

Current report No. 124/2012

Date prepared: 19.12.2012

Issuer's abbreviated name
POLIMEX-MOSTOSTAL

Subject:
Signing of the insurance contract by the Subsidiary company.

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

With reference to the current report no. 39/2012 of 6 June 2012 the Management Board of Polimex-Mostostal S.A. with its registered office in Warsaw at ul. Czackiego 15/17 ("**the Company**") informs that on 18 December 2012 it obtained the information about signing by the subsidiary company Torpol S.A. the Construction all risk insurance contract for the construction and assembly works under the contract "**Designing and modernisation of the railway line E75 Rail Baltica along the section Warsaw – Białystok – the border with Lithuania, the first stage, section Warsaw – Rembertów – Zielonka – Tłuszcz (Sadowne) – POIiŚ – 07.01 – 22.01**

The Contracting Parties are the Insurers:

- Towarzystwo Ubezpieczeń i Reasekuracji Allianz Polska Spółka Akcyjna, ul. Rodziny Hiszpańskich 1, 02-685 Warsaw (leading co-insurer – 40% of the risk)
- Sopockie Towarzystwo Ubezpieczeń ERGO HESTIA Spółka Akcyjna, ul. Hestii, 81-731 Sopot (co-insurer – 30% of the risk),
- Generali Towarzystwo Ubezpieczeń S.A., ul. Postępu 15B, 02-676 Warsaw (co-insurer – 30% of the risk);

The Insuring Party: TORPOL S.A. ul. Mogileńska 10G, 61-052 Poznań;

The Insurant:

- PKP Polskie Linie Kolejowe S.A., ul. Targowa 74, 03-734 Warsaw (as an ordering party),
 - TORPOL S.A., Poznań (as a leader of the general executive consortium),
 - Polimex-Mostostal S.A., Warszawa (as a consortium member),
 - Przedsiębiorstwo Usług Technicznych INTERCOR Sp. z o.o., Zawiercie (as a consortium member),
- as well as the subcontractors and other parties participating in the execution of the contract;

The subject matter of the contract is the construction all risk insurance of the property and civil liability for the construction and assembly works under the contract "**Designing and modernisation of the railway line E75 Rail Baltica along the section Warsaw – Białystok – the border with Lithuania, the first stage, Warsaw – Rembertów – Zielonka – Tłuszcz (Sadowne) section – POIiŚ – 07.01 – 22.01**

Terms and conditions of the Contract:

- the total amount of insurance – PLN 1,306,959,327.35,
- the period of insurance: 19.12.2012 – 19.11.2015,
- the insurance premium has been agreed upon on the market terms;

The value of the issuer's equity capital has been assumed to be the material criterion for considering the insurance value;

Within the past 12 months, TORPOL S.A. has concluded other contracts with the insurers, the most significant of which is the aforementioned contract. Total value of the contracts concluded within the past 12 months with TUiR Allianz Polska S.A. is PLN 522,783,730.94 with STU Ergo Hestia S.A. PLN 448,019,264.21 and with Generali TU S.A. PLN 392,368,056.54.

Signatures of persons representing the Company:

Robert Kosmal – Manager of Mergers and Acquisitions Office