

Current Report No. **6/2016**

Report Date:
10 March 2016

Abbreviated name of the issuer:
DOM DEVELOPMENT S.A.

Subject:
Execution of a material agreement with a general contractor

Legal basis:
Article 56.1.2 of the Public Offering Act – current and interim reports

The Report:

The Management Board of Dom Development S.A. with its registered seat in Warsaw (the “**Company**”), in compliance with §5.1.3) and §9 of the Regulation of the Minister of Finance of 19 February 2009 regarding current and interim reports published by issuers of securities and the conditions of finding as equivalent the information required by the laws of a non-member state (Journal of Laws 2014, item 133) hereby informs that, on 10 March 2016, the Company and Warbud S.A. with its registered seat in Warsaw entered into an agreement regarding the construction in Warsaw, in the vicinity of Pełczyńskiego St., on a general contractor basis, of phase I.2 of the “Premium” housing development.

The total value of agreements signed with Warbud S.A. in the last 12 months amounts to a net value of PLN 88,656,343 (eighty-eight million, six hundred and fifty-six thousand three hundred and forty-three Polish zloty).

The aforementioned agreements satisfy the criteria for a material agreement, as their value exceeds 10% of the Company’s equity. The information below regards the agreement of the highest value concerning the construction, on a general contractor basis, of phase I.2 of the “Premium” housing development, in the vicinity of Pełczyńskiego St in Warsaw. Said agreement was executed by the Company on 10 March 2016.

The net remuneration payable to Warbud S.A. for completion of the above-mentioned agreement amounts to PLN 46,249,648 (forty-six million two hundred and forty-nine thousand six hundred and forty-eight Polish zloty) which will be increased by VAT due with respect thereto. The contract concerns the construction of 236 flats.

The construction works will be commenced on 12 March 2016 and will be completed, in accordance with the abovementioned agreement, on 31 August 2017.

The total value of contractual penalties cannot exceed 10% (ten percent) of the value of the remuneration payable for the completion of the above-referenced agreement. The Company has the right to seek damages in excess of the reserved contractual penalties.

The terms and conditions of the said agreement do not differ from the generally applied standards for this type of agreement.

Signatures of persons representing the Company:

Janusz Zalewski – Vice President of the Management Board

Małgorzata Kolarska – Vice President of the Management Board