

**Letter of the Management Board of J.W. Construction Holding S.A.  
to the General Shareholders' Meeting held on 1 April 2008  
concerning the reasons for the adoption of resolutions, including the resolutions  
on changes to the organizational structure of the capital group  
and the Statutes of J.W. Construction Holding S.A.**

The Management Board of J.W. Construction Holding S.A. hereby announces preparation of draft resolutions of the General Shareholders' Meeting concerning a spin-off of operations including construction, manufacture of construction materials and architectural office to separate companies, voting thereon has been put on the agenda of the General Shareholders' Meeting held on 1 April 2008. The spin-off shall be effected through a transfer of the organized part of the enterprise as a non-cash contribution to the companies.

1) J.W. Construction Holding S.A. Oddział „Budownictwo” [*“Construction” Branch*] with its registered office in Ząbki, transferred through a non-cash contribution to the company operating under the business name J.W. Construction S.A. with its registered office in Ząbki, registered in the District Court for the Capital City of Warsaw, 14<sup>th</sup> Commercial Division of the National Court Register, where J.W. Construction Holding S.A. holds directly 100% of its share capital amounting to PLN 500,000, and divided into 500,000 inscribed shares of a nominal value PLN 1 each. The company was established under Notarial Deed, Repertory A No. 13041/2007, drawn up on 26 September 2007 by Anna Sota, public notary in Warsaw. The company was registered in the Register of Entrepreneurs in the National Court Register under KRS number 0000290315 on 10 October 2007.

2) J.W. Construction Holding S.A. Oddział „Pracownia Architektoniczna [*“Architectural Office” Branch*] with its registered office in Ząbki, transferred through a non-cash contribution to the company operating under the business name JW Projekt Spółka z o.o. (formerly Dremet – Projekt Spółka z o.o.) registered in the District Court for the Capital City of Warsaw, 12<sup>th</sup> Commercial Division of the National Court Register, where J.W. Construction Holding S.A. with its registered office in Ząbki holds directly and indirectly 100% of its share capital amounting to PLN 52,000, and divided into 260 shares of a nominal value PLN 200 each. Previously, the company operated within the structures of the J.W. Construction Holding S.A. capital group and performed natural aggregate mining, upon termination of which was intended for liquidation. However, due to a planned spin-off of operations in the scope of design and architecture, the resolution on the liquidation of the company has been declared invalid, its share capital increased and business name changed. The company has been registered in the Register of Entrepreneurs in the National Court Register under KRS number 0000195210.

3) J.W. Construction Holding S.A. Oddział “Zakład Prefabrykacji Budowlanej” [*“Construction Prefabricate Plant” Branch*] with its registered office in Ząbki, transferred through a non-cash contribution to the company operating under the business name JWCH Produkcja Budowlana Spółka z o.o. with its registered office in Ząbki, registered in the District Court for the Capital City of Warsaw, 14<sup>th</sup> Commercial Division of the National Court Register, where J.W. Construction Holding S.A. holds directly 100% of its share capital amounting to PLN 100,000, and divided into 2,000 shares of a nominal value PLN 50 each. The company was established under Notarial Deed, Repertory A No. 2999/2008, drawn up on 19 February 2008 by Anna Sota, notary public in Warsaw. The company was registered in the Register of Entrepreneurs in the National Court Register under KRS number on 7 March 2008. The spin-off process shall involve the transfer of resources in the form of sets of

tangible and intangible components, including the liabilities. The said sets of components have already been spun off as the Company's branches drawing up their balance sheet independently, and the components of the enterprise are intended for the performance of specific business tasks. Moreover, a set of these components may constitute independent enterprises performing required tasks. Non-cash contribution in the form of organized parts of the enterprise will ensure immediate readiness of these units to perform their business tasks without any major impediments.

The spin-off of organized parts of the enterprise shall include:

- 1) J.W. Construction S.A. [*joint stock company*] – Enclosure No. 1
  - inventories, including materials,
  - non-current assets, including tangible assets with equipment, intangible assets, real property,
  - contracts concluded with target companies and other contracts concluded with sub-contractors to perform construction and assembly works,
  - transferred human resources.
  
- 2) JW Projekt Sp. z o.o. [*limited liability company*] – Enclosure No. 2
  - inventories,
  - non-current assets, including tangible assets with equipment, intangible assets, real property,
  - contracts to perform design works,
  - transferred human resources.
  
- 3) JWCH Produkcja Budowlana Sp. z o.o. [*limited liability company*] – Enclosure No. 3
  - inventories, including materials,
  - non-current assets, including tangible assets with equipment, intangible assets, real property,
  - contracts to produce prefabricates and concrete,
  - transferred human resources.

The value of the presented assets components to be transferred to the spun off companies is preliminary in character and based on the book value as of 31.12.2007.

The final value of the non-cash contribution will be determined as of the day of the adoption of the resolution increasing the share capital of the spun-off companies. Estimation of that value will include:

- revaluation of particular asset components against their market value,
- all the significant economic events which occurred after 31.12.2007.

The value of the non-cash contribution to the construction company will also be subject to evaluation by an expert accepted by the registry court.

Additionally, the transfer shall involve:

- employees transferred by means of a mutual agreement between entities, with preservation of all employee entitlements, pursuant to Art. 231<sup>1</sup> of the Labour Code (continuity of employment, holiday entitlements, etc.).
- receivables from the conducted economic activity (concluded contracts),
- contractual liabilities (trade liabilities, received deposits, etc.) and reserves.

The described actions involving the spin-off of the said companies will significantly affect performance of the capital group and yield measurable benefits including:

- improved group transparency,
- ability to estimate the value of the construction and assembly branch and greater financial transparency,
- facilitation of future planned acquisitions of companies from the construction sector,
- possibility to contract work outside J.W. Construction Holding S.A.,
- improved performance and effectiveness of individual companies due to clear specification of the competencies of individual entities and distribution of accountability for particular business processes,
- transparency of costs borne in the spun off businesses.

In consideration thereof, the Management Board of J.W. Construction Holding S.A. hereby petitions for the General Shareholders' Meeting to adopt the draft resolutions placed on the agenda for consideration by the GSM and to express its consent to the execution of the planned transformation within the group.

At the same time, the Management Board of the Company hereby petitions for the General Shareholders' Meeting to adopt the resolution concerning the change of the Company's Statutes. The proposed changes are related to deletion from the Company's Statutes of the text concerning the President of the Holding Company. In view of the Management Board there is no need to maintain the function of the President of the Holding in the composition of the Management Board. Appropriate distribution of responsibilities among members of the Management Board ensures effective management of the Company.

Resolution concerning the change of the Company's Statutes is directly connected with the resolution authorizing the Supervisory Board to adopt a consolidated text of the Company's Statutes including the changes resulting from the adoption of the former resolution.

In consideration thereof, we hereby petition for the adoption of the proposed resolutions.

The Management Board of J.W. Construction Holding S.A.

Jerzy Zdrzałka - President of the Management Board [illegible signature]

Irmina Łopuszyńska -	Member of the Management Board	<i>[illegible signature]</i>
Bożena Malinowska -	Member of the Management Board	<i>[illegible signature]</i>
Barbara Czyż -	Member of the Management Board	<i>[illegible signature]</i>
Grażyna Szafarowska -	Member of the Management Board	<i>[illegible signature]</i>
Wojciech Rajchert -	Member of the Management Board	<i>[illegible signature]</i>