

**IPOPEMA Securities S.A.
ul. Próżna 9
00-107 Warsaw, Poland**

Auditor's opinion and report

**on the audit of the financial statements
for the financial year January 1st-December 31st 2012**

AUDITOR'S OPINION

for the General Meeting and the Supervisory Board of IPOPEMA Securities S.A.

We have audited the attached financial statements of IPOPEMA Securities S.A., registered office at ul. Próźna 9, Warsaw, Poland, including:

- introduction to the financial statements;
- balance sheet as at December 31st 2012, showing a balance-sheet total of PLN **769,267** thousand;
- income statement for the financial year January 1st-December 31st 2012, showing a net profit of PLN **8,528** thousand;
- statement of changes in equity for the financial year January 1st-December 31st 2012, showing a decrease in equity of PLN **5,959** thousand;
- statement of cash flows for the financial year January 1st-December 31st 2012, showing an increase in net cash of PLN **157,565** thousand.

The Company's Management Board was responsible for the preparation of the financial statements and the Directors' Report in compliance with the applicable regulations.

The Company's Management Board and members of the Supervisory Board are responsible for ensuring that the financial statements and the Directors' Report comply with the requirements of the Polish Accountancy Act of September 29th 1994 (Dz. U. of 2009, No. 152, item 1223, as amended), hereinafter referred to as the "Accountancy Act".

Our responsibility was to audit the financial statements and issue an opinion on whether the financial statements comply with the applicable accounting policies, whether they fairly and clearly reflect, in all material respects, the assets, financial standing and financial result of the Company, and whether the accounting records which were the basis for the preparation of the financial statements were properly maintained.

Our audit of the financial statements was performed in accordance with:

- 1/ chapter 7 of the Accountancy Act,
- 2/ Polish financial auditing standards, issued by the National Council of Statutory Auditors (Krajowa Rada Biegłych Rewidentów).

We planned and performed our audit in such a manner as to obtain a reasonable basis to issue an opinion on the financial statements. In particular, our audit included an assessment of the accounting policies and significant estimates used by the Company, an examination - largely on a test basis - of accounting evidence and records relevant to the amounts and disclosures in the financial statements, as well as an assessment of the overall presentation of the financial statements.

We believe that our audit provided us with sufficient evidence to issue the opinion.

In our opinion, the audited financial statements, in all material respects:

- a) present fairly and clearly all the information which is material for the assessment of the Company's assets and financial standing as at December 31st 2012, as well as of its financial result for the financial year January 1st-December 31st 2012;
- b) were prepared in compliance with the applicable accounting policies and on the basis of properly maintained accounting records;
- c) comply with the applicable laws and the relevant provisions of the Company's Articles of Association.

The Directors' Report on the Company's operations is complete within the meaning of Art. 49.2 of the Polish Accountancy Act and conforms to the provisions of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz. U. of 2009, No. 33, item 259, as amended). The information contained in the Directors' Report which is sourced from the audited financial statements is consistent with the financial statements.

Warsaw, March 20th 2013

BDO Sp. z o.o.
ul. Postępu 12
02-676 Warsaw, Poland
Qualified auditor of financial statements, Reg. No. 3355

Chief auditor performing the audit:

Anna Bernaziuk, PhD
Qualified Auditor
Reg. No. 173

Person acting on behalf of BDO Sp. z o.o.:

André Helin, PhD
President of the Management Board
Qualified Auditor, Reg. No. 90004

Report
on the audit of the financial statements of
IPOPEMA Securities S.A.

for the financial year
January 1st-December 31st 2012

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I. GENERAL INFORMATION

1. Details of the Company

1.1. Name and form of incorporation

The Company operates under the name IPOPEMA Securities Spółka Akcyjna (joint-stock company) and may use the abbreviated name of IPOPEMA Securities S.A.

1.2. Registered office

The Company's registered office is at ul. Próźna 9, Warsaw, Poland (as at the balance-sheet date, the Company's registered office was at ul. Waliców 11, Warsaw, Poland).

1.3. Business profile

Pursuant to the entry in the relevant register, and the Company's Articles of Association, the Company's business includes:

- brokerage activities on the securities and commodity markets,
- other financial services not elsewhere classified, except insurance and pension fund services,
- other business and management consultancy.

During the period under analysis, the Company's operations consisted mainly in brokerage activities on the securities market.

1.4. Legal basis for the Company's activities

IPOPEMA Securities S.A. operates on the basis of:

- the Articles of Association drawn up in the form of a notarial deed on March 2nd 2005 (Rep. A No. 2640/2005), as amended,
- brokerage licence No. DDM-M-4020-60-1/2005 granted by the Polish Securities and Exchange Commission on June 30th 2005, authorising the Company to conduct brokerage activities within the scope stipulated therein, and
- the Polish Commercial Companies Code.

1.5. Court registration

On March 22nd 2005, the Company was entered into the National Court Register at the District Court for the Capital City of Warsaw, XII Commercial Division, under entry No. KRS 0000230737.

1.6. Registration at the Tax Office and the Provincial Statistics Office

NIP (Tax Identification Number)	527-24-68-122
REGON (Industry Identification Number)	140086881

1.7. Share capital and equity

As at December 31st 2012, the Company's share capital amounted to PLN 2,975 thousand and was divided into 29,752,122 shares with a par value of PLN 0.10 per share.

As at December 31st 2012, the shareholder structure of IPOPEMA Securities S.A., according to the information provided by the Management Board, was as follows:

Shareholder	Number of shares and votes at GM	% of total vote at GM
Fundusz IPOPEMA 10 FIZAN ¹	2,851,420	9.58%
OFE PZU Żłota Jesień	2,770,000	9.31%
Fundusz PRE-IPO FIZAN ²	2,188,370	7.36%
KL Lewandowska S.K.A. ³	2,086,749	7.01%
JLK Lewandowski S.K.A. ⁴	2,066,249	6.94%
JLS Lewandowski S.K.A. ⁴	2,066,249	6.94%
Aviva OFE Aviva BZ WBK	1,562,539	5.25%
Other shareholders	14,160,546	47.60%
Total shareholders	29,752,122	100%

¹ The only investor in the fund is Stanisław Waczkowski, Vice-President of the Company's Management Board.

² The main investors in the Fund are Jacek Lewandowski, President of the Company's Management Board, and Katarzyna Lewandowska.

³ A subsidiary of Katarzyna Lewandowska.

⁴ A subsidiary of Jacek Lewandowski, President of the Company's Management Board.

For more details on the shareholder structure, see Notes to the Company's financial statements.

In 2012, the share capital was increased within the limit of conditional share capital by PLN 20 thousand.

On February 20th 2012, a resolution was adopted on subscription for shares valued at PLN 20 thousand under the Company's Incentive Scheme. Consequently, 197,321 Series C ordinary registered shares with a par value of PLN 0.10 were subscribed for. The shares were issued within the limit of conditional share capital, from a separate pool of shares representing Share Option Plan II under the Incentive Scheme.

In addition, as at December 31st 2012 the Company's equity included:

- statutory reserve funds	PLN 47,850 thousand
- revaluation capital reserve	PLN -11 thousand

- net profit for current year PLN 8,528 thousand

As at December 31st 2012, the Company's equity was PLN 59,342 thousand.

As at the date of this opinion, the shareholder structure of IPOPEMA Securities S.A., according to the information provided by the Management Board, was as follows:

Shareholder	Number of shares and votes at GM	% of total vote at GM
Fundusz IPOPEMA 10 FIZAN1	2,851,420	9.52%
OFE PZU Złota Jesień	2,770,000	9.25%
Fundusz PRE-IPO FIZAN 2	2,188,370	7.31%
KL Lewandowska S.K.A.3	2,086,749	6.97%
JLK Lewandowski S.K.A.4	2,066,249	6.90%
JLS Lewandowski S.K.A.4	2,066,249	6.90%
Aviva OFE Aviva BZ WBK	1,562,539	5.22%
Total shareholders holding over 5% of the share capital	15,591,576	52.08%

¹ The only investor in the fund is Stanisław Waczkowski, Vice-President of the Company's Management Board.

² The main investors in the Fund are Jacek Lewandowski, President of the Company's Management Board, and Katarzyna Lewandowska.

³ A subsidiary of Katarzyna Lewandowska.

⁴ A subsidiary of Jacek Lewandowski, President of the Company's Management Board.

In February 2013, another 185,714 Series C ordinary registered shares were issued in several tranches under the Company's Incentive Scheme - Share Option Plan II, all of which were subscribed for. The shares were issued within the limit of conditional share capital, from a pool of shares representing Share Option Plan II.

1.8. Management Board

As at December 31st 2012, the composition of the Company's Management Board was as follows:

- Jacek Lewandowski - President of the Management Board
- Mirosław Borys - Vice-President of the Management Board
- Mariusz Piskorski - Vice-President of the Management Board
- Stanisław Waczkowski - Vice-President of the Management Board

In the period under analysis and by the audit completion date, there were no changes in the composition of the Management Board.

1.9. Supervisory Board

As at December 31st 2012 and as at the date of this opinion, the composition of the Supervisory Board was as follows:

- | | |
|--------------------------|------------------------------------|
| - Jacek Jonak | Chairman of the Supervisory Board |
| - Janusz Diemko | Secretary of the Supervisory Board |
| - Bogdan Kryca | Member of the Supervisory Board |
| - Zbigniew Mrowiec | Member of the Supervisory Board |
| - Małgorzata Adamkiewicz | Member of the Supervisory Board |

Roman Miler and Wiktor Sliwinski resigned from their posts on the Supervisory Board, with effect from June 28th 2012. On the same day, the General Meeting appointed Małgorzata Adamkiewicz and Zbigniew Mrowiec as new members of the Supervisory Board.

1.10. Information on related entities

The Company is the parent of the IPOPEMA Securities Group and prepares consolidated financial statements.

The Company's related entities are the following companies of the IPOPEMA Securities Group:

- IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A., a wholly-owned subsidiary of IPOPEMA Securities S.A.,
- IPOPEMA Business Consulting Sp. z o.o., a subsidiary in which IPOPEMA Securities S.A. holds a 50.02% equity interest,
- IPOPEMA Business Services Kft., a wholly-owned subsidiary of IPOPEMA Securities S.A.,
- IPOPEMA Asset Management S.A., a wholly-owned subsidiary of IPOPEMA Securities S.A.,
- IPOPEMA Outsourcing Sp. z o.o., a wholly-owned subsidiary of Ipopema Business Consulting Sp. z o.o.,

2. Information on the audited financial statements

The audit covered the financial statements of IPOPEMA Securities S.A. for the financial year January 1st-December 31st 2012, consisting of:

- introduction to the financial statements;
- balance sheet as at December 31st 2012, showing a balance-sheet total of PLN **769,267** thousand;
- income statement for the financial year January 1st-December 31st 2012, showing a net profit of PLN **8,528** thousand;
- statement of changes in equity for the financial year January 1st-December 31st 2012, showing a decrease in equity of PLN **5,959** thousand;
- statement of cash flows for the financial year January 1st-December 31st 2012, showing an increase in net cash of PLN **157,565** thousand.

3. Information on the auditing firm and the qualified auditor performing the audit

The IPOPEMA Securities S.A.'s financial statements for 2012 were audited by BDO Sp. z o.o., registered office at ul. Postępu 12, Warsaw, Poland, entered in the list of qualified auditors of financial statements maintained by the National Chamber of Statutory Auditors (Krajowa Izba Biegłych Rewidentów) under Reg. No. 3355.

The auditing firm was selected by the Supervisory Board of the Company by virtue of its Resolution dated August 23rd 2007.

The audit was performed under an agreement for audit services, dated July 20th 2012, by chief qualified auditor Anna Bernaziuk, PhD (Qualified Auditor Reg. No. 173). The audit was performed at the Company's registered office intermittently between February 25th 2013 and the date of the auditor's opinion. The audit was preceded by a review of the financial statements for H1 2012 and a preliminary audit covering the period from November 12th 2012.

We hereby represent that BDO Sp. z o.o. and its Management Board, as well as the auditor and audit team performing the audit, satisfy the relevant criteria for issuing an objective and independent opinion

on the audited statements, in accordance with the provisions of Art. 56.3 and 56.4 of the Act on Qualified Auditors, their Self-Government, Qualified Auditors of Financial Statements and on Public Supervision (Dz.U. of 2009, No. 77, item 649).

During the audit, the Company provided the auditor with the required data, information and explanations necessary to carry out the audit, and represented that no material events occurred in the period from the balance-sheet date to the date of the representation.

The scope of the audit was not limited and the auditor was not restricted in any way as to the choice of methods applied during the audit.

4. Information on the financial statements for the previous year

The opening balances were determined on the basis of the financial statements for the period January 1st-December 31st 2011, which were audited by BDO Sp. z o.o. and on which an unqualified opinion was issued.

The Company's financial statements for the period January 1st-December 31st 2011 were approved by virtue of Resolution No. 5 of the Annual General Meeting, dated June 28th 2012.

By virtue of Resolution No. 7 of the General Meeting, the Company's net profit of PLN 15,585 thousand, earned in the period January 1st-December 31st 2011, was allocated in full to payment of dividend. The total dividend amount was PLN 15,471 thousand after rounding off, with PLN 114 thousand transferred to statutory reserve funds.

The financial statements for 2011 were filed with the National Court Register on July 11th 2012 and published in Monitor Polski B No. 2604, dated October 22nd 2012.

II. FINANCIAL ANALYSIS OF THE COMPANY

Below are presented selected items of the Company's balance sheet and income statement, as well as key financial ratios, in comparison with the corresponding figures for previous years.

1. Key balance-sheet items (PLN '000)

	<u>Dec 31</u> <u>2012</u>	% of balance- sheet total	<u>Dec 31</u> <u>2011</u>	% of balance- sheet total	<u>Dec 31</u> <u>2010</u>	% of balance- sheet total
ASSETS						
Cash and other financial assets	246,510	32.0	90,339	14.8	93,462	23.4
Current receivables	505,380	65.7	500,708	82.4	281,748	70.7
Financial instruments held for trading	330	0.1	1,522	0.3	8,853	2.2
Current prepayments and accrued income	464	0.1	441	0.1	388	0.1
Financial instruments available for sale	7,003	0.9	7,007	1.2	6,450	1.6
Non-current receivables	1,434	0.2	372	0.1	493	0.1
Non-current loans advanced	1,520	0.2	2,433	0.4	2,865	0.7
Intangible assets	2,211	0.3	1,946	0.3	1,842	0.5
Property, plant and equipment	3,289	0.4	1,348	0.2	1,301	0.3
Non-current prepayments and accrued income	1,126	0.1	1,169	0.2	1,252	0.3
TOTAL ASSETS	769,267	100.0	607,285	100.0	398,654	100.0
EQUITY AND LIABILITIES						
Current liabilities	704,423	91.6	535,269	88.1	328,184	82.3
Accruals and deferred income	150	0.0	0	0.0	0	0.0
Provisions for liabilities	5,352	0.7	6,715	1.1	6,388	1.6
Equity	59,342	7.7	65,301	10.8	64,082	16.1
TOTAL EQUITY AND LIABILITIES	769,267	100.0	607,285	100.0	398,654	100.0

2. Key items of the income statement (PLN' 000)

	Year ended Dec 31 2012	% of revenue	Year ended Dec 31 2011	% of revenue	Year ended Dec 31 2010	% of revenue
Revenue from brokerage activities	52,057	100.0	72,767	100.0	69,378	100.0
Cost of brokerage activities	43,080	82.8	51,164	70.3	44,546	64.2
Profit (loss) on brokerage activities	8,977	17.2	21,603	29.7	24,832	35.8
Income from financial instruments held for trading	3,350	6.4	2,495	3.4	2,069	3.0
Cost related to financial instruments held for trading	4,181	8.0	5,248	7.2	4,176	6.0
Gain (loss) on transactions in financial instruments held for trading	(831)	(1.6)	(2,753)	(3.8)	(2,107)	(3.0)
Income from financial instruments available for sale	4,901	9.4	0	0.0	0	0.0
Cost related to financial instruments available for sale	0	0.0	0	0.0	0	0.0
Gain (loss) on transactions in financial instruments available for sale	4,901	9.4	0	0.0	0	0.0
Other income	639	1.2	1,188	1.6	455	0.7
Other expenses	595	1.1	1,544	2.1	814	1.2
Difference between provisions for and impairment losses on receivables	279	0.5	121	0.2	(2.0)	(0.0)
Operating profit (loss)	13,370	25.7	18,615	25.6	22,364	32.2
Finance income	3,758	7.2	4,410	6.1	1,911	2.8
Finance costs	7,596	14.6	3,564	4.9	4,829	7.0
Profit (loss) before extraordinary items	9,532	18.3	19,461	26.7	19,446	28.0
Pre-tax profit (loss)	9,532	18.3	19,461	26.7	19,446	28.0
Corporate income tax	1,004	1.9	3,876	5.3	4,015	5.8
Net profit (loss)	8,528	16.4	15,585	21.4	15,431	22.2

3. Key financial ratios

	As at <u>Dec 31 2012</u>	As at <u>Dec 31 2011</u>	As at <u>Dec 31 2010</u>
Current ratio			
$\frac{\text{Total current assets*}}{\text{Current liabilities}}$	1.1	1.1	1.2
Net margin			
$\frac{\text{Net profit (loss)}}{\text{Revenue from brokerage activities}}$	16.4%	21.4%	22.2%
Return on assets			
$\frac{\text{Net profit (loss)}}{\text{Total assets}}$	1.1%	2.6%	3.9%
Return on equity			
$\frac{\text{Net profit (loss)}}{\text{Equity}}$	14.4%	23.9%	24.1%
Book value per share			
$\frac{\text{Equity}}{\text{Number of shares}}$	1.99	2.21	2.18
Earnings per share			
$\frac{\text{Net profit (loss)}}{\text{Number of shares}}$	0.29	0.53	0.53

* Current assets included: cash and cash equivalents, current receivables, financial instruments held for trading, current prepayments and accrued income, and financial instruments available for sale.

4. Comments

Current receivables (accounting for 65.7% of the balance-sheet total) and cash and cash equivalents (accounting for 32.0% of the balance-sheet total) represented the largest proportion of assets. Current liabilities (91.6% of the balance-sheet total) and equity (7.7% of the balance-sheet total) represented the largest proportion of equity and liabilities.

The balance-sheet total rose 26.7% year on year.

In the period under analysis, the Company generated net profit of PLN 8,528 thousand (2011: PLN 15,585 thousand), with profit on brokerage activities of PLN 8,977 thousand (2011: PLN 21,603 thousand). Revenue from brokerage activities fell by 28.5% year on year, while costs related to brokerage activities decreased by 15.8% over the same period.

Compared with 2011, current ratio remained flat at 1.1, within a range considered sound.

The profitability ratios recorded a year-on-year decline and were as follows: net margin: 16.4% (2011: 21.4%), return on assets: 1.1% (2011: 2.6%) and return on equity: 14.4% (2011: 23.9%).

In the period covered by the audit, the lower equity yielded lower book value per share. In 2012, the book value per share was 1.99 vs. 2.21 in 2011.

Earnings per share fell to 0.29 (2011: 0.53).

The results posted by the Company and its overall financial standing indicate no threat to the Company's continuing as a going concern within the meaning of the Polish Accountancy Act.

III. DETAILED INFORMATION

1. Assessment of the accounting and internal audit system

1.1 Accounting system

The Company maintains documentation approved by the Company's Management Board, which describes the accounting policies adopted by the Company.

The methods used in measurement of assets, equity and liabilities disclosed in the balance sheet as well as the methods used to compute the financial result are applied consistently and in keeping with the applicable regulations. During the period under analysis, no changes occurred with respect to the policies for measurement of assets, equity and liabilities, revenues and costs.

Accounting records are maintained on an ongoing basis in a reliable, error-free and verifiable manner, on the basis of source documents.

During the audit, no irregularities were revealed in the accounting books which might have a material effect on the audited financial statements. The foregoing refers to the accounting policies documentation, the reliability, completeness and transparency of records documenting business transactions, proper classification of business transactions for the purpose of their disclosure in the accounting books, correctness of the opening of the accounting books, completeness and correctness of entries posted therein, as well as matching of the entries with source documents and financial statements.

The adopted procedures provide for the security of data and electronic data processing system, the latter being technically viable and interconnected with the Company's chart of accounts to ensure verifiability of data contained in the accounting books.

The Company complies with the requirements stipulated by the Polish Accountancy Act with respect to documentation and electronic data archiving.

1.2 Internal audit

The Company's Management Board is responsible for the development and operation of an internal audit system, as well as for prevention and detection of any irregularities.

When planning and performing the audit of the Company's financial statements for the period ended December 31st 2012, we took account of the internal audit system procedures in order to determine our own procedures required for issuing a reliable opinion on the audited financial statements.

The organisation of the audit system enables:

- identification and correct recording of business transactions,
- detailed description of business transactions allowing for proper classification in the process of preparing the financial statements,
- entering business transactions into the accounting books in the relevant reporting period,

- appropriate presentation of business transactions in the financial statements.

Our review of the internal audit system might not have revealed all the material weaknesses of the system.

No significant defects of the internal audit system were revealed during the audit.

2. Introduction and notes to the financial statements

The Company prepared supplementary information, comprising the introduction and notes to the financial statements, in compliance with the provisions of the Polish Accountancy Act and the secondary legislation thereto, as well as the provisions of the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz. U. of 2009, No. 33, item 259, as amended), related to the scope of disclosures made.

Figures contained in the introduction and notes are sourced from the accounting records and correspond to the data disclosed in the financial statements.

3. Statement of changes in equity

The data contained in the statement of changes in equity is correctly related to the balance sheet and the accounting records, and gives an accurate and fair view of the changes in the Company's equity.

4. Statement of cash flows

The statement of cash flows was prepared by the Company using an indirect method, in compliance with the requirements of Art. 48b of the Polish Accountancy Act, and is correctly related to the relevant items of the balance sheet, income statement and accounting records.

5. Directors' Report on the Company's operations

Pursuant to Art. 49 of the Polish Accountancy Act, and the Regulation of the Polish Minister of Finance on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U.of 2009. No. 33, item 259, as amended), the Management Board prepared the Directors' Report on the Company's operations.

The information contained in the Directors' Report is consistent with the data presented in the audited financial statements.

6. Representation by the Company's management

The management of the Company submitted a written representation to the effect that the data contained in the accounting records was disclosed fully and completely, that all contingent liabilities were disclosed and that no material events occurred after the balance-sheet date other than those discussed in the financial statements.

Warsaw, March 20th 2013

BDO Sp. z o.o.
ul. Postępu 12
02-676 Warsaw, Poland
Qualified auditor of financial statements, Reg. No. 3355

Chief auditor performing the audit:

Anna Bernaziuk, PhD
Qualified Auditor
Reg. No. 173

Person acting on behalf of BDO Sp. z o.o.:

André Helin, PhD
President of the Management Board
Qualified Auditor, Reg. No. 90004