

Justification for draft resolution No 225 of the Annual General Meeting of Budimex S.A. on the coverage of loss from previous years

The draft resolution is prepared in conjunction with resolution No 222 of the Annual General Meeting of Budimex S.A. of 24 April 2014, under which, as of 1 January 2014, the Company prepares separate financial statements in accordance with IAS, within the meaning of Article 2 section 3 of the Accounting Act, i.e. in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) and the related interpretations issued as regulations of the European Commission. The loss from previous years results primarily from the recognition of negative adjustment for hyperinflation, and positive adjustment of the long-term deposit valuation. The detailed description of those adjustments is provided in the financial statements of Budimex S.A., note 4 “Changes to the rules of preparation of the financial statements”.

The Management Board and the Supervisory Board recommend the coverage of loss from previous years resulting from the above restatement of separate financial statements, equal to PLN 5,808 thousand, from statutory reserve funds (presented in the financial statements under item “Other reserve capital”). As at 31 December 2014, the amount of other reserve capital was PLN 59,520 thousand.

Justification for draft resolution No 226 of the Annual General Meeting of Budimex S.A. on the distribution of profit for 2014.

The Management Board and the Supervisory Board recommend allocation of the net profit for 2014 in the amount of PLN 155,989 thousand to dividend payment of PLN 6.11 gross per share, based on the following:

- in 2014, Budimex S.A. reported net profit of PLN 156,069 thousand,
- as at 31 December 2014, Budimex S.A. held cash and cash equivalents in the amount of PLN 1,403,970 thousand, and the dividend payment will not have an adverse effect on the Company’s financial liquidity in 2015.

Justification for draft resolution No 245 of the Annual General Meeting of Budimex S.A. on the amendment to § 9 of the Company Articles of Association in connection with the conversion of series A ordinary registered shares and the adoption of the consolidated text of the Articles of Association

In connection with the conversion of 120 series A ordinary registered shares to ordinary bearer shares, and then with their assimilation and introduction to stock exchange trading on 19 July 2013, it is hereby proposed that the Annual General Meeting adopt a resolution to amend the Articles of Association so as to reflect the conversion. The consolidated text of the Articles of Association incorporating the amendment will then be enclosed as appendix to the relevant Resolution. The current wording of Par. 9.1, first indent of the Articles of Association, and the amended wording, along with the consolidated version of the Articles of Association, is provided in current report No 18/2015 of 17 March 2015.

Justification for draft resolution No 246 of the Annual General Meeting on determination of the rules and the amount of remuneration for the Members of the Supervisory Board of Budimex S.A.

Following amendments to regulations governing the duty to pay the retirement and disability insurance contribution, and in order to reflect the responsibilities of members of the Supervisory Board of a listed company better, it was necessary to review the rules of remuneration and the amount of remuneration paid to the members of the Supervisory Board. The proposed changes intend to differentiate the remuneration received by the members of the Supervisory Board based on the roles performed in the Supervisory Board, but also responsibilities for sitting on the committees of the Supervisory Board.