

## Justification to the draft of the resolutions

### Justification to suggested content of the resolutions at Ordinary Shareholder Meeting

The Executive Board of APATOR S.A. acting in accordance with the rule II.5 “Best practices in public companies” presents the following justification of the draft of resolutions at Ordinary Shareholders Meeting to be held on 8th June 2009.

Resolutions from 1/2009 to 10/2009 regard typical issues obligatory considered by Ordinary Shareholders Meeting after the financial year is over. i.e. reports of the Executive Board, financial statements, report of the Supervisory Board, giving vote of acceptance of the members of the organs in the Company. Justification to put the above issues on the agenda is to comply with the requirements of art. 395 § 2 and § 5 of the Polish Commercial Companies Code.

Resolution no. 11/2009 regards the distribution of the profit. The Executive Board of the Company in spite of high investment expenditures incurred in 2008 (in amount of 90 m. PLN) for the purchase of POWOGAZ SA and RECTOR Sp. z o.o. decided to recommend the payment of the second part of dividend in amount of 0,25 PLN per share that means the proposal of total dividend for 2008 is 0,35 PLN per share. In the payment of dividend do not take part own shares acquired for the redemption. APATOR S.A. has sufficient financial means to make payment of dividend. The justification to put the above issue on the agenda of the Meeting is to comply with the requirements of Art. 395 § 2 of the Polish Commercial Companies Code.

Resolution no. 12/2009 regards the distribution of earnings retained from the past years in amount of 110.326,69 PLN. The profit was earned in result of the sales of the shares in APATOR-KFAP Sp. z o.o. It is the surplus from evaluation of fixed assets transferred as contribution in 2005 to APATOR-KFAP Sp. z o.o. in relation to the book value of these fixed assets. The justification of draft of the resolution is to comply with the requirements of Art. 395 § 2 of the Polish Commercial Companies Code.

Resolution no. 13/2009 regards the increase of the number of members in Supervisory Board to 6 persons. Justification to the draft of the resolution is the motion of the shareholder who holds significant number of shares (over 5% of votes at Ordinary Shareholders Meeting). The proposal of the extension of the makeup of Supervisory Board is in accordance with § 15 point 1 of the Statute of APATOR S.A.

Resolution no. 14/2009 regards the nomination of the member of the Supervisory Board. Justification to the draft of the resolution is the motion of the shareholder who holds significant number of shares (over 5% of votes at Ordinary Shareholders Meeting).

Resolution no. 15/2009 regards the completion of the Programme for acquisition of own shares for their redemption and reduction of company capital dated 9th July 2008. Justification to the draft of the resolution is the necessity to complete the Programme (it was allowed to last till 30th June 2009) for the redemption of own shares acquired.

Resolution 16/2009 regards the redemption of 186.472 own shares and it is the consequence of:

- adopted resolution no 18/2008 of Ordinary Shareholders Meeting dated– 23rd June 2008 on the consent to acquire by APATOR S.A. own shares for their redemption,

- Programme for acquisition of own shares and reduction of the company capital dated 9th July 2009.
- Justification of draft of the resolution is to comply with the requirements of art. 395 § 1 and § 2 of the Polish Commercial Companies Code.

Resolution no 17/2009 regards reduction of the company capital with regard to the redemption of shares and amendments to § 7 of the Statute of APATOR S.A. According to art. 360 § 1 of the Polish Commercial Companies Code the consequence of the redemption of 186.472 own shares is reduction of the company capital. The aim of reduction of the company capital through the redemption of some part of shares is to increase market value of other shares. The base to make amendments in § 7 of the Statute of the Company:

- art. 455 § 1 of the Polish Commercial Companies Code according to it– the company capital is reduced by the amendment of the Statute,
- changes of 9.680 registered shares to bearer shares made in January 2009.

Resolution no 18/2009 regards to make amendments to § 6 of the Statute of APATOR S.A. regarding to extend the subject of activity of the Company by information technology and telecommunication services related to the development of metering systems. Suggested amendment is in accordance with the Polish Classification of Economic Activities.

Resolution no 19/2009 regards the amendment to § 14 of the Statute of APATOR S.A. concerning Ordinary Shareholders Meetings. The legal base to make amendments is the Act dated 5th December 2008 on the amendment of the act- Polish Commercial Company Code and the Act on turnover of financial instruments (Dz.U. dated 2009 no. 13 item 69) that comes into force on 3rd August 2009.

Resolution no 20/2009 regards new Programme for acquisition of own shares for their redemption and reduction of the company capital. In opinion of the Executive Board and the Supervisory Board share price is definitely lower than their fair value. Further to the above both in interest of the Company and the shareholders is to acquire own shares for their redemption. The Programme for acquisition gives the shareholders the possibility to get the increase of the value of their shares and its performance via stock exchange enables to all interested in shareholders the participation in the Programme on the same conditions.

Resolution 21/2009 is the ordering one and entitles the Supervisory Board to publish uniform content of the Statute in the scope of amendments made at Ordinary Shareholders Meeting. Legal base for draft of the resolution is art. 430 § 5 of the Polish Commercial Companies Code.

Resolution no 22/2009 regards amendments to the Regulations of Ordinary General Meetings of APATOR S.A. The justification for the introduction of new Regulations of Ordinary Shareholders Meetings is to adjust the records to the regulations of the Act dated 5th December 2008 on the amendment of the act on the Polish Commercial Companies Code and the turnover of financial instruments (D.z.U. dated 2009 no.13, item 69)