

Current report No. 37/2018

Date of preparation: 28/08/2018

Abbreviated name of the issuer: POLIMEX-MOSTOSTAL

Subject: Delayed public disclosure of information - Information regarding the negotiation of a settlement with the General Directorate for National Roads and Motorways

Legal basis: Article 17 para. 1 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Regulation on market abuse) and repealing Directive 2003/6 / EC of the European Parliament and of the Council and Commission Directive 2003 / 124 / EC, 2003/125 / EC and 2004/72 / EC

With reference to Current Report No. 50/2017 of 26 May 2017, the Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw (**the "Company"**) informs that on 17 July 2018 it decided to delay disclosure of confidential information in accordance with Art. 17 sec. 4 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (regulation on market abuse) and repealing Directive 2003/6 / EC of the European Parliament and of the Council and Commission directive 2003 / 124 / EC, 2003/125 / EC and 2004/72 / EC.

The reason for the disclosure of delayed confidential information is the inability to further ensure the Company's confidentiality of the content of the Confidential Information

The content of delayed confidential information was to reach an agreement regarding the settlement of settlements between the Company and other parties to the following infrastructural contracts: State Treasury - General Directorate for National Roads and Motorways ("**GDDKiA**"), Doprastav AS, MSF Engenharia S.A. and MSF Polska Sp. z o. o. (jointly "**Consortiumers**"). Settlements relate to mutual claims pursued in court proceedings or other possible claims that may arise under contracts whose subject matter were:

- (i) Design and construction of the A1 motorway Stryków - "Tuszyn" node on the section from km 295 + 850(from the Stryków 1 node without a node to km 335 + 937.65,
- (ii) Construction of the S-69 expressway Bielsko-Biała - Żywiec - Zwardoń, section "Mikuszowice" node ("Żywiecka / Bystrzańska") - Żywiec, and
- (iii) Construction of the A-4 motorway, Rzeszów section (Rzeszów Wschód node) - Jarosław (Wierzbna node) from km 581 + 250 to km 622 + 450, (together "**Agreements**").

The total value of the subject of the dispute arising from pending court cases with GDDKiA regarding the Agreements is: (i) by the action of the Company and the Consortiumers: PLN 612,780,677.00, (ii) by GDDKiA: PLN 511,101,779.00.

Settlements with GDDKiA will be concluded in court in individual court proceedings with GDDKiA, as a consequence of which proceedings will be discontinued. Conclusion of a settlement, and hence, discontinuation of individual proceedings requires the consent of the competent court before which proceedings are conducted.

In addition, in connection with the intention to terminate disputes with GDDKiA, the Company and the Consortium members agreed on the necessity to settle issues related to the claims between them that arose or could possibly arise from the performance of individual works by the entities in the scope of the abovementioned Agreements.

In the Issuer's opinion, concluding settlements with GDDKiA and agreements with Consortium members should not have a negative impact on the Issuer's EBITDA.

The Company will inform about subsequent activities related to the above confidential information in the next current reports.