



DOM DEVELOPMENT S.A.

Interim condensed financial statements for the three-month period ended 31 March 2018



CONTENTS

1.	APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS BY THE MANAGEMENT BOARD OF THE COMPANY	2
2.	INTERIM CONDENSED BALANCE SHEET	3
3.	INTERIM CONDENSED INCOME STATEMENT	4
4.	INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME.....	5
5.	INTERIM CONDENSED CASH FLOW STATEMENT	6
6.	INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	7
7.	ADDITIONAL NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS.....	8
7.1.	General information about Dom Development S.A.	8
7.2.	Basis for the preparing of the interim condensed financial statements	8
7.3.	Accounting policies	9
7.4.	Key figures based on professional judgement and basis for estimates.....	10
7.5.	Investments in subsidiaries, associates and jointly controlled entities.....	11
7.6.	Inventory.....	12
7.7.	Short-term financial assets.....	12
7.8.	Cash and cash equivalents	13
7.9.	Share capital	13
7.10.	Loans	15
7.11.	Bonds	16
7.12.	Accrued interest on loans and bonds	17
7.13.	Segment reporting.....	17
7.14.	Operating income	18
7.15.	Operating costs	18
7.16.	Income tax in the income statement.....	18
7.17.	Earnings per share	19
7.18.	Transactions with related entities	19
7.19.	Incentive Plan – Management Option Programmes	22
7.20.	Contingent liabilities	23
7.21.	Material court cases.....	23
7.22.	Factors and events with significant impact on the condensed financial statements.....	23
7.23.	Dividends.....	24
7.24.	Deferred income.....	24
7.25.	Material post-balance sheet events	25
7.26.	Forecasts	25
7.27.	Selected financial data translated into euro	25



1. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS BY THE MANAGEMENT BOARD OF THE COMPANY

These interim condensed financial statements for the three-month period ended on 31 March 2018, comprising:

- interim condensed balance sheet prepared as at 31 March 2018 with the balance of assets and liabilities in the amount of PLN 2 182 396 thousand;
- interim condensed income statement for the three-month period ended 31 March 2018 with a net profit of PLN 22 347 thousand;
- interim condensed statement of comprehensive income for the three-month period ended 31 March 2018 with a net comprehensive income of PLN 21 319 thousand;
- interim condensed statement of changes in shareholders' equity in the three-month period ended 31 March 2018 with the PLN 1 025 585 thousand shareholders' equity as at 31 March 2018;
- interim condensed cash flow statement for the three-month period ended 31 March 2018 with the PLN 139 791 thousand net cash and cash equivalents as at 31 March 2018;
- additional notes to the interim condensed financial statements

were prepared and approved by the Management Board of the Company on 25 April 2018.

Jarosław Szanajca,
President of the Management Board

Janusz Zalewski,
Vice President of the Management Board



2. INTERIM CONDENSED BALANCE SHEET

ASSETS	Note	31.03.2018 <i>(unaudited)</i>	31.12.2017
Fixed assets			
Intangible assets		4 258	3 988
Tangible fixed assets		7 486	7 857
Investments in subsidiaries, associates and jointly controlled entities	7.5	305 888	305 785
Long-term receivables		1 537	1 538
Other long-term assets		6 061	6 757
Total fixed assets		325 230	325 925
Current assets			
Inventory	7.6	1 632 779	1 571 308
Trade and other receivables		24 631	29 506
Other current assets		4 245	2 931
Short-term financial assets	7.7	55 720	25 199
Cash and cash equivalents	7.8	139 791	202 083
Total current assets		1 857 166	1 831 027
Total assets		2 182 396	2 156 952
EQUITY AND LIABILITIES			
EQUITY AND LIABILITIES	Note	31.03.2018 <i>(unaudited)</i>	31.12.2017
Shareholders' equity			
Share capital	7.9	24 968	24 868
Share premium		241 788	238 388
Other capital (supplementary capital)		550 703	549 257
Reserve capital from valuation of cash flow hedges		(844)	184
Reserve capital from reduction of share capital		510	510
Unappropriated profit		208 460	186 113
Total shareholders' equity		1 025 585	999 320
Liabilities			
Long-term liabilities			
Loans, long-term portion	7.10	-	-
Bonds, long-term portion	7.11	260 000	260 000
Deferred tax provision		14 857	28 958
Long-term provisions		14 064	14 224
Other long-term liabilities		53 132	53 202
Total long-term liabilities		342 053	356 384
Short-term liabilities			
Trade payables, tax and other liabilities		213 913	244 745
Loans, short-term portion	7.10	-	50 000
Bonds, short-term portion	7.11	-	50 000
Accrued interest on loans and bonds	7.12	3 120	1 368
Corporate income tax payables		14 041	25 200
Short-term provisions		6 413	6 816
Deferred income	7.24	577 271	423 119
Total short-term liabilities		814 758	801 248
Total liabilities		1 156 811	1 157 632
Total equity and liabilities		2 182 396	2 156 952



3. INTERIM CONDENSED INCOME STATEMENT

	Note	Three-month period ended	
		31.03.2018 <i>(unaudited)</i>	31.03.2017 <i>(unaudited)</i>
Sales revenue	7.14	191 021	113 148
Cost of sales	7.15	(132 797)	(87 055)
Gross profit on sales		58 224	26 093
Selling costs	7.15	(14 741)	(15 069)
General administrative expenses	7.15	(13 920)	(10 355)
Other operating income		510	429
Other operating expenses		(1 684)	(1 089)
Operating profit		28 389	9
Financial income		142	383
Financial costs		(402)	(411)
Profit before tax		28 129	(19)
Income tax	7.16	(5 782)	(216)
Net profit		22 347	(235)
Earnings per share:			
Basic (PLN)	7.17	0.90	(0.01)
Diluted (PLN)	7.17	0.89	(0.01)



4. INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Three-month period ended	
	31.03.2018 <i>(unaudited)</i>	31.03.2017 <i>(unaudited)</i>
Net profit	22 347	(235)
Other comprehensive income		
Net change to cash flow hedges	(1 257)	(152)
Income tax	229	29
Other net comprehensive income	(1 028)	(123)
Total net comprehensive income	21 319	(358)



5. INTERIM CONDENSED CASH FLOW STATEMENT

	Note	Three-month period ended	
		31.03.2018 <i>(unaudited)</i>	31.03.2017 <i>(unaudited)</i>
Cash flow from operating activities			
Profit/(loss) before tax		28 129	(19)
Adjustments:			
Depreciation		1 681	1 448
Profit/loss on foreign exchange differences		(31)	2
Profit/loss on investments		47	56
Interest cost/income		1 742	1 713
Share options valuation		1 446	-
Changes in the operating capital:			
Changes in provisions		(563)	(1 077)
Changes in inventory		(60 607)	(74 557)
Changes in receivables		4 875	371
Changes in short-term liabilities, excluding loans and bonds		(62 998)	(1 756)
Changes in prepayments and deferred income		152 690	191 227
Other adjustments		31	(2)
Cash flow generated from operating activities		66 442	117 406
Interest received		523	1 359
Interest paid		(1 227)	(4 647)
Income tax paid		(30 801)	(24 625)
Net cash flow from operating activities		34 937	89 493
Cash flow from investing activities			
Proceeds from the sale of intangible assets and tangible fixed assets		253	2
Proceeds from the sale of financial assets		-	-
Acquisition of intangible and tangible fixed assets		(879)	(1 006)
Acquisition of financial assets and additional contributions to the share capital of subsidiaries		(103)	(8 200)
Net cash flow from investing activities		(729)	(9 204)
Cash flows from financing activities			
Proceeds from issue of shares (exercise of share options)	7.9	3 500	-
Proceeds from contracted loans	7.10	-	-
Commercial papers issued	7.11	-	-
Repayment of loans and borrowings	7.10	(50 000)	-
Redemption of commercial papers	7.11	(50 000)	(120 000)
Dividends paid	7.23	-	-
Net cash flow from financing activities		(96 500)	(120 000)
Increase / (decrease) in net cash and cash equivalents		(62 292)	(39 711)
Cash and cash equivalents – opening balance	7.8	202 083	412 335
Cash and cash equivalents – closing balance	7.8	139 791	372 624



Dom Development S.A.

Interim condensed statement of changes in shareholders' equity
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

6. INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium less treasury shares	Other capital (supplementary capital)	Reserve capital		Accumulated, unappropriated profit/(loss)	Total shareholders' equity
				from reduction of share capital	from valuation of cash flow hedges		
Balance as at 1 January 2018	24 868	238 388	549 257	510	184	186 113	999 320
Share capital increase by exercising share options (note 7.9)	100	3 400	-	-	-	-	3 500
Dividends to shareholders	-	-	-	-	-	-	-
Share options (note 7.19)	-	-	1 446	-	-	-	1 446
Net profit for the reporting period	-	-	-	-	-	22 347	22 347
Other net comprehensive income for the reporting period	-	-	-	-	(1 028)	-	(1 028)
Balance as at 31 March 2018 <i>(unaudited)</i>	24 968	241 788	550 703	510	(844)	208 460	1 025 585

	Share capital	Share premium less treasury shares	Other capital (supplementary capital)	Reserve capital		Accumulated, unappropriated profit/(loss)	Total shareholders' equity
				from reduction of share capital	from valuation of cash flow hedges		
Balance as at 1 January 2017	24 782	234 986	542 696	510	415	127 740	931 129
Share capital increase by exercising share options	86	3 402	-	-	-	-	3 488
Dividends to shareholders	-	-	-	-	-	-	-
Net profit for the reporting period	-	-	-	-	-	(235)	(235)
Other net comprehensive income for the reporting period	-	-	-	-	(123)	-	(123)
Balance as at 31 March 2017 <i>(unaudited)</i>	24 868	238 388	542 696	510	292	127 505	934 259



7. ADDITIONAL NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

7.1. General information about Dom Development S.A.

The joint stock company Dom Development S.A. (the „Company”) is the parent company of Dom Development Capital Group. The registered office of the Company is in Warsaw (00-078 Warsaw, Plac Piłsudskiego 3). The Company has been entered into the National Court Register under number 0000031483 maintained by the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register.

According to the Polish Classification of Business Activity the Company’s scope of activity is the development of building projects – PKD 4110Z (NACE F41.1). The Company conducts its activities mainly in Warsaw and its vicinity, and in Wrocław and the Tricity area through its subsidiaries.

The Company is a majority-owned subsidiary of Dom Development B.V. with its registered office in the Netherlands. As at 31 March 2018, Dom Development B.V. controlled 56.87% of the Company’s shares.

The main area of activity of the Company is the construction and sale of residential real estate.

The Company conducts its activities in the territory of Poland in compliance with the Code of Commercial Companies and Partnerships and its term of operations is unlimited.

In the three-month period ended 31 March 2018 the Company did not discontinue any of its activities.

7.2. Basis for the preparing of the interim condensed financial statements

The interim condensed financial statements have been prepared on a historical cost basis.

Certain information and disclosures, which in accordance with the International Financial Reporting Standards (“IFRS”) adopted by the European Union (EU) are normally included in annual financial statements, have been condensed or omitted in these financial statements pursuant to International Accounting Standard No. 34, “Interim Financial Reporting” (IAS 34).

The interim condensed financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future.

The Polish zloty (“PLN”) is the functional currency for the Company. The condensed financial statements are stated in Polish zloty. Financial data included in the interim condensed financial statements are expressed in thousands of PLN unless stated otherwise.

The presented interim condensed balance sheet, interim condensed income statement, interim condensed statement of comprehensive income, interim condensed cash flow statement and interim condensed statement of changes in shareholders' equity are unaudited and they have not been the subject of review by an independent certified auditor. These unaudited interim condensed financial statements do not include all the information and disclosures that are required from annual financial statements and therefore should be read in conjunction with the audited financial statements of the Company and the notes thereto for the year ended 31 December 2017.

The Company has also prepared interim condensed consolidated financial statements for Dom Development S.A. Capital Group for the three-month period ended 31 March 2018. These statements were approved by the Management Board of the Company on 25 April 2018.



7.3. Accounting policies

Polish law requires the Company to prepare its interim condensed financial statements in accordance with IFRS, applicable to interim financial reporting as adopted by the European Union ("EU") (IAS 34). At this particular time, due to the endorsement of IFRS by the EU and the activities of the Company, there are no differences in the IFRS policies applied by the Company and IFRS that have been endorsed by the EU.

The interim condensed financial statements have been prepared in accordance with IFRS applicable in the interim financial reporting (IAS 34) and all applicable IFRS that have been adopted by the EU.

These interim condensed financial statements are prepared based on the same accounting policies as for the financial statements of the Company for the year ended 31 December 2017, except for the following amendments to existing standards and new interpretations that are effective for annual periods beginning on 1 January 2018:

- IFRS 15 *Revenue from Contracts with Customers* published on 24 May 2014) (and Clarifications to IFRS 15 *Revenue from Contracts with Customers* published on 12 April 2016).
As concerning changes to IFRS 15 *Revenue from Contracts with Customers*, the Management Board has analysed the impact of this standard on the financial situation, the operational results of the Group and the scope of information presented in the financial statements. The above analysis covered chiefly the moment of recognition of revenue from sales of goods (specifically residential units, retail premises or parking spaces). As a result of the said analysis no material changes in relation to the accounting policy applied by the Company in this area to date have been identified by the Management Board.
- IFRS 9 *Financial Instruments* (published on 24 July 2014),
- Amendments to IFRS 2 *Classification and Measurement of Share-based Payment Transactions* (published on 20 June 2016),
- *Improvements resulting from IFRS reviews 2014-2016* (published on 8 December 2016).

All of the introduced amendments were scrutinized by the Management Board of the Company and they do not materially affect the Company's financial position, operating results or the scope of information presented in these interim condensed financial statements.

The Company has not decided for earlier adoption of any standard, interpretation or improvement/amendment, which was published and has not yet come into force.

The following standards, interpretations and amendments issued by the International Accounting Standards Board or the International Financial Reporting Interpretation Committee that have not come into force:

- IFRS 16 *Leases* (published on 13 January 2016) – effective for annual periods beginning on or after 1 January 2019,
- IFRIC 22 *Foreign Currency Transactions and Advance Consideration* (published on 8 December 2016) – not endorsed by the EU until the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2018,
- IFRS 17 *Insurance Contracts* (published on 18 May 2017) – effective for annual periods beginning on or after 1 January 2021,
- IFRIC 23 *Uncertainty over Income Tax Treatments* (published on 7 June 2017) – not endorsed by the EU until the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2019,
- Amendments to IFRS 9 *Revenue from Contracts with Customers* (published on 12 October 2017) – not endorsed by the EU until the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2019,
- Amendments to IAS 28 *Investments in Associates and Joint Ventures* (published on 12 October 2017) – not endorsed by the EU until the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2019,



- Amendments to IAS 19 *Employee Benefits* – not endorsed by the EU until the date of approval of these financial statements – effective for annual periods beginning on or after 1 January 2019,
- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (published on 11 September 2014) – endorsement of these amendments have been deferred indefinitely by the EU – effective date deferred indefinitely by IASB.

The Management Board is verifying effect of the above standards on the Company's financial position, operating results or the scope of information presented in the Company's financial statements, and no significant changes are expected.

7.4. Key figures based on professional judgement and basis for estimates

In addition to the accounting estimations, when applying the accounting policies in relation to the issues described below, the most significant was the professional judgement and the assumptions made by the management.

Budgets of the construction projects

The decision to purchase real estate (land) is based upon analysis, where the so called "purchase budget" is the major component. This budget is prepared to assess the future profitability of projects. The budgets for these construction projects are updated based on management's best knowledge and experience from when the real estate is purchased. The budgets for all construction projects are verified and updated when necessary, at least once every three months. Updated project budgets are the basis for:

- ongoing evaluation of the profitability of projects,
- verification of whether to create (or change) a potential inventory impairment write down or not,
- preparation of financial forecasts, annual budgets and medium term plans.

Recognition of revenue from the sale of products

The revenue from the sale of real estate (housing units, commercial space, parking places in the garage, etc.) is recognised at the moment when control over the real estate is transferred to the buyer of said real estate together with the transfer of significant risks and rewards typical to the ownership rights. According to the Company's judgement this occurs at the moment of handover of the real estate to the buyer, which is based on a handover document signed by both parties and subject to the condition that the buyer has made 100% payment of the sale price for the real estate.

Seasonality

The operating activity of the Company is not subject to any major seasonality.



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

7.5. Investments in subsidiaries, associates and jointly controlled entities

Investments in subsidiaries, associates and jointly controlled entities have been presented in the table below:

INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES	Status as at 31.03.2018				Status as at 31.12.2017			
	Company's interest (%)	Value of total investment	Value of impairment write down	Net investment carrying value	Company's interest (%)	Value of total investment	Value of impairment write down	Net investment carrying value
Fort Mokotów sp. z o.o. w likwidacji (under liquidation)	49%	1 960	1 960	-	49%	1 960	1 960	-
Dom Development Grunty sp. z o.o.	46%	24	24	-	46%	24	24	-
Dom Development Morskie Oko sp. z o.o. w likwidacji (under liquidation)	100%	50	-	50	100%	50	-	50
Dom Development Wrocław sp. z o.o.	100%	39 447	-	39 447	100%	39 447	-	39 447
Dom Development Kredyty sp. z o.o.	100%	505	-	505	100%	505	-	505
Mirabelle Investments sp. z o.o.	100%	58	-	58	100%	58	-	58
Euro Styl S.A. *)	100%	265 473	-	265 473	100%	265 473	-	265 473
Euro Styl Development sp. z o.o. *)	100%	252	-	252	100%	252	-	252
Dom Development Construction sp. z o.o.	100%	103	-	103	-	-	-	-
Total		307 872	1 984	305 888		307 769	1 984	305 785

* Euro Styl S.A. is the parent company of the Euro Styl S.A. Capital Group, with non-controlling interests held by Euro Styl Development sp. z o.o. As a result of the acquisition of both these companies, Dom Development S.A. has full control over the Euro Styl S.A. Capital Group.

Description of material changes in the period from 1 January until 31 March 2018

In the first quarter of 2018, the Management Board of Dom Development S.A. decided to diversify the manner of developing projects by the Company. Dom Development S.A. projects have been developed by a third-party general contractor up until now. The Company intends to make use of the expertise and experience of Euro Styl S.A., a Tricity developer acquired in June 2017, which through its in-house contractor company has been successfully developing its projects. Dom Development S.A. will progressively introduce the development of projects with its own resources. Eventually, this is to complement the existing model of cooperation with third-party general contractors.

For this purpose, a subsidiary company Dom Development Construction Sp. z o.o. was established on 13 March 2018, with 100% shares held by Dom Development S.A.. The share capital of this company is PLN 100 thousand and has been paid up in full. The company has not commenced its operations as at 31 March 2018. This company was registered with the National Court Register (KRS) on 11 April 2018.

The Management Board is of the opinion that the change in the manner of project development will allow it the current efficiency of the Company's operations to be sustained.

Within the three-month period ended 31 March 2018, in addition to the establishment of the subsidiary the Company did not make any other material changes in the structure of investing in subsidiaries, associates and joint ventures.



7.6. Inventory

INVENTORY	31.03.2018 <i>(unaudited)</i>	31.12.2017
Advances on deliveries	67 648	67 999
including: at purchase prices/production costs	67 648	67 999
write down to the net realisable value	-	-
Semi-finished goods and work in progress	1 434 368	1 242 585
including: at purchase prices/production costs	1 466 332	1 274 549
write down to the net realisable value	(31 964)	(31 964)
Finished goods	130 763	260 724
including: at purchase prices/production costs	140 347	270 523
write down to the net realisable value	(9 584)	(9 799)
Total	1 632 779	1 571 308

INVENTORY REVALUATION WRITE DOWNS	01.01 - 31.03.2018 <i>(unaudited)</i>	01.01 - 31.03.2017 <i>(unaudited)</i>
Opening balance	41 763	30 292
Increments	161	172
Decreases	(376)	(84)
Closing balance	41 548	30 380

The inventory revaluation write downs to the net realisable value have resulted from the impairment tests and analysis performed by the Company.

CARRYING VALUE OF INVENTORY USED TO SECURE THE PAYMENT OF LIABILITIES AND VALUE OF THE MORTGAGES ESTABLISHED	31.03.2018 <i>(unaudited)</i>	31.12.2017
Carrying value of inventory used to secure liabilities	352 500	352 500
Mortgages:		
Value of mortgages established to secure real estate purchase agreements	-	-
Value of mortgages established to secure loan agreements (cap)	352 500	352 500

7.7. Short-term financial assets

SHORT-TERM FINANCIAL ASSETS	31.03.2018 <i>(unaudited)</i>	31.12.2017
Bank deposits with a maturity over three months	49	49
Cash in open-end residential escrow accounts	55 671	25 150
Cash in other escrow accounts	-	-
Total	55 720	25 199

Bank deposits with a maturity over three months as of the date when they are made are presented in "Bank deposits with a maturity over three months".

The Company makes bank deposits with various maturity based on current analysis of cash needs and realizable rate of return on deposits offered by banks.



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

Cash received from the Company's customers as advances for the sale of products which is deposited in open-end residential escrow accounts until the relevant requirements specified in the "Act on the Protection of Rights of a Dwelling Unit or House Buyer" are met, is presented in "Cash in open-end residential escrow accounts".

7.8. Cash and cash equivalents

Cash and cash equivalents are represented by cash at bank and cash in hand, including short-term bank deposits with up to three months maturity on the date when they are made. The book value of these assets corresponds to their fair value.

CASH AND CASH EQUIVALENTS	31.03.2018 <i>(unaudited)</i>	31.12.2017	31.03.2017 <i>(unaudited)</i>
Cash in hand and at bank	11 419	4 600	1 189
Bank deposits with a maturity of three months or less	128 350	197 440	371 374
Other	22	43	61
Total	139 791	202 083	372 624

7.9. Share capital

Description of changes to the share capital in the Company in the period from 1 January until 31 March 2018

Change in the reporting period	Share capital		Share premium
	Number of shares	Value at the nominal value	
Balance as at 01.01.2018	24 868 422	24 868	238 388
Change	100 000	100	3 400
Balance as at 31.03.2018	24 968 422	24 968	241 788

On 17 January 2018, the Management Board increased the share capital of the Company from the current amount of PLN 24 868 422.00 to PLN 24 968 422.00, i.e. by PLN 100 000.00, by way of issue of 100 000 series Y bearer ordinary shares with the nominal value of PLN 1.00 each. The issue of series Y shares took place through a private placement. The purpose of the series Y shares issue was to enable the Company to fulfil its obligations arising from Management Options Programme IV for Ms Małgorzata Kolarska related to 500 000 shares in Dom Development S.A. (see note 7.19). The Supervisory Board of the Company agreed to fully deprive the existing shareholders of their pre-emptive right to 100 000 series Y bearer ordinary shares. The reason for the exclusion of the pre-emptive right from the existing shareholders is that the issue of series Y shares is addressed only to Ms Małgorzata Kolarska as a participant in Programme IV and in order to allow her to exercise her rights under subscription warrants.

On 25 January 2018, Ms Małgorzata Kolarska exercised her share options in the Company by exercising her rights under subscription warrants and subscribing for the shares. The issue price for the new series Y shares was PLN 35.00 per share.

On 30 January 2018, the Management Board of the Company adopted a resolution on the allocation of 100 000 series Y shares to Ms Małgorzata Kolarska.

These shares were registered by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register on 29 March 2018.



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

SHARE CAPITAL (STRUCTURE) AS AT 31.03.2018

Series/ issue	Type of share	Type of preference	Limitation of right to shares	Number of shares	Nominal value of series/issue (PLN)	Capital covered with	Registration date	Right to dividends (from)
A	Bearer	-	-	21 344 490	21 344 490	cash	12.09.2006	12.09.2006
F	Bearer	-	-	2 705 882	2 705 882	cash	31.10.2006	31.10.2006
H	Bearer	-	-	172 200	172 200	cash	14.02.2007	14.02.2007
I	Bearer	-	-	92 700	92 700	cash	14.02.2007	14.02.2007
J	Bearer	-	-	96 750	96 750	cash	14.02.2007	14.02.2007
L	Bearer	-	-	148 200	148 200	cash	14.02.2007	14.02.2007
Ł	Bearer	-	-	110 175	110 175	cash	12.03.2012	07.05.2012
M	Bearer	-	-	24 875	24 875	cash	03.10.2012	09.11.2012
N	Bearer	-	-	20 000	20 000	cash	03.10.2012	09.11.2012
O	Bearer	-	-	26 000	26 000	cash	05.03.2013	17.05.2013
P	Bearer	-	-	925	925	cash	31.10.2013	23.12.2013
R	Bearer	-	-	11 000	11 000	cash	31.10.2013	23.12.2013
S	Bearer	-	-	17 075	17 075	cash	20.03.2014	02.05.2014
T	Bearer	-	-	1 000	1 000	cash	14.01.2015	27.03.2015
U	Bearer	-	-	10 320	10 320	cash	17.05.2016	01.06.2016
V	Bearer	-	-	1 000	1 000	cash	17.05.2016	01.06.2016
W	Bearer	-	-	85 830	85 830	cash	10.01.2017	07.03.2017
Y	Bearer	-	-	100 000	100 000	cash	29.03.2018	*)
Total number of shares				24 968 422				
Total share capital					24 968 422			
Nominal value per share = PLN 1								

*) On 11 April 2018 the Company filed an application for the registration of 100 000 Y series ordinary bearer shares with Krajowy Depozyt Papierów Wartościowych S.A. (National Depository for Securities). This application had not been processed up until the date that these statements were approved, and therefore the shares have not yet been admitted for trading at the Warsaw Stock Exchange.

List of shareholders who hold, directly or indirectly through subsidiaries, at least 5% of the overall number of votes at the General Shareholders Meeting ("GSM") as at the date that these financial statements are prepared and approved by the Company's Management Board.

	Status as at the date of preparing of these financial statements				Change in the period from publication of the quarterly financial statements for the three- month period ended 30.09.2017
	Shares	% of capital	Number of votes at the GSM	% of votes at the GSM	Shares
Dom Development B.V.	14 199 879	56.87	14 199 879	56.87	(60 000)
Jarosław Szanajca	1 454 050	5.82	1 454 050	5.82	-
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK SA *)	1 313 383	5.26	1 313 383	5.26	-
Grzegorz Kielpsz	1 280 750	5.13	1 280 750	5.13	-

*) Shareholding of Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK S.A. (open-end pension pension fund) has been presented as per the latest notice dated 11.07.2011 received by the Company from Aviva PTE Aviva BZ WBK S.A.



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

The shares of Dom Development S.A. or rights thereto (options) owned by the persons performing management and supervisory functions at Dom Development S.A. as at the date that these financial statements are prepared and approved by the Company's Management Board.

	Status as at the date of preparing of these financial statements			Change in the period from publication of the quarterly financial statements for the three-month period ended 30.09.2017	
	Shares	Share options	Total	Shares	Share options
The Management Board					
Jarosław Szanajca	1 454 050	-	1 454 050	-	-
Janusz Zalewski	350 000	-	350 000	-	-
Małgorzata Kolarska	131 500	400 000	531 500	100 000	400 000
Mikołaj Konopka	1 292	-	1 292	n/a	n/a
Terry Roydon	58 500	-	58 500	-	-
The Supervisory Board					
Grzegorz Kiełpsz	1 280 750	-	1 280 750	-	-
Mark Spiteri	900	-	900	-	-

7.10. Loans

Description of material changes in the three-month period ended 31 March 2018

There were no loan agreements or any other agreements within the Company that expired in the three-month period ended 31 March 2018. Total loan liabilities decreased by PLN 50 million.

The structure of these liabilities in terms of their maturity has been presented in the table below.

LOANS DUE WITHIN	31.03.2018	31.12.2017
Less than 1 year	-	50 000
More than 1 year and less than 2 years	-	-
More than 2 years and less than 5 years	-	-
Over 5 years	-	-
Total loans	-	50 000
including: long-term	-	-
short-term	-	50 000

BANK LOANS AS AT 31.03.2018						
Bank	Registered office	Loan amount and currency as per agreement		Outstanding loan amount (less accrued interest) and currency		Due date
mBank	Warsaw	50 000*)	PLN	-	PLN	21.05.2019
PKO BP SA	Warsaw	100 000*)	PLN	-	PLN	26.07.2019
mBank	Warsaw	85 000**)	PLN	-	PLN	01.03.2021
Total bank loans				-	PLN	

*) Revolving loan in the credit facility account

***) Revolving loan in the credit facility account up to PLN 85 million. Pursuant to the agreement with the bank, Dom Development Wrocław Sp. z o.o. may use up to PLN 35 million of this credit limit. As at 31 March 2018 Dom Development Wrocław Sp. z o.o. drawn PLN 35 000 million from the said credit limit, and Dom Development S.A. has not drawn any funds therefrom.



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

As at 31 March 2018 and 31 December 2017 all the loans available and drawn by and for the Company were expressed in Polish zloty.

Due to the fact that the interest on the loans is correlated to the WIBOR interest rate, the Company's Management Board estimates that the fair value of the loans taken by the Company approximately equals their book value, including accrued interest.

In the "Loans" item the Company states the nominal value of the loan liabilities, and the interest charged as at the balance sheet date are presented separately in the item "Accrued interest on loans and bonds".

7.11. Bonds

BONDS	31.03.2018 <i>(unaudited)</i>	31.12.2017
Nominal value of the bonds issued, long-term portion	260 000	260 000
Nominal value of the bonds issued, short-term portion	-	50 000
Total nominal value of the bonds issued	260 000	310 000

In the "Bonds" item the Company states the nominal value of the bond liabilities, and the interest charged as at the balance sheet date are presented separately in the item "Accrued interest on loans and bonds".

Due to the fact that the interest on the bonds is correlated to the WIBOR interest rate, the Company's Management Board estimates that the fair value of the bonds issued by the Company approximately equals their book value, including accrued interest.

Core details concerning the bonds issued by the Company

- Agreement with PeKaO S.A.

On 5 November 2007, the Company and Bank BPH S.A. (currently Bank Pekao S.A.) signed a Bond Issue Programme Agreement, pursuant to which Dom Development S.A. is allowed to issue mid-term bonds (with a maturity over 1 year and under 7 years) with an aggregate value of no more than PLN 400 million, which is to be construed as the nominal value of all issued and unredeemed bonds on any day during the term of the Programme.

On 5 November 2014, the Company and Bank Pekao S.A. signed an Annex to the Bond Issue Programme Agreement dated 5 November 2007, pursuant to which the bond issue period has been extended by 7 years (until 5 November 2021).

- Agreement with Trigon Dom Maklerski S.A. with its registered office in Cracow and Trigon Investment Banking Spółka z ograniczoną odpowiedzialnością & Wspólnicy S.K.

On 17 November 2017, the Company signed an agreement with Trigon Dom Maklerski S.A., with its registered office in Cracow, and with Trigon Investment Banking Spółka z ograniczoną odpowiedzialnością & Wspólnicy S.K., with its registered office in Warsaw, concerning the launch by the Company of the Dom Development S.A. Bond Issue Programme with a total value of no more than PLN 400 million understood as the nominal value of all bonds issued and outstanding (the "Programme"). The limit of the Programme is renewable.

In accordance with the agreement, bonds may be issued by the Company in various series over the period of ten years following the date of signing of the Programme Agreement. The bonds shall be issued in accordance with art. 33 par. 2 of the Bonds Act of 15 January 2015, i.e. otherwise than in a public placement, and shall be ordinary bearer bonds.



Description of material changes in the three-month period ended 31 March 2018

On 26 March 2018, the Company redeemed 5 000 bearer bonds with the nominal value of PLN 10 000 each and the aggregate nominal value of PLN 50 million as maturing on this date.

BONDS ISSUED AS AT 31.03.2018				
Series	Issue date	Amount	Currency	Contractual maturity date
DOMDE5120620	12.06.2015	100 000	PLN	12.06.2020
DOMDE6151121	15.11.2016	110 000	PLN	15.11.2021
DOMDET11512227	15.12.2017	50 000	PLN	15.12.2022
Total:		260 000	PLN	

7.12. Accrued interest on loans and bonds

ACCRUED INTEREST ON LOANS AND BONDS	31.03.2018 <i>(unaudited)</i>	31.12.2017
Accrued interest on bonds	3 120	1 368
Accrued interest on loans	-	-
Total accrued interest on loans and bonds	3 120	1 368

7.13. Segment reporting

The operations of the Company are generally in a single segment and involve mainly the development and sale of residential and retail (commercial) units and related support activities. The Company operates only in the Warsaw market, while Dom Development S.A. Capital Group with the Company as the parent, also operates on the Tricity and Wrocław markets. The operations on the Wrocław and Tricity markets are carried out through the Group's subsidiaries.

In view of the above, segmentation for reporting purposes was made within the Group on the basis of the geographical location:

- the Warsaw segment
- the Tricity segment
- the Wrocław segment

The results of the individual segments are assessed mainly on the basis of sale revenues and profit, and gross margin on sales generated by the individual segments.

Due to the fact that the Company's operating activities are carried out only in the Warsaw market, i.e. within one segment, this financial statements do not include segment-specific information.

Information on the business segments of the Group is provided in the consolidated financial statements of the Group, which shows the operating activities on all the above mentioned markets (operating segments and reporting segments).



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

7.14. Operating income

REVENUE BREAKDOWN	01.01 - 31.03.2018 <i>(unaudited)</i>	01.01 - 31.03.2017 <i>(unaudited)</i>
Sales of finished goods	185 397	108 361
Sales of services	5 624	4 787
Sales of land	-	-
Total	191 021	113 148

7.15. Operating costs

OPERATING COSTS	01.01 - 31.03.2018 <i>(unaudited)</i>	01.01 - 31.03.2017 <i>(unaudited)</i>
Cost of sales		
Cost of finished goods sold	(127 756)	(81 511)
Cost of services sold	(5 256)	(5 456)
Cost of land sold	-	-
Inventory write down to the net realisable value	215	(88)
Total cost of sales	(132 797)	(87 055)
Selling costs, and general administrative expenses		
Selling costs	(14 741)	(15 069)
General administrative expenses	(13 920)	(10 355)
Total selling costs, and general administrative expenses	(28 661)	(25 424)
Selling costs, and general administrative expenses by kind		
Depreciation	(1 681)	(1 448)
Cost of materials and energy	(3 460)	(3 625)
External services	(7 467)	(7 428)
Taxes and charges	(53)	(38)
Remuneration	(10 986)	(9 478)
Social security and other benefits	(2 629)	(2 395)
Management Option Programme	(1 446)	-
Other prime costs	(939)	(1 012)
Total selling costs, and general administrative expenses by kind	(28 661)	(25 424)

7.16. Income tax in the income statement

INCOME TAX	01.01 - 31.03.2018 <i>(unaudited)</i>	01.01 - 31.03.2017 <i>(unaudited)</i>
Current income tax	(19 642)	(13 087)
Deferred tax in the income statement	13 860	12 871
Total	(5 782)	(216)



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

7.17. Earnings per share

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE	01.01 - 31.03.2018	01.01 - 31.03.2017
	<i>(unaudited)</i>	<i>(unaudited)</i>
Basic earnings per share		
Profit for calculation of the basic earnings per share	22 347	(235)
The weighted average number of ordinary shares of the Company for the calculation of basic earnings per share	24 870 644	24 858 885
Basic earnings per share (PLN)	0.90	(0.01)
Diluted earnings per share		
Profit for calculation of the diluted earnings per share	22 347	(235)
Potential diluting shares related to the Management Share Option Programmes	130 973	-
The weighted average number of ordinary shares of the Company for the calculation of diluted earnings per share	25 001 617	24 858 885
Diluted earnings per share (PLN)	0.89	(0.01)

As the Company has no discontinued operations, the earnings/(loss) per share from the continued operations equal the earnings/(loss) per share calculated above.

7.18. Transactions with related entities

In the three-month periods ended 31 March 2018 and 2017, the Company was a party to transactions with related entities, as listed below.

DOM DEVELOPMENT S.A. AS A BUYER OF GOODS OR SERVICES			
Counterparty	Transaction description	01.01- 31.03.2018	01.01- 31.03.2017
Woodsford Consulting Limited	Consulting services as per the agreement dated 27.06.2007 as annexed	449	420
Hansom Property Company Limited	Consulting services as per the agreement dated 2.01.2001 as annexed	123	128
Kirkley Advisory Limited	Consulting services as per the agreement dated 29.09.2017	24	-
M & M Usługi Doradcze M. Kolarski	Consulting services	161	14
Fort Mokotów Inwestycje sp. z o.o. w likwidacji (under liquidation)	Other	-	90
Dom Land sp. z o.o.	Marketing services	-	155
Dom Development Wrocław sp. z o.o.	Cooperation Agreements	99	176
Dom Development Kredyty sp. z o.o.	Cooperation Agreements	82	-



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

DOM DEVELOPMENT S.A. AS A SELLER OF GOODS OR SERVICES

Druga strona transakcji	Transaction description	01.01- 31.03.2018	01.01- 31.03.2017
Fort Mokotów sp. z o.o. w likwidacji (under liquidation)	Repair services as per the agreement dated 22 July 2005	32	24
Dom Development Grunty sp. z o.o.	Other	1	1
Dom Development Morskie Oko sp. z o.o. w likwidacji (under liquidation)	Other	1	1
Fort Mokotów Inwestycje sp. z o.o. w likwidacji (under liquidation)	Other	-	1
Euro Styl S.A.	Cooperation Agreement	6	-
Dom Land sp. z o.o.	Other	1	1
Dom Development Wrocław sp. z o.o.	Cooperation Agreements	103	141
Dom Development Kredyty sp. z o.o.	Cooperation Agreements	60	-
Mirabelle Investments sp. z o.o.	Other	1	-

DOM DEVELOPMENT S.A. AS A LENDER

Counterparty	Transaction description	01.01- 31.03.2018	01.01- 31.03.2017
Dom Development Grunty sp. z o.o.	Interest accrued on the borrowing	-	2

DOM DEVELOPMENT S.A. AS A SUBSCRIBER FOR SHARES IN SHARE CAPITAL OF SUBSIDIARIES:

Counterparty	Transaction description	01.01- 31.03.2018	01.01- 31.03.2017
Dom Development Wrocław sp. z o.o.	Additional contribution to the share capital *)	-	7 000
Fort Mokotów Inwestycje sp. z o.o. w likwidacji (under liquidation)	Additional contribution to the share capital *)	-	1 200
Dom Development Construction sp. z o.o.	Share capital contribution *)	100	-

*) share capital contribution and additional contribution to the share capital of the subsidiaries have been recognised in the balance sheet under "Investments in subsidiaries, associates and jointly controlled entities".

DOM DEVELOPMENT S.A. AS A PAYER OF PREPAYMENT UNDER THE AGENCY AGREEMENT

Counterparty	Transaction description	01.01- 31.03.2018	01.01- 31.03.2017
Dom Development Grunty sp. z o.o.	(net) prepayment for the purchase of land under the agency agreement	455	-

DOM DEVELOPMENT S.A. AS A LAND SELLER UNDER A SALE AGREEMENT

Counterparty	Transaction description	01.01- 31.03.2018	01.01- 31.03.2017
Dom Development Grunty sp. z o.o.	Termination of the agreement for the sale of interest in real property	(10 802)	-



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

Dom Land sp. z o.o.	Termination of the agreement for the sale of interest in real property	(2 478)	-
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BALANCES WITH RELATED ENTITIES – balances as in the books of the Company

Entity	Receivables from related entities		Liabilities to related entities	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Total balance	44 007	59 184	10	146
Subsidiaries	43 392	56 109	-	-
Dom Development Morskie Oko sp. z o.o., w likwidacji (under liquidation) additional contributions to the share capital	1 147	1 147	-	-
Dom Development Grunty sp. z o.o.	6 762	19 488	-	-
Dom Development Wrocław sp. z o.o. additional contributions to the share capital	35 445	35 445	-	-
Dom Development Wrocław sp. z o.o.	23	29	-	-
Euro Styl S.A.	5	-	-	-
Dom Development Kredyty sp. z o.o.	10	-	-	-
Jointly controlled entities	-	20	-	-
Fort Mokotów sp. z o.o., w likwidacji (under liquidation)	-	20	-	-
Other entities	615	3 055	10	146
Dom Land sp. z o.o.	7	3 055	-	-
M&M Usługi Doradcze M. Kolarski	-	-	10	3
Woodsford Consulting Limited	93	-	-	143
Hansom Property Company Limited	515	-	-	-

REMUNERATION AND FEES OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS OF DOM DEVELOPMENT S.A.

Counterparty	01.01- 31.03.2018	01.01- 31.03.2017
	(unaudited)	(unaudited)
The Management Board	3 754	4 457
The Supervisory Board	324	324

The above listing does not take into account the cost of the management options programme which was PLN 1 446 thousand and PLN 0 (see note 7.19) and was accounted for in the income statement in the three-month periods ended 31 March 2018 and 2017 respectively.

DOM DEVELOPMENT S.A. AS A SELLER (PLN)

Transactions with members of the Management Board and the Supervisory Board	Transaction description	Transaction date	Transaction amount
Grzegorz Kielpsz and a person closely related	Sale agreement for real estate comprising the undeveloped plot of land no. 24/46 with an area of 26 m ²	01.03.2018	33 358.00

Except for as stated above, the Company did not enter into any other transactions with the Management Board or Supervisory Board Members.

The transactions with the related entities are based on the arm's length principle.



7.19. Incentive Plan – Management Option Programmes

As at 31 March 2018 there was one active Management Option Programme adopted as part of the Incentive Scheme for the Management staff of the Company.

Name of the Programme	Options in the programme (number of shares)	Options granted (number of shares)	Options exercised (number of shares)	Options in the programme (number of shares)	Options granted (number of shares)	Options exercised (number of shares)
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Exercise of the share options

On 17 January 2018, the Management Board of the Company adopted a resolution on the increase of share capital in the Company by issuing 100 000 Y series ordinary bearer shares. The shares were issued in a private placement addressed to Mr Małgorzata Kolarska, Vice President of the Management Board as a participant in Management Options Programme IV (which was described in detail in note 7.9). These shares were registered by the District Court for the capital city of Warsaw on 29 March 2018.

Grant of new share options

In the three-month period ended 31 March 2018 the Company did not grant any new share options.

Expiry of share options

In the three-month period ended 31 March 2018 no share options expired.

Cost of Management Option Programmes accounted for in the income statement and the shareholders' equity

In the three-month period ended 31 March 2018 and 2017 the amounts of PLN 1 446 thousand and PLN 0 thousand respectively, were accounted for in the income statement for the management options granted and in the supplementary capital.

Share options granted and exercisable as at respective balance sheet dates, and changes in the presented periods:

SHARE OPTIONS		01.01-31.03.2018	01.01-31.03.2017
Unexercised options at the beginning of the period	Number of options	500 000	-
	Total exercise price	17 500	-
Options granted in the period	Number of options	-	-
	Total option exercise value	-	-
Options expired in the period	Number of options	-	-
	Total option exercise value	-	-
Options exercised in the period	Number of options	100 000	-
	Total option exercise value	3 500	-
	Weighted average exercise price per share (PLN per share)	35,00	-
Unexercised options at the end of the period	Number of options	400 000	-
	Total exercise price	14 000	-
Exercisable options at the beginning of the period	Number of options	100 000	-
	Total exercise price	3 500	-
Exercisable options at the end of	Number of options	-	-



the period	Total exercise price	-	-
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7.20. Contingent liabilities

CONTINGENT LIABILITIES	31.03.2018 <i>(unaudited)</i>	31.12.2017
Guarantees	111	111
Sureties	852	365
Total	963	476

Additionally, some of the Company's liabilities are secured with promissory notes:

COLLATERALS FOR LIABILITIES	31.03.2018 <i>(unaudited)</i>	31.12.2017
Promissory notes, including:		
– promissory notes as an additional guarantee for the PKO BP SA bank in respect of claims arising from the granted loan	100 000	100 000
– promissory note as a security for the claims of Bank Pekao S.A. from the sale of credit products	4 000	2 000
Total	104 000	102 000

In the three-month period ended 31 March 2018 the Company did not provide any guarantees for loans or borrowings, nor any other guarantees – jointly to one entity or its subsidiary, the value of which would be material for the Company or would amount to at least 10% of the Company's shareholders' equity.

7.21. Material court cases

As of 31 March 2018 there was no individual proceeding before any court, authority competent for arbitration or public administration body, concerning the liabilities or receivables of the Company or its subsidiaries, the value of which would be at least 10% of the Company's shareholders' equity.

As of 31 March 2018 there were not two or more proceedings before any court, authority competent for arbitration or public administration body, concerning the liabilities or receivables, the value of which would be at least 10% of the Company's shareholders' equity.

As of 31 March 2018, the Company was a party to proceedings concerning liabilities and receivables, the total value of which was approx. PLN 32 486 thousand, including the total value of proceedings concerning liabilities at approx. PLN 30 774 thousand and the total value of proceedings concerning receivables at approx. PLN 1 712 thousand.

The proceedings involving the Company have no significant impact on the Company's activity.

7.22. Factors and events with significant impact on the condensed financial statements

In the period from 1 January to 31 March 2018 the following material changes in the portfolio of the Company's real estate development projects under construction took place:

Projects where the construction commenced in the period from 1 January 2018 until 31 March 2018:

Project	Standard	Number of apartments	Number of commercial units	Started in
Cybernetyki 17, phase 3	Popular	240	-	Q1 2018
Regaty, phase 2	Popular	198	2	Q1 2018



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

Project	Standard	Number of apartments	Number of commercial units	Started in
Amsterdam, phase 3	Popular	188	14	Q1 2018
Apartamenty Dolny Mokotów	Apartments	148	5	Q1 2018
Total		774	21	

Projects where the construction was completed in the period from 1 January 2018 until 31 March 2018:

Project	Standard	Number of apartments	Number of commercial units	Completed in
Osiedle Premium 3 (phase 2, stage 1)	Popular	134	-	Q1 2018
Apartamenty Włodarzewska 30	Popular	114	9	Q1 2018
Moderna, phase 4	Popular	189	-	Q1 2018
Klasyków Wille Miejskie 2, phase 2	Popular	204	-	Q1 2018
Total		641	9	

Information on deliveries of residential and commercial units in the reporting period

Number of residential and commercial units delivered to customers in the three-month period ended 31 March 2018 has been presented in the following table:

Deliveries	01.01 - 31.03.2018 (unaudited)	01.01 - 31.03.2017 (unaudited)
Apartments and commercial units	384	230

7.23. Dividends

On 29 March 2018, the Management Board of the Company adopted a resolution on the distribution of net profit of the Company for 2017 and appropriation of a portion of the supplementary capital for payment of a dividend.

Pursuant to the resolution by the Management board of the Company, the Management Board petitioned that the aggregate amount of PLN 189 760 007.20 be appropriated for the payment of a dividend to the Shareholders in Dom Development S.A. The aggregate amount includes:

- PLN 186 112 545.02 net profit of Dom Development S.A. for the year ended 31 December 2017, and
- PLN 3 647 462.18 that is a portion of the supplementary capital derived from the profit carried forward.

The recommended amount allows for a dividend of PLN 7.60 per share to be paid out.

The Management Board of the Company proposed that the date of record be 26 June 2018 and the dividend payment date be 4 July 2018.

On 10 April 2018, the Supervisory Board of the Company adopted a resolution wherein the Supervisory Board positively assesses and agrees to the said petition on the distribution of net profit of the Company for 2017 and fixing the date of record and the dividend payment date as proposed by the Management Board.

7.24. Deferred income

Payments from customers on account of the purchase of apartments and parking spaces are recorded as deferred income until the time that they are delivered to the buyer and are recognised in the income statement as "sales revenue". This balance sheet item is closely dependent over time on the relationship between the sales rate (which as it increases, increases this item) and the deliveries rate (which as it decreases, decreases this item).



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

DEFERRED INCOME	31.03.2018 <i>(unaudited)</i>	31.12.2017
Deferred income related to the payments received from customers for the purchase of products, not yet included as income in the income statement	577 271	423 113
Other	-	6
Total	577 271	423 119

7.25. Material post-balance sheet events

- Mr Włodzimierz Bogucki resigned from the held function of a Member of the Supervisory Board of the Company.

Mr Włodzimierz Bogucki resigned from his position as a member of the Supervisory Board of the Company on 10 April 2018, with effect on the date of the most recent General Shareholders' Meeting of the Company.

The reason for the resignation is that Mr Włodzimierz Bogucki has been a Member of the Supervisory Board at Dom Development S.A. for nearly 12 years, and from September 2018 he will have ceased to meet the criterion defining an independent member of the Supervisory Board of Dom Development S.A., a criterion referred to in art. 129 par. 3 point 8) of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision, and in article 7.7.8 of the Company's Articles of Association.

- The appointment of Mr Mikołaj Konopka to be a Member of the Management Board of the Company.

On 10 April 2018, the Supervisory Board of the Company appointed Mr Mikołaj Konopka, effective as of 10 April 2018, as a member of the Management Board of Dom Development S.A. for a joint three-year term of office.

Mr Mikołaj Konopka also holds the position of the President of the Management Board of Euro Styl S.A.

7.26. Forecasts

The Management Board of Dom Development S.A. does not publish any financial forecasts concerning the Company.

7.27. Selected financial data translated into euro

The following financial data of the Company have been translated into euro:

SELECTED DATA FROM THE BALANCE SHEET	31.03.2018 <i>(unaudited)</i>	31.12.2017
	thousand Euro	thousand Euro
Total current assets	441 289	439 000
Total assets	518 569	517 143
Total shareholders' equity	243 694	239 593
Long-term liabilities	81 277	85 445
Short-term liabilities	193 598	192 104
Total liabilities	274 875	277 550
PLN/EUR exchange rate as at the balance sheet date	4.2085	4.1709

SELECTED DATA FROM THE INCOME STATEMENT	01.01 - 31.03.2018 <i>(unaudited)</i>	01.01 - 31.03.2017 <i>(unaudited)</i>
	thousand Euro	thousand Euro
Sales revenue	45 716	26 380



Dom Development S.A.

Additional notes to the interim condensed financial statements
for the three-month period ended 31 March 2018
(all amounts in thousands PLN unless stated otherwise)

Gross profit on sales	13 935	6 084
Operating profit/(loss)	6 794	2
Profit/(loss) before tax	6 732	(4)
Net profit/(loss)	5 348	(55)
<i>Average PLN/EUR exchange rate for the reporting period</i>	4.1784	4.2891