

## **Current report No. 8/2012**

Date prepared: 15.02.2012

Issuer's abbreviated name  
POLIMEX-MOSTOSTAL

Subject:

### **Conclusion of a material contract with PGE Elektrownia Opole S.A.**

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 informs that as a member of the Consortium consisting of: Rafako S.A. (Leader) with its registered office in Racibórz, Polimex-Mostostal S.A. with its registered office in Warsaw and Mostostal Warszawa S.A. with its registered office in Warsaw (hereinafter referred to as General Contractor), on 15 February 2012 it concluded a contract with PGE Elektrownia Opole S.A. with its registered office in Bełchatów (the Ordering Party), the subject matter of which is design and delivery, performance of construction works, assembly, start-up and all related services, in the 'turn-key' system, of a facility consisting of a power unit No. 5 and power unit No. 6 in the power plant PGE Elektrownia Opole S.A. with equipment and fittings as well as related buildings and structures.

Pursuant to the terms and conditions of the Contract, the General Contractor shall be obliged to perform the ordered works within 54 (fifty four) months from the date of issue of a notice to proceed with regard to the power unit No. 5 and within 62 (sixty two) months from the date of issue of a notice to proceed with regard to the power unit No. 6.

The total value of the Contract amounts to PLN 9,397,000,000.00 net and the gross value of the Contract amounts to PLN 11,558,310,000.00.

The total limit of contractual penalties to be paid to the Ordering Party by the General Contractor if it fails to complete the works on time and to fulfil given performance guarantees shall not exceed 30% (thirty per cent) of the price of the power unit No. 5 or the power unit No. 6, and the aggregate amount of contractual penalties for the failure to complete works on the scheduled time shall not exceed 15% of the price of the power unit No. 5 or the power unit No. 6 whereas the aggregate amount of contractual penalties for the failure to fulfil given performance guarantees shall not exceed 15% of the price of the power unit No. 5 or the power unit No. 6 including contractual penalties for availability, but the aggregate amount of contractual penalties for availability shall not exceed 5% of the price of the power unit No. 5 or the power unit No. 6.

In the case of non-performance or improper performance of the Contract in respect of failure to fulfil given performance guarantees or to complete the works on the scheduled time, the payment of contractual penalties imposed for these reasons by the General Contractor as a rule shall exclude the possibility of claiming damages on a general basis, exceeding the contractual penalties due. Nevertheless, the Contract takes into consideration cases, when the rule in question is excluded and the Ordering Party may seek damages on a general basis exceeding the contractual penalties due.

After conclusion of the Contract, the Parties concluded an additional contract and pursuant to its provisions, if the Contract becomes invalid following the acknowledgement of the complaint of Alstom Consortium by the Regional Court in Łódź, each Party shall return to the other Party any money the other Party has paid to it, for instance, the General Contractor shall return the amount of the advance payment to the Ordering Party.

Furthermore, after the conclusion of the Contract, the Parties have concluded an Annex No. 1 to the Contract, in which they limited the risk of each Party related to the complaint lodged by Alstom Consortium to the Regional Court in Łódź and to the sentence of the Voivodeship Administrative Court in Warsaw that reversed the decision concerning the environmental conditions related to the permit for the performance of the project.

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:**

Wojciech Wilomski                      Director of the Corporate Governance Office