



GRUPA PBG

**CURRENT REPORT FILED WITH
THE POLISH FINANCIAL SUPERVISION AUTHORITY**

DATE: January 20th 2015

Subject: Execution of significant conditional agreement by RAFAKO S.A.'s subsidiary

Text of the report:

Current Report No. 2/2015

The Management Board of RAFAKO S.A. of Racibórz ("**Company**" or "**Rafako**") hereby announces that on January 20th 2015 E003B7 Sp. z o.o. ("**SPV**", wholly-owned by Rafako) and UNISERV-PIECBUD Spółka Akcyjna of Katowice ("**Subcontractor**") executed an agreement for the performance of works related to the supercritical 910 MW generating unit at the Jaworzno III Power Plant – Power Plant II (the "**Agreement**", in connection with the project 'Development of new coal-fired generation capacities at Tauron Wytwarzanie S.A. ("**Employer**") – Construction of supercritical 910 MW generating unit at the Jaworzno III Power Plant – Power Plant II' ("**Jaworzno Project**") implemented by RAFAKO and the SPV.

The Agreement was executed on the following terms:

1. Subcontractor will design, deliver and assemble for the SPV a cooling tower along with the related equipment, to be used at the supercritical 910 MW generating unit at the Jaworzno III Power Plant – Power Plant II.
2. The value of the Agreement for the performance of the full scope of works is PLN 164,800,000 (VAT-exclusive).
3. The Agreement caps the aggregate value of contractual penalties at 25% of its value (VAT-exclusive).
4. If the cost of damage resulting from non-performance or improper performance of works under the Agreement exceeds the amount of contractual penalties, the SPV may seek additional compensation on general terms, in compliance with the Polish Civil Code.
5. The Subcontractor's total liability (compensation, claims and demands) may not exceed 100% of the value of the Agreement.

The Agreement will become effective provided it is approved by:

- a) the guarantors (PKO BP S.A., BGK and PZU S.A.) ("**Guarantors**"),
- b) the Employer (with respect to the terms and conditions of the Agreement),
- c) Rafako.

As at the issue date of this current report, the SPV had obtained Rafako's consent to enter into the Agreement.

The Agreement is considered a reportable significant agreement as its value exceeds 10% of the Rafako Group's revenue generated in the last four quarters.

Legal basis: Art. 56.1.2 of the Public Offering Act.

Agnieszka Wasilewska-Semail, President of the Management Board
Jarosław Duśko, Vice-President of the Management Board