

Current report no. 7/2016

Date prepared: 12.02.2016

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Transfer of an organised part of the business of Polimex-Mostostal S.A. onto a subsidiary company, Mostostal Siedlce Sp. z o.o., Sp.k.

Legal basis: Article 56 (1) (1) of the Act on public offering – confidential information

The Management Board of Polimex-Mostostal S.A. having its registered address in Warsaw at ul. Jana Pawła II 12 (hereinafter referred to as the '**Company**' or as the '**Issuer**') hereby informs that in the course of implementation of Resolution no. 7 of an Ordinary General Meeting of the Issuer, dated 4 December 2014, and Resolution no, 134/XI of the Supervisory Board of the Issuer, dated 2 December 2015, on 12 February 2016 the Company entered into an agreement regarding contribution in kind of an organised part of the business of the Issuer (hereinafter referred to as the '**OPB**' and the '**Agreement**'), pursuant to which the OPB was disposed of and transferred onto Mostostal Siedlce Sp. z o.o. Sp. k. (hereinafter referred to as '**Mostostal Siedlce**') – a subsidiary company of the Company, with a view to increasing the Company's interest in Mostostal Siedlce by PLN 165,057,742.93.

The OPB constitutes an organised part of the Issuer's business, located in Siedlce, covering an organised set of tangible and intangible assets, designed to carry out business operations with respect to, inter alia, load bearing structures and enclosures designed for the industrial construction sector, as well as platform crates, shelving systems, building formwork and scaffolding elements, and completion of anti-corrosive protection work. The OPB comprises individual sections, divisions and departments carrying out activities required to carry out the aforementioned business operations (inclusive of, in particular, the Steel Structure Acquisition Section, the Pallet Unit, the Platform Crate Export Unit, the Platform Crate Domestic Unit, the Galvanising Services Acquisition Unit, the Tendering and Calculation Unit, the Procurement Department, the Preparation and Material Management Unit, the Material Warehouse Unit, the Branch Track Unit, the Forwarding Department, the Ready Products Warehouse Unit, the Manufacturing Section, the Steel Structure Manufacturing Department, the Operations Planning Division, the Cooperation Unit, the Technological Department, the Steel Structure Manufacturing Division, the Platform Crate Manufacturing Department, the Operations Planning Division, the Construction Division, the Platform Crate Manufacturing Division, the Anti-Corrosive Protection Department, the Operations Planning Division, the Technical Division, the Galvanising Plant Division, the Paintshop Division, the Maintenance and Investments Division), and organisationally, financially and functionally separate within the internal organisational structure set of tangible and intangible assets, liabilities, rights and obligations under agreements executed, and employees constituting the personnel of the Manufacturing and Service Section, inclusive of:

- (a) tangible fixed assets, intangible and legal assets;
- b) ready goods and materials;

- c) tools;
- d) office equipment;
- e) receivables and liabilities arising from the OPB;
- f) intangible and legal assets not provided for in the books of intangible and legal assets;
- g) agreements related to the business operations carried out;
- h) liabilities under agreements;
- i) cash;

Moreover, the OPB comprises machinery and equipment, inventory, receivables, cash, commercial liabilities, and employees.

Estimated value of the OPB was determined as of the date of execution of the foregoing Agreement to amount to PLN 165,057,742.93 (cost of the contribution in kind). Should the composition or the cost of individual components of the OPB, or of the assumed liabilities identified as a result of revaluation following the date of entry into the Agreement, provide for differences with respect to relevant items provided for in the Agreement, the Agreement shall be amended in terms of the components and the value of the OPB, and the assumed liabilities, pursuant to revaluation and final closing balance.

Signatures of persons representing the Company:
Joanna Białas – Disclosure Requirements Coordinator