

The Best
Trading Venue
For Polish Bonds



WSE GROUP

BONDSPOT
SPÓŁKA AKCYJNA

BondSpot S.A. – experience and development

BondSpot S.A. is one of the two institutions in Poland, along with the Warsaw Stock Exchange, (WSE) organizing a regulated market as well as other platforms for electronic trading in financial instruments.

The core business areas of BondSpot S.A. include:

- ◀ **Treasury BondSpot Poland (TBS Poland)** – a wholesale market dedicated to trading of Treasury securities. Minimum lots of PLN 5 million and multiples thereof can be traded on the market. Currently, 31 global and local financial institutions participate in the market, including 12 banks holding the status of Primary Dealer with an exclusive right to purchase Treasury securities on the primary market with an intention for their future resale on the secondary market.
- ◀ **Regulated Market and Multilateral Trading Facility** – markets operated within the Catalyst market launched together with the WSE. Trading is operated in Treasury bonds and other debt securities – corporate bonds, municipal bonds and mortgage bonds. There are 18 domestic brokerage houses and banks operating on the market.

All trades executed on the markets operated by BondSpot are settled by the National Depository for Securities (Treasury bonds and other debt instruments) and the National Bank of Poland (Treasury bills).

BondSpot S.A. was established in January 1996 under the name Centralna Tabela Ofert S.A. on the initiative of major Polish banks and brokerage houses. In November 2000, the WSE became a shareholder of the Company. In May 2009 the WSE became the major shareholder of the BondSpot S.A. with a 92.47 % stake in its share capital. The list of shareholders includes also banks (3.56%), brokerage houses (3.88%) and other entities (0.09%) including the State Treasury of Poland represented by the Minister of Finance. Since November 2010 the WSE has been a listed company on the Polish capital market.

Treasury Bondspot Poland

- liquidity, transparency, pan-european technology



Treasury BondSpot Poland (TBS Poland) is the leading market for trading of Treasury securities in the CEE region with monthly average volumes exceeding PLN 1 billion on the cash segment (single counted) and PLN 3.5 billion on the repo segment (single opening and closing transactions). TBS Poland is operated by BondSpot S.A. based on the agreement with the Minister of Finance.

The market was launched in 2002 as the Electronic Treasury Securities Market (ETSM) and is an integral part of the Primary Dealer system in Poland supervised by the Ministry of Finance. The main objective of TBS Poland is to reduce the cost of public debt through the improvement of liquidity, transparency, and efficiency of the Treasury securities market.

The Primary Dealer system which is based on the rules adopted by the Ministry of Finance define criteria for selecting Primary Dealers in Poland as well as principles of the primary market and secondary trading in Treasury securities. Primary Dealers have an exclusive right to purchase Treasury securities on the primary market.

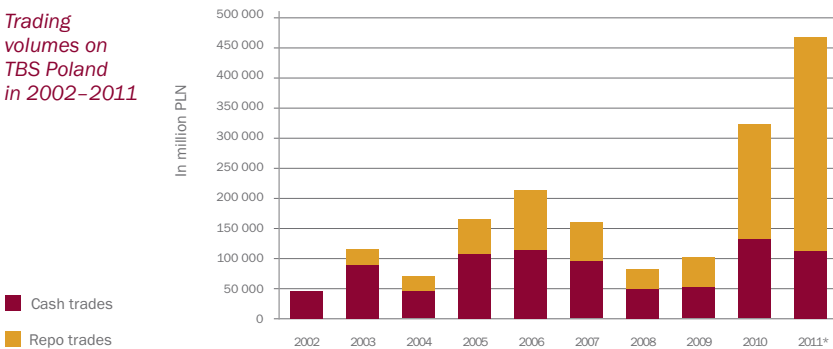
Currently 31 global and local financial institutions are participants of the TBS Poland market. Participants can act on the market in the following capacities:

- ▶ **Market Makers** – participants who commit to quoting obligations for assigned securities with a defined maximum spread and a minimum size according to the market rules,
- ▶ **Market Takers** – participants who are not entitled to enter quotes into the system but can place orders against quotes provided by Market Makers,
- ▶ **Institutional Investors** – participants allowed to trade on the Repo market as well as on the Cash market in a separate institutional segment (B2C).

There are two main markets on TBS Poland:

- ▶ Cash market – dedicated for outright transactions,
- ▶ Repo market – dedicated for trading classic repo and buy sell back/sell buy backs.

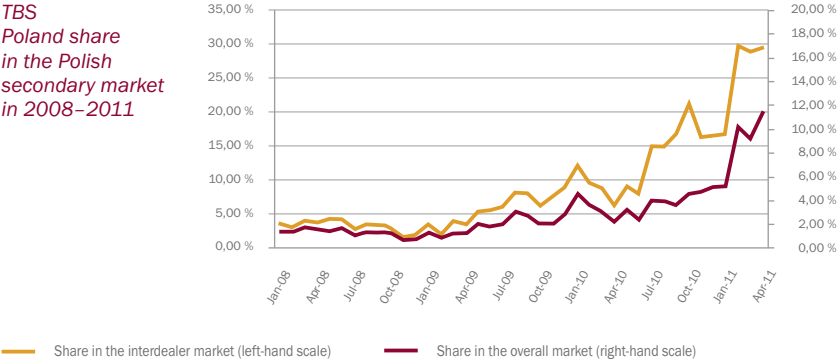
Trading volumes on TBS Poland in 2002-2011



2011* - to May, 31 2011

The market share of TBS Poland has been constantly increasing in all segments of the Treasury securities market in Poland.

**TBS
Poland share
in the Polish
secondary market
in 2008-2011**



Fixing prices of Treasury securities being reference prices for the domestic debt market are set twice a day during two fixing sessions organized on TBS Poland each trading day.

TBSP.Index

Since February 2011 BondSpot has been publishing a first official treasury bonds index of the Treasury BondSpot Poland market (TBSP.Index).

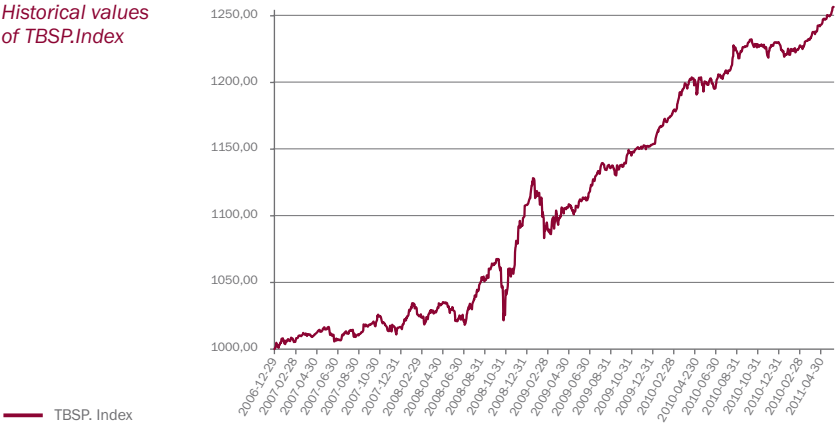
TBSP.Index is a universal market tool and a benchmark for measuring investment decisions dedicated to institutional and retails investors investing in Polish Treasury securities.

TBSP.Index is the a total return index which takes into account changes in fixing prices, accrued interest and reinvestment of coupon payments.

The index portfolio is comprised of zero-coupon and fixed rate treasury securities denominated in PLN (polish zloty) which are subject to fixing sessions organized on the TBS Poland market in accordance with the NBP Fixing Rules. Composition of the index portfolio is reviewed monthly.

TBSP.Index is calculated on the basis of fixing prices set during two fixing sessions on the TBS Poland market. The index is published twice a day, at 10:30 (the opening value) and at 16:45 (the closing value). The index base date is December 29, 2006, and the index base value is 1,000.00 points.

**Historical values
of TBSP.Index**





Catalyst – the highest growth potential in Europe

CATALYST is one of first in Europe and a unique organized market in the New Europe region for trading debt securities. It was launched on 30 September 2009 jointly by the Warsaw Stock Exchange and BondSpot S.A.

Catalyst is composed of regulated markets and multilateral trading facilities dedicated for institutional and individual investors and therefore is well adapted to all issuers' needs seeking either private placement or public offering for securities of different sizes and parameters.

Transparent and liquid markets providing valuation for listed instruments constitute a new element of the current debt market structure in Poland considerably stimulating further growth of the Polish capital market as well as the competitiveness of the Polish economy.

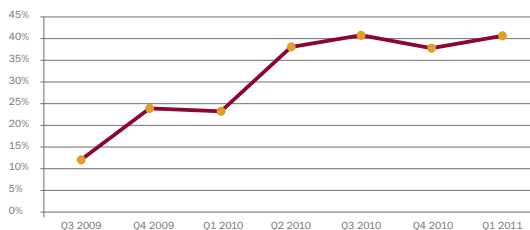
All platforms support trading in debt securities: Treasury bonds, municipal bonds, corporate bonds and mortgage bonds. The Catalyst architecture ensures that the market can accommodate issues of different sizes and parameters and serve the needs of different investor groups: institutional and individual.

The rules of trading on the regulated markets and on the multilateral trading facilities are identical and the only differences apply to block trades. Execution of transactions on all Catalyst markets is guaranteed by the National Depository for Securities. Issuers are bound by reporting requirements including current and periodic reports.

Currently 18 leading brokerage houses, banks conducting brokerage activities as well as other authorized entities are members of markets operated by BondSpot S.A. within Catalyst.

As of 31 May 2011 over 70 issues of local and foreign issuers have been listed on two markets operated by BondSpot S.A. with outstanding values reaching almost PLN 30 billion.

Issues listed on BondSpot markets vs. overall non-Treasury long term debt issues in Poland



Source: Fitch Ratings, BondSpot S.A.

Since the beginning of January 2011 over 70% of all new bond issues arranged in Poland have been listed on markets operated by BondSpot S.A. within Catalyst.

MARKET DATA

Real-time market data as well as historical data from all markets operated by BondSpot S.A. including TBSP.Index and fixing prices from TBS Poland are provided by all major data vendors (e.g. Thomson Reuters, Bloomberg).

Market data is also available on BondSpot and WSE websites (www.bondspot.pl and www.gpwcatalyst.pl).



BondSpot Spółka Akcyjna

Al. Armii Ludowej 26
00-609 Warszawa

tel.: +48 22 579 81 00

fax: +48 22 579 81 01

www.bondspot.pl

WSE GROUP

BONDSPOT
SPÓŁKA AKCYJNA