

Current report no. 85/2007

Wysogotowo, 23rd August 2007

Re: Information update

With regard to current report no. 39/2007 of 24th April 2007 (the report is available at: <http://www.inwestor.pbg-sa.pl/nowa/pl/detale.asp?id=1270>), the Board of Directors of PBG S.A. hereby informs to have been notified that as at 20th August 2007, Hydrobudowa Śląsk SA (a subsidiary) joined another subsidiary, PBG Dom Sp. z o.o.

On 20th August 2007, the General Meeting of Shareholders of PBG Dom Sp. z o.o. adopted a resolution to increase the Company's share capital from PLN 2,000,000 to PLN 2,357,2000 by 3,572 shares. All 3,572 shares of the per-share value of PLN 100 have been acquired by Hydrobudowa Śląsk, in exchange for the contribution of Hydrobudowa Śląsk in the form of perpetual usufruct of a plot of 2,30.09 ha located in the śląskie province. As a result, after the registration of the capital increase in PBG Dom Sp. z o.o. by the Court, Hydrobudowa Śląsk SA will acquire shares representing 15.15% of the share capital and the total number of votes.

Legal basis:

Art. 56 item 5 of the Public Offering Act – information update

Signature of the authorised person

Magdalena Eckert-Boruta