

Date of issue: 14.03.2012

Short name of the issuer: ELEKTROTIM S.A.

Subject: Concluding a contract with DFM ZANAM - LEGMET Sp. z o.o.

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 Management Board of ELEKTROTIM S.A. notifies that on 14.03.2012 it received a contract of 09.03.2012 with Dolnośląska Fabryka Maszyn ZANAM - LEGMET Sp. z o.o., having its registered seat in Polkowice.

The Subject of the Contract is walling off flotation machine of the following numbers MF-211, MF-212, MF-233, MF-251, MF-252, MF-322, MF-323, and MF-324 in the area of ZWR Polkowice [Ore Enrichment Plant] as part of the investment task: "Exchanging flotation machines" in the electric sector and ICA (Instrumentation Control and Automation) sector.

It is the fourth contract within the same investment task concluded with DFM ZANAM-LEGMET Sp. z o.o.

The value of the Subject of the above-mentioned Contract constitutes a flat-rate remuneration net in the amount of PLN 5,879,180.00 (say: five million, eight hundred seventy nine thousand, one hundred eighty, 00/100).

Term of the Subject of the Contract: 12.08.2013.

Having regard to Article 9, subsection 8) of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodical information, the Management Board of ELEKTROTIM S.A. notifies also that formerly it has concluded Contracts referred to in the Current Report No. 21/2011 of 19.07.2011 and in the Current Report No. 29/2011 of 02.12.2011.

Thereby, in the last 12 months the total value of contracts concluded with the same Ordering Party, i.e. DFM ZANAM - LEGMET Sp. z o.o. amounts to PLN 22,030,180.00 (say: twenty two million, thirty thousand, one hundred eighty, 00/100).

Pursuant to Article 9, subsection 8 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodical information, the Board provides information

specified in Article 9, section 5 - contractual penalties applicable for the Contract concluded on 09.03.2012:

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:

- a) for the delay in construction of the wall off of the given machine in the amount of 0.2% of the value of such a machine for every day of delay,
- b) for the delay in initiating repair (exceeding the reaction time) in the amount of 0.001% of the flat-rate value of the Contract for every day of delay,
- c) for the delay in repairing damages discovered at commissioning of the given machine in the amount of 0.2% of the value of the wall off of such a machine for every day of delay,
- d) for the delay in repairing the damages discovered in the guarantee period in the amount of 0.05% of the flat-rate value of the Contract, for each day of the delay,
- e) for not placing the industrial waste products in the place or/and within the term set by the Investor in the amount of PLN 2,000 for each day of the delay,
- f) for not obeying the internal legal acts related to the safety of work applicable at the Investor's premises in the amount of PLN 2,000 for each discovered case,
- g) withdrawal from the Contract due to reasons attributable to the Contractor in the amount of 10% of the flat-rate value of the Contract.

The Ordering Party shall reserve in the Contract the right to calculate penalties to the Contractor in the amounts calculated by the Investor to the Ordering Party due to reasons attributable to the Contractor for non-performance or improper performance of the provisions of the Contract.

The Contractor shall be entitled to calculate to the Ordering Party the contractual penalty for withdrawal from the Contract by the Contractor due to reasons attributable to the Ordering Party - in the amount of 10% of the flat-rate value of the Contract.

In case the amount of reserved contractual penalties does not settle incurred damages and in other unpredicted cases, the entitled Party may seek compensation subject to the general rules of the Polish Civil Code.

The Contract shall be considered as relevant if its value exceeds 10% of own capital of ELEKTROTIM S.A.