

## **Completion of the public offering of series C shares of PKP CARGO S.A.**

Current report no. 14/2014 dated 14 March 2014

*General legal basis (selected in ESPI):*

*Art. 56 sec. 1 item 2 of the Act on Offering – Current and Periodic Information*

The Management Board of PKP CARGO S.A. (“Company”) hereby conveys information related to completion of the public offering of series C shares of the Company (“Shares”), which were the subject of public offering aimed at Entitled Employees (“Offering”) and conducted pursuant to the memorandum of the Company drafted under art. 39 in connection with art. 7 (8) (2) of the Act dated 29 July 2005 on the public offering and the conditions of introducing financial instruments to the organized trading system and public companies (Journal of Laws of 2005 no. 184, item 1539) (“Memorandum”). Any capitalized terms and not defined otherwise in the content hereof shall have the meaning ascribed to them in the Memorandum.

**1. Date of commencement and completion of the subscription or sale:**

Subscription period for Entitled Employees: 2 December 2013 - 28 February 2014 (until 4 pm).

**2. Date of securities allocation:**

The Shares were allocated on 7 March 2014.

**3. The number of securities subscribed for or sold:**

Under the Memorandum, the object of the public offering was 3,300,000 Shares. The ultimate number of allocated Shares amounted to 1,448,902.

**4. Reduction rate in individual tranches where even in a single tranche the number of allocated securities was lower than the number of securities subscribed for:**

The reduction rate amounted to 1.2%. The reduction resulted from seizures of Eligible Employees salary by a bailiff and was carried out in accordance with the provisions of the Memorandum.

**5. Total number of securities subscribed for in the subscription or sale:**

The Entitled Employees subscribed for 1,466,847 Shares in total.

**6. Total number of securities allocated in the subscription or sale:**

1,448,902 Shares were allocated as part of the Offering.

**7. The price at which the securities were acquired:**

The Shares were acquired at PLN 68 per Share.

**8. The number of persons subscribing for the securities in the subscription or sale in particular tranches:**

24,532 Entitled Employees and 14 heirs for 9 died Entitled Employees subscribed for the Shares in the Offering. The Offering was not divided into tranches.

**9. The number of persons to whom securities were allocated as part of the subscription or sale in particular tranches:**

Shares were allocated to 24,530 Entitled Employees and 14 heirs for 9 died Entitled Employees.

**10. Names (business names) of the underwriters who subscribed for securities under the underwriting agreement stating the number of securities for which they subscribed and the actual price of one security unit (sale price after subtracting the fee for subscribing for a security unit, under the performance of the underwriting agreement as purchased by the underwriter):**

Not applicable. No underwriting agreement was concluded.

**11. The value of the subscription or sale, understood as the product of the number of securities within the offering and the issue or sale price:**

The value of the conducted Offering amounted to PLN 98,552,336 (1,448,902 Shares taken for PLN 68.00 per Share).

**12. The total amount of costs included in the issue costs, indicating the costs by type, broken down at least into the costs of: a) preparation and conduct of the offering, b) remuneration of the underwriters separately for each one, c) preparation of the prospectus, taking into account consultancy costs, d) promotion of the offering - along with the methods of settling these costs in the accounts and the way they are recorded in the financial statement of the issuer:**

Due to the fact that as at the date of this current report the Company has not yet received all the invoices from the entities involved in the Offering and the capital market institutions, information on all costs incurred by the Company (also broken down) will be made public at a later date in the form of a current report.

**13. The average cost of subscription or sale of a security covered by the subscription or sale per unit:**

Due to the fact that as at the date of this current report, the Company has not yet received all the invoices from the entities involved in the Offering and from the capital market institutions, the information on the average cost the Offering incurred by the Company will be made public at a later date in the form of a current report.

Legal basis: § 33 sec. 1 of the Regulation issued by the Finance Minister on 19 February 2009 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent.