

DEBICA

RB 13/2016

**POLISH FINANCIAL SUPERVISION AUTHORITY**  
**Current Report No 13/2016**

**Date:** December 23, 2016

**Abbreviated name of issuer:**  
DEBICA

**Subject:** Entering into material agreements with Goodyear S.A.

**Legal grounds:**  
Art. 17 item 1 of the MAR regulation – confidential information

**Report content:**  
The Management Board of the Tire Company Dębica SA with its registered office in Dębica (hereinafter referred to as the “Company”) announces that since the date of publication of the Current Report No 9/2016 regarding entering into material agreements with Goodyear S.A. with its registered office in Colmar-Berg, Luxembourg (hereinafter referred to as “Goodyear”) the Company has concluded two loan agreements with the total value of PLN 130 mln.

Entering into the aforementioned agreements has been considered a confidential information due to their joint (estimated) value, which exceeded 10% of the Company’s equity as of the date of the last Agreement, i.e. December 23, 2016.

The Agreement with the highest value is the loan agreement dated December 23, 2016 (Loan Agreement I), entered into the Company (the Lender) and Goodyear (the Borrower) totaling PLN 85 mln. The maturity date of the loan is December 23, 2017 however, the repayment, with an option of premature partial repayment (with the minimum value of each tranche of repayment equal to PLN 5 million). Annual interest rate of the loan equals the total of WIBOR1M +0.1% of the Company’s fee. The interest shall be paid on 14<sup>th</sup> day of the next month at the latest. As a security for loan repayment the Loan Agreement I provides for a guarantee of Goodyear Tire and Rubber Company with its registered office in Akron in Ohio, USA, the entity indirectly controlling the Company. The Loan Agreement I has not been concluded provisionally, nor with the tenor reservation. The terms and conditions of the Loan Agreement I do not deviate from universally applied terms and conditions to such agreements.

The second of the aforementioned agreements is the loan agreement dated September 24, 2016 entered into between the Company (the Lender) and Goodyear (the Borrower), totaling PLN 45 mln. The maturity date of the loan is 24 September 2017, however, the repayment, with an option of premature partial repayment (with the minimum value of each tranche of repayment equal to PLN 5 million). Annual interest rate of the loan equals the total of WIBOR1M +0.1% of the Company’s fee. The interest shall be paid on 14<sup>th</sup> day of the next month at the latest.

The Company estimates that total value of services under the concluded agreements during their effective term will total approximately PLN 130 million. The above estimate is based on the

total value of principal lent, excluding the value of interest. It is impossible to determine the value of interest precisely, since interest rate under each Agreement is variable and the Borrower is entitled to repay each of the loans prematurely.