ERBUD S.A.

Current Report No. 08/2012
Date of Report: 2012-01-31

Topic:

Signing of a significant construction contract by the Issuer
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 contract under the following terms and conditions:

1. The Builder: DURHAM Sp. z o.o. 00-203 Warszawa, 17 Bonifraterska St..
2. Contract value: PLN 93,359,000.00 net, including the shell worth PLN 20,220,000.00. Two months before the completion of basement works, the Builder may declare completion or suspension of works for a period of 3 months
3. Contract subject: construction of multifamily residential buildings with underground garage
4. Place of performance: Kraków
5. Duration of works: from 2012-01-30 to 2013-10-30
6. Penalties: 0.05% of the lump sum for each day of late completion (up to 8% of the lump sum).
7. Other conditions of this contract do not differ from the market terms.

The contract with Durham Sp. o. o. is the second one concluded by the Issuer with a the company belonging to the the HINES Group. The first one was to build the Quattro Towers Housing Estate in Gdansk.