

Record-breaking quarter in the history of Ronson Development

- In the last quarter of 2016 Ronson achieved its best result ever amounting to 275 flats sold, which is an 11% increase in relation to the same period of 2015. In 2016 Ronson sold a total of 821 units compared to 906 units sold in the record-breaking year of 2015.
- The last quarter of 2016 was also the Company's best quarter in respect of the number of flats handed over to their buyers. Ronson delivered keys to 275 flats, i.e. 12% more than in the 4th quarter of 2015. Consequently, the number of flats delivered in the fourth quarter was the same as the number of flats sold during this period. Throughout 2016 Ronson handed nearly 790 flats over to its customers, which is an increase by almost 14 % y/y.
- The record number of handed over flats should translate into the expected significantly higher financial results compared to 2015 - even without taking into consideration the Nova Królikarnia project's sale finalized in December and its major positive impact on last year's financial results.

- *The last quarter of 2016 was a record-breaking year for us, both in respect of sale and the number of handed-over flats. The most popular project continued to be the City Link project in the Warsaw district of Wola, where we sold 83 flats during the fourth quarter and as many as 237 flats throughout 2016. The Espresso project in Warsaw and the Kamienica Jeżyce project in Poznań were also very popular among customers. In 2016 we sold a total of 821 flats in all our projects, i.e. slightly less than in the record-breaking year of 2015, as we expected after the third quarter 2016. This decrease is mainly due to the fact that in 2016 we did not start the Marina Miasto project in Wrocław as we had assumed, and we started the Miasto Moje project in Białołęka district of Warsaw later than we had planned - Tomasz Łapiński, Ronson Development Financial Director, has said.*

- *Another reason for our satisfaction is the handover of 790 flats to our customers in 2016. Only during the fourth quarter we delivered 275 units, which had been the best quarter's and year's result in the history of our Company. This will translate into a significant increase in Ronson Development revenue compared to the corresponding periods of 2015. In the fourth quarter it was mainly the second stage of our very profitable Moko project in Warsaw, completed in November, and the first stage of Kamienica Jeżyce in Poznan that contributed the most to our results. We completed the Kamienica Jeżyce project in the third quarter- **Tomasz Łapiński** has added.*

What is more, at the end of 2016 Ronson obtained the occupancy permit for the third stage of the Espresso project in Warsaw and the second stage of the Kamienica Jeżyce project in Poznań, however, most of the units constructed and sold under these projects will be delivered and recognized in the financial results for the 1st quarter of 2017. Only in the case of these two projects, 254 flats were constructed and already sold at the end of 2016, and now they are to be handed over to the customers, which means very good prospects in terms of the expected financial results for the first quarter of 2017.

In 2016 Ronson completed the implementation of a total of 7 projects with 1054 flats. At the same time Ronson started 7 other investments comprising a total of 975 flats. They are both subsequent stages of the previously implemented projects, i.e. Espresso IV and City Link III in Warsaw, Chilli City IV and Młody Grunwald III in Poznań as well as Panoramika III in Szczecin, and completely new investments, i.e. Nova Królikarnia and Miasto Moje in Warsaw.

At the end of 2016 the Nova Królikarnia project was sold to Global City Holdings (GCH) for a total of PLN 175.1 million under a transaction which allowed the GCH to leave the Ronson Europe shareholding. The expected net profit from this transaction amounting to approx. PLN 55 million is to increase the Company's results for 2016. Ronson is going to continue managing the Nova Królikarnia project, i.e. its further implementation and sale of flats, on a commercial basis.

At the end of 2016 the offer of Ronson Development included a total of 980 units (930 flats without taking the Nova Królikarnia project into consideration).

Ronson Development - flats' sale and hand-over

Number of units	4Q 2016	4Q 2015	Change y/y	2016	2015	Change y/y
Sale	275	248	< +11%	821	906	-9%
Hand-overs	275	245	+ 12%	790	696	+ 14%

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