

Sentence of the Court of First Instance on the fine levied by UOKiK

Current report no. 16/2014 from 17 March 2014

Legal basis (selected in ESPI):

Article 56 par. 1 item 1 of the Act on offers – confidential information

The Management Board of PKP CARGO S.A. ("Company") in reference to the current report 28/2013 of 4 December 2013, announces that the Regional Court in Warsaw - the Court of Competition and Consumer Protection ("SOKiK"), regarding the case - file reference number XVII AmA 148/13, in its judgment of 17 March 2014 abrogated the decision of the President of the Office of Competition and Consumer Protection ("UOKiK") No DOK-3/2009. The sentence may be appealed with the Court of second instance.

In accordance with the information contained in the Company's Prospectus, on 7 July 2009 the President of the Office for Competition and Consumer Protection issued the decision No. DOK-3/2009, in which he recognized the Company's refusal to render railway cargo transport services to its competitors on special terms to constitute a practice limiting competition, i.e. by way of concluding agreements stipulating discounts on the Company's cargo rates, and levied a fine on the Company in the amount of PLN 60,362,072.00. This decision was upheld by the sentences of the SOKiK and the Court of Appeals. In connection with the fact that the decision became final, the Company paid the aforementioned fine in full, lodging an appeal against the sentence to the Supreme Court on 20 August 2012. On 13 August 2013 the Supreme Court, by way of a ruling, accepted the Company's appeal against the sentence. After hearing the case during the trial on 3 October 2013, the Supreme Court abrogated the appealed sentence of the Court of Appeals and the preceding sentence of the SOKiK, a consequence of which is the said refund of the fine. The case was forwarded by the Supreme Court to be re-examined by the court of first instance.

Legal basis:

Art. 56 sec. 1 item 1 of the Act of 25 July 2005 on public offering and conditions for introduction of financial instruments into an organized trading system, and on public companies.