ERBUD S.A.

Current Report No.51/2016
Report date: 2016-07-15

Topic:

Signing of a significant contract for construction works by GWI GmbH seated in Düsseldorf (the “Company”), a subsidiary of ERBUD S.A. (the”Issuer”)

Legal basis:

Article 17 section 1 of the MAR – confidential information

Content of report:

The Issuer's Management Board announces that on 14 July 2016 a subsidiary of the Issuer - GWI GmbH, signed as a consortium member a contract for works on the below specified terms and conditions:

1. Contract subject: alteration of a shopping and office complex located in Düsseldorf, Rolandstraße 44.
2. Contract concluded on 2016/06/14.
3. Parties to the Contract:
   a. Customer: Forty Four Development GmbH, Johannstraße 37, 40476 Düsseldorf;
   b. Contractor: „Arge Forty Four” formed by:
   - GWI Bauunternehmung GmbH, Schiessstrasse 55, 40549 Düsseldorf – share of 54%;
   - ENGIE Deutschland GmbH, Aachener Straße 1044, 50858 Köln – share of 46%.
4. Contract value: € 16,150,535.75 net (=PLN 71,175,411.05), of which GWI GmbH has € 8,721,289.31 net (= PLN 38,434,721.98).
5. Completion period: 15.08.2016 - 31.07.2017.
6. Penalties: in case of a failure to complete the Work within the Time for Completion - 0.2% of the net value of the Final Payment Certificate for each day of delay, but not more than 5% of total net amount of the Final Payment Certificate.
7. Guarantees:
   a. Defects Liability Bond: 5% of the Final Payment Certificate;
   b. Performance Bond: 10% of the net Contract Price.

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

To translate the values denominated in Euros, the average exchange rate set by the NBP as of 07.14.2016, i.e. 4.070 PLN/EUR (135/A/NBP/2016 dated 2016-07-14) has been applied.