

Current report no. 46/2011

Date prepared: 19.07.2011

Issuer's abbreviated name:
POLIMEX-MOSTOSTAL

Subject:

Conclusion of agreements with Bank Millennium S.A.

Legal basis:

Article 56 (1) (1) of the Act on Public Offer – confidential information

The Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw at ul. Czackiego 15/17, with reference to report no. 80/2010 dated 4 October 2010, hereby informs that on 18 July 2011 it concluded with Bank Millennium S.A. an annex to the Factoring Agreement reducing the service limit from the amount of PLN 83,300,000 to the amount of PLN 76,300,000.

Moreover, on 18 July 2001 there were concluded two further agreements with Bank Millennium S.A. that extend the factoring cooperation between the Company and the Bank:

1. a factoring agreement with a limit at the level of PLN 36,700,000 to repurchase receivables due to the Company from the Municipality of Cracow, with the maximum clearing period expiring on 30 September 2014,
2. a reverse factoring agreement with a limit at the level of PLN 22,000,000 to repurchase receivables due to the suppliers of the Company from the Issuer. The maximum repayment term has been set to be 180 days of the date of arousal of the supplier's liabilities towards the Company.

The Parties have agreed that the total exposure under the agreements provided for in subparagraphs 1 and 2 hereinabove may not exceed the amount of PLN 36,700,000.

Total, maximum limit of exposure under the factoring service, made available by Bank Millennium S.A. to Polimex-Mostostal S.A., comprising a package of the foregoing agreements and the factoring agreement of which the Company informed current report no. 90/2010 dated 25 November 2010, currently amounts to PLN 263,000,000.

Commission and securities with respect to the factoring agreements have been agreed upon on arm's length terms.

The value of the Issuer's equity capital has been assumed to be the criterion for considering the agreements to be material.

Signatures of persons representing the Company:

Grzegorz Szkopek - Vice-President of the Management Board