



## **CURRENT REPORT 23 / 2013**

**15 July 2013**

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

Subject: Information on Intended Merger of ZUE S.A. and Przedsiębiorstwo Robót Komunikacyjnych w Krakowie S.A.

Content:

The Management Board of ZUE S.A. (“ZUE”) inform they decided on 15 July 2013 about the intended merger of ZUE and Przedsiębiorstwo Robót Komunikacyjnych w Krakowie S.A. of Cracow, a subsidiary of ZUE (the “Acquired Company”).

The aims of the transaction include a more efficient use of the potential held by the two companies and the achievement of synergies, including a better exploitation of the capacity, the achievement of financial and economic synergies, including the rationalisation of costs (including the reduction of costs related to the maintenance of a separate entity), simplification of a structure of the ZUE Capital Group (the “ZUE Group”) and a more efficient management of the ZUE Group.

The intended merger would occur pursuant to Art. 492 § 1.1 of the Polish Companies Act; i.e. by a transfer of all the assets of the Acquired Company to ZUE in exchange for ZUE shares issued to the shareholders of the Acquired Company (merger by acquisition) taking account of Art. 514 of the Polish Companies Act whereby ZUE, a shareholder of the Acquired Company, would not acquire own shares in exchange for the shares of the Acquired Company. Following the merger, the share capital of ZUE would increase and the shares issued as part of the share capital increase would be assigned to the shareholders of the Acquired Company.

The merger requires a consent of the State Treasury, a party to the privatisation agreement for the sale of the shares of Przedsiębiorstwo Robót Komunikacyjnych w Krakowie Spółka Akcyjna of 23 October 2009.

ZUE is the parent of the ZUE Group operating in the public transport and rail infrastructure segment. The services provided by ZUE mainly include the design, construction and upgrade of urban transport systems, including tram lines and power supply systems, and OCL with associated works.

The Acquired Company is a subsidiary of ZUE responsible for the design, construction and upgrade of railway lines and sidings, tracks, civil structures and buildings (such as station buildings, depots and switch towers) and associated works.

ZUE holds 88.57% of the Acquired Company shares which confer 88.57% of the total vote at the company.

*Legal basis: § 5.1.13 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.*