

## **Significant blocks of shares/Change of ownership**

Current report no. 19/2013 of 5 November 2013

*Legal basis (selected in ESPI):*

*Art. 70 sec.1 of the Act on Offering – acquisition or disposal of a significant block of shares*

The Management Board of PKP CARGO S.A. (“Company”) hereby announces that on 5 November 2013 the Management Board received a notification from Morgan Stanley (“Morgan Stanley”) regarding the change of Morgan Stanley’s participation in the share capital of the Company and in the total number of votes at the General Meeting of Shareholders of the Company (“GM”).

The change was the result of:

1. purchase by the Morgan Stanley’s subsidiary, Morgan Stanley & Co. International plc (“Global Coordinator”), in connection with performance of the function of the Global Coordinator in the public offering of the Company’s shares (“Offering”), 2,395,800 shares of the Company following the final allocation of the Company's shares to institutional investors on 28 October 2013 (“Final Allocation”) and registration of 2,395,800 Company’s shares in the account of the Global Coordinator on 29 October 2013 in connection with settlement of the Offering in the institutional tranche, as a result of which indirect participation of Morgan Stanley in the Company's share capital and the total number of votes at the GM increased from 0% to 5.53%, namely by 5.53%, and
2. settlement of block transactions involving shares of the Company concluded on 30 October 2013 between the Global Coordinator and another entity acting as the global coordinator in the Offering and institutional investors to whom shares of the Company were allotted in the Final Allotment, as a result of which the Global Coordinator sold 2,395,800 shares of the Company and another subsidiary of Morgan Stanley, Morgan Stanley Investment Management Inc., purchased 400,000 shares of the Company, as a result of which the indirect participation of Morgan Stanley in the share capital of the Company and the total number of votes at the General Meeting fell from 5.53% to 0.92 %, namely by 4.61%.

The notification stated that Morgan Stanley was not a party to any agreements, the subject of which would be the transfer of the right to exercise the voting rights in shares of the Company, as defined by Art. 87 sec. 1 item 3 point c of the Act of 29 July 2005 on public offering and conditions for introduction of financial instruments into an organized trading system, and on public companies (Journal of Laws of 2009 no. 185 item 1439, as amended).

Legal basis:

Art. 70 sec. 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 (Journal of Laws of 2009 no. 185, item 1439 as amended)