

Wysogotowo, 25th November 2006

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

Current report: 98/2006

Re: Material agreement concluded with Hydrobudowa Śląsk S.A., a subsidiary

Contents:

The Board of Directors of PBG S.A. hereby informs to have been informed about the conclusion of a material agreement for the estimated total value of PLN 48,580,004.24, between PBG S.A. and Hydrobudowa Śląsk S.A.

Under the agreement of the highest value, concluded on 24th November 2006, PBG S.A. extended a loan to Hydrobudowa Śląsk S.A. of PLN 40,000,000 up to 31st March 2007. The interest rate has been determined at the level similar to market conditions. Loan repayment shall be secured by a blank promissory note and a promissory note declaration issued by the Borrower.

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

Legal basis: § 5 item 1.3 of the Regulation of 19 October 2005 on current and interim information provided by issuers of securities.

Signature of the authorised person:
Michał Zboralski