

Wrocław, March 18, 2011

Dear Sir/Madam,

2010 was a breakthrough year for the LC Corp Group and for the whole property development sector, which was particularly severely affected by the financial crisis in the years 2008-2009. Looking at the past year from the Group's perspective it was a period of considerable changes, restructuring of projects and leading the Group onto the path of fast development, taking advantage of the noticeable economic revival. In the opinion of the Management Board of LC Corp SA the Company and the Group were successfully manoeuvred through this hard period, owing to which the Group came out of the crisis even stronger than before and which translated into the Company's and the Group's performance already in 2010.

The Group's financial and liquidity situation is very good. A high level of own funds and current assets secure the completion of ongoing projects. Non-current liability (credit refinancing Arkady Wrocławskie) is secured by the proceeds from the operation of the shopping centre. The bank of land is not encumbered with any external liabilities. Therefore, without any pressure being exerted, the Group's undertakings will carry out the projects which are commercially justified, at the pace and in the sequence resulting from the Group's strategy. It is also a very good situation to obtain external funding, make acquisitions and carry out new projects. All this enables us to look into the future with optimism.

In 2010 the Group completed a subsequent stage of the Osiedle Przy Promenadzie project in Warsaw. In this project over 700 flats were transferred for use in total. Furthermore, the Group started new residential projects, among others in Wrocław, Kraków and Łódź, simultaneously continuing the Calisia Residence project in Warsaw. In addition intense activities were undertaken to commence the construction of a large office and retail building in Warsaw (ul. Przyokopowa) in the first half of 2011. The Group focused also on searching for attractive locations offering a possibility of a fast start of construction, and thence, also a fast return on capital employed. The Group modified to a considerable extent also the structure of constructed flats, adjusting their size, structure and standard to the fluctuating market demand and requirements.

Owing to the consistent policy implemented by the Management Board it was possible to strengthen our position on the property development market. In 2010 the residential property market became stabilised in terms of prices and demand. The banks' openness to financing property development projects was an additional factor enhancing development.

In 2010 the Group earned the net profit of PLN 50,500,000. The shopping centre Arkady Wrocławskie develops really well – in 2010 the number of visitors and the tenants' turnover reached the highest level since its opening in 2007. Satisfactory margins were maintained in the sales of flats. It should be noted, however, that the effects of actions taken by the Management Board in 2010 and before will be visible to a considerable extent in the years to come.

Establishing an important position on the Polish property development market remains the Company's main objective. In order to achieve it the Company will start subsequent projects, founding on both the available bank of land and acquisitions of new projects, taking advantage of a considerable decrease in prices for land. The created project portfolio will diversify the Group's residential offer in terms of geographical location and segments and will ensure the continuity of its

project-related activity over the following five years at a minimum, in the key locations for the Group: Warsaw, Wrocław, Kraków and Gdańsk.

I realise that the year 2011 will require still more effort, commitment, dedication, and concentration on all important areas of the Group's operation. We will be faced with new challenges and even more ambitious objectives, but I am convinced that we will do anything, as we always do, to meet these objectives, concurrently strengthening our market position and taking advantage of the Group's potential for growth.

I would like to thank our Shareholders, who supported our actions. I am convinced that we proved our Group's ability to adjust quickly to a new market situation and recognise new opportunities enabling it to continue its dynamic development in the future.

I would like to thank also all Employees and Management Boards of the LC Corp Group companies for their enormous effort and contribution to our Group's results. Without your commitment we would not be able to achieve such amount of success and it would not be possible for the Group to develop so rapidly.

From the LC Corp SA Management Board's perspective the declared objectives set for 2010 were accomplished. The effective implementation of the strategy allows us to provide an optimistic forecast for the Company's and the Group's development.

Dariusz Niedośpiał

President of the Management Board of LC Corp SA