

**ANNOUNCEMENT OF CONVOCAATION OF THE EXTRAORDINARY
SHAREHOLDER MEETING OF PKP CARGO S.A.**

The Management Board of PKP CARGO S.A. with its registered office in Warsaw at ul. Grójecka 17, 02-021 Warsaw, entered in the Register of Commercial Undertakings by the District Court for the Capital City of Warsaw, 12th Commercial Division of the National Court Register, under the number KRS 0000027702, taxpayer identification no. NIP 954-238-19-60, with the share capital of PLN 2,239,345,850 (paid up in full) (“**Company**”), acting pursuant to Article 400 § 1 in conjunction with Articles 402¹ and 402² of the Commercial Companies Code, hereby convenes:

**EXTRAORDINARY SHAREHOLDER MEETING
OF PKP CARGO S.A.
 (“Shareholder Meeting”)**

to be held on

8 February 2016 at 10:00 a.m. in the Company’s head office
in Warsaw at ul. Grójecka 17

As at 11 January 2016, the total number of shares in PKP CARGO S.A. is 44,786,917. Attached to these shares are 44,786,917 votes in total.

AGENDA OF THE MEETING:

- 1) Open the Extraordinary Shareholder Meeting,
- 2) Prepare the attendance record,
- 3) Assert that the Extraordinary Shareholder Meeting has been convened correctly and is capable of adopting resolutions,
- 4) Adopt the agenda of the meeting,
- 5) Adopt a resolution to amend § 14 of the PKP CARGO S.A. Articles of Association,
- 6) Adopt a resolution to amend § 19 of the PKP CARGO S.A. Articles of Association,
- 7) Adopt a resolution authorizing the PKP CARGO S.A. Supervisory Board to adopt the consolidated version of the PKP CARGO S.A. Articles of Association,
- 8) Adopt a resolution on covering the costs associated with the convocation and holding of the Extraordinary Shareholder Meeting,
- 9) Any other business,
- 10) Adjourn the meeting.

Right to participate in the Shareholder Meeting

Pursuant to Article 406¹ § 1 of the Commercial Companies Code, entitled to participate in the Company’s Shareholder Meeting are only those persons who have the status of the Company’s shareholder sixteen days prior to the date of the Shareholder Meeting (date of registration for the Shareholder Meeting), i.e. as at **23 January 2016**.

In order to secure participation in the Shareholder Meeting, a shareholder entitled under book-entry bearer shares should request – not earlier than after the announcement of convocation of the Shareholder Meeting, i.e. not earlier than on **11 January 2016** and not later than on the first business day following the date of registration for the Shareholder Meeting, i.e. not later than on **25 January 2016** – from the entity keeping his/her/its securities account to issue a name-bearing certificate of entitlement to participate in the Shareholder Meeting. Such certificates of entitlement to participate in the Shareholder Meeting shall form the basis for preparing lists of entitled persons to be submitted to the entity keeping the securities account in accordance with the regulations on trading in financial instruments.

The list of shareholders entitled to participate in the Shareholder Meeting will be available at the Company's head office in Warsaw at ul. Grójecka 17 during the three days preceding the date of the Shareholder Meeting, i.e. on **3, 4, 5 February 2016**, from 8:00 a.m. to 4:00 p.m. A shareholder may request that the list of shareholders be sent to him/her/it free of charge by e-mail to the address of his/her/its choice. Such request may be submitted in electronic form to the Company's e-mail address akcjonariat@pkp-cargo.eu

Right to participate in the Shareholder Meeting by proxy

A shareholder may participate in the Company's Shareholder Meeting and exercise his/her/its right to vote in person or by proxy.

A shareholder's proxy shall exercise all rights of the shareholder at the Shareholder Meeting unless set forth otherwise in the proxy instrument. A proxy may grant further proxy rights if such powers arise from the proxy instrument. A proxy may represent more than one shareholder and vote differently using shares of each such shareholder. A shareholder holding shares registered in more than one securities account may appoint separate proxies to exercise the rights attached to shares registered in each of his/her/its accounts.

An instrument of proxy to participate in the Shareholder Meeting of PKP CARGO S.A. and exercise voting rights must be executed in writing or in electronic form. Starting on the date of publication of this announcement on its website at www.pkp-cargo.pl, the Company shall make available for downloading a form containing such instrument of proxy.

The execution of an instrument of proxy in electronic form should be notified to the Company by means of electronic communication. Together with the notification of the execution of an instrument of proxy in electronic form, the shareholder shall send a scanned copy of the executed instrument of proxy and scanned copies of the following documents:

- (a) in the case of a shareholder who is a natural person – the original or a copy of his/her identity card or passport pages enabling his/her identification or any other official document confirming such shareholder's identity;
- (b) in the case of a shareholder who is not a natural person – the original or a copy of a current extract from the relevant register or any other document confirming the existence of such shareholder and the right of its representative(s) to represent it, together with the originals or copies of their identity card or passport pages enabling their identification or any other official document confirming the identity of the representative(s) authorized to represent such shareholder;
- (c) in the case of a proxy who is a natural person – the original or a copy of his/her identity card or passport pages enabling his/her identification or any other official document confirming such proxy's identity;
- (d) in the case of a proxy who is not a natural person – the original or a copy of a current extract from the relevant register or any other document confirming the existence of such

proxy and the right of its representative(s) to represent it, together with the originals or copies of their identity card or passport pages enabling their identification or any other official document confirming the identity of the representative(s) authorized to represent such proxy.

In the case of foreign entities in whose country of registered office the relevant registers are not kept, instead of the original or a copy of a current extract from the register referred to above, such entity should submit originals or copies of documents confirming its existence and the right of its representative(s) to represent it.

In the event of doubt as to the authenticity of the copies of the documents referred to above, the Company or the person(s) appointed by the Company to register its shareholders may request, before the commencement of the Shareholder Meeting, that the originals be presented of the pertinent documents or notarized copies thereof or copies certified for compliance with the original by a notary or by another authorized entity and that the Company be allowed to make and keep copies thereof. In the event of failure to present such originals or allow the Company to make and keep copies thereof, such shareholder or proxy may be denied participation in the Shareholder Meeting. All documents in a foreign language should be accompanied by their translation into Polish prepared by a sworn translator.

If the instrument of proxy to participate in the Shareholder Meeting and exercise voting rights, as executed by a shareholder, is conditional, then the Company or the person(s) appointed by the Company to register its shareholders may request evidence that the relevant condition has been satisfied.

All the above documents should be sent to the e-mail address zarzad.wz@pkp-cargo.eu not later than 11:59 p.m. on the day preceding the date of the Shareholder Meeting, i.e. **7 February 2016** (failure to meet the deadline for notifying the Company of the execution of an instrument of proxy in electronic form shall not preclude the proxy from participating in the Shareholder Meeting on the basis of an instrument of proxy executed in writing). The notification should also indicate the e-mail address for the Company's communication with the shareholder and the proxy.

The Management Board shall be entitled to verify any submitted notifications and take actions aimed at identifying the shareholder and the proxy and at confirming appropriate authorization. Such verification may consist, in particular, of a reply question asked over the telephone or e-mail of the shareholder or the proxy. The above rules shall apply accordingly to a change or revocation of an executed instrument of proxy. Notifications that fail to meet the above requirements shall not produce any legal effects for the Company.

The selection of the method of appointment of a proxy shall be at the discretion of the shareholder. The Company shall not be liable for any errors in the completion of an instrument of proxy or any actions of persons using an instrument of proxy. A proxy appearing at the Shareholder Meeting shall be required to present, at the request of the Company or the person(s) appointed to register its shareholders, the originals of the documents attached to the said notification.

The above rules shall apply accordingly to representatives of legal persons.

Shareholders' right to request the inclusion of specific business in the agenda of the Shareholder Meeting

The Company's shareholder(s) representing at least one-twentieth of the share capital may request the inclusion of specific business in the agenda of the Shareholder Meeting. Such request, containing the reasons or a draft resolution concerning the proposed item of the agenda, should be submitted to the Company's Management Board not later than 21 days

prior to the date of the Shareholder Meeting, i.e. by end-of-day on **18 January 2016**. The request may be submitted in electronic form to the Company's e-mail address: zarzad.wz@pkp-cargo.eu or in writing to the mailing address: Management Board of PKP CARGO S.A., ul. Grójecka 17, 02-021 Warsaw.

Shareholders' right to propose draft resolutions

The Company's shareholder(s) representing at least one-twentieth of the share capital may, prior to the date of the Shareholder Meeting, submit draft resolutions on the business included in the agenda of the Shareholder Meeting or business to be added to the agenda. Such submission may be made in electronic form to the Company's e-mail address: zarzad.wz@pkp-cargo.eu or in writing to the mailing address: Management Board of PKP CARGO S.A., ul. Grójecka 17, 02-021 Warsaw.

Any shareholder may, during the Shareholder Meeting, submit draft resolutions on the business included in the agenda. Such drafts should be submitted in Polish.

Electronic communication

It shall not be possible to participate in or speak during the Shareholder Meeting by means of electronic communication. The Company does not permit the casting of votes by mail or by means of electronic communication.

Access to documentation

The full text of the documentation to be presented to the Shareholder Meeting together with the draft resolutions shall be made available at the Company's head office from the date of convocation of the Shareholder Meeting. Any comments from the Management Board or the Supervisory Board regarding the business included in the agenda of the Shareholder Meeting or business to be added to the agenda prior to the date of the Shareholder Meeting shall be made available on the Company's website immediately after their preparation.

Website

Information about the Shareholder Meeting is available on the Company's website at www.pkp-cargo.pl in the Shareholder Meeting tab.