

Conclusion of a credit agreement by PKP CARGO S.A. with Bank Gospodarstwa Krajowego

Current report no 58/2014 from 11 September 2014

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. (the “Company”, the “Borrower”) hereby informs, that on 11 September 2014 the Company concluded with Bank Gospodarstwa Krajowego with its registered seat in Warsaw (the "Bank") a credit agreement (the "Agreement"), pursuant to which the Company will be provided with an investment credit (the "Credit") to a maximum of PLN 515.2 million, for the purpose of financing and/or refinancing of the repair of wagons and the repair and modernization of locomotives.

Pursuant to the Agreement, the Borrower may use the Credit not later than until 31 March 2016. Borrower is obligated to repay the Credit in monthly installments on the conditions specified in the Agreement, not later than five years from the end of the availability period, whereas the Credit repayment should be executed until 31 March 2021.

The interest rate applicable to each use of the Credit is equal to the variable WIBOR rate applicable for 1 month deposits plus the Bank's margin.

The Agreement provides for the possibility of early repayment of the Credit without having to pay additional fees by the Borrower.

The Agreement is not collateralized by any specific assets of the Company.

Other conditions of the Agreement do not differ from those commonly used in similar credit transactions.

The Agreement is considered significant because of its value exceeding 10% of the Company's equity.

Legal basis:

§ 5 sec. 1 item 3 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodical information provided by issuers of securities and the conditions for recognition as equivalent information as required by the law of a non-Member State (Journal of Laws of 2014, item 133).