ERBUD S.A.

Current Report No. 28/2011
Date of Report: 2011-06-27

Topic:

Concluding a significant agreement with the BGŻ Bank S.A. seated in Warsaw.

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 today it received from the BGŻ Bank S.A., seated in Warsaw, a confirmation on the conclusion of two agreements concerning:

- Working capital loan in the current account,
- Line for providing guarantees.

By the agreement on working capital loan in the current account, the Issuer may, within 12 months from 20 June 2011, borrow under the line provided in the current account up to PLN 15 million. The interest on this loan is WIBOR 1M plus the bank margin. The line granted is secured by:

- the transfer of receivables from Issuer's customers in the amount of a 100 per cent of the loan (silent / global assignment)
- term deposit blockade of 10 per cent of the loan,
- blank promissory note,
- power of attorney to dispose of the Borrower's current accounts with the BGŻ Bank.

Pursuant to the agreement on line for providing guarantees, the Issuer may order to grant guarantees under the revolving limit to the total amount of PLN 65 million, subject that the sublimate for removal of defects warranty is limited to PLN 35 m.
The line granted is secured by:

- the transfer of receivables from Issuer's customers in the amount of a 100 per cent of the loan (silent / global assignment)
- term deposit blockade of 10 per cent of the loan,
- blank promissory note,
- power of attorney to dispose of the Borrower's current accounts with the BGŻ Bank.

Other agreement terms do not differ from market conditions.

The above agreements are a continuation of the agreements signed in June 2010 of which the Issuer has informed in the Current Report No 29/2010 dated 23.06.2010.