



Current Report: 148/2012

Date: 2012-07-23

Name of the Issuer: "FERRUM" S.A.

Subject: Signing of an annex to the credit agreement with ING Bank Śląski S.A.

Legal grounds: Article 56 par. 5 of the Act on Offerings – update of information

Content of the Report:

The Management Board of "FERRUM" S.A. (the "Issuer", the "Company") announces that on 23 July 2012 the Issuer received a mutually signed annex (the "Annex") to the credit agreement dated 7 July 2006 (the "Credit Agreement") concluded with ING Bank Śląski S.A. (the "Bank"), which was the subject of, inter alia, Current Report No. 144/2012 dated 18 July 2012, as well as prior reports. By issuing the Annex Parties stipulated final terms and conditions of further cooperation within the Credit Agreement.

Rational change to use of external financing of the Company was the aim of the Annex and it is part of optimization of the Issuer's current financing due to, inter alia, increased value of cash revenue on sales throughout the last year. Gradual reduction of the Issuer's liabilities with regard to the Bank shall be the result of this process, as well as reduction of finance charge.

By issuing the Annex, the Parties stipulated new uniform text of the Credit Agreement, in accordance with which the Issuer is entitled to financing of negative balance of current account, established letters of credit and issued guarantees, as well as other banking products involving credit exposure. Until 31 August 2012 credit line of up to PLN 60 million is at the Company's disposal. From 1 September 2012 on the Company's credit line shall be up to PLN 52.5 million. Until that date the Company shall clear the difference, so that the negative balance does not exceed PLN 52.5 million. As an item of the credit line the Bank made the limit of up to PLN 21 million in PLN and / or EUR and /or HUF for guarantees, letters of credit and other banking products involving credit exposure available for the Issuer. The credit line shall be valid until 31 May 2013. Meanwhile all amounts involved within the negative balance may be cleared at any time, not later than on 31 May 2013, with the proviso that from 23 July 2012 on PLN 25 million of the credit line within current account shall be converted into nonrevolving credit with the last installment payable on 30 June 2015. The Issuer cannot make use of the amounts repaid.

The Issuer is obliged to use the credit line solely with the purpose directly related to its business operations.

The Parties agreed that the interest rate of the credit within the current account and the dated credit shall be stipulated on the basis of WIBOR for given month enhanced by the Bank's margin.

In case of Credit Agreement breach, failure to repay any amount due on the basis of the Agreement, exceeding financial determinants defined in the Agreement, non-availability or impossibility of refinancing of other credit lines, as well as in other cases defined in the Agreement, including other events which in the Bank's justified opinion could have significant negative impact on the Issuer's capacity for performance of liabilities resulting from the Credit Agreement, the Bank is entitled to repudiate the credit line, including other banking products (guarantees and letters of credit), or to terminate the Agreement or its part, or to claim repayment of all amounts due on the basis of the Agreement, on the date defined by the Bank. Moreover, pursuant to the Annex, buy-back of the Company's own shares requires the Bank's acceptance.

In the remaining scope the aforementioned Agreement has not been significantly altered.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2012-07-23	Vice-President of the Management Board	Jarosław Zuzelski
2012-07-23	Registered Holder of a Commercial Power of Attorney	Marek Królik