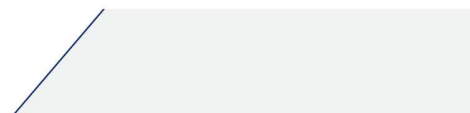


IPOPEMA Securities S.A.

Interim condensed financial statements

**for the nine months ended
September 30th 2013**

Warsaw, November 7th 2013



Financial highlights

Financial highlights	PLN '000				EUR '000			
	3 months ended		9 months ended		3 months ended		9 months ended	
	Sep 30 2013	Sep 30 2012	Sep 30 2013	Sep 30 2012	Sep 30 2013	Sep 30 2012	Sep 30 2013	Sep 30 2012
Revenue from core activities	10,722	9,300	40,448	33,712	2,539	2,249	9,578	8,037
Cost of core activities	10,083	8,720	33,285	27,455	2,388	2,109	7,882	6,545
Profit on core activities	639	580	7,163	6,257	151	140	1,696	1,492
Operating profit	193	458	6,258	9,433	46	111	1,482	2,249
Pre-tax profit	374	-215	6,025	6,636	89	-52	1,427	1,582
Net profit	220	-276	4,875	5,910	52	-67	1,154	1,409
Earnings per ordinary share (weighted average) (PLN/ EUR)	0.01	- 0,01	0.16	0.20	0.00	0.00	0.04	0.05
Net cash from operating activities	10,921	- 15,127	- 180,000	- 27,776	2,586	- 3,658	- 42,623	- 6,622
Total cash flows	7,966	- 27,148	- 202,814	- 36,629	1,886	- 6,565	- 48,025	- 8,732

Financial highlights	PLN '000				EUR '000			
	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
Total assets	472,810	632,726	769,267	454,369	112,139	146,153	188,168	110,450
Current liabilities	404,534	563,513	704,423	396,604	95,945	130,166	172,306	96,408
Equity	65,156	64,934	59,342	56,708	15,453	14,999	14,515	13,785
Number of shares	29,937,836	29,937,836	29,752,122	29,752,122	29,937,836	29,937,836	29,752,122	29,752,122
Book value per share (PLN/EUR)	2.18	2.17	1.99	1.91	0.52	0.50	0.49	0.46

The individual items of the financial highlights were translated into the euro at the following exchange rates:

- For the income statement and statement of cash flows items:

Average exchange rate calculated as the arithmetic mean of the exchange rates quoted on the last day of each month in a given period	Jan-Sep 2013	Jan-Sep 2012
EUR	4.2231	4.1948

- For the balance sheet:

Exchange rate as at	Sep 30 2013	Dec 31 2012	Sep 30 2012
EUR	4,2163	4.0882	4.1138

Introduction to the financial statements

The Company

The Company was established (under the name Dom Maklerski IPOPEMA S.A.) on March 2nd 2005 under Notarial Deed No. Rep. A 2640/2005, which included also the Company's Articles of Association, prepared by Janusz Rudnicki, Notary Public of Warsaw, ul. Marszałkowska 55/73, suite 33, Warsaw, Poland. According to the Articles of Association, the Company has been established for indefinite time.

The Company's registered office is at ul. Próżna 9, Warsaw, Poland.

Pursuant to a decision issued by the District Court for the Capital City of Warsaw, 19th (currently 12th) Commercial Division of the National Court Register, on March 22nd 2005, the Company was entered into the Register of Entrepreneurs of the National Court Register under KRS No.: 0000230737.

The Company was assigned Industry Identification Number (REGON) 140086881.

On June 30th 2005, the Polish Securities and Exchange Commission (currently the Polish Financial Supervision Authority) granted a brokerage licence to the Company, authorising it to conduct brokerage activities in the scope specified in the decision.

The Company conducts brokerage activity on the basis of a brokerage licence granted by the Polish Securities and Exchange Commission (currently, the Polish Financial Supervision Authority) on June 30th 2005, and on the basis of an additional licence, for the preparation of investment and financial analyses as well as recommendations, granted by the Polish Financial Supervision Authority on June 28th 2010. The additional licence had to be obtained in connection with amendments to applicable laws and regulations (prior to the amendments, such activities had not been classified as brokerage activities requiring a licence).

The Company's core business comprises brokerage activities and business and management consulting services.

All Company shares (a total of 29,937,836 shares) issued to date are admitted to trading on the regulated market operated by the Warsaw Stock Exchange and have been introduced to trading on the main market. May 26th 2009 was the first listing date.

Going-concern assumption

These financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future, that is over 12 months after the balance-sheet date. As at the date of approval of these financial statements, no circumstances have been identified which would pose a threat to the Company continuing as a going concern, as a result of voluntary or involuntary discontinuation or material limitation of its existing operations, within at least 12 months from the balance-sheet date, that is September 30th 2013.

Composition of the Management Board and the Supervisory Board

As at the date of these financial statements, the composition of the Company's Management Board was as follows:

Jacek Lewandowski – CEO and President of the Management Board,
Miroslaw Borys – Vice-President of the Management Board,
Mariusz Piskorski – Vice-President of the Management Board,
Stanislaw Waczkowski – Vice-President of the Management Board.

During the first nine months of 2013 and until the date of preparation of these financial statements, there were no changes in the composition of the Management Board.

As at the date of these financial statements, the composition of the Company's 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 was a member of the Supervisory Board until August 31st 2013, when her mandate expired following her resignation. The Company's Management Board intends to convene the Extraordinary General Meeting in the near future, in order to fill the vacant position on the Supervisory Board.

The following changes in the composition of the Supervisory Board took place in the comparative period, i.e. first nine months of 2012: Roman Miler and Wiktor Sliwiński 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.

Basis of preparation

These condensed financial statements cover the period from January 1st to September 30th 2013 and include comparative data for the period from January 1st to September 30th 2012 (for the income statement and the statement of cash flows) and, additionally, data as at December 31st 2012 (for the balance sheet and the statement of changes in equity).

These financial statements have been prepared in accordance with the Polish Accounting Standards ("PAS").

The Company is the parent of a group comprising the following companies:

- IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A. ("IPOPEMA TFI") of Warsaw – 100% interest;
- IPOPEMA Asset Management S.A. ("IAM") of Warsaw – 100% interest;
- IPOPEMA Business Consulting Sp. z o.o. ("IBC") of Warsaw – 50.02% interest; the company is the parent and sole shareholder of IPOPEMA Outsourcing Sp. z o.o.;
- IPOPEMA Business Services Kft. ("IBS") of Budapest (Hungary) – 100% interest.

The parent and its subsidiaries make up the IPOPEMA Securities Group (the "IPOPEMA Securities Group", the "Group"). Pursuant to Art. 58.1 of the Accountancy Act, IPOPEMA Business Services Kft. and IPOPEMA Outsourcing Sp. z o.o. have not been consolidated due to immateriality of their financial data.

Identification of financial statements

All financial data contained in these financial statements is presented in PLN '000.

These financial statements were prepared in accordance with the historical cost convention, save for financial instruments held for trading and some financial instruments available for sale, which are measured at fair value.

Selected accounting policies

Receivables

Current receivables

Current receivables include all receivables from clients, related entities, brokerage offices, other brokerage houses and commodity brokerage houses under executed transactions, as well as all or part of receivables related to other items, which are not classified as financial assets, in each case maturing within 12 months after the balance-sheet date.

Receivables are measured at amounts receivable, subject to the prudent valuation principle. The amount of receivables is subsequently decreased by impairment losses, if any, which are recognised based on the analysis of collectability of receivables from individual debtors.

Impairment losses on receivables are estimated in the event of an increase in the risk that it will not be possible to collect the full amount receivable. Taking into consideration the nature of its business, the Company has adopted the following rules for estimating impairment losses on past due receivables:

- for receivables past due by up to six months – no impairment loss is recognised,
- for receivables past due by 6 months to 1 year – impairment loss of 50% of the receivables amount is recognised,
- for receivables past due by more than 1 year – impairment loss of 100% of the receivables amount is recognised.

The Company may also recognise impairment losses based on an individual assessment of a receivable.

Impairment losses on receivables are charged to other expenses and disclosed in the income statement under increase in impairment losses on receivables. The cost connected with recognition of impairment losses at the time of confirming that particular receivables are uncollectible is a tax-deductible expense; in any other case, such cost is not tax-deductible.

Under receivables, the Company also recognises receivables under lease of property, plant and equipment and intangible assets to IPOPEMA Business Services Kft. The lease agreement meets the definition of finance lease. The lease receivables amounted to PLN 177 thousand as at September 30th 2013 (December 31st 2012: PLN

272 thousand), and included non-current receivables of PLN 47 thousand (December 31st 2012: PLN 145 thousand).

Current receivables from clients, current receivables from banks conducting brokerage activities and other brokerage houses, current liabilities to clients and current liabilities to banks conducting brokerage activities and other brokerage houses

Current receivables from clients, current receivables from banks conducting brokerage activities and other brokerage houses, current liabilities to clients and current liabilities to banks conducting brokerage activities and other brokerage houses arise in connection with the executed transactions of purchase and sale of securities which have not yet been cleared at the clearing houses due to the transaction settlement procedure (T+3). In the case of purchase transactions on stock exchanges made to execute orders placed by clients whose accounts are kept by custodian banks, the Company recognises current liabilities towards banks conducting brokerage activities and other brokerage houses (parties to the market transactions)* and current receivables from the clients for whom the purchase transactions were executed. In the case of sale transactions executed on stock exchanges to execute orders placed by clients whose accounts are kept by custodian banks, the Group discloses current receivables from banks conducting brokerage activities and other brokerage houses (parties to the market transactions)* and current liabilities towards the clients for whom the sale transactions were executed.

** Pursuant to Art. 45h of the amended Act on Trading in Financial Instruments, in the case of transactions executed on the WSE, KDPW CCP (the clearing agent) assumed the rights and obligations of the parties to the market transactions.*

Non-current receivables

Non-current receivables are receivables whose terms to maturity are longer than 12 months from the balance-sheet date.

Financial instruments

Financial instruments are classified into the following categories:

1. Financial assets

- financial assets held for trading,
- loans and receivables,
- financial assets held to maturity,
- financial assets available for sale.

2. Financial liabilities

- financial liabilities held for trading,
- other financial liabilities.

Financial assets and liabilities held for trading

Financial assets and liabilities held for trading are financial instruments acquired for the Company's own account in connection with executed transactions, and are measured at fair value, determined by reference to their market value as at the balance-sheet date. For the purpose of the measurement, the Company takes into account closing prices quoted by the Warsaw Stock Exchange (WSE) and Budapest Stock Exchange (BSE) on the last business day of the reporting period covered by these financial statements. Instruments not traded on stock exchanges (*FX forward, FX swap*) have been measured using interest rates and currency exchange rates as at the balance-sheet date. Changes in the value of financial instruments held for trading are recognised under income from or cost related to financial instruments held for trading, as appropriate.

Financial instruments held for trading include shares in companies listed both on the Warsaw Stock Exchange (the "WSE") and the Budapest Stock exchange (the "BSE"), but also equity- and index-based derivatives (options and futures traded on the WSE, FX forwards and FX swaps). In the category of financial liabilities held for trading, the Company recognises derivative financial instruments. Both the financial assets and liabilities held for trading are listed on the Warsaw Stock Exchange or the Budapest Stock Exchange, with the exception of forward contracts and FX swaps entered into by the Company.

Financial assets are carried as at the contract date at cost, i.e. at the fair value of expenses incurred or other assets transferred in return, whereas financial liabilities are carried as at the contract date at the fair value of the amount or other assets received. When determining the fair value as at the contract date, the Company takes into account transaction costs.

The Company does not apply hedge accounting.

Loans advanced and receivables

Loans and receivables include financial assets arising when the Company delivers cash directly to the counterparty, irrespective of the maturity date of such assets. Loans advanced and receivables are measured at adjusted acquisition cost, which is estimated using the effective interest rate method. Non-interest bearing

current receivables are measured at amounts receivable, subject to the prudent valuation principle. Loans advanced to IPOPEMA Securities's employees and associates are classified under "Loans advanced". With respect to loans which may be amortised (five-year loans), the Company applies straight-line amortisation to the principal and accrued interest. Amortisation charges are disclosed under finance costs. Loans advanced to a subsidiary are also recognised under this item.

Financial assets held to maturity

Financial assets held to maturity are investments with fixed or determinable payments and fixed maturities that the Company intends and is able to hold to maturity. Financial assets held to maturity are measured at amortised cost with the effective interest rate method.

Financial assets held to maturity are classified as non-current assets if their terms to maturity are longer than 12 months from the balance-sheet date. The Company recognised no financial assets held to maturity in the reporting period or in the comparative period.

Financial assets available for sale

All other financial instruments are classified as financial assets available for sale. Financial assets available for sale are recognised at fair value (without deducting the transaction costs), determined by reference to their market value as at the balance-sheet date. Under financial assets available for sale the Company recognises investment certificates and, pursuant to the regulation on special accounting policies for brokerage houses, shares in subordinated entities.

Investment certificates are carried at fair value based on the net asset value per certificate as published by the investment fund. Valuation results increase or decrease (as appropriate) the revaluation capital reserve.

Shares in subsidiaries are measured at cost less impairment.

Other financial liabilities

In this category, the Company classifies mainly bank borrowings, including overdrafts. Other financial liabilities are measured at amortised cost.

Financial instruments are derecognised when the Company loses control over the contractual rights constituting the given financial instrument; that usually happens when an instrument is sold or when all the cash flows attributable to an instrument are transferred onto an independent third party.

Acquisition and sale of financial instruments are recognised as at the transaction date. On initial recognition, they are measured at acquisition cost (fair value), including the transaction costs.

Impairment of financial instruments

As at each balance-sheet date the Company evaluates whether there are objective indications of impairment of a financial instrument or a group of financial instruments.

Liabilities

Current liabilities

Current liabilities are liabilities which are payable within 12 months from the balance-sheet date. Current liabilities include all liabilities to clients, liabilities to related entities, liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions, liabilities to the National Depository for Securities and exchange clearing houses and liabilities to entities operating regulated securities markets, as well as all other liabilities not classified as non-current liabilities, accruals and deferred income or provisions for liabilities.

Liabilities are measured at amounts payable. Recognition of current liabilities arising from the executed transactions is presented above, in the description of current receivables.

Non-current liabilities

Non-current liabilities are liabilities which are payable within more than 12 months from the balance-sheet date.

Translation of foreign-currency items

Transactions in currencies other than the Polish zloty are accounted for as at the transaction date, using the following exchange rates:

- 1) the exchange rate actually applied on the transaction date, resulting from the nature of the transaction – in the case of sale or purchase of foreign currencies and payment of receivables or liabilities,
- 2) the mid-exchange rate quoted for a given currency by the National Bank of Poland on the day preceding the transaction date – in the case of payment of receivables or liabilities, if the application of the exchange rate specified in item 1 is not justified, and in the case of other transactions.

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

As at the balance-sheet date, monetary assets and liabilities denominated in currencies other than the Polish zloty are translated into the zloty at the mid-exchange rate quoted by the National Bank of Poland for a given currency, effective for the end of the reporting period. Currency translation differences are disclosed as finance income or costs, as appropriate.

The following exchange rates were applied for the purposes of balance-sheet valuation:

Currency	Sep 30 2013	Dec 31 2012	Sep 30 2012
USD	3.1227	3.0996	3.1780
EUR	4.2163	4.0882	4.1138
HUF 100	1.4129	1.3977	1.4502
GBP	5.0452	5.0119	5.1571
UAH	0.3811	0.3825	0.3920
CZK	0.1641	0.1630	0.1634
CHF	3.4500	3.3868	3.4008
TRY	1.5334	1.7357	1.7710
INR 100	4.9816	5.6681	6.0448

Source: National Bank of Poland.

Changes in estimates

Within the period covered by these financial statements, there were no changes in estimates other than changes in provisions, depreciation and amortisation and impairment losses on receivables, as discussed in Note 7.

Changes in applied accounting policies

The policies applied in the period covered by these financial statements are described in detail in the financial statements for 2012, published on March 20th 2013. In the first nine months of 2013, the Company did not change its accounting policies.

Comparability of the reported data

These financial statements have been presented in a manner ensuring their comparability by applying uniform accounting policies in all the presented periods, consistent with the accounting policies applied by the Company.

Seasonality

The Company's operations are not subject to seasonality and the presented results do not show any material fluctuations during the year.

Correction of errors of past periods

There are no corrections of errors of past periods in these financial statements.

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

ASSETS (PLN '000)		Note	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
I.	Cash and cash equivalents	1	43,888	36,109	246,510	52 377
1.	In hand		4	4	6	6
2.	At banks		9,570	8,518	14,954	12 622
3.	Other cash		30,074	23,397	227,460	35 709
4.	Cash equivalents		4,240	4,190	4,090	4 040
II.	Current receivables	2, 7	410,328	578,264	505,380	380 297
1.	From clients		162,966	254,159	150,256	186 585
2.	From related entities	18	794	1,844	1,113	795
3.	From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		209,982	281,965	305,805	136 638
a)	under executed transactions		206,719	278,877	305,188	136 638
b)	other		3,263	3,088	617	-
4.	From the National Depository for Securities and exchange clearing houses		31,805	36,304	45,129	53 057
5.	From investment and pension fund companies and from investment and pension funds		54	154	-	-
6.	Taxes, subsidies and social security receivable		662	436	-	381
7.	Other		4,065	3,402	3,077	2 841
III.	Financial instruments held for trading	3, 4	130	34	330	5 576
1.	Equities		-	34	292	5 576
2.	Derivative instruments		130	-	38	-
IV.	Current prepayments and accrued income		1,309	735	464	1 003
V.	Financial instruments held to maturity		-	-	-	-
VI.	Financial instruments available for sale	3, 4	6,833	6,831	7,003	6 984
1.	Shares and other equity interests		6,637	6,637	6,637	6,637
	- in subordinated entities		6,637	6,637	6,637	6,637
2.	Investment certificates		196	194	366	347
VII.	Non-current receivables		2,361	2,388	1,434	1 451
VIII.	Non-current loans advanced		1,004	1,219	1,520	1,717
1.	Other		1,004	1,219	1,520	1,717
IX.	Intangible assets	4	2,037	2,061	2,211	2 147
1.	Acquired permits, patents, licenses and similar		2,037	2,061	2,211	2 147
	- computer software		2,037	2,061	2,211	2 147
X.	Property, plant and equipment	4, 5	4,370	4,193	3,289	2 669
1.	Tangible assets, including:		4,006	4,178	1,037	1 170
a)	buildings and premises		761	775	-	-
b)	computer assemblies		1,778	1,884	645	728
c)	other tangible assets		1,467	1,519	392	442
2.	Tangible assets under construction		364	15	2,252	1 499
XI.	Non-current prepayments and accrued income		550	892	1,126	148
1.	Deferred tax assets	13	550	892	1,126	148
Total assets			472 810	632,726	769,267	454,369

Warsaw, November 7th 2013

Jacek Lewandowski
President of the Management Board

Mariusz Piskorski
Vice-President of the Management Board

Stanisław Waczkowski
Vice-President of the Management Board

Mirosław Borys
Vice-President of the Management Board

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

Danuta Ciosek
Chief Accountant

EQUITY AND LIABILITIES (PLN '000)		Note	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
I. Current liabilities		6	404,534	563,513	704,423	396,604
1. To clients			184,285	247,342	457,046	140,876
2. To related entities		18	381	3	51	392
3. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses			209,397	299,924	216,673	227,026
a) under executed transactions			209,397	299,924	216,673	227,026
4. To entities operating regulated markets and commodity exchanges			1,025	1,090	749	718
5. To the National Depository for Securities and exchange clearing houses			268	3,276	454	4,785
6. Borrowings			4,227	7,448	25,213	20,957
a) other			4,227	7,448	25,213	-
7. Debt securities			4	4	-	20,957
8. Taxes, customs duties and social security payable			456	359	1,226	413
9. Salaries and wages			-	-	1	-
10. Other			4,491	4,067	3,010	1,437
II. Non-current liabilities			4	4	-	-
1. Debt securities		10	4	4	-	-
III. Accruals and deferred income			-	-	150	-
IV. Provisions for liabilities		7	3,116	4,275	5,352	1,057
1. Deferred tax liabilities		13	339	302	359	357
2. Other			2,777	3,973	4,993	700
a) non-current			584	885	931	-
b) current			2,193	3,088	4,062	700
V. Subordinated liabilities			-	-	-	-
VI. Equity			65,156	64,934	59,342	56,708
1. Share capital		8	2,994	2,994	2,975	2,975
2. Reserve funds			57,288	57,288	47,850	47,850
a) share premium			10,338	10,338	9,435	9,435
b) statutory reserve funds			998	998	992	992
c) reserve funds created pursuant to the Articles of Association			45,952	45,952	37,423	37,423
3. Revaluation capital reserve			- 1	- 3	- 11	- 27
4. Retained earnings			-	-	-	-
5. Net profit		14	4,875	4,655	8,528	5,910
Total equity and liabilities			472,810	632,726	769,267	454,369
Book value (PLN '000)			65,156	64,934	59,342	56,708
Number of shares as at end of the period			29,937,836	29,937,836	29,752,122	29,752,122
Book value per share (PLN)			2.18	2.17	1.99	1.91
Diluted number of shares			29,970,258	29,957,329	29,787,550	29,782,555
Diluted book value per share (PLN)			2.17	2.17	1.99	1.90

Warsaw, November 7th 2013

Jacek Lewandowski
President of the Management Board

Mariusz Piskorski
Vice-President of the Management Board

Stanisław Waczkowski
Vice-President of the Management Board

Mirosław Borys
Vice-President of the Management Board

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

 Danuta Ciosek
 Chief Accountant

OFF-BALANCE-SHEET ITEMS (PLN '000)	Note	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
I. Contingent liabilities	9	-	-	-	-
II. Third-party assets used		-	-	-	-
Futures/forwards purchased or issued in the name and for the account of the brokerage house		4,356*	-	4,296*	7,865*

** A forward contract/FX swap and, for comparative periods, the notional amount of futures purchased by the Company acting as a market maker of the futures market; an open position in an equity contract is usually hedged by an offsetting transaction in shares (arbitrage transactions).*

Warsaw, November 7th 2013

 Jacek Lewandowski
 President of the
 Management Board

 Mariusz Piskorski
 Vice-President of the
 Management Board

 Stanisław Waczkowski
 Vice-President of the
 Management Board

 Mirosław Borys
 Vice-President of the
 Management Board

 Danuta Ciosek
 Chief Accountant

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

Income statement (PLN '000)		Note	Jul 1-Sep 30 2013	Jan 1-Sep 30 2013	Jul 1-Sep 30 2012	Jan 1-Sep 30 2012
I.	Revenue from brokerage activities, including:		10,722	40,448	9,300	33,712
	- from related entities	18	5	5	35	39
1.	Fee and commission income		9,713	33,387	7,997	26,905
	from transactions in financial instruments made in the name of the Company but for the account of the party placing an order		9,713	33,376	7,528	26,911
a)	from offering financial instruments		-	-	-	2,225
b)	from offering financial instruments		-	11	469	469
c)	other		-	-	-	-
2.	Other income		1,009	7,061	1,303	4,107
a)	from offering financial instruments		150	150	-	-
b)	from discretionary management of third-party securities portfolios		-	-	4	143
c)	other		859	6,911	1,299	3,964
II.	Cost of brokerage activities		10,083	33,285	8,720	27,455
	- from related entities	18	209	633	211	702
	Fees payable to regulated markets, commodity exchanges, the National Depository for Securities and exchange clearing houses		3,157	10,542	2,441	7,711
1.	Fees payable to regulated markets, commodity exchanges, the National Depository for Securities and exchange clearing houses		3,157	10,542	2,441	7,711
2.	Fees payable to commercial chamber		-	-	-	-
3.	Salaries and wages		3,940	12,535	3,619	11,389
4.	Social security and other benefits		154	754	142	844
5.	Employee benefits		32	124	42	114
6.	Raw material and consumables used		57	236	83	217
7.	Costs of maintenance and lease of buildings		466	1,411	221	690
8.	Depreciation and amortisation expenses		432	1,071	278	849
9.	Taxes and other public charges		229	1,210	431	1,194
10.	Other		1,616	5,402	1,463	4,447
III.	Profit (loss) on brokerage activities		639	7,163	580	6,257
IV.	Income from financial instruments held for trading		141	485	399	2,116
1.	Dividends and other profit distributions		1	8	9	172
2.	Revaluation adjustments		130	150	34	157
3.	Gain on sale/redemption		10	327	356	1,787
4.	Other		-	-	-	-
V.	Cost related to financial instruments held for trading		567	2,303	526	2,952
1.	Revaluation adjustments		-	40	6	318
2.	Loss on sale/redemption		567	2,263	520	2,634
VI.	Gain (loss) on transactions in financial instruments held for trading		-426	-1,818	-127	-836
VII.	Income from financial instruments available for sale		-	1,016	-	3,800
1.	Dividends and other profit distributions		-	1,000	-	3,800
	- from related entities		-	1,000	-	3,800
2.	Revaluation adjustments		-	16	-	-
VIII.	Cost related to financial instruments available for sale		-	46	-	-
1.	Loss on sale/redemption		-	46	-	-
IX.	Gain (loss) on transactions in financial instruments available for sale		-	970	-	3,800
X.	Other income		74	494	76	205
1.	Gain on disposal of property, plant and equipment and intangible assets		-	1	-	-
2.	Other		74	493	76	205
XI.	Other expenses		59	592	71	190

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

1. Other	59	592	71	190
XII. Difference between provisions for and impairment losses on receivables	- 35	41	-	197
1. Released provisions	-	92	-	-
2. Decrease in impairment losses on receivables	-	-	-	200
3. Increase in impairment losses on receivables	35	51	-	3
XIII. Operating profit	193	6,258	458	9,433
XIV. Finance income	495	2,030	774	2,653
1. Interest on loans advanced, including:	18	55	22	58
- from related entities	4	13	5	14
2. Interest on deposits	125	465	272	872
- from related entities	-	-	-	-
3. Other interest	3	7	3	10
4. Foreign exchange gains	115	581	-9	394
a) realised	-466	-	-9	394
b) unrealised	581	581	-	-
5. Other	234	922	486	1,319
XV. Finance costs	314	2,263	1,447	5,450
1. Interest on borrowings, including:	316	997	353	1,000
- to related entities	-	-	-	-
2. Other interest	2	61	37	99
3. Foreign exchange losses	474	477	320	1,497
a) realised	477	477	-	-
b) unrealised	-3	-	320	1,497
4. Other	-478	728	737	2,854
XVI. Profit before extraordinary items	374	6,025	-215	6,636
XVII. Pre-tax profit	374	6,025	-215	6,636
XVIII. Income tax	154	1,150	61	726
XIX. Net profit	220	4,875	-276	5,910
Weighted average number of ordinary shares	29,908,244	29,908,244	29,716,115	29,716,115
Earnings per ordinary share (PLN)	0.01	0.16	- 0.01	0.20
Weighted average diluted number of ordinary shares	29,970,258	29,970,258	29,782,555	29,782,555
Diluted earnings per ordinary share (PLN)	0.01	0.16	- 0.01	0.20

Warsaw, November 7th 2013

Jacek Lewandowski
President of the
Management Board

Mariusz Piskorski
Vice-President of the
Management Board

Stanisław Waczkowski
Vice-President of the
Management Board

Mirosław Borys
Vice-President of the
Management Board

Danuta Ciosek
Chief Accountant

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

STATEMENT OF CASH FLOWS (PLN' 000)	Note	Jul 1-Sep 30 2013	Jan 1-Sep 30 2013	Jul 1-Sep 30 2012	Jan 1-Sep 30 2012
A. CASH FLOWS FROM OPERATING ACTIVITIES					
I. Net profit		220	4,875	- 276	5,910
II. Total adjustments		10,701	- 184,875	- 14,851	- 33,686
1. Depreciation and amortisation expenses		432	1,071	278	849
2. Foreign exchange gains/(losses)		301	- 93	260	1,444
3. Interest and profit distributions (dividends)		225	- 297	245	- 3,240
4. Gain (loss) on investing activities		200	774	203	611
5. Change in provisions and impairment losses on receivables		- 1 103	- 2 223	- 383	- 6,750
6. Change in financial instruments held for trading		- 96	199	- 4 771	- 4,054
7. Change in receivables		166,732	95,022	30,064	121,530
8. Change in current liabilities (net of borrowings), including special accounts		- 155,758	- 278,907	- 40,394	- 144,540
9. Change in accruals and deferrals		- 232	- 421	- 353	464
III. Net cash from operating activities (I + II)		10,921	- 180,000	- 15,127	- 27,776
B. CASH FLOWS FROM INVESTING ACTIVITIES					
I. Cash from investing activities		1,220	1,349	946	4,340
1. Disposal of financial instruments available for sale and held to maturity		154	154	-	-
2. Disposal of property, plant and equipment		-	1	-	-
3. Decrease in loans advanced		18	32	8	13
4. Profit distributions (dividends) received		1,001	1,008	819	3,972
5. Interest received		14	56	86	260
6. Other		33	98	33	95
II. Cash used in investing activities		615	3,154	-1,189	3,588
1. Acquisition of intangible assets		160	374	433	695
2. Acquisition of property, plant and equipment		425	1,750	966	1,675
3. Non-current loans advanced		30	30	-	15
4. Other cash used in investing activities		-	1,000	-2,588	1,203
III. Net cash from investing activities (I - II)		605	-1,805	2,135	752
C. CASH FLOWS FROM FINANCING ACTIVITIES					
I. Cash from financing activities		-	938	1,678	6,862
1. Increase in current borrowings		-	-	1,678	5,875
2. Proceeds from issue of long-term debt securities		-	4	-	-
3. Proceeds from issue of short-term debt securities		-	5	-	-
4. Proceeds from issue of share capital		-	929	-	987
II. Cash used in financing activities		3,560	21,947	15,834	16,467
1. Repayment of current borrowings		3,221	20,986	-	-
2. Repayment of short-term debt securities		-	2	-	-
3. Dividends and other payments to owners		-	-	15,471	15,471
4. Interest paid		339	959	363	996
III. Net cash from financing activities (I - II)		-3,560	-21,009	-14,156	-9,605

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

D. TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)		7,966	-202,814	-27,148	-36,629
E. BALANCE-SHEET CHANGE IN CASH, including:		7,726	-202,772	-27,310	-37,910
- effect of exchange rate fluctuations on cash held		-240	42	-,162	-1,281
F. CASH AT BEGINNING OF THE PERIOD	19	31,898	242,678	76,766	86,247
G. CASH AT END OF THE PERIOD (F +/- D), including:	19	39,864	39,864	49,618	49,618
- restricted cash		4,224	4,224	4,121	4,121

Warsaw, November 7th 2013

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 Danuta Ciosek
 Chief Accountant

STATEMENT OF CHANGES IN EQUITY (PLN' 000)	Jan 1–Sep 30 2013	2012	Jan 1–Sep 30 2012
I. EQUITY AT BEGINNING OF THE PERIOD	59,342	65,301	65,301
- changes in adopted accounting policies	-	-	-
- correction of errors	-	-	-
I.a. EQUITY AT BEGINNING OF THE PERIOD AFTER ADJUSTMENTS	59,342	65,301	65,301
1. Share capital at beginning of the period	2,975	2,955	2,955
1.1. Changes in share capital	19	20	20
a) increase	19	20	20
- issue of shares	19	20	20
1.2. Share capital at end of the period	2,994	2,975	2,975
2. Reserve funds at beginning of the period	47,850	46,768	46,768
2.1. Changes in reserve funds	9,438	1,082	1,082
a) increase	9,438	1,082	1,082
- under statutory requirement	6	7	-
- distribution of profit (above statutory minimum)	8,528	107	114
- share premium	904	968	968
2.2. Reserve funds at end of the period	57,288	47,850	47,850
3. Revaluation capital reserve at beginning of the period	- 11	- 7	- 7
3.1. Changes in revaluation capital reserve	10	- 4	- 20
a) increase	61	72	48
- remeasurement of financial instruments	61	72	48
a) decrease	51	76	68
- remeasurement of financial instruments	51	76	68
3.2. Revaluation capital reserve at end of the period	- 1	- 11	- 27
4. Retained earnings/(deficit) at beginning of the period	8,528	15,585	15,585
4.1. Retained earnings at beginning of the period	8,528	15,585	15,585
a) increase	-	-	-
b) decrease	8,528	15,585	15,585
- distribution of retained earnings (dividend)	-	15,471	15,471
- distribution of retained earnings (increase in reserve funds)	8,528	114	114
4.2. Retained earnings /(deficit) at end of the period	-	-	-
5. Net profit (loss)	4,875	8,528	5,910
a) net profit	4,875	8,528	5,910
II. EQUITY AT END OF THE PERIOD	65,156	59,342	56,708
III. EQUITY AFTER PROPOSED DISTRIBUTION OF PROFIT	65,156	59,342	56,708

Warsaw, November 7th 2013

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Notes to the interim financial statements

Note 1

Cash and other assets (PLN '000)	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
Cash and other assets of clients				
a) at banks and in hand	-	-	-	-
b) other *	23,088	19,346	218,400	25,925
Total cash and other assets of clients	23,088	19,346	218,400	25,925
Cash and other assets:				
a) cash and other assets of the brokerage house, including:	20,800	16,763	28,110	26,452
- in hand	4	4	6	6
- at banks	9,570	8,518	14,954	12,622
- other cash *	11,226	8,241	13,150	13,824
b) cash and other assets of clients deposited in cash accounts	23,088	19,346	218,400	25,925
- at the brokerage house and paid towards acquisition of securities	23,088	19,346	218,400	25,925
- in an IPO or on the primary market	-	-	-	-
c) cash and other assets transferred from the settlement guarantee fund	-	-	-	-
Total cash and other assets	43,888	36,109	246,510	52,377

* "Other" and "other cash" items include cash in bank deposits and interest accrued on those deposits.

Note 2

Selected current receivables (PLN '000)	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
1. Selected current receivables	405,547	574,272	501,686	377,075
a) from clients, including:	162,966	254,159	150,256	186,585
- under transactions executed on the Warsaw Stock Exchange	147,057	227,318	144,546	168,270
- under transactions executed on the Budapest Stock Exchange	11,093	9,152	479	5,937
- under transactions executed on the Vienna Stock Exchange	-	-	1,419	-
- under transactions executed on the Prague Stock Exchange	-	3,856	-	-
- under transactions executed on the Istanbul Stock Exchange	1,017	6,512	-	-
- under transactions executed on the London Stock Exchange	-	3,767	-	201
- under transactions executed on the Frankfurt Stock Exchange	1,828	614	-	-
- under transactions executed on the Paris Stock Exchange	-	326	-	-
- under transactions executed on the New York Stock Exchange	737	174	-	10,994
- under transactions executed on the Amsterdam Stock Exchange	348	-	-	-
- other	886	2,440	3,812	1,183
b) from related entities, including:	794	1,844	1,113	795
- from subsidiaries	787	1,841	1,113	794
- from other related entities	7	3	-	1
c) from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	209,982	281,965	305,188	136,638
- under transactions executed on the Warsaw Stock Exchange*	152,487	242,124	289,547	120,144
- under transactions executed on the Budapest Stock Exchange	46,589	30,949	15,641	13,634
- under transactions executed on the Prague Stock Exchange	7,295	1,482	-	2,860

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2013

- under transactions executed on the New York Stock Exchange	-	3,389	-	-
- under transactions executed on the London Stock Exchange	-	529	-	-
- under transactions executed on the Istanbul Stock Exchange	-	384	-	-
- under transactions executed on the Frankfurt Stock Exchange	-	20	-	-
- under transactions executed on the Amsterdam Stock Exchange	348	-	-	-
- other	3,263	3,088	-	-
d) from entities operating regulated markets and commodity exchanges	-	-	-	-
e) from the National Depository for Securities and exchange clearing houses, including:	31,805	36,304	45,129	53,057
- from the settlement guarantee fund	31,805	36,304	45,129	53,057
f) under court proceedings, not covered by recognised impairment losses on receivables	-	-	-	-
2. Net current receivables	410,328	578,264	505,380	380,297
- impairment losses on current receivables (positive value)	317	282	266	507
Gross current receivables	410,645	578,546	505,646	380,804

* Pursuant to Art. 45h of the amended Act on Trading in Financial Instruments, the following balance-sheet items:

- current receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions,
- current liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions,

where they relate to transactions executed on the WSE, include receivables from or liabilities to, as appropriate, KDPW CCP (the agent clearing the transactions which has assumed the rights and obligations of the parties to the transactions).

The value of current receivables from clients under executed transactions and current receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions represents the value of concluded and not cleared purchase and sale transactions in securities.

Note 3

Financial assets

In the first nine months of 2013 and in the comparative period, the policies regarding measurement of financial assets at fair value and classification of financial assets did not change.

Note 4

Recognition and reversal of impairment losses on financial assets, property, plant and equipment, intangible assets or other assets

In the first nine months of 2013 and in 2012, the Company did not recognise any impairment losses on financial assets, property, plant and equipment, intangible assets or other assets, nor did it reverse impairment losses recognised in previous periods, except for the changes in impairment losses on receivables (Note 7).

Note 5

Material purchase or sale transactions in property, plant and equipment

In the first nine months of 2013 and in 2012, the Company did not execute any material purchase or sale transactions in property, plant and equipment.

Material liabilities under purchases of property, plant and equipment

The Company has no material liabilities under purchases of property, plant and equipment.

Note 6

Selected current liabilities (PLN '000)	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
Selected current liabilities	215,562	308,360	220,937	234,358
1. To related entities	381	3	51	392
a) to subsidiaries	-	-	51	-
b) to other related entities	381	3	-	392
2. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	209,397	299,924	216,673	227,026
a) to the Warsaw Stock Exchange *	174,510	263,989	199,397	203,152
b) to the Budapest Stock Exchange	31,309	19,734	15,858	12,679
c) to the Vienna Stock Exchange	-	2,470	1,418	-
d) to the Prague Stock Exchange	-	2,354	-	-
e) to the London Stock Exchange	-	3,762	-	201
f) to the Istanbul Stock Exchange	1,016	6,503	-	-
g) to the Paris Stock Exchange	-	326	-	-
h) to the New York Stock Exchange	736	173	-	10,994
i) to the Frankfurt Stock Exchange	1,826	613	-	-
3. To entities operating regulated markets and commodity exchanges	1,025	1,090	749	718
a) to the Warsaw Stock Exchange *	906	978	649	655
b) to the Budapest Stock Exchange	48	55	50	56
c) to the Prague Stock Exchange	25	10	6	7
d) to the Vienna Stock Exchange	46	47	44	-
4. To the National Depository for Securities and exchange clearing houses	268	3,276	454	4,785
a) under additional payments to the settlement guarantee fund	-	2,945	-	4,539
b) other	268	331	454	246
5. Other	4,491	4,067	3,010	1,437
a) dividend payable	-	-	-	-
b) other liabilities, including:	4,491	4,067	3,010	1,437
- financial liabilities (valuation of financial derivatives)	-	-	-	10
- other liabilities	4,491	4,067	3,010	1,427

* Pursuant to Art. 45h of the amended Act on Trading in Financial Instruments, the following balance-sheet items:

- current receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions,
- current liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions,

where they relate to transactions executed on the WSE, include receivables from or liabilities to, as appropriate, KDPW CCP (the agent clearing the transactions which has assumed the rights and obligations of the parties to the transactions).

As at September 30th 2013, the Company's liabilities under borrowings related to its brokerage business amounted to PLN 4,227 thousand (December 31st 2012: PLN 25,213 thousand). The liabilities result from two working-capital overdraft facility agreements executed by the Company on July 22nd 2009 with Alior Bank S.A. The facilities are used to finance payment of liabilities to the National Depository for Securities in connection with the brokerage activities and are renewed on an annual basis – the term of the two agreements expires on July 18th 2014:

1. Revolving credit facility of up to PLN 10m. The purpose of the facility is to finance payment of the Company's liabilities to the National Depository for Securities in respect of the settlement of transactions concluded by the Company on the regulated market as part of its brokerage business. The facility is secured with a blank promissory note with a promissory note declaration, a power of attorney over accounts held with the bank, and a PLN 4m security deposit placed in a term deposit account as joint collateral securing also the credit facility specified in item 2.
2. Revolving credit facility of up to PLN 30m. The purpose of the facility is to finance the payment of the Company's liabilities resulting from its membership in the Stock-Exchange Transactions Settlement Guarantee Fund operated by the Polish National Depository for Securities. The facility is secured with a blank promissory note with a promissory note declaration and a power of attorney over accounts held with the bank. As stated in item 1 above, both credit facilities are jointly secured by a PLN 4m security deposit.

Defaults under credit facilities or loans or breach of material credit covenants, with respect to which no remedial action was taken by the end of the reporting period

none

Note 7

Change in current provisions and impairment losses on receivables

Current provisions for liabilities	Jul 1–Sep 30 2013	Jan 1–Sep 30 2013	Jul 1–Sep 30 2012	Jan 1–Sep 30 2012
Balance of provisions at beginning of the period	3,088	4,062	1,450	6,715
a) recognised	1,774	3,641	620	3,093
b) used	2,669	5,418	1,013	8,751
c) released	-	92	-	-
Balance of provisions at end of the period	2,193	2,193	1,057	1,057

In Q3 2013, impairment losses on receivables increased by PLN 35 thousand relative to June 30th 2013; the total increase in the first nine months of 2013 relative to December 31st 2012 was PLN 51 thousand. In the comparative period, i.e. Q3 2012, impairment losses on receivables remained unchanged compared with June 30th 2013, and fell by PLN 1,088 thousand in the first nine months of 2012 relative to December 31st 2011.

Note 8

Share capital	Sep 30 2013	Jun 30 2013	Dec 31 2012	Sep 30 2012
a) par value per share (PLN)	0.10	0.10	0.10	0.10
b) series/issue	A, B, C	A, B, C	A, B, C	A, B, C
c) type of shares	ordinary bearer shares	ordinary bearer shares	ordinary bearer shares	ordinary bearer shares
d) preference attached to shares	none	none	none	none
e) restrictions on rights attached to shares	none	none	none	none
f) number of shares	29,937,836	29,937,836	29,752,122	29,752,122
g) total par value of series/issue (PLN '000)	2,994	2,994	2,975	2,975
h) type of contribution	cash	cash	cash	cash
i) dividend right (since)	right to profit distribution for 2013	right to profit distribution for 2013	right to profit distribution for 2012	right to profit distribution for 2011

Pursuant to the Company's Articles of Association, the Management Board (subject to approval by the Supervisory Board) is authorised to increase the Company's share capital by a total of PLN 350,000 through the issue of up to 3,500,000 shares, within three years from the date of entry of the amendment to the Articles of Association granting the authorisation (authorised capital) in the Register of Entrepreneurs, which was effected on September 28th 2011.

The Company's Articles of Association also provide for a conditional share capital increase for the purpose of the implementation of the Company's incentive scheme, for the maximum amount of PLN 485,714 through the issue of up to 4,857,140 shares. A total of 1,366,426 shares were issued by September 30th 2013, of which 185,714 shares were issued in February 2013, 197,321 shares were issued in 2012, 212,500 shares were issued in 2011, 413,748 shares were issued in 2010, and 357,143 shares were issued in 2009. For more information on the Company's incentive scheme, see Note 12.

As a result of subscription for the shares, the Company's share capital increased in the first nine months of 2013 by PLN 18,571.40 (first nine months of 2012: PLN 19,732.10).

As at September 30th 2013, the share capital was PLN 2,993,783.60 (December 31st 2012: PLN 2,975,212.20) and was divided into 7,000,000 Series A ordinary bearer shares, 21,571,410 Series B ordinary bearer shares, and 1,366,426 Series C ordinary bearer shares.

Note 9

Contingent liabilities and assets

In Q4 2013, the Company will incur a cost of up to CZK 696 thousand (PLN 114 thousand) under an agreement with the clearing bank in the Czech Republic if the minimum amount of transactional costs specified in the agreement is not reached, which is a condition for incurring that cost.

In the period covered by these condensed financial statements, the Company carried contingent liabilities under lease agreements. The Company leases office space under a lease agreement. The right to use the building for the term of the agreement was classified by the Company as operating lease. The lease agreement providing for the right to use the building was executed for a period of five years, with an option to extend its term for another two years.

Minimum lease payments are presented in the table below.

Lease liabilities	Sep 30 2013	Dec 31 2012
	Present value of minimum lease payments	
Within 1 year	1,414*	1,371*
Within 1 to 5 years	5,654*	5,483*
Over 5 years	1,820*	2,793*
Total lease liabilities	8,888	9,647

* Value calculated by recognising the cost on a straight-line basis over the lease term.

In addition to the above and the guarantees specified in Note 11, the Company also issued promissory notes as security for a credit facility (for a detailed description see Note 6), and paid a deposit of PLN 1m as security in the settlement of transactions on foreign stock exchanges.

Note 10

Bonds

In the first nine months of 2013, the Company issued registered bonds with a total par value of PLN 10 thousand, maturing in 2013–2015 (depending on the series). The total amount of liabilities payable by the Company on redemption of the bonds will not exceed the bonds' par value and is immaterial to the Company. The bond issues are related to the Variable Component Remuneration Policy implemented at the Company pursuant to the Minister of Finance's Resolution on the rules for establishment of a variable component remuneration policy for persons holding management positions at brokerage houses, dated December 2nd 2011. For more details, see the document "Disclosure of information on IPOPEMA Securities S.A.'s capital adequacy", available on the Company's website. As at September 30th 2013, the Company redeemed PLN 2 thousand worth of bonds, and PLN 2 thousand worth of bonds in the period between the balance-sheet date and the date of release of these financial statements.

Note 11

Guarantees

In January 2012, Nordea Bank Polska S.A. issued a guarantee to IPOPEMA Securities S.A. up to the total amount of EUR 268 thousand, secured with a cash deposit of PLN 1,239 thousand. The guarantee, provided until April 15th 2018, secures liabilities related to the lease of new office space.

In April 2012, BRE Bank S.A. provided a guarantee in respect of the Company's liabilities for the benefit of the Hungarian Branch of Deutsche Bank AG, which is IPOPEMA Securities S.A.'s clearing bank for transactions executed on the Budapest Stock Exchange. The guarantee was issued for the amount of EUR 2.5m, and secures the Company's timely payment of its liabilities towards Deutsche Bank arising in connection with the services provided by the Bank, consisting in settlement and clearance of BSE transactions. Under amendments made to the guarantee agreement on March 26th 2013, the guarantee was extended until April 1st 2014, with its effective term expiring on July 1st 2014 in the particular cases specified in the agreement. The guarantee is secured by a PLN 2.5m security deposit.

Note 12

Incentive scheme

In the first nine months of 2013, under Share Option Plan II (a separate phase of the incentive scheme implemented at the Company), eligible persons subscribed for 185,714 shares. In the corresponding period of 2012, a total of 197,321 shares were subscribed for under the scheme.

The cost of the incentive schemes is not recognised in the separate financial statements, as the Polish Accountancy Act stipulates no such requirement. This cost is recognised in the consolidated financial statements of the IPOPEMA Securities Group. In connection with the transition to financial reporting compliant with the International Financial Reporting Standards, it was necessary to account for the effect of valuation of the option plans implemented by the Group in the Group's consolidated financial statements.

In total, on a consolidated basis, the cost of the option plans increased the cost of salaries and wages in the first nine months of 2013 by PLN 203 thousand (including by PLN 50 thousand in Q3 2013), affecting the bottom line of IPOPEMA Securities S.A. In the comparative period, i.e. the first nine months of 2012, the cost of these plans increased the cost of salaries and wages by PLN 53 thousand (including by PLN 15 thousand in Q3 2012).

Share Option Plan II was measured using the Black-Scholes model, adjusted by continuous yield dividend and the dilution effect (decrease in the value of individual shares as a result of issuing new shares at a price below market). Share Option Plan III was measured using the binomial tree model.

Note 13

Deferred tax

In Q3 2013, deferred tax liabilities increased by PLN 37 thousand (PLN 20 thousand decrease in the first nine months of 2013). In Q3 2012 and in the first nine months of 2012, deferred tax liabilities decreased by PLN 38 thousand and by PLN 333 thousand, respectively.

In Q3 2013 and in the first nine months of 2013, deferred tax assets fell by PLN 342 thousand and by PLN 576 thousand, respectively. In Q3 2012 and in the first nine months of 2012, deferred tax assets fell by PLN 93 thousand and by PLN 1,021 thousand, respectively.

Note 14

Distribution of profit

Distribution of profit (PLN'000)	Jan-Sep 2013	2012
Net profit/loss	4,875	8,528
Coverage of retained deficit	-	-
Reserve funds	-	8,528

On June 20th 2013, the General Meeting resolved to transfer the entire 2012 profit of PLN 8,528 thousand to statutory reserve funds.

Note 15

Issue, redemption and repayment of equity and non-equity securities

The Company issued 185,714 Series C shares in the first nine months of 2013 and 197,321 Series C shares in the first nine months of 2012. For more information, see Notes 8 and 12.

Furthermore, in the first nine months of 2013 the Company issued ten bonds with a par value of PLN 1,000 each (see Note 10 for more information). As at September 30th 2013, the Company redeemed PLN 2 thousand worth of bonds, and in the period between the balance-sheet date and the date of release of these financial statements PLN 2 thousand worth of bonds.

Note 16

Dividends paid and proposed

In the period covered by these financial statements, the Company neither paid nor resolved to pay any dividend.

On June 28th 2012, the General Meeting resolved to distribute the 2011 profit of PLN 15,585 thousand as dividend. The dividend amount per one share was PLN 0.52. The dividend record date was set for July 6th 2012, and the dividend payment date – for July 23rd 2012. On the dividend payment date, a total of PLN 15,471 thousand was paid out to the shareholders. The distribution amount was lower than the 2011 net profit by PLN 114 thousand, which was the effect of rounding off the dividend per share. Pursuant to the General Meeting's resolution, the difference was contributed to the Company's statutory reserve funds.

Note 17

Material related-party transactions other than arm's length transactions

In the periods covered by these financial statements, the Company did not enter into any material related-party transactions which would not be transactions at arm's length.

Note 18

Related-party transactions – income and expenses (PLN '000)

Related party	Revenue from brokerage activities	Other income	Purchases – brokerage activities	Other purchases	Revenue from brokerage activities	Other income	Purchases – brokerage activities	Other purchases
	Jan 1–Sep 30 2013				Jan 1–Sep 30 2012			
IPOPEMA Business Consulting	-	7	-	-	-	5	73	-
IPOPEMA TFI	-	251	2	-	35	40	-	-
IPOPEMA Business Services Kft.	-	101	562	94	-	91	577	91
IPOPEMA Asset Management S.A.	-	40	56	-	-	26	45	-
Members of the Management and Supervisory Boards	-	6	13	-	-	-	7	-
Other related entities	5	-	-	-	4	-	-	-
Total	5	405	633	94	39	162	702	91

Related party	Revenue from brokerage activities	Other income	Purchases – brokerage activities	Other purchases	Revenue from brokerage activities	Other income	Purchases – brokerage activities	Other purchases
	Jul 1–Sep 30 2013				Jul 1–Sep 30 2012			
IPOPEMA BC	-	-	-	-	-	3	10	-
IPOPEMA TFI	-	18	-	-	35	14	-	-
IPOPEMA Business Services Kft.	-	34	191	32	-	31	198	31
IPOPEMA Asset Management S.A.	-	11	19	-	-	8	-	-
Members of the Management and Supervisory	-	1	-	-	-	-	3	-
Other related entities	5	-	-	-	-	-	-	-
Total	5	64	210	32	35	56	211	31

Related-party transactions – receivables and liabilities

Related party	Receivables			Liabilities		
	Sep 30 2013	Dec 31 2012	Sep 30 2012	Sep 30 2013	Dec 31	Sep 30 2012
IPOPEMA Business Consulting	-	10	4	-	-	-
IPOPEMA TFI	13	105	38	-	2	-
IPOPEMA Business Services Kft.	809	914	919	381	-	392
IPOPEMA Asset Management S.A.	13	228	10	-	49	-
Members of the Management and Supervisory Boards	2	2	-	-	-	-
Other related entities	5	-	1	-	-	-
Total	842	1,259	972	381	51	392

IPOPEMA Securities provides brokerage services to funds managed by IPOPEMA TFI S.A., but the related transaction costs are charged directly to the funds.

Note 19

Items of the statement of cash flows

Operating activities – provision of brokerage and consulting services, acting as market maker to perform tasks related to the organisation of the regulated market, acquisition and disposal of securities in the capacity of a dealer.

Investing activities – purchase and disposal of intangible assets, property, plant and equipment and non-current securities.

Financing activities – acquisition or loss of sources of financing (changes in the amount of and relation between equity and external capital at the entity) and any related monetary costs and benefits.

Structure of cash

	Presentation in the balance sheet		Presentation in the statement of cash flows	
	Sep 30 2013	Sep 30 2012	Sep 30 2013	Sep 30 2012
Cash and cash equivalents	43,888	52,377	39,864	49,618
1. In hand	4	6	4	6
2. At banks	9,570	12,622	9,570	12,622
3. Other cash	30,074	35,709	30,074	35,709
4. Cash equivalents (deposit for a period exceeding three months)	4,240	4,040	-	-
Accrued foreign exchange differences	-	-	216	- 1,281

The difference between the presentation of cash in the balance sheet and the statement of cash flows as at September 30th 2013 and September 30th 2012, is attributable to the recognition of a PLN 4m long-term deposit (maturing in more than three months from the balance-sheet date) under investing activities, and exclusion of interest of PLN 240 thousand accrued on the deposit as at September 30th 2013 (September 30th 2012: PLN 40 thousand). As at September 30th 2013, the difference was also attributable to foreign exchange gains of PLN 42 thousand, as compared with foreign exchange losses of PLN 1,281 thousand as at September 30th 2012.

Differences in changes in balance-sheet items

	Presentation in the balance sheet		Balance-sheet change	Presentation in the statement of cash flows – change
	Sep 30 2013	Dec 31 2012	Sep 30 2013	Sep 30 2013
Gross (current and non-current) receivables	413,006	507,080	94,074	95,022
Net receivables	412,689	506,814		
Impairment losses on receivables	317	266		51
Provisions (net of deferred tax related to equity and provision for unpaid interest)	3,074	5,348		- 2,274
Total change in impairment losses and provisions				- 2,223

The difference between the balance-sheet change in gross receivables and the amount disclosed in the statement of cash flows is attributable to the reduction of receivables as at September 30th 2013 by the amount of receivables under loans advanced and security deposit receivable, disclosed under investing activities, and the amount of lease receivables (non-current portion) disclosed under financing activities.

Explanation concerning other items of the statement of cash flows

In "Other cash from investing activities" for the period January 1st–September 30th 2013, the Company disclosed change in lease receivables of PLN 98 thousand. In the comparative period, the Company disclosed change in lease receivables of PLN 94 thousand.

In "Other cash used in investing activities" for the period January 1st–September 30th 2013 the Company disclosed a deposit provided to secure Deutsche Bank Polska S.A.'s claims arising from the settlement of purchase transactions in foreign securities. In the comparative period, the Company disclosed a deposit paid as security for a guarantee provided by Nordea Bank Polska S.A. and a deposit paid to BRE Bank S.A.

Note 20

Clients' financial instruments

As at June 30th 2013, the value of financial instruments in book-entry form listed on the stock exchanges, registered in clients' accounts, was PLN 109,047 thousand (3,248 instruments) (December 31st 2012: PLN 136,862 thousand (5,139 instruments)). As at September 30th 2013, the Company kept 4 thousand bonds in certificated form with a par value of PLN 4m. As at December 31st 2012, the number of clients' shares kept by the Company in certificated form was 190,387 thousand and their value totalled PLN 28,505 thousand.

The Company also operates the sponsor's account in which WSE-listed instruments in book-entry form are registered. As at September 30th 2013, 10,710 thousand shares worth PLN 68,332 thousand were registered in the account (December 31st 2012: 11,889 thousand shares with the value of PLN 105,692 thousand).

Note 21

Operating segments

The Company does not identify separate operating segments within its structure and operates as a single segment. IPOPEMA Securities S.A.'s segment comprises brokerage activities, as well as business and management consulting services. Information disclosed in these financial statements comprises segmental information.

Note 22

Litigation

The Company was a party to court proceedings before the Warsaw Regional Court, XIV Labour and Social Insurance Division, which were initiated on the basis of appeals lodged by the Company against decisions of the Social Insurance Institution (I Warsaw Branch) determining the base for the computation of contributions to social insurance, health insurance, Labour Fund and the Guaranteed Employee Benefits Fund, for the period from January 2009 to February 2010. In 2012, the Company filed corrected returns and recognised a provision of PLN 19 thousand for the projected amount of costs resulting from correction of settlements with the Social Insurance Institution for the years 2009-2010. As the Social Insurance Institution repealed the appealed decisions, the proceedings were discontinued.

Note 23

Material events and factors in the first nine months of 2013

Situation on the equity markets of the Warsaw, Budapest and Prague Stock Exchanges

Similarly to the previous year, in Q1–Q3 2013 the markets where the Company operates saw high volatility of stock market indices. However, trading by value on the Warsaw Stock Exchange was up 15.7%, compared with 10.9% and 28.7% year-on-year declines in trading value recorded by the Budapest Stock Exchange and the Prague Stock Exchange, respectively, in the period from January to September 2013.

The Company further consolidated its position on the WSE secondary market in Q1–Q3 2013, and with a share of 9.28% (Q1–Q3 2012: 8.02%) emerged as the second most active broker on that market.

These factors, despite the lower trading on the BSE and a slight contraction in the Company's share in that market (6.40% vs. 6.68%), led to a 20.8% increase in securities trading revenue (PLN 34,328 thousand, compared with PLN 28,419 thousand in the previous year).

Investment banking services

Similarly to Q1–Q3 2012, the volatility on the WSE in the period from January to September 2013, compounded by considerable investor uncertainty as to the future of pension funds, had a major dampening effect on the equity market activity of investors and issuers alike. In the period from January to September 2013, the Company recorded revenue from investment banking services of PLN 5,702 thousand, up 16.3% on the respective figure for Q1–Q3 2012. The majority of this revenue was generated in H1 2013, which was mainly attributable to the profiles and timetables of the projects implemented.

Note 24

Events subsequent to the balance-sheet date

All events relating to the reporting period are disclosed in the accounting books and the financial statements for the period January 1st–September 30th 2013. No material events occurred after the balance-sheet date which should have been but were not disclosed in the accounting books for the reporting period.

Warsaw, November 7th 2013

Jacek Lewandowski
President of the Management
Board

Mariusz Piskorski
Vice-President of the
Management Board

Stanisław Waczkowski
Vice-President of the
Management Board

Mirosław Borys
Vice-President of the
Management Board

Danuta Ciosek
Chief Accountant