

Current report No. 15/2014

Date of preparation: 1 August 2014

Subject: Acquisition of Bonds by Bank under Bond Issue Programme

Legal Basis: *Article 56.1.1 of the Polish Act on Public Offering* – confidential information

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka ("Company") hereby wishes to inform you that on 1 August 2014 Bank Polska Kasa Opieki Spółka Akcyjna ("Guarantor 1") and Bank Gospodarstwa Krajowego ("Guarantor 2", hereinafter collectively with Guarantor 1 referred to as the "Guarantors") have jointly acquired two series of bonds issued on 1 August 2014 in a Bond Issue Programme ("Programme") established under the agreement with the Guarantors announced by the Company in Current Report No. 13/2014 of 30 June 2014.

In line with the requirements set out in the Programme, the Guarantors jointly acquired 300 series LWB01A300615 registered bonds as Tranche 1 with a nominal value of PLN 1,000,000 (one million Polish zloty) each, and jointly acquired 100 series LWB02A300615 registered bonds as Tranche 2 with a nominal value of PLN 1,000,000 (one million Polish zloty) each. The total amount of bonds acquired by the Guarantors equals PLN 400,000,000.

The maturity date of series LWB01A300615 bonds and series LWB02A300615 bonds is 30 June 2015. The Company may issue further series of bonds within a given tranche in order to roll over the previous issue of this tranche.

The interest rate of both series is based on WIBOR 3M plus fixed margin.

The bond issue is aimed at obtaining funds for refinancing current debt, financing the Company's on-going business activities and satisfying its investment needs.

The value of financial liabilities disclosed in the Statement of Financial Position of the Company as at 31 March 2014 amounts to PLN 571,000,000. The Company's financial liabilities are maintained at a level adequate for the business activities and financial security, and are consistent with the assumptions provided for in the Strategy for 2013 – 2020.

The Company established the following security: an assignment agreement for the claims under an agreement with one of the Company's Clients, a declaration on submission to execution under Article 777.1.5 of the Polish Code of Civil Procedure and powers of attorney over specific bank accounts of the Company.