

Current Report No. **6/2014**

Report Date:

10 February 2014

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 laws of a non-member state (Journal of Laws 2009, No. 33, item 259, as amended) informs that, on 10 February 2014, the Company and the Consortium comprising Eiffage Polska Budownictwo S.A. and Eiffage Polska Instalacje Sp. z o.o. (the „**Consortium**”) entered into an agreement regarding the construction in Warsaw, in the vicinity of ul. Powązkowska, on general contractor’s basis, of the third stage of the “Żoliborz Artystyczny” housing development.

The total value of agreements signed with the companies that comprise the Consortium in the period from 20 March 2013 to 10 February 2014 amounts to the net value of PLN 98,191,225 (ninety-eight million, one hundred and ninety-one thousand, two hundred and twenty-five).

The said agreements satisfy the criteria of a material agreement, because their value exceeds 10% of Company equity. The information below regards the agreement of the highest value concerning the construction, on general contractor’s basis, of the first stage of the “Żoliborz Artystyczny” housing development. The said agreement was executed by the Company on 20 March 2013 with Eiffage Polska Budownictwo S.A. (which operated under the name of Eiffage Budownictwo Mitex S.A. at the time) which is a member of the Consortium.

The net remuneration payable to Eiffage Polska Budownictwo S.A. for completion of the above-mentioned agreement amounts to PLN 52,475,809.00 (fifty-two million, four hundred and seventy-five thousand, eight hundred and nine) which will be increased by the VAT due with respect thereto.

The construction works commenced on 20 March 2013 and they will be completed, in accordance with the abovementioned agreement, on 12 September 2014.

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 agreements.