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Decision on the intention to merge P.R.I. "POL-AQUA" S.A. [joint-stock company] with a subsidiary

Management Board of Przedsiębiorstwo Robót Inżynieryjnych "POL-AQUA" S.A. with its registered office in Piaseczno (hereinafter referred to as the "Company") informs that on 18 May 2011 a decision was made on the intention to merge P.R.I. "POL-AQUA" S.A. with PA ENERGOBUDOWA Sp. z o.o. [*limited liability company*].

The decision is related to the restructuring process carried out in the Capital Group and in the course of long-term reduction of costs of their activity and increase in efficiency in the winning and performance of contracts. The plan of the merger does not provide for any particular benefits for members of the Companies' governing bodies, nor for other persons participating in the merger.

The merger between P.R.I. "POL-AQUA" S.A. and PA ENERGOBUDOWA Sp. z o.o. will be carried out by transfer of all assets of PA ENERGOBUDOWA Sp. z o.o. (acquired company) to P.R.I. „POL-AQUA” S.A. (acquiring company) – merger by acquisition pursuant to Article 492 § 1 item 1 read with Article 516 § 6 of the Commercial Companies Code (hereinafter referred to as "CCC").

In relation to the fact that the Acquiring Company is the owner of all 243,520 shares of the Acquired Company, the merger of the companies by acquisition will be carried out pursuant to Article 516 § 6 of CCC, and therefore:

- under Article 516 § 5 of CCC read with Article 503 of CCC, the audit of the plan of the merger carried out by the auditor and its opinion are not required,
- under Article 516 read with Article 501 under Article 516 § 5 of CCC, drawing up reports of the management boards of each of the companies subject to merger, justifying the merger, its legal grounds and economic justification, and in particular share exchange relation, is not required.
- the merger of the companies will be effected without increase in the share capital of the Acquiring Company pursuant to Article 515 § 1 of CCC.

Due to the fact that the Acquiring Company is a public company, pursuant to Article 516 § 1 CCC it will be necessary, pursuant to Article 506 of CCC, to adopt a resolution on the merger by the General Assembly of the Acquiring Company.

P.R.I. "POL-AQUA" S.A. provides services within the area of engineering, ecological, road, fuel and general purpose construction. It develops comprehensive underground infrastructure, constructs roads and bridges as well as crude oil and gas transfer pipelines. It conducts activity within the scope of general contractorship with respect to cubature, industrial, public utility buildings, shopping centres and other.

PA ENERGOBUDOWA Sp. z o.o. provides construction services within the area of sanitary engineering: sewage systems, water supply systems, water treatment plants, sewage treatment plants, engineering constructions. Enclosed is the plan of the merger along with appendices.



Legal grounds:

Article 56 par. 1 item 2 of the Act on Public Offering – current and periodic information

Signatures:

Piotr Chełkowski, President of the Management Board of P.R.I. "POL-AQUA" S.A.

Marek Sobiecki, Second Vice-President of the Management Board of P.R.I. "POL-AQUA" S.A.