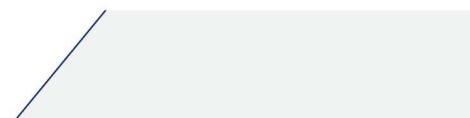


IPOPEMA Securities S.A.

Interim condensed financial statements

**for the nine months
ended September 30th 2011**

Warsaw, November 9th 2011



Financial highlights

Financial highlights	PLN '000		EUR '000	
	9 months ended		9 months ended	
	Sep 30 2011	Sep 30 2010	Sep 30 2011	Sep 30 2010
Revenue from core activities	58,791	51,929	14,547	12,973
Costs of core activities	38,897	32,926	9,625	8,226
Profit from core activities	19,894	19,003	4,923	4,748
Operating profit	17,504	17,709	4,331	4,424
Pre-tax profit	18,608	16,564	4,604	4,138
Net profit	14,903	13,187	3,688	3,295
Net earnings per ordinary share (weighted average) (PLN/EUR)	0.50	0.46	0.12	0.11
Net cash provided by/(used in) operating activities	11,725	58,820	2,901	14,695
Total cash flows	6,332	42,690	1,567	10,665

Financial highlights	PLN '000				EUR '000			
	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
Total assets	811,999	825,578	398,654	647,981	184,077	207,088	100,663	162,523
Current liabilities	740,316	762,411	328,184	580,597	167,826	191,243	82,868	145,623
Equity	64,616	58,998	64,082	61,648	14,648	14,799	16,181	15,462
Number of shares	29,554,801	29,554,801	29,342,301	28,928,553	29,554,801	29,554,801	29,342,301	28,928,553
Book value per share (PLN/EUR)	2.19	2.00	2.18	2.13	0.50	0.50	0.55	0.53

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

- Items of the income statement and statement of cash flows:

Average exchange rate calculated as the arithmetic mean of the exchange rates quoted as at the last day of each month in a given period	Jan 1–Sep 30 2011	Jan 1–Sep 30 2010
EUR	4.0413	4.0027

- Items of the balance sheet:

Exchange rate as at	Sep 30 2011	Dec 31 2010	Sep 30 2010
EUR	4.4112	3.9603	3.9870

Introduction to the financial statements

Information on the Company

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

The Company's registered office is at ul. Waliców 11, Warsaw, Poland.

Pursuant to a decision issued by the District Court for the Capital City of Warsaw in Warsaw, XIX (currently XII) Commercial Division of the National Court Register, on March 22nd 2005 the Company was entered in 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 – "the PFSA") granted a brokerage licence to the Company, authorising it to conduct brokerage activities in the scope specified in the decision.

The name of the Company was changed from Dom Maklerski IPOPEMA S.A. to IPOPEMA Securities Spółka Akcyjna under Resolution No. 5 of the Extraordinary General Shareholders Meeting held on August 10th 2006.

Brokerage activities and business and management consultancy services form the core business of the Company.

All Company shares (a total of 29,554,801 shares) issued to date are admitted to trading on the regulated market organised 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 in the 12 months following the balance-sheet date. As at the date of approval of these financial statements, no circumstances were identified that would pose a threat to the Company's continuing as a going concern – as a result of planned or compulsory discontinuation or material limitation of its existing business – at least in the 12 months following the balance-sheet date, i.e. September 30th 2011.

Composition of the Management Board and the Supervisory Board

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

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.

As at the date of these financial statements, the Company's Supervisory Board was composed of:

Jacek Jonak – Chairman of the Supervisory Board,
Roman Miiler – Deputy Chairman of the Supervisory Board,
Janusz Diemko – Secretary of the Supervisory Board,
Bogdan Kryca – Member of the Supervisory Board,
Wiktoria Sliwinski – Member of the Supervisory Board.

In 2011, until the date of these financial statements, there were no changes in the composition of the Management and Supervisory Boards.

Basis for preparation of the condensed financial statements

These condensed financial statements cover the period January 1st–September 30th 2011 and contain comparative data for January 1st–September 30th 2010 (in the case of the income statement and statement of cash flows) and also as at June 30th 2011 (in the case of the balance sheet) and as at December 31st 2010 (in the case of the balance sheet and statement of changes in equity).

These financial statements were prepared in compliance with the Polish Accounting Standards (“PAS”).

IPOPEMA Securities S.A. is the parent undertaking of four companies:

- IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A. of Warsaw, Poland (“IPOPEMA TFI”), in which it holds a 100% stake;
- IPOPEMA Business Consulting Sp. z o.o. (“IBC”) of Warsaw, in which it holds a 50,02% stake;
- IPOPEMA Business Services Kft. of Budapest, Hungary (“IBS”), in which it holds a 100% stake;
- IPOPEMA Asset Management S.A. (“IAM”) of Warsaw, in which it holds a 100% stake.

The parent undertaking and its subsidiaries make up the IPOPEMA Securities Group (“the Group”, “the IPOPEMA Securities Group”). Pursuant to Art. 58.1 of the Polish Accountancy Act, IPOPEMA Business Services Kft. was not consolidated due to the immateriality of its financial data.

Identification of financial statements

All financial data contained in these financial statements are 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 of 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 undertakings, 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 due, subject to the prudent valuation principle. The amount of receivables is subsequently decreased by impairment losses, which are recognised based on the analysis of collectibility of receivables from individual debtors.

Impairment losses on receivables are estimated in the event of an increase of the risk that the full amount of the receivables may not be collected. 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 – an impairment loss of 50% of the receivables amount is recognised,
- for receivables past due by more than 1 year – an impairment loss of 100% of the receivables amount is recognised.

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

Impairment losses on receivables are charged to other operating expenses and disclosed in the income statement under increase in impairment losses on receivables. The cost connected with recognition of impairment losses is a tax-deductible expense once it has been confirmed that a particular receivable is uncollectible; otherwise, such cost is not tax-deductible.

Under receivables, the Company also discloses receivables under lease of property, plant and equipment and intangible assets to IPOPEMA Business Services Kft. The value of the leased out property, plant and equipment and intangible assets amounted to PLN 422 thousand as at September 30th 2011, including non-current receivables of PLN 302 thousand.

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2011

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 Group 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 made 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.

Non-current receivables

Non-current receivables are receivables whose terms to maturity are longer than 12 months from the end of the reporting period.

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

In the category of financial assets held for trading, the Company includes securities acquired as a result of proprietary trading, as well as securities acquired as a result of erroneous transactions. They include both shares in companies listed on the Warsaw Stock Exchange ("WSE") and Budapest Stock Exchange ("BSE"), derivatives linked to equities and stock-exchange indices (options and futures) listed on the WSE, as well as forward contracts.

Financial assets held for trading 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 WSE and BSE on the last business day of the period for which the financial statements are prepared. Other types of instruments (forward contracts) have been measured using the 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.

In the category of financial liabilities held for trading, the Company includes derivative financial instruments. Both the financial assets and liabilities held for trading are listed on the WSE or the BSE, with the exception of a forward contract entered into by the Company.

Financial assets are initially recognised at cost as at the contract date, i.e. at the fair value of expenses incurred or other assets transferred in return, whereas financial liabilities are initially recognised as at the contract date at the fair value of the amount or other assets received. For the purpose of measurement of the fair value as at the contract date, the Company takes into account the incurred transaction cost.

The Company does not apply hedge accounting.

Loans 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 and receivables are measured at adjusted purchase price, estimated using the effective interest rate method. Non-interest bearing current receivables are measured at amounts due, subject to the prudent valuation principle. Current receivables include mainly bank deposits, cash and loans advanced. Loans advanced include loans advanced to IPOPEMA Securities' employees and business partners. For loans which may be amortised (loans advanced for three and five years), the Company applies the straight-line amortisation method with respect to the principal amount and accrued interest.

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2011

Amortisation charges are disclosed under finance expenses. Additionally, loans advanced to a subsidiary have also been 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. In the current and comparative periods, the Company carried no financial assets held to maturity.

Financial assets available for sale

All other financial instruments are financial assets available for sale. Financial assets available for sale are carried 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 has included investment certificates and, pursuant to the regulation on special accounting principles for brokerage houses, shares in subordinated undertakings.

Shares in subordinated undertakings are measured at cost less impairment. Shares in a subsidiary undertaking denominated in a foreign currency are translated into the zloty using the mid-exchange rate quoted for that foreign currency by the National Bank of Poland as at the balance-sheet date.

Investment certificates are carried at fair value, determined based on the net asset value per certificate as published by the investment fund. Any gains or losses on their measurement are taken to revaluation capital reserve.

Other financial liabilities

In this category, the Company classifies mainly bank loans, 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 to an independent third party.

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

Impairment of financial instruments

As at each balance-sheet date, the Company determines whether there is objective evidence 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 undertakings, 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 due. The policies followed for recognition of current liabilities under executed transactions are discussed 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 (the “NBP”) as at the day preceding the transaction date – in the case of payment of receivables or liabilities where the application of the exchange rate referred to in item 1 is not justified, and in the case of other transactions.

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

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

Currency	Sep 30 2011	Dec 31 2010	Sep 30 2010
USD	3.2574	2.9641	2.9250
EUR	4.4112	3.9603	3.9870
HUF 100	1.5097	1.4206	1.4373
GBP	5.0832	4.5938	4.6458
UAH	0.4076	0.3722	0.3689
CZK	0.1791	0.1580	0.1621
CHF	3.6165	3.1639	2.9955
INR 100	6.6452	6.7450	6.4897

Source: NBP.

Changes in estimates

In the period covered by these financial statements, there were no changes in estimates other than changes in provisions and impairment losses on receivables, as discussed in Note 4.

Changes in applied accounting policies

In the period covered by these financial statements, the Company applied the accounting policies described in detail in the financial statements for 2010, released on March 18th 2011.

Comparability of the reported data

These financial statements have been presented in such a manner as to ensure their comparability, by applying uniform accounting policies in all the periods presented, which are consistent with the accounting policies adopted by the Company.

Seasonality

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

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2011

ASSETS (PLN '000)	Note	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
I. Cash and cash equivalents	1	94,522	70,200	93,462	92,285
1. In hand		7	8	9	5
2. At banks		25,381	31,011	30,524	25,894
3. Other cash		65,094	28,822	52,786	56,365
4. Cash equivalents		4,040	10,359	10,143	10,021
II. Current receivables	2, 4	701,316	738,665	281,748	537,651
1. From clients		302,738	363,553	165,094	243,013
2. From related undertakings	14	1,522	846	723	1,090
3. From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		350,369	343,903	94,211	273,447
a) under executed transactions		350,369	343,903	94,211	273,447
4. From entities operating regulated markets and commodity exchanges		-	9	9	15
5. From the National Depository for Securities and exchange clearing houses		45,915	30,143	21,048	16,493
6. From issuers of securities or selling shareholders		-	-	52	-
7. Taxes, subsidies and social security receivable		114	-	396	-
8. Other		658	211	215	3,593
III. Financial instruments held for trading		1,133	2,330	8,853	4,124
1. Shares		1,111	2,330	8,828	3,814
2. Derivative instruments		22	-	25	310
IV. Current prepayments and accrued income		789	1,158	388	490
V. Financial instruments held to maturity		-	-	-	-
VI. Financial instruments available for sale		6,817	6,424	6,450	6,457
1. Shares and other equity interests		6,450	6,008	6,007	6,007
- in subordinated undertakings		6,450	6,008	6,007	6,007
2. Investment certificates		367	416	443	450
VII. Non-current receivables		402	433	493	100
VIII Non-current loans advanced		2,589	2,464	2,865	3,044
1. Other		2,589	2,464	2,865	3,044
IX. Intangible assets		1,974	1,873	1,842	1,609
1. Acquired permits, patents, licenses and similar assets, including:		1,974	1,873	1,842	1,609
- computer software		1,974	1,873	1,842	1,609
X. Property, plant and equipment		1,226	1,288	1,301	1,172
1. Tangible assets, including:		1,111	1,240	1,298	1,110
a) computer assemblies		553	658	702	596
b) other tangible assets		558	582	596	514
2. Tangible assets under construction		115	48	3	62
XI. Non-current prepayments and accrued income		1,231	743	1,252	1,049
1. Deferred tax assets	8	1,231	743	1,252	1,049
Total assets		811,999	825,578	398,654	647,981

Warsaw, November 9th 2011

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 2011

EQUITY AND LIABILITIES (PLN '000)	Note	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
I. Current liabilities	3	740,316	762,411	328,184	580,597
1. To clients		319,022	314,210	120,469	258,896
2. To related undertakings	14	57	405	-	-
3. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		392,840	415,815	190,456	309,165
a) under executed transactions		392,840	415,815	190,456	309,165
4. To entities operating regulated markets and commodity exchanges		1,894	1,753	758	944
5. To the National Depository for Securities and exchange clearing houses		7,424	1,796	2,159	1,644
6. Loans and borrowings		12,016	10,139	7,481	7,489
a) from related undertakings		-	-	-	-
b) Other		12,016	10,139	7,481	7,489
7. Taxes, customs duties and social security payable		551	1,058	698	947
8. Salaries and wages		28	30	-	-
9. Other		6,484	17,205	6,163	1,512
II. Non-current liabilities		-	-	-	-
III. Accruals and deferred income		-	-	-	-
IV. Provisions for liabilities	4	7,067	4,169	6,388	5,736
1. Deferred tax liabilities	8	571	400	288	303
2. Other		6,469	3,769	6,100	5,433
a) non-current		-	-	-	-
b) Current		6,469	3,769	6,100	5,433
V. Subordinated liabilities		-	-	-	-
VI. Equity		64,616	58,998	64,082	61,648
1. Share capital	5	2,955	2,955	2,934	2,893
2. Reserve funds		46,768	46,768	45,665	45,512
a) share premium account		8,474	8,474	7,433	7,280
b) statutory reserve funds		985	985	978	964
c) reserve funds created pursuant to the Articles of Association		37,309	37,309	37,254	37,268
3. Revaluation capital reserve		-10	29	52	56
4. Retained earnings		-	-	-	-
5. Net profit	10.12	14,903	9,246	15,431	13,187
Total equity and liabilities		811,999	825,578	398,654	647,981
Book value (PLN '000)		64,616	58,998	64,082	61,648
Number of shares as at end of period		29,554,801	29,554,801	29,342,301	28,928,553
Book value per share (PLN)		2.19	2.00	2.18	2.13
Diluted number of shares		29,755,018	29,744,004	29,299,121	29,573,251
Diluted book value per share (PLN)		2.17	1.98	2.18	2.08

Warsaw, November 9th 2011

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 2011

Danuta Ciosek
Chief Accountant

OFF-BALANCE-SHEET ITEMS (PLN '000)		Note	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
I.	Contingent liabilities	6	-	-	-	-
II.	Third-party assets used		-	-	-	-
III.	Futures and forwards purchased or written in the name and for the account of the brokerage house		11,261*	10,484*	17,159*	12,599*

* A forward contract and the notional value 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 9th 2011

Jacek Lewandowski
President of the
Management Board

Mariusz Piskorski
Vice-President of the
Management Board

Stanisław Waczkowski
Vice-President of the
Management Board

Miroslaw 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 2011

Income statement (PLN '000)	Note	Jan 1–Sep 30 2011	Jan 1–Sep 30 2010
I. Revenue from brokerage activities, including:		58,791	51,929
- from related undertakings	14	58	-
1. Fee and commission income		53,168	47,596
from transactions in financial instruments made in the name of the Company but for the account of the order placing party		43,613	37,948
a) from offering financial instruments		8,012	1,212
c) other		1,543	8,436
2. Other income		5,623	4,333
a) from offering financial instruments		647	1,258
b) from discretionary management of third-party securities portfolios		- 152	122
c) other		5,128	2,953
II. Cost of brokerage activities		38,897	32,926
- from related undertakings	14	694	1,323
1. Fees payable to regulated markets, commodity exchanges, the National Depository for Securities and exchange clearing houses		10,861	8,938
2. Fees payable to commercial chamber		-	-
3. Salaries and wages		18,665	15,432
4. Social security and other benefits		568	689
5. Employee benefits		110	93
6. Materials and energy used		299	258
7. Costs of maintenance and lease of buildings		657	642
8. Depreciation and amortisation		791	610
9. Taxes and other public charges		1,053	895
10. Other		5,893	5,368
III. Profit from (loss on) brokerage activities		19,894	19,003
IV. Income from financial instruments held for trading		2,070	1,595
1. Dividends and other profit distributions		20	104
2. Revaluation adjustments		382	437
3. Gain on sale/redemption		1,668	1,054
4. Other		-	-
V. Cost related to financial instruments held for trading		4,491	2,959
1. Revaluation adjustments		128	290
2. Loss on sale/redemption		4,363	2,669
VI. Gain (loss) on transactions in financial instruments held for trading		- 2,421	- 1,364
VII. Income from financial instruments available for sale		-	-
1. Revaluation adjustments		-	-
VIII. Cost related to financial instruments available for sale		-	-
IX. Gain (loss) on transactions in financial instruments available for sale		-	-
X. Other operating income		672	118
1. Other		672	118
XI. Other operating expenses		664	10
1. Other		664	10
XII. Difference between provisions and impairment losses on receivables		23	- 38
1. Decrease in impairment losses on receivables		30	161
2. Increase in impairment losses on receivables		7	199
XIII. Operating profit		17,504	17,709

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2011

XIV. Finance income	3,517	1,417
1. Interest on loans advanced, including:	52	43
- from related undertakings	14	38
2. Interest on deposits	917	606
- from related undertakings	-	-
3. Other interest	13	57
4. Foreign exchange gains	1,435	-
a) realised	45	-
b) unrealised	1,390	-
5. Other	1,100	711
XV. Finance expenses	2,413	2,562
1. Interest on loans, including:	803	738
- to related undertakings	-	-
2. Other interest	3	-
3. Foreign exchange losses	-	230
a) realised	-	220
b) unrealised	-	10
4. Other	1,607	1,594
XVI. Profit before extraordinary items	18,608	16,564
XVII. Pre-tax profit	18,608	16,564
XVIII. Corporate income tax	3,705	3,377
XIX. Net profit	14,903	13,187
Weighted average number of ordinary shares	29,509,654	28,928,553
Earnings per ordinary share (PLN)	0.51	0.46
Weighted average diluted number of ordinary shares	29,755,018	29,573,251
Diluted earnings per ordinary share (PLN)	0.50	0.45

Warsaw, November 9th 2011

Jacek Lewandowski
President of the
Management Board

Mariusz Piskorski
Vice-President of the
Management Board

Stanisław Waczkowski
Vice-President of the
Management Board

Miroslaw Borys
Vice-President of the
Management Board

Danuta Ciosek
Chief Accountant

STATEMENT OF CASH FLOWS (PLN' 000)	Note	Jan 1–Sep 30 2011	Jan 1–Sep 30 2010
A. NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES			
I. Net profit		14,903	13,187
II. Total adjustments		- 3,178	45,633
1. Depreciation and amortisation		791	610
2. Foreign exchange gains/(losses)		- 1,123	- 8
3. Interest and profit distributions (dividends)		475	483
4. Gain (loss) on investing activities		569	452
5. Change in provisions and impairment losses on receivables		173	- 916
6. Change in financial instruments held for trading		7,720	221
7. Change in receivables		- 419,001	- 213,706
8. Change in current liabilities (net of loans and borrowings), including special accounts		407,596	258,445
9. Change in accruals and deferrals		- 378	52
III. Net cash provided by (used in) operating activities (I + II)		11,725	58,820
B. NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES			
I. Cash provided by investing activities		10,479	5,370
1. Disposal of financial instruments available for sale and held to maturity		10,000	5,000
2. Profit distributions (dividends) received		16	77
3. Decrease in loans advanced		8	-
4. Interest received		359	134
5. Other		96	159
II. Cash used in investing activities		5,298	14,708
1. Acquisition of financial instruments available for sale and held to maturity		4,442	10,000
2. Acquisition of intangible assets		555	450
3. Acquisition of property, plant and equipment		293	142
4. Non-current loans advanced		4	3,445
5. Other cash used in investing activities		4	671
III. Net cash provided by (used in) investing activities (I - II)		5,181	- 9,338
C. NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES			
I. Cash provided by financing activities		5,597	-
1. Increase in current loans and borrowings		4,534	-
2. Proceeds from issue of shares		1,063	-
II. Cash used in financing activities		16,171	6,792
1. Repayment of current loans and borrowings		-	6,100
2. Dividends and other distributions to owners		15,368	-
3. Interest paid		803	692
III. Net cash provided by (used in) financing activities (I - II)		- 10,574	- 6,792

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2011

TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)		6,332	42,690
BALANCE-SHEET CHANGE IN CASH, including:		7,163	42,688
- change in cash resulting from foreign exchange differences		831	- 2
CASH AT BEGINNING OF PERIOD	15	83,363	39,576
CASH AT END OF PERIOD (F +/- D), including:	15	89,695	82,264
- restricted cash		10,146	9,170

Warsaw, November 9th 2011

 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

STATEMENT OF CHANGES IN EQUITY (PLN' 000)	Jan 1-Sep 30 2011	2010	Jan 1-Sep 30 2010
I. EQUITY AT BEGINNING OF PERIOD (OPENING BALANCE)	64,082	48,405	48,405
- changes in adopted accounting policies	-	-	-
- correction of errors	-	-	-
I.a. EQUITY AT BEGINNING OF PERIOD AFTER ADJUSTMENTS	64,082	48,405	48,405
1. Share capital at beginning of period	2,934	2,893	2,893
1.1. Changes in share capital	21	41	-
a) increase	21	41	-
- issue of shares	21	41	-
1.2. Share capital at end of period	2,955	2,934	2,893
2. Reserve funds at beginning of period	45,665	32,822	32,822
2.1. Changes in reserve funds	1,103	12,843	12,690
a) increase	1,103	12,843	12,690
- distribution of profit (statutory)	1,041	-	-
- distribution of profit (above statutory minimum)	-	12,690	12,690
- share premium account	62	153	-
2.2. Reserve funds at end of period	46,768	45,665	45,512
3. Revaluation capital reserve at beginning of period	52	-	-
3.1. Changes in revaluation capital reserve	- 62	52	56
a) increase	15	52	56
- revaluation of financial instruments	15	52	56
a) decrease	77	-	-
- revaluation of financial instruments	77	-	-
3.2. Revaluation capital reserve at end of period	- 10	52	56
4. Retained earnings/(deficit) at beginning of period	15,431	12,690	12,690
4.1. Retained earnings at beginning of period	15,431	12,690	12,690
a) increase	-	-	-
b) decrease	15,431	12,690	12,690
- distribution of retained earnings (dividend)	15,369	-	-
- distribution of retained earnings (increase in reserve funds)	62	12,690	12,690
4.2. Retained earnings /(deficit) at end of period	-	-	-
5. Net profit (loss)	14,903	15,431	13,187
a) net profit	14,903	15,431	13,187
b) net loss	-	-	-
II. EQUITY AT END OF PERIOD (CLOSING BALANCE)	64,616	64,082	61,648
III. EQUITY AFTER PROPOSED DISTRIBUTION OF PROFIT	64,616	64,082	61,648

Warsaw, November 9th 2011

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

Notes to the interim financial statements

Note 1

Cash and other assets (PLN '000)	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
Cash and other assets of clients				
a) at banks and in hand	47,037	13,442	49,148	50,488
b) other *	-	-	-	-
Total cash and other assets of clients	47,037	13,442	49,148	50,488
Cash and other assets:				
a) cash and other assets of the brokerage house, including:	47,485	56,758	44,314	41,797
- in hand	7	8	9	5
- at banks	25,381	31,011	30,524	25,894
- other cash*	22,097	25,739	13,781	15,898
b) cash and other assets of clients deposited in cash accounts	47,037	13,442	49,148	50,488
- at the brokerage house and paid towards acquisition of securities	47,037	13,442	49,148	50,488
- in an IPO or on the primary market	-	-	-	-
c) cash and other assets transferred from the settlement guarantee fund	-	-	-	-
Total cash and other assets	94,522	70,200	93,462	92,285

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

Note 2

Selected current receivables (PLN '000)	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
1. Selected current receivables	700,544	738,454	281,085	534,043
a) from clients, including:	302,738	363,553	165,094	243,013
- under transactions executed on the Warsaw Stock Exchange	270,791	303,147	156,322	183,255
- under transactions executed on the Budapest Stock Exchange	30,624	58,109	6,457	56,560
- other	1,323	2,297	2,315	3,198
b) from related undertakings, including:	1,522	846	723	1,090
- from subsidiary undertakings	1,478	802	723	1,090
- from other related undertakings	44	44	-	-
c) from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	350,369	343,903	94,211	273,447
- under transactions executed on the Warsaw Stock Exchange	310,082	249,729	87,912	221,344
- under transactions executed on the Budapest Stock Exchange	40,287	94,174	6,299	52,103
d) from entities operating regulated markets and commodity exchanges	-	9	9	-
- from the WSE	-	9	9	-
d) from the National Depository for Securities and exchange clearing houses, including	45,915	30,143	21,048	16,493
- from the settlement guarantee fund	45,915	30,143	21,048	16,493
e) receivables under court proceedings for which impairment losses were recognised	-	-	-	-
2. Net current receivables	701,316	738,665	281,748	537,651
- impairment losses on current receivables (positive value)	1,695	2,193	2,213	2,181
Gross current receivables	703,011	740,858	283,961	539,832

The value of current receivables from client banks under executed transactions and from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses represents the value of purchase and sale transactions in securities which have been executed but not yet settled.

Note 3

Selected current liabilities (PLN '000)	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
Selected current liabilities	408,699	436,974	199,536	313,265
1. To related undertakings	57	405	-	-
a) to subsidiary undertakings	33	405	-	-
b) to other related undertakings	24	-	-	-
2. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	392,840	415,815	190,456	309,165
a) under transactions executed on the Warsaw Stock Exchange	345,025	334,618	178,597	224,147
b) under transactions executed on the Budapest Stock Exchange	47,815	81,197	11,859	85,018
3. To entities operating regulated markets and commodity exchanges	1,894	1,753	758	944
a) to the Warsaw Stock Exchange	1,749	1,610	678	820
b) to the Budapest Stock Exchange	143	143	80	124
c) to the Prague Stock Exchange	2	-	-	-
4. To the National Depository for Securities and exchange clearing houses	7,424	1,796	2,159	1,644
a) under contributions to the settlement guarantee fund	7,128	1,355	1,965	1,492
b) other	296	441	194	152
6. Other	6,484	17,205	6,163	1,512
a) dividend	-	15,368	-	-
b) other liabilities, including:	6,484	1,837	6,163	1,512
- financial liabilities (valuation of derivatives)	-	115	98	51
- other liabilities	6,484	1,722	6,065	1,461

As at September 30th 2011, the Company's liabilities under loans related to its brokerage business amounted to PLN 12,016 thousand, compared with PLN 10,139 thousand as at June 30th 2011, PLN 7,481 thousand as at December 31st 2010 and PLN 7,489 thousand as at September 30th 2010.

The above liabilities under loans are related to the Company's brokerage business, as part of which on July 22nd 2009 the Company executed two working-capital overdraft facility agreements to finance payment of the Company's liabilities to the National Depository for Securities. On July 20th 2010, the Company executed annexes to the agreements under which the term of the two agreements described below was extended by another year, i.e. until July 19th 2012:

1. Agreement providing for a 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 the accounts held with the Bank, and a security deposit of PLN 4m (in the form of a term deposit) as joint collateral securing also the credit facility specified in item 2.
2. Agreement providing for a revolving credit facility of up to PLN 30m. The purpose of the facility is to finance payment of the Company's liabilities resulting from its membership in the Stock-Exchange Transactions Settlement Guarantee Fund operated by the Polish NDS. The facility is secured with a blank promissory note with a promissory note declaration and a power of attorney over the accounts held with the Bank. As stated in item 1 above, the two credit facilities are also secured with the joint collateral in the form of a PLN 4m security deposit established pursuant to the annex of July 20th 2011, which replaced the previous security in the form of a block on funds of PLN 10m.

Note 4

Changes in provisions and impairment losses on receivables

In Q3 2011, provisions for liabilities increased by PLN 2,898 thousand relative to June 30th 2011. Over the first nine months of 2011 they grew by PLN 679 thousand relative to December 31st 2010. In the comparative period, i.e. in Q3 2010, provisions grew by PLN 961 thousand, while over the first nine months of 2010 they declined by PLN 940 thousand relative to December 31st 2009.

In Q3 2011, impairment losses on receivables were down by PLN 498 thousand relative to June 30th 2011 and over the first nine months of 2011 they decreased by PLN 518 thousand relative to December 31st 2010. In the comparative period, i.e. in Q3 2010, impairment losses on receivables decreased by PLN 21 thousand, while over the first nine months of 2010 they went up by PLN 38 thousand relative to December 31st 2009.

Note 5

Share capital	Sep 30 2011	Jun 30 2011	Dec 31 2010	Sep 30 2010
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	29,554,801	29,554,801	29,342,301	28,928,553
g) total par value of series/issue (PLN '000)	2,955	2,955	2,934	2,893
h) type of contribution	cash	cash	cash	cash
i) dividend right since:	the shares carry the right to distribution of profit for 2011 and 2010	the shares carry the right to distribution of profit for 2011 and 2010	the shares carry the right to distribution of profit for 2010, and carried the right to distribution of profit for 2009	the shares carry the right to distribution of profit for 2010, and carried the right to distribution of profit for 2009

Pursuant to the Company's Articles of Association, the Management Board (upon the approval of the Supervisory Board) was authorised to increase the share capital by an aggregate of PLN 350,000, through the issue of up to 3,500,000 shares within three years from the date on which the Articles of Association including the authorisation were entered in the Register of Entrepreneurs (authorised capital). The above period expired on January 23rd 2011, triggering the expiry of the authorisation. On June 29th 2011, the Annual General Shareholders Meeting again authorised the Management Board to increase the share capital by the same amount and within the same time frame, i.e. three years from the date of registering the relevant amendment to the Articles of Association, that is from September 28th 2011.

The Company's Articles of Association also provided for a conditional share capital increase by up to PLN 485,714 through the issue of up to 4,857,140 shares for the purpose of the implementation of the Company's incentive scheme. Out of that number, a total of 983,391 shares have been issued and delivered, including 212,500 shares in the first quarter of 2011 and 413,748 shares in Q4 2010. For more information on the Company's incentive scheme, see Note 7.

As a result of the subscription for the above shares, the Company's share capital increased in the first nine months of 2011 by PLN 21,250 and by PLN 41,374.80 in the corresponding period of 2010.

As at September 30th 2011, the share capital amounted to PLN 2,955,480.10 (June 30th 2011: PLN 2,955,480.10 (no change); December 31st 2010: PLN 2,934,230.10; September 30th 2010: PLN 2,892,855.30) and was divided into 7,000,000 Series A ordinary bearer shares, 21,571,410 Series B ordinary bearer shares, and 983,391 Series C ordinary bearer shares.

Sale of Company shares by related parties

On April 12th 2011, sale transactions were executed involving Company shares as a result of which certain Management and Supervisory Board members, or persons related to them, sold in aggregate 3,190,951 IPOPEMA Securities shares. Detailed information on these transactions was published by the Company in Current Report No. 11/2011 of April 12th 2011.

Note 6

Contingent liabilities and assets

As at September 30th 2011, June 30th 2011, December 31st 2010 and September 30th 2010, the Company did not carry any contingent liabilities or assets.

Note 7

Incentive scheme

In the first nine months of 2011, under Share Option Plan II, eligible persons subscribed for 212,500 shares. In the comparative period, no shares were acquired as part of the incentive scheme, but over the entire 2010 eligible persons acquired (under Share Option Plan I) a total of 413,748 shares.

The cost of the incentive schemes discussed above 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 2011 by PLN 113 thousand (including by PLN 34 thousand in Q3 2011), affecting profit of IPOPEMA Securities S.A. In the comparative period, i.e. in the first nine months of 2010, the cost of these plans increased the cost of salaries and wages by PLN 787 thousand (including by PLN 228 thousand in Q3 2010), of which PLN 471 thousand was allocated to IPOPEMA TFI S.A. (including PLN 168 thousand in Q3 2010) The remainder (PLN 316 thousand), which includes also the valuation of options covered by the agreements executed in 2006 between the then sole shareholder of the Company and some of the Company's current employees and members of the Management and Supervisory Boards, was charged to IPOPEMA Securities S.A. In performance of the abovementioned agreements, the eligible persons acquired existing Company shares. Given that certain conditions which had to be fulfilled remained valid in the period covered by these financial statements, the cost resulting from the valuation of the above options was charged to the consolidated result of the Company also in 2010. Despite the fact that the Company was not a party to the acquisition transactions, and thus did not issue any new shares, pursuant to the adopted accounting standards the cost should be allocated to the issuer.

The option plans were valued using the Black-Scholes model, adjusted by the continuous yield dividend and dilution effect (decrease in the value of individual shares as a result of issuing new shares at a price below market price).

Note 8

Deferred income tax

In Q3 2011, deferred tax liability increased by PLN 171 thousand, while in the first nine months of 2011 it went up by PLN 283 thousand. In Q3 2010, deferred tax liability grew by PLN 2 thousand, while in the first nine months of 2010 it was up by PLN 92 thousand.

Deferred tax assets increased in Q3 2011 by PLN 488 thousand and decreased by PLN 21 thousand in the first nine months of 2011. In Q3 2010, deferred tax assets grew by PLN 121 thousand, while in the first nine months of 2010 they fell by PLN 183 thousand.

Note 9

Acquisition of Credit Suisse Asset Management (Polska) S.A.

On September 30th 2011, under an agreement of March 15th 2011, IPOPEMA Securities acquired 100% of shares in Credit Suisse Asset Management (Polska) S.A. ("CSAM"). The completion of the transaction was subject to obtaining the required approvals from the regulatory bodies, i.e. the Polish Financial Supervision Authority and the Polish Office of Competition and Consumer Protection. The approvals were granted respectively on September 6th 2011 and May 30th 2011. The acquisition of 100% of shares in CSAM under the agreement was completed on September 30th 2011.

The value of the investment in Credit Suisse Asset Management (Polska) S.A. shares was PLN 442 thousand (the value was measured at acquisition price plus cost and expenses directly connected with the acquisition) and is presented in the balance sheet under financial instruments available for sale.

On October 26th 2011, amendments to CSAM's Articles of Association were registered, including the change of the company's name to IPOPEMA Asset Management S.A. ("IAM").

The acquisition of CSAM is an element of the IPOPEMA Securities Group's development strategy in the area of asset management for institutional and corporate clients. The transaction will result in a significant expansion of the Group's asset management business. Moreover, the acquisition of staff with a wealth of experience-backed

expertise in portfolio management will allow the Group to enlarge its product offering and client base in the area of asset management.

Note 10

Distribution of profit

On June 29th 2011, the General Shareholders Meeting resolved to allocate the 2010 profit of PLN 15,431 thousand to dividend. The amount of dividend per share was rounded down to the nearest full grosz, and the difference between the amount of net profit for 2010 and the amount of dividend payable to shareholders after the rounding down (PLN 62 thousand) was contributed to the Company's reserve funds.

Note 11

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

In the first nine months of 2011, the parent undertaking issued 212,500 Series C shares. For more information, see Note 7.

Note 12

Dividend paid or declared

On June 29th 2011, the General Shareholders Meeting resolved to allocate the 2010 profit of PLN 15,431 thousand to dividend. The amount of dividend per share was PLN 0.52. The dividend record date was set for July 15th 2011, and the dividend payment date for July 29th 2011. On the dividend payment date, a total of PLN 15,369 thousand was paid out to the shareholders. The distribution amount was lower than the 2010 profit by PLN 62 thousand, which was the effect of rounding off the dividend per share. Pursuant to the above resolution of the General Shareholders Meeting, the difference was contributed to the Company's reserve funds.

In 2010, the Company paid no dividend.

Note 13

Material related-party transactions (including the amounts involved) 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 otherwise than on arm's length terms.

Note 14

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

Related party	Revenue from brokerage activities	Other operating income	Purchases – brokerage activities	Other purchases	Revenue from brokerage activities	Other operating income	Purchases – brokerage activities	Other purchases
	Jan 1–Sep 30 2011				Jan 1–Sep 30 2010			
IPOPEMA BC	-	-	-	-	-	-	-	-
IPOPEMA TFI	-	40	35	-	-	92	-	-
IPOPEMA Business Services Kft.	-	87	605	87	-	23	558	-
IPOPEMA Asset Management S.A.	-	499	-	-	-	-	-	-
Members of the Management and Supervisory Boards	58	-	54	-	-	-	739	-

Interim condensed financial statements of IPOPEMA Securities S.A. for the first nine months of 2011

Other related parties	-	-	-	-	-	-	26	11
Total	58	626	694	87	-	115	1,323	11

Related-party transactions – receivables and liabilities

Related party	Receivables			Liabilities		
	Sep 30 2011	Dec 31 2010	Sep 30 2010	Sep 30 2011	Dec 31 2010	Sep 30 2010
IPOPEMA BC	-	9	-	33	-	-
IPOPEMA TFI	-	7	-	-	-	-
IPOPEMA Business Services Kft.	1,167	1,099	1,090	-	-	-
IPOPEMA Asset Management S.A.	613	-	-	-	-	-
Members of the Management and Supervisory Boards	44	-	-	24	-	-
Other related parties	-	-	-	-	-	-
Total	1,824	1,115	1,090	57	-	-

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

Note 15

Items of the statement of cash flows

Operating activities – provision of brokerage and consultancy 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 undertaking) and any related monetary costs and benefits.

Structure of cash

	Presentation in the balance sheet		Presentation in the statement of cash flows	
	Sep 30 2011	Sep 30 2010	Sep 30 2011	Sep 30 2010
Cash and cash equivalents	94,522	92,285	89,695	82,264
1. In hand	7	5	7	5
2. At banks	25,381	25,894	24,594	25,894
3. Other cash	65,094	56,365	65,094	56,365
4. Cash equivalents (deposits > 3 months)	4,040	10,021	-	-
Change in cash resulting from foreign exchange differences	-	-	831	-2

The difference between cash disclosed in the balance sheet and in the statement of cash flows as at September 30th 2011 is attributable to foreign exchange gains of PLN 831 thousand.

The difference between cash disclosed in the balance sheet and in the statement of cash flows as at September 30th 2010 is attributable to foreign exchange losses of PLN 2 thousand.

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 2011	Dec 31 2010	Sep 30 2011	Sep 30 2011
Gross (current and non-current) receivables	706,002	287,319	418,683	419,001
Net receivables	704,307	285,106		
Impairment losses on receivables	1,695	2,213		- 518
Provisions	7,067	6,376		691
Deferred income tax taken to equity	-	12		
Total change in impairment losses and provisions				173

The difference between the balance-sheet change in gross receivables and the amount shown in the statement of cash flows is attributable to elimination from receivables of receivables under loans advanced, disclosed under investing activities.

Explanation to other items of the statement of cash flows

"Other cash provided by investing activities" for the period January 1st–September 30th 2011 includes repayment of interest on loans advanced of PLN 6 thousand and a change in lease receivables by PLN 90 thousand. In the comparative period, this item included repayment of loans advanced in the amount of PLN 159 thousand.

The item "Other cash used in investing activities" for the period January 1st–September 30th 2011 included current loans advanced in the amount of PLN 4 thousand. In the comparative period, i.e. in the first nine months of 2010, this item included current loans advanced of PLN 671 thousand.

Note 16

Financial instruments of clients

As at September 30th 2011, financial instruments registered in clients' accounts totalled PLN 214,222 thousand, compared with PLN 175,688 thousand as at December 31st 2010 and PLN 107,847 thousand as at September 30th 2010.

The Company also operates a sponsor's account, in which financial instruments in book-entry form listed on the WSE were registered. As at September 30th 2011, their value amounted to PLN 132,821 thousand, compared with PLN 334,647 thousand as at December 31st 2010 and PLN 299,818 thousand as at September 30th 2010.

Note 17

Operating segments

The Company's business is not divided into separate operating segments, and thus the Company as a whole forms a single segment. The IPOPEMA Securities segment comprises brokerage activities, as well as business and management consultancy. The information presented in these financial statements relates to the IPOPEMA Securities segment.

Note 18

Court proceedings

On January 13th 2009, the Company filed with the Regional Court a suit for payment of past due receivables of PLN 891 thousand. The suit has been dismissed, however, the Company is considering taking other legal action in the case. Impairment losses were recognised (in 2008) for the full amount of the disputed receivables.

The Company was not party to any other court proceedings.

Note 19

Other events and factors in the first nine months of 2011

Conditions on equity markets of the WSE and BSE

Q3 2011 saw a significant decline in the upward trend of the WIG index on the WSE, which had continued since March 2009. Nevertheless, in the first three quarters of 2011, trading volumes on the WSE equity market grew by 35.6% year on year, which resulted in an increase in the revenue of IPOPEMA Securities, despite the Company's slight market share reduction (8.19% in Q1–Q3 2011 vs 8.39 in Q1–Q3 2010).

A different situation holds for the Budapest Stock Exchange, where the value of trading on the equity market in the period January–September 2011 was 32% lower than in the comparative period of 2010. In 2011, the Company consolidated its market position, reaching a market share of 7.57% in Q1–Q3 2011, while in the period March–September 2010 (the Company commenced brokerage activities on the BSE in March 2010) its market share equalled 7.01%.

All of the above drove up the Company's revenue from trading in securities by 17%, to PLN 44,832 thousand in Q1–Q3 2011 (compared with PLN 38,313 thousand in Q1–Q3 2010).

Investment banking services

The Company's activity in the area of investment banking services was similar in the comparative periods, which translated into comparable revenues from this segment (PLN 13.803 thousand in Q1–Q3 2011 vs PLN 13.094 thousand in Q1–Q3 2010).

Note 20

Events subsequent to the balance-sheet date

All events relating to the reporting period were disclosed in the accounting books and financial statements for the period January 1st–September 30th 2011. No significant 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 9th 2011

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
