

Current Report No. **19/2015**

Report Date:

**22 May 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 the laws of a non-member state (Journal of Laws 2014, item 133) hereby informs that, on 22 May 2015, the Company and Unibep S.A. with its registered seat in Bielsk Podlaski entered into an agreement regarding the construction in Warsaw, in the vicinity of ul. Powązkowska, on a general contractor basis, of two phases of the “Żoliborz Artystyczny” housing development.

The contract concerns the construction of 380 flats in three buildings of six floors height and one and two storey underground car parks.

The net remuneration payable to Unibep S.A. for completion of the above-mentioned agreement amounts to PLN 87,000,000 (eighty seven million Polish zloty) which will be increased by VAT due with respect thereto. The aforementioned agreement satisfies the criteria for a material agreement, as its value exceeds 10% of the Company’s equity.

The construction works of the phase numbered VIII will be commenced on 3 June 2015 and the construction works of the phase numbered IX will be commenced on 2 September 2015.

The construction works will be completed, in accordance with the abovementioned agreement, on 31 October 2016.

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.