

Current report No. 76/2012

Date prepared: 20.09.2012

Issuer's abbreviated name
POLIMEX-MOSTOSTAL

Subject:

Expiration of a material contract

Legal basis:

Art. 56 sec. 1 item 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 hereby informs that on 19 June 2012 they took a decision on postponement until 19 July 2012 (on 19 July 2012 the date was postponed until 16 August 2012, and on 16 August 2012 it was again postponed until 31 August 2012) of making public information on the conclusion on 18 June 2012 of a contract with Toshiba International (Europe) Ltd for the 'Design and delivery of two machine islands, inclusive of supervision over installation and start-up' for PGE Opole units 5+6.

Remuneration regarding the execution of the subject matter of the Contract amounts to PLN 1,900,000,000.00 (one billion, nine hundred million) net. The Parties have agreed that the limits of contractual penalties for delays in the execution of the subject matter of the Contract and failures to comply with technical parameters will amount to 15% of the net contractual remuneration, whereas the total limit of contractual penalties will amount to 25% of the net contractual remuneration. The Contract was concluded on condition that the of execution of the subject matter of the Contract will commence following Polimex-Mostostal S.A. issuing a Notice to Proceed.

On 31 August 2012, due to non-fulfilment of the prerequisites for the issue of the Notice to Proceed, the Contract expired. Neither Party shall be held financially liable with regard to the expiration of the Contract.

Postponement of making the information public resulted from the fact that the Issuer was conducting negotiations aimed at fulfilment of the prerequisites for works commencement which eventually were not fulfilled, hence there is a need to conduct negotiations with other partners.

Signatures of persons representing the Company:

Wojciech Wilomski - Director of the Corporate Governance Office