

Current report no. 218/ 2014

Date prepared: 22.12.2014

Issuer's abbreviated name: POLIMEX-MOSTOSTAL

Subject: Decision not to implement some of the principles of corporate order of the Warsaw Stock Exchange

Legal basis: Art. 56 sec. 1 item 1 of the Act on Public Offering – confidential information

The Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw at ul. Młynarska 42, 01-171 Warsaw ("the Company"), acting pursuant to § 29 sec. 3 of the Warsaw Stock Exchange Regulations, hereby informs that the Company has decided not to implement the following principles of corporate order provided for in the "Code of Best Practice for WSE Listed Companies", which constitutes an annex to the Resolution no. 19/1307/2012 of the Supervisory Board of the Warsaw Stock Exchange dated 21 November 2012 ("**Principles of Corporate Order**"):

I. Part I - Recommendations regarding best practice of listed companies

1. Part I (1) of the Principles of Corporate Order: The wording of the principle:

"A company should pursue a transparent and effective information policy using both traditional methods and modern technologies and latest communication tools ensuring fast, secure and effective access to information. (...)" – in so far as it concerns broadcasts of the Company's General Meetings with the use of the Internet, recording General Meetings and publishing the recordings on the Company's website.

Justification:

Given its past experience regarding the organisation and the course of General Meetings, which has revealed there is no need for such broadcasts, the Company does not plan to broadcast its General Meetings with the use of the Internet. The Company does not exclude the possibility of implementing this principle in the future, once adequate technical possibilities arise and appropriate expenditures are undertaken.

2. Part I (12) of the Principles of Corporate Order: The wording of the principle:

"A company should enable its shareholders to exercise the voting right during a General Meeting either in person or through a plenipotentiary, outside the venue of the General Meeting, using electronic communication means."

Justification:

The Company does not enable its shareholders to exercise the voting right during a General Meeting using electronic communication means due to the fact that currently the Company's Articles of Association does not include provisions enabling shareholders to participate in a General Meeting and exercise the voting right using electronic communication means. In the opinion of the Company, introducing the possibility of exercising the voting right using electronic communication means is not yet sufficiently widespread; at the same time, it entails a risk of organisational-technical nature – the possibility of challenging the adopted resolutions due to technical failures. Once the abovementioned principle becomes more widespread, the Management Board of the Company will consider implementing it.

II. Part II - Best practice implemented by the management boards of the listed companies

1. Part II (1) (7) of the Principles of Corporate Order: The wording of the principle:

"A company should operate a corporate website and publish on it, in addition to information required by legal regulations, shareholders' questions on issues on the agenda submitted before and during a General Meeting together with answers to those questions, (...)" – in so far as it concerns publishing shareholders' questions submitted during General Meetings and answers to those questions.

Justification:

This principle is partly implemented by the Company, as the Company maintains a corporate website and publishes on it information required by legal regulations as well as shareholders' questions submitted before a General Meeting of the Company together with answers to those questions. This principle is not implemented in so far as it concerns shareholders' questions regarding issues included in the agenda and submitted during a General Meeting together with answers to those questions, due to the fact that the Management Board does not record General Meetings. The Company publishes on the Company's website draft resolutions before a General Meeting as well as the texts of the resolutions adopted by a General Meeting.

2. Part II (1) (9) of the Principles of Corporate Order: The wording of the principle:

"A company should operate a corporate website and publish on it, in addition to information required by legal regulations, a record of the General Meeting in audio or video format, (...)"

Justification:

The Company does not plan to publish on its website recordings of General Meetings due to related costs as well as past experience regarding the organization and the course of General Meetings, which has not revealed the need for such recordings. The Company does not exclude the possibility of implementing this principle in the future, once adequate technical possibilities arise and appropriate expenditures are undertaken.

III. Part IV - Best practice implemented by shareholders

Part IV (10) of the Principles of Corporate Order:

The wording of the principle:

"A company should enable its shareholders to participate in a General Meeting using electronic communication means through: (i) real-life broadcast of General Meetings; (ii) real-time bilateral communication where shareholders may take the floor during a General Meeting from a location other than the General Meeting."

Justification:

The Company does not plan to publish on its website recordings of General Meetings due to related costs as well as past experience regarding the organization and the course of General Meetings, which has not revealed the need for such recordings.

Signatures of persons representing the Company:

Ewa Ciborowska - Director of Management Board Service and Legal Advise