

GPW Starts to Publish Dividend Indices

PRESS RELEASE

- **GPW will start the calculation and publication of three new indices: WIG20dvp, mWIG40dvp, and sWIG80dvp at the trading session on 27 December 2018**
- **The indices are dividend indices, tracking income from cash dividends paid by stocks participating in the underlying index (respectively: WIG20, mWIG40, sWIG80)**

The Warsaw Stock Exchange starts to calculate and publish three dividend indices: WIG20dvp, mWIG40dvp, and sWIG80dvp as of the trading session on 27 December 2018. The indices will track aggregate dividends paid by the stocks participating in the underlying index (respectively: WIG20, mWIG40, sWIG80) in the calendar year.

"We are starting to publish the new indices because they are a great source of information about dividends paid in our market. Such information is particularly relevant for investors who are looking for attractive and stable returns. GPW lists many companies which regularly pay dividends in excess of interest paid by debt instruments. They include large caps participating in WIG20 as well as medium-sized and small companies participating in mWIG40 and sWIG80, respectively" – said Marek Dietl, President of GPW.

Dividend indices are also an important source of information for investors trading in index derivatives (futures and options) whose valuation must include dividends. In the future, GPW is planning to offer trade in dividend index futures which allow investors to hedge against the dividend risk of derivatives.

The dividend yield of WIG20 is 1.9% p.a. and the dividend yield of mWIG40 and sWIG80 is 3.1% and 4.7%¹, respectively.

The new indices will not aggregate dividends paid in previous years and they will be reset at the end of each year. Every year, the indices start at 0 (no dividend paid) and start to aggregate dividend from scratch. The index value at the year's end will represent the sum of dividends paid by the stocks participating in the underlying index throughout the year.

The indices will be reset at the first trading session after the third Friday in December. This year, the session falls on 27 December, which is the first day of publication of the new indices.

The indices will only include ordinary cash dividends, including advance dividends. The indices will be recalculated to include paid dividends at the trading session when shares are first traded without dividend.

The indices will be published in the single-price system at 11:00. The dividend indices will be calculated back to 2 January 2007.

Figure 1. WIG20dvp performance

¹ As at 07 Dec 2018

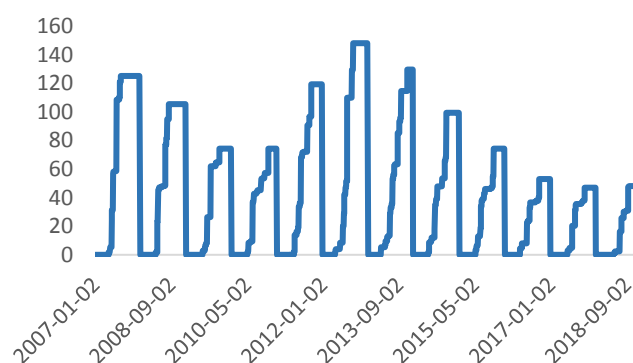


Figure 2. mWIG40dvp performance

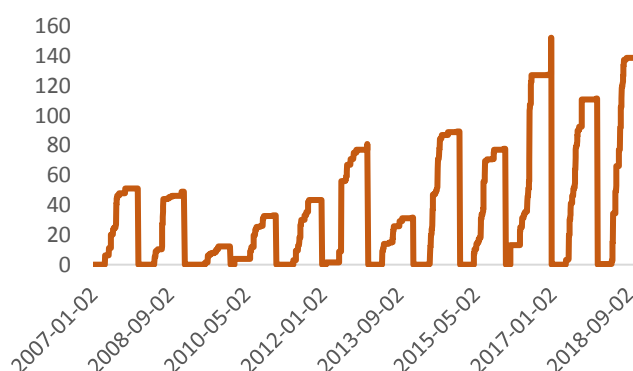
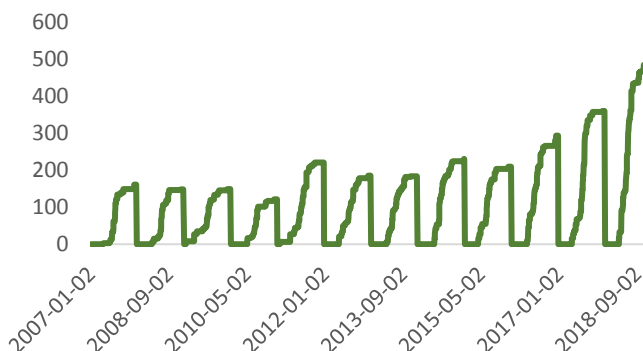


Figure 3. sWIG80dvp performance



For more information, visit the GPW website: <https://www.gpw.pl/dividend-indices>

The Warsaw Stock Exchange (GPW) is one of the fastest growing exchanges in Central and Eastern Europe. GPW operates a regulated market of shares and derivative instruments and the alternative stock market NewConnect for growing companies. GPW is developing Catalyst, a market for issuers of corporate and municipal bonds. Towarowa Gielda Energii (TGE), a member of the GPW Group since February 2012, offers trade in electricity, natural gas, property rights and guarantees of origin, and CO2 emission allowances. Since 9 November 2010, GPW is a public company listed on Warsaw Stock Exchange. For more information, visit www.gpw.pl.