

**Current report no. 50/2012**

Date prepared: 12.07.2012

Issuer's abbreviated name:  
POLIMEX-MOSTOSTAL

Subject:

**Decision on commencing negotiations with the Company's financial creditors**

Legal basis:

Article 56 (1) (1) of the Act on Public Offering – confidential 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 of the Company, having made a decision on commencing negotiations with all the Company's financial creditors on 11 July 2012, including, in particular, banks and bondholders holding bonds issued by the Company, with respect to an agreement on concurrent extension of the terms of repayment of the Company's financial liabilities resulting from the loans contracted and with respect to issuing by the Company of new bonds to be used for refinancing the bonds issued by the Company to date.

Commencement of negotiations has primarily resulted from the forthcoming and concurrent due dates of repayment of the Company's financial liabilities as well as from the high level of investment of the Company's own resources in the performance of road-related contracts.

The objective of the negotiations commenced is to conclude an agreement with the Company's financial creditors with respect to suspension of execution of the Company's financial liabilities for a period of four months. During that period, the Company is planning to reach an agreement with the financial creditors with respect to amending the terms of funding granted to the Company, including, in particular, deferred repayment of debt and revised levels of financial indicators which the Company will be obliged to observe.

The Company informs that it has employed UniCredit CAIB Poland, Dom Maklerski PKO BP and ING Securities to perform the role of the Company's financial advisors in connection with the planned reorganisation of its financial liabilities, and Weil, Gotshal & Manges Law Office to perform the role of the Company's legal counsellor in that respect.

At the same time the Company declares that commencing negotiations with entities financing the operation of the Company shall not affect fulfilment of the Company's commercial obligations, in particular towards sub-contractors and suppliers, which shall be fulfilled in accordance with the adopted schedules and current practices.

**Signatures of persons representing the Company:**

Wojciech Wilomski                      - Corporate Governance Office Director