

X-TRADE BROKERS DOM MAKLERSKI S.A.

(joint stock company with its registered office in Warsaw and address at ul. Ogrodowa 58, 00-876 Warszawa, entered into the Register of Business Entities of the National Court Register under No. 0000217580)

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CURRENT REPORT NO. 5/2017

Warsaw, 13 February 2017

Information on XTB Capital Group's operations on the Turkish market

The Management Board of X-Trade Brokers Dom Maklerski S.A. (the "**Issuer**", "**Company**", "**XTB**") hereby announces that in relation to finalizing on 13 February 2017 preliminary analysis of impact of regulatory changes on principles regarding investment services and ancillary services implemented on 10 February 2017 by Turkish regulatory authority, i.e. Capital Markets Board of Turkey (CMB), the Issuer informs about the possible limitation in operations on the Turkish market.

Changes introduced by CMB relate in particular to decrease of obligatory leverage used by investors to 10:1 and implementation in relation to clients the minimum first deposit of TRY 50 thousand (approx. USD 12 thousand). The above described amendments came into force with immediate effect for all clients and positions opened from 10 February 2017. In relation to positions opened before this date there is 45 days period for adjustment to the new regulation.

Currently the Group is working on full implementation of the above requirements. As at the day of preparation of the foregoing current report, the Company is not able to estimate precisely what impact the amendment would have on clients activities on the Turkish market and on their transactions. It cannot be excluded that such significant limitations introduced by CMB could contribute to significant decrease in the number of clients, and as a result to significant limitation of the XTB Group's operations in Turkey.

The Issuer will inform on further significant information related to the above regulatory changes through publication of relevant reports.

<u>Legal basis:</u> Article 17 section 1 MAR – inside information