

Allocation of Series D Shares and Submission of Registration Statements to Polish NDS and WSE

Current Report No. 28/2003 of October 14th 2003

The Executive Board of Impel SA hereby reports that on October 13th 2003 it allocated Series D shares issued pursuant to Resolution No. 1 of the Extraordinary General Shareholders Meeting of Impel SA on the increase of share capital and disapplication of pre-emptive rights, dated July 9th 2003, whereby the issue of shares was effected.

1. The subscription of shares was opened on October 9th 2003 and closed on October 10th 2003.
2. The shares were allocated on October 13th 2003.
3. Under the public subscription, 6,000,000 Series D shares were offered, including:
 - 5,500,000 Series D shares in the Institutional Tranche,
 - 500,000 Series D shares in the Retail Tranche.
4. Reduction rates:
 - in the Institutional Tranche – no reduction,
 - in the Retail Tranche – 83,7%.
5. Subscription orders were placed for 8,565,549 shares, including:
 - 5,500,000 Series D shares in the Institutional Tranche,
 - 3,065,549 Series D shares in the Retail Tranche.
6. Under the subscription, the Executive Board allocated 6,000,000 Series D shares, including:
 - 5,500,000 Series D shares in the Institutional Tranche,
 - 500,000 Series D shares in the Retail Tranche.
7. The shares were acquired at their issue price, i.e. PLN 26.
8. Subscription orders for the shares were placed by 1,716 individuals and institutions, including:
 - 33 in the Institutional Tranche,
 - 1,683 in the Retail Tranche.
9. The Executive Board allocated Series D shares to 1,716 individuals and institutions, including:
 - 33 in the Institutional Tranche,
 - 1,683 in the Retail Tranche.

10. The underwriters were not required to meet their obligations.
11. The value of the subscriptions was PLN 156,000,000.
12. The total issue cost amounted to ca. PLN 4,280,000, including:
 - a) The cost of preparation and execution of the offering: ca. PLN 2,548,000,
 - b) Underwriters' fees: PLN 572,000, including:
 - Total fee for CAIB Securities SA and CAIB Corporate Finance Beratungs GmbH: PLN 548,543,
 - Total fee for Bank Zachodni WBK SA: PLN 23,457,
 - c) Cost of preparing the Issue Prospectus, including the costs of advisory services: ca. PLN 960,000,
 - d) Cost of the marketing activities: ca. PLN 200,000.

The issue costs will be settled in accordance with the provisions of Art. 36.2b of the Polish Accountancy Act, i.e. they will decrease the Company's reserve funds down to the amount of the share premium, and the remaining costs will be charged to financial expenses.

13. The average subscription cost per share: ca. PLN 0.71.

The Executive Board of Impel SA further reports that on October 13th 2003 the Company moved to the Polish National Depository of Securities to register the rights to Series D shares; it also moved to the Warsaw Stock Exchange to list the rights to Series D shares.

Legal basis: Directive of the Council of Ministers on the WSE, Par. 42, and the Polish Securities Act, Art. 81.1.2.

Executive Board of Impel SA