

Wysogotowo, 8th June 2007

To:

Report submitted to the Polish Financial Supervision Authority

Current report: 60/2007

Re: Conclusion of a material agreement by a company of PBG Capital Group

Contents:

The Board of Directors of PBG S.A. hereby informs to have been notified that on 6th June 2007 the Consortium of the following companies:

- Korporacja Budowlana DORACO Sp. z o.o. (Leader of the Consortium),
- Infra Sp. z o.o. (partner of the Consortium – a company of PBG Capital Group),
- Hydrobudowa Gdańsk SA (partner of the Consortium)

concluded a contract for the Extension of Gdańsk-Wschód waste water treatment plant, Phase III – Connection of Zaspas waste water treatment plant catchment area, task 1 and 3. The Contracting Party is Gdańska Infrastruktura Wodociągowo-Kanalizacyjna Sp. z o.o.

Net remuneration of the Consortium shall total EUR 13 575 083.66.

The completion of works is planned for 6th January 2010. (i.e. 44 months after the conclusion of the contract).

The works under the contract shall be performed in compliance with the Conditions of Contract for Construction for building and engineering works designed by the Contracting Party.

Maximum amount of contractual penalties shall not exceed 10% of the net contractual amount specified in the agreement.

The said agreement is considered material based on the total shareholders' equity criterion.

Legal basis:

Art. 5 item 1.3 of the Regulation of 19th October 2005 on current and interim information provided by issuers of securities.

Signature of the authorised person:

Magdalena Eckert-Boruta