

Current Report No. 45/2014

Date prepared: 2014-04-09

Subject: Conclusion of investment loan and working capital loan agreements by the subsidiary

Legal basis: Article 56 Section 1 Item 2 of the Public Offering Act - current and periodic information

Contents of the report:

The Board of IMMOBILE S.A. Capital Group seated in Bydgoszcz (Company) informs that the subsidiary CEZARO Sp. z o.o. having its seat in Bydgoszcz (CEZARO) has received today an agreement concluded on 7 April 2014 by and between CEZARO and mBank S.A. Bank having its seat in Warsaw, Bydgoszcz Corporate Branch (Bank):

- 1) Investment loan agreement, pursuant to which the Bank granted to CEZARO a loan for the amount of PLN 10.800.000, while CEZARO undertook to repay the loan in 142 monthly installments, with the last installment due on 27.02.2026 and
- 2) Agreement for a working capital loan amounting to PLN 4.623.000 1 S.K.A. for the purpose of financing the VAT on the purchase from HOTEL 1 Sp. z o.o. 1 S.K.A. (hereinafter referred to as HOTEL1) of the Properties:

- Perpetual usufruct right to the developed land property, located in Bydgoszcz at ul. Gdańska 138, Kujawsko - Pomorskie Province, with the area of 0.2686 ha, constituting the plot numbered 59 and 60 in the records, for which the District Court in Bydgoszcz, 10th Land and Mortgage Register keeps the land and mortgage register entry under no.: BY1B/00004072/0, together with the building constituting an aspect of ownership apart from mere ownership of the land located on the aforementioned property and

- Perpetual usufruct right to the developed land property, located in Bydgoszcz at ul. Gdańska 140, Kujawsko - Pomorskie Province, with the area of 1.0970 ha, constituting the plot numbered 58 in the records, for which the District Court in Bydgoszcz, 10th Land and Mortgage Register keeps the land and mortgage register entry under no.: BY1B/00064765/3, together with the building constituting an aspect of ownership apart from mere ownership of the land located on the aforementioned property, whilst CEZARO undertook to repay the working capital loan until 30.09.2014

Investment Loan initiation will take place once the following listed conditions are met:

- 1/ presenting by CEZARO to the Bank the copy of the consent given by Bank Zachodni S.A. to remove mortgages from the land and mortgage registers of the Properties listed above and the copy of an application for removal of all mortgages from these land and mortgage registers submitted to the District Court in Bydgoszcz,
- 2/ presenting by Borrower to the Bank the letter confirming the release by Bank Zachodni S.A. of security in the form assignment of receivables of all the Tenancy Agreements and assignment of rights from the insurance policy relating to the Properties;
- 3/ documenting by CEZARO in the bank that it paid own contribution for the purchase of the Property,
- 4/ transferring to CEZARO of all rights associated with the Tenancy Agreements and notifying by CEZARO all the Tenants of entering into the Tenancy Agreement and obtaining from the Tenants

necessary consents (provided that this results from the Lease Agreements) to the assignment of receivables under the Tenancy Agreements for the benefit of the Bank.

5/ submitting to the Bank a copy of Tenancy Agreement concluded with JYSK Sp. z o.o. seated in Gdańsk for the tenancy period of 10 years,

6/ signing securities agreements and submitting a blank promissory note together with blank promissory note agreement,

7/ presenting in the Bank by CEZARO a copy of the notarial deed establishing a mortgage for the benefit of the Bank,

8/ establishing Debt Service Reserve in the amount of PLN 100,000.

Working capital loan initiation will take place once the following listed conditions are met:

1/ instructing by CEZARO the Bank to block cash from the repayment of VAT,

2/ submitting to the Bank by CEZARO a copy of the notarial deed documenting the purchase of the Property along with the establishment of mortgage for the benefit of the Bank,

3/ submitting to a Bank by CEZARO a blank promissory note together with blank promissory note agreement,

4/ signing by CEZARO an agreement for assignment of rights from the insurance policy for the Properties being the subject of mortgage for the benefit of the Bank,

5/ documenting in the Bank by CEZARO that the appropriate Tax Identification Number (NIP) application to change the account for the purposes of settlements between CEZARO and the Tax Office into a separate account in the Bank dedicated for input VAT tax refund has been submitted to the Tax Office competent for the conducted business activities,

6/ settling by CEZARO the remaining amount of VAT on the purchase of the Properties from own funds of CEZARO,

7/ submitting by CEZARO a certificate on lack of arrears with payment of taxes issued by the Tax Office.

Other terms and conditions do not differ from the standard terms and conditions generally applicable in the agreements of this type.

Total book value of mortgaged Properties is included in the accounts of HOTEL1 for a total amount of net PLN 20.1 million.

The agreement is significant due to the fact of exceeding 10% of revenue of the Company's Capital Group for the last four quarters and of establishment of limited property rights on the assets of substantial value of IMMOBILE S.A. Capital Group (§ 5 sec. 1 item 1 and 3 of the Ordinance of the Ministry of Finance dated 19.02.2009). IMMOBILE S.A. Capital Group adopts this criterion due to the fact that it currently allows one to better assess the significance of the concluded Agreements.

Note: Polish version of this report is legally binding. English version is for reference only.