

## **(Current Report No 049/2009)**

**November, 30<sup>th</sup> 2009**

### Information from Management Board

Legal basis: Art. 56.1.1 of the Public Offering Act – confidential information

The Management Board of LC Corp SA (the Issuer), hereby reports that today i.e. November 30th 2009, the structure of the LC Corp Group has changed. As a result, LC Corp Sky Tower Sp. z o.o. (the Company) is no longer a subsidiary (a controlled entity) of the Issuer, and is not consolidated in the Issuer's Group due to the conclusion of:

1. an annex (on November 30th 2009) to the Share Disposal Agreement of November 2nd 2008, entered into between LC Corp SA and LC Corp BV of Amsterdam (as provided in the Issuer's Current Report No. 84/2008 of November 3rd 2008), under which all provisions – concerning the right to repurchase 103,998 shares of LC Corp Sky Tower Sp. z o.o. as well as the provisions regarding the right to supervise the activities of LC Corp Sky Tower Sp. z o.o., involving LC Corp BV's obligation to obtain LC Corp SA's consent to assuming liabilities or disposal of assets by LC Corp Sky Tower Sp. z o.o. – were repealed,
2. an agreement (on November 30th 2009) which terminated the agreement of January 14th 2009 entered into with Mr Leszek Czarnecki, concerning the right of LC Corp SA to repurchase 15,000 shares of LC Corp Sky Tower Sp. z o.o., of PLN 1,000 each and total par value of PLN 15,000,000, as well as Mr Leszek Czarnecki's obligation to obtain LC Corp SA's consent to assuming financial liabilities, disposal of the Company's assets and their encumbering by LC Corp Sky Tower Sp. z o.o.

By November 30th 2009, given the Issuer's exclusive right to repurchase all sold shares of the Company, and pursuant to IAS 27 and IAS 39, the conditions for the transfer of benefits, risks and control from LC Corp SA to LC Corp BV were not met. As a result, the Issuer continued to disclose the shares of LC Corp Sky Tower Sp. z o.o. in the separate (non-consolidated) financial statements, and net assets of the Company in the consolidated financial statements of the LC Corp Group. The cash obtained from the share disposal was disclosed as financial liability valued at amortized cost.

Due to the conclusion of the annex and the agreement referred to above, the Company is no longer a subsidiary of the Issuer, as defined by the International Accounting Standards and the Accounting Act, and will not be consolidated in the Issuer's Group.

The Management Board decided to give up the Issuer's right to repurchase all shares of the Company sold on November 2nd 2009, and give up the control of the Company, assuming that the Issuer will not be able to take advantage of the repurchase right, by the date the option expires. Keeping further control with the concurrent lack of intention on the part of the Issuer, to use the share repurchase right, would necessitate disclosing the Company as a subsidiary in the Issuer's financial statements, with all implications resulting from the International Accounting Standards and the Accounting Act.

In the opinion of the Management Board of LC Corp SA this information is confidential as defined by Art. 154 of the Act on Trading in Financial Instruments of July 29th 2005.