ERBUD S.A.

Current Report No.26/2016
Report date: 2016-04-25

Topic:

Sale of an investment property by the Issuer's subsidiary GWI GmbH, based in Düsseldorf

Legal basis:
Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

Content of report:

1. Contract subject: sale of the West Park residential building with 141 apartments, kindergarten and 144 parking spaces.
2. Contract concluded on 2016/04/25.
3. Parties to the contract

   a) Buyer:
   Düsseldorfer Wohnungsgenossenschaft eG, Wagnerstr 29, 40212 Düsseldorf

   b) Seller:
   PDI Düsseldorf Malmedyerstraße Ost GmbH
   PDI Düsseldorf Malmedyerstraße West GmbH,
   where the GWI Bauunternehmung GmbH, Schiessstrasse 55, 40549 Düsseldorf owns 51 percent of the equity share capital in each company.

4. Contract value: Temporary price is EUR 29,620,656.00 (what after conversion at the exchange rate available on the date on which the contract was concluded gives PLN 129,916.20), the final price depends on final measurement and will be determined on the date of final acceptance inspection; payable within 10 calendar days after the commissioning.
5. Completion period: the building will be completed not later than by 2017/01/31.
6. Penalties: in case of exceeding Time for Completion (31.01.2017) the Seller is obliged to pay the Buyer a contractual penalty amounting to EUR 1 000 for each calendar day of delay and costs associated with renting apartments and the kindergarten.
7. Guarantees: a) Defects Liability Bond: 5% of the net value of the performance. The maximum amount of the guarantee was set at EUR 850,000 for 5 years and two weeks.

The Issuer has a 85 percent interest in GWI GmbH.

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

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.