

Executive Board's Position on Regulation Amending the Regulation on the Detailed Rules Governing Aid to Employers of the Disabled, Dated October 12th 2004 (Dz.U. No. 234, item 2345).

Current Report No. 63/2004 of November 2nd 2004

The Executive Board of Impel SA hereby reports that October 28th 2004 saw the publication of the Regulation of the Polish Council of Ministers, dated October 12th 2004, amending the Regulation on the detailed rules governing aid to employers of the disabled, dated May 18th 2004 (Dz.U. No. 114, item 1194).

The most important change introduced by way of the amendment is that it introduces the possibility of a lump-sum determination of increased costs connected with the employment of the disabled. The provisions of the amended Regulation apply to financial aid provided in connection with the employment of the disabled, to which an employer acquired the right after May 1st 2004.

Under the amended Regulation, the value of subsidies material to the Group's financial result will increase. The subsidies which the Company will have the right to include in its Q2 2004 income pursuant to the provisions of the amended Regulation, will be higher by PLN 6.2m than the subsidies amount disclosed in the published financial statements for the period.

Given the amended Regulation, the Executive Board of Impel SA estimates that in H2 2004 the average value of monthly subsidies disclosed in the consolidated operating result will amount to approximately PLN 3.1m. This estimate accounts for the current number of the disabled employed at the Impel Group, and is made on the assumption that the increased costs connected with employing the disabled are determined on a lump-sum basis.

Legal basis:

Art. 81.1.2 of the Polish Securities Act