ERBUD S.A.

Topic:
Change of agreements with Bank Millennium S.A.
Legal basis: Article 56 section 1 item 2 of the Bid Law - current and periodic information

Content of the report:

Referring to the information published in the current report of 21 November 2008 (No. 43/2008) the Issuer advises that on 1 December 2008 it agreed additional documents to the transaction of 21 November 2008 (the "Transaction") with Bank Millennium SA (the "BM"). According to those documents the transaction was aimed at totally elimination a risk connected with changes in the rate of EUR/PLN in relation to optional structures concluded by the Issuer. In addition to the documents related to technical aspects of conclusion, implementation and security of the transaction, such as annexes to assignment contracts, powers of attorney to the accounts or declarations on submission to execution, the Issuer has concluded with the BM following supplements:

1. Annex to the Framework Agreement of 6 January 2006 and the Security Agreement of 6 January 2006.

The Framework Agreement of 6 January 2006, as amended by Annex No. 1 of 10 December 2007 and Annex No. 2 of 26 September 2008, (the "Framework Agreement") contains general provisions concerning conclusion of agreements on treasure transactions by the Issuer and the BM.
The Security Agreement of 6 January 2006, together with Annex No 1 of 27 June 2008, as revised by Annex No. 1 of 10 December 2007 and Annex No. 2 of 26 September 2008 (the "Security Agreement") is a base for securing the BM claims arising from transactions concluded within the Framework Agreement.
Annex amending the Framework Agreement is in force from the date of signing the transaction, i.e. from 21 November 2008.

On 2 December 2 2008, the Issuer and the BM determinated the following collaterals on transaction:
(I) assignment of claims against the Issuer arising from its commercial contracts with a value of PLN 90 million quarterly, including that the assignment can be covered by contracts guaranteed by the BM (the "Assignment"), and
(II) transfer of an amount of PLN 14,245,581.40 in favor of the BM ("Lien").
The assignment also secures the obligations of the issuer arising from the contract of loan in the current account, referred to in section 2 of this report.

The lien amount will be repaid to the Issuer in the relevant parts where exposure resulting from the transaction will be lower than the lien amount. Additionally, in accordance with the provisions of the Lien Agreement, the Issuer and BM have pledged themselves to take negotiations up to 30 June 2009 in order to possibly reduce of the lien amount. Due to the transfer, a fee based on a WIBID 6M rate for use of the lien sum by the BM (for the period up to 31.05.2009) will be paid to the Issuer. For the period from 01.06.2009 to the repayment date of obligations secured, the Issuer and BM specified an amount and term of repayment of fee due to the Issuer.

2. Annex to the agreement on overdraft account in PLN of 22 June 2007.

On the basis of the above addendum the existing credit limit in the current account, which amounted to PLN 6 has been increased to PLN 20 million. At the same time, the validity period of overdraft account has been extended until 30 November 2009.
The Issuer's obligations arising from the agreement on overdraft account, as amended by Annex mentioned above, are secured in the form of:
(I) assignment
(II) declaration on submission to execution, and
(III) power of attorney to the Issuer's accounts kept in the BM.

3. Annex to the agreement on bank guarantee line and civil guaranty of 13 December 2006.
On the basis of the agreement indicated, the BM provides on behalf of the Issuer bank guarantees and grants sureties that, in accordance with accepted market standards are presented by the Issuer in connection with entering into commercial contracts and secure possible commitments of the Issuer arising from those contracts.
Under this Annex, the BM granted the Issuer the maximum limit for financial guarantees of PLN 55 million during the period from 18 December 2007 to 30 November 2009.

The guarantee line is secured in the form of:
1. declaration on submission to execution,
2. power of attorney to the Issuer's accounts held in the BM.
In addition, to guarantees granted for a period of up to 12 months:
- debt assignment of contracts of 100% worth of the transaction value.
In addition to guarantees granted for a period up to 38 months:
- lien of cash means in PLN or foreign currency in minimum amount of 10% of each transaction,
- debt assignment of contracts of 100% worth of the transaction value.
In addition, to guarantees granted for a period up to 65 months:
- lien of cash means in PLN or foreign currency in minimum amount of 10% of each transaction,
- debt assignment of contracts of 100% worth of the transaction value.

The contract described above is a significant one when its value exceeds 10% of the value of the Issuer's equity.