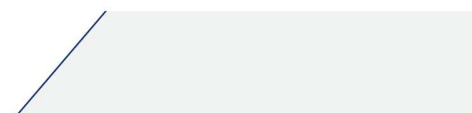


IPOPEMA Securities S.A.

Interim condensed financial statements

**for the six months
ended June 30th 2012**

Warsaw, August 23rd 2012



STATEMENT OF COMPLIANCE

The Management Board of IPOPEMA Securities S.A. hereby represents that:

- To the best of our knowledge, the interim condensed financial statements for the six months ended on June 30th 2012 and the comparative data have been prepared in compliance with the applicable accounting standards and give a clear, true and fair view of the assets, financial standing and financial performance of IPOPEMA Securities S.A.;
- BDO Sp. z o.o., registered office at ul. Postępu 12, Warsaw, a qualified auditor of financial statements, entered in the list of qualified auditors of financial statements maintained by the National Chamber of Statutory Auditors (KIBR) under Reg. No. 3355, which reviewed the interim condensed financial statements, was appointed in compliance with applicable laws. BDO Sp. z o.o. and the auditor who reviewed the interim condensed financial statements of IPOPEMA Securities S.A. for the six months ended on June 30th 2012 meet the relevant criteria for issuing an impartial and independent report on the reviewed financial statements, in accordance with the applicable laws and professional standards.
- The Directors' Report for H1 2012 gives a true picture of the Company's development, achievements and standing; it also includes a description of risks and key threats.

Warsaw, August 23rd 2012

Management Board of IPOPEMA Securities S.A.:

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

Financial highlights

Financial highlights	PLN '000		EUR '000	
	6 months ended		6 months ended	
	Jun 30 2012	Jun 30 2011	Jun 30 2012	Jun 30 2011
Revenue from core activities	24,412	37,245	5,779	9,388
Cost of core activities	18,735	24,939	4,435	6,286
Profit on core activities	5,677	12,306	1,344	3,102
Operating profit	8,975	11,895	2,124	2,998
Pre-tax profit	6,851	11,643	1,622	2,935
Net profit	6,186	9,246	1,464	2,331
Net earnings per ordinary share (weighted average) (PLN/ EUR)	0.21	0.31	0.05	0.08
Net cash from operating activities	- 12,649	- 26,400	- 2,994	- 6,654
Total cash flows	- 9,481	- 23,551	- 2,244	- 5,936

Financial highlights	PLN '000			EUR '000		
	Jun 30 2012	Dec 31 2011	Jun 30 2011	Jun 30 2012	Dec 31 2011	Jun 30 2011
Total assets	509,239	607,285	825,578	119,503	137,494	207,088
Current liabilities	450,791	535,269	762,411	105,787	121,189	191,243
Equity	56,998	65,301	58,998	13,376	14,785	14,799
Number of shares	29,752,122	29,554,801	29,554,801	29,752,122	29,554,801	29,554,801
Book value per share (PLN/EUR)	1.92	2.21	2.00	0.45	0.50	0.50

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 on the last day of each month in a given period	H1 2012	H1 2011
EUR	4.2246	3.9673

- Items of the balance sheet:

Exchange rate as at	Jun 30 2012	Dec 31 2011	Jun 30 2011
EUR	4.2613	4.4168	3.9866

Introduction to financial statements

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 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 Meeting held on August 10th 2006.

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

All Company shares (a total of 29,752,122 shares) issued to date are admitted to trading on the regulated market operated by the Warsaw Stock Exchange and have been introduced to trading on the main market. May 26th 2009 was the first listing date.

Going-concern assumption

These financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future, that is over 12 months after the balance-sheet date. As at the date of approval of these financial statements, no circumstances have been identified which would threaten the Company's continuing as a going concern, as a result of voluntary or involuntary discontinuation or material limitation of its existing operations, within at least 12 months from the balance-sheet date, that is June 30th 2012.

Composition of the Management Board and the Supervisory Board

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

Jacek Lewandowski – 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.

There were no changes in the composition of the Company's management Board in H1 2012 or in 2011.

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

Jacek Jonak – Chairman of the Supervisory Board,
Janusz Diemko – Secretary of the Supervisory Board,
Bogdan Kryca – Member of the Supervisory Board,
Małgorzata Adamkiewicz – Member of the Supervisory Board,
Zbigniew Mrowiec – Member of the Supervisory Board.

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

Basis for preparation of these condensed financial statements

These condensed financial statements cover the period from January 1st to June 30th 2012 and include comparative data for the period from January 1st to June 30th 2011 (for the income statement and the statement of cash flows) and, additionally, data as at December 31st 2011 (for the balance sheet and the statement of changes in equity).

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

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

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

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

Identification of financial statements

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

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

Selected accounting policies

Receivables

Current receivables

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

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

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

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

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

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

Under receivables, the Company also recognises receivables under lease of property, plant and equipment and intangible assets to IPOPEMA Business Services Kft. The value of the leased out property, plant and equipment and intangible assets was PLN 333 thousand as at June 30th 2012 (December 31st 2011: PLN 393 thousand), including non-current receivables of PLN 209 thousand (December 31st 2011: PLN 272 thousand).

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

Current receivables from clients, current receivables from banks conducting brokerage activities and other brokerage houses, current liabilities to clients and current liabilities to banks conducting brokerage activities and other brokerage houses arise in connection with the executed transactions of purchase and sale of securities which have not yet been cleared at the clearing houses due to the transaction settlement procedure (T+3). In the case of purchase transactions executed on stock exchanges to fulfil 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 executed on stock exchanges to fulfil 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 reporting period covered by these financial statements. Instruments not traded on stock-exchanges (*a forward contract*) have been measured using interest rates and currency exchange rates as at the balance-sheet date. Changes in the value of financial instruments held for trading are recognised under income from or cost related to financial instruments held for trading, as appropriate.

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

Financial assets are recognised at acquisition cost as at the transaction date, i.e. at the fair value of expenses incurred or other assets transferred in return, whereas financial liabilities are 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 transaction date, the Company takes into account the incurred transaction cost.

The Company does not apply hedge accounting.

Loans advanced and receivables

Loans and receivables include financial assets arising when the Company delivers cash directly to the counterparty, irrespective of the maturity date of such assets. Loans advanced and receivables are measured at adjusted acquisition cost, which is estimated using the effective interest rate method. Non-interest bearing current receivables are measured at amounts receivable, subject to the prudent valuation principle. Current receivables include mainly bank deposits, cash and loans advanced. Loans advanced to IPOPEMA Securities's employees and associates are classified under "Loans advanced". With respect to loans which may be amortised (three-year and five-year loans), the Group applies straight-line amortisation to the principal and accrued interest. Amortisation charges are disclosed under finance expenses. Loans advanced to a subsidiary are also recognised under this item.

Financial assets held to maturity

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

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

Financial assets available for sale

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

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

Shares in subsidiaries are measured at cost less impairment. Shares in a subsidiary denominated in a foreign currency are translated into the Polish currency at 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 borrowings, including overdrafts. Other financial liabilities are measured at amortised cost.

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

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

Impairment of financial instruments

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

Liabilities

Current liabilities

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

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

Non-current liabilities

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

Translation of foreign-currency items

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

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

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	Jun 30 2012	Dec 31 2011
USD	3.3885	3.4174
EUR	4.2613	4.4168
HUF 100	1.4784	1.4196
GBP	5.2896	5.2691
UAH	0.4221	0.4255
CZK	0.1664	0.1711
CHF	3.5477	3.6333
INR 100	6.0399	6.4100

Source: National Bank of Poland.

Changes in estimates

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

Changes in applied accounting policies

The policies applied in the period covered by these financial statements are described in detail in the financial statements for 2011, published on March 20th 2012. In H1 2012, the Company did not change its accounting policies.

Comparability of the reported data

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

Seasonality

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

Correction of errors of past periods

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

ASSETS (PLN '000)		Note	Jun 30 2012	Dec 31 2011	Jun 30 2011
I.	Cash and cash equivalents	1	79,697	90,339	70,200
1.	In hand		7	8	8
2.	At banks		21,376	30,744	31,011
3.	Other cash		54,264	55,496	28,822
4.	Cash equivalents		4,050	4,091	10,359
II.	Current receivables	2, 7	411,190	500,708	738,665
1.	From clients		128,771	204,607	363,553
2.	From related entities	17	1,517	1,273	846
3.	From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		229,655	251,990	343,903
a)	under executed transactions		229,655	251,990	343,903
4.	From entities operating regulated markets and commodity exchanges		-	-	9
5.	From the National Depository for Securities and exchange		48,042	42,476	30,143
6.	From issuers of securities or selling shareholders		-	-	-
7.	Taxes, subsidies and social security receivable		381	59	-
8.	Other		2,824	303	211
III.	Financial instruments held for trading	3, 4	805	1,522	2,330
1.	Equities		805	1,294	2,330
2.	Derivative instruments		-	228	-
IV.	Current prepayments and accrued income		553	441	1,158
V.	Financial instruments held to maturity		-	-	-
VI.	Financial instruments available for sale	3, 4	7,001	7,007	6,424
1.	Shares and other equity interests		6,637	6,637	6,008
	- in subordinated entities		6,637	6,637	6,008
2.	Investment certificates		364	370	416
VII.	Non-current receivables		4,071	372	433
VIII.	Non-current loans advanced		1,987	2,433	2,464
1.	Other		1,987	2,433	2,464
IX.	Intangible assets	4, 5	1,877	1,946	1,873
1.	Acquired permits, patents, licenses and similar		1,877	1,946	1,873
	- computer software		1,877	1,946	1,873
X.	Property, plant and equipment	4, 5	1,817	1,348	1,288
1.	Tangible assets, including:		1,074	1,315	1,240
a)	computer assemblies		615	779	658
b)	other tangible assets		459	536	582
2.	Tangible assets under construction		743	33	48
XI.	Non-current prepayments and accrued income		241	1,169	743
1.	Deferred tax assets	12	241	1,169	743
Total assets			509,239	607,285	825,578

Warsaw, August 23rd 2012

 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 H1 2012

EQUITY AND LIABILITIES (PLN '000)		Note	Jun 30 2012	Dec 31 2011	Jun 30 2011
I.	Current liabilities	6	450,791	535,269	762,411
1.	To clients		253,661	272,283	314,210
2.	To related parties	17	16	392	405
3.	To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		155,956	240,732	415,815
a)	under executed transactions		155,956	240,732	415,815
4.	To entities operating regulated markets and commodity exchanges		796	836	1,753
5.	To the National Depository for Securities and exchange clearing houses		4,367	3,912	1,796
6.	Borrowings and other debt instruments		19,280	15,083	10,139
a)	from related parties		-	-	-
b)	other		19,280	15,083	10,139
7.	Taxes, customs duties and social security payable		322	548	1,058
8.	Salaries and wages		-	-	30
9.	Other		16,393	1,483	17,205
II.	Non-current liabilities		-	-	-
III.	Accruals and deferred income		-	-	-
IV.	Provisions for liabilities	7	1,450	6,715	4,169
1.	Deferred tax liabilities	12	395	690	400
2.	Other		1,055	6,025	3,769
a)	non-current		-	-	-
b)	current		1,055	6,025	3,769
V.	Subordinated liabilities		-	-	-
VI.	Equity		56,998	65,301	58,998
1.	Share capital	8	2,975	2,955	2,955
2.	Reserve funds		47,850	46,768	46,768
a)	share premium		9,435	8,474	8,474
b)	statutory reserve funds		992	985	985
c)	reserve funds created pursuant to the Articles of Association		37,423	37,309	37,309
3.	Revaluation capital reserve		-13	-7	29
4.	Retained earnings		-	-	-
5.	Net profit	13	6,186	15,585	9,246
Total equity and liabilities			509,239	607,285	825,578
Book value (PLN '000)			56,998	65,301	58,998
Number of shares as at end of period			29,752,122	29,554,801	29,554,801
Book value per share (PLN)			1.92	2.21	2.00
Diluted number of shares			29,775,035	29,754,097	29,744,004
Diluted book value per share (PLN)			1.91	2.19	1.98

Warsaw, August 23rd 2012

 Jacek Lewandowski
 President of the Management Board

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 Danuta Ciosek
 Chief Accountant

OFF-BALANCE-SHEET ITEMS (PLN '000)		Note	Jun 30 2012	Dec 31 2011	Jun 30 2011
I.	Contingent liabilities	9	-	-	-
II.	Third-party assets used		-	-	-
III.	Futures/forwards purchased or issued in the name and for the account of the brokerage house		4,911*	16,354*	10,484*

* 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) and forward contracts.

Warsaw, August 23rd 2012

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Mirosław Borys
Vice-President of the
Management Board

Danuta Ciosek
Chief Accountant

Income statement (PLN '000)	Note	H1 2012	H1 2011
I. Revenue from brokerage activities, including:		24,412	37,245
- from related parties	17	4	58
1. Fee and commission income		21,608	34,323
a) from transactions in financial instruments made in the name of the Company but for the account of the party placing an order		19,383	31,126
b) from offering financial instruments		2,225	2,095
c) other		-	1,102
2. Other income		2,804	2,922
a) from offering financial instruments		-	270
b) from discretionary management of third-party securities portfolios		139	170
c) other		2,665	2,482
II. Cost of brokerage activities		18,735	24,939
- from related parties	17	491	473
1. Fees payable to regulated markets, commodity exchanges, the National Depository for Securities and exchange clearing houses		5,270	6,543
2. Fees payable to commercial chamber		-	-
3. Salaries and wages		7,770	11,862
4. Social security and other benefits		702	443
5. Employee benefits		72	63
6. Materials and energy used		134	237
7. Costs of maintenance and lease of buildings		469	432
8. Depreciation and amortisation		571	515
9. Taxes and other public charges		762	790
10. Other		2,985	4,054
III. Profit (loss) on brokerage activities		5,677	12,306
IV. Income from financial instruments held for trading		1,717	1,493
1. Dividends and other profit distributions		163	12
2. Revaluation adjustments		123	265
3. Gain on sale/redemption		1,431	1,216
4. Other		-	-
V. Cost related to financial instruments held for trading		2,426	1,921
1. Revaluation adjustments		312	226
2. Loss on sale/redemption		2,114	1,695
VI. Gain (loss) on transactions in financial instruments held for trading		-709	-428
VII. Income from financial instruments available for sale		3,800	-
1. Dividends and other profit distributions		3,800	-
- from related parties		3,800	-
VIII. Cost related to financial instruments available for sale		-	-
IX. Gain (loss) on transactions in financial instruments available for sale		3,800	-
X. Other operating income		128	125
1. Other		128	125
XI. Other expenses		118	128
1. Other		118	128
XII. Difference between provisions for and impairment losses on receivables		197	20
1. Decrease in impairment losses on receivables		200	27
2. Increase in impairment losses on receivables		3	7
XIII. Operating profit		8,975	11,895

XIV. Finance income	1,879	1,511
1. Interest on loans advanced, including:	37	34
- from related parties	9	9
2. Interest on deposits	599	628
- from related parties	-	-
3. Other interest	7	9
4. Foreign exchange gains	403	99
a) realised	403	57
b) unrealised	-	42
5. Other	833	741
XV. Finance costs	4,003	1,763
1. Interest on borrowings and other debt instruments, including:	647	406
- to related parties	-	-
2. Other interest	63	3
3. Foreign exchange losses	1,176	-
a) realised	-	-
b) unrealised	1,176	-
4. Other	2,117	1,354
XVI. Profit before extraordinary items	6,851	11,643
XVII. Pre-tax profit	6,851	11,643
XVIII. Income tax	665	2,397
XIX. Net profit	6,186	9,246
Weighted average number of ordinary shares	29,697,913	29,486,707
Earnings per ordinary share (PLN)	0.21	0.31
Weighted average diluted number of ordinary shares	29,775,035	29,744,004
Diluted earnings per ordinary share (PLN)	0.21	0.31

Warsaw, August 23rd 2012

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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	H1 2012	H1 2011
A. NET CASH FROM OPERATING ACTIVITIES			
I. Net profit		6,186	9,246
II. Total adjustments		-18,835	-35,646
1. Depreciation and amortisation		571	515
2. Foreign exchange gains/(losses)		1,184	-,33
3. Interest and profit distributions (dividends)		-3,485	144
4. Gain (loss) on investing activities		408	372
5. Change in provisions and impairment losses on receivables		-6,367	-2,234
6. Change in financial instruments held for trading		717	6,522
7. Change in receivables		91,466	-456,870
8. Change in current liabilities (net of borrowings and other debt instruments), including special accounts		-104,146	416,200
9. Change in accruals and deferrals		817	-,262
III. Net cash from operating activities (I + II)		-12,649	-26,400
B. CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash provided by investing activities		3,394	76
1. Decrease in loans advanced		5	6
2. Profit distributions (dividends) received		3,153	4
3. Interest received		174	-
4. Other		62	66
II. Cash used in investing activities		4,777	541
1. Acquisition of intangible assets		262	307
2. Acquisition of property, plant and equipment		709	226
3. Non-current loans advanced		15	-
4. Other cash used in investing activities		3,791	8
III. Net cash from investing activities (I - II)		-1,383	-465
C. NET CASH FROM FINANCING ACTIVITIES			
I. Cash provided by financing activities		5,184	3,720
1. Increase in current borrowings and other debt instruments		4,197	2,657
2. Proceeds from issue of share capital		987	1,063
II. Cash used in financing activities		633	406
1. Repayment of current borrowings and other debt instruments		-	-
2. Interest paid		633	406
III. Net cash from financing activities (I - II)		4,551	3,314
D. TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)		-9,481	-23,551
E. BALANCE-SHEET CHANGE IN CASH, including:		-10,600	-23,478
- change in cash resulting from foreign exchange differences		-1,119	73
F. CASH AT BEGINNING OF PERIOD	18	86,247	83,363
G. CASH AT END OF PERIOD (F +/- D), including:	18	76,766	59,812
- restricted cash		4,268	9,169

Warsaw, August 23rd 2012

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STATEMENT OF CHANGES IN EQUITY (PLN' 000)	H1 2012	2011	H1 2011
I. EQUITY AT BEGINNING OF PERIOD (OPENING BALANCE)	65,301	64,082	64,082
- changes in adopted accounting policies	-	-	-
- correction of errors	-	-	-
I.a. EQUITY AT BEGINNING OF PERIOD AFTER ADJUSTMENTS	65,301	64,082	64,082
1. Share capital at beginning of period	2,955	2,934	2,934
1.1. Changes in share capital	20	21	21
a) increase	20	21	21
- issue of shares	20	21	21
1.2. Share capital at end of period	2,975	2,955	2,955
2. Reserve funds at beginning of period	46,768	45,665	45,665
2.1. Changes in reserve funds	1,082	1,103	1,103
a) increase	1,082	1,103	1,103
- distribution of profit (statutory)	-	-	7
- distribution of profit (above statutory minimum)	114	62	55
- share premium	968	1,041	1,041
2.2. Reserve funds at end of period	47,850	46,768	46,768
3. Revaluation capital reserve at beginning of period	-7	52	52
3.1. Changes in revaluation capital reserve	-6	-59	-23
a) increase	37	26	5
- revaluation of financial instruments	37	26	5
a) decrease	43	85	28
- revaluation of financial instruments	43	85	28
3.2. Revaluation capital reserve at end of period	-13	-7	29
4. Retained earnings/(deficit) at beginning of period	15,585	15,431	15,431
4.1. Retained earnings at beginning of period	15,585	15,431	15,431
a) increase	-	-	-
b) decrease	15,585	15,431	15,431
- distribution of retained earnings (dividend)	15,471	15,369	15,369
- distribution of retained earnings (increase in reserve funds)	114	62	62
4.2. Retained earnings /(deficit) at end of period	-	-	-
5. Net profit (loss)	6,186	15,585	9,246
a) net profit	6,186	15,585	9,246
b) net loss	-	-	-
II. EQUITY AT END OF PERIOD (CLOSING BALANCE)	56,998	65,301	58,998
III. EQUITY AFTER PROPOSED DISTRIBUTION OF PROFIT	56,998	65,301	58,998

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Notes to the interim financial statements

Note 1

Cash and other assets (PLN '000)	Jun 30 2012	Dec 31 2011	Jun 30 2011
Cash and other assets of clients			
a) at banks and in hand	39,824	45,775	13,442
b) other *	-	-	-
Total cash and other assets of clients	39,824	45,775	13,442
Cash and other assets:			
a) cash and other assets of the brokerage house, including:	39,873	44,564	56,758
- in hand	7	8	8
- at banks	21,376	30,744	31,011
- other cash *	18,490	13,812	25,739
b) cash and other assets of clients deposited in cash accounts	39,824	45,775	13,442
- at the brokerage house and paid towards acquisition of securities	39,824	45,775	13,442
- in an IPO or on the primary market	-	-	-
c) cash and other assets transferred from the settlement guarantee fund	-	-	-
Total cash and other assets	79,697	90,339	70,200

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

Note 2

Selected current receivables (PLN '000)	Jun 30 2012	Dec 31 2011	Jun 30 2011
1. Selected current receivables	407,985	500,346	738,454
a) from clients, including:	128,771	204,607	363,553
- under transactions executed on the Warsaw Stock Exchange	112,243	186,526	303,147
- under transactions executed on the Budapest Stock Exchange	13,382	15,921	58,109
- other	3,146	2,160	2,297
b) from related parties, including:	1,517	1,273	846
- from subsidiaries	1,515	1,273	802
- from other related parties	2	-	44
c) from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	229,655	251,990	343,903
- under transactions executed on the Warsaw Stock Exchange	199,244	246,585	249,729
- under transactions executed on the Budapest Stock Exchange	30,411	5,405	94,174
d) from entities operating regulated markets and commodity exchanges	-	-	9
- from the WSE	-	-	9
e) from the National Depository for Securities and exchange clearing houses, including:	48,042	42,476	30,143
- from the settlement guarantee fund	48,042	42,476	30,143
- from the compensation fund	-	-	-
f) under court proceedings, not covered by recognised impairment losses on receivables	-	-	-
2. Net current receivables	411,190	500,708	738,665
- impairment losses on current receivables (positive value)	507	1,595	2,193
Gross current receivables	411,697	502,303	740,858

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

Note 3

Financial assets

In H1 2012, the policies regarding measurement of financial assets at fair value and classification of financial asset did not change.

Note 4

Impairment losses on financial assets, property, plant and equipment, intangible assets or other assets and reversal thereof

In H1 2012 and H1 2011, the Company did not recognise any impairment losses on financial assets, property, plant and equipment, intangible assets or other assets, nor did it reverse impairment losses recognised in previous periods.

Note 5

Material purchase or sale transactions in property, plant and equipment

In H1 2012 and H1 2011, the Company did not execute any material purchase or sale transactions in property, plant and equipment.

Material liabilities under purchases of property, plant and equipment

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

Note 6

Selected current liabilities (PLN '000)	Jun 30 2012	Dec 31 2011	Jun 30 2011
Selected current liabilities	177,528	247,355	436,974
1. To related parties	16	392	405
a) to subsidiaries	16	-	405
b) to other related parties	-	392	-
2. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	155,956	240,732	415,815
a) under transactions executed on the Warsaw Stock Exchange	133,618	221,519	334,618
b) under transactions executed on the Budapest Stock Exchange	22,338	19,213	81,197
3. To entities operating regulated markets and commodity exchanges	796	836	1,753
a) liabilities to the Warsaw Stock Exchange	736	748	1,610
b) liabilities to the Budapest Stock Exchange	56	86	143
c) liabilities to the Prague Stock Exchange	4	2	-
4. To the National Depository for Securities and exchange clearing houses	4,367	3,912	1,796
a) under additional payments to the settlement guarantee fund and security deposit	4,075	3,598	1,355
b) other	292	314	441
5. Other	16,393	1,483	17,205
a) dividend payable	15,471	-	15,368
b) other liabilities, including:	922	1,483	1,837
- financial liabilities (valuation of financial derivatives)	33	54	115
- other liabilities	889	1,429	1,722

As at June 30th 2012, the Company's liabilities under borrowings related to its brokerage business amounted to PLN 19,280 thousand (December 31st 2011: PLN 15,083 thousand). The liabilities were incurred under two working-capital overdraft facility agreements of July 22nd 2009 executed with Alior Bank S.A. The facilities are used to finance payment of liabilities to the National Depository for Securities in connection with the brokerage activities and are renewed on an annual basis – the term of the two agreements expires on July 19th 2013:

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

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

none

Note 7

Change in provisions and impairment losses on receivables

Provisions for liabilities	H1 2012	H1 2011
Balance of provisions at beginning of the period	6,715	6,388
a) recognised	2,473	6,681
b) used	7,738	8,787
c) released	-	113
Balance of provisions at end of the period	1,450	4,169

In H1 2012, impairment losses on receivables decreased PLN 1,088 thousand relative to December 31st 2011, mainly due to the use of previously recognised impairment losses. In the comparative period, i.e. H1 2011, impairment losses on receivables decreased by PLN 20 thousand relative to December 31st 2010.

Note 8

Share capital	Jun 30 2012	Dec 31 2011	Jun 30 2011
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	29,752,122	29,554,801	29,554,801
g) total par value of series/issue (PLN '000)	2,975	2,955	2,955
h) type of contribution	cash	cash	cash
i) dividend right (since)	shares carry the right to profit distribution for 2011	shares carry the right to profit distribution for 2011	shares carry the right to profit distribution for 2011

Pursuant to the Company's Articles of Association, the Management Board (subject to an approval of the Supervisory Board) was authorised to increase the Company's share capital by a total of PLN 350,000, through an 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 period ended on January 23rd 2011, and therefore, on June 29th 2011, the Annual General Meeting again authorised the Management Board to increase the share capital by the same amount and within the same period, i.e. three years from the date of registering the relevant amendment to the Articles of Association, i.e. September 28th 2011.

The Company's Articles of Association provided also 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 pool, a total of 1,180,712 shares were issued and delivered, including 197,321 shares in Q1 2012 and 212,500 shares in 2011. For more information on the Company's incentive scheme, see Note 8.

As a result of the subscription, the Company's share capital increased in H1 2012 by PLN 19,732.10 (H1 2011: PLN 21,250).

As at June 30th 2012, the share capital was PLN 2,975,212.20 (December 31st 2011: PLN 2,955,480.10) and was divided into 7,000,000 Series A ordinary bearer shares, 21,571,410 Series B ordinary bearer shares, and 1,180,712 Series C ordinary bearer shares.

Note 9

Contingent liabilities and assets

The Company recognised no contingent liabilities or assets as at June 30th 2012 or December 31st 2011.

Note 10

Guarantees

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

In April 2012, BRE Bank S.A. provided a guarantee in respect of the Company's liabilities for the benefit of the Hungarian Branch of Deutsche Bank AG, which is IPOPEMA Securities S.A.'s clearing bank for transactions executed on the Budapest Stock Exchange. The guarantee was issued for the amount of EUR 2.5m, and secures the Company's timely payment of its liabilities towards Deutsche Bank arising in connection with the services provided by the Bank, consisting in settlement and clearance of BSE transactions. The guarantee was provided until April 1st 2013, however in certain special cases specified in the agreement it remains valid until July 1st 2013.

Note 11

Incentive scheme

In H1 2012, under Share Option Plan II, the eligible persons acquired 197,321 shares, while in 2011, 212,500 shares were acquired.

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

In total, on a consolidated basis, the cost of the option plans increased the cost of salaries and wages in H1 2012 by PLN 37 thousand, affecting the net result of IPOPEMA Securities S.A. In the comparative period, i.e. H1 2011, the cost of these plans increased the cost of salaries and wages by PLN 79 thousand.

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

Note 12

Deferred tax

In H1 2012, deferred tax liabilities fell PLN 295 thousand. In H1 2011, deferred tax liabilities increased by PLN 112 thousand.

Deferred tax assets decreased by PLN 928 thousand in H1 2012. In H1 2011, they fell PLN 509 thousand.

Note 13

Distribution of profit

On June 28th 2012, the General Meeting resolved to distribute the 2011 profit of PLN 15,585 thousand as dividend. The dividend per share was rounded down to the nearest grosz, and the difference between the 2011 profit and the aggregate dividend payable to the shareholders after the rounding was contributed to the Company's reserve funds.

Note 14

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

In H1 2012, the Company issued 197,321 Series C shares. For more information, see Notes 8 and 11.

In H1 2011 and in 2011, the Parent issued 212,500 Series C shares, respectively. For more information, see Notes 8 and 11.

Note 15

Dividends paid and declared

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

On June 29th 2011, the General Meeting resolved to distribute the 2010 profit of PLN 15,431 thousand as dividend. The dividend amount per one 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 that date, dividend of a total amount of PLN 15,368 thousand was paid out. The amount was PLN 62 thousand less than the 2010 profit, which was the effect of rounding off the dividend per share. Pursuant to the General Meeting's resolution referred to above, the difference was contributed to the Company's statutory reserve funds.

Note 16

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

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

Note 17

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 – Jun 30 2012				Jan 1 – Jun 30 2011			
IPOPEMA BC	-	2	63	-	-	-	-	-
IPOPEMA TFI	-	26	-	-	-	30	35	-
IPOPEMA Business Services Kft.	-	60	379	60	-	58	401	58
IPOPEMA Asset Management S.A.	-	18	45	-	-	-	-	-
Members of the Management and Supervisory	-	-	4	-	58	-	37	-
Other related parties	4	-	-	-	-	-	-	-
Total	4	106	491	60	58	88	473	58

Related-party transactions – receivables and liabilities

Related party	Receivables			Liabilities		
	Jun 30 2012	Dec 31 2011	Jun 30 2011	Jun 30 2012	Dec 31	Jun 30 2011
IPOPEMA BC	-	-	-	12	6	-
IPOPEMA TFI	800	60	-	-	-	-
IPOPEMA Business Services	924	1,093	1,135	-	383	405
IPOPEMA Asset Management S.A.	-	392	-	4	3	-
Members of the Management and Supervisory Boards	-	-	43	-	-	-
Other related parties	2	-	-	-	-	-
Total	1,726	1,545	1,178	16	392	405

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

Note 18

Items of the statement of cash flows

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

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

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

Structure of cash

	Presentation in the balance sheet		Presentation in the statement of cash flows	
	Jun 30 2012	Jun 30 2011	Jun 30 2012	Jun 30 2011
Cash and cash equivalents	79,697	70,200	75,647	59,812
1. In hand	7	8	7	8
2. At banks	21,376	31,011	21,376	30,982
3. Other cash	54,264	28,822	54,264	28,822
4. Cash equivalents (deposit for a period exceeding three months)	4,050	10,359	-	-
Exchange differences on cash and cash equivalents	-	-	-1,119	73

The difference between the presentation of cash in the balance sheet and the statement of cash flows as at June 30th 2012 is attributable to the recognition of a PLN 4m long-term deposit (maturing in more than three months after the balance-sheet date) under investing activities and elimination of interest accrued on the deposit in the amount of PLN 50 thousand. As at June 30th 2012, the difference related to change in currency-translation differences of PLN 1,119 thousand, compared with PLN 73 thousand at June 30th 2011.

Differences in changes in balance-sheet items

	Presentation in the balance sheet		Balance-sheet change	Presentation in the statement of cash flows – change
	Jun 30 2012	Dec 31 2011	Jun 30 2012	Jun 30 2012
Gross (current and non-current) receivables	417,755	505,108	87,353	91,466
Net receivables	417,248	503,513		
Impairment losses on receivables	507	1,595		-1,088
Provisions (excluding deferred tax related to equity and provisions for unpaid interest)	1,331	6,610		-5,279
Total change in impairment losses and provisions				-6,367

The difference between the balance-sheet change in gross receivables and the amount disclosed in the statement of cash flows is attributable to the reduction of receivables as at June 30th 2012 by the amount of receivables under loans advanced and non-current receivables, disclosed under investing activities, and the amount of receivables under lease (non-current portion) disclosed in the financing activities.

Notes to other items of the statement of cash flows

In “Other cash from investing activities” for the period January 1st–June 30th 2012, the Company disclosed change in lease receivables of PLN 62 thousand. In the comparative period, the item included payment of interest under advanced loans (PLN 6 thousand) and change in lease receivables (PLN 60 thousand).

In “Other cash used in investing activities” for the period January 1st–June 30th w 2012, the Company disclosed the cash deposit provided as security for the guarantee extended by Nordea Bank Polska S.A. and the cash deposit paid to BRE Bank S.A. In the comparative period, the Company did not recognise any such item.

Note 19

Clients' financial instruments

As at June 30th 2012, the value of financial instruments in book-entry form listed on the WSE, registered in clients' accounts, was PLN 263,890 thousand (11,978 instruments) (December 31st 2011: PLN 322,133 thousand (69,269 instruments)). As at June 30th 2012 and December 31st 2011, the Company kept 190,387 thousand shares (in certificated form) of its clients, with a value of PLN 28,505 thousand.

The Company operates also the sponsor's account in which WSE-listed financial instruments in book-entry form are registered. As at June 30th 2012, the value of these instruments was PLN 94,357 thousand (14,743 thousand instruments), compared with PLN 129,897 thousand (14,965 thousand instruments) as at December 31st 2011.

Note 20

Operating segments

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

Note 21

Litigation

On January 13th 2009, the Company filed with the Regional Court a claim for payment of past due receivables of PLN 891 thousand. The litigation was finally dismissed by the Court on July 28th 2011. This did not affect the Company's performance in H1 2012, as an impairment loss was recognised for the claimed amount in previous years. The Company was not a party to any court proceedings.

Note 22

Material events and factors in H1 2012

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

In H1 2011, the WSE's WIG index continued its climb started in March 2009. The growing trend was also reflected in the trading volume – the monthly average was PLN 42.9bn (on a double-counted basis). At the beginning of H2 2011, the WSE, like other global markets, suffered a major retreat – during several trading sessions the WIG index lost approx. 20%. Since then, the situation on the WSE has been highly volatile and it has been difficult to determine any prevailing trend. The deterioration of market conditions translated also into a lower monthly average of trading volumes, which in H1 2012 was PLN 32.6bn (down 24.1% year on year).

On the Budapest Stock Exchange, the monthly trading volume in the period January–June 2012 was 34.5% down on H1 2011.

In addition, due to the growing competition, the Company's market shares shrank slightly year on year, from 8.62% to 8.13% on the WSE and from 6.77% to 7.48% on the BSE.

All these factors drove down the Company's revenue from trading in securities by 33.2%, to PLN 19,914 thousand (from PLN 29,803 thousand in H1 2011).

Investment banking services

H1 2012 was also much less favourable for the capital raising business compared with the corresponding period of 2011. Although a modest recovery was seen after a complete freeze of market activity in the second half of 2011, investors' prevailing uncertainty as to further market developments contributed to lower company valuations, which discouraged new public offerings. As a result, a lower number of closed transactions in H1 2012 brought the Company's revenue from investment banking services in that period down by 40.5% on H1 2011 (PLN 4,197 thousand against PLN 7,049 thousand a year earlier).

Note 23

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 – June 30th 2012. No material events occurred after the balance-sheet date which should have been but were not disclosed in the accounting books for the reporting period.

Execution of annexes to credit facility agreements with Alior Bank

After the balance-sheet date, the Company executed annexes to the credit facility agreements with Alior Bank, hereby the term of the agreements was extended until July 19th 2013. For more details, see Note 6.

Warsaw, August 23rd 2012

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