

Current Report No. **32/2016**

Report Date:

2 November 2016, 4:23 PM

Abbreviated name of the issuer:

DOM DEVELOPMENT S.A.

Subject:

Offer to subscribe for shares in the Company addressed to employees and members of the corporate authorities under Management Options Programme II

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"), informs that, in connection with Management Options Programme II concerning 726,000 shares in Dom Development S.A. (the Company informed of said Programme in the Company's issue prospectus and in the current reports No. 62/2007 dated 14 November 2007 and No. 32/2008 dated 10 July 2008) the Company plans to commence a procedure for increasing the Company's share capital through the issuance of new ordinary bearer shares having a total nominal value of no more than PLN 104,840.00 (one hundred and four thousand, eight hundred and forty Polish złoty) by way of increasing the share capital within the scope of the authorised capital.

The proposals to subscribe for the above-referenced shares will be addressed to the participants of Programme II, i.e. employees of the Company, including members of the Company's Management Board. In accordance with the terms and conditions of Programme II and the resolutions of the Company's Supervisory Board, the issue price for the 104,840 shares will amount to PLN 40.64 per share.

Signatures of persons representing the Company:

Janusz Zalewski – Vice President of the Management Board

Dariusz Gołębiewski – Commercial Proxy