

Current Report No. 18/2014

(Wednesday, 13 August 2014)

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

Bond issue

The Management Board of AB S.A. with its registered office in Wrocław (Issuer) pursuant to Section 5.1.11 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodical information disclosed by issuers of securities (Journal of Laws of 2014, item 133) informs that on 12 August 2014 the Issuer issued 10,000 dematerialised unsecured coupon bearer bonds, series AB01 120819 with the nominal value of PLN 10,000 each and with the total nominal value of PLN 100,000,000 (Bonds).

The Bonds were issued under the AB S.A. Bond Issue Program (Program) by way of a private placement in compliance with Art. 9.3 of the Act of 29 June 1995 on bonds (Journals of Laws of 2014, item 730).

The assumptions underlying the Program were disclosed by the Issuer in its current report No. 15/2014 of 18 July 2014.

The issue price of the Bonds was set at the nominal value. The Bonds will be redeemed on 12 August 2019 at their nominal value. The Bonds will earn interest at a variable interest rate – WIBOR 6M plus a fixed margin. Interest will be paid semi-annually.

The Issuer informs that the value of subscriptions for the Bonds was PLN 160,400,000. Therefore, a reduction rate was applied of 37.70%.

The value of all liabilities of the Issuer as at the last day of the quarter preceding the offering, i.e. as at 30 June 2014 was PLN 436,314 k. Because of the end of the financial year, the amount of liabilities as at 30 June 2014 will be audited and therefore it may be modified. The final audited amount of liabilities will be disclosed by the Issuer in the annual report to be published on 18 September 2014.

Additionally, the Issuer discloses that the value of all liabilities of AB S.A. as at 31 March 2014 was PLN 453,366 k.

With respect to the Issuer's liabilities until total redemption of the offered Bonds, the Issuer plans that the total debt ratio of AB S.A., calculated as the ratio of total liabilities of the company to its total assets will not exceed 70-75%.

The Issuer intends to have its bonds admitted to trading in the alternative trading system operated by BondSpot S.A. and/or on the Catalyst Market of the Warsaw Stock Exchange.