

**SUPERVISORY BOARD
IZOSTAL S.A.**

Pursuant to article 12 section 2 subsection j) of the Statute of the Company, the Management Board of IZOSTAL S.A. is requesting for consideration and approval of the, attached to this letter, proposal of appropriation of profit for the year 2012, and giving the Members of the Management Board vote of approval for performance of their duties in 2012.

Management Board of IZOSTAL S.A.

Marek Mazurek
Chairman of the Board

Jacek Podwiński
Vice Chairman of the Board

IZOSTAL S.A. ZAWADZKIE

RESOLUTION NO. 129/VII/2013 of MANAGEMENT BOARD of IZOSTAL S.A. dated 20.03.2013

concerning: **the referral to the Annual General Meeting of the proposal for the appropriation of profit for the year 2012**

The Management Board of IZOSTAL S.A. decides to propose to the General Meeting of Shareholders and Supervisory Board for the allocation of net profit for the year 2012 of 20,304,773.58 PLN (say: twenty million three hundred four thousand seven hundred and seventy three PLN, 58/100) for:

- supplementary capital of the Company in the amount of : 14,410,853.58 PLN (say: fourteen million four hundred ten thousand eight hundred and fifty three PLN, 58/100);
- 5,893,920.00 PLN (say: five million eight hundred ninety three thousand nine hundred and twenty PLN, 00/100), which gives 0.18 PLN (eighteen pennies) of dividend per share.

The proposal includes covering with dividend all the shares issued by the Company in the quantity of 32,744,000 units.

Furthermore, in this proposal the Management Board decides to propose to determine the establishment of the right for a dividend on 14 August, 2013, while the dividend payment date on 2 September 2013.

JUSTIFICATION FOR THE PROPOSAL:

Financial situation of the Company is very good. At the end of 2012, the Company has equity capital in the amount of 155,015 thousand PLN, which, together with available credit lines provides financial safety of the conducted business activity.

The company has completed the implementation of the most significant investments in fixed assets.

The net profit in the amount of 20,306 thousand PLN generated in 2012, possible to foresee prospects of the industry, and also the interest of the shareholders give the Management Board reason to believe to be reasonable to pay dividend according to the above described proposal.

The resolution was passed unanimously in an open vote.

Signatures of the Management Board

Marek Mazurek
Chairman of the Board

Jacek Podwiński
Vice Chairman of the Board

IZOSTAL S.A. ZAWADZKIE

RESOLUTION NO. 131/VII/2013 of MANAGEMENT BOARD of IZOSTAL S.A. dated 21.03.2013

concerning: **the adoption of the Opinion of the Independent Expert Auditor and the Report on the audit of the financial statement of Izostal S.A. for the financial year from 1 January to 31 December 2012**

1. The Management Board of IZOSTAL S.A. received and familiarized itself with the Opinion of the Independent Expert Auditor and the Report on the audit of financial statement of IZOSTAL S.A. in Zawadzkie for the financial year from 1 January to 31 December 2012.

In accordance with the expressed Opinion of the independent Expert Auditor - the Counselling Office on Finance and Accounting Dr Piotr Rojek limited liability company (Kancelaria Porad Finansowo-Księgowych dr Piotr Rojek Sp. z o.o.) based in Katowice, the audited financial statement in all material respects, presents honestly and clearly information relevant to the assessment of the financial position as at 31.12.2012 as well as the financial result for the financial year from 01.01.2012 to 31.12.2012.

The financial statement of Izostal S.A. was prepared in accordance with IAS, IFRS and related to them interpretations issued in the form of regulations of the European Commission, and to the extent not covered by these standards - in accordance with the requirements of the Accounting Act and the implementing regulations issued thereunder and on the basis of correctly kept accounts. In addition, this financial statement is in accordance with the records of the Directive of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state, and the it is also consistent with the provisions of the law and decisions of the Statute of Izostal S.A., which have an influence on the contents of the financial statement.

2. In view of the positive Opinion of the Independent Expert Auditor and the Report of the Expert Auditor on the audit of financial statement of IZOSTAL S.A. in Zawadzkie for the financial year from 1 January to 31 December 2012, the Management Board of IZOSTAL S.A. decides to put forward a motion to the Annual General Meeting to give the members of the Management Board a vote of approval for performance of their duties in 2012.

The resolution was passed unanimously in an open vote.

Signatures of the Management Board

Marek Mazurek
Chairman of the Board

Jacek Podwiński
Vice Chairman of the Board