



WARSAW
STOCK
EXCHANGE

Gięda Papierów Wartościowych w Warszawie S.A. Group

Quarterly Report for Q3 2014

Warsaw, 24 October 2014

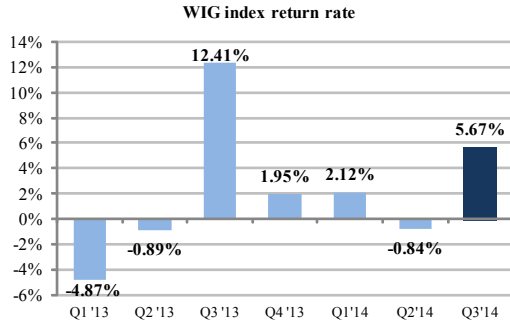


Table of Contents

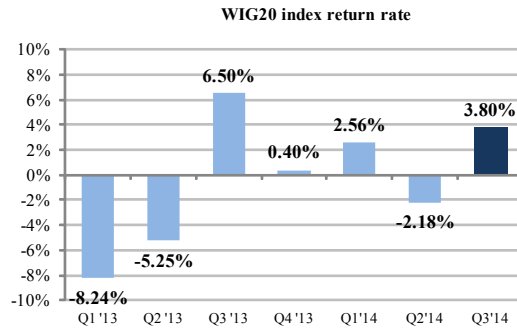
1. SELECTED OPERATING AND FINANCIAL DATA OF THE GROUP	3
1.1. Main parameters of the markets operated by the Group	3
1.2. Selected financial data of the Group	7
2. QUARTERLY REPORT OF THE EXCHANGE MANAGEMENT BOARD ON THE ACTIVITY OF THE GROUP	8
2.1. Information about the Group.....	8
2.1.1. Background information about the Group.....	8
2.1.2. Organisation of the Group and the effect of changes in its structure.....	9
2.1.3. Ownership	10
2.2. Generated financial results and their key drivers in Q3 2014	12
2.2.1. Summary of results.....	12
2.2.2. Revenue.....	15
Commodity market.....	24
Other revenue	27
2.2.3. Operating expenses	27
2.2.4. Other income and expenses	31
2.2.5. Financial income and expenses	31
2.2.6. Share of profit of associates	32
2.2.7. Income tax	32
2.2.8. Group's balance sheet structure	33
2.2.9. Cash flows	35
2.2.10. Capital expenditure	35
2.2.11. Seasonality and cyclicity of operations	36
2.2.12. Key factors impacting results in the horizon of at least one quarter.....	36
2.2.13. Other material information	37
3. QUARTERLY FINANCIAL INFORMATION OF WARSAW STOCK EXCHANGE FOR Q3 2014	41
4. APPENDICES.....	45
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2014 AND THE AUDITOR'S REVIEW REPORT	45

1. Selected operating and financial data of the Group

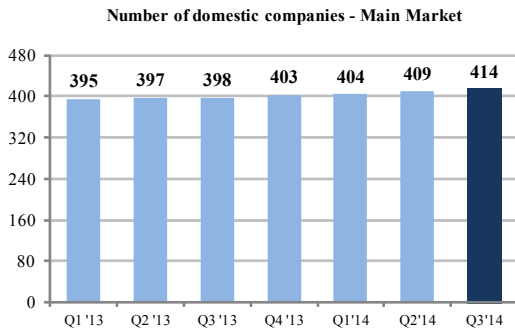
1.1. Main parameters of the markets operated by the Group



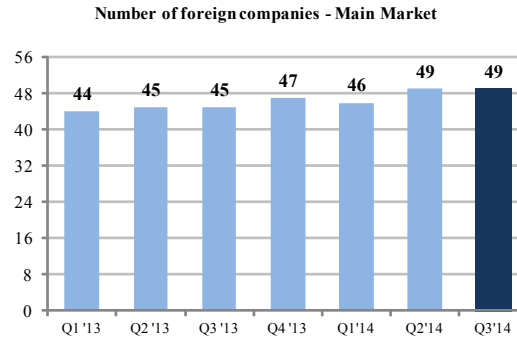
Source: Company



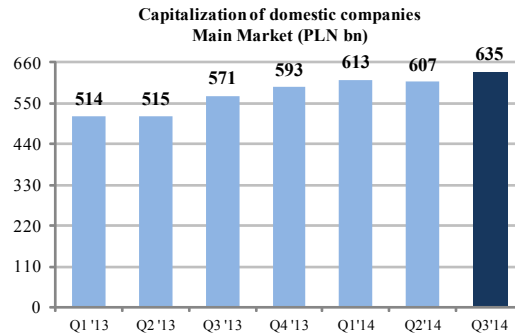
Source: Company



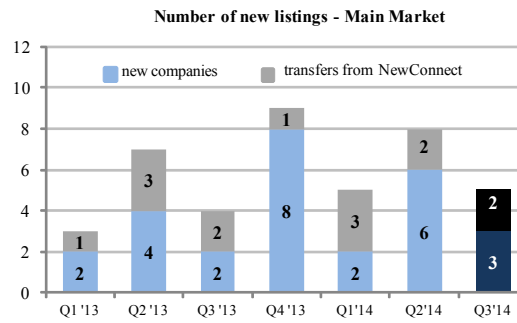
Source: Company



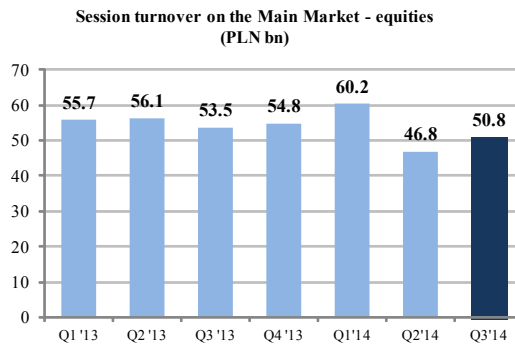
Source: Company



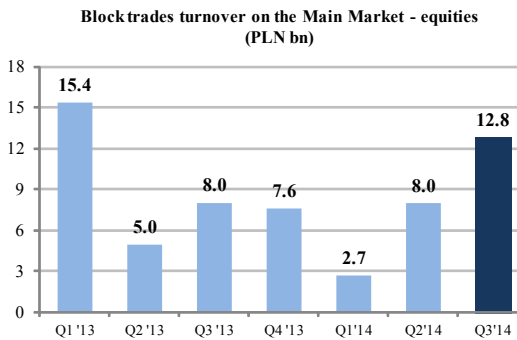
Source: Company



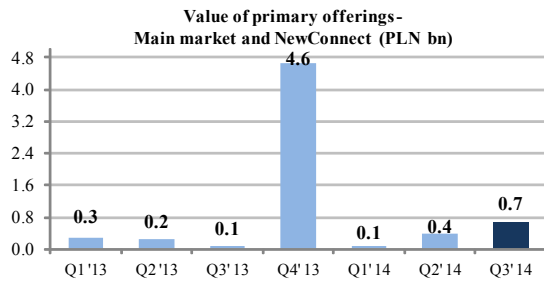
Source: Company



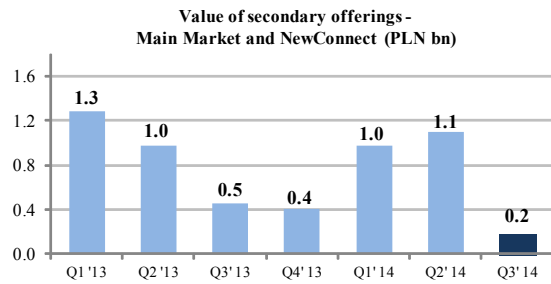
Source: Company



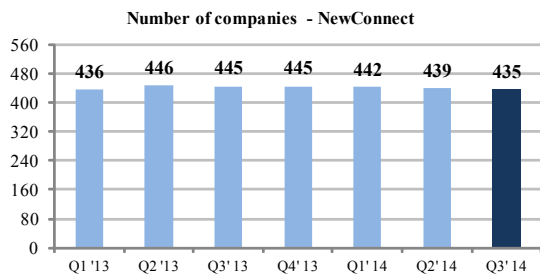
Source: Company



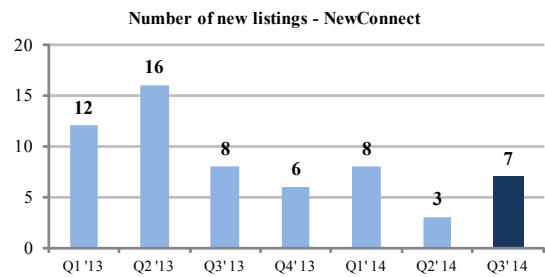
Source:Company



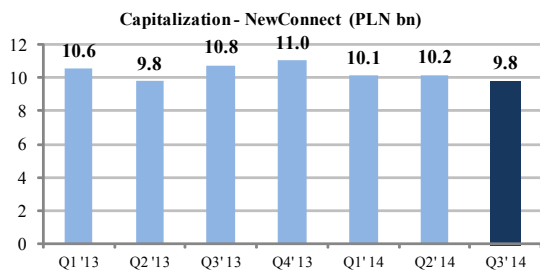
Source:Company



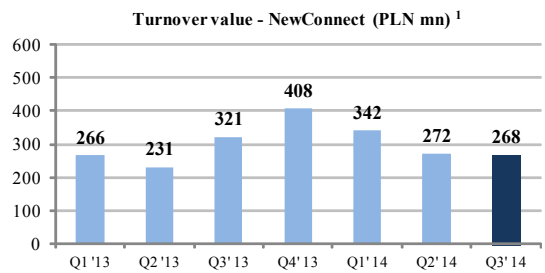
Source:Company



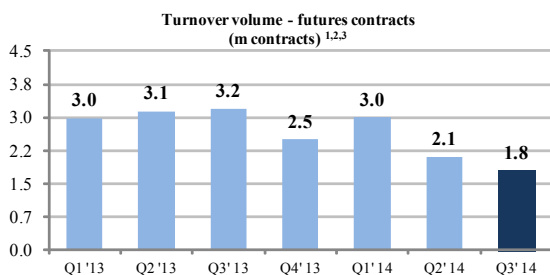
Source:Company



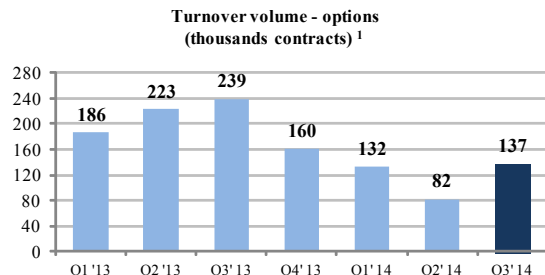
Source:Company



Source:Company



Source:Company



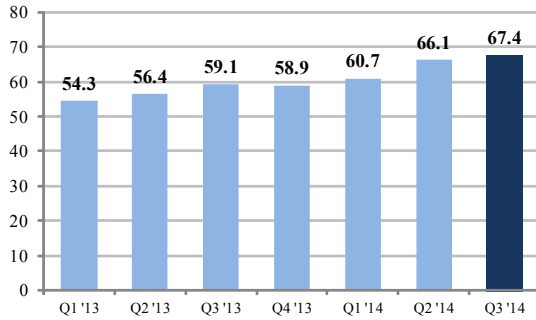
Source:Company

¹ Including session and block trades

² As of 1 May 2012, the volume of trading in currency futures is calculated on the basis of a trading unit of 1,000 (previously: 10,000); since September 23, 2013 WIG20 futures contracts with a multiplier of PLN 10 and PLN 20 were traded simultaneously on the WSE; since June 23, 2014 only WIG20 futures contracts with a multiplier of PLN 20 have been traded on the WSE

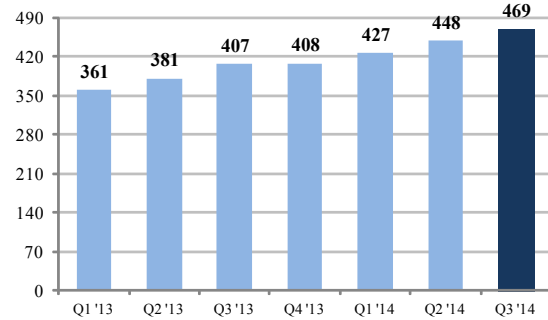
³ Contracts on WIBOR reference rates and Treasury bonds were introduced to trading on WSE on 18 October 2013

Value of listed non-treasury bond issues
- Catalyst (PLN bn)



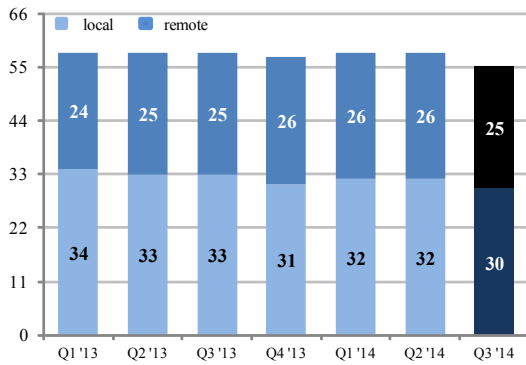
Source: Company

Number of listed non-treasury bond issues
- Catalyst



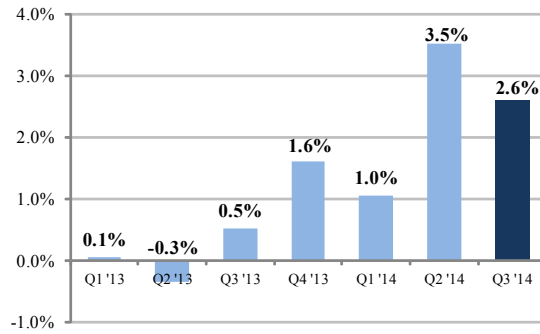
Source: Company

Number of WSE exchange members



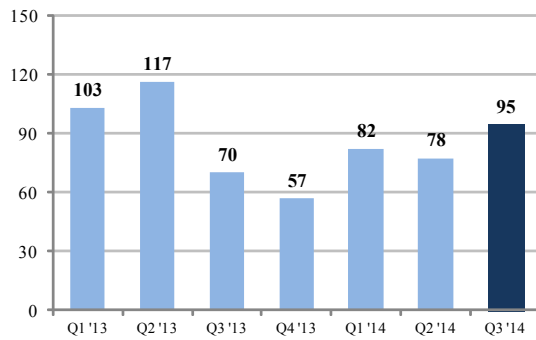
Source: Company

TBSP.Index return rate ⁴



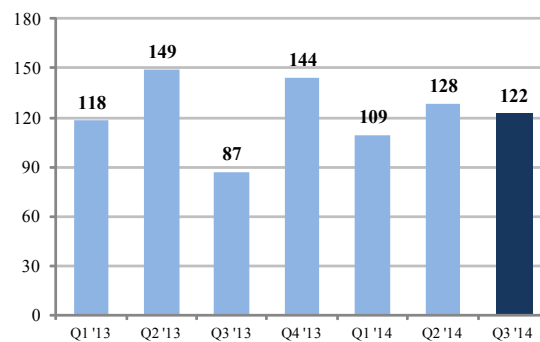
Source: BondSpot

Treasury debt securities turnover
value (cash transactions) - TBSP (PLN bn)



Source: BondSpot

Treasury debt securities turnover value
(repo transactions) - TBSP (PLN bn) ⁵

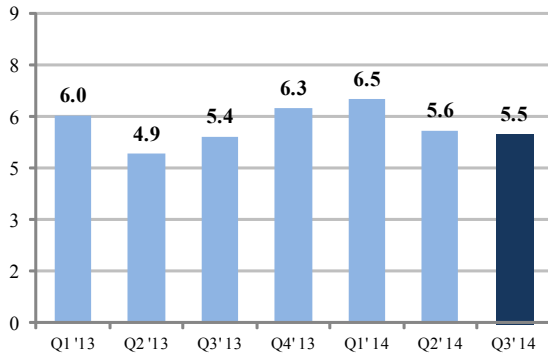


Source: BondSpot

⁴ Total return index of treasury bonds

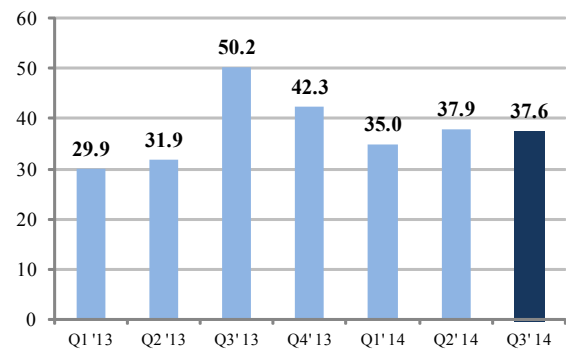
⁵ Sum of opening transaction and closing transaction

Turnover volume - electricity spot market -
PolPX and poee WSE Energy Market (TWh) ⁶



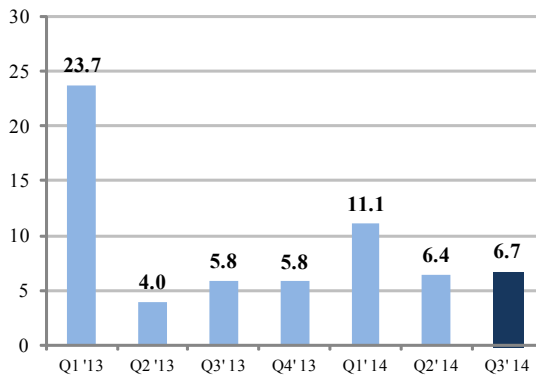
Source: WSE, PolPX

Turnover volume - electricity forward market -
PolPX and poee WSE Energy Market (TWh) ⁶



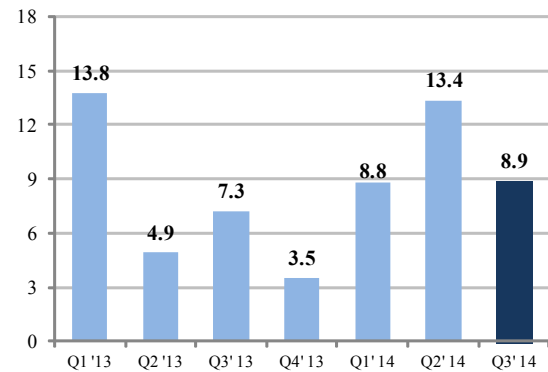
Source: WSE, PolPX

Turnover volume - property rights in
certificates of origin of electricity (TWh)



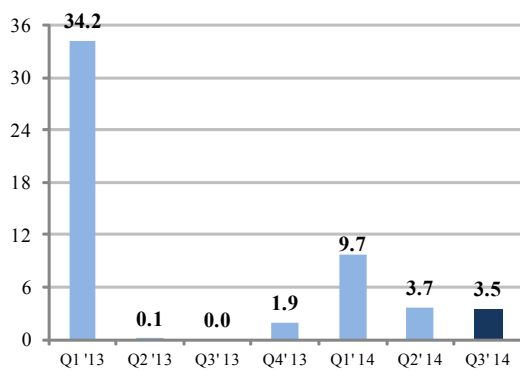
Source: PolPX

Volume of issued property rights in certificates of
origin of electricity - PolPX (TWh)



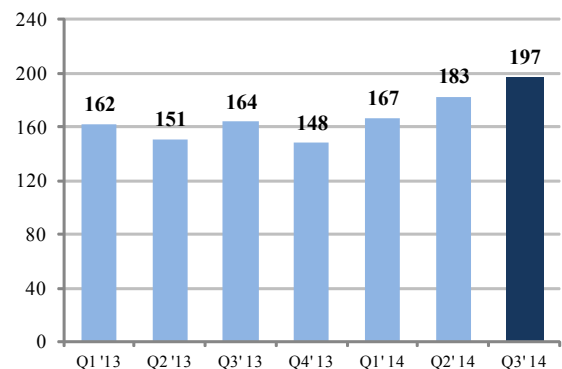
Source: PolPX

Volume of redeemed certificates of origin of
electricity - PolPX (TWh)



Source: PolPX

Volume-weighted average energy price on
a Day Ahead Market (PLN/MWh) ⁷



Source: PolPX

⁶ poee WSE Energy Market operated within WSE structure from December 2010 to the end of Q1 2013. There is a concentration of trade in commodities within the PolPX Group from Q2 2013

⁷ Including all transactions concerning hourly and block instruments on a Day Ahead Market, according to the delivery date of energy traded

1.2. Selected financial data of the Group

SELECTED CONSOLIDATED FINANCIAL DATA OF THE GIEŁDA PAPIERÓW WARTOŚCIOWYCH W WARSZAWIE S.A. GROUP

Selected data in the consolidated statement of comprehensive income under IFRS, reviewed

	Nine-month period ended 30 September			
	2014		2013	
	PLN ⁰⁰⁰		EUR ⁰⁰⁰ ⁽¹⁾	
Revenue	233,631	212,915	55,950	50,674
Financial market	153,490	153,727	36,758	36,587
Commodity market	78,712	57,147	18,850	13,601
Other revenue	1,429	2,041	342	486
Operating expenses	130,269	121,116	31,197	28,825
Other income	889	1,725	213	411
Other expenses	2,038	1,302	488	310
Operating profit	102,213	92,222	24,478	21,949
Financial income	8,186	9,215	1,960	2,193
Financial expenses	7,633	9,425	1,828	2,243
Share of profit of associates	5,914	10,880	1,416	2,589
Profit before income tax	108,680	102,892	26,027	24,488
Income tax expense	20,693	17,894	4,956	4,259
Profit for the period	87,987	84,998	21,071	20,229
Basic / diluted earnings per share ⁽²⁾ (PLN, EUR)	2.09	2.02	0.50	0.48
EBITDA⁽³⁾	129,372	121,622	30,982	28,946

⁽¹⁾ Based on the nine-month average of EUR/PLN exchange rates quoted by the National Bank of Poland (respectively: 1 EUR = 4.1757 PLN in the first nine months of 2014 and 1 EUR = 4.2017 PLN in the first nine months of 2013).

⁽²⁾ Calculated based on the net profit attributable to shareholders of the parent entity.

⁽³⁾ EBITDA = operating profit + share of profit of associates + depreciation and amortisation.

Selected data in the consolidated statement of financial position under IFRS, reviewed

	As at			
	30 September		31 December	
	2014		2013	
	PLN ⁰⁰⁰		EUR ⁰⁰⁰ ⁽¹⁾	
Non-current assets	586,336	576,421	140,423	138,990
Property, plant and equipment	119,368	124,042	28,588	29,910
Intangible assets	261,523	269,155	62,633	64,900
Investment in associates	189,894	158,540	45,478	38,228
Available-for-sale financial assets	10,676	20,955	2,557	5,053
Other non-current assets	4,875	3,729	1,168	899
Current assets	565,556	482,707	135,446	116,394
Trade and other receivables	39,103	34,792	9,365	8,389
Available-for-sale financial assets	586	118	140	28
Cash and cash equivalents	518,880	436,831	124,268	105,332
Other current assets	6,987	10,966	1,673	2,644
TOTAL ASSETS	1,151,892	1,059,128	275,869	255,384
Equity of the shareholders of the parent entity	674,942	636,985	161,643	153,594
Non-controlling interests	1,077	1,120	258	270
Non-current liabilities	255,781	249,578	61,257	60,180
Current liabilities	220,092	171,445	52,710	41,340
TOTAL EQUITY AND LIABILITIES	1,151,892	1,059,128	275,869	255,384

⁽¹⁾ Based on the average EUR/PLN exchange rates quoted by the National Bank of Poland as at 30.09.2014 (1 EUR = 4.1755 PLN) and 31.12.2013 (1 EUR = 4.1472 PLN).

Selected financial ratios of the Group

	Year ended / As at	
	30 September 2014	30 September 2013
EBITDA margin (<i>EBITDA/Revenues</i>)	55.4%	57.1%
Operating profit margin (<i>Operating profit/Revenues</i>)	43.7%	43.3%
Return on equity (ROE) (<i>Profit for the last 12 months/Average equity at the beginning and end of the last 12 months</i>)	18.1%	18.3%
Debt to equity ratio (<i>Interest-bearing liabilities⁽¹⁾ /Equity</i>)	36.5%	40.5%

⁽¹⁾ total liabilities under debt, e.g., principal and interest

Source: Condensed Consolidated Interim Financial Statements, Company

2. Quarterly report of the Exchange Management Board on the activity of the Group

2.1. Information about the Group

2.1.1. Background information about the Group

Warsaw Stock Exchange is the largest national financial instruments exchange in CEE and one of the fastest-growing exchanges in Europe. The markets operated by WSE list stocks and bonds of nearly a thousand domestic and foreign issuers. The WSE Group also offers trade in derivatives and structured products, as well as information services. The Group operates a commodity market including one of the most liquid power markets in Europe. Nearly 25 years of experience, operational reliability and a broad range of products make WSE one of Poland's most recognisable financial institutions globally.

The parent entity of the Giełda Papierów Wartościowych w Warszawie S.A. Group ("the Group") is Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna ("Warsaw Stock Exchange", "the Exchange", "WSE", "the Company" or "the parent entity") with its registered office in Warsaw, ul. Książęca 4.

The WSE Group conducts activity in the following segments:

- organising trade in financial instruments and conducting activities related to such trade;
- organising an alternative trading system;
- operating the wholesale Treasury bond market Treasury Bondspot Poland;
- operating a commodity exchange;
- operating an OTC commodity platform;
- operating a register of certificates of origin;
- providing the services of trade operator and entity responsible for balancing;
- operating a clearing house and settlement institution which performs the functions of an exchange clearing house for transactions in exchange commodities;
- conducting activities in capital market education, promotion and information as well as office space lease.

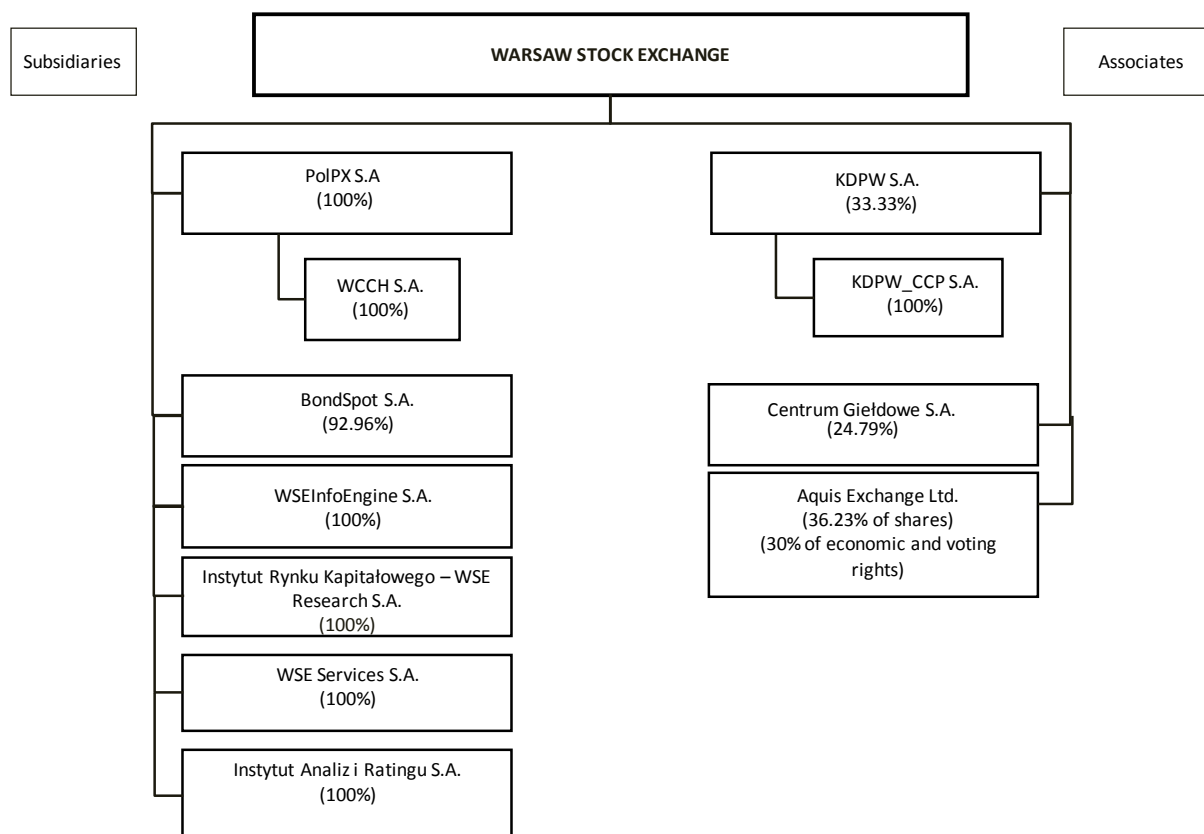
Basic information about the parent entity:

Name and legal status:	Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna
Abbreviated name:	Giełda Papierów Wartościowych w Warszawie S.A.
Registered office and address:	ul. Książęca 4, 00-498 Warsaw, Poland
Telephone number:	+48 (22) 628 32 32
Telefax number:	+48 (22) 628 17 54, +48 (22) 537 77 90
Website:	www.gpw.pl
E-mail:	gpw@gpw.pl
KRS (registry number):	0000082312
REGON (statistical number):	012021984
NIP (tax identification number):	526-02-50-972

2.1.2. Organisation of the Group and the effect of changes in its structure

As at 30 September 2014, Warsaw Stock Exchange (the parent entity) and its subsidiaries comprised the Giełda Papierów Wartościowych w Warszawie S.A. Group. In addition, WSE held shares in three associates.

Warsaw Stock Exchange subsidiaries and associates as at 30 September 2014 and WSE's stake in their share capital and rights attached to shares



Source: Company

The subsidiaries are consolidated using full consolidation as of the date of taking control while the investment in associates is recognised using equity accounting.

Apart from the above mentioned subsidiaries and associates, as at the date of preparation of this Report, WSE also held 9.99% of shares of INNEX PJSC and 1.3% of shares of S.C. Sibex – Sibiu Stock Exchange S.A.

WSE and Aquis Exchange Limited with its registered office in the UK signed an agreement concerning acquisition of new issue shares in Q3 2013. WSE acquired 153,609 Aquis Exchange Ltd shares for GBP 2.0 million in August 2013. The remaining 230,416 shares were acquired for GBP 3.0 million in February 2014 following approval of UK's Financial Conduct Authority (FCA) for Aquis Exchange to operate as a multilateral trading facility (MTF) and following FCA's approval for WSE to increase its stake in Aquis Exchange capital. The total price of 384,025 shares of Aquis Exchange to WSE was GBP 5.0 million (PLN 25.3 million).

As at the date of preparation of this Report, WSE holds 384,025 shares of Aquis Exchange representing 36.23% of the total number of shares and giving 30.00% of economic and voting rights in Aquis. The stake decreased to the target level after new and existing shareholders took up additional stakes. The shares of Aquis Exchange Limited as an associate of the WSE Group are recognised using equity accounting as at 30 September 2014.



On 20 June 2014, WSE set up the company Instytut Analiz i Ratingu S.A. (IAiR) and paid for shares in its share capital at PLN 4.1 million. WSE took up 100% of the share capital and votes of the Institute. The company was registered in the National Court Register on 14 July 2014. The formation of the Institute aims to fill a gap in the domestic rating offer in the segment of small and medium-sized companies.

On 9 January 2014, the share capital of WSEInfoEngine was increased by PLN 0.6 million. On 20 June 2014, the share capital of the company was increased by another PLN 2.3 million. The share capital of the company at 30 June 2014 was PLN 8.3 million.

On 4 June 2014, the share capital of IRK S.A. was increased by PLN 0.8 million. The share capital of the company at 30 June 2014 was PLN 2.4 million.

On 24 April 2014, the share capital of WSE Commodities Sp. z o.o. was increased by PLN 0.2 million. On 30 June 2014, the share capital of the company was increased by another PLN 1.0 million. The share capital of the company at 30 June 2014 was PLN 1.3 million. On 30 June 2014, the Ordinary General Meeting of WSE Commodities S.A. decided to change the name of the company from WSE Commodities S.A. to WSE Services S.A.

Since 2008, the Group has operated a representative office in Kiev (Ukraine), whose operations focus on promoting WSE among Ukrainian investors, issuers and financial intermediaries. The Representative Office has no separate legal personality and does not carry on any profit-earning independent business operations. In all its activities, the Representative Office acts on behalf and for WSE to the extent stipulated in the Representative Office's Statutes and powers of attorney granted by the Management Board of WSE, always in compliance with the laws of Ukraine.

WSE reinforced its presence in London as of Q2 2013 by appointing a permanent representative of the Exchange. In Q3 2014, with the presence of the permanent representative in London, WSE took active measures to attract and consolidate relations with foreign investors.

The Group does not hold any branches or establishments.

2.1.3. Ownership

As at the date of publication of this Report, the share capital of Warsaw Stock Exchange was divided into 41,972,000 shares including 14,807,470 Series A preferred registered shares (one share gives two votes) and 27,164,530 Series B ordinary bearer shares.

As at the date of publication of this Report, according to the Company's best knowledge, the State Treasury holds 14,688,470 Series A preferred registered shares, which represent 35.00% of total shares and give 29,376,940 votes, which represents 51.74% of the total vote. The total number of votes from Series A and B shares is 56,779,470.

According to the Company's best knowledge, as at the date of publication of this Report, no shareholders other than the State Treasury held directly or indirectly at least 5% of the total vote in the parent entity. The ownership structure of material blocks of shares did not change since the publication of the previous periodic report.

The tables below present WSE shares and allotment certificates held by the Company's and the Group's supervising and managing persons.



**WSE shares and allotment certificates held by the Company's and the Group's
managing persons as at the date of publication of this Report**

	Number of shares held	Number of allotment certificates held
Paweł Tamborski	-	-
Dariusz Kułakowski	25	-
Karol Pótorak	-	-
Mirosław Szczepański	-	-
Grzegorz Zawada	-	-

**WSE shares and allotment certificates held by the Company's and the Group's
supervising persons as at the date of publication of this Report**

	Number of shares held	Number of allotment certificates held
Wiesław Rozłucki	25	-
Marek Wierzbowski	-	-
Dariusz Kacprzyk	-	-
Jacek Lewandowski	-	-
Waldemar Maj	-	-
Piotr Piłat	-	-
Marek Słomski	-	-

Source: Company

2.2. Generated financial results and their key drivers in Q3 2014

2.2.1. Summary of results

Incremental for the first nine months

The **WSE Group** generated **EBITDA**¹ of PLN 129.4 million in the first nine months of 2014, an increase of 6.4% (PLN 7.7 million) compared to PLN 121.6 million in the first nine months of 2013.

The **WSE Group** generated an operating profit of PLN 102.2 million in the first nine months of 2014, an increase of 10.8% (PLN 10.0 million) compared to PLN 92.2 million in the first nine months of 2013. The increase of the operating profit resulted from higher revenue from the commodity market segment (an increase of PLN 21.6 million), stable revenue from the financial market (PLN 153.5 million vs. PLN 153.7 million), higher operating expenses (an increase of PLN 9.2 million) and a decrease of net other operating income and costs (a decrease of PLN 1.6 million).

The net profit of the **WSE Group** in the first nine months of 2014 was PLN 88.0 million, compared to PLN 85.0 million in the first nine months of 2013, an increase of 3.5% (PLN 3.0 million). Despite a higher operating profit, net profit was similar to the net profit in the first nine months of 2013 mainly due to a decrease of the share of profit of associates (by PLN 5.0 million) and a higher income tax (by PLN 2.8 million). In the first nine months of 2014, Aquis Exchange Ltd contributed a loss of PLN 4.5 million as a share of profit of associates to the Group.

WSE's EBITDA stood at PLN 66.5 million in the first nine months of 2014, a decrease of 2.6% (PLN 1.8 million) compared to the first nine months of 2013.

WSE generated a separate operating profit of PLN 48.4 million in the first nine months of 2014 compared to PLN 52.4 million in the first nine months of 2013. The decrease in the operating profit was mainly driven by an increase in operating expenses (by PLN 3.8 million) and a decrease in net other income and costs (by PLN 0.7 million) partly offset by an increase in revenue (by PLN 0.5 million). The increase in revenue in the first nine months of 2014 was mainly driven by an increase in revenue from information services and listing and a decrease in revenue from trading in equities and derivatives.

WSE's net profit was PLN 51.5 million in the first nine months of 2014 compared to PLN 82.5 million in the first nine months of 2013. The net profit in the first nine months of 2014 was driven by the recognition of dividend from subsidiaries and associates at PLN 14.8 million. The cash flows received in respect of dividend in the first nine months of 2013 stood at PLN 43.3 million.

For the quarter

The **WSE Group** generated **EBITDA**¹ of PLN 44.1 million in Q3 2014, an increase of 36.5% (PLN 11.8 million) compared to PLN 32.3 million in Q2 2014 and an increase of 13.5% (PLN 5.3 million) compared to PLN 38.8 million in Q3 2013.

The **WSE Group** generated an operating profit of PLN 36.1 million in Q3 2014 compared to PLN 24.3 million in Q2 2014 and PLN 28.5 million in Q3 2013. The net profit of the Group in the quarters under review was PLN 30.0 million, PLN 20.4 million, and PLN 26.0 million, respectively.

The reason for the higher operating profit and net profit in Q3 2014 compared to Q2 2014 was mainly an increase of revenue on the commodity market and the financial market (by PLN 8.0 million and PLN 1.1 million,

¹ WSE Group operating profit before interest, taxes, depreciation and amortisation, including share of profit of associates

respectively) and a decrease of operating expenses (by PLN 2.5 million). The share of profit of associates increased by PLN 0.2 million in Q3 2014. Income tax increased by PLN 2.2 million compared to Q2 2014.

The increase of the operating profit and the net profit in Q3 2014 compared to Q3 2013 (by PLN 7.6 million and PLN 4.0 million, respectively) was mainly driven by an increase of revenue on the commodity market (by PLN 9.6 million), a decrease of revenue on the financial market (by PLN 0.2 million), an increase of operating expenses (by PLN 1.7 million) and a decrease of the share of profit of associates (by PLN 2.3 million). Income tax increased by PLN 1.7 million compared to Q3 2013.

Details of the change in revenue and expenses are presented below.

WSE's (EBITDA stood at PLN 22.2 million in Q3 2014, an increase of 27.7% (PLN 4.8 million) compared to PLN 17.4 million in Q2 2014 and a decrease of 1.9% (PLN 0.4 million) compared to Q3 2013.

WSE generated an operating profit of PLN 16.2 million in Q3 2014 compared to PLN 11.4 million in Q2 2014 and PLN 16.8 million in Q3 2013. The increase in the operating profit in Q3 2014 compared to Q2 2014 (by PLN 4.9 million) was mainly driven by a decrease in operating expenses (by PLN 2.4 million), a decrease in other expenses (by PLN 1.4 million) and an increase in revenue (by PLN 1.0 million).

The decrease of the operating profit compared to Q3 2013 (by PLN 0.5 million) was mainly driven by an increase in operating expenses (by PLN 0.7 million) and a decrease in revenue (by PLN 0.3 million) partly offset by a decrease in other expenses (by PLN 0.6 million).

WSE's net profit was PLN 12.4 million in Q3 2014 compared to PLN 23.0 million in Q2 2014 and PLN 12.6 million in Q3 2013. The decrease in the net profit in Q3 2014 compared to Q2 2014 was driven by the recognition of dividend from subsidiaries and associates at PLN 14.8 million in Q2 2014.

Consolidated profit and loss account of WSE Group in 2013 and 2014 by quarter and for the first nine months of 2013 and 2014

PLN'000	2014			2013				2014	2013
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q1-3	Q1-3
Sales revenue	77,869	69,255	86,507	70,847	69,000	64,557	79,358	233,631	212,915
Financial market	49,303	48,235	55,952	51,527	49,507	51,701	52,519	153,490	153,727
Trading	34,349	32,547	39,775	36,441	35,732	37,543	38,182	106,671	111,458
Listing	5,684	6,124	6,336	5,716	5,248	5,588	5,737	18,144	16,573
Information services	9,270	9,564	9,841	9,370	8,527	8,570	8,599	28,675	25,696
Commodity market	28,310	20,336	30,066	18,848	18,710	12,307	26,130	78,712	57,147
Trading	15,136	10,188	16,140	10,774	10,743	6,501	11,888	41,464	29,132
Register of certificates of origin	4,706	4,776	7,094	2,996	2,735	1,977	7,897	16,576	12,609
Clearing	8,468	5,372	6,832	5,078	5,232	3,829	6,345	20,672	15,406
Other revenue	256	684	489	472	783	549	709	1,429	2,041
Operating expenses	41,923	44,409	43,937	45,108	40,241	44,030	36,845	130,269	121,116
Depreciation and amortisation	6,916	7,146	7,183	7,203	6,921	7,922	3,676	21,245	18,520
Salaries	13,284	12,936	13,754	11,701	11,596	14,450	14,168	39,974	40,214
Other employee costs	2,584	3,347	3,549	3,003	2,631	3,469	3,019	9,480	9,118
Rent and maintenance fees	3,041	2,629	2,542	2,677	2,661	2,690	2,544	8,212	7,895
Fees and charges	5,910	5,871	5,743	5,612	5,441	4,879	4,838	17,524	15,158
incl.: PFSA fees (WSE)	5,278	5,210	5,210	4,956	4,578	4,358	4,356	15,697	13,293
External service charges	8,733	10,460	9,708	12,721	9,191	7,786	6,544	28,901	23,521
Other operating expenses	1,456	2,019	1,458	2,191	1,800	2,834	2,056	4,933	6,690
Other income	191	477	221	1,499	227	232	1,266	889	1,725
Other expenses	85	1,048	905	824	491	82	729	2,038	1,302
Operating profit	36,052	24,275	41,886	26,414	28,495	20,677	43,051	102,213	92,222
Financial income	2,657	2,972	2,558	1,702	2,200	2,790	4,225	8,186	9,215
Financial expenses	2,528	2,584	2,522	2,790	2,561	3,520	3,344	7,633	9,425
Share of profit of associates	1,087	861	3,966	1,614	3,385	2,846	4,649	5,914	10,880
Profit before income tax	37,267	25,524	45,888	26,940	31,519	22,792	48,581	108,680	102,892
Income tax expense	7,302	5,119	8,272	(1,605)	5,566	5,808	6,520	20,693	17,894
Profit for the period	29,965	20,405	37,616	28,545	25,953	16,984	42,061	87,987	84,998

Source: Condensed Consolidated Interim Financial Statements, Company.

Consolidated statement of financial position of WSE Group at quarter-end, 2013-2014

PLN'000	2014			2013			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Non-current assets	586,336	587,013	590,634	576,421	574,749	568,880	579,151
Property, plant and equipment	119,368	118,530	121,045	124,042	120,622	128,000	131,182
Intangible assets	261,523	264,294	265,932	269,155	272,388	268,372	271,026
Investment in associates	189,894	188,674	187,811	158,540	156,694	154,050	155,071
Deferred tax assets	1,343	1,341	1,568	-	645	3,897	7,096
Available-for-sale financial assets	10,676	10,706	10,775	20,955	20,982	11,010	11,141
Prepayments	3,532	3,468	3,503	3,729	3,418	3,551	3,635
Current assets	565,556	564,838	525,507	482,707	445,915	506,026	473,336
Inventories	127	147	142	166	180	176	266
Corporate income tax receivable	6,853	6,974	6,138	10,797	5,166	3,970	2,511
Trade and other receivables	39,103	41,115	52,345	34,792	44,754	40,555	50,194
Available-for-sale financial assets	586	428	272	118	586	428	272
Other current assets	7	-	-	3	-	-	-
Cash and cash equivalents	518,880	516,174	466,610	436,831	395,229	460,897	420,093
<i>incl.: assets of the clearing guarantee system</i>	<i>159,323</i>	<i>140,022</i>	<i>107,996</i>	<i>125,326</i>	<i>124,581</i>	<i>153,723</i>	<i>144,120</i>
Total assets	1,151,892	1,151,851	1,116,141	1,059,128	1,020,664	1,074,906	1,052,486
Equity	676,019	696,280	675,692	638,105	609,024	584,102	600,756
Share capital	63,865	63,865	63,865	63,865	63,865	63,865	63,865
Other reserves	1,783	1,643	1,249	1,278	1,129	1,920	1,806
Retained earnings	609,294	629,756	609,436	571,842	542,825	517,159	533,614
Non-controlling interests	1,077	1,016	1,142	1,120	1,205	1,158	1,471
Non-current liabilities	255,781	253,239	249,563	249,578	248,234	247,950	247,889
Employee benefits payable	4,037	4,447	4,452	4,456	4,283	4,284	4,314
Finance lease liabilities	262	296	284	439	449	279	289
Provisions for other liabilities and charges	-	-	-	-	-	-	15
Liabilities under bond issue	243,963	243,848	243,733	243,617	243,502	243,387	243,272
Deferred income tax liability	7,519	4,648	1,094	1,066	-	-	-
Current liabilities	220,092	202,332	190,886	171,445	163,406	242,855	203,841
Trade payables	13,747	6,967	3,763	12,738	5,402	3,518	8,924
Finance lease liabilities	224	265	338	365	460	364	337
Corporate income tax payable	1,745	754	1,990	657	969	298	1,705
Liabilities under bond issue	2,375	-	2,336	-	2,377	6,419	3,214
Dividends and other liabilities	191,320	182,833	171,327	144,035	140,003	218,905	177,709
<i>incl. liabilities of the clearing guarantee system</i>	<i>159,323</i>	<i>140,022</i>	<i>107,996</i>	<i>125,326</i>	<i>124,581</i>	<i>153,723</i>	<i>144,120</i>
Employee benefits payable	9,510	10,254	9,240	11,511	12,844	11,997	10,601
Provisions for other liabilities and charges	1,171	1,259	1,892	2,139	1,351	1,354	1,351
Total equity and liabilities	1,151,892	1,151,851	1,116,141	1,059,128	1,020,664	1,074,906	1,052,486

Source: Condensed Consolidated Interim Financial Statements, Company.

2.2.2. Revenue

The Group has three revenue-generating segments:

- financial market,
- commodity market,
- other revenues.

Revenues from the financial market include revenues from:

- trading;
- listing;
- information services.

Trading revenue includes fees paid by market participants in respect of:

- transactions on markets of equities and equity-related instruments;
- transactions in derivative financial instruments;
- transactions in debt instruments;
- transactions in other cash market instruments;
- other fees paid by market participants.

Revenues from transactions in equities and equity-related securities are the Group's main source of trading revenues and its main source of sales revenues in general.

Revenues from transactions in derivative financial instruments were the third biggest source of trading revenues on the financial market in Q3 2014. Transactions in WIG20 index futures account for the majority of revenues from transactions in derivatives.

Revenues from other fees paid by market participants include mainly fees for services providing access to and participation in the markets operated by WSE.

Revenues from transactions in debt instruments are generated by the Catalyst market as well as the Treasury BondSpot Poland market operated by BondSpot S.A., a subsidiary of WSE. They became the second largest source of trading revenues on the financial market in Q3 2014.

Revenues from transactions in other cash market instruments include fees for trading in structured products, investment certificates, warrants and ETF units.

Listing revenues include two main elements:

- one-off fees paid by issuers for introduction of new shares and other instruments to trading on the exchange;
- periodic listing fees.

Revenues from information services mainly include fees paid by data vendors for real-time market data as well as historical and statistical data. Real-time data fees include fixed annual fees and monthly fees based on the data vendor's number of subscribers and the scope of data feeds used by a subscriber.

Revenues of the Group in the commodity market segment include revenues of PolPX and WCCH as well as revenues of WSEInfoEngine from its activity as a trade operator, the entity responsible for balancing, and the operation of the OTC commodity platform. The group also earned revenues from the operation of the poee WSE Energy Market until the end of Q1 2013.

The commodity market segment includes the following sub-segments:

- trading,
- operation of the Register of Certificates of Origin,

- clearing.

Trading revenue on the commodity market includes:

- revenue from trading in electricity (spot and forward),
- revenue from trading in natural gas (spot and forward),
- revenue from trading in property rights,
- other fees paid by market participants (members).

Other fees paid by market participants include PolPX fees, as well as revenues of WSEInfoEngine as a trade operator, the entity responsible for balancing, and the operation of the OTC commodity platform.

Revenues of the sub-segment “clearing” include revenues of the company WCCH, which clears and settles exchange transactions concluded on PolPX, manages the resources of the clearing guarantee system and determines the amount of credits and debits of WCCH members resulting from their transactions.

The Group’s other revenues include revenues of the subsidiaries Instytut Rynku Kapitałowego – WSE Research S.A., as well as revenues of WSE and the PolPX Group, among others, from educational services, office space lease, and sponsorship.

The **Group’s** sales revenues amounted to PLN 77.9 million in Q3 2014, an increase of 12.4% (PLN 8.6 million) compared to Q2 2014 and an increase of 12.9% (PLN 8.9 million) compared to Q3 2013.

The increase in sales revenues compared to Q2 2014 was mainly driven by a 39.2% (PLN 8.0 million) increase in revenues from the **commodity market** segment, mainly including trade in natural gas, clearing and other fees paid by market participants. Revenue from the **financial market** increased by 2.2% (PLN 1.1 million), mainly driven by higher revenue from trading in equities and lower revenue from trading in derivatives.

The sales revenues increased compared to Q3 2013 mainly due to a 51.3% (PLN 9.6 million) increase of revenues from the **commodity market** segment, mainly including trade in natural gas, clearing and operation of the Register of Certificates of Origin. Revenue from the **financial market** decreased by 0.4% (PLN 0.2 million), mainly driven by lower revenue from trading in derivatives partly offset by higher revenue from trading in equities, revenue from information services and listing revenue.

Revenues from the financial market stood at PLN 49.3 million in Q3 2014, PLN 48.2 million in Q2 2014, and PLN 49.5 million in Q3 2013.

Revenues from the commodity market stood at PLN 28.3 million representing 36.4% of the Group’s total revenue in Q3 2014 compared to PLN 20.3 million or 29.4% in Q2 2014 and PLN 18.7 million or 27.1% in Q3 2013.

The revenue of the **PolPX Group** stood at PLN 27.7 million in Q3 2014, PLN 21.1 million in Q2 2014 and PLN 18.5 million in Q3 2013. The revenue of **BondSpot** in the quarters under review stood at PLN 3.2 million, PLN 3.0 million, and PLN 2.8 million, respectively.

The revenue of the WSE Group by segment is presented below.

Consolidated revenues of WSE Group and revenue structure in selected quarters and in the first nine months, 2013-2014

PLN'000, %	Three-month period ended						Nine-month period ended			
	30 September 2014		30 June 2014		30 September 2013		30 September 2014		30 September 2013	
		%		%		%		%		%
Financial market	49,303	63%	48,235	69%	49,507	72%	153,490	66%	153,727	72%
Trading	34,349	44%	32,547	47%	35,732	52%	106,671	46%	111,458	52%
Equities and equity-related instruments	26,997	35%	24,491	35%	26,094	38%	81,260	35%	80,883	38%
Derivative instruments	2,795	4%	3,717	5%	5,451	8%	12,027	5%	16,418	8%
Other fees paid by market participants	1,464	2%	1,411	2%	1,375	2%	4,310	2%	4,331	2%
Debt instruments	3,021	4%	2,869	4%	2,764	4%	8,875	4%	9,687	5%
Other cash instruments	72	0%	59	0%	49	0%	199	0%	139	0%
Listing	5,684	7%	6,124	9%	5,248	8%	18,144	8%	16,573	8%
Listing fees	4,693	6%	4,767	7%	4,269	6%	14,330	6%	12,975	6%
Introduction fees, other fees	991	1%	1,357	2%	979	1%	3,814	2%	3,598	2%
Information services	9,270	12%	9,564	14%	8,527	12%	28,675	12%	25,696	12%
Commodity market	28,310	36%	20,336	29%	18,710	27%	78,712	34%	57,147	27%
Trading	15,136	19%	10,188	15%	10,743	16%	41,464	18%	29,132	14%
Electricity	3,343	4%	3,368	5%	4,100	6%	9,881	4%	9,809	5%
Spot	536	1%	559	1%	573	1%	1,746	1%	1,900	1%
Forward	2,807	4%	2,809	4%	3,527	5%	8,135	3%	7,909	4%
Gas	4,068	5%	230	0%	10	0%	4,351	2%	32	0%
Spot	149	0%	26	0%	4	0%	182	0%	15	0%
Forward	3,919	5%	204	0%	6	0%	4,169	2%	17	0%
Property rights in certificates of origin	5,665	7%	5,895	9%	4,968	7%	21,763	9%	14,303	7%
Other fees paid by market participants	2,060	3%	695	1%	1,665	2%	5,469	2%	4,988	2%
Register of certificates of origin	4,706	6%	4,776	7%	2,735	4%	16,576	7%	12,609	6%
Clearing	8,468	11%	5,372	8%	5,232	8%	20,672	9%	15,406	7%
Other revenue	256	0%	684	1%	783	1%	1,429	1%	2,041	1%
Total	77,869	100%	69,255	100%	69,000	100%	233,631	100%	212,915	100%

Source: Condensed Consolidated Interim Financial Statements, Company

WSE's separate revenue stood at PLN 46.6 million in Q3 2014, an increase of 2.2% (PLN 1.0 million) compared to Q2 2014 and a decrease of 0.6% (PLN 0.3 million) compared to Q3 2013. The revenue increase compared to Q2 2014 was mainly driven by an increase in revenue from trading in equities partly offset by a decrease in revenue from trading in derivatives, listing revenue and revenue from information services.

The decrease in revenue compared to Q3 2013 was mainly driven by a decrease in revenue from trading in derivatives partly offset by an increase in revenue from trading in equities, revenue from information services and listing revenue.

Separate revenues of WSE and revenue structure in selected quarters and in the first nine months, 2013-2014

PLN'000, %	Three-month period ended						Nine-month period ended			
	30 September 2014		30 June 2014		30 September 2013		30 September 2014		30 September 2013	
		%		%		%		%		%
Financial market	46,204	99%	45,251	99%	46,709	100%	144,363	99%	144,031	99%
Trading	31,409	67%	29,745	65%	33,050	70%	98,018	67%	102,111	70%
Equities and equity-related instruments	26,997	58%	24,490	54%	26,094	56%	81,260	56%	80,883	56%
Derivative instruments	2,795	6%	3,718	8%	5,451	12%	12,027	8%	16,418	11%
Other fees paid by market participants	1,463	3%	1,411	3%	1,374	3%	4,310	3%	4,331	3%
Debt instruments	81	0%	66	0%	81	0%	221	0%	340	0%
Other cash instruments	72	0%	60	0%	49	0%	199	0%	139	0%
Listing	5,535	12%	5,941	13%	5,129	11%	17,677	12%	16,219	11%
Listing fees	4,641	10%	4,719	10%	4,242	9%	14,191	10%	12,911	9%
Introduction fees, other fees	894	2%	1,222	3%	887	2%	3,487	2%	3,308	2%
Information services	9,259	20%	9,566	21%	8,530	18%	28,668	20%	25,702	18%
Commodity market	-	0%	-	0%	-	0%	-	0%	131	0%
Trading	-	0%	-	0%	-	0%	-	0%	131	0%
Electricity	-	0%	-	0%	-	0%	-	0%	97	0%
Spot	-	0%	-	0%	-	0%	-	0%	96	0%
Forward	-	0%	-	0%	-	0%	-	0%	1	0%
Gas	-	0%	-	0%	-	0%	-	0%	-	0%
Spot	-	0%	-	0%	-	0%	-	0%	-	0%
Forward	-	0%	-	0%	-	0%	-	0%	-	0%
Property rights in certificates of origin	-	0%	-	0%	-	0%	-	0%	-	0%
Other fees paid by market participants	-	0%	-	0%	-	0%	-	0%	34	0%
Register of certificates of origin	-	0%	-	0%	-	0%	-	0%	-	0%
Clearing	-	0%	-	0%	-	0%	-	0%	-	0%
Other revenue	420	1%	362	1%	184	0%	1,155	1%	889	1%
Total	46,624	100%	45,613	100%	46,893	100%	145,518	100%	145,051	100%

Source: Company

The Group earns revenue both from domestic and foreign clients. The table below presents quarterly revenue by geographic segment.

Consolidated revenues of WSE Group by geographical segment in selected quarters and in the first nine months, 2013-2014

PLN'000, %	Three-month period ended						Nine-month period ended			
	30 September 2014		30 June 2014		30 September 2013		30 September 2014		30 September 2013	
		%		%		%		%		%
Revenue from foreign customers	14,609	19%	12,353	18%	13,310	19%	45,112	19%	44,180	21%
Revenue from local customers	63,260	81%	56,901	82%	55,690	81%	188,519	81%	168,735	79%
Total	77,869	100%	69,255	100%	69,000	100%	233,631	100%	212,915	100%

Source: Condensed Consolidated Interim Financial Statements, Company

Financial Market

Trading

Revenue from trading in **equities and equity-related instruments** stood at PLN 27.0 million in Q3 2014 compared to PLN 24.5 million in Q2 2014 (an increase of 10.2%) and PLN 26.1 million in Q3 2013 (an increase of 3.5%).

The key operational parameters of trading in equities on the Main Market in the quarters under review were as follows:

- the value of the electronic order book in equities on the Main Market increased by 8.6% in Q3 2014 compared to Q2 2014 and decreased by 5.1% compared to Q3 2013. The average daily value of the electronic order book in equities was PLN 839.6 million in January-September 2014 compared to PLN 884.2 million in January-September 2014;
- the value of the electronic order book and block trades was PLN 63.6 billion (including block trades of PLN 12.8 billion) in Q3 2014, PLN 54.8 billion (including block trades of PLN 8.0 billion) in Q2 2014, and PLN 61.6 billion (including block trades of PLN 8.0 billion) in Q3 2013;
- the total volume of trading was 3.9 billion shares in Q3 2014, 4.1 billion shares in Q2 2014, and 7.9 billion shares in Q3 2013;
- the average transaction value, calculated as the ratio of the total value of the electronic order book to the number of transactions in the electronic order book, was PLN 15.1 thousand in Q3 2014 and was modestly lower than in Q2 2014 (PLN 15.2 thousand) and lower than in Q3 2013 (PLN 16.1 thousand);
- the revenue from tender offers for significant blocks of shares was PLN 1.5 million in Q3 2014 compared to PLN 1.2 million in Q2 2014 and PLN 0.1 million in Q3 2013;
- the WIG20 index increased by 3.8% from 2,408.81 points at the end of Q2 2014 to 2,500.29 points at the end of Q3 2014. The WIG30 index increased by 3.8% in the period under review.

The value of trading in shares on NewConnect (electronic order book and block trades) stood at PLN 268.0 million in Q3 2014, a decrease of 1.6% compared to Q2 2014 and a decrease of 16.8% compared to Q3 2013.

Consolidated revenues of WSE Group from trading in equities and equity-related instruments, the value and volume of trading in equities and equity-related instruments in selected quarters and in the first nine months, 2013-2014

	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Financial market, trading revenue: equities and equity-related instruments (PLN million)	27.0	24.5	26.1	81.3	80.9
<i>Main Market:</i>					
Value of trading (PLN billion)	63.6	54.8	61.6	181.3	193.7
Volume of trading (billions of shares)	3.9	4.1	7.9	16.1	23.8
<i>NewConnect:</i>					
Value of trading (PLN billion)	0.3	0.3	0.3	0.9	0.8
Volume of trading (billions of shares)	0.4	0.6	0.5	1.6	1.6

Source: Condensed Consolidated Interim Financial Statements, Company

Derivatives

Revenue of the Group from trading in **derivatives** on the financial market stood at PLN 2.8 million in Q3 2014, a decrease of 24.8% (PLN 0.9 million) compared to Q2 2014 and a decrease of 48.7% (PLN 2.7 million) compared to Q3 2013.

The decrease of revenue from trading in derivatives in Q3 2014 compared to both Q2 2014 and Q3 2013 was mainly driven by a lower volume of trading in WIG20 futures (by 19.9% and 43.1%, respectively).

The migration of WIG20 futures contracts with a multiplier of PLN 10 to WIG20 futures contracts with a multiplier of PLN 20 was complete on 20 June 2014. Consequently, Q3 2014 was the first quarter when only WIG20 futures contracts with a multiplier of PLN 20 were in trading. WSE expected the volume of trading in WIG20 futures contracts to be lower in the initial period after the migration. Following its analysis of available data, internal analyses and external consultations including consultations with the Derivatives Market Committee, WSE decided to continue listing WIG20 futures contracts with a multiplier of PLN 20 and is not considering at this time to resume listing of WIG20 futures contracts with a multiplier of PLN 10. In view of the parameters of the new contracts, including the transaction costs which are half of those for previously listed futures contracts, WSE expects that the volume of trading will increase in the coming months.

Consolidated revenues of WSE Group from trading in financial derivatives, the volume of trading in financial derivatives in selected quarters and in the first nine months, 2013-2014

	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Financial market, trading revenue: derivatives (PLN million)	2.8	3.7	5.5	12.0	16.4
Volume of trading in derivatives (<i>millions of contracts</i>):	1.9	2.2	3.4	7.2	10.0
incl: volume of trading in WIG20 futures (<i>millions of contracts</i>)	1.2	1.5	2.1	4.8	6.4

Source: Condensed Consolidated Interim Financial Statements, Company

Other fees paid by market participants

Revenue of the Group from **other fees** paid by market participants was stable in the quarters under review and stood at PLN 1.5 million in Q3 2014 compared to PLN 1.4 million in each of Q2 2014 and Q3 2013. These were mainly fees for access to the trading system (including licence fees, connection fees, maintenance fees) and use of the system.

Debt instruments

Revenue of the Group in the **debt instruments** subsegment stood at PLN 3.0 million in Q3 2014, an increase of 5.3% compared to Q2 2014 and an increase of 9.3% compared to Q3 2013. The Group's revenue in the debt instruments segment was generated mainly by Treasury BondSpot Poland (TBSP).

The value of trading on TBSP stood at PLN 122.1 billion of conditional transactions and PLN 94.7 billion of cash transactions in Q3 2014. The value of conditional transactions decreased by 4.7% compared to Q2 2014 and increased by 40.7% compared to Q3 2013 while the value of cash transactions increased by 22.0% and by 35.3% respectively.

The increase in the value of trading on TBSP was mainly driven by a reaction to the continued strong downtrend in the yields of debt instruments across the yield curve resulting among others from expectations of further interest rate cuts in Poland and further measures of the European Central Bank aimed at relaxation of the monetary policy. Other major factors include the impact of the developments in Ukraine and the political and economic consequences of the sanctions imposed on Russia. Trading on TBSP is gradually recovering after the crisis related to the pension fund system.

The value of trading on Catalyst increased from PLN 0.68 billion in Q2 2014 (including PLN 0.50 billion of electronic order book transactions) to PLN 0.79 billion in Q3 2014 (including PLN 0.54 billion of electronic order book transactions). The value of trading was PLN 0.58 billion in Q3 2013 (including 0.48 billion of electronic order book transactions). These revenues have a small share in the Group's total revenues from trading in debt instruments.

Consolidated revenues of WSE Group from trading in debt instruments, the value of trading in debt instruments in selected quarters and in the first nine months, 2013-2014

	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Financial market, trading revenue: debt instruments (PLN million)	3.0	2.9	2.8	8.9	9.7
Catalyst:					
Value of trading (PLN billion)	0.8	0.7	0.6	2.3	3.6
incl: Value of trading in non-Treasury instruments (PLN billion)	0.6	0.6	0.4	1.8	3.1
Treasury BondSpot Poland, value of trading:					
Conditional transactions (PLN billion)	122.1	128.1	86.8	359.7	354.1
Cash transactions (PLN billion)	94.7	77.6	70.0	254.6	289.7

Source: Condensed Consolidated Interim Financial Statements, Company

Other cash market instruments

Revenue from trading in **other cash market instruments** stood at PLN 0.07 million in Q3 2014 compared to PLN 0.06 million in Q2 2014 and PLN 0.05 million in Q3 2013. The revenue includes fees on trading in structured products, investment certificates, ETF units and warrants.

Listing

Listing revenue on the financial market stood at PLN 5.7 million in Q3 2014, a decrease of 7.2% (PLN 0.4 million) compared to Q2 2014 and an increase of 8.3% (PLN 0.4 million) compared to Q3 2013.

Revenue from **listing fees** stood at PLN 4.7 million in Q3 2014, a decrease of 1.6% compared to PLN 4.8 million in Q2 2014 and an increase of 9.9% compared to PLN 4.3 million in Q3 2013. The main driver of the revenue from listing is the number of companies listed on WSE's trading markets and their capitalisation as at the year's end. The increase in revenue from listing fees in subsequent quarters of 2014 compared to 2013 was mainly driven by a higher capitalisation of companies on the Main Market at the end of 2013 as the basis of the fees for 2014.

Revenue from fees for **introduction as well as other fees** stood at PLN 1.0 million in Q3 2014, PLN 1.4 million in Q2 2014, and PLN 1.0 million in Q3 2013, respectively. The main driver of the revenue is the number and value of new listings on WSE's trading markets.

Five companies were newly listed on the **Main Market** and the total value of IPOs and SPOs was PLN 0.8 billion in Q3 2014 compared to 8 new listings worth PLN 1.4 billion in Q2 2014 and 4 new listings worth PLN 0.4 billion in Q3 2013. There were 463 companies listed on the Main Market and their total capitalisation was PLN 935.9 billion at the end of Q3 2014 compared to 458 companies worth PLN 905.6 billion at the end of Q2 2014 and 443 companies worth PLN 810.6 billion at the end of Q3 2013.

Consolidated listing revenue of WSE Group, market capitalisation, number of listed companies, number and capitalisation of new listings, value of IPOs and SPOs, number and value of delistings on the Main Market in selected quarters and in the first nine months, 2013-2014

	As at / for the three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Main Market					
Listing revenue (PLN million)	4.7	5.2	4.3	15.3	13.8
Capitalisation of listed companies (domestic) (PLN billion)	635.2	607.2	570.8	635.2	570.8
Capitalisation of listed companies (foreign) (PLN billion)	300.6	298.3	239.8	300.6	239.8
Number of listed companies (domestic)	414	409	398	414	398
Number of listed companies (foreign)	49	49	45	49	45
Value of offerings (IPO and SPO) (PLN billion)	0.8	1.4	0.4	3.2	2.9
Number of new listings (in the period)	5	8	4	18	14
Capitalisation of new listings (PLN billion)	1.4	1.7	0.4	4.7	2.5
Number of delistings	0	0	3	5	9
Capitalisation of delistings* (PLN billion)	0.0	0.0	0.0	0.5	5.4

* based on market capitalisation at the time of delisting

Source: Company

Seven companies were newly listed on **NewConnect** and the total value of IPOs and SPOs was PLN 62 million in Q3 2014 compared to 3 new listings worth PLN 55 million in Q2 2014 and 8 new listings worth PLN 150 million in Q3 2013. There were 435 companies listed on NewConnect and their total capitalisation was PLN 9.8 billion at the end of Q3 2014 compared to 439 companies worth PLN 10.2 billion at the end of Q2 2014 and 445 companies worth PLN 10.8 billion at the end of Q3 2013.

Consolidated listing revenue of WSE Group, market capitalisation, number of listed companies, number and capitalisation of new listings, value of IPOs and SPOs, number and value of delistings on NewConnect in selected quarters and in the first nine months, 2013-2014

	As at / for the three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
NewConnect					
Listing revenues (<i>PLN million</i>)	0.6	0.6	0.7	1.9	2.0
Capitalisation of listed companies (<i>domestic</i>) (<i>PLN billion</i>)	9.4	9.8	10.3	9.4	10.3
Capitalisation of listed companies (<i>foreign</i>) (<i>PLN billion</i>)	0.4	0.4	0.4	0.4	0.4
Number of listed companies (<i>domestic</i>)	425	429	436	425	436
Number of listed companies (<i>foreign</i>)	10	10	9	10	9
Value of offerings (<i>IPO and SPO</i>) (<i>PLN billion</i>)	0.1	0.1	0.2	0.2	0.4
Number of new listings (<i>in the period</i>)	7	3	8	18	36
Capitalisation of new listings (<i>PLN billion</i>)	0.3	0.1	0.3	0.5	1.0
Number of delistings*	11	6	9	28	20
Capitalisation of delistings** (<i>PLN billion</i>)	1.0	0.1	0.1	2.4	0.6

* includes companies which transitioned to listing on the Main Market

**based on market capitalisation at the time of delisting

Source: Company

The number of issuers on the **Catalyst** market grew in the period under review. Catalyst listed instruments of 194 issuers (including the State Treasury) at the end of Q3 2014 compared to 185 issuers at the end of Q2 2014 and 176 issuers at the end of Q3 2013. The total nominal value of issued instruments was PLN 537.5 billion at the end of Q3 2014 compared to PLN 532.5 billion at the end of Q2 2014 and PLN 624.3 billion at the end of Q3 2013, including the value of non-Treasury instruments at PLN 67.4 billion, PLN 66.1 billion and PLN 59.1 billion, respectively.

Consolidated listing revenue of WSE Group, number of issuers, number of issued instruments and value of issued instruments on Catalyst in selected quarters and in the first nine months, 2013-2014

	As at / for the three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Catalyst					
Listing revenue (<i>PLN million</i>)	0.3	0.4	0.2	0.9	0.7
Number of issuers	194	185	176	194	176
Number of issued instruments	500	481	443	500	443
<i>of which: non-Treasury instruments</i>	469	448	407	469	407
Value of issued instruments (<i>PLN billion</i>)	537.5	532.5	624.3	537.5	624.3
<i>of which: non-Treasury instruments</i>	67.4	66.1	59.1	67.4	59.1

Source: Company

Information services

Revenue from **information services** stood at PLN 9.3 million in Q3 2014 compared to PLN 9.6 million in Q2 2014 and PLN 8.5 million in Q3 2013. The high quarterly revenue in 2014 was driven by an increase of the number of subscribers of professional data feeds and a change of the structure of fees including an increase of some fees.

Consolidated revenues of WSE Group from information services, number of data vendors and subscribers in selected quarters and in the first nine months, 2013-2014

	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Revenues from information services (PLN million)	9.3	9.6	8.5	28.7	25.7
Number of data vendors	57	58	58	57	58
Number of subscribers (<i>'000 subscribers</i>) [*]	243.0	261.9	257.1	243.0	257.1

^{*} As at the end of August 2014: WSE receives reports from data vendors within 30 days of the end of a month.

Source: Company

Commodity market

Revenue from the commodity market includes mainly the revenue of the PolPX Group.

Revenues of the PolPX Group are mainly driven by the volume of transactions in electricity, gas and property rights, the volume of certificates of origin issued and redeemed by members of the Register of Certificates of Origin, as well as revenues from clearing and settlement of transactions in exchange commodities in the clearing subsegment operated by WCCH.

Revenues of the WSE Group from the **commodity market** stood at PLN 28.3 million in Q3 2014 compared to PLN 20.3 million in Q2 2014 and PLN 18.7 million in Q3 2013.

The increase of the revenue from the commodity market by 39.2% (PLN 8.0 million) in Q3 2014 compared to Q2 2014 was mainly driven by an increase of revenue from trade in gas, clearing and other fees paid by market participants.

In Q3 2014, the Group's revenue from the commodity market increased by PLN 9.6 million compared to Q3 2013. The increase of revenue was mainly driven by a higher revenue from trade in gas, clearing and operation of the Register of Certificates of Origin. On the other hand, the revenue from trade in electricity decreased.

Trading

Trading revenues of the WSE Group on the commodity market amounted to PLN 15.1 million in Q3 2014, including PLN 0.5 million of revenues from spot transactions in electricity, PLN 2.8 million of revenues from forward transactions in electricity, PLN 0.1 million of revenues from spot transactions in gas, PLN 3.9 million of revenues from forward transactions in gas, PLN 5.7 million of revenues from transactions in property rights in certificates of origin of electricity, and PLN 2.1 million of other fees paid by market participants.

Revenues from trading on the commodity market in Q3 2014 increased by PLN 4.9 million compared to Q2 2014 and increased by PLN 4.4 million compared to Q3 2013.

The increase of the revenue in Q3 2014 compared to Q2 2014 was mainly driven by a increase of revenue from trade in gas and other fees paid by market participants.

The increase of the revenue in Q3 2014 compared to Q3 2013 was mainly driven by an increase of revenue from trade in gas, trading in property rights in certificates of origin of electricity and other fees paid by market participants.

Consolidated trading revenue of WSE Group on the commodity market and the volume of trading on the commodity market in selected quarters and in the first nine months, 2013-2014

	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Commodity market - trading revenue (PLN million)	15.1	10.2	10.7	41.5	29.1
Volume of trading in electricity (WSE EM poee* and PolPX):					
Spot transactions (TWh)	5.5	5.6	5.4	17.6	16.4
Forward transactions (TWh)	37.6	37.9	50.2	110.5	112.0
Volume of trading in gas** (PolPX):					
Spot transactions (TWh)	1.6	0.3	0.1	2.0	0.2
Forward transactions (TWh)	57.3	3.9	0.2	62.1	0.4
Volume of trading in property rights (PolPX) (TWh)	6.7	6.4	5.8	24.2	33.5

* As of 31 March 2013, trading on WSE EM poee was discontinued.

** Gas Market opened on PolPX on 20 December 2012.

Source: Company

Revenue of the Group from trading in **electricity** stood at PLN 3.3 million in Q3 2014 compared to PLN 3.4 million in Q2 2014 and PLN 4.1 million in Q3 2013. The total volume of trading on the energy markets operated by PolPX stood at 43.1 TWh in Q3 2014 compared to 43.5 TWh in Q2 2014 and 55.6 TWh in Q3 2013. The decrease in the revenue from trading in electricity compared to Q3 2013 was driven by a lower volume of forward trade. This was due among others to changes proposed by the Transmission System Operator to the rules of system balancing and management of system limitations. In view of the fact that the change may affect energy prices on the market, the market participants became less active, which resulted in a lower volume of trade on PolPX.

The revenue of the Group from **trading in gas** stood at PLN 4.1 million in Q3 2014 compared to PLN 0.2 million in Q2 2014 and PLN 0.01 million in Q3 2013. The volume of trade in natural gas on PolPX was 58.9 TWh in Q3 2014, 4.2 TWh in Q2 2014 and 0.3 TWh in Q3 2013. The volume increase of trade in natural gas in Q3 2014 was mainly driven by the obligation of public sale of energy by the Polish Oil and Gas Company (POGC). In addition, in the period under review, PolPX launched trade on a new market: the Intra-Day Market of gas, as well as trade in new instruments on the Day-Ahead Market of gas and the Commodity Derivatives Market. The new products made the gas markets more attractive and boosted the trading volumes.

PolPX's offer in the natural gas segment addresses market demand following the amendment of the energy law of 26 July 2013 (effective as of 11 September 2013), imposing the obligation to sell a percentage of natural gas supplied to the transmission grid within the year on a commodity exchange or a market organised by an entity operating a regulated market in the Republic of Poland. The obligation is binding on energy companies which trade in gas fuels and amounts to 40% in 2014 and 55% in 2015 and beyond.

The Group's revenue from the operation of **trading in property rights** stood at PLN 5.7 million in Q3 2014 compared to PLN 5.9 million in Q2 2014 and PLN 5.0 million in Q3 2013. The volume of trading in property rights stood at 6.7 TWh in Q3 2014 and was higher than in Q2 2014 (6.4 TWh) and higher than in Q3 2013 (5.8 TWh).

The volume of trade in property rights in green certificates of origin of electricity was 5.9 TWh in Q3 2014 compared to 6.2 TWh in Q2 2014 and 5.6 TWh in Q3 2013. The revenue from trade in property rights in green certificates of origin of electricity represented 96.6%, 98.4% and 98.2%, respectively, of the Group's total revenue from trade in property rights in the quarters under review.

In addition to the higher volume of trade in property rights in green certificates of origin of electricity, the higher revenue from trade in property rights in Q3 2014 compared to Q3 2013 was also driven by the expiration of promotional fees on trade in property rights in green certificates of origin of electricity at the session (as of the end of 2013).

The revenue of the Group from **other fees paid by commodity market participants** stood at PLN 2.1 million in Q3 2014 compared to PLN 0.7 million in Q2 2014 and PLN 1.7 million in Q3 2013. Other fees paid by commodity market participants included fees from market participants of PolPX as well as revenues of WSEInfoEngine acting as a trade operator.

In Q2 2014, the revenue from other fees paid by commodity market participants and the external service charges were adjusted by PLN 0.9 million. The adjustment concerned the value of transactions related to clearing of power purchase and sale as part of services on the balancing market provided by WSEInfoEngine as the entity responsible for trade balancing. The adjustment reduced the revenue from other fees paid by commodity market participants and the external service charges. The adjustment of both revenue and expenses was neutral to the WSE Group's operating profit and net profit.

Register of Certificates of Origin

Revenue from the operation of the **Register of Certificates of Origin** stood at PLN 4.7 million in Q3 2014 compared to PLN 4.8 million in Q2 2014 and PLN 2.7 million in Q3 2013. Despite a 33.7% decrease in the volume of issued property rights, the modest decrease of the revenue compared to Q2 2014 was mainly driven by the types of issued certificates of origin of electricity. The significant increase in the volume of issued certificates in Q2 2014 concerned mainly certificates of origin of electricity from cogeneration for which fees are lower than for property rights in green certificates of origin of electricity.

Consolidated revenue of WSE Group from operation of the Register of Certificates of Origin of electricity, volume of issued and cancelled property rights in selected quarters and in the first nine months, 2013-2014

	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
Commodity market - revenue from operation of the Register of Certificates of Origin of electricity (PLN million)	4.7	4.8	2.7	16.6	12.6
Issued property rights (TWh)	8.9	13.4	7.3	31.0	25.9
Redeemed property rights (TWh)	3.5	3.7	0.0	16.8	34.3

Source: Company

Clearing

The Group earns revenue from the **clearing activities** of WCCH, which is a subsidiary of PolPX. The revenue stood at PLN 8.5 million in Q3 2014 compared to PLN 5.4 million in Q2 2014 and PLN 5.2 million in Q3 2013.

The increase in revenue in Q3 2014 compared to Q2 2014 was mainly driven by an increase in the volume of trade on the gas market organised by PolPX.

Other revenue

The Group's other revenue stood at PLN 0.3 million in Q3 2014 compared to PLN 0.7 million in Q2 2014 and PLN 0.8 million in Q3 2013. The Group earns other revenue from educational and PR services, office space lease and sponsorship.

2.2.3. Operating expenses

Total operating expenses of the **WSE Group** stood at PLN 41.9 million in Q3 2014, a decrease of 5.6% (PLN 2.5 million) compared to Q2 2014 and an increase of 4.2% (PLN 1.7 million) compared to Q3 2013. The decrease of expenses compared to Q2 2014 was mainly driven by lower external service charges (decrease of PLN 1.7 million), other operating expenses (decrease of PLN 0.6 million), as well as lower salaries and other employee costs (decrease of PLN 0.4 million).

The increase of expenses in Q3 2014 compared to Q3 2013 was mainly driven by higher salaries and other employee costs (increase of PLN 1.6 million), higher fees and charges (increase of PLN 0.5 million, mainly fees paid to PFSA), as well as higher rent and other maintenance fees (increase of PLN 0.4 million). On the other hand, external service charges and other operating expenses decreased (by PLN 0.3 million) in the period under review.

Operating expenses of the **PolPX Group** stood at PLN 7.5 million in Q3 2014, PLN 8.4 million in Q2 2014, and PLN 6.7 million in Q3 2013. Operating expenses of **BondSpot** in the quarters under review stood at PLN 2.2 million, PLN 2.3 million, and PLN 2.2 million, respectively.

Consolidated operating expenses of WSE Group and structure of operating expenses in selected quarters and in the first nine months, 2013-2014

PLN'000, %	Three-month period ended						Nine-month period ended			
	30 September 2014		30 June 2014		30 September 2013		30 September 2014		30 September 2013	
		%		%		%		%		%
Depreciation and amortisation	6,916	16%	7,146	16%	6,921	17%	21,245	16%	18,520	15%
Salaries	13,284	32%	12,936	29%	11,596	29%	39,974	31%	40,214	33%
Other employee costs	2,584	6%	3,347	8%	2,631	7%	9,480	7%	9,118	8%
Rent and other maintenance fees	3,041	7%	2,629	6%	2,661	7%	8,212	6%	7,895	7%
Fees and charges	5,910	14%	5,871	13%	5,441	14%	17,524	13%	15,158	13%
including: PFSA fees	5,278	13%	5,210	12%	4,578	11%	15,697	12%	13,293	11%
External service charges	8,733	21%	10,460	24%	9,191	23%	28,901	22%	23,521	19%
Other operating expenses	1,456	3%	2,019	5%	1,800	4%	4,933	4%	6,690	6%
Total	41,923	100%	44,409	100%	40,242	100%	130,269	100%	121,116	100%

Source: Condensed Consolidated Interim Financial Statements, Company

Separate operating expenses of **WSE** stood at PLN 30.6 million in Q3 2014, a decrease of 7.4% (PLN 2.4 million) compared to Q2 2014 and an increase of 2.4% (PLN 0.7 million) compared to Q3 2013. The overall operating expenses in Q3 2014 compared to Q2 2014 were mainly driven by:

- a decrease of external service charges in Q3 2014 (by PLN 1.3 million) mainly driven by lower promotion and advertising costs (by PLN 2.3 million), higher costs of advisory (by PLN 0.8 million) and higher costs of property, plant and equipment maintenance and repair (PLN 0.2 million);
- a decrease of salaries and other employee costs (by PLN 1.0 million) mainly driven by released provisions against discretionary bonuses for the former Management Board at PLN 0.8 million (the cost of non-competition contracts of former members of the Management Board was not charged to operating expenses on a one-off basis but spread over a period of 12 months);
- a decrease of other operating expenses (by PLN 0.1 million) mainly driven by lower costs of business travel and higher costs of property insurance and conferences.

The increase of operating expenses in Q3 2014 compared to Q3 2013 was mainly driven by:

- an increase of salaries and other employee costs by PLN 0.7 million mainly driven by release of provisions against annual bonuses at PLN 1.0 million and provisions against non-competition contracts of members of the Management Board at PLN 0.8 million in Q3 2013 as well as lower other employee costs by PLN 0.1 million;
- an increase of fees and charges by PLN 0.5 million (mainly an increase of fees paid to PFSA);
- a decrease of rent by PLN 0.2 million;
- a decrease of other operating expenses by PLN 0.2 million, mainly the cost of low-value software.

Separate operating expenses of WSE and structure of operating expenses in selected quarters and in the first nine months, 2013-2014

PLN'000, %	Three-month period ended						Nine-month period ended			
	30 September 2014		30 June 2014		30 September 2013		30 September 2014		30 September 2013	
		%		%		%		%		%
Depreciation and amortisation	5,998	20%	6,052	18%	5,917	20%	18,117	19%	15,856	17%
Salaries	7,348	24%	7,816	24%	6,525	22%	23,702	25%	25,494	28%
Other employee costs	1,812	6%	2,338	7%	1,941	6%	6,802	7%	6,883	7%
Rent and other maintenance fees	2,051	7%	2,074	6%	2,296	8%	6,217	6%	6,454	7%
Fees and charges	5,471	18%	5,445	16%	4,932	16%	16,294	17%	13,943	15%
including: PFSA fees	5,278	17%	5,210	16%	4,578	15%	15,697	16%	13,293	14%
External service charges	7,023	22%	8,340	25%	7,170	24%	21,887	23%	19,092	21%
Other operating expenses	945	3%	1,028	3%	1,160	4%	2,895	3%	4,388	5%
Total	30,647	100%	33,093	100%	29,941	100%	95,914	100%	92,109	100%

Source: Company

The comments below concerning operating expenses items are based on **consolidated figures of the WSE Group**.

Depreciation and amortisation: Depreciation and amortisation stood at PLN 6.9 million in Q3 2014 compared to PLN 7.1 million in Q2 2014 and PLN 6.9 million in Q3 2013.

Salaries and other employee costs: Salaries and other employee costs stood at PLN 15.9 million in Q3 2014 compared to PLN 16.3 million in Q2 2014 and PLN 14.2 million in Q3 2013.

The decrease of salaries in Q3 2014 compared to Q2 2014 was mainly driven by costs of WSE (a decrease of PLN 1.0 million), which were mainly driven by released provisions against discretionary bonuses for the former

Management Board at PLN 0.8 million. On the other hand, salaries increased at PolPX (by PLN 0.5 million) and at IAiR (by PLN 0.2 million).

The headcount of the Group was 362 FTEs at 30 September 2014. The increase of the Group's headcount in Q3 2014 compared to Q2 2014 was mainly driven by the increased headcount of PolPX due to the implementation of the company's new development initiatives and projects enhancing the safety of the commodity market. At the same time, WSEInfoEngine restructured its human resources and, consequently, the headcount will decrease as of Q4 2014.

Employment in WSE Group

# FTEs	As at		
	30 September 2014	30 June 2014	30 September 2013
WSE	207	208	202
Subsidiaries	155	145	131
Total	362	353	333

Source: Company

External service charges: External service charges stood at PLN 8.7 million in Q3 2014, a decrease of 16.5% compared to Q2 2014 and a decrease of 5.0% compared to Q3 2013.

Consolidated external service charges of WSE Group and structure of external service charges in selected quarters and in the first nine months, 2013-2014

PLN'000, %	Three-month period ended						Nine-month period ended			
	30 September 2014		30 June 2014		30 September 2013		30 September 2014		30 September 2013	
		%		%		%		%		%
Maintenance of property, plant and equipment and intangible assets	3,229	37%	3,238	31%	2,621	29%	9,358	32%	7,925	34%
Security	287	3%	286	3%	279	3%	836	3%	822	3%
Data transmission lines	1,443	17%	1,376	13%	1,673	18%	4,303	15%	4,199	18%
Fixed and mobile telecommunication services	154	2%	174	2%	221	2%	505	2%	563	2%
Software modifications	74	1%	47	0%	68	1%	191	1%	160	1%
Information services	224	3%	77	1%	189	2%	427	1%	431	2%
Market promotion, education and development	677	8%	2,994	29%	883	10%	4,740	16%	2,406	10%
Supporting market liquidity	203	2%	202	2%	322	3%	578	2%	803	3%
Advisory and audit services	1,370	16%	637	6%	749	8%	2,903	10%	1,675	7%
TBSP market maintenance services	280	3%	280	3%	213	2%	841	3%	630	3%
Legal services and translation	263	3%	309	3%	385	4%	884	3%	1,057	4%
Transport services	40	0%	53	1%	28	0%	140	0%	107	0%
Leasing	82	1%	85	1%	87	1%	253	1%	260	1%
Cleaning	117	1%	144	1%	101	1%	339	1%	273	1%
Training	101	1%	153	1%	75	1%	333	1%	240	1%
Postal fees	13	0%	37	0%	20	0%	88	0%	55	0%
Banking fees	29	0%	35	0%	39	0%	99	0%	106	0%
KDPW fees	23	0%	5	0%	24	0%	30	0%	34	0%
Other	124	1%	328	3%	1,214	13%	2,053	7%	1,775	8%
Total	8,733	100%	10,460	100%	9,191	100%	28,901	100%	23,521	100%

Source: Condensed Consolidated Interim Financial Statements, Company

The decrease in external service charges compared to Q2 2014 was mainly reported at WSE and the PolPX Group (a decrease of PLN 1.3 million and PLN 1.3 million, respectively). On the other hand, external service charges at WSEInfoEngine increased (by PLN 0.8 million). External service charges in Q3 2014 compared to Q2 2014 were driven by the following factors:

- lower costs of WSE including mainly lower promotion and advertising costs (by PLN 2.3 million), higher costs of advisory (by PLN 0.8 million) and higher costs of software maintenance and IT service provisions (PLN 0.2 million);
- lower costs of the PolPX Group including mainly a decrease of other external service charges by PLN 0.8 million (the PolPX Group recognised expenses for the office refurbishment in Q2 2014), lower promotion and advertising costs (by PLN 0.2 million) and cost of maintenance of plant, property and equipment and intangible assets (by PLN 0.2 million);
- higher costs of WSEInfoEngine due to an adjustment of the value of transactions related to clearing of power purchase and sale as part of services on the balancing market provided by WSEInfoEngine as the entity responsible for trade balancing (reduction of external service charges by PLN 0.9 million in Q2 2014 for the first six months of 2014). On the revenue side, the adjustment of PLN 0.9 million concerned other fees paid by commodity market participants.

The decrease of external service charges compared to Q3 2013 was mainly due to lower costs of the PolPX Group (an decrease of PLN 0.3 million) and lower costs of WSE (a decrease of PLN 0.1 million). The decrease of costs in Q3 2014 compared to Q3 2013 was driven by the following factors:

- lower costs of the PolPX Group including external service charges (by PLN 0.4 million) and lower advisory cost (by PLN 0.1 million) partly offset by higher promotion costs (by PLN 0.1 million) and costs of legal services and translation (by PLN 0.1 million);
- lower cost of WSE driven by lower promotion costs (by PLN 0.4 million), lower other external service charges (by PLN 0.4 million), lower data transmission line costs (by PLN 0.3 million) and lower costs of legal services and translation (by PLN 0.2 million) partly offset by higher advisory costs (by PLN 0.7 million) and higher cost of maintenance of plant, property and equipment and intangible assets (by PLN 0.6 million).

Rent and other maintenance fees: Rent and other maintenance fees stood at PLN 3.0 million in Q3 2014 compared to PLN 2.6 million in Q2 2014 and PLN 2.7 million in Q3 2013. The increase of rent compared to Q2 2014 and Q3 2014 was reported by the PolPX Group due to lease of additional space by the subsidiary WCCH.

Fees and charges: Fees and charges stood at PLN 5.9 million in Q3 2014, PLN 5.9 million in Q2 2014 and PLN 5.4 million in Q3 2013. The main part of these costs are fees paid by WSE to PFSA for supervision over the capital market. The fees paid by WSE to PFSA stood at PLN 5.3 million in Q3 2014, PLN 5.2 million in Q2 2014 and PLN 4.6 million in Q3 2013. According to information from PFSA, the advance fee for supervision over the capital market will be PLN 6.0 million in Q4 2014.

Other operating expenses: Other operating expenses stood at PLN 1.5 million in Q3 2014, PLN 2.0 million in Q2 2014 and PLN 1.8 million in Q3 2013. The decrease of expenses in Q3 2014 compared to Q2 2014 was mainly driven by higher costs of PolPX in respect of materials consumption and professional membership fees in Q2 2014. The decrease of costs in Q3 2014 compared to Q3 2013 was mainly driven by lower costs of WSE's low-value software.

Other operating expenses included mainly costs of materials and electricity, business travel, professional membership fees, property insurance, and conferences.

2.2.4. Other income and expenses

Other income of the Group stood at PLN 0.2 million in Q3 2014 compared to PLN 0.5 million in Q2 2014 and PLN 0.2 million in Q3 2013. The decrease of other income in Q3 2014 compared to Q2 2014 was mainly driven by partial release of provisions against legal disputes relating to a settlement with the former Management Board of BondSpot at PLN 0.4 million in Q2 2014.

Other expenses of the Group stood at PLN 0.1 million in Q3 2014 compared to PLN 1.0 million in Q2 2014 and PLN 0.5 million in Q3 2013. The decrease of other expenses in Q3 2014 compared to Q2 2014 was due to provisions set up by WSE against irregular debt at PLN 0.8 million in Q2 2014.

The Group paid a cost of donations at PLN 10 thousand in Q3 2014 compared to PLN 67 thousand in Q2 2014 and PLN 20 thousand in Q3 2013.

2.2.5. Financial income and expenses

Financial income of the Group stood at PLN 2.7 million in Q3 2014, PLN 3.0 million in Q2 2014 and PLN 2.2 million in Q3 2013. The generated financial income includes mainly interest on bank deposits and coupons on Treasury bonds held by WSE.

In the first nine months of 2013 and 2014, the high separate financial income earned by WSE included mainly dividend paid by subsidiaries and affiliates, which is not reported in the consolidated financial statements due to elimination in consolidation.

The total dividend earned by WSE in the first nine months of 2014 was PLN 14.8 million (PLN 11.6 million from PolPX, PLN 2.8 million from BondSpot, PLN 0.4 million from Centrum Giełdowe). In the first nine months of 2013, the total dividend earned was PLN 43.3 million (PLN 33.9 million from PolPX, PLN 5.1 million from BondSpot, PLN 3.7 million from KDPW, PLN 0.5 million from Centrum Giełdowe).

Financial expenses of the Group stood at PLN 2.5 million in Q3 2014 compared to PLN 2.6 million in Q2 2014 and PLN 2.6 million in Q3 2013.

In December 2011 and February 2012, WSE issued bonds with a total nominal value of PLN 245.0 million. The bonds are due for redemption on 2 January 2017. The bonds bear interest at a floating rate equal to WIBOR 6M + 1.17%, interest is paid semi-annually.

Interest on the bonds is the main contributor to the financial expenses of the Group. The interest cost was PLN 2.4 million in Q3 2014 compared to PLN 2.4 million in Q2 2014 and PLN 2.4 million in Q3 2013. The interest rate on the bonds was 3.89% in Q2 2014 and 3.87% in Q3 2014 compared to 3.87% in Q3 2013.

2.2.6. Share of profit of associates

The Group's share of profit of associates stood at PLN 1.1 million in Q3 2014 compared to PLN 0.9 million in Q2 2014 and PLN 3.4 million in Q3 2013.

The share of profit of associates was mainly driven by the net profit of the **KDPW Group** which stood at PLN 8.1 million in Q3 2014 compared to PLN 8.2 million in Q2 2014 and PLN 9.1 million in Q3 2013.

In the first nine months of 2014, the KDPW Group earned revenue from the provision of new services: the Trade Repository and issuance and maintenance of LEI codes. Such revenue stood at PLN 1.6 million and PLN 1.8 million in Q1 2014; PLN 1.1 million and PLN 0.2 million in Q2 2014; and PLN 0,5 million and PLN 0,1 million in Q3 2014.

The company **Centrum Giełdowe** generated a net profit of PLN 0.04 million in Q3 2014 compared to PLN 0.5 million in Q2 2014 and PLN 1.4 million in Q3 2013. The volatility of the net profit of Centrum Giełdowe in the quarters under review is mainly driven by fx differences due to the dates and amounts of repayment of the company's US\$ denominated loan. The liabilities of Centrum Giełdowe under loans and advances amounted to PLN 11.4 million at 30 September 2014.

The company **Aquis Exchange Ltd** became an associate on the acquisition of the second tranche of shares by WSE in February 2014. In Q2 and Q3 2014, Aquis Exchange Ltd contributed a loss of PLN 2.0 million and PLN 1.6 million, respectively, as a share of profit of associates to the Group.

Profit / (Loss) of associates

PLN'000	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
KDPW Group	8,072	8,204	9,124	30,363	31,896
Centrum Giełdowe S.A.	44	515	1,391	1,249	1,002
Aquis Exchange Ltd *	(6,160)	(6,137)	-	(15,058)	-
Total	1,957	2,582	10,515	16,555	32,898

WSE's share of profit / (loss) of associates

PLN'000	Three-month period ended			Nine-month period ended	
	30 September 2014	30 June 2014	30 September 2013	30 September 2014	30 September 2013
KDPW Group	2,691	2,734	3,041	10,121	10,632
Centrum Giełdowe S.A.	11	128	344	310	248
Aquis Exchange Ltd *	(1,615)	(2,001)	-	(4,517)	-
Total	1,087	861	3,385	5,914	10,880

* nine-month period: for Q1 2014 data for the period from 18.02.2014 to 31.03.2014

Source: Condensed Consolidated Interim Financial Statements, Company

2.2.7. Income tax

Income tax of the Group was PLN 7.3 million in Q3 2014 compared to PLN 5.1 million in Q2 2014 and PLN 5.6 million in Q3 2013. The **effective income tax rate** in the quarters under review was 19,6%, 20.1% and 17.7%, respectively, as compared to the standard Polish corporate income tax rate of 19%.

Income tax **paid** by the Group was PLN 10.5 million in the first nine months of 2014 compared to PLN 17.2 million in the first nine months of 2013. WSE reported a tax credit of PLN 6.9 million at the end of the first nine months of 2014, which is expected to be offset in the coming quarters.

2.2.8. Group's balance sheet structure

The **balance-sheet total** of the Group stood at PLN 1.2 billion at the end of Q3 2014 and was stable compared to the end of Q2 2014 and higher by 12.9% compared to the end of Q3 2013.

Non-current assets of the Group stood at PLN 586.3 million representing 51% of total assets at the end of Q3 2014 compared to PLN 587.0 million or 51% at the end of Q2 2014 and PLN 574.7 million or 56% at the end of Q3 2013.

The increase of investment in associates was driven by WSE's acquisition of shares of Aquis Exchange Limited. The acquisition of the shares was financed with WSE's own funds. Following the transaction, at the date of preparation of this Report, WSE holds 36.23% of shares of Aquis Exchange giving 30.00% of economic and voting rights. The total value of the acquisition of 36.23% of shares was PLN 25.3 million. As of Q1 2014, Aquis is presented in the consolidated statement of financial position as an associate under investment in associates and is consolidated using equity accounting.

Current assets of the Group stood at PLN 565.6 million representing 49% of total assets at the end of Q3 2014 compared to PLN 564.8 million or 49% at the end of Q2 2014 and PLN 445.9 million or 44% at the end of Q3 2013. The change in the current assets in Q3 2014 was driven among others by the following factors:

- cash flows from operating activities of the Group;
- payment of dividend to the shareholders of WSE at PLN 50.4 million;
- increase of the assets of the WCCH clearing guarantee system;
- decrease of trade receivables of WSE and WSEInfoEngine and increase of trade receivables of PolPX.

Consolidated statement of financial position of WSE Group at the end of selected quarters, 2013-2014 (assets)

PLN'000	As at					
	30 September 2014	%	30 June 2014	%	30 September 2013	%
Non-current assets	586,336	51%	587,013	51%	574,749	56%
Property, plant and equipment	119,368	10%	118,530	10%	120,622	12%
Intangible assets	261,523	23%	264,294	23%	272,388	27%
Investment in associates	189,894	16%	188,674	16%	156,694	15%
Deferred tax assets	1,343	0%	1,341	0%	645	0%
Available-for-sale financial assets	10,676	1%	10,706	1%	20,982	2%
Prepayments	3,532	0%	3,468	0%	3,418	0%
Current assets	565,556	49%	564,838	49%	445,915	44%
Inventories	127	0%	147	0%	180	0%
Corporate income tax receivables	6,853	1%	6,974	1%	5,166	1%
Trade and other receivables	39,103	3%	41,115	4%	44,754	4%
Available-for-sale financial assets	586	0%	428	0%	586	0%
Other current assets	7	0%	-	0%	-	0%
Cash and cash equivalents	518,880	45%	516,174	45%	395,229	39%
<i>incl.: assets of the clearing guarantee system</i>	<i>159,323</i>	<i>14%</i>	<i>140,022</i>	<i>12%</i>	<i>124,581</i>	<i>12%</i>
Total assets	1,151,892	100%	1,151,851	100%	1,020,664	100%

Source: Condensed Consolidated Interim Financial Statements, Company

The **equity** of the Group stood at PLN 676.0 million representing 59% of the Group's total liabilities and equity at the end of Q3 2014 compared to PLN 696.3 million or 60% at the end of Q2 2014 and PLN 609.0 million or 60% at the end of Q3 2013. The lower equity at the end of Q3 2014 was a result of the payment of dividend by WSE at PLN 50.4 million.

Non-current liabilities of the Group stood at PLN 255.8 million representing 22% of the Group's total equity and liabilities at the end of Q3 2014 compared to PLN 253.2 million or 22% at the end of Q2 2014 and PLN 248.2 million or 24% at the end of Q3 2013. Non-current liabilities of the Group include mainly liabilities of WSE under issued bonds. The higher deferred tax liability at the end of September 2014 was mainly driven by the difference between the initial tax value and the balance-sheet value of the implemented UTP system (to the extent of intangible assets) and the difference of the amortisation period of the system for balance-sheet and tax purposes.

Current liabilities of the Group stood at PLN 220.1 million and represented 19% of the Group's total equity and liabilities at the end of Q3 2014 compared to PLN 202.3 million or 18% at the end of Q2 2014 and PLN 163.4 million or 16% at the end of Q3 2013.

The change in the current liabilities in Q3 2014 was driven among others by the following factors:

- increase of trade receivables of PolPX;
- increase of liabilities of the WCCH clearing guarantee system;
- interest due to the WSE bondholders for Q3 2014.

Consolidated statement of financial position of WSE Group at the end of selected quarters, 2013-2014 (equity and liabilities)

PLN'000	As at					
	30 September 2014	%	30 June 2014	%	30 September 2013	%
Equity	676,019	59%	696,280	60%	609,024	60%
Share capital	63,865	6%	63,865	6%	63,865	6%
Other reserves	1,783	0%	1,643	0%	1,129	0%
Retained earnings	609,294	53%	629,756	55%	542,825	53%
Non-controlling interests	1,077	0%	1,016	0%	1,205	0%
Non-current liabilities	255,781	22%	253,239	22%	248,234	24%
Employee benefits payable	4,037	0%	4,447	0%	4,283	0%
Finance lease liabilities	262	0%	296	0%	449	0%
Liabilities under bond issue	243,963	21%	243,848	21%	243,502	24%
Deferred income tax liability	7,519	1%	4,648	0%	-	0%
Current liabilities	220,092	19%	202,332	18%	163,406	16%
Trade payables	13,747	1%	6,967	1%	5,402	1%
Finance lease liabilities	224	0%	265	0%	460	0%
Corporate income tax payable	1,745	0%	754	0%	969	0%
Liabilities under bond issue	2,375	0%	-	0%	2,377	0%
Dividends and other liabilities	191,320	17%	182,833	16%	140,003	14%
<i>incl. liabilities of the clearing guarantee system</i>	<i>159,323</i>	<i>14%</i>	<i>140,022</i>	<i>12%</i>	<i>124,581</i>	<i>12%</i>
Employee benefits payable	9,510	1%	10,254	1%	12,844	1%
Provisions for other liabilities and charges	1,171	0%	1,259	0%	1,351	0%
Total equity and liabilities	1,151,892	100%	1,151,851	100%	1,020,664	100%

Source: Condensed Consolidated Interim Financial Statements, Company

2.2.9. Cash flows

The Group generated positive cash flows from **operating activities** at PLN 154.0 million in the first nine months of 2014 compared to PLN 128.5 million in the first nine months of 2013. The higher cash flows from operating activities in the first nine months of 2014 were mainly driven by an increase in other liabilities including mainly liabilities of the WCCH clearing guarantee system.

The cash flows from **investing activities** were negative at PLN 16.5 million in the first nine months of 2014, mainly driven by WSE's acquisition of the second tranche of shares of Aquis Exchange Ltd for PLN 15.2 million (GBP 3.0 million). The cash flows from investing activities were negative at PLN 73.5 million in the first nine months of 2013 and were mainly driven by WSE's capital expenditure for the acquisition of the new trading system UTP.

The cash flows from **financing activities** were negative at PLN 55.6 million in the first nine months of 2014, mainly driven by the payment of dividend by WSE at PLN 50.4 million and cash flows related to the payment of a WSE bond coupon at PLN 4.7 million. The cash flows from financing activities in the first nine months of 2013 stood at PLN 39.6 million and related to the payment of dividend by WSE at PLN 32.6 million and cash flows related to the payment of a WSE bond coupon at PLN 6.4 million.

Consolidated cash flows of WSE Group in the first nine months, 2013-2014

PLN'000	Cash flows for the nine-month period ended 30 September	
	2014	2013
Cash flows from operating activities	153,964	128,519
Cash flows from investing activities	(16,527)	(73,475)
Cash flows from financing activities	(55,615)	(39,573)
Net increase / (decrease) in cash and cash equivalents	81,822	15,471
<i>Impact of change of fx rates on cash balances in foreign currencies</i>	227	875
Cash and cash equivalents - opening balance	436,831	378,883
Cash and cash equivalents - closing balance	518,880	395,229

Source: Condensed Consolidated Interim Financial Statements

2.2.10. Capital expenditure

The Group's total capital expenditure in the first nine months of 2014 amounted to PLN 9.1 million including expenditure for property, plant and equipment at PLN 7.0 million and expenditure for intangible assets at PLN 2.1 million. By comparison, the Group's total capital expenditure in the first nine months of 2013 amounted to PLN 71.4 million including expenditure for property, plant and equipment at PLN 6.1 million and expenditure for intangible assets at PLN 65.3 million. The expenditure included mainly the new trading system UTP.

The value of (contracted) future investment commitments of the Group was PLN 11.5 million as at 30 September 2014.

2.2.11. Seasonality and cyclicity of operations

Share prices and the value of trading are significantly influenced by local, regional and global trends impacting the capital markets, which determines the number and size of new issues of financial instruments and the activity of investors on WSE. As a result, the revenue of the Group is cyclical.

Trading in certificates of origin on PolPX is subject to some seasonality. The volume of trade in property rights on the property rights market operated by PolPX is largely determined by the obligation imposed on energy companies which sell electricity to final consumers and have to redeem, by 31 March of each year, a certain quantity of certificates of origin from the previous year. The percentage of certificates of origin which must be redeemed is fixed for every year in regulations of the Minister of the Economy. Consequently, trading in the first half of the year is relatively higher than in the second half of the year. For cogeneration (red, yellow and purple certificates), the obligation can be performed (as of next year) by 30 June of each year for the previous year, which will spread the increased volume of trading in the first half of the year over more months.

The issuance of certificates of origin also intensifies in Q1 and in Q4 of the year. Certificates of origin are subject to mandatory redemption within time limits set in the energy market regulations.

Trading in energy on the Commodity Derivatives Market operated by PolPX is not distributed evenly over the year. It is seasonal in that trading is relatively low in the first half of the year compared to the second half of the year. This is because the supply side is awaiting information about the costs of electricity generation (including the cost of fuel) in the first half of the year. The demand side, in turn, needs time to determine its demand for the next year based on the demand of its clients.

2.2.12. Key factors impacting results in the horizon of at least one quarter

SUSPENDED NEGOTIATIONS CONCERNING CO-OPERATION WITH THE EXCHANGE GROUP CEESEG

Following a thorough review of potential options of regional growth, the WSE Management Board decided to suspend co-operation negotiations providing among others for an equity alliance with CEESEG. Considering the large growth potential of the Polish economy and capital market, WSE decided to focus on organic growth at this time. This does not exclude potential co-operation with CEESEG in individual projects in order to improve the attractiveness and recognisability of the Central and Eastern European capital market and resumed negotiations in the future.

EXTENDED SUPPORT FOR COGENERATION

The President of Poland signed into law an act extending support for cogeneration on 7 April 2014. The act of 14 March 2014 extends until 30 June 2019 the support system for the production of power and heat in all types of high-efficiency cogeneration including gas-fired units and units with a total installed electric capacity under 1 MW fired with methane or gas from biomass processing as well as other cogeneration units.

The entry into force of the new act may have a positive impact on the value of trading on the market in property rights in certificates of origin of electricity, higher fees charged for the operation of the register of certificates of origin of electricity and fees for clearing of transactions in cogeneration certificates, and consequently on the revenue of the PolPX Group in the coming quarters.

CAPITAL EXPENDITURE FOR THE IMPLEMENTATION OF UTP-DERIVATIVES

The implementation of a UTP derivatives trading module (UTP-Derivatives) depends, among others, on WSE's current analysis of the business aspects of the project.

INTRODUCTION OF AN OBLIGATION ON THE GAS MARKET

New regulations effective as of September 2013 require companies which trade in gas to sell a proportion of the volume supplied to the industrial network on a commodity exchange. The amendment of the energy law by the “small energy legislation tri-pack” imposes the obligation to sell 40% of gas on the exchange in 2014 and 55% as of 2015. The obligation may have a positive impact on the value of trading on the gas market.

ACTIVITY OF INVESTORS ON THE WIG20 FUTURES MARKET

In the coming months, WSE may still report a decrease of revenue from trading in derivatives compared to 2013 following the decision to delist WIG20 futures contracts with a multiplier of PLN 10 (a class of WIG20 futures contracts with a multiplier of PLN 20 remains in trading). The decision of WSE to replace the futures contracts with a multiplier of PLN 10 with futures contracts with a multiplier of PLN 20 aims to stimulate the activity of investors present on that market and to attract new investors to the market mainly through a sharp reduction of transaction costs charged by WSE in relation to the value of a futures contract.

ACQUISITION OF SHARES OF AQUIS EXCHANGE LTD.

Under an agreement of 19 August 2013, WSE took up 384,025 new issue shares of Aquis Exchange Ltd. with its registered office in the UK. At the date of preparation of this Report, WSE holds 36.23% of shares giving 30.00% of rights attached to the shares of Aquis Exchange Ltd. The total price of the acquisition of Aquis Exchange by WSE was GBP 5.0 million. Aquis launched in Q4 2013. Consequently, revenue generated by the entity in the early periods may not cover its expenses.

2.2.13. Other material information

CHANGES ON THE WSE MANAGEMENT BOARD AND THE WSE SUPERVISORY BOARD

On 26 June 2014, at the request of the State Treasury, a shareholder representing 35.00% of the WSE share capital, the WSE General Meeting resolved to appoint Mr Paweł Tamborski as President of the WSE Management Board for a new term of office.

The decision entered into force on the day of delivery to the Company of a decision of the Polish Financial Supervision Authority approving the change on the WSE Management Board and the receipt by Mr Paweł Tamborski of the consent of the Committee for the Review of Requests for Consent for Employment of Persons Who Performed Public Functions appointed by the Prime Minister but not earlier than the date of the approval of the financial statements of Warsaw Stock Exchange for 2013 by the Ordinary General Meeting.

With reference to Current Report No. 8/2014 dated 26 June 2014, WSE announced that on 8 July 2014 it was informed that Mr Paweł Tamborski received the consent of the Committee for the Review of Requests for Consent for Employment of Persons Who Performed Public Functions appointed by the Prime Minister for his employment at the Company as President of the Management Board. This fulfilled the first condition for the employment of Mr Paweł Tamborski at the Company as President of the Management Board.

On 24 July 2014, WSE received the decision of the Polish Financial Supervision Authority approving the change on the WSE Management Board consisting in the appointment of Mr Paweł Tamborski as President of the Company's Management Board. This fulfilled the second condition under the Resolution of the WSE General Meeting of 26 June 2014 appointing the President of the WSE Management Board for a new term of office.

Following the approval of the financial statements for 2013 by the Ordinary General Meeting of WSE, Resolution No. 3 of the Ordinary General Meeting of WSE dated 26 June 2014, which appointed Mr Paweł Tamborski as President of the WSE Management Board for a new term of office, took effect.

On 25 July 2014, the Ordinary General Meeting of WSE elected the following persons to the WSE Supervisory Board for a new term of office:

- Dariusz Kacprzyk,
- Jacek Lewandowski,
- Piotr Piłat,
- Dr Wiesław Rozłucki,
- Dr Marek Słomski,
- Professor Marek Wierzbowski.

On 25 July 2014, the WSE Supervisory Board decided to:

- appoint Dariusz Kułakowski as Vice-President of the WSE Management Board for IT and Technology (CIO),
- appoint Karol Półtorak as Vice-President of the WSE Management Board for Finance (CFO),
- appoint Mirosław Szczepański as Vice-President of the WSE Management Board for Operations (COO),
- appoint Grzegorz Zawada as Vice-President of the WSE Management Board for Strategy and Development (CSO).

The Resolution of the WSE Supervisory Board concerning Dariusz Kułakowski and Mirosław Szczepański took effect on the date of adoption, i.e., 25 July 2014.

On 25 August 2014, the Extraordinary General Meeting of WSE elected Waldemar Maj to the WSE Supervisory Board.

The Resolution of the WSE Supervisory Board concerning Grzegorz Zawada took effect on the date of delivery to the Company of the approval of the Polish Financial Supervision Authority for the change on the WSE Management Board, i.e., on 27 August 2014.

The Resolution of the WSE Supervisory Board concerning Karol Półtorak took effect on the date of delivery to the Company of the approval of the Polish Financial Supervision Authority for the change on the WSE Management Board, i.e., on 9 September 2014.

DIVIDEND

On 25 July 2014, the Ordinary General Meeting of WSE passed a resolution concerning distribution of the Company's profit for 2013 and decided to allocate PLN 50,366.4 thousand for dividend. The Ordinary General Meeting of WSE set 7 August 2014 as the dividend record date and 26 August 2014 as the dividend payment date. The dividend per share was PLN 1.20. The number of shares eligible for dividend was 41,972,000.

Pursuant to Resolution No. 4 of the Ordinary General Meeting dated 21 June 2013, the parent entity allocated PLN 32,738 thousand of the 2012 profit for dividend. The dividend was paid on 26 July 2013. The dividend per share was PLN 0.78.

INFORMATION ABOUT ISSUE AND REDEMPTION OF NON-EQUITY AND EQUITY SECURITIES

On 23 December 2011, WSE issued 1,700,000 Series A bearer bonds with a total nominal value of PLN 170 million. On 15 February 2012, WSE issued 750,000 Series B bearer bonds with a total nominal value of PLN 75 million. The value of the Series B bond offering was PLN 75,682,500. Both bond series are due for redemption on 2 January 2017. The bonds bear interest at a floating rate equal to WIBOR 6M +1.17%, interest is paid semi-annually.

WIG20 TO REMAIN THE PRINCIPAL UNDERLYING INDEX FOR DERIVATIVES

On 18 September 2014, WSE decided on changes to the exchange indices. WIG20 will remain the principal underlying index for derivatives. WIG30 will continue to be published. The decision to maintain WIG20 as the underlying of financial instruments will affect the related SME indices mWIG40 and sWIG80. mWIG40 will continue to be published while sWIG80 will be resumed as of early 2015 (sWIG80 is currently calculated as the investment fund benchmark MiS80). WSE will discontinue the publication of WIG50 and WIG250 as of 2015. Consequently, WIG50 futures contracts will not be introduced to trading.

CONTINGENT LIABILITIES AND INVESTMENT COMMITMENTS

On 18 February 2014, the Regional Administrative Court in Warsaw gave a decision in case no. III Sa/Wa 1230/13 whereby it dismissed a complaint of the Warsaw Commodity Clearing House [“WCCH”] against an individual interpretation given by the Director of the Tax Chamber in Warsaw. In its decision, the Court confirmed the position of the Ministry of Finance presented in the interpretation whereby WCCH is not legally allowed to use an exemption for its services, i.e., clearing and settlement of forward transactions in electricity, within the meaning of the Value Added Tax Act [“VAT Act”]. In the light of the interpretation and the oral and written justification presented by the Court, such services should be classified as technical services and, consequently, taxed at the basic VAT rate (currently 23%).

In view of the foregoing, WCCH has filed a cassation complaint with the Supreme Court of Administration within the time limit required under procedural law. In the opinion of the WCCH Management Board, the decision does not address the merits of WCCH’s complaint and is based on an erroneous interpretation of facts. The position of WCCH is also underpinned by the long-time practice of the Tax Chamber which has applied a VAT exemption with respect to the services outlined in the complaint. In its cassation complaint, in addition to the aforementioned arguments, WCCH has filed a request for a prejudicial question to be asked by the national court (Supreme Court of Administration) of the Court of Justice of the European Union (“CJEU”).

These Condensed Consolidated Interim Financial Statements do not include any adjustments to WCCH’s VAT balances. However, if the decision of the Regional Administrative Court is upheld by the bench of the Supreme Court of Administration, WCCH would be required to pay interest on overdue VAT payments, estimated at PLN 1,538 thousand as at 30 September 2014 (interest estimated at PLN 877 thousand as at 31 December 2013). At the same time, WCCH could adjust VAT invoices issued to its members for forward commodity transactions concluded as of 1 January 2011, i.e., the effective date of the regulations under which the individual interpretation was issued, pursuant to § 56(2) of the WCCH Rules.

The Group had no other contingent liabilities and investment commitments at 30 September 2014.

PENDING LITIGATION

According to the Company’s best knowledge, there is no litigation pending against the parent entity or other companies of the Group before a court, an arbitration body or a public administration body concerning liabilities or debt with a value of at least 10% of the Company’s equity.



RELATED PARTY TRANSACTIONS

In June 2014, WSE sold a Microsoft Dynamics AX licence to WSE Commodities for PLN 100. The net book value of the licence on WSE's books at the sale date was PLN 318 thousand. The transaction was closed in keeping with the tax regulations applicable between members of a tax group.

In June 2014, WSE granted a short-term loan of PLN 400 thousand to the subsidiary WSEInfoEngine S.A. The purpose of the loan is to finance the company's current business. The interest on the loan is 7.0% p.a. The loan was granted for a term of three months. The loan was repaid early, on 8 August 2014, together with interest accrued until that date.

In the first nine months of 2014, WSE and the associates of WSE did not make any other significant transactions on terms other than market terms.

GUARANTIES AND SURETIES GRANTED

On 1 April 2014, WSE and the Polish Power Grid Company signed a surety agreement concerning due performance of the obligations of the subsidiary WSEInfoengine S.A. under electricity purchase and sale contracts concluded on the balancing market. The liability of WSE as surety provider is limited to no more than PLN 1.0 million.

The Group granted and accepted no other guarantees and sureties in the first nine months of 2014.

FEASIBILITY OF PREVIOUSLY PUBLISHED FORECASTS

The Group did not publish any forecasts of 2014 results.

EVENTS AFTER THE BALANCE-SHEET DATE WHICH COULD SIGNIFICANTLY IMPACT THE FUTURE FINANCIAL RESULTS OF THE ISSUER

There were no other events after the balance-sheet date which could significantly impact the future financial results of the issuer.

OTHER MATERIAL INFORMATION

In the opinion of the Company, in the first nine months of 2014, there were no significant events or circumstances, other than those presented in this quarterly Report, which would be material to an evaluation of the Company's or the Group's position with regard to its human resources, assets, financial standing, financial results and capacity to meet obligations.

3. Quarterly financial information of Warsaw Stock Exchange for Q3 2014

This quarterly financial information of Warsaw Stock Exchange has been prepared in accordance with the accounting policy principles binding for the Condensed Consolidated Interim Financial Statements for the nine-month period ended 30 September 2014. The estimates did not change substantially in the nine-month period ended 30 September 2014, including adjustments of provisions, deferred tax provisions and deferred tax assets mentioned in the IFRS, and there were no significant asset revaluation write-offs. In the period under review, the Company and its subsidiaries did not make one or more significant transactions with related parties on terms other than market terms, and neither did they grant credit or loan sureties other than the credit and loan sureties described in section 2.2.13.

Separate statement of comprehensive income for the nine-month period ended 30 September 2014 (PLN'000)

	Nine-month period ended 30.09.2014	Nine-month period ended 30.09.2013	Three-month period ended 30.09.2014	Three-month period ended 30.09.2013
Revenues	145,518	145,051	46,624	46,893
Operating expenses	95,914	92,109	30,648	29,941
Other income	103	514	46	202
Other expenses	1,333	1,064	(217)	400
Operating profit	48,374	52,392	16,239	16,754
Financial income	19,832	48,878	1,621	1,457
Financial expenses	7,507	9,341	2,494	2,552
Profit before income tax	60,699	91,929	15,366	15,659
Income tax expense	9,201	9,461	2,990	3,077
Profit for the period	51,498	82,468	12,376	12,581
Other comprehensive income:				
Income to be reclassified as gains or losses	(59)	3,039	6	(289)
Net change of fair value of available-for-sale financial assets	(106)	(164)	(18)	(76)
Effective portion of change of fair value of cash flow hedges	47	3,202	24	(213)
Other comprehensive income after tax	(59)	3,039	6	(289)
Total comprehensive income	51,439	85,507	12,383	12,293
Basic / Diluted earnings per share (PLN)	1.23	1.96	0.29	0.30

Source: Company

Separate statement of financial position as at 30 September 2014 (PLN'000)

ASSETS	30.09.2014	30.06.2014	31.12.2013	30.09.2013
Non-current assets	504,298	509,963	496,790	501,187
Property, plant and equipment	103,226	106,174	112,279	114,761
Intangible assets	87,825	90,412	95,439	98,445
Investments in associates and subsidiaries	299,364	299,364	265,107	263,894
Available-for-sale financial assets	10,676	10,706	20,955	20,982
Prepayments	3,206	3,307	3,010	3,105
Current assets	230,302	270,769	225,645	209,390
Inventory	127	147	166	180
Income tax receivable	6,853	6,974	10,496	5,057
Trade and other receivables	25,070	26,587	23,940	29,600
Available-for-sale financial assets	586	428	118	586
Other short-term financial assets	-	402	-	-
Cash and cash equivalents	197,666	236,231	190,925	173,967
TOTAL ASSETS	734,600	780,732	722,435	710,577
EQUITY AND LIABILITIES				
Equity	457,556	495,540	456,483	437,049
Share capital	63,865	63,865	63,865	63,865
Other reserves	(47)	(53)	12	95
Retained earnings	393,738	431,728	392,606	373,089
Non-current liabilities	255,375	252,800	249,904	248,033
Employee benefits payable	3,894	4,303	4,313	4,158
Liabilities under bond issue	243,963	243,848	243,617	243,502
Deferred tax liability	7,519	4,649	1,974	373
Current liabilities	21,669	32,393	16,048	25,495
Trade payables	1,522	4,241	3,184	3,994
Liabilities under bond issue	2,375	-	-	2,377
Dividends and other liabilities	11,586	20,308	3,894	9,776
Employee benefits payable	6,186	7,844	8,970	9,347
TOTAL EQUITY AND LIABILITIES	734,600	780,732	722,435	710,577

Source: Company

**Separate cash flow statement
for the nine-month period ended 30 September 2014 (PLN'000)**

	Nine-month period ended 30.09.2014	Nine-month period ended 30.09.2013
A Cash flows from operating activities	68,278	70,042
Cash generated from operating activities	68,278	76,709
Income tax paid	-	(6,667)
B Cash flows from investing activities	(6,806)	(34,622)
Purchase of property, plant and equipment	(879)	(2,934)
Proceeds from sale of property, plant and equipment and intangible assets	19	131
Purchase of intangible assets	(899)	(63,722)
Acquisition of subsidiaries	(8,950)	(1,745)
Acquisition of associates	(15,202)	-
Acquisition of available-for-sale financial assets	-	(10,105)
Loans granted	(1,080)	-
Loans repayment	1,080	-
Interest received	4,277	4,221
Interest received on loans granted	9	-
Dividends received	14,819	39,533
C Cash flows from financing activities	(54,957)	(39,019)
Dividends paid	(50,228)	(32,600)
Interest paid	(4,729)	(6,419)
D Net (decrease) / increase in cash and cash equivalents	6,515	(3,598)
<i>Impact of change of fx rates on cash balances in foreign currencies</i>	226	-
Cash and cash equivalents - opening balance	190,925	177,565
Cash and cash equivalents - closing balance	197,666	173,967

Source: Company

**Separate statement of changes in equity
for the nine-month period ended 30 September 2014 (PLN'000)**

	Attributable to the shareholders of the parent entity			Total equity
	Share capital	Other reserves	Retained earnings	
As at 31 December 2012	63,865	(2,943)	323,959	384,881
Dividends	-	-	(33,338)	(33,338)
Net profit for the nine-month period ended 30 September 2013	-	-	82,468	82,468
Income to be reclassified as gains or losses	-	3,039	-	3,039
Net change of fair value of available-for-sale financial assets	-	(164)	-	(164)
Effective portion of change of fair value of cash flow hedges	-	3,202	-	3,202
Total comprehensive income for the nine-month period ended 30 September 2013	-	3,039	82,468	85,507
As at 30 September 2013	63,865	95	373,089	437,049
As at 31 December 2012	63,865	(2,943)	323,959	384,881
Dividends	-	-	(32,738)	(32,738)
Net profit for the year ended 31 December 2013	-	-	101,385	101,385
Income to be reclassified as gains or losses	-	2,955	-	2,955
Net change of fair value of available-for-sale financial assets	-	(166)	-	(166)
Effective portion of change of fair value of cash flow hedges	-	3,121	-	3,121
Total comprehensive income for the year ended 31 December 2013	-	2,955	101,385	104,340
As at 31 December 2013	63,865	12	392,606	456,483
As at 31 December 2013	63,865	12	392,606	456,483
Dividends	-	-	(50,366)	(50,366)
Net profit for the nine-month period ended 30 September 2014	-	-	51,498	51,498
Income to be reclassified as gains or losses	-	(59)	-	(59)
Net change of fair value of available-for-sale financial assets	-	(106)	-	(106)
Effective portion of change of fair value of cash flow hedges	-	47	-	47
Total comprehensive income for the nine-month period ended 30 September 2014	-	(59)	51,498	51,440
As at 30 September 2014	63,865	(47)	393,738	457,556

Source: Company



4. Appendices

Condensed Consolidated Interim Financial Statements for the nine-month period ended 30 September 2014 and the auditor's review report



KPMG Audyt
Spółka z ograniczoną
odpowiedzialnością sp.k.
ul. Chłodna 51
00-867 Warszawa
Poland

Telefon +48 22 528 11 00
Fax +48 22 528 10 09
E-mail kpmg@kpmg.pl
Internet www.kpmg.pl

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.

**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2014 TO 30 SEPTEMBER 2014**

To the Shareholders of Giełda Papierów Wartościowych w Warszawie S.A.

Introduction

We have reviewed the accompanying 30 September 2014 condensed consolidated interim financial statements of the Giełda Papierów Wartościowych w Warszawie S.A. Group, with its parent company's registered office in Warsaw, ul. Książęca 4 ("the condensed consolidated interim financial statements"), which comprise:

- the consolidated statement of financial position as at 30 September 2014,
- the consolidated statement of comprehensive income for the three-month period and nine-month period ended 30 September 2014,
- the consolidated statement of changes in equity for the nine-month period ended 30 September 2014,
- the consolidated statement of cash flows for the nine-month period ended 30 September 2014, and
- notes to the interim financial statements.

Management of the Parent Entity is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the IAS 34 *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements, based on our review.

Scope of Review

We conducted our review in accordance with the National Standard on Auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* issued by the National Council of Certified Auditors and the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with national standards on auditing and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2014 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
registration number 3546
ul. Chłodna 51, 00-867 Warsaw

Signed on the Polish original

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

24 October 2014

Signed on the Polish original

.....
Marlena Brzezińska
Certified Auditor
Registration No. 12755



WARSAW
STOCK
EXCHANGE

Condensed Consolidated Interim
Financial Statements of
the Giełda Papierów Wartościowych
w Warszawie S.A. Group
for the Nine-month Period Ended
30 September 2014



Table of Contents

Consolidated Statement of Financial Position	2
Consolidated Statement of Comprehensive Income	3
Consolidated Statement of Cash Flows	4
Consolidated Statement of Cash Flows, continued	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Changes in Equity, continued	7
Notes to the Condensed Consolidated Interim Financial Statements	8
1. General	8
1.1. Legal status and scope of operations of the entity	8
1.2. Approval of the financial statements	9
1.3. Composition and activity of the Group	9
2. Basis of preparation of the financial statements and summary of significant accounting policies	9
3. Property, plant and equipment	10
4. Intangible assets	10
5. Investment in associates	11
6. Available-for-sale financial assets	11
7. Changes in provisions and impairment losses for assets	12
8. Cash and cash equivalents	13
9. Financial liabilities	13
10. Income tax	14
11. Contingent liabilities	15
12. Related party transactions	15
12.1. Information on remuneration and benefits of the key management personnel	15
12.2. Information about transactions with companies which are related parties of the State Treasury	16
12.3. Transactions with associates	17
13. Dividend	18
13.1 Dividend paid	18
14. Seasonality	18
15. Segment reporting	18
16. Events after the balance sheet date	27



(all amounts in PLN'000 unless otherwise stated)

Consolidated Statement of Financial Position

	Note	As at	
		30 September 2014 <i>(unaudited)</i>	31 December 2013
Non-current assets		586 336	576 421
Property, plant and equipment	3	119 368	124 042
Intangible assets	4	261 523	269 155
Investment in associates	5	189 894	158 540
Deferred tax assets	10	1 343	-
Available-for-sale financial assets	6	10 676	20 955
Prepayments		3 532	3 729
Current assets		565 556	482 707
Inventories		127	166
Corporate income tax receivable		6 853	10 797
Trade and other receivables		39 103	34 792
Available-for-sale financial assets	6	586	118
Other current financial assets		7	3
Cash and cash equivalents <i>including Guarantee Funds</i>	8	518 880 <i>159 323</i>	436 831 <i>125 326</i>
TOTAL ASSETS		1 151 892	1 059 128
Equity		676 019	638 105
Equity of the shareholders of the parent entity		674 942	636 985
Share capital		63 865	63 865
Other reserves		1 783	1 278
Retained earnings		609 294	571 842
Non-controlling interests		1 077	1 120
Non-current liabilities		255 781	249 578
Employee benefits payable	7	4 037	4 456
Finance lease liabilities		262	439
Liabilities on bonds issue	9	243 963	243 617
Deferred tax liability	10	7 519	1 066
Current liabilities		220 092	171 445
Trade payables		13 747	12 738
Finance lease liabilities		224	365
Corporate income tax payable		1 745	657
Liabilities on bonds issue	9	2 375	-
Dividends and other liabilities <i>including Guarantee Funds</i>		191 320 <i>159 323</i>	144 035 <i>125 326</i>
Employee benefits payable	7	9 510	11 511
Provisions for other liabilities and charges	7	1 171	2 139
TOTAL EQUITY AND LIABILITIES		1 151 892	1 059 128

The attached Notes are an integral part of these Condensed Consolidated Interim Financial Statements.



(all amounts in PLN'000 unless otherwise stated)

Consolidated Statement of Comprehensive Income

	Note	Three-month period ended 30 September		Nine-month period ended 30 September	
		2014 (unaudited)	2013 (unaudited)	2014 (unaudited)	2013 (unaudited)
Revenue	15	77 869	69 000	233 631	212 915
Operating expenses		(41 923)	(40 241)	(130 269)	(121 116)
Other income		191	227	889	1 725
Other expenses		(85)	(491)	(2 038)	(1 302)
Operating profit		36 052	28 495	102 213	92 222
Financial income		2 657	2 200	8 186	9 215
Financial expenses		(2 528)	(2 561)	(7 633)	(9 425)
Share of profit of associates		1 087	3 385	5 914	10 880
Profit before income tax		37 268	31 519	108 680	102 892
Income tax expense	10	(7 302)	(5 566)	(20 693)	(17 894)
Net profit for the period		29 966	25 953	87 987	84 998
Other comprehensive income:		-	-	-	-
Income to be reclassified as gains or losses		139	(790)	505	2 129
<i>Net change of fair value of available-for-sale financial assets</i>		(18)	(76)	(106)	(164)
<i>Effective portion of change of fair value of cash flow hedges</i>		24	(213)	47	3 202
<i>Gains/(losses) from the valuation of available-for-sale financial assets of the associate</i>		133	(502)	563	(909)
Other comprehensive income after tax		139	(790)	505	2 129
Total comprehensive income		30 105	25 163	88 491	87 127
Net profit for the period		29 965	25 953	87 987	84 998
Net profit for the period attributable to the shareholders of the parent entity		29 904	25 906	87 818	84 756
Net profit for the period attributable to the non-controlling interests		61	47	168	242
Total comprehensive income:		30 105	25 163	88 491	87 127
Total comprehensive income for the period attributable to the shareholders of the parent entity		30 043	25 116	88 323	86 885
Total comprehensive income for the period attributable to the non-controlling interests		61	47	168	242
Basic/diluted earnings per share (in PLN)		0,71	0,62	2,09	2,02

The attached Notes are an integral part of these Condensed Consolidated Interim Financial Statements.



(all amounts in PLN'000 unless otherwise stated)

Consolidated Statement of Cash Flows

	Note	Nine-month period ended 30 September	
		2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>
Net cash flows from operating activities:		153 964	128 519
Proceeds from operating activities before taxation		164 501	145 739
Net profit for the period		87 987	84 998
Adjustments:		76 514	60 741
Income tax	10	20 693	17 894
Depreciation of property, plant and equipment		11 576	9 908
Amortisation of intangible assets		9 669	8 612
Profit on fx differences		(229)	(875)
Profit on sale of property, plant and equipment		(17)	(80)
Financial income of available-for-sale financial assets		(449)	(449)
Income from interest on deposits		(7 189)	(6 973)
Interest on issued bonds		7 450	8 796
Share of (profit) / loss of associates		(5 914)	(10 880)
Net change of provisions for other liabilities and charges		(968)	-
Other		102	6 285
Change in current assets and liabilities:		41 790	28 503
<i>Decrease of inventories</i>		39	73
<i>(Increase) / Decrease of trade and other receivables and prepayments</i>		(4 114)	22 272
<i>Increase of trade and other payables</i>		48 285	5 910
<i>Increase / (Decrease) of employee benefits payable</i>		(2 420)	248
Income tax paid		(10 537)	(17 220)

The attached Notes are an integral part of these Condensed Consolidated Interim Financial Statements.



(all amounts in PLN'000 unless otherwise stated)

Consolidated Statement of Cash Flows, continued

	Note	Nine-month period ended 30 September	
		2014 (unaudited)	2013 (unaudited)
Cash flows from investing activities:		(16 527)	(73 475)
Purchase of property, plant and equipment		(7 032)	(6 086)
Purchase of intangible assets		(2 037)	(65 303)
Proceeds from sale of property, plant and equipment and		124	518
Acquisition of available-for-sale financial assets		-	(10 105)
Acquisition of shares of the associate	5	(15 202)	-
Interest received		7 189	6 973
Dividends received		431	528
		-	-
Cash flows from financing activities:		(55 615)	(39 573)
Paid dividend		(50 568)	(33 141)
Paid interest		(4 729)	(6 419)
Financial leases repayments		(318)	-
Loans repayments		-	(13)
Net increase in cash and cash equivalents		81 822	15 471
<i>Effect of movements in exchange rates on cash held</i>		227	875
Cash and cash equivalents - opening balance		436 831	378 883
Cash and cash equivalents - closing balance		518 880	395 229

The attached Notes are an integral part of these Condensed Consolidated Interim Financial Statements.



(all amounts in PLN'000 unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the shareholders of the parent entity				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings	Total		
As at 31 December 2013	63 865	1 278	571 842	636 985	1 120	638 105
Dividend	-	-	(50 366)	(50 366)	(211)	(50 577)
Sum of transactions with owners recognised directly in equity	-	-	(50 366)	(50 366)	(211)	(50 577)
Net profit for the nine-month period ended 30 September 2014	-	-	87 818	87 818	168	87 987
Income to be reclassified as gains or losses	-	505	-	505	-	505
<i>Net change of fair value of available-for-sale financial assets</i>	-	(106)	-	(106)	-	(106)
<i>Effective portion of change in fair value of cash flow hedges</i>	-	47	-	47	-	47
<i>Revaluation of available-for-sale financial assets of an associate</i>	-	563	-	563	-	563
Total comprehensive income for the nine-month period ended 30 September 2014	-	505	87 818	88 323	168	88 491
As at 30 September 2014 <i>(unaudited)</i>	63 865	1 783	609 294	674 942	1 077	676 019
As at 31 December 2012	63 865	(1 000)	491 647	554 512	1 377	555 889
Dividend	-	-	(32 738)	(32 738)	(414)	(33 152)
Sum of transactions with owners recognised directly in equity	-	-	(32 738)	(32 738)	(414)	(33 152)
Acquisition of non-controlling interests	-	-	(137)	(137)	(76)	(213)
Change of interest in subsidiaries	-	-	(137)	(137)	(76)	(213)
Other changes in equity	-	-	(240)	(240)	-	(240)
Net profit for the year ended 31 December 2013	-	-	113 310	113 310	233	113 543
Income to be reclassified as gains or losses	-	2 278	-	2 278	-	2 278
<i>Net change of fair value of available-for-sale financial assets</i>	-	(167)	-	(167)	-	(167)
<i>Effective portion of change in fair value of cash flow hedges</i>	-	3 121	-	3 121	-	3 121
<i>Revaluation of available-for-sale financial assets of an associate</i>	-	(677)	-	(677)	-	(677)
Total comprehensive income for the year ended 31 December 2013	-	2 278	113 310	115 588	233	115 821
As at 31 December 2013	63 865	1 278	571 842	636 985	1 120	638 105



(all amounts in PLN'000 unless otherwise stated)

Consolidated Statement of Changes in Equity, continued

	Attributable to the shareholders of the parent entity				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings	Total		
As at 31 December 2012	63 865	(1 000)	491 647	554 512	1 377	555 889
Dividend	-	-	(33 338)	(33 338)	(414)	(33 752)
Sum of transactions with owners recognised directly in equity	-	-	(33 338)	(33 338)	(414)	(33 752)
Other changes in equity	-	-	(240)	(240)	-	(240)
Net profit for the nine-month period ended 30 September 2013	-	-	84 756	84 756	242	84 998
Income to be reclassified as gains or losses	-	2 129	-	2 129	-	2 129
<i>Net change of fair value of available-for-sale financial assets</i>	-	(164)	-	(164)	-	(164)
<i>Effective portion of change in fair value of cash flow hedges</i>	-	3 202	-	3 202	-	3 202
<i>Revaluation of available-for-sale financial assets of an associate</i>	-	(909)	-	(909)	-	(909)
Total comprehensive income for the nine-month period ended 30 September 2013	-	2 129	84 756	86 885	242	87 127
As at 30 September 2013 <i>(unaudited)</i>	63 865	1 129	542 825	607 819	1 205	609 024

The attached Notes are an integral part of these Condensed Consolidated Interim Financial Statements.



Notes to the Condensed Consolidated Interim Financial Statements

1. General

1.1. Legal status and scope of operations of the entity

The parent entity of the Giełda Papierów Wartościowych w Warszawie S.A. Group (“the Group”) is Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna (“Warsaw Stock Exchange”, “the Exchange”, “WSE” or “the Company”) with its registered office in Warsaw, ul. Książęca 4. The Company was established by Notarial Deed on 12 April 1991 and registered with the Commercial Court in Warsaw on 25 April 1991, KRS no. 0000082312, NIP no. 526-025-09-72, Regon no. 012021984. WSE has been listed on the WSE Main Market since 9 November 2010.

The core activities of the Group include organising exchange trading in financial instruments and activities related to such trading. At the same time, the Exchange pursues activities in education, promotion and information concerning the capital market and organises an alternative trading system. The Group is active on the following markets:

- **WSE Main Market** (trade in equities, other equity-related financial instruments and other cash markets instruments as well as derivatives);
- **NewConnect** (trade in equities and other equity-related financial instruments of small and medium-sized enterprises);
- **Catalyst** (trade in corporate, municipal, co-operative, Treasury and mortgage bonds operated by WSE and BondSpot);
- **Treasury BondSpot Poland** (wholesale trade in Treasury bonds operated by BondSpot).

Since Q1 2012, the Group also organises and conducts trade on the markets operated by Towarowa Giełda Energii S.A. (“the Polish Power Exchange”, “PolPX”):

- **Energy Markets** (Intra-Day Market, Day-Ahead Market, Commodity Forwards Instruments Market with Physical Delivery, Electricity Auctions);
- **Gas Market** (trade in natural gas with physical delivery on the Intra-Day Market and the Commodity Forwards Instruments Market with Physical Delivery);
- **Property Rights Market** (trade in property rights under certificates of origin of electricity);
- **CO2 Emission Allowances Market** (trade in CO2 emission allowances);
- **Warsaw Commodity Clearing House** (performs the functions of exchange clearing house of transactions on commodities exchange).

In Q4 2013, WSEInfoEngine S.A., a subsidiary of WSE, opened InfoEngineOTC, an OTC commodity trade platform. The commercial offer of the platform is complementary to the offer of the WSE Group companies in relation to volumes of products traded outside the exchange market. InfoEngineOTC offers transactions in power, biomass for energy purposes and property rights in certificates of origin. The company is planning to add trade in coal, natural gas, liquid fuels (LPG, gasoline, oil) and artificial fertilizers. Commodity trading is supported by the special electronic platform (electronic ask and bid matching system) called GlobalVision which was developed by Trayport.



(all amounts in PLN'000 unless otherwise stated)

As an energy market operator, WSEInfoEngine S.A. provides the services of trade operator and, as of Q1 2014, performs the functions of subject organizing trade balancing. The balancing function involves submitting for realization energy sales agreements as well as clearing with the transmission system operator the unbalance between actual power production or consumption and the electricity sales agreements submitted for realization.

WSE is also present in Ukraine through the Warsaw Stock Exchange Representation Office and in London through an appointed permanent representative of WSE whose mission is to support acquisition on the London market, in particular the acquisition of new investors and Exchange Members.

1.2. Approval of the financial statements

These Condensed Consolidated Interim Financial Statements were approved for publication by the Management Board of the parent entity on 24 October 2014.

1.3. Composition and activity of the Group

The Warsaw Stock Exchange and its subsidiaries:

- Towarowa Giełda Energii S.A. Group (Polish Power Exchange Group),
- BondSpot S.A.,
- WSEInfoEngine S.A.,
- Instytut Rynku Kapitałowego – WSE Research S.A.,
- WSE Services S.A.
- Instytut Analiz i Ratingu S.A.

comprise the Warsaw Stock Exchange Group.

The following entities are the associates over which the Group exerts significant influence: Centrum Giełdowe S.A., KDPW S.A. Group, Aquis Exchange Limited.

As a result of WSE taking up the second tranche of shares of Aquis Exchange Limited in February 2014, the company became WSE's associate (Note 5).

In June 2014 WSE set up the subsidiary Instytut Analiz i Ratingu S.A. (IAiR). The mission of IAiR is to fill a gap in the domestic rating offer in the segment of small and medium-sized companies.

2. Basis of preparation of the financial statements and summary of significant accounting policies

These Condensed Consolidated Interim Financial Statements of the Warsaw Stock Exchange Group have been prepared according to the International Accounting Standard 34 "Interim Financial Reporting" approved by the European Union.

These Condensed Consolidated Interim Financial Statements have been prepared on the assumption that the Group will continue as a going concern in the foreseeable future. As at the date of preparation of these Condensed Consolidated Interim Financial Statements, in the opinion of the Management Board of the parent entity, there are no circumstances indicating any threats to the Group's ability to continue operations.

The Company has prepared the Condensed Consolidated Interim Financial Statements in accordance with the same accounting policies as those described in the Consolidated Financial Statements for the year ended 31 December 2013 other than for changes described below.



(all amounts in PLN'000 unless otherwise stated)

The following amendments to existing standards and new standards adopted by the European Union are effective for the Group's financial statements for the financial year starting on 1 January 2014:

- 1) IFRS 10 Consolidated Financial Statements,
- 2) IFRS 11 Joint Arrangements,
- 3) IFRS 12 Disclosure of Interests in Other Entities,
- 4) IAS 27 (2011) Separate Financial Statements,
- 5) IAS 28 (2011) Investments in Associates and Joint Ventures,
- 6) Amendments to IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities,
- 7) Amendments to IFRS 10, IFRS 11 and IFRS 12: Consolidated Financial Statements, Joint Arrangements, Disclosure of Interests in Other Entities,
- 8) Amendments to IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting,
- 9) Amendments to IAS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-financial Assets.

The Group's application of the new IFRS 12 as of 1 January 2014 will increase the number of required disclosures relating to interest in other entities to be presented in the Consolidated Financial Statements for the year ended 31 December 2014

According to the Company's assessment, the amendments to other standards have no material impact on the Condensed Separate Interim Financial Statements.

The critical accounting estimates and judgements used by the Management Board of the parent entity in the application of the Group's accounting policy and the key sources of uncertainty were the same as those used in the Consolidated Financial Statements as at 31 December 2013.

The Condensed Consolidated Interim Financial Statements for the nine-month period ended 30 September 2014 should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2013.

3. Property, plant and equipment

The Group purchased property, plant and equipment of PLN 7,032 thousand in the period from 1 January to 30 September 2014 (PLN 6,086 thousand in the period from 1 January to 30 September 2013).

The Group sold property, plant and equipment of PLN 108 thousand net in the period from 1 January to 30 September 2014 (PLN 311 thousand in the period from 1 January to 30 September 2013).

The Group did not liquidate property, plant and equipment in the period from 1 January to 30 September 2014 (PLN 1,585 thousand in the period from 1 January to 30 September 2013).

4. Intangible assets

The Group purchased intangible assets of PLN 2,037 thousand in the period from 1 January to 30 September 2014 (PLN 64,522 thousand in the period from 1 January to 30 September 2013).

The Group did not sell intangible assets in the period from 1 January to 30 September 2014 (PLN 624 thousand in the period from 1 January to 30 September 2013).

Contracted investment commitments for intangible assets amounted to PLN 11,509 thousand as at 30 September 2014 and related to the UTP-Derivatives system of WSE, the billing system of BondSpot S.A. and implementation of the financial and accounting system AX 2012 with the new functionality consolidation and



(all amounts in PLN'000 unless otherwise stated)

budgeting in WSE Services (PLN 10,620 thousand as at 31 December 2013 and related to the UTP-Derivatives system of WSE and the billing system of BondSpot S.A.).

5. Investment in associates

On 19 August 2013, the WSE Management Board signed an agreement with Aquis Exchange Limited concerning acquisition of new issue shares of Aquis Exchange Limited. Aquis Exchange is registered in the UK. It was established in 2012 and offers a pan-European market in equities as a multilateral trading facility.

The price of the first subscription for 153,609 shares equal to 18.51% of the share capital in August 2013 was PLN 10,105 thousand (GBP 2 million). On 12 February 2014, WSE was authorised by UK's Financial Conduct Authority (FCA) to increase its stake in Aquis Exchange Limited to between 30% and 50% of shares or votes.

On 18 February 2014, WSE was notified by Aquis Exchange Limited of the allocation of 230,416 shares equal to 17.72% of the share capital of Aquis Exchange Limited to WSE for a price of PLN 15,202 thousand (GBP 3 million).

Following WSE's taking up the second tranche of shares of Aquis Exchange Limited, the Company holds 384,025 ordinary shares representing 36.23% of shares and giving 30.00% of economic and voting rights in Aquis Exchange Limited as an associate of the WSE Group. The value of the shares was PLN 20,790 thousand using equity accounting as at 30 September 2014.

The loss of Aquis Exchange Limited amounted to PLN 15,075 thousand in the period from 18 February 2014 to 30 September 2014. The share of WSE in the loss of the associate Aquis Exchange Limited amounted to PLN 4,517 thousand as at 30 September 2014.

6. Available-for-sale financial assets

The table below presents changes in available-for-sale financial assets held by the parent entity in the first nine months of 2014 and in the whole year 2013.

	Period	
	Nine-month ended 30 September 2014 <i>(unaudited)</i>	Twelve-month ended 31 December 2013
Opening balance	21 073	11 301
Additions (purchase of shares, Treasury bonds and bills and valuation of discount, premium and interests)	449	10 081
Reclassification from portfolio of available-for-sale financial assets*	(10 105)	-
Change in fair value - recognised in total comprehensive income	(155)	(309)
- shares	(24)	(103)
- Treasury bonds and bills	(131)	(206)
Closing balance	11 262	21 073
Long-term	10 676	20 955
Short-term	586	118

* Reclassification of Aquis Exchange Limited to investment in associates

(all amounts in PLN'000 unless otherwise stated)

Goodwill hierarchy

WSE classifies the valuation of goodwill on the basis of a goodwill hierarchy which reflects the significance of valuation input data. The goodwill hierarchy includes the following levels:

- (unadjusted) trading prices on active markets for identical assets or liabilities (**level 1**);
- input data other than trading prices at level 1, which can be identified or observed for an asset or liability, directly (as prices) or indirectly (calculations based on prices) (**level 2**); and
- input data for an asset or liability not based on observable market data (non-observable data) (**level 3**).

The table below presents the valuation of available-for-sale financial assets, as at 30 September 2014, based on input data classified as level 1 in the goodwill hierarchy.

Since the fair value of interest in Innex cannot be measured reliably, it is recognised at cost less impairment losses as at 30 September 2014 and as at 31 December 2013 (PLN 0 as at 30 September 2014 and PLN 0 as at 31 December 2013).

As at 30 September 2014 (unaudited)						
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total (Level 1-3)
Treasury bonds	11 056	11 056	11 056	-	-	11 056
Equity financial assets	206	206	206	-	-	206
<i>Sibex</i>	206	206	206	-	-	206
Total	11 262	11 262	11 262	-	-	11 262

As at 31 December 2013						
	Carrying value	Fair value	Level 1	Level 2	Level 3	Total (Level 1-3)
Treasury bonds	10 738	10 738	10 738	-	-	10 738
Equity financial assets	230	230	230	-	-	230
<i>Sibex</i>	230	230	230	-	-	230
Total	10 968	10 968	10 968	-	-	10 968

7. Changes in provisions and impairment losses for assets.

In the period from 1 January 2014 to 30 September 2014, the following impairment losses were accounted for:

- impairment allowances for receivables: an increase of PLN 237 thousand (provisions additions of PLN 1,156 thousand, releases of PLN 919 thousand).

In the period from 1 January 2013 to 30 September 2013, the following impairment losses were accounted for:

- impairment allowances for receivables: an increase of PLN 922 thousand (provisions additions of PLN 951 thousand, releases of PLN 29 thousand).

Furthermore, in the period from 1 January 2014 to 30 September 2014, there were the following changes in estimates relating to provisions:

- litigation and other provisions were reduced by PLN 968 thousand (releases of PLN 622 thousand, usage of PLN 428 thousand, provisions additions of PLN 82 thousand);
- employee benefits provisions were reduced by PLN 2,420 thousand (releases of PLN 727 thousand, usage of PLN 8,032 thousand, provisions additions of PLN 6,339 thousand).

*(all amounts in PLN'000 unless otherwise stated)*

8. Cash and cash equivalents

Cash and cash equivalents include the following:

	As at	
	30 September 2014 <i>(unaudited)</i>	31 December 2013
Cash	23	15
Current accounts	88 991	4 031
Bank deposits of the WCCH guarantee fund	159 323	125 326
Other bank deposits	270 543	307 459
Total cash and cash equivalents	518 880	436 831

Guarantee Funds

WCCH maintains Guarantee Funds securing the execution of transactions on the energy market in accordance with Article 68d of the Act on Trading in Financial Instruments of 29 July 2005. Cash from the funds is presented in the statement of financial position under *Cash and cash equivalents* and amounted to PLN 150,323 thousand as at 30 September 2014 and PLN 125,326 thousand as at 31 December 2013. The corresponding liabilities of the Guarantee Funds are presented in the statement of financial position under *Dividends and other liabilities including Guarantee Funds* in the amount equal to the cash deposits.

Making contributions to the Guarantee Funds

There are currently two Guarantee Funds: the fund for the energy forward market (RTEE) and the fund for the gas forward market (RTG). Liabilities of WCCH clearing members to the guarantee funds are updated on the first working day of the month based on margins as at the last day of the previous month including multiplier set for each month based on the Management Board resolution. Contributions are made after three working days of the contribution update. Contributions are settled through separate bank accounts for the RTEE and the RTG markets, maintained by Bank BOŚ S.A., there are four proxies (employees of WCCH) to above accounts. Each transfer order must be authorised by two of the proxies.

Managing the resources of the guarantee funds

The resources of the Funds are managed by an Investment Committee which has four members pursuant to the WCCH Rules. The resources of the Guarantee Funds are placed as term deposits with banks holding a rating of at least BBB (Fitch). No more than 30% of the value of a fund may be placed with one bank. According to the WCCH Rules, the resources of the Guarantee Funds may only be used for the settlement of liabilities of a Clearing Member after using all resources contributed by the member in the clearing guarantee system, i.e., maintenance margins, transaction margins and delivery margins.

9. Financial liabilities

On 5 December 2011, the WSE Management Board adopted Resolution No. 1473/2011 concerning an issue of series A and B bearer bonds. The goal of the issue was to finance WSE's projects including institutional consolidation of the exchange commodity market and expansion of the list of products available to investors on the market, as well as technology projects on the financial markets and the commodity market.

The issue of series A bonds with a nominal value of PLN 170,000 thousand addressed only to qualified investors took place on 23 December 2011.

Series B bonds with a nominal value of PLN 75,000 thousand were offered in a public offering on 10 February 2012. The series B bonds were issued on 15 February 2012.

The series A and B bonds have been introduced to trading on the Catalyst market operated by WSE and Bondspot, which offers trade in corporate, municipal, co-operative, Treasury and mortgage bonds. The nominal

(all amounts in PLN'000 unless otherwise stated)

value of the bonds was PLN 100 per bond. The WSE bonds are unsecured bonds at a floating interest rate. The interest rate is fixed within each interest period at WIBOR 6M plus a margin of 117 basis points.

The redemption date of the series A and B bonds is 2 January 2017.

No bonds were redeemed in the six months ended 30 September 2014. Liabilities under the bond issue stood at PLN 246,338 thousand as at 30 September 2014 (liabilities on the bonds issue amounted to PLN 243,617 thousand as at 31 December 2013).

10. Income tax

The table below presents income tax by current and deferred tax.

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>
Current income tax	4 436	2 247	15 570	16 097
Deferred tax	2 866	3 319	5 123	1 797
Total income tax	7 302	5 566	20 693	17 894

As required by the Polish tax regulations, the tax rate applicable in 2014 and 2013 is 19%. The reconciliation of the theoretical amount of tax arising from profit before tax and the statutory tax rate with the income tax expense presented in the statement of comprehensive income is as follows:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>
Profit before income tax	37 267	31 519	108 680	102 892
Income tax rate	19%	19%	19%	19%
Income tax at the statutory tax rate	7 081	5 989	20 649	19 549
Tax effect:	-	-	-	-
Non-deductible costs	214	(1 972)	591	(2 898)
Non-taxable income	(5)	-	(9)	-
Additional taxable income	(1)	-	12	-
Income tax refund for past years due to tax relief for investment in new technologies	-	0	-	(1 151)
Subsidiaries' tax losses not included in deferred income tax	228	123	559	204
Non-taxable share of profit of associates	(206)	(644)	(1 124)	(2 067)
Other adjustments *	(8)	2 070	15	4 257
Total income tax	7 302	5 566	20 693	17 894

* Other adjustments in the amount of 2 070 thousand PLN for the period of three months ended 30 September 2013 and in the amount of 4 257 thousand PLN for the period of nine months ended 30 September 2013 related to: goodwill impairment of poe in the amount of 1 510 thousand PLN not included in deferred tax calculation in both periods; as well as timing differences in property, plant and equipment and intangible assets in the amount of 476 thousand PLN for the period of three months ended 30 September 2013 and in the amount of 2 747 thousand PLN for the period of nine months ended 30 September 2013. The aforementioned positions have been adjusted as at 31 December 2013.

11. Contingent liabilities

On 18 February 2014, the Regional Administrative Court in Warsaw gave a decision in case no. III Sa/Wa 1230/13 whereby it dismissed a complaint of the Warsaw Commodity Clearing House [“WCCH”] against an individual interpretation given by the Director of the Tax Chamber in Warsaw. In its decision, the Court confirmed the position of the Ministry of Finance presented in the interpretation whereby WCCH is not legally allowed to use an exemption for its services, i.e., clearing and settlement of forward transactions in electricity, within the meaning of the Value Added Tax Act. According to the interpretation and the oral and written justification presented by the Court, such services should be classified as technical services and, consequently, subject to the basic VAT rate (currently 23%).

In view of the foregoing, WCCH has filed a cassation complaint with the Supreme Court of Administration within the time limit required under procedural law. In the opinion of the WCCH Management Board, the decision does not address the merits of WCCH’s complaint and is based on an erroneous interpretation of facts. In its cassation complaint, in addition to the aforementioned arguments, WCCH has filed a request for a prejudicial question to be asked by the Supreme Court of Administration of the Court of Justice of the European Union.

These Condensed Consolidated Interim Financial Statements do not include adjustments to WCCH’s VAT settlements. However, if the decision of the Regional Administrative Court is upheld by the bench of the Supreme Court of Administration, WCCH would be required to pay interest on overdue VAT payments, assessed at PLN 1,538 thousand as at 30 September 2014 (interest assessed at PLN 877 thousand as at 31 December 2013). At the same time, WCCH could adjust VAT invoices issued to its members for forward transactions concluded as of 1 January 2011, i.e., the effective date of the regulations under which the individual interpretation was issued, pursuant to § 56(2) of the WCCH Rules.

12. Related party transactions

Related parties of the Group include its associates and the State Treasury as the parent entity (holding 35.00% of the share capital and 51.74% of the total number of voting rights as at 30 September 2014), entities controlled and jointly controlled by the State Treasury and entities on which the State Treasury has significant influence. Furthermore, related parties include the key management personnel of the Group (members of the Management Board of the parent entity).

12.1. Information on remuneration and benefits of the key management personnel

The management personnel of the Group is the Management Board of the parent entity. Remuneration and benefits paid or due to the key management personnel on the Management Board of WSE are as follows:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>
Remuneration	652	989	3 313	3 285
Bonus - long-term liability	-	177	-	465
Other benefits	247	121	617	611
Other payments after employment period	259	(831)	259	942
Total remuneration and benefits of the key management personnel	1 158	456	4 189	5 303

The remuneration system for the members of the Exchange Management Board is defined in the employment contracts (as amended). It consists of a fixed part (base pay) and a variable part (incentive system, i.e., bonus) as well as additional benefits. The bonus depends on the degree of performance of a number of business targets

(all amounts in PLN'000 unless otherwise stated)

(concerning the development of the capital market) and financial targets. The maximum amount of bonus available within the year is defined in the remuneration rules. As part of the maximum bonus, the Exchange Supervisory Board may grant a discretionary bonus to Exchange Management Board members, which is not directly linked to the business and financial indicators. It is awarded on the basis of an assessment of performance of individual annual targets.

12.2. Information about transactions with companies which are related parties of the State Treasury

In these Condensed Consolidated Interim Financial Statements, the Management Board of WSE has disclosed material transactions with entities related to the State Treasury, identified by the Management Board on the basis of the list of companies in which the State Treasury has interest as at 30 June 2014 published by the Ministry of the State Treasury.

Related parties identified by the Management Board of WSE include mainly companies listed on WSE (issuers of securities), Exchange Members and Polish Power Exchange Members. The Group charges fees to related parties listed on WSE including fees for introduction to exchange trading and fees for listing of financial instruments. Fees charged to related parties which are Exchange Members include fees for enabling the conclusion of transactions on the exchange market, fees for access to WSE's IT systems and fees for trading in financial instruments.

All the transactions with entities related to the State Treasury are concluded in the normal course of business and are carried out on an arm's length basis.

	As at 30 September 2014		Three-month period ended 30 September 2014 (unaudited)	
	Receivables	Liabilities	Sales revenue	Operating expenses
Enea S.A.	449	-	1 904	-
Energa S.A.	600	-	1 600	-
PGE Polska Grupa Energetyczna S.A.	787	-	1 960	-
Polskie Górnictwo Naftowe i Gazownictwo S.A.	1 346	-	3 247	-
Powszechna Kasa Oszczędności Bank Polski S.A.	1 166	4	3 091	12
TAURON Polska Energia S.A.	689	-	2 008	-
Pozostałe	878	26	1 354	204
Total	5 915	30	15 164	216

	As at 31 December 2013		Three-month period ended 30 September 2013 (unaudited)	
	Receivables	Liabilities	Sales revenue	Operating expenses
Enea S.A.	466	-	2 520	-
Energa S.A.	417	-	3 201	-
PGE Polska Grupa Energetyczna S.A.	1 630	-	4 020	-
Polskie Górnictwo Naftowe i Gazownictwo S.A.	65	-	471	-
Powszechna Kasa Oszczędności Bank Polski S.A.	1 037	3	3 115	31
TAURON Polska Energia S.A.	458	-	5 733	-
Pozostałe	158	27	413	563
Total	4 231	30	19 473	594

(all amounts in PLN'000 unless otherwise stated)

In accordance with the Polish law, companies of the Group are subject to tax obligations. Hence, the Group pays tax to the State Treasury, which is its related party. The principles and regulations binding upon companies of the Group in this regard are the same as those binding upon other entities which are not related parties.

In accordance with the Decree of the Minister of Finance of 16 March 2010 concerning fees paid to the Polish Financial Supervision Authority ("PFSA") by supervised entities which pursue activities on the capital market, companies of the Group incur costs of fees paid to the State Treasury in the amount set by the Polish Financial Supervision Authority. Prepayments for fees due to PFSA for supervision over the capital market are paid monthly. PFSA makes final yearly settlements of the fees by 10 February of the following year.

Fees prepaid by the WSE Group to PFSA amounted to PLN 16,243 thousand in the nine-month period ended 30 September 2014, compared to PLN 13,439 thousand nine-month period ended 30 September 2013. Fees prepaid by the WSE Group to PFSA amounted to PLN 5,502 thousand in the three-month period ended 30 September 2014, compared to PLN 4,454 thousand in the three-month period ended 30 September 2013.

12.3. Transactions with associates

The tables below present the transactions of the Group with the associates of WSE in the nine-month periods ended 30 September 2014 and 30 September 2013 and the balance of receivables and liabilities as at 30 September 2014 and 30 September 2013.

	As at 30 September 2014		Three-month period ended 30 September 2014 (unaudited)		Nine-month period ended 30 September 2014 (unaudited)	
	Receivables	Liabilities	Sales revenue	Operating expenses	Sales revenue	Operating expenses
Grupa KDPW	-	-	22	20	29	30
Centrum Giełdowe S.A.	-	14	-	378	-	1 190
Total	-	14	22	398	29	1 220
	As at 31 December 2013		Three-month period ended 30 September 2013 (unaudited)		Nine-month period ended 30 September 2013 (unaudited)	
	Receivables	Liabilities	Sales revenue	Operating expenses	Sales revenue	Operating expenses
Grupa KDPW	57	2	-	21	14	34
Centrum Giełdowe S.A.	-	45	-	387	-	1 138
Total	57	47	-	408	14	1 172

During the first nine months of 2014 and 2013, there were no write offs nor material impairment allowances created for receivables from related parties.

As a owner and lessee of the office space in the Centrum Giełdowe building, WSE pays rent and maintenance fee for the shared premises to the building manager, Centrum Giełdowe S.A.

In 2014, WSE conducted transactions with the housing community Wspólnota Lokalowa "Książęca 4", of which it is a member. Costs concerning these transactions amounted to PLN 2,291 thousand in the nine-month period ended 30 September 2014 and PLN 2,231 thousand in the nine-month period ended 30 September 2013. Costs concerning these transactions amounted to PLN 757 thousand in the three-month period ended 30 September 2014 and PLN 663 thousand in the three-month period ended 30 September 2013.



(all amounts in PLN'000 unless otherwise stated)

13. Dividend

13.1 Dividend paid

Pursuant to Resolution No. 7 of the Ordinary General Meeting dated 25 July 2014, the parent entity allocated PLN 50,366 thousand of the 2013 profit for dividend. The dividend was paid on 26 August 2014. The dividend per share amounted to PLN 1.20.

Pursuant to Resolution No. 4 of the Ordinary General Meeting dated 21 June 2013, the parent entity allocated PLN 32,738 thousand of the 2012 profit for dividend. The dividend was paid on 26 July 2013. The dividend per share amounted to PLN 0.78.

14. Seasonality

The activity of the Group shows no significant seasonality except for the revenue from the Commodity Market which shows seasonality in the first quarter of the year (the revenue for the first quarter is higher than the revenue for the other quarters of the year).

15. Segment reporting

These Condensed Consolidated Interim Financial Statements disclose information on segments based on components of the entity which are monitored by managers to make operating decisions. Operating segments are components of the entity for which discrete financial information is available and whose operating results are reviewed regularly by the entity's key decision makers who are responsible for allocation of the resources to the segments and assessment of the Group's performance.

For management purposes, the Group is divided into segments based on the type of services provided. Three main reporting segments are as follows:

1) *Financial Market* segment, which covers the activity of the Group including organising trade in financial instruments on the exchange as well as related activities (capital market education, promotion and information activities and organising an alternative trading system).

The Financial Market includes three subsegments:

- Trading (mainly trading fees which depend on turnover on the exchange, fees for access to exchange systems);
- Listing (annual securities listing fees and one-off fees for admission or introduction of securities to trading on the exchange);
- Information services (mainly revenue from information services for data vendors, historical data).



(all amounts in PLN'000 unless otherwise stated)

2) *Commodity Market* segment, which covers the activity of the Group including organising trade in commodities as well as related activities. The Group provides clearing and settlement on the commodity market through the company WCCH and offers exchange trading in commodities (electricity, gas) and operates the Register of Certificates of Origin of electricity through the company PolPX. The WSE Group also earns revenues from the activity of a trade operator on the electricity market through WSEInfoEngine.

The Commodity Market includes the following subsegments:

- Trading (mainly revenue from spot and forward transactions in electricity, revenue from spot and forward transactions in natural gas, revenue from trade in property rights under certificates of origin of electricity);
- Operation of the Certificates of Origin Register of electricity (revenue from changes to balances and cancellation of certificates of origin of electricity);
- CO₂ Allowances Market (trade in property rights in certificates of origin of electricity);
- Clearing (revenue from other fees paid by market participants /members).

3) The segment *Other* includes activities of the Group in education and professional training of human resources for the financial market, PR services and capital market research programmes.

The segment *Other* provides the following:

- Specialised training and profiled programmes (revenues from fees for rights including licences and certificates);
- Capital Market Academy (revenues from organisation of courses, seminars, workshops, e-learning and video-learning modules);
- IR/PR services (including organisation of General Meetings, interpretation, online broadcasts and video productions through the online multimedia platform WSE Media).

The accounting policies for the operating segments are the same as the accounting policies of the WSE Group except for the presentation of consolidation adjustments and exclusions.

The Management Board monitors separately the operating results of the segments to make decisions about resources to be allocated and assess the results of their allocation and performance. Each segment is assessed up to the level of operating profit or loss.

Exclusions include consolidation adjustments and exclusions.

The Group's business segments focus their activities on the territory of Poland.

(all amounts in PLN'000 unless otherwise stated)

The tables below present a reconciliation of the data analysed by the Management Board of the parent entity with the data shown in these Condensed Consolidated Interim Financial Statements.

Information on operating segments in the nine-month period ended 30 September 2014

	Nine-month period ended 30 September 2014 (unaudited)				
	Financial Market ¹⁾	Commodity Market ²⁾	Other ³⁾	Exclusions and adjustments	Total WSE Group ⁴⁾
Sales revenues (external transactions)	154 814	78 863	1 163	(1 209)	233 631
Financial market	153 653	-	-	(162)	153 491
Trading	106 672	-	-	-	106 672
Equities and equity-related instruments	81 260	-	-	-	81 260
Derivative instruments	12 027	-	-	-	12 027
Other fees paid by market participants	4 310	-	-	-	4 310
Debt instruments	8 875	-	-	-	8 875
Other cash instruments	199	-	-	-	199
Listing	18 143	-	-	-	18 143
Listing fees	14 330	-	-	-	14 330
Introduction and other fees	3 814	-	-	-	3 814
Information services	28 837	-	-	(162)	28 675
Real-time information	27 136	-	-	(64)	27 072
Historical and statistical information	1 701	-	-	(98)	1 603
Commodity market	-	78 712	-	-	78 712
Trading	-	41 464	-	-	41 464
Electricity	-	9 881	-	-	9 881
<i>Spot</i>	-	1 746	-	-	1 746
<i>Forward</i>	-	8 135	-	-	8 135
Gas	-	4 351	-	-	4 351
<i>Spot</i>	-	182	-	-	182
<i>Forward</i>	-	4 169	-	-	4 169
Property rights in certificates of origin	-	21 763	-	-	21 763
Other fees paid by market participants	-	5 469	-	-	5 469
Register of certificates of origin	-	16 576	-	-	16 576
Clearing	-	20 672	-	-	20 672
Other revenue	1 161	151	1 163	(1 047)	1 428
Operating expenses	(102 670)	(27 174)	(1 634)	1 209	(130 269)
<i>including depreciation and amortisation</i>	(18 526)	(2 647)	(72)	-	(21 245)
Profit on sales	52 144	51 689	(471)	-	103 362



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the nine-month period ended 30 September 2014, continued:

	Nine-month period ended 30 September 2014 (unaudited)				
	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
Profit / (Loss) on other operations	(822)	(646)	-	318	(1 149)
Operating profit / (loss)	51 322	51 044	(471)	318	102 213
Profit / (Loss) on financial operations	12 789	2 565	19	(14 820)	553
<i>including interest income</i>	4 566	2 599	3	1	7 169
<i>including interest cost</i>	(7 449)	-	-	-	(7 449)
Share of profit (loss) of associates	-	-	-	5 914	5 914
Profit before income tax	64 111	53 609	(452)	(8 587)	108 680
Income tax	(9 889)	(10 804)	-	-	(20 693)
Net profit	54 222	42 805	(452)	(8 587)	87 987

1) Includes WSE and BondSpot

2) Includes PolPX Group, WSE IE and WSE Services

3) Includes IRK and IAiR

4) According to the presentation in the Consolidated Statement of Comprehensive Income.

	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
As at 30 September 2014 (unaudited)					
Total assets	752 270	333 402	5 304	60 916	1 151 892
Total liabilities	279 418	196 370	323	(239)	475 872
Net assets (assets less liabilities)	472 852	137 032	4 981	61 154	676 019

1) Includes WSE and BondSpot

2) Includes PolPX Group, WSE IE and WSE Services

3) Includes IRK and IAiR

4) According to the presentation in the Consolidated Statement of Comprehensive Income.



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the three-month period ended 30 September 2014

	Three-month period ended 30 September 2014 (unaudited)				
	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
Sales revenues (external transactions)	49 780	28 140	351	(401)	77 869
Financial market	49 354	-	-	(50)	49 304
Trading	34 349	-	-	-	34 349
Equities and equity-related instruments	26 997	-	-	-	26 997
Derivative instruments	2 795	-	-	-	2 795
Other fees paid by market participants	1 463	-	-	-	1 463
Debt instruments	3 021	-	-	-	3 021
Other cash instruments	72	-	-	-	72
Listing	5 683	-	-	-	5 683
Listing fees	4 693	-	-	-	4 693
Introduction and other fees	990	-	-	-	990
Information services	9 321	-	-	(50)	9 271
Real-time information	8 718	-	-	(14)	8 704
Historical and statistical information	603	-	-	(36)	567
Commodity market	-	28 122	-	189	28 311
Trading	-	14 948	-	189	15 137
Electricity	-	3 343	-	-	3 343
<i>Spot</i>	-	536	-	-	536
<i>Forward</i>	-	2 807	-	-	2 807
Gas	-	4 068	-	-	4 068
<i>Spot</i>	-	149	-	-	149
<i>Forward</i>	-	3 919	-	-	3 919
Property rights in certificates of origin	-	5 665	-	-	5 665
Other fees paid by market participants	-	1 871	-	189	2 060
Register of certificates of origin	-	4 706	-	-	4 706
Clearing	-	8 468	-	-	8 468
Other revenue	426	18	351	(540)	255
Operating expenses	(32 831)	(8 813)	(680)	401	(41 923)
<i>including depreciation and amortisation</i>	<i>(6 143)</i>	<i>(746)</i>	<i>(27)</i>	-	<i>(6 916)</i>
Profit on sales	16 949	19 326	(329)	-	35 946



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the three-month period ended 30 September 2014, continued:

	Three-month period ended 30 September 2014 (unaudited)				
	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
Profit / (Loss) on other operations	268	(162)	-	-	106
Operating profit / (loss)	17 217	19 164	(329)	-	36 052
Profit / (Loss) on financial operations	(788)	897	21	-	129
<i>including interest income</i>	<i>1 569</i>	<i>930</i>	<i>2</i>	-	<i>2 501</i>
<i>including interest cost</i>	<i>(2 491)</i>	-	-	-	<i>(2 491)</i>
Share of profit (loss) of associates	-	-	-	1 087	1 087
Profit before income tax	16 429	20 061	(309)	1 087	37 268
Income tax	(3 185)	(4 117)	-	-	(7 302)
Net profit	13 244	15 944	(309)	1 087	29 966

1) Includes WSE and BondSpot

2) Includes PolPX Group, WSE IE and WSE Services

3) Includes IRK and IAIr

4) According to the presentation in the Consolidated Statement of Comprehensive Income.



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the nine-month period ended 30 September 2013

	Nine-month period ended 30 September 2013 (unaudited)				
	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
Sales revenues (external transactions)	154 748	57 973	798	(605)	212 915
Financial market	153 859	-	-	(133)	153 726
Trading	111 458	-	-	-	111 458
Equities and equity-related instruments	80 883	-	-	-	80 883
Derivative instruments	16 418	-	-	-	16 418
Other fees paid by market participants	4 331	-	-	-	4 331
Debt instruments	9 687	-	-	-	9 687
Other cash instruments	139	-	-	-	139
Listing	16 573	-	-	-	16 573
Listing fees	12 975	-	-	-	12 975
Introduction and other fees	3 598	-	-	-	3 598
Information services	25 829	-	-	(133)	25 696
Real-time information	24 447	-	-	(115)	24 332
Historical and statistical information	1 382	-	-	(18)	1 364
Commodity market	-	57 147	-	-	57 147
Trading	-	29 132	-	-	29 132
Electricity	-	9 809	-	-	9 809
<i>Spot</i>	-	1 900	-	-	1 900
<i>Forward</i>	-	7 909	-	-	7 909
Gas	-	32	-	-	32
<i>Spot</i>	-	15	-	-	15
<i>Forward</i>	-	17	-	-	17
Property rights in certificates of origin	-	14 303	-	-	14 303
Other fees paid by market participants	-	4 988	-	-	4 988
Register of certificates of origin	-	12 609	-	-	12 609
Clearing	-	15 406	-	-	15 406
Other revenue	889	827	798	(472)	2 042
Operating expenses	(98 387)	(22 492)	(842)	605	(121 116)
<i>including depreciation and amortisation</i>	<i>(16 240)</i>	<i>(2 236)</i>	<i>(44)</i>	-	<i>(18 520)</i>
Profit on sales	56 362	35 481	(44)	-	91 799



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the nine-month period ended 30 September 2013, continued:

	Nine-month period ended 30 September 2013 (unaudited)				
	Financial Market ¹⁾	Commodity Market ²⁾	Other ³⁾	Exclusions and adjustments	Total WSE Group ⁴⁾
Profit / (Loss) on other operations	(502)	879	-	47	423
Operating profit / (loss)	55 860	36 360	(44)	47	92 223
Profit / (Loss) on financial operations	40 034	3 011	1	(43 255)	(210)
<i>including interest income</i>	4 646	2 303	3	-	6 952
<i>including interest cost</i>	(8 796)	-	-	-	(8 796)
Share of profit (loss) of associates	-	-	-	10 880	10 880
Profit before income tax	95 894	39 371	(43)	(32 328)	102 893
Income tax	(10 226)	(7 668)	-	-	(17 894)
Net profit	85 668	31 703	(43)	(32 328)	84 999

1) Includes WSE and BondSpot. poee GPW Energy Market excluded from Financial Market in the first quarter of 2013 and included in Commodity Market. On 31 March 2013 operations of poee ceased and commodity trading has been concentrated on TGE.

2) Includes PolPX Group, WSE IE, WSE Services and poee GPW Energy Market for first quarter of 2013.

3) Includes IRK and IAiR

4) According to the presentation in the Consolidated Statement of Comprehensive Income.

	Financial Market ¹⁾	Commodity Market ²⁾	Other ³⁾	Exclusions and adjustments	Total WSE Group ⁴⁾
As at 31 December 2013					
Total assets	741 183	254 556	770	62 619	1 059 128
Total liabilities	269 128	152 779	238	(1 122)	421 023
Net assets (assets less liabilities)	472 055	101 777	532	63 741	638 105

1) Includes WSE and BondSpot. poee GPW Energy Market excluded from Financial Market in the first quarter of 2013 and included in Commodity Market. On 31 March 2013 operations of poee ceased and commodity trading has been concentrated on TGE.

2) Includes PolPX Group, WSE IE, WSE Services and poee GPW Energy Market for first quarter of 2013.

3) Includes IRK and IAiR

4) According to the presentation in the Consolidated Statement of Comprehensive Income.



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the three-month period ended 30 September 2013

	Three-month period ended 30 September 2013 (unaudited)				
	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
Sales revenues (external transactions)	49 742	18 970	398	(110)	69 000
Financial market	49 558	-	-	(52)	49 506
Trading	35 732	-	-	-	35 732
Equities and equity-related instruments	26 094	-	-	-	26 094
Derivative instruments	5 451	-	-	-	5 451
Other fees paid by market participants	1 374	-	-	-	1 374
Debt instruments	2 763	-	-	-	2 763
Other cash instruments	49	-	-	-	49
Listing	5 248	-	-	-	5 248
Listing fees	4 269	-	-	-	4 269
Introduction and other fees	978	-	-	-	978
Information services	8 578	-	-	(52)	8 526
Real-time information	8 101	-	-	(49)	8 052
Historical and statistical information	477	-	-	(3)	474
Commodity market	-	18 710	-	-	18 710
Trading	-	10 743	-	-	10 743
Electricity	-	4 100	-	-	4 100
<i>Spot</i>	-	573	-	-	573
<i>Forward</i>	-	3 527	-	-	3 527
Gas	-	10	-	-	10
<i>Spot</i>	-	4	-	-	4
<i>Forward</i>	-	6	-	-	6
Property rights in certificates of origin	-	4 968	-	-	4 968
Other fees paid by market participants	-	1 665	-	-	1 665
Register of certificates of origin	-	2 735	-	-	2 735
Clearing	-	5 232	-	-	5 232
Other revenue	184	260	398	(58)	784
Operating expenses	(32 269)	(7 651)	(431)	110	(40 241)
<i>including depreciation and amortisation</i>	<i>(6 060)</i>	<i>(837)</i>	<i>(24)</i>	-	<i>(6 921)</i>
Profit on sales	17 474	11 319	(33)	-	28 759



(all amounts in PLN'000 unless otherwise stated)

Information on operating segments in the three-month period ended 30 September 2013, continued:

	Three-month period ended 30 September 2013 (unaudited)				
	Financial Market¹⁾	Commodity Market²⁾	Other³⁾	Exclusions and adjustments	Total WSE Group⁴⁾
Profit / (Loss) on other operations	(193)	(70)	(1)	0	(264)
Operating profit / (loss)	17 280	11 249	(34)	-	28 495
Profit / (Loss) on financial operations	(999)	640	(1)	-	(361)
<i>including interest income</i>	<i>1 330</i>	<i>578</i>	<i>1</i>	-	<i>1 909</i>
<i>including interest cost</i>	<i>(2 377)</i>	-	-	-	<i>(2 377)</i>
Share of profit (loss) of associates	-	-	-	3 385	3 385
Profit before income tax	16 281	11 889	(35)	3 385	31 519
Income tax	(3 198)	(2 368)	-	-	(5 566)
Net profit	13 083	9 521	(35)	3 385	25 953

1) Includes WSE and BondSpot

2) Includes PolPX Group, WSE IE and WSE Services

3) Includes IRK and IAIr

4) According to the presentation in the Consolidated Statement of Comprehensive Income.

16. Events after the balance sheet date

There were no material events after 30 September 2014, i.e., the balance sheet date, which could impact the separate financial statements of WSE for the nine-month period ended 30 September 2014.



(all amounts in PLN'000 unless otherwise stated)

The Condensed Consolidated Interim Financial Statements are presented by the Management Board of the Warsaw Stock Exchange:

Paweł Tamborski – President of the Management Board

Dariusz Kułakowski – Vice-President of the Management Board

Karol Półtorak – Vice-President of the Management Board

Mirosław Szczepański – Vice-President of the Management Board

Grzegorz Zawada – Vice-President of the Management Board

Signature of the person responsible for keeping the accounting records

Sylwia Sawicka – Chief Accountant

Warsaw, 24 October 2014