

## **(Current Report No 73/2016)**

**July, 14<sup>th</sup> 2016**

### **Conclusion of a general contracting agreement by the Issuer's subsidiary**

Legal basis: Art. 17.1 of the Market Abuse Regulation - confidential information

The Management Board of LC Corp S.A. ("Issuer") reports that today (i.e. on 14 July 2016), the Issuer's subsidiary – LC Corp Invest XVII Spółka z ograniczoną odpowiedzialnością Projekt 21 Sp. k. with its registered office in Wrocław (hereinafter the "Investor"), whose the Issuer is indirectly (through its subsidiaries: LC Corp Invest XVII sp. z o.o. and Kraków Zielony Złocień Sp. z o.o.) the sole shareholder, concluded with an entity unrelated to the Issuer - Budimex S.A. with its registered office in Warsaw ("General Contractor") an agreement for general contracting of "Retro Office House" office and service complex with internal and external infrastructure in the area of Piłsudskiego, Komandorska and Bogusławskiego Streets in Wrocław on the following terms:

Remuneration: in the maximum amount of PLN 89,936,000.00 net (including the variable part of the remuneration for the performance of fit-out works in the maximum amount of PLN 30,951,000.00 net).

Commencement of construction works: the day following the day of the documented handover of the construction site and provision of the documentation enabling the General Contractor to commence the performance of works, on 23 July 2016 at the latest.

Completion of construction works with an occupancy permit obtained: 22 March 2018.

Security for the agreement: a bank guarantee of proper and timely performance of the agreement submitted by the General Contractor in the amount equivalent to 10% fixed net remuneration, a bank guarantee of removal of defects and failures during the period of guarantee or warranty in the amount equivalent to 5% of fixed net remuneration valid for a period of 5 (five) years and in the amount equivalent to 2.5% of fixed net remuneration, with regard to defects of steel and reinforced concrete structures, valid for further 5 years.

The total amount of contractual penalties with regard to untimely fulfilment of the obligations by Budimex may not exceed 10% of the value of fixed net remuneration, whereas the parties have the right to claim damages exceeding contractual penalties.

In the Issuer's opinion, the information about the conclusion of the above agreement is confidential pursuant to Art. 7 of the Market Abuse Regulation due to the fact the expected value of remuneration under the Agreement exceeds 10% of the Company's equity.