

(Current Report No 085/2008)

Wrocław, November 19st 2008

Mortgage Established on Assets of Significant Value

Legal basis: Art. 56.1.2 of the Act on Public Offering – current and periodic information

The Management Board of LC Corp S.A. (the Issuer), acting pursuant to Art. 5 Section 1 Item 1 of the Regulation of the Minister of Finance dated October 19th 2005 on current and periodic information disclosed by issuers of securities, and with reference to Current Report No. 12/2008 of February 28th 2008, reports that today i.e. November 19th 2008 it became aware that on November 14th 2008, the District Court for Wrocław-Krzyki in Wrocław, 4th Land Register Division made entries in the Land and Mortgage Registers No. WR1K/00169058/3 and WR1K/00022476/7 concerning the following mortgages:

- statutory blanket bail mortgage of EUR 54,525,000 (fifty four million five hundred twenty five thousand), with the highest priority equal to the other mortgages mentioned in this report (mortgagee: Kredyt Bank S.A. of Warsaw),
- statutory blanket bail mortgage of EUR 8,550,000 (eight million five hundred fifty thousand) with the highest priority equal to the other mortgages mentioned in this report (mortgagee: ING Bank Hipoteczny S.A. of Warsaw),
- statutory blanket bail mortgage of EUR 28,425,000 (twenty eight million four hundred twenty five thousand) with the highest priority equal to the other mortgages mentioned in this report (mortgagee: ING Bank Śląski S.A. of Katowice).

Land and Mortgage Registers No. WR1K/00169058/3 and WR1K/00022476/7 are kept for the properties located in Wrocław, Swobodna St and Powstańców Śl. St, owned or held under perpetual usufruct by Arkady Wrocławskie S.A., a subsidiary of the Issuer, together with the buildings erected on the land, forming the Arkady Wrocławskie complex.

The mortgages were established based on statements of: Kredyt Bank S.A. of Warsaw, ING Bank Hipoteczny S.A. of Warsaw, and ING Bank Śląski S.A. of Katowice, dated February 28th 2008.

The above-mentioned mortgages constitute a collateral for the bank loan of EUR 61,000,000, intended for refinancing of the outlays incurred in connection with completion of the Arkady Wrocławskie project, including the refinancing of the existing credit agreement the Issuer's subsidiary undertaking – Arkady Wrocławskie SA (the Borrower), in which the Issuer holds 100% of votes at the General Shareholders Meeting, concluded with the entities forming a consortium of banks, not related to the Issuer (neither its management nor supervisory staff), composed of ING Bank Śląski SA with its registered office in Katowice, ING Bank Hipoteczny SA with its registered office in Warsaw, and Kredyt Bank S.A. with its registered office in Warsaw (the Lender). The Issuer reported on the conclusion of the agreement and the security instruments in Current Report No. 12/2008 of February 28th 2008.

The value of the assets on which the mortgages were established, as reported in the accounting records of Arkady Wrocławskie S.A., a subsidiary of the Issuer, was PLN 489,442,344.00 as at September 30th 2008, and the value of each of the mortgages is higher than the equivalent of EUR 1,000,000 expressed in Polish zloty.

The above-mentioned assets are considered assets of significant value as they constitute at least 10% of the Issuer's equity.