**ERBUD S.A.**

*Current Report No.31/2017*
*Report date: 2017-06-29*

*Topic:*

Modification of the terms of the conditional contract for the construction in Bydgoszcz of a commercial facility named OUTLET and entry into force of the contract.

*Legal basis:*
Article 17 section 1 of the MAR – confidential information

*Content of report:*

On 31 August 2016 ERBUD S.A. (the "Issuer") provided in the Current Report No. 62/2016 information about the signing of a significant construction contract (the "Contract) for the erection of a commercial facility named OUTLET along with in-building installations, external roads, park spaces, ingress/egress and required on-site services, located in Bydgoszcz on Pilicka Street.

The entry into force of the Contract was conditioned by the submission by the Investor to the Contractor of complete design documentation of Works covered by the Scope of the Project and by signing by the Parties of a separate agreement on the amount of remuneration for the execution of Works under the Contract and on deadlines for their performance. In case the Parties fail to agree the above arrangements at latest within eight months, the Contract automatically terminates and neither Party shall be entitled to any claim against the other Party in this respect.

On 29 June 2017, the Parties entered into a new Construction Contract, which replaced the Conditional Contract of 30 August 2016.
The Management Board of ERBUD S.A. informs that the Contract to build the commercial facility named OUTLET, including in-building installations, external roads, park spaces, ingress/egress and required on-site services, located in Bydgoszcz on Pilicka Street, has been concluded on the following terms and conditions:

1. Contract concluded on 2017.06.29.
2. Investor: ADV Por Property Investment Spółka Akcyjna spółka komandytowa, 00-411 Warszawa, ul. Królowej Marysieńki 38.
3. Contract value: PLN 31m net. The original value specified in the Current Report 62/2016 was PLN 37m.
4. Contract subject: Construction of a commercial facility named OUTLET, located in Bydgoszcz on Streets Pilicka/Inflancka/Sierpecka, including in-building installations, external roads, park spaces, ingress/egress and required on-site services.
5. Site location: Bydgoszcz, Pilicka St. / Inflancka St. / Sierpecka St.
6. Completion period: 10 months from the date of entry into force of the Contract.
7. Payment terms: credit period of 30 days.
8. Performance Bond: do not vary from standard conditions commonly used on the market.
9. Defects Liability Bond: do not vary from standard conditions commonly used on the market.
10. Other guarantees: do not vary from standard conditions commonly used on the market.
11. Penalties: do not vary from standard conditions commonly used on the market.