

Current report No. 57/2012

Date prepared: 06.08.2012

Issuer's abbreviated name
POLIMEX-MOSTOSTAL

Subject:

Creation of joint mortgages on properties of the Company and its subsidiary companies

Legal basis:

Art. 56 (1) (2) of the Act on Public Offering – current and periodic information

The Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw at ul. Czackiego 15/17 (the "**Company**") informs that in order to enforce the provisions of the agreement of 24 July 2012 regarding refraining from enforcement of the Company's liabilities, ("**Agreement**") concluded between the Company and the following banks: Bank Polska Kasa Opieki S.A., Powszechna Kasa Oszczędności Bank Polski S.A., ING Bank Śląski S.A., Bank Ochrony Środowiska S.A., Kredyt Bank S.A., Bank Gospodarki Żywnościowej S.A., Bank Millennium S.A., Bank DnB Nord Polska S.A., Deutsche Bank S.A., BNP Paribas Bank Polska S.A., BRE Bank S.A., Raiffeisen Bank Polska S.A., Svenska Handelsbanken AB S.A. Branch Office in Poland, RBS Bank (Polska) S.A. as well as Credit Agricole Corporate and Investment Bank S.A. Branch Office in Poland (hereinafter jointly referred to as the "**Banks**") as well as the bondholders holding bonds issued by the Company for the total nominal value of PLN 392 million (hereinafter referred to as the "**Bondholders**"), the Company and the following subsidiary companies: Polimex-Development Kraków sp. z o.o., Polimex-Mostostal Development sp. z o.o. and BR DEVELOPMENT sp. z o.o. (jointly with the Company referred to as "**Companies**") concluded on 3 August 2012 agreements on creating joint mortgages in order to secure debt due to:

- a) each of the Banks (excluding Credit Agricole Corporate and Investment Bank S.A. Branch Office in Poland arising from credit agreements, agreements on granting guarantees, claims towards the Company with regard to surety;
- b) each of the Bondholders (excluding the bondholder that holds 10 bonds of the Company with a total nominal value of PLN 1 million) resulting from the bonds held; and
- c) the banks BPH S.A. and DZ Bank Polska S.A., which have submitted a statement on refraining from enforcement of the Company's liabilities, resulting from credit agreements covered by the settlements reached between the Companies on, respectively, 27 July 2012 and 31 July 2012 (jointly with entities listed in point a) and b) referred to as the "**Creditors**").

Joint mortgages have been created on the Company's land properties, rights of perpetual usufruct of land (including the ownership of buildings and equipment situated therein) as well as interests in these rights, located in the following cities: Katowice, Kraków, Nowy Dwór Mazowiecki, Opole, Warszawa, Siadło Dolne, Bielkowo and Ustroń (jointly referred to as the "**Properties**"). The total book value of the encumbered Properties amounts to PLN 253,7 million.

The total value of receivables secured by mortgages due to the Creditors amounts to PLN 2,562.5 million.

No connection exists between the Company and Subsidiary Companies, their Managers or Supervisors and the Creditors, in favour of which the mortgage have been created as well as their Managers.

The basis for issuing the current report is the fact that assets, for which the mortgages have been created, are of the substantial value (their value exceeds 10% of the Company's equity capital) and the value of the created mortgages exceeded the equivalent of EUR 1 million converted according to the average exchange rate of the National Bank of Poland as of the day of creating mortgages.

Signatures of persons representing the Company:

Grzegorz Szkopek - Vice-President of the Management Board