

RB 12/2010 – 01.07.2010

Conclusion of a significant agreement between Selena Group companies

Pursuant to Article 56 section 1 point 2 of the Act on Public Offering – Current and Financial information, the Management Board of Selena FM S.A. advises that on 30 June 2010, an agreement of significant value was concluded between Selena FM S.A. and its subsidiaries: Selena Co S.A. of Wrocław (“Selena Co.”) and Orion Sp. z o.o. of Dzierżonów (“Orion”).

Under the agreement, Selena FM S.A. released Orion from the obligation to pay dividend of PLN 168,301,879.49 (one hundred and sixty eight million three hundred and one thousand eight hundred and seventy nine 49/100 PLN) payable to Selena FM S.A. under Resolution no. 3 of the General Meeting of Orion held on 30 June 2010 to clear the debt of PLN 168,232,525.04 (say: one hundred and sixty eight million two hundred and thirty two thousand five hundred and twenty five 04/100) owed by Orion to Selena Co. Under Article 518 § 1 point 3 of the Polish Civil Code, Selena FM S.A. acquired the rights of the satisfied creditor up to the amount of the repaid debt owed by Orion towards Selena Co. As a result of the agreement, Selena Co. ceased to be Orion's debtor, while the debt in question was assumed by Selena FM S.A. and covered by the due dividend.

The Management Board of Selena FM S.A. is committed to increasing efficiency of the Selena Group operations by rearranging its organisational and capital structure. The transaction is a part of restructure of the intercompany debts that arose in the course of business transactions with the foreign affiliates. The transaction seeks to order the rules of funding the Group's foreign activities and to improve the balance sheet structure of the parties to the agreement.

The agreement was deemed as significant because its combined value is greater than 10% of the Issuer's equity. The transaction will not affect the Group's consolidated results.