



CURRENT REPORT 20 / 2013

25 June 2013

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

Subject: Information on Conclusion of Major Contract.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the “Company”) inform that they learnt on 24 June 2013 that Przedsiębiorstwo Robót Komunikacyjnych w Krakowie S.A., the Company’s subsidiary (the “Contracting Authority”) had signed on 21 June 2013 the contract (the “Contract”) with Kolejowe Zakłady Automatyki Katowice S.A. with registered office in Katowice (the “Contractor”).

The Contract provides for comprehensive railway automatics and telecommunication services as part of the following project: “Raising the quality of transport services through the improvement of technical condition of the railway lines no. 1, 133, 160 and 186 on the Zawiercie – Dąbrowa Górnicza Ząbkowice – Jaworzno Szczakowa section” (the “Main Contract”).

The Company informed of the Contracting Authority’s conclusion of the contract for the Main Contract in the current report no. 6/2013 of 25 March 2013.

Gross value of the Contract: PLN 38,130,000.

Net value of the Contract: PLN 31,000,000.

Completion date: 23 March 2015.

The Contractor is obliged to pay the contractual penalty of:

- 1) 0.05% of the Contract gross value for each day of delay in the completion of the works covered by the Contract;
- 2) 0.06% of the Contract gross value for each day of delay in case of the failure to remove defects detected upon the acceptance or during the defect liability period by the deadline specified by the Contracting Authority;
- 3) 30% of the Contract gross value if the Contract is terminated by the Contracting Authority through the fault of the Contractor and if the Contract is terminated by the Contractor for the reasons unrelated to the Contracting Authority.

The Contracting Authority will pay the Contractor the contractual penalty of 0.1% of the Contract gross value if it fails to keep in confidence any information obtained during the Contract performance.

The Contracting Authority and the Contractor reserve the right to claim damages in excess of the contractual penalties up to the actual damage.

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.