ERBUD S.A.

Current Report No. 56/2011
Date of Report: 2011-12-07

Topic:

Signing of a significant contract for building works to construct a housing estate with services and underground garages in Gdańsk.
Legal basis: Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

Content of report:

On 6 December 2011 Erbud S.A. (the Issuer) concluded a contract for construction of residential buildings, located in Gdansk, with service area and underground parking places, including the surroundings and infrastructure.
„Cedrowa" Sp. z o. o. with headquarters in Warsaw is the building investor of this housing estate:

Contract value: PLN 46,190,000.00 (of which Stage I - PLN 19,228,000.00 and Stage II - PLN 26,962,000.00

Delivery dates.

Stage I
Commencement: December 9, 2011
Completion: after 18 months from the date of commencement of works.

Stage II:
Commencement:: within 12 months from starting the first Stage - depending on progress in apartment sales by the Builder
Completion: after 18 months from the date of commencement of works.

Penalties: The maximum limit of penalties which may be charged to the Issuer amounts to 10% of the contract price.

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

Expected volume of works in Stage I / Stage II
2011: PLN 189,000.00
2012: PLN 15,210,000.00 / 8,502,000.00
2013: PLN 3,829,000.00 / 18,460,000.00.