



**POLSKIE KOLEJE PAŃSTWOWE**  
Spółka Akcyjna

## **Invitation by POLSKIE KOLEJE PAŃSTWOWE SPÓŁKA AKCYJNA to participate in negotiations to purchase shares in: PKP CARGO Spółka Akcyjna with its registered office in Warsaw**

Polskie Koleje Państwowe Spółka Akcyjna, with its registered office in Warsaw, at ul. Szczęśliwicka 62, 00-973 Warsaw, acting on the basis of a power of attorney granted by the Minister of Infrastructure, in accordance with Article 20(4) of the Act of 8 September 2000 on Commercialisation, Restructuring and Privatisation of the State-owned Enterprise "Polskie Koleje Państwowe" (Journal of Laws of 2000, No. 84, item 948, as amended), hereinafter referred to as the "PKP Act", and pursuant to Article 33(1)(3) of the Act of 30 August 1996 on Commercialisation and Privatisation (Journal of Laws of 2002, No. 171, item 1397, as amended), hereinafter referred to as the "Act", in connection with Article 20(3) of the PKP Act and also pursuant to the Regulation of the Council of Ministers of 17 February 2009 on the Detailed Procedure for Selling Shares of the State Treasury (Journal of Laws of 2009, No. 34, item 264, as amended), hereby invites all interested parties, hereinafter referred to as the "Potential Investors", to participate in negotiations for the purchase of no more than 1,444,601 (in words: one million, four hundred and forty-four thousand, six hundred and one) ordinary registered shares in PKP CARGO Spółka Akcyjna, with its registered office in Warsaw, at ul. Grójecka 17, 02-021 Warsaw, hereinafter referred to as the "Company", having a nominal value of PLN 1,000 (one thousand) each, hereinafter referred to as the "Disposed Shares", owned by Polskie Koleje Państwowe S.A.

**Polskie Koleje Państwowe S.A. intend that the Disposed Shares and the newly issued shares in the Company subscribed for by a Potential Investor will constitute no more than 50% + 1 share of the Company's share capital following the transaction.**

The Potential Investors who express their interest in the purchase of the Disposed Shares by 5 May 2011 and who meet the requirements stated below will be offered the "Information Memorandum on PKP CARGO S.A.", hereinafter referred to as the "Memorandum", containing basic information on the Company's legal, economic and financial standing and on the process of the disposal of the Company's shares and the form of and the requirements which should be met by the written response to the public invitation to negotiations.

The condition for obtaining the Memorandum is the presentation of documents allowing the identification of a Potential Investor, i.e. (i) a current excerpt from the Register of Business Entities of the National Court Register or other register competent for the seat of a Potential Investor or other appropriate corporate documents which contain information on the persons authorized to represent such Potential Investor (in the case of foreign entities, such documents should be certified by a Polish consulate or bear an apostille and must be translated into the Polish language by a sworn translator) along with a statement signed by the persons authorized to represent such Potential Investor that the information presented in such documents has not changed since the date of their issue; (ii) powers of attorney (if a given Potential Investor is represented by an attorney); and (iii) a "Confidentiality Undertaking" document signed by duly authorized representatives on behalf of the Potential Investor.

The parties interested in the purchase of the Disposed Shares shall submit their applications to Bank Zachodni WBK S.A., ul. Grzybowska 5a, 00-132 Warsaw, tel. +48 22 586 80 17, fax. +48 22 586 80 35.

The persons responsible for receiving applications are: Marlena Piszczan-Gromada, Issuance Manager, tel. +48 61 856 50 76, fax. +48 61 856 41 84, marlena.piszczan-gromada@bzwbk.pl; and Paweł Lipkowski, Financial Analyst, tel. +48 22 586 85 06, fax. +48 22 586 80 35, pawel.lipkowski@bzwbk.pl.

The subject matter of the negotiations will be, in particular, the price of the Disposed Shares, a structure for the transaction and the mutual rights and obligations of the Company shareholders after purchase of the Disposed Shares by the Potential Investor. The negotiations will also involve investment obligations, including the subscription by the Potential Investor for newly issued shares in the Company. Furthermore, the negotiations could also involve obligations regarding environmental protection, the protection of the interests of the employees and other persons related to the Company and the method of securing compliance with such obligations, as well as certain other obligations of the Potential Investor, both with respect to Polskie Koleje Państwowe S.A. and the Company, to guarantee the implementation of the Company's long-term development strategy and the maintenance of its permanent profitability and competitive position on the market.

As a result of the negotiations, an investor will be selected and with such investor Polskie Koleje Państwowe S.A. will conclude an agreement that will regulate the sale of the Disposed Shares. The payment for the Disposed Shares should be made in cash.

**The deadline for submitting written responses to the public invitation to participate in negotiations for the purchase of the shares in the Company by the Potential Investors who have received the Memorandum will expire on 12 May 2011 at 12.00 p.m. Warsaw time.**

Responses of the Potential Investors to the public invitation to negotiations should be made in the Polish language and may, in addition, be made in the English language pursuant to the provisions set out in the Memorandum. The responses should be submitted in two copies, in sealed envelopes, to the offices of Polskie Koleje Państwowe S.A., ul. Szczęśliwicka 62, 00-973 Warsaw, to the Secretary's Office of the Privatisation Department (room 403). The envelopes should contain the identification data of the Potential Investor and must be marked as follows:

***"Odpowiedź na publiczne zaproszenie do negocjacji w sprawie nabycia akcji PKP CARGO Spółka Akcyjna – Nie otwierać"***

*(Response to the public invitation to participate in negotiations to purchase shares in PKP CARGO Spółka Akcyjna - Do not open.)*

Polskie Koleje Państwowe S.A. reserves the right to demand additional information from the Potential Investors who have submitted their responses to the public invitation to participate in negotiations.

Polskie Koleje Państwowe S.A. shall in writing inform each Potential Investor who has submitted a response to the public invitation to participate in the negotiations on the decision regarding their response by 27 May 2011.

Only responses that meet the requirements set out in the Memorandum and which are submitted by the Potential Investors who have signed the "Confidentiality Undertaking" document and have collected the Memorandum will be considered. Polskie Koleje Państwowe S.A. also reserves the right to: (i) select one or several entities to participate in the negotiations; (ii) withdraw from negotiations without providing any reasons; (iii) extend the deadlines for submitting responses to the public invitation to participate in negotiations and for announcing the results of their review of responses; as well as (iv) change the negotiation procedure and the schedule. Polskie Koleje Państwowe S.A. and the State Treasury shall not reimburse any costs incurred by the Potential Investors in connection with their participation in the negotiations or the conclusion of an agreement regarding the sale of the shares in the Company.