

**Current report no. 79/2012**

Date prepared: 21.09.2012

Issuer's abbreviated name:

POLIMEX-MOSTOSTAL

Subject:

**Establishment of joint mortgages on real properties owned by the Company and its subsidiary companies**

Legal basis:

Article 56 (1) (2) of the Act on Public Offering – current and periodic information

The Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw at ul. Czackiego 15/17 (hereinafter referred to as the '**Company**') hereby informs that in connection with the granting a performance bond on 21 September 2012 by Powszechna Kasa Oszczędności Bank Polski S.A. (hereinafter referred to as '**PKO BP**'), at the request of the Company, for the maximum value of PLN 268,140,000.00, regarding the performance by the Company of the construction design of a power unit for supercritical parameters, inclusive of auxiliary systems and structures, of the net output of 1,075 MW, in Świerże Górne (hereinafter referred to as the '**Kozienice Performance Bond**'), the Company and its following subsidiary companies: Polimex-Development Kraków sp. z o.o., Polimex-Mostostal Development sp. z o.o. and BR DEVELOPMENT sp. z o.o. (hereinafter jointly with the Company referred to as the '**Companies**') on 21 September 2012 entered into an agreement with PKO BP regarding establishment of joint mortgages with a view to securing receivables of PKO BP under the Kozienice Performance Bond, and a commission contract pursuant to which the bond was issued. Joint mortgages were established on the Company's land, perpetual usufruct rights to land (inclusive of buildings and devices located there), and interests in the said rights (hereinafter jointly referred to as the '**Real properties**'). As of 31 August 2012, the total book value of the Real properties to be mortgaged amounted to PLN 558.1 million.

There are no relationships between the Company, the Subsidiary Companies, members of the Management Board or the Supervisory Board thereof and PKO BP in favour of which the mortgages were established or members of the Management Board thereof.

The basis for preparing this current report is the fact that the assets mortgaged are material assets (their value exceeds 10% of the Company's equity capital) and that the value of the mortgages established exceeded the equivalent of EUR 1 million converted in accordance with the average exchange rate of the National Bank of Poland as of the mortgage establishment date.

**Signatures of persons representing the Company:**

Robert Kosmal                      – Head of M&A Department