

**Information on the ultimate value of obligations arising from implementation of the voluntary redundancies program in the PKP CARGO Group**

Current report No. 4/2015 dated 28 January 2015

*General legal basis (selected in ESPI):*

*Art. 56(1)(1) of the Public Offering Act – confidential information*

The Management Board of PKP CARGO S.A. (the “Company”), with reference to the current report No. 68/2014 from 28 November 2014 and the current report No. 2/2015 from 16 January 2015 hereby informs that as a result of the verification process completed on 26 January 2015 of applications submitted under the Voluntary Redundancies Program (“VRP”, “Program”), the employers agreed to let go 3,054 out of 3,300 employees of the companies of PKP CARGO Group.

The ultimate total value of obligations arising from implementation of the Program in the companies of PKP CARGO Group amounted to PLN 266 million.

Employees, who obtained the employers’ consent will cease to be employees of the particular company of PKP CARGO Group from 1 February 2015.

Payment of severance under the PDO will take place in two tranches. First tranche in the amount of approx. PLN 228 million will be paid together with the salary for January 2015. The second tranche, which will amount to approx. PLN 38 million will be paid in January 2016.

Legal basis:

Art. 56(1)(1) Act of 29 July 2005 on public offering and terms of introducing financial instruments to organized trading, and on public companies (Journal of Laws of 2013, item 1382).