



**MLP**  
GROUP



## MLP Group S.A. Capital Group

# CONSOLIDATED Quarterly Report

FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2016

This document is a translation.  
Polish version prevails

[www.mlp.pl](http://www.mlp.pl)

*published pursuant to § 82 sec. 1 point 1 of the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal 2014 item 133)*

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## I. Selected financial data of MLP Group S.A. Capital Group

Average exchange rates of Polish zloty against euro in the period covered by the interim condensed consolidated financial statements:

	30 September 2016	31 December 2015	30 September 2015
Average exchange rate in the period *	4,3688	4,1848	4,1585
Exchange rate at the last day of the period	4,3120	4,2615	4,2386

\* Arithmetic average of the average exchange rates published on the last day of each month in the reporting period.

Main positions of the interim condensed consolidated statement of financial position converted into euro:

	<i>as at</i>	30 September 2016		31 December 2015	
		PLN thousand <i>(unaudited)</i>	EUR thousand <i>(unaudited)</i>	PLN thousand <i>(restated)</i>	EUR thousand <i>(restated)</i>
Non-current assets		945 825	219 347	934 348	219 253
Current assets		137 944	31 991	191 821	45 013
<b>Total assets</b>		<b>1 083 769</b>	<b>251 338</b>	<b>1 126 169</b>	<b>264 266</b>
Long-term liabilities		422 553	97 995	403 689	94 729
Short-term liabilities		30 572	7 090	75 112	17 626
Equity, including:		630 644	146 253	647 368	151 911
Share capital		4 529	1 050	4 529	1 063
<b>Total equity and liabilities</b>		<b>1 083 769</b>	<b>251 338</b>	<b>1 126 169</b>	<b>264 266</b>
Number of shares (in units)		18 113 255	18 113 255	18 113 255	18 113 255
The book value and diluted book value per share attributable to the owners of the Parent Company (in PLN)		34,82	8,07	35,74	8,39

To translate the interim condensed consolidated statement of financial position the average exchange rate published by the Polish National Bank on the last day of the reporting period was used.

Main positions of the interim condensed consolidated statement of profit or loss and other comprehensive income converted into euro:

	<i>for the period ended</i>	30 September 2016		30 September 2015	
		PLN thousand <i>(unaudited)</i>	EUR thousand <i>(unaudited)</i>	PLN thousand <i>(unaudited)</i>	EUR thousand <i>(unaudited)</i>
Revenues		67 038	15 345	80 791	19 428
Other operating income		1 879	430	3 181	765
Gain/(loss) on revaluation of investment properties		8 163	1 868	(2 489)	(599)
Selling and administrative expenses		(33 212)	(7 602)	(29 066)	(6 990)
Operating profit		41 821	9 573	51 752	12 445
Profit before taxation		32 606	7 463	41 460	9 970
<b>Net profit from continuing operations</b>		<b>22 666</b>	<b>5 188</b>	<b>64 150</b>	<b>15 426</b>
Total comprehensive income		24 936	5 708	68 547	16 484
Net profit attributable to the owners of the Parent Company		22 666	5 188	64 150	15 426
Net profit and diluted net profit per share attributable to the owners of the Parent Company (in PLN)		1,25	0,29	3,54	0,85

To translate the interim condensed consolidated statement of profit or loss and other comprehensive income an average euro exchange rate (calculated as the arithmetic average of the average exchange rates published on the last day of each month in the reporting period by the Polish National Bank on that day) was used.

Main positions of the interim condensed consolidated statement of cash flows converted into euro:

<i>for the period ended</i>	<b>30 September 2016</b>		<b>30 September 2015*</b>	
	<b>PLN</b>	<b>EUR</b>	<b>PLN</b>	<b>EUR</b>
	<b>thousand</b>	<b>thousand</b>	<b>thousand</b>	<b>thousand</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Net cash flows from operating activities	17 716	4 055	41 879	10 071
Cash flows from investing activities	(31 888)	(7 299)	(31 297)	(7 526)
Cash flows from financing activities	(20 282)	(4 642)	(7 175)	(1 725)
<b>Total net cash flows</b>	<b>(34 454)</b>	<b>(7 886)</b>	<b>3 407</b>	<b>820</b>

\* restated

To translate the interim condensed consolidated statement of cash flows an average euro exchange rate (calculated as the arithmetic average of the average exchange rates published on the last day of each month in the reporting period by the Polish National Bank on that day) was used.

<i>as at</i>	<b>30 September 2016</b>		<b>31 December 2015</b>	
	<b>PLN</b>	<b>EUR</b>	<b>PLN</b>	<b>EUR</b>
	<b>thousand</b>	<b>thousand</b>	<b>thousand</b>	<b>thousand</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(restated)</i>	<i>(restated)</i>
Cash at the beginning of the period	122 978	28 858	35 530	8 336
Cash at the end of the period	88 524	20 530	122 978	28 858

To translate the above data of the interim condensed consolidated statement of cash flows the following exchange rates were used:

- for the position "Cash at the end of the period" an average exchange rate published by the Polish National Bank on the last day of the reporting period was used,
- for the position "Cash at the beginning of the period" an average exchange rate published by the Polish National Bank on the last day of the period preceding the reporting period was used.

Euro exchange rate on the last day of the reporting period ended 31 December 2014 was 4,2623 EUR/PLN.



# **MLP Group S.A.** **Capital Group**

The interim condensed  
consolidated financial statements

for the 9 months ended 30 September 2016  
*prepared in accordance with the IFRS EU*

## II. The interim condensed consolidated financial statements

### Approval of the interim condensed consolidated financial statements

On 10 November 2016 the Management Board of the Parent Company MLP Group S.A. approved for publication the interim condensed consolidated financial statements ("Consolidated financial statements", "Condensed consolidated financial statements") of MLP Group S.A. Capital Group ("Group") for the period from 1 January 2016 to 30 September 2016.

The interim condensed consolidated financial statements for the period from 1 January 2016 to 30 September 2016 have been prepared in accordance with the International Financial Reporting Standards as approved by the European Union ("IFRS EU"), applicable to the interim financial reporting (IAS 34). Information in this report is presented in the following sequence:

1. Condensed consolidated statement of profit or loss and other comprehensive income for the period from 1 January 2016 to 30 September 2016, with a net profit of PLN 22.666 thousand.
2. Condensed consolidated statement of financial position as at 30 September 2016, with total assets and total liabilities and equity of PLN 1.083.769 thousand.
3. Condensed consolidated statement of cash flows for the period from 1 January 2016 to 30 September 2016, with a net cash decrease of PLN 34.454 thousand.
4. Condensed statement of changes in consolidated equity for the period from 1 January 2016 to 30 September 2016, with a consolidated equity decrease of PLN 16.724 thousand.
5. Explanatory information to the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements have been prepared in PLN thousand, unless otherwise stated.

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**Radosław T. Krochta**  
*President*  
*of the Management Board*

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**Michael Shapiro**  
*Vice-President*  
*of the Management Board*

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**Tomasz Zabost**  
*Member*  
*of the Management Board*



## Condensed consolidated statement of profit or loss and other comprehensive income

	<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
		<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>Note</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
		<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenues	4	67 038	23 618	80 791	26 638
Other operating income		1 879	493	3 181	2 898
Gain/(Loss) on revaluation of investment properties		8 163	(19 218)	(2 489)	703
Selling and administrative expenses	5	(33 212)	(11 850)	(29 066)	(9 764)
Other operating costs		(2 047)	(385)	(665)	(547)
<b>Operating profit/(loss)</b>		<b>41 821</b>	<b>(7 342)</b>	<b>51 752</b>	<b>19 928</b>
Financial income	6	2 114	432	6 214	(4 507)
Financial cost	6	(11 329)	2 314	(16 506)	(5 925)
<b>Net financial income/(cost)</b>		<b>(9 215)</b>	<b>2 746</b>	<b>(10 292)</b>	<b>(10 432)</b>
<b>Profit/(loss) before taxation</b>		<b>32 606</b>	<b>(4 596)</b>	<b>41 460</b>	<b>9 496</b>
Corporate income tax	7	(9 940)	1 177	22 690	25 027
<b>Net profit/(loss) from continuing operations</b>		<b>22 666</b>	<b>(3 419)</b>	<b>64 150</b>	<b>34 523</b>
<b>Other comprehensive income</b>					
The effective part of changes in the fair value of cash flow hedges		2 803	1 621	7 055	986
Valuation of financial instruments		-	-	(1 627)	(543)
Corporate income tax on other comprehensive income		(533)	(308)	(1 031)	(84)
<b>Other comprehensive income (net of tax)</b>		<b>2 270</b>	<b>1 313</b>	<b>4 397</b>	<b>359</b>
<b>Total comprehensive income</b>		<b>24 936</b>	<b>(2 106)</b>	<b>68 547</b>	<b>34 882</b>
<b>Net profit attributable to:</b>					
Owners of the Parent Company		22 666	(3 419)	64 150	34 523
<b>Net profit</b>		<b>22 666</b>	<b>(3 419)</b>	<b>64 150</b>	<b>34 523</b>
<b>Comprehensive income attributable to:</b>					
Owners of the Parent Company		24 936	(2 106)	68 547	34 882
<b>Total comprehensive income</b>		<b>24 936</b>	<b>(2 106)</b>	<b>68 547</b>	<b>34 882</b>
<b>Profit per share</b>	15				
- Basic and diluted (in PLN) profit for the year attributable to ordinary shareholders of the Parent Company		1,25	(0,20)	3,54	1,90

## Condensed consolidated statement of financial position

	<i>as at</i> <b>Note</b>	<b>30 September</b> <b>2016</b> <i>(unaudited)</i>	<b>31 December</b> <b>2015</b> <i>(restated)</i>
<b>Non-current assets</b>			
Tangible fixed assets		876	919
Intangible assets		2	5
Investment property	8	874 397	845 153
Other long-term investments	10, 25	62 979	76 265
Other long-term assets		54	48
Deferred tax assets	9	7 517	11 958
<b>Total non-current assets</b>		<b>945 825</b>	<b>934 348</b>
<b>Current assets</b>			
Inventories		81	40
Short-term investments	10	22 884	31 096
Corporate income tax receivables	11	671	784
Trade and other receivables	11	12 802	19 333
Other short term investments	10, 25	12 982	17 590
Cash and cash equivalents	12, 25	88 524	122 978
<b>Total current assets</b>		<b>137 944</b>	<b>191 821</b>
<b>TOTAL ASSETS</b>		<b>1 083 769</b>	<b>1 126 169</b>
<b>Equity</b>			
	14		
Share capital		4 529	4 529
Other capital reserve		81 384	81 384
Share premium		71 121	71 121
Reserve capital		153 963	153 963
Capital reserve from valuation of hedging instruments		(5 719)	(7 989)
Retained earnings		325 366	344 360
<b>Total equity</b>		<b>630 644</b>	<b>647 368</b>
<b>Long-term liabilities</b>			
Credits, loans and other debt instruments	16.1	317 825	303 650
Deferred tax liabilities	9	83 821	79 896
Other long-term liabilities	16.1	20 907	20 143
<b>Total long-term liabilities</b>		<b>422 553</b>	<b>403 689</b>
<b>Short-term liabilities</b>			
Credits, loans and other debt instruments	16.2	18 231	19 696
Other short-term liabilities	16.2	-	164
Payroll liabilities	17	157	1 917
Corporate income tax liabilities	18	687	1 594
Trade and other liabilities	18	11 497	51 741
<b>Total short-term liabilities</b>		<b>30 572</b>	<b>75 112</b>
<b>Total liabilities</b>		<b>453 125</b>	<b>478 801</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 083 769</b>	<b>1 126 169</b>

## Condensed consolidated statement of cash flows

		<b>2016</b>	<b>2015</b>
	<i>for the period ended 30 September</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<b>Note</b>		<i>(restated)</i>
<b>Cash flows from operating activities</b>			
<b>Profit before taxation</b>		<b>32 606</b>	<b>41 460</b>
<i>Adjustments for:</i>			
Depreciation		160	145
Change in fair value of investment properties		(8 163)	2 489
Net interest		8 540	13 561
Foreign exchange differences		2 926	(1 515)
Gain on sale of investment property		-	(2 521)
Other		(96)	131
Changes in trade and other receivables	13.2	6 490	(67 956)
Changes in short-term trade and other liabilities	13.3	(21 846)	60 670
Partial decommitment of the bank loan		-	(2 302)
<b>Cash from operating activities</b>		<b>20 617</b>	<b>44 162</b>
Income tax paid		(2 901)	(2 283)
<b>Net cash from operating activities</b>		<b>17 716</b>	<b>41 879</b>
<b>Cash flows from investing activities</b>			
Interest received		366	-
Loans granted		7	-
Purchase of investment property, tangible fixed assets and intangible assets		(37 482)	(31 243)
Disposal of intangible assets and tangible fixed assets		1	86
Other investing proceeds/(disbursements)		5 220	(140)
<b>Cash from investing activities</b>		<b>(31 888)</b>	<b>(31 297)</b>
<b>Cash flows from financing activities</b>			
Proceeds from credits and loans	13.1	46 918	41 305
Repayment of credits and loans	13.1	(15 924)	(31 768)
Dividends and other payments to shareholders		(41 660)	-
Interest paid		(9 616)	(16 712)
<b>Cash from financing activities</b>		<b>(20 282)</b>	<b>(7 175)</b>
<b>Total cash flow</b>		<b>(34 454)</b>	<b>3 407</b>
<b>Cash and cash equivalents at the beginning of the period</b>	12, 25	<b>122 978</b>	<b>35 530</b>
Foreign exchange differences on cash and cash equivalents		-	(413)
<b>Cash and cash equivalents at the end of the period</b>	12, 25	<b>88 524</b>	<b>38 524</b>

## Condensed statement of changes in consolidated equity

### Equity attributable to shareholders of the Parent Company

	Share capital	Other capital reserve	Share premium	Reserve capital	Capital reserve from valuation of hedging instruments	Retained earnings	Total equity
<b>Equity as at 1 January 2015</b>	<b>4 529</b>	<b>81 384</b>	<b>71 121</b>	<b>153 963</b>	<b>(22 847)</b>	<b>269 732</b>	<b>557 882</b>
<b>Comprehensive income:</b>							
Profit for the period*	-	-	-	-	-	64 150	<b>64 150</b>
Total other comprehensive income*	-	-	-	-	4 397	-	<b>4 397</b>
<b>Total comprehensive income for the period ended 30 September 2015*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 397</b>	<b>64 150</b>	<b>68 547</b>
<b>Equity as at 30 September 2015*</b>	<b>4 529</b>	<b>81 384</b>	<b>71 121</b>	<b>153 963</b>	<b>(18 450)</b>	<b>333 882</b>	<b>626 429</b>
<b>Equity as at 1 January 2016</b>	<b>4 529</b>	<b>81 384</b>	<b>71 121</b>	<b>153 963</b>	<b>(7 989)</b>	<b>344 360</b>	<b>647 368</b>
<b>Comprehensive income:</b>							
Profit for the period*	-	-	-	-	-	22 666	<b>22 666</b>
Total other comprehensive income*	-	-	-	-	2 270	-	<b>2 270</b>
<b>Total comprehensive income for the period ended 30 September 2016*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 270</b>	<b>22 666</b>	<b>24 936</b>
Dividends	-	-	-	-	-	(41 660)	<b>(41 660)</b>
<b>Equity as at 30 September 2016*</b>	<b>4 529</b>	<b>81 384</b>	<b>71 121</b>	<b>153 963</b>	<b>(5 719)</b>	<b>325 366</b>	<b>630 644</b>

\* unaudited data

## Explanatory information to the interim condensed consolidated financial statements

### 1. General information

#### 1. 1 Information on the Parent Company

The Parent Company of the Group is MLP Group S.A. ("Company", "Parent Company", "Parent Entity", "Issuer"), which is a joint-stock company registered in Poland, shares of which are publicly traded. The Company's headquarters is seated in Pruszków, 3-go Maja 8 Street.

The Parent Company was established as a result of a transformation of the state owned company - Zakłady Naprawcze Taboru Kolejowego im. Bohaterów Warszawy seated in Pruszków into the joint-stock company fully owned by the state. Notarial deed on transformation was drawn up on 18 February 1995. The company operates under the name of MLP Group S.A. by virtue of resolution of the Company's General Meeting of 27 June 2007.

Currently, the Company is registered in the National Court Register in the District Court for the Capital City of Warsaw, XIV Commercial Department under the National Court Register number of 0000053299.

As at the date of preparation of the interim condensed consolidated financial statements, the composition of the Parent Company Management and Supervisory Board is as follows:

#### **The Management Board of the Parent Company:**

- Radosław T. Krochta - President of the Management Board,
- Michael Shapiro - Vice-President of the Management Board,
- Tomasz Zabost - Member of the Management Board

On 9 June 2016 pursuant to the resolution of Supervisory Board, Mr Radosław Krochta was appointed for President of the Management Board of the Company and Mr Michael Shapiro was appointed for Vice President of the Management Board of the Company.

#### **The Supervisory Board of the Parent Company:**

- Shimshon Marfogel - President of the Supervisory Board
- Eytan Levy - Vice-President of the Supervisory Board
- Yosef Zvi Meir - Member of the Supervisory Board
- Guy Shapira - Member of the Supervisory Board
- Jacek Tucharz - Member of the Supervisory Board
- Maciej Matusiak - Member of the Supervisory Board

#### 1. 2 Information about the Group

As at the end of the reporting period MLP Group S.A. Capital Group ("Capital Group", "Group") consists of MLP Group S.A. as the Parent Company and 24 subsidiaries.

The higher level parent company for the Capital Group is CAJAMARCA HOLLAND B.V. which is registered in the Netherlands, 2 Martinus Nijhofflaan, 2624 ES Delft.

The ultimate parent company of the Group is Israel Land Development Company Ltd., registered in Tel Aviv, Israel ("ILDC"). ILDC shares are listed on the Stock Exchange in Tel Aviv.

The core business of the Parent Company and its subsidiaries are: management, buying and selling of real estate, rental of real estate, the management of residential and non-residential properties, works related to the construction of buildings and other construction (see note 3.).

As at 30 September 2016, MLP Group S.A. Capital Group consisted of the following entities:

Entity	Country of registry	Direct and indirect share of the Parent Company in the equity		Direct and indirect share of the Parent Company in the voting rights	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
MLP Pruszków I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków III Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków IV Sp. zo.o.	Poland	100%	100%	100%	100%
MLP Moszna I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Lublin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
MLP Energy Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Property Sp. z.o.o.	Poland	100%	100%	100%	100%
MLP Bieruń Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Teresin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań West Sp. z o.o.	Poland	100%	100%	100%	100%
MLP FIN Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
MLP Wrocław Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gliwice Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Łódź Sp. z o.o. <sup>1)</sup>	Poland	100%	-	100%	-
MLP Czeladź Sp z o.o. <sup>2)</sup>	Poland	100%	-	100%	-
MLP Temp Sp. z o.o. <sup>3)</sup>	Poland	100%	-	100%	-

### 1. 3 Changes in the Group structure

<sup>1)</sup> On 4 March 2016 MLP Group S.A. acquired 50 shares of total value of PLN 5,000 in MLP Łódź Sp. z o.o. and acquired directly 100% of the share capital and voting rights in the above mentioned company. The shares were paid fully in cash. On 16 May 2016 MLP Łódź Sp. z o.o. has been registered in the National Court Register.

<sup>2)</sup> On 4 March 2016 MLP Group S.A. acquired 50 shares of total value of PLN 5,000 in MLP Czeladź Sp. z o.o. and acquired directly 100% of the share capital and voting rights in the above mentioned company. The shares were paid fully in cash. On 31 May 2016 MLP Czeladź Sp. z o.o. has been registered in the National Court Register.

<sup>3)</sup> On 20 May 2016 MLP Group S.A. acquired 100 shares of total value of PLN 5,000 in MLP Temp Sp. z o.o. and acquired directly 100% of the share capital and voting rights in the above mentioned company.

On 31 May 2016 share capital of the company MLP Temp Sp. o.o. has been increased by the amount of PLN 1,001,000, by creating 20,020 new shares with a nominal value of PLN 50, which were covered as follows: MLP Group S.A. acquired 20,000 new shares with a total value of PLN 1,000,000 and entirely covered them with a cash contribution and MLP Spółka z ograniczoną odpowiedzialnością SKA acquired the remaining 20 new shares, which were covered by contribution in kind in the form of the enterprise MLP Spółka z ograniczoną odpowiedzialnością SKA.

In the 9 month period ended 30 September 2016 there were no other changes in the structure of MLP Group S.A. Capital Group.

The interim condensed consolidated financial statements for the period ended 30 September 2016 include financial statements of the Parent Company and subsidiaries controlled by the Parent Company ("the Group").

#### **1. 4 The shareholding structure of the Parent Company**

##### **1. 4. 1 Structure of shareholders holding, directly or through subsidiaries, at least 5% of the total number of votes at the General Meeting of Shareholders**

Since the publication of the last period report, the structure of Shareholders who hold, directly or through subsidiaries, at least 5% of the total number of votes at the General Meeting of Shareholders has changed and is as follows:

<b>Shareholder</b>	<b>Number of shares and votes at the GM</b>	<b>% of the share capital and votes on GM</b>
MIRO B.V.	452 955	2,50%
MIRO LTD.	99 170	0,55%
GRACECUP TRADING LIMITED	641 558	3,54%
MetLife OFE	948 387	5,24%
THESINGER LIMITED	1 920 475	10,60%
Other shareholders	3 730 868	20,59%
CAJAMARCA Holland BV	10 319 842	56,98%
<b>Total</b>	<b>18 113 255</b>	<b>100,00%</b>

The number of shares held by MIRO B.V. has decreased as a result of the settlement of the transaction dated 19 April 2016 which took place in Warsaw. The transaction was a contribution in kind of 552,000 shares, representing 3.05% of the share capital of the Company made by MIRO B.V. seated in Delft, Netherlands to the company MIRO Ltd. seated in Limassol, Cyprus in exchange for the shares in the Cypriot company.

The company Miro B.V. seated in Delft, Netherlands is the parent company of MIRO Ltd. seated in Limassol, Cyprus, holding 100 % of shares in its share capital.

As a result of the settlement of the package transaction which took place on 26 April 2016, which was concluded through Pekao Investment Banking S.A. seated in Warsaw, Gracecup Trading Ltd. seated in Nicosia, Cyprus and MIRO Ltd. seated in Limassol, Cyprus, disposed of a total of 905,660 shares representing 5% of the share capital of the Company.

As a result of purchase of the Company's shares on 4 August 2016, MetLife Otwarty Fundusz Emerytalny increased its share in total voting rights on the General Meeting of Shareholders and in Company's share capital above 5%. Directly before the change of shares MetLife OFE had 870,706 shares representing 4.81% the share capital entitling to 870,706 voting rights on the General Meeting of Shareholders.

As a result of above described transaction MetLife OFE owns 948,387 shares representing 5.24% of the share capital entitling to 948,387 voting rights on the General Meeting of Shareholders, which constitutes 5.24% of the total number of votes.

**1. 4.2 Shares and rights to shares of the Parent Company owned by members of management and supervisory bodies**

Michael Shapiro holds indirectly, through controlled by himself in 100% MIRO B.V. and MIRO Ltd., 3,05% in share capital of MLP Group S.A. and by 25% shares in share capital held by MIRO B.V. in Cajamarca Holland B.V. economically participates in 14.24% of MLP Group S.A. share capital, what results in effective economic share of 17.30% in MLP Group S.A.

Members of the Supervisory Board do not directly hold shares of the Company.

**2. Basis for the preparation of the interim condensed consolidated financial statements**

**2. 1 Statement of compliance**

The Group prepared the interim condensed consolidated financial statements in accordance with the IAS 34 - Interim Financial Reporting, which was approved by the European Union. The Group has applied all Standards and Interpretations adopted by the European Union except for the Standards and Interpretations that are awaiting approval of the European Union and the Standards and Interpretations that have been approved by the European Union, but not yet effective.

**2. 2 Status of Standards Approval in the European Union**

The Group plans to adopt new Standards and amendments to Standards and Interpretations, which are not yet mandatorily effective at the date of the approval of the consolidated financial statements, according to their date of entry into force.

Assessment of the possible impact of amendments to IFRS and new IFRS on future consolidated financial statement of the Group was presented in the Consolidated Financial Statement for 2015 in note 2.2.



## 2. 3 **Basis for preparation of the interim condensed consolidated financial statements**

The interim condensed consolidated financial statements have been prepared assuming that the Group will continue to operate as a going concern in the foreseeable future and in conviction that there is no evidence indicating that the Group will not be able to continue its operations as a going concern.

These interim condensed consolidated financial statements have been prepared in accordance with accounting policies described in the Consolidated Financial Statements for the year 2015.

## 2. 4 **Functional and presentation currency and methods applied to translation of financial data**

### 2. 4. 1 **Functional and presentation currency**

These condensed consolidated financial statements are presented in Polish zloty, rounded to the nearest thousand. Polish zloty is the Parent Company's functional currency and the presentation currency of the condensed consolidated financial statements.

### 2. 4. 2 **Basis of financial data valuation**

For the measurement of the positions of the condensed consolidated statement of financial position denominated in foreign currencies, the following exchange rates have been used (PLN):

#### **Condensed consolidated statement of financial position:**

	30 September 2016	31 December 2015	30 September 2015
EUR	4,3120	4,2615	4,2386
USD	3,8558	3,9011	3,7754

## 2. 5 **Use of estimates and judgments**

Significant judgments in applying the Group's accounting policies and the key sources of estimation uncertainty made by the Management Board in these condensed consolidated financial statements were the same as described in note 2 to the Consolidated Financial Statements for the year 2015.

The preparation of interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and assumptions are based on experience and other reasonable factors which provide the basis for the estimate of book value of assets and liabilities and which does not result directly from other sources. Actual results may differ from these estimates.

## 3. **Segment reporting**

The primary and sole activity of the MLP Group S.A. Capital Group is the construction and property management of logistics areas. Revenues of the Group comprise rental income and revaluation of investment property.

Group activities are carried out in Poland. The location of assets coincides with the location of customers. The operational segments coincide with geographical segments. Due to the fact that the Group operates solely in one segment, all information concerning the segment have been presented in the consolidated statement of profit or loss and other comprehensive income and in the consolidated statement of financial position.

As at 30 September 2016 and for the reporting period ended this day the Group has one operating segment - Poland.

#### 4. Revenues

<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue from rental of properties	49 895	16 836	69 321	23 391
Revenues obtained under a development contract	2 873	2 873	-	-
Other revenues	14 270	3 909	11 470	3 247
<b>Total revenues</b>	<b>67 038</b>	<b>23 618</b>	<b>80 791</b>	<b>26 638</b>
Reinvoicing of utilities	12 748	3 802	10 905	3 143
Revenue from rental of apartments	25	9	26	8
Services provided for tenants	1 497	98	539	96
<b>Other revenues</b>	<b>14 270</b>	<b>3 909</b>	<b>11 470</b>	<b>3 247</b>

#### 5. Selling and administrative expenses

<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Depreciation and amortization	(160)	(53)	(145)	(53)
Materials and energy	(10 552)	(2 901)	(9 227)	(2 345)
External services	(12 333)	(5 545)	(8 597)	(3 670)
Taxes and charges	(7 710)	(2 731)	(8 944)	(3 049)
Payroll	(1 779)	(414)	(1 406)	(442)
Social security and other employee benefits	(265)	(65)	(239)	(71)
Other expenditures by kind	(413)	(141)	(508)	(134)
<b>Total selling and administrative expenses</b>	<b>(33 212)</b>	<b>(11 850)</b>	<b>(29 066)</b>	<b>(9 764)</b>

Selling and administrative expenses for the 9 month period ended 30 September 2016 of PLN 33,212 thousand were related mostly to costs of the maintenance of revenue-generating investment properties. Costs that are not directly related to those properties are depreciation of tangible fixed assets used for operating activity and not generating lease revenue and property tax on undeveloped land.

External services costs also included costs in the amount of PLN 2,243 thousand related to the investment resulting from the development contract signed in September 2015, between MLP Bieruń Sp. z o.o. and WestInvest Gesellschaft für Investmentfonds mbH.

## 6. Financial income and costs

<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest on loans granted	1 603	338	1 800	539
Interest on bank deposits	496	94	581	183
Foreign exchange differences net	-	-	1 515	(5 234)
Interest on receivables	15	-	16	5
Decommitment of the bank loan	-	-	2 302	-
<b>Total financial income</b>	<b>2 114</b>	<b>432</b>	<b>6 214</b>	<b>(4 507)</b>

<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest expenses on credits and loans	(4 814)	(1 547)	(8 894)	(2 957)
Other interest	(15)	(13)	(13)	(10)
Interest paid on SWAP	(5 757)	(1 911)	(9 025)	(3 038)
Interest results on cash flow hedges	1 204	469	1 869	538
Ineffective part of valuation of cash flow hedges	(776)	(330)	689	(289)
Foreign exchange differences net	(673)	5 647	-	-
Other financial expenses	(18)	(1)	(1 132)	(169)
Debt related costs	(480)	(131)	-	-
<b>Total financial costs</b>	<b>(11 329)</b>	<b>2 314</b>	<b>(16 506)</b>	<b>(5 925)</b>

On 4 January 2016 MLP Moszna I Sp. z o.o. and MLP Pruszków III Sp. z o.o. entered into a new floating-to-fixed interest rate agreement with BGŻ BNP Paribas S.A. Bank. On 14 April 2016 MLP Lublin Sp. z o.o. entered into new floating-to-fixed interest rate agreement with PKO BP S.A. Bank. According to new agreements, future interest payments calculated on the basis of a floating interest rate will be effectively replaced with a fixed interest rate according to the schedule attached in the above mentioned agreements.

In the 9 month period ended 30 September 2016 the Group recognized the cost of swap transaction as financial expenses i.e. ineffective part of swap valuation and interest resulting from this valuation. Foreign exchange differences are mainly a result of valuation of credits and loans denominated in EUR and USD at the end of the reporting period.

## 7. Income tax

<i>for the period of</i>	<b>9 months ended 30 September 2016 (unaudited)</b>	<b>3 months ended 30 September 2016 (unaudited)</b>	<b>9 months ended 30 September 2015 (unaudited)</b>	<b>3 months ended 30 September 2015 (unaudited)</b>
Current income tax	2 107	587	3 444	1 021
Origination/ reversal of temporary differences	7 833	(1 764)	(26 134)	(26 048)
<b>Income tax</b>	<b>9 940</b>	<b>(1 177)</b>	<b>(22 690)</b>	<b>(25 027)</b>

### Effective tax rate

<i>for the period of</i>	<b>9 months ended 30 September 2016 (unaudited)</b>	<b>3 months ended 30 September 2016 (unaudited)</b>	<b>9 months ended 30 September 2015 (unaudited)</b>	<b>3 months ended 30 September 2015 (unaudited)</b>
<b>Profit before taxation</b>	<b>32 606</b>	<b>(4 727)</b>	<b>41 460</b>	<b>9 496</b>
<i>Current income tax on the basis of the enacted tax rate (19%)</i>	<i>(6 195)</i>	<i>898</i>	<i>(7 877)</i>	<i>(1 804)</i>
Reversal of the allowance for deferred tax asset	-	-	3 176	-
Difference resulting from the lack of taxation in MLP Spółka z ograniczoną odpowiedzialnością SKA and Lokafoop 201 Spółka z ograniczoną odpowiedzialnością SKA	-	-	27 581	26 934
Unrecognized deferred tax asset created on the tax loss	(3 714)	234	-	-
Non-tax deductible costs	(31)	45	(190)	(103)
<b>Income tax</b>	<b>(9 940)</b>	<b>1 177</b>	<b>22 690</b>	<b>25 027</b>

## 8. Investment property

	<b>30 September</b>	<b>31 December</b>
<i>as at</i>	<b>2016</b>	<b>2015</b>
	<i>(unaudited)</i>	
<b>Gross value at the beginning of the period</b>	<b>845 153</b>	<b>1 046 337</b>
Additions	21 081	111 109
Sale of investment property	-	(331 993)
Change in the fair value	8 163	19 700
<b>Gross value at the end of the period</b>	<b>874 397</b>	<b>845 153</b>
Investment property includes warehouses and undeveloped land. The Group's revenues relate mainly to rental of warehouses.		
<b>Investment property divided into Parks:</b>		
	<b>30 September</b>	<b>31 December</b>
<i>as at</i>	<b>2016</b>	<b>2015</b>
	<i>(unaudited)</i>	
<b>MLP Pruszków I Park</b>		
Fair value of property - MLP Pruszków I	347 159	343 519
Investment property additions at cost	9	-
Perpetual usufruct - MLP Pruszków I	2 641	2 641
	<b>349 809</b>	<b>346 160</b>
<b>MLP Pruszków II Park</b>		
Fair value of property - MLP Pruszków II	291 222	291 141
Investment property additions at cost	1 210	-
Perpetual usufruct - MLP Pruszków II	2 619	2 619
	<b>295 051</b>	<b>293 760</b>
<b>MLP Poznań Park</b>		
Fair value of property - MLP Poznań	107 797	98 539
Investment property additions at cost	19	-
	<b>107 816</b>	<b>98 539</b>
<b>MLP Lublin Park</b>		
Fair value of property - MLP Lublin	49 072	47 281
	<b>49 072</b>	<b>47 281</b>
<b>MLP Teresin Park</b>		
Fair value of property - MLP Teresin	28 977	16 407
Investment property additions	503	-
	<b>29 480</b>	<b>16 407</b>
<b>MLP Gliwice Park</b>		
Fair value of property - MLP Gliwice	17 879	17 890
Investment property additions	93	-
	<b>17 972</b>	<b>17 890</b>
<b>MLP Wrocław Park</b>		
Fair value of property - MLP Wrocław	25 048	25 041
Investment property additions	47	-
	<b>25 095</b>	<b>25 041</b>
New investment property additions	62	-
<b>MLP Energy - apartments</b>	<b>40</b>	<b>75</b>
<b>Gross value at the end of the period</b>	<b>874 397</b>	<b>845 153</b>

Information regarding collateral on investment property is disclosed in note 20.

In accordance with the adopted accounting policy interest expense on investment loans attributable to the construction in progress are capitalized and increase the value of the property. Details are presented in the following table.

	<b>30 September</b>	<b>31 December</b>
<i>as at</i>	<b>2016</b>	<b>2015</b>
	<i>(unaudited)</i>	
Capitalized interest expenses	9	97

Investment liabilities are presented in the following table.

	<b>30 September</b>	<b>31 December</b>
<i>as at</i>	<b>2016</b>	<b>2015</b>
	<i>(unaudited)</i>	
Investment liabilities	4 444	24 528

### **8. 1 The Fair value of the Group's investment property**

The fair value of investment property is based on reports of independent and qualified experts, who possess renowned professional qualifications, as well as, expertise in property valuation (based on inputs that are unobservable - level 3).

Property valuations have been prepared in accordance with Standards of Professional Appraisals Royal Institution of Chartered Surveyors (RICS). They are consistent with International Valuation Standards (IVS) published by the International Valuation Standards Committee (IVSC).

Valuations were prepared based on the income approach method for the existing warehouses and for land with building permission and comparable method for undeveloped land.

Because of different localizations and characteristics of investment properties, assumptions used by experts concerning yield rates are in the range 7,25%-8,50%.

The Group prepares investment property (fair) valuation two times a year (as at 30 June and 31 December). The surplus land valuation based on the comparative approach at the end of the current reporting period has been maintained in PLN. The value of other investment properties has been presented in EUR and recalculated to PLN using the average exchange rate of the National Bank of Poland on the last day of the reporting period and then updated by capital expenditures incurred in the period from 1 July 2016 to 30 September 2016.

As at 30 September 2016 the valuation of land bank denominated in PLN and the valuation of other investment property denominated in EUR was based on the reports of independent experts as at 30 June 2016. The fair value of other investment property was recalculated to PLN based on the average exchange rate published by the National Bank of Poland as at 30 September 2016 and then updated by capital expenditures incurred in the period from 1 July 2016 to 30 September 2016.

There was no change in the method of valuation in comparison with previous periods.

In the 9 month period ended 30 September 2016, there were no reclassifications between the levels.

## 9. Deferred tax

	Deferred tax assets		Deferred tax liabilities		Net value	
	30 September	31 December	30 September	31 December	30 September	31 December
	<i>as at</i> 2016 <i>(unaudited)</i>	2015	2016 <i>(unaudited)</i>	2015	2016 <i>(unaudited)</i>	2015
Investment property	-	-	85 410	82 058	85 410	82 058
Credits, loans granted and received	2 404	1 919	-	-	(2 404)	(1 919)
Derivatives	1 996	2 612	-	-	(1 996)	(2 612)
Other	-	900	21	-	21	(900)
Tax losses deductible in future periods	4 727	8 689	-	-	(4 727)	(8 689)
<b>Deferred tax assets / liabilities</b>	<b>9 127</b>	<b>14 120</b>	<b>85 431</b>	<b>82 058</b>	<b>76 304</b>	<b>67 938</b>

	<i>as at</i>	30 September 2016 <i>(unaudited)</i>	31 December 2015
<b>Including:</b>			
Deferred tax assets		(7 517)	(11 958)
Deferred tax liabilities		83 821	79 896
		<b>76 304</b>	<b>67 938</b>

Unrecognised deferred tax assets on tax loss as at 30 September 2016 amounted to PLN 3,714 thousand.

	1 January 2015	changes recorded in profit or loss	changes recorded in other comprehensive income	31 December 2015
Investment property	105 047	(22 989)	-	<b>82 058</b>
Credits, loans granted and received	(1 335)	(584)	-	<b>(1 919)</b>
Derivatives	(7 336)	1 239	3 485	<b>(2 612)</b>
Other	(3 503)	2 603	-	<b>(900)</b>
Tax losses deductible in the future periods	(246)	(8 443)	-	<b>(8 689)</b>
	<b>92 627</b>	<b>(28 174)</b>	<b>3 485</b>	<b>67 938</b>

	1 January 2016	changes recorded in profit or loss <i>(unaudited)</i>	changes recorded in other comprehensive income <i>(unaudited)</i>	30 September 2016 <i>(unaudited)</i>
Investment property	82 058	3 352	-	<b>85 410</b>
Credits, loans granted and received	(1 919)	(485)	-	<b>(2 404)</b>
Derivatives	(2 612)	83	533	<b>(1 996)</b>
Other	(900)	921	-	<b>21</b>
Tax losses deductible in the future periods	(8 689)	3 962	-	<b>(4 727)</b>
	<b>67 938</b>	<b>7 833</b>	<b>533</b>	<b>76 304</b>



## 10. Other investments

<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b> <i>(restated)</i>
Other long-term investments	6 438	7 050
Long-term loans granted to related parties	56 541	69 215
<b>Other long-term investments</b>	<b>62 979</b>	<b>76 265</b>
Short-term loans granted to related parties	745	9 282
Short-term loans granted to third parties	22 139	21 814
<b>Short-term investments</b>	<b>22 884</b>	<b>31 096</b>
Escrow account	7 083	11 162
Restricted cash	5 899	6 428
<b>Other short-term investments</b>	<b>12 982</b>	<b>17 590</b>

Other long-term investments comprise restricted cash of PLN 6,438 thousand. The amount contains: PLN 5,896 thousand, which was separated in accordance with the credit agreements to secure payment of principal and interest instalments, PLN 378 thousand of deposits retained from tenants and other deposits of PLN 164 thousand.

The Group has short-term restricted cash of PLN 5,899 thousand. Restricted cash consists of: PLN 5,294 thousand of guarantees given by MLP Pruszków I Sp. z o.o. in favour of Hapoalim Bank and short-term part of cash separated in accordance with credit agreements of PLN 605 thousand.

Other short-term investments also comprise funds on Escrow account, retained in connection with the sale of investment properties. These funds will be released when the Group's obligations under the contract of sale of investment properties are met. The Group expects that these obligations will be implemented within 12 months of the end of the reporting period.

## 11. Trade and other receivables

<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b>
Trade receivables	5 389	6 014
Investment settlements	697	425
Prepayments	770	230
Advance payment for purchase of land	366	-
Accrued income from the development contract	2 873	-
Taxation and social security receivables	2 707	12 664
<b>Trade and other receivables</b>	<b>12 802</b>	<b>19 333</b>
Corporate income tax receivables	671	784
<b>Short-term receivables</b>	<b>13 473</b>	<b>20 117</b>

Receivables due from related parties are set out in note 21.

The aging of trade and other receivables, as well as the amount of write-downs are presented in the below table.

	<i>as at</i>	30 September 2016*		31 December 2015	
		Gross receivables	Write-downs	Gross receivables	Write-downs
Not past due:		2 394	-	2 880	(1)
Past due:					
0 to 90 days		2 213	(5)	2 348	(2)
91 to 180 days		318	(235)	232	(4)
over 181 days		5 080	(4 376)	4 644	(4 083)
<b>Total receivables</b>		<b>10 005</b>	<b>(4 616)</b>	<b>10 104</b>	<b>(4 090)</b>

\* Unaudited

## 12. Cash and cash equivalents

	<i>as at</i>	30 September	31 December
		2016 <i>(unaudited)</i>	2015 <i>(restated)</i>
Cash on hand		65	47
Cash in bank		46 918	54 485
Short-term deposits		41 541	68 446
<b>Cash and cash equivalents in the condensed consolidated statement of financial position</b>		<b>88 524</b>	<b>122 978</b>
<b>Cash and cash equivalents in the condensed consolidated statement of cash flows</b>		<b>88 524</b>	<b>122 978</b>

Cash in bank bears interest at variable interest rates, the amount of which depends on the interest rate of overnight bank deposits. Short-term deposits are concluded for varying periods, depending on the current Group demand for cash and earn interest at individually set interest rates.

Cash and cash equivalents in the consolidated statement of financial position include cash on hand and bank deposits with maturity up to 3 months from the end of the reporting date.

### 13. Explanatory information to condensed consolidated statement of cash flows

#### 13. 1 Cash flow related to loans granted and received

In the reporting period ended 30 September 2016 MLP Group S.A. and its subsidiary MLP Pruszków I Sp. z o.o. did not grant or receive any loans from Fenix Polska Sp. z o.o.

In the reporting period ended 30 September 2015 MLP Group S.A. and its subsidiary MLP Pruszków I Sp. z o.o. granted loans in the amount of PLN 150 thousand to Fenix Polska Sp. z o.o, while Fenix Polska Sp. z o.o. granted loans in the same amount to the companies from the Capital Group. In the condensed consolidated statement of cash flows, the Group presented cash flows related to the abovementioned proceeds and repayments at net value due to lack of cash flows as loans were granted by MLP Group S.A. and MLP Pruszków I Sp. z o. o. on behalf of Fenix Sp. z o. o.

<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
Cash flows from bank credits received	46 918	41 305
Cash flows from loans received	-	150
<b>Total cash flows from bank credits and loans received</b>	<b>46 918</b>	<b>41 455</b>
Elimination of loans received from Fenix Polska Sp. z o.o.	-	(150)
<b>Total cash flows from bank credit and loans received</b>	<b>46 918</b>	<b>41 305</b>
<b>Total cash flows from bank credit and loans received presented in the condensed consolidated statement of cash flows</b>	<b>46 918</b>	<b>41 305</b>

<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
Cash flows from bank credits repaid	(13 890)	(29 922)
Cash flows from loans repaid	(24 428)	(25 177)
<b>Total cash flows from bank credits and loans repaid</b>	<b>(38 318)</b>	<b>(55 099)</b>
Elimination of loans repaid to Fenix Polska Sp. z o.o.	22 394	23 331
<b>Total cash flows from bank credit and loans repaid</b>	<b>(15 924)</b>	<b>(31 768)</b>
<b>Total cash flows from bank credit and loans repaid presented in the condensed consolidated statement of cash flows</b>	<b>(15 924)</b>	<b>(31 768)</b>

<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
Cash flows from loans granted	-	(150)
Elimination of loans granted to Fenix Polska Sp. z o.o.	-	150
<b>Total cash flows from loans granted</b>	<b>-</b>	<b>-</b>
<b>Total cash flows from loans granted presented in the condensed consolidated statement of cash flows</b>	<b>-</b>	<b>-</b>

### 13. 2 *Changes in trade and other receivables*

<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
Changes in inventories	41	(85)
Changes in trade and other receivables	6 531	(333 907)
The selling price of MLP Tychy Logistics Park investment property	-	265 905
Other adjustments	(41)	46
<b>Changes in trade and other receivables</b>	<b>6 490</b>	<b>(67 956)</b>
<b>Changes in trade and other receivables presented in the condensed consolidated statement of cash flows</b>	<b>6 490</b>	<b>(67 956)</b>

### 13. 3 *Changes in short-term and other liabilities*

<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
Change in trade and other liabilities	(40 244)	78 234
Changes in payroll liabilities	(1 760)	(1 092)
Change in investment deposits and guarantees from tenants and others	3 830	(10)
Indirect costs associated with the sale of investment properties	-	(5 374)
Changes in finance lease liabilities	-	(16)
Deduction of change in investment liabilities	16 328	(11 006)
Other adjustments	-	(66)
<b>Changes in short-term and other liabilities</b>	<b>(21 846)</b>	<b>60 670</b>
<b>Changes in short-term and other liabilities presented in the consolidated statement of cash flows</b>	<b>(21 846)</b>	<b>60 670</b>

## 14. Equity

### 14. 1 Share capital

<i>as at</i>	<b>30 September 2016 (unaudited)</b>	<b>31 December 2015</b>
<b>Share capital</b>		
Ordinary A series shares	11 440 000	11 440 000
Ordinary B series shares	3 654 379	3 654 379
Ordinary C series shares	3 018 876	3 018 876
	<b>18 113 255</b>	<b>18 113 255</b>
Par value of 1 share	0,25	0,25

As at 30 September 2016 share capital of the Parent Company amounted to PLN 4,528,313.75 and was divided into 18,113,255 shares entitling to 18,113,225 votes on the General Meeting. All shares have a nominal value of 0.25 zł and were fully paid.

In the period ended 30 September 2016 there were no changes in share capital.

List of shareholders holding, directly or through subsidiaries, at least 5% of the total number of votes at the General Meeting of Shareholders as of the date of approval of the consolidated financial statement is presented in note 1.4.1.

## 15. Earnings per share

Profit per share for each period is calculated by dividing the net profit attributable to shareholders of the Parent Company for the period by the weighted average number of shares during the reporting period. Diluted earnings per share for each period is calculated by dividing the net profit for the period by the sum of the weighted average number of ordinary shares during the reporting period and all potential dilutive shares.

<i>for the period of</i>	<b>9 months ended 30 September 2016 (unaudited)</b>	<b>3 months ended 30 September 2015 (unaudited)</b>	<b>9 months ended 30 September 2016 (unaudited)</b>	<b>3 months ended 30 September 2015 (unaudited)</b>
<b>Net result of the financial period</b>	<b>22 666</b>	<b>(3 419)</b>	<b>64 150</b>	<b>34 523</b>
Number of shares issued (in units)	18 113 255	18 113 255	18 113 255	18 113 255
Weighted average number of shares issued (in units)	18 113 255	18 113 255	18 113 255	18 113 255
Profit/(loss) per share attributable to shareholders of the Parent Company during the reporting period (in PLN per share):				
- basic	1,25	(0,19)	3,54	1,91
- diluted	1,25	(0,19)	3,54	1,91

In presented periods there were no dilutive factors.

## 16. Credits, loans, other debt instruments and other liabilities

### 16. 1 Long-term liabilities

<i>as at</i>	<b>30 September 2016 (unaudited)</b>	<b>31 December 2015</b>
Bank credits pledged on the Group's assets	256 905	222 889
Loans	60 920	80 761
<b>Total long-term credits, loans, other debt instruments and other liabilities</b>	<b>317 825</b>	<b>303 650</b>

<i>as at</i>	<b>30 September 2016 (unaudited)</b>	<b>31 December 2015</b>
Finance lease liabilities	5 260	5 260
Liabilities concerning SWAP transactions	10 513	13 579
Investment deposits	4 095	309
Guarantees from tenants and others	1 039	995
<b>Total other long-term liabilities</b>	<b>20 907</b>	<b>20 143</b>

### 16. 2 Short-term liabilities

<i>as at</i>	<b>30 September 2016 (unaudited)</b>	<b>31 December 2015</b>
Short-term credits and short-term part of long term credits pledged on the Group's assets	17 651	15 730
Loans	580	3 966
<b>Total short-term credits, loans and other debt instruments</b>	<b>18 231</b>	<b>19 696</b>

Secured and unsecured loan and bank credit liabilities result from transactions with both related and third parties.

<i>as at</i>	<b>30 September 2016 (unaudited)</b>	<b>31 December 2015</b>
Liabilities concerning SWAP transactions	-	164
<b>Other short-term liabilities</b>	<b>-</b>	<b>164</b>

### 16. 3 Credits, loans secured and unsecured on the Group's assets

			<i>as at</i>	30 September 2016*		<i>as at</i>	31 December 2015	
	currency	effective rate (%)	maturity date	in currency	in PLN	maturity date	in currency	in PLN
<b>Loans secured on the Group's assets:</b>								
Investment loan mBank S.A. <sup>1)</sup>	EUR	EURIBOR 1M +margin	-	-	-	2018	2 297	9 790
Investment loan mBank S.A. <sup>1)</sup>	EUR	EURIBOR 1M +margin	-	-	-	2021	2 662	11 346
Construction loan mBank S.A. <sup>1)</sup>	EUR	EURIBOR 1M +margin	-	-	-	2021	1 640	6 987
Investment loan mBank S.A. <sup>1)</sup>	PLN	EURIBOR 1M +margin	2021	11 766	50 597	-	-	-
Construction loan PEKAO S.A.	EUR	EURIBOR 1M +margin	2025	3 001	12 941	-	-	-
Investment loan Raiffeisen Bank Polska S.A	EUR	EURIBOR 1M +margin	2017	30 340	130 786	2017	32 113	136 787
Investment loan BGŻ BNP Paribas	EUR	EURIBOR 3M+margin	2022	5 377	23 044	2022	5 594	23 682
Investment loan BGŻ BNP Paribas	EUR	EURIBOR 3M+margin	2022	2 775	11 967	2022	2 888	12 305
Working capital loan (VAT) PKO BP S.A.	PLN	WIBOR 1M+margin	2017	-	35	-	-	-
Investment loan PKO BP S.A.	EUR	EURIBOR 3M+margin	2030	5 096	21 975	2030	3 147	13 410
Investment loan ING Bank Śląski S.A.	EUR	EURIBOR 1M +margin	2020	3 785	16 281	2020	4 109	17 463
Investment loan ING Bank Śląski S.A.	EUR	EURIBOR 3M+margin	2020	1 607	6 930	2020	1 607	6 849
<b>Total loans:</b>				<b>274 556</b>		<b>238 619</b>		

\* Unaudited

<sup>1)</sup> The loan has been settled on the basis of a new credit agreement dated 29 April 2016 signed between MLP Pruszkow IV Sp. z o.o. and mBank S.A.

### 16. 3 Credits, loans secured and unsecured on the Group's assets

	currency	effective rate (%)	as at maturity date	30 September 2016*		as at maturity date	31 December 2015	
				in currency	in PLN		in currency	in PLN
<b>Loans unsecured on the Group's assets:</b>								
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2021	-	2 751	2016	-	2 699
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2020	-	7 875	2020	-	8 989
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2026	-	3 389	2026	-	5 966
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2024	-	12	-	-	-
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2029	-	253	2029	-	5 202
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2020	-	-	2016	-	42
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2021	-	169	2016	-	660
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2017	-	565	2016	-	565
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2020	-	20 902	2020	-	29 175
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2017	-	15	2017	-	15
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2024	-	293	2024	-	3 025
Fenix Polska S.A.	PLN	WIBOR 3M+margin	2024	-	8	2024	-	155
Fenix Polska S.A.	EUR	EURIBOR 3M+margin	2020	3 020	13 022	2020	2 990	12 741
Fenix Polska S.A.	EUR	EURIBOR 3M+margin	2029	1 890	8 150	2029	2 209	9 414
Fenix Polska S.A.	USD	LIBOR R USD +margin	2018	1 062	4 096	2018	1 558	6 079
<b>Total loans:</b>					<b>61 500</b>			<b>84 727</b>
<b>Total credits, loans secured and unsecured on the Group's assets</b>					<b>336 056</b>	<b>323 346</b>		

\* Unaudited



## 17. Payroll liabilities

	30 September 2016 (unaudited)	31 December 2015
Special funds	157	157
Cash settled share based payment	-	1 760
<b>Payroll liabilities</b>	<b>157</b>	<b>1 917</b>

According to the resolution of the Supervisory Board of MLP Group S.A. employees are covered by phantom shares program for the period 2014 - 2017.

Each entitled employee is granted a fixed number of phantom shares, that is dependent on the Group achieving the established financial goals.

Upon approval of the financial statements by the General Meeting of Shareholders, the Supervisory Board will authorize a list of employees, with the number of phantom shares assigned to each employee. Equivalent of phantom shares will be paid in cash.

Phantom shares for the previous financial year have been disbursed in the amount of PLN 1,308 thousand.

Value of a single phantom share is based on the current stock price of MLP Group S.A.

## 18. Trade and other liabilities

	30 September 2016 (unaudited)	31 December 2015
Trade liabilities	4 492	3 664
Deferred income	329	327
Taxation and social security liabilities	1 906	17 789
Uninvoiced costs	113	1 578
Investment liabilities, guarantees and others	2 744	25 286
Provision for repairs	1 913	3 097
<b>Trade and other liabilities</b>	<b>11 497</b>	<b>51 741</b>
Income tax liabilities	687	1 594
<b>Short-term liabilities</b>	<b>12 184</b>	<b>53 335</b>

Liabilities to related parties were disclosed in note 21.

The below table shows the aging structure of trade and other liabilities:

	30 September 2016 (unaudited)	31 December 2015
Current liabilities	11 190	30 447
Liabilities overdue from 0 to 90 days	658	639
Liabilities overdue from 91 to 180 days	10	103
Liabilities overdue over 180 days	625	643
<b>Total trade and other liabilities</b>	<b>12 483</b>	<b>31 832</b>

The above aging structure of liabilities also comprises long-term liabilities.

Trade liabilities are not subject to interest and are usually settled within 30 to 60 days. Other payables are non-interest bearing and have an average maturity of one month. The amount stemming from the difference between the liabilities and VAT receivables is paid to the appropriate tax authorities in the periods regulated in tax law. Interest liabilities are usually settled based on approved interest notes.

## 19. Financial instruments

### 19. 1 Valuation of financial instruments

The fair value of financial assets and financial liabilities as at 30 September 2016 and 31 December 2015 is equal to the value presented in the consolidated statement of financial position.

The following assumptions have been adopted for the fair value of financial instruments:

- **cash and cash equivalents:** the carrying amount of these financial instruments corresponds to fair value because of the short maturity,
- **trade receivables, other receivables, trade liabilities and accruals:** the carrying amount is comparable with fair value because of the short-term character of these instruments,
- **loans granted:** the carrying amount corresponds to fair value because of the floating rate which is comparable with market interest rates,
- **bank credit and loans received:** the carrying amount of these instruments is comparable with fair value because of the floating rate, based on market rates,
- **Swap valuation liabilities:** fair value determined on the basis of references to instruments quoted in an active market.

#### 19. 1. 1 Financial assets

<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b> <i>(restated)</i>
<b>Loans and receivables:</b>		
Cash and cash equivalents	88 524	122 978
Loans and receivables, including:		
• Trade and other receivables	8 959	6 439
• Loans granted	79 425	100 311
• Other long-term investments	6 438	7 050
• Other short-term investments	12 982	17 590
	<b>196 328</b>	<b>254 368</b>
<b>Total financial assets</b>	<b>196 328</b>	<b>254 368</b>

### 19. 1. 2 Financial liabilities

	30 September as at 2016 (unaudited)	31 December 2015
<b>Hedging financial instruments:</b>		
Liabilities concerning SWAP transactions	10 513	13 743
	<b>10 513</b>	<b>13 743</b>
<b>Liabilities valued at amortized cost:</b>		
Bank credits	274 556	238 619
Loans received	61 500	84 727
Trade and other payables	12 483	31 832
Finance lease liabilities	5 260	5 260
	<b>353 799</b>	<b>360 438</b>
<b>Total financial liabilities</b>	<b>364 312</b>	<b>374 181</b>

The fair value of hedging financial instruments as at 30 September 2016 amounted to PLN 10,513 thousand and is based on inputs other than quoted price that are either directly or indirectly observable (level 2). The information is provided by banks and is based on reference to instruments quoted in an active market.

In the 9 month period ended 30 September 2016 there were no reclassifications between the levels.

### 19. 2 Other disclosures relating to financial instruments

#### Established collaterals

Information concerning established collaterals is disclosed in note 20.

#### Hedge accounting

On 4 January 2016 MLP Moszna I Sp. z o.o. and MLP Pruszków III Sp. z o.o. signed an agreement which changes the interest rate from floating to fixed with BGŻ BNP Paribas S.A. bank. On 17 April 2016 MLP Lublin Sp. z o.o. signed an agreement which changes interest rate from floating to fixed with PKO BP S.A. bank. On 26 September 2016 MLP Pruszkow IV Sp. z o.o. signed an agreement which changes interest rate from floating to fixed with mBank S.A. According to the agreements all future interest payments calculated on the basis of a floating interest rate will be effectively replaced with fixed interest according to the schedule from the above mentioned agreements.

The cash flows are expected every month until 1 May 2021.

## 20. Contingent liabilities and pledges

Contingent liabilities and pledges presented in the financial statements for 2015 did not change in the 9 month period ended 30 September 2016 and are still valid as at the end of the reporting period.

As per credit agreement concluded with PEKAO S.A. bank by MLP Teresin Sp. z o.o., the following registered and financial pledges were established on MLP Property Sp. z o.o. shares in MLP Teresin Sp. z o.o.: (i) up to EUR 10,795 thousand in connection with construction loan and up to PLN 6,000 thousand in connection with working capital loan (VAT). The subject of security is the claim of PEKAO S.A. under the credit agreement.

Other collateral established in favor of Pekao S.A. bank:

- Mortgage on real estate up to EUR 10,795.5 thousand (for construction loan),
- Mortgage on real estate up to PLN 6,000 thousand (for working capital loan),
- Mortgage on real estate up to PLN 5,600 thousand (to secure the repayment of all debts owed to the bank under the Collateral Agreements),
- Registered pledges on the set of property and rights belonging to MLP Teresin Sp. z o.o.,
- Registered and financial pledges established on cash receivables,
- The power of attorney to administer all bank accounts,
- Blocking of bank accounts,
- Transfer to collateral under the transfer agreement,
- Declaration of submission to enforcement,
- The subordination of claims based on the subordination agreement,
- Deposit accumulated on debt servicing account,
- Support agreement granted by the MLP Group SA in case of cost overruns - MLP Group S.A. provides unsecured loans whose repayment is subordinated to the repayments of secured debt pursuant to the provisions of the subordination agreement.

As per credit agreement concluded on 29 April 2016 between MLP Pruszków IV Sp. z o.o. and mBank S.A. bank, registered and financial pledges were established on MLP Property Sp. z o.o. shares in MLP Pruszków IV Sp. z o.o. up to EUR 18,106.5 thousand. At the same time, registered and financial pledges which were established on MLP Pruszków II shares in MLP Pruszków IV Sp. z o.o. have been deleted (which were established up to EUR 10,578.65 thousand).

In addition, Company increased the value of the mortgage from PLN 3,660 thousand to PLN 7,600 thousand and as well as the amount of a total contractual mortgage to secure credit payment from EUR 3,870 thousand to EUR 18,106.5 thousand.

Other collateral established in favor of mBank S.A. remain in force.

Administrative proceedings were initiated against a subsidiary - MLP Energy Sp. o.o. in respect of imposing by the President of the Energy Regulatory Office penalty for failing to restrictions on the consumption of electricity in August 2015. The proceedings are pending. The maximum amount of the penalty that can be imposed on MLP Energy Sp. z o.o. is 15% of the revenue of the entity generated in 2015, i.e. PLN 527 thousand penalty.

The Group has not created any additional provisions for potential claims arising from the President of ERO penalty due to substantial uncertainty associated with the ultimate result of the described procedure.

## 21. Related party transactions

### 21. 1 Trade and other receivables and payables

Related party balances related to trade and other receivables and payables as at 30 September 2016\* are as follows:

\* Unaudited

	Trade and other receivables	Trade and other payables*
<b>Key management personnel</b>		
ROMI CONSULTING, Michael Shapiro	-	40
RTK CONSULTING, Radosław T. Krochta	-	37
PRFOFART, Tomasz Zabost	-	34
Pozostały kluczowy personel kierowniczy	-	53
<b>Total</b>	-	<b>164</b>

\* "Trade and other payables" do not include key management personnel remuneration and share-based payments that were disclosed in Note 23.

### 21. 2 Loans granted and received

Related party balances related to loans granted and received as at 30 September 2016\* are as follows:

\* Unaudited

	Loans granted	Loans received
<b>Other related parties</b>		
Fenix Polska Sp. z o.o.	57 255	61 500
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	31	-
<b>Total</b>	<b>57 286</b>	<b>61 500</b>

### 21. 3 Revenues and expenses

Related party transactions related to revenues and expenses for the 9 month period ended 30 September 2016\* are as follows:

\* Unaudited

	Sales of services	Purchase of services and salary cost	Interest income	Interest cost
<b>Jednostka dominująca</b>				
The Israel Land Development Company Ltd., Tel-Awiw	96	-	-	-
	<b>96</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other related parties</b>				
Fenix Polska Sp. z o.o.	-	-	1 241	(1 490)
MLP Bucharest Sud SRL	1	-	-	-
	<b>1</b>	<b>-</b>	<b>1 241</b>	<b>(1 490)</b>
<b>Key management personnel</b>				
ROMI CONSULTING, Michael Shapiro	-	(314)	-	-
RTK CONSULTING, Radosław T. Krochta	-	(657)	-	-
PROFART, Tomasz Zabost	-	(386)	-	-
PEOB, Marcin Dobieszewski	-	(165)	-	-
Other key management personell	-	(405)	-	-
	<b>-</b>	<b>(1 927)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>97</b>	<b>(1 927)</b>	<b>1 241</b>	<b>(1 490)</b>

Fenix Polska Sp. z o.o. is a related party through Cajamarca Holland B.V., which as at 30 September 2016, owns 100% of shares in Fenix Polska Sp. z o.o. and 56.98% in the share capital of the Group.

### 22. Significant events during the financial year and subsequent events

- On 25 May 2016 a dividend in the amount of PLN 41,660 thousand has been disbursed. The number of shares entitled to dividend was 18,113,255, and the dividend amounted to PLN 2.30 per share.
- As a result of the settlement of package transactions in April 2016, Miro B.V., Gracecup Trading Ltd changed the number of shares owned in the Company.
- Details of the above described transactions were disclosed in note 1.4.1 to this condensed consolidated financial statement.
- On 29 April 2016 MLP Pruszków IV Sp. z o.o. concluded a new credit agreement with mBank S.A. The payment of funds from the loan took place in August 2016
- On 31 May 2016 MLP Teresin Sp. z o.o. concluded credit agreement with PEKAO S.A. bank. Disbursement of funds from construction loan of EUR 2,929 thousand and working capital loan of PLN 633 thousand took place in August 2016.

- As a result of purchase of the Company's shares on 4 August 2016, MetLife Otwarty Fundusz Emerytalny increased its share in total voting rights on the General Meeting of Shareholders and in Company's share capital to above 5%. Details are disclosed in Note 1.4. 1 to this interim condensed consolidated financial statement.

Following the end of the reporting period, until the date of approval for publication of these consolidated financial statements, no other events occurred which were not, but should have been, included both in the accounting books of the reporting period or the consolidated financial statements of the Group.

### 23. Remuneration paid or due to members of management and supervisory bodies

<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
<b>Remuneration of Management Board:</b>		
• <b>Remuneration and other benefits:</b>		
Michael Shapiro	314	299
Radosław T. Krochta	657	412
Tomasz Zabost	386	17
Marcin Dobieszewski	165	162
	<b>1 522</b>	<b>890</b>
• <b>Cash settled share based payment paid in the period</b>		
	510	431
	<b>2 032</b>	<b>1 321</b>
<b>Remuneration of Supervisory Board:</b>		
• <b>Remuneration and other benefits</b>		
Maciej Matusiak	23	23
Jacek Tucharz	23	23
Eytan Levy	23	23
Shimshon Marfogel	23	23
Yosef Zvi Meir	23	23
Baruch Yehezkelov	-	5
Guy Shapira	23	18
	<b>138</b>	<b>138</b>
<b>Total remuneration paid or due to the Management Board and Supervisory Board members</b>	<b>2 170</b>	<b>1 459</b>
<b>Other Key Management Personnel:</b>		
• Remuneration and other benefits		
	405	403
• Cash settled share based payment paid in the period		
	405	195
	<b>810</b>	<b>598</b>
<b>Total remuneration paid or due to Management Board, Supervisory Board and Key Management Personnel</b>	<b>2 980</b>	<b>2 057</b>

The above note presents remuneration of members of management and supervisory bodies and costs of services provided to subsidiaries of the Group and other Key Management Personnel, as well as the costs of services provided to other companies in the Group, and other management personnel.

Apart from the transactions presented in note 21 and above, Members of the Management Board, Supervisory Board and other Key Management Personnel did not receive any other benefits from any of the entities of the Capital Group.

## 24. Employment structure

	<i>for the period ended 30 September</i>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
Average number of employees		16	22

## 25. Change in accounting policy

The Group changed the presentation of restricted cash. These funds are presented in 'other short-term investments' and 'other long-term investments' (in the consolidated financial statements as at December 31, 2015 and the condensed consolidated financial statements as at 30 September 2015 they were presented in 'cash and cash equivalents'). The Management Board believes the current presentation better reflects the nature of the resources.

As a result of above described reclassifications, the following changes were made:

	Cash and cash equivalents	Other short-term investments	Other long-term investments
<b>Approved consolidated financial statement as at 31 December 2015</b>	<b>136 456</b>	<b>11 162</b>	<b>69 215</b>
• reclassification of restricted cash	(13 478)	6 428	7 050
<b>Comparative data presented in current condensed consolidated financial statement</b>	<b>122 978</b>	<b>17 590</b>	<b>76 265</b>



	Data as per approved condensed consolidated financial statement for the period ended 30 September 2015	Reclassification	Data reclassified for period ended 30 September 2015
<b>Net cash from operating activities</b>	<b>41 879</b>	-	<b>41 879</b>
<b>Cash flows from investing activities</b>	<b>(31 157)</b>	<b>(140)</b>	<b>(31 297)</b>
Including:			
Other investing inflows	-	(140)	(140)
<b>Cash flows from financing activities</b>	<b>(7 175)</b>	-	<b>(7 175)</b>
<b>Total cash flow</b>	<b>3 547</b>	<b>(140)</b>	<b>3 407</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>51 801</b>	<b>(16 271)</b>	<b>35 530</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>54 935</b>	<b>(16 411)</b>	<b>38 524</b>

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**Radosław T. Krochta**  
*President*  
*of the Management Board*

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**Michael Shapiro**  
*Vice-President*  
*of the Management Board*

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**Tomasz Zabost**  
*Member*  
*of the Management Board*

Pruszków, 10 November 2016

### III. Supplementary information to the consolidated quarterly report of MLP Group S.A. Capital Group

**1. Information regarding the issuance, redemption and repayment of debt and equity securities**

In the period of nine months ended 30 September 2016, there were no events related to the issuance, redemption or repayment of debt and equity securities.

**2. The Management Board's statement on published financial forecasts**

The Management Board of MLP Group S.A. has not published any financial forecasts for 2016.

**3. A brief description of achievements and failures in the 9 month period ended 30 September 2016**

There were no significant achievements and failures other than those described in these condensed consolidated financial statements.

**4. Seasonality and cyclicality**

Group activities are not subjected to seasonality or cyclicality.

5. **Significant information to assess situation of employment, assets, financial situation and results in changes of MLP Group and relevant information to assess possibilities of realization liabilities by the MLP Group S.A.**

**Rented space as at 30 September 2016**

Logistic park	Rented space as at 31 December 2015 <sup>1)</sup>	Space vacated by the tenants until 30 September 2016	New rent agreements signed until 30 September 2016	Net change	Rented space as at 30 September 2016
MLP Pruszków I	160 462	(7 394)	2 367	(5 027)	155 435
MLP Pruszków II	78 162	(6 485)	17 283	10 798	88 960
MLP Poznań	35 634	-	-	-	35 634
MLP Lublin	15 750	-	-	-	15 750
MLP Teresin	37 601	-	-	-	37 601
	<b>327 609</b>	<b>(13 879)</b>	<b>19 650</b>	<b>5 771</b>	<b>333 380</b>

<sup>1)</sup> Rented space as at 31 December 2015 per measurement

Except for the information presented in the condensed consolidated financial statements for the nine month period ended 30 September 2016, there is no other information relevant for the assessment of the human resources, financial position and financial results of the Group and their changes and information, which are significant for assessing the possibility of achievement of MLP Group S.A. Capital Group commitments.

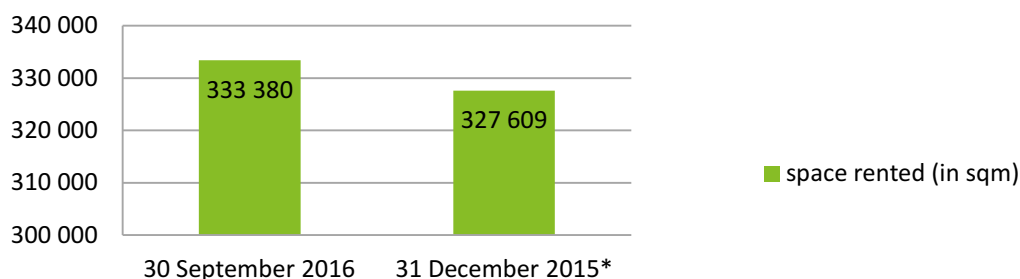
**List of the leasable area based on concluded agreements and the vacant space as at 30 September 2016:**

Logistic Park	Construction potential (sqm)	Developed space (sqm)	Space under construction (sqm)	Space to be constructed leased based on concluded agreements (sqm)	Space leased based on concluded agreements (sqm)	Differences arising from measurement	Space under construction leased based on concluded agreements (sqm)	Vacant space (sqm)	Space leased as % of the area already built and under construction	Space already built and under construction as % of the construction potential
MLP Pruszków I	167 033	165 547	-	-	155 430	5	-	10 117	94%	99%
MLP Pruszków II	280 000	81 216	17 283	-	71 821	(144)	17 283	9 395	90%	35%
MLP Poznań	90 825	28 252	9 971	7 382	28 252	-	-	-	74%	42%
MLP Lublin	49 889	15 750	-	-	15 750	-	-	-	100%	32%
MLP Teresin	37 601	15 591	22 176	-	15 591	(166)	22 176	-	100%	100%
MLP Gliwice	149 097	-	-	-	-	-	-	-	-	-
MLP Wrocław	130 416	-	-	-	-	-	-	-	-	-
	<b>904 861</b>	<b>306 356</b>	<b>49 430</b>	<b>7 382</b>	<b>286 844</b>	<b>(305)</b>	<b>39 459</b>	<b>19 512</b>	<b>92%</b>	<b>39%</b>

**List of the leasable area based on concluded agreements and the vacant space as at 31 December 2015:**

Logistic Park	Construction potential (sqm)	Developed space (sqm)	Space under construction (sqm)	Space to be constructed leased based on concluded agreements (sqm)	Space leased based on concluded agreements (sqm)	Differences arising from measurement	Space under construction leased based on concluded agreements (sqm)	Vacant space (sqm)	Space leased as % of the area already built and under construction	Space already built and under construction as % of the construction potential
MLP Pruszków I	167 033	165 421	-	-	160 462	-	-	4 959	97%	99%
MLP Pruszków II	280 000	67 014	14 057	-	64 105	-	14 057	2 909	96%	29%
MLP Poznań	90 825	28 252	-	7 382	28 252	-	-	-	100%	31%
MLP Lublin	49 889	15 750	-	-	15 750	-	-	-	100%	32%
MLP Teresin	37 601	-	37 601	-	-	-	37 601	-	-	-
MLP Gliwice	149 097	-	-	-	-	-	-	-	-	-
MLP Wrocław	130 416	-	-	-	-	-	-	-	-	-
	<b>904 861</b>	<b>276 437</b>	<b>51 658</b>	<b>7 382</b>	<b>268 569</b>	<b>-</b>	<b>51 658</b>	<b>7 868</b>	<b>98%</b>	<b>36%</b>

### Space rented as at 30 September 2016 and as at 31 December 2015 (in sqm)



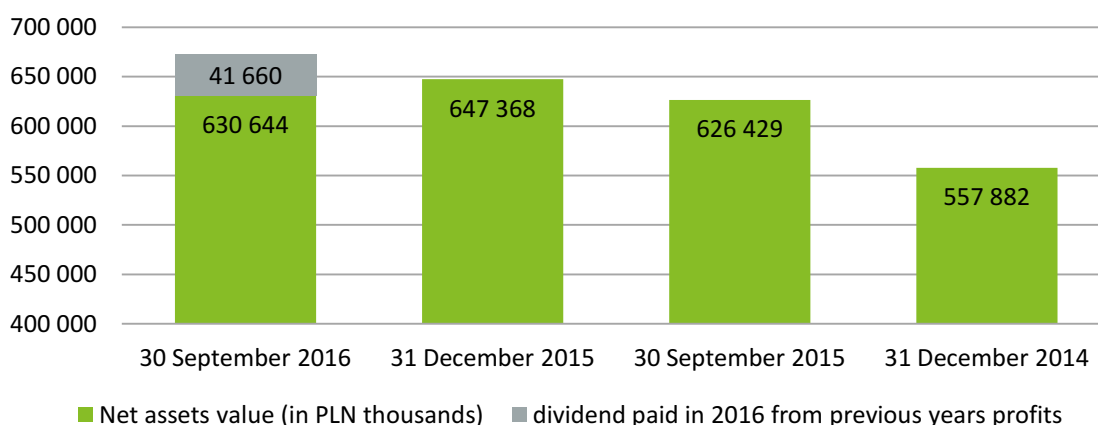
\* Space rented as at 31 December 2015 includes measurement differences.

Rented total space as at 30 September 2016 amounted to 333,380 sqm and increased by 5,771 sqm compared to space rented as at 31 December 2015.

The Group in the period of 9 months ended 30 September 2016 signed agreements of total 19,650 sqm, while during this period tenants left 13,879 of rented space.

Changes in rented space in the period of nine months of 2016 were disclosed in note 5 in the additional information to the quarterly financial information of the Group.

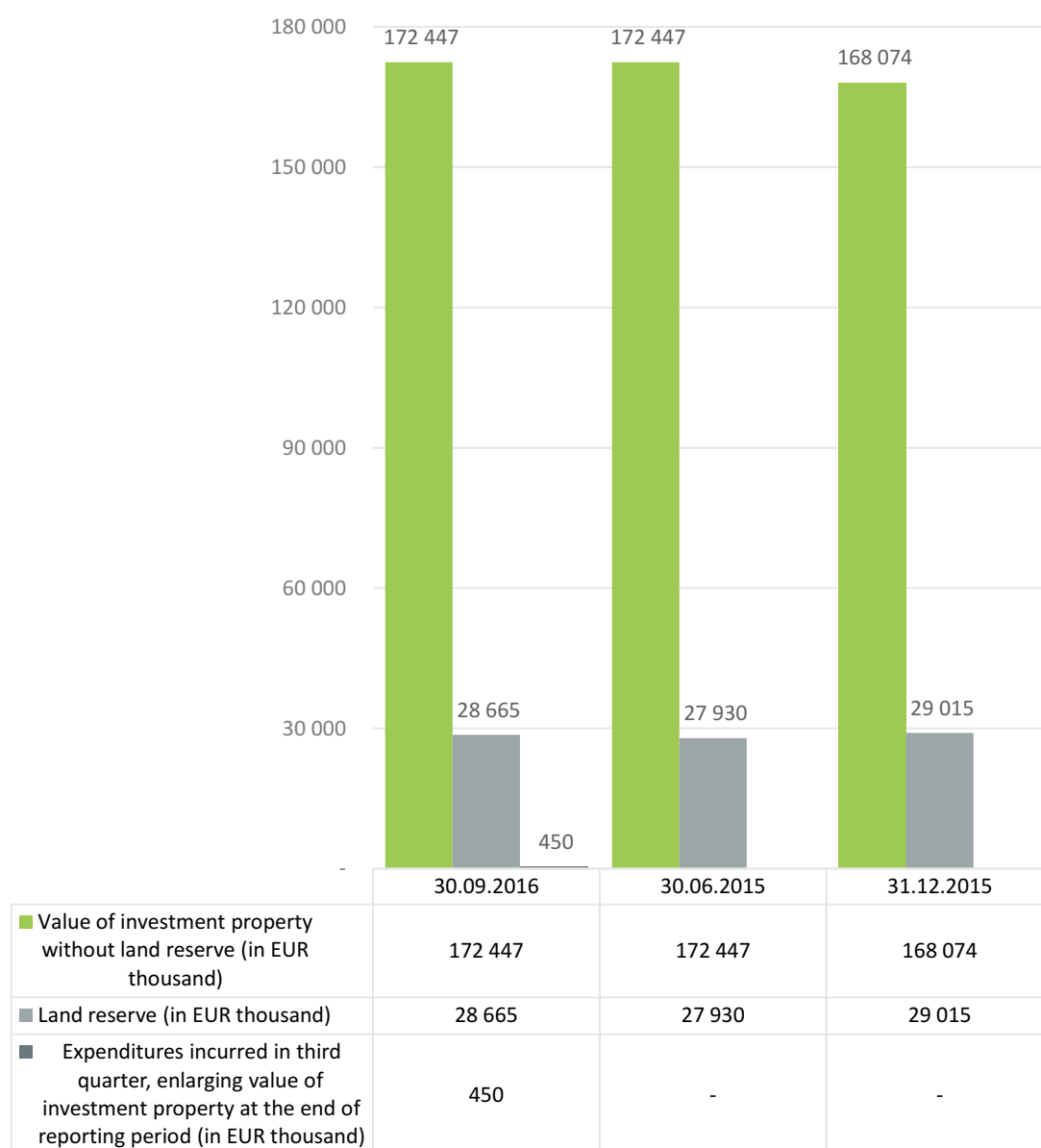
### Net assets value (NAV) in PLN thousand



Value of net assets as at 30 September 2016 amounted to PLN 630,134 thousand and decreased by 2.66% comparing to 31 December 2015 due to paid in 2016 dividend. Eliminating paid dividend in 2016 from net profit from previous years, net assets as at 30 September 2016 appeared to be 3.77% higher comparing to 31 December 2015.

Increase of net assets was caused by net profit generated in 9 month period of 2016 which ended on 30 September 2016 and classified as hedge instruments in equity.

### The value of investment property (in EUR thousand)



The Group performs investment property valuation twice a year (as at 30 June and 31 December), unless appeared changes demands revaluation. As at 30 September 2016 the investment property valuation prepared by independent experts as at 30 June 2016 was maintained. The surplus land valuation based on the comparative approach at the end of the current reporting period has been maintained in PLN (in the same amount as at 30 June 2016), whereas the value of other investment properties has been recalculated using the average exchange rate of the National Bank of Poland as at 30 September 2016 and adjusted for the capital expenditures incurred in the period between 1 July 2016 and 30 September 2016.

Detailed information on the investment properties are presented in note 8 in the Group's interim condensed consolidated financial statements.

Except for the information already presented in this condensed quarterly report for the nine months period ended 30 September 2016, there is no other information relevant to the Group's assessment of the personnel and financial position as well as its financial result and their changes or for the assessment of the Group's ability to settle its commitments.

**6. Factors that, in the opinion of the Management Board, will have impact on the Group's results in at least one quarter period**

The most important factors which could influence the Group's financial situation in the period of at least three following months are:

- Macroeconomic factors and general economic situation,
- Interest rates level,
- Exchange rates fluctuations and
- Investment property revaluation.

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**Radosław T. Krochta**  
*President*  
*of the Management Board*

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**Michael Shapiro**  
*Vice-President*  
*of the Management Board*

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**Tomasz Zabost**  
*Member*  
*of the Management Board*

*Pruszków, 10 November 2016*

## IV. Quarterly financial information of MLP Group S.A. with additional information and explanations

### Condensed separate statement of profit or loss and other comprehensive income

	<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
		<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>Note</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
		<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Continuing operations</b>					
Revenues	9	6 139	2 020	6 260	2 118
Other operating income		699	161	370	157
Selling and administrative expenses	10	(5 062)	(1 616)	(4 024)	(1 426)
Other operating costs		(111)	(65)	(102)	(58)
<b>Operating profit</b>		<b>1 665</b>	<b>500</b>	<b>2 504</b>	<b>791</b>
Financial income	11.	1 875	521	2 361	149
Financial costs	11.	(781)	52	(616)	(224)
<b>Net financial income/(costs)</b>		<b>1 094</b>	<b>573</b>	<b>1 745</b>	<b>(75)</b>
<b>Profit before taxation</b>		<b>2 759</b>	<b>1 073</b>	<b>4 249</b>	<b>716</b>
Corporate income tax		(573)	34	3 251	(140)
<b>Net profit (loss) from continuing operations</b>		<b>2 186</b>	<b>1 107</b>	<b>7 500</b>	<b>576</b>
<b>Total comprehensive income</b>		<b>2 186</b>	<b>1 107</b>	<b>7 500</b>	<b>576</b>
<b>Net profit attributable to:</b>					
Owners of the Parent Company		2 186	1 107	7 500	576
<b>Net profit</b>		<b>2 186</b>	<b>1 107</b>	<b>7 500</b>	<b>576</b>
<b>Comprehensive income attributable to:</b>					
Owners of the Parent Company		2 186	1 107	7 500	576
<b>Total comprehensive income</b>		<b>2 186</b>	<b>1 107</b>	<b>7 500</b>	<b>576</b>
<b>Profit per share</b>					
Basic (PLN)		0,12	0,06	0,41	0,03



## Condensed separate statement of financial position

	<i>as at</i>	<b>30 September</b>	<b>31 December</b>
	<b>Note</b>	<b>2016</b>	<b>2015</b>
		<i>(unaudited)</i>	
<b>Non-current assets</b>			
Intangible assets		2	5
Tangible fixed assets		18	13
Long-term financial assets in related parties		123 225	122 209
Long-term investments	2.	76 653	82 674
Deferred tax assets		5 434	6 005
Other long-term investments		54	48
<b>Total non-current assets</b>		<b>205 386</b>	<b>210 954</b>
<b>Current assets</b>			
Short-term investments	3.	1 063	19 132
Receivables from income tax		539	13
Trade and other receivables	4.	2 166	2 619
Cash and cash equivalents	5.	3 788	10 252
<b>Total current assets</b>		<b>7 556</b>	<b>32 016</b>
<b>TOTAL ASSETS</b>		<b>212 942</b>	<b>242 970</b>
<b>Equity</b>			
Share capital		4 529	4 529
Other capital reserve		4 194	4 194
Share premium		71 121	71 121
Reserve capital		64 485	64 485
Retained earnings		5 117	44 591
<b>Total equity</b>		<b>149 446</b>	<b>188 920</b>
<b>Long-term liabilities</b>			
Credits, loans and other debt instruments	6.1	62 675	40 285
<b>Total long-term liabilities</b>		<b>62 675</b>	<b>40 285</b>
<b>Short-term liabilities</b>			
Credits, loans and other debt instruments	6.2	-	11 096
Payroll liabilities	7.	157	1 917
Trade and other liabilities	8.	664	752
<b>Total short-term liabilities</b>		<b>821</b>	<b>13 765</b>
<b>Total liabilities</b>		<b>63 496</b>	<b>54 050</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>212 942</b>	<b>242 970</b>

## Condensed separate statement of cash flows

<i>for the period of 9 months ended 30 September</i>	<b>Nota</b>	<b>2016</b> <i>(unaudited)</i>	<b>2015</b> <i>(unaudited)</i>
<b>Cash flows from operating activities</b>			
<b>Profit before taxation</b>		<b>2 759</b>	<b>4 249</b>
<i>Adjustments for:</i>			
Depreciation		14	38
Interests and share in profits (dividends)		(930)	(1 175)
Foreign exchange		125	17
Other		(6)	(54)
Change in trade and other receivables		453	(1 688)
Change in short-term trade and other liabilities		(1 848)	(3 726)
<b>Net cash from operating activities</b>		<b>567</b>	<b>(2 339)</b>
Income tax paid		(528)	(347)
<b>Net cash from operating activities</b>		<b>39</b>	<b>(2 686)</b>
<b>Cash flows from investing activities</b>			
Loans granted		(200)	(29 731)
Repayments of loans granted		26 391	22 831
Purchase of investment properties, tangible fixed assets and intangible assets		(17)	(33)
Expenses on other investments in financial assets		(1 016)	-
<b>Cash from investing activities</b>		<b>25 158</b>	<b>(6 933)</b>
<b>Cash flows from financing activities</b>			
Proceeds from credits and loans		10 000	10 970
Repayment of credits and loans		-	(3 915)
Dividend and other payments to owners		(41 660)	-
<b>Cash from financing activities</b>		<b>(31 661)</b>	<b>7 055</b>
<b>Total cash flow</b>		<b>(6 464)</b>	<b>(2 564)</b>
<b>Cash and cash equivalents at the beginning of the period</b>			
Foreign exchange differences on cash and cash equivalents		-	(737)
<b>Cash and cash equivalents at the end of the period</b>	5.	<b>3 788</b>	<b>16 910</b>

## Condensed separate statement of changes in equity

	Share capital	Other capital reserve	Share premium	Reserve capital	Retained earnings	Total equity
<b>Equity as at 1 January 2015</b>	<b>4 529</b>	<b>4 194</b>	<b>71 121</b>	<b>64 485</b>	<b>37 789</b>	<b>182 118</b>
<b><u>Comprehensive income:</u></b>						
Financial result*	-	-	-	-	7 500	<b>7 500</b>
<b>Total comprehensive income for the period ended 30 September 2015*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 500</b>	<b>7 500</b>
<b>Equity as at 30 September 2015*</b>	<b>4 529</b>	<b>4 194</b>	<b>71 121</b>	<b>64 485</b>	<b>45 289</b>	<b>189 618</b>
<b>Equity as at 1 January 2016</b>	<b>4 529</b>	<b>4 194</b>	<b>71 121</b>	<b>64 485</b>	<b>44 591</b>	<b>188 920</b>
<b><u>Comprehensive income:</u></b>						
Financial result*	-	-	-	-	2 186	<b>2 186</b>
<b>Total comprehensive income for the period ended 30 September 2016*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 186</b>	<b>2 186</b>
<b><u>Transactions with Parent entity recognized in equity:</u></b>						
Dividend payment	-	-	-	-	(41 660)	<b>(41 660)</b>
<b>Equity as at 30 September 2016*</b>	<b>4 529</b>	<b>4 194</b>	<b>71 121</b>	<b>64 485</b>	<b>5 117</b>	<b>149 446</b>

\* unaudited data

## Additional information and explanations to interim condensed separate financial statements of MLP Group S.A.

### 1. Long-term financial assets in related parties

#### 1. 1 Shares

The Company holds shares in the following subsidiaries:

Entity	Country of registry	Direct and indirect share of the Parent Company in the equity		Direct and indirect share of the Parent Company in the voting rights	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
MLP Pruszków I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków III Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków IV Sp. zo.o.	Poland	100%	100%	100%	100%
MLP Moszna I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Lublin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
MLP Energy Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Property Sp. z.o.o.	Poland	100%	100%	100%	100%
MLP Bieruń Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Teresin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań West Sp. z o.o.	Poland	100%	100%	100%	100%
MLP FIN Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
MLP Wrocław Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gliwice Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Łódź Sp. z o.o. <sup>1)</sup>	Poland	100%	-	100%	-
MLP Czeladź Sp. z o.o. <sup>2)</sup>	Poland	100%	-	100%	-
MLP Temp Sp. z o.o. <sup>3)</sup>	Poland	100%	-	100%	-

<sup>1)</sup> As at 4 March 2016 MLP Group S.A. purchased 50 shares of total value of PLN 5,000 in MLP Łódź Sp. z o.o. and thus acquired 100% of shares in equity and voting rights in MLP Łódź Sp. z o.o.. Shares were fully paid in cash.

<sup>2)</sup> As at 4 March 2016 MLP Group S.A. purchased 50 shares of total value of PLN 5,000 in MLP Czeladź Sp. z o.o. and thus acquired 100% of shares in equity and voting rights in MLP Czeladź Sp. z o.o.. Shares were fully paid in cash.

<sup>3)</sup> As at 20 May 2016 MLP Group S.A. purchased 100 shares of total value of PLN 5,000 in MLP Temp Sp. z o.o. and thus acquired 100% of shares in equity and voting rights in MLP Temp Sp. z o.o..

As at 31 May 2016 share capital in MLP Temp Sp. z o.o. was increased by PLN 1,001,000 through creation of 20,020 new shares with a nominal value of PLN 50, which were taken in the following manner: MLP Group acquired 20,000 new shares with a total value of PLN 1,000 thousand which were fully paid in cash; MLP Spółka z ograniczoną odpowiedzialnością SKA acquired the remaining 20 new shares, which were covered by contribution in kind of MLP Spółka z ograniczoną odpowiedzialnością SKA. Shares in the subsidiaries included in the Quarterly financial information of MLP Group S.A. were valued based on the purchase price less any write-offs due to permanent impairment.

## 2. Long-term investments

<i>as at</i>	<b>30 September 2016</b>	<b>31 December 2015</b>
	<i>(unaudited)</i>	
Long-term loans granted to related parties	76 653	82 674

## 3. Short-term investments

<i>as at</i>	<b>30 September 2016</b>	<b>31 December 2015</b>
	<i>(unaudited)</i>	
Short-term loans granted to related parties	1 063	19 095
Short-term loans granted to other entities	-	37
<b>Total short-term investments</b>	<b>1 063</b>	<b>19 132</b>

## 4. Trade and other receivables

<i>as at</i>	<b>30 September 2016</b>	<b>31 December 2015</b>
	<i>(unaudited)</i>	
Trade receivables from related parties	1 451	2 340
Trade receivables from third parties	1	8
Tax and social security liabilities	1	1
Prepayments	130	108
Other	583	162
<b>Trade and other receivables</b>	<b>2 166</b>	<b>2 619</b>
Income tax	539	13
<b>Short-term receivables</b>	<b>2 705</b>	<b>2 632</b>

## 5. Cash and cash equivalents

<i>as at</i>	<b>30 September 2016</b>	<b>31 December 2015</b>
	<i>(unaudited)</i>	
Cash on hand	6	10
Cash in bank	115	13
Short-term deposits	3 667	10 229
<b>Cash and cash equivalents in the condensed separate statement of financial position</b>	<b>3 788</b>	<b>10 252</b>
<b>Cash and cash equivalents in the condensed separate statement of cash flows</b>	<b>3 788</b>	<b>10 252</b>

## 6. Credits, loans and other debt instruments and other liabilities

### 6. 1 Long-term liabilities

	<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b>
Loans received from related parties		62 675	40 285
<b>Total long-term loans and other debt instruments</b>		<b>62 675</b>	<b>40 285</b>

### 6. 2 Short-term liabilities

	<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b>
Loans received from related parties		-	11 096
<b>Total short-term loans and other debt instruments</b>		<b>-</b>	<b>11 096</b>

Details of loans received from related parties are disclosed in note 12.2.

## 7. Payroll liabilities

	<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b>
Special funds		157	157
Cash settled share based payment		-	1 760
		<b>157</b>	<b>1 917</b>

## 8. Trade and other liabilities

	<i>as at</i>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b>
Trade liabilities to related parties		40	48
Trade liabilities to other entities		376	186
Tax and social security liabilities		58	118
Accrued expenses		33	146
Investment liabilities, guarantees and others		157	254
<b>Trade and other liabilities</b>		<b>664</b>	<b>752</b>
<b>Short-term liabilities</b>		<b>664</b>	<b>752</b>

## 9. Revenues

	<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
		<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
		<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
		<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Property management		2 531	851	2 451	818
Project management		230	82	-	-
Advisory services		2 860	945	3 310	1 098
Reinvoiced services		353	131	476	198
Other revenues		165	11	23	4
<b>Total revenues</b>		<b>6 139</b>	<b>2 020</b>	<b>6 260</b>	<b>2 118</b>
<i>Including revenues from related entities</i>		<i>5 988</i>	<i>2 019</i>	<i>6 238</i>	<i>2 114</i>

## 10. Selling and administrative expenses

	<i>for the period of</i>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>
		<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
		<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
		<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Depreciation and amortization		(14)	(4)	(38)	(16)
Materials and energy		(91)	(37)	(67)	(24)
External services		(3 034)	(1 097)	(2 532)	(950)
Taxes and charges		(32)	(16)	(42)	(13)
Payroll		(1 498)	(341)	(1 025)	(334)
Social security and other employee benefits		(221)	(54)	(173)	(54)
Other costs by kind		(172)	(67)	(147)	(35)
<b>Total selling and administrative expenses</b>		<b>(5 062)</b>	<b>(1 616)</b>	<b>(4 024)</b>	<b>(1 426)</b>

Total selling and administrative expenses for the period of 9 months ended 30 September 2016 amounted to PLN 5,062 thousand. The above mentioned costs incurred by the Company relate to expenses related to the service and maintenance of revenue-generating investment property, owned by the subsidiaries of the Company. The Company recovers the specified amounts by charging these companies for property management.

## 11. Financial income and costs

<i>for the period of</i>	<b>9 months ended 30 September 2016 <i>(unaudited)</i></b>	<b>3 months ended 30 September 2016 <i>(unaudited)</i></b>	<b>9 months ended 30 September 2015 <i>(unaudited)</i></b>	<b>3 months ended 30 September 2015 <i>(unaudited)</i></b>
Interest on loans granted to the related parties	1 711	476	1 766	574
Interest income on bank deposits	122	3	445	136
Foreign exchange differences net	42	42	-	(561)
Other financial income	-	-	150	-
<b>Total financial income</b>	<b>1 875</b>	<b>521</b>	<b>2 361</b>	<b>149</b>
Interest expenses on loans from related parties	(781)	(260)	(591)	(199)
Other interest	-	-	(8)	(8)
Foreign exchange differences net	-	311	(17)	(17)
<b>Total financial costs</b>	<b>(781)</b>	<b>51</b>	<b>(616)</b>	<b>(224)</b>

Exchange differences are mainly a result of the balance sheet date valuation of loan liabilities and receivables, which are denominated in EUR.

Details of financial income and costs from related parties are disclosed in note 12.3. to the quarterly financial information of MLP Group S.A.



## 12. Related party transactions

### 12. 1 Trade and other receivables and liabilities

Related party transactions related to the trade and other receivables and liabilities as at 30 September 2016\* are as follows:

\*unaudited data

	Trade and other receivables	Trade and other liabilities <sup>1)</sup>
The Israel Land Development Company Ltd., Tel-Awiw	49	-
	<b>49</b>	<b>-</b>
<b>Other related parties</b>		
MLP Pruszków I Sp. z o.o.	912	-
MLP Pruszków II Sp. z o.o.	56	-
MLP Pruszków III Sp. z o.o.	46	-
MLP Pruszków IV Sp. zo.o.	38	-
MLP Moszna I Sp. z o.o.	25	-
MLP Poznań Sp. z o.o.	9	-
MLP Lublin Sp. z o.o.	47	-
MLP Poznań II Sp. z o.o.	19	-
MLP Bieruń Sp. z o.o.	1	-
MLP Bieruń I Sp. z o.o.	3	-
MLP Poznań West Sp. z o.o.	37	-
MLP Teresin Sp. z o.o.	47	-
MLP Wrocław Sp. z o.o.	103	-
MLP Gliwice Sp. z o.o.	29	-
MLP Łódź Sp. z o.o.	7	-
MLP Czeladź Sp. z o.o.	23	-
	<b>1 402</b>	<b>-</b>
<b>Key management personnel</b>		
ROMI CONSULTING Michael Shapiro	-	40
Other key management personnel	-	31
	<b>-</b>	<b>71</b>
<b>Total</b>	<b>1 451</b>	<b>71</b>

<sup>1)</sup> Trade and other liabilities do not include payroll liabilities of key management personnel and share based payments that are disclosed in note 13.

## 12. 2 Loans granted and received

Loans received from and granted to related parties as at 30 September 2016\* were as follows:

*\*unaudited data*

	Loans granted	Loans received
<b>Other related parties</b>		
Fenix Polska Sp. z o.o.	43 288	-
MLP Pruszków I Sp. z o.o.	-	41 934
MLP Pruszków III Sp. z o.o.	1 328	-
MLP Poznań Sp. z o.o.	1 146	-
MLP Lublin Sp. z o.o.	8 831	-
MLP Poznań II Sp. z o.o.	156	-
MLP Property Sp. z.o.o.	288	-
MLP Bieruń I Sp. z o.o.	1 137	-
MLP Teresin Sp. z o.o.	7 335	-
MLP Poznań West Sp. z o.o.	686	-
MLP FIN Sp. z o.o.	53	-
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	31	-
Lokafoop 201 Spółka z ograniczoną odpowiedzialnością SKA	-	10 237
MLP Gliwice Sp. z o.o.	13 336	-
MLP Temp Sp. z o.o.	-	10 504
	<b>77 716</b>	<b>62 675</b>

### 12. 3 Revenues and expenses

Related party transactions related to revenues and expenses for the nine months period ended 30 September 2016\* were as follows:

\*unaudited data

	Sales of services	Interest income
The Israel Land Development Company Ltd., Tel-Awiw	96	-
	<b>96</b>	<b>-</b>
<b>Other related parties</b>		
MLP Pruszków I Sp. z o.o.	4 476	-
MLP Pruszków II Sp. z o.o.	230	-
MLP Pruszków III Sp. z o.o.	162	30
MLP Pruszków IV Sp. zo.o.	193	-
MLP Spółka z ograniczoną odpowiedzialnością SKA	1	-
MLP Moszna I Sp. z o.o.	89	-
MLP Poznań Sp. z o.o.	99	59
MLP Lublin Sp. z o.o.	149	88
MLP Poznań II Sp. z o.o.	153	3
MLP Property Sp. z.o.o.	-	6
MLP Bieruń Sp. z o.o.	1	-
MLP Bieruń I Sp. z o.o.	13	27
MLP Poznań West Sp. z o.o.	1	15
MLP Teresin Sp. z o.o.	89	183
MLP FIN Sp. z o.o.	-	1
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	-	1
LokaFop 201 Spółka z ograniczoną odpowiedzialnością SKA	90	-
MLP Wrocław Sp. z o.o.	83	-
MLP Gliwice Sp. z o.o.	27	365
MLP Łódź Sp z o.o.	12	-
MLP Czeladź Sp z o.o.	24	-
Fenix Polska Sp. z o.o.	-	933
	<b>5 892</b>	<b>1 711</b>
<b>Total revenues</b>	<b>5 988</b>	<b>1 711</b>

	Purchase of services and remuneration costs	Interest expenses
<b>Other related parties</b>		
MLP Pruszków I Sp. z o.o.	(39)	(439)
Lokafo 201 Spółka z ograniczoną odpowiedzialnością SKA	-	(237)
MLP Teresin Sp. z o.o.	(4)	-
MLP Gliwice Sp. z o.o.	(4)	-
MLP Temp Sp. z o.o.	-	(105)
	<b>(47)</b>	<b>(781)</b>
<b>Key management personnel</b>		
ROMI CONSULTING, Michael Shapiro	(294)	-
RTK CONSULTING, Radosław T. Krochta	(375)	-
PROFART, Tomasz Zabost	(122)	-
Other key management personnel	(407)	-
	<b>(1 198)</b>	<b>-</b>
<b>Total costs</b>	<b>(1 245)</b>	<b>(781)</b>

### 13. Remuneration paid or due to members of management and supervisory bodies

	2016 <i>(unaudited)</i>	2015 <i>(unaudited)</i>
<i>for the period of 9 months ended 30 September</i>		
<b>Remuneration of the Management Board</b>		
• <b>Remuneration and other benefits</b>		
Michael Shapiro	294	280
Radosław T. Krochta	375	136
Tomasz Zabost	122	17
	<b>791</b>	<b>433</b>
• <b>Cash settled share based payment</b>	<b>510</b>	<b>431</b>
<b>Remuneration of the Supervisory Board</b>		
• <b>Remuneration and other benefits</b>		
Maciej Matusiak	23	23
Jacek Tucharz	23	23
Eytan Levy	23	23
Shimshon Marfogel	23	23
Yosef Zvi Meir	23	23
Baruch Yehezkelov	-	5
Guy Shapira	23	18
	<b>138</b>	<b>138</b>
<b>Total remuneration (paid or due) to the Management Board and Supervisory Board of the Company</b>	<b>1 439</b>	<b>1 002</b>
<b>Other Key Management Personnel</b>		
• Remuneration and other benefits	407	403
• Cash settled share based payment	405	195
	<b>812</b>	<b>598</b>
<b>Total remuneration (paid or due) to the Management Board, Supervisory Board and Key Management Personnel of the Company</b>	<b>2 251</b>	<b>1 600</b>

Except for the transactions presented in the note above of the quarterly financial information of MLP Group SA, the Memembers of the Management Board and the Supervisory Board did not receive any other benefits from the Company.

#### 14. Employment structure

	<b>30 September</b> <i>as at</i> <b>2016</b> <i>(unaudited)</i>	<b>31 December</b> <b>2015</b>
Average employment in the period	14	15

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**Radosław T. Krochta**  
*President*  
*of the Mangement Board*

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**Michael Shapiro**  
*Vice-President*  
*of the Management Board*

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**Tomasz Zabost**  
*Member*  
*of the Management Board*

*Pruszków, 10 November 2016*