

LIST OF CHANGES TO CONSOLIDATED FINANCIAL STATEMENT FOR I QUARTER OF 2017 OF CPD S.A.

1. Table called „Condensed consolidated statement of comprehensive income” (page 3 of Condensed interim consolidated financial statements)

Before change:

	For the 3 month period ended	
	<u>31/03/2017</u>	<u>31/03/2016</u>
Revenues	5 239	4 726
Cost of sales	-950	-574
Profit on sales	4 289	4 152
Administrative costs property related	-1 781	-2 155
Administrative expenses – other	-3 123	-1 679
Selling and marketing expenses	-121	-107
Loss on investment property disposal	-66	0
Other income	12 113	14
Net gain/ (loss) from fair value adjustments on investment properties	-7 657	193
Post-tax share of the profit or loss of the joint-venture accounted for using the equity method	2 907	446
Operating result	6 561	864
Financial income	10 988	2 999
Financial costs	-2 510	-5 639
Profit (loss) before income tax	15 039	-1 776
Income tax	1 000	-326
Profit (loss) for the period	16 039	-2 102
Currency translation adjustment	-41	28
Total comprehensive income	15 998	-2 074
Profit attributable to Equity holders of the Group	16 039	-2 102
Total comprehensive income attributable to Equity holders of the Group	15 998	-2 074
Total comprehensive income for the period attributable to owners of the Group arises from:		
Continuing operations	15 998	-2 074

Discontinued operations	0	0
Basic earnings per share (PLN)	0,49	-0,06
Diluted earnings per share (PLN)	0,30	0,06

After change:

	For the 3 month period ended	
	<u>31/03/2017</u>	<u>31/03/2016</u>
Revenues	5 239	4 726
Cost of sales	-950	-574
Profit on sales	4 289	4 152
Administrative costs property related	-1 781	-2 155
Administrative expenses – other	-3 122	-1 679
Selling and marketing expenses	-121	-107
Loss on investment property disposal	-66	0
Other income	114	14
Net gain/ (loss) from fair value adjustments on investment properties	-7 657	193
Post-tax share of the profit or loss of the joint-venture accounted for using the equity method	2 907	446
Operating result	-5 437	864
Financial income	5 782	2 999
Financial costs	-8 100	-5 639
Profit (loss) before income tax	-7 755	-1 776
Podatek dochodowy	1 000	-326
Income tax	-6 755	-2 102
Currency translation adjustment	-41	28
Total comprehensive income	-6 796	-2 074
Profit attributable to Equity holders of the Group	-6 755	-2 102
Total comprehensive income attributable to Equity holders of the Group	-6 796	-2 074

Total comprehensive income for the period attributable to owners of the Group arises from:

Continuing operations	-6 796	-2 074
Discontinued operations	0	0
Basic earnings per share (PLN)	-0,20	-0,06
Diluted earnings per share (PLN)	-0,14	0,06

2. Table called „Condensed consolidated statement of financial position – cont.” (page 5 of Condensed interim consolidated financial statements)

Before change:

	<u>31/03/2017</u>	<u>31/12/2016</u>
Equity		
Equity attributable to owners of the parent company		
Share capital	3 286	3 286
Bonds converted into shares	23 182	0
Other reserves	987	987
Embedded element at inception date	-27 909	-27 909
Translation reserve	-5 424	-5 383
Retained earnings	491 961	475 922
Total equity	486 083	446 903
Liabilities		
Non-current liabilities		
Trade payables and other liabilities	2 113	2 091
Borrowings, including financial leasing	132 294	138 878
Bonds issued	29 763	29 742
Deferred tax liabilities	19 249	20 248
	183 419	190 959
Current liabilities		
Trade payables and other liabilities	69 328	35 171

Bonds issued	5 865	31 131
Derevatives	732	4 023
Borrowings, including financial leasing	6 710	7 206
	82 635	77 531
Liabilities directly associated with assets held for sale	621	582
Total liabilities	266 675	269 072
Total Equity and liabilities	752 758	715 975

After change:

	<u>31/03/2017</u>	<u>31/12/2016</u>
Equity		
Equity attributable to owners of the parent company		
Share capital	3 286	3 286
Bonds converted into shares	32 695	0
Other reserves	987	987
Embedded element at inception date	-27 909	-27 909
Translation reserve	-5 424	-5 383
Retained earnings	469 167	475 922
Total equity	472 802	446 903
Liabilities		
Non-current liabilities		
Trade payables and other liabilities	2 113	2 091
Borrowings, including financial leasing	132 294	138 878
Bonds issued	29 763	29 742
Deferred tax liabilities	19 249	20 248
	183 419	190 959
Current liabilities		
Trade payables and other liabilities	81 328	35 171
Bonds issued	5 865	31 131

Derevatives	2 013	4 023
Borrowings, including financial leasing	6 710	7 206
	95 916	77 531
Liabilities directly associated with assets held for sale	621	582
Total liabilities	279 956	269 072
Total Equity and liabilities	752 758	715 975

3. Table called „Condensed consolidated statement of changes in equity” (page 7 of Condensed interim consolidated financial statements)

Before change:

Condensed consolidated statement of changes in equity

	Share capital CPD SA	Embedded element at inception date	Unregistered bonds conversion	Translation reserve	Reserve capital	Retained earnings	Total
Balance as at 01/01/2016	3 286	(27 909)	0	(5 311)	987	479 778	450 831
Currency translation adjustment	0	0	0	28	0	0	28
Profit (loss) for the period	0	0	0	0	0	(2 102)	(2 102)
	0	0	0	28	0	(2 102)	(2 074)
Balance as at 31/03/2016 /unaudited	3 286	(27 909)	0	(5 283)	987	477 676	448 757
Balance as at 01/01/2016	3 286	(27 909)	0	(5 311)	987	479 778	450 831
Currency translation adjustment	0	0	0	(72)	0	0	(72)
Profit (loss) for the period	0	0	0	0	0	(3 856)	(3 856)
	0	0	0	(72)	0	(3 856)	(3 928)
Balance as at 31/12/2016	3 286	(27 909)	0	(5 383)	987	475 922	446 903
Balance as at 01/01/2017	3 286	(27 909)	0	(5 383)	987	475 922	446 903
Bonds converted into shares			23 182				23 182
Currency translation adjustment	0	0	0	(41)	0	0	(41)
Profit (loss) for the period	0	0	0	0	0	16 039	16 039
	0	0	0	(41)	0	16 039	15 998

Balance as at 31/03/2017 /unaudited	3 286	(27 909)	23 182	(5 424)	987	491 961	486 083
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After change:

Condensed consolidated statement of changes in equity

	Share capital CPD SA	Embedded element at inception date	Unregistered bonds conversion	Translation reserve	Reserve capital	Retained earnings	Total
Balance as at 01/01/2016	3 286	(27 909)	0	(5 311)	987	479 778	450 831
Currency translation adjustment	0	0	0	28	0	0	28
Profit (loss) for the period	0	0	0	0	0	(2 102)	(2 102)
	0	0	0	28	0	(2 102)	(2 074)
Balance as at 31/03/2016 / unaudited	3 286	(27 909)	0	(5 283)	987	477 676	448 757
Balance as at 01/01/2016	3 286	(27 909)	0	(5 311)	987	479 778	450 831
Currency translation adjustment	0	0	0	(72)	0	0	(72)
Profit (loss) for the period	0	0	0	0	0	(3 856)	(3 856)
	0	0	0	(72)	0	(3 856)	(3 928)
Balance as at 31/12/2016	3 286	(27 909)	0	(5 383)	987	475 922	446 903
Balance as at 01/01/2017	3 286	(27 909)	0	(5 383)	987	475 922	446 903
Bonds converted into shares			32 695				32 695
Currency translation adjustment	0	0	0	(41)	0	0	(41)
Profit (loss) for the period	0	0	0	0	0	(6 755)	(6 755)
	0	0	0	(41)	0	(6 755)	(6 796)
Balance as at 31/03/2017 /unaudited	3 286	(27 909)	32 695	(5 424)	987	469 167	472 802

4. Table called „Current liabilities” (note 10, page 17 of Condensed interim consolidated financial statements)

Before change:

Current liabilities

31/03/2017 31/12/2016

Trade payables	936	1 451
Social securities and other taxes	10 950	6 795
Deposits of tenants	320	352
Other liabilities	129	8 448
Advanced sales payments	43 000	5 000
Accrued expense	13 993	13 125
	69 328	35 171

After change:

Current liabilities	31/03/2017	31/12/2016
Trade payables	936	1 451
Social securities and other taxes	10 950	6 795
Deposits of tenants	320	352
Other liabilities	129	8 448
Advanced sales payments	55 000	5 000
Accrued expense	13 993	13 125
	81 328	35 171

5. Table called „Bonds issued” (note 12, page 18 of Condensed interim consolidated financial statements)

Before change:

a/ Bonds serie A	<u>31/03/2017</u>	<u>31/12/2016</u>
Beginning balance	33 875	38 040
Accrued interest	524	2 553
Bonds conversion into shares	-23 599	0
Valuation as at balance sheet date	-1 496	894
Valuation of the embedded derivative	-3 291	-7 612
Bonds value as at balance sheet date	6 013	33 875

b/ Bonds serie B *)

Beginning balance	31 021	30 915
Accrued interest	681	2 738
Valuation as at balance sheet date	-1 376	-2 738
Valuation of the embedded derivative	21	106
Bonds value as at balance sheet date	30 347	31 021

Long-term

Bonds issued	29 763	29 742
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Short-term

Bond issued	5 281	29 852
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Derevatives	732	4 023
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Bonds issued – interest	584	1 279
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	36 360	64 896
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After change:

a/ Bonds serie A 31/03/2017 31/12/2016

Beginning balance	33 875	38 040
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Accrued interest	524	2 553
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Bonds conversion into shares	-32 695	0
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Valuation as at balance sheet date	-1 497	894
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Valuation of the embedded derivative	7 087	-7 612
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Bonds value as at balance sheet date	7 294	33 875
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b/ Bonds serie B *)

Beginning balance	31 021	30 915
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Accrued interest	681	2 738
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Valuation as at balance sheet date	-1 376	-2 738
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Valuation of the embedded derivative	21	106
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Bonds value as at balance sheet date	30 347	31 021
Long-term		
Bonds issued	29 763	29 742
Short-term		
Bond issued	4 220	29 852
Derevatives	2 013	4 023
Bonds issued – interest	1 645	1 279
	37 641	64 896

6. Table called „Other income” (note 18, page 20 of Condensed interim consolidated financial statements)

Before change:

	01/01/2017-	01/01/2016-
	31/03/2017	31/03/2016
Other income	12 113	14
	12 113	14

In the first quarter of 2017 Group achieved revenues of PLN 12 million from services auxiliary to investment properties disposal.

After change:

	01/01/2017-	01/01/2016-
	<u>31/03/2017</u>	<u>31/03/2016</u>
Other income	114	14
	114	14

7. Note called „Financial income and expenses” (note 19, page 21 of Condensed interim consolidated financial statements)

Before change:

	01/01/2017-	01/01/2016-
	<u>31/03/2017</u>	<u>31/03/2016</u>
Interest expense:		
- Bank loans	-604	-715
- Interest from financial leases	-493	-601
- Interest on bonds	-1 205	-1 277
- Other interest	-106	-36
- Other	-42	-43
Revaluation of derivatives (IRS)	0	-1 034
Loss on bonds revaluation	-22	-27
Valuation of amortized cost	-38	-1 906
Financial costs	-2 510	- 5 639
Interest income:		
- Bank interest	209	14
- Interest from related parties	3	0
- Interest on bonds	0	32
Profit on bonds revaluation	3 291	566
Revaluation of derivatives (IRS)	298	0
Other financial income	108	0
Financial income from conversion of the bonds into share capital	418	346
Net exchange differences	6 661	2 041
Financial income	10 988	2 999

After change:

	01/01/2017-	01/01/2016-
	<u>31/03/2017</u>	<u>31/03/2016</u>
Interest expense:		
- Bank loans	-604	-715

- Bank Facility arrangement fee	0	0
- Interest from financial leases	-493	-601
- Interest on bonds	-1 205	-1 277
- Other interest	-106	-36
- Other	-42	-43
Revaluation of derivatives (IRS)	0	-1 034
Loss on bonds revaluation	-5 612	-27
Valuation of amortized cost	-38	-1 906
Financial costs	-8 100	- 5 639

Interest income:

- Bank interest	209	14
- Interest from related parties	3	0
- Interest on bonds	0	32
Profit on bonds revaluation	0	566
Revaluation of derivatives (IRS)	298	0
Other financial income	108	0
Financial income from conversion of the bonds into share capital	0	346
Net exchange differences	5 164	2 041
Financial income	5 782	2 999

8. Note called „Cash flow from operating activities“ (note 21, page 22 of Condensed interim consolidated financial statements)

Before change:

	01/01/2017-	01/01/2016-
	<u>31/03/2017</u>	<u>31/03/2016</u>
Profit/loss before tax	15 039	-1 776
Adjustments for:		
- depreciation of tangible fixed assets	60	62

- foreign exchange differences	- 6 970	-212
- (gains) losses on revaluation to fair value of investment property venture	7 657	-193
- share in the profit/loss join venture	-2 907	-446
- result on embedded derivatives	-3 291	-566
- currency translation adjustments	86	0
- interest costs	1 812	1 992
- interest income	-3	0
- inventory impairment	0	4
- loss on investment property disposal	62	0
- result on bonds revaluation using efective rate method	21	27
- loss on derivatives valuation	-298	1 034
- other adjustments	-47	17
Change in working capital:		
- change in receivables	-2 269	-2 859
- change in inventories	-150	-4
- change in trade liabilities and other	33 801	2 259
	42 603	-661

After change:

	01/01/2017- <u>31/03/2017</u>	01/01/2016- <u>31/03/2016</u>
Profit/loss before tax	-7 755	-1 776
Adjustments for:		
- depreciation of tangible fixed assets	60	62
- foreign exchange differences	- 6 971	-212
- (gains) losses on revaluation to fair value of investment property venture	7 657	-193
- share in the profit/loss join venture	-2 907	-446
- result on embedded derivatives	7 087	-566
- currency translation adjustments	86	0

- interest costs	1 812	1 992
- interest income	-3	0
- inventory impairment	0	4
- loss on investment property disposal	62	0
- result on bonds revaluation using effective rate method	21	27
- loss on derivatives valuation	-298	1 034
- other adjustments	-47	17
Change in working capital:		
- change in receivables	-2 269	-2 859
- change in inventories	-150	-4
- change in trade liabilities and other	46 218	2 259
	42 603	-661

9. Note called „Earnings per share” (note 24, page 23 of Condensed interim consolidated financial statements)

Before change:

	01/01/2017- <u>31/03/2017</u>	01/01/2016- <u>31/03/2016</u>
Profit attributable to the shareholders in the parent company	16 039	-2 102
Weighted average number of ordinary shares (in'000)	32 863	32 863
Earnings per share	0,49	-0,06
Diluted profit attributable the shareholders	12 586	2 369
Weighted average number of ordinary shares (in'000)	42 654	42 654
Diluted earnings per share	0,30	0,06

The issuance of bonds convertible into shares by CPD contributed to the dilution of profit. The amount of adjustment of the result was affected by the amount of interest (524 PLN), valuation of bonds as at the balance sheet date (PLN-1 497 thousand) and the valuation of the embedded derivative instrument (PLN -3 291 thousand). These amounts will be reduced by the income tax to be paid in the future.

The weighted average number of shares was adjusted due to the possible exercise of right to convert bonds convertible into shares (at very most 9.791.360 share). The number of shares amounted 42.654 thousand

After change:

	01/01/2017- <u>31/03/2017</u>	01/01/2016- <u>31/03/2016</u>
Profit attributable to the shareholders in the parent company	-6 755	-2 102
Weighted average number of ordinary shares (in'000)	33 517	32 863
Earnings per share	-0,20	-0,06
Diluted profit attributable the shareholders	-5 855	2 369
Weighted average number of ordinary shares (in'000)	42 654	42 654
Diluted earnings per share	-0,14	0,06

The issuance of bonds convertible into shares by CPD contributed to the dilution of profit. The amount of adjustment of the result was affected by the amount of interest (PLN 95 thousand), valuation of bonds as at the balance sheet date (PLN- 272 thousand) and the valuation of the embedded derivative instrument (PLN – 1 289 thousand). These amounts will be reduced by the income tax to be paid in the future.

The weighted average number of shares was adjusted due to the possible exercise of right to convert bonds convertible into shares and amounted to 42 654 thousand.