

Warsaw, 17 May 2011

Current Report no. 30/2011

Information on the conclusion of significant agreement

The Management Board of Trakcja Polska S.A. (hereinafter the "Company" or "Client") hereby announces that in reference to the conclusion with **Polskie Linie Kolejowe S.A. Centrum Realizacji Inwestycji** (hereinafter the "Ordering Party") of the agreement no. **90/132/281/00/11000838/10/II** within the task: Design and performance of the construction work on the railway line Krakow-Medyka-country border, on its section Podłęże – Bochnia at km 16,000 – 39,000 within the Project "Modernization of the E 30/C-E 30 railway line, Krakow-Rzeszow section, stage III" dated 2 November 2010, about which the Company announced in its current report no. 34/2010 of 3 November 2010, the Company concluded on 16 May 2011 with Thales Polska sp. z o.o. based in Poznan ("Contractor") a subcontracting agreement (hereinafter the "Agreement").

Value of the Agreement:

Net value of the Agreement: **PLN 54,725,000** (in words: fifty-four million, seven hundred and twenty-five thousand zloty);

Gross value of the Agreement as of the date of its signature: **PLN 67,311,750** (in words: sixty-seven million, three hundred and eleven thousand, seven hundred and fifty zloty);

Subject of the Agreement:

Pursuant to the Agreement the Contractor shall perform the work related to design and execution of specialist construction and assembly work – railway traffic control, for the sections:

- Podłęże Station
- Podłęże – Kłaj Route
- Kłaj Station
- Kłaj-Bochnia Route
- Bochnia Station

Terms of payment:

Payments shall be made under invoices issued by the Client.

Period of the warranty for defects:

1 year from the issuance of certificate of acceptance of the work by the Client.

Contractual penalties:

1. The parties have agreed a contractual penalty for each day of breach of provisions of the Agreement (delay or default in performance of the subject of Agreement and the failure to follow Client's instructions) by the Contractor, amounting to 0.2% of the gross remuneration of the Contractor. Notwithstanding the above, where the delay exceeds 15 (fifteen) days due to Contractor's fault, the Client shall be entitled to withdraw from the Agreement by notifying the Contractor in writing without the need to give an additional

time limit, and without suffering any financial and legal consequences towards the Contractor. In the event of Client's withdrawal from the Agreement under the above provision, the Client shall be also entitled to order to perform the operations being delayed to a third party at the Contractor's expense. Costs of this rectification of defects shall be returned by the Contractor within 7 (seven) days from the date of delivery to the Contractor by the Client the documents certifying that the Client has incurred the costs of defect rectification by a third party .

2. The parties have also agreed a contractual penalty for each exceeded term of warranty repair related to the subject of Agreement, amounting to 0.1% of the gross Contractor's remuneration for each of delay of the Contractor. If this delay exceeds 3 (three) days the Client shall be entitled to order a third party to rectify the defects at the Contractor's expense. Costs of this rectification of defects shall be returned by the Contractor within 7 (seven) days from the date of delivery to the Contractor the documents certifying that the Client has incurred the costs of defect rectification by a third party.
3. The application of one of the contractual penalties does not exclude the admissibility to use another ones.
4. A party entitled to be paid a contractual penalty may demand a supplementary compensation over the value of reserved contractual penalty if the damage suffered by it is larger than the reserved contractual penalty.
5. Contractual penalties in total shall not exceed 30% of the Contractor's gross remuneration.
6. The Client shall be entitled to charge contractual penalties only when the Client is charged with such penalties by the Ordering Party.
7. The Client's liability limit under the obligations governed by the Agreement shall not exceed 100% of the Contractor's gross remuneration.

Terms of the Agreement do not differ from the terms used generally in agreements of this type.

The value of the above Agreement exceeds 10% of the Trakcja Polska S.A.'s equity capital.

Legal grounds: § 5, section 1, clause 3 of the Regulation of the Minister of Finance of 19 February 2009 on current and regular information published by issuers of securities and the conditions for accepting information required by the provisions of the law of a state which is not a Member State as being equivalent.