ERBUD S.A.

Current Report No. 56/2010
Date of Report: 2010-09-14

Topic:
Signing of a significant agreement for the construction of the Warsaw/Modlin Airport (the airside of the aerodrome)
Legal basis: Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

Content of report:

The Management Board of ERBUD SA announces that on 14 September 2010, the Issuer signed an agreement with the Mazowiecki Port Lotniczy Warszawa-Modlin Sp. z o.o. for the construction of the airside of the Warsaw/Modlin Airport.

The contract net value is PLN 87,911,621.20 net and the gross value is PLN 107,252,177.85.

Deadline for execution of works was fixed for 18 months from the date of the contract concluding.

The contract has been secured by a performance bond valued at PLN 3,217,565.34 with a maturity date of 13 April 2012, and thereafter by a repair works guarantee in the amount of PLN 965,269.90, valid until 29 April 2015.

The agreement provides the following penalties:
1) 0.1% of the contract remuneration for each day of delay in execution of works which are the contract subject, starting from the time for completion of the agreement, but not more than 10% of the contract value;
2) 10% of the contract remuneration in the event of termination by the Customer, if it is due to a cause attributable only to the Contractor;
3) 0.1% of the contract remuneration for each day of delay beyond the deadline fixed to remove defects, but not more than 10% of the contract value;
4) 10% of the contract remuneration in the event of termination by the Contractor, if it is due to a cause attributable to the Contractor.