

The Management Board hereby informs that the following items have been placed on the agenda of the Company's Annual General Meeting of Shareholders for the following reasons:

1. Items 1 to 4 of the agenda are of organisational nature and are required to ensure the proper running of the General Meeting of Shareholders.
2. Item 5 of the agenda stems from the Company's internal regulations in force, in particular including the Regulations of the Company's General Meeting of Shareholders, the Supervisory Board Regulations and the corporate governance rules.
3. Item 6 of the agenda stems from the requirement set forth in the provisions of Art. 395 §2 item 1 of the Commercial Companies Code, 395 §5 of the Commercial Companies Code, provisions of §33 section 1 item 1 of the Company's Statutes and §2 section 2 item 1 of the Regulations of the Company's General Meeting of Shareholders.
4. Item 7 stems from the requirement set forth in item III.1.1 of the Good Practices of the Warsaw Stock Exchange (Appendix to Resolution 12/1170/2007 of the Stock Exchange Board of 4 July, 2007).
5. Item 8 of the agenda stems from the requirement set forth in the provisions of Art. 395 §2 item 1 of the Commercial Companies Code, 395 §5 of the Commercial Companies Code, Art. 53 section 1 and Art. 63c section 4 of the Accounting Act of 29 September 2004 (consolidated text: Journal of laws 2009 no. 152, item 1223 as amended thereafter), provisions of §33 section 1 item 1 of the Company's Statutes and §2 section 2 item 1 of the Regulations of the Company's General Meeting of Shareholders
6. Item 9 of the agenda stems from the generally applicable provisions of Art. 395 §5 of the Commercial Companies Code and Art. 55 section 2 of the Accounting Act.
7. Item 10 of the agenda stems from the requirement set forth in the provisions of 395 §2 item 3 of the Commercial Companies Code and §33 section 1 item 4 of the Company's Statutes.
8. Item 11 of the agenda stems from the requirement set forth in the provisions of 395 §2 item 3 of the Commercial Companies Code and §33 section 1 item 4 of the Company's Statutes.
9. Item 12 of the agenda stems from the requirement set forth in Art. 395 § 2 item 2 of the Commercial Companies Code and § 33 section 1 item 3 of the Company's Statutes.
10. Item 13 of the agenda reflects the intention of the Company's Management Board to create incentive mechanisms motivating the Board members, key personnel and associates of the Company and its subsidiaries in the meaning of Art. 3 section 1 item 39 of the Accounting Act to additional efforts ensuring long-term growth of the Company's value and good financial performance and the need to secure the stability of the Company's executive staff. It should also be noted that the need for a new incentive scheme results from the fact that 2010 is the last year of the current incentive scheme adopted by force of Resolution 18/2007 of the Annual General Meeting of Shareholders on 29 June, 2007.
11. Item 14 of the agenda is a consequence of the proposal for adoption of a new incentive scheme in the Company, the concept of which is based on the issue of free of charge warrants by the Company entitling their holders to take up new series L shares. Since offer is addressed to the key personnel and associates of the Company and its subsidiaries, it is necessary to exclude the subscription rights of the existing shareholders with regard to the subscription warrants and series L shares.

12. Item 15 of the agenda is a consequence of the proposal for adoption of a new incentive scheme for the key personnel and associates of the Company and its subsidiaries. The concept of the scheme is based on a conditional increase in the Company's share capital to enable the eligible individuals to take up the subscription warrants incorporating the right to take up series L shares and, subsequently, to take up series L shares, while the subscription rights of the existing shareholders shall be excluded.
13. Item 16 of the agenda is intended to authorise the Supervisory Board to introduce amendments to the Statutes following the increase in the Company's share capital under the conditional share capital increase procedure and the related issue of series L shares and to adopt the consolidated text of the Statutes taking into account the changes resulting from the conditional share capital increase. The possibility to delegate such powers to the Supervisory Board is provided for in Art. 430 §5 of the Commercial Companies Code and the rationale for the decision includes lower costs and a less time-consuming procedure of introducing amendments to the Statutes as a result of the conditional share capital increase.
14. Item 17 of the agenda is intended to enable the Management Board to carry out all the activities required by force of the legal regulations in force and provisions of the applicable organisational acts in the process of the conditional share capital increase and introduction of the issued series L shares to public trading.
15. Item 18 of the agenda is of organisational nature.

**Opinion of the Management Board
of LPP S.A. with a registered office in Gdańsk
on the distribution of net profit generated in the accounting year 2009**

The Management Board of LPP SA with a registered office in Gdańsk (the "**Company**") hereby recommends to the Annual General Meeting of Shareholders allocating the entire net profit generated by the Company in the accounting year 2009 in the amount of PLN 121,814,229.78 to the supplementary capital.

**Opinion of the Management Board
of LPP S.A. with a registered office in Gdańsk
of 14 May 2010**

on the rationale for exclusion of all existing subscription rights to Series L Shares, the issue price of the Shares and the free of charge offering of the Subscription Warrants

On 25 June 2010, the Annual General Meeting of Shareholders of LPP SA (the "**Company**") will be held in order to, among other things, adopt a resolution on the issue of not more than 15,000 (fifteen thousand) of registered Subscription Warrants ("**Subscription Warrants**"), on the conditional increase in the Company's share capital by not more than PLN 30,000 (thirty thousand) by way of issue of not more than 15,000 (fifteen thousand) series L ordinary bearer shares with a nominal value of PLN 2 (two) each ("**Series L Shares**"), on exclusion of the subscription rights of the existing Company shareholders and on the amendment of the Company Statutes.

The conditional share capital increase by way of issuing Series L Shares and Subscription Warrants entitling their holders to take up Series L Shares is intended to provide the Company with effective tools and incentive mechanisms to motivate the members of the Company Management Board and other key personnel members and associates of the Company and of other entities from the Company's Capital Group in the meaning of Art. 3 section 1 of the Accounting Act of 29 September, 1994 (consolidated text: Journal of Laws 2009 no. 152, item 1223 as amended thereafter) to undertake actions ensuring long-term growth of the Company's value and good financial performance, as well as, to secure the stability of the Company's senior management and executive personnel. It should be noted, that 2010 is the last year of the current incentive scheme adopted by force of Resolution no. 18/2007 of the Annual General Meeting of Shareholders of 29 June, 2007.

In the opinion of the Company Management Board, in the Company's current situation the implementation of a tool offering the key personnel members and associates a possibility to take up shares under the share capital increase process, is an optimum solution to motivate them to additional efforts in working towards the agreed targets, without threatening the Company's financial liquidity. Addressing the issue to the key personnel and associates of the Company is the reason justifying exclusion of all subscription rights to Series L Shares of the existing shareholders. The issue of Subscription Warrants entitling their holders to take up Series L Shares is meant to, on the one hand, postpone the potential remuneration of the individuals whose performance will, in the opinion of the Management Board and Supervisory Board, make them eligible for award of the rights and ensure stability of the highly-qualified executive staff and, on the other hand, facilitate admission of Series L Shares to public trading on the Warsaw Stock Exchange ("WSE"). The Subscription Warrants and Series L Shares will be offered on the basis of the incentive scheme regulations adopted by the Company's Supervisory Board. The Subscription Warrants will be offered to employees and associates of the Company and of other entities from the same Capital Group based on the performance evaluation versus the financial plans for the respective accounting year of the incentive scheme duration. The rights to take up the Subscription Warrants will be awarded by the Supervisory Board – to the members of the Management Board or by the Management Board – to all other participants of the incentive scheme. The initial list of eligible individuals will be drawn up by the authorities mentioned in the previous sentence on the basis of fulfilment of the terms for award of the Subscription Warrants by particular individuals, which shall include both the targets set for the entire Company (e.g. achievement of the financial plan, including the profit targets) and individual objectives (including the quality criteria regarding completion of specific tasks and loyalty criteria i.e. working for the Company for a specified period of time). Upon the expiry of the agreed settlement period, the Supervisory Board will define the number of Subscription Warrants and the number of Series L Shares which will be offered to the eligible individuals. The Management Board and the Supervisory Board will assess fulfilment of the terms for award of the securities by the eligible individuals. The Subscription Warrants taken up will be deposited with the Company. The entitlement to take up Series L Shares can be revoked in the event of a gross breach of the obligations arising under the employment contract or a civil law agreement governing the relationship between the Company or a subsidiary of the Capital Group and the eligible individual, termination of such a contract or agreement etc. In the event of a loss of entitlement by a particular individual, the related shares can be distributed among all other eligible individuals. In the opinion of the Management Board, the incentive scheme of the above described structure will constitute an effective tool for the implementation of a policy of long-term growth of the Company's value. This objective is certainly also of key importance to all groups of the Company's shareholders, since its achievement will result in the growth of value of the Company's shares issued earlier.

Subscription Warrants entitling their holders to take up Series L Shares will be issued free of charge. The purpose of the issue of Subscription Warrants is to enable taking up Series L Shares by eligible individuals under the incentive scheme which is supposed to be a form of reward and a financial incentive motivating to additional efforts supporting the Company's development, as well as to facilitate the subsequent listing of Series L Shares on the Warsaw Stock Exchange. Hence, the free of charge award of the Subscription Warrants seems fully justified.

The value of the issue price of Series L Shares will be equal to their nominal value. Such a price is supposed to incentivise the eligible individuals to undertake additional actions and efforts aimed at growing the Company's value and, consequently, the market value of the securities and the resulting financial reward to the eligible individuals.

Due to the reasons described above, depriving the existing shareholders of all subscription rights to Series L Shares is justified from the economic point of view and lies in the best interest of the Company. Furthermore, the issue price of Series L Shares and the free of charge allocation of the Subscription Warrants are also warranted.

In view of the above, the Management Board recommends the Annual General Meeting of Shareholders voting in favour of the resolution on the issue of the Subscription Warrants, conditional share capital increase, exclusion of the subscription rights of the existing shareholders and amendments to the Company Statutes.”