

EUROCASH S.A.

Issue of bonds with priority rights

Komorniki 10 December 2010

Current report nr 73/2010

The Management Board of Eurocash S.A. (hereinafter “Eurocash” or the “Company”) hereby informs that as part of the Fourth and Fifth Employees’ Incentive and Reward Scheme (hereinafter “IV EIRS” and “V EIRS” respectively) (see Report No. 9/2007 including the text of Resolution No. 18 of the Ordinary General Meeting of the Company dated 28 June 2007 concerning the Fourth and Fifth Employees’ Incentive and Reward Scheme for 2007 and 2008), on the basis of Resolutions Nos. 2 and 3 of the Supervisory Board dated 23 November 2010 and the Resolution of the Management Board dated 1 December 2010, the Company issued unsecured, no-interest and dematerialised registered bonds with the nominal value and issue price of 1 Grosz with priority rights, in the following two series:

1. as a part of the IV EIRS, 40,800 Series F bonds (“Series F Bonds”), each with the right to subscribe for 25 Series G ordinary bearer shares with priority rights over the Company’s shareholders (“Series G Shares”), and
2. as a part of the V EIRS, 40,800 Series G bonds (“Series G Bonds”), each with the right to subscribe for 25 Series H ordinary bearer shares with priority rights over the Company’s shareholders (“Series H Shares”),

hereinafter jointly referred to as the “Bonds”.

The Bonds were issued pursuant to the provisions of Section 9.3 of the Bonds Act, as an offer to purchase addressed to UniCredit CAIB Poland S.A., with its registered office at ul. Emilii Plater 53, 00-113 Warsaw, acting as the “Trustee”. The Trustee shall dispose of the Bonds only to the persons participating in the Incentive Schemes (the “Entitled Persons”).

The Entitled Persons under IV EIRS are members of the management board, senior management and persons who are key to the operations of the Company, who (i) are on the list of Entitled Persons specified conditionally by way of Resolution No. 22 of the Ordinary General Meeting dated 2 June 2010 (see current report No. 28/2010 including the text of Resolution No. 22); and (ii) who were employed and carried out their duties in the period of 3 years starting on 1 December 2007; and (iii) who are included in the final list of Entitled Persons determined by way of Resolution No. 5 of the Supervisory Board dated 23 November 2010.

The Entitled Persons under V EIRS may only be members of the management board, senior management or persons who are key to the operations of the Company, who (i) are on the list of Entitled Persons specified conditionally by way of Resolution No. 27 of the Ordinary General Meeting dated 25 May 2009 (see current report No. 26/2009 including the text of Resolution No. 22); and (ii) were employed and carried out their duties in the period of 3 years starting on 1 December 2008 or who will be granted the right to acquire Series G Bonds as a reward for exceptional work results; and (iii) will be included in the final list of Entitled Persons determined by way of a

Resolution of the Supervisory Board and should it include Rewarded Persons, also accepted by way of a resolution of the General Meeting by 15 December 2011.

The priority right to subscribe for and take up Series F Shares may be exercised from 1 January 2011 to 31 December 2013.

The priority right to subscribe for and take up Series G Shares may be exercised from 1 January 2012 to 31 December 2014.

The issue price of Series G Shares has been set at PLN 9.78 (see Current Report No. 72/2010).

The issue price of Series H Shares shall be set by the Supervisory Board, with the proviso that the price should be equal to the weighted average of the Company's share prices on the Warsaw Stock Exchange in November 2008, adjusted by the rights attached to shares and exercised for the benefit of the shareholders (such as dividend payment). The issue price of Series H Shares shall be announced and posted on the Company's website as a current report no later than seven days prior to the beginning of subscription for Series H Shares.

Should Series G or H Shares not be issued to an Entitled Person within 60 days from the date on which they were subscribed for and paid for in full at their issue price, then the right to receive such shares shall convert into the right to receive monies equal to the market value of the Company's shares, based on the closing price for the last day of the period in which Series G or H Shares were to be issued, less their issue price.

Series G and H Bonds shall be redeemed on 2 January 2014 and 2 January 2015, respectively, at their respective nominal value.

As at the last day of the third quarter of 2010, i.e. of the quarter directly preceding the making of the offer to the Trustee to purchase the Bonds, the total liabilities of the Company amounted to PLN 1,265,081,099. Prior to the Bonds' redemption date, the Company has no plans to incur any liabilities that could affect the Company's ability to perform its obligation to redeem all Bonds, valued at PLN 816 in total.

The information concerning the Company's ability to perform its financial and non-financial obligations under the Bonds, audited financial statements for 2009 and for 3Q 2010 and other material information concerning Eurocash can be found in the Company's current and interim reports. Current and interim reports are posted on the Company's website.

Legal basis:

Section 5.1.11 of the Ordinance of the Minister of Finance concerning current and interim information to be disclosed by issuers of securities as well as conditions for recognising as equivalent the information required by laws of a non-member state dated 19 February 2009.