



Date of preparation: **15 October 2016**

Issuer's abbreviated name: PZU SA

Current Report No. 68/2016

Subject: **The disclosure of the delayed inside information regarding commencement of negotiations by PZU SA**

Legal basis: **Art. 17 section 4 and Art. 17 section 7 of MAR - notification on delay of disclosure of inside information**

Body of the Report:

Body of the report: In relation to the media reports, the Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna with its registered seat in Warsaw („PZU SA”, „Company”), acting pursuant to Art. 17 section 1, 4 and 7 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (OJ L 173, 12.6.2014, p. 1–61, hereinafter referred to as "MAR"), reveals the below inside information on the commencement of negotiations on 28 September 2016 by PZU SA aimed at concluding a transaction to acquire a substantial holding of shares in Bank Pekao S.A. by PZU SA acting in consortium with Polski Fundusz Rozwoju S.A. from UniCredit Group (the "Inside Information"). Public disclosure of the Inside Information was delayed pursuant to Art. 17 section 4 of MAR on 28 September 2016. At the same time, in PZU SA view, the reports appearing in the media substantiate the obligation to immediately disclose the aforementioned Inside Information resulting from Art. 17 section 7 of MAR, i.e. in the situation where the confidentiality of an inside information is no longer ensured and a rumour explicitly relates to inside information the disclosure of which has been delayed, where that rumour is sufficiently accurate to indicate that the confidentiality of that information is no longer ensured.

Content of the delayed Inside Information:

"The Management Board of PZU SA with its registered seat in Warsaw informs that on 28 September 2016 PZU SA commenced the negotiations aimed at concluding a transaction to acquire a substantial holding of shares in Bank Pekao S.A. by PZU SA acting in consortium with Polski Fundusz Rozwoju S.A. from UniCredit Group.

The Management Board of PZU SA will inform on execution of a legally binding documentation relating to the transaction or on or any other termination or conclusion of the negotiations related to the transaction in a separate ESPI report.

At the same time, the Management Board of PZU SA indicates that the commencement of the aforementioned negotiations with UniCredit does not mean that the acquisition of shares of Bank Pekao S.A. will be effected. Moreover, the corporate bodies of PZU SA have not taken, at this stage, any binding decisions with respect to the realisation of the potential transaction."

In the opinion of the Company, the delay of disclosure of the above Inside Information was justified by the Company's legitimate interest, as its immediate disclosure at that time could adversely impact PZU SA negotiating position, and even threaten the possibility of realisation of the transaction, in particular due to potential fluctuations in Bank Peak SA share price.

Legal basis: Art. 17 section 4 and Art. 17 section 7 of MAR - notification on delay of disclosure of inside information