

(Current Report No 46/2007)**Wrocław, September 21st 2007**

Increase in share capital of a subsidiary - Łódź Residence Sp. z o.o.

Legal basis: Art. 56.1.2 of the Act on Public Offering – current and periodical information

The Management Board of LC Corp S.A. (the Issuer) hereby reports that, pursuant to Art. 5.1.9 of the Regulation of the Minister of Finance dated October 19th 2005 on current and periodical information disclosed by issuers of securities, on September 21st 2007 the Issuer was notified that on September 17th 2007 the District Court for Wrocław-Fabryczna registered an increase in the share capital of the Issuer's subsidiary i.e. Łódź Residence Sp. z o.o., by a total amount of PLN 950,000 (nine hundred fifty thousand zloty).

All new shares in the share capital of Łódź Residence Sp. z o.o. were acquired by the Issuer, who acquired 950 shares of Łódź Residence Sp. z o.o., with a par value of PLN 1,000 (one thousand zloty) per share, and the total value of PLN 950,000 (nine hundred fifty thousand zloty), covered in full by cash contribution.

Following the registration, the share capital of Łódź Residence Sp. z o.o. is PLN 1,000,000 and is divided into 1,000 shares with a par value of PLN 1,000 per share. Following the increase, the Issuer now holds 1,000 shares of Łódź Residence Sp. z o.o., representing 100% of the Company's share capital, enabling the holder to exercise 100% votes at the General Meeting of that Company.

The acquisition is considered a long-term investment and was financed with the Issuer's own resources.

Łódź Residence Sp. z o.o. is a subsidiary of the Issuer.

The purchased shares are considered assets of significant value since the shares represent more than 20 % of the share capital of Łódź Residence Sp. z o.o.