

Warsaw, 27 May 2011

Current Report No. 35/2011

Information about the conclusion of a material agreement

The Management Board of Trakcja Polska S.A. ("Company") hereby announces that on 27 May 2011, the Company acting as a Proxy of the consortium composed of:

1. **Trakcja Polska S.A.** with its registered office in Warsaw – Proxy of the consortium;
2. **PKP Energetyka S.A.** with its registered office in Warsaw – Partner to the consortium;
3. **Przedsiębiorstwo Napraw Infrastruktury Sp. z o.o.** with its registered office in Warsaw – Partner to the consortium;
4. **Przedsiębiorstwo Robót Mostowych „Mosty-Łódź” S.A.** with its registered office in Lodz – Partner to the consortium;
5. **„INTOP Warszawa” Sp. z o.o.** with its registered office in Warsaw – Partner to the consortium;
6. **Pomorskie Przedsiębiorstwo Mechaniczno-Torowe Sp. z o.o.** with its registered office in Gdansk – Partner to the consortium;

(hereinafter jointly referred to as: the "Contractor")

concluded with **PKP Polskie Linie Kolejowe S.A.** (hereinafter referred to as: the "Purchaser") an agreement for the construction works for the No. 9 line modernization on the section from km 236.920 to km 287.700, covered by the Local Control Center's, with its registered office in Malbork, area, within the Project: No. POLIŚ (OPIE) 7.1-1.3 "Modernization of the railway line E 65/CE 65 on the section Warsaw – Gdynia – LCS Ilawa, LCS Malbork areas" (hereinafter referred to as: the "Agreement").

Value of the Agreement:

Total net value of the Agreement: **PLN 868,894,251.27** (in words: eight hundred sixty eight million eight hundred ninety four thousand two hundred fifty one 27/100 zlotys);

Total gross value of the Agreement: **PLN 1,068,739,929.06** (in words: one billion sixty eight million seven hundred thirty nine thousand nine hundred twenty nine 06/100 zlotys);

Part of the net value of the Agreement, that is attributable to the Company: **PLN 490,979,570.56** (in words: four hundred ninety million nine hundred seventy nine thousand five hundred seventy 56/100 zlotys);

Part of the gross value of the Agreement, that is attributable to the Company: **PLN 603,904,871.79** (in words: six hundred three million nine hundred four thousand eight hundred seventy one 79/100 zlotys).

Subject Matter of the Agreement:

Under the Agreement, the Contractor shall perform professional works related to the execution of the construction works for the No. 9 line modernization, on the section from km 236.920 to km 287.700, covered by the Local

Control Center, with its registered office in Malbork area, within the Project: No. POIiŚ (OPIE) 7.1-1.3 “Modernization of the railway line E 65/CE 65 on the section Warsaw – Gdynia – LCS Ilawa, LCS Malbork areas.”

Term of Performance of the Agreement:

30 months from the date of commencement of works.

Duration of Warranty for Defects:

3 years

Contractual Indemnity:

The Contractor shall pay to the Customer contractual indemnity in the following cases and in the following amounts:

1. for delay in performance of the agreement, in the amount of 0.05% of the total gross price for each day of delay.
2. the maximum amount of the contractual indemnity shall not exceed 10% of the total gross price.

Moreover the Contractor shall cover the costs of:

- train delays resulting from causes attributable to him, caused by the prolonged time limits for the scheduled tracks closures and unscheduled notification of the planned track closures that prevent arrangements with carriers on the timetable developed during the construction works to be concluded, unagreed occupation of an active track during the construction, repair or replacement of infrastructure damaged during the construction works, use of a speed different from the speeds indicated in the rules of the temporary speed limits during the construction and after its completion,
- introduction of the replacement bus services,
- use of locomotives for pulling the trains.

The costs arising due to the trains delays shall be calculated according to the notes or invoices submitted by the carriers and the cost of introduction of the replacement bus services and the use of locomotives for pulling the trains, according to invoices submitted by the carriers.

Terms and conditions of the agreement are similar to those commonly used for these type of agreements.

The amount of the above mentioned part of the value of the Agreement attributable to the Company exceeds 10% of the equity capital of Trakcja Polska S.A.

Legal basis: § 5 paragraph 1 point 3 of the Regulation of the Minister of Finance dated 19 February 2009 on the current and periodic disclosures to be made by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state.