



No. 68 /2010

Date: 20-07-2010

Subject: Conclusion of a significant contract.

Legal basis: Article 56 section 1 item 2 of the Act on public offering – current and periodic information

In reference to the current report no. 29/2010, the Management Board of Polimex-Mostostal S.A. hereby informs that on 20 July 2010 it signed an agreement with the General Directorate for National Roads and Motorways (GDDKiA), Katowice branch, in effect of the proceeding for award of a public contract via unlimited tender: “Construction of S-69 Expressroad Bielsko Biała-Żywiec-Zwardoń, section from Mikuszowice hub (“Żywiecka/Bystrzańska”) to Żywiec”.

The agreement was signed by a consortium of Polimex-Mostostal S.A., as the Consortium Leader, and Doprastav a.s. Bratislava and Zakład Robót Mostowych “MOSTMAR” Marcin i Grzegorz Marcinków sp. j., Zarzecze (hereinafter “Contractors”).

The share of Polimex-Mostostal S.A. in the works and remuneration will amount to 34%.

The total contract value in gross amount is PLN 788,100,446.85 (seven hundred eighty eight million one hundred thousand four hundred forty six złotych and 85/100). The total contract value in net amount is 645,983,972.83 (six hundred forty five million nine hundred eighty three thousand nine hundred seventy two złotych and 83/100).

The period to perform the contract is 27 months beginning from the Works Commencement Date. The period excludes the winter season.

The Contractor is subject to the following contractual penalties in favour of the Employer:

- (a) for delay against the Works Completion Time – 0.03% of the total contract value in gross amount per day of delay;
- (b) for withdrawal by fault of the Contractor – 10% of the total contract value in gross amount;
- (c) for failure of the Required Minimum Performance – 0.02% of the total contract value in gross amount per day of delay;
- (d) for delay against the deadline to submit the Schedule, current progress report, draft sub-contractor agreement, and computations of unit prices – PLN 2,000 per day of delay;
- (e) for delay against the deadline to remove defects listed in the Take-Over Certificate or for delay against the deadline to remove defects and minor outstanding defects during the period of warranty – PLN 2,000 per day of delay;
- (f) for delay against the deadline to submit Contractor's candidacies for Managers – PLN 5,000 per day of delay.

For Contractor's withdrawal by fault of the Employer, the Employer is subject to a contractual penalty in the amount of 10% of the total contract value in gross amount.

No maximum cap has been set on the value of contractual penalties. In addition, the parties have the right to supplemental compensation above the contractual penalties up to the value of actual losses incurred.

The contract is deemed significant as its value exceeds 10% of the equity of the Company.

Legal basis: §5 section 1 item 3 in connection with §9 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and conditions of considering information required by regulations of a non-member state as equivalent (Dz.U. [Journal of Laws] 2009, No. 33 item 259).