

Warsaw, 14 July 2011.

Current Report No. 55/2011

**Information about the conclusion of a material agreement**

The Management Board of Trakcja - Tiltra S.A. (hereinafter referred to as: the "Company") hereby announces that on 13 July 2011, it got aware of the fact that from 20 April 2011 to 13 July 2011, the turnover between the subsidiary of the Company - AB Kauno Tiltai with its registered office in Kaunas, Lithuania (hereinafter referred to as: "Kauno" or the "Contractor") and the Lithuanian Road Administration under the Ministry of Communications (hereinafter referred to as: the "Customer") reached a material value.

Value of the Agreement:

Total net value of the Agreement calculated in PLN amounted to: PLN **44,895,794.06**.

The agreement with the highest value was an agreement of the net value in PLN amounting to: PLN **34,057,728.95** (hereinafter referred to as: the "Agreement")

Subject Matter of the Agreement:

Under the agreement dated 15 June 2011 concluded with the Customer, Kauno was commissioned the following construction works:

Reconstruction of the following roads of national importance: No. 144 Jonava)- Kėdainiai– Šeduva section from 50,20 to 52,40 km. (Kėdainių r.) No. 145 Kėdainiai – Šėta – Ukmergė section from 0,10 to 10,50 km (Kėdainių r.), No. 129 Antakalnis – Jieznas – Alytus – Merkinė section from 26,45 to 26,70 km (Prienų r.), No. 182 Marijampolė - Liudvinavas - Krosna section from 7.98 to 13.98 km and repair of the bridge over the Šešupė river kilometer 1.21 of that road (Marijampolės sav.)

Term of performance of the Agreement:

The above indicated works must be completed by 15 December 2011.

Contractual penalties:

1. Should the Contractor not complete the works within the period specified in the agreement and not be authorized to extend the deadline, even by not complying with the deadlines for the implementation of the timetable of works under construction, it committed to pay to the Customer a contractual penalty amounting to 0.03% of the gross value for each day of delay and redress the damage of the Customer in connection with the damage suffered, which shall not be covered by the aforesaid contractual penalty.
2. In the event the Customer finds defects, faults and/or other inaccuracies of work, the Contractor shall at its own expense remove them at a time agreed with the Customer or with the road manager (state enterprise), pay to the Customer a contractual penalty amounting to 50% of the price for removing of defects, faults and/or inaccuracy of the work, and compensate damage the Customer suffered in connection with the above, that was not covered by the aforesaid contractual penalty.
3. Should the Contractor not remove the defects, faults and/or inaccuracies of works within the prescribed period, the Customer shall be entitled to order removal of the defects by third parties and decrease the amount of the agreement by the costs incurred for the defects removal. In that case, the Contractor shall be required to compensate to the Employer any damages in connection with the removal of defects.

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

Criterion for the recognition of agreements to be material is the fact that their total value exceeded 10% of the equity of Trakcja - Tiltra SA

*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.*