

Current Report No. 17/2014

(Saturday, 26 July 2014)

Legal basis: Art. 56.1.2 of the Polish Public Offering Act – current and periodical information

Major L/C limit agreement concluded with BZ WBK S.A. by a subsidiary company

The Management Board of AB S.A. with its registered office in Wrocław (Issuer), pursuant to Section 5.1.3 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodical information disclosed by issuers of securities (consolidated text, Journal of Laws of 2014, item 133), informs that on 25 July 2014 the Issuer received information that an L/C limit agreement (Agreement) was concluded on 24 July 2014 between its subsidiary Rekman Sp. z o.o. (Company) with its registered office in Wrocław and Bank Zachodni WBK S.A. (Bank) with its registered office in Wrocław.

Under the Agreement, the Company may instruct the Bank to open domestic or foreign L/Cs up to the total amount of EUR 0.5 M in USD, EUR and PLN.

The Issuer may request that the Bank issue L/Cs until 30.04.2015.

The Agreement is secured with:

- the Company's blank promissory note with a promissory note declaration,
- power of attorney for the benefit of the Bank to access the Company's funds deposited in its bank account held with BZ WBK,
- the Issuer's civil law guarantee.

The detailed terms and conditions of the Agreement do not differ from standard provisions used agreements of this type.

The criterion used to determine whether an agreement is material is the total value of the Bank's exposure to the AB Group which must exceed the equivalent of 10% of the Issuer's equity. The total value of the agreements concluded between AB Group companies and the Bank amounts to PLN 114.96 M; the amount of the limit under the Agreement was translated at NBP's mean exchange rate of 25 July 2014 of PLN 4.1459 / EUR.