Warsaw, 13 December 2007

123/2007

Pursuant to art. 56 par. 1 point 1) of the Act on the public offer and terms of introducing financial instruments in the organised trading system and on public companies (Dz. U. of 2005 no. 184 item 1539 as amended) [the “Act”] the Management Board of Sygnity Spółka Akcyjna in Warsaw [the “Company”], informs about the passed resolution concerning the issue of no more than 1,072,369 series Y shares as a part of the target capital.

The Company’s Management Board informs that on 13 December 2007 the Company’s Management Board passed a resolution concerning the issue of up to 1,072,369 ordinary bearer’s share series Y of PLN 1.00 of par value (“Shares”). The Shares will be issued under the authorisation of the Company’s Management Board stipulated in art. 5a of the Company’s articles of association to increase the share capital as a part of the target capital.

The shares pre-emptive collection right was fully excluded.

Shares will be offered as a part of the public offering, which will be targeted only at the qualified investors, as defined in art. 8 par. 1 of the Act. Investors to whom the Shares are offered will be selected in the demand book-building process conducted in relation to the public offer of the Shares. Share subscription terms may provide that investors being the Company’s shareholders as at the end of the specific date before the Share offer is sent will be able to use the pre-emptive collection right to the Shares on these terms.

Pursuant to art. 7 par. 3 point 1 of the Act the public offering of the Shares does not require an issuing prospectus to be drawn, approved and published. Due to the above the public offering of the Shares will be conducted on the basis of the Series Y Shares Subscription Terms publically announced pursuant to art. 56 par. 1 pt 1 of the Act.

The issuing price of the Shares will be defined by the Company’s Management Board in a separate resolution on the basis of the demand book-building process conducted in relation to the public offer of the Shares.

The Shares will entitle to dividend as of 1 January 2007.

The Shares will be dematerialised. The Company’s Management Board intends to submit an application for the admission of the Shares to turnover to the Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange “GPW”) immediately after the issue of the Shares.

Pursuant to art. 7 par. 4 point 1 of the Act the application for admission of the Shares to turnover at the GPW does not require a prospectus to be drawn, approved and published.

The Company’s Supervisory Board approved the issue of the Shares and the waiver of the Shares pre-emptive collection right.
The Company’s Management Board presents below the content of the aforementioned resolution of the Management Board and resolution of the Supervisory Board approving the increase of the initial capital as a part of the share capital and approving the waiver of the Share pre-emptive right:

Resolution
of the Management Board of:
SYGNITY Spółka Akcyjna
with registered office in Warsaw
of 13 December 2007

on increasing the initial capital as a part of the target capital by issuing series Y shares and waiving the pre-emptive rights of the current shareholders

Pursuant to art. 446 and 447 of the Commercial Companies Code and article 5 par. 6 and art. 5a of the Company’s Articles of Association and the resolution of the Company’s Supervisory Board of 13 December 2007 approving the increasing of the initial capital as a part of the target capital and approving the waiver of the pre-emptive rights to the shares issued as a part of the target capital, the Management Board of: SYGNITY Spółka Akcyjna with its registered office in Warsaw resolved as follows:

§ 1

1. **The Company’s share capital is hereby increased as a part of the target capital from PLN 10,813,373.00 (say: ten million eight hundred thirteen thousand three hundred seventy three zlotys) by the amount of not more than PLN 1,072,369 (say: one million seventy two thousand three hundred sixty nine zlotys) by issuing not more than 1,072,369 (say: one million seventy two thousand three hundred sixty nine) new ordinary bearer’s shares series Y of PLN 1.00 of par value (say: one zloty) each.**

2. The issuing price of the series Y shares will be defined by the Company’s Management Board in a separate resolution on the basis of the demand book-building process conducted in relation to the public offer of series Y shares.

3. The series Y shares will entitle to dividend as of 1 January 2007, i.e. for the financial year 2007.

4. Series Y shares will be issued as a part of private subscription as defined in the Commercial Companies Code. The public offer of the series Y shares will be targeted by the Company’s Management Board only at the qualified investors, as defined in art. 8 of the Act on the public offer and terms of introducing financial instruments in the organised trading system and on public companies of 29 July 2005 (the “Act”).

5. Investors to whom the series Y shares are offered will be selected in the demand book-building process conducted in relation to the public offer of the series Y shares. Series Y shares subscription terms may provide that investors being the Company’s shareholders as at the end of the specific date before the series Y shares offer is sent will be able to use the pre-emptive collection right to the series Y shares on these terms.
6. Series Y shares will be taken in exchange for cash.

7. Series Y share taking agreements will be concluded by 31 January 2008.

§ 2

Due to the increase in the Company’s share capital as a part of the target capital the provisions of Article 5.1 of the Company’s Statute is amended as follows:

“As a result of registration of the increase the Sygnity S.A. share capital shall total no less than 10,776,795.00 (ten million seven hundred seventy six thousand seven hundred ninety five) złotys and not more than 11,849,163.00 (eleven million eight hundred forty nine thousand one hundred sixty three) złotys and shall be divided into no less than 10,776,795.00 (ten million seven hundred seventy six thousand seven hundred ninety five) and not more than 11,849,163.00 (eleven million eight hundred forty nine thousand one hundred sixty three) shares of 1 (one) złoty of par value, of which:

a) 6,152,178 (six million one hundred fifty two thousand one hundred seventy eight) shares constitute shares series A (shares series A were created as a result of combination of the Company's shares series A, B, C, D, E, F, G, H, I, J, K and L existing as at 27 June 2003);
b) 359,425 (three hundred fifty nine thousand four hundred twenty five) shares constituting shares series M;
c) 223,010 (two hundred twenty three thousand and ten) shares constituting shares series O;
d) 135,944 (one hundred thirty five thousand nine hundred forty four) shares constituting shares series P;
e) 82,525 (eighty two thousand five hundred twenty five) shares constituting shares series R;
f) 10,600 (ten thousand six hundred) shares constituting shares series S;
g) 17,450 (seventeen thousand four hundred fifty) shares constituting shares series T;
h) 1,000,000 (one million) shares constituting shares series W;
i) 2,795,662 (two million seven hundred ninety five thousand six hundred sixty two) shares constituting shares series X;
j) not more than 1,072,369 (one million seventy two thousand three hundred sixty nine) shares constituting shares series Y.”.

§ 3

The Company’s current shareholders are hereby completely denied the series Y shares pre-emptive collection rights.

**Opinion justifying the waiver of the pre-emptive collection rights and the issuing price of the series Y shares**

Series Y shares will be offered to investors selected by the Management Board in the demand book-building process conducted in relation to the public offer of the series Y shares. The Company’s Management Board intends to prefer investors being the Company’s current shareholders in the process of offering the series Y shares. Due to the goal of issuing the series Y shares i.e. the injection of new capital to the Company, the series Y shares will be firstly offered to investors who offer the highest price for taking the series Y shares.
The need to inject new capital to the Company by issuing the series Y shares results from the Company’s current financial condition. Funds obtained by the Company by issuing series Y shares will enable the Company to remedy this situation, in particular to improve the Company’s financial liquidity.

Due to the above, it is desirable and necessary to fully waive the series Y shares pre-emptive collection rights.

The issuing price of the series Y shares will be defined by the Company’s Management Board on the basis of the demand book-building process conducted in relation to the public offer of series Y shares. The Company’s Management Board intends to obtain the highest possible issuing price and consequently to ensure the highest possible capital injection to the Company.

Resolution
of the SYGNITY S.A. Supervisory Board
of 13 December 2007
passed in the circulation procedure

approving the increase of the share capital as a part of the target capital and approving the waiver of the pre-emptive collection rights to the shares issued as a part of the target capital

Pursuant to art. 447 § 1 second sentence of the Commercial Companies Code and art. 5.6 and art. 5a.1 of the Company’s Articles of Association the Supervisory Board of SYGNITY S.A. (the “Company”) hereby approves the following in order to enable the Company to secure funds enabling the Company to improve its financial liquidity:

1) one-time increase of the Company’s share capital as a part of the target capital by the Company’s Management Board by the total amount of not more than PLN 1,072,369 by issuing 1,072,369 bearer’s shares of 1 zloty of par value each (the “Shares”);

2) the Company’s Management Board denying the pre-emptive collection rights to the Shares to the current shareholders;

3) announcing the public offer of the Shares in accordance with the Act on the public offer and terms of introducing financial instruments in the organised trading system and on public companies;

4) offering the Shares for taking to and taking of the shares as a part of private subscription by the interested investors selected by the Company’s Management Board subject to the preference of investors offering the highest issuing price for the Shares and investors being the Company’s current shareholders;

5) definition of the issuing price of the Shares by the Company’s Management Board in the process of the Shares demand book-building; and
6) definition of other terms of the increase in the Company’s share capital as a part of the target capital by issuing the Shares by the Company’s Management Board.

This resolution shall enter in force on the date it is passed.