

Current Report No. 6/2017

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Legal Basis: Art. 17(1) of the Regulation (EU) no. 596/2014 of 16 April 2014 of the European Parliament and Council on market abuse (Market Abuse Regulation) and repealing the Directive 2003/6/EC of the European Parliament and Council as well as the Directives 2003/124/EC, 2003/125/EC and 2004/72/EC of the European Commission

Subject: The unaudited selected consolidated financial results of the ABC Data Corporate Group for Q4 and the year 2016

The Management Board of ABC Data S.A. (hereinafter the “Issuer”) hereby announces the unaudited selected consolidated financial results of the ABC Data Corporate Group.

Q4 2016:

Revenues – PLN 1 612 million

Gross profit on sales – PLN 85.5 million

EBITDA – PLN 15.0 million

EBIT operating profit – PLN 14.2 million

Net profit – PLN 4.1 million

The year 2016:

Revenues – PLN 4 927 million

Gross profit on sales – PLN 260.9 million

EBITDA – PLN 40.4 million

EBIT operating profit – PLN 37.8 million

Net profit – PLN 17.2 million

Net debt – PLN 58.0 million

The basic factors influencing the consolidated financial results of the ABC Data Corporate Group in 2016 were: transaction execution primarily in the traditional distribution model and continuous lack of execution of transactions which do not meet the internal norms and procedures of the Company in terms of risk assessment. A deliberate elimination of higher risk transactions aims to reduce the risk over the long term.

Moreover, the financial results were influenced by the revaluation of value of shares in BizneslinkCO sp. z o.o., in which ABC Data acquired the shares in Q1 2016 in exchange for contribution in the form of the BiznesLink domain name and trademark. Due to the fact that BizneslinkCo sp. z o.o. did not perform the assumed financial results, the Issuer determined the need to make a loss write-off for the value of those shares in the amount of PLN 6.4 million. The reason for impairment loss of the abovementioned shares was lack of development of BizneslinkCO sp. z o.o. and, as a result, substantial deterioration of its financial status.

The level of financial costs was also influenced by a change in the model of cash management imposed by the current situation in the IT distribution industry, which consists of using short-term external funding and maintaining an optimum level of cash in the Company.

The extended consolidated report for the year 2016 will be published on 21 March 2017, after the verification of all the data by an expert auditor, about which the Company informed in the Current Report No. 2/2017 of 31 January 2017.

Date	First and last name	Position/Function
2017-03-16	Ilona Weiss	President of the Management Board
2017-03-16	Juliusz Niemoćko	Vice-President of the Management Board