

Current report no. 44/2016

Date prepared: 14.07.2016 r.

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Execution of a letter of intent

Legal basis: Article 17(1) of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

The Management Board of Polimex-Mostostal S.A. having its registered address in Warsaw (hereinafter referred to as the "**Company**") hereby informs that Polimex Energetyka Sp. z o.o. (a subsidiary of the Company) (hereinafter referred to as "**PE**") and Rafako S.A. having its registered address in Racibórz (hereinafter referred to as "**Rafako**") have today executed a letter of intent expressing their will to cooperate in the scope of: (i) joint participation in a possible tender procedure concerning the expansion of energetic power capacities in the Ostrołęka Power Station (hereinafter referred to as the "**Project**") and (ii) performance of works as part of the agreement that will be concluded in the event the PE-Rafako consortium is awarded a public procurement contract covering the Project on the conditions and within the time limits specified in that agreement (hereinafter referred to as the "**LOI**").

The Parties intend to participate in the Project as a consortium. In the consortium agreement, the Parties will indicate the detailed extent of contribution to the preparation of a tender as well as scope of works for each Party, the terms and conditions on which each Party should use its potential or issue reference letters etc. In the event the Parties sign the consortium contract, PE will act as the leader of the consortium and as the contractor of assembly and building works at the stage of Project implementation; Rafako will act as a participant in the consortium and, at the stage of Project implementation, also as the contractor of technological works (without the turbine island), the detailed scope of which will be indicated in the agreement.

The LOI is executed and enters into force upon its signing by the Parties.

Signatures of persons representing the Company:

Joanna Białas – Disclosure Requirements Fulfilment Coordinator