ERBUD S.A.

Current Report No. 36/2010
Date of Report: 2010-07-06

Topic:
Concluding a significant financial contract
Legal basis: Article 56 section 1 item 2 of the Bid Law - current and periodic information

Content of report:
The Management Board of Erbud SA announces that a tripartite credit agreement with ING Bank Śląski SA based in Katowice has been signed on 6 July 2010. The third party of the agreement is a subsidiary of the Issuer - Budlex Sp. z o.o. with its registered orifice in Warsaw.
Under this agreement the Issuer has obtained an access to external financing in the orm of overdrive and a line on the financial guarantees up to PLN 50 m (say: fifty million zlotys). The Issuer shall be able to burden within the negative balance of PLN 20 m (say: twenty million zlotys) and use the guarantee line up to PLN 50 m (fifty million zlotys). Budlex Sp. z o.o., a subsidiary of Erbud shall be able burden within the negative balance of PLN 5 m (say: five million zlotys). The total value of all the burdens shall not exceed PLN 50 million.

Security for payment of the Bank debts are as follows:
- Assignment of receivables from contracts concluded by Erbud SA within the framework of its economic activity, while the value of claims resulting from the assignment can not fall below 110 percent of the debt.
- To secure Bank claims due to granting a financial security with a maturity longer than two years starting from the issue date, Erbud SA shall assign in favour of the Bank the amount of surety.
The Agreement was concluded for 12 months from the date of its signing.
The contract was concluded on market terms.

The concluding of this agreement will allow the Issuer to optimize the management of cash within the Group and to strength its position by acquiring new building contracts.