

POLIMEX – MOSTOSTAL S.A.

Current report no. 50/2011

Date prepared: 18.08.2011

Subject: Conclusion of a material contract by a subsidiary company of the Issuer

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

Report content:

The Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw at ul. Czackiego 15/17 informs that on 18 August 2011, a subsidiary company of the Issuer, operating under the name of TORPOL Sp. z o.o. with its registered seat in Poznań, as a Consortium Leader of the following companies: TORPOL Sp. z o.o., Astaldi S.p.A. with its registered office in Rome, Przedsiębiorstwo Usług Technicznych INTERCOR Sp. z o.o. with its registered office in Zawiercie and Przedsiębiorstwo Budowy Dróg i Mostów Sp. z o.o. with its registered office in Mińsk, has obtained the information on the conclusion of a contract for “Modernisation of Warszawa-Łódź railway line, stage II, LOT B2 - Łódź Widzew – Łódź Fabryczna section including the Łódź Fabryczna station and the construction of the underground part of the Łódź Fabryczna railway station for departures and arrivals of trains as well as passenger service. Rebuilding of the road layout and infrastructure surrounding the multimodal Łódź Fabryczna railway station - the construction of the integrated interchange junction over and below Węglowa Street”.

The contract price, the Parties thereto are: PKP Polskie Linie Kolejowe S.A. with its registered office in Warsaw, the City of Łódź and Polskie Koleje Państwowe [*Polish State Railways*] S.A. with its registered office in Warsaw, as an Ordering Party and the aforementioned Consortium, as a Contractor, for the whole Consortium amounts to PLN 1,430,316,627.41 net.

The estimated scope of the works to be executed by TORPOL Sp. z o.o., the Consortium Leader, is 40%.

Execution period: 42 months of the commencement date.

Defect liability period amounts to 3 years whereas the warranty period lasts 5 years.

All the consortium partners shall be held jointly and severally liable for the performance of the Contract.

The maximum value of contractual penalties is 30% of the contract price (gross price), the Ordering Party may, however, seek supplemental compensation if the damage exceeds the aforementioned value of contractual penalties;

The value of the Issuer's equity capital;

Since the last report, in which the conclusion of the contract with this recipient was announced (no. 19/2011), Torpol Sp. z o.o. has concluded with PKP Polskie Linie Kolejowe S.A. four contracts, the biggest one of which is the contract described above. The total value of the aforementioned contracts for the whole consortium amounts to PLN 1,453,537,865.41 net, of which PLN 594,717,888.96 net falls to Torpol Sp. z o.o.