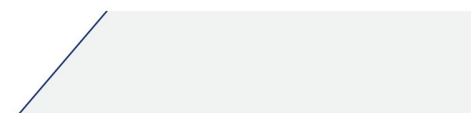


IPOPEMA Securities S.A.

Interim condensed financial statements

**for the first quarter of 2011, ended
March 31st 2011**

Warsaw, May 10th 2011



Financial highlights

Financial highlights	PLN '000		EUR '000	
	3 months ended		3 months ended	
	Mar 31 2011	Mar 31 2010	Mar 31 2011	Mar 31 2010
Revenue from core activities	18,167	14,910	4,571	3,759
Costs of core activities	11,635	10,103	2,928	2,547
Profit on core activities	6,532	4,807	1,644	1,212
Operating profit	5,881	4,680	1,480	1,180
Pre-tax profit	5,821	3,679	1,465	927
Net profit	4,636	2,917	1,167	735
Net earnings per ordinary share (weighted average) (PLN/EUR)	0.16	0.10	0.04	0.03
Net cash provided by/(used in) operating activities	7,856	72,456	1,977	18,265
Total cash flows	10,284	61,842	2,588	15,590

Financial highlights	PLN '000		EUR '000	
	Mar 31 2011	Dec 31 2010	Mar 31 2011	Dec 31 2010
Total assets	620,847	398,654	154,751	100,663
Current liabilities	546,351	328,184	136,183	82,868
Equity	69,775	64,082	17,392	16,181
Number of shares	29,554,801	29,342,301	29,554,801	29,342,301
Book value per share (PLN/EUR)	2.36	2.18	0.59	0.55

The individual items of the financial highlights were translated into the euro at 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 for the last day of each month in a given period	Q1 2011	Q1 2010
EUR	3.9742	3.9669

- Items of the balance sheet:

Exchange rate as at	Mar 31 2011	Dec 31 2010
EUR	4.0119	3.9603

Introduction to financial statements

Information on the Company

The Company (under the name Dom Maklerski IPOPEMA S.A.) was established 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 aforementioned Articles of Association, the Company has been 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, XIX (currently XII) 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 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 consulting services form the core business of the Company.

All Company shares (a total of 29,554,801 shares) issued until 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 threaten the Company's continuing as a going concern - as a result of a voluntary or involuntary discontinuation or material limitation of its existing operations - for at least 12 months from the balance-sheet date of March 31st 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 Miler – Deputy Chairman of the Supervisory Board,
Janusz Diemko – Secretary of the Supervisory Board,
Bogdan Kryca – Member of the Supervisory Board,
Wiktor Sliwinski – Member of the Supervisory Board.

Basis for preparation of the condensed financial statements

These condensed financial statements cover the period January 1st – March 31st 2011 and contain comparative data for January 1st – March 31st 2010 (in the case of the profit and loss account and statement of cash flows) and also as at March 31st 2010 and 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 three companies, including:

- 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.

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

These interim condensed financial statements for the first quarter ended March 31st 2011 were approved for publication by the Management Board on May 10th 2011.

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 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 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 collectibility of receivables from individual debtors.

Impairment losses on receivables are estimated in the event of an increase in 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 – 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 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 particular receivables are uncollectible; in any other case, 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. The value of the leased out property, plant and equipment and intangible assets amounted to PLN 481 thousand as at March 31st 2011, including non-current receivables of PLN 363 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 house 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 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 period for which the financial statements are prepared. 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 assets held for trading, the Company includes securities acquired as a result of erroneous transactions as well as financial instruments acquired as a result of proprietary trading; they include both shares in companies listed on the Warsaw Stock Exchange and Budapest Stock Exchange, and derivatives linked to equities and stock-exchange indices (options and futures) listed on the WSE. 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 Warsaw Stock Exchange or the Budapest Stock Exchange, 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 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 receivable, subject to the prudent valuation principle. Current receivables include mainly bank deposits, cash and loans advanced. Loans with terms of three and five years advanced to IPOPEMA Securities' business partners are classified under "Loans advanced". Since loans may be amortised after the

repayment date, the Company applies the straight-line amortisation method with respect to the principal amount and accrued interest. 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. The Company carried no financial assets held to maturity in the current or previous period.

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, those shares in subordinated undertakings which are measured at cost.

Shares in subordinated undertakings are measured at cost less impairment. 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.

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

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 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 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 less than 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 payable. 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 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.

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 expenses, as appropriate.

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

Currency	Mar 31 2011	Dec 31 2010
USD	2.8229	2.9641
EUR	4.0119	3.9603
HUF 100	1.5096	1.4206
GBP	4.5530	4.5938
UAH	0.3562	0.3722
CZK	0.1634	0.1580
CHF	3.0825	3.1639
INR 100	6.3256	6.7450

Source: National Bank of Poland.

Changes in estimates

In the period covered by these financial statements, no changes in estimates occurred other than the changes in provisions for receivables 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, published on March 17th 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 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.

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

ASSETS (PLN '000)		Note	Mar 31 2011	Dec 31 2010	Mar 31 2010
I.	Cash and cash equivalents	1	104,029	93,462	106,466
1.	Cash in hand		10	9	3
2.	Cash at banks		28,856	30,524	9,763
3.	Other cash		64,911	52,786	91,652
4.	Cash equivalents		10,252	10,143	5,048
II.	Current receivables	2, 4	496,304	281,748	394,289
1.	From clients		149,793	165,094	193,212
2.	From related undertakings	13	767	723	-
3.	From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions		307,127	94,211	173,062
a)			307,127	94,211	173,062
4.	From entities operating regulated markets and commodity exchanges		19	9	23
5.	From the National Depository for Securities and exchange		36,657	21,048	26,988
6.	From issuers of securities or selling shareholders		-	52	-
7.	Taxes, subsidies and social security receivable		700	396	491
8.	Other		1,241	215	513
III.	Financial instruments held for trading		6,594	8,853	2,075
1.	Shares		6,592	8,828	2,065
2.	Derivative instruments		2	25	10
IV.	Current prepayments and accrued income		363	388	462
V.	Financial instruments held to maturity		-	-	-
VI.	Financial instruments available for sale		6,444	6,450	6,402
1.	Shares and other equity interests		6,008	6,007	6,008
	- in subordinated undertakings		6,008	6,007	6,008
2.	Investment certificates		436	443	394
VII.	Non-current receivables		463	493	100
VIII.	Non-current loans advanced		2,668	2,865	3,319
1.	Other		2,668	2,865	3,319
IX.	Intangible assets		1,784	1,842	1,510
1.	Acquired permits, patents, licenses and similar		1,784	1,842	1,510
	- computer software		1,784	1,842	1,510
X.	Property, plant and equipment		1,325	1,301	1,549
1.	Tangible assets, including:		1,178	1,298	976
a)	computer assemblies		606	702	441
b)	other tangible assets		572	596	535
2.	Tangible assets under construction		147	3	573
XI.	Non-current prepayments and accrued income		873	1,252	556
1.	Deferred tax assets	8	873	1,252	556
Total assets			620,847	398,654	516,728

Warsaw, May 10th 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

EQUITY AND LIABILITIES (PLN '000)		Note	Mar 31 2011	Dec 31 2010	Mar 31 2010
I.	Current liabilities	3	546,351	328,184	462,522
1.	To clients		313,503	120,469	194,011

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

2.	To related undertakings	13	-	-	-
3.	To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		219,154	190,456	256,222
a)	under executed transactions		219,154	190,456	256,222
4.	To entities operating regulated markets and commodity exchanges		897	758	838
5.	To the National Depository for Securities and exchange clearing houses		216	2,159	2,639
6.	Loans and borrowings		9,202	7,481	6,930
a)	from related undertakings		-	-	-
b)	other		9,202	7,481	6,930
7.	Taxes, customs duties and social security payable		663	698	904
8.	Other		2,716	6,163	978
II.	Non-current liabilities		-	-	-
III.	Accruals and deferred income		-	-	-
IV.	Provisions for liabilities	4	4,721	6,388	2,884
1.	Deferred tax liabilities	8	346	288	179
2.	Other		4,375	6,100	2,705
a)	non-current		-	-	-
b)	current		4,375	6,100	2,705
V.	Subordinated liabilities		-	-	-
VI.	Equity		69,775	64,082	51,322
1.	Share capital	5	2,955	2,934	2,893
2.	Reserve funds		46,707	45,665	32,822
a)	share premium account		8,475	7,433	7,280
b)	statutory reserve funds		978	978	964
c)	reserve funds created pursuant to the Articles of Association		37,254	37,254	24,578
3.	Revaluation capital reserve		46	52	-
4.	Retained earnings		15,431	-	12,690
5.	Net profit		4,636	15,431	2,917
Total equity and liabilities			620,847	398,654	516,728
Book value (PLN '000)			69,775	64,082	51,322
Number of shares as at end of period			29,554,801	29,342,301	28,928,553
Book value per share (PLN)			2.36	2.18	1.77
Diluted number of shares			29,676,138	29,299,121	29,182,958
Diluted book value per share (PLN)			2.35	2.18	1.76

Warsaw, May 10th 2011

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Vice-President of the Management Board

Danuta Ciosek
Chief Accountant

OFF-BALANCE-SHEET ITEMS (PLN '000)

Note

Mar 31 2011

Dec 31 2010

Mar 31 2010

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

I.	Contingent liabilities	6	-	-
II.	Third-party assets used		-	-
III.	Futures/forwards purchased or issued in the name and for the account of the brokerage house	13,084**	17,159**	1,064*

* 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).

** notional amount of the futures, as described above, plus the forward contract.

Warsaw, May 10th 2011

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Management Board

Danuta Ciosek
Chief Accountant

Income statement (PLN '000)	Note	Q1 2011	Q1 2010
I. Revenue from brokerage activities, including:		18,167	14,910
- from related undertakings	13	-	-
1. Fee and commission income		16,990	12,801
a) from transactions in financial instruments made in the name of the Company but for the account of the party placing an order		16,488	11,702
b) from offering financial instruments		-	-
c) other		502	1,099
2. Other income		1,177	2,109
a) from offering financial instruments		85	261
b) from discretionary management of third-party securities portfolios		112	18
c) other		980	1,830
II. Cost of brokerage activities		11,635	10,103
- from related undertakings	13	4	569
1. Fees payable to regulated markets, commodity exchanges, the National Depository for Securities and exchange clearing houses		3,183	2,824
2. Fees payable to commercial chamber		-	-
3. Salaries and wages		5,543	4,432
4. Social security and other benefits		293	435
5. Employee benefits		31	33
6. Materials and energy used		149	84
7. Costs of maintenance and lease of buildings		217	206
8. Depreciation and amortisation		259	200
9. Taxes and other public charges		344	312
10. Other		1,616	1,577
III. Profit (loss) on brokerage activities		6,532	4,807
IV. Income from financial instruments held for trading		854	345
1. Dividends and other profit distributions		-	-
2. Revaluation adjustments		290	100
3. Gain on sale/redemption		564	245
4. Other		-	-
V. Cost related to financial instruments held for trading		1,516	488
1. Revaluation adjustments		302	248
2. Loss on sale/redemption		1,214	240
VI. Gain (loss) on transactions in financial instruments held for trading		- 662	- 143
VII. Income from financial instruments available for sale		-	20
1. Revaluation adjustments		-	20
VIII. Cost related to financial instruments available for sale		-	6
IX. Gain (loss) on transactions in financial instruments available for sale		-	14
X. Other operating income		48	14
1. Other		48	14
XI. Other operating expenses		49	-
1. Other		49	-
XII. Difference between provisions for and impairment losses on receivables		12	12
1. Decrease in impairment losses on receivables		12	30
2. Increase in impairment losses on receivables		-	42
XIII. Operating profit		5,881	4,680

XIV. Finance income	838	391
1. Interest on loans advanced, including:	17	8
- from related undertakings	5	-
2. Interest on deposits	280	147
- from related undertakings	-	-
3. Other interest	5	-
4. Foreign exchange gains	305	-
a) realised	89	-
b) unrealised	216	-
5. Other	231	236
XV. Finance expenses	898	1,392
1. Interest on loans, including:	168	234
- to related undertakings	-	-
2. Foreign exchange losses	-	415
a) realised	-	96
b) unrealised	-	319
3. Other	730	743
XVI. Profit before extraordinary items	5,821	3,679
XVII. Pre-tax profit	5,821	3,679
XVIII. Corporate income tax	1,185	762
XIX. Net profit	4,636	2,917
Weighted average number of ordinary shares	29,417,857	28,928,553
Earnings per ordinary share (PLN)	0.16	0.10
Weighted average diluted number of ordinary shares	29,676,138	29,182,958
Diluted earnings per ordinary share (PLN)	0.16	0.10

Warsaw, May 10th 2011

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Danuta Ciosek
Chief Accountant

STATEMENT OF CASH FLOWS (PLN' 000)	Note	Q1 2011	Q1 2010
A. NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES			
I. Net profit		4,636	2,917
II. Total adjustments		3,220	68,848
1. Depreciation and amortisation		259	200
2. Foreign exchange gains/(losses)		- 172	-
3. Interest and profit distributions (dividends)		42	234
4. Profit (loss) on investment activities		187	-14
5. Change in provisions and impairment losses on receivables		- 1,678	-3,781
6. Change in financial instruments held for trading		2,260	2,270
7. Change in receivables		- 214,527	- 70,870
8. Change in current liabilities (net of loans and borrowings), including special accounts		216,445	140,928
9. Change in accruals and deferrals		404	572
III. Net cash provided by (used in) operating activities (I + II)		7,856	72,456
B. CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash provided by investing activities		39	3
1. Decrease in loans advanced		3	3
2. Other		36	-
II. Cash used in investing activities		225	3,080
1. Acquisition of intangible assets		144	133
2. Acquisition of property, plant and equipment		81	326
3. Non-current loans advanced		-	3,311
III. Net cash provided by (used in) investing activities (I - II)		- 186	- 3,767
C. NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES			
I. Cash provided by financing activities		2,782	-
1. Increase in current loans and borrowings		1,720	-
2. Proceeds from issue of shares		1,062	-
II. Cash used in financing activities		168	6,847
1. Repayment of current loans and borrowings		-	6,613
2. Interest paid		168	234
III. Net cash provided by (used in) financing activities (I - II)		2,614	- 6,847
TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)		10,284	61,842
BALANCE-SHEET CHANGE IN CASH, including:		10,457	61,842
- change in cash resulting from foreign exchange differences		173	-
CASH AT BEGINNING OF PERIOD	14	83,320	39,576
CASH AT END OF PERIOD (F +/- D), including:	14	93,777	101,418
- restricted cash		-	-

Warsaw, May 10th 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 CHANGES IN EQUITY (PLN' 000)		Q1 2011	2010	Q1 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	1,042	12,843	-
a)	increase	1,042	12,843	-
	- distribution of profit (statutory)	-	-	-
	- distribution of profit (above statutory minimum)	-	12,690	-
	- share premium account	1,042	153	-
2.2.	Reserve funds at end of period	46,707	45,665	32,822
3.	Revaluation capital reserve at beginning of period	52	-	-
3.1.	Changes in revaluation capital reserve	-6	52	-
a)	increase	-	52	-
	- revaluation of financial instruments	-	52	-
a)	decrease	6	-	-
	- revaluation of financial instruments	6	-	-
3.2.	Revaluation capital reserve at end of period	46	52	-
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	-	-	12,690
b)	decrease	-	12,690	-
	- distribution of retained earnings (dividend)	-	-	-
	- distribution of retained earnings (increase in reserve funds)	-	12,690	-
4.2.	Retained earnings /(deficit) at end of period	15,431	-	12,690
5.	Net profit (loss)	4,636	15,431	2,917
a)	net profit	4,636	15,431	2,917
b)	net loss	-	-	-
II.	EQUITY AT END OF PERIOD (CLOSING BALANCE)	69,775	64,082	51,322
III.	EQUITY AFTER PROPOSED DISTRIBUTION OF PROFIT	69,775	64,082	-

Warsaw, May 10th 2011

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Notes to interim financial statements

Note 1

Cash and other assets (PLN '000)	Mar 31 2011	Dec 31 2010	Mar 31 2010
Cash and other assets of clients			
a) at banks and in hand	57,197	49,148	74,008
b) other *	-	-	-
Total cash and other assets of clients	57,197	49,148	74,008
Cash and other assets:			
a) cash and other assets of the brokerage house, including:	46,832	44,314	32,458
- in hand	10	9	3
- at banks	28,856	30,524	9,763
- other cash *	17,966	13,781	22,692
b) cash and other assets of clients deposited in cash accounts	57,197	49,148	74,008
- at the brokerage house and paid towards acquisition of securities	57,197	49,148	74,008
- in an IPO or on the primary market	-	-	-
c) cash and other assets transferred from the settlement guarantee fund	-	-	-
Total cash and other assets	104,029	93,462	106,466

* "other" and "other cash" items include cash in bank deposits and interest accrued thereon.

Note 2

Selected current receivables (PLN '000)	Mar 31 2011	Dec 31 2010	Mar 31 2010
1. Selected current receivables	494,344	281,076	393,262
a) from clients, including:	149,793	165,094	193,212
- under transactions executed on the Warsaw Stock Exchange	128,210	156,322	135,809
- under transactions executed on the Budapest Stock Exchange	19,075	6,457	52,519
- other	2,508	2,315	4,884
b) from related undertakings, including:	767	723	-
- from subsidiary undertakings	767	723	-
c) from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	307,127	94,211	173,062
- under transactions executed on the Warsaw Stock Exchange	229,434	87,912	114,089
- under transactions executed on the Budapest Stock Exchange	77,693	6,299	58,973
d) from the National Depository for Securities and exchange clearing houses, including	36,657	21,048	26,988
- from the settlement guarantee fund	36,657	21,048	9,353
e) under court proceedings, not covered by recognised impairment losses on receivables	-	-	-
2. Net current receivables	496,304	281,748	394,289
- impairment losses on current receivables (positive value)	2,201	2,213	2,155
Gross current receivables	498,505	283,961	396,444

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 concluded and not settled purchase and sale transactions in securities.

Note 3

Selected current liabilities (PLN '000)	Mar 31 2011	Dec 31 2010	Mar 31 2010
Selected current liabilities	545,688	327,486	461,618
1. To clients	313,503	120,469	194,011
a) under transactions executed on the Warsaw Stock Exchange	190,549	59,757	93,947
b) under transactions executed on the Budapest Stock Exchange	47,115	2,779	12,476
c) other	75,839	57,933	87,588
2. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	219,154	190,456	256,222
a) under transactions executed on the Warsaw Stock Exchange	164,737	178,597	157,223
b) under transactions executed on the Budapest Stock Exchange	54,417	11,859	98,999
3. To entities operating regulated markets and commodity exchanges	897	758	838
a) to the Warsaw Stock Exchange	809	678	812
b) to the Budapest Stock Exchange	88	80	26
4. To the National Depository for Securities and exchange clearing houses	216	2,159	2,639
a) under additional payments to the settlement guarantee fund	-	1,965	2,403
b) other	216	194	236
5. Loans and borrowings	9,202	7,481	6,930
a) from related undertakings	-	-	-
b) other	9,202	7,481	6,930
6. Other	2,716	6,163	978
a) dividend	-	-	-
b) other liabilities, including:	2,716	6,163	978
- financial liabilities (valuation of derivatives)	173	98	4
- other liabilities	2,543	6,065	974

As at March 31st 2011, the Company's liabilities under loans related to its brokerage business amounted to PLN 9,202 thousand, compared with PLN 7,481 thousand as at December 31st 2010. The liabilities result from two working-capital overdraft facility agreements executed on July 22nd 2009 with Alior Bank S.A. to finance the payment of liabilities to the National Depository for Securities. The original term of the agreements was one year, however, under the Annex of July 21st 2010 the term was extended until July 20th 2011.

1. Agreement providing for a revolving credit facility of up to PLN 10m. The purpose of the facility is to finance the 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 and a power of attorney over accounts held with the bank.
2. Agreement providing for a 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, a power of attorney over accounts held with the bank, and a hold placed on a PLN 10m term deposit account held with the bank (PLN 5m until July 20th 2010).

Note 4

Changes in provisions for liabilities and impairment losses on receivables

In Q1 2011, provisions for liabilities decreased by PLN 1,725 thousand compared with December 31st 2010. In the comparative period, i.e. Q1 2010, provisions for liabilities fell by PLN 3,760 thousand.

In Q1 2011, impairment losses on receivables were down by PLN 12 thousand relative to December 31st 2010. In the comparative period, i.e. Q1 2010, impairment losses on receivables increased by PLN 12 thousand.

Note 5

Share capital	Mar 31 2011	Dec 31 2010	Mar 31 2010
a) par value per share (PLN)	0.10	0.10	0.10
b) series/issue	A, B, C	A, B, C	A, B, C
c) type of shares	ordinary bearer shares	ordinary bearer shares	ordinary bearer shares
d) preference attached to shares	none	none	none
e) restrictions on rights attached to shares	none	none	none
f) number of shares	29,554,801	29,342,301	28,928,553
g) total par value of series/issue (PLN '000)	2,955	2,934	2,893
h) type of contribution	cash	cash	cash
i) dividend right (since)	shares carry the right to distribution of profit for 2011 and 2010	shares carry the right to distribution of profit for 2010, and carried the right to distribution of profit for 2009	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 a total 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 containing the authorisation were entered in the Register of Entrepreneurs (the authorised capital). The above period expired on January 23rd 2011, triggering the expiry of the authorisation.

The Company's Articles of Association provide 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 2010. For more information on the Company's incentive scheme, see Note 7.

As a result of subscription for the above shares, the Company's share capital increased in Q1 2011 by PLN 21,250 and by PLN 41,374.80 in 2010. As at March 31st 2011, the share capital was PLN 2,955,480.10 (December 31st 2010: PLN 2,934,230.10) 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.

Note 6

Contingent liabilities and assets

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

Note 7

Incentive scheme

In Q1 2011, under Share Option Plan II, eligible persons acquired 212,500 shares. In the comparative period, i.e. Q1 2010, 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 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 consolidated financial statements of the Group.

In total, on a consolidated basis, the cost of the option plans increased the cost of salaries and wages in Q1 2011 by PLN 46 thousand, affecting the bottom line of IPOPEMA Securities S.A. In the comparative period, i.e. Q1 2010, the cost of these plans increased the cost of salaries and wages by PLN 301 thousand, of which PLN 174 thousand was allocated to IPOPEMA TFI S.A., and the rest (PLN 127 thousand) to IPOPEMA Securities S.A.

The option plans were valued 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).

Note 8

Information on deferred income tax

In Q1 2011, deferred tax liability increased by PLN 58 thousand. In Q1 2010, deferred tax liability decreased by PLN 32 thousand.

Deferred tax assets decreased in Q1 2011 by PLN 379 thousand. In Q1 2010, deferred tax assets decreased by PLN 676 thousand.

Note 9

Distribution of profit

Until the preparation of these financial statements, no final decision was taken by the Management Board concerning the recommended distribution of the 2010 profit. Any relevant decisions will be taken at a later date, however not later than by the date of convening of the Annual General Shareholders Meeting, which pursuant to the Commercial Companies Code must be held within six months from the end of a given financial year.

Note 10

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

In Q1 2011, the Parent Undertaking issued 212,500 Series C shares. For more information, see Note 7.

Note 11

Dividends paid or declared

In the first quarter of 2011 and 2010, the Company neither paid nor resolved to pay any dividend.

Note 12

Material related party transactions (including amounts) 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.

Note 13

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 – Mar 31 2011				Jan 1 – Mar 31 2010			
IPOPEMA BC	-	-	-	-	-	-	-	-
IPOPEMA TFI	-	14	-	-	-	11	-	-
IPOPEMA Business Services Kft.	-	34	-	29	-	-	-	-
Members of the Management Board and Other related parties	-	-	4	-	-	-	569	-
Total	-	48	4	29	-	-	569	-

Related party transactions – receivables and liabilities

Related party	Receivables			Liabilities		
	Mar 31 2011	Dec 31 2010	Mar 31 2010	Mar 31 2011	Dec 31 2010	Mar 31 2010
IPOPEMA BC	-	9	-	-	-	-
IPOPEMA TFI	1	7	-	-	-	-
IPOPEMA Business Services	1,129	1,099	189	-	-	-
Members of the Management Board and Supervisory Board	-	-	-	-	-	-
Other related parties	-	-	-	-	-	-
Total	1,130	1,115	189	-	-	-

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

Note 14

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 undertaking) and any related monetary costs and benefits.

Structure of cash

	Presentation in the balance sheet		Presentation in the statement of cash flows	
	Mar 31 2011	Mar 31 2010	Mar 31 2011	Mar 31 2010
Cash and cash equivalents	104,029	106,466	93,777	101,418
1. In hand	10	3	10	3
2. At banks	28,856	9,763	28,856	9,763
3. Other cash	64,911	91,652	64,911	91,652
4. Cash equivalents (deposit for a period exceeding three months)	10,252	5,048	-	-

Change in cash resulting from currency exchange differences	-	-	173	-
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The difference between cash as disclosed in the balance sheet and as disclosed in the statement of cash flows as at March 31st 2011 is due to foreign exchange gains of PLN 173 thousand.

The difference between the presentation of cash in the balance sheet and the statement of cash flows as at March 31st 2010 was attributable to the recognition of a PLN 10m long-term deposit (maturing in more than three months after the balance-sheet date) under investing activities and elimination of PLN 252 thousand of interest accrued on the deposit.

Differences in changes in balance-sheet items

	Presentation in the balance sheet		Balance-sheet change	Presentation in the statement of cash flows – change
	Mar 31 2011	Dec 31 2010	Mar 31 2011	Mar 31 2011
Gross (current and non-current) receivables	501,636	287,319	214,317	214,527
Net receivables	499,435	285,106		
Impairment losses on receivables	2,201	2,213		12
Provisions	4,710	6,376	1,666	1,666
Deferred income tax taken to equity	11	12		-
Total change in impairment losses and provisions				1,678

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 those receivables under loans advanced which were disclosed in investing activities.

Explanation to other items of the statement of cash flows

"Other cash provided by investing activities" for the period January 1st – March 31st 2011 includes repayment of interest on loans advanced, of PLN 6 thousand, and change in lease receivables by PLN 30 thousand. This item was absent in the comparative period.

Note 15

Clients' financial instruments

As at March 31st 2011, financial instruments registered in clients' accounts totalled PLN 374,295 thousand, compared with PLN 175,688 thousand as at December 31st 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 March 31st 2011, their value amounted to PLN 297,024 thousand, compared with 334,647 thousand as at December 31st 2010.

Note 16

Operating segments

The Company does not identify separate operating segments within its structure and forms a single segment. IPOPEMA Securities' segment comprises brokerage activities, as well as business and management consulting services. The information presented in these financial statements relates to as well to this operating segment.

Note 17

Information on court proceedings

On January 13th 2009, IPOPEMA Securities S.A. filed with the Regional Court a suit for payment of past due receivables of PLN 891 thousand. As at the date of preparation of these financial statements, the proceedings were still under way. Impairment losses were recognised for the full amount of the disputed receivables. In the periods covered by these financial statements, the Group was not a party to any other court proceedings.

Note 18

Other events and factors in Q1 2011

Situation on the equity markets of the Warsaw and Budapest stock exchanges

Q1 2011 saw a continuation of the growth trend on the secondary market of the WSE. Average monthly trading volume reached PLN 42.9bn, up by 39.9% from Q1 2009, when the trading volume was PLN 30.7bn. In Hungary, trading volumes on the equity market were similar those recorded in the wake of the economic slump and implementation of changes in the pension system in H2 2010. Thus, the average monthly trading volumes in Q1 2011 were lower by 35.6% compared with the corresponding period of 2010 (EUR 2.4bn in January-March 2011, against EUR 3.73bn a year earlier). Despite the fact that IPOPEMA's market share on the WSE slightly deteriorated (to 8.13% in Q1 2011, compared with 8.54% a year earlier), owing to the recognition of revenue from IPOPEMA's fully-fledged business operations on the BSE (March 2010 was the first month of the Company's operations on that market), IPOPEMA Securities' revenue from securities trading rose to PLN 15,481 thousand in Q1 2011 from PLN 11,846 thousand during the first three months of 2010 (up by 30.7%).

Investment banking services

Due to a lower number of closed transactions in the first three months of 2011, during that period the Company's revenue from investment banking services was down by 15.3% compared with the same period of 2010 (PLN 2,460 thousand against PLN 2,906 thousand a year earlier).

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

On March 15th 2011, the Parent Undertaking entered into a share purchase agreement whereby it acquired all shares in Credit Suisse Asset Management (Polska) S.A. The completion of the transaction is subject to obtaining the required authorisations from regulatory bodies (the Polish Financial Supervision Authority and the Polish Office of Competition and Consumer Protection). Disclosure of information required under IFRS 3 is not practicable, therefore Group has not presented this information in these consolidated financial statements.

Note 19

Events subsequent to the balance-sheet date

All events relating to the reporting period have been disclosed in the accounting books and the financial statements for the period January 1st – March 31st 2011. No events occurred after the balance-sheet date which should have been but were not disclosed in the accounting books for the reporting period.

Sale of the Company shares by related persons

On April 12th 2011 transactions were executed involving sale of the Company shares, as a result of which persons related to certain Management Board and Supervisory Board members sold in aggregate 2,663,808 IPOPEMA Securities S.A. shares. Detailed information on these transactions was published by the Company in current report No. 11/2011 of April 12th 2011.

Warsaw, May 10th 2011

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