

SUMMARY OF RESULTS**Summary of results**[Presentation of the
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The GPW Group generated EBITDA of PLN 183.7 million in 2016, an increase of PLN 3.5 million compared to PLN 180.1 million in 2015.

The GPW Group generated an operating profit of PLN 157.9 million compared to PLN 153.3 million in 2015. The increase of the operating profit by PLN 4.6 million year on year in 2016 was mainly a result of lower operating expenses of the Group, which decreased by PLN 24.2 million or 13.9%. The GPW Group's revenue decreased by 5.2% or PLN 17.0 million. The revenue decreased both on the financial market, by 8.0%, and on the commodity market, by 0.2%. Considering the conditions on the financial market and the commodity market in 2016, the Group maintained a cost discipline as its operating profit increased year on year. It should be noted that the decrease of revenue on the financial market in 2016 was due not only to a lower value of trade, especially on the stock market, but also reductions of fees for market participants offsetting the change of fees for market supervision effective as of 2016.

The net profit of the Group stood at PLN 131.1 million in 2016 compared to PLN 121.5 million

in 2015. The increase of the net profit year on year in 2016 was driven by a higher operating profit as well as higher net financial income and expenses which stood at PLN 0.9 million in 2016 compared to a negative PLN 2.2 million in 2015.

GPW's EBITDA stood at PLN 91.1 million in 2016, a decrease of 1.1% compared to PLN 92.1 million in 2015.

GPW generated a separate operating profit of PLN 71.7 million in 2016 compared to PLN 70.6 million in 2015.

GPW's net profit was PLN 116.1 million in 2016 compared to PLN 96.9 million in 2015, an increase of 19.8% or PLN 19.2 million. The increase of the net profit year on year in 2016 was driven by an increase of the operating profit and an increase by PLN 19.1 million of net financial income and expenses. GPW received dividends from subsidiaries and associates of PLN 61.6 million in 2016 compared to PLN 43.1 million in 2015. The income tax in 2016 increased by PLN 1.1 million year on year.

The Polish Power Exchange generated an operating profit of PLN 55.2 million in 2016 compared to PLN 51.1 million in 2015. The net profit of POLPX stood at PLN 52.7 million and PLN 41.6 million, respectively, in the periods under review.

IRGiT generated an operating profit of PLN 31.3 million and a net profit of PLN 26.5 million in 2016.

BondSpot generated an operating profit of PLN 1.3 million in 2016 compared to PLN 2.1 million in 2015. The net profit stood at PLN 1.3 million and PLN 2.2 million, respectively, in the periods under review.

Detailed information on changes in revenues and expenses is presented in the sections below.

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF GPW GROUP BY QUARTER IN 2015 AND 2016 AND BY YEAR IN 2014 – 2016

	2016				2015				2016	2015	2014
PLN'000	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
Sales revenue	81.712	73.658	74.461	81.031	83.819	78.733	77.171	88.167	310.862	327.890	317.56
Financial market	49.803	46.763	42.971	44.488	48.990	51.508	49.215	50.242	184.025	199.955	199.96
Trading	33.247	30.941	26.561	28.330	33.213	36.221	33.142	34.372	119.079	136.948	137.79
Equities and equity-related instruments	25.575	23.756	19.234	20.955	25.907	29.020	26.114	26.900	89.520	107.941	105.29

Derivative instruments	3.195	2.825	3.040	3.142	2.979	3.134	2.645	2.820	12.202	11.578	14.82
Other fees paid by market participants	1.763	1.743	1.736	1.594	1.682	1.559	1.584	1.559	6.836	6.383	5.79
Debt instruments	2.599	2.524	2.454	2.534	2.560	2.419	2.695	2.995	10.111	10.669	11.62
Other cash instruments	115	93	97	105	85	89	105	98	410	376	26
Listing	6.140	5.790	6.129	5.871	6.040	5.683	6.536	6.237	23.930	24.497	23.96
Listing fees	4.924	4.941	4.966	5.087	4.742	4.551	4.885	5.051	19.918	19.229	19.04
Introduction fees, other fees	1.216	849	1.163	784	1.299	1.132	1.651	1.186	4.012	5.268	4.91
Information services	10.416	10.032	10.281	10.287	9.737	9.604	9.536	9.633	41.016	38.510	38.20
Real-time information	9.633	9.434	9.561	9.632	9.080	9.001	8.943	9.045	38.260	36.069	36.01
Historical and statistical information and indices	783	598	720	655	657	603	594	588	2.756	2.441	2.19
Other revenue									-		
Commodity market	31.240	26.642	30.923	36.122	34.243	26.694	26.890	37.365	124.927	125.193	114.45
Trading	16.494	13.607	14.119	16.637	17.643	12.757	13.623	18.529	60.857	62.552	60.12
Electricity	2.535	2.315	2.686	2.655	4.563	2.876	3.406	3.545	10.191	14.390	14.45
Spot	822	612	761	781	714	589	660	798	2.976	2.760	2.38
Forward	1.713	1.703	1.925	1.874	3.850	2.288	2.746	2.747	7.215	11.630	12.06
Gas	3.052	1.383	2.303	2.497	1.716	2.300	1.621	2.675	9.235	8.311	7.38
Spot	1.017	303	484	851	648	211	430	313	2.655	1.601	65
Forward	2.035	1.080	1.819	1.646	1.068	2.089	1.191	2.362	6.580	6.710	6.72
Property rights in certificates of origin	7.991	7.419	7.066	9.527	9.158	5.787	6.939	10.486	32.003	32.369	31.00

Profit before income tax	41.720	47.987	40.265	32.307	34.922	35.168	32.554	46.959	162.279	149.604	134.164
Income tax expense	8.750	8.457	7.147	6.791	7.234	5.598	6.126	9.104	31.145	28.062	26.691
Profit for the period	32.970	39.530	33.118	25.516	27.688	29.570	26.428	37.855	131.134	121.542	107.469

Source: Consolidated Financial Statements, Company

Note: The quarterly and annual financial data presented in this Report for 2015 and 2014 include corrections due to a change of the VAT policy applicable to certain services provided by the subsidiary POLPX and the required correction of resulting VAT payments for previous years. Details of the change of the VAT policy applicable to services provided by POLPX and the resulting corrections are presented in Note 31 of the Consolidated Financial Statements of the Warsaw Stock Exchange for 2016.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF GPW GROUP BY QUARTER IN 2014 - 2016

	2016				2015				2014
PLN'000	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	IV kw.
Non-current assets	597.287	584.694	579.574	577.028	580.645	569.155	572.263	571.429	572.710
Property, plant and equipment	119.130	119.554	121.539	122.252	125.229	109.831	112.059	116.559	119.762
Intangible assets	273.815	262.401	258.057	259.870	261.728	263.693	265.565	262.820	261.019
Investment in associates	197.231	196.025	191.412	187.221	188.570	190.346	190.057	188.352	188.104
Deferred tax assets	1.809	1.749	3.041	2.947	-	-	-	-	-
Available-for-sale financial assets	288	288	290	285	282	287	204	202	207
Non-current prepayments	5.014	4.677	5.235	4.453	4.836	4.998	4.378	3.496	3.618
Current assets	560.561	524.879	602.030	583.701	492.454	471.632	562.231	523.684	485.156

deferred income	6.200	-	-	-	-	-	-	-	-
Deferred income tax liability	9.675	9.245	6.995	6.493	11.000	9.341	8.565	7.220	9.578
Other liabilities	-	2.224	2.224	-	-	-	-	-	-
Current liabilities	271.398	259.744	371.154	287.424	100.977	97.908	222.123	109.234	103.875
Liabilities under bond issue	122.882	123.002	121.047	122.881	682	1.814	-	1.935	-
Trade payables	6.387	2.841	6.288	6.182	8.597	7.879	19.634	9.974	10.017
Employee benefits payable	8.114	8.872	10.379	7.246	9.457	11.150	9.584	7.632	9.911
Finance lease liabilities	62	61	55	55	55	55	79	186	154
Corporate income tax payable	16.154	11.911	10.920	9.058	2.833	2.463	7.130	2.254	1.250
Accruals and deferred income	7.144	11.630	31.021	38.966	7.263	10.194	18.054	25.368	5.115
Provisions for other liabilities and charges	333	179	649	649	621	1.236	1.282	1.264	1.346
Other current liabilities	110.322	101.248	190.795	102.387	71.469	63.117	166.090	60.395	75.807
Liabilities held for sale	-	-	-	-	-	-	270	226	275
Total equity and liabilities	1.157.848	1.109.573	1.181.604	1.160.729	1.073.099	1.040.787	1.134.494	1.095.113	1.057.866

Source: Consolidated Financial Statements, Company

