

## **Polimex-Mostostal has signed a restructuring agreement**

12/22/2012



Negotiations with the Creditors of Polimex Mostostal have been successfully completed – on December 21, 2012, an Agreement Relating to Granting Financing was signed (the so-called restructuring agreement)

This is a milestone in the conscientiously applied repair process saving the company from bankruptcy.

By the end of January 2013, the Company expects decapitalization by the Industrial Development Agency

Key provisions of the restructuring agreement include among others:

conducting capital increases adopted by the Extraordinary General Meeting (conversion of bonds into shares and issuing shares to the investor - IDA and the issuance of shares with pre-emptive rights),  
postponing repayment of bonds not converted into shares by the end of 2016, maintaining credit lines at the current level and postponing repayment until the end of 2016 and determining the conditions of obtaining bank guarantees for the implementation of existing and new contracts,  
gaining at least PLN 600 million income from the sale of assets not related to the core business of the Company by the end of 2015,  
reducing the Company's operating costs by a total amount of at least PLN 300 million by the end of 2015.

Under the formal terms the Company expects to obtain funds for the issue of shares for IDA in the amount of PLN 150 million by the end of January 2013.

In parallel, the Company has been consistently and rapidly implementing

operational restructuring aimed at significant reduction of costs and improving contract management. In addition, in the coming months, the Company will continue the process of selling assets not related to the core activities.

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