

Current Report No. 18/2009

Date: 2009-04-08

Subject: The conclusion of expending resources from the issue of the Issuer's C-series shares

Legal grounds: Other regulations

In relation to point 1.1 and 1.2 of Recommendations included in "Good Practices of Companies Quoted on Stock Exchange" in the scope of providing wide and effective access to the information necessary to assess the Company's position, Zarząd Energomontaż-Południe S.A. (the Issuer, the Company) informs that, as of the date of issue of the present report, the Company has fully used the resources obtained from shareholders within the framework of the issue of C-series shares of the amount of PLN 36.5 million. At the same time, the Issuer informs that the Company assigned more resources to the execution of investment aims, i.e. PLN 51.95 million, which is more than the amount obtained from the above-mentioned issue of shares. The remaining part of expenses was financed from the Company's own resources, bank credits and through the issue of D-series shares.

In years 2007-2008, the Company executed the following investments financed with the resources from the issue of C-series shares:

- financing the purchase of grounds, plots under developer undertakings, and financing the erection thereon in the amount of about PLN 15 million – finally the amount of PLN 29.6 million was spent on thereon i.e. 197% of estimated expenses.
- financing the purchase of assets to enlarge the scale and diversify the Company's activity through overtaking other subjects or enterprises and extending the Capital Group of the Issuer in the amount of about PLN 15 million – the amount of PLN 5.5 million was spent on the given aim, i.e. 36% of estimated expenses – the purchase of shares of Przedsiębiorstwo Montażowe Amontex Sp. z o.o. In the remaining part, the price of the acquisition was financed with an Investment credit, of which the Company informed in the current report No. 56/2008 on 13th June 2008 and by D-series shares.
- modernising the production shop, purchasing the paint shop and equipping the pre-production department of Zakład Produkcji Przemysłowej Łagisza in order to improve the quality of the produced constructions and devices and provide timely execution. The Company intended to assign PLN 4 million to that purpose. The amount spent is consistent with the estimated amount.
- financing the purchase of assembly equipment – the Company planned to assign about PLN 1.5 million to the purchase of assembly equipment. The amount spent was PLN 1.85 million, i.e. 123% of estimated expenses.
- financing the purchase of an integrated system of management of the value of about PLN 1 million; in connection with performed reorganisation of internal structure and the planned streamlining of management processes. The amount spent on the aforesaid aim was PLN 1.5 million, i.e. 155% of estimated expenses.

The Issuer made the following investments connected with his developer's activity (from the resources obtained from the issue of C-series shares).

- purchasing a plot of the area of 0.8 hectares, located in Katowice Piotrowice – investment concerning the project entitled "Willa nad Potokiem";

- purchasing the property right of perpetual use – investment concerned the area of 0.4 hectares, located in Wrocław;
- purchasing plots of the total area of about 8 hectares, located in Opole;
- financing of the developer's activity through loans granted to subsidiary units.

Assigning a larger amount to the development of developer's activity resulted from the fact that the capital involved in the financing of projects under execution was higher than the estimation.

The conclusion of an Agreement to purchase the shares of Przedsiębiorstwo Montażowe Amontex Sp. z o.o constituted the execution of one of the most important aims within the issue of C-series shares, being the financing of purchase of assets to enlarge the scale and diversify the Company's activity through the acquisition of other subjects or enterprises and the extension of the Issuer's Capital Group. As a result of research on the market of companies which could be the subject of acquisition, the Board of the Issuer decided to choose Przedsiębiorstwo Montażowe Amontex Sp. z o.o., which has been dealing in energetic industry for many years, and therefore it has a well-grounded and favourable position on the market. The acquired company has a significant meaning to the net result of the entire Capital Group of Energomontaż Południe. Amontex noted the profit of almost PLN 5.7 million net in 2008 (the value of PLN 5.1 million undergoes consolidation), while the subject increased its production capacity in 2008.

In 2008 the production unit of the Issuer, Zakład Produkcji Przemysłowej in Będzin Łągisza has noted a positive result of the production activity for the first time since several years ago, which is a direct result of investment made from the resources coming from the issue of C-series shares.

Investment in the assembly equipment and the production plant equipment have contributed to the general rise in the Issuer's income.

The most visible effects resulting from the investment strategy financed from the issue of C-series shares are the high individual income and the net profit made.

#### SIGNATURES OF THE PERSONS REPRESENTING THE COMPANY

Andrzej Hołda	Vice-Chairman of the Board
Alina Sowa	Proxy Holder