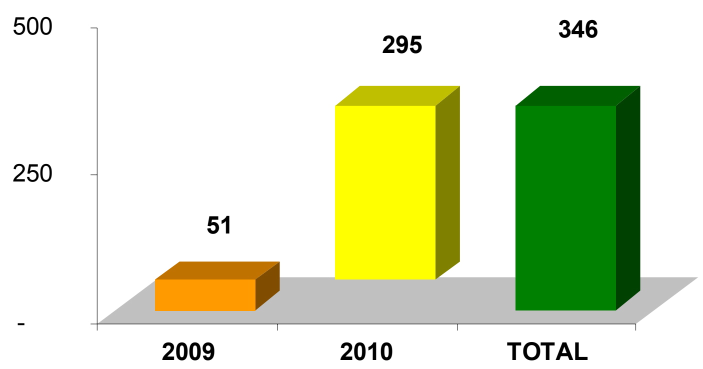
Budimex Group projects under construction - volume of flats

	Total number of flats on projects under construction	Flats already presold as of 30 June 2009	Flats to be presold
Bx Inwestycje	160	101	59
50% of Bx Nieruchomości (J.V.)	525	245	280
TOTAL	685	346	339

excluding Inflancka III, presales not started yet

The number of flats presold by Budimex Group on projects under construction as of 30 June 2009 amounts to 346.

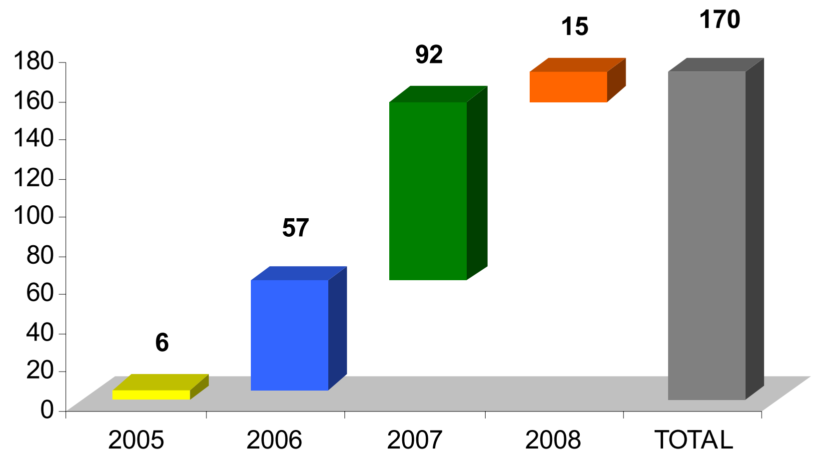
The notary sales of those flats will be realized in the next years as follows:



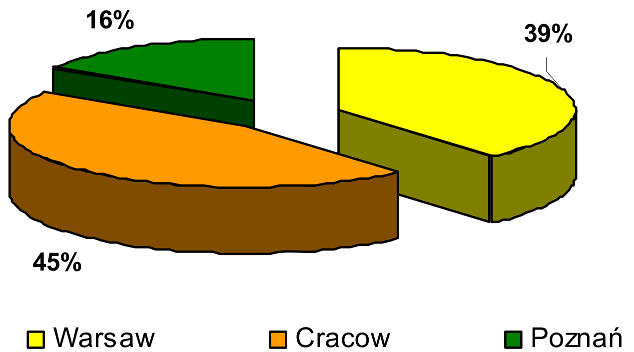
Budimex Group
Real Estate segment
Land bank as of 30 June 2009

budimex

Budimex Group land bank* ageing *(k m² of flats),* average flat is 58 m²



Budimex Group land bank geographical structure



* without projects under construction; excluding plots designed to be sold undeveloped (ca. 70 k m² of flats).

budimex

Budimex Group

Other Activity

Budimex Group
Other Activity
Financial highlights

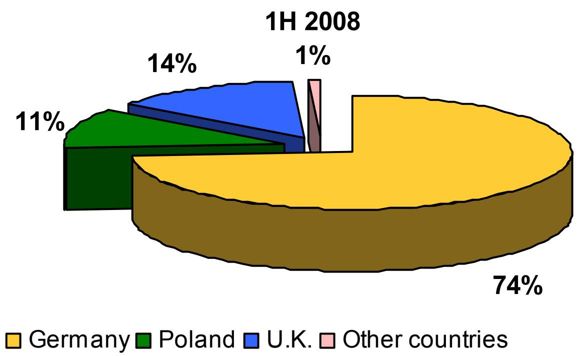
budimex

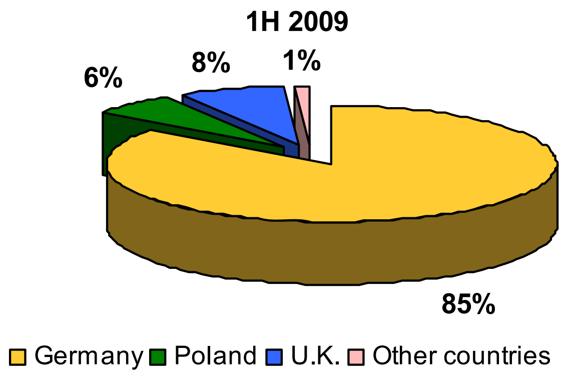
mio.PLN	1H 2009	1H 2008	Δ
Sales	56	61	-5
% change 1H 2009 vs. 1H 2008			*-8,6%*
EBIT	-7	-2	-5
as % of sales	*-12,1%*	*-2,8%*	
Profit before tax	-6	1	-7
Net Profit	-5	1	-6

Budimex Group
Other Activity
Sales structure

budimex

Sales structure by country





Timber-frame houses backlog (volume) as of 30 June 2009