

**CONSOLIDATED STATUTE TEXT OF THE
COMPANY UNDER THE BUSINESS NAME HYDROBUDOWA POLSKA
JOINT STOCK COMPANY**

CHAPTER I
GENERAL PROVISIONS

§ 1.

1. The Company's business name is: HYDROBUDOWA POLSKA Joint Stock Company.
2. The Company May use the abbreviation: HYDROBUDOWA POLSKA S.A.

§ 2.

The Company's main seat is the town of Wysogotowo near Poznan.

§ 3.

The Company's corporate existence is perpetual.

§ 4.

The Company carries out its operations within the territory of the Republic of Poland and abroad. The Company may create its branches, establishments and enterprises within the country as well as abroad.

§ 5.

The Company may operate establishments, branches and other organizational units, establish and join other companies domestically and abroad as well as participate in joint enterprises and other agreements and business arrangements.

§ 6.

The Company's announcements will be made in accordance with legal provisions, particularly, depending on their character, announcements shall be published on the Company's website or the Court and Economic Monitor. The Company's financial statements will be published in the Polish Monitor "B".

§ 7.

The Company carries out its operations based on the statute, the Corporate Code and other legal regulations applicable to joint stock companies.

§ 8.

The subjects of the Company's operations are:

1. Manufacturing of cold formed products (PKD 24.33.Z),
2. Manufacturing of metal construction elements (PKD 25.1),

3. Manufacturing of other tanks, cisterns and metal containers (PKD 25.29.Z),
4. Forging, pressing, drawing and rolling of metals; powder metallurgy (PKD 25.50.Z),
5. Metal processing and application of coatings on metals, mechanical processing of metal elements (PKD 25.6),
6. Manufacturing of household knives and cutlery (PKD 25.71.Z),
7. Manufacturing of other finished metal products (PKD 25.9),
8. Manufacturing of other unclassified products (PKD 32.99.Z),
9. Repair and maintenance of finished metal products (PKD 33.11.Z),
10. Repair and maintenance of machinery (PKD 33.12.Z),
11. Repair and maintenance of electronic and optical devices (PKD 33.13.Z),
12. Installation of industrial machinery and equipment (PKD 33.20.Z),
13. Resource recovery (PKD 38.3),
14. Building erection construction works (PKD 41),
15. Road and railroad construction works (PKD 42.1),
16. Pipeline, telecommunication line and electric power line construction works (PKD 42.2),
17. Other civil and water engineering facilities construction works (PKD 42.9),
18. Demolition and preparation of terrain under construction (PKD 43.1),
19. Execution of electric, water and canal works and other construction installations (PKD 43.2),
20. Construction and finishing works (PKD 43.3),
21. Other specialized construction works (PKD 43.99.Z),
22. Maintenance and repair of motor vehicles, excluding motorcycles (PKD 45.20.Z),
23. Wholesale carried out on order (PKD 46.1),
24. Wholesale of information technology and communication tools (PKD 46.5),
25. Wholesale of machinery, devices and supplementary equipment (PKD 46.6),
26. Other specialized wholesale trade (PKD 46.7),
27. Non-specialized wholesale trade (PKD 46.90.Z),
28. Retail trade of fuels for motor vehicles at gas stations (PKD 47.30.Z),
29. Road transport of goods and provision of services related to removal (PKD 49.4),
30. Warehousing and storage of goods (PKD 52.10),
31. Freight handling (PKD 52.24),
32. Software publishing operations (PKD 58.2),
33. Advice services in the area of information technology (PKD 62.02.Z),
34. Other services in the area of information and computer technology (PKD 62.09.Z),
35. Operations related to real estate market service (PKD 68),
36. Operations in the area of architecture and engineering; technical research and analysis (PKD 71),
37. Accounting services; tax advice (PKD 69.20.Z),
38. Rent and lease of motor vehicles, excluding motorcycles (PKD 77.1),
39. Rent and lease of other machines, devices and material goods (PKD 77.3),
40. Security services in the area of security systems operation (PKD 80.20.Z),
41. Assistance operations related to building maintenance (PKD 81.10.Z).

CHAPTER II
CAPITAL, SHARES AND FUNDS

§ 9.

The share capital equals 210.558.445,00 (two hundred and ten million five hundred fifty eight thousand four hundred and forty five) zlotys and is divided into 210.558.445 (in words: two hundred and ten million five hundred fifty eight thousand four hundred and forty five) common shares of a nominal value of 1,00 (one) zloty including:

- 517.650 (five hundred and seventeen thousand six hundred and fifty) A series bearer shares,
- 82.350 (eighty two thousand three hundred and fifty) B series bearer shares,
- 600.000 (six hundred thousand) C series bearer shares,
- 500.000 (five hundred thousand) D series bearer shares,
- 500.000 (five hundred thousand) E series bearer shares,
- 1.650.000 (one million six hundred and fifty thousand) F series bearer shares,
- 2.150.000 (two million one hundred and fifty thousand) G series bearer shares,
- 7.500.000 (seven million five hundred thousand) H series bearer shares,
- 60.000.000 (sixty million) I series bearer shares,
- 65.173.200 (sixty five million one hundred and seventy three thousand two hundred) J series bearer shares,
- 35.000.000 (thirty five million) K series bearer shares,
- 36.885.245 (thirty six million eight hundred and eighty five thousand two hundred and forty five) L series bearer shares.

§ 10

1. The profit intended for the payment of dividends is divided based on the payments made per share.
2. For shares paid in full, the profit is divided by the nominal share value.

§ 11

Registered shares and bearer shares are equal in regards to votes and the amount of dividends paid.

§ 12

Shares may be subject to redeemed by way of voluntary redemption, at the shareholder's permission by way of share purchase by the Company. Redemption of shares requires a resolution by the General Meeting.

§ 13

1. The Company's Share Capital may be increased:
 - 1) Through the issue of new shares,
 - 2) Through the Company's resources, by allocating resources from the supplementary capital or other supplementary capitals created from profits, as long as they can be used for that purpose.
2. Shareholders have a preemptive right to purchase shares based on the number of shares held (subscription right).

§ 14

1. The Company's share capital may be reduced on the basis of a Resolution by the General Meeting.
2. The share capital is reduced by way of changes in the Statute, via reduction of the nominal share value, merger of shares or redemption of parts of the shares.

§ 15.

1. The supplementary capital is established to cover losses.
2. At least eight (8) percent of the annual profit in the given fiscal year should be transferred to the supplementary capital until the supplementary capital reaches the value of one third (1/3) of the share capital.
3. Surplus funds acquired from the issue of shares exceeding their nominal value should be transferred to the supplementary capital, while remaining funds, after covering the costs of issuing the shares.
4. Additional payments made by Shareholders in exchange for giving special authorization to their shares should also be transferred to the supplementary capital, as long as these payments are not used to cover extraordinary write offs or losses.

§ 16.

1. The Company may establish supplementary capitals and special funds according to the resolutions of the General Meeting of Shareholders.
2. The rules for using these funds are provided by legal regulations and other regulations approved by the General Meeting.
3. The General Meeting of Shareholders may pass a resolution to establish other supplementary funds to cover significant losses or expenses, however, they must not exceed fifteen (15) percent of the annual profit.

CHAPTER III COMPANY'S GOVERNING BODIES

§ 17.

The Company's governing bodies are:

1. The General Meeting,
2. The Supervisory Board,
3. The Board of Directors.

§ 18

A General Meeting may be Ordinary or Extraordinary.

§ 19

1. The Ordinary General Meeting is called by the Board of Directors once every year, no later than within six (6) months following the end of every financial year.
2. The Supervisory Board calls an Ordinary General Meeting, if the Board of Directors did not do so within the time specified in item 1.
3. The General Meetings may take place in the Company's domicile, as well as in Warsaw, Katowice, Włocławek or Poznań.

§ 20

1. The authority to call an Extraordinary General Meeting lies within the Company's Board of Directors. In cases provided by legal regulations the Board of Directors remains obliged to call an Extraordinary General Meeting.
2. Calling an Extraordinary General Meeting by the other Company organs or a specific group of Shareholders takes place according to regulations specified in the Commercial Companies' Code.

§ 21.

The General Meeting is called in accordance with currently valid regulations

§ 22.

1. The General Meeting is valid, if the shareholders present there represent at least forty (40) % of the share capital, unless the Corporate Code states otherwise.
2. If the General Meeting does not take place due to lack of the quorum specified in item 1, the next General Meeting called in the same agenda is valid regardless of the number of shares represented at the Meeting.

§ 23.

1. Resolutions by the General Meeting are passed with a relative (simple) majority of votes, unless the Corporate Code requires a qualified majority.
2. Votes regarding the appointment of governing bodies and the dismissal of governing body members are confidential.

§ 24.

1. Matters which require a resolution by the General Meeting are:
 - 1) The review and approval of the Board of Directors' report of the Company's operations and the financial report for the last fiscal year as well as granting a vote of acceptance to members of the Company's governing bodies for the execution of their duties,
 - 2) Decisions regarding claims for the repair of damage caused the incorporation of the Company or management or supervision,
 - 3) The sale or lease of an enterprise or its organized part as well as the

establishment of a limited property right on these enterprises,

- 4) The issue of loan stock or with a preemptive right,
 - 5) The purchase of own shares in cases specified by art. 362 section 1 point 2 of the Corporate Code,
 - 6) The establishment of remuneration regulations for Supervisory Board Members,
 - 7) Appointment and dismissal of Supervisory Board Members,
 - 8) Establishment, use and liquidation of supplementary capitals and special funds,
 - 9) Passing of the Supervisory Board operation regulations,
 - 10) Decisions regarding the use or exclusion by the Company of certain regulations of corporate governance specified by the Board and Management of the Warsaw Stock Exchange S.A.
 - 11) Other matters specified by the Company's Statute and legal regulations.
2. Purchase and sale of real estate, perpetual usufruct or share in real estate does not require a resolution by the General Meeting.

§ 25.

1. Shareholders may participate in the General Meeting personally or via proxy.
2. The Company allows participation of Shareholders in General Meetings via means of electronic communication. However, in every instance the decision to incorporate such means and the rules of electronic communication during the General Meeting lies with the Board of Directors.

§ 26.

1. The Supervisory Board is comprised of five (5) to nine (9) members chosen by the General Assembly of Shareholders for a period of three (3) years, however the mandates of Supervisory Board members expire only on the date of the General Assembly of Shareholders which approves the financial statement for the last full financial year of holding the position by a Supervisory Board member.
2. The number of Supervisory Board members is every time established by the General Assembly of Shareholders through a resolution passed by an absolute majority of votes. Supervisory Board members may be reelected.
3. The Supervisory Board should be comprised of independent members, whose number and criteria of independence are provided by appropriate legal regulations or regulations included in the documents regarding public companies, establishing the rules of corporate governance.

§ 27.

1. In order for a resolution by the Supervisory Board to be valid, the attendance of at least half of its members is required. The Supervisory Board's resolutions may be passed, if all Supervisory Board Members have been informed of a session.
2. The Supervisory Board's resolutions are passed with a relative majority of votes by Supervisory Board Members present at the session.
3. In the event of an equal distribution of votes, the deciding vote lies with the Chairman of the Supervisory Board.

4. Announcements containing the session's agenda and indicating the time and location of the session should be sent by registered mail at the addresses specified by Supervisory Board members at least seven days before the Supervisory Board's meeting. In urgent cases Supervisory Board sessions may be called via telephone, fax or e-mail, at least one day prior to the session date.
5. The session's agenda is established and the announcements are signed by the person authorized to call a session of the Supervisory Board.
6. Sessions of the Supervisory Board are called at the discretion of the Chairman or at the request of the Board of Directors or a Supervisory Board Member submitted along with the proposed agenda.
7. If the Chairman of the Supervisory Board does not call a session within two weeks from the request receipt date, the proponent may call a session personally, stating the date, location and proposed agenda.
8. The Chairman of the Supervisory Board presides over the session, and in the event of their absence, that responsibility lies with the Vice-Chairman of the Supervisory Board.
9. The Supervisory Board may not pass resolutions in matters not included in the agenda, unless all members are present and express agreement to pass the given resolution.
10. The Supervisory Board may also pass resolutions without formal announcement of a session, if all members are present and express agreement for the session to take place and to include particular matters in the agenda.
11. The Supervisory Board's resolutions may be passed without a session in a written course or using means of direct long-distance communication. Such a resolution is valid, if all Supervisory Board Members have been informed regarding the contents of the resolution project. Passing resolutions in this course does not apply to the appointment of a chairman or vice-chairman of the Supervisory Board, appointment of a Member of the Board of Directors and dismissal or suspension of these persons.

§ 28.

1. Supervisory Board Members may exercise their rights and responsibilities in the Supervisory Board in person only.
2. Supervisory Board Members may, however, take part in passing resolutions by submitting their vote in writing via another Supervisory Board Member. Submission of a vote in writing is not applicable to matters included in the agenda during a session of the Supervisory Board. Passing resolutions in this course does not apply to the appointment of a chairman or vice-chairman of the Supervisory Board, appointment of a Member of the Board of Directors and dismissal or suspension of these persons.
3. The Supervisory Board may appoint certain members to carry out specified actions as well as use the assistance of specialists.

§ 29.

1. The Supervisory Board constantly supervises the Company's operations in all areas. Specific responsibilities of the Supervisory Board include evaluation of the financial report and

the Board of Directors' report of the Company's operations regarding their conformity with accounts and documents, as well as the actual state, evaluation of the Board of Directors' motions regarding the distribution of profits and coverage of losses as well as submitting the annual written report of the evaluation results with the General Meeting.

2. The Supervisory Board's responsibilities also include:

- 1) The appointment and dismissal of Board of Directors Members and establishment of the number of Board of Directors Members;
- 2) The justified suspension of individual or all Members of the Board of Directors;
- 3) Delegating Supervisory Board Members, for a period no longer than three months, to temporarily carry out the responsibilities of Board of Directors Members who were dismissed, resigned or are for other reasons unable to perform their duties;
- 4) The establishment of remuneration for Members of the Board of Directors;
- 5) Appointment of an auditor;
- 6) Approval of the Board of Directors' operation regulations;
- 7) Agreement for the purchase or sale of real estate, perpetual usufruct or share in real estate.

3. In order to carry out its responsibilities, the Supervisory Board may review all of the Company's documents, request the Board of Directors and employees to provide reports and explanations as well as review the Company's property state.

§ 30.

The Supervisory Board's Regulations are established by the General Meeting.

§ 31.

The Company's Board of Directors is appointed and dismissed by the Supervisory Board.

§ 32.

The Board of Directors is a collective entity which is comprised of a Chairman of the Board of Directors, from one to six Vice-Chairpersons and from one to six Members of the Board of Directors.

§ 33.

The first Board of Directors is appointed for 2 years, while subsequent Boards are appointed for three-year terms.

§ 34.

The Board of Directors is obliged to manage the Company's affairs with the utmost care required in economic trade according to legal regulations and commonly applied customs, in conformity with the provisions of the Statute and the General Meeting's Resolutions.

§ 35.

The Board of Directors takes care of all Company related matters not covered by the responsibilities of the General Meeting and Supervisory Board.

§ 36.

1. The Board may grant the power of proxy.
2. The establishment of a power of proxy requires the agreement of all Members of the Board of Directors.

§ 37.

Two members of the Board of Directors are authorized to represent the Company acting along with the proxy.

§ 38.

The Board of Directors' Regulations are prepared by the Board of Directors. These Regulations are subject to approval by the Supervisory Board.

CHAPTER IV
FINAL PROVISIONS

§ 39.

The Company's accounting and accounts are managed and kept in accordance with current legal regulations.

§ 40.

1. The calendar year is also the financial year.
2. The first financial year ends on the 31st of December of the year in which the Company was registered.

§ 41.

1. The annual financial report should be prepared by the Company's Board of Directors within three (3) months following the end of the financial year.
2. Copies of the Board of Directors' report of the Company's operations and the financial report along with copies of the Supervisory Board's report, or the auditor's opinions are issued to the shareholders at their request no later than 15 days before the General Meeting.

§ 42.

The Corporate Code and other legal regulations apply in matters not regulated by the Company's Statute.

§ 43.

All disputes resulting from the application of this Statute's provisions will be settled by a Court corresponding to the Company's seat.