**ERBUD S.A.**

*Current Report No. 7/2011*
*Date of Report: 2011-01-28*

*Topic:*
Pledging assets of substantial value, i.e. 1,160 shares held by the Issuer in its subsidiary Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A.
Legal basis: Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

*Content of report:*

Referring to the Current Report No. 10/2010, the Issuer's Management Board was notified today about entering into a contract on behalf of the Issuer, under which it has been established a possessory and registered pledge on 1,160 registered series B shares of the subsidiary - Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A (formerly: Przedsiębiorstwo Robót Drogowych S.A) based in Toruń (the "PBDI S.A.") with a nominal value of PLN 50 per one share and of the aggregate nominal value of PLN 59,160.00 (fifty-nine thousand one hundred and sixty) representing 6.65% of the share capital of the PBDI S.A.

Following the Definitive Agreement on sale of the Budlex Sp. z o. o. shares (the "Definitive Agreement") signed on 19 February 2010 between the Issuer and Rison Limited on which the Issuer reported in the Current Report No. 9/2010 and the Share Pledge Agreement signed on 19 February 2010 between the Issuer and Rison Limited, the Issuer (the "Pledger") established a possessory and registered pledge to Rison Limited (the "Pledgee"). The total amount of the pledged shares is PLN 5,059 and the total nominal value is PLN 252,950 (two hundred fifty-two thousand nine hundred and fifty zlotys), which represents 29% of the share capital of PBDI S.A.

These 5,059 pledged shares is valued in the accounts of the Issuer at PLN 14,372,992.
There is no relationship between the Issuer and persons managing or supervising the Issuer and the Pledgee. The Issuer holds 94.3% of the share capital and voting rights at a general meeting of PBDI S.A. and considers the investment in the PBDI equity as a long-term one.

The criterion to recognize the burden of assets i.e. shares in PBDI S.A. as significant is: total book value of the pledged shares amounts to more than EUR 1 million.