

## **EUROCASH:**

### **Execution of agreements regarding acquisition of franchise chain of retail stores under the "Delikatesy Centrum" brand**

Poznan, 17 August 2006

#### **Current Report 22/2006**

The Management Board of Eurocash SA (hereinafter referred to as "Eurocash") hereby reports that on August 16th 2006, Eurocash and its subsidiaries: Eurocash Franszyza Sp. z o.o. („EC Franszyza”) and Eurocash Detal Sp. z o.o. („EC Detal”) executed with Carment M. Stodółka i Wspólnicy Sp. Jawna of Krosno ("Carment") and its partners final agreements in execution of preliminary agreements about which Eurocash reported in current report no 16/2006 dated April 29th 2006. According to these agreements:

- Eurocash acquired an organised part of Carment's enterprise dedicated to wholesale business—mainly supply of FMCG products to "Delikatesy Centrum" stores,
- EC Franszyza acquired an organised part of Carment's enterprise, which encompasses franchise chain of retail stores under the "Delikatesy Centrum" brand,
- EC Detal acquired an organised part of Carment's enterprise, which encompasses 30 own stores operated by Carment under the "Delikatesy Centrum" brand.

Additionally, Eurocash obliged himself to issue for the selected partners in Carment management options, which will entitle to subscribe after 36 months from concluding of the final agreements, for newly issued Eurocash shares with total value of PLN 3,500,000 at the issue price equal to the average price of Eurocash shares at the Warsaw Stock Exchange within 30 days prior to executing of the final agreements.

Moreover, according to the additional agreements concluded in the same day, partners in Carment who are currently employed in Carment, will run for period of 36 months following the day of executing of the final agreements, as partners in FHC-2 spółka z ograniczoną odpowiedzialnością – spółka komandytowa, the retail business of 30 Carment's own stores acquired by EC Detal (based on franchise and store rental agreements), and they will also provide EC Franszyza with services related to the ongoing servicing and expansion of the "Delikatesy Centrum" store chain, based on separate service agreement.

#### **Legal basis:**

Article 56.1.1 of the Public Offering Law, dated 29th July 2005