

Current Report No. **31/2016**

Date of publication:

28 October 2016 at 3:45 PM

Abbreviated name of the issuer:

DOM DEVELOPMENT S.A.

Subject:

Non-fulfillment of the conditions of the preliminary land property sales agreement – delayed insider information

Legal Basis:

Article 17.1 of the Market Abuse Regulation – inside information

The Report:

The Management Board of Dom Development S.A. with its registered seat in Warsaw (the "Company") hereby informs that on 27 January 2016 the Company concluded a conditional preliminary sales agreement concerning the ownership and perpetual usufruct of land plots (hereinafter "Preliminary Agreement") located in Warsaw for the net price of PLN 99,000,000 (ninety-nine million Polish zloty).

The information about said sales agreement was qualified by the Management Board as insider information in accordance with the definition in Article 154.1 of the Trading in Financial Instruments Act (Journal of Laws 2014, item 94, as amended) as well as in Article 7 Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (Journal of Laws EU L 173 from 12.06.2014, the "MAR"), due to the potential substantial influence of the housing projects' implementation on the abovementioned land plots on the future financial results of the Company.

Bearing the fact that immediate publication of the information concerning the conclusion of the Preliminary Agreement could harm the legitimate interest of the Company, the Management Board decided to delay the disclosure of this insider information.

Due to non-fulfillment of the conditions of the Preliminary Agreement, on 28 October 2016 the Company withdrew from the Preliminary Agreement.

Signatures of persons representing the Company:

Janusz Zalewski – Vice President of the Management Board

Małgorzata Kolarska – Vice President of the Management Board