



CONSOLIDATED QUARTERLY REPORT OF THE ECHO INVESTMENT CAPITAL GROUP FOR Q4 2012

ECHO
investment

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I. SELECTED CONSOLIDATED FINANCIAL DATA

	IN THOUSANDS OF PLN		IN THOUSANDS OF EUR	
	FROM 01.01.2012 TO 31.12.2012	FROM 01.01.2011 TO 31.12.2011	FROM 01.01.2012 TO 31.12.2012	FROM 01.01.2011 TO 31.12.2011
I. Operating revenue	583,618	406,935	139,879	98,291
II. Operating profit (loss)	189,235	539,365	45,355	130,278
III. Gross profit (loss)	183,977	199,711	44,095	48,238
IV. Net profit (loss)	373,309	207,857	89,473	50,206
V. Net operating cash flow	212,679	163,563	50,974	39,507
VI. Net cash flow from investing activities	-469,014	-157,371	-112,411	-38,011
VII. Net cash flow from financing activities	81,003	163,760	19,414	39,555
VIII. Total net cash flow	-175,332	169,952	-42,023	41,050
IX. Total assets	5,453,396	5,349,481	1,333,936	1,211,167
X. Equity attributable to shareholders of the parent	2,430,819	2,095,577	594,594	474,456
XI. Long-term liabilities	2,281,951	2,371,823	558,180	537,000
XII. Short-term liabilities	708,298	637,632	173,254	144,365
XIII. Number of shares	412,690,582	420,000,000	412,690,582	420,000,000
XIV. Earnings (loss) per ordinary share (in PLN/EUR)	0.90	0.49	0.22	0.12
XV. Book value per share (in PLN/EUR)	5.89	4.99	1.44	1.21

II. CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS OF THE CAPITAL GROUP AS AT 31.12.2012 AND FOR A 12-MONTH PERIOD ENDED ON 31.12.2012

1. CONSOLIDATED QUARTERLY STATEMENT OF FINANCIAL POSITION

CONSOLIDATED QUARTERLY STATEMENT OF FINANCIAL POSITION – ASSETS (PLN '000)

	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
ASSETS		
1. Non-current assets		
1.1. Intangible assets	1,186	1,428
1.2. Property, plant and equipment	55,813	55,866
1.3. Investment property	3,132,820	2,893,756
1.4. Investment property under construction	1,177,709	1,047,624
1.5. Long-term financial assets	107,540	106,026
1.6. Derivative financial instruments	626	-
1.7. Deferred income tax assets	11,395	24,364
	4,487,089	4,129,064
2. Current assets		
2.1. Inventory	461,340	500,938
2.2. Income tax receivables	1,530	1,345
2.3. Other tax receivables	47,795	82,925
2.4. Trade and other receivables	77,501	73,824
2.5. Derivative financial instruments	1,508	-
2.6. Restricted cash	40,181	57,174
2.7. Cash and cash equivalents	336,452	504,211
	966,307	1,220,417
TOTAL ASSETS	5,453,396	5,349,481

CONSOLIDATED QUARTERLY STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES (PLN '000)

	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
EQUITY AND LIABILITIES		
1. Equity		
1.1. Equity attributable to shareholders of the parent	2,430,819	2,095,577
1.1.1. Share capital	21,000	21,000
1.1.2. Supplementary capital	2,065,321	1,857,464
1.1.3. Equity shares purchased	-28,647	-
1.1.4. Accumulated profit (loss)	373,309	207,857
1.1.5. Foreign exchange differences on translation of foreign operations	-164	9,256
1.2. Equity of non-controlling shareholders	23	-59
	2,430,842	2,095,518
2. Provisions		
2.1. Long-term provisions	5,764	8,613
2.2. Short-term provisions	2,000	4,773
2.3. Deferred income tax long-term provision	24,541	231,122
	32,305	244,508
3. Long-term liabilities		
3.1. Loans and borrowings	2,146,161	2,241,553
3.2. Derivative financial instruments	13,043	13,169
3.3. Security deposits and advances received	46,075	40,413
3.4. Lease liabilities (perpetual usufruct of land)	76,672	76,688
	2,281,951	2,371,823
4. Short-term liabilities		
4.1. Loans and borrowings	551,172	317,499
4.2. Derivative financial instruments	66	20,670
4.3. Income tax liabilities	2,325	3,481
4.4. Other tax liabilities	6,617	16,434
4.5. Trade liabilities	107,545	192,528
4.6. Other liabilities	12,528	10,004
4.7. Security deposits and advances received	28,045	77,016
	708,298	637,632
TOTAL EQUITY AND LIABILITIES	5,453,396	5,349,481
Book value (in thousands of PLN)	2,430,819	2,095,577
Number of shares	412,690,582	420,000,000
Book value per share (in PLN)	5.89	4.99
Diluted number of shares	412,690,582	420,000,000
Diluted book value per share (in PLN)	5.89	4.99

OFF-BALANCE SHEET ITEMS (PLN '000)

	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
1. Off-balance sheet receivables	-	-
2. Off-balance-sheet liabilities	342	-

2. CONSOLIDATED QUARTERLY PROFIT AND LOSS ACCOUNT

CONSOLIDATED QUARTERLY PROFIT AND LOSS ACCOUNT (PLN '000)

	Q4 PERIOD 01.10.2012 - 31.12.2012	4 QUARTERS PERIOD 01.01.2012 - 31.12.2012	Q4 PERIOD 01.10.2011 - 31.12.2011	4 QUARTERS PERIOD 01.01.2011 - 31.12.2011
Revenue	148,162	583,618	115,226	406,935
Prime cost of sale	-71,916	-277,677	-53,598	-161,082
Gross profit (loss) on sales	76,246	305,941	61,628	245,853
Profit (loss) on investment property (measurement)	97,821	-61,575	-500	349,706
Selling costs	-10,141	-28,630	-8,955	-26,358
General administrative expenses	-17,642	-54,696	-18,800	-52,380
Other operating revenue (expenses)	10,550	28,195	15,211	22,544
Operating profit	156,834	189,235	48,584	539,365
Financial revenue	1,782	12,351	-6,858	1,819
Financial expenses	-37,731	-160,760	-26,399	-147,602
Profit (loss) on FX derivatives	2,706	18,880	14,018	-18,522
Foreign exchange profit (loss)	12,654	124,271	195	-175,349
Revaluation of goodwill of subordinates	-	-	645	-
Gross profit (loss)	136,245	183,977	30,185	199,711
Income tax	196,042	189,342	-1,007	8,121
Net profit (loss), including:	332,287	373,319	29,178	207,832
Profit (loss) attributable to non-controlling interest	2	10	-12	-25
Profit (loss) attributable to shareholders of the parent company	332,285	373,309	29,190	207,857
(Annualised) net profit (loss)		373,309		207,857
Average weighted ordinary shares		412,690,582		420,000,000
Annualised earnings (loss) per ordinary share (in PLN)		0.90		0.49

3. CONSOLIDATED QUARTERLY STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED QUARTERLY STATEMENT OF COMPREHENSIVE INCOME (PLN '000)

	Q4 PERIOD 01.10.2012 - 31.12.2012	4 QUARTERS PERIOD 01.01.2012 - 31.12.2012	Q4 PERIOD 01.10.2011 - 31.12.2011	4 QUARTERS PERIOD 01.01.2011 - 31.12.2011
Net profit (loss)	332,287	373,319	29,178	207,832
Other comprehensive income:				
- foreign exchange gains/losses on translation of foreign operations	-11,142	-9,420	13,301	12,145
	-11,142	-9,420	13,301	12,145
Comprehensive income for the period, including:	321,145	363,899	42,479	219,977
Comprehensive income attributable to shareholders of the parent company	321,143	363,889	42,491	220,002
Minority comprehensive income	2	10	-12	-25

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (PLN '000)

	SHARE CAPITAL	SUPPLEMENTARY CAPITAL	EQUITY SHARES PURCHASED	ACCUMULATED PROFIT (LOSS)	FOREIGN EXCHANGE GAINS/LOSSES ON TRANSLATION	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	EQUITY OF NON-CONTROLLING SHAREHOLDERS	EQUITY
4 QUARTERS, FROM 01.01.2012 TO 31.12.2012 (CURRENT YEAR)								
Balance at the beginning of the period	21,000	1,857,464	-	207,857	9,256	2,095,577	-59	2,095,518
Allocation of result from previous years	-	207,857	-	-207,857	-	-	-	-
Purchase of equity shares	-	-	-28,647	-	-	-28,647	-	-28,647
Movements in minority interest	-	-	-	-	-	-	72	72
Other net comprehensive income	-	-	-	-	-9,420	-9,420	-	-9,420
Net profit (loss) for the period	-	-	-	373,309	-	373,309	10	373,319
Balance at the end of the period	21,000	2,065,321	-28,647	373,309	-164	2,430,819	23	2,430,842
4 QUARTERS, FROM 01.01.2011 TO 31.12.2011 (PREVIOUS YEAR)								
Balance at the beginning of the period	21,000	1,709,726	-	147,738	-2,889	1,875,575	-59	1,875,516
Allocation of result from previous years	-	147,738	-	-147,738	-	-	-	-
Movements in minority interest	-	-	-	-	-	-	25	25
Other net comprehensive income	-	-	-	-	12,145	12,145	-	12,145
Net profit (loss) for the period	-	-	-	207,857	-	207,857	-25	207,832
Balance at the end of the period	21,000	1,857,464	-	207,857	9,256	2,095,577	-59	2,095,518

5. CONSOLIDATED INTERIM CASH FLOW STATEMENT

CONSOLIDATED QUARTERLY CASH FLOW STATEMENT (PLN '000)

	Q4 PERIOD 01.01.2012 - 31.12.2012	Q4 PERIOD 01.01.2011 - 31.12.2011
A. Operating cash flow – indirect method		
I. Gross profit (loss)	183,977	199,711
II. Total adjustments		
1. Share in net profits (losses) of associates	-	-
2. Depreciation of PP&E	5,661	7,873
3. Foreign exchange (gains) losses	-124,271	175,349
4. Interest and profit sharing (dividends)	125,449	125,214
5. (Profit) loss on revaluation of assets and liabilities	29,443	-342,431
6. (Profit) loss on settlement of financial instruments	4,673	8,715
7. Other adjustments	-	-
	40,955	-25,280
III. Movements in working capital:		
1. Movement in provisions	-5,623	1,821
2. Movement in inventory	43,844	-23,805
3. Movement in receivables	31,128	-43,600
4. Movement in short-term liabilities, except for loans and borrowings	-75,990	63,167
	-6,641	-2,417
IV. Net operating cash (I+II+III)	218,291	172,014
1. Income tax paid	-5,612	-8,451
V. Net operating cash flows	212,679	163,563
B. Cash flow from investing activities		
I. Proceeds		
1. Sale of intangible assets and PP&E	331	1,515
2. Sale of real property investments	-	591,602
3. On financial assets	27,095	21,401
4. Other investment proceeds	-	-
	27,426	614,518
II. Expenditures		
1. Purchase of intangible assets and PP&E	-5,697	-40,503
2. Real property investments	-490,314	-625,483
3. On financial assets	-429	-105,903
4. Dividends and other share of profit paid to minority	-	-
5. Other capital expenditures	-	-
	-496,440	-771,889
III. Net cash flow from investing activities (I-II)	-469,014	-157,371

CONSOLIDATED QUARTERLY CASH FLOW STATEMENT (PLN '000), CONTINUED

	Q4 PERIOD 01.01.2012 - 31.12.2012	Q4 PERIOD 01.01.2011 - 31.12.2011
C. Cash flow from financing activities		
I. Proceeds		
1. Net proceeds from issue of shares (interests) and other equity instruments and capital contributions	-	-
2. Loans and borrowings	357,651	348,380
3. Issue of debt securities	395,000	365,000
4. Other financial proceeds	-	-
	752,651	713,380
II. Expenditures		
1. Purchase of equity shares (interests)	-28,647	-
2. Dividends and other payments to equity holders	-	-
3. Profit share expenses, other than payments to equity holders	-	-
4. Repayment of loans and borrowings	-87,019	-184,276
5. Redemption of debt securities	-395,000	-220,000
6. Due to FX derivatives	-4,673	-8,715
7. Payment of liabilities under finance lease agreements	-15	-6
8. Interest	-156,294	-136,623
9. Other financial expenditures	-	-
	-671,648	-549,620
III. Net cash flow from financing activities (I-II)	81,003	163,760
D. Total net cash flow (A.III+/-B.III+/-C.III)	-175,332	169,952
E. Movement in cash in the consolidated statement of financial position, including:	-184,752	182,096
- movement in cash due to foreign exchange gains/losses	-9,420	12,144
F. Cash and cash equivalents at the beginning of the period	561,385	379,289
G. Cash at the end of the period (F+/- D), including:	376,633	561,385
- restricted cash	40,181	57,174

6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6.1. Basic information

The Echo Investment Capital Group (Capital Group, Group) has operated on the real property market since 1996. The Capital Group's parent company is Echo Investment S.A. (Issuer, Company).

The Company manages the whole investment process of a given project, starting from the purchase of property, through obtaining administrative permits, financing, implementation, supervision to putting the facility into service. In addition, the Capital Group manages its real property portfolio. It performs the activities on its own behalf or by providing services as a general contractor or a project manager to a special purpose subsidiary. Implementing construction projects through subsidiaries significantly facilitates the management of the processes and ensures transparency of the Group's structure. These entities are mainly responsible for the renting out of commercial property (shopping and entertainment centres, offices), and, to a lesser extent, project implementation and sales of apartments as well as the provision of property management services. The Company also provides services as a general contractor to foreign investors.

The Capital Group's core business is divided into three segments:

- construction and lease of space in office and hotel facilities,
- construction and lease of space in shopping centres and shopping and entertainment centres,
- construction and sale of residential apartments.

The Capital Group operates in Poland, Hungary, Romania and Ukraine.

As at 31 December 2012 and 31 December 2011, the Capital Group employed 343 and 324 people respectively.

The shares of the parent company (Echo Investment SA) have been listed on Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange) since 1996. There are 420,000,000 of the Issuer's ordinary bearer shares (including 7,309,418 shares purchased by a subsidiary as part of an equity share redemption programme).

6.2. Accounting principles adopted in drawing up the quarterly report

The report covers the twelve-month period ended on 31 December 2012 and comparative data for the twelve-month period ended on 31 December 2011.

The reporting currency for the Group's financial statements is Polish zloty ("PLN"), which is the reporting and functional currency of the parent company. The Group comprises entities which use a different functional currency than PLN. The comparative data of these companies comprising these statements was converted to the Polish zloty in accordance with the IAS 21 principles. The balance sheet items were converted at the rate applicable on the balance sheet date, while the items of the profit and loss account were converted at the average rate for this period. FX differences resulting from the conversion have been recognised in other comprehensive income, and the accumulated amounts are under a separate equity item.

The statements have been drawn up in accordance with the International Accounting Standards and International Financial Reporting Standards approved by the European Commission. The principles regarding the measurement of assets and liabilities and the determination of the financial result have been adopted as at the balance sheet day. The financial statements have been prepared in accordance with the historical cost principle except for investment property measured at fair value and financial instruments valued in accordance with IAS 39. The statements have been drawn up under the assumption of ongoing business activity in the foreseeable future having regard to the fact that there are no circumstances posing a threat to the ongoing business activity.

The Company's Management Board used its best judgment in the selection of the applicable standards, as well as measurement methods and principles for the different items of the condensed consolidated financial statements.

For the purpose of drawing up the statements, the Group applied the same accounting standards as those approved and described in the annual consolidated financial statements for 2011. New interpretations issued by the IFRS Interpretations Committee applicable to the Group for the reporting period beginning on 1 January 2012 did not have any significant impact on these financial statements.

6.3. Effects of adopted changes in accounting principles (restatement of financial statements for previous periods)

The Capital Group did not change its accounting principles in Q4 2012. A detailed accounting policy was presented in the annual report for 2011.

The Company's Management Board has changed its approach to creating deferred income tax on tax and accounting differences related to assets and liabilities held by general partnerships limited by shares. Since, according to the applicable tax laws, general partnerships limited by shares are not payers of the corporate income tax, the Group has abandoned the creation of the deferred income tax on tax and accounting differences related to assets and liabilities held by general partnerships limited by shares.

Therefore, the Group has decided to restate the comparative 2011 financial statements in consideration of the said decision with regard to tax and accounting differences related to assets and liabilities held by general partnerships limited by shares at the end of 2011. The following items have been changed:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS (PLN '000)

	AS AT 31.12.2011, FORMERLY	AS AT 31.12.2011, CURRENTLY
1. Non-current assets	4,146,901	4,129,064
1.7 Deferred income tax assets	42,201	24,364
TOTAL ASSETS	5,367,318	5,349,481

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS (PLN '000)

	AS AT 31.12.2011 FORMERLY	AS AT 31.12.2011 CURRENTLY
1. Equity	2,064,154	2,095,518
1.1 Equity attributable to shareholders of the parent	2,064,213	2,095,577
1.1.4 Accumulated profit (loss)	176,493	207,857
2. Provisions	293,709	244,508
2.3. Long-term deferred income tax provision	280,323	231,122
TOTAL EQUITY AND LIABILITIES	5,367,318	5,349,481

CONSOLIDATED QUARTERLY PROFIT AND LOSS ACCOUNT (PLN '000)

	4 QUARTERS PERIOD 01.01.2011 - 31.12.2011 FORMERLY	4 QUARTERS PERIOD 01.01.2011 - 31.12.2011 CURRENTLY
Income tax	-23,243	8,121
Net profit (loss), including:	176,468	207,832
Profit (loss) attributable to non-controlling interest	-25	-25
Profit (loss) attributable to shareholders of the parent company	176,493	207,857

6.4. Description of material achievements or failures of the Capital Group and indication of major events in Q4 2012**6.4.1. Major events in Q4 2012****Agreement for the purchase of real property**

On 15 October 2012, the Issuer's subsidiary Projekt 4 – Grupa Echo Spółka z ograniczoną odpowiedzialnością Spółka komandytowo – akcyjna, with its registered office in Kielce (address: 25-323 Kielce, Aleja Solidarności 36), entered into the register of entrepreneurs maintained by the District Court in Kielce, 10th Economic Department of the National Court Register under KRS no.: 0000392867, and Agencja Rozwoju Przemysłu Spółka Akcyjna, with its registered office in Warsaw, ul. Wołoska 7, entered into the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw, 13th Economic Department of the National Court Register, under KRS no.: 0000037957, signed agreements for the purchase of real property in Warsaw with an area of 30,804 sq. m, located at ul. Taśmowa 10/12.

The value of the agreement for the purchase of real property is PLN 60 million.

The Issuer plans to develop a complex of 6 office buildings with an area of approx. 60 thousand sq. m on the purchased property.

6.4.2. Information on the Capital Group's projects

As at 31 December 2012, the Capital Group held projects already commissioned to use as well as projects in the course of implementation or preparation.

PORTFOLIO OF PROPERTIES IN USE

As at 31 December 2012, the Capital Group held 5 shopping centres, 5 shopping and entertainment centres and 6 office developments for lease.

REAL PROPERTY PORTFOLIO AS AT 31 DECEMBER 2012

CITY	LOCATION	NAME	GLA [SQ. M]
Jelenia Góra	Al. Jana Pawła II	Galeria Echo	19,000
Piotrków Trybunalski	ul. Sikorskiego	Galeria Echo	17,400
Przemyśl	ul. 29 Listopada	Galeria Echo	5,500
Radom	ul. Żółkiewskiego	Galeria Echo	19,500
Tarnów	ul. Błonie	Galeria Echo	20,200
SHOPPING CENTRES	TOTAL		81,600
Bełchatów	ul. Kolejowa	Galeria Olimpia	21,400
Kielce	ul. Świętokrzyska	Galeria Echo	70,500
Szczecin	Al. Wyzwolenia	Galaxy	41,200
Szczecin	al. Struga	Outlet Park	16,600
Wrocław	Plac Grunwaldzki	Pasaż Grunwaldzki	48,200
SHOPPING AND ENTERTAINMENT CENTRES	TOTAL		197,900
Kielce	al. Solidarności	Astra Park (*)	11,200
Poznań	ul. Baraniaka	Malta Office Park	28,400
Szczecin	ul. Malczewskiego	Oxygen	14,100
Warsaw	Al. Jana Pawła II	Babka Tower	6,200
Warsaw	ul. Postępu	Polkomtel office building (*)	10,200
Wrocław	ul. Swobodna	Aquarius (stage I)	15,700
OFFICE DEVELOPMENTS	TOTAL		85,800
DEVELOPMENTS FOR LEASE	TOTAL		365,300

*The Astra Park project does not include area occupied by the Group. The area attributable to the Capital Group comprises 50% of the Polkomtel office building development (Warsaw, ul. Postępu).

Tenants in shopping centres and shopping and entertainment centres include domestic and international retail chains and local businesses. The main tenants of commercial space include:

- hypermarkets: Real, Tesco,
- specialist retail chains: Empik, Nomi, RTV Euro AGD, Saturn,
- fashion chains: C&A, H&M, Zara, Reserved
- culture and entertainment retail chains: Helios, Multikino,
- health and beauty retail chains: Douglas, Rossmann.

Office space is leased to renowned companies and local businesses. The main tenants of office space include: Grand Thornton Frąckowiak, Roche Polska Sp. z o.o., Ikea Shared Services Sp. z o.o., McKinsey Emea Shared Services, Coloplast Shared Services Sp. z o.o., Nordea Bank Polska S.A., Tieto Polska S.A., Polkomtel S.A., Pramerica Życie TUIR S.A., Raiffeisen Bank Polska S.A., Sygnity S.A., Medicover Sp. z o.o., Altkom Investments Sp. z o.o., Mentor Graphics Polska Sp. z o.o., Kennametal Polska Sp. z o.o., Tebodin SAP-Projekt Sp. z o.o., Samsung Electronics Polska Sp. z o.o..

PROJECTS IN THE COURSE OF IMPLEMENTATION AND PREPARATION

The Management Board closely monitors the situation on the real property market and decides to implement specific projects based on the assessment of the present market situation. All project implementation deadlines are flexible and reasonably adjusted to the actual situation.

PROJECTS IN THE COURSE OF IMPLEMENTATION AND PREPARATION IN THE SEGMENT OF SHOPPING CENTRES AND SHOPPING AND ENTERTAINMENT CENTRES

PROJECT	GLA [SQ. M]	COMMENCEMENT	COMPLETION
Łomża Veneda,	14,900	H2 2011	H1 2013
Kalisz Amber,	34,300	H1 2012	H2 2013
Szczecin Galaxy (expansion)	16,100	H2 2013	H1 2015
Jelenia Góra Sudecka (expansion)	12,300	H2 2013	H1 2015
Poznań Metropolis	75,300	H1 2014	H1 2016
Szczecin Outlet Park (stage II)	8,300	H1 2014	H2 2014
Koszalin Nova	27,200	H1 2014	H2 2015
Katowice, ul. Kościuszki	49,100	H2 2014	H2 2016
Słupsk, ul. Grotgera **			
PROJECTS IN POLAND	237,500		
Brasov Korona (Romania), stage I	35,900	H2 2013	H1 2015
Brasov Korona (Romania), stage II	10,000	H1 2016	H1 2017
Budapest Mundo (Hungary)*	42,700		
FOREIGN PROJECTS	88,600		
TOTAL PROJECTS	326,100		

* Due to the unstable economic situation in this country, it is uncertain whether the project will be commenced within the next three years.

** Any projects for which no dates are specified are in the design phase.

PROJECTS IN THE COURSE OF IMPLEMENTATION AND PREPARATION IN THE SEGMENT OF OFFICE AND HOTEL SPACE

PROJECT	GLA [SQ. M]	COMMENCEMENT	COMPLETION
Gdańsk Tryton	22,800	H1 2013	H1 2015
Łódź Novotel	7,300	H2 2011	H1 2013
Łódź Aurus (stages I – II)	19,200	H1 2014	H2 2016
Katowice A4 Business Park (stage I)	9,000	H2 2012	H1 2014
Katowice A4 Business Park (stages II - III)	21,100	H2 2013	H2 2016
Kraków Opolska (stage I)	19,200	H1 2013	H2 2014
Kraków Opolska (stages II - III)	38,400	H2 2014	H2 2017
Warsaw Park Rozwoju (stage I)	17,800	H2 2012	H1 2014
Warsaw Park Rozwoju (stage II)	16,100	H1 2014	H2 2015
Warsaw Jana Pawła II	52,900	H2 2013	H2 2016
Warsaw Beethovena (stages I)	18,100	H2 2013	H1 2015
Warsaw Beethovena (stages II - III)	36,700	H1 2015	H1 2018
Warsaw Taśmowa (stages I - III)	60,800	H1 2014	H2 2018
Wrocław Aquarius Business House (stage II)	9,300	H1 2012	H2 2013
Wrocław Lotnicza	16,300	H1 2013	H2 2014
Wrocław Plac Grunwaldzki (stages I-II)	20,600	H1 2014	H1 2017
Projects in Poland	385,600		
Kiev Dehtiarivska (stage I)	17,500	H2 2013	H1 2015
Kiev Dehtiarivska (stages II-VI)	87,900	H2 2014	H1 2020
FOREIGN PROJECTS	105,400		
TOTAL PROJECTS	491,000		

PROJECTS IN THE COURSE OF IMPLEMENTATION AND PREPARATION IN THE RESIDENTIAL SEGMENT

PROJECT	USABLE AND RESIDENTIAL AREA [SQ. M]	COMMENCEMENT	COMPLETION
Dyminy, Osiedle Południowe (stage III)	43,400	H2 2013	H2 2014
Poznań, Sołacz	13,700	H1 2014	H2 2014
Warsaw, Rezydencje Leśne	52,900	H2 2010	H2 2012
SALE OF PLOTS	110,000		
Kielce, Zielone Tarasy	2,100	H1 2013	H1 2014
Kraków, Korzeniowskiego	3,000	H2 2012	H1 2014
Kraków, Bronowicka	3,000	H1 2013	H2 2014
Kraków, Tyniecka / Czarodziejska	5,600	H2 2013	H1 2015
Łódź, Osiedle Jarzębinowe (stage I)	6,900	H2 2011	H1 2013
Łódź, Osiedle Jarzębinowe (stages II-IV)	39,900	H1 2014	H2 2021
Łódź, Wodna (stages I – II)	13,700	H1 2014	H1 2017
Poznań, Kasztanowa Aleja (stage II)	8,600	H2 2012	H2 2014
Poznań, Naramowice, Pod Klonami I, multi-family houses	9,300	H1 2010	H2 2012
Poznań, Naramowice, Pod Klonami II, row houses	4,500	H1 2012	H2 2013
Poznań, Naramowice, Jaśminowy Zakątek (stage I)	5,900	H1 2013	H2 2014
Poznań, Naramowice, Jaśminowy Zakątek (stages II-IV)	13,500	H2 2014	H2 2018
Poznań, Sowińskiego (stages I-III)	19,600	H1 2014	H2 2018
Warsaw, Nowy Mokotów (stage I)	11,600	H2 2012	H1 2017
Warsaw, Nowy Mokotów (stages II-IV)	30,500	H1 2015	H1 2022
Warsaw, Princess, Puławska	4,900	H2 2013	H1 2015
Wrocław, Grota Roweckiego (stages I – III)	18,300	H2 2013	H1 2019
Lublin, ul. Poligonowa (**)			
SALE OF APARTMENTS	200,900		
TOTAL PROJECTS	310,900		

** Any projects for which no dates are specified are in the design phase.

6.5. Factors and events, especially unusual events, with a significant impact on the generated financial results

- Factors affecting the Capital Group's financial results in Q4 2012:
 - posting of revenues from the concluded final agreements for the sale of residential properties:
 - in Kraków, (Dom Pod Słowikiem at ul. Krasickiego)
 - in Poznań (Kasztanowa Aleja at ul. Wojskowa, Pod Klonami at ul. Rubież),
 - in Warsaw (Klimt House at ul. Kazimierzowska, Zeus District),
 - in Wrocław (Przy Słowiańskim Wzgórzu, at ul. Jedności Narodowej),
 - posting of revenues from the concluded final agreements for the sale of plots with house designs:
 - in Dyminy near Kielce (Osiedle Południowe),
 - posting of revenues from the concluded agreements for the sale of plots in:
 - Masłów near Kielce
 - regular revenue obtained from the lease of space in offices and shopping centres,
 - sale of building expenditures related to the development of Novotel hotel in Łódź,
 - quarterly revaluation of the fair value of property owned by the Group:
 - in use, including:
 - movements in foreign exchange rates (EUR and USD),
 - indexation of rents,
 - movements in net operating revenue,
 - update of yield rates,
 - initial measurement of real property in use:
 - Outlet Park in Szczecin,
 - Galeria Olimpia in Bełchatów,
 - Office building Aquarius, stage I, in Wrocław,
 - in the course of construction and commercialisation:

- Galeria Amber in Kalisz (initial measurement),
- Galeria Veneda in Łomża (another measurement),
- created reserve for the value of land property:
 - in Łódź at ul. Wodna,
 - in Słupsk at ul. Grottgiera,
- cost of sales and general and administrative expenses,
- measurement of liabilities due to bonds and borrowings at amortised cost,
- measurement of loans and cash due to changing foreign exchange rates,
- measurement and settlement of hedging financial instruments to foreign currencies,
- interest on bank deposits and borrowings granted,
- discounts and interest on loans, bonds and borrowings.

2. Unusual events affecting Company's financial result in Q4 2012:

- The management boards of companies which hold interests in Barconsel Holdings Ltd and Echo - SPV 7 Sp. z o.o. decided not to sell the interest in the foreseeable future. Therefore, pursuant to IAS 12 item 39, the provision for deferred income tax on tax and accounting differences related the said interest in the above-mentioned subsidiaries in the amount of PLN 164,123 thousand was released. This was a one-off event.

3. Exchange rate hedging transactions

Exchange rate hedging transactions are concluded as part of the hedging policy in order to ensure future cash flow levels on translating tranches of loans in EUR and one-off material operating revenue (e.g. from the sale of investment projects).

The average-weighted strike for the remaining open transactions is PLN 4.2587 EUR/PLN.

MATURITIES OF OPEN HEDGING POSITIONS AS AT 31 DECEMBER 2012:

		CARRYING VALUE AS AT 31.12.2012 (IN MILLIONS OF PLN)	NOMINAL VALUE (IN MILLIONS OF EUR)	Q1 2013 NOMINAL VALUE (IN MILLIONS OF EUR)	Q2 2013 NOMINAL VALUE (IN MILLIONS OF EUR)	Q3 2013 NOMINAL VALUE (IN MILLIONS OF EUR)	Q4 2013 NOMINAL VALUE (IN MILLIONS OF EUR)	H1 2014 NOMINAL VALUE (IN MILLIONS OF EUR)	H2 2014 NOMINAL VALUE (IN MILLIONS OF EUR)
Forward	EUR/PLN	2.1	25.18	8.20	1.88	9.0	0.7	4.0	1.4

6.6. Information on the Capital Group's segments

The Capital Group generates revenue from the lease of its commercial space, sale of apartments, constructing of facilities and providing property management services. Structure of the generated revenue:

STRUCTURE OF OPERATING REVENUES AND EXPENSES IN 4 QUARTERS OF 2012:

ITEM	REVENUES [IN MILLIONS OF PLN]	% SHARE	COSTS [IN MILLIONS OF PLN]	% SHARE
Shopping centres and shopping and entertainment centres	301	52%	90	32%
Residential areas	178	30%	139	50%
Office and hotel facilities	94	16%	43	16%
Not classified	11	2%	6	2%
Total operating result	584	100%	278	100%

6.7. Explanations concerning the seasonal and cyclical nature of the Capital Group's activity in the reported period

The Capital Group's activity covers several segments of the real property market. The asset portfolio held for lease largely ensures comparable revenues in every quarter. By contrast, revenue from the sale of residential developments and general investment contractor services and trade in property may be irregular. The Management Board cannot exclude other one-time events which may influence results generated in a given period.

6.8. Information about the issue, redemption and repayment of debt securities and equity securities

Apart from own resources and loans, the current activities of the Capital Group are also funded through the issue of debt financial instruments. At present, the Company is running an active programme of issuing long-term and short-term bonds.

As at 31 December 2012, bonds were issued as part of the Bonds Issue Programme concluded with BRE Bank S.A. in 2004.

LIABILITIES DUE TO BONDS ISSUED, AS AT 31 DECEMBER 2012 (IN THOUSANDS OF PLN)

BANK	INSTRUMENT TYPE	AMOUNT USED	MATURITY	INTEREST RATE TERMS
BRE Bank S.A.	Bonds	35,000	2013-01-09	WIBOR 3M + margin
BRE Bank S.A.	Bonds	150,000	2013-03-29	WIBOR 6M + margin
BRE Bank S.A.	Bonds	100,000	2013-05-25	WIBOR 6M + margin
BRE Bank S.A.	Bonds	300,000	2014-06-30	WIBOR 6M + margin
BRE Bank S.A.	Bonds	115,000	2015-05-18	WIBOR 6M + margin
BRE Bank S.A.	Bonds	145,000	2016-02-11	WIBOR 6M + margin

As at 31 December 2012, The Issue Programme allows for the issue of bonds with a total maximum nominal value of PLN 1 billion.

On 10 October 2012, bonds in the amount of PLN 35 million were redeemed under a guaranteed programme and another issue as part of that programme took place. The Company issued discount bonds in the total amount of PLN 35 million. The issue price of one bond was PLN 100 thousand. The bonds were issued for a 3-month period. The bond redemption date was set to be 9 January 2013. The bond interest rate was established based on the variable WIBOR 3M rate plus margin.

The issued bonds are not hedged.

6.9. Information on paid (or declared) dividend

The Company did not pay any dividend in previous years and did not declare such payment in the current period or in the near future.

6.10. Events after the day of drawing up these quarterly financial statements which have not been recognised in the statements and which have a potentially significant effect on the Capital Group's future financial results**Addendum to a material agreement**

On 16 January 2013, the Issuer received an addendum (later referred to as the Addendum) dated 11 January 2013 to the loan agreement (which the company announced in current report no. 18/2012 of 6 June 2012) signed by way of correspondence by AQUARIUS BUSINESS HOUSE GRUPA ECHO SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SKA, with its registered office in Kielce, al. Solidarności 36, 25-323 Kielce, entered into the register of entrepreneurs of the National Court Register maintained by the District Court in Kielce, 10th Economic Department of the National Court register, under KRS no. 0000378348 (later referred to as the Borrower, Company), a subsidiary of the Issuer, and by ALIOR BANK SPÓŁKA AKCYJNA, with its registered office in Warsaw, at Al. Jerozolimskie 94, 00-807 Warsaw, entered into the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 12th Economic Department of the National Court register, under KRS no. 305178 (later referred to as the Lender, Bank).

According to the terms of the Addendum, the amount of the loan granted by the Bank to the Borrower was increased from PLN 93,368 thousand to PLN 134,036 thousand, which is intended for financing and refinancing the costs of the project involving the execution of the first and the second stage of the office and services facility Aquarius Business House in Wrocław.

The Addendum also amended the loan repayment date to be 30 June 2014.

Other terms of the amended agreement do not introduce any material changes with regard to information presented by the Issuer in current report no. 18/2012 of 6 June 2012.

Issue of bonds

The Bond Issue Programme (Current Report no. 7/2011 of 1 February 2011) entered into with BRE Bank S.A. with its registered office in Warsaw stipulated that, on 31 January 2013, the Company would issue coupon bonds of a total value of PLN 200 million.

The nominal value and the issue price of one bond is PLN 10 thousand. The bonds were issued for the period ending on 28 April 2017. The bond interest rate was established based on the variable WIBOR 6M rate increased by investors' profit margin. Interest shall be paid in 6-month periods. On the redemption day, the bonds shall be redeemed based on their nominal value. The issued bonds are not hedged.

The value of the incurred liabilities on the last day of the quarter preceding the day when purchase was offered, i.e. 30 September 2012, is PLN 956 million.

In the opinion of the Management Board of Echo Investment S.A., during the validity period of issued bonds, the general liabilities of Echo

Investment S.A. will be maintained on a safe level, while debt service ratios will ensure that the Company is capable to settle its liabilities following from the issued bonds.

The bonds do not guarantee any benefits in kind from the Issuer.

The cash obtained from the issue of the said bonds fully secure the Company's borrowing requirements related to the service of previously issued bonds which mature in the current financial year.

6.11. Information on changes in contingent liabilities or contingent assets after the end of the last financial year

6.11.1. Surety agreements

SURETY AGREEMENTS OF THE CAPITAL GROUP IN FORCE AS AT 31 DECEMBER 2012

SURETY TO	VALUE (IN THOUSANDS OF PLN)	VALIDITY PERIOD	DESCRIPTION
METALPLAST - STOLARKA SP. Z O.O.	6,000	Valid until the payment of the whole liability under the agreement for the construction of the facade of the office facility Aquarius Business House in Wrocław (stage I) of 31.01.2012	The surety is related to the payment of the liability of Grupa Echo Spółka z ograniczoną odpowiedzialnością 1 spółka komandytowo-akcyjna under the agreement for the construction of the facade of the office facility Aquarius Business House in Wrocław (stage I), concluded on 31.01.2012 with Metalplast - Stolarka Sp. z o.o.
TESCO (POLSKA) SP. Z O.O.	15,000	until 30.06.2015	Surety for the liabilities of Galeria Olimpia-Projekt Echo-98 Spółka z ograniczoną odpowiedzialnością SKA and Veneda-Projekt Echo-97 Spółka z ograniczoną odpowiedzialnością SKA due to the reimbursement to Tesco (Polska) Sp. z o.o. up to the value of expenditures actually made by Tesco (Polska) Sp. z o.o. for the future subject of lease under the lease agreements concluded on 28.10.2010
MERCOR S.A.	342	until 31.08.2013	Surety for the liabilities of Dostar Sp. z o.o. under agreement no. 2357/Gd/Hd/2012 concluded on 07.11.2012

See also item 6.19 of this Report.

On 28 December 2012, an agreement of surety granted by Echo-Galaxy spółka z ograniczoną odpowiedzialnością S.K.A. (a subsidiary of the Issuer) for the repayment of the liability under agreement no. 2357/Gd/Hd/2012 concluded on 28 December 2012 with Mercor S.A. was concluded. The value of the surety is PLN 342,000.00.

The surety is valid until 31 August 2013.

6.11.2. Guarantee agreements

GUARANTEES IN FORCE AS AT 31 DECEMBER 2012

GUARANTOR	VALUE (IN THOUSANDS OF PLN)	VALIDITY PERIOD	DESCRIPTION
PKO BP SA	4,073	until 24.03.2013	Security for non-performance or ill-performance of all obligations towards Orbis SA under the conditional General Contractor Agreement dated 4 September 2008
PKO BP SA	215	until 31.10.2013	Security for non-performance of obligations towards ImmoPoland Sp. z o.o. under the lease agreement dated 28 August 2009. The guarantee was issued in euro.
Echo Investment SA	18,411	shall remain in force until the Conversion Date but for a period not exceeding 30 June 2018	Security to Nordea Bank Polska SA to cover for a deficit of funds or the exceeding of the costs of constructing Centrum Handlowe Olimpia in Bełchatów
PKO BP SA	678	until 28.02.2013	Security for the non-performance of obligations to Eurovia Polska SA under agreement no. 7114/01/2012 of 7 August 2012
Echo Investment S.A.	9,716	until the handover date of the subject of lease, not exceeding 30.06.2015	Security of liabilities due to BNY MELLON (Poland) Sp. z o.o. under the lease agreement of 19 November 2012. The guarantee was issued in euro.
Echo Investment S.A.	39,073	shall remain in force until the Conversion Date but for a period not exceeding 31 December 2014	Security for exceeding the development costs of the shopping and entertainment centre Amber in Kalisz, liabilities due to debt service and for the coverage of absent funds for the benefit of Bank Polska Kasa Opieki S.A.

On 19 October 2012, Bank PKO BP SA granted a bank guarantee to Immopoland Sp. z o.o. as a security for proper performance of the Lease Agreement of 28 August 2009 by Echo Investment SA. The guarantee amounts to EUR 52,627. The Guarantee is valid until 31 October 2013.

On 19 November 2012, Echo Investment S.A. granted a corporate guarantee to BNY MELLON (POLAND) Sp. z o.o. as a security for liabilities under the agreement for the lease of space in Aquarius Business House stage II in Wrocław, concluded on 19 November 2012 by Aquarius Business House – Grupa Echo spółka z ograniczoną odpowiedzialnością S.K.A. The guarantee amounts to EUR 2,376,535.24. The guarantee is valid until the subject of lease is handed over but for a period not exceeding 30 June 2015.

On 27 November 2012, Echo Investment S.A. granted a guarantee to Bank Polska Kasa Opieki S.A. as a security for exceeding the development costs of the shopping and entertainment centre Amber in Kalisz, for liabilities due to debt service and for the coverage of absent funds by Echo-Galeria Amber Spółka z ograniczoną odpowiedzialnością S.K.A. The guarantee is a sum of PLN 29,670,00.00 and EUR 2,300,000.00. The guarantee is valid until the Conversion Date but for a period not exceeding 31 December 2014.

On 31 December 2012, the guarantee in the amount of EUR 1,300,000.00, granted by PKO BP SA to Master Serwis Opon Sp. z o.o. as a security for the payment of possible claims to the Beneficiary due to the termination of the Leasehold Agreement by Ultra Marina Sp. z o.o., expired.

On 30 November 2012, the guarantee in the amount of PLN 18,450.00, granted by PKO BP SA to Szczecin Municipal Gmina as a security for the non-fulfilment of obligations under understanding no. CRU/12/ of 22 May 2012 by Projekt 5 – Grupa Echo spółka z ograniczoną odpowiedzialnością S.K.A., expired.

On 14 October 2012, the guarantee in the amount of EUR 32,100.00, granted by PKO BP SA to Immopoland Sp. z o.o. as a security for correct performance of the lease agreement of 20 September 2011 by Echo Investment Property Management – Grupa Echo Spółka z ograniczoną odpowiedzialnością spółka komandytowa, expired.

6.12. Composition of the Echo Investment Capital Group

The most important entity in the Capital Group's structure is Echo Investment S.A., which is the owner of other companies in the Group, and supervises, co-implements and raises funds for the implementation of property development projects carried out by the Group. The companies which form the Group have been established or purchased in order to perform specific investment tasks and do not conduct any business activities other than those which follow from the process of implementing a particular project and which are related to providing lease services regarding assets linked to completed projects or other services.

As at 31 December 2012, the Capital Group comprises 93 fully consolidated subsidiaries, one jointly controlled entity consolidated with the proportionate method and one associate consolidated with the equity method.

SUBSIDIARIES:

COMPANY	REGISTERED OFFICE	% SHARE OF THE CAPITAL	PARENT COMPANY
1 47 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
2 53 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
3 Astra Park - Projekt Echo - 69 Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
4 Aquarius Business House – Grupa Echo Sp. z o.o. S.k.a. (formerly: Grupa Echo Sp. z o.o. 1 S.k.a.)	Kielce	100%	XXIX FIZ Forum
5 Avatar - Projekt Echo – 93 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
6 A4 Business Park – Grupa Echo Sp. z o.o. S.k.a. (formerly: Projekt Echo - 30 Sp. z o.o.)	Kielce	100%	XXXIV FIZ Forum.
7 Babka Tower - Projekt Echo - 93 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
8 Barconsel Holdings Ltd	Nicosia	100%	Echo – SPV 7 Sp. z o.o.
9 Bełchatów – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
10 Budivelnuy Soyuz Monolit LLC	Kiev	100%	Yevrobudgarant LLC
11 Echo – Arena Sp. z o.o.	Kielce	100%	Echo Investment S.A.
12 Echo – Aurus Sp. z o.o.	Kielce	100%	Echo Investment S.A.
13 Echo – Centrum Przemyśl - Projekt Echo – 93 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
14 Echo – Galaxy Sp. z o.o.	Kielce	100%	Echo Investment S.A.
15 Echo – Galaxy Sp. z o.o. S.k.a.	Szczecin	100%	XXIX FIZ Forum
16 Echo – Galeria Amber Sp. z o.o.	Kielce	100%	Echo Investment S.A.
17 Echo – Galeria Amber Sp. z o.o. S.k.a (formerly: Projekt Echo - 39 Sp. z o.o.)	Kielce	100%	XXXIV FIZ Forum.
18 Echo – Galeria Lublin Sp. z o.o.	Kielce	100%	Echo Investment S.A.
19 Echo – Kasztanowa Aleja Sp. z o.o.	Kielce	100%	Echo Investment S.A.
20 Echo – Kasztanowa Aleja Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.
21 Echo – Klimt House Sp. z o.o.	Kielce	100%	Echo Investment S.A.
22 Echo – Klimt House Sp. z o.o. Sp. z kom.	Kielce	100%	Echo Investment S.A.
23 Echo – Pod Klonami Sp. z o.o.	Kielce	100%	Projekt Naramowice – Grupa Echo Sp. z o.o. S.k.a.
24 Echo – Pod Klonami Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.
25 Echo – Project - Management Ingatlanhasznosito Kft.	Budapest	100%	Echo Investment S.A.
26 Echo – Przy Słowiańskim Wzgórzu Sp. z o.o.	Kielce	100%	Echo Investment S.A.
27 Echo – Przy Słowiańskim Wzgórzu Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.
28 Echo – SPV 7 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
29 Echo Galeria Kielce – Magellan West Sp. z o.o. S.k.a.	Kielce	99,95%	XXIX FIZ Forum / XXXIV FIZ Forum
30 Echo Investment ACC - Grupa Echo Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.
31 Echo Investment Facility Management - Grupa Echo Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.

COMPANY	REGISTERED OFFICE	% SHARE OF THE CAPITAL	PARENT COMPANY
32 Echo Investment Hungary Ingatlanhasznosító Kft.	Budapest	100%	Echo Investment S.A.
33 Echo Investment Project 1 S.R.L.	Brasov	100%	Echo Investment S.A.
34 Echo Investment Project Management S.R.L.	Brasov	100%	Echo Investment S.A.
35 Echo Investment Property Management – Grupa Echo Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.
36 Echo Investment Ukraine LLC	Kiev	100%	Echo Investment S.A.
37 Echo Pasaż Grunwaldzki – Magellan West Sp. z o.o. S.k.a.	Kielce	99,95%	XXIX FIZ Forum
38 Elmira Investments Sp. z o. o.	Kielce	100%	Echo Investment S.A.
39 Elmira Investments Sp. z o. o. S.k.a.	Warsaw	100%	Echo Investment S.A.
40 EI Project Cyp - 1 Ltd	Nicosia	100%	Echo Investment S.A.
41 Farrina Investments Sp. z o. o.	Warsaw	100%	Echo Investment S.A.
42 Galeria Olimpia – Projekt Echo – 98 Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
43 Galeria Sudecka - Projekt Echo – 43 Sp. z o.o. S.k.a.	Jelenia Góra	100%	XXIX FIZ Forum
44 Galeria Tarnów – Projekt Echo – 43 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
45 Grupa Echo Sp. z o.o.	Kielce	100%	Echo Investment S.A.
46 Intermedia Investment Sp. z o.o.	Kielce	100%	Echo Investment S.A.
47 Iris Capital Sp. z o.o.	Kielce	100%	Echo Investment S.A.
48 Malta Office Park - Projekt Echo - 96 Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
49 Mena Investments Sp. z o.o.	Kielce	100%	Echo Investment S.A.
50 Metropolis - Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
51 Monolit Investment Sp. z o.o.	Kielce	100%	Echo Investment S.A.
52 Nikson Capital Sp. z o.o.	Kielce	100%	Echo Investment S.A.
53 Oxygen – Projekt Echo – 95 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
54 Pamiątkowo Sp. z o.o.	Pamiątkowo	100%	Echo Investment S.A.
55 Park Postępu - Projekt Echo - 93 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
56 PHS – Projekt CS Sp. z o.o. S.k.a.	Szczecin	100%	XXIX FIZ Forum
57 PPR - Projekt Echo – 77 Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
58 Princess Investment Sp. z o.o.	Kielce	100%	Echo Investment S.A.
59 Projekt Beethovena – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum / XXXIV FIZ Forum
60 Projekt CS Sp. z o.o.	Szczecin	100%	Echo Investment S.A.
61 Projekt Echo - 33 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
62 Projekt Echo - 43 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
63 Projekt Echo - 67 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
64 Projekt Echo - 67 Sp. z o.o. Sp. kom.	Kielce	100%	Echo Investment S.A.
65 Projekt Echo - 69 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
66 Projekt Echo - 70 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
67 Projekt Echo - 77 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
68 Projekt Echo - 93 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
69 Projekt Echo - 95 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
70 Projekt Echo - 96 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
71 Projekt Echo - 97 Sp. z o.o.	Kielce	100%	Echo Investment S.A.

COMPANY	REGISTERED OFFICE	% SHARE OF THE CAPITAL	PARENT COMPANY
72 Projekt Echo - 98 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
73 Projekt Echo - 99 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
74 Projekt Echo - 99 Sp. z o.o. Sp. kom	Kielce	100%	Echo Investment S.A.
75 Projekt Echo - 101 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
76 Projekt Echo - 102 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
77 Projekt Echo - 103 Sp. z o.o.	Kielce	100%	Echo Investment S.A.
78 Projekt Naramowice – Grupa Echo Sp. z o.o. S.k.a. (formerly: Projekt Naramowice Poznań Sp. z o.o.)	Kielce	100%	XXXIV FIZ Forum
79 Projekt Saska Sp. z o.o. (formerly: Projekt S Sp. z o.o.)	Kielce	95%	Echo Investment S.A.
80 Projekt 3 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
81 Projekt 4 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
82 Projekt 5 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
83 Projekt 6 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
84 Projekt 7 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
85 Projekt 8 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
86 Projekt 9 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
87 Projekt 10 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
88 SPV 1 – Grupa Echo Sp. z o.o. S.k.a.	Kielce	100%	XXIX FIZ Forum
89 Ultra Marina Sp. z o.o.	Kielce	100%	XXIX FIZ Forum / XXXIV FIZ Forum
90 Vasco Investment Sp. z o.o.	Kielce	100%	Echo Investment S.A.
91 Veneda – Projekt Echo -97 Sp. z o.o. S.k.a.	Kielce	100%	XXXIV FIZ Forum
92 Yevrobudgarant LLC	Kiev	100%	EI Project Cyp - 1 Ltd
93 Zakład Ogrodniczy Naramowice – Pamiątkowo Sp. z o.o. S.k.a.	Pamiątkowo	100%	XXXIV FIZ Forum

The jointly controlled entity is Wan 11 Spółka z o.o., with its registered office in Warsaw. The associate EBR Global Services Spółka z o.o. has its registered office in Kielce.

All certificates issued by XXIX FIZ Forum and XXXIV FIZ Forum are held by companies from the Capital Group.

6.13. Effects of changes in the structure of the business unit, including business combinations, acquisitions or sale of the Capital Group's entities, long-term investments, de-mergers, restructuring and discontinuation of activity

I. The composition of the Echo Investment S.A. Capital Group has expanded by 7 companies as a result of the following:

- On 2 October 2012, 100% interests were purchased in Elmira Investments Sp. z o.o., with its registered office in Warsaw. The total purchase price was PLN 15,255.00. The company's share capital is PLN 5 thousand.
- On 2 October 2012, 100% interests were purchased in Elmira Investments Sp. z o.o. S.k.a., with its registered office in Warsaw. The total purchase price was PLN 60,254.00. The company's share capital is PLN 50 thousand.
- On 2 October 2012, 100% interests were purchased in Farinna Investments Sp. z o.o., with its registered office in Warsaw. The total purchase price was PLN 15,255.00. The company's share capital is PLN 5 thousand.
- The subsidiary Echo – SPV 7 Sp. z o.o., with its registered office in Kielce ("Acquiring Company"), merged (registration date: 12 November 2012) with the subsidiaries of Echo Investment S.A.: Projekt Echo – 59 Sp. z o.o., with its registered office in Kielce, and Echo Arena Sp. z o.o. Sp. kom., with its registered office in Kielce ("Acquired Companies"). The merger involved a transfer of all assets of the Acquired Companies to the Acquiring Company and a simultaneous increase in the Acquiring Company's share capital by creation of interests awarded to existing shareholders of the Acquired Companies in exchange for their existing interests in the Acquired Companies.
- On 14 November 2012, the District Court in Kielce registered a new company: Projekt 8 – Grupa Echo Sp. z o.o. S.k.a., with its registered office in Kielce. The company's share capital is PLN 50 thousand.
- On 14 November 2012, the District Court in Kielce registered a new company: Projekt 10 – Grupa Echo Sp. z o.o. S.k.a., with its registered office in Kielce. The company's share capital is PLN 50 thousand.
- On 15 November 2012, the District Court in Kielce registered a new company: Projekt 9 – Grupa Echo Sp. z o.o. S.k.a., with its registered office in Kielce. The company's share capital is PLN 50 thousand.
- On 27 November 2012, the District Court in Kielce registered a new company: Projekt Echo – 101 Sp. z o.o., with its registered office in Kielce. The company's share capital is PLN 50 thousand.
- On 27 November 2012, the District Court in Kielce registered a new company: Projekt Echo – 102 Sp. z o.o., with its registered office in Kielce. The company's share capital is PLN 50 thousand.
- On 27 November 2012, the District Court in Kielce registered a new company: Projekt Echo – 103 Sp. z o.o., with its registered office in

Kielce. The company's share capital is PLN 50 thousand.

II. Other changes in companies comprising the Issuer's Capital Group:

- Transformation of Projekt Echo - 39 Sp. z o.o. into Echo – Galeria Amber Sp. z o.o. S.k.a (registration date: 1 October 2012);
- Change of the business name of Grupa Echo Sp. z o.o. 1 S.k.a. to Aquarius Business House – Grupa Echo Sp. z o.o. S.k.a. and increase of the share capital by XXIX FIZ Forum (date of registration in the National Court Register: 5 October 2012);
- Transformation of Projekt Naramowice Poznań Sp. z o.o. into Projekt Naramowice – Grupa Echo Sp. z o.o. S.k.a. (registration date: 16 October 2012);
- Change of the business name of Projekt S Sp. z o.o. to Projekt Saska Sp. z o.o. (date of registration in the National Court Register: 29 October 2012);
- Transformation of Projekt Echo - 30 Sp. z o.o. into A4 Business Park – Grupa Echo Sp. z o.o. S.k.a. (registration date: 31 December 2012).

6.14. Management Board's position regarding the possibility of fulfilment of previously published result forecasts for a given year in light of the results disclosed in the quarterly report compared to the forecast results

The Company's Management Board did not publish any financial forecasts.

6.15. Ownership structure of significant stakes of shares in Echo Investment SA

SHAREHOLDERS HOLDING, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE OVERALL NUMBER OF VOTES AT THE GENERAL MEETING OF ECHO INVESTMENT SA AS AT 1 MARCH 2013

SHAREHOLDER	NUMBER OF SHARES	% OF SHARE CAPITAL OF ECHO INVESTMENT SA	NUMBER OF VOTES AT THE GSM OF ECHO INVESTMENT SA	% OF TOTAL VOTES AT THE GSM OF ECHO INVESTMENT SA
MICHAŁ SOŁOWOW, indirectly through subsidiaries, including:	189,361,930	45.09%	189,361,930	45.09%
Barcocalpital Investment Limited	171,477,880	40.83%	171,477,880	40.83%
Calgeron Investment Limited	17,884,050	4.26%	17,884,050	4.26%
ING OFE	44,569,720	10.61%	44,569,720	10.61%
AVIVA OFE AVIVA BZ WBK	42,958,079	10.23%	42,958,079	10.23%
PZU Złota Jesień OFE*	22,011,702	5.24%	22,011,702	5.24%

* - share based on the annual asset structure of OFE PZU as at 31 December 2012.

In the period between the publication of the last quarterly report, i.e. 14 November 2012, and the day of preparing this report, the Issuer received the following notifications about changes in the holding of shares by major shareholders:

On 21 December 2012, the Issuer received two notifications:

Notification 1: the sale of 118,578,797 shares of Echo Investment S.A. by FTF Galleon S.A., with its registered office in Luxembourg, a subsidiary of Mr Michał Solowow, as a result of which FTF Galleon S.A. does not hold any shares of Echo Investment S.A.

Notification 2: the purchase of 118,578,797 shares of Echo Investment S.A. by Barcocalpital Investment Limited, with its registered office in the Republic of Cyprus, a subsidiary of Mr Michał Solowow, as a result of which the share in the capital and in the number of votes at the general shareholders' meeting of Echo Investment S.A. changed by at least 2% and exceeded 33 1/3% of the overall number of votes at the general shareholders' meeting.

Notification 1

"Acting pursuant to article 69 of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. no. 185, item 1439), I announce that, as a result of the sale of 118,578,797 shares of Echo Investment S.A. outside the regulated market on 21 December 2012, under a share sale agreement, FTF Galleon S.A., with its registered office in Luxembourg at Charles de Gaulle 2-8, L-1635 Luxembourg, entered into the Register of Commercial Companies in Luxembourg under no. B 154340, a subsidiary of Mr Michał Sołowow, does not hold any shares of Echo Investment S.A. (later referred to as: the Company).

As at the day of preparing this notification, FTF Galleon S.A. does not hold any shares of Echo Investment S.A.

Before the transaction, FTF Galleon S.A. held 118,578,797 of the Company's shares, accounting for 28.23% of the share capital, and was entitled to 118,578,797 votes at the Company's general shareholders' meeting, representing 28.23% of the overall number of votes.

There are no subsidiaries of the notifying shareholder who hold the Company's shares.

There are no persons referred to in article 87, section 1, item 3, letter c of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. No. 184, item 1539)."

Notification 2

"Acting pursuant to article 69 of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. no. 185, item 1439), I announce that, as a result of the purchase of 118,578,797 shares of Echo Investment SA outside the regulated market on 21 December 2012, under a share sale agreement, the share of Barccapital Investment Limited, with its registered office at Agiou Pavlou 15, Ledra House, Agios Andreas, 1105 Nicosia, Republic of Cyprus, registered in the Department for the Registration of Companies and the Receiver of the Republic of Cyprus (Register of Companies) under no. HE 145969, a subsidiary of Mr Michał Sołowow, in the capital and in the number of votes held in Echo Investment S.A. (later referred to as the Company) changed by at least 2% and exceeded 33 1/3% of the overall number of votes at the Company's general shareholders' meeting.

As at the day of preparing this notification, Barccapital Investment Limited holds 166,358,337 shares of Echo Investment S.A., accounting for 39.61% of the share capital, and is entitled to 166,358,337 votes at the Company's general shareholders' meeting, representing 39.61% of the overall number of votes.

Before the transaction, Barccapital Investment Limited held 47,779,540 of the Company's shares, accounting for 11.38% of the share capital, and was entitled to 47,779,540 votes at the Company's general shareholders' meeting, representing 11.38% of the overall number of votes.

There are no subsidiaries of the notifying shareholder who hold the company's shares. There are no persons referred to in article 87, section 1, item 3, letter c of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. No. 184, item 1539)."

There are no persons referred to in article 87, section 1, item 3, letter c of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. No. 184, item 1539)."

On 2 January 2013, the Issuer received a notification from ING Powszechnie Towarzystwo Emerytalne S.A. saying that, as a result of the sale of the shares of Echo Investment S.A. during transactions at the Warsaw Stock Exchange, settled on 20 December 2012, ING Otwarty Fundusz Emerytalny (later referred to as the Fund) decreased its holding of the Company's shares by at least 2% of votes at the Company's general shareholders' meeting.

Before the sale of the shares, the Fund held 47,369,720 (forty-seven million, three hundred and sixty-nine thousand, seven hundred and twenty) shares in the Company, representing 11.28% of the Company's share capital, and was entitled to 47,369,720 (forty-seven million, three hundred and sixty-nine thousand, seven hundred and twenty) votes at the Company's general shareholders' meeting, accounting for 11.28% of the overall number of votes.

On 27 December 2012, the Fund's securities account included 44,569,720 (forty-four million, five hundred and sixty-nine thousand, seven hundred and twenty) of the Company's shares, representing 10.61% of the Company's share capital. These shares are vested with 44,569,720 (forty-four million, five hundred and sixty-nine thousand, seven hundred and twenty) votes at the Company's general shareholders' meeting, representing 10.61% of the overall number of votes.

The Fund does not rule out increasing or decreasing its holding of the shares in the forthcoming 12 months, depending on the market situation and the Company's operations. The purpose of acquiring the Company's shares is to invest cash as part of the Fund's investment activity.

On 22 January 2013, the Issuer received a notification by fax from Aviva Powszechne Towarzystwo Emerytalne Aviva BZ WBK S.A., saying that, as a result of the purchase of the shares of Echo Investment S.A. concluded on 15 January 2013, Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK (later referred to as Aviva OFE) increased its share in the overall number of votes in the Company to more than 10%.

"Before the settlement of the aforementioned transactions, as at 17 January 2013, Aviva OFE held 41,846,565 shares in the Company, accounting for 9.96% of the Company's share capital (shares issued), and vested with 41,846,565 votes at the General Shareholders' Meeting, which accounted for 9.96% of the overall number of votes.

After the conclusion and settlement of the aforementioned transaction, as at 18 January 2013, Aviva OFE held 42,958,079 shares in the Company, accounting for 10.23% of the Company's share capital (shares issued), and vested with 42,958,079 votes at the General Shareholders' Meeting, which accounted for 10.23% of the overall number of votes.

The investment is portfolio deposit investment. Aviva OFE allows for the possibility of further increasing its involvement in the Company within 12 months of submission of this notice in order to achieve the maximum degree of investment security and profitability of the open pension fund's deposits. At the same time, we announce that, in accordance with the provisions of the Act on the organisation and operation of pension funds and the specific regulations issued under this Act, Aviva OFE's involvement cannot exceed 20% in the Company's share capital. The Fund does not preclude the sale of the shares in the case of a satisfactory increase in value or the increase of investment risk."

On 15 February 2013, the Issuer received the following notification:

"Acting pursuant to article 69 of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. no. 185, item 1439), I announce that, as a result of the purchase of the shares of Echo Investment S.A., with its registered office in Kielce, concluded on 14 February 2013, BarcoCapital Investment Limited, with its registered office at Agiou Pavlou 15, Ledra House, Agios Andreas, 1105 Nicosia, Republic of Cyprus, registered in the Department for the Registration of Companies and the Receiver of the Republic of Cyprus (Register of Companies) under no. HE 145969, increased its share in the overall number of votes at the general shareholders' meeting of Echo Investment S.A. (later referred to as the Company) by at least 1%.

The shares were purchased from Mr Michał Solowow, who is the parent of BarcoCapital Investment Limited.

As at the day of preparing this notification, following the settlement of the said transaction, BarcoCapital Investment Limited holds 171,477,880 of the Company's shares, accounting for 40.83% of the share capital, and is entitled to 171,477,880 votes at the Company's general shareholders' meeting, representing 40.83% of the overall number of votes.

Before the said transaction, BarcoCapital Investment Limited held 166,358,337 of the Company's shares, accounting for 39.61% of the share capital, and was entitled to 166,358,337 votes at the Company's general shareholders' meeting, representing 39.61% of the overall number of votes.

There are no subsidiaries of the notifying shareholder who hold the Company's shares.

There are no persons referred to in article 87, section 1, item 3, letter c of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies (J.L. No. 184, item 1539)."

6.16. List of changes in the ownership of Echo Investment S.A.'s shares or rights thereto (options) by the Company's managerial and supervisory staff, in accordance with knowledge available to Echo Investment S.A., in the period after the presentation of the previous quarterly report

According to the Company's knowledge, changes in the holding of shares in Echo Investment S.A. or rights to the shares (options) by the Company's managerial and supervisory staff in the period from the day of submitting the previous quarterly report are presented in the tables below:

HOLDING OF THE COMPANY'S SHARES BY MEMBERS OF THE MANAGEMENT BOARD

MANAGERIAL STAFF	14.11.2012	01.03.2013
Piotr Gromniak – President of the Management Board	no shares	no shares
Artur Langner – Vice-President of the Management Board	no shares	no shares

HOLDING OF THE COMPANY'S SHARES BY MEMBERS OF THE SUPERVISORY BOARD

SUPERVISORY STAFF	14.11.2012	01.03.2013
Wojciech Ciesielski – Chairman of the Supervisory Board	1,200,000 shares	1,200,000 shares
Andrzej Majchert – Vice-Chairman of the Supervisory Board	98,800 shares	98,800 shares
Mariusz Waniółka – Vice-Chairman of the Supervisory Board	no shares	no shares
Karol Żbikowski – Member of the Supervisory Board	no shares	no shares
Robert Oskard – Member of the Supervisory Board	no shares	no shares
Tomasz Kalwat – Member of the Supervisory Board	no shares	no shares

In the period from the publication of the last quarterly report, i.e. 14 November 2012, to the day of preparing this report, the Issuer received the following notifications from managerial or supervisory staff:

On 21 December 2012, the Issuer received a notification in which a Member of the Issuer's Supervisory Board announced that FTF Galleon S.A., with its registered office in Luxembourg, at Charles de Gaulle 2-8, L-1635 Luxembourg, entered into the Register of Commercial Companies in Luxembourg under no. B 154340, a subsidiary of Mr Michał Solowow, sold its shares held in Echo Investment S.A. The sale of the shares was concluded under a share sale agreement outside the regulated market on 21 December 2012. The transaction volume was 118,578,797 ordinary bearer shares of Echo Investment S.A. and the sale price amounted to PLN 5.20 per share. The notifying entity requested that their personal data be kept confidential pursuant to § 3.2 of the Ordinance of the Minister of Finance of 25 November 2005 on communicating and releasing information on certain transactions on financial instruments and principles of collecting and managing the list of persons having access to certain confidential information.

6.17. Information on court proceedings

In the period from 1 September to 31 December 2012, there were neither court nor administrative proceedings regarding liabilities or receivables of the Company or its subsidiaries in the total value of at least 10% of the Company's equity.

6.18. Information on transactions with related parties under terms other than market terms

In Q4 2012, neither the Company nor its subsidiaries entered into transactions with related parties under terms other than market terms.

6.19. Information on sureties granted on loans or borrowings and guarantees with a value equivalent to at least 10% of the Company's equity

In Q4 2012, the Capital Group did not grant any sureties for loans or borrowings or any guarantees to a single entity or to its subsidiary with a total value equivalent to at least 10% of the Company's equity.

See also item 6.11.

6.20. Other information which, in the opinion of the Management Board of Echo Investment S.A., is material to assess the company's HR, economic and financial situation, and the financial result, as well as information which is material for the assessment of the Echo Investment Capital Group's ability to fulfil its obligations**Carrefour hypermarket in the Korona centre**

Echo Investment and Carrefour signed an agreement for the lease of space in the Korona shopping and entertainment centre in Brasov, Romania. According to the agreement, a Carrefour hypermarket will be developed in the Korona centre, with an area of approx. 8,500 sq. m. The signed agreement initiates the commercialisation of the largest shopping and entertainment centre in the Brasov region.

Korona is a modern, multi-functional shopping and entertainment centre. The first stage of the project involves an area of 36,000 sq. m for shops and services, a restaurant and an entertainment zone with a 7-screen cinema. The next stage involves an additional 10,000 sq. m of commercial space. 1,500 parking places will be available for car users at Korona. The conceptual design of the Korona centre has been developed by the design office Bose International Planning & Architecture.

The centre's construction will start in H2 2013 and completion is planned for H1 2015.

Launch of Park Rozwoju – a modern office complex in Warsaw

Echo Investment started the implementation of Park Rozwoju, a modern category A office facility located at ul. Konstruktorska in the Mokotów district in Warsaw.

Park Rozwoju comprises two buildings with separate courtyards and a restaurant located in the connector. The facility has a total office area of 34,000 sq. m. The buildings will have a two-level below-grade and above-grade car park with a total of 740 parking places. The facility will have rest and recreation areas: courtyard with a water cascade fountain and a canteen, indoor courtyards with comfortable benches, green terraces on rooftops and an open air gym. A garage with bike stands and locker rooms with showers will be available for cyclists.

The new office investment of Echo Investment is being developed in the southern part of Mokotów, at ul. Konstruktorska 10. The location will ensure easy and fast access to Chopin Airport and to the city centre. The facility is surrounded by a well-developed public transport system. There are two tramway terminuses, a bus terminus and a metro station in the vicinity. The southern ring road of Warsaw and the Marynarska interchange ensure convenient car access.

The architectural design of Park Rozwoju was created by the design studio JEMS Architekci. The design involves the construction of two autonomous buildings. To ensure convenience and safety of the users, space in the whole facility is divided into a generally accessible area and an area protected by an access control system. The passageway system in the facility is simple and transparent. Passageways to the main entrances and the canteen intertwine with squares and courtyards. Indoor courtyards are open to an adjacent public greenery area to the east. An outdoor courtyard has been designed to function as the centre of the whole office complex.

As early as at the design stage, Park Rozwoju office facility has already been awarded the BREEAM certificate with the Very Good grade and the highest result in this category in Poland (67.83%). The certificate was officially awarded at the Office Buildings in Poland conference on 25 October this year in Warsaw. Three office developments completed by Echo also have the GreenBuilding certificates: Oxygen in Szczecin, Park Postępu in Mokotów, Warsaw, and Astra Park office buildings in Kielce.

Park Rozwoju is being executed in two stages. The first stage is to be completed in Q1 2014 and the second stage is to be finished in Q2 2015.

Launch of A4 Business Park – a modern office complex in Katowice

Echo Investment starts the first stage of the office complex A4 Business Park located at ul. Francuska in Katowice.

This modern office park comprises three buildings and a multi-level car park. In the first stage, the investor will alter the passageway system and the first of the three buildings with an office area of 9,000 sq. m. The building will have 7 floors and 153 parking places for users.

A4 Business Park is being erected at ul. Francuska, in the vicinity of the exit road from the A4 motorway. The facility is surrounded by a well-developed public transport system. There are numerous bus stops and a railway station in the vicinity.

A4 Business Park has been designed by the architectural design studio DDJM from Kraków. The building facade will be made of stone, glass and aluminium. In the designers' opinion, this system will reflect the office function of the investment and create the best possible working conditions for the prospective users. The designers have also proposed a modular division for the arrangement of individual floors as well as for the facade, allowing for freedom when designing the interior. The A4 Business Park buildings have been designed with due care for quality and safety: robust, natural materials, state-of-the-art technologies, energy-saving lifts and ventilation system, access control system and break-in signalling system are only some of the elements underlining the modern nature of the facility. Office rooms, according to the applicable highest standards, will have elevated floors, suspended ceilings, user-friendly lighting and air conditioning. The facility also includes service and shopping outlets, locker rooms, parking places for bikes, a canteen, a gym and recreational facilities.

Remax Construct is the general contractor for the building shell at the first stage of the investment. Preparation work is currently being carried out in the area. The implementation started in the last week of November 2012. Stage I of A4 Business Park is to be completed in Q1 2014.

Stage II of Kasztanowa Aleja district in Poznań

Echo Investment started stage II of the Kasztanowa Aleja development located in Poznań at ul. Wojskowa.

Kasztanowa Aleja includes two independent buildings with courtyards, a playground and greenery. As part of stage I, the first building has been erected and commissioned to use. KRAK-CHEM from Kraków is the general contractor of stage II of Kasztanowa Aleja.

The modern residential facility Kasztanowa Aleja is located in Grunwald, a prestigious and high-status region of Poznań, adjacent to the city centre. This district is home to many important public, educational and cultural institutions. One great advantage of this location is the vicinity of recreational facilities. Thanks to the exceptional location of the investment, the residents of Kasztanowa Aleja have easy and all-year-round access to various urban attractions offered by Poznań.

The distinct architectural design is consistent with the existing structures. The Kasztanowa Aleja district offers a total of 282 apartments with various areas (37 to 94 sq. m). Each apartment has a garden, a balcony, a terrace or a loggia. Customers who seek larger apartments may use the option to combine apartments. There is a below-grade car park with individual parking places and storage areas for residents. The facility also has additional storage rooms for pushchairs and bikes.

6.21. Factors which, in the opinion of the Company's Management Board, will influence the results generated by the Capital Group in the perspective of at least the following quarter

Factors to influence the result in the coming periods include:

posting of revenues from the concluded final agreements for the sale of residential properties in:

- Kraków (Dom Pod Słowikiem at ul. Krasickiego),
- Łódź (Osiedle Jarzębinowe at ul. Okopowa),
- Poznań (Kasztanowa Aleja at ul. Wojskowa, Pod Klonami at ul. Rubież),

- Warsaw (Klimt House at ul. Kazimierzowska),
- Wrocław (Przy Słowiańskim Wzgórzu at ul. Jedności Narodowej),

posting of revenues from the concluded final agreements for the sale of plots with house designs in:

- Bilcza near Kielce (Bilcza, stage II)
- Dyminy near Kielce (Osiedle Południowe),
- Warsaw (Leśne Rezydencje),

posting of revenues from the concluded final agreements for the sale of plots in:

- Masłów near Kielce

regular revenue obtained from the lease of space in offices and shopping centres,

sale of building expenditures related to the development of Novotel hotel in Łódź,

quarterly revaluation of the fair value of property owned by the Group:

- in use, including:
 - movements in foreign exchange rates (EUR and USD),
 - indexation of rents,
 - change of capitalisation rates (yield),
 - movements in net operating revenue,
- in the course of construction and commercialisation:
 - Galeria Veneda in Łomża (another measurement),
 - Galeria Amber in Kalisz (another measurement),
 - stage II of Aquarius office building in Wrocław,

cost of sales and general and administrative expenses,

measurement of liabilities due to bonds and borrowings at amortised cost,

measurement of loans and cash due to changing foreign exchange rates,

measurement and settlement of FX hedging financial instruments,

interest on deposits and borrowings granted,

discounts and interest on loans, bonds and borrowings.

III. CONDENSED SEPARATE FINANCIAL STATEMENTS AS AT 31.12.2012 AND FOR A 12-MONTH PERIOD ENDED ON 31.12.2012

SEPARATE QUARTERLY STATEMENT OF FINANCIAL POSITION – ASSETS (PLN '000)

	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
ASSETS		
1. Non-current assets		
1.1. Intangible assets	1,181	1,419
1.2. Property, plant and equipment	14,067	14,664
1.3. Investment property	3,752	3,655
1.4. Investments in subsidiaries and jointly-controlled entities	921,946	908,022
1.5. Long-term financial assets	14,629	18,599
1.6. Deferred income tax assets	13,678	-
	969,253	946,359
2. Current assets		
2.1. Inventory	302,414	313,863
2.2. Income tax receivables	-	-
2.3. Other tax receivables	-	2,685
2.4. Trade and other receivables	384,664	242,660
2.5. Restricted cash	-	6,400
2.6. Cash and cash equivalents	3,017	79,986
	690,095	645,594
Total assets	1,659,348	1,591,953

SEPARATE QUARTERLY STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES (PLN '000)

	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
Equity and liabilities		
1. Equity		
1.1. Share capital	21,000	21,000
1.2. Supplementary capital	567,091	550,574
1.3. Net profit	41,356	16,517
	629,447	588,091
2. Provisions		
2.1. Short-term provisions	2,000	4,273
2.2. Deferred income tax long-term provision	-	7,778
	2,000	12,051
3. Long-term liabilities		
3.1. Loans, borrowings and bonds	527,138	654,374
3.2. Security deposits and advances received	17,707	16,288
	544,845	670,662
4. Short-term liabilities		
4.1. Loans, borrowings and bonds	438,557	232,691
4.2. Income tax liabilities	2,002	3,369
4.3. Other tax liabilities	4,187	14,033
4.4. Trade liabilities	17,267	42,391
4.5. Security deposits and advances received	16,016	20,628
4.6. Other liabilities	5,027	8,037
	483,056	321,149
Total equity and liabilities	1,659,348	1,591,953

BOOK VALUE (IN THOUSANDS OF PLN)	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
Book value	629,447	588,091
Number of shares	420,000,000	420,000,000
Book value per share (in PLN)	1.50	1.40

OFF-BALANCE SHEET LIABILITIES (IN THOUSANDS OF PLN)	AS AT 31.12.2012 END OF QUARTER	AS AT 31.12.2011 END OF PREVIOUS YEAR
1. Off-balance sheet receivables	-	-
2. Off-balance-sheet liabilities	120,462	538,748
Total off-balance sheet items	120,462	538,748

PROFIT AND LOSS ACCOUNT (IN THOUSANDS OF PLN)	Q4 PERIOD FROM 01.10.2012 TO 31.12.2012	4 QUARTERS PERIOD FROM 01.01.2012 TO 31.12.2012	Q4 PERIOD FROM 01.10.2011 TO 31.12.2011	4 QUARTERS PERIOD FROM 01.01.2011 TO 31.12.2011
Revenue	51,778	201,470	111,138	418,418
Prime cost of sale	-47,616	-119,265	-83,648	-315,890
Gross profit (loss) on sales	4,162	82,205	27,490	102,528
Profit (loss) on investment property	256	2,082	-747	1,961
Selling costs	-6,004	-24,111	-6,229	-24,023
General administrative expenses	-11,023	-35,368	-10,988	-33,703
Other operating revenue	4,201	60,150	6,110	49,756
Other operating expenses	20,360	-1,307	-6,132	-23,385
Operating profit	11,952	83,651	9,504	73,134
Financial revenue	2,206	3,060	211	1,118
Financial expenses	-18,231	-64,521	-15,338	-58,430
Gross profit (loss)	-4,073	22,190	-5,623	15,822
Income tax	22,472	19,166	1,379	695
Net profit (loss)	18,399	41,356	-4,244	16,517

(Annualised) net profit (loss)	41,356	16,517
Average weighted ordinary shares	420,000,000	420,000,000
Earnings (loss) per ordinary share (in PLN)	0.10	0.04
Average weighted diluted ordinary shares	420,000,000	420,000,000
Diluted earnings (loss) per ordinary share (in PLN)	0.10	0.04

STATEMENT OF CHANGES IN EQUITY (IN THOUSANDS OF PLN)	SHARE CAPITAL	SUPPLEMENT ARY CAPITAL	RETAINED PROFIT (LOSS) BROUGHT FORWARD	NET PROFIT (LOSS)	TOTAL EQUITY
For 4 quarters (current year), from 2012.01.01 to 2012.12.31					
Balance at the beginning of the period	21,000	550,574	16,517		588,091
Changes in the period:					
Allocation of result from previous years	-	16,517	-16,517		-
Net profit (loss) for the period				41,356	41,356
Total changes	-	16,517	-16,517	41,356	41,356
Balance at the end of the period	21,000	567,091	-	41,356	629,447
For 4 quarters (previous year), from 2011.01.01 to 2011.12.31					
Balance at the beginning of the period	21,000	511,902	38,672		571,574
Changes in the period:					
Allocation of result from previous years	-	38,672	-38,672		-
Net profit (loss) for the period				16,517	16,517
Total changes	-	38,672	-38,672	16,517	16,517
Balance at the end of the period	21,000	550,574	-	16,517	588,091

CASH FLOW STATEMENT (IN THOUSANDS OF PLN)		Q4 PERIOD FROM 01.01.2012 TO 31.12.2012	Q4 PERIOD FROM 01.01.2011 TO 31.12.2011
A. Operating cash flow – indirect method			
I. Gross profit (loss)		22,190	15,822
II. Adjustments:			
1. Depreciation/Amortisation		3,984	3,837
2. Foreign exchange (gains) losses		-	-
3. Interest and profit sharing (dividends)		11,886	16,536
4. (Profit) loss on revaluation of assets and liabilities		-225	26,345
		15,645	46,718
III. Movements in working capital			
1. Movement in provisions		-2,272	-1,767
2. Movement in inventory		10,432	13,139
3. Movement in receivables		59,254	-7,835
4. Movement in short-term liabilities, excluding loans and borrowings		-38,166	3,332
5. Other adjustments		-	-
		29,248	6,869
IV. Net operating cash (I+/-II +/- III)		67,083	69,409
V. Income tax paid		-3,657	21
Net operating cash flow (IV+/-V)		63,426	69,430
B. Cash flow from investing activities			
I. Proceeds			
1. Sale of intangible assets and property, plant and equipment		257	3,300
2. Sale of real property investments		-	9,936
3. On financial assets		146,791	132,477
4. Other investment proceeds		-	-
		147,048	145,713
II. Expenditures			
1. Purchase of intangible assets and PP&E		-3,170	-3,196
2. Real property investments		-97	-
3. On financial assets		-300,273	-249,527
4. Other capital expenditures		-288	158
		-303,828	-252,565
Net cash flow from investing activities (I-II)		-156,780	-106,852

CASH FLOW STATEMENT (IN THOUSANDS OF PLN)		Q4 PERIOD FROM 01.01.2012 TO 31.12.2012	Q4 PERIOD FROM 01.01.2011 TO 31.12.2011
C. Cash flow from financing activities			
I. Proceeds		-	-
1. Net proceeds from issue of shares (interests) and other equity instruments and capital contributions			
2. Loans and borrowings		112,664	15,625
3. Issue of debt securities		391,538	364,566
4. Other financial proceeds		-	-
		504,202	380,191
II. Expenditures			
1. Purchase of equity shares (interests)		-	-
2. Dividends and other payments to equity holders		-	-
3. Profit share expenses, other than payments to equity holders		-	-
4. Repayment of loans and borrowings		-32,774	-51,922
5. Redemption of debt securities		-395,000	-220,000
6. Interest		-66,443	-50,288
		-494,217	-322 210
Net cash flow from financing activities (I-II)		9,985	57,981
D. Total net cash flow (A.VI+/-B.III+/-C.III)		-83,369	20,559
E. Movement in cash in the statement of financial position, including:		-83,369	20,559
- movement in cash due to foreign exchange gains/losses		-	-
F. Cash and cash equivalents at the beginning of the period		86,386	65,827
G. Cash and cash equivalents at the end of the period (F+/-D)		3,017	86,386

Kielce, 1 March 2013

Company representatives:President of the
Management Board

Piotr Gromniak

Vice-President of the Management
Board

Artur Langner

**Person responsible for keeping the
accounting books:**

Chief Accountant

Tomasz Sulek

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