

Current Report No. 17/2015

(Thursday, 27 August 2015)

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

Conclusion of a material agreement

The Management Board of AB S.A. with its registered office in Wrocław (“Issuer”), pursuant to Art. 5.1.3 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodical disclosure of information by issuers of securities and conditions to recognise as equivalent the information that is required by the law in non-member states (consolidated text, Journal of Laws of 2014, item 133), informs that on 26 August 2015 the Issuer concluded with BZ WBK S.A. with its registered office in Wrocław (“Bank”) a Cross-Currency Interest Rate Swap transaction (CIRS), commencing on 28 August 2015 and ending on 28 July 2020 (“Agreement”).

In the CIRS transaction concluded by the Issuer:

1. The Bank is the payer of the non-base interest rate with the following parameters:
 - variable WIBOR 6M in PLN is the non-base interest rate,
 - interest calculation basis: Act/365,
 - fixing is set 3 working days before the beginning of each interest period,
 - each interest sub-period begins on 29 January and 29 July each year – with the exception of the first interest period which begins on 28.08.2015 and the last interest period which ends on 28.07.2020.
2. **The Issuer is the payer of the base interest rate with the following parameters:**
 - fixed interest rate in CZK is the base interest rate,
 - interest calculation basis: Act/365,
 - fixing is set 3 working days before the beginning of each interest period,
 - each interest sub-period begins on 29 January and 29 July each year – with the exception of the first interest period which begins on 28.08.2015 and the last interest period which ends on 28.07.2020.
3. The non-base CIRS transaction amount is PLN 70,000,000.
4. The base CIRS transaction amount is calculated by applying the CIRS FX rate of 0.1562 (CZK/PLN exchange rate) and is CZK 448,143,405.90.
5. The initial swap between the Parties of the non-base amount (PLN) into the base amount (CZK) applies on the commencement date of the first interest period.
6. The final swap between the Parties of the base amount (CZK) into the non-base amount (PLN) at the initial exchange rate applies on the end date of the last interest period.

Other provisions of the agreement do not differ from standard provisions used in agreements of this type.

The criterion used to determine whether agreements are material is the total value of the Bank's exposure to the AB Group exceeding the equivalent of 10% of the Issuer's equity.