

Wysogotowo, 13th December 2006

To:

The Public Office of the Polish Securities and Exchange Commission – report submitted using the ESPI system

Current report: 100/2006

Re: Conclusion of a material agreement with a subsidiary Infra Sp. z o. o.

Contents:

The Board of Directors of PBG S.A. hereby informs to have been notified on 13th December 2006 about an agreement concluded with subsidiary Infra Sp. z o.o. for PLN 45,809,449.22 which exceed the value of a material agreement.

The subject of the contract with the highest contract amount (PLN 14,625,000 net) are the works to be conducted by Infra Sp. z o.o. consisting in renovating the sewerage by way of no-dig method at the task currently executed by PBG S.A., i.e. "Renovation of the existing sewerage network of left-bank Szczecin". The works will be conducted by 31st December 2006.

Contractual penalties shall apply as follows:

- in the case of delays in the performance of the contract – 0.1% of the gross remuneration for each day of the delay;
- in the case of delays in the elimination of defects identified upon acceptance of works or during the warranty period – 0.1% of the agreed fee for each day of the delay;
- in the case of a termination of the contract f - 5% of the gross agreed fee.

The said agreement is considered material based on the total shareholders' equity criterion of PGB S.A..

Legal basis: Article 5 item 1point 3 of the Regulation on current and interim information provided by issuers of securities of 19th October 2005.

Signature of the authorised person:
Magdalena Eckert-Boruta