

Management Board's recommendation on covering the loss and not paying a dividend for 2015

Current report no. 17/2016 of 18 March 2016

Legal basis (selected in ESPI):

Article 56 Section 1 Item 1 of the Act on Offerings – confidential information

The PKP CARGO S.A. Management Board (“Company”) reports that on 18 March 2016 it adopted a resolution on submitting a motion to the Company’s Shareholder Meeting to adopt a resolution to cover the net loss incurred in the amount of PLN 114,125,438.44 stemming from the standalone statement of comprehensive income for the period from 1 January 2015 to 31 December 2015 from future earnings and to recommend to the Company’s Shareholder Meeting that no dividend be paid for the financial year from 1 January 2015 to 31 December 2015.

At the same time, the Company’s Management Board reports that pursuant to art. 382 § 3 of the Commercial Company Code, this motion will be submitted to the Company’s Supervisory Board to obtain its opinion.

Legal grounds: Article 56 Section 1 Item 1 of the Act of 29 July 2005 on Public Offering and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies (Journal of Laws of 2013, Item 1382).