

POLIMEXM: Conclusion of a significant contract

Legal grounds: Article 56 (1) (2) of the Act on offers – current and periodical information

Message no. 30/2009

The Management Board of Polimex-Mostostal S.A. informs that on 07.07.2009 they signed a Contract with a group of companies comprising ALSTOM Power Systems GmbH, Stuttgart, Germany and Hitachi Power Europe GmbH, Duisburg, Germany regarding 'Installation of the steel structure of the lower part of the boiler room, Bunkerhaus + boiler bunkers and the F 1100 MW power unit channels', Construction of the Neurath power generating plant in Grevenbroich, Germany.

Net value of the Contract is 12,603,288.00 EUR (55,091,492 PLN).

Total value of the Contracts signed within the last 12 months with the foregoing group of companies amounts to 26,418,452 EUR (115,475,966 PLN) net and includes completion and supply of 2,710 tons and installation of 22,700 tons of steel structures for the boiler room, bunker room, boiler bunkers and the F 1100 MW power unit channels.

Contractual terms:

Realisation deadline: 07.09.2010.

Payments:

1. Advance payment – a 15% advance payment for the provision of, each time free of charge, until installation completion (i.e. by 07.09.2010 at the latest) punctual advance guarantee for that amount (with respect to total price).
2. Advance invoices - 85% per instalment: supply and confirmed reception of materials at the construction site, possibly instalment involving consideration consistent with monthly works progress protocols acknowledged by Ordering Parties.

To secure contract performance, the Contractor shall provide each of the Ordering Parties with a bank guarantee as a performance bond amounting to 5% of its proportional order value, with validity period until installation completion. Period of validity of the bank guarantee as a performance bond expires on 07.09.2010 at the latest.

Following installation completion and correct acceptance inspection conducted by the Ordering Parties, guarantees due to liability for material defects for 5% of the effective order, with validity period until expiry of the guarantee for claims arising from material defects. Period of validity of the bank guarantee due to liability for material defects expires on 07.09.2013 at the latest, however.

Penalties:

1. Contractual penalty in the event of delays in supplies and provisions - 1% per full week of delay, maximum 7.5% of the Contractual amount
2. Contractual penalty in the event of delayed documentation provision – 0.1% per full week of delay, maximum 1.5% of the Contractual amount
3. Contractual penalties in total – maximum 10% of the Contractual amount

Contractual penalty for the Contractor does not exclude further claims of the Ordering Parties. The contractual penalty shall not be included in any compensatory claims whatsoever.

The criterion according to which the Contract has been deemed significant is the value of Polimex-Mostostal S.A. equity capitals.

Legal grounds: § 5 (1) (3) and § 9 of the Ordinance of the Minister of Finances dated 19 February 2009 on current and periodical information provided by issuers of securities and terms of deeming

information required by the regulations of a non-Member State equivalent (Journal of Laws of 2009, no. 33, item 259).