

Current report no. 84/2007

Wysogotowo, 23rd August 2007

Re: Material agreement conclusion

The Board of Directors of PBG SA hereby informs that on 21st August an agreement was signed between the Consortium of PBG companies as the Leader of the Consortium, as well as Infra Sp. z o.o. and Przedsiębiorstwo Bezwykopowej Renowacji Sieci Podziemnych Sp. z o.o. Kielce as the Partners of the Consortium with Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji S.A. in Krakow.

The Subject Matter of the Agreement is the execution of task: "Upgrade of wastewater system of the City of Krakow - man accessible pipes".

The net value of the agreement totals EUR 9 532 972.60, i.e. PLN 36 677 158.78 net.

The agreement provides for the following agreed penalties:

- agreed penalty for delay: 0.10% of the gross agreed contractual value specified in the Agreement Deed for each day of delay.
- the total value of agreed penalties shall not exceed 10% of the gross agreed contractual value.

The Consortium will complete the works by 21st August 2009.

Legal basis:

Art. 56 item 1.1 of Public Offering Act - confidential information

Signature of the authorised person

Magdalena Eckert-Boruta