ERBUD S.A.

Current Report No. 34/2011
Date of Report: 2011-07-19

Topic:

Signing of a significant agreement for the construction of the Skoroszewska Real Estate, Phase 1, Building 1 and 2.
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 19.07.2011 it entered into a construction agreement to under the following terms and conditions:

1. Developer: RED Real Estate Development Alpha Sp. z o.o., seated 00-697 Warsaw, at 53/120 Al. Jerozolimskie.
2. Contract value: 30,200,000 PLN plus the VAT due.
3. Contract subject: Skoroszewska Real Estate, Phase 1, Building 1 and 2, incl. basement parking places located in Warsaw at Skoroszewska St.
4. Duration of works: 24 months from the site handing over; the commencement of work is expected in August 2011 and completion in August 2013.
5. Penalties: total value of penalties shall not exceed 10% of the contractual remuneration.

Other conditions of this agreement do not differ from the market terms.

Expected volume of works:

2011 – PLN 5,000,000

2012 – PLN 15,000,000
2013 – PLN 10,200,000