

Current report No. 42/2014

Date prepared: 31.03.2014

Issuer's abbreviated name:

POLIMEX-MOSTOSTAL S.A.

Subject: Disposal of an organized part of the enterprise

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

The Management Board of Polimex-Mostostal S.A. with the registered office in Warsaw ("the Company") informs that on 31 March 2014 TMT TRADING spółka z ograniczoną odpowiedzialnością spółka komandytowa with the registered office in Rudnik nad Sanem, KRS [National Court Register Number] 0000425532 ("**the Buyer**") concluded with the Company a preliminary contract for selling an organized part of Polimex-Mostostal S.A, i.e. Zakład Konstrukcji Stalowych in Rudnik nad Sanem ("**Zakład**"). The line of business of Zakład is the production of steel structures.

Sale price of Zakład amounts to: PLN 7,450,000.00 (seven million four hundred fifty thousand zlotys) assuming that the book value of the stock of Zakład agreed by the Parties as of the day of conclusion of promised sale contract of Zakład ("**the Closing Date**") with the possibility of correcting it accordingly within the scope agreed by the Parties if the value of the stock of Zakład proves to differ from the value agreed by the Buyer and the Company.

Conclusion of promised sale contract of Zakład shall take place no later than 30 September 2014 and is dependent on the fulfilment of the following conditions precedent:

1. obtaining consent from the President of the Office of Competition and Consumer Protection or the occurrence of an event equivalent to the consent of the President of the Office of Competition and Consumer Protection for the concentration resulting from the execution of sale contract of Zakład,
2. payment by the Buyer prior to the Closing Date of the sale price (reduced by the amount of the advance payment paid on the escrow account upon conclusion of the preliminary contract) on the escrow account; and
3. obtaining by the Company the individual interpretation of tax regulations confirming that the sale of an organized part of the enterprise is not subject to VAT taxation (or occurrence of an event equivalent to such interpretation), and
4. providing the Buyer with:
 - a) declaration with respect to waiving mortgages encumbering the real property constituting the subject of the sale together with petition for removal of these mortgages from the land and mortgage register or order of a competent court confirming removal of the mortgages from the land and mortgage register of the real estate of Zakład, and
 - b) declaration on the basis of which the creditors will agree directly or through the administrator of the lien on the enterprise of the Company (to the extent that it encumbers the elements of Zakład) to exclude the elements of an organized part of the enterprise being subject to lien from the object of a lien together with application for amendment of the entry for such lien with respect to releasing/striking from encumbrance of the elements of Zakład or order of a competent court with respect to changing the object of the lien through releasing/striking from encumbrance of the elements of Zakład;
5. obtaining by the Parties certificates of tax office and Polish Social Insurance of the content agreed by the Parties;
6. obtaining by the Company the consent of the Supervisory Board of the Company expressed through a resolution for the disposal of an organised part of the enterprise under conditions provided for in the Contract.

Signatures of persons representing the Company
Robert Kosmal – Kierownik Biura Nadzoru Właścicielskiego