



Warsaw, 4 July 2017

Dom Development: Trading update Q2 2017

1. Acquisition of Euro Styl S.A.

From 8 June 2017, Dom Development has expanded its operations through the acquisition of Euro Styl S.A. Capital Group, one of the leading developers in the Tri-City market.

After the acquisition, Dom Development now operates in three markets; Warsaw, the Tri-City and Wrocław.

The numbers mentioned below exclude Euro Styl S.A., which sold 358 units in the first half of 2017 (including 189 units sold in Q2 2017).

2. Sales

In the second quarter of 2017, DOM sold a record number of units, 850 net, giving a rise of 21% against the same period last year. Sales across all projects were very good. The biggest sales volumes were seen on the following projects: Wilno, Osiedle Premium, Osiedle Moderna, Żoliborz Artystyczny, Apartamenty Mokotów nad Skarpą, Osiedle Amsterdam and Saska.

3. Deliveries

In the second quarter of 2017 we delivered 635 units (13% increase YOY). The most influential projects for the Q2 2017 financial results were Osiedle Premium (175 units), Apartamenty Mokotów nad Skarpą (112 units) and Osiedle Moderna phase 1 (153 units).

4. Market

Dom Development's sales for the second quarter of 2017 again reached a record-high level, and improved significantly (+ 21%) on Q2 2016. The best-performing months were May and June.

Q2 2017 saw continued high demand in Warsaw, the Tri-City and Wrocław, and accordingly Dom Development enjoyed high sales volume and rising prices (with the biggest increases seen in the Tri-City and the smallest in Wrocław). Demand was supported by low interest rates and a strong labour market, and by a high availability of mortgages for clients. As in previous quarters, a large proportion of Dom Development's sales (approx. 40%) were to cash buyers.

Dom Development's excellent sales total was a consequence of our ever broader offer. In Q2 2017 we launched six new projects in Warsaw comprising 1300 units. Moreover, we expanded our activity into the Tri-City area, a new market already adding significant sales volumes to our group.

Dom Development has a quality diversified land bank and a number of projects ready to launch, giving us solid opportunities to capitalize on the current market situation.

In the coming quarters, we anticipate strong demand for housing and high sales volumes. Our expectations for these quarters are very positive.

Jarosław Szanajca – President of the Management Board

Janusz Zalewski – Vice President of the Management Board, CFO