

PRESS RELEASE

The IPOPEMA Group reports PLN 3.2m in net profit for Q1

The IPOPEMA Group has released its financial figures for Q1 2013. Higher revenue generated by the brokerage and related services segment and the fund management segment boosted the Group's consolidated revenue by almost 12% on Q1 2012, from PLN 24.2m to PLN 27m. The consolidated net profit for the period reached PLN 3.2m. On a separate basis, IPOPEMA Securities reported quarterly revenue of PLN 16.8m, with net profit coming in at PLN 2.6m.

Key financial data of the IPOPEMA Group for Q1 2013¹:

Consolidated financial highlights (PLN '000)	Q1 2013	Q1 2012
Revenue from core activities	26,945	24,173
Cost of core activities	22,326	19,118
Profit on core activities	4,619	5,055
Operating profit	4,042	5,382
Pre-tax profit	3,879	3,030
Net profit	3,212	2,833

Results by segments:**Brokerage business**

The most significant source of the Group's revenue continued to be securities trading, which in Q1 2013 contributed PLN 12.3m to the total revenue figure (almost 46% of consolidated revenue from core activities). Compared with Q1 2012, this represents a growth of nearly 5%, from PLN 11.8m. The increase in revenue from brokerage services is attributable to the company's higher share in trading on the Warsaw Stock Exchange (10.3% in Q1 2013 relative to 8.1% in Q1 2012), with a modest increase in the value of trading on the WSE.

Investment banking

In Q1 2013, IPOPEMA Securities was engaged in, among other transactions, the sale by the State Treasury of a large equity interest in PKO BP, where it acted as a joint book runner, and successfully completed the restructuring of Trakcja S.A. This made Q1 2013 a very favourable period for our investment banking operations. The segment's revenue amounted to PLN 4.3m, more than double the figure reported for Q1 2012 (PLN 1.8m).

¹ Two companies of the Group, IPOPEMA Business Services Kft. and IPOPEMA Outsourcing Sp. z o.o., were not consolidated due to the immateriality of their financial figures (in accordance with Art. 58.1 of the Polish Accountancy Act).

Investment fund and portfolio management

In Q1 2013, the segment of investment fund and portfolio management, comprising IPOPEMA TFI's and IPOPEMA Asset Management's business, posted an almost 20% year-on-year increase in revenue. This growth was mainly attributable to a rise in the number of funds and higher value of assets under management (as at the end of March 2013, IPOPEMA TFI managed 88 funds and subfunds with an aggregate asset value of PLN 8.8bn, compared with 63 funds and an aggregate asset value of PLN 6.8bn a year earlier. However, the revenue growth in Q1 2013 was accompanied by higher operating expenses. This had an adverse effect on net profit, which fell to PLN 0.5m from PLN 0.9m in Q1 2012.

Advisory services

The more challenging conditions on the advisory services market were reflected in the results of IPOPEMA Business Consulting. Year on year, the company's revenue dropped by approximately 38%, with the net profit falling to PLN 0.2m from PLN 0.4m, despite the fact that operating expenses shrank by 26%. In the following months of 2013, the key drivers of IPOPEMA Business Consulting's operations will include performance of its existing contracts and new additions to the order book, with concurrent cost control.

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