

Conclusion of an understanding with the trade unions

**Current report 120/2012 date October 16, 2012**

Following the current report 111/2012 from September 26, 2012 the Management Board of Bank Gospodarki Żywnościowej S.A. ("Bank") hereby informs, that on October 16, 2012 the Management Board of the Bank concluded with the trade unions an understanding on the rules of conduct in matters concerning the employees covered by the intent of group layoffs in accordance with the Act dated 13 March 2003 on Special Employment Termination Rules for Reasons Not Attributable to Employees.

The group layoffs will be carried out from October 31, 2012 until June 30, 2013 and will encompass no more than 370 employees of the Bank.

The understanding sets forth the possibility for employees covered by the layoffs to be granted benefits mitigating the effects of employment loss. These include among others additional benefits depending on the length of employment with the Bank as well as outplacement.

The Bank will disclose the information on the expected financial impact of the group layoffs in the 2012 annual financial statements.

Legal basis:

Art 56 section 1 point 1 Act from July 29, 2005 on the public offering and the conditions for introducing financial instruments to organized trading, and public companies.