



CURRENT REPORT 23 / 2012

9 August 2012 r.

Legal basis: Art. 56.1.2 of the Public Offering Act – Current and Periodic Reports

Subject: Information on Conclusion of Major Contract

The Management Board of ZUE S.A. with registered office in Cracow (the “Company”) learnt today that Przedsiębiorstwo Napraw i Utrzymana Infrastruktury Kolejowej w Krakowie Sp. z o.o. with registered office in Cracow, leader of the consortium that includes:

- 1) Przedsiębiorstwo Napraw i Utrzymana Infrastruktury Kolejowej w Krakowie Sp. z o.o. with registered office in Cracow (Leader),
- 2) Przedsiębiorstwo Remontowo Budowlane "TOR" Sp. z o.o. with registered office in Myslowice (Partner), and
- 3) ZUE S.A. with registered office in Cracow (Partner),

(jointly referred to as the “Contractor”) had concluded on 6 August 2012 the contract (the “Contract”) with PKP Polskie Linie Kolejowe S.A. with registered office in Warsaw (the “Client”).

The object of the Contract is to reconstruct the railway infrastructure on the line no. 61, Konięcpol - Turów section, as part of the following project: “Revitalization of the track no. 1 of the railway line no. 61.”

Gross Contract value: PLN 84,196,452.00.

Net Contract value: PLN 68,452,400.00.

Net Contract value assignable to the Company: PLN 17,550,000.00.

Completion date: 30 November 2012.

The Contractor will pay the Client the contractual penalty of:

- 20% of net Contract value if the Contractor or the Client terminates the Contract through the fault of the Contractor;
- 0.1% of net Contract value for each started day of delay in delivery of the Contract object for final acceptance over the agreed delivery date;
- 0.1% of net Contract value for each day of delay in removal of defects over the deadline set by the Client.

The Client will pay the Contractor the contractual penalty of:

- 20% of net Contract value if the Client terminates the Contract through the fault of the Client (however, this will not include termination of the contract pursuant to Art. 145.1 of the Public Procurement Act);
- 0.1% of net Contract value for each day of delay in delivery of the construction site over the agreed delivery date.

If a damage suffered as a result of the failure to perform or duly perform the Contract goes beyond the contractual penalties, the Client may claim damages up to the value of the actual damage (Art. 484 of the Polish Civil Code).

The total value of the contractual penalties must not exceed 30% of net Contract value.

The Contract is deemed major since its value exceeds 10% of the Company's equity.

Legal basis: § 5.1.3 of the Ordinance by the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions for recognizing information required under the law of a non-member state as equivalent.