ERBUD S.A.

Current Report No.13/2016
Report date: 2016-03-22

Topic:
Signing of a significant contract for the reconstruction of the provincial road No. 203 on the section Dąbki - Darłowo valued at PLN 25.5 million

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 ("Issuer") hereby informs that on 21 March 2016 Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. headquartered in Torun ("PBDI"), a subsidiary 90% owned by the Issuer, acting in a consortium ("Contractor") of: Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. from Toruń ("Consortium Leader"), WANT sp. o.o. seated in Tczew, 12 Korczaka St. ("Consortium Partner") concluded with the West Pomeranian Voivodship seated in Szczecin, 34 Korsarzy St. ("Employer") a contract for reconstruction of provincial road No. 203 on the section Dąbki-Darłowo.

The total net contract value amounts to PLN 25,522,682.69 (say: twenty-five million, five hundred and twenty-two thousand, six hundred and eighty-two, point six nine Zlotys). The value of range is competed by PBDI is PLN 20,623,526.49 (say: twenty million, six hundred and twenty-three thousand, five hundred and twenty-six, point four nine Zlotys) net.

The contract is due to be completed by 15.06.2017.

Invoicing on a monthly basis according to the progress of the works. The sum of Interim Payment Certificates may not exceed 90% of the contract price.

Invoice credit period: 30 days.

Performance Bond: 10% of the gross contract price, issued for the completion period.

Remedying Defects Warranty: 3% of the gross contract price, provided for 84 months and 15 days.

In case of failure to timely complete the Works, the Employer is entitled to a penalty from the Contractor amounting to 0.1% of the gross contract price for each day of delay.

Other terms and conditions of this contract are at arm's length.

The contract value exceeds 10% of the Issuer's equity.

Specific legal basis:
Art. 5 sec. 1 point 3 of the Regulation of the Minister of Finance dated 19 February 2009 on current and periodic information disclosed by issuers of securities and conditions for recognizing as equivalent information required by laws of a non-member state.