ERBUD S.A.

Current Report No.42 /2015
Report date: 2015-06-25

Topic:

Concluding a significant contract for performing construction works as prime contractor

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 informs that on 25 June 2015 the Issuer entered with LC Corp Invest XV Sp. z o.o. Projekt 5 sp. k. as Investor, seated in 53-335 Wrocław at 2-4, Powstańców Śląskich St. registered under the KRS number 0000393606, NIP: 899-276-60-16, REGON: 02167691, into a contract to build multi-family buildings with underground garages in Wrocław on Tęczowa St.

Net contract net value: PLN 28 850 000,00 (in words**:** twenty-eight million, eight hundred and fifty thousand Zlotys)

Erbud SA is due to perform the task within 15 months after the receipt of a Notice to Proceed. Performance bond: 5% of the Contract price in the form of a bank guarantee for the completion period + a deposit of 5%.

Remedying Defects Warranty: 5% of the Contract price in the form of a bank guarantee, provided for 60 months from the Acceptance Certificate date.

The sum of liquidated damages shall not exceed 10% of the Contract price.

The contract is a conditional one. The commencement of works depends on the issuance by the investor of a Notice to Proceed. If this will not be submitted until 30.10.2015, the contract shall be regarded as non-existent**.**

Other conditions of this contract are at market terms.