

Impact of Increase in National Minimum Wage on Expenses of Impel Group Companies

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In connection with the Directive of the Cabinet of Ministers of September 20th 2007 (Journal of Law - Dz. U. No. 171) on the National Minimum Wage in 2008, which will be PLN 1,126 (gross amount), the Management Board of Impel SA reports that, based on its analyses, today the Board became aware of the Directive's impact on the future consolidated results of the Impel Group, as compared with the present conditions the Group is operating in.

Based on the analysis, which takes into account a reduction in the social security (ZUS) retirement insurance, and an amendment in the Rehabilitation Act in the scope of subsidies to the remuneration of those employees who have become eligible for retirement, it is anticipated that the change in the minimum wage with regard to the consolidated results of the entire Group, in the current market conditions, will result in an increase of the total cost of wages in the Impel Group by 4%. The influence of the Directive varies depending on individual segment of the Group's operations. The change will particularly affect the service segments of the Impel Group, i.e. the labour intensive ones, where the level of the increase will be proportional to the increase in the national minimum wage.

Concurrently, the Management Board of Impel SA reports that, in order to minimize the impact of changes in the minimum wage on the results of the Impel Group, the Group companies are renegotiating terms of their contracts with clients, so as to take account of the wage rate revaluation, which is dependent upon macroeconomic factors in Poland.

Legal basis:

Art. 56.1.1 of the Public Offering Act – confidential information