



Дорнастас

**Annual Report
2010**

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General Information about the Company

Foreword of the Chairman of the Board of Directors

Dear business partners, dear shareholders,

I shall try to sum up the year, in which we had great expectations, however the reality had rebounded mercilessly right in the moment when we were counting with the start of the largest contract in our history – the PPP project of the D1 motorway.

We know that we are living in times of severe depression, however it is different if we can prepare ourselves for the slump gradually, compared to the situation when the loss of huge contract comes from one day to the next. That happened to us on the 1st September, when the unfortunate decision on stopping the project, which was not only very well prepared technically, with the early works already in progress, and for which, in addition, the committed funding had been secured under exceptionally favourable terms, was adopted. This decision has negatively impacted not only our company, but the construction of transport-related structures as a whole, and particularly many builders' families as well.

However, we shall survive neither from crying nor complaining. Although, the large-scale reduction of number of employees is always the hardest period in the company's life. But the life goes on and we have no other choice than to cope with this reality as soon as possible.

Reducing the costs, searching for reserves, increasing the efficiency, these are today the main topics. It is important to cope successfully with the contracts abroad, which we have been awarded in hard competition particularly in Poland, Czech Republic, Azerbaijan, but we believe in success also in Romania, Hungary as well as other countries. The year 2011 will apparently be the year when it will be necessary to carry out significantly larger share of works abroad than in the SR. We need only to hope that in the 2nd half-year the motorway projects in the SR will not only get under way, but also that our company will win the tenders.

I firmly believe that each wrong is good for something. It will also speed up the positive measures and changes which were neglected in the times of prosperity. But everything is being decided by the people – by their understanding of the situation, the relation to the company and by delivering the maximum of efforts and knowledge in order to overcome this difficult period.

I would like to thank to all those who have grasped that at present we do not have many choices which way we do take, but even by the narrow path, which remained to us, finally we shall arrive to a broad motorway.

I would also like to assure all our business partners that Doprastav, a.s. is still a strong, skilled, professionally qualified and above all reliable company with special expertise, which is able to complete to the full contentment even those most demanding Works.

Strong health, persistence and finally the success
wishes to you



Ivan Šesták, MEng

Chairman of the Board of Directors, Doprastav, a.s.



Company Profile

Doprastav, joint-stock company – the largest, the strongest and the most stable construction company on the Slovak construction market, the history of which is being written for already nearly 60 years. During its existence Doprastav had constructed many important engineering Works, for which it was awarded a number of significant prizes and the “Construction of the Year” awards.

The core of Doprastav’s line of business in the long-term is the construction of road, motorway, bridge and water-engineering structures. To these there were the segments of railway, structural and underground engineering added in the last years. The Slovakian construction of the century – The “New” Bridge over the Danube River in Bratislava, The “Apollo” Bridge (among others awarded the prize in the USA) and the motorway flyover in Považská Bystrica, awarded by the “Construction of the Year 2010” award, belong to company’s most well-known Works.

The results of Doprastav’s endeavour are connecting Slovakia. To date the company had constructed nearly 400 kilometres of motorways and expressways, more than 80 kilometres of bridges built by different construction methods, thousands of kilometres of major highways as well as minor roads and similar length of drainages, sewers and water mains. To these it is necessary to add a number of upgraded sections of railway lines and significant sewage-treatment plants as well.

Roughly one fifth of its outputs the company achieves on foreign projects abroad. It contributes to greater stability of its business and lesser dependence on the domestic market. Doprastav is active in Poland, the Czech Republic, Azerbaijan and also in Hungary.

Since 2001 **Doprastav a.s.** is a member of the DDM Group, which belongs to the largest construction groups in the Czech Republic and the Slovak Republic. Besides Doprastav, the principal companies of the group are Metrostav and Subterra in the Czech Republic and Metrostav SK in Slovakia. The group’s business policy is based on the principle of the mutual trust and on the utilization of synergic effects, which are an inevitable result of such grouping. The group’s stability and growth potential at the same time represent a guarantee for investors that Doprastav will cope successfully even with the most demanding projects, meeting the required level of service.

The Doprastav’s production programme consists particularly of the following types of construction activities:

ROADS AND MOTORWAYS

- Earthworks
- Construction off all pavement structural courses
- Asphalt-concrete pavements
- Concrete pavements
- Production of all kinds of coated mixes at the company’s own asphalt mixing plants
- Production of concrete mixes at the company’s own concrete mixing plants
- Production of all kinds of traffic signs, including their supports – gantries

BRIDGES

- Complete construction of bridges
- Production and erection of bridge structures from precast prestressed members
- Girders and segments of segmental bridge structures from own precasting plants in Senec and Komárno
- Free cantilever construction method using machines and equipment for the construction of large-span bridges
- Bridges of cast-in-situ concrete constructed on stationary scaffolding
- Sliding, one-span long, falsework system
- Bridges constructed by the incremental launching construction method
- Steel bridges
- Production and installation of bridge bearings and expansion joints
- Construction of reinforced-concrete and prestressed bridge structures for the railway and rail structures

RAILWAYS AND RAIL TRANSPORT STRUCTURES

- Rehabilitation of track foundation and construction of railway tracks embankments
- Reconstruction and construction of railway bridges and railway tracks over-passes
- Complete reconstruction of railway stations and construction of new railway station platforms
- Construction of noise barriers
- Construction of cable duct routes

WATERWORKS AND ECOLOGICAL STRUCTURES

- Complex delivery of sewage-treatment plants, water processing plants and water reservoirs
- Construction of sewage disposal systems of all diameters
- Construction of water-supply networks of all diameters
- Construction of waterworks
- Construction of asphaltic jointing and sealing of waterworks and artificial lakes
- Canalization of water courses and rivers
- Construction of flood-protection works

OTHER ENGINEERING WORKS

- Construction of large investment complexes
- Reconstruction and construction of airports
- Reconstruction and construction of tunnels employing different construction methods
- Construction of sporting and recreation facilities (golf complex, racing ring)

BUILDINGS AND STRUCTURES

- Turnkey delivery of industrial and housing facilities, structures of civil construction projects and their reconstructions
- Construction of supporting frameworks (carcasses) of all types of structures constructed of cast concrete, precast elements and steel
- Construction of foundations
- Reconstruction and thermal insulation of buildings and structures

Doprstav a.s. carries out its activities through its corporate units (branches and divisions) among which belong also entities offering, in addition to providing for the construction projects, the following specialised services as well:

Prague Branch

- Underground works involving mining
- Excavation of pits and shafts
- Driving of adits and tunnels
- Securing of stability of underground areas

Žilina Division

- Production of semi-finished products
 - Precast concrete members for bridges and retaining walls
 - Steel reinforcement for concretes
- Production of bituminous mixes
- Supply of cast-in-situ concrete troughs and cast-in-situ concrete traffic barriers
- Supply of waterproofing systems for bridges

Zvolen Division

- Production and installation of traffic signs
- Cutting, bending and welding of concrete reinforcing steel
- Precast cornice fascia panels
- Production of bituminous mixes

Bratislava-Mlynské nivy Division

- Construction of rail tracks and railway lines
- Mechanical stabilisation of soils by the ROAD MIX technology
- Execution of carriageways structural courses on the basis of hydraulic binders
- Construction of bridges by the free-cantilever construction method and concreting on stationary scaffolding method
- Performance of complex geodetic services
- Cutting, bending and welding of concrete reinforcing steel
- Quarrying of gravel-sand and processing of crushed stone

Bratislava-Petržalka Division

- Driving-in and removal of interlocking sheet piles and steel elements, coring
- Performance of complex geodetic services
- Recycling of builder's debris
- Laser scanning (spatial surveying and modelling by means of 3D scanner)
- Production of bituminous mixes

Mechanisation and Transport Division

- Operation and lease of means of mechanisation and vehicles
- Performance of mechanisation and transport services ordered
- Maintenance and repairs of means of mechanisation and vehicles
- Provision and internal distribution of fuel
- Follow-up (warranty) checks
- Repairs of freight vehicles and construction machines under warranty and after termination of warranty
- Preparation of vehicles for technical inspections
- Repairs of vehicles adaptations
- Metalwork (locksmith's and turner's works)

Technical and Testing Service

- Performance and evaluation of initial type tests and control tests of materials, semi-finished goods, products, construction materials and substances used in the construction industry
- Performance of activities of an accredited testing laboratory, i.e. the performance of receiving, inter-operation and final inspection of products and structures
- Provision of initial type tests for bituminous mixes, all types of concrete, cement-bonded mixtures and soils
- Provision of special tests for structures (except for test loading of bridges)
- Cooperation in the development of new technologies, provision of technological and advisory services for engineering works and in the event of complaint procedure

Prestressing Technologies

- Post-tensioning of concrete structures
- Systems of suspended (cable-stayed) concrete structures
- Geotechnical systems
- Systems for concrete steel reinforcement
- Jointing system for formwork
- Equipment for prestressing and grouting

Prefa Division

- Production and erection of concrete, reinforced-concrete and prestressed precast elements
- Precast steel-concrete bridge girders and segmental bridges, bridge cornices
- Supporting frameworks (carcasses) – prestressed ties and purlins, bridging joists, bracing, foundation panels with and without thermal insulation, wall members, precast tambours and other precast elements
- Road panels for load up to 10 tons
- Segments of wind-power plant towers
- One-sided and both-sided precast noise barriers
- Interlocking and strand-tied road and bridge concrete safety barriers with valid barrier certificate
- Made-to-order non-standard precast elements

Steel Structures Division

- Production and erection of steel structures
- Pot and elastomer bridge bearings
- Type 3W surface bridge movement joints (simple, shear, low-noise)
- Traffic sign gantries
- Non-standard metalwork products for construction industry
- Machine components and parts for machine industry
- Corrosion protection of steel structures
 - Cleaning of steel structure surfaces – by means of blasting
 - Galvanizing and aluminium coating
 - Different coating systems

Buildings and Structures Division

- Construction of industrial and housing facilities, civil construction projects structures and buildings and their reconstructions
- Reconstruction and thermal insulation of structures of the character of building construction

Ružomberok PPP-D1 Division (closed as of 30.9.2010)

- The PPP project coordination, management and implementation

Prešov Division

- Production of bituminous mixes

Company Values

The company Doprastav, a.s. is the leader on the Slovak construction market for already 15 years. Meantime it went through a number of changes in its corporate structures and today it represents the leading company of the group of construction oriented firms bearing the name "Doprastav Group". This group, even though not yet commercially registered, is constantly growing and it is heading toward its own institutionalization. The whole "Doprastav Group" is part of the supranational concern "DDM Group", the part of which is also the "Metrostav Group".

The success of Doprastav itself and the whole group controlled by it, has its firm basis in systematic and meaningful cooperation and it is based on the following common values:

- team spirit, cooperation and common interests;
- professionalism and innovativeness;
- respecting the client's interests and his contentment;
- fulfilment of obligations and correctness toward the clients and the own employees;
- purposefulness as the way to success;
- corporate integrity and business ethics.

Doprastav, a.s. in Figures

Doprastav in Figures				(in thous. EUR)		
	Individual Figures			Consolidated Figures		
	2010	2009	2008	2010	2009	2008
Revenues	303,249	352,849	377,975	311,070	360,641	388,227
Operating profit	3,470	15,792	12,526	3,224	12,390	13,250
Added value	62,117	72,420	66,591	67,588	83,872	76,197
Profit before tax	3,093	15,468	12,558	2,391	11,802	13,616
Profit after tax	1,905	12,686	8,973	1,072	10,042	9,554
Assets	281,799	335,801	308,084	299,837	353,060	332,411
Fixed assets	120,016	120,586	99,442	117,285	120,236	122,295
Current assets	161,783	215,215	208,642	182,552	232,824	210,116
Equity and liabilities	281,799	335,801	308,084	299,837	353,060	332,411
Equity	118,504	119,627	109,177	119,475	121,452	113,655
Liabilities	163,295	216,174	198,907	180,362	231,608	218,756
Average number of employees	2,880	3,116	3,095	3,253	3,611	3,548
Productivity from revenues (EUR)	106,135	113,238	122,124	95,626	99,873	109,421
Return on sales (%)	1.02	4.38	3.32	0.77	3.27	3.51

Note:

The comparable financial data for the year 2008 were converted in accordance with the IFRS.

Board of Directors

Ivan Šesták, MEng	Chairman of the Board of Directors	Chairman since 19. 7. 1994
	* 1943	
	Slovak University of Technology in Bratislava, Faculty of Civil Engineering	
	Chairman of the Supervisory Board of DDM Group	
Dušan Mráz, MEng	Vice-Chairman of the Board of Directors	Vice-Chairman since 19. 7. 1994
	* 1954	
	Slovak University of Technology in Bratislava, Faculty of Civil Engineering	
	President of Doprastav Group	
Daniel Knotek, MSc	Member of the Board of Directors	Member since 27. 12. 1993
	* 1946	
	University of Economics in Bratislava, Faculty of National Economy	
	Member of the Supervisory Board of DDM Group	
Dušan Šamudovský, MEng, CSc	Member of the Board of Directors	Member since 1. 6. 2007
	* 1948	
	Slovak University of Technology in Bratislava, Faculty of Civil Engineering	
	Chief Executive Officer of Doprastav, a.s.	
Tomáš Klepetko, MSc	Member of the Board of Directors	Member since 1. 6. 2007
	* 1970	
	University of Economics in Bratislava, Faculty of Business Management	
	Finance and Economics Director of Doprastav, a.s.	
Ján Záhradník, MEng	Member of the Board of Directors	Member since 1. 6. 2007
	* 1957	
	Slovak University of Technology in Bratislava, Faculty of Civil Engineering	
	Commercial Director of Doprastav, a.s.	
Jiří Bělohav, MEng	Member of the Board of Directors	Member since 18. 5. 2006
	* 1950	
	Czech Technical University in Prague, Faculty of Civil Engineering	
	President of Metrostav Group	
Zdeněk Šinovský, MSc	Member of the Board of Directors	Member since 18. 5. 2006
	* 1947	
	University of Economics in Prague, Faculty of National Economy	
	Vice-President of Metrostav Group	

Supervisory Board

Viliam Turanský, MEng	Chairman of the Supervisory Board * 1941 Slovak University of Technology in Bratislava, Faculty of Civil Engineering Member of the Supervisory Board of DDM Group	Chairman since 1. 6. 2007
Jindřich Hess, MEng, PhD	Vice-Chairman of the Supervisory Board * 1940 Czech Technical University in Prague, Faculty of Civil Engineering Member of the Supervisory Board of DDM Group	Vice-Chairman since 1. 6. 2007
Viktor Karel, MEng	Member of the Supervisory Board * 1942 Slovak University of Technology in Bratislava, Faculty of Civil Engineering Member of the Supervisory Board of DDM Group	Member since 1. 6. 2007
František Potisk, MEng	Member of the Supervisory Board * 1944 Slovak University of Technology in Bratislava, Faculty of Civil Engineering Member of the Supervisory Board of DDM Group	Member since 1. 6. 2007
Juraj Naňo, MSc	Member of the Supervisory Board * 1963 University of Economics in Bratislava, Faculty of Management Director of the Mechanisation and Transport Division of Doprastav, a.s.	Member since 1. 6. 2010
Eva Rýdlová, MEng	Member of the Supervisory Board * 1959 Slovak University of Technology in Bratislava, Faculty of Civil Engineering Finance and Economics Deputy Director of Doprastav, a.s.	Member since 1. 6. 2010

Company Management

Presidium

Dušan Mráz, MEng	President of Doprastav Group
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Chief Executive Officer

Dušan Šamudovský, MEng, CSc	Chief Executive Officer
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Executive Directors

Alexander Menyhárt, MEng	Production and Technical Director
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Tomáš Klepetko, MSc	Finance and Economics Director
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Ján Záhradník, MEng	Commercial Director
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Róbert Turanský, MEng	Foreign Business Director
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Miloš Petráš, MEng	Human Resources Director
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Corporate Units Directors

Juraj Androvič, MEng	Director of the Žilina Division
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Ján Šoltýs, MEng	Director of the Zvolen Division
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Jozef Gajdošik, MEng	Director of the Bratislava-Mlynské nivy Division
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Viliam Tóth, MEng	Director of the Bratislava-Petržalka Division
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Juraj Naňo, MSc	Director of the Mechanisation and Transport Division
------------------------	--

Róbert Serva, MEng	Director of the Technical and Testing Service Division
---------------------------	--

Marián Repák, MEng	Director of the Prestressing Technologies Division
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Marián Ďurčo, MEng	Director of the Prefa Division
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Lubomír Balaj, MEng	Director of the Steel Construction Division
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Andrej Rokus, MEng	Director of the Buildings and Construction Division
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Alexander Kiselák, MEng	Director of the Prešov Division
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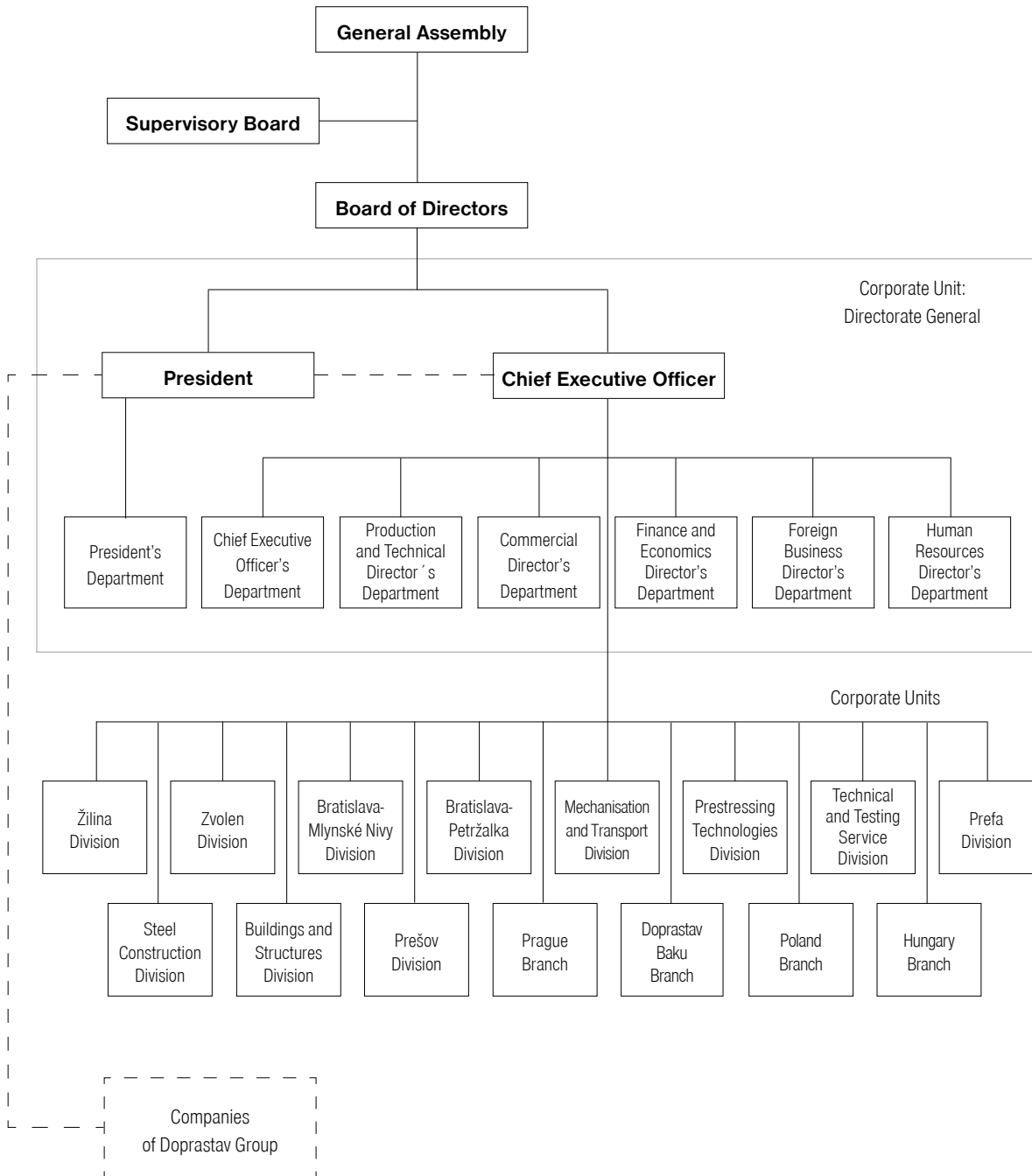
Mikuláš Pákh, MEng	Director of the Prague Branch
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Miroslav Štrba, MEng	Director of the Doprastav – Baku Branch
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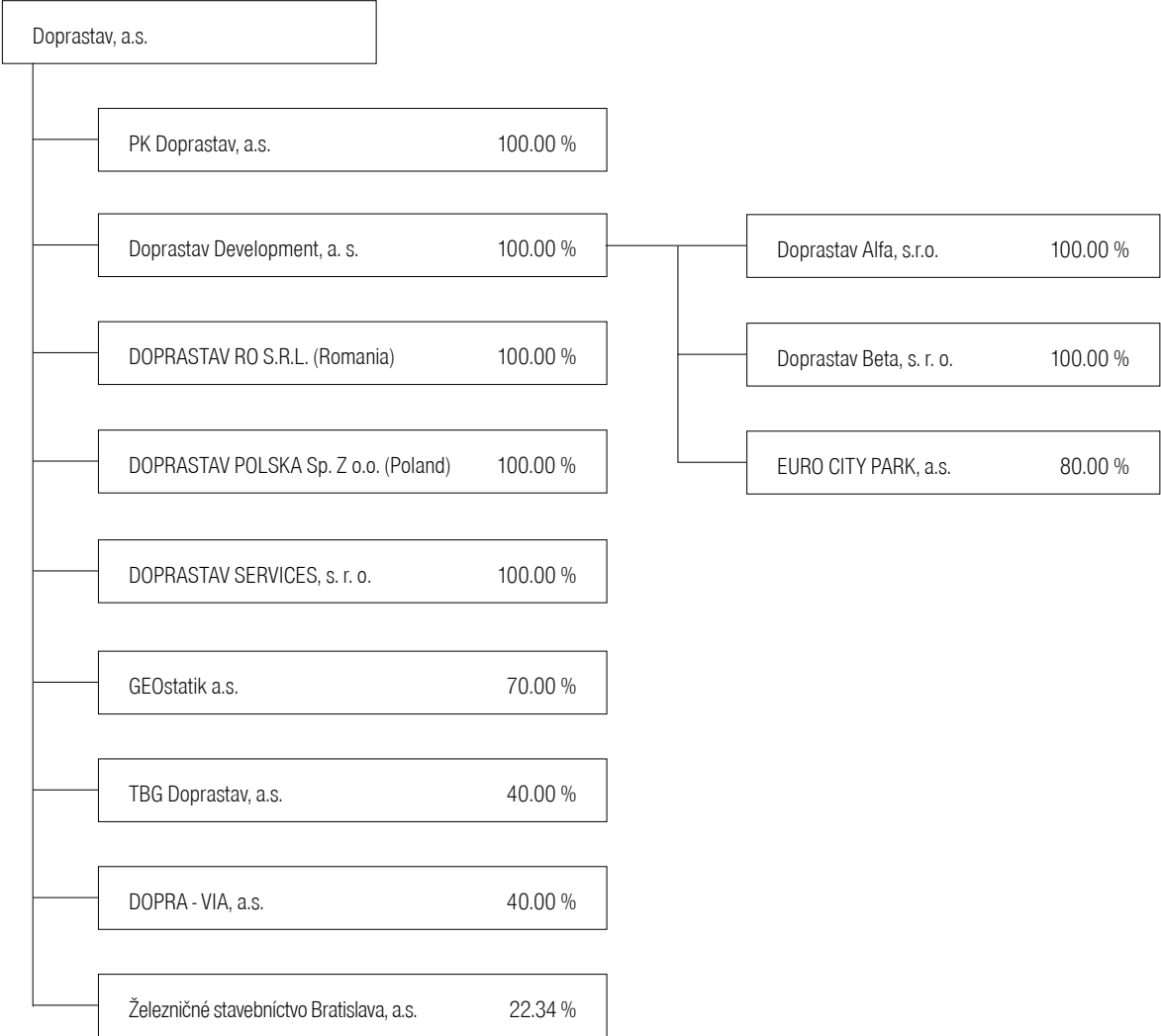
Štefan Kovalčík, MEng	Director of the Doprastav – Poland Branch
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Ladislav Čonka, MEng	Director of the Doprastav – Hungary Branch
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Corporate Structure of Doprastav, a.s.



Doprastav Group Chart





2

Activities and Results

Summary of the Most Important Events in 2010

January

- Ceremonial signature of the contract on the basis of which the Baku Branch became the Contractor for the 41.4 km long rehabilitation of the Tagiyev – Sahil road connecting the M1 motorway Baku – Quba and the M2 motorway Baku – Alat.
- With the effect from January 1st, Mr. Miroslav Štrba, MEng, CSc was appointed to assume the position of the new director of the Baku Branch.
- Mr. Rudolf Žiak, MEng, the Director of the certification organization TÜV SÜD Slovakia s.r.o., had ceremonially handed over the Quality management system, the Environmental management system and the Occupational health and safety management system certificate to the hands of Mr. Dušan Šamudovský, MEng, CSc, the Chief Executive Officer.

February

- On the XIIIth annual event of winter sports games at Tále the team that had won the Challenge cup of Doprastav's President was again the team of the Zvolen Division.
- 16. 2. – ceremonial completion of driving the southern tube of the "Blanka" tunnel in Prague, by means of which the connection from "Letná" up to "Trója" wards with the length of 2,224 m, was achieved.
- 17. – 18. 2. – On the "Concrete in Slovakia 2006 – 2010" conference the company Doprastav was awarded two awards. The first one with the Žilina (Strážov) consortium for the complex design solution and the construction of retaining and revetment walls and construction of foundations of the structures of Stage 1 of the D3 motorway in section "Hričovské Podhradie – Žilina (Strážov)". The second award was awarded to our company for the construction of the first motorway bridge in the SR constructed by the incremental launching method at the municipality of Štrba within the D1 motorway section "Važec – Mengusovce".

March

- 5. 3. – Opening of the "Emilia" tunnel at Laliki (Poland) and the whole S69 expressway section "Bielsko-Biala – Żywiec – Zwardoń", the C2 section: "Szare – Laliki" to the traffic. The "Emilia" tunnel at Laliki, which was constructed by Doprastav, is the first classical road tunnel in Poland.
- The first launching of the motorway flyover within the A1 motorway "Sośnica – Maciejów" project in Poland.
- 23. – 27. 3. – Doprastav took part in the CONECO fair, where we presented ourselves in a common stand with the Association of Construction Entrepreneurs of Slovakia.
- 17. – 19. 3. – Doprastav was present as a traditional exhibitor at the "ABC Stavbníctva" (The ABC of the Construction Industry) construction exhibition in Prešov.

April

- The commencement of earthworks on two sections of the "Upgrading of railway line in section Žilina – Krásno nad Kysucou" project.
- Mr. Ivan Šesták, MEng, the President of the DDM Group and the Chairman of the Board of Directors of Doprastav, a.s., was awarded the prestigious "Krišťalové krídlo" (The Crystal Wing) award in the Economy category. He took over the award on April 12th during the jubilee gala evening of the 13th annual event of presentation of our country's personalities – The Crystal Wing.
- Doprastav was awarded two ASB's "Construction Company of the Year" awards. The awards were taken over by Mr. Dušan Šamudovský, MEng, CSc, on April 21st during the ceremonial announcement of results of the prestigious event of the ASB GALA evening.
- 24. 4. – The riverside square, promenade and park within the new Bratislava's ward "Eurovea" were opened to public. Doprastav was one of the companies that had delivered its share of the works in the construction of these facilities leaving thus its mark on them.

May

- The specialized Polish magazine "Magazyn Autostrady" had awarded the company Doprastav with the "Construction of the Year" award for the construction of the first classical road tunnel at Laliki. The award was taken over on May 11th by Mr. Róbert Turanský, MEng, the Director of Foreign business activities, during the ceremonial opening of the international fair of construction and mechanization in the Polish town of Kielce.
- Starting May 1, a new corporate unit – the Prešov Division – was established within the company Doprastav. Mr. Alexander Kiseľák, MEng, was appointed to assume the position of the director.
- 11. 5. – Ceremonial putting in service of the "Upgrading of railway line in section Nové Mesto nad Váhom – Púchov" project for the line speed up to 160 km/h., Stages I and II – the construction section "Nové Mesto nad Váhom – Zlatovce". The Contractor for this project is the "Nové Mesto – Zlatovce 2009" consortium, which is formed by the companies OHL ŽS, Skanska, Doprastav, Váhostav-SK and Eltra.
- 25. 5. – Ceremonial putting in service of the reconstructed runway at the "Sliač" Airport at Banská Bystrica. The project Contractor was the "Letisko Sliač" consortium, which was formed by the companies Metrostav, Skanska and Doprastav.
- 30. 5. – Ceremonial opening of the D1 motorway "Sverepec – Vrtižer, Sections I and II" to traffic. The Contractor for the Section I was the "Sverepec – Vrtižer" consortium represented by the companies Doprastav and Skanska.

June

- Starting 1. 6. Mr. Juraj Naňo, MSc and Mrs. Eva Rýdlová, MEng, were elected to assume the position of the new members of the Supervisory Board representing the employees in the company Doprastav, a.s.
- On 17. 6. Mr. Dušan Šamudovský, MEng, CSc, the Chief Executive Officer, delegated Mr. Ľubomír Balaj, MEng to act as a director of the Steel Structures Division.
- The road tunnel at Laliki constructed by the company Doprastav was awarded the award of the magazine "Inżynieria Bezwykopowa a Geoinżynieria cesty, mosty, tunely" in the "Underground construction works" category.
- Handing over of the "Just Play" wholesale mart facility in Bratislava.
- On June 7th the D1 motorway, section "Jablonov – Studenec, Stage I", was handed over and successfully put in service ahead of schedule in half (single carriageway) motorway profile. Doprastav was the leader of the "Jablonov – Studenec" consortium, and the companies Inžinierske stavby and Váhostav-SK were the consortium's members.

July

- 20. 7. – The ceremonial signature of the contract in Katowice for the construction of the S69 expressway "Bielsko-Biala – Żywiec – Zwardoń, the section "Mikuszowice („Żywiecka/Bystrzańska") – Żywiec" junction.

August

- The commencement of the works on the reconstruction of the external cladding and the facade of the building of the University in Trnava, Stage II.

September

- 2. 9. The Ministry of Transport, Construction and Regional Development of the SR had cancelled the PPP project for the construction of 75 kilometres long section of the D1 motorway between Martin and Prešov.
- 7. – 9. 9. Doprastav took part in the "ABC Stavebníctva" construction exhibition in Košice.
- 23. 9. The ceremonial signature of the contract between the investor – General Directorate for National Roads and Motorways (GDDKiA) Rzeszów and the winner consortium of the companies Polimex-Mostostal and Doprastav for the construction of the A4 motorway, section Rzeszów (the "Rzeszów-East" junction) – Jarosław (the "Wierzbna" junction).
- The 10th anniversary of the DDM Group establishment.
- 30. 9. – Closing of the "Ružomberok PPP-D1 Division" because of cancellation of the PPP-D1 project.

October

- 7. 10. – Announcement of the results and ceremonial handing over of awards of the 16th annual event of the prestigious nation-wide public competition "Construction of the Year 2010". The company Doprastav, a.s. had been awarded 3 awards – the main prize of the "Construction of the year 2010" competition for the Works "D1 motorway section Sverepec – Vrtižer, Stage 1/The In-town Flyover in Považská Bystrica and another two awards for this Works: the "Award of the Minister of Economy and Construction of the SR" for the benefit for the whole society and the "Award of the Slovak University of Technology in Bratislava, the Faculty of Civil Engineering" for the application of science and technology at the Works implementation.
- 14. 10. – The approbation of the new asphalt mixing plant in Chminianska Nová Ves near Prešov.
- 20. 10. – The signature of the Works Contract at the MTCRD of the SR for the construction of the D1 motorway, section "Jablonov – Studenec, Stage II – Left carriageway", where the company Doprastav is the consortium leader.

November

- 18. 11. – The ceremonial opening of the construction of the D1 motorway, section "Jablonov – Studenec, Stage II – Left carriageway" in the municipality of Studenec. The section will be constructed by the "Jablonov – Studenec" consortium the leading member of which is the company Doprastav.
- The Prešov Division was awarded the contract, as the first construction in its short history, the "Reconstruction of the roof of the Prešov Regional Self-Government Authority's building".
- The Stage II of the construction of the "Training facility for drivers Orechová Potôň – The Skid Control School" was put into service to be used by the public on 18. 11.

December

- With the effect from 1. 1. 2011 Mr. Martin Tutka, LL.M. was appointed to assume the position of the Director of the Prague Branch.
- From the end of December a new subsidiary corporation, DOPRASTAV POLSKA sp. z o.o, is operating in Poland. The director of this subsidiary is Mr. Štefan Kovalčík, MEng. The objective of establishing a new company is the shift in the form of Doprastav's enterprising on the Polish market.

Production Activities of the Company in 2010

In 2010 the construction industry in the Slovak Republic was influenced by the economic crisis, the consequence of which was the drop in the number of contract award procedures - the open tenders called for by the state. Another consequence is the drop in the demand for new commercial centres, bringing along the slump in financing in the building construction segment, which is financed nearly exclusively from private funds.

We can state an increasing pressure of our competitors in case of all ongoing tenders.

In spite of lesser number of contracts in the field of engineering works and building construction in 2010 the company Doprastav handed over a number of important motorway and road structures as well as buildings and facilities to be put into service.

- The most important contribution to the road safety and the fluency of the traffic flow on extremely loaded route between Bratislava and Žilina was putting in service the Stage 1 of the D1 motorway section "Sverepec - Vrtižer" in the first half-year of 2010, by means of which it was possible to divert the traffic from the centre of the town of Považská Bystrica.
- Another significant contribution to the road safety and the fluency of the traffic flow in the region of Spiš, also in the first half-year, was putting into service the D1 motorway section "Jablonov - Studenec" in the half (single carriageway) cross-sectional profile.
- By the end of the year the Stage II of the construction of the R1 expressway in section "Žarnovica - Šášovské Podhradie" was prepared to be put into service.
- In order to improve the pavement surface on the D1 motorway section "Trnava - Piešťany", there was a large-surface reconstruction of the motorway carriageway carried out in section "Blatné - Horná Streda".
- The construction of the Administration-service centre of the company Phoenix Zeppelin in Banská Bystrica was completed in November.
- In Poland the construction works under the contract for the project "The road construction - the "Nowohuckiej" route in Krakow" were completed.
- In Hungary the works on the construction of the "Makó" motorway bypass at the town of Szeged stipulated by the contract were completed.

During the year 2010 the company had acquired a new constructions in its production schedule on the domestic market.

The most significant of these works are:

- The D1 motorway, section Jablonov - Studenec, Stage II - the left carriageway
- The "Orechová Potôň" training facility for drivers - The Skid Control School
- The reconstruction of the "Ondrej Nepela" Winter stadium, Bratislava - Part 2, Approach roads
- The "Baumax" commercial and administrative centre, Bratislava - Infrastructure
- The "Sungwoo Hitech" production complex in Žilina
- Improvement of accessibility of Liptov and Orava regions
- Paved areas and roads within the premises of KIA and MOBIS complexes for the TAKENAKA EUROPE investor

Outside the Slovak Republic the company was providing for the contracts awarded to it in the course of 2010 in the Czech Republic, Poland, Hungary and Azerbaijan.

In the Czech Republic the company Doprastav, a.s. traditionally proves its ability in the construction of the tunnel structures of Prague's tube railway. Successfully continued the works on driving and the construction of lining of tunnel tubes of the "Blanka" tunnel, as well as the works on securing the construction of the "Mypra" tunnel.

In Poland the company Doprastav, a.s. began with the construction of important motorway structures in partnership with the Polish partner.

- In January 2010 began the construction of A4 motorway section "Szarów - Brzesko" with the length of 23.1 km.
- In August 2010 began the implementation of contract for the construction of the S69 expressway "Bielsko-Biała - Żywiec - Zwardoń", the section "Mikuszowice" junction, with the length of 15.3 km.
- In December 2010 began the implementation of contract for the construction of the A4 motorway section "Rzeszów - Jarosław", with the length of 41.2 km.

In Hungary the company completed the implementation of contract for the construction of the motorway bypass of the town of Makó.

In Azerbaijan the company provides for the rehabilitation of the road between the towns of Tagiyev and Sahil with the overall length of the project section of 41 km.

Bratislava Region

The most important company's project in this region is the continuation of the construction of interchange "Stupava-South" on the D2 motorway. The adverse atmospheric conditions and high level of groundwater table had negatively influenced the works progress.

Another important Works in this area was the construction of the paved areas at the "Baumax" Commercial and administrative centre, Bratislava - The infrastructure, within the scope of which there were, in addition, the service roads and the roundabout junction constructed and the "Hodonínska - Krematórium" junction was reconstructed.

From the half of the year 2010 the construction works on two contracts related to the reconstruction of the "O. Nepela" winter stadium in Bratislava, namely the construction of approach roads for the GIB investor and the approach roads for the company Ingsteel, have commenced.

In the segment of water-engineering Works the Doprastav had completely completed and handed over all structures of the flood-protection line of the town of Bratislava, on which it was participating as a sub-contractor since 2007.

In the field of building construction Doprastav was carrying out practically only the completion works related to the construction of the poly-functional building "Viktória" for a private investor at the "Košícká" Str. in Bratislava.

Trnava Region

In the Trnava Region the works being carried out by the company were concentrating on structures belonging to the segment of civil engineering Works and buildings construction.

In the segment of construction of civil engineering structures the works on the Stage II of the "Orechová Potôň" Training facility for drivers – The Skid Control School, were being carried out.

In the field of building construction the company was carrying out the works under the contract for the project "Civic industrial and technological park Trnava", which had been commenced already in 2009.

In the course of the year the company was awarded the contract for the construction of the Park Avenue Hotel in Piešťany, financed by a private investor.

Another project of this segment in the Trnava region was the reconstruction of the external cladding and the facade of the building of the University in Trnava, Stage II. The works began in August 2010 and till the end of the year the works on the project's main structures were completed.

Trenčín Region

In the Trenčín Region the projects that dominated in Doprastav's activities were the structures from the segment of engineering Works construction. These works were concentrated into the reconstruction of the railway corridor with the upgrading of railway line of the Railways of the SR in the section between Nové Mesto n./Váhom and Zlatovce.

During the year the works consisting of repairs of pavement of Class II and III roads of the Trenčín region were being carried out in the extent dependent on the investor's, the Trenčín self-governing region, financial possibilities.

Without doubt the most important Work in this region was the motorway section "Sverepec – Vrtizer", Stage 1. After casting the concrete of successive parts of the bridge deck of the motorway flyover situated above the town of Považská Bystrica, which took place yet at the end of the year 2009, the opening of the whole section to traffic was provided for in the first half-year of 2010.

Within the scope of the construction of industrial facilities there were the internal roads and paved areas constructed inside the premises of the ALPS Trenčín facility – the TAKENAKA investor.

Žilina Region

In the Žilina Region the works on the upgrading of railway line of the Railways of the SR in section "Žilina – Krásno n./Kysucou" continued. The works are being executed by inter-station links. On inter-station link 1 a complete upgrading of the 7 km long section was carried out during shutdowns in the 1st half-year. Within inter-station link 2 there was the reconstruction of 3 km long section of track system at the station Kysucké N. Mesto carried out. In the 2nd half-year the construction of adjacent structures was carried out. The structures of inter-station link 4 at the railway station Krásno n./Kysucou had also been completed according to the schedule, by means of which the preconditions for completing the construction within the time limit, June 2011, stipulated in contract, were created.

Within the scope of reconstructions of bituminous pavements surfaces it were the repairs of local roads in the Žilina Region that were being provided for during the year, the list of which was extended in the 2nd half-year also by the contracts within the improvement of the transport infrastructure of the regions of Liptov and Orava, the revitalization of roads in the town of Žilina.

In the field of industrial complexes construction Doprastav was providing for the construction of paved areas for the Stage II of the motors assembly hall of the KIA car-production company.

In the segment of building construction a contract was entered into by the end of the year for the delivery of a complex operation for the production complex Sungwoo Hitech in Žilina

In **Nitra Region** there were no major construction contracts executed during the year 2010.

Banská Bystrica Region

The most important project in Banská Bystrica region in 2010 was the Stage 2 of extension of the R1 expressway from Žarnovica up to Šášovské Podhradie. All structures needed in order to open this nearly 8.4 km long expressway section to traffic were duly completed and taken over by the investor by the end of the year 2010.

By the end of the year 2010 we have completed and handed over to the Contracting Authority the last structures of the "R1 expressway Budča – Kováčová" project.

In the field of building construction the company Doprastav, a.s. had constructed the premises of the Administration-service centre for the company Phoenix Zeppelin in Banská Bystrica.

Prešov Region

The most significant Doprastav's project in the Prešov region in 2010 was the Stage I of the D1 motorway section "Jablonov – Studenec". It was the first time in the Slovak Republic that the Contractor was implementing the project according to the contracting and execution terms and conditions of the so called "Yellow FIDIC", i.e. with providing for the design, complete engineering services and execution of construction works. In spite of the adverse meteorological actions, which had caused the delay in the commencement of works in 2009, the motorway section was put in preliminary occupation in half (single carriageway) cross-sectional profile in the first half-year.

In Prešov region in the course of the year 2010 the company Doprastav, a.s. had built up and put into operation a new mixing plant for the production of bituminous mixes in Chminianska Nová Ves, from which the reconstructions and repairs of local roads, the construction of sewage-treatment plant in Chminianska Nová Ves, the construction of forest road Zapače and the reconstruction of streets in the municipality of Uzovský Šalgov were carried out.

In **Košice Region** there was no construction activity carried out by the company Doprastav, a.s. during the year 2010.

Within the scope of the early works of the 2nd PPP package the company was providing for the early works on the section 2, "Turany – Hubová". The works were completed and handed over to the Contracting Authority, the concession company Slovenské diaľnice, a.s., in the period from April to August 2010.

So as in the previous years, also in the year 2010 the company Doprastav, a.s. was dedicating great attention to keeping the quality of the works performed, to the safety and protection of health of employees at work and to the protection of the environment.

The proof of that is also the certificate of the organization TÜV SÜD Slovakia s.r.o., which had carried out, in October 2010, an audit at our workplaces, aimed at the observance of standards of the quality management system, the environmental management system and the occupational health and safety management system at the corporate units of the company Doprastav, a.s.

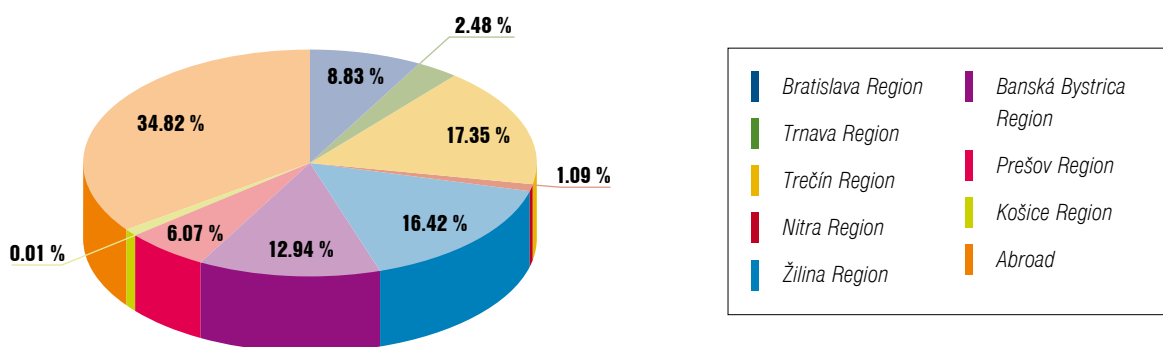
Value of Construction Works executed in 2010 within the Scope of Major Projects	
Project	in thous. EUR
Construction of the A1 motorway section from the "Sośnica" junction to the "Maciejów" junction, Poland	53,641
Railways of the SR, Upgrading of railway line in section "Žilina – Krásno nad Kysucou"	33,090
R1 expressway "Žarnovica – Šášovské Podhradie", Stage II	24,409
Railways of the SR, Upgrading of railway line in section "Nové Mesto nad Váhom – Zlatovce"	21,654
D1 motorway "Sverepec – Vrtižer", Section 1 of the D1 motorway in km 0.000-4.900	20,393
D1 motorway in section "Jablonov – Studenec"	12,405
Revitalization of roads in the town of Žilina	8,368
Construction of the A4 motorway on the section from the junction "Szarów" up to the junction "Brzesko", km 455.900 – 479.000, Poland	7,269
D2 motorway, the "Stupava-juh" interchange	6,719
PPP D1 – Early Works	6,600
Execution of works within the M43 motorway section – diversion to road N°43 – east bypass of the town of Makó, Hungary	6,509
Rehabilitation of the R6 road in section Tagiyev – Sahil, Azerbaijan	6,218
Construction of the secondary lining, bottom and deck of the "Špejchar" tunnel- Pelc Tyrolka, Prague, Czech Republic	5,282
Road construction – the Nowohuckiej route in Krakow, Class I road from the "Bieżanów" junction up to the "Christo Botewa" junction (Rybitwy), Poland	4,104
Reconstruction of Class II and III roads in Trenčín Region as the Contractor for 2009	3,853
Construction of the Administration-service centre of the company Phoenix Zeppelin, Banská Bystrica	3,778
"Orechová Potôň" training facility for drivers – The Skid Control School	3,675
Project N°0079 "Špejchar – Pelc Tyrolka" construction within the City Ring Road in section "Myslbekova – Pelc Tyrolka", Prague, Czech Republic	3,607
R1 expressway in section "Budča – Kováčová"	2,867
The "Blanka" tunnel – driving of south tunnel tube (STT), two-lane carriageway, Prague, Czech Republic	2,146
R1 expressway in section "Seleneč – Beladice", Structure 212-00	1,956
Reconstruction and widening of road to the "Heydar Aliyev" airport, Baku, Section 2, km 9.500-13.169, Azerbaijan	1,769
The "Baumax" commercial and administrative centre, Bratislava – Infrastructure	1,749
Industrial and technological city park, Trnava	1,690
Reconstruction of the D1 motorway carriageway carried out in section "Blatné – Horná Streda" by the compacted hot-rolled bituminous mixes method for the period of years 2006 - 2010	1,660
Reconstruction of the "Ondrej Nepela" Winter stadium, Bratislava – Part 2, Approach roads	1,528
The "Lamačská brána" project – Comm. package: 1010 Site preparation, infrastructure – Stage II, Bratislava	1,337
The "Blanka" tunnel – STT, three-lane carriageway, upper vault secondary lining, Prague, Czech Republic	1,214
Upgrading of sections of Class II and III roads in Prešov Region, Poprad area – Stage 2	1,158
The "Blanka" tunnel – driving of tunnel bottom, STT, two-lane carriageway, Prague, Czech Republic	1,122
Improvement of accessibility to growth poles in Liptov and Orava regions	1,082
Other projects	33,548
Projects in total	286,400

Overview of Distribution of Value of Construction Works executed in 2010

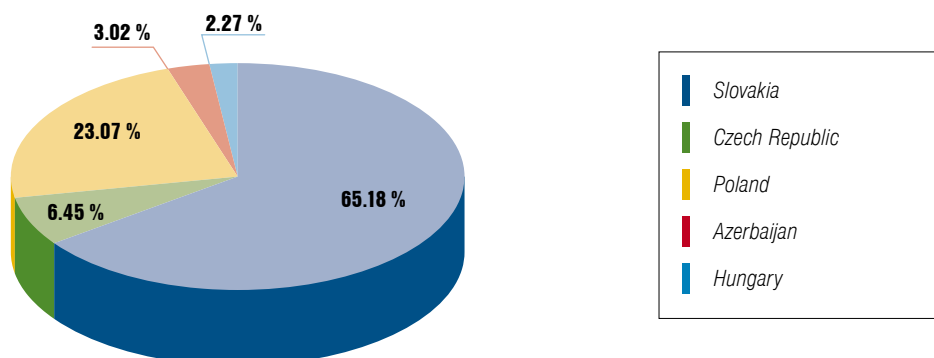
Region	in thous. EUR	%
Bratislava Region	25,293	8.83 %
Trnava Region	7,099	2.48 %
Trenčín Region	49,680	17.35 %
Nitra Region	3,134	1.09 %
Žilina Region	47,026	16.42 %
Banská Bystrica Region	37,050	12.94 %
Prešov Region	17,382	6.07 %
Košice Region	21	0.01 %
Abroad	99,715	34.82 %
Total	286,400	100.00 %

Country	in thous. EUR	%
Slovakia	186,684	65.18 %
Czech Republic	18,483	6.45 %
Poland	66,070	23.07 %
Azerbaijan	8,654	3.02 %
Hungary	6,509	2.27 %
Total	286,400	100.00 %

Overview of Distribution of Value of Construction Works executed by Regions



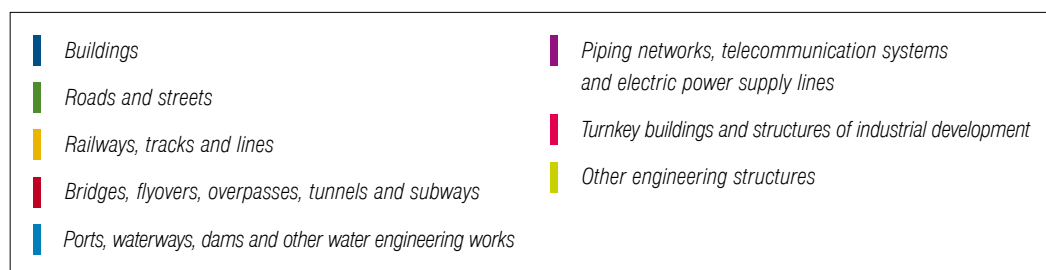
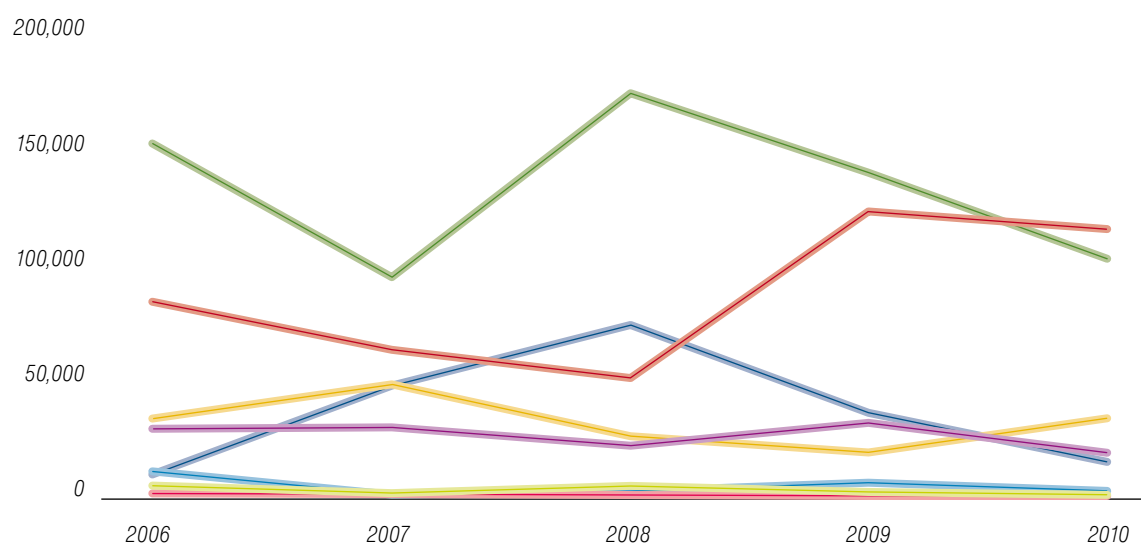
Overview of Distribution of Value of Construction Works executed by Countries



Value of Completed Construction Works by Construction Nature		(in thous. EUR)				
	2010	2009	2008	2007	2006	
Buildings	14,678	37,632	73,485	47,402	9,170	
Roads and streets	102,082	147,214	173,429	94,241	151,802	
Railways, tracks and lines	33,429	18,730	25,700	47,922	33,295	
Bridges, flyovers, overpasses, tunnels and subways	114,903	122,422	50,762	62,941	83,671	
Ports, waterways, dams and other water engineering works	2,210	5,683	2,077	642	10,430	
Piping networks, telecommunication systems and electric power supply lines	18,624	31,341	21,581	29,452	28,830	
Turnkey buildings and structures of industrial development	0	34	311	700	904	
Other engineering structures	474	1,726	4,243	1,156	4,342	
Total	286,400	364,782	351,588	284,456	322,444	

Note:

Comparable financial data for the years 2006 – 2008 were converted by the average exchange rate SKK/EUR of the given year.

Development of Construction Outputs for the Years 2006 – 2010 (in thous. EUR)


Business Activities of the Company in 2010

Into the year 2010 the company Doprastav was entering with greater optimism, with objectively higher value of assignments secured by means of awarded contracts and with a real perspective for the final financial closing, and thus also the continuation of construction works on the D1 motorway construction within the PPP/D1 project. The higher expectations and the plan parameters, mainly in the field of construction outputs in the past, but in particular in the coming years, were primarily relying not only on the PPP/D1 project, but also on projects to be implemented abroad. It must be emphasized that the plan creation took place also while being aware that due to the continuing financial and economic crisis no construction boom shall take place on the domestic market yet at least one to two years. This critical situation was to be resolved for the company Doprastav for the following four years mainly by the already mentioned PPP/D1 project. Another factor, which could adversely influence the company's outputs, were the parliamentary elections, which always bring in the given year the pressure on completion of projects under construction, with subsequent emptying of the works reservoir without giving adequate attention to steady onset of new public contracts.

This scenario has repeated itself faithfully to the tradition. In 2010 the key investors, NDS (the National Motorway Company), SSC (the Slovak Road Administration) and ŽSR (the Railways of the SR) had called for a minimum of open tenders for the engineering works projects, when entering into a contract with the Contractor occurred only in case of the "R4 expressway in section Košice – Milhost" project. To that we must add the withdrawal of the Ministry of Transport, Posts and Telecommunications of the SR from the contract for the "Concession for the design, construction, financing, operation and maintenance of the D1 motorway, the sections Dubná Skala – Ivachnová, Jánovce – Jablonov, Fričovce – Svinia" (PPP D1), which represented the loss not only of the planned construction outputs but also the costs that the company had invested in the project preparation. The outcome of all these unfavourable facts was that the demand on the Slovak construction market for construction investments in all segments had significantly diminished. After significantly diminished demand in the private sector the demand had dramatically dropped also in the public sector.

The lingering decrement to slump in volumes in the buildings and facilities construction segment, in which the offer significantly exceeds the demand, represented even in the next recessionary year 2010 great losses for the sector. The low demand for residential, administrative and production facilities and premises from the side of the private as well as public sector was felt also by Doprastav.

In this segment on the domestic market Doprastav showed interest and participated in tenders and contract award procedures in case of about 70 larger or smaller projects. The most important were the following ones: Sungwoo Hitech – the production complex in Žilina, Brown industrial zone "Levoča-South", Conversion of the premises of "Slovenka" in Banská Bystrica, the CENTRÁL polyfunctional complex in Bratislava, the TESCO Hypermarket Zvolen, Aupark Košice – the carcass, the "Bošany" biogas station, the "Pod Vřškami" residential facility in Záhorská Bystrica, the apartment house at "na Krížovatkách" Str. in Bratislava and other projects.

The only construction industry segment which managed, only thank to the "PPP R1 expressway Nitra – Banská Bystrica" project and completing of a number of major motorway construction projects, to keep the growth rate from the previous periods, were the civil engi-

neering Works – the transport infrastructure represented in particular by the motorways, expressways and railways sub-segment. The most significant Works projects called for by the investors NDS, SSC and ŽSR, within which Doprastav participated in 2010 in the public procurement proceedings were: The D3 motorway, section "Žilina (Strážov) – Žilina (Brodno)", The R4 expressway, section "Košice – Milhost", The I/61 road in Trenčín – the bridge, The upgrading of railway line in section "Nové Mesto nad Váhom – Púchov" (section "Zlatovce – Trenčianska Teplá"), The D1 motorway, section "Jablonov – Studenec", Stage II – The left carriageway, The I/75 road in Galanta – The Bypass, Structure 2, Remediation of unsatisfactory technical parameters on Class I road under the administration of SSC Bratislava and others. However the majority of these open tenders were cancelled, eventually the contracts have not been awarded before the end of the year 2010.

In spite of the fact that many projects planned in the field of the construction of water-management and environmental infrastructure (drinking water resources and reticulation systems, sewage-treatment plants, the construction of local sewage disposal systems, dumping grounds) were included in the programme document of the Slovak Republic for drawing the aid from the EU funds for the sector of the environment for the years 2007 – 2013 – the Operational Programme Environment, the major part of them had not passed into real open tenders (contract award procedures) and subsequent implementation. Doprastav participated in many tenders, prevalingly in restricted tenders, of which much were cancelled, or the contracts remained unawarded. Among them belong: The sewage-disposal and sewage treatment systems in the town of Turčianske Teplice and in the Horný Turiec region, The sewage-disposal and sewage treatment system in Prievidza District, The municipal sewage-disposal system and sewage-treatment plant Cabaj-Čápor, The intensification of sewage-treatment plant Bardejov, The sewage-disposal system in the municipality of Dolný Bar, The sewage-disposal system in the municipality of Malacky, Drietoma – the sewage-disposal system, Moravský Sv. Ján – the sewage-disposal system.

In the past year Doprastav was profiting above all from the execution of domestic contracts, but in 2010 it had recorded a significant growth of amounts from construction works abroad as well. In view of the situation on the domestic construction market Doprastav got involved, to a greater extent than in the past, in contract award procedures abroad. The overall value of tender proposals (bids) submitted abroad in 2010 was **EUR 2.181 bln**. From the total number of **105** submitted bids **28** were successful in the total value of **EUR 0.327 bln**. The submittal of tender proposals was preceded by pre-qualifications, where at the number of **22** pre-qualifications, **5** were successful, **15** have not been tabulated yet with subsequent award of contract, one was a failure and one was cancelled. Our company participated in tenders particularly in Poland, the Czech Republic, Hungary, Azerbaijan and it had broadened its interest also by the projects implementation in Romania and Serbia.

In 2010 there were **727** tender proposals submitted in total, of which **206** were successful, **127** tenders were untabulated and **68** tenders were cancelled. The total value of tender proposals submitted on the domestic market, without tender proposals submitted abroad, was **EUR 1.298 bln**. From the total number of **622** tender proposals submitted on the domestic construction market the company managed to succeed in **178** tenders, which represents **28.6 %** success. From the point of view of share of won tenders in the value of **EUR 89 mill.** it represented **6.8 %** from the total volume of submitted tender proposals.

Major Bids in 2010

In the Segment of Construction of Civil Engineering Works:

- The D1 motorway, section "Jablonov – Studenec", Stage II – Left carriageway
- The "Baumax" commercial and administrative centre, Bratislava – Infrastructure
- Reconstruction of the "Námestie slobody" square in Lednické Rovne
- Resurfacing of the central zone of the town of Partizánske
- The "Lamačská brána" project – Stage II – approach roads and public utility network lines, Bratislava
- Reconstruction of the "Ondrej Nepela" Winter stadium, Bratislava – Part 2, Approach roads
- Upgrading of railway line in section "Nové Mesto nad Váhom – Púchov", Stage V (section "Ilava – Ladce") reconstruction of road bridge over the railway in nrwkm 146.310 (orwkm 146.947)
- The "Orechová Potôň" training facility for drivers – The Skid Control School
- The KIA car-production company - the motors assembly hall, Stage II – roads and paved areas, Žilina
- The R1 expressway – Beladice, Structure 203-00, erection of segments of segmental bridges by means of the MS-1 launching gantry – right bridge

In the Segment of the Building Construction:

- Sungwoo Hitech – the production complex in Žilina
- Reconstruction of the roof of the Prešov Regional Self-Government Authority's building, Prešov
- The "Holy Trinity" church and Pastoral centre, Bratislava-Petržalka
- Reconstruction of the external cladding and the facade of the building of the University in Trnava, Stage II, Trnava
- The "Stropkov" brown industrial park– Stage I

In the Segment of Construction of Water-management Structures:

- Zeleneč – water main and sewage-disposal system

Important Projects Abroad:

- Construction of the S69 expressway "Bielsko-Biala – Żywiec – Żwardoń", the section "Mikuszowice (Żywiecka/Bystrzańska) – Żywiec" (Poland)
- Construction of the A1 motorway Stryków – the "Tuszyn" junction in section from km 295.850 (from the "Stryków" junction (without the junction structure) to km 335.937 65 (Poland)
- Construction of the A4 motorway, section "Rzeszów (the "Rzeszów-East" junction) – Jarosław (the "Wierzbna" junction)" from km 581.250 to km 622.450 (Poland)

Constructions Commenced and Completed in 2010

In 2010 the company Doprastav commenced with the construction works on more than 200 new projects in the SR. Among the most important belong the following ones:

In the Segment of Construction of Civil Engineering Works:

- The D1 motorway, section "Jablonov – Studenec", Stage II – Left carriageway
- The "Orechová Potôň" training facility for drivers – The Skid Control School
- The "Baumax" commercial and administrative centre, Bratislava – Infrastructure
- Reconstruction of the "Ondrej Nepela" Winter stadium, Bratislava – Part 2, Approach roads
- Reconstruction of the "Námestie slobody" square in Lednické Rovne
- The "Lamačská brána" project – Stage II – approach roads and public utility network lines, Bratislava
- The R1 expressway – Beladice, Structure 203-00, erection of segments of segmental bridges by means of the MS-1 launching gantry – right bridge
- Resurfacing of the central zone of the town of Partizánske
- The D1 motorway, section "Sverepec – Vrtižer", Section 1, Stage II – Structure 111-00 the "Sverepec" Interchange
- Upgrading of railway line in section "Nové Mesto nad Váhom – Púchov", Stage V (section "Ilava – Ladce") reconstruction of road bridge over the railway in nrwkm 146.310 (orwkm 146.947)
- The KIA car-production company - the motors assembly hall, Stage II – roads and paved areas, Žilina

In the Segment of the Building Construction:

- Sungwoo Hitech – the production complex in Žilina
- Reconstruction of the external cladding and the facade of the building of the University in Trnava, Stage II, Trnava
- The "Stropkov" brown industrial park– Stage I
- Reconstruction of the roof of the Prešov Regional Self-Government Authority's building, Prešov
- Reconstruction and refurbishment of primary school building in the municipality of Hruštín
- The "Holy Trinity" church and pastoral centre, Bratislava-Petržalka

In 2010 the company Doprastav completed the construction works on 211 projects in the SR. From the most important we are listing the following ones:

**In the Segment of Construction
of Civil Engineering Works:**

- The D1 motorway, section "Sverepec – Vrtižer",
Section 1 of the D1 motorway in km 0.000-4.900
- The R1 expressway, section "Budča – Kováčová"
- The R1 expressway, section "Žarnovica – Šášovské
Podhradie", Stage 1, part of structures
- The "Sliac" Airport – runway reconstruction
- Reconstruction of Class II and III roads in Trenčín Region
as the Contractor
- Revitalization of roads in the town of Žilina
- The "Šajdíkove Humence" golf facility – Stage II
- The "Záhorská Bystrica-Krče" residential facility,
Stage I – roads, public utility network lines, Bratislava
- The D1-PPP project – early works on sections "Dubná Skala
– Ivachnová", "Jánovce – Jablonov", "Fričovce – Svinia"
- The "Orechová Potôň" training facility for drivers
– The Skid Control School
- Improvement of transport infrastructure in the historical region
of Horné Považie
- The "Baumax" commercial and administrative centre,
Bratislava – Infrastructure
- The "Lamačská brána" project – Stage II – approach roads
and public utility network lines, Bratislava

In the Segment of the Building Construction:

- Administration-service centre for the company Phoenix
Zeppelin in Banská Bystrica
- The "Holy Trinity" church and Pastoral centre,
Bratislava-Petržalka

**In the Segment of Construction
of Water-management Structures:**

- Bratislava's flood-protection line

Foreign Business Activities of the Company

Projects under Construction in 2010:

Foreign Countries

In 2010 the company Doprastav, a.s. continued in expanding its activities within the construction market abroad.

In Poland in the course of the year the company Doprastav had completed 6 construction projects. The works continued and subsequently were completed on the construction of the tunnel on the S69 expressway in section "Szare - Laliki" and also the construction of road - the "Nowohuckiej" route in the Polish town of Krakow, with the terminal parameters of an expressway within the section from the "Biezanów" junction to the "Christa Botewa" junction (Rybitwy).

The works continued on the construction of the A1 motorway, section "Sośnica - Maciejów" and the A4 motorway, section "Szarów - Brzesko".

In the second half-year began the early (site-preparation) works also on the new Works, namely on the S69 expressway in section "Bielsko-Biała - Żywiec - Zwardoń" and the A4 motorway section "Rzeszów - Jarosław".

In Hungary Doprastav was continuing with execution of works on the M43 motorway section, the diversion to the road N°43 (section IV) in the region Szeged - Makó. The Works were definitely completed within the time limit stipulated in the contract (according to the Amendment N°3 the termination till December 15, 2010), handed over to the Contracting Authority and subsequently put into regular service.

In the Czech Republic the company continued in carrying out the construction works in close cooperation with the company Metrostav and the DDM Group on the "Malovanka" tunnel, the "Blanka" city ring road, the bridge over the "Koberný" pond, and so on.

In Azerbaijan in the course of the year the works continued on the construction of the expressway - the "Rehabilitation of the R6 road in section Tagiyev - Sahil" project. The actual construction cost as at 31.12.2010 was AZN 6,317,928 exclusive of VAT.

Projects Abroad in 2010:

POLAND:

- Construction of the S69 expressway in section "Bielsko Biała - Żywiec - Zwardoń", Section C2: "Szare - Laliki", km 38.479 to km 43.155 74 - (the "Emilia" tunnel at Laliki)
- Construction of the road - the "Nowohuckiej" route in Krakow, the Class I road from the "Biezanow" junction to the "Christo Botewa junction (Rybitwy)"
- Construction of the A1 motorway section from the "Sośnica" junction to the "Maciejów" junction (including the junction structure) from km 510.530 - km 518.734 34
- Construction of the A4 motorway in section "Szarów - Brzesko", km 455.900 - 479.000
- Construction of the S69 expressway, section "Bielsko Biała - Żywiec - Zwardoń", part "Mikuszowice - Żywiec"
- Construction of the A4 motorway, section "Rzeszów (the "Rzeszów-East" junction) - Jarosław (the "Wierzbna" junction)" from km 581.250 to km 622.450
- Construction of the A1 motorway at Stryków - the "Tuszyn" junction in section from km 295.850 (from the "Stryków" junction (without the junction structure) to km 335.937 65

HUNGARY:

- M43 motorway - diversion to road N°43 - eastern bypass of Makó

AZERBAIJAN:

- Rehabilitation of the R6 road in section "Tagiyev - Sahil"

CZECH REPUBLIC:

- The "Dobrovského" large city ring road (LCCR) - Cut-and-cover tunnel "Žabovřesky I" - for the company OHL ŽS, a. s.
- The base plate (spread footing) of final portal of the "Žabovřesky II" tunnel - for the company OHL ŽS, a. s.
- Construction of warehouse premises - Loukov - for MTS (Metrostav) D7
- Bridge over the "Koberný" pond - construction of start frames in free cantilever construction - for MTS D4
- Counter-heading of the "Blanka" tunnel from Letná - for MTS
- The "Blanka" city ring road - "Trója" cut-and-cover tunnels - prestressing - for MTS
- The D3 motorway, section "Tábor - Veselí nad Lužnicí" /prestressing on the bridges 224, 228 and 229/for MTS D4
- The "Strahov" tunnel - Stages 2 and 3, cut-and-cover tunnels - for MTS D5
- The "Strahov" tunnel, Stage 4, Malovanka 8022.1
- The "Blanka" tunnel - Construction of secondary lining of tunnel bottom and deck, STT, three-lane carriageway - for MTS D6
- The "Blanka" city ring road - the unneiling from Trója
- Bridge over the "Koberný" pond - prestressing

Commercial Activities Abroad

According to Doprastav's general strategy for the years 2010 – 2013, the company's principal strategic objective within foreign business activities is to belong among the prospering construction companies carrying out the activities within the Central Europe area. With the aim to satisfy this vision, Doprastav continued also in the year 2010 in expanding its activities within the construction market abroad, in searching for profitable contracts abroad and in searching for strategic partners abroad in order to provide for the joint participation in contract award procedures (tenders) in form of consortia, as well as partners suitable for acquisitions.

The marketing and commercial activities focusing on acquisition of construction contracts abroad are implemented within the Foreign business Department.

The foreign business – performance of business activities abroad, is being provided for through this department, the corporate unites abroad, the subsidiaries and/or the divisions commissioned to coordinate the already specific contract abroad.

In 2010 the company Doprastav was continuing in expanding its activities within the construction market abroad, it was striving to strengthen its position in countries where it had already established itself in the past, but it was searching for new opportunities as well. Besides the activities in Poland, Hungary, the Czech Republic, Azerbaijan and Romania, the negotiations and construction market investigation were going on also in Russia, Ukraine, Slovenia, Croatia, Serbia, in Finland, in Germany and Austria.

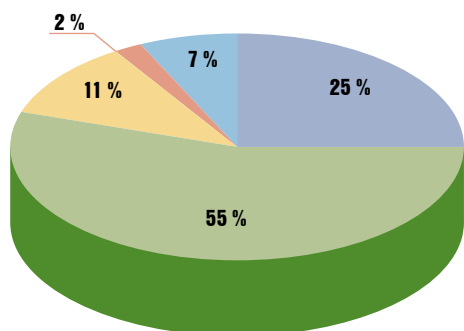
Evaluation of Results Achieved in the Year 2010

Participation in Contract Award Procedures

As at December 31, 2010 the company Doprastav, a.s. participated in 103 contract award procedures (tenders) abroad, of which 22 were the pre-qualifications and 81 were the tender proposals (the bids) for the execution of works.

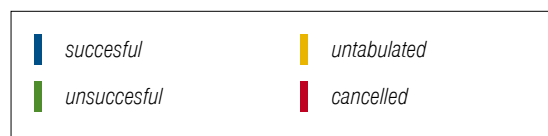
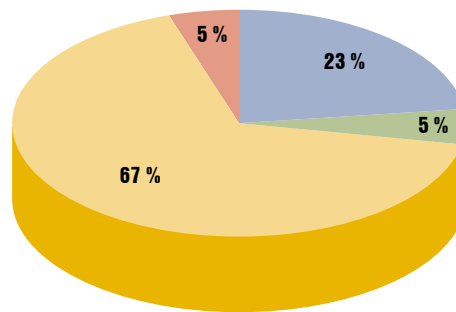
Together there were bids submitted at a total value of nearly EUR 4.1 bln. Of the total number 20 bids were successful, which represents 25 % of all bids, 44 were unsuccessful, 9 have not been tabulated yet, 2 bids were disqualified and 6 tenders were cancelled by the investor (see the chart).

Evaluation of Calls for Tenders according to the Successfulness



Of the total number 22 submitted pre-qualifications 5 were successful, 1 was unsuccessful, 15 have not been tabulated yet and 1 pre-qualification was cancelled.

Pre-qualifications according to the Successfulness



Hungary

Doprastav's activities in Hungary are being carried out by means of its subsidiary (Doprastav, a.s., Magyarországi Fióktelepe) established in 2008. From June 2009 the subsidiary has changed, by the decision of the Board of Directors, its registered seat and has established, from the technical as well as human resources points of view, an office in the town of Győr. Also in 2010 the Hungary corporate unit was investigating the construction market in this country, it was acquiring information on planned construction projects and it was providing for the preparation of tender documentations to attend the tenders.

During the year 2010 Doprastav submitted in Hungary 8 tender proposals with bids in the total amount of EUR 124 million, and that either individually or in partnership with the company Subterra. Since there were the parliamentary elections that took place in Hungary, and the new government was re-evaluating all planned projects in the field of road and railway infrastructure, 4 tenders were cancelled and 4 have been postponed to the year 2011.

Poland

Doprastav's activities in Poland are being carried out by means of its corporate unit – the Poland subsidiary (Doprastav, s.a. Oddział w Polsce) and the limited subsidiary corporation Doprastav Polska sp. z o. o. with the currently registered office in Katowice.

In Poland in 2010 the company Doprastav, a.s. participated in total in 38 contract award procedures, of which 17 were the pre-qualifications and 11 were the bids for the execution of works. In the majority of cases the submission of bids was preceded by pre-qualification, where, as at December 31, 2010, from the total number of 17 submitted pre-qualification 5 were successful and another 12 pre-qualifications have not been tabulated yet by the investor.

In 21 cases, usually after successful pre-qualification, followed the submission of bids in the total amount of nearly EUR 2.9 billion. 3 bids were successful, 17 were unsuccessful and 1 has not been tabulated yet.

The result of these activities was winning the tender in 3 cases, namely the project "Construction of the S69 expressway in section "Bielsko-Biała – Żywiec – Zwardoń", the part "Mikuszowice - Żywiec", where the contract with the investor was signed on 20. 7. 2010. Further we succeeded in projects "Construction of the A4 motorway, section "Rzeszów (the "Rzeszów-East" junction) – Jarosław (the "Wierzbna" junction)" from km 581.250 to km 622.450, with the Works implementation contract signed on 23. 9. 2010, and "Construction of the A1 motorway Stryków – the "Tuszyn" junction in section from km 295.850 (from the "Stryków" junction (without the junction structure) to km 335.937 65, with the Works implementation contract signed on 21. 12. 2010.

Romania

In Romania in 2010 the company Doprastav, represented by its subsidiary corporation DOPRASTAV RO S.R.L., was focusing on gathering information on strategic investment projects for the construction of motorway sections of the European Corridor IV, the construction of roads and railways.

The subsidiary DOPRASTAV RO S.R.L. was engaged in searching for suitable strategic partners and was carrying out the market research and analysis.

In the course of the year 2010 Doprastav had submitted in Romania 5 bids in the total amount of EUR 333 mill., namely 3 bids in partnership with the company Cominco and 2 bids in partnership with the company CCCF. All submitted bids were tabulated as not having succeeded.

Azerbaijan

In the course of the year 2010 there was 1 bid submitted in Azerbaijan for the project "Construction of the motorway "Alat – Astara", parts 1C and 2 in section "Alat – Masalli" in the value of EUR 163,478,828. It was tabulated as not having succeeded. There were also the basic documents prepared and the pre-qualification submitted for the tender "Design, delivery and installation of 25 kV system including the substations, current feed and main catenaries, two-stage delivery and installation", which has not been tabulated yet by the investor.

Czech Republic

In the Czech Republic Doprastav operates through its corporate unit OS Praha. During the year the Prague branch continued, in close cooperation with the leader on the Czech market, the company Metrostav a.s. and the DDM Group a.s., on various construction works at the construction of the "Malovanka" tunnel, the "Blanka" city ring road, the bridge over the "Koberny" pond and the "V.A" Metro route (the tubing).

In addition to already mentioned sub-contract works, which are preceded by the submission of bids to the contractor, Doprastav participated in the Czech Republic on 14 open tenders with the total value of nearly EUR 463 million. Of the total number there were 11 bids and 3 pre-qualifications submitted, namely in form of a partnership – the consortium with the companies Metrostav or Subterra as partners. We did not succeed in 7 tenders, we were disqualified from 2 and 2 tenders were cancelled by the investor. From pre-qualifications 1 was unsuccessful, 1 was cancelled and 1 has not been tabulated yet.

Serbia

In Serbia Doprastav had submitted the bid for the project "Construction of the "Žeželjev's" bridge over the Danube River in Nový Sad, which has not been tabulated.

Croatia

In Croatia Doprastav had submitted, on 2. 11. 2010, the pre-qualification for the project "Construction of the "Svilaj" bridge over the Sáva River" in partnership with the company Alpine Bau.

Quality Management and Certification

Management Systems

The company Doprastav a.s. has an established integrated management system, which includes the Quality Management System, according to the requirements of the STN EN ISO 9001: 2009 standard, the Environmental Management System, according to the requirements of the STN EN ISO 14001: 2005 standard and the Occupational Health and Safety Management System, according to the requirements of the STN OHSAS 18001: 2009 standard.

In October 2010 the certification organisation TÜV SÜD Slovakia s.r.o. had performed the follow-up external control audit. The auditors and qualified experts of the certification organization TÜV SÜD Czech s.r.o., authorized to assess the qualification of the company Doprastav, a.s. to assure the quality at performance of works, from the range of selected technological processes, in the Czech Republic, were the members of the audit-execution team as well.

The audit was aimed at the verification of observance of certification conditions, demonstration of management of changes in the integrated management system and permanent improvement of the established management system. The auditors' attention was focusing also on meeting the stipulations of the Code of Practice of the Ministry of Transport of the Czech Republic for the quality assurance system in the branch of roads, for which the issuance of the appendix to the certificate for the Czech construction market was bound.

The conclusion of the final – concluding - assessment was that there was no deviation from the requirements of the relevant standards found during the audit and the certificate with the registration number Q/E/B 0011/3 remains to be valid and effective. At the same time the certification organization TÜV SÜD Czech s.r.o., had issued an appendix to the certificate for the Czech construction market with the effect till 28. 1. 2013, the validity of which will have to be vindicated every year within the scope of external audit.

Construction Works Quality Assurance

The basic principle of construction works quality assurance is permanent own control of the production, which assures the production of the product to be used in the construction industry and the produced component to be used in the construction industry to be in compliance with the technical specifications, the applicable laws and with the clients' requirements.

In order to observe these principles the company was focusing on the following fields:

- Assurance of construction works quality control system in the production and the projects implementation in compliance with the applicable laws even in the conditions of fall in the company's productivity;
- Assurance of requirements of new harmonized European standards in construction works quality assurance process;
- Creation of conditions and structures for assurance of increased requirements on the quality, designs and construction works within the projects implementation abroad;
- In the process of conformity certification of products to be used in the construction industry the creation of tools for effective meeting of legislative requirements;
- Maintaining the achieved level of quality of production of products to be used in the construction industry;
- Assurance of personnel's professional growth.

Organisational Assurance of Management Systems

Till 30.11.2010 there was the decentralized system of management of management systems being applied in the company, provided for through the Division of Integrated Management System and its Department of Management Systems, which was managing, from the methodology point of view, the divisions resp. the departments of management systems established in each corporate unit. The positions of management representatives for the management systems were part of the system as well. On the Directorate General the person nominated to assume this position was the Director of Human Resources, in corporate units it was the deputy director or the head of the department encharged by the director or the director of the corporate unit personally.

Within the implementation of stabilization measures a decision was taken at the level of the company's top management on the transition to centralized system of management of management systems. By the decision of the Chief Executive Officer, with effect from December 1, 2010 the Department of Management Systems of the Division of Integrated Management System was encharged by the management and providing for the development of management systems at the corporate level. At the same time, with effect from December 1, 2010, the divisions and the departments of management systems in corporate units were closed. The positions of management representatives for management systems were maintained.

In order to secure the transition to centralized system of management of management systems the Department of Management Systems of the Division of Integrated Management System had prepared a special implementation document, "The transformation of management of management systems in the company Doprastav, a.s.", which, after being approved by the company's management, is being gradually implemented, so that at the nearest external control audit in October 2011 the new system would be fully acceptable also from the side of the certification organization.

Environmental Activities

In accordance with the established Environmental Management System, the company Doprastav constantly improves the awareness of personnel for the field of the environmental protection. The company staff members are regularly re-trained and informed about new trends in the field of the environmental protection.

Even in spite of a crisis year 2010 the company Doprastav, a.s. continued in investments related to the protection of the environment, such as for instance are the reconstruction of asphalt mixing plants, the purchase of eco-stores, emergency aids as well as in other cases.

In 2010 the company produced about 6,457 tons of municipal waste and 159 tons of hazardous waste. The system of separated waste collection was introduced in the company long time ago. The approach of company's employees to waste separation, in particular the plastic, paper, glass and metals, is active. The waste separation is implemented at all corporate units and at the majority of construction sites.

An important factor at the environmental protection is the recycling of resources and their recoverability. In our branch for instance the recycling of construction waste from construction sites is utilised to a large extent. There were 43,043 tons of material in total and 20,000 tons of milled-out material re-crushed in 2010. There were 830 tons of tyres and 22.6 tons of oils (mostly motor and gearbox oils and lubricants) handed over for recycling.

Occupational Health and Safety (OH&S)

The concept of the OH&S policy is being processed in the company as one of the pillars of the integrated management system, for which the company Doprastav, a.s. has the certification.

The concept of the OH&S policy specifies the basic orientation and the required direction of OH&S development in the company. It represents the company's internal philosophy of labour culture and the approach to the management of its employees.

It is viewed as a protection of the employees against all negative aspects related to the labour.

The persons responsible for meeting the requirements stipulated by law in the field of assurance of OH&S are the members of the management at all management levels within the extent and scope of their positions.

In order to support the specialized departments in assuring the legal regulations in the field of OH&S there is a Security-technical service (STS) working in the company, which provides to them the services in the field of specialistic, methodical (good practice), organizational, control, coordination and education tasks. In order to get the employees involved in active detection of danger at workplaces there were the employees' representatives for the safety appointed in the company. There are the OH&S commissions nominated to act as the Chief Executive Officer's and corporate units' directors' advisory body.

There is a file of management organizational documentation (MOD) elaborated in the company, which complements, and by means of specific guidelines gives instructions for assuring the OH&S principles stipulated by law. In order to characterize the dangers and subsequent risks of damaging the employee's health there has been a central register of dangers and risks prepared as a basis for elaboration of partial registers for particular construction sites and workplaces.

Within the year 2010 we register 32 occupational injuries of which 10 were serious. The average duration of incapacity for work per one injury was 38.0 working days. The indicator of the occupational injury incidence per 170,000 working hours was 0.962; by means of which the company has met its long-term objective to achieve in 2010 the indicator 1.00. The indicator of incapacity for work per 300 days worked is 0.516; which was, in pursuing the long-term objective, also assured. The total number of working days of incapacity for work due to occupational injuries was 1,216. In the past year each new occupational injury was recorded, on an average, at 11.4 days.

The company Doprastav, a.s. has at the disposal the Health Care Provider (HCP) secured by means of a contract, the company LaSalus, a. s., which provides for, in addition to participation at the OH&S audits, also the identification of harmful work and working environment factors, their classification and assessment of health risks. We have registered in the company 20 workplaces, where hazardous activities were being carried out. The HCP provides, under contractual relations, also for the admission, termination and preventive medical examinations of employees performing working activities classified as to belong to category 3 and 4. The total costs to cover its performances were EUR 16,500.

The company regularly checks and monitors the working environment and provides for the elimination of harmful work factors. One of them is also equipping the staff members with personal protective equipment at work (PPEW). The provision and dispensation of this equipment is governed by applicable internal regulation. In the past year the employees were provided with the respective PPEW including the sanitary products in the amount of EUR 235 thousand, which represents, on average, EUR 82.7 per one employee. In spite of considerable expenses on PPEW, the objective is to eliminate or to limit the possible risks and to substitute dangerous factors of occupation by the safe ones, to prefer the collective measures over the individual ones.

Awards received and Sponsorship in 2010

Awards

In 2010 the company Doprastav won a number of significant awards, which confirmed the justness of keeping the many years values and company's results in the difficult situation on construction markets in the Slovak Republic and in the Central Europe. The most significant award was presented to Mr. Ivan Šesták, MEng, the President of DDM Group and the Chairman of the Board of Directors of Doprastav, a.s., namely the prestigious "Krišťáľové krídlo" (The Crystal Wing) awards in the category of Economy. He took over the award on April 12, during the jubilee gala evening. The idea of the "Krišťáľové krídlo" award is the presentation of achievements of creative work of the most successful personalities of Slovakia.

The announcement of results of the prestigious event of ASB Gala evening, which took place on April 21, 2010, had brought to our company two triumphs. Doprastav was awarded the ASB's "Stavebná firma roka" (The Construction Company of the Year) award not only by the decision of the jury formed by experts, but also in the internet voting of the public. We appreciate the decision of the expert jury, but a special importance has also the appreciation of our company in the eye of the general public.

Among the traditional awards we are winning nearly every year belong the "Construction of the Year" awards. In the nation-wide public competition "Construction of the Year 2010", organized by the ABF Slovakia on October 7 in Bratislava, we were awarded, for the Works "D1 motorway in section Sverepec – Vrtižer, Stage I, The In-town flyover Považská Bystrica" as many as three awards:

- The award of the Slovak University of Technology in Bratislava, The Faculty of Civil Engineering for the application of science and technology at the Works implementation
- The Award of the Minister of Economy and Construction of the SR to engineering Works for the benefit for the whole society
- The main award "The Construction of the Year 2010".

We especially appreciate in particular the winning of the main award and that in spite of the fact that this triumph fetched also the project "Eurovea Polyfunctional complex". To get the award together with such valuable architectonic Works of building construction significantly increases also the credit of the traffic engineering Works. The "Považská Bystrica" Flyover definitely deserved this award.

On the "Concrete in Slovakia" conference, that took place on 17th – 18th February, we won two awards in "The Best Concrete Structure 2006 – 2010" competition. The first one as the leader of the consortium for the complex design and execution of revetment and retaining walls and the construction of foundations of structures of the "D3 motorway, section Hričovské Podhradie – Žilina (Strážov)" project and the second award for the construction of the first motorway bridge in the SR constructed by the incremental launching method at the municipality of Štrba within the D1 motorway section "Važec – Mengusovce".

In the field of awards our company enjoyed success also abroad. The "Laliki" tunnel, as part of the "The S69 expressway in section Szare – Laliki" project won in the year 2010 two awards. The specialised Polish magazine "Magazyn Autostrady" awarded to Doprastav the "Construction of the Year" award for the construction of the first classical road tunnel "Laliki", which was handed over to us in the Polish town of Kielce on May 11, 2010. The second award was awarded to us by the magazine "Geoinżynieria drogi mosty tunele" in the category of underground engineering during the ceremonial gala evening on June 17, 2010.

Sponsorship

In 2010 in the field of sponsorship the company Doprastav continued in the trend adopted in the last two years, when we were forced, taking into consideration the aggravating economic crisis, to review the extent and amount of sponsorship contributions.

In cooperation with the "Doprastav" foundation we dedicated the attention first of all to handicapped persons and to areas that deserved the attention of the whole society. Among our most important activities belongs without doubt the aid in the construction of the "Drahuškovo" camphill – the community centre for the people with autism, the construction of the new house "Nezábudka" for the handicapped children and youth in the municipality of Tureň. From other campaigns we will mention at least the support for the OSMIDIV festival, where the mentally handicapped children from the shelter of social services from Galanta, from Šoporňa and from Nová Baňa could take part, the funds collection for the Pediatric oncology and hematology ward in Bratislava, or the organising of the weekend stay of children in Doprastav's facility at Senec. We were pleased by the thanking letter of the Mayor of the municipality of Studenec for the gratuitous speedy help to the municipality by means of construction works at remedying the after-effects caused by destructive floods.

Also in 2010 we were demonstrating our support for the upkeep and deepening of the cultural heritage by the continuing care of the M. R. Štefánik monument in the Eurovea complex and the support to the "M. R. Štefánik Foundation" itself. Financially we have provided for the translation of the French documentary film "Štefánik, The incredible fate" on his life and work, and we have also promoted the release of books and DVD films on M. R. Štefánik. We have sponsored the exposition of unique photographs of Ladislav Bielik documenting the troubled epoch of 1960s.

In the sports field the company had focused by the most significant share on the support of the successful "Doprastav" women's volleyball team and secondarily we supported the chess club and the "Doprastav" hockeyball team. Of other clubs in the past year we have supported only the "SATEX Bratislava" table-tennis club, which is achieving good results on the domestic as well as the foreign level.

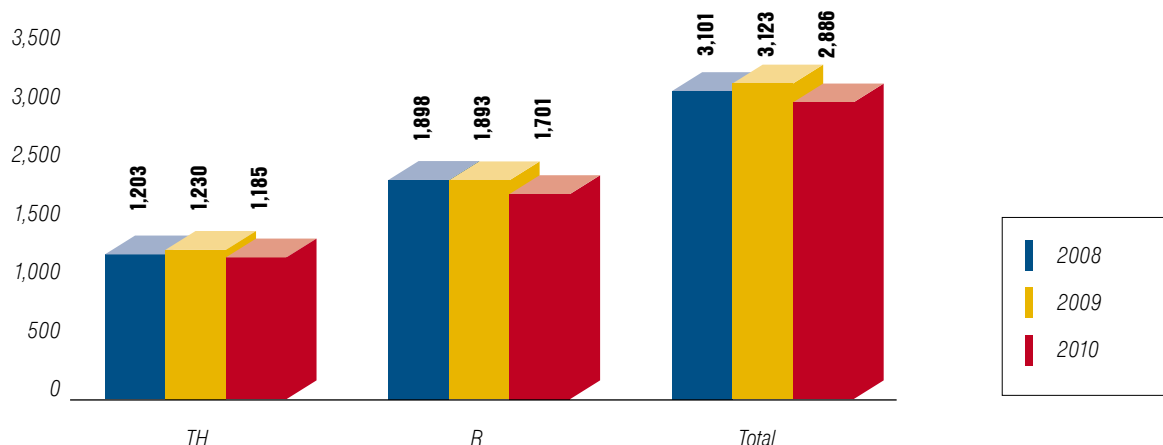
Human Resources Management

Personnel

In 2010 the average recorded number of employees employed by the company Doprastav, a.s. reached the value of 2,886 employees, which represents, compared with the year 2009 on year-to-year basis, a decrease with the coefficient of 0.92 %.

From the total average recorded number of employees employed by the company there were 1,185 technical and administrative (TH) employees and 1,701 employees of worker professions (the R-category). An increase in the number of TH employees was recorded in 2010 from 39.4 % to 41.1 % and the decrease of the share of employees of the category R from 60.6 % in the year 2009 to 58.9 %.

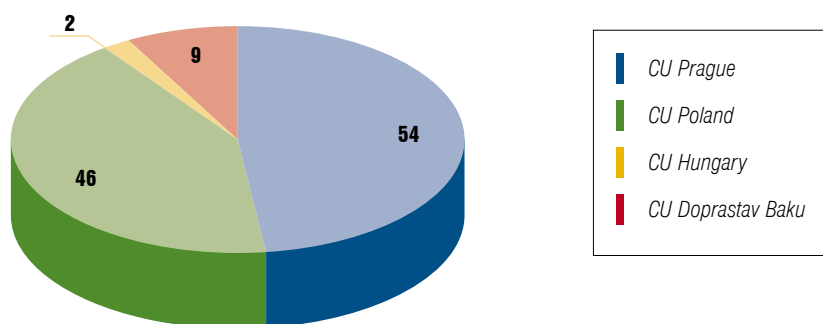
Number and Structure of Employees in the Years 2008 – 2010



Employment Abroad

As at 31. 12. 2010 the company Doprastav, a.s. was employing in corporate units (CU) abroad 111 employees in total.

Number of Employees in Corporate Units Abroad as at 31. 12. 2010



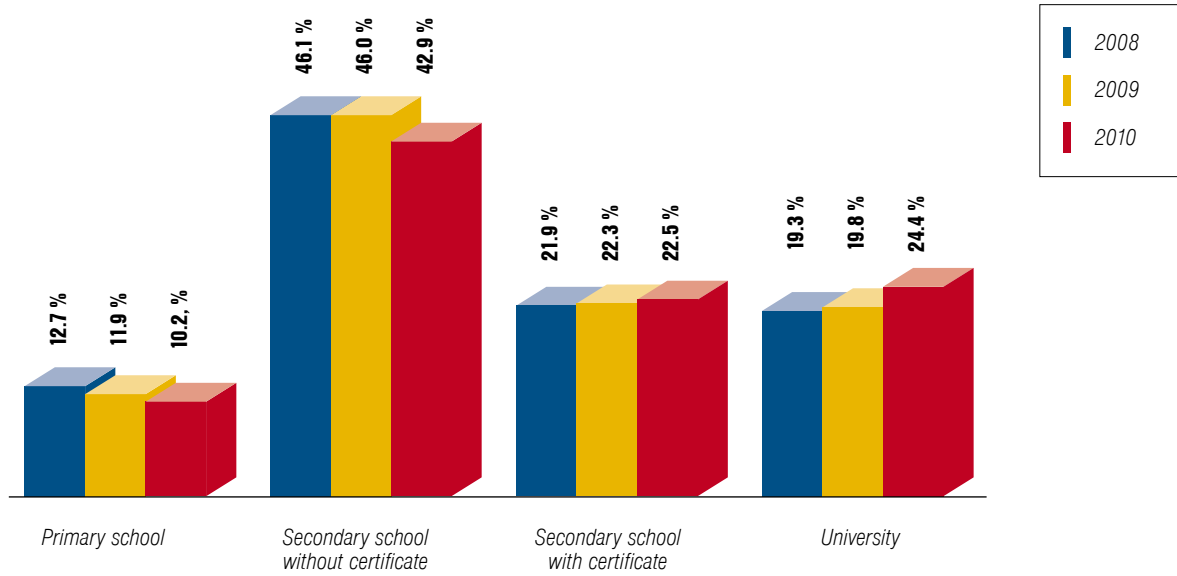
Employment of National Minorities

As at 31. 12. 2010 the company was employing 179 employees belonging to national minorities, which represents a 7.7 % share on the total number of employees. The most numerous is the Hungarian national minority – 166 employees, followed by the Czechs – 12 employees, and Georgians – 1 employee.

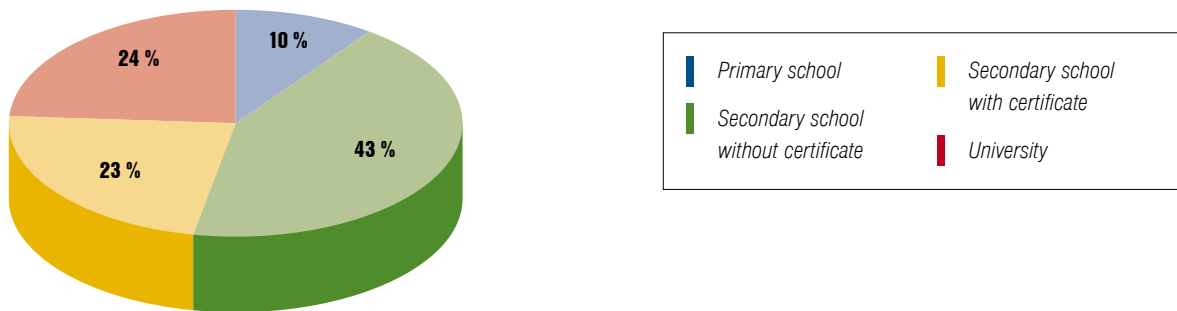
Development of Employees' Education Structure in the Years 2008 – 2010

The development of the share of employees of the R and TH category reflects also the development of employees' qualification structure. In comparison with the previous years in 2010 continued the decrease in the number of company's employees with primary education and vocational school education. The number of employees with secondary school education was slightly increasing and the increase in the number of employees with the university education continued as well.

Development of Employees' Education Structure in the Years 2008 - 2010



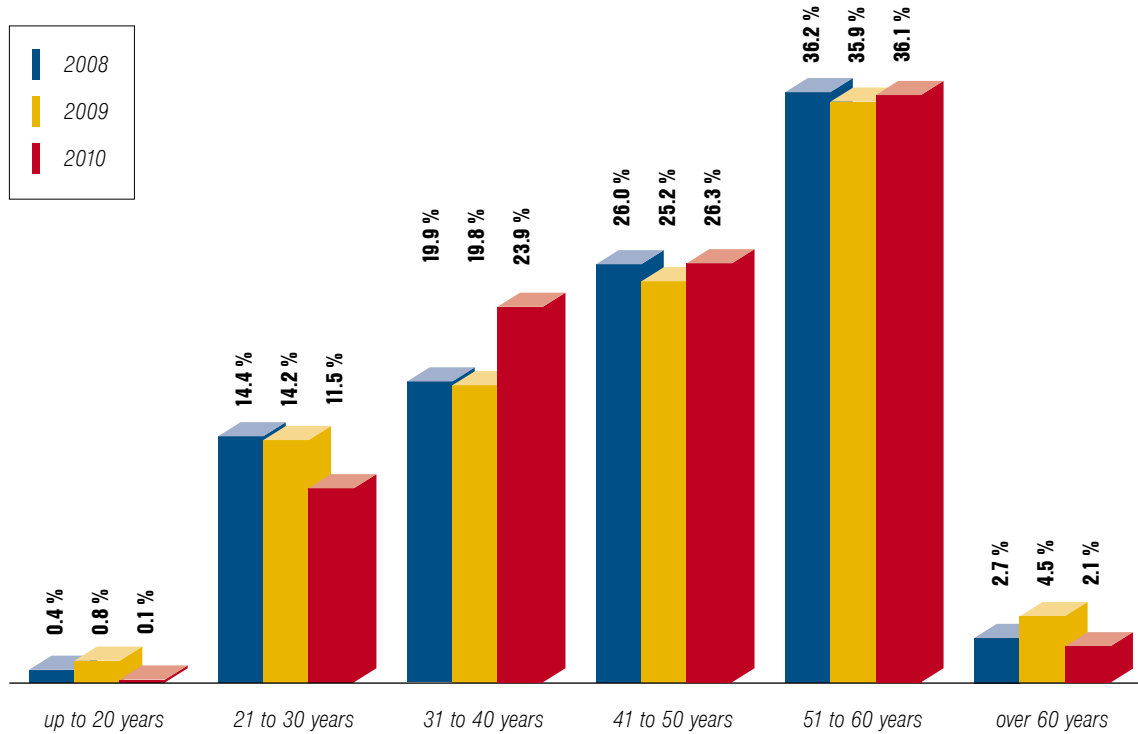
Employees' Education Structure in 2010



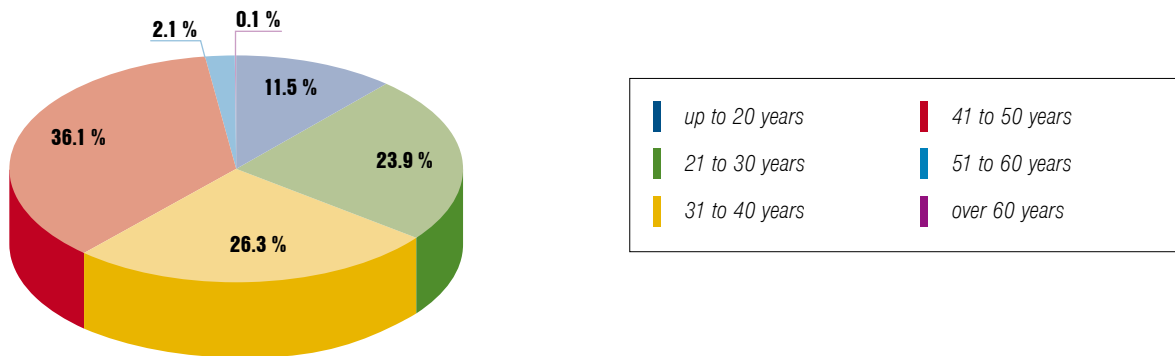
The Age Structure of Employees as at 31. 12. 2010

During the last 3 years the age structure of employees did not change more markedly.

The Development of Age Structure of Employees from the Year 2008

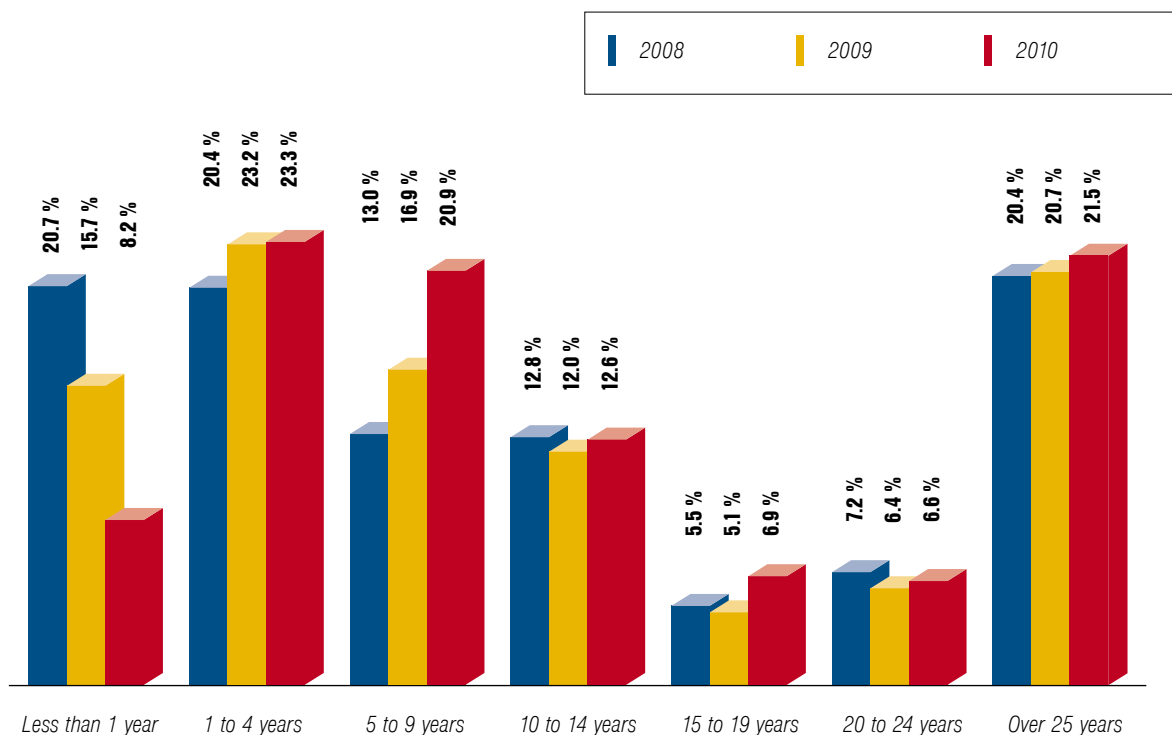


The Age Structure of Employees as at 31. 12. 2010



Development of Employees Structure according to the Duration of the Employment in the Company Doprastav, a.s.

Development of Employees Structure according to the Employment Duration from the Year 2008



The overview of the employees structure development according to the employment duration for the period of the years 2008 to 2010 shows the many years stabilization of personnel in the company Doprastav, a.s.

Social Programme – The Field of Care for Employees

The program of care for employees includes the basic financial allowances which the company Doprastav, a.s. offers to all employees with the objective to enhance their state of satisfaction, the incentive to job performance and the staff stabilization. The allocated financial resources of the social and incentive fund, the complementary pension savings fund and current operating funds are been granted pursuant to particular corporate principles in the following areas:

- employee **catering** in company's own as well as external catering facilities;
- **accommodation** of the staff working in the production sphere (R) or TH category personnel in company's own lodging facilities;
- **recreation stays** of employees and their family members in Doprastav's recreational facilities with employer's contribution in relation to accommodation costs;
- **medical care**, provided through company's general practitioner and dentist;
- **convalescent stays** of employees carrying out works at at-risk workplaces;
- **complementary pension savings**;
- **social assistance benefit** during long-term incapacity for work (sick leave) and in cases causing unfavourable social situation of an employee.
- **contributions for medical devices, culture, sports**
- **contribution for commutation**

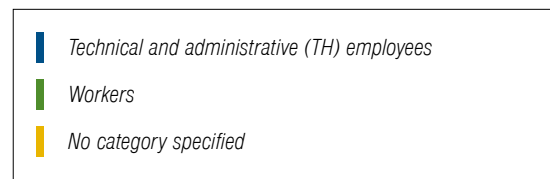
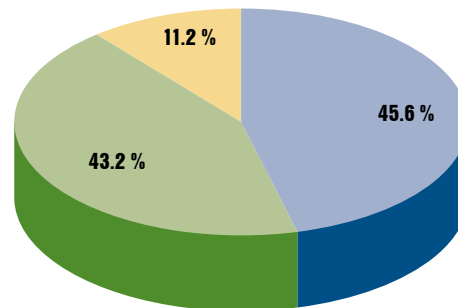
Employee Contentment Measurement Survey

In 2010 the purpose of employee contentment measurement survey was gathering of information on the employees' contentment with the selected areas of work and company's life and also on how the employees perceived and regarded the overall feel at workplaces even in times of collective redundancies. In spite of the fact that the survey was carried out in times of collective redundancies of employees, in 2010 there were 965 employees (36.3 %) in total that took part in the employee contentment measurement survey.

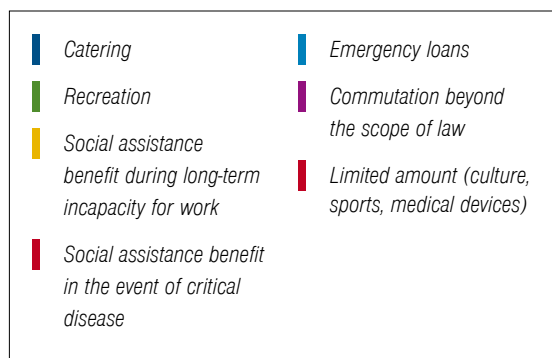
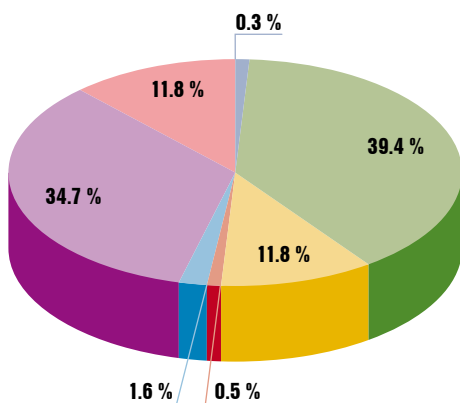
The level of contentment or discontent of employees is often quite different and it arises from the organisational and management, production, area or other differences characteristic for the particular corporate units. The significance and importance of opinions within individual groups is confirmed by the fact that from the total number of TH employees there were 46 % that took part in the survey. In the R category there were 43 % of employees taking part and expressing their opinion in the survey.

The company's management intention is, that on the basis of detailed analysis of negatively regarded factors, eventual ideas and recommendations, the remedial measures in order to enhance the employees contentment in 2011 were concretely specified and directed more precisely.

Structure of Employees that took Part in the Contentment Measurement Survey in 2010



Structure of Social Fund Funds Expended in 2010



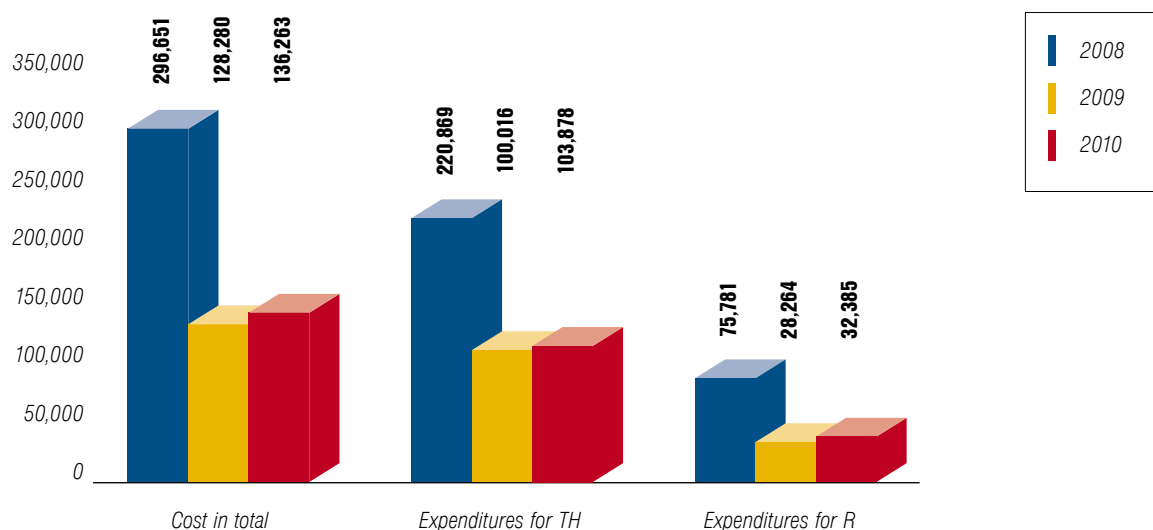
Area of Human Resources Development

In 2010 the company Doprastav invested in the area of employees training, education and development the total amount of EUR 136,263. From this amount there were EUR 103,878 expended on the training and education of technical and administrative (TH) employees and EUR 32,385 on the training and education of workers (R) categories.

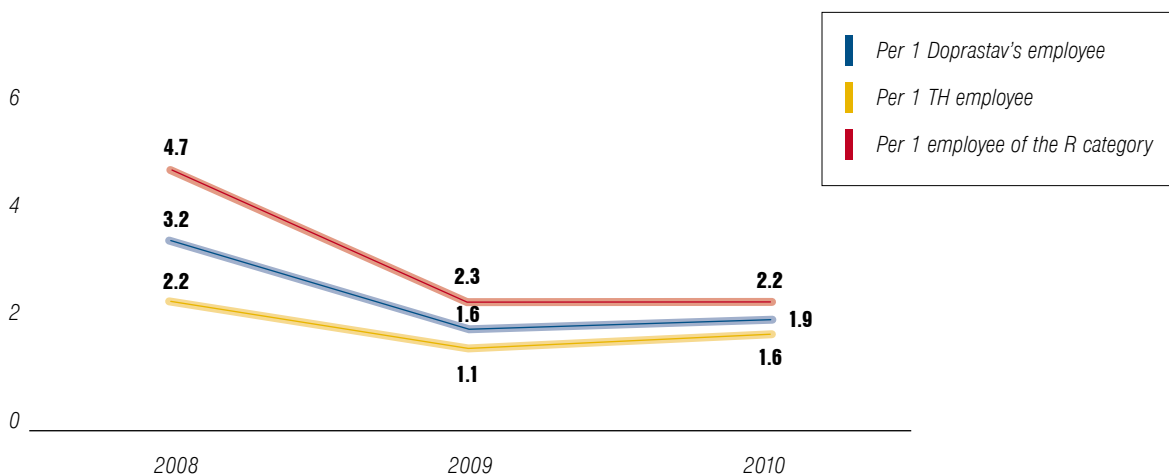
The total number of employees that took part in 625 educational activities in 2010 was 5,339 employees, which represents 5,303 person-days.

Of that 2,284 TH category employees took part in 341 educational activities, which represents 2,539 person-days, and 3,055 R-category employees took part in 284 educational activities, which represents 2,764 person-days.

Development of Invested Costs for the Training and Education of Employees in the years 2008 – 2010 (in €)

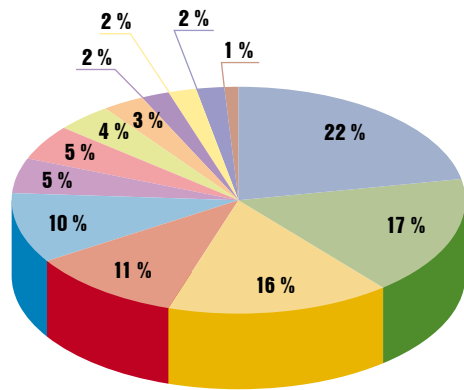


Development of Average Number of Person-days which the Doprastav's Employee spent on Educational Activities in the years 2008 – 2010

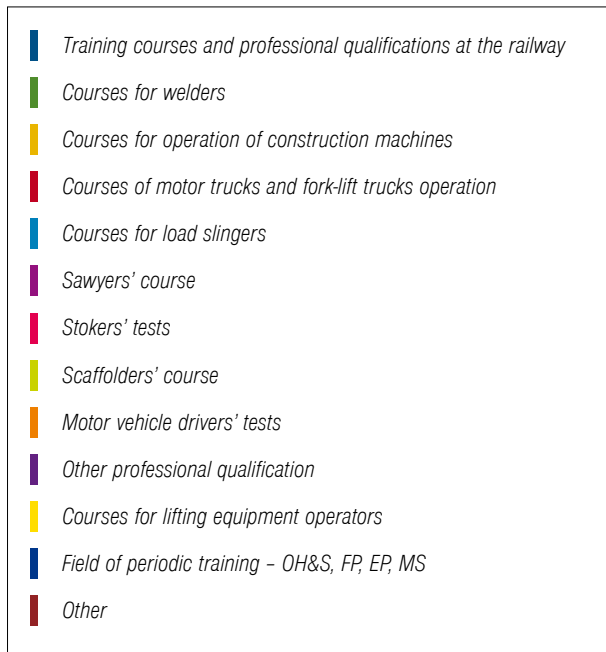
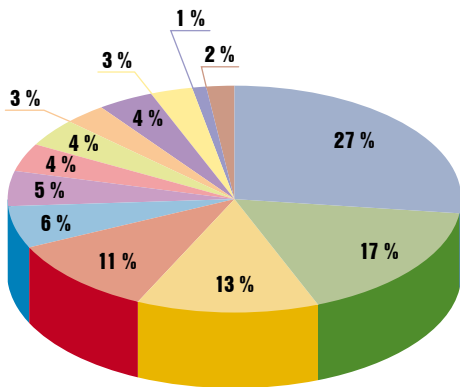


We are noticing the increase in the average number of realized educational person-days per 1 employee of the R category, which points to the current trend in the company – maintaining and acquiring professional skills and qualification.

Structure of Investments for Education, Training and Development of TH Category Employees in 2010



Structure of Investments for Education and Training of the R Category Employees in 2010



In the sense of the legal regulations of the SR the training and education of the R category employees is focusing mainly on obtaining and keeping valid the licenses to operate equipment and carry out activities. The total invested costs being placed in this area are positively influenced by the fact that in the categories operation of construction machines, operation of special technical pressure and lifting equipment, load slingers' courses, training courses of employees and management staff in issues of OH&S (occupational health and safety), Doprastav, a.s., is a holder of licenses for employees' training and education, therefore the company carries out these activities at its own cost.

Perspectives and Tendencies in Company's Development

The year 2010 was the year of hard try-outs not only for us but also for the whole construction industry in Slovakia. The continuing recession in the demand for the construction works was caused by two key factors having effect at the same time:

- the continuing financial and economical turbulences around the world and in particular in the EU, the consequence of which was a deep slump in private investments also in the Slovak Republic, as a reaction to increasing risks from the future
- the political, in Slovakia regularly repeating situation within the elections year, when the new political representation refuses all previous projects and traditionally starts to experiment in its own way.

In the year 2010 the political influence had dramatically showed by the cancellation of two extraordinarily large motorway projects within the PPP schemes, without any feasible, even if only partial, redemption. This fact had very negative impact also on our company as a leader of the construction consortium for the D1 motorway in section Dubná Skala – Prešov. By the cancellation of this project in its absolute final stage we were deprived of a total volume of works representing nearly EUR 800 million, concurrently with the loss of three-year incurred costs in the amount of about EUR 10 million.

This experience and the realistic analysis of the current and mainly the perspective situation on the domestic market forced us to adopt structural changes, to reduce the number of employees and to take measures resulting in overall reorganisation leading to more slender, more cost-effective and more efficient company.

Concurrently with the worsening situation on the Slovak construction market we managed to succeed abroad, in particular on the Polish market. In the course of the year 2010 we were awarded in Poland three contracts in the total amount of EUR 837.7 million, of which the Doprastav's share represents EUR 327.9 million. The share of the construction outputs abroad for the year 2010 represented 32 % of the total revenues. The company's revenues in 2010 were in the amount of EUR 303 mill., i.e. by 14 % less than in the previous year.

The year 2011 will be most probably one of the worst in the history of the Slovak building industry. Further overall sag in construction outputs is expected and many companies will be struggling for the bare survival. And it will be taking place at the concurrent increase of strong foreign competition. The cost level of registration in tenders of all kind cannot secure normal running of companies; the internal financial reserves of overwhelming majority of companies exist no more and the credit capacity of middle-size and smaller companies is too low to enable them to continue financing loss-making contracts. Therefore the ongoing year will be very probably the year of liquidation of many Slovak companies.

Due to the above mentioned reason neither Doprastav expects in 2011 an improvement of its situation on the domestic market. On the contrary, we expect further substantial year-to-year drop in construction outputs, namely by as much as 20 %. To this corresponds also the very low extent of coverage of our production capacity by means of signed contracts on the beginning of the year 2011. On the contrary, abroad we expect a substantial growth in outputs, namely at the level of as much as 219 %. The overall balance of construction outputs should thus be about by 28 % higher than in the year 2010.

Considering the degree of preparedness of transport infrastructure projects and the amount of funds available from the EU funds it can be expected that in 2012 the number as well as the total volume of contracts on the Slovak market will notably increase. However, at the same time we expect also an increase and the pressure of competition of large European construction concerns, to which the domestic resources for financing public works got dumped.

The Slovak building industry must, not only in the year 2011 but also in the future, find a new balance between permanently sustainable demand and its production capacities. The years of prosperity and excessive expectations are the past and the today as well as the near future will show to many companies their truer reflection in the mirror. The company Doprastav, being the leader on the Slovak construction market, relies on its own strategy with the supranational "DDM Group" consortium. In basic parameters our strategic objectives remain unchanged. But the processes within the scope of this strategy are substantially speeding up. A number of steps in order to improve the competitiveness even on medium-size and smaller projects have already been undertaken in 2010. Others are being implemented and their rate shall be constantly evaluated. The objective is to retain the necessary production capacities and to develop high-quality technologies for the operations principally on the domestic market, with their eventual utilisation also abroad. However the determining factor will be our people, highly experienced, trained and motivated experts. And that so in the SR as well as on foreign projects, which today represent already the determining stabilization factor in our company.

Report of the Supervisory Board of Doprastav, a.s.

The Supervisory Board is the highest supervisory body of the company Doprastav, a.s. Pursuant to the law and the company's Articles of Association it verifies the procedures in the company's matters, it supervises the execution of competencies of the Board of Directors and the performance of the company's entrepreneurial activities.

During the period from the previous regular General Assembly, which was held on May 14, 2010, the Supervisory Board was looking into the company's income from operations, its actual financial situation, the state of the business plan and provision of the production programme, situation with the staff and the payroll development, the evaluation of equity interests, the effectiveness of the internal control system, updating the strategy, the development of the business activities and the balance of company assets. The Supervisory Board was regularly supplied the information on fulfilment of the measures taken by the company's Board of Directors in order to eliminate the negative effects of the economics crisis. The Supervisory Board was informed on the reasons and the planned scale of collective redundancies, which took place in the second half of the year 2010. In this difficult situation the members of Supervisory Board are expressing their full support to the company's Board of Directors.

In line with its powers the Supervisory Board had gone over the annual individual financial statements for the year 2010. The Supervisory Board did not find any matters that would negatively influence the approval of results.

The Supervisory Board has reviewed the proposal of the Board of Directors regarding the distribution of profit for the year 2010. From the after-tax profit in the amount of EUR 1,905,145.50 the Board of Directors proposed to replenish the relief fund by the amount of EUR 3,000. The balance of net profit was proposed by the Board of Directors to be transferred to the account of the retained earnings from the previous years. The Supervisory Board has no objections against the submitted proposal.

On the basis of its own monitoring of the development of the company's financial management, the development of its financial situation and the proposal of the Board of Directors regarding the distribution of profit for the year 2010, the Supervisory Board recommends to the General Assembly to approve:

- the company's annual individual financial statements as at 31. 12. 2010 without any reserve,
- the proposed distribution of profit for the year 2010 without any reserve.

In Bratislava, on 12. 4. 2011



Viliam Turanský, MEng
Chairman of the Supervisory Board



3

Financial Report

Report on Verification of Compliance of Annual Report with Financial Statements



Report on Verifying Consistency of the Annual Report with the Financial Statements, as required by § 23 of Act No. 540/2007 Coll. (Addendum to the Auditor's Report)

To the Shareholders, Supervisory Board, and Board of Directors of Doprastav, a.s.:

We have audited the separate financial statements of Doprastav, a.s. ("the Company") at 31 December 2010 presented on pages 54 - 97 and consolidated financial statements of Doprastav, a.s. ("the Company") and its subsidiaries and joint venture ("the Group") at 31 December 2010 presented on pages 98 - 142, on which we issued an unqualified Auditor's Reports on 21 April 2011 presented on pages 52 and 53.

In accordance with the Act No. 431/2002 Coll. on Accounting, as amended, we also verified whether accounting information included in the Company's and Group's annual report at 31 December 2010 is consistent with the audited financial statements referred to above.

Management's Responsibility for the Annual Report

The Company's management is responsible for the preparation, accuracy, and completeness of the annual report in accordance with the Slovak Accounting Act.

Auditor's Responsibility for Verifying Consistency of the Annual Report with the Financial Statements

Our responsibility is to express an opinion on whether the accounting information presented in the annual report is consistent, in all material respects, with the information in the Company's and Group's audited financial statements. We conducted the verification in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the verification to obtain reasonable assurance whether the annual report is free from accounting information that would significantly differ from the information stated in the financial statements.

The scope of work includes performing procedures to verify that the accounting information presented in the annual report is consistent with the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the annual report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. We did not verify those data and information in the annual report that were not derived from the financial statements.

We believe that the verification performed provides sufficient and appropriate basis for our opinion.

Opinion

In our opinion, the accounting information presented in the Company's and Group's annual report prepared for the year ended on 31 December 2010 is consistent, in all material respects, with the audited financial statements referred to above.


PricewaterhouseCoopers Slovensko, s.r.o.
SKAU licence No. 161




Ing. Ivan Kupkovič
SKAU licence No. 689

Bratislava, 4 May 2011

Our report has been prepared in Slovak and in English. In all matters of interpretation of information, views or opinions, the Slovak language version of our report takes precedence over the English language version.

PricewaterhouseCoopers Slovensko, s.r.o., Námestie 1. mája 18, 815 32 Bratislava, Slovak Republic
T: +421 (0) 2 59350 111, F: +421 (0) 2 59350 222, www.pwc.com/sk

The company's ID (IČO) No. 35739347.
Tax Identification No. of PricewaterhouseCoopers Slovensko, s.r.o. (DIČ) 2020270021.
VAT Reg. No. of PricewaterhouseCoopers Slovensko, s.r.o. (IČ DPH) SK2020270021.
Spoločnosť je zapísaná v Obchodnom registri Okresného súdu Bratislava 1, pod viáčkou č. 16611/B, oddiel: Sro.
The company is registered in the Commercial Register of Bratislava 1 District Court, ref. No. 16611/B, Section: Sro.

(All figures are in thousands EUR, unless stated otherwise)

Balance Sheet

prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU

Balance Sheet	Balance as at 31 December					
	Separate Statements			Consolidated Statements		
ASSETS	2010	2009	2008	2010	2009	2008
Non-current assets						
Property, plant and equipment	62,176	60,959	61,384	79,640	78,848	97,119
Intangible assets	777	1,150	1,158	914	1,290	1,306
Investments in subsidiaries and joint ventures	23,893	20,721	15,222	-	0	0
Investments in associates	1,402	1,408	1,401	3,000	3,235	3,165
Deferred income tax assets	4,107	4,461	3,549	5,817	4,851	3,840
Available-for-sale financial assets	35	35	36	46	46	47
Trade and other receivables	27,626	31,852	16,692	27,868	31,966	16,818
Total non-current assets	120,016	120,586	99,442	117,285	120,236	122,295
Current assets						
Inventories	4,554	6,132	7,012	22,684	22,659	8,741
Trade and other receivables	130,434	176,304	130,718	132,009	175,986	129,166
Amounts due from customers	11,768	8,211	36,573	11,967	8,212	36,573
Current income tax receivable	2,404	1,259	666	2,561	1,454	808
Loans	366	210	7,295	0	0	5,828
Cash and cash equivalents	12,257	21,910	25,189	13,331	23,324	27,811
Non-current assets held for sale	0	1,189	1,189	0	1,189	1,189
Total current assets	161,783	215,215	208,642	182,552	232,824	210,116
Total assets	281,799	335,801	308,084	299,837	353,060	332,411

(All figures are in thousands EUR, unless stated otherwise)

Balance Sheet	Balance as at 31 December					
	Separate Statements			Consolidated Statements		
EQUITY AND LIABILITIES	2010	2009	2008	2010	2009	2008
Company shareholder's equity						
Share capital	34,282	34,282	33,469	34,282	34,282	33,469
Other reserves	8,141	7,978	7,978	7,378	7,165	7,154
Retained earnings	76,081	77,367	67,730	78,946	81,117	72,122
Share of minority shareholders				(1,131)	(1,112)	910
Total equity	118,504	119,627	109,177	119,475	121,452	113,655
Non-current liabilities						
Borrowings	6,298	9,070	8,504	11,582	19,496	12,050
Deferred income tax liabilities	3,009	2,597	2,694	4,895	3,042	4,212
Provisions for other liabilities and charges	3,065	3,103	2,857	3,701	3,723	3,093
Trade and other liabilities	19,309	23,945	17,509	19,040	24,000	17,652
Total non-current liabilities	31,681	38,715	31,564	39,218	50,261	37,007
Current liabilities						
Trade and other liabilities	100,592	165,930	142,912	101,425	164,087	148,466
Amounts due to customers	9,348	4,314	8,243	9,348	4,314	8,324
Borrowings	18,438	5,508	4,809	27,135	11,239	13,580
Provisions	3,236	1,707	11,379	3,236	1,707	11,379
Total current liabilities	131,614	177,459	167,343	141,144	181,347	181,749
Total liabilities	163,295	216,174	198,907	180,362	231,608	218,756
Total equity and liabilities	281,799	335,801	308,084	299,837	353,060	332,411

(All figures are in thousands EUR, unless stated otherwise)

Income Statement

prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU

Income Statement						
	Separate Statements			Consolidated Statements		
	2010	2009	2008	2010	2009	2008
Revenues	303,249	352,849	377,975	311,070	360,641	388,227
Material, energy consumption and inventory provisions	(58,941)	(87,571)	(67,289)	(61,061)	(86,437)	(74,468)
Depreciation, amortisation and impairment	(8,308)	(8,723)	(7,701)	(9,506)	(22,404)	(13,366)
Labour costs	(42,580)	(47,224)	(44,635)	(47,005)	(52,564)	(49,638)
Subcontracts	(127,489)	(138,139)	(193,164)	(127,489)	(138,139)	(180,026)
Other services	(54,702)	(54,719)	(50,931)	(54,932)	(52,193)	(57,536)
Other operating income	3,940	11,824	5,017	4,260	11,527	5,947
Other operating expenses	(11,373)	(13,453)	(6,530)	(11,760)	(8,993)	(5,506)
Exchange gains/losses (net)	(326)	948	(216)	(353)	952	(384)
Operating profit	3,470	15,792	12,526	3,224	12,390	13,250
Finance income	691	911	2,250	694	816	2,573
Finance costs	(1,068)	(1,235)	(2,218)	(1,299)	(1,535)	(2,535)
Share of profit or loss of associates				(228)	131	328
Profit before tax	3,093	15,468	12,558	2,391	11,802	13,616
Income tax expense	(1,188)	(2,782)	(3,585)	(1,319)	(1,760)	(4,062)
Net profit for the year	1,905	12,686	8,973	1,072	10,042	9,554
Other comprehensive income						11,542
Effect from the conversion of functional currency (SKK) to reporting currency (EUR), after deduction of the effect on income tax in the amount of EUR 90 thousand.						
Total comprehensive income				1,072	10,042	21,096
Net profit attributable to:						
Company stockholders				1,069	12,043	9,900
Minority shareholders				3	(2,001)	(346)
Comprehensive profit attributable to:						
Company stockholders					12,043	21,324
Minority shareholders					(2,001)	(228)



ASB GALA 2010 - the construction company of the year

The ASB GALA evening is a prestigious event with the objective to award the personalities and companies carrying out activities in the fields of architecture and construction industry and at the same time its function is to point to what is actually going on in the said fields. Doprastav has got the ASB's "Construction of the Year" award by the decision of the expert jury as well as in the internet voting of the public.

The D1 Motorway "Sverepec - Vrtizer", Section 1, km 0.000 - 4.900 - The In-town Flyover, Považská Bystrica

The main award "Construction of the Year 2010" for the project implementation.

The award of the Minister of Economy and Construction of the SR for the Works benefit for the whole society.

The award of the Slovak University of Technology in Bratislava, The Faculty of Civil Engineering for the application of findings of science and technology at the Works implementation.



The tunnel at Laliki

TYTAN 2010 – the award was awarded by the magazine "Geoінżynieria drogi mosty tunele" in the category of underground construction works.

The Polish award – "Construction of the Year 2010". The specialised Polish magazine "Magazyn Autostrady" awarded the company Doprastav with the "Construction of the Year" award for the construction of the first Polish classical road tunnel, which was handed over during the ceremonial opening of the international fair of the construction and mechanization in the Polish town of Kielce on May 11, 2010.

