

Management Board Letter

to J.W. Construction Holding S.A. Shareholders containing the justification of draft resolutions submitted for the Ordinary General Meeting of Shareholders on June 19, 2008.

The Management Board of the company operating under the business name of J.W. Construction Holding S.A. ("Company") submits draft resolutions for the Ordinary General Meeting of Shareholders on June 19, 2008. The draft resolutions ("Resolutions") submitted for the Ordinary General Meeting concern all items included in the agenda that was announced in the Court and Economic Journal [Monitor Sądowy i Gospodarczy] No. 103 of May 28, 2008, item 6804.

The Resolutions concern the matters that are to be raised during the Ordinary General Meeting, i.e.:

- the acceptance and approval of the Company's financial statements for the previous financial year;
- the acceptance and approval of the Company Group's consolidated financial statements for the previous financial year;
- the acceptance and approval of the Company's Management Board's report concerning Company operations during the previous financial year;
- the acceptance and approval of the Company Group's Management Board's report concerning the Company Group's operations during the previous financial year;
- the acknowledgement of the fulfillment of duties by members of the Company's governing bodies during the previous financial year;
- the covering from the supplementary capital of previous years' losses amounting to PLN 404,512.14 shown in the financial statements for the financial year 2007;
- the distribution of profit achieved by the Company in 2007 through the allocation of PLN 35,553,882 to the payment of dividend to shareholders (the dividend record date suggested by the Management Board is July 3, 2008, and the dividend payment date is September 30, 2008), and the allocation of PLN 83,855,145.74 to the Company's supplementary capital.

They also concern the Ordinary General Meeting's authorization for the Company's Management Board regarding the Company's purchase of treasury shares in order to redeem them during the period until December 31, 2009.

The amount allocated to dividend payment suggested by the Company's Management Board is in line with the profit distribution policy adopted earlier, which was presented, *inter alia*, during the drawing up of the Prospectus in 2007, and which envisages allocating 30% of Company profit to the payment of dividend to Shareholders. The remaining profit will be allocated to the Company's supplementary capital.

The Management Board intends to use up to PLN 20,000,000 from the Company's supplementary capital accumulated from previous years' profits to purchase the Company's treasury shares in order to redeem them. The Company valuation represented by the price of Company shares does not reflect its actual or future value, and the current low share price is the result of the generally unfavorable situation and sentiments on the Warsaw Stock Exchange. The valuation of the development industry has also been affected by events in the U.S. mortgage loan market.

In the view of the Management Board, the purchase of treasury shares should help stabilize the share price, whose current low level is the effect of the factors described above as well as of a temporary stagnation in the housing market.

The planned purchase of shares in order to redeem them will stabilize the price and increase the amount of Company assets per share, which will certainly make Company shares more attractive and encourage investors to treat them as long-term investment.

The proposed dividend payment date is in line with projected Company cash flows, including financial surpluses from completed projects.