



LC CORP S.A.

**MID-YEAR CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD OF SIX MONTHS ENDED
30 JUNE 2013
WITH AND INDEPENDENT AUDITOR'S REPORT ON THE REVIEW**

LC Corp S.A.

Mid-year condensed financial statements for the period of 6 months ended 30 June 2013
(PLN '000)

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MID-YEAR CONDENSED STATEMENT OF FINANCIAL POSITION
as at 30 June 2013
(PLN '000)

	Note	30 June 2013 (unaudited)	31 December 2012
Assets			
A. Non-current assets		866 696	866 350
1. Intangible assets		300	341
2. Property, plant and equipment	9	832	931
2.1. Tangible assets		819	930
2.2. Tangible assets under construction		13	1
3. Loan and non-current receivables	11	542 948	538 680
4. Non-current investments	10	322 616	326 398
5. Non-current prepayments and accrued income		0	0
6. Deferred tax assets		0	0
B. Current assets		235 792	231 675
1. Inventories	13	99 473	72 133
2. Trade and other receivables	14	11 447	13 330
3. Income tax receivable		0	63
4. Current financial assets	12	38 303	70 711
5. Cash and cash equivalents	15	86 273	75 293
including bank deposits (over 3 months)		10 057	0
6. Current prepayments and accrued income		296	145
C. Non-current assets classified as held for sale		0	0
Total assets		1 102 488	1 098 025
Equity and liabilities			
A. Equity		818 847	814 489
1. Share capital	16.1	447 558	447 558
2. Balance of called-up share capital not paid		0	0
3. Reserve funds	16.2	333 863	304 135
4. Other reserve funds	16.3	30 000	30 000
5. Other capital	16.4	3 068	3 068
6. Retained profit / Uncovered losses		4 358	29 728
B. Non-current liabilities		121 831	224 589
1. Non-current financial liabilities	17	105 691	208 830
2. Provisions	18	19	19
3. Deferred tax liability	8.2	16 121	15 740
C. Current liabilities		161 810	58 947
1. Current financial liabilities	17	155 069	50 426
2. Trade and other payables		5 908	5 825
3. Income tax payable		0	0
4. Provisions	18	220	0
5. Accrued expenses and revenue		613	2 696
Total equity and liabilities		1 102 488	1 098 025

Notes to the mid-year condensed financial statements enclosed on pages 8 to 23 are their integral part

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MID-YEAR CONDENSED STATEMENT OF COMPREHENSIVE INCOME for the period of 6 months ended 30 June 2013 (PLN '000)

	Note	Period of 6 months ended 30 June 2013 (unaudited)	Period of 6 months ended 30 June 2012 (unaudited)
Revenue			
Revenue on sales of services		20 887	23 059
Revenue on interest and discounts		15 043	20 253
Revenue on dividends		0	0
Other financial income		6 879	307
Other operating income		28	24
Total operating income		42 837	43 643
Expenses			
Operating expenses			
Costs of goods sold		(24 442)	(26 433)
Costs of interest and discounts		(9 092)	(6 594)
Other financial expenses		(4 333)	(144)
Other operating expenses		(231)	(39)
Total operating expenses		(38 098)	(33 210)
Pre-tax profit loss		4 739	10 433
Corporate income tax (tax expense)	8	(381)	(1 999)
Net profit on continued operations		4 358	8 434
Discontinued operations			
Profit (loss) on discontinued operations for the business year		0	0
Net profit (loss)		4 358	8 434
Other comprehensive income			
Other components of comprehensive income		0	0
Income tax relating to other components of comprehensive income		0	0
Other comprehensive income for the year, net value		0	0
Total comprehensive income for the year		4 358	8 434
Earnings/(loss) per share			
- basic EPS from the profit/(loss) for the period (PLN)		0,01	0,02
- diluted EPS from the profit/(loss) for the period (PLN)		0,01	0,02

Notes to the mid-year condensed financial statements enclosed on pages 8 to 23 are their integral part

MID-YEAR CONDENSED STATEMENT OF CASH FLOWS
for the period of 6 months ended 30 June 2013 (PLN '000)

	Note	Period of 6 months ended 30 June 2013 (unaudited)	Period of 6 months ended 30 June 2012 (unaudited)
A. Cash flows from operating activities			
I. Pre-tax profit (loss) on continued operations		4 739	10 433
II. Total adjustments		14 138	(98 768)
1. Change in tangible assets and intangible assets		141	3
2. Change in provisions		220	0
3. Change in inventories		(27 340)	7 569
4. Change in receivables		1 883	(30 806)
5. Change in current liabilities (net of loans and borrowings)		83	(264)
6. Change in accruals and deferrals		(2 234)	(295)
7. Change in financial liabilities		9 402	(5 116)
8. Change in financial assets resulting from loans and notes		32 620	(69 803)
9. Change in financial assets resulting from shares		(700)	(699)
10. Income tax		63	1 022
11. Other adjustments		0	(379)
III. Net cash provided by (used in) operating activities (±II)		18 877	(88 335)
B. Cash flows from financing activities			
I. Cash provided by financing activities		0	94 613
1. Net proceeds from issue of shares and additional contributions to equity		0	0
2. Issue of debt securities		0	64 823
3. Loans and borrowings		0	29 790
II. Cash used in financing activities		(7 897)	(4 442)
1. Acquisition of own (treasury) shares		0	0
2. Interest		(7 897)	(4 442)
3. Other financial expenses		0	0
III. Net cash provided by (used in) financing activities (I-II)		(7 897)	90 171
C. Total net cash flow (A.III±B.III)		10 980	1 836
D. Balance-sheet change in cash, including:		10 980	1 836
- FX change in cash		0	
E. Cash at beginning of period		75 293	107 791
F. Cash at end of period (F±D)	15	86 273	109 627
including bank deposits (over 3 months)		10 057	0
- restricted cash		20	20

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MID-YEAR CONDENSED STATEMENT OF CHANGES IN EQUITY for the period ended 30 June 2013

(PLN '000)

	<i>Issued share capital</i>	<i>Balance of called-up share capital not paid</i>	<i>Reserve funds</i>	<i>Other reserve funds</i>	<i>Other capital</i>	<i>Retained profit / Uncovered losses</i>	<i>Total</i>
As at 1 January 2013	447 558	0	304 135	30 000	3 068	29 728	814 489
<i>Net profit for the period of 6 months ended 30 June 2013</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>4 358</i>	<i>4 358</i>
<i>Other comprehensive income for the period of 6 months ended 30 June 2013</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total comprehensive income for the period of 6 months ended 30 June 2013	0	0	0	0	0	4 358	4 358
Allocation of the profit for 2012 to reserve funds	0	0	29 728		0	(29 728)	0
As at 30 June 2013 (unaudited)	447 558	0	333 863	30 000	3 068	4 358	818 847

Notes to the mid-year condensed financial statements enclosed on pages 8 to 23 are their integral part

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Mid-year condensed financial statements for the period of 6 months ended 30 June 2013
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	<i>Issued share capital</i>	<i>Balance of called-up share capital not paid</i>	<i>Reserve funds</i>	<i>Other reserve funds</i>	<i>Other capital</i>	<i>Retained profit / Uncovered losses</i>	<i>Total</i>
As at 1 January 2012	447,558	0	289,826	0	3,108	39,311	779,803
<i>Net profit for 2012</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>11,285</i>	<i>11,285</i>
<i>Other comprehensive income for 2012</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total comprehensive income for 2012	0	0	0	0	0	11,285	11,285
Allocation of the profit for 2011 to reserve funds	0	0	28,604	0	0	(28,604)	0
Allocation of the profit for previous years (2009-2010) to reserve funds	0	0	0	0	0	(118)	(118)
As at 31 December 2012	447,558	0	318,430	0	3,108	21,874	790,970

	<i>Issued share capital</i>	<i>Balance of called-up share capital not paid</i>	<i>Reserve funds</i>	<i>Other reserve funds</i>	<i>Other capital</i>	<i>Retained profit / Uncovered losses</i>	<i>Total</i>
As at 1 January 2012	447 558	0	304 135	30 000	3 068	29 728	814 489
<i>Net profit for the period of 6 months ended 30 June 2012</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>4 358</i>	<i>4 358</i>
<i>Other comprehensive income for the period of 6 months ended 30 June 2012</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total comprehensive income for the period of 6 months ended 30 June 2012	0	0	0	0	0	4 358	4 358
Allocation of the profit for 2011 to reserve funds	0	0	29 728	0	0	(29 728)	0
Allocation of the profit for previous years (2009-2010) to reserve funds	0	0	0	0	0	0	0
As at 30 June 2012 (unaudited)	447 558	0	333 863	30 000	3 068	4 358	818 847

Notes to the mid-year condensed financial statements enclosed on pages 8 to 23 are their integral part

NOTES TO FINANCIAL STATEMENTS

1. General information

LC Corp S.A. ("the Issuer", "the Company") was established by virtue of the Notarial Deed dated 3 March 2006. The Company's registered office is situated in Wrocław, Poland, at ul. Powstańców Śląskich 2-4. The Company has been entered into the Business Register of the National Court Register maintained by the District Court for Wrocław-Fabryczna in Wrocław, VI Commercial Section of the National Court Register, under KRS No. 0000253077.

As at 30 June 2013 the shares of LC Corp S.A. are in public trading.

The Company has been assigned statistical identification number REGON 020246398.

The Company has been established for an indefinite period and its primary activity comprises:

- PKD 64.20.Z Activities of financial holding companies

LC Corp B.V., controlled by Mr Leszek Czarnecki, is the Parent Undertaking of LC Corp S.A.

2. Approval of the mid-year condensed consolidated financial statements

These mid-year condensed financial statements of the Company for the period of 6 months ended 30 June 2013 were approved for publication by the Management Board on 21 August 2012.

The Company prepared also the mid-year consolidated financial statements for the period of 6 months ended 30 June 2013, which were approved for publication by the Management Board on 21 August 2012.

3. Declaration of compliance and basis for the preparation

The enclosed mid-year condensed financial statements of LC Corp S.A. were prepared in accordance with International Financial Reporting Standards ("IFRS") and in particular with International Accounting Standard No. 34 and IFRSs approved by the EU.

As at the day of approval of these statements for publication, taking into account the process of introducing IFRS standards, currently in progress in the EU, and the Group's activity, there are differences between IFRS standards which have come into force and IFRS standards adopted by the EU within the accounting principles used by the Group. The Company took advantage of the possibility, existing in the case of the application of the International Financial Reporting Standards approved by the EU, of applying IFRS 10, IFRS 11, IFRS 12, amended IAS 27 and IAS 28 for the annual periods that will start on 1 January 2014.

IFRS comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

These mid-year condensed financial statements cover the period of 6 months ended 30 June 2013 and contain comparable data for the period of 6 months ended 30 June 2012 and as at 31 December 2012.

The mid-year condensed financial statements do not contain all information and disclosures required in the annual financial statements and they must be read together with the Company's financial statements for the year ended 31 December 2012.

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Mid-year condensed financial statements for the period of 6 months ended 30 June 2013
(PLN '000)

The mid-year condensed financial statements are presented in thousand zloty ('PLN '000'), and all values in tables and descriptions, if not indicated otherwise, are given in PLN '000.

The mid-year condensed financial statements were prepared on the assumption of a continuation of the business activity by the Company in the foreseeable future. As at the day of approval of these financial statements, there are no circumstances identified implying any threats for continuation of the Company's activity.

4. Accounting principles (policies) adopted for preparation of the financial statements

The accounting principles (policies) adopted for preparation of the mid-year condensed financial statements are coherent with the principles described in the consolidated financial statements of the LC Corp Group for the year ended 31 December 2012, except for new or changed IFRS and IFRIC interpretations effective for the annual periods beginning on or after 1 January 2013:

- Amendments to IAS 19 *Employee Benefits* – applicable to annual periods beginning on or after 1 January 2013,
- Amendments to IAS 1 *Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income* – applicable to annual periods beginning on or after 1 July 2012,
- Amendments to IAS 12 *Income Taxes: Deferred Tax: Recovery of Underlying Assets* – effective for annual periods beginning on or after 1 January 2012 – in the EU applicable at the latest to annual periods beginning on or after 1 January 2013,
- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* – effective for annual periods beginning on or after 1 July 2011 – in the EU applicable at the latest to annual periods beginning on or after 1 January 2013,
- IFRS 13 *Fair Value Measurement* – applicable to annual periods beginning on or after 1 January 2013,
- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* – applicable to annual periods beginning on or after 1 January 2013,
- Amendments to IFRS 7 *Financial Instruments Disclosures: Offsetting Financial Assets and Financial Liabilities* – applicable to annual periods beginning on or after 1 January 2013,
- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards: Government Loans* – applicable to annual periods beginning on or after 1 January 2013,
- Amendments resulting from the IFRS review (published in May 2012) – applicable to annual periods beginning on or after 1 January 2013,
 - IAS 1 – The amendment explains the difference between the voluntarily presented additional comparable data and the mandatory minimum of comparable data,
 - IAS 16 – The amendment explains that the major spare parts and servicing equipment that fulfil the criteria for recognising them as property, plant and equipment may not be treated as inventory,
 - IAS 32 – The amendment removes the existing requirements concerning the recognition of tax from IAS 32 and imposes the requirement to apply IAS 12 with regard to income taxes arising from distribution to owners of financial instruments,
 - IAS 34 – The amendment explains the requirements of IAS 34 concerning the information about the total value of assets and liabilities of each reporting segment, in order to strengthen the compliance with the requirements of IFRS 8 Operating segments. In accordance with this amendment, the total value of assets and liabilities of a given reporting segment has to be disclosed only if: such values are regularly reported to the main operating decision-maker of the entity and a significant change occurred in the total value of assets and liabilities disclosed in the previous annual financial statements for such segment.

The application of the above changes did not have any impact on the Company's financial situation, the results of its activity or the scope of information presented in its financial statements.

In addition, in H1 2013, the Company extended its accounting policy by adding the guidelines for Hedge Accounting concerning the instruments hedging against interest rate risk. Hedging transactions of this type were effected by the subsidiary undertakings in H2 2013.

5. New standards and interpretations, which were published but have not become effective yet

The following standards and interpretations were published by IASB or IFRIC, but have not become effective yet:

- IFRS 10 *Consolidated Financial Statements* – approved in the EU on 11 December 2012, applicable to annual periods beginning on or after 1 January 2013 – in the EU applicable to annual periods beginning on or after 1 January 2014 at the latest. The Company decided to apply IFRS for annual periods beginning on 1 January 2014,
- IFRS 11 *Joint Arrangements* – approved in the EU on 11 December 2012, applicable to annual periods beginning on or after 1 January 2013 – in the EU applicable to annual periods beginning on or after 1 January 2014 at the latest. The Company decided to apply IFRS for annual periods beginning on 1 January 2014,
- IFRS 12 *Disclosure of Interests in Other Entities* – approved in the EU on 11 December 2012 (applicable to annual periods beginning on or after 1 January 2014),
- IAS 27 (Amended in 2011) *Separate Financial Statements* – approved in the EU on 11 December 2012, in the EU applicable to annual periods beginning on or after 1 January 2014 at the latest. The Company decided to apply the amendments to IAS for annual periods beginning on 1 January 2014,
- IAS 28 (Amended in 2011) *Investments in Associates and Joint Ventures* – approved in the EU on 11 December 2012, applicable to annual periods beginning on or after 1 January 2013 – in the EU applicable to annual periods beginning on or after 1 January 2014 at the latest. The Company decided to apply the amendments to IAS for annual periods beginning on 1 January 2014,
- Amendments to IAS 32 *Financial Instruments: Presentation: Offsetting Financial Assets and Financial Liabilities*, approved in the EU on 13 December 2012 (applicable to annual periods beginning on or after 1 January 2014),
- Amendments to various standards *Amendments to IFRS (2012)* – approved in the EU on 27 March 2013 (applicable to annual periods beginning on or after 1 January 2014),
- *Transition Guidance* (Amendments to IFRS 10, IFRS 11 and IFRS 12) – approved in the EU on 4 April 2013 (applicable to annual periods beginning on or after 1 January 2014),
- Amendments to IAS 39 *Novation of Derivatives and Continuation of Hedge Accounting* (published on 27 June 2013) – applicable to annual periods beginning on or after 1 January 2014 – by the date of the approval of these financial statements not endorsed by the EU,
- Amendments to IAS 36 *Recoverable Amount Disclosures for Non-Financial Assets* (published on 29 May 2013) – applicable to annual periods beginning on 1 January 2014 – by the date of the approval of these financial statements not endorsed by the EU,
- Phase 1 of IFRS 9 *Financial Instruments: Classification and Measurement* – applicable to annual periods beginning on or after 1 January 2015 – not endorsed by the EU until the date of authorization of these financial statements. In the next phases, IASB will deal with hedge accounting and impairment methodology. The application of Phase 1 of IFRS 9 will have an impact on the classification and measurement of the Group's financial assets. The Group will assess this impact in correspondence with the other phases of the project once they have been issued, in order to provide a consistent view.

The Company did not decide to choose the option of early application of any standard, interpretation, or amendment to an existing standard which has been published but has not yet become effective.

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6. Significant values based on professional assessment and estimates

The Company's Management Board used their best knowledge of applied standards and interpretations, and also the methods and principles of valuation of particular items of the enclosed financial statements. Preparing the financial statements in accordance with IFRS required from the Management Board to make some estimates and assumptions which are reflected in these statements. The actual results may vary from such estimates.

Uncertainty of estimates

The basic assumptions concerning the future have been discussed below as well as other key reasons for doubts occurring as at the end of the reporting period and entailing a significant risk of considerable adjustment of the balance-sheet value of assets and equity and liabilities in the following reporting period.

Deferred tax asset

The Company recognizes a deferred tax asset based on the assumption that, in the future, some tax profit is to be obtained enabling its utilization. Worsening of tax results attained could cause that this assumption might become illegitimate in the future.

Valuation allowances for shares in subsidiaries and loans advanced to these companies

As at the end of each reporting period the Management Board assesses whether there is any objective evidence that the shares in subsidiary undertakings and loans granted to these undertakings are impaired. If any such evidence exists, the Management Board makes an impairment allowance regarding these assets to the recoverable value. If there is objective evidence that a loss was incurred on account of the impairment of loans, the amount of impairment allowance is equal to the difference between the book value of an asset and the current value of estimated future cash flows, discounted by applying the original effective interest rate of the financial instrument. The amount of the loss is recognized in the statement of comprehensive income.

The recoverable value of shares and loans, and the value of the valuation allowances for shares and loans were estimated as at 30 June 2013 and may be subject to change depending on the fluctuation of the market prices of land, sale prices of flats, construction costs, project completion schedules and discount rate calculations.

The actual results may vary from these estimates which were calculated on the grounds of data available as at the reporting date. It is also related to the uncertainty regarding the proper estimation of the market conditions in the following years. Consequently, valuation allowances may change in next financial periods. Valuation allowances for the value of shares and loans are presented in Notes 11 and 12.

The table below shows the change of estimates as at 30 June 2013 and as at 31 December 2012.

	30 June 2013 (unaudited)	31 December 2012
Deferred tax asset	16 121	15 740
Valuation allowances for shares and loans	70 067	72 852

7. Seasonal or cyclical character of the activity

The Company's activity is not seasonal by nature, therefore its results are not subject to fluctuations over the year.

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Mid-year condensed financial statements for the period of 6 months ended 30 June 2013
(PLN '000)

8. Corporate income tax

8.1 Tax expense

In the period of 6 months ended 30 June 2013 and 30 June 2012 the main items of tax expense included the following:

	Period ended 30 June 2013 (unaudited)	Period ended 30 June 2012 (transformed)
Statement of comprehensive income		
<i>Current income tax</i>		
Current income tax expense	0	0
Previous years' adjustments to the current income tax	0	0
<i>Deferred income tax</i>		
Related to the occurrence and reversal of temporary differences	381	1 999
Tax expense disclosed in the statement of comprehensive income	381	1 999

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8.2 Deferred income tax

Deferred income tax results from the following items:

	Statement of Financial Position		Statement of Comprehensive Income for the period ended	
	30 June 2013 (unaudited)	31 December 2012 (audited)	30 June 2013 (unaudited)	31 December 2012 (audited)
<i>Deferred tax liability</i>				
Interest calculated on loans and deposits	(20 129)	(19 172)	(957)	(4 699)
Difference in value of non-current assets (tax and balance-sheet depreciation)	(41)	(45)	4	37
Gross deferred tax liability	(20 170)	(19 217)		
<i>Deferred tax assets</i>				
Temporary provisions and settlements	193	548	(355)	185
Interest calculated on loans, discount on bonds	2 361	2 061	300	446
Valuation allowances for shares	0	0	0	(15 444)
Losses that can be deducted from future taxable income	1 495	868	627	830
Other	0	0	0	(20)
Gross deferred tax assets	4 049	3 477		
Deferred tax expense			(381)	(18 665)
Net deferred tax asset	0	0		
Net deferred tax provision	(16 121)	(15 740)		

9. Property, plant and equipment

In the period of 6 months ended 30 June 2013, the Company acquired property, plant and equipment to the value of PLN 64,000 (in the period of 6 months ended 30 June 2012: PLN 225,000).

In the period of 6 months ended 30 June 2013 and in the period of 6 months ended 30 June 2012, the Company did not effect any significant transactions of disposing of property, plant and equipment items.

As at 30 June 2013, the Company is not a party to contractual obligations whose subject matter is acquisition of intangible assets.

10. Non-current investments

Shares

Shares

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As at 30 June 2013 and 31 December 2012, the Company held the following shares in companies:

Company	Seat	30 June 2013 (unaudited)		31 December 2012	
		Balance-sheet value in PLN '000	% in share capital	Balance-sheet value in PLN '000	% in share capital
Arkady Wrocławskie S.A.	Wrocław	128 652	100%	128 652	100%
Warszawa Przyokopowa Sp. z o.o.	Wrocław	46 366	100%	46 366	100%
Kraków Zielony Złocień Sp. z o.o.	Wrocław	12 830	100%	12 830	100%
LC Corp Invest I Sp. z o.o.	Wrocław	1	100% (directly and indirectly)	1	100% (directly and indirectly)
LC Corp Invest II Sp. z o.o.	Wrocław	88 000	100%	88 000	100%
LC Corp Invest III Sp. z o.o.	Wrocław	10 308	100%	10 308	100%
LC Corp Invest VII Sp. z o.o. (*)	Wrocław	2 000	100%	1 000	100%
LC Corp Invest VIII Sp. z o.o.	Wrocław	13 500	100%	13 500	100%
LC Corp Invest IX Sp. z o.o.	Wrocław	1 000	100%	1 000	100%
LC Corp Invest X Sp. z o.o.	Wrocław	8 000	100%	8 000	100%
LC Corp Invest XI Sp. z o.o.	Wrocław	35 973	100%	35 973	100%
LC Corp Invest XII Sp. z o.o.	Wrocław	23 000	100%	23 000	100%
LC Corp Invest XV Sp. z o.o.	Wrocław	5	100%	5	100%
LC Corp Invest XV Sp. z o.o. Projekt 14 S.K.A	Wrocław Wrocław	5 049	100% (directly and indirectly)	5 049	100% (directly and indirectly)
LC Corp Invest XVI Sp. z o.o.	Wrocław	5	100%	5	100%
LC Corp Invest XVII Sp. z o.o.	Wrocław	5	100%	5	100%
Valuation allowance for shares		(52 078)		(51 778)	
Total		322 616		321 916	

(*) On 3 June 2013, the Extraordinary Shareholders Meeting of LC Corp Invest VII Sp. z o.o. increased the company's share capital from PLN 1,000,000.00 to PLN 2,000,000.00, by taking up new shares in exchange for a cash contribution made by the sole shareholder, LC Corp S.A.

Other non-current investments

As at 30 June 2013 and as at 31 December 2012 the Company had non-current investments in financial instruments:

	30 June 2013 (unaudited)	31 December 2012
Investment notes	0	4 482
Total balance-sheet value	0	4 482

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11. Loans and non-current receivables

	30 June 2013 (unaudited)	31 December 2012
Non-current loans (including accrued interest)	527 953	526 791
Valuation allowance on loans	(15 005)	(18 111)
Other non-current receivables	30 000	30 000
Total	542 948	538 680

In H1 2012 the Company advanced loans to its subsidiaries, designed for financing their projects.

As at 30 June 2013 in other non-current receivables the Company recognizes a credit security deposit of PLN 30,000,000.

12. Current financial assets

	30 June 2013 (unaudited)	31 December 2012
Current loans (including accrued interest)	41 287	61 722
Investment notes	0	11 952
Valuation allowance for loans	(2 984)	(2 963)
Total	38 303	70 711

The table below shows the changes in valuation allowances of the loans presented in Note 11 and 12:

	Period ended 30 June 2013 (unaudited)	Year ended 31 December 2012
As at beginning of period	(21 074)	(23 531)
Increase	0	(21 074)
Use	0	0
Decrease	3 085	23 531
As at end of period	(17 989)	(21 074)

13. Inventories

	30 June 2013 (unaudited)	31 December 2012
Prepayments for purchase of land	0	0
Work in process	99 473	72 133
Finished products	0	0
Inventory valuation allowance	0	0
Total inventories	99 473	72 133

As at 30 June 2013 costs of external financing were not capitalised in the value of inventories. As at 31 December 2012, costs of external financing capitalised in the value of inventories totalled PLN 1,361,000.

In the period ended on 30 June 2013 there were no write-downs of inventories to net realisable value.

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14. Trade and other receivables

	30 June 2013 (unaudited)	31 December 2012
Trade receivables	890	655
Budget receivables (net of income tax)	10 357	12 471
Other receivables from third parties	200	204
Total receivables (net)	11 447	13 330
Valuation allowance for receivables	(51)	(51)
Gross receivables	11 498	13 381

15. Cash and cash equivalents

	30 June 2013 (unaudited)	31 December 2012
Cash on hand and in bank	35 845	4 929
Deposits	50 428	70 364
including deposits over 3 months	10 057	0
Total	86 273	75 293

Cash in bank bears interest according to floating interest rates. Short-term deposits are made for different periods, from one day to several months, depending on the Company's current demand for cash, and bear interest according to interest rates established for them.

16. Share capital and reserve funds

16.1. Share capital

	30 June 2013 (unaudited)	31 December 2012
Share capital		
Series A ordinary shares of par value PLN 1.00 per share	500	500
Series B ordinary shares of par value PLN 1.00 per share	113 700	113 700
Series C ordinary shares of par value PLN 1.00 per share	1 453	1 453
Series D ordinary shares of par value PLN 1.00 per share	1 472	1 472
Series E ordinary shares of par value PLN 1.00 per share	32 000	32 000
Series F ordinary shares of par value PLN 1.00 per share	102 000	102 000
Series G ordinary shares of par value PLN 1.00 per share	80 000	80 000
Series H ordinary shares of par value PLN 1.00 per share	58 433	58 433
Series I ordinary shares of par value PLN 1.00 per share	1 000	1 000
Series J ordinary shares of par value PLN 1.00 per share	57 000	57 000
Total	447 558	447 558

Ordinary shares of LC Corp S.A., issued, registered and fully paid	Shares	Value (PLN'000)
As at 1 January 2012	447,558,311	447,558
As at 30 June 2013	447,558,311	447,558

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Par value of the shares

All issued shares have a par value of PLN 1.00 and were fully paid.

Rights of shareholders

No shares of any series are preferred as to the dividend or return on capital. One share corresponds to one vote.

Shareholders with significant interest

Shareholders possessing, directly or indirectly through subsidiary undertakings, at least 5% of the total vote at the Issuer's general meeting, as at 30 June 2013:

Shareholder	Number of shares	Number of votes	Share % in share capital	Share % in vote at general meeting
Leszek Czarniecki directly and indirectly ¹ Including: LC Corp B.V. seated in Amsterdam	229.126.674	229.126.674	51.19%	51.19%
ING Otwarty Fundusz Emerytalny ²	30.000.000	30.000.000	6.70%	6.70%
AVIVA Otwarty Fundusz Emerytalny AVIVA BZ WBK ²	30.200.000	30.200.000	6.74%	6.74%
OFE PZU "Złota Jesień" ²	44.669.000	44.669.000	9.98%	9.98%

¹ Leszek Czarniecki directly holds 14,424,564 shares constituting 3.22% of the share capital and 3.22% share in the vote at the General Meeting, and indirectly through his subsidiary undertakings Leszek Czarniecki holds 214,702,110 shares constituting 47.97% of the share capital and 47.97% share in the vote at the General Meeting. Leszek Czarniecki's subsidiary undertaking is LC Corp. B.V seated in Amsterdam holding 214,701,110 shares constituting 47.97% of the share capital and 47.97% share in the vote at the General Meeting and RB Investcom Sp. z o.o. seated in Wrocław holding 1,000 shares constituting 0.0002% of the share capital and 0.0002% share in the vote at the General Meeting.

² The number of shares held by a shareholder at the General Meeting of LC Corp S.A. on 28 May 2013.

Shareholders possessing, directly or indirectly through subsidiary undertakings, at least 5% of the total vote at the Issuer's general meeting, as at 31 December 2012:

Shareholder	Number of shares	Number of votes	Share % in share capital	Share % in vote at general meeting
Leszek Czarniecki directly and indirectly* Including: LC Corp B.V. seated in Amsterdam	229.126.674	229.126.674	51.19%	51.19%
ING Otwarty Fundusz Emerytalny	32.684.371	32.684.371	7.30%	7.30%
AVIVA Otwarty Fundusz Emerytalny AVIVA BZ WBK	36.800.000	36.800.000	8.22%	8.22%

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OFE PZU "Złota Jesień"	30.000.000	30.000.000	6.70%	6.70%
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* Leszek Czarniecki directly holds 14,424,564 shares constituting 3.22% of the share capital and 3.22% share in the vote at the General Meeting, and indirectly through his subsidiary undertakings Leszek Czarniecki holds 214,702,110 shares constituting 47.97% of the share capital and 47.97% share in the vote at the General Meeting. Leszek Czarniecki's subsidiary undertaking is LC Corp. B.V seated in Amsterdam holding 214,701,110 shares constituting 47.97% of the share capital and 47.97% share in the vote at the General Meeting and RB Investcom Sp. z o.o. seated in Wrocław holding 1,000 shares constituting 0.0002% of the share capital and 0.0002% share in the vote at the General Meeting.

16.2. Reserve funds

As at 30 June 2013 reserve funds consisted of PLN 333,863,000 and were created with the surplus of the issue value over the par value of PLN 321.452,000, less issue costs disclosed as a decrease in the reserve funds in the amount of PLN 13,215,000.

Reserve funds were additionally increased by the amount of profit from previous years or were decreased by the costs of loss for years 2006-2012 in the total amount of PLN 13,215,000.

16.3. Other reserve funds

As at 30 June 2013 other capital consisted of PLN 30,000,000 and was created in 2011 to purchase own shares by transferring the amount of PLN 30,000,000 from reserve funds (initially it was the Company profit transferred to reserve funds).

16.4. Other capital

As at 30 June 2013 other capital of PLN 3,068,000 was created as a result of the valuation of fair value of management options in 2007 totalling 3,108,000 and decreased by PLN 40,000.

17. Financial liabilities

	<i>Maturity</i>	30 June 2013 (unaudited)	31 December 2012
Non-current			
Loan a	31-01-2016	29 858	29 831
Bond scheme b	-	-	99 719
Bond scheme c	25-05-2015	64 626	64 529
Investment notes d	-	-	14 751
Investment notes e	30-06-2015	11 207	-
		105 691	208 830
Current			
Loan a	01-07-2013	131	-
Bond scheme b	15-04-2014	101 253	1 715
Bond scheme c	25-11-2013	394	524
Investment notes d	31-01-2014	15 228	-
Investment notes e	-	-	10 997
Investment notes f	09-12-2013	34 271	33 398
Bond scheme g	01-12-2013	20	20

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Borrowing h	31-12-2013	3 772	3 772
		155 069	50 426

- (a) Bank loan taken out in PLN with Getin Noble Bank S.A.
- (b) Coupon bonds – the issue of 15 April 2011, including 1,000 three-year unsecured coupon bonds, having a par value of PLN 100,000 each.
- (c) Coupon bonds – the issue of 1 June 2012, including 650 three-year unsecured coupon bonds, having a par value of PLN 100,000 each.
- (d) Investment notes – the issue of 9 March 2012, including seven investment notes, having a par value of PLN 2,000,000 each, acquired by a subsidiary undertaking, Arkady Wrocławskie S.A.
- (e) Investment notes – the issue of 20 January 2011, including ten investment notes, having a par value of PLN 1,000,000 each, acquired by a subsidiary undertaking, Arkady Wrocławskie S.A.
- (f) Investment notes – the issue of 9 December 2010, including 30 investment notes, having a par value of PLN 1,000,000 each, acquired by a subsidiary undertaking, Warszawa Przyokopowa Sp. z o.o.
- (g) Liability on account of the custody agreement concluded with Getin Noble Bank S.A. concerning the long-term incentive plan.
- (h) Liability on account of the loan agreement concluded on 8 July 2008, granted by a subsidiary undertaking, Warszawa Przyokopowa Sp. z o.o.

In the period ended 30 June 2013 the weighted average interest on loans, notes and bonds totalled 7.4%. In 2012 the weighted average interest on loans, bonds and investment notes was 8%.

18. Provisions

The amounts of provisions and the agreement presenting the changes of the status during the financial period are shown in the table below:

	<i>For retirement and disability severance payments, and death benefits</i>	<i>For removal of construction defects (*)</i>	<i>Total</i>
As at 1 January 2013	19	0	19
Created during financial period	0	220	220
Used	0	0	0
Released	0	0	0
As at 30 June 2013 (unaudited)	19	220	239
Current as at 30 June 2013	0	220	220
Non-current as at 30 June 2013	19	0	19
As at 1 January 2012	19	0	19

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Created during financial year	0	0	0
Used	0	0	0
Released	0	0	0
As at 31 December 2012	19	0	19

Current as at 31 December 2012	0	0	0
Non-current as at 31 December 2012	19	0	19

(*) concerns the investment project carried out by LC Corp Invest Sp. z o.o., taken over as a result of the merger on 17 November 2011.

19. Collaterals

As at 30 June 2013 repayment of loans was secured mainly by:

1. Bank loan agreement taken by LC Corp S.A. from Getin Noble Bank S.A. is secured by a cash security of PLN 30,000,000.
2. Repayment of loans in the subsidiaries of LC Corp S.A. was secured by e.g.:
 - pledge on shares of Arkady Wrocławskie S.A. held by LC Corp S.A. – up to the amount of EUR 91,500,000,- cap mortgage (loan in EUR) – up to the amount of EUR 86,802,000,
 - pledge by registration on all shares in Warszawa Przyokopowa Sp. z o.o. with a financial pledge
 - support agreement concluded by the borrower, the bank and LC Corp S.A., pursuant to the agreement LC Corp S.A. will be obliged to ensure the necessary funds up to 10% of the assumed construction costs should they be exceeded.

20. Changes in contingent liabilities and contingent assets

Since the end of the previous financial year there have been no changes in contingent liabilities and contingent assets of the Company.

21. Litigation

As at 30 June 2013 no proceedings before court or public administration authorities were initiated with regard to liabilities or receivables of LC Corp S.A., whose value would be material to the financial standing of LC Corp S.A.

22. Transactions with related undertakings

The following table shows total amounts of transactions concluded with related undertakings for the period of 6 months ended 30 June 2013 (unaudited):

Related undertaking	Sales	Purchases	Trade and other receivables	Trade and other payables	Loans and non-current receivables and current financial assets	Financial liabilities	Financial income (interest)	Financial expenses (interest, discounts)
Shareholders								

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LC Corp B.V	-	-	-	-	-	-	-	-
Leszek Czarniecki	-	-	-	-	-	-	-	-
Subsidiary undertakings								
Arkady Wrocławskie S.A.	801	747	234	11	-	10 484	-	484
Warszawa Przyokopowa Sp. z o.o.	164	-	25	-	-	1 743	-	3 060
Kraków Zielony Złocień Sp. z o.o.	239	-	46	-	129,119	-	7,365	-
LC Corp Invest I Sp. z o.o.	19	-	5	-	57,027	-	1,303	-
LC Corp Invest II Sp.z o.o.	65	-	6	-	5,165	-	286	-
LC Corp Invest III Sp. z o.o.	3,395	40	26	-	45,046	-	2,644	31
LC Corp Invest VII Sp.z o.o.	66	-	6	-	52,860	-	2,961	-
LC Corp Invest VIII Sp.z o.o	185	-	43	-	42,392	-	2,313	-
LC Corp Invest IX Sp.z o.o.	323	6	25	-	22,892	-	1,211	-
LC Corp Invest X Sp.z o.o	188	-	25	-	20,081	-	825	-
LC Corp Invest XI Sp.z o.o.	65	-	6	-	107,018	-	5,932	-
LC Corp Invest XII Sp. z o.o.	66	-	6	-	73,824	-	3,962	-
LC Corp Invest XIV Sp. z o.o.	269	11	53	44	15,346	-	855	-
LC Corp Invest XV Sp. z o.o.	11	1	15	-	12	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 1 Sp.k	5	-	2	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 2 Sp.k	69	-	29	-	6,725	-	225	-
LC Corp Invest XV Sp. z o.o.Projekt 3 Sp.k	9	-	3	-	-	-	3	-
LC Corp Invest XV Sp. z o.o.Projekt 4 Sp.k	82	-	3	-	4,218	-	118	-
LC Corp Invest XV Sp. z o.o.Projekt 5 Sp.k	4	-	2	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 6 Sp.k	29,118	-	16	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 7 Sp.k	3	-	2	-	-	-	-	-
LC Corp Invest XVI Sp. z o.o.	9	-	11	-	12	-	-	-
Undertakings related through shareholders								
LC Corp Sky Tower Sp. z o.o.	41	-	4	-	-	-	-	-
RB Computer Sp. z o.o.	-	43	-	1	-	-	-	-
Getin Noble Bank S.A.	-	260	-	-	-	-	5,452	-
Noble Securities S.A.	-	30	-	-	-	-	-	-
Home Broker S.A.	-	46	-	17	-	-	-	-
Management Board and Supervisory Board								
Management Board	-	(*) 2,279	-	-	-	-	-	-
Supervisory Board	-	(*) 96	-	-	-	-	-	-

(*) remuneration

The following table shows total amounts of transactions concluded with related undertakings for the year ended 31 December 2012:

Related undertaking	Sales	Purchases	Trade and other receivables	Trade and other payables	Loans and non-current receivables and current financial assets	Financial liabilities	Financial income (interest)	Financial expenses (interest, discounts)
Shareholders								
LC Corp B.V	-	25 000	-	-	-	-	-	-

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Leszek Czarniecki	-	-	-	-	-	-	-
Subsidiary undertakings							
Arkady Wroclawskie S.A.	803	939	234	-	-	25 748	1 264
Warszawa Przyokopowa Sp. z o.o.	463	-	93	-	-	37 171	2 128
Kraków Zielony Złocięń Sp. z o.o.	419	54 215	83	-	43 234	-	7 177
LC Corp Invest I Sp. z o.o.	53	-	5	-	287 373	-	13 185
LC Corp Invest II Sp. z o.o.	65	-	6	-	5 555	-	266
LC Corp Invest III Sp. z o.o.	263	-	22	-	11 952	-	982
LC Corp Invest VII Sp. z o.o.	65	-	6	-	56 346	-	2 933
LC Corp Invest VIII Sp. z o.o.	467	-	66	-	25 877	-	1 701
LC Corp Invest IX Sp. z o.o.	138	-	13	-	24 441	-	1 366
LC Corp Invest X Sp. z o.o.	290	-	22	-	25 174	-	1 201
LC Corp Invest XI Sp. z o.o.	65	-	6	-	47 393	-	4 084
LC Corp Invest XII Sp. z o.o.	65	-	6	-	78 427	-	3 658
LC Corp Invest XV Sp. z o.o.	12	-	1	-	-	-	1
LC Corp Invest XV Sp. z o.o. Projekt 1 Sp.k	17 967	-	34	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 2 Sp.k	376	-	60	-	-	-	166
LC Corp Invest XV Sp. z o.o. Projekt 3 Sp.k	77	-	9	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 4 Sp.k	41	-	4	-	4 481	-	263
LC Corp Invest XV Sp. z o.o. Projekt 5 Sp.k	3 662	-	29	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 6 Sp.k	232	-	34	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 7 Sp.k	115	-	1	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 8 Sp.k	10	-	2	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 20 Sp.k	10	-	12	-	-	-	-
LC Corp Invest XV Sp. z o.o. Projekt 14 SKA	494	35	46	-	-	-	642
LC Corp Invest XV Sp. z o.o. Finance S.K.A.	19	-	5	-	-	-	-
LC Corp Invest XVI Sp. z o.o.	11	-	1	-	-	-	1
LC Corp Invest XVII Sp. z o.o.	54	-	1	-	-	-	-
Undertakings related through shareholders							
LC Corp Sky Tower Sp. z o.o.	99	-	11	-	-	-	-
RB Computer Sp. z o.o.	-	115	-	-	-	-	-
RB Nova Sp. z o.o.	2	-	-	-	-	-	-
Getin Noble Bank S.A.	-	240	-	-	30 000	30 020	5 961
Noble Securities S.A.	-	30	-	-	-	-	-
Management Board and Supervisory Board							
Management Board	-	(*)2 908	-	-	-	-	-
Supervisory Board	-	(*)96	-	-	-	-	-

(*) remuneration

The following table shows total amounts of transactions concluded with related undertakings for the period of 6 months ended 30 June 2012 (unaudited):

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Related undertaking	Sales	Purchases	Trade and other receivables	Trade and other payables	Loans and non-current receivables and current financial assets	Financial liabilities	Financial income (interest)	Financial expenses (interest, discounts)
Shareholders								
LC Corp B.V	-	-	-	-	-	-	-	-
Leszek Czarniecki	-	-	-	-	-	-	-	-
Subsidiary undertakings								
Arkady Wrocławskie S.A.	401	452	234	9	-	25 011	-	527
Warszawa Przyokopowa Sp. z o.o.	210	-	96	-	-	32 534	-	1 861
Kraków Zielony Złocień Sp. z o.o.	184	-	40	-	133 017	-	3 588	-
LC Corp Invest I Sp. z o.o.	26	-	5	-	144 669	-	3 483	-
LC Corp Invest II Sp.z o.o.	32	-	6	-	5 320	-	134	-
LC Corp Invest III Sp. z o.o.	139	-	34	-	18 188	-	1 226	-
LC Corp Invest VII Sp.z o.o.	32	-	13	-	54 678	-	1 447	-
LC Corp Invest VIII Sp.z o.o.	222	-	73	-	40 279	-	892	-
LC Corp Invest IX Sp.z o.o.	71	-	13	-	23 550	-	649	-
LC Corp Invest X Sp.z o.o.	170	-	34	-	22 477	-	568	-
LC Corp Invest XI Sp.z o.o.	32	-	6	-	110 892	-	2 824	-
LC Corp Invest XII Sp. z o.o.	32	-	6	-	76 585	-	1 889	-
LC Corp Invest XIV Sp. z o.o.	261	5	111	-	20 547	-	660	-
LC Corp Invest XV Sp. z o.o.	5	-	22	-	13	-	1	-
LC Corp Invest XV Sp. z o.o.Projekt 1 Sp.k	17 757	-	12	-	13	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 2 Sp.k	159	-	71	-	-	-	166	-
LC Corp Invest XV Sp. z o.o.Projekt 3 Sp.k	29	-	9	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 4 Sp.k	20	-	4	-	4 347	-	129	-
LC Corp Invest XV Sp. z o.o.Projekt 5 Sp.k	3 504	-	25	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 6 Sp.k	90	-	16	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 7 Sp.k	5	-	6	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 8 Sp.k	5	-	5	-	-	-	-	-
LC Corp Invest XV Sp. z o.o.Projekt 20 Sp.k	5	-	5	-	-	-	-	-
LC Corp Invest XVI Sp. z o.o.	5	-	5	-	-	-	-	-
Undertakings related through shareholders								
LC Corp Sky Tower Sp. z o.o.	45	-	11	-	-	-	-	-
RB Computer Sp. z o.o.	-	45	-	2	-	-	-	-
RB Nova Sp. z o.o.	1	-	-	-	-	-	-	-
Getin Nobel Bank S.A.	-	128	30 000	-	-	30 184	2 664	758
Noble Securities S.A.	-	15	-	-	-	-	-	-
Management Board and Supervisory Board								
Management Board	-	(*)738	-	-	-	-	-	-
Supervisory Board	-	(*)48	-	-	-	-	-	-

(*) remuneration

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23. Capital management

The main purpose of capital management is maintaining a good credit rating and safe capital ratios which would support the Company's operating activity and increase value for its shareholders.

The Company manages the capital structure and modifies it as a result of changes in economic conditions. In order to maintain or adjust the capital structure, the Company can change payment of dividend to shareholders, return capital to shareholders or issue new shares. In the period of 6 months ended 30 June 2013 there were no changes in the objectives, rules and processes binding in this area

The Company monitors the condition of capital by means of a leverage ratio, which is calculated as a ratio of debt to equity. The Company's rules determine this ratio as not higher than 5. Net debt includes interest-bearing loans and borrowings, trade payables and other liabilities.

	30 June 2013 (unaudited)	31 December 2012
Interest-bearing bonds, notes and loans	260 761	259 256
Trade payables and other liabilities	5 908	5 532
A. Net debt	266 669	264 788
B. Equity	818 847	814 489
Leverage ratio (A/B)	0.33	0.33

24. Events subsequent to the end of the reporting period

- 1) On 4 July 2013, the Ordinary Shareholders Meeting of Arkady Wrocławskie S.A. was held. Having covered the loss for 2012 the Company decided to pay the dividend of PLN 14,781,000 to its sole shareholder, LC Corp S.A., and set the dividend payment day on 5 July 2013.
- 2) On 4 July 2013, LC Corp S.A., acting as the sole shareholder of Arkady Wrocławskie S.A., paid in full the outstanding amount of PLN 5,000,000.00, towards its contribution to the share capital of Arkady Wrocławskie S.A. The share capital of Arkady Wrocławskie S.A. has been paid-up in full and it totals PLN 113,700,000.00.
- 3) On 9 July 2013, LC Corp S.A. concluded with LC Corp Invest I Sp. z o.o. a loan agreement, pursuant to which LC Corp S.A. (Lender) advanced to LC Corp Invest I Sp. z o.o. (Borrower) a loan of PLN 31,000,000. The agreement was concluded at arm's length, for an indefinite period.
- 4) On 22 July 2013, LC Corp S.A. concluded with LC Corp Invest I Sp. z o.o. a loan agreement, pursuant to which LC Corp S.A. (Lender) advanced to LC Corp Invest I Sp. z o.o. (Borrower) a loan of PLN 20,000,000.00. The agreement was concluded at arm's length, for an indefinite period.
- 5) On 29 July 2013, LC Corp S.A., being the perpetual usufructuary of the real property located in Kraków, received the decision on the determination of an additional annual fee for 2009 of PLN 1,229,110.86. On 7 August 2013, the Company appealed against the above decision.
- 6) On 2 August 2013, LC Corp S.A., pursuant to the purchase and sale agreement, acquired from the Wrocław Commune the title to the real property located in ul. Kielczowska in Wrocław, consisting of plots nos. 20/2, 21/2, 22/2, 23/4, 24/2, having the area of 0.9262 ha.
- 7) On 2 August 2013, LC Corp S.A. notified, on its website and in the current report, of the Issuer's Extraordinary Shareholders Meeting, convened on 29 August 2013, whose agenda includes, among others, the adoption of the resolution on an increase in the company's share capital through the issue of Series K shares.
- 8) On 9 August 2013, the bid submitted by LC Corp S.A. for the acquisition of the title to the real property of 33,093 m², located in ul. Chrzanowskiego in Warsaw, was finally accepted by the tender committee appointed by the entity organising the tender.

LC Corp S.A.

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- 9) On 12 August 2013, LC Corp S.A. concluded a letter of intent with RB Finance Expert S.A. and LC Corp B.V., in which the entities listed above undertook to take all necessary actions aimed at the sale of 100% of the shares of RB Finance Expert S.A., carrying the right to exercise 100% of the votes at a general shareholders meeting of RB Finance Expert S.A., by LC Corp B.V. to LC Corp S.A.

Except for the above-mentioned events since 30 June 2013 there have not been any events significant for the Company.

.....
Dariusz Niedośpiel, President of the Board

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Lidia Kotowska, Chief Accountant

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Joanna Jaskólska, Vice-president of the Board

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Tomasz Wróbel, Member of the Board

.....
Mirosław Kujawski, Member of the Board

Wrocław, 21 August 2013