

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 39 / 2014

Date of issue: 21.11.2014

Short name of the issuer: ELEKTROTIM S.A.

Subject: Information about the conclusion of a reference Contract with ZDiUM in Wrocław - Christmas lights

Legal grounds: Article 56, section 1, subsection 2 of the Public Offering Act – current and periodical information

Content of the Report:

Pursuant to Article 5, section 1, subsection 3) , in connection with Article 9, subsection 8) of the Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information provided by securities issuers and conditions for recognising as equivalent the information required by law of a non-Member State, the Board of ELEKTROTIM S.A. notifies that on 20.11.2014 it received a Contract signed on 17.11.2014 with the Roads and City Maintenance Authority in Wrocław with subject is execution by the Consortium of the following Companies: ELEKTROTIM S.A. – the Consortium Leader and ODEON S.C. – the Consortium Partner, **the Christmas lights in Wrocław in the following winter seasons: 2014-2015, 2015/2016, and 2016/2017.**

The remuneration for the execution of the works shall be nett: PLN 5,324,880.00 net (say: five million, three hundred twenty four thousand, eight hundred eighty zlotys).

The Contract shall expire on 13.02.2017.

The above-mentioned Contract constitutes yet another contract with the same Ordering Party signed in the last 12 months for an amount exceeding 10% of the equity capital of ELEKTROTIM S.A. (the total value of the contracts jointly with the Current Report shall be PLN 9,679,117.43 net).

Pursuant to Article 9, subsection 8) of the Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information, the Board provides information specified in Article 9, subsection 5) including the contractual penalties regarding the contract of the highest value, that is the Contract concluded for the Christmas lights in Wrocław in the following winter seasons: 2014-2015, 2015/2016, and 2016/2017.

In case of failure to perform or improper performance of contractual duties Parties reserve the right to implement contractual penalties in the following cases and of the following amounts.

The Contractor shall pay to the Ordering Party contractual penalties, among others:

- a) for withdrawal from the Contract due to reasons attributable to the Contractor in the amount of 10% of the net contractual remuneration,
- b) for failing to execute the subject of the Contract within the contractual terms, in the amount of PLN 1,000 for each location referred to in the Contract, for each day from the day the particular term expires,
- c) for failing to repair the faults discovered in the subject of the Contract in the amount of PLN 500.00 per each day from the day set for repairing the faults and defects, and other.

The Contractor may impose the contractual penalties the Ordering Party for withdrawing from the Contract due to reasons attributable to the Ordering Party in the amount of 10% of the offered price net.

The Ordering Party reserves the right to seek supplementary compensation exceeding the contractual penalties to the full actually suffered damages, including lost profits.

ELEKTROTIM S.A. with the Current Report No. 38/2014 of 14.11.2014 informed about the selection of the offer of the Consortium comprising ELEKTROTIM S.A. and ODEON S.C. for the execution of Christmas lights in the next three winter seasons.

The Contract shall be considered as a reference contract if the total value of all contracts with the Roads and City Maintenance Authority in Wrocław concluded within last 12 months exceeds 10% of equity of ELEKTROTIM S.A.