

Current report no: 11/2009

Date: 2009-02-26



### **Decision on the intention to merge the issuer with another entity**

The Management Board of LPP SA, having its registered office in Gdańsk, (hereinafter referred to as LPP) informs that on 26 February 2009 it took a decision on the merger, agreed and signed the plan of merger between Artman S.A., having its registered office in Kraków (hereinafter referred to as Artman and the Merger Plan, respectively). Both companies conduct the same type of business activity consisting in the design and distribution of clothing.

The merger of the Companies shall be effected pursuant to Article 492 (1) point 1 of the Commercial Companies Code (merger through takeover) by means of transferring all Artman's assets (as the Acquiree) to LPP (as the Acquiror) (hereinafter referred to as the Merger). As a result of the merger Artman shall be dissolved without liquidation.

Due to the fact that the LPP holds all shares in the share capital of Artman, the merger shall be effected according to the provisions of Article 512 (1) point 1 of the Code of Commercial Companies without increasing the LPP share capital as the Acquiror.

The merger will allow to create one of the largest companies in this part of Europe offering clothing and accessories through the chain of specialist clothing stores. As a result of the merger the range of goods offered for sale by LPP will become wider; operating costs will be decreased in consequence of the synergy of brands offered and the costs related to running separate companies, including foreign ones, will drop as well.

Together with this current report, ABG hereby presents the Merger Plan drawn up pursuant to Art. 498, 499 (1) of the Commercial Companies Code, including documentation referred to in Article 499 (2) thereof. Moreover, LPP publishes the Report of the Management Board justifying the merger of LPP as the Acquiror with Artman S.A. as the Acquiree dated 26 February 2009.

Legal basis: Art. 56 item 1 point 2 of Public Offering Act - current and periodical information

Signatures:	Alicja Milińska – Vice-President of the Management Board
	Dariusz Pachla – Vice-President of the Management Board