

(Current Report No 18/2017)**March, 03th2017****Information about asset write-down**

Legal basis: Article 17(1) of MAR - inside information

The Management Board of LC Corp S.A. (the "Issuer") informs that due to the fact that a separate annual report of the Issuer for 2016 and a consolidated statement of the LC Corp Group are currently being drawn up (it is anticipated that they will be published on 21 March 2017), an assessment of the impairment of housing development projects which are being implemented by the Issuer's subsidiaries has been conducted. Having considered the above, it has been decided to make write-downs of land located: in Łódź (due to a planned end of operations on the Łódź market) and in Katowice (due to an update to project budgets). The write-downs concern the Issuer's subsidiaries: LC Corp Invest XV Sp. z o.o. Investments SKA (with respect to land located in Łódź and Katowice) and Kraków Zielony Złocień Sp. z o.o. (with respect to land located in Katowice). The total amount of the write-downs is approx. PLN 24 million.

Making the above write-downs by the Issuer's subsidiaries will result in a lower consolidated financial result and the balance sheet total recognised in the consolidated financial statement of the Issuer's Group for 2016 by approx. PLN 24 million, and will also result in a lower financial result and the balance sheet total reported in the separate financial statement of the Issuer by approx. PLN 22 million.

The Issuer has carried out an assessment of the impairment of housing development projects that are under the implementation phase as at the date of 31 December 2016, taking into consideration the fluctuation of land market prices, the selling speed and prices of flats, construction costs, project schedules and the calculation of future discount rate.

This information, according to the Issuer's Management Board, constitutes inside information within the meaning of Article 17(1) of the European Parliament and of the Council (EU) No 596/2014 of 16 April 2014 on market abuse.