



Warsaw, 17/05/2010

PRESS RELEASE

**Group revenue growth of 14% y/y despite the seasonality of the branch
Profits under winter pressure
Increase in orders portfolio for the period 2010-2011 of more than 44%**

Preliminary consolidated financial results of ERBUD Group in accordance with IFRS

million PLN	I Q 2010	I Q 2009	y/y change
Sale	184.4	162.4	+14%
EBIT	7.93	16.6	- 52%
EBIT margin	4.3%	10.2%	-
Net profit	4.6	12.3	-63%
Closing balance of cash	122.2	104.8	+17%

Group revenue growth of 14% y/y despite the seasonality of the branch

In the first quarter of 2010, the Erbud Group recorded a 14% income growth y/y to PLN 184.4 million despite a decline in the construction market in Poland by over 15% y/y. This results primarily from increased sales on core business in the country (growth of almost 90% y/y). Thanks to adjust home contract schedules to the adverse weather conditions due to long winter, expected level of sales and throughput has been achieved.

The other segments of the Group, mainly road engineering and power engineering as well as operations abroad, in connection with delays due to weather conditions, have not reached the projected sales volume.

The other businesses (i.e. road engineering, housing development and power construction division) added in total 8.4% to the total Group revenues, what was PLN 15.6 million, to 10.9% in first quarter 2009. During the period of January-May 2010, the Erbud Group signed overall of 44 contracts for PLN 390.3 million totally in relation to 46 contract with a total value of PLN 330.5 million in the same period of 2009.

Profits under winter pressure

At the end of March 2010, the Group operating profit reached PLN 7.93 million to 16.6 million at the end of March 2009, what was a decrease of 52% y/y. Operating margin of the Erbud Group in the reporting period was 4.3% compared with 10.2% at the end of March 2009.

www.erbud.pl

info@erbud.pl

Mostly the other business segments, i.e. foreign operations, road engineering and property development, which recorded a loss at the operational level impacted negatively on the Group's operating result. The decrease in operating profit is a result of the limited throughput and sales in the first quarter of 2010 due to adverse weather conditions. Moreover, in the first quarter of 2010, the Group has not completed any major contract. Contracts in progress are accounted using the minimum margins. For comparison, in the first quarter of 2009, seven important contracts have been completed and the actual margins on projects cleared, which gave a positive effect on the Group's operating profit last year and increased the base for the comparability of results in 2010.

Group's net profit in the first quarter of 2010 amounted to PLN 4.6 million what was a decrease of 63% y/y, and net margin was 2.5% to 7.6% in the first quarter of 2009. Result on financial operations of the Group, which fell by a total of PLN 3.8 million y/y, mainly due to foreign exchange losses amounting to approximately PLN 2 million (of which 75% were unrealized losses as at the balance sheet date), had a negative impact on the net profit. The net profit was influenced negatively as well by sales of real estate by the Budlex Group, which reduced the Erbud's Group net profit by consolidation of about PLN 1 million (the effect of revaluation on the purchase of shares in the Budlex company in 2007).

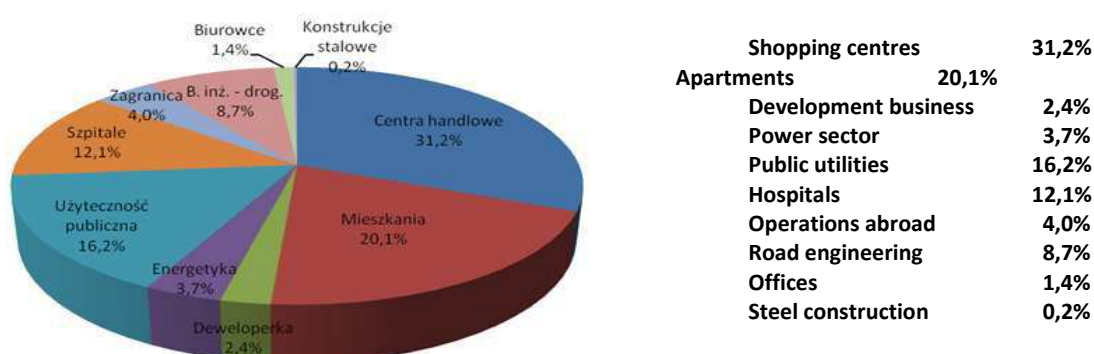
Increase in orders portfolio for the period 2010-2011 of more than 44%

As at the day of publication of the report, the Group had a portfolio of orders worth PLN 1,076 million, what represented an increase of over 44% y/y. Approximately 25% of orders from the current backlog will be implemented in 2011. For comparison, in early May 2009, the Group's order book amounted to PLN 746 million.

At the end of March 2010, the Erbud Group Erbud held PLN 122.2 million in cash, that was an increase by 17% y/y and available lines of credit and guarantee with a total amount of PLN 260 million.

In the first quarter of 2010, the total value of tenders submitted by the Group amounted to approximately PLN 5.8 billion.

DIVERSIFIED BACKLOG STRUCTURE OF THE GROUP (MAY 2010)



www.erbud.pl

info@erbud.pl

For further information please contact:

Mr. Włodzimierz Czystowski

Erbud SA

Direct: +48 (22) 548-70-17

e-mail: wlodzimierz.czystowski@erbud.pl

ERBUD S.A.

Erbud Joint-Stock Company is one of the most dynamic developing Polish construction groups providing services in the segment of housing, industry and public utility both in Poland and many European countries. Basing on years of experience gained in the mature markets of Western Europe, the company competes with the international branch players in terms of quality and timeliness. An excellent knowledge of the industry enables to evaluate properly the potential efficiency of projects and achieve high profitability of executed contracts. The Company's strategic plans cover further development of the large-volume building in the country and abroad, and expansion in a perspective segment of road construction, civil engineering and power industry in Poland.

www.erbud.pl

info@erbud.pl

ERBUD S.A. headquartered in Warsaw, 300A Puławska St., 02-819 Warszawa, entered by the District Court for the Capital City of Warsaw, XIII Economic Department to the Register of Entrepreneurs of the National Court Register (KRS) under the number 0000268667, Taxpayer Identification Number (NIP) 879-01-72-253, National Business Register Number (REGON) 005728373 and the initial capital of PLN 1,007,102.50 (fully paid-up) and the Executive Board composed of Dariusz Grzeszczak – Board Member and Józef Adam Zubelewicz – Board Member