

Current report no. 32/2016

Date prepared: 01.06.2016

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Disclosure of information about an increase in costs related to the construction of the new supercritical power unit with a capacity of 1075 MW in the "Kozienice" Power Station.

Legal basis: Article 56 (1)(1) of the Act on Public Offering - confidential information

The Management Board of Polimex-Mostostal S.A. having its registered address in Warsaw at al. Jana Pawła II 12 (hereinafter referred to as the "Company") hereby informs that, after having performed internal analyses and having commissioned an external entity to conduct a technical audit of the construction of the new supercritical power unit with a capacity of 1075 MW in the "Kozienice" Power Station (**hereinafter referred to as the "Kozienice Project"**) executed by the Company acting in the capacity of the general contractor, the Company has identified a number of technical risks related to the Kozienice Project and estimated costs resulting from such risks. The Company estimates an increase in total costs related to the aforementioned risks resulting from the Kozienice Project at about PLN 130 million. The Company is currently analysing the impact of the abovementioned information on the financial condition of the Company, and, in particular, is determining how the foregoing risks are going to influence the financial results of the Company.

Signatures of persons representing the Company:

Joanna Białas – Disclosure Requirements Fulfilment Coordinator