ERBUD S.A.

Current Report No.40 /2016
Report date: 2016-05-25

Topic:

Signing of a significant contract for construction works as general contractor valued at PLN 534.610.239 - GALERIA MŁOCINY Retail and Entertainment Centre

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) announces that on 25 May 2016 it signed a conditional contract for construction works on the following terms and conditions:

1. Contract concluded on 25.05.2016
2. Investor: BEREA sp. z o.o., seated in Warsaw at 19 Książęca St., entered into the register of entrepreneurs kept by the District Court in Warsaw (00-498), XII Commercial Department of National Court Register, under KRS No. 0000521802, NIP: 527-26-85-902, with fully paid in share capital of PLN 55,069,050.00.
3. Contract value: Contract Price amounting PLN 534,610,239.00 (say: five hundred and thirty-four million, six hundred and ten thousand, two hundred and thirty-nine Zlotys).
4. Contract subject: Construction of GALERIA MŁOCINY Retail and Entertainment Centre.
5. Site location: plots 4/4 and 4/7, cadastral district 7-11-04 with a total area of 51.37 m^2, located in Warsaw, on Zgrupowania AK "Kampinos" St.
6. Scheduled completion: 15.10.2018.
7. Payment terms: 25 days from receipt of invoice.
8. Performance Bond: 10% of the net Contract Price.
9. Defects Liability Bond:
10. Penalties: The sum of liquidated damages shall not exceed 10% of the net Contract Price.
11. Note: The contract is a conditional one; it will only enter into force when the Contractor receives from the Investor a notice to proceed with works. The deadline for submission of the Notice falls on 15 July 2016.

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.