

**Giełda Papierów Wartościowych
w Warszawie S.A.**

**Opinion and Report
of the Independent Auditor
Financial Year ended
31 December 2013**

The opinion contains 2 pages
The supplementary report contains 9 pages
Opinion of the independent auditor
and supplementary report on the audit
of the separate financial statements
for the financial year ended
31 December 2013

This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

OPINION OF THE INDEPENDENT AUDITOR

To the General Meeting Giełda Papierów Wartościowych w Warszawie S.A.

Opinion on the Separate Financial Statements

We have audited the accompanying separate financial statements of Giełda Papierów Wartościowych w Warszawie S.A., with its registered office in Warsaw, ul. Książęca 4 (“the Company”), which comprise the separate statement of financial position as at 31 December 2013, the separate statement of comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

Management’s and Supervisory Board’s Responsibility for the Financial Statements

Management of the Company is responsible for the accuracy of the accounting records and the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and with other applicable regulations and preparation of the report on the Company’s activities. Management of the Company is also responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

According to the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”), Management of the Company and members of the Supervisory Board are required to ensure that the financial statements and the report on the Company’s activities are in compliance with the requirements set forth in the Accounting Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements and whether the financial statements are derived from properly maintained accounting records based on our audit. We conducted our audit in accordance with section 7 of the Accounting Act, National Standards on Auditing issued by the National Council of Certified Auditors and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accounting records from which they are derived are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to

fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the Company, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the accompanying separate financial statements of Giełda Papierów Wartościowych w Warszawie S.A. have been prepared and present fairly, in all material respects, the unconsolidated financial position of the Company as at 31 December 2013 and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union, are in compliance with the respective regulations and the provisions of the Company's articles of association that apply to the Company's separate financial statements and have been prepared from accounting records, that, in all material respects, have been properly maintained.

Specific Comments on Other Legal and Regulatory Requirements

Report on the Company's Activities

As required under the Accounting Act, we report that the report on the Company's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2009 No. 33, item 259 with amendments) and the information is consistent with the financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
Registration No. 3546
ul. Chłodna 51
00-867 Warsaw

Signed on the Polish original

.....
Bogdan Dębicki
Key Certified Auditor
Registration No. 796
Member of Management Board of KPMG
Audyt Sp. z o.o. General Partner of KPMG Audyt
Spółka z ograniczoną odpowiedzialnością sp. k.

20 February 2014

Signed on the Polish original

.....
Tomasz Sinkiewicz
Certified Auditor
Registration No. 12467

**Giełda Papierów Wartościowych
w Warszawie S.A.**

**Supplementary report
on the audit of the separate
financial statements
Financial Year ended
31 December 2013**

The supplementary report contains 9 pages
The supplementary report on the audit
of the separate financial statements
for the financial year ended
31 December 2013

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1. General

1.1. General information about the Company

1.1.1. Company name

Giełda Papierów Wartościowych w Warszawie S.A.

1.1.2. Registered office

ul. Książęca 4
00-498 Warsaw

1.1.3. Registration in the National Court Register

Registration court:	District Court for the Capital City Warsaw in Warsaw, XII Commercial Department of the National Court Register
Date:	17 January 2002
Registration number:	KRS 0000082312
Share capital as at the end of reporting period:	PLN 41,972,000

1.1.4. Management of the Company

The Management Board is responsible for management of the Company.

As at 31 December 2013, the Management Board of the Company was comprised of the following members:

- Adam Maciejewski – President of the Management Board,
- Paweł Graniewski – Vice president of the Management Board,
- Beata Jarosz – Vice president of the Management Board,
- Dariusz Kułakowski – Member of the Management Board,
- Mirosław Szczepański – Member of the Management Board.

According to the resolution of Extraordinary General Meeting dated 17 January 2013, Mr. Ludwik Sobolewski was recalled from the position of President of the Management Board and Mr. Adam Maciejewski was appointed President of the Management Board.

On 22 February 2013, Mrs. Lidia Adamska resigned from the position of Member of the Management Board, effective from 31 March 2013.

According to the resolution of Supervisory Board dated 22 February 2013, Mr. Paweł Graniewski and Mrs. Beata Jarosz were appointed Vice Presidents of the Management Board.

According to the resolution of Supervisory Board dated 22 February 2013, Mr. Mirosław Szczepański was appointed Member of the Management Board.

According to the resolution of the Supervisory Board dated 22 May 2013, Mr. Dariusz Kułakowski was appointed Member of the Management Board.

1.2. Key Certified Auditor and Audit Firm Information

1.2.1. Key Certified Auditor information

Name and surname: Bogdan Dębicki
Registration number: 796

1.2.2. Audit Firm information

Name: KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
Address of registered office: ul. Chłodna 51, 00-867 Warsaw
Registration number: KRS 0000339379
Registration court: District Court for the Capital City of Warsaw in Warsaw,
XII Commercial Department of the National Court Register
NIP number: 527-26-15-362

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. is entered into the register of audit firms, maintained by the National Council of Certified Auditors, under number 3546.

1.3. Prior period financial statements

The separate financial statements for the financial year ended 31 December 2012 were audited by KPMG Audyt Sp. z o.o. and received an unqualified opinion.

The separate financial statements were approved at the General Meeting on 21 June 2013 where it was resolved to distribute the net profit for the prior financial year of PLN 65,558 thousand as follows:

- 32,738 thousand zloty to be paid as dividend,
- 32,220 thousand zloty to reserve capital,
- 600 thousand zloty to be paid to Fund of Social Benefits.

The separate financial statements were submitted to the Registry Court on 5 July 2013.

1.4. Audit scope and responsibilities

This report was prepared for the General Meeting of Giełda Papierów Wartościowych w Warszawie S.A. with its registered office in Warsaw, ul. Książęca 4 and relates to the separate financial statements comprising: the separate statement of financial position as at 31 December 2013, the separate statement of comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

The audited Company prepares its separate financial statements in accordance with International Financial Reporting Standards as adopted by the European Union on the basis of the decision of General Meeting dated 30 July 2010.

The separate financial statements were audited in accordance with the contract dated 10 December 2013, concluded on the basis of the resolution of the Supervisory Board dated 16 October 2013 on the appointment of the auditor.

We conducted the audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”), National Standards on Auditing issued by the National Council of Certified Auditors and International Standards on Auditing.

We audited the separate financial statements at the Company during the period from 27 January to 7 February 2014.

Management of the Company is responsible for the accuracy of the accounting records and the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations and preparation of the report on the Company’s activities.

Our responsibility is to express an opinion and to prepare a supplementary report on the audit of the separate financial statements and whether the financial statements are derived from properly maintained accounting records based on our audit.

Management of the Company submitted a statement dated as at the same date as this report as to the true and fair presentation of the accompanying separate financial statements, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the separate financial statements.

All required statements, explanations and information were provided to us by Management of the Company and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of the Audit Firm.

The Key Certified Auditor and the Audit Firm fulfill the independence requirements as described in Art. 56 points 3 and 4 of the Act on Certified Auditors and their Self-Governance, Audit Firms authorized to Audit Financial Statements and Public Oversight dated 7 May 2009 (Official Journal from 2009 No. 77, item 649 with amendments).

2. Financial analysis of the Company

2.1. Summary analysis of the separate financial statements

2.1.1. Separate statement of financial position

ASSETS	31.12.2013 PLN '000	% of total	31.12.2012 PLN '000	% of total
Non-current assets				
Property, plant and equipment	112 279	15,5	129 010	19,9
Intangible assets	95 439	13,3	35 383	5,4
Investments in associates	11 652	1,6	11 652	1,8
Investments in subsidiaries	253 455	35,1	250 497	38,5
Deferred tax assets	-	-	2 570	0,4
Available-for-sale financial assets	20 955	2,9	11 183	1,7
Prepayments	3 010	0,4	3 297	0,5
Total non-current assets	496 790	68,9	443 592	68,2
Current assets				
Inventories	166	0,0	253	0,0
Income tax receivable	10 496	1,5	4 815	0,7
Trade and other receivables	23 940	3,3	23 640	3,8
Available-for-sale financial assets	118	0,0	118	0,0
Cash and cash equivalents	190 925	26,4	177 565	27,3
Total current assets	225 645	31,2	206 391	31,9
TOTAL ASSETS	722 435	100,0	649 983	100,0
EQUITY AND LIABILITIES	31.12.2013 PLN '000	% of total	31.12.2012 PLN '000	% of total
Equity				
Share capital	63 865	0,0	63 865	9,0
Other capitals	12	0,0	(2 944)	0,4
Retained earnings	392 606	54,3	323 960	49,8
Total equity	456 483	54,3	384 881	59,2
Liabilities				
Employee benefits payable	4 313	0,6	4 180	0,6
Liability on bonds issue	243 617	33,8	243 156	37,4
Deferred tax liabilities	1 974	0,3	-	-
Total non-current liabilities	249 904	34,7	247 336	38,0
Trade and other payables	3 184	0,4	3 358	0,5
Dividends and other payables	3 894	0,5	3 598	0,6
Employee benefits payable	8 970	1,2	10 810	1,7
Total current liabilities	16 048	2,2	17 766	2,7
Total liabilities	265 952	36,9	265 102	40,8
TOTAL EQUITY AND LIABILITIES	722 435	100,0	649 983	100,0

2.1.2. Separate statement of profit or loss and other comprehensive income

	1.01.2013 - 31.12.2013 zł '000	% of total sales	1.01.2012 - 31.12.2012 zł '000	% of total sales
CONTINUING OPERATION				
Revenue	194 351	100,0	195 932	100,0
Operating expenses	(125 255)	64,4	(114 877)	58,6
Other operating income	1 629	0,8	5 399	2,8
Other operating expenses	(1 598)	0,8	(10 573)	5,4
Results from operating activities	69 127	35,6	75 881	38,7
Finance income	49 773	25,6	22 337	11,4
Finance expenses	(11 874)	6,1	(17 018)	8,7
Profit before income tax	107 026	55,1	81 200	41,4
Income tax expense	(5 641)	2,9	(15 642)	8,0
Profit for the period	101 385	52,1	65 558	33,5
OTHER COMPREHENSIVE INCOME				
<i>Net change in fair value of available-for-sale financial assets</i>	(166)	0,1	873	0,4
<i>Effective portion of changes in fair value of cash flow hedges</i>	3 121	1,6	(3 580)	1,8
Other comprehensive income after tax	2 955	1,5	(2 707)	1,4
Total comprehensive income	104 340	53,6	62 851	32,1
Basic/diluted Earnings per share (PLN)	2,42		1,56	

2.2. Selected financial ratios

	2013	2012	2011
1. Return on sales			
<u>profit for the period x 100%</u> revenue	52,2%	33,5%	48,0%
2. Return on equity			
<u>profit for the period x 100%</u> equity - profit for the period	28,6%	20,5%	46,3%
3. Debtors' days			
<u>average trade receivables (gross) x 365 days</u> revenue	42 days	38 days	37 days
4. Debt ratio			
<u>liabilities x 100%</u> equity and liabilities	36,8%	40,8%	34,8%
5. Current ratio			
<u>current assets</u> current liabilities	14,1	11,6	11,9

- Revenue includes revenue from sales of finished products, merchandise and raw materials.
- Average trade receivables represent the average of trade receivables at the beginning and at the end of the period, with no deduction made for allowances.

3. Detailed report

3.1. Accounting system

The Company maintains current documentation describing the applied accounting principles adopted by the Management Board to the extent required by Art. 10 of the Accounting Act.

During the audit of the separate financial statements, we tested, on a sample basis, the operation of the accounting system.

On the basis of the work performed, we have not identified any material irregularities in the accounting system, which have not been corrected and that could have a material effect on the separate financial statements. Our audit was not conducted for the purpose of expressing a comprehensive opinion on the operation of the accounting system.

The Company performed a physical verification of its assets in accordance with the requirements and time frame specified in Art. 26 of the Accounting Act, and reconciled and recorded the result thereof in the accounting records.

3.2. Notes to the separate financial statements

All information included in the notes to the separate financial statements, comprising of a summary of significant accounting policies and other explanatory notes, is, in all material respects, presented accurately and completely. This information should be read in conjunction with the separate financial statements.

3.3. Report on the Company's activities

The report on the Company's activities includes, in all material respects, information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2009 No 33, item 259 with amendments) and the information is consistent with the separate financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
Registration No. 3546
ul. Chłodna 51
00-867 Warsaw

Signed on the Polish original

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20 February 2014

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Tomasz Sinkiewicz
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Registration No. 12467