

Current Report No. **14/2015**

Report Date:

**15 April 2015**

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 2014, item 133) hereby informs that, on 15 April 2015, the Company and Erbud Spółka Akcyjna with its registered seat in Warsaw entered into an agreement regarding the construction of the housing development in Warsaw, in the vicinity of ul. Olbrachta, on a general contractor basis.

The total value of agreements signed with Erbud S.A. in the last 12 months amounts to a net value of PLN 110,880,000 (one hundred and ten million, eight hundred and eighty thousand 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 the housing development in Warsaw, in the vicinity of ul. Olbrachta. Said agreement was executed by the Company on 15 April 2015.

The net remuneration payable to Erbud S.A. for completion of the above-mentioned agreement amounts to PLN 63,650,000 (sixty three million, six hundred and fifty thousand Polish zloty) which will be increased by the VAT due with respect thereto.

The construction works will be commenced on 15 April 2015 and they will be completed, in accordance with the abovementioned agreement, on 15 June 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.