

Subject: Termination and expiry of the standstill agreement on temporary and conditional suspension of enforcement of debt covenants

The Management Board of PBG S.A. hereby reports that on June 5th 2012 it was notified that the parties to the standstill agreement of May 14th 2012 on temporary and conditional suspension of enforcement of debt covenants ("the Standstill Agreement"), executed by PBG S.A. and PBG Group companies with their financing banks, received a notice of termination of the Standstill Agreement, dated June 5th 2012, from Polski Bank Przedsiębiorczości S.A. and Bank Gospodarki Żywnościowej S.A.

As stated in the notice, the Standstill Agreement was terminated as a result of a breach of its terms, i.e. failure to create the specified security and failure to remedy the breach despite the expiry of the prescribed deadline.

In accordance with the provisions of the Standstill Agreement, its term expires on the date on which any party to the Standstill Agreement serves a notice of its termination on the other parties. In consequence, the Standstill Agreement was terminated and expired on June 5th 2012.

The execution of the Standstill Agreement was reported by PBG S.A. in Current Report No. 28/2012 of May 15th 2012.

Legal basis:

Art. 56.1.1 of the Public Offering Act – inside information

For PBG S.A.:

Magdalena Eckert-Boruta