

Wysogotowo, 17th March 2007

To:

Report submitted to the Polish Financial Supervision Authority

Current report: 24/2007

Re: Submission of an offer to acquire shares by PBG S.A.

Contents:

The Board of Directors of PBG S.A. hereby informs on 13th March 2007 an offer to acquire shares addressed to Shareholders was submitted to the Board of Directors of Hydrobudowa 9 PBI S.A. (hereinafter referred to as the "Company").

The offer expires on 24th March 2007, at 3 a.m. By that time PBG S.A. guarantees the acquisition of company shares at per-share price of PLN 5.78 determined based on the valuation.

The company shares will be acquired pursuant to conditional purchase agreements to sell the shares.

The company will be acquired pursuant to conditional purchase agreement after the following conditions have been met:

- conclusion of conditional purchase agreements to acquire the company's shares allowing PBG S.A. to purchase shares accounting for at least 51% of the company's share capital and at least 51% of total vote at the General Meeting of Shareholders.
- making a decision by the President of the Office of Competition and Consumer Protection granting a consent to concentrate enterprises consisting in PBG S.A. gaining control over the Company pursuant to articles 12 and 97 of the Act on competition and consumer protection.

PBG S.A. hereby declares that the Company's shares will be purchased out of a bank loan or funds from the issue of series F shares of PBG S.A.

PBG S.A. declared to keep up its to-date activity and is planning further development in the area of environment protection and hydraulic engineering tasks. In order to provide financial means for further activity and implementation of the restructuring programme PBG S.A. will subsidise the company with no less than

PLN 30,000,000. The incorporation of Hydrobudowa 9 PBI S.A. to PBG Capital Group will allow to carry out the strategy of improving the implementation potential in the area of construction activities related to environment protection, hydraulic engineering and road construction.

The Board of Directors of PBG S.A. also informs that the incorporation of Hydrobudowa 9 PBI S.A., despite the fact that the result for FY06 the company recorded losses, will not affect the forecast of consolidated result for FY07.

Legal basis:

Art. 56 point 1 of Public Offering Act - confidential information

Signature of the authorised person:

Magdalena Eckert-Boruta