

EXTENDED CONSOLIDATED INTERIM
REPORT

for Q1 2011



2011

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1. Introduction

This consolidated report for the first quarter of 2011 was drawn up in accordance with Article 87 par. 1-10 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information disclosed by issuers of securities [...] (Journal of Laws No. 33, item 259, as amended) and includes financial data for Energomontaż-Południe S.A. (the "Company") and its subsidiaries. The non-consolidated and consolidated financial statements set out in this report were drawn up in accordance with the International Accounting Standards and the International Financial Reporting Standards (IAS/IFRS).

Unless stated otherwise, all financial figures are given in thousands of Polish zlotys.

The Company also declares that, acting on the basis of Article 83 par. 1 of the above-mentioned Regulation, Energomontaż-Południe S.A. will not provide a separate non-consolidated quarterly report. Abridged non-consolidated financial statements of Energomontaż-Południe S.A. are included in this extended consolidated quarterly report.

2. Selected financial figures for the Capital Group

SELECTED FINANCIAL FIGURES FOR THE CAPITAL GROUP	Q1	Q1	Q1	Q1
	from 1 January 2011 to 31 March 2011 [PLN '000]	from 1 January 2010 to 31 March 2010 [PLN '000]	from 1 January 2011 to 31 March 2011 [EUR '000]	from 1 January 2010 to 31 March 2010 [EUR '000]
I. Net revenues from the sale of products, goods and materials	75 760	52 403	19 063	13 210
II. Operating profit [loss]	2 679	-3 319	674	-837
III. Gross profit [loss]	865	1 826	218	460
IV. Net profit [loss]	1 389	462	350	116
V. Net cash flow from operating activities	14 793	-27 320	3 722	-6 887
VI. Net cash flow from investment activities	-3 659	-10 430	-921	-2 629
VII. Net cash flow from financing activities	-15 251	50 197	-3 838	12 654
VIII. Total net cash flow	-4 117	12 447	-1 037	3 138
IX. Total assets*	401 153	415 217	99 991	104 845
X. Non-current liabilities*	72 793	76 674	18 144	19 361
XI. Current liabilities*	175 695	176 102	43 793	44 467
XII. Equity*	152 665	162 441	38 053	41 017
XIII. Share capital	70 972	70 972	17 690	17 921
XIV. Number of shares	70 972 001	70 972 001	70 972 001	70 972 001
XV. Weighted average number of shares	69 203 927	62 835 312	69 203 927	62 835 312
XVI. Basic profit [loss] per share [PLN/EUR]	0.02	0.01	0.01	0.00
XVII. Book value per share [PLN/EUR]*	2.21	2.36	0.55	0.59

* Pursuant to Article 87 par. 7 pt. 1 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information [...], balance-sheet items of selected financial data were presented and converted into euros as at the end of the current quarter and the end of the previous financial year.

Exchange rates applied for converting financial figures into euros:

- for balance-sheet items, the exchange rate of 31 March 2011 was applied, i.e. PLN 4.0119/EUR (for comparative data: PLN 3.9603/EUR)
- the exchange rate applied for other items was calculated as the average of the rates from the end of the months covered by this report, i.e. PLN 3.9742/EUR (for comparative data: PLN 3.9669/EUR).

3. Abridged consolidated financial statements

3.1. Consolidated statement of financial position

CONSOLIDATED STATEMENT OF FINANCIAL POSITION [in PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
Assets			
I. Non-current assets	168 585	170 845	194 556
1. Property, plant and equipment	62 495	63 752	58 453
2. Intangible assets	1 595	1 693	1 252
3. Goodwill	0	0	0
4. Goodwill of subsidiaries	0	0	26 219

CONSOLIDATED STATEMENT OF FINANCIAL POSITION [in PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
5. Investment properties	92 454	92 377	95 059
6. Financial assets	511	309	333
6a. Investments in affiliated companies	0	0	0
6b. Investments in subsidiaries	0	0	0
6c. Investments held for sale	214	214	238
6d. Other financial assets	95	95	95
6e. Loans granted	202	0	0
7. Non-current receivables	0	0	0
8. Deferred income tax assets	2 941	3 716	4 116
9. Accruals and deferred income	8 589	8 998	9 124
II. Current assets	232 568	244 372	248 653
1. Inventories	87 090	90 409	76 121
2. Current receivables	133 782	137 356	133 990
2a. Trade receivables	74 267	88 700	55 878
2b. Other receivables	21 686	19 133	32 785
2c. Income tax receivables	5 458	5 014	1 873
2d. Accruals and deferred income	32 371	24 509	43 454
3. Current financial assets	2 050	3 023	4 138
3a. Loans granted	48	0	0
3b. Financial assets designated for sale	0	0	0
3c. Foreign exchange forward contracts	2 002	3 023	4 138
4. Cash and cash equivalents	9 646	13 584	34 404
III. Non-current assets designated for sale	0	0	0
Total assets	401 153	415 217	443 209
Liabilities			
I. Shareholders' equity with minority interests	152 665	162 441	195 537
1. Share capital	92 307	92 307	92 307
- - including overvaluation of capital due to hyperinflation	21 335	21 335	21 335
2. Capital reserves	39 308	39 308	80 796
3. Own shares	-11 165	0	0
4. Revaluation reserve	10 397	10 397	10 408
5. Other capital reserves	69 968	69 968	7 269
6. Retained profit (loss)	-49 539	-44 624	4 295
7. Profit (loss) for the current year	1 389	-4 915	462
la. Shareholders' equity without minority interests	152 665	162 441	195 537
8. Minority capital	0	0	0
II. Non-current liabilities	72 793	76 674	89 583
1. Provisions	11 013	12 312	12 999
1a. Provisions for employee benefits	6 177	6 177	5 860
1b. Provision for deferred income tax	4 836	6 135	6 908
1c. Other provisions	0	0	231
2. Financial liabilities	61 780	64 362	76 584
2a. Credit facilities and loans	3 995	4 831	18 838
2b. Leasing liabilities	57 785	59 531	57 746
2c. Other	0	0	0
III. Current liabilities	175 695	176 102	158 089
1. Provisions	1 524	2 806	3 197
1a. Provisions for employee benefits	1 060	1 060	1 197
1b. Other provisions	464	1 746	2 000
2. Financial liabilities	66 111	66 216	61 469
2a. Credit facilities and loans	54 212	54 303	49 418
2b. Leasing liabilities	11 507	11 628	10 872
2c. Foreign exchange forward contracts	392	285	1 179

CONSOLIDATED STATEMENT OF FINANCIAL POSITION [in PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
3. Current liabilities	108 060	107 080	93 423
3a. Trade liabilities	49 234	49 922	44 353
3b. Other liabilities	42 011	36 970	30 038
3c. Income tax liabilities	0	0	0
3d. Accruals and deferred income	16 815	20 188	19 032
IV. Liabilities associated with non-current assets designated for sale	0	0	0
Total liabilities	401 153	415 217	443 209
Book value	152 665	162 441	195 537
Number of shares	70 972 001	70 972 001	70 972 001
Weighted average number of shares	69 203 927	68 965 694	62 835 312
Book value per share [PLN]	2.21	2.36	3.11

3.2. Consolidated statement of comprehensive income

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
I. Net revenues from the sale of products, goods and materials	75 760	52 403
II. Costs of products, goods and materials sold	69 471	50 844
III. Gross profit (loss) from sales	6 289	1 559
IV. Other revenue	3 560	1 819
V. Sales costs	87	91
VI. General management costs	4 874	5 047
VII. Other costs	2 209	1 559
VIII. Operating profit (loss)	2 679	-3 319
IX. Financial revenue	3 615	8 730
X. Finance costs	5 429	3 585
XI. Income (loss) from shares in affiliated companies	0	0
XII. Gross (pre-tax) profit (loss)	865	1 826
XIII. Income tax	-524	1 364
XIV. Minority profits	0	0
XV. Net profit (loss) from continuing operations	1 389	462
XVI. Profit (loss) on discontinued operations	0	0
XVII. Net profit (loss) on continuing and discontinued operations	1 389	462
Attributed to:		
Owners of the parent company's capital	1 389	462
Minority interest in equity	0	0
Net profit (loss)	1 389	462
Other comprehensive income	0	0
Financial assets held for sale	0	0
Cash flow hedging	0	0
Profit from revaluation of real property	0	0
Share in other income of affiliated companies	0	0
Total comprehensive income	1 389	462
Net profit (loss)	1 389	462
Number of shares	70 972 001	70 972 001
Weighted average number of shares	69 203 927	62 835 312

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
Profit (loss) per ordinary share [PLN]	0,02	0,01

3.3. Consolidated cash flow statement

CONSOLIDATED CASH FLOW STATEMENT [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
A. CASH FLOW FROM OPERATING ACTIVITIES – INDIRECT METHOD		
I. Net profit (loss)	1 389	462
II. Total adjustments	13 404	-27 782
1. Minority profit (loss)	0	0
2. Share in net (profit) loss of subordinated companies valued by the equity method	0	0
3. Amortisation/depreciation	2 067	1 850
4. Profit (loss) from exchange rate differences	-179	157
5. Interest and profit distribution (dividends)	1 740	695
6. Profit (loss) on investment activity	55	29
7. Change in provisions	-2 580	1 482
8. Change in inventories	3 319	-7 617
9. Change in receivables	12 456	86 190
10. Change in current liabilities, excluding credit facilities and loans	6 578	-24 729
11. Change in prepayments and accruals	-10 052	-7 923
12. Other adjustments	0	-77 916
III. Net cash flow from operating activities (I+/-II)	14 793	-27 320
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
I. Inflows	234	2 171
1. Sale of intangible assets and property, plant and equipment	184	256
2. Sale of investments in real property and intangible assets	0	0
3. From financial assets, of which:	50	1 915
a) in affiliated companies	0	0
- sale of financial assets	0	0
- dividends and profit distribution	0	0
- repayment of loans granted	0	0
- interest	0	0
- other inflows from financial assets	0	0
b) in other entities	50	1 915
- sale of financial assets	0	0
- dividends and profit distribution	0	0
- repayment of loans granted	0	0
- interest	50	215
- other inflows from financial assets	0	1 700
4. Other investment inflows	0	0
II. Outflows	3 893	12 601
1. Purchase of intangible assets and property, plant and equipment	3 643	12 601
2. Investments in real property and intangible assets	0	0
3. On financial assets, of which:	250	0
a) in affiliated companies	0	0
- purchase of financial assets	0	0
- short-term loans granted	0	0
b) in other entities	250	0

CONSOLIDATED CASH FLOW STATEMENT [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
- purchase of financial assets	0	0
- loans granted	250	0
4. Other investment outflows	0	0
III. Net cash flow from investment activities (I-II)	-3 659	-10 430
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
I. Inflows	14 101	80 631
1. Net inflow from issue of shares and other capital instruments and additional payments to capital	0	75 319
2. Borrowings	14 101	5 312
3. Issue of debt securities	0	0
4. Other financial inflows	0	0
II. Outflows	29 352	30 434
1. Purchase of own shares	11 165	0
2. Dividends and other payments to owners	0	0
3. Profit distribution outflows other than payments to owners	0	0
4. Repayment of borrowings	15 101	24 793
5. Redemption of debt securities	0	0
6. From other financial obligations	0	0
7. Payment of liabilities from finance lease agreements	1 296	3 621
8. Interest	1 790	2 020
9. Other financial outflows	0	0
III. Net cash flow from investment activities (I-II)	-15 251	50 197
D. Total net cash flow (A.III+/-B.III+/-C.III)	-4 117	12 447
E. Balance-sheet change in cash, of which:	-3 938	12 290
- change in cash from foreign exchange differences	179	-157
F. Cash at the beginning of the period	13 584	22 114
G. Cash at the end of the period (F+/- D)	9 467	34 561

3.4. Consolidated statement of changes in shareholders' equity

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
[PLN '000]

1 JANUARY 2011	Share capital	Capital reserves	Revaluation reserve	Other capital reserves	Own shares	Retained profit (loss) and current year	Equity without minority interests	Minority capital	Equity with minority interests
Balance at beginning of period	92 307	39 308	10 397	69 968	0	-49 539	162 441	0	162 441
Changes in accounting principles	0	0	0	0	0	0	0	0	0
Correction of basic errors	0	0	0	0	0	0	0	0	0
Opening balance after changes	0	0	0	0	0	0	0	0	0
Transition to IAS	0	0	0	0	0	0	0	0	0
Opening balance according to IAS	92 307	39 308	10 397	69 968	0	-49 539	162 441	0	162 441
Increases (+) / decreases (-) on account of deferred income tax on the valuation of fixed assets	0	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from statutory profit distribution	0	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from loss accounting	0	0	0	0	0	0	0	0	0
Purchase of own shares	0	0	0	0	-11 165	0	-11 165	0	-11 165
Net profit (loss)	0	0	0	0	0	1 389	1 389	0	1 389
Increases (+) / decreases (-) from revaluation of financial assets	0	0	0	0	0	0	0	0	0
Consolidation adjustments	0	0	0	0	0	0	0	0	0
Valuation of financial assets	0	0	0	0	0	0	0	0	0
Other increases (+) / decreases (-)	0	0	0	0	0	0	0	0	0
31 MARCH 2011	92 307	39 308	10 397	69 968	-11 165	-48 150	152 665	0	152 665

1 JANUARY 2010	Share capital	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) and current year	Shareholders' equity without minority interests	Minority capital	Shareholders' equity with minority interests
Balance at beginning of period	69 725	105 967	10 408	7 269	4 295	197 664	0	197 664
Changes in accounting principles	0	0	0	0	0	0	0	0
Correction of basic errors	0	0	0	0	0	0	0	0
Opening balance after changes	0	0	0	0	0	0	0	0
Transition to IAS	0	0	0	0	0	0	0	0
Opening balance according to IAS	69 725	105 967	10 408	7 269	4 295	197 664	0	197 664
Increases (+) / decreases (-) on account of deferred income tax on the valuation of fixed assets	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from statutory profit distribution	0	0	0	0	0	0	0	0
Increases (+) / decreases (-) from loss accounting	0	0	0	0	0	0	0	0
Net profit (loss)	0	0	0	0	462	462	0	462
Increases (+) / decreases (-) from revaluation of financial assets	0	0	0	0	0	0	0	0
Consolidation adjustments	0	0	0	0	0	0	0	0
Valuation of financial assets	0	0	0	0	0	0	0	0
Other increases (+) / decreases (-)	22 582	-25 171	0	0	0	-2 589	0	-2 589
31 MARCH 2010	92 307	80 796	10 408	7 269	4 757	195 537	0	195 537

3.5. Off-balance sheet items

OFF-BALANCE SHEET ITEMS [PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
1. Contingent receivables	21 400	25 460	21 369
1.1. From other companies (on account of)	21 400	25 460	21 369
- promissory notes	3 893	4 573	3 855
- guarantees and suretyships	17 507	20 887	17 514
2. Contingent liabilities	91 966	72 009	104 093
2.1. To other companies (on account of)	91 966	72 009	104 093
- guarantees and suretyships granted	88 353	68 025	45 819
- a promissory note as security for the subject of a contract	2 788	3 159	56 417
- assignment	825	825	825
- pledge on organised part of business	0	0	1 032
3. Other (on account of)	89 135	89 049	9 693
- letter of credit	0	0	3 513
- court case	82 347	82 347	0
- liabilities towards the Social Security Office (ZUS)	6 788	6 702	6 180
Total off-balance sheet items	202 501	186 518	135 155

4. Abridged non-consolidated financial statements**4.1. Statement of financial position**

STATEMENT OF FINANCIAL POSITION [in PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
Assets			
I. Non-current assets	168 711	171 212	228 806
1. Property, plant and equipment	59 609	60 741	54 539
2. Intangible assets	1 580	1 676	1 236
3. Goodwill	0	0	0
4. Investment properties	92 454	92 377	95 059
5. Financial assets	3 763	3 991	62 585
5a. Investments in subsidiaries	100	100	33 551
5b. Investments held for sale	214	214	238
5c. Other financial assets	95	95	95
5d. Loans granted	3 354	3 582	28 701
6. Non-current receivables	0	0	0
7. Deferred income tax assets	2 739	3 452	3 982
8. Accruals and deferred income	8 566	8 975	11 405
II. Current assets	229 686	242 204	178 789
1. Inventories	87 095	90 054	17 862
2. Current receivables	129 422	134 309	124 281
2a. Trade receivables	74 640	88 347	54 427
2b. Other receivables	23 325	21 796	28 282
2c. Income tax receivables	5 457	5 014	1 422
2d. Accruals and deferred income	26 000	19 152	40 150
3. Current financial assets	3 913	4 599	4 138
3a. Loans granted	1 911	1 576	0
3b. Financial assets designated for sale	0	0	0
3c. Foreign exchange forward contracts	2 002	3 023	4 138
4. Cash and cash equivalents	9 256	13 242	32 508
III. Non-current assets designated for sale	0	0	0
Total assets	398 397	413 416	407 595

STATEMENT OF FINANCIAL POSITION [in PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
Liabilities			
I. Equity	157 200	164 303	211 204
1. Share capital	92 307	92 307	92 307
- - including overvaluation of capital due to hyperinflation	21 335	21 335	21 335
2. Own shares	-11 165	0	0
3. Capital reserves	32 492	32 492	74 782
4. Revaluation reserve	10 808	10 808	10 809
5. Other capital reserves	69 968	69 968	7 269
6. Retained profit (loss)	-41 272	-40 671	20 409
7. Profit (loss) for the current year	4 062	-601	5 628
II. Non-current liabilities	72 342	76 144	77 989
1. Provisions	10 826	12 124	12 606
1a. Provisions for employee benefits	5 996	5 996	5 708
1b. Provision for deferred income tax	4 830	6 128	6 898
1c. Other provisions	0	0	0
2. Financial liabilities	61 516	64 020	65 383
2a. Credit facilities and loans	3 950	4 775	8 094
2b. Leasing liabilities	57 566	59 245	57 289
III. Current liabilities	168 855	172 969	118 402
1. Provisions	844	1 844	2 909
1a. Provisions for employee benefits	844	844	909
1b. Other provisions	0	1 000	2 000
2. Financial liabilities	65 781	65 860	23 246
2a. Credit facilities and loans	54 167	54 241	11 487
2b. Leasing liabilities	11 222	11 334	10 580
2c. Foreign exchange forward contracts	392	285	1 179
3. Current liabilities	102 230	105 265	92 247
3a. Trade liabilities	46 913	50 756	48 121
3b. Other liabilities	38 999	34 847	26 858
3c. Income tax liabilities	0	0	0
3d. Accruals and deferred income	16 318	19 662	17 268
III. Liabilities associated with non-current assets designated for sale	0	0	0
Total liabilities	398 397	413 416	407 595
Book value	157 200	164 303	211 204
Number of shares	70 972 001	70 972 001	70 972 001
Weighted average number of shares	69 203 927	68 965 694	62 835 312
Book value per share [in PLN]	2.27	2.38	3.36

4.2. Statement of comprehensive income

STATEMENT OF COMPREHENSIVE INCOME [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
I. Net revenues from the sale of products, goods and materials	75 479	55 798
II. Costs of products, goods and materials sold	67 839	51 290
III. Gross profit (loss) from sales	7 640	4 508
I. Other revenue	3 821	2 250
V. Sales costs	87	91
VI. General management costs	3 942	3 840
VII. Other costs	2 205	1 649
VIII. Operating profit (loss)	5 227	1 178
IX. Financial revenue	3 564	9 079
X. Finance costs	5 314	3 251
XI. Gross (pre-tax) profit (loss)	3 477	7 006
XII. Income tax	-585	1 378
XIII. Net profit (loss) from continuing operations	4 062	5 628
XIV. Profit (loss) on discontinued operations	0	0
XV. Net profit (loss) on continuing and discontinued operations	4 062	5 628
Net profit (loss)	4 062	5 628
Other comprehensive income	0	0
Financial assets held for sale	0	0
Cash flow hedging	0	0
Profit from revaluation of real property	0	0
Share in other income of affiliated companies	0	0
Total comprehensive income	4 062	5 628
Net profit (loss)	4 062	5 628
Number of shares	70 972 001	70 972 001
Weighted average number of shares	69 203 927	62 835 312
Profit (loss) per ordinary share [PLN]	0.06	0.09

4.3. Cash flow statement

CASH FLOW STATEMENT [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
A. CASH FLOW FROM OPERATING ACTIVITIES – INDIRECT METHOD		
I. Net profit (loss)	4 062	5 628
II. Total adjustments	10 262	-41 121
1. Share in net (profit) loss of subordinated companies valued by the equity method	0	0
2. Amortisation/depreciation	1 822	1 606
3. Profit (loss) from exchange rate differences	-179	157
4. Interest and profit distribution (dividends)	1 675	481
5. Profit (loss) on investment activity	55	29
6. Change in provisions	-2 298	1 251
7. Change in inventories	2 959	-3 800
8. Change in receivables	12 755	81 811
9. Change in current liabilities, excluding credit facilities and loans	2 544	-35 699
10. Change in prepayments and accruals	-9 071	-9 450

CASH FLOW STATEMENT [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
11. Other adjustments	0	-77 507
III. Net cash flow from operating activities (I+/-II)	14 324	-35 493
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
I. Inflows	334	2 171
1. Sale of intangible assets and property, plant and equipment	183	256
2. Sale of investments in real property and intangible assets	0	0
3. From financial assets, of which:	151	1 915
a) in affiliated companies	144	0
- sale of financial assets	0	0
- dividends and profit distribution	0	0
- repayment of loans granted	143	0
- interest	0	0
b) in other entities	7	1 915
- sale of financial assets	0	0
- dividends and profit distribution	0	0
- repayment of loans granted	0	0
- interest	7	215
- other inflows from financial assets	0	1 700
4. Other investment inflows	0	0
II. Outflows	3 849	12 799
1. Purchase of intangible assets and property, plant and equipment	3 599	12 235
2. Investments in real property and intangible assets	0	0
3. On financial assets, of which:	250	564
a) in affiliated companies	0	564
- purchase of financial assets	0	0
- loans granted	0	564
b) in other entities	250	0
- purchase of financial assets	0	0
- loans granted	250	0
4. Other investment outflows	0	0
III. Net cash flow from investment activities (I-II)	-3 515	-10 628
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
I. Inflows	14 101	80 631
1. Net inflow on issue of shares and other capital instruments and additional payments to capital	0	75 319
2. Borrowings	14 101	5 312
3. Issue of debt securities	0	0
4. Other financial inflows	0	0
II. Outflows	29 076	20 388
1. Purchase of own shares	11 165	0
2. Dividends and other payments to owners	0	0
3. Profit distribution outflows other than payments to owners	0	0
4. Repayment of borrowings	15 000	15 747
5. Redemption of debt securities	0	0
6. From other financial obligations	0	0
7. Payment of liabilities from finance lease agreements	1 229	3 533
8. Interest	1 682	1 108
9. Other financial outflows	0	0
III. Net cash flow from investment activities (I-II)	-14 975	60 243
D. Total net cash flow (A.III+/-B.III+/-C.III)	-4 166	14 122
E. Balance-sheet change in cash, of which:	-3 987	13 965
- change in cash from foreign exchange differences	179	-157

CASH FLOW STATEMENT [PLN '000]	Q1 (current year) period from 1 January 2011 to 31 March 2011	Q1 (previous year) period from 1 January 2010 to 31 March 2010
F. Cash at the beginning of the period	13 242	18 544
G. Cash at the end of the period (F+/- D)	9 077	32 666

4.4. Statement of changes in equity

STATEMENT OF CHANGES IN EQUITY [PLN '000]							
1 JANUARY 2011	Share capital	Own shares	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) and current year	Equity
Balance at beginning of period	92 307	0	32 492	10 808	69 968	-41 272	164 303
Changes in accounting principles	0	0	0	0	0	0	0
Correction of basic errors	0	0	0	0	0	0	0
Opening balance according to IAS	92 307	0	32 492	10 808	69 968	-41 272	164 303
Increases (+) / decreases (-) from liquidation and sale of fixed assets	0	0	0	0	0	0	0
Increases (+) / decreases (-) from statutory profit distribution	0	0	0	0	0	0	0
Increases (+) / decreases (-) from valuation of non-current assets	0	0	0	0	0	0	0
Buy-back of own shares	0	-11 165	0	0	0	0	-11 165
Dividend	0	0	0	0	0	0	0
Transfer from the Share Purchase Support Fund	0	0	0	0	0	0	0
Valuation of financial assets	0	0	0	0	0	0	0
Net profit (loss)	0	0	0	0	0	4 062	4 062
Correction of basic errors	0	0	0	0	0	0	0
Other increases (+) / decreases (-)	0	0	0	0	0	0	0
31 MARCH 2011	92 307	-11 165	32 492	10 808	69 968	-37 210	157 200

1 JANUARY 2010	Share capital	Capital reserves	Revaluation reserve	Other capital reserves	Retained profit (loss) and current year	Equity
Balance at beginning of period	69 725	99 953	10 809	7 269	20 409	208 165
Changes in accounting principles	0	0	0	0	0	0
Correction of basic errors	0	0	0	0	0	0
Opening balance after changes	0	0	0	0	0	0
Transition to IAS	0	0	0	0	0	0
Opening balance according to IAS	69 725	99 953	10 809	7 269	20 409	208 165
Increases (+) / decreases (-) from liquidation and sale of fixed assets	0	0	0	0	0	0
Increases (+) / decreases (-) from revaluation of fixed assets	0	0	0	0	0	0
Increases (+) / decreases (-) – deferred tax from revaluation of non-current assets	0	0	0	0	0	0
Transfer from the Share Purchase Support Fund	0	0	0	0	0	0
Increases (+) / decreases (-) from profit distribution	0	0	0	0	0	0
Dividend	0	0	0	0	0	0
Net profit (loss)	0	0	0	0	5 628	5 628
Valuation of financial assets	0	0	0	0	0	0
Other increases (+) / decreases (-)	22 582	-25 171	0	0	0	-2 589
31 MARCH 2010	92 307	74 782	10 809	7 269	26 037	211 204

4.5. Off-balance sheet items

OFF-BALANCE SHEET ITEMS [PLN '000]	As at 31 March 2011 end of quarter 2011	As at 31 December 2010 end of year 2010	As at 31 March 2010 end of quarter 2010
1. Contingent receivables	39 423	44 042	121 094
1.1. From affiliated companies (on account of)	18 023	18 582	99 724
- promissory notes	18 023	18 582	99 724
1.2. From other companies (on account of)	21 400	25 460	21 370
- promissory notes	3 893	4 573	3 856
- guarantees granted	17 507	20 887	17 514
2. Contingent liabilities	89 512	69 196	100 171
2.1. To affiliated companies (on account of)	0	0	51 000
- guarantees and suretyships granted	0	0	51 000
2.2. To other companies (on account of)	89 512	69 196	49 171
- guarantees and suretyships granted	88 139	67 760	45 642
- a promissory note as security for the subject of a contract	1 373	1 436	3 529
3. Other (on account of)	89 135	89 049	9 693
- court case	82 347	82 347	0
- letter of credit	0	0	3 513
- liability towards the Social Security Office (ZUS)	6 788	6 702	6 180
Total off-balance sheet items	218 070	202 287	230 958

5. Supplementary information to the consolidated financial statements for Q1 2011**5.1. The accounting principles used to draw up the financial statements**

The non-consolidated and consolidated financial statements in this report were drawn up in accordance with the International Financial Reporting Standards (IFRS). Detailed information about the principles adopted in preparing the report for the first quarter of 2011 was included in the non-consolidated and consolidated interim report for 2010. The reports were published with the aid of the ESPI system on 21 March 2011. The Company is making the content of the reports available on the website <http://www.energomontaz.pl>.

5.2. Description of significant changes in accounting principles in relation to those applied in the previous financial year

There were no changes in accounting principles in the reporting period in relation to those applied in the previous financial year. In the quarterly financial statements and in the quarterly consolidated financial statements, the same accounting principles and calculation methods were applied as those applied in the most recent annual financial statements and the annual consolidated financial statements.

5.3. Description of key achievements and setbacks of the Company and Capital Group in the reporting period**5.3.1. Order portfolio**

The estimated value of the Capital Group's order portfolio as at the date of publication of this interim report is approximately PLN 363.9 million.

The estimated value of the parent company's order portfolio is approximately PLN 331.2 million (it includes export orders worth about EUR 74.2 million).

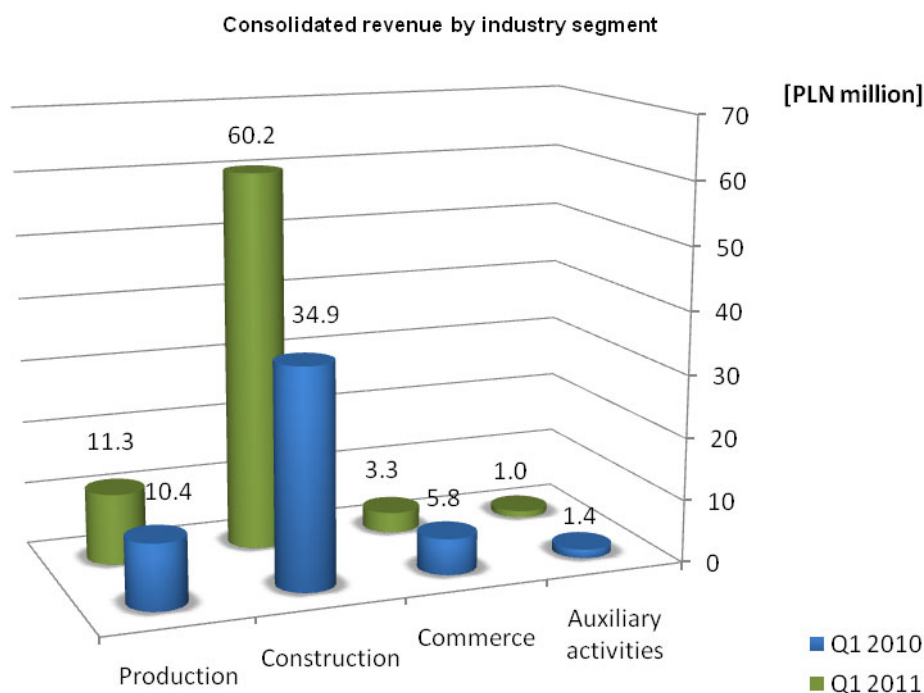
The value of the portfolio was calculated on the basis of the euro exchange rates applied by the Issuer to calculate the orders. The Issuer has changed the existing calculation methodology used for estimating order portfolio values. Currently, the calculated portfolio includes only the value of orders that will be carried out in the future. Compared to the previously published values, the portfolio is reduced by the value of work already completed during the reporting period. This calculation methodology will also be applied to all new orders that will be published via current reports. In the opinion of the Management Board, information prepared in the modified form is more useful to its recipients: shareholders, analysts and other interested parties.

5.3.2. Sales

For the first quarter of 2011, the Energomontaż-Południe Capital Group recorded an approximately 45 per cent increase in consolidated revenue as against comparable values from the same period in 2010. The revenue of the Group in the reporting period was PLN 75.8 million compared with PLN 52.4 million the previous year. This result stemmed primarily from a clear growth in sales in the construction segment.

In the first quarter of 2011, the majority of the revenue from sales was reported by the parent company. It amounted to PLN 75.5 million, compared to PLN 55.8 million in the previous year, which constitutes a growth in non-consolidated sales by more than 35 per cent in Q1 2011 compared to Q1 2010. In Q1 2011, the subsidiary Amontex reported approximately PLN 8.5 million in revenue. The minor difference between consolidated sales and non-consolidated sales stems primarily from consolidation exclusions (approximately PLN 7.3 million) - in the reporting period, the sales of Amontex were directed mainly at the Issuer, for whom Amontex is a subcontractor for certain major export orders. However, an analysis of this company's order portfolio indicates that in future periods the entity will be performing a lot more orders obtained on its own. The entity has been obtaining new orders from its own market, as evidenced by the fact that it has won a significant tender for "Program Modernizacji Pirometalurgii" ["Pyrometallurgy Modernisation Programme"], which will be implemented at Huta Głogów, owned by KGHM Polska Miedź S.A., as notified by the parent company in Current Report 32/2011 on 20 April 2011. Furthermore, Amontex continues to undergo restructuring, and the effects of this, while not satisfactory thus far, should come to fruition some time this year.

We present below a breakdown of the Group's revenue into business segments.



5.3.3. Operating activities result

In the first quarter of 2011, the Energomontaż-Południe Capital Group recorded an operating profit of approximately PLN 2.7 million, compared to operating losses of PLN 3.3 million in the same period of the previous year. The margin of consolidated operating profit amounted to 3.5 per cent in the first quarter of this year, compared to the negative margin of -6.3 per cent the year before.

The improved operating result in the reporting period was generated as a result of earning higher margins on basic operations than in the corresponding period of the previous year. This was achieved despite the continually unsatisfactory results of Amontex, which lowered the consolidated operating profit by PLN 2.4 million.

In the reporting period, the Group reported approximately PLN 6.3 million in gross profits on sales, compared to little more than PLN 1.5 million in the previous year.

The gross margin on consolidated sales in the first quarter of this year amounted to 8.3 per cent, compared to nearly 3 per cent a year before.

Non-consolidated gross profits from sales in the period exceeded PLN 7.6 million, compared with PLN 4.5 million the previous year. In the first quarter of 2011, the parent company recorded a profit of about PLN 5.2 million on operating activities, compared with PLN 1.2 million in the previous year.

5.3.4. Net result

In the reporting period, the Capital Group recorded a net profit of PLN 1.4 million, as against PLN 0.5 million in the corresponding period of the previous year. Apart from the operating profit levels as set out above, net profit was also affected by the result on financial activity which, in the first quarter, lowered the Group's gross profit by PLN 1.8 million, mainly as a result of higher debt servicing costs of the parent company. It should be noted that the result

was also affected by the valuation of open items hedging foreign exchange revenue, which lowered gross profit by PLN 1.1 million. In the previous year, the valuation of instruments hedging foreign exchange revenue improved the gross profit by PLN 6.6 million and was the main factor that allowed the Group to close the first quarter with a positive financial result, both on the consolidated and non-consolidated level.

In the reporting period, the provisions for deferred tax were released, which helped improve the consolidated net result by approximately PLN 0.5 million.

The consolidated net result for the period is lowered primarily by the loss incurred by Amontex in the amount of PLN 2.5 million. The effect of other subsidiaries on the net result for the period was insignificant.

In the first quarter, the parent company reported a net profit of PLN 4.1 million, which represents a decrease of non-consolidated profit by nearly 28 per cent compared to the corresponding period of the previous year.

5.3.5. List of significant events which occurred during the reporting period

- Further specification of the principles and commencement of the buy-back of own shares [Current Report 7/2011 of 18 January 2011]
- Updating of information concerning parameters for the purchase of own shares [Current Report 9/2011 of 20 January 2011]
- Changes in the composition of the Management Board and Supervisory Board [Current Report 29/2011 of 23 March 2011]
- Information update on the subject of the contractual partner for contracts for the performance of work at the Eemshaven power station in the Netherlands - assignment of rights to Alstom Power Nederland B.V. [Current Report 31/2011 of 25 March 2011]

5.3.6. List of significant events which occurred after the reporting period

- announcement by PBG S.A. of a tender offer for the Company's shares [8 April 2011]
- Amontex wins the tender [Current Report 32/2011 of 20 April 2011]
- announcement of the proposed merger of the Company with its subsidiary EP Hotele i Nieruchomości Sp. z o.o. [Current Report 33/2011 of 29 April 2011]
- Order from Hitachi Power Europe GmbH for the installation of the pressure component of the boiler in the Rotterdam plant [Current Report 34/2011 of 6 May 2011]
- Conclusion of a subcontractor agreement with Instal-Rem S.A. for works in the Eemshaven plant in the Netherlands [Current Report 35/2011 of 9 May 2011]

5.4. Description of extraordinary factors and events that had a material effect on the financial result

No extraordinary events occurred in the reporting period other than those described in this report.

5.5. Clarifications on the seasonal and cyclical nature of the operations of the Energomontaż-Południe Capital Group

The market for construction/assembly services is subject to seasonal cycles, largely due to the weather. Work in the power sector, the main customer for the parent company's services, is also cyclical in nature. Refurbishment and modernisation work on power production facilities are mostly carried out in summer, because they operate in the winter period.

5.6. Information on the issuance, redemption or repayment of debt and capital securities

5.6.1. Purchase of shares

On 20 December 2010, the Extraordinary General Meeting of Shareholders of the Company adopted Resolution No. 7 on authorising the Management Board of the Company to acquire own shares in the Company under the procedure of Article 362 par. 1 pt. 8 of the Commercial Companies Code. In accordance with the above resolution, the Company can acquire up to 20 per cent of its own shares, i.e. 14,194,400 shares, by 20 December 2012. The maximum payment for the shares must not exceed PLN 65 million. In accordance with a decision made by the Company's governing bodies on 17 January 2011, the acquisition of the Company's own shares was spread out over three stages. In the first stage, the Company's own shares will be acquired in an amount of no more than PLN 20 million. The first stage will cover a period of one year, from 17 January 2011 to 17 January 2012. Own shares cannot be acquired for a price higher than the market price. The Company's own shares may be acquired in regulated trading, in off-session transactions, and also outside regulated trading. Further stages of the acquisition of own shares, including the time periods and quantity of own shares of the Company being acquired, will be detailed by the Supervisory Board of the Company in a separate resolution to be adopted not later than within one month from the end of the first stage of acquiring own shares, i.e. not later than 17 February 2012. In connection with the low liquidity of the Company's shares on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.), as of 21 January 2011 the level of the daily volume of shares being acquired by the Company under the purchase of own shares programme can exceed 25 per cent of the average daily amount of trading within 20 days preceding the day of purchase, and the level of the daily volume of shares being acquired will not exceed 50 per cent of that daily average.

Transactions carried out by the Company as part of the buy-back of its own shares are set out in the diagram below.

End	Purchase / sale	Number of shares/ votes	Average price [PLN]
25 January 2011	purchase	450,000	3.75
25 January 2011	purchase	350,000	3.79
25 January 2011	purchase	49,000	3.79
31 January 2011	purchase	40,000	3.80
1 February 2011	purchase	1,099,414	3.80
3 February 2011	purchase	50,217	3.79
7 February 2011	purchase	81,000	3.80
8 February 2011	purchase	54,000	3.79
11 February 2011	purchase	109,000	3.79
16 February 2011	purchase	116,000	3.80
21 February 2011	purchase	114,000	3.79
28 February 2011	purchase	115,000	3.80
3 March 2011	purchase	101,929	3.79
8 March 2011	purchase	106,521	3.77
15 March 2011	purchase	104,729	3.76
Total:		2,940,810	3.79

Up to the date of publication of this report, the Company had acquired a total of 2,940,810 own shares constituting 4.14 per cent of the share capital and providing 4.14 per cent of the votes at the General Meeting of Shareholders (comprising 4.14 per cent of the total number of votes in the Company).

5.6.2. Additional information

In the reporting period in question, no decisions regarding the issue or repayment of debt and capital securities were made.

5.7. Information on paid (or declared) dividends

The Company does not pay quarterly dividends, and it did not pay or declare a dividend for the reporting period and the year 2010.

5.8. Events after the balance-sheet date that are not reflected in the financial statements which could have a material effect on the future results of the Company or the Capital Group

No such events occurred.

5.9. Balance of asset revaluation write-downs and provisions for liabilities as at the end of the reporting period

Item	Subject	Goodwill	Tangible assets	Long-term investments	Reserves of current funds	Amount due		Provision for employee benefits	Provision for deferred income tax	Other provisions	Total
						principal	interest				
1.	Balance at beginning of period	28 234	0	1 253	6 214	27 887	211	7 237	6 135	1 746	78 917
2.	Revaluation write-downs charged to expenses	0	0	0	0	33	0	0	0	0	33
3.	Creation of provisions charged to expenses	0	0	0	0	0	0	0	155	0	155
4.	Other	0	0	0	0	4 630	0	0	0	0	4 630
Total (2+3+4)		0	0	0	0	4 663	0	0	155	0	4 818
5.	Utilisation	0	0	0	0	0	0	0	0	282	282
6.	Cessation of the reasons for:	0	0	0	0	0	0	0	0	0	0
a)	the write-downs	0	0	0	0	102	0	0	0	0	102
b)	creating the provision	0	0	0	0	0	0	0	0	0	0
7.	Release of write-downs and provisions	0	0	0	165	0	0	0	1 454	1 000	2 619
8.	Other	0	0	0	0	1 332	0	0	0	0	1 332
Total (5+6+7+8)		0	0	0	165	1 434	0	0	1 454	1 282	4 335
Balance at end of period		28 234	0	1 253	6 049	31 116	211	7 237	4 836	464	79 400

5.10. Information on revenues and results attributable to particular areas of the Capital Group's operations

The Issuer divides the Group's activities into the following operating areas:

Production

This area covers the production of metal products (industrial production).

Construction

This area involves construction/assembly services (performed for industry), general contracting services for buildings, and developer activities. Amontex's operations are also included in this business area.

Commerce

This area covers the sale of foundry products.

Auxiliary activities

This area includes training services, laboratory and research services, refurbishment, maintenance and inspection of machines and equipment, renting real property, equipment and machines, and financial activities.

Operating areas as at 31 March 2011

AREA [PLN '000]	Total	Production	Construction	Commerce	Auxiliary activities
Net revenue from sale of products and materials	75 760	11 275	60 193	3 261	1 031
Costs of products, goods and materials sold in the area	69 471	9 917	55 990	3 115	449
Gross profit/loss from sales	6 289	1 358	4 203	146	582
Management costs	4 874				
Sales costs	87				
Net profit/loss on sales	1 328	1 358	4 203	146	582
Other revenue	3 560	23	1 526	0	2 011
Other costs	2 209	33	1 161	1	1 014
Operating profit/loss	2 679	1 349	4 568	145	1 580
Financial revenue	3 615	1 602	1 861	-9	161
Finance costs	5 429	1 363	2 604	3	1 459
Gross financial result	865	1 587	3 825	132	282
Income tax not attributed to a particular area	-524				
Net financial result	1 389				

Operating areas as at 31 March 2010

AREA [PLN '000]	Total	Production	Construction	Commerce	Auxiliary activities
Net revenue from sale of products and materials	52 403	10 431	34 855	5 758	1 359
Costs of products, goods and materials sold in the area	50 844	9 076	35 499	5 703	566
Gross profit/loss from sales	1 559	1 355	-644	55	793
Management costs	5 047				
Sales costs	91				
Net profit/loss on sales	-3 579	1 355	-644	55	793
Other revenue	1 819	27	269	0	1 523
Other costs	1 559	0	537	0	1 022
Operating profit/loss	-3 319	1 382	-911	55	1 293
Financial revenue	8 730	4 969	694	181	2 886
Finance costs	3 585	1 693	774	5	1 113
Gross financial result	1 826	4 658	-990	232	3 065
Income tax not attributed to a particular area	1 364				
Net financial result	462				

5.11. Types and amounts of items that affect assets, liabilities, capital, the net financial result or cash flow which are extraordinary in terms of their type, quantity or frequency

There are no significant item types or amounts related to the operations of Energomontaż-Południe and its Capital Group that affect assets, liabilities, capital, the net financial result or cash flow which are extraordinary in terms of their type, quantity or effect.

5.12. Types and amounts of changes in estimated values that were specified in previous interim periods of 2010 or changes in estimated values specified in previous financial years, if they have a material effect on the first quarter of 2011

There were no changes in estimated values related to the operations of the Company and its Capital Group which, due to their types and amounts, had a material effect on the results for the first quarter of 2011.

5.13. Information concerning changes in contingent liabilities which occurred since the end of the previous financial year

As at 31 March 2011, the contingent liabilities of the Energomontaż-Południe Capital Group amount to PLN 91,966,000, an increase of PLN 19,957,000 relative to the balance as at 31 December 2010. This has been mainly caused by the increasing scale of the Group's activities. As at 31 March 2011, the Company's contingent liabilities amount to PLN 89,512,000, an increase of PLN 20,316,000 relative to the balance as at 31 December 2010.

6. Other information to the extended consolidated report for Q1 2011

6.1. Description of the Energomontaż-Południe Capital Group

6.1.1. The organisation of the Capital Group and companies subject to consolidation

As at 31 March 2011, the Capital Group comprised the parent company – Energomontaż-Południe S.A. – and three subsidiaries whose share capital is wholly owned by the parent company. The subsidiaries are:

- Amontex Przedsiębiorstwo Montażowe Sp. z o.o. [Amontex PM Sp. z o.o., Amontex]
- Modus II Sp. z o.o. [Modus II]
- EP Hotele i Nieruchomości Sp. z o.o. [EP Hotele i Nieruchomości]

Organisational structure of the Capital Group



The subsidiaries referred to above are subject to consolidation by the full method. Subsidiaries do not hold shares in the capital of other companies.

6.1.2. The Parent Company

Energomontaż-Południe S.A.

The Company is entered in the National Court Register kept by the District Court in Katowice, Commercial Division of the National Court Register, under KRS 0000080906.

Energomontaż-Południe S.A. has been operating on the Polish and international market for power-industry-related and industrial construction for over half a century.

Its core business is providing services involving construction and assembly production, general contracting for investments, and assembling, upgrading and refurbishing power production and industrial equipment and installations. The main customers for its services and products are commercial and industrial power companies, foundries, coking plants and chemical works.

6.1.3. Subsidiaries

Amontex

Amontex is entered in the National Court Register under KRS 0000154195. Its share capital amounts to PLN 3,000,000, divided into 6,000 shares with a par value of PLN 500 per share. Amontex is an assembly/production company which manufactures and assembles steel structures. It has a steel constructions plant in Piotrków Trybunalski. Because it has a shot-blasting system and a separate painting plant, it is able to manufacture steel structures of advanced design from start to finish. The company's main customer is the domestic power production

industry. Its specialisations include constructing and assembling absorbers and assembling large LPG tanks. Additional information about Amontex can be found at www.amontex.eu.

Modus II

The company is entered in the National Court Register under KRS 0000289248. Its share capital amounts to PLN 100,000, divided into 200 shares with a par value of PLN 500 per share. The company's core business is developing and selling real property for its own account.

EP Hotele i Nieruchomości

The company is entered in the National Court Register under KRS 0000134975. Its share capital amounts to PLN 70,500, divided into 141 shares with a par value of PLN 500 per share. The entity runs tourism, hotel, recreation and catering operations, based on a holiday resort in Mrzeżyno and a hotel in Będzin Łagisza. Information about the holiday resort can be found at www.owperla.pl.

6.1.4. The effects of changes in the structure of the Capital Group

No changes were made to the Energomontaż-Południe Capital Group structure in the reporting period. However, the Management Board of the parent company intends to merge Energomontaż-Południe S.A. with its subsidiary, EP Hotele i Nieruchomości Sp. z o.o. The merger will be effected by way of acquisition by Energomontaż-Południe S.A. (the Acquiring Company) of EP Hotele i Nieruchomości Sp. z o.o. (the Target Company), on the terms set out in Article 492 par. 1 pt. 1 of the Commercial Companies Code (the CCC), i.e. by transferring all of the assets of the Target Company to the Acquiring Company, without increasing the Issuer's share capital, i.e. by taking into account the regulation contained in Article 515 par. 1 of the CCC.

The Management Board of Energomontaż-Południe S.A. resolved to effect the merger with its subsidiary, EP Hotele i Nieruchomości Sp. z o.o., bearing in mind the fact that the "Perła" holiday resort in Mrzeżyno was under lease and that maintaining a subsidiary to operate an employee hotel had no economic justification. The lease of the holiday resort is planned to be continued. As a result of the merger, the Issuer intends to simplify the Group's capital structure and lower the costs of its operation. The merger of the two companies may become effective in the second quarter of this year. The information about the decision to merge the Issuer with EP Hotele i Nieruchomości Sp. z o.o. was announced in Current Report 33/2011 of 29 April 2011.

6.2. Shares and shareholding

6.2.1. Shareholder structure as at the date of publication of the quarterly report

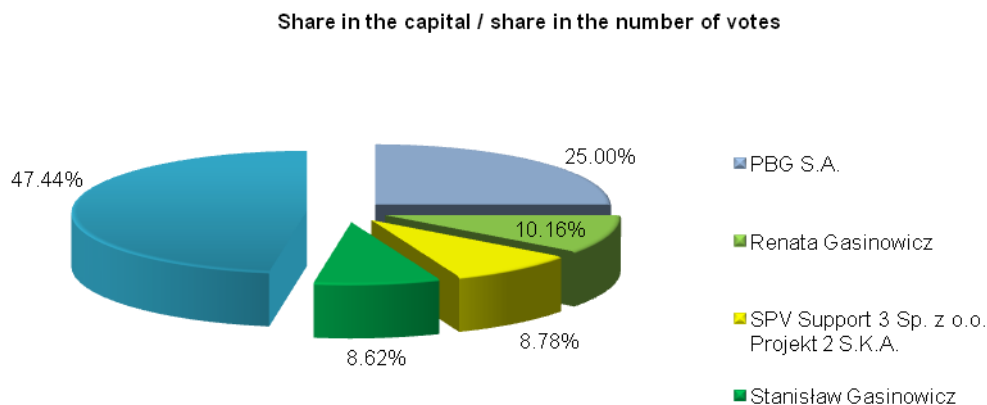
The share capital of Energomontaż-Południe S.A. amounts to PLN 70,972,001.00 divided into 70,972,001 ordinary bearer shares with a par value of PLN 1 per share.

Ownership structure (as at 16 May 2011)

SHAREHOLDER	Number of shares/ votes	Percentage share in the share capital and total number of votes
PBG S.A.*	17,743,002	25.00
Renata Gasinowicz*	7,207,899	10.16
SPV Support 3 Sp. z o.o.		
Projekt 2 S.K.A.*	6,230,000	8.78
Stanisław Gasinowicz	6,121,107	8.62
Others	33,669,993	47.44
Total issued shares:	70,972,001	100.00

* The shareholding structure was determined on the basis of notifications presented by the shareholders of the parent company pursuant to Article 69 of the Act on Offerings, and on the assumption that the shareholding did not change since the time of the most recent notification.

Ownership structure (as at 16 May 2011)



In the period from the publication of the previous quarterly report [the non-consolidated and consolidated reports for 2010 published on 21 March 2011] until the date of publishing this report, no changes were registered in the ownership structure of significant blocks of shares of the Company.

6.2.2. Shares and rights to shares in Energomontaż-Południe S.A. held by the Issuer's management and supervisory personnel

Ownership of shares by management and supervisory personnel as at 16 May 2011

SHAREHOLDER	Position	Number of shares/ votes	Percentage share in the share capital and total number of votes
Stanisław Gasinowicz	Chairman of the Supervisory Board	6,121,107	8.62
Radosław Kamiński	President of the Management Board	2,587,000	3.65
Total:		8,708,107	12.27

To the Issuer's best knowledge, the other management and supervisory personnel do not hold any shares or rights to shares in the Company.

In the period from the publication of the previous quarterly report (the non-consolidated and consolidated reports for 2010 published on 21 March 2011) until the date of publishing this report, no changes were registered in the ownership structure of significant blocks of shares of the Issuer or the rights to such shares held by management and supervisory personnel.

6.3. Proceedings pending before a court, an authority competent to conduct arbitration proceedings or a public administration authority

Energomontaż-Południe S.A. is party to proceedings pending before the court, the value of which represents at least 10 per cent of the Company's equity.

On 17 January 2011, the Company received a copy of a claim by Martifer Polska Sp. z o.o. with its registered office in Gliwice (the "claimant") for payment, together with a motion for granting security of the claim. The value of the subject of the dispute, as specified by the claimant, is PLN 90,753,413. The claimant maintains that it is owed the requested amount as payment for the completed construction works on the basis of the construction works agreement of 29 October 2009, the contractual penalties for withdrawing from the agreement and damages for other breaches of the construction works agreement.

The defendants are: Energomontaż-Południe S.A., Hydrobudowa Polska S.A., Hydrobudowa 9 S.A., Alpine Construction Polska Sp. z o.o. and PBG Technologia Sp. z o.o.

The Company's Management Board believes that the statement of claims contains unjustified claims with no legal or factual basis. The Management Board believes that the statement of claims filed by Martifer Polska Sp. z o.o. was an example of strategic behaviour, aimed at improving the negotiating position of Martifer Polska Sp. z o.o. in connection with flagrant breaches by Martifer Polska Sp. z o.o. of the construction works agreement concluded with the Issuer, from which the Issuer, for reasons attributable to Martifer Polska Sp. z o.o., withdrew on 2 September 2010, as announced in Current Report 41/2010.

The Company announced the conclusion of a contract with Konsorcjum Hydrobudowa Polska S.A. and Alpine Construction Polska Sp. z o.o. to build a steel support for the roof of the Baltic Arena (currently, PGE Arena Gdańsk), in Current Report 58/2009 on 21 October 2009. A portion of the work, with a value of PLN 44 million, was subcontracted to the consortium of Martifer Polska Sp. z o.o. and Ocekon Engineering s.r.o., Slovakia. The work was to have been completed by 30 June 2010.

Martifer Polska Sp. z o.o. failed to meet the work completion deadline. The result is the pending dispute, as part of which the Issuer will seek redress of the damage incurred.

Apart from what is set out above, in the reporting period neither the Issuer nor its subsidiary were parties to proceedings underway before a court, an arbitration body or a public administration body regarding the Issuer's or its subsidiary's liabilities or debts whose value would equal 10 per cent or more of the Issuer's equity, or to two or more proceedings regarding liabilities or debts whose total value would equal 10 per cent or more of the Issuer's equity.

6.4. Information on material transactions concluded by the Issuer or its subsidiaries with affiliates on terms other than market terms

In the first quarter of 2011, all key transactions between the Company and its affiliates were concluded on market terms.

6.5. Information on credit or loans, suretyships or guarantees granted by Energomontaż-Południe S.A. or its subsidiaries worth at least 10 per cent of the Issuer's shareholders' equity

No such events occurred in the reporting period.

6.6. The position of the Management Board of Energomontaż-Południe S.A. regarding the possibility of fulfilling previously published forecasts

The Company did not publish any forecasts of financial results for 2011.

6.7. Other information which the Issuer believes to be significant for assessing its personnel situation, assets, financial condition, financial result and changes thereto, and information which is significant for assessing the Issuer's ability to settle its liabilities

In the Issuer's opinion, there is no other information than that presented in this report which is significant for assessing its personnel situation, assets, financial condition, financial result and changes thereto, or information which is significant for assessing the Company's ability to settle its liabilities.

6.8. Factors which in the Issuer's assessment will affect the results achieved by the Capital Group in at least the next quarter

The following factors will have a significant effect on the results achieved in subsequent reporting periods:

- the ongoing operating activities of the Group
- seasonal fluctuations in sales
- the EUR/PLN exchange rate
- the result of the tender offer for the Company's shares, announced by PBG S.A. and the synergies that may result from the potential tightening of relations between the parties, should the tender offer take place
- the demand for energy sector services (the need to upgrade existing generation assets and adjust existing generation technologies to the EU's environmental standards)
- the shaping of prices on the property market.

Signatures of persons representing the parent company:

President of the Management Board *Radosław Kamiński*

Member of the Management Board *Ryszard Radomski*