ERBUD S.A.

Current Report No.27/2016
Report date: 2016-06-16

Topic:

Disclosure of delayed confidential information
Legal basis:
Article 56 section 1 item 1 of the Act on Public Offering - confidential information

Content of report:

The Management Board of ERBUD SA with its registered office in Warsaw (the "Issuer") hereby publishes the content of confidential information, the disclosure of which was delayed on the basis of Article 57 section 1 of the Act of 29 July 2005 on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading and on Public Companies as well as Article 2 section 1 item 1 of the Regulation of the Minister of Finance of 13 April 2006 on the kind of information that may breach the Issuer's legitimate interests and manner in which the Issuer conducts with respect to delayed public disclosure of confidential information.

The Management Board announces that on 28 April 2016 it submitted to the Polish Financial Supervision Authority the following information:

"In connection with the current report No. 6/2016 sent to the Financial Supervision Commission on 9 February this year, acting pursuant to Article 57 section 1 of the Act of 29 July 2005 on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading and on Public Companies (the “Act"') as well as Article 2 section 1 item 1 of the Regulation of the Minister of Finance of 13 April 2006 on the kind of information that might breach the Issuer's legitimate interests and manner in which the Issuer conducts with respect to delayed public disclosure of confidential information, the Management Board of ERBUD SA (the “Issuer”) informs on the extension by 30 June 2016 of the period of delay in making available to the public confidential information concerning the sale of significant assets.

The Issuer delays the release of confidential information for additional two months due to protracted negotiations. Disclosure of information at this stage would have a negative effect in terms of economic interests of the Issuer and is likely to negatively influence the course or outcome of the negotiations.

In the opinion of the Issuer, the delay in realising the above confidential information will not mislead the public as well as the confidentiality of the content of above confidential information will be ensured until its submitting according to the obligation pursuant to Article 56 section 1 of the Act."

Delayed information was related to the continuation from 8 February 2016 of negotiations between the Issuer and Properties & Co Philip Friedmann, a company based in Warsaw, representing the Purchaser, the object of which was the sale of shares in Budlex SA, a subsidiary of the Issuer, with its seat in Warsaw.

The Issuer initially assumed that the negotiations will be completed by 30 April 2016 hence it was necessary to extend the period of delay in making available to the public confidential information relating to the disposal of shares of Budlex SA seated in Warsaw.