

CHAPTER IV INFORMATION ON THE ISSUER

1. The Issuer

Company name: Eurocash Spółka Akcyjna
Abbreviated name: Eurocash SA
Registered office: Poznań, Poland
Address: ul. Wołczyńska 18, 60-003 Poznań, Poland
Tel: (+48 61) 651 3300
Fax: (+48 61) 651 3304
E-mail: Personal accounts in the following format:
firstname.surname@eurocash.com.pl
and: eurocash@eurocash.com.pl
Website: www.eurocash.com.pl
Tax Identification Number (NIP): 779-19-06-082
Industry Identification Number (REGON): 631008941
The Issuer does not have registered branches.

2. Duration of the Issuer

The Issuer has been incorporated for an indefinite period.

3. Issuer's Previous Legal Forms

Prior to being transformed into a joint-stock company, the Issuer conducted business activities in as a limited liability company, under the name of Eurocash Sp. z o.o. Under a resolution adopted by the Extraordinary General Shareholders Meeting of the latter on July 7th 2004, the Issuer was transformed into a joint-stock company. The transformation was registered in the National Court Register on July 30th 2004.

4. Legal Basis for Establishment of the Issuer

The Company was established pursuant to the provisions of the Regulation of the President of Poland, dated June 27th 1934 (the Polish Commercial Code) and the provisions of the Deed of Incorporation. With effect from January 1st 2001, the Polish Commercial Code was repealed and superseded with the Polish Companies Act. Upon the Issuer's transformation into a joint-stock company, that is with effect from July 30th 2004, the provisions of the Deed of Incorporation were substituted with the provisions of the Articles of Association.

5. Registry Court

The Issuer was entered into the Commercial Register (under entry No. RHB 11501) by virtue of a decision adopted by the Registry Court on October 2nd 1997. Pursuant to a decision of the Registry Court, dated November 15th 2001, the Issuer was entered into the National Court Register, under entry No. KRS 0000061530. Under the Court's decision of July 30th 2004, the Issuer was transformed from a limited liability company into a joint-stock company under the name of Eurocash SA and entered into the National Court Register, under entry No. KRS 0000213765.

6. The Issuer's Business

According to the current excerpt from the National Court Register, attached as Appendix 1 hereto, and Par. 2 of the Issuer's Articles of Association, the Issuer's business comprises:

- 1) manufacture of bread (PKD 15 81 A)
- 2) manufacture of fresh pastry goods and cakes (PKD 15 81 B)
- 3) manufacture of preserved pastry goods and cakes (PKD 15 82 Z)
- 4) wholesale of motor vehicle parts and accessories (PKD 50 30 A)
- 5) retail sale of motor vehicle parts and accessories (PKD 50 30 B)

- 6) agents involved in the sale of food, beverages and tobacco (PKD 51 17 Z)
- 7) agents specializing in the sale of particular products or ranges of products n.e.c. (PKD 51 18 Z)
- 8) agents involved in the sale of a variety of goods (PKD 51 19 Z)
- 9) wholesale of fruit and vegetables (PKD 51 31 Z)
- 10) wholesale of meat and meat products (PKD 51 32 Z)
- 11) wholesale of dairy produce, eggs and edible oils and fats (PKD 51 33 Z)
- 12) wholesale of alcoholic beverages (PKD 51 34 A)
- 13) wholesale of non-alcoholic beverages (PKD 51 34 B)
- 14) wholesale of tobacco products (PKD 51 35 Z)
- 15) wholesale of sugar and chocolate and sugar confectionery (PKD 51 36 Z)
- 16) wholesale of coffee, tea, cocoa and spices (PKD 51 37 Z)
- 17) wholesale of fish, crustaceans and molluscs (PKD 51 38 A)
- 18) wholesale of other food (PKD 51 38 B)
- 19) non-specialised wholesale of food, beverages and tobacco (PKD 51 39 Z)
- 20) wholesale of hardware, china and glassware, wallpaper and cleaning materials (PKD 51 44 Z)
- 21) wholesale of perfume and cosmetics (PKD 51 45 Z)
- 22) wholesale of other household goods (PKD 51 47 Z)
- 23) wholesale of chemical products (PKD 51 55 Z)
- 24) other non-specialised wholesale (PKD 51 90)
- 25) retail sale in non-specialised stores with food, beverages or tobacco predominating (PKD 52 11 Z)
- 26) other retail sale in non-specialised stores (PKD 52 12 Z)
- 27) retail sale of fruit and vegetables (PKD 52 21 Z)
- 28) retail sale of meat and meat products (PKD 52 22 Z)
- 29) retail sale of fish, crustaceans and molluscs (PKD 52 23 Z)
- 30) retail sale of bread, cakes, flour confectionery and sugar confectionery (PKD 52 24 Z)
- 31) retail sale of alcoholic and other beverages (PKD 52 25 Z)
- 32) retail sale of tobacco products (PKD 52 26 Z)
- 33) retail sale of dairy produce and eggs in specialised stores (PKD 52 27 A)
- 34) other retail sale of food, beverages and tobacco in specialised stores n.e.c. (PKD 52 27 B)
- 35) retail sale of cosmetic and toilet articles (PKD 52 33 Z)
- 36) retail sale of textiles (PKD 52 41 Z)
- 37) retail sale of clothing (PKD 52 42 Z)
- 38) retail sale of footwear and leather goods (PKD 52 43 Z)
- 39) retail sale of furniture, lighting and household appliances n.e.c. (PKD 52 44 Z)
- 40) retail sale of electrical household appliances and radio and television goods (PKD 52 45 Z)
- 41) retail sale of hardware, paints and glass (PKD 52 46 Z)
- 42) retail sale of books, newspapers and stationery (PKD 52 47)
- 43) retail sale of furniture, office machinery, computers and telecommunications equipment (PKD 52 48 A)
- 44) retail sale of spectacles and other optical, photography and precision goods (PKD 52 48 B)
- 45) retail sale of watches, clocks and jewellery (PKD 52 48 C)
- 46) retail sale of sports and leisure goods (PKD 52 48 D)
- 47) retail sale of games and toys (PKD 52 48 E)
- 48) retail sale of flowers, plants, seeds and fertilisers (PKD 52 48 F)
- 49) retail sale of non-food products in specialised stores n.e.c. (PKD 52 48 G)
- 50) catering (PKD 55 52 Z)
- 51) freight transport by road in specialised vehicles (PKD 60 24 A)
- 52) freight transport by road in all-purpose vehicles (PKD 60 24 B)
- 53) cargo handling (PKD 63 11)

- 54) storage and warehousing (PKD 63 12)
- 55) other supporting land transport activities (PKD 63 21 Z)
- 56) letting of own property (PKD 70 20 Z)
- 57) management of real estate on a fee or contract basis (PKD 70 32 Z)
- 58) data processing (PKD 72 30 Z)
- 59) data base activities (PKD 72 40 Z)
- 60) other computer related activities (PKD 72 60 Z)
- 61) accounting and book-keeping activities (PKD 74 12 Z)
- 62) market research and public opinion polling (PKD 74 13 Z)
- 63) business and management consultancy services (PKD 74 14)
- 64) management activities of holding companies (PKD 74 15 Z)
- 65) other commercial activities n.e.c. (PKD 74 87 B)
- 66) other service activities n.e.c. (PKD 93 05 Z)

7. History of the Issuer and Its Legal Predecessors

The Issuer was established pursuant to the provisions of the Deed of Incorporation, dated July 25th 1997, as a single-shareholder limited liability company operating under the business name of Jeronimo Martins Dystrybucja Spółka z ograniczoną odpowiedzialnością. On October 2nd 1997, the Issuer was entered into Section B of the Commercial Register under entry No. 11501. The only shareholder was Beleggingsmaatschappij Tand B.V., a company incorporated under the Dutch law. On November 24th 1998, the General Shareholders Meeting resolved to change the business name of the Company to JM Polska Spółka z ograniczoną odpowiedzialnością. The change of the business name was registered on December 14th 1998.

On November 15th 2001, the Issuer was entered into the National Court Register under entry No. KRS 0000061530.

By virtue of a resolution of the Extraordinary General Shareholders Meeting of June 5th 2002, the Issuer's business name was changed again, to EUROCASH Spółka z ograniczoną odpowiedzialnością. This change was registered at the National Court Register on August 1st 2002.

From the date of its establishment, i.e. July 25th 1997, to September 2002, the Issuer conducted no activities.

On September 26th 2002, under a resolution adopted by the Extraordinary General Shareholders Meeting, the Issuer's share capital was increased by PLN 116,235,000. The newly issued shares were acquired by another company of the Jeronimo Martins Group to which the Issuer then belonged, operating under the same business name as the original business name of the Issuer, i.e. Jeronimo Martins Dystrybucja. The newly issued shares were acquired in exchange for a contribution in kind in the form of an organised part of an enterprise, comprising all rights and obligations relating to trade activities conducted through the Eurocash cash & carry store chain. The capital increase was registered in the National Court Register on December 11th 2002. Following the increase, Jeronimo Martins Dystrybucja became the only entity holding over 5% of the total vote at the General Shareholders Meeting of Eurocash Sp. z o.o.

Since the date on which Jeronimo Martins Dystrybucja made a contribution in kind to the Issuer, the latter has conducted large-scale wholesale activities through the Cash & Carry Discount chain. The Issuer has also organised a chain of franchised shops operating under the name of "abc".

On March 4th 2003, the then shareholders of the Company, that is Jeronimo Martins Dystrybucja and Beleggingsmaatschappij Tand B.V., sold their shares in the Company (with the exception of one share with a par value of PLN 1,000 retained by Jeronimo Martins Dystrybucja). The shares were acquired by Politra and Kipi, which acquired 69,505 and 46,337 of the sold shares, respectively, and Luis Manuel Conceicao do Amaral, who acquired one share. Thus each of Politra and Kipi became an entity holding over 5% of the total vote at the General Shareholders Meeting of Eurocash Sp. z o.o.

On April 7th 2004, Kipi transferred all the shares held onto Politra and ceased to be a shareholder of Eurocash Sp. z o.o. Consequently, Politra became the only entity holding over 5% of total vote at the General Shareholders Meeting of Eurocash Sp. z o.o.

In 2003–2004 the Company's share capital was increased thrice (the increases were registered in the National Court Register on July 28th 2003, May 11th 2004 and June 7th 2004, respectively), and the new shares in the increased share capital were acquired by Jeronimo Martins Dystrybucja for contributions in kind (described in Table IV.4 below). All these shares were subsequently transferred onto Politra, which acquired 6,045 shares on September 29th 2003, 656 shares on June 21st 2004 and the remaining 5,197 shares on June 22nd 2004.

The Extraordinary General Shareholders Meeting of Eurocash Sp. z o.o. held on July 7th 2004 adopted a resolution concerning the transformation of Eurocash Sp. z o.o. into a joint-stock company. The founders of the joint-stock company were the existing shareholders: JMD, Politra, and Mr Luis Manuel Conceicao do Amaral. On July 30th 2004, Eurocash Sp. z o.o. was transformed into Eurocash SA by a decision of the Registry Court and entered into the National Court Register under entry No. KRS 0000213765.

On September 14th 2004, Jeronimo Martins Dystrybucja sold 1,000 Series A Shares to Politra and ceased to be a shareholder of the Company.

8. The Issuer's Shareholders' Equity

Pursuant to the provisions of the Polish Companies Act and the Company's Articles of Association, the Company may create the following capitals, funds and reserves:

- 1) share capital,
- 2) reserve funds,
- 3) capital reserves.

Table IV.1. Shareholders' equity as at September 30th 2004

Item	PLN
Share capital	127,742,000
Reserve funds	579
Capital reserves	-
(Accumulated loss)/retained profit brought forward	-6.356.481
Financial result for period	17.140.569
Total shareholders' equity	138.526.667

8.1. Share Capital

The Issuer's share capital is created based on and according to the rules stipulated in the Polish Companies Act and the Company's Articles of Association. The funds paid in by the Shareholders in the amount equal to the par value of the Shares they have acquired are contributed to the share capital.

By virtue of the the Resolution on the Incentive Scheme, adopted by the General Shareholders Meeting on September 14th 2004, the Company decided on a conditional share capital increase and the waiver of the existing Shareholders' pre-emptive rights, in connection with the intended implementation of the Incentive Scheme, by up to PLN 6,387,100 by way of the issue of up to 3,193,550 Series B Shares and up to 3,193,550 Series C Shares, which are to be offered to the holders of Series A Bonds and Series B Bonds, respectively, being the Entitled Persons within the meaning of the Incentive Scheme.

8.2. Reserve Funds

Pursuant to Art. 396 of the Polish Companies Act and Par. 17.1 of the Company's Articles of Association, the Issuer creates reserve funds. Each year, 8% of the financial year's net profit is to be contributed to reserve funds, until the balance of the reserve funds has reached one-third of the share capital. Pursuant to the provisions of the Polish Companies Act, share premium account (net of cost of share issue) and additional contributions to equity made by shareholders in exchange for preferences attached to their existing shares (provided that such additional contributions would be applied to cover extraordinary write-offs or losses) are also to be contributed to reserve funds. Reserve funds are to be used to cover possible losses.

8.3. Capital Reserves

Pursuant to Art. 396.4 of the Polish Companies Act, a company's articles of association may provide for the creation of other capital reserves for covering special losses or expenses. Under Par. 16.1.5 and Par. 17.2 of the Company's Articles of Association, the General Shareholders Meeting may adopt decisions concerning the creation and application of reserve funds at the Company.

9. Dividend Payment Policy of the Issuer in the Last Three Financial Years

In the financial years of 2001 and 2002, the Issuer did not report any profit, hence dividend was not paid. The Issuer reported a profit for 2003 and on April 15th 2004 the General Shareholders Meeting adopted the Resolution No. 2 on distribution of 2003 profit in the amount of PLN 4,107,086. The Company paid to its Shareholders dividend in the total amount of PLN 4,107,086, including PLN 4,107,018.61 to Politra, PLN 33.70 to Mr Luis Manuel Conceicao do Amaral and PLN 33.69 to JMD.

The resolution concerning the distribution of profit, having been adopted in a manner not compliant with the Polish Companies Act, was amended on September 14th 2004, and the profit was applied towards covering accumulated loss brought forward. That Resolution is a legally effective basis for claiming a return of the amounts paid under the amended Resolution. The General Shareholders Meeting obligated the Management Board to demand that the Shareholders return the dividend received. Settlement with Politra was made under the Company's representation of September 20th 2004 concerning the set-off of mutual accounts receivable, i.e. the set-off of the Company's claim under Politra's obligation to return the dividend against Politra's claim for the payment of a portion of the fee for the sale of know-how (described in Section 8 of Chapter V). Mr Luis Manuel Conceicao do Amaral returned the dividend on September 30th 2004. The third shareholder, Jeronimo Martins Dystrybucja, returned PLN 33.69 received as dividend on October 1st 2004.

10. Dividend Payment Policy of the Issuer for the Next Three Financial Years

Series B and C Shares will participate in dividend on par with the already issued Shares, provided that they have been credited to the securities accounts by the dividend record date. If dividend is paid under Art. 348.1 of the Polish Companies Act, the Series B and Series C Shares will incorporate the same rights as the already issued Shares, provided that they have been credited to the securities accounts by the dividend record date. The Issuer's Management Board does not plan to recommend payment of dividend for 2004. The improvement of the overall economic situation forecast for the next few years should bring about an increase in the Issuer's profits and encourage the General Shareholders Meeting to approve dividend payment starting from 2005. This policy will be independent from the requirement to increase the reserve funds for which purpose the Issuer plans to apply the required 8% of the net profit. The Issuer's Management Board intends to allocate the remaining part of the net profit on payment of dividend, provided that there will be no need to finance any significant investments including among others potential acquisitions of local wholesalers envisaged in the Company's strategy (more detailed described in Section 5 of Chapter VI).

10.1. Dividend Resolution Date

Pursuant to Art. 395.2.2 of the Polish Companies Act and Par. 16.1.7 of the Issuer's Articles of Association, the General Shareholders Meeting is the corporate body authorised to adopt a decision concerning the distribution of profit and dividend payment. The General Shareholders Meeting resolves whether to pay dividend and what proportion of the profit should be allocated for distribution. Pursuant to Art. 395.1 of the Polish Companies Act, the Ordinary General Shareholders Meeting should be convened within six months after the end of each financial year.

10.2. Announcement of Information on Dividend Collection

Information on dividend collection will be announced by the Issuer in Current Reports.

10.3. Persons Entitled to Collect Dividend

Pursuant to Art. 348.2 of the Polish Companies Act and Par. 7.3 of the Issuer's Articles of Association, the persons eligible for dividend for a given financial year are these Shareholders who had the right to the Shares as at the date of the resolution concerning the distribution of profit. The General Shareholders Meeting may set the date as at which the list of Shareholders eligible for dividend for a given financial year is established (dividend record date). The dividend record date shall fall not later than two months as from the date of the resolution concerning distribution of profit as dividend to the Shareholders. Resolution concerning the postponement of the dividend record date is adopted by the Ordinary General Shareholders Meeting.

Pursuant to Art. 348.3 of the Polish Companies Act, the ordinary general shareholders meeting of a public company determines the dividend record date and dividend payment date. The dividend record date may be the resolution date or any date within three months following the resolution date.

10.4. Dividend Collection

The terms and conditions of dividend collection by the Issuer's Shareholders are in line with the principles generally accepted for public companies.

Pursuant to Par 9 of Chapter XII Part 3 of the Detailed Exchange Trading Rules (concerning Main Market), the Issuer is obliged to forthwith notify the Stock Exchange of adopting the resolution concerning the application of profit towards dividend payment to Shareholders, dividend amount, dividend record date and dividend payment date.

Moreover, under Par. 91 of the Detailed Rules of the Polish NDS, the Issuer is required to notify the Polish NDS of the dividend amount, date as at which the list of shareholders eligible for dividend for a given financial year is established (referred to as “the dividend record date” in the provisions of the Polish Companies Act) and dividend payment date. The Issuer is required to agree upon these dates with the Polish NDS.

10.5. Preference with Respect to Dividend Payment

No Issuer Shares confer preference with respect to dividend payment.

10.6. Deadline for the Exercise of the Right to Dividend and Consequences of not Exercising the Right

Following the General Shareholders Meeting adopting the resolution concerning the distribution of the Company's profit, the Shareholders acquire the right to claim dividend. The claim becomes due as from the date indicated in the General Shareholders Meeting's resolution, or otherwise after a time necessary to prepare the payment. Pursuant to Par. 91.2 of the Detailed Rules of the Polish NDS, at least ten days must lapse between the dividend record date and the dividend payment date. Pursuant to Art. 118 of the Polish Civil Code, claim for dividend payment is subject to a three-year limitation.

11. Number and Type of Shares in the Issuer's Share Capital

The Issuer's share capital amounts to PLN 127,742,000 and is divided into 127,742,000 Series A Shares with a par value of PLN 1 per share. In connection with the conditional capital increase performed for the purposes of the Incentive Scheme, the Issuer's share capital might be increased by up to PLN 6,387,000.

Table IV.2. Share capital

Series	Number of shares	Type	Par value (PLN)	Issue price (PLN)
A	127,742,000	bearer shares	1	— [*]
B**	up to 3,193,550	bearer shares	1	***
C**	up to 3,193,550	bearer shares	1	***

^{*} In the case of the transformation of a limited liability company into a joint-stock company, there is no issue price. Based on the balance sheet prepared as at May 1st 2004, the balance-sheet value of one share in the share capital of Eurocash Sp. z o.o. was established at PLN 933. Each shareholder of Eurocash Sp. z o.o. acquired shares in the joint-stock Company with the total par value equal to the total par value of the shares held in Eurocash Sp. z o.o. One share in the share capital of Eurocash Sp. z o.o. conferred the right to acquire 1,000 Series A Shares in the share capital of Eurocash SA.

^{**} These Shares are to be issued as part of the conditional capital increase.

^{***} The issue price will be established by the Supervisory Board and announced in a Current Report no later than seven days prior to the opening of subscription.

12. Share Capital not Paid-Up

The Issuer's share capital is fully paid-up.

13. Changes in the Share Capital of the Issuer in the Last Three Years

Table IV.3. Changes in the share capital of the Company and its Legal Predecessor in the last three years

No.	Type of change	Legal basis	Total share capital	Acquisition price per share	Persons acquiring at least 5% of shares in the Issuer's share capital	Change registration date
1.	Capital increase from PLN 4,000 to PLN 50,000 through the creation of 46 new shares	Resolution of the Extraordinary General Shareholders Meeting of August 14th 2001	PLN 50,000 50 equal and indivisible shares with a par value of PLN 1,000 per share	PLN 1,000	Beleggingsmaatschappij Tand B.V.	Nov 15th 2001
2.	Capital increase from PLN 50,000 to PLN 116,285,000 through the creation of 116,235 new shares	Resolution of the Extraordinary General Shareholders Meeting of September 26th 2002	PLN 116,285,000 116,285 equal and indivisible shares with a par value of PLN 1,000 per share	PLN 1,000	Jeronimo Martins Dystrybucja	Dec 11th 2002
3.	Capital change from PLN 116,285,000 to PLN 121,889,000 through the retirement of 441 shares and capital increase of PLN 6,045,000 through the creation of 6,045 new shares	Resolution of the Extraordinary General Shareholders Meeting of February 24th 2003	PLN 121,889,000 121,889 equal and indivisible shares with a par value of PLN 1,000 per share	PLN 1,000	Jeronimo Martins Dystrybucja	Jul 28th 2003
4.	Capital increase from PLN 121,889,000 to PLN 127,086,000 through the creation of 5,197 new shares	Resolution of the Extraordinary General Shareholders Meeting of November 5th 2003	PLN 127,086,000 127,086 equal and indivisible shares with a par value of PLN 1,000 per share	PLN 1,000	Jeronimo Martins Dystrybucja	May 11th 2004

No.	Type of change	Legal basis	Total share capital	Acquisition price per share	Persons acquiring at least 5% of shares in the Issuer's share capital	Change registration date
5.	Capital increase from PLN 127,086,000 to PLN 127,742,000 through the creation of 656 new shares	Resolution of the Extraordinary General Shareholders Meeting of January 8th 2004	PLN 127,742,000 127,742 equal and indivisible shares with a par value of PLN 1,000 per share	PLN 1,000	Jeronimo Martins Dystrybucja	Jun 7th 2004
6.	Transformation of Eurocash Sp. z o.o. in a joint-stock company under the name of Eurocash SA	Resolution of the Extraordinary General Shareholders Meeting of July 7th 2004	PLN 127,742,000 127,742,000 registered Series A shares with a par value of PLN 1 per share	-*	Politra	Jul 30th 2004
7.	Transformation of 127,742,000 registered shares into 127,742,000 bearer shares	Resolution of the Extraordinary General Shareholders Meeting of September 14th 2004	PLN 127,742,000 127,742,000 Series A bearer shares with a par value of PLN 1 per share	n.a.	n.a.	Oct 11th 2004
8.	Conditional capital increase from PLN 127,742,000 to PLN 134,129,000 through the issue of up to 3,193,550 Series B Shares and up to 3,193,550 Series C Shares	Resolution No. 3 of the Extraordinary General Shareholders Meeting of September 14th 2004, as amended by Resolution No. 2 of November 2nd 2004 and Resolution No. 1 of November 25th 2004	Up to PLN 134,129,000, including issued and acquired 127,420,000 series A bearer shares with the par value of PLN 1 per share, up to 3,193,550 series B bearer shares with the par value of PLN 1 per share and up to 3,193,550 series C bearer shares with the par value of PLN 1 per share	To be announced in a Current Report seven days prior to the beginning of subscription	n.a.	Oct 11th 2004

* In the case of the transformation of a limited liability company into a joint-stock company, there is no issue price.

14. Description of Non-Cash Contributions Made to the Issuer in the Last Three Years

Table IV.4. Non-cash contributions made to the Issuer in the last three years

No.	Description	Legal basis	Contributor	Contribution valuation audited by:	Opinion on valuation audit
1.	Organised part of enterprise, comprising rights and obligations relating to the operation of the "Eurocash" warehouse store chain, including intangible fixed assets, with a total value of PLN 116,235,309.95 *	Resolution of Extraordinary General Shareholders Meeting of September 26th 2002	Jeronimo Martins Dystrybucja	-**	-**
2.	Intangible and tangible fixed assets comprising equipment of "Eurocash" warehouse stores, with a total value of PLN 6,045,293	Resolution of Extraordinary General Shareholders Meeting of February 24th 2003	Jeronimo Martins Dystrybucja	-**	-**
3.	Perpetual usufruct of real property located at ul. Przemysłowa 10, Pińczów, Poland, entered in the Land and Mortgage Register under No. KW 24465, comprising land lots Nos.: 25/1, 25/2, 25/4, 25/7 and 25/8, with a total area of 358,09 ha, together with ownership right to buildings erected on this land, with a value of PLN 4,985,355 ***	Resolution of Extraordinary General Shareholders Meeting of November 5th 2003	Jeronimo Martins Dystrybucja	-**	-**
4.	Tangible fixed assets – office equipment with a total value of PLN 656,357	Resolution of Extraordinary General Shareholders Meeting of January 8th 2004	Jeronimo Martins Dystrybucja	-**	-**

No.	Description	Legal basis	Contributor	Contribution valuation audited by:	Opinion on valuation audit
5.	Assets of Eurocash Sp. z o.o. contributed by the shareholders to cover the Issuer's share capital, in connection with the transformation of Eurocash Sp. z o.o. (limited-liability company) into a joint-stock company	Resolution of Extraordinary General Shareholders Meeting of July 7th 2004	Politra Jeronimo Martins Dystrybucja Luis Amaral	Chartered auditor	In compliance with the provisions of Art. 559 of the Polish Companies Act, Eurocash Sp. z o.o. moved to the Registry Court for an appointment of a chartered auditor who would audit the transformation plan in terms of its accuracy and fairness. The auditor appointed by the Court found the plan accurate and fair, and stated that it included all elements and appendices required under the Polish Companies Act. The opinion also stated that the value of shares had been determined correctly, based on financial statements prepared for the purposes of the transformation, which fairly and clearly presented the financial standing and assets of Eurocash Sp. z o.o. as at May 1st 2004. The opinion is attached as Appendix 2 to this Prospectus.

* The value of the contribution was then reduced by PLN 441,000; accordingly, under the resolution adopted by the Extraordinary General Shareholders Meeting on February 24th 2003, 441 shares were redeemed.

** The non-cash contribution made to Eurocash Sp. z o.o., which was then transformed into a joint-stock company (the Issuer). Non-cash contributions to limited-liability companies are not subject to audit by a chartered auditor.

*** The non-cash contribution was made based on the Minister of Internal Affairs and Administration's Decision No. 1983/02 of November 15th 2002.

15. Additional Conditions which Must be Met to Change the Share Capital or the Rights Attached to Various Types of Shares

The Issuer's Articles of Association do not provide for any additional conditions which would have to be met to change the share capital or the rights attached to various types of shares.

16. Information on Anticipated Changes in the Share Capital Resulting from the Exercise of Rights under Bonds

As part of the Incentive Scheme, the Issuer will issue 127,742 registered Series A Bonds conferring pre-emptive rights to the Series B Shares and 127,742 registered Series B Bonds conferring pre-emptive rights to the Series C Shares. Each Bond (of both Series A and B) entitles its holder to subscribe for and acquire 25 Series B or Series C Shares, respectively. Series B Shares may be subscribed between January 1st and December 31st 2008, Series C Shares may be subscribed between January 1st and December 31st 2009. In connection with the issue of Bonds with pre-emptive rights, the Issuer effected a conditional capital increase by up to PLN 6,387,100, through the issue of up to 3,193,550 Series B Shares and up to 3,193,550 Series C Shares.

17. Authorised Share Capital

On November 22nd 2004, the Extraordinary General Shareholders Meeting resolved to introduce an amendment to the Articles of Association, authorising the Management Board to increase the Company's share capital through the issue of new shares with the total par value not exceeding PLN 51,096,800. The authorisation of the Management Board to increase the share capital and to issue new shares within the limits of the authorised share capital expires on November 22nd 2007. Each share capital increase by the Management Board requires consent of the Supervisory Board. As at the date this Prospectus was updated, the amendment had not yet been registered by the Registry Court.

18. Utility Shares or Certificates

The Issuer's Articles of Association do not provide for the issuance of utility shares (*akcje użytkowe*) or certificates (*świadcstwa użytkowe*).

19. Founders' Certificates

The Issuer's Articles of Association do not provide for the issuance of founders' certificates.

20. Issuer Shares Held by the Issuer

The Issuer has not acquired and does not hold any own Shares.

21. Issuer's Own Shares Acquired in the Last Three Financial Years

In the last three financial years, the Company did not acquire any own Shares in order to prevent a direct material damage to the Company or for any other purpose.

22. Security Markets on which the Issuer Securities are Listed

To date the Issuer Shares have not been listed on any securities markets.

23. Information on Termination by the Issuer of Agreements on the Audit, Review or Other Services concerning Financial Statements

PricewaterhouseCoopers Polska Sp. z o.o. was the entity qualified and authorised to audit the Issuer's 2002 financial statements, because of the capital link of the Issuer (then operating under the name of JM Polska Sp. z o.o.) to Jeronimo Martins Dystrybucja, whose financial statements were audited by the PricewaterhouseCoopers Group. Following Jeronimo Martins Dystrybucja's sale of all shares in Eurocash Sp. o.o. on March 4th 2003, the Issuer ceased to use the services of PricewaterhouseCoopers Polska Sp. z o.o. As it was JMD that was the party to the agreement with PricewaterhouseCoopers Polska Sp. z o.o., this agreement has not been formally terminated by the Issuer.

Within the term of the said agreement between Jeronimo Martins Dystrybucja and PricewaterhouseCoopers Polska Sp. z o.o., there were no instances of: (i) refraining from issuing an auditor's opinion, (ii) issuance of a negative opinion or opinion with qualifications as to the accuracy and fairness of the Issuer's financial statements or (iii) differences of opinion as to the construction and application of legal regulations or the provisions of the Articles of Association of Eurocash Sp. z o.o., where they refer to the subject and scope of the audit, review or other services, between the Issuer's management staff and PricewaterhouseCoopers Polska Sp. z o.o. or the auditor who – acting on behalf of the latter company – performed the audit or review of, or provided other services concerning the issuer's financial statements.

24. Information on Certain Events Provided for in the Bankruptcy and Recovery Law

In the last three years, none of the following events referred to in the Bankruptcy and Recovery Law has taken place with respect to the Issuer:

- 1) no petition in bankruptcy has been filed or dismissed;
- 2) no resolution on further proceedings has been made by an initial meeting of creditors;
- 3) no resolution on the opening of arrangement proceedings, decision approving the arrangement, decision refusing to approve the arrangement, reversal of such a decision, or a decision ordering the institution of proceedings concerning a change in the arrangement has been made by an initial meeting of creditors;
- 4) no petition in bankruptcy has been returned by the court in relation to the Issuer;
- 5) no motion for declaring the Issuer bankrupt has been withdrawn by a creditor;
- 6) no bankruptcy with an option to enter into arrangement, or bankruptcy involving the liquidation of the bankruptcy estate has been announced in relation to the Issuer;
- 7) no decision concerning declaration of the Issuer's bankruptcy involving the liquidation of the bankruptcy estate has been replaced with a decision concerning declaration of the Issuer's bankruptcy with an option to enter into arrangement or *vice versa*;
- 8) the Issuer's own management has not been replaced with an executive trustee;
- 9) no bankruptcy administrator, court supervisor or executive trustee of the Issuer has been removed, including for reasons of undue performance of obligations;
- 10) no decision has been issued on the discontinuation of arrangement proceedings;

- 11) no decision has been issued on the conclusion of arrangement proceedings;
- 12) the Issuer has not submitted a declaration on commencement of recovery proceedings;
- 13) no court's decision has been issued ordering the Issuer to commence recovery proceedings; and
- 14) no arrangement has been approved or rejected by a meeting of creditors, and no arrangement has been approved, rejected, cancelled or discontinued by any court.

25. Information on Enforcement Proceedings

No court or administrative enforcement proceedings have been conducted respect to the Issuer or discontinued on the grounds that the amounts possible to be recovered would not be higher than the cost of the proceedings.

26. Information on Liquidation Proceedings

No liquidation proceedings have been instigated with respect to the Issuer.

27. Information on Entry of Data on the Issuer's Business in Section 4 of the Register of Entrepreneurs, in accordance with the National Court Register Act

Section 4 of the Issuer's entry in the Register of Entrepreneurs contains none of the following information (required to be disclosed in this Section under Art. 41 of the National Court Register Act if any of the following occurs):

- 1) tax or customs liabilities under enforcement proceedings, if the claim has not been paid within 60 days from the date on which the proceedings were instigated; the instigation date and the amount of the outstanding claims to be recovered, the date and manner in which the proceedings were concluded;
- 2) claims under enforcement proceedings related to amounts payable to the Social Security Authority, if the claim has not been paid within 60 days from the date on which the proceedings were instigated; the instigation date and the amount of the outstanding claims to be recovered, the date and manner in which the proceedings were concluded;
- 3) name of a creditor and its claim, if the creditor has obtained a writ of execution against the debtor and has not been satisfied within 30 days from the date on which the debtor received a notice to fulfil its obligations; in the case of joint and several claims, only the name of creditor who files for the entry to be made is subject to disclosure in the register, along with the information that the claim is joint and several;
- 4) information on securing the debtor's property under bankruptcy proceedings through the suspension of enforcement proceedings conducted against it; information on a dismissal of a petition in bankruptcy on the grounds that the property of the insolvent debtor would not be sufficient to cover the costs of the proceedings; nor
- 5) information on discontinuance of court or administrative proceedings conducted against an entrepreneur on the grounds that the amounts possible to be recovered would not be higher than the enforcement cost.

28. Issuer's Organisational and Capital Links with Other Entities

There are no organisational links between the Issuer and other entities which could have a material influence on the Issuer's activity, other than the capital links with the Dominant Entity (described in Section 1.7 of Chapter I), whose influence on the Issuer's activity is limited to the rights granted to a shareholder by the provisions of law and the Issuer's Articles of Association, including in particular the right to vote at the General Shareholders Meeting and to appoint three members of the Supervisory Board. The Issuer is not a dominant entity with respect to any other entity.

29. Information on Tender Offer for Sale or Exchange of Shares

Over the past 12 months, no tender offer for sale or exchange of the Issuer Shares has been announced.

30. Information on Tender Offer Announced by the Issuer with Respect to Sale or Exchange of Shares in Other Public Companies

Over the past 12 months the Issuer has not announced any tender offers for sale or exchange of the shares in other public companies.