

Current Report No. **2/2017**

Report Date:

5 January 2017, 11:12 AM

Abbreviated name of the issuer:

DOM DEVELOPMENT S.A.

Subject:

Obtaining negotiation exclusivity – signing a letter of intent

Legal basis:

Article 17.1 of the Market Abuse Regulation – inside information

The Report:

The Management Board of Dom Development S.A. (the “Company”) hereby informs that on 5 January 2017 the Company signed a letter of intent under which the Company obtained an exclusivity until 30 June 2017 to conduct negotiations concerning the purchase by the Company of companies from Eurostyl Spółka z ograniczoną odpowiedzialnością spółka komandytowa Capital Group operating in the housing development segment in the Tri-city area (Trójmiasto) and its surroundings (the “Transaction”) and the purchase of exclusive rights to the ‘Euro Styl’ brand and logo.

The exclusivity was given to the Company based on a non-binding offer. The final terms of the Transaction will be worked out by the sides of the Transaction in the course of the negotiations and will largely depend on the due diligence results.

The information about obtaining the negotiation exclusivity by the Company was qualified by the Management Board as an insider information due to the substantial value of the Transaction compared to the Company’s scale, and the goal of the Transaction, which is to enter a new geographical market through an acquisition and the continuation of activities of an entity with an established and significant market position in that region.

Signatures of persons representing the Company:

Jarosław Szanajca – President of the Management Board

Janusz Zalewski – Vice President of the Management Board