

Current Report No. 7/2011

(Tuesday, 5th April 2011)

Legal basis: Art. 56 Sec. 5 of the Public Offering Act – information update

Execution of an annex to a significant loan agreement

Pursuant to §5 Sec.1 Item 3) of the Ordinance of the Minister of Finance as of 19th February 2009 on current and periodic information published by issuers of securities (Journal of Laws No. 33, Item 259), the Management Board of AB S.A. with the registered office in Wrocław hereby informs that on 5th April 2011 the Issuer received a signed annex dated 31st March 2011 (the Annex) to the Loan Agreement as of 29th May 2008 with Bank Polska Kasa Opieki Spółka Akcyjna with the registered office in Warsaw (the Bank).

The Annex specifies the conditions of the following credit limits granted to the Company by the Bank:

- overdraft up to PLN 60 000 000 available from 1st April 2011 to 31st August 2011 and PLN 80 000 000 from 1st September 2011 to 15th March 2012.

The loan is available in three currencies: EUR, USD and PLN. The maximum loan amount in EUR is EUR 5 000 000 and in USD – USD 2 500 000. The total loan amount may not exceed PLN 60 000 000 from 1st April 2011 to 31st August 2011 and PLN 80 000 000 from 1st September 2011 to 15th March 2012,

- Bank Guarantee and Letter of Credit Line up to PLN 6 000 000.

The date of final payment or rollover of the loans:

- 15th March 2012 for the overdraft,

- 15th March 2013 for the Bank Guarantee and Letter of Credit Line with the guarantee for PLN 3 000 000 shall not be valid after 15th May 2015.

The loans are secured with:

- registered pledge over inventories of at least PLN 35 000 000 and insurance policy rights assignment;

- assignment of receivables of at least PLN 30 000 000;

- Power of Attorney to administer current bank accounts of the Borrower at the Creditor's bank;

Interest on the loan is calculated on the basis of WIBOR 1M, LIBOR SPOT 1M, EURIBOR 1M rate plus the Bank's margin. Other provisions of the Agreement are standard conditions of this type of agreements.

The agreement is deemed significant as the loan amount exceeds 10% of the Issuer's equity.