

## Current Report No. 14/2010

Date of preparation: 22 April 2010

### **Subject: Value of a significant agreement with Huta Łabędy S.A.**

*General legal basis: Article 56.1.2 of the Act on Public Offering – current and periodic information.*

#### *Content:*

The Management Board of LW Bogdanka S.A. (the “Company”) hereby announces that from 22 June 2009, i.e. from the date of admission of the Company’s securities to public trading, until now the net value of the agreements concluded by and between the Company and Huta Łabędy S.A. (“Huta Łabędy”, the “Supplier”) with its registered office in Gliwice at ul. Zawadzkiego 45, has amounted to PLN 183.7 million.

The agreement of the highest value was the one signed on 22 April 2010 (the “Agreement”) by and between LW Bogdanka S.A. and Huta Łabędy the subject of which is the supply of gallery casings made of steel with superior mechanical properties with the use of section V-32 and V-36.

The net value of the Agreement amounts to PLN 113,750,000.00. The agreement will be performed in stages from the date of its conclusion until 31 December 2011.

The Agreement provides for the following liquidated damages:

1. The Company is entitled to charge the Supplier with liquidated damages in the amount of 0.1% of the net value of the undelivered volume, if the Supplier defaults on the time limits specified in particular periodic orders.
2. The Company is entitled to charge the Supplier with liquidated damages in the amount of 0.1% of the net value of the entire periodic order, if the delay exceeds 21 days.
3. In the event of termination of the Agreement by the Company due to reasons attributable to the Supplier, the Supplier shall be obliged to pay for the benefit of the Company liquidated damages in the amount of 10% of the maximum value of the Agreement. The Company is entitled to exercise the abovementioned rights, irrespective of the right to charge the Supplier with liquidated damages specified in Paragraphs 1 and 2.

Other terms and conditions do not differ from the market standards applied in such agreements.

The criterion for deeming concluded Agreement to be significant is that it exceeds 10% of the value of the Company shareholders’ equity.

Legal basis for submitting the report: Article 5.1.3 of the Regulation of the Minister of Finance on the Stock Exchange.