Polimex-Mostostal SA has signed a historic contract of the value exceeding PLN 11.5 bln for the execution of two power units in Elektrownia Opole

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Today, i.e. 15 February 2012 the Management Board of Polimex-Mostostal SA signed a material contract for the construction of two power units No. 5 and No. 6 of 2 x 900 MW power capacity in Elektrownia Opole in the ‘turn-key’ system.

PGE Elektrownia Opole SA is the Ordering Party.

The contract amounts to:

PLN 9,397,000,000.00 net;
PLN 11,558,310,000.00 gross.
The contract is being executed in the EPC formula (Engineering, Procurement, Construction – design, delivery, construction, start-up and commissioning as well as repair and maintenance service during the guarantee period).

Unit No. 5 will be constructed within 54 months whereas unit No. 6 within 62 months from the date of issue of a notice to proceed by the Ordering Party.

The Contract is to be executed by a consortium of the following companies:

Rafako S.A. – Consortium leader,

Polimex-Mostostal SA - partner,

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The share of Polimex-Mostostal in the consortium amounts to 41.77% (PLN 4 billion 828 million gross).

The main scope of works of Polimex-Mostostal includes the construction of turbine islands with infrastructure. Furthermore, the Company is to execute the electrical installations with control and measurement instruments as well as automatic devices. It will also participate in design works.

Polimex-Mostostal, being a national leader in the execution of industrial

investments, has been developing its activity in the power engineering sector for many years. It has adequate competences and experience and, what is more, it is capable of comprehensive execution of large power-engineering projects.

Polimex-Mostostal has executed in the ‘turn-key’ system many buildings in Poland and EU for the professional, industrial and municipal power engineering. The scope of the bid made by Polimex-Mostostal includes the organization and execution of investment projects, commissioning and rendering maintenance and repair services.

While preparing to the execution of the aforementioned activities, Polimex-Mostostal has been successively improving its potential related to execution and designing in this sector, i.a. by the incorporation of enterprises from this sector to its structure, e.g. Zakłady Remontowe Energetyki Warszawa (ZREW), Zakłady Remontowe Energetyki Lublin (ZRE-Lublin), Zakłady Remontowe Energetyki Kraków (ZRE-Kraków), Energomontaż-Północ, ECeRemont and EPE Rybnik as well as by developing its output capacity in Sefako - a company of the Polimex-Mostostal Group, and by establishment of the Design Centre of Polimex-Mostostal in Gliwice.

- The Polish power engineering sector requires large investments resulting from the necessity of adjusting to the EU requirements (in the field of gas emission), improving efficiency and increasing output. Polimex-Mostostal is planning to participate in the execution of this task to a great extent - explains Konrad Jaskóła, President of the Management Board of Polimex-Mostostal S.A.

- Predicting the investment boom in the power engineering sector, Polimex-Mostostal has been executing activities resulting in establishment of the organization capable of executing large projects in the power engineering industry. Polimex-Mostostal is prepared to perform the function of a general contractor in the ‘turn-key’ system or of a member of the consortium in contracts for the execution of large power units for various fuels - informs President Jaskóła.

- The decision on the commencement of the investment in Elektrownia Opole has a great significance for the development of the Polish power engineering sector. We signed this historic contract with great satisfaction. The decision made by the Management Board of

Elektrownia Opole is the crowning achievement of our over 2-year intensive work and preparation for this project - adds Jaskóła.

- We have placed bids for another power engineering projects and, assessing our capabilities, staff and employees, we are not thinking of withdrawing our bids and, what is more, we believe that contracts will be awarded to our Company and we are convinced that we are able to execute them both as a consortium member and an independent contractor - concludes President.

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