

(Current Report No 046/2013)**August, 28th 2013**

Information of the Management Board - supplement to justification of Issuer's Management Board to the draft resolution of the Extraordinary Meeting of Shareholders convened for 29.08.2013 regarding the issuing of shares with subscription rights

Legal basis: Art. 56 par. 1 point 1 and 2 of the Act on Public Offering – current and periodic information

Management Board of LC Corp S.A. ("The Issuer") discloses to the public information constituting a supplement to justification of Issuer's Management Board to the draft resolution of the Extraordinary Meeting of Shareholders convened for 29.08.2013 regarding the issuing of shares with subscription rights published in Issuer's current report 40/2013 dated 02.08.2013 regarding the publication of draft resolutions for the Extraordinary Meeting of Shareholders.

Pursuant to earlier provided information the Issuer's Management Board plans to acquire 100% stake in RB Finance Expert S.A. („RB Finance Expert”), which shall comprise LC Corp Sky Tower („Enterprise”), whose main component of assets concerns a land real estate including a part of Sky Tower building erected on this real estate encompassing office space (approx. 18,600 m², occupancy rate 72%) and retail-service space (approx. 29,800 m², occupancy rate 77%) (described in Issuer's current report no 45/2013 dated 22.08.2013). It should be stressed that it is the intention of Issuer's Management Board for RB Finance Expert to acquire exclusively assets and liabilities related to operation of the Enterprise.

Pursuant to market standards the price of acquisition of RB Finance Expert by the Issuer will be agreed based on due diligence analysis and valuation conducted on Issuer's order by a recognised auditing company. The purchase price mentioned in previous sentence will be calculated based on valuation of net assets, i.e. valuation of all assets of the Enterprise (including mainly commercial real estate Sky Tower) will be reduced by the value of long-term investment credit financing this real estate and by any encumbrances

and risks, which will be disclosed in the course of due diligence analysis. Such calculated value will form the ceiling price threshold, which will be paid by the Issuer for acquisition of RB Finance Expert. Purchase transaction of RB Finance Expert would be financed exclusively from the funds obtained through shares issuing with subscription rights.

LC Corp Sky Tower has a valuation of commercial real estate, which shall form a part of the assets of RB Finance Expert, prepared by independent appraiser on 15.05.2013. The market value of this real estate disclosed in the real estate appraisal study dated 29.05.2013 amounts to EUR 119.8 M. This real estate is financed with LTV $\leq 50\%$ by 10-year investment credit amounting to EUR 56.8 M, which is supposed to be taken over by RB Finance Expert.

Therefore the maximum amount, which according to the Management Board will be necessary to finalise the transaction, should not exceed PLN 270 M. This amount includes the price for the shares of RB Finance Expert (approx. PLN 34 M) and repayment of liabilities of RB Finance Expert, which will be contracted by this company from its shareholder for the purchase of the Enterprise.

It should be stressed in the supplement to justification of the expected increase of the value of Sky Tower object that the difference between the currently obtained rent levels in the object and the market value of the rents in Wrocław provides the real grounds to achieve a growth in this area. The Management Board explained the reason of the current rent levels in current report no 45/2013 dated 22 August 2013 r. The Management Board sees further potential for growth of rent level in marketing utilisation of the unique nature of the object and expected economic boom. The additional business argument justifying the transaction concerns the potential for operational synergies and optimisation of the costs of management of two commercial objects: Arkady Wrocławskie and Sky Tower.

The models and simulations prepared by the Issuer indicate even under conservative assumptions the potential growth of operating result (NOI) of commercial real estate Sky Tower by approx. 30% in the perspective of 3-5 years. The envisaged increase of operating result will be possible thanks to the progressing commercialisation of the object and renegotiation of the ending agreements and conclusion of new agreement at market rates. The Issuer's Management Board encloses the model simulations presenting the potential growth of the value of the object and the expected benefits resulting from the cash flows. These simulations however are not the financial forecasts and may not be regarded as such.

Information provided in this report in the opinion of the Issuer constitutes a confidential information as defined in art. 154 of the act dated 29 July 2005 on trade in financial instruments. The additional legal grounds concern art. 56 par. 1 point 2 letter a) of the

Act on public offering and the conditions of introduction of financial instruments into the organised trading system and on the public companies (Dz. U. no 184 item 1539 of 2005 as amended) in relation to § 38 section 1 point 3 of the Regulation of the Minister of Finance dated 19 February 2009 regarding the current and periodical information transmitted by the issuers of securities and the conditions of recognising as equivalent the information required under the regulations of a non-member state (Dz. U. of 2009 no 33 item 259 as amended).