

Significant blocks of shares/ Change in ownership

Current report No. 38/2014 from 24 June 2014

General legal basis (selected in ESPI):

Article 70 item 1 of the Act on Offering - purchase or sale of a significant block of shares.

The Management Board of PKP CARGO S.A. ("the Company") informs that on 24 June 2014, the Company received a letter from its shareholder Polskie Koleje Państwowe S.A. ("the Shareholder", "PKP S.A."), submitted pursuant to Art. 69 par. 1 item 2 and Art. 69 par. 2 item 2 of the Act of 29 July 2005 on public offering and the conditions for introduction of financial instruments to the organized trading system and on public companies (Journal of Laws of 2013, item 1382) ("Act on Offering"), in which the Shareholder informs that, as a result of accelerated book-building process and the block transactions concluded on 18 June 2014 ("Transaction"), PKP S.A. decreased its exposure from 50.04% to 33.01% of the total number of votes in the Company.

Prior to the Transaction, the Shareholder held 22,411,844 (twenty two million four hundred eleven thousand eight hundred forty four) shares, representing 50.04% of the Company's share capital and entitling to 22,411,844 (twenty two million four hundred eleven thousand eight hundred forty four) of votes at the General Meeting ("GM"), which accounted for 50.04% of the total number of votes at the GM.

After the Transaction, PKP S.A. holds 14,784,194 (fourteen million seven hundred eighty four thousand one hundred ninety four) shares of the Company, representing 30.01% of the Company's share capital. These shares entitle to 14,784,194 (fourteen million seven hundred eighty four thousand one hundred ninety four) of the votes at the GM, which accounts for 30.01% of the total number of votes.

The letter also stated that Shareholder's subsidiaries do not hold any shares in the Company and that the Shareholder has not entered into any agreement, referred to in Art. 87 par. 1 point 3, letter c of the Act on Offering, i.e. the agreement on the transfer of power to exercise voting rights.

Legal basis:

Article 70 item 1 of the Act of 29 July 2005 on public offering and conditions for the introduction of financial instruments to an organized trading system and on public companies (Journal of Laws of 2013 item 1382).