

Current report no. 58/2011

Date prepared: 04.10.2011.

Issuer's abbreviated name:
POLIMEX-MOSTOSTAL

Subject:

Conclusion of a material contract

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 informs that on 3 October 2011 the Company and the City of Katowice concluded a contract for the 'Construction of a multifunctional building of the International Congress Centre (Międzynarodowe Centrum Kongresowe, MCK) in Katowice'.

Total value of the contract which will be executed during the period from 03.10.2011 to 31.05.2013 amounts to PLN 205,438,232.16 net.

The Parties have agreed upon the following financial securities:

- a performance bond for the amount constituting 3% of the gross value of the contract, i.e. PLN 7,580,670.77, valid until 31.05.2013,
- a retention bond for the amount constituting 0.9% of the gross value of the contract, i.e. PLN 2,274,201.23, valid until the expiry of the 5-year warranty period starting on the date of the final acceptance inspection of the works.

Moreover, the Parties have agreed that in the event of a delay in the execution of the subject matter of the Contract the Contractor shall pay the Investor a contractual penalty in the amount of PLN 100,000.00 per each completed day of delay, and the total amount of contractual penalties shall not exceed 10% of the gross value of the contract.

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

Signatures of persons representing the Company:

Grzegorz Szkopek - Vice-President of the Management Board