

On August 31, 2010 ERG CAPITAL-1 ADSIC signed with a well-established institutional investor a preliminary agreement for the sale of its properties (Praktiker Hypermarket on Tzarigradsko Shousse Blvd, Sofia and Oriflame Commercial Center on G.M. Dimitrov Blvd, Sofia). **The execution of a final agreement depends on a number of pre-conditions, including Praktiker EOOD's forfeiting of its right of first refusal for the Praktiker Hypermarket and successful due diligence by the buyer.**

The price for the Praktiker Hypermarket is EUR 10,000,000, net of VAT, and for the Oriflame Commercial Center the price is EUR 2,300,000, net of VAT. Transaction costs are to be assumed by the Buyer.

The most important conditions for the execution of a final agreement are whether Praktiker EOOD will choose to exercise its right of first refusal and the successful due diligence of the properties by the buyer. The term for the due diligence is 2 months after the date of Praktiker's decision. If all pre-conditions are met and a final agreement is signed, the final payment of the price would be no later than 4 months after the said date.

We draw investors' attention to the fact that the preliminary agreement was executed with certain conditions that if not met will cause the preliminary agreement to be terminated and the parties shall owe each other no compensation.