

Current Report No. **40/2017**

Report Date:

7 September 2017, 6:22 PM

Abbreviated name of the issuer:

DOM DEVELOPMENT S.A.

Subject:

The conclusion of a purchase agreement, transfer agreement of the perpetual usufruct (*long-term leasehold*) right to investment real properties in Warsaw, acquisition of the shares in a limited liability company and copyrights for documentation

Legal basis:

Article 17.1 of the Market Abuse Regulation – inside information

The Report:

In relation to report no. 35/2017 dated 27 July 2017, and report no. 39/2017 dated 4 September 2017, the Management Board of Dom Development S.A. with its registered office in Warsaw (the "Company") announces that on 7 September 2017 a purchase agreement and transfer agreement of the perpetual usufruct right to real properties located in the Żoliborz district, Warsaw were entered into by the Company and Acciona Nieruchomości Żoliborz sp. z o.o. The Company intends to develop a multi-stage development project with approximately 1350 units on the said real properties.

Moreover, as a result of the fulfilment of the conditions set out in the conditional share purchase agreement and conditional purchase agreement concerning rights in a development project that were entered into by the Company on 27 July 2017 with respectively: Alicionak Spółka z ograniczoną odpowiedzialnością spółka komandytowa with its registered office in Warsaw and Fasby Bears Sociedad Limitada with its registered office in La Coruña, and Apricot Capital Group sp. z o.o. with its registered office in Warsaw and Mirabelle Investments Sp. z o.o. with its registered office in Warsaw, on 7 September 2017 the Company acquired 100% of shares in the share capital of the company under the business name of Mirabelle Investments Sp. z o.o. with its registered office in Warsaw and the copyrights to the project which may be developed on the above mentioned properties. Mirabelle Investments Sp. z o.o. is the addressee of administrative decisions and the party to the agreements required for the development of project on the above mentioned properties.

The original fees in the aggregate amount of PLN 184,606,000.00 (in words: one hundred and eighty-four million six hundred and six thousand Polish zloty) net as paid by the Company to the above mentioned companies were increased by the amount of PLN 50,922.12 (in words: fifty thousand nine hundred and twenty two Polish zloty and twelve groszy) net that corresponds to the amount of cash at bank held by the purchased company Mirabelle Investments Sp. z o.o. and the amount of the claim of Mirabelle Investments Sp. z o.o. for the VAT refund.

Signatures of persons representing the Company:

Janusz Zalewski – Vice President of the Management Board

Janusz Stolarczyk – Member of the Management Board