Giełda Papierów Wartościowych w Warszawie S.A. Group

Interim report for H1 2011

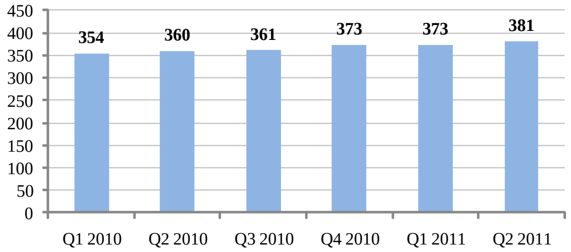
Warsaw, August 30, 2011

Table of Contents

1. Selected operating and financial data of the Group

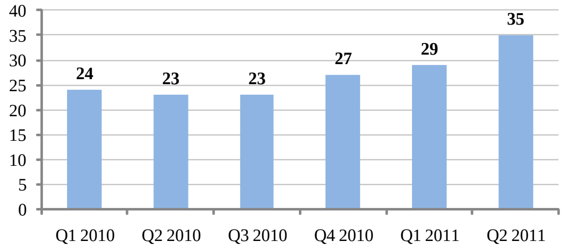
1.1. Main parameters of the markets operated by the Group [1]

Number of domestic companies - Main Market



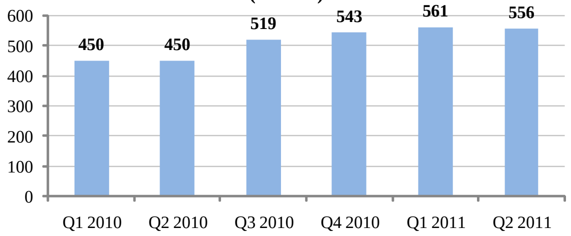
Source: WSE

Number of foreign companies - Main Market



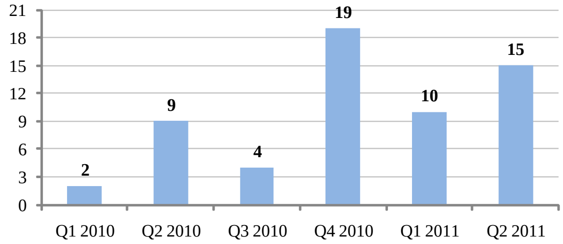
Source: WSE

Capitalisation of domestic companies - Main Market (PLN bn)



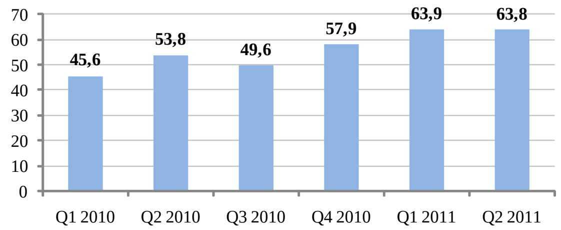
Source: WSE

Number of new listings - Main Market*



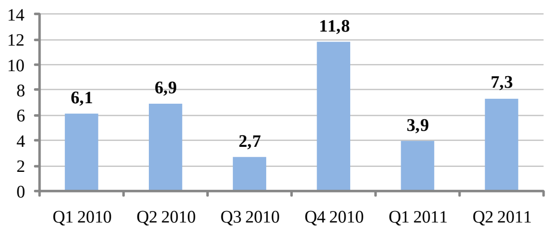
Source: WSE; * - includes transfers from NewConnect

Session turnover (shares) - Main Market (PLN bn)



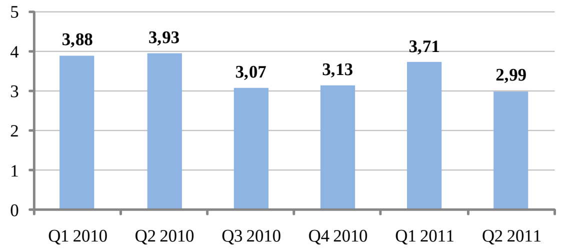
Source: WSE

Block trades turnover (shares) - Main Market (PLN bn)



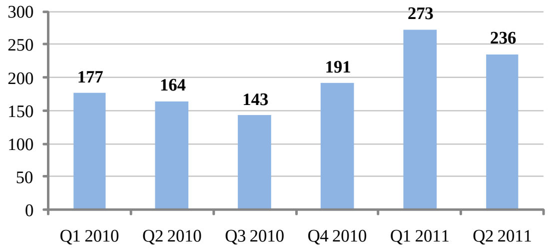
Source: WSE

Turnover volume - futures contracts (m contracts)*



Source: WSE * - including session and block trades

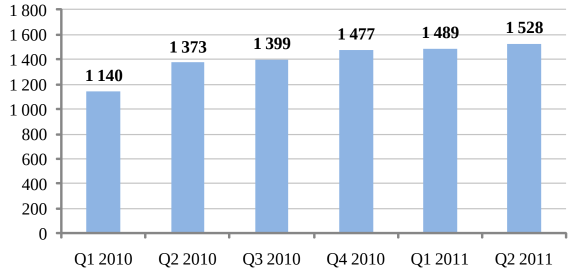
Turnover volume - options ('000 contracts)*



Source: WSE * - including session and block trades

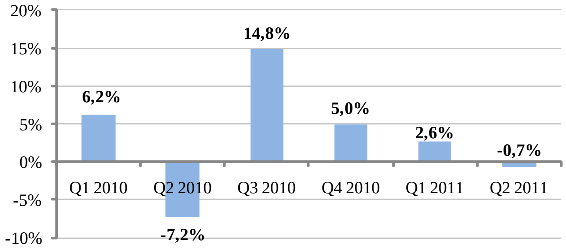
[1] As of 2011, turnover value data are presented by the WSE on a single-counted basis; this methodology is followed in this Report unless indicated otherwise.

Number of investment accounts (thousand)



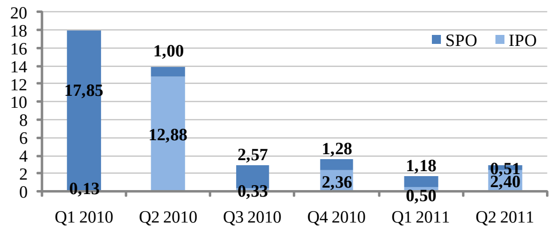
Source: KDPW

WIG index return rate



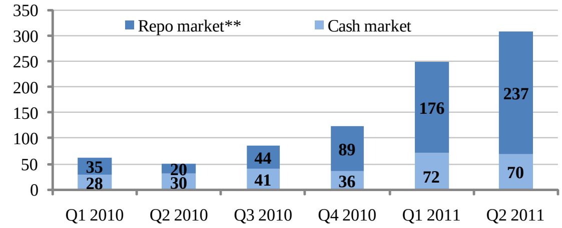
Source: WSE

Value of offerings - Main Market and NewConnect (PLN bn)



Source: WSE

Turnover in fixed-income instruments- Treasury BondSpot Poland (PLN bn)*

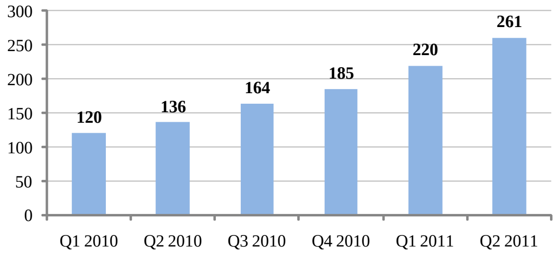


Source: BondSpot

* - treasury bonds and bills

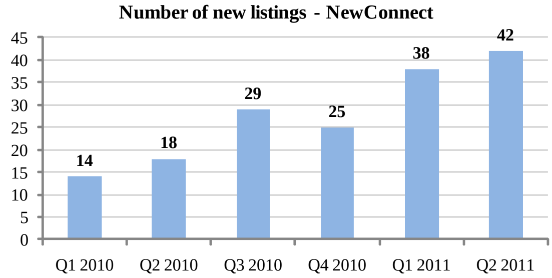
** - sum of opening transaction and closing transaction

Number of companies - NewConnect



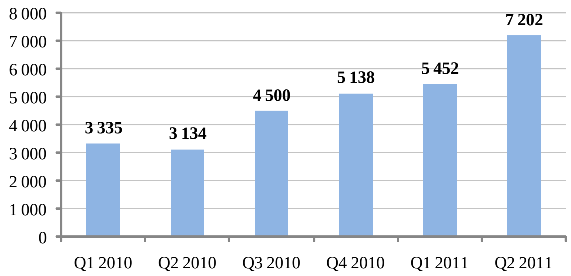
Source: WSE

Number of new listings - NewConnect



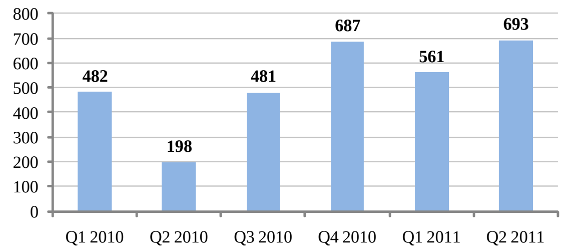
Source: WSE

Capitalisation - NewConnect (PLN m)



Source: WSE

Turnover - NewConnect (PLN m)*



Source: WSE

* - including session and block trades

1.2. Selected financial data of the Issuer and the Group

SELECTED CONSOLIDATED FINANCIAL DATA
OF THE GIEŁDA PAPIERÓW WARTOŚCIOWYCH W WARSZAWIE S.A. GROUP

Consolidated statement of comprehensive income under IFRS

	For the six-month period ended June 30,			
	2011	**2010**	**2011**	**2010**
	PLN'000		EUR'000[1]	
Revenues	**137,469**	**111,477**	**34,767**	**27,865**
Trading	105,429	84,247	26,664	21,059
Listing	11,774	10,125	2,978	2,531
Information services	17,563	15,980	4,442	3,994
Other revenues	2,703	1,125	684	281
Operating expenses	**65,162**	**58,896**	**16,480**	**14,722**
Other income	706	400	179	100
Other expenses	679	182	172	45
Operating profit	**72,334**	**52,799**	**18,294**	**13,198**
Financial income	4,658	6,417	1,178	1,604
Financial expenses	81	151	20	38
Share of profit of associates	9,858	6,846	2,493	1,711
Profit before income tax	**86,769**	**65,911**	**21,945**	**16,475**
Income tax expense	15,278	11,486	3,864	2,871
Profit for the period	**71,491**	**54,425**	**18,081**	**13,604**
Basic / diluted earnings per share[2] (in PLN/ EUR)	1.70	1.30	0.43	0.32
EBITDA[3]	**89,999**	**67,817**	**22,762**	**16,952**

[1] Based on the semi-annual average of EUR/PLN exchange rates quoted by the National Bank of Poland (respectively: 1 EUR = 3.9540 PLN in 2011 and 1 EUR = 4.0006 PLN in 2010).

[2] Calculated based on the net profit attributable to shareholders of the parent company
[3] EBITDA = operating profit + share of profit of associates + depreciation and amortisation

Consolidated statement of financial position under IFRS

	As at			
	June 30, 2011	**December 31, 2010**	**June 30, 2011**	**December 31, 2010**
	PLN'000		EUR'000[1]	
Non-current assets	**393,975**	**337,664**	**98,825**	**85,262**
Property and equipment	118,047	119,516	29,611	30,179
Intangible assets	59,452	60,167	14,913	15,193
Investment in associates	141,534	138,956	35,502	35,087
Available-for-sale financial assets	67,348	11,829	16,894	2,987
Other	7,594	7,196	1,905	1,817
Current assets	**239,546**	**220,862**	**60,088**	**55,769**
Trade and other receivables	50,268	81,416	12,609	20,558
Cash and cash equivalents	188,986	107,600	47,405	27,170
Other	292	31,846	73	8,041
TOTAL ASSETS	**633,521**	**558,526**	**158,913**	**141,031**
Equity of the shareholders of the parent entity	459,989	523,843	115,384	132,274
Non-controling interests	1,003	883	252	223
Non-current liabilities	3,370	4,814	845	1,216
Current liabilities	169,159	28,986	42,432	7,319
TOTAL EQUITY AND LIABILITIES	**633,521**	**558,526**	**158,913**	**141,031**

[1] Based on the mean EUR/PLN exchange rates quoted by the National Bank of Poland on 30.06.2011 (1 EUR = 3.9866) and 31.12.2010 (1 EUR = 3.9603 PLN).

Selected financial ratios of the Group

	For the six-month period ended / As at	
	June 30, 2011	**June 30, 2010**
EBITDA margin *(EBITDA/Revenues)*	65.5%	60.8%
Operating profit margin *(Operating profit/Revenues)*	52.6%	47.4%
Return on equity (ROE) *(Profit for the last 12 months/Average equity at the beginning and end of the last 12 months)*	23.7%	14.2%
Debt-to-equity ratio *(Interest-bearing liabilities/Equity)*	0.0%	0.0%

Source: Condensed Consolidated Interim Financial Statements, Company

SELECTED SEPARATE FINANCIAL DATA
OF GIEŁDA PAPIERÓW WARTOŚCIOWYCH W WARSZAWIE S.A.

Separate statement of comprehensive income under IFRS

	For the six-month period ended June 30,			
	2011	**2010**	**2011**	**2010**
	PLN'000		EUR'000[1]	
Revenues	**130,054**	**107,195**	**32,892**	**26,795**
Trading	99,007	80,269	25,040	20,064
Listing	11,464	10,061	2,899	2,515
Information services	17,522	15,961	4,431	3,990
Other revenues	2,061	904	521	226
Operating expenses	**60,341**	**55,105**	**15,261**	**13,774**
Other income	703	313	178	78
Other expenses	670	130	169	32
Operating profit	**69,746**	**52,273**	**17,639**	**13,066**
Financial income	12,192	6,563	3,083	1,641
Financial expenses	63	452	16	113
Profit before income tax	**81,875**	**58,384**	**20,707**	**14,594**
Income tax expense	14,695	11,141	3,716	2,785
Profit for the period	**67,180**	**47,243**	**16,990**	**11,809**
Basic / diluted earnings per share (in PLN/ EUR)	1.60	1.13	0.40	0.28
EBITDA[2]	**77,205**	**60,241**	**19,526**	**15,058**

[1] Based on the semi-annual average of EUR/PLN exchange rates quoted by the National Bank of Poland (respectively: 1 EUR = 3.9540 PLN in 2011 and 1 EUR = 4.0006 PLN in 2010).

[2] EBITDA = operating profit + depreciation and amortisation.

Separate statement of financial position under IFRS

	As at			
	June 30, 2011	**December 31, 2010**	**June 30, 2011**	**December 31, 2010**
	PLN'000		EUR'000[1]	
Non-current assets	**274,577**	**220,157**	**68,875**	**55,591**
Property and equipment	117,126	118,543	29,380	29,933
Intangible assets	34,231	34,810	8,587	8,790
Investment in associates	11,652	11,652	2,923	2,942
Investment in subsidiaries	36,915	36,415	9,260	9,195
Available-for-sale financial assets	67,348	11,829	16,894	2,987
Other	7,305	6,908	1,832	1,744
Current assets	**223,162**	**206,513**	**55,978**	**52,146**
Trade and other receivables	48,719	80,071	12,221	20,218
Cash and cash equivalents	174,151	94,642	43,684	23,898
Other	292	31,800	73	8,030
TOTAL ASSETS	**497,739**	**426,670**	**124,853**	**107,737**
Equity	328,606	396,444	82,428	100,105
Non-current liabilities	2,266	3,626	568	916
Current liabilities	166,867	26,600	41,857	6,717
TOTAL EQUITY AND LIABILITIES	**497,739**	**426,670**	**124,853**	**107,737**

[1] Based on the mean EUR/PLN exchange rates quoted by the National Bank of Poland on 30.06.2011 (1 EUR = 3.9866) and 31.12.2010 (1 EUR = 3.9603 PLN).

Selected financial ratios of GPW S.A.

	As at June 30,	
	2011	**2010**
EBITDA margin *(EBITDA/Revenues)*	59.4%	56.2%
Operating profit margin *(Operating profit/Revenues)*	53.6%	48.8%
Return on equity (ROE) *(Profit for the last 12 months/Average equity at the beginning and end of the last 12 months)*	48.6%	n/a
Debt-to-equity ratio *(Interest-bearing liabilities/Equity)*	0.0%	0.0%

Source: Condensed Separate Interim Financial Statements, Company

2. Interim Management Board report on activities of the Giełda Papierów Wartościowych w Warszawie S.A. Group

2.1. Information about the Group

2.1.1. Background information about the Group

The parent entity of the Giełda Papierów Wartościowych w Warszawie S.A. Group ("the Group") is Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna ("the Warsaw Stock Exchange", "the Exchange", "WSE", "the Company" or "the parent entity") with its registered office in Warsaw, ul. Książęca 4.

The WSE is the largest national stock exchange in CEE and one of the fastest-growing exchanges in Europe. The Group offers a broad range of products and services on its markets of equities, derivatives, fixed-income and structured products, electricity, and information services. The WSE is one of Poland's most recognisable financial institutions globally.

The parent entity and the subsidiaries of the Group have three main business lines:

- **Trading**, encompassing the trading in all financial instruments and commodities admitted and introduced to trading on markets organised and operated by the Group,
- **Listing**, encompassing the introduction, admission to trading and listing of securities on markets organised and operated by the Group,
- **Information services**, encompassing the provision of stock exchange data to users and licenses for indices.

In its business in all these three segments, the Group organises and operates trading on the following markets:

- ***Main Market*** (trade in equities, equity-related and other cash instruments, derivatives),
- ***NewConnect*** (trade in equities and equity-related instruments of small and medium-sized enterprises),
- ***Catalyst*** (trade in corporate, municipal, co-operative, Treasury and mortgage bonds operated by the WSE and BondSpot),
- ***Treasury BondSpot Poland*** (wholesale trade in Treasury bonds operated by BondSpot),
- ***poee WSE Energy Market*** (trade in electricity).

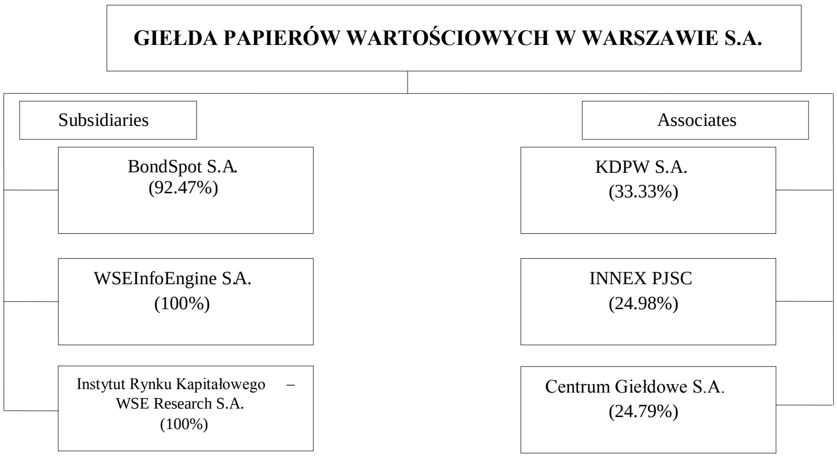
Basic information about the parent entity:

Name and legal status:	Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna
Abbreviated name:	Giełda Papierów Wartościowych w Warszawie S.A.
Registered office and address:	ul. Książęca 4, 00-498 Warsaw, Poland
Telephone number:	(+48 22) 628 32 32
Telefax number:	(+48 22) 22 628 17 54, (+48) 22 537 77 90
Website:	www.gpw.pl
E-mail:	gpw@gpw.pl
KRS (registry number):..............................	0000082312
REGON (statistical number):......................	012021984
NIP (tax identification number):	526-02-50-972

2.1.2. Organisation of the Group and the effect of changes in its structure

As at August 30, 2011, the Warsaw Stock Exchange (the parent entity) and its three subsidiaries comprised the Giełda Papierów Wartościowych w Warszawie S.A. Group. In addition, the WSE held shares in three associates.

Warsaw Stock Exchange subsidiaries and associates as at August 30, 2011 and the WSE's stake in their share capital



Source: Company

The subsidiaries are consolidated as of the date of taking control while the investment in associates is recognised using equity method.

In addition to the subsidiaries and associates, the parent entity holds shares in the following companies:

- Towarowa Giełda Energii S.A.,
- S.C. Sibex - Sibiu Stock Exchange S.A.

Since 2008, the Group has operated a representative office in Kiev (Ukraine), which operations focus on promoting the WSE amongst the Ukrainian investors, issuers and financial intermediaries. The Representative Office has no separate legal personality and does not carry on any profit-earning independent business operations. In all its activities, the Representative Office acts on behalf and for the WSE to the extent stipulated in the Representative Office's Statutes and powers of attorney granted by the WSE Management Board, always in compliance with the laws of Ukraine.

The Group does not hold any branches or establishments.

The structure of the Group did not change in H1 2011 through any merger, acquisition or sale of subsidiaries, long-term investments, split, restructuring or discontinued operations.

2.1.3. Ownership structure

As at August 30, 2011, the share capital of the Warsaw Stock Exchange was divided into 15,087,470 Series A preferred registered shares (one share gives two votes) and 26,884,530 Series B ordinary bearer shares.

As at August 30, 2011, according to the Company's best knowledge, the State Treasury holds 14,688,470 Series A preferred registered shares (one share gives two votes), which represent 35.0% of total shares and give 29,376,940 votes, which represents 51.5% of the total votes.

According to the Company's best knowledge, as at the date of publication of this Report, no shareholders other than the State Treasury held directly or indirectly at least 5% of the total votes in the parent entity. The ownership structure of material blocks of shares did not change since the publication of the previous periodic report.

The tables below present WSE shares and allotment certificates held by the Company's and the Group's supervising and managing persons.

WSE shares and allotment certificates held by the Company's and the Group's managing persons as at August 30, 2011

	Number of shares held	Number of allotment certificates held
Ludwik Sobolewski	25	0
Lidia Adamska	0	0
Beata Jarosz	0	0
Adam Maciejewski	0	0

WSE shares and allotment certificates held by the Company's and the Group's supervising persons as at August 30, 2011

	Number of shares held	Number of allotment certificates held
Leszek Pawłowicz	0	0
Marek Wierzbowski	0	0
Sebastian Skuza	0	0
Paweł Graniewski	0	0
Jacek Jaszczołt	0	0
Sławomir Krupa	0	0
Jacek Lewandowski	0	0

Source: Company

The number of these financial instruments held by the Company's and the Group's supervising and managing persons did not change since the publication of the previous periodic report. As presented in the Q1 2011 report, none of the Company's and the Group's supervising and managing persons hold such instruments.

2.2. Main risks and threats related to the remaining months of 2011

The operation of the Warsaw Stock Exchange and the Group companies is exposed to external risks related to the market and the legal and regulatory environment, and internal risks related to the operating activities.

The risk factors presented below may impact the operation of the WSE in the remaining months of 2011, however the order in which they are presented does not reflect their relative importance for the Group.

2.2.1. Risk factors related to the sector of the Group's business activity

The Group faces competition from other exchanges and alternative trading platforms

The global exchange sector is highly competitive and, in the last few years, there has been increased consolidation and globalisation of exchanges.

Multilateral trading facilities (MTFs) could be competitive to the Group's cash trading operations. In CEE, competition from MTFs is currently limited.

The WSE could face competition due to growing investor interest in OTC instruments

The Group could also face competition of instruments traded over the counter market (OTC), including contracts for difference (CFD). CFDs are non-standardised OTC derivatives mainly used to speculate on currency exchange rates, stock exchange indices, prices of commodities, stocks, bonds and other assets.

2.2.2. Risk factors related to the activity of the Group

A reduction in investor and issuer activity could lead to a decrease in the number and value of securities offerings and trading volumes

The Group's revenues and profitability are highly dependent upon the levels of trading activity on the WSE, in particular on the number, value of public offerings and the volume, value and number of financial instruments traded. A reduction in investor and issuer activity could have a negative impact on the results of the Group's business in the remaining months of 2011.

Risk factors related to the Group's trading platforms.

According to the Agreement with NYSE Technology SAS, the company is currently engaged in a project of implementing a new trading system. The implementation of the new system is scheduled for Q4 2012. Any significant delay in the implementation of the platform in the remaining months of 2011 could have a negative impact on the final deadline of the system implementation.

Regulatory fees constitute a significant portion of the Company's cost base, and the Company has limited influence over the size of regulatory levies

The WSE and KDPW are each required to contribute monthly payments to KNF's annual capital markets supervision budget, which is based on the expected costs of supervision of the Polish capital market for a given year and estimated revenues of KNF from market participants. The WSE cannot predict the total amount it will be required to contribute to the KNF's budget in a given year.

2.2.3. Risk factors related to external, legal and regulatory factors

Unfavourable events affecting the global economic climate could have a negative impact on the operations of the Group, its financial standing and business results

The operation of the Group depends on the climate on the global financial markets. General trends in the global economy, especially the European and US economies, have revealed public debt problems of several countries. Unfavourable events related to the perceived solvency of some countries or their ability to raise debt, resulting from growing risk aversion of the issuers and investors of financial instruments, could have a negative impact on the business results of the Group in the remaining months of 2011.

Amendment of regulations governing investment policies of institutional investors could force them to change investment policies and reduce the activity of investors on the WSE

The European Commission has started legal proceedings against Poland in the European Court of Justice for imposing more restrictive rules of investments by pension funds outside of Poland. If the ECJ rules in favour of the Commission, this could have a negative impact on the investment activity of pension funds on the local market and on the business results of the Group in the remaining months of 2011.

2.3. Generated financial results and their key drivers

2.3.1. Summary of results

In H1 2011, the Group generated revenues of PLN 137.5 million, a significant increase compared to the revenues of H1 and H2 2010 at PLN 111.5 million and PLN 114.2 million, respectively. The Group's operating profit in H1 2011 was PLN 72.3 million, as compared to PLN 52.8 million in H1 2010 and PLN 39.0 million in H2 2010. The Group's profit before income tax and profit for the period were PLN 86.8 million and PLN 71.5 million, respectively, in H1 2011. The main drivers of the Group's improved results in H1 2011 included:

- growth of trading on the equities markets;
- growth of the number of IPOs and the capitalisation of companies;
- high revenue from tenders for significant blocks of shares in Q1 2011.

The Group's revenues amounted to PLN 68.3 million in Q2 2011, a decrease of PLN 0.9 million, or 1.2%, compared to Q1 2011 and an increase of PLN 10.8 million, or 18.8%, compared to Q2 2010. In Q1 2011 the Group recorded particularly high revenue from tenders for significant blocks of shares equal to PLN 7.7 million. The Group's operating profit was PLN 33.8 million, profit before income tax PLN 40.2 million, and profit for the period PLN 32.9 million in Q2 2011.

The Group's statement of comprehensive income by quarter, 2010-2011

PLN'000	2011		2010			
	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	**68,305**	**69,164**	**60,181**	**53,971**	**57,494**	**53,983**
Trading	50,643	54,786	43,850	40,687	43,193	41,053
Shares and other equity instruments	37,550	39,931	31,648	28,271	28,672	26,848
Derivative instruments	8,310	10,314	8,726	8,996	11,235	11,123
Other fees paid by market participants	1,242	1,149	1,146	1,101	1,242	1,009
Fixed-income securities	3,375	3,125	2,265	2,275	2,003	2,038
Other cash instruments	167	267	65	43	42	35
Listing	6,478	5,296	5,507	4,591	5,536	4,589
Annual listing fee	4,192	4,068	3,704	3,634	3,643	3,599
Introduction and admission fees, other fees	2,285	1,228	1,804	958	1,893	990
Information services	9,349	8,214	8,621	7,968	8,082	7,899
Other revenues	1,835	868	2,203	725	683	442
Operating expenses	**34,079**	**31,083**	**42,848**	**30,597**	**30,452**	**28,444**
Depreciation and amortisation	3,828	3,979	4,370	4,139	4,184	3,988
Salaries	10,052	9,324	11,213	8,169	8,373	7,471
Other employee costs	2,493	2,853	2,235	2,039	2,127	2,295
Rent and other maintenance fees	1,708	1,678	1,568	1,662	1,534	1,515
Fees and charges	4,128	4,195	4,026	3,587	4,220	4,212
including: fees paid to KNF	*3,891*	*3,891*	*3,647*	*3,419*	*3,960*	*3,960*
External services	10,300	7,313	17,259	9,318	8,203	7,321
Other operating expenses	1,570	1,741	2,176	1,683	1,811	1,642
Other income	98	608	656	83	184	216
Other expenses	507	172	1,113	1,382	140	42
Operating profit	**33,817**	**38,517**	**16,876**	**22,075**	**27,086**	**25,713**
Net financial income	2,011	2,566	2,272	886	3,940	2,326
Share of profit of associates	4,420	5,438	2,890	4,434	2,487	4,359
Profit before income tax	**40,248**	**46,521**	**22,038**	**27,395**	**33,513**	**32,398**
Income tax expense	7,357	7,921	3,845	5,187	5,696	5,790
Profit for the period	**32,891**	**38,600**	**18,193**	**22,208**	**27,817**	**26,608**

Source: Condensed Consolidated Interim Financial Statements, Company

Consolidated statement of financial position of the Group at quarter-end, 2010-2011

PLN'000	2011		2010			
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Non-current assets	**393,975**	**395,870**	**337,664**	**362,212**	**363,029**	**395,052**
Property and equipment	118,047	117,197	119,516	118,117	120,715	122,548
Intangible assets	59,452	59,847	60,167	35,980	34,556	35,233
Investment in associates	141,534	144,073	138,956	186,185	185,972	183,664
Deferred tax assets	4,440	5,234	4,007	4,140	4,165	5,266
Available-for-sale financial assets	67,348	66,338	11,829	14,558	14,363	3,764
Held-to-maturity financial assets	0	0	0	0	0	41,309
Prepayments	3,154	3,181	3,189	3,232	3,258	3,268
Current assets	**239,546**	**210,255**	**220,862**	**171,841**	**240,971**	**182,512**
Inventory	292	430	438	433	434	433
Corporate income tax receivable	0	0	621	0	9	146
Trade and other receivables	50,268	47,014	81,416	31,912	27,005	31,999
Available-for-sale financial assets	0	31,056	30,787	81,065	141,827	9
Held-to-maturity financial assets	0	0	0	0	0	111,308
Other current financial assets	0	0	0	338	2,170	0
Cash and cash equivalents	188,986	131,755	107,600	58,093	69,526	38,617
Total assets	**633,521**	**606,125**	**558,526**	**534,053**	**604,000**	**577,564**
Equity	**460,992**	**562,841**	**524,726**	**507,433**	**485,004**	**547,987**
Share capital	63,865	63,865	63,865	63,865	63,865	63,865
Other capital	-30	-281	204	1,104	883	1,024
Retained earnings	396,154	498,288	459,774	441,618	419,455	482,324
Non-controling interests	1,003	969	883	846	801	774
Non-current liabilities	**3,370**	**3,649**	**4,814**	**3,036**	**3,037**	**3,118**
Employee benefits payable	2,266	2,367	2,367	1,990	1,990	1,990
Finance lease liabilities	94	112	77	36	37	57
Provisions for other liabilities	1,010	1,170	1,010	1,010	1,010	1,010
Other non-current liabilities	0	0	1,360	0	0	61
Current liabilities	**169,159**	**39,635**	**28,986**	**23,584**	**115,959**	**26,459**
Trade payables	3,301	3,932	7,472	3,106	4,287	3,632
Finance lease liabilities	66	71	73	43	56	80
Corporate income tax payable	5,569	4,416	0	2,099	1,277	0
Other liabilities	153,110	26,423	11,440	8,958	102,803	16,339
Employee benefits payable	7,013	4,542	9,790	9,228	7,436	5,990
Provisions for other liabilities and charges	100	251	211	150	100	418
Total equity and liabilities	**633,521**	**606,125**	**558,526**	**534,053**	**604,000**	**577,564**

Source: Condensed Consolidated Interim Financial Statements, Company

2.3.2. Revenues

The Group has four revenue-generating segments:

- trading;
- listing;
- information services;
- other revenues.

Trading revenue includes fees paid by market participants in respect of:

- transactions on markets of equities and equity-related instruments;
- transactions in derivative instruments;
- transactions in fixed-income instruments;
- transactions in other cash instruments;
- other fees paid by market participants.

Revenues from transactions in equities and equity-related instruments are the Group's main source of trading revenues and its main source of sales revenues in general. Trading on the Main Market generates almost all revenues from transactions in equities. Revenues from transactions in derivative instruments are the second biggest source of trading revenues. Transactions in WIG20 index futures contracts account for the majority of revenues from transactions in derivatives. Revenues from transactions in fixed-income instruments are generated by the fixed-income instrument trading system Catalyst, which is still at an early phase of growth, as well as Treasury BondSpot Poland operated by the WSE's subsidiary BondSpot S.A. Fees for transactions in other cash instruments include fees for transactions in structured products, investment certificates, ETFs, as well as fees for cash transactions in electricity on poee WSE Energy Market.

Listing revenues include two main segments:

- one-off fees paid by issuers for introduction and admission of new shares and other instruments to trading;
- periodic (annual) listing fees.

Revenues from information services mainly include fees paid by data vendors for real-time market data as well as historical and statistical data. These fees include fixed annual fees and monthly fees based on the data vendor's number of subscribers. Until the end of H1 2011, fees were paid in the euro by foreign data vendors and in the zloty by local data vendors. According to a decision of the WSE Management Board, monthly fees for information services will be denominated only in PLN as of July 1, 2011. Annual fees will be denominated only in PLN as of January 1, 2012. This will decrease the dependence of the WSE revenue on the volatility of the EUR/PLN exchange rate.

The Group's other revenues mainly include revenues of the subsidiaries WSEInfoEngine S.A and Instytut Rynku Kapitałowego – WSE Research S.A. as well as the WSE's revenues from educational services, office lease, advertising services and sponsoring.

The Group's sales revenues amounted to PLN 137.5 million in H1 2011, an increase compared to both H2 2010 (revenues at PLN 114.2 million) and H1 2010 (revenues at PLN 111.5 million). This was a result of an increase in all four revenue segments.

The Group's sales revenues amounted to PLN 68.3 million in Q2 2011, as compared to PLN 69.2 million in Q1 2011 and PLN 57.5 million in Q2 2010. The revenue from tenders for significant blocks of shares was particularly high at PLN 7.7 million in Q1 2011.

The Group's revenues in Q2 and Q1 2011 and Q2 2010 by segment

PLN'000, %	For the three-month period ended					
	June 30, 2011	*%*	**March 31, 2011**	*%*	**June 30, 2010**	*%*
Trading revenue	50,643	*74.1%*	54,786	*79.2%*	43,193	*75.1%*
Shares and other equity instruments	37,550	*55.0%*	39,931	*57.7%*	28,672	*49.9%*
Derivative instruments	8,310	*12.2%*	10,314	*14.9%*	11,235	*19.5%*
Other fees paid by market participants	1,242	*1.8%*	1,149	*1.7%*	1,242	*2.2%*
Fixed-income securities	3,375	*4.9%*	3,125	*4.5%*	2,003	*3.5%*
Other cash instruments	167	*0.2%*	267	*0.4%*	42	*0.1%*
Listing revenue	6,478	*9.5%*	5,296	*7.7%*	5,536	*9.6%*
Annual listing fee	4,192	*6.1%*	4,068	*5.9%*	3,643	*6.3%*
Introduction and admission fees, other fees	2,285	*3.3%*	1,228	*1.8%*	1,893	*3.3%*
Information services revenue	9,349	*13.7%*	8,214	*11.9%*	8,082	*14.1%*
Other revenues	1,835	*2.7%*	868	*1.3%*	683	*1.2%*
Total	**68,305**	***100.0%***	**69,164**	***100.0%***	**57,494**	***100.0%***

Source: Condensed Consolidated Interim Financial Statements, Company

The Group generates sales revenues both in the Polish zloty and in the euro. Revenues earned in the Polish zloty accounted for around 74% - 84% of total revenues in Q2 and Q1 2011 and Q2 2010. Revenues in the euro are earned in all four business segments. The Group incurs currency exchange risk mainly with regard to income from information services.

Revenues from foreign and domestic customers in Q2 and Q1 2011 and Q2 2010

PLN'000, %	For the three-month period ended					
	June 30, 2011	*%*	**March 31, 2011**	*%*	**June 30, 2010**	*%*
Domestic revenues	55,976	*82.0%*	51,141	*73.9%*	48,496	*84.3%*
Foreign revenues	12,329	18.0%	18,023	26.1%	8,998	15.7%
Total	**68,305**	***100.0%***	**69,164**	***100.0%***	**57,494**	***100.0%***

Source: Condensed Consolidated Interim Financial Statements, Company

The average EUR/PLN exchange rate was 3.95 EUR/PLN in H1 2011, 3.99 EUR/PLN in H2 2010 and 4.00 EUR/PLN in H1 2010. The average EUR/PLN exchange rate was 3.96 EUR/PLN in Q2 2011, 3.95 EUR/PLN in Q1 2011 and 4.01 EUR/PLN in Q2 2010.

TRADING

Trading revenues of the Group in Q2 2011 amounted to PLN 50.6 million, a decrease of 7.6% compared to Q1 2011 and an increase of 17.2% compared to Q2 2010. The share of trading revenues in the Group's total sales revenues decreased to 74.1% in Q2 2011 as compared to 79.2% in Q1 2011 and 75.1% in Q2 2010. The changes resulted mainly from exceptionally high revenues from tenders for significant blocks of shares in Q1 2011 at PLN 7.7 million, a decrease of trading in derivative instruments and changes in the structure of trading in equities.

The Group generated revenues from trading in equities and equity-related instruments amounting to PLN 37.6 million in Q2 2011, a decrease of 6.0%, or PLN 2.4 million, as compared to PLN 39.9 million in Q1 2011 and an increase of 31.0%, or PLN 8.9 million, as compared to PLN 28.7 million in Q2 2010. The high revenues from trading in equities and equity-related instruments in Q1 2011 were driven by Bank Santander's tender for significant blocks of shares of Bank Zachodni WBK. The value of this transaction was PLN 15.9 billion while the total revenues from tenders for significant blocks of shares amounted to PLN 7.7 million in Q1 2011 as compared to PLN 0.1 million in Q2 2011 and PLN 0.2 million in Q2 2010. A positive adjustment of revenues was made in Q2 2011 following an erroneous calculation of fees in Q1 2011. The revenues of Q2 2011 include PLN 3.0 million of fees due for Q1 2011 which had not been invoiced.

The total value of Main Market equities trading (session and block trades) was PLN 71.1 billion in Q2 2011, an increase of 4.9% compared to Q1 2011 and an increase of 17.2% compared to Q2 2010. The increase in trading in Q2 2011 was driven by a higher value of block trades in shares, which amounted to PLN 7.3 billion in Q2 2011, PLN 3.9 billion in Q1 2011, and PLN 6.9 billion in Q2 2010. The average transaction value in Q2 2011, calculated as the relation of the total value of session trading and the number of session transactions, was PLN 19.8 thousand, which was higher than in Q1 2011 (PLN 17.7 thousand) and Q2 2010 (PLN 18.7 thousand). The WIG20 index decreased by 0.5% in Q2 2011 from 2,816.96 points at the end of Q1 2011 to 2,802.01 points at the end of Q2 2011. The WIG20 index increased by 23.4% at the end of Q2 2011 as compared to the end of Q2 2010. The total volume of Main Market equities transactions in Q2 2011 amounted to 6.8 billion shares, an increase of 6.5% compared to Q1 2011 and 12.3% compared to Q2 2010.

Revenues of the Group from derivatives transactions amounted to PLN 8.3 million, a decrease of 19.4% compared to Q1 2011 (revenues of PLN 10.3 million) and a decrease of 26.0% compared to Q2 2010 (revenues of PLN 11.2 million). The lower revenues from derivatives transactions reflect a lower volume of derivatives instruments traded, mainly due to the decreasing volatility of the WIG20 index, which was the lowest in the history of the index in Q2 2011. Low volatility also implies less investment opportunity on the futures contracts market, which stops many investors from trading. The WSE is working to develop its offering of derivatives products, especially options which allow investors to make a profit also during a horizontal price movements. Revenues from WIG20 futures contracts amount to more than 95% of the revenues from trading in derivative instruments. The volume of WIG20 futures contracts was 2.8 million contracts in Q2 2011, 3.5 million in Q1 2011, and 3.8 million in Q2 2010.

Revenues of the Group from transactions in fixed-income instruments increased in Q2 2011, both compared to Q1 2011 and Q2 2010. The revenues amounted to PLN 3.4 million in Q2 2011, an increase of 8.0% compared to Q1 2011 and an increase of 68.4% compared to Q2 2010. This was primarily due to an increase of turnover on Treasury BondSpot Poland (TBSP). The value of trading on TBSP in Q2 2011 was PLN 237.1 billion (conditional transactions) and PLN 70.1 billion (cash transactions), as compared to PLN 176.2 billion and PLN 72.1 billion in Q1 2011 and PLN 20.2 billion and PLN 30.5 billion in Q2 2010, respectively.

Revenues from trading in shares, equity-related instruments, derivatives and fixed-income securities as well as data regarding the value and volume of transactions in Q2 and Q1 2011 and Q2 2010

	For the three-month period ended		
	June 30, 2011	**March 31, 2011**	**June 30, 2010**
Trading revenue - shares and equity-related instruments *(PLN million)*	**37.6**	**39.9**	**28.7**
Total value of Main Market shares and equity-related transactions *(PLN billion)*	71.1	67.8	60.6
Total value of NewConnect shares and equity-related transactions *(PLN billion)*	0.7	0.6	0.2
Trading revenue - derivatives *(PLN million)*	**8.3**	**10.3**	**11.2**
Total volume of derivative transactions *(millions of contracts)*	3.2	4.0	4.1
Trading revenue - fixed-income instruments *(PLN million)*	**3.4**	**3.1**	**2.0**
Total value of fixed-income instrument transactions on Catalyst* *(PLN billion)*	0.3	0.3	0.3
Total value of fixed-income instrument transactions on Treasury BondSpot Poland - conditional transactions *(PLN billion)*	237.1	176.2	20.2
Total value of fixed-income instrument transactions on Treasury BondSpot Poland - cash market transactions *(PLN billion)*	70.1	72.1	30.5

** including Treasury instruments listed on the WSE and BondSpot*

Source: Company

Revenues of the Group from transactions in other cash instruments in Q2 2011 decreased compared to Q1 2011 and increased compared to Q2 2010. The revenues amounted to PLN 0.2 million in Q2 2011, a decrease of 37.4% compared to Q1 2011 and 4 times higher than in Q2 2010. The increase compared to 2010 was mainly driven by the launch of poee WSE Energy Market in late Q4 2010 and revenues generated on energy trading on the cash market. The decrease of the revenues in Q2 2011 compared to Q1 2011 was due to a decrease in trading on poee WSE Energy Market.

Other fees from market participants amounted to PLN 1.2 million in Q2 2011, PLN 1.1 million in Q1 2011 and PLN 1.2 in Q2 2010.

LISTING

Listing revenues in Q2 2011 amounted to PLN 6.5 million, an increase of 22.3% compared to Q1 2011 and an increase of 17.0% compared to Q2 2010. The main sources of listing revenues are the Main Market and NewConnect. The total listing revenues from these two markets in Q2 2011 amounted to PLN 6.2 million as compared to PLN 5.1 million in Q1 2011 and PLN 5.4 million in Q2 2010.

Annual fees were PLN 4.2 million in Q2 2011, an increase of 3.1%, or PLN 0.1 million, as compared to PLN 4.1 million in Q1 2011, and an increase of 15.1%, or PLN 0.5 million, as compared to PLN 3.6 million in Q2 2010, which reflected higher capitalisation at the end of 2010 as compared to the end of 2009 and a higher number of companies listed on the WSE in Q2 2011 as compared to the previous quarters. Fees for admission and introduction of securities as well as other fees amounted to PLN 2.3 million in Q2 2011, an increase of PLN 1.1 million, or 86.1%, compared to Q1 2011, and an increase of PLN 0.4 million, or 20.8%, compared to Q2 2010, reflecting a change mainly in the number of new listings on the Main Market and NewConnect. In Q2 2011, 15 companies debuted on the Main Market. The total value of IPOs and secondary offers was PLN 2.7 billion, as compared to 10 debuts worth PLN 1.4 billion in Q1 2011 and 9 debuts worth PLN 13.8 billion in Q2 2010. In Q2 2010, the companies PZU and Tauron were privatised by the State Treasury in offerings on the WSE (the total value of their IPOs was PLN 10.2 billion). In Q2 2011, 42 companies debuted on NewConnect and the total value of IPOs and secondary offers was PLN 197 million, as compared to 38 debuts worth PLN 254 million in Q1 2011 and 18 debuts worth PLN 82 million in Q2 2010.

At the end of Q2 2011, 677 companies were listed on the WSE equities markets, including 416 listings on the Main Market and 261 listings on NewConnect. The capitalisation of companies on the Main Market was PLN 823.9 billion at the end of Q2 2011, PLN 847.1 billion at the end of Q1 2011, and PLN 727.2 billion at the end of Q2 2010, of which the capitalisation of domestic companies was PLN 556.2 billion, PLN 561.1 billion, and PLN 450.2 billion, respectively. The capitalisation of companies on NewConnect was PLN 7.2 billion at the end of Q2 2011, PLN 5.5 billion at the end of Q1 2011, and PLN 3.1 billion at the end of Q2 2010, of which the capitalisation of domestic companies was PLN 7.0 billion, PLN 5.2 billion, and PLN 3.0 billion, respectively.

Listing revenue, market capitalisation, number of listed companies, number and value of new listings, number and value of de-listings on the Main Market and NewConnect (based on market capitalisation at the time of de-listing) in Q2 and Q1 2011 and Q2 2010

	As at and for the three-month period ended		
	June 30, 2011	**March 31, 2011**	**June 30, 2010**
Main Market			
Listing revenue *(PLN million)*	**5.8**	**4.7**	**5.2**
Capitalisation of listed companies *(domestic) (PLN billion)*	556.2	561.1	450.2
Capitalisation of listed companies *(foreign) (PLN billion)*	267.7	286.1	277.0
Number of listed companies *(domestic)*	381	373	360
Number of listed companies *(foreign)*	35	29	23
Value of offerings *(IPO and secondary) (PLN billion)*	2.7	1.4	13.8
Number of newly listed companies *(in the period)*	15	10	9
Capitalisation of newly listed companies *(PLN billion)*	6.9	1.6	40.6
Number of de-listings	1	8	4
Capitalisation of de-listed companies *(PLN billion)*	0.0	2.1	12.7
NewConnect			
Listing revenue *(PLN million)*	**0.3**	**0.4**	**0.2**
Capitalisation of listed companies *(domestic) (PLN billion)*	7.0	5.2	3.0
Capitalisation of listed companies *(foreign) (PLN billion)*	0.2	0.2	0.1
Number of listed companies *(domestic)*	255	215	134
Number of listed companies *(foreign)*	6	5	2
Value of offerings *(IPO and secondary) (PLN billion)*	0.2	0.3	0.1
Number of newly listed companies *(in the period)*	42	38	18
Capitalisation of newly listed companies *(PLN billion)*	1.4	1.5	0.4
Number of de-listings*	1	3	2
Capitalisation of de-listed companies *(PLN billion)*	0.1	0.4	0.1

** Includes the companies which transitioned to listing on the Main Market*

Source: Condensed Consolidated Interim Financial Statements, Company

The number of issuers on Catalyst grew in analysed period. At the end of Q2 2011, Catalyst listed instruments of 73 issuers, a significant increase both compared to the end of Q1 2011 (59 issuers) and the end of Q2 2010 (20 issuers).

INFORMATION SERVICES

Revenues from information services in Q2 2011 amounted to PLN 9.3 million, an increase of 13.8% compared to PLN 8.2 million in Q1 2011 and an increase of 15.7% compared to PLN 8.1 million in Q2 2010. Revenues from information services depend on the number of data vendors and subscribers, and – given that a large part of revenues from information services was earned in the euro – the EUR/PLN exchange rate. The increase in the revenues in Q2 2011 compared to Q1 2011 was driven among others by an increase in the number of foreign institutional subscribers.

According to a decision of the WSE Management Board, monthly fees for information services will be denominated only in PLN as of July 1, 2011. Annual fees will be denominated only in PLN as of January 1, 2012. This will decrease the dependence of the WSE revenue on the volatility of the EUR/PLN exchange rate.

The average EUR/PLN exchange rate was 3.96 EUR/PLN in Q2 2011, 3.95 EUR/PLN in Q1 2011 and 4.01 EUR/PLN in Q2 2010.

Number of data vendors and subscribers as at the end of Q2 and Q1 2011 and at the end of Q2 2010

	As at and for the three-month period ended		
	June 30, 2011	March 31, 2011	June 30, 2010
Revenues from information services (PLN M)	**9.3**	**8.2**	**8.1**
Number of data vendors	54	53	51
Number of subscribers *('000 of subscribers)*	324.4	310.2	259.0

Source: Company

OTHER REVENUES

The Group’s other revenues in Q2 2011 amounted to PLN 1.8 million, an increase of 111.4% compared to Q1 2011 and an increase of 168.7% compared to Q2 2010. The increase in other revenues in Q2 2011 was mainly driven by additional sponsoring revenue, which amounted to PLN 0.9 million in Q2 2011, PLN 0.1 million in Q1 2011, and PLN 0.1 million in Q2 2010.

2.3.3. Operating expenses

Total operating expenses in H1 2011 amounted to PLN 65.2 million, a decrease of 11.3% compared to H2 2010 and an increase of 10.6% compared to H1 2010. The decrease compared to H2 2010 was due to the high cost of privatisation incurred in H2 2010, and the increase compared to H1 2010 was driven among others by an increase of payroll and external services costs.

Total operating expenses in Q2 2011 amounted to PLN 34.1 million, an increase of 9.6% compared to Q1 2011 and an increase of 11.9% compared to Q2 2010. The increase compared to Q1 2011 was mainly driven by higher promotion costs and payroll costs.

Breakdown of operating expenses in Q2 and Q1 2011 and Q2 2010

	For the three-month period ended					
PLN'000, %	**June 30, 2011**	*%*	**March 31, 2011**	*%*	**June 30, 2010**	*%*
Depreciation and amortisation	3,828	*11.2%*	3,979	*12.8%*	4,184	*13.7%*
Salaries	10,052	*29.5%*	9,324	*30.0%*	8,373	*27.5%*
Other employee costs	2,493	*7.3%*	2,853	*9.2%*	2,127	*7.0%*
Rent and other maintenance fees	1,708	*5.0%*	1,678	*5.4%*	1,534	*5.0%*
Fees and charges	4,128	*12.1%*	4,195	*13.5%*	4,220	*13.9%*
including: fees paid to KNF	*3,891*	*11.4%*	*3,891*	*12.5%*	*3,960*	*13.0%*
External services	10,300	*30.2%*	7,313	*23.5%*	8,203	*26.9%*
Other operating expenses	1,570	*4.6%*	1,741	*5.6%*	1,811	*5.9%*
Total	**34,079**	***100.0%***	**31,083**	***100.0%***	**30,452**	***100.0%***

Source: Condensed Consolidated Interim Financial Statements, Company

Depreciation and amortisation in Q2 and Q1 2011 amounted to PLN 3.8 million and PLN 4.0 million, respectively, a decrease compared to Q2 2010. The decrease was driven by extension of the economic lifetime of WARSET.

Salaries and other employee costs in Q2 2011 amounted to PLN 12.5 million, an increase of PLN 0.4 million, or 3.0%, compared to Q1 2011 and an increase of PLN 2.0 million, or 19.5%, compared to Q2 2010. The increase of payroll costs in Q2 2011 as compared to Q1 2011 resulted mainly from the payment of a bonus to employees on the 20th anniversary of the WSE. The increase of salaries in Q2 2011 as compared to Q2 2010 resulted among others from an increase of remuneration of the WSE Management Board and an increase of employment due to the acquisition of an organised part of the enterprise Elbis Sp. z o.o. in December 2010.

Employment in the Group

	As at		
# employees	**June 30, 2011**	**March 31, 2011**	**June 30, 2010**
WSE	212	209	198
Subsidiaries*	45	45	39
Total	**257**	**254**	**237**

** Six employees are simultaneously employed by WSEInfoEngine and WSE*

Source: Company

External service charges in Q2 2011 amounted to PLN 10.3 million as compared to PLN 7.3 million in Q1 2011 and PLN 8.2 million in Q2 2010. The increase was mainly due to higher promotion costs (including organisation of the events "IPO Summit" and "Cała ta Giełda") and the maintenance cost of WARSET. The promotion cost in Q2 2011 was partly offset by sponsoring revenues, which amounted to PLN 0.9 million (as compared to PLN 0.1 million both in Q1 2011 and in Q2 2010).

Rent and other maintenance fees amounted to PLN 1.7 million in Q2 2011, an increase of 1.8% compared to Q1 2011 and an increase of 11.3% compared to Q2 2010. The changes were driven among others by an increase of maintenance fees and an increase of rent related to the acquisition of an organised part of the enterprise Elbis Sp. z o.o. in December 2010.

Fees and charges amounted to PLN 4.1 million in Q2 2011, a decrease of 1.6% compared to Q1 2011 and a decrease of 2.2% compared to Q2 2010. Fees to KNF amounted to PLN 3.9 million in both quarters of 2011. According to information provided by KNF, monthly advance payments in respect of capital market supervision fees in Q3 2011 will be higher by around PLN 450 thousand per month compared to H1 2011. Assuming that the charges will remain at the same level in Q4 2011, the advance payments in respect of KNF fees in Q3 and Q4 2011 will be PLN 5.2 million in each quarter (aggregate PLN 10.5 million in H2 2011).

Other operating expenses in Q2 2011 amounted to PLN 1.6 million, a decrease compared to both Q1 2011 and Q2 2010. Other operating expenses mainly include the cost of electricity, business travel, and promotion material.

2.3.4. Other income and expenses

Other income amounted to PLN 0.1 million in Q2 2011, PLN 0.6 million in Q1 2011, and PLN 0.2 million in Q2 2010. Other expenses amounted to PLN 0.5 million in Q2 2011, PLN 0.2 million in Q1 2011 and PLN 0.1 million in Q2 2010. Other income and expenses mainly include provisions made and released.

2.3.5. Net financial income

Financial income and expenses in Q2 2011 amounted to PLN 2.0 million, compared to PLN 2.6 million in Q1 2011 and PLN 3.9 million in Q2 2010. The decrease of financial income and expenses compared to Q1 2011 was due to exchange rate differences, while the decrease compared to Q2 2010 was a result of a decrease in financial assets following dividend payments in January and July 2010.

2.3.6. Share of profit of associates

The Group's share of profit of associates amounted to PLN 4.4 million in Q2 2011, PLN 5.4 million in Q1 2011, and PLN 2.5 million in Q2 2010. This was contributed mainly by profits of KDPW Group. The profit of KDPW S.A. in Q2 2011 decreased compared to Q1 2011 among others due to provisions set up for KDPW employee bonuses. The profit of the company Centrum Giełdowe S.A. decreased in the same period, mainly due to revaluation of an foreign currency loan.

PLN'000, %	**Profit / (Loss) for the three-month period ended**			**WSE stake in equity**	**Group's share of profit (loss) of associates for the three-month period ended**		
	June 30, 2011	**March 31, 2011**	**June 30, 2010**		**June 30, 2011**	**March 31, 2011**	**June 30, 2010**
KDPW S.A.	11,952	15,176	10,307	*33.33%*	3,985	5,058	3,436
Centrum Giełdowe S.A.	873	1,534	(3,828)	*24.79%*	217	380	(949)
PJSC INNEX*	(105)	(59)	(267)	*24.98%*	0	0	0
*Other increase***	*654*	-	-	-	*218*	-	-
Total	**13,374**	**16,651**	**6,212**	**-**	**4,420**	**5,438**	**2,487**

** Balance-sheet value of PSJC Innex in the Group's statement of financial position is nil.*
*** Impact of full consolidation - first-time consolidation of CCP KDWP in the KDPW Group*

Source: Condensed Consolidated Interim Financial Statements, Company.

2.3.7. Income tax

The effective income tax rate (income tax as a percentage of profit before income tax) was 18.3% in Q2 2011, 17.0% in Q1 2011, and 17.0% in Q2 2010, as compared to the standard Polish corporate income tax rate of 19%.

2.3.8. Group's balance sheet structure

In Q2 2011, the Group mainly financed itself from equity, which accounted for 72.8% of total equity and liabilities as at June 30, 2011 compared to 92.9% as at March 31, 2011 and 80.3% as at June 30, 2010. The lower share of equity at the end of H1 2011 and H1 2010 was due to the dividend from the profit of 2010 (PLN 134.7 million) and the profit of 2009 (PLN 90.7 million), respectively, being moved from equity to current liabilities.

The share of non-current liabilities in total equity and liabilities was 0.5% as at June 30, 2011, 0.6% as at March 31, 2011, and 0.5% as at June 30, 2010. Current liabilities accounted for 26.7% of total equity and liabilities as at June 30, 2011, 6.5% as at March 31, 2010 and 19.2% as at June 30, 2010. The increase in the share of current liabilities at the end of H1 2011 and H1 2010 was due to dividend being moved from equity to liabilities.

The Group's assets structure did not change significantly in these quarters. The share of non-current assets in total assets was 62.2% as at June 30, 2011, 65.3% as at March 31, 2011, and 60.1% as at June 30, 2010. In the non-current assets, the share of investment in associates decreased in these quarters due to the payment of a dividend at PLN 162.2 million by KDPW S.A. while the share of available-for-sale financial assets increased owing to acquisition of bonds with cash received in January 2011 as a PLN 54.1 million dividend payment from KDPW S.A.

Consolidated statement of financial position of the Group at the end of Q2 and Q1 2011 and at the end of Q2 2010

	As at					
PLN'000	**June 30, 2011**	*%*	**March 31, 2011**	*%*	**June 30, 2010**	*%*
Non-current assets	**393,975**	***62.2%***	**395,870**	***65.3%***	**363,029**	***60.1%***
Property and equipment	118,047	*18.6%*	117,197	*19.3%*	120,715	*20.0%*
Intangible assets	59,452	*9.4%*	59,847	*9.9%*	34,556	*5.7%*
Investment in associates	141,534	*22.3%*	144,073	*23.8%*	185,972	*30.8%*
Available-for-sale financial assets	67,348	*10.6%*	66,338	*10.9%*	14,363	*2.4%*
Other	7,594	*1.2%*	8,415	*1.4%*	7,423	*1.2%*
Current assets	**239,546**	***37.8%***	**210,255**	***34.7%***	**240,971**	***39.9%***
Trade and other receivables	50,268	*7.9%*	47,014	*7.8%*	27,005	*4.5%*
Available-for-sale financial assets	0	*0.0%*	31,056	*5.1%*	141,827	*23.5%*
Cash and cash equivalents	188,986	*29.8%*	131,755	*21.7%*	69,526	*11.5%*
Other	292	*0.0%*	430	*0.1%*	2,613	*0.4%*
Total assets	**633,521**	***100.0%***	**606,125**	***100.0%***	**604,000**	***100.0%***
Equity of the shareholders of the parent entity	459,989	*72.6%*	561,872	*92.7%*	484,203	*80.2%*
Non-controling interests	1,003	*0.2%*	969	*0.2%*	801	*0.1%*
Non-current liabilities	3,370	*0.5%*	3,649	*0.6%*	3,037	*0.5%*
Current liabilities	169,159	*26.7%*	39,635	*6.5%*	115,959	*19.2%*
Total equity and liabilities	**633,521**	***100.0%***	**606,125**	***100.0%***	**604,000**	***100.0%***

Source: Condensed Consolidated Interim Financial Statements

2.3.9. Cash flows

In H1 2011, cash flows from operating activities amounted to PLN 53.7 million, an increase of PLN 8.3 million, or 18.3%, compared to H1 2010 thanks to improved operating results in 2011. Cash flows from investing activities were positive both in H1 2011 and H1 2010, mainly due to redemption of available-for-sale financial assets. Investment in property and equipment amounted to PLN 4.3 million in H1 2011 and PLN 2.8 million in H1 2010. Investments in intangible assets amounted to PLN 1.3 million in H1 2011 and PLN 0.2 million in H1 2010. There were no cash flows from financing activities in H1 2011 while cash flows from financing activities amounted to PLN 506.1 million in H1 2010 due to the payment of dividend.

Group's consolidated cash flows in H1 2011 and H1 2010

PLN'000	**For the six-month period ended June 30,**	
	2011	**2010**
Cash flows from operating activities	53,737	45,412
Cash flows from investing activities	27,649	46,045
Cash flows from financing activities	0	-506,098
Net increase (decrease) in net cash	**81,386**	**-414,641**
Cash and cash equivalents at beginning of period	107,600	484,167
Cash and cash equivalents at end of period	188,986	69,526

Source: Condensed Consolidated Interim Financial Statements

2.3.10. Capital expenditure

The Group's total capital expenditure in Q2 2011 amounted to PLN 4.3 million compared to PLN 1.3 million in Q1 2011 and PLN 1.7 million in Q2 2010. Capital expenditure in Q2 2011 mainly included the following projects:

- migration of the Information Database (IBD) to Linux;
- modernisation of the financial and accounting system;
- UTP implementation.

2.3.11. Seasonality and cyclicality of operations

Share prices and the value of trading are significantly influenced by local, regional and global trends impacting the capital markets, which determine the pace of new issues and the activity of investors on the WSE. As a result, the revenue of the Group is cyclical: it decreased due to the global financial crisis in 2008 and rose in 2009 and 2010 following the general capital market trend. In H1 2011, the results of the WSE were influenced by investor uncertainty triggered by the high public deficit and public debt of some European economies and the USA.

2.3.12. Key factors impacting results in the horizon of at least one quarter

Potential reversal of the growth trend on the global capital markets

The operation of the Group is strongly dependent on the economic situation in Poland and globally. Changes on the capital markets and changes in the economy have a strong impact on the activity of issuers whose securities are listed on the WSE. As a result, they could result in deterioration of the financial results of listed companies and, consequently, their share prices and trading volumes, which could have a direct impact on the revenues of the WSE. Significant volatility of the capital markets could also result in restricted access to capital available to be invested on the WSE.

Capital expenditure for the implementation of the UTP

In July 2010, the Company entered into an agreement with NYSE Euronext to establish a framework for their strategic co-operation. In particular, the master agreement provides for the acquisition by WSE of the UTP (Universal Trading Platform). In October 2010, the Company entered into agreements with NYSE Technologies SAS outlining the terms for the delivery, licensing and software maintenance of the UTP. UTP implementation is scheduled by the end of 2012.

The capital expenditures for the UTP will be financed with the WSE's own funds.

Remuneration of the WSE Management Board

Following the decrease of the stake held by the State Treasury in the WSE share capital below 50% after the completion of the Company's IPO, the WSE is no longer bound by the provisions of the Act on Remuneration of Persons Managing Certain Legal Entities of March 3, 2000 (Dz.U.00.26.306 as amended) and the resulting limitations on the amount of base salary and other financial benefits paid for performed managerial functions.

As of January 1, 2011, a new WSE Management Board remuneration system has been in place.

Taking control of Towarowa Giełda Energii S.A.

The WSE is performing a feasibility study of the acquisition of a majority stake in TGE S.A. If the investment is approved, it will be financed with external funding.

Fees paid to KNF

According to information provided by KNF, monthly advance payments in respect of capital market supervision fees in Q3 2011 will be higher by around PLN 450 thousand per month compared to H1 2011. Assuming that the charges remain at the same level in Q4 2011, the advance payments in respect of KNF fees in Q3 and Q4 2011 will be PLN 5.2 million in each quarter (aggregate PLN 10.5 million in H2 2011).

Information services price list

According to a decision of the WSE Management Board, monthly fees for information services will be denominated only in PLN as of July 1, 2011. Annual fees will be denominated only in PLN as of January 1, 2012. This will decrease the dependence of the WSE revenue on the volatility of the EUR/PLN exchange rate.

2.3.13. Other significant information

FEASIBILITY OF PREVIOUSLY PUBLISHED FORECASTS

The Group did not publish any projections of 2011 results.

INFORMATION ABOUT ISSUE AND REDEMPTION OF NON-EQUITY AND EQUITY SECURITIES

In H1 2011, non-equity and equity securities were neither issued nor redeemed.

INFORMATION ABOUT DIVIDENDS

In H1 2011, the WSE did not pay any dividends.

In April 2011, the WSE Management Board requested the WSE Supervisory Board's opinion on a motion concerning profit distribution, which provides for a dividend payment of PLN 134,730,120.00, equivalent to 99.8% of the Company's net profit of 2010. On April 6, 2011, the WSE Supervisory Board gave a positive opinion of the WSE Management Board's profit distribution motion. The General Meeting is the only body of the Company authorised to make a decision on profit distribution including dividend payment. On June 27, 2011, the Ordinary General Meeting passed a resolution approving a dividend payment in the amount of PLN 134,730,120.00. The dividend is PLN 3.21 per share (none of the Company's shares are preferred in terms of dividend). The dividend was paid out on July 27, 2011.

EVENTS AFTER THE BALANCE-SHEET DATE WHICH COULD SIGNIFICANTLY IMPACT THE FUTURE FINANCIAL RESULTS OF THE ISSUER

There were no events after the balance-sheet date which could significantly impact the future financial results of the issuer.

CONTINGENT LIABILITIES AND INVESTMENT COMMITMENTS

The Group had no contingent liabilities and investment commitments at June 30, 2011.

PENDING LITIGATION

According to the Company's best knowledge, there is no litigation pending against the parent entity or other companies of the Group before a court, an arbitration body or a public administration body concerning liabilities or debt with a value of at least 10% of the Company's equity.

RELATED PARTY TRANSACTIONS

In H1 2011, the WSE and the associates of the WSE did not make any significant transactions on terms other than market terms.

GRANTED WARRANTIES AND GUARANTEES

The Group granted no warranties or guarantees in H1 2011.

OTHER SIGNIFICANT INFORMATION

In the opinion of the Company, in H1 2011, there were no significant events or circumstances, other than those presented in this Report, which would be significant to an evaluation of the Company's or the Group's position with regard to its human resources, assets, financial standing, financial results and capacity to meet obligations.

3. Appendices:

Condensed Consolidated Interim Financial Statements for the six-month period ended June 30, 2011 and the auditor's review report

Condensed Separate Interim Financial Statements for the six-month period ended June 30, 2011 and the auditor's review report

Management Board statements

KPMG Audyt
Spółka z ograniczoną
odpowiedzialnością sp.k.
ul. Chłodna 51
00-867 Warszawa
Poland

Telefon +48 22 528 11 00
Fax +48 22 528 10 09
E-mail kpmg@kpmg.pl
Internet www.kpmg.pl

This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

INDEPENDENT AUDITORS' REVIEW REPORT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF GIEŁDA PAPIERÓW WARTOŚCIOWYCH GROUP FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

To the Shareholders of Giełda Papierów Wartościowych S.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Giełda Papierów Wartościowych S.A. Group, with its registered office in Warsaw, Książęca 4 Street that consist of the condensed consolidated statement of financial position as at 30 June 2011, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flow for the period from 1 January 2011 to 30 June 2011 and selected explanatory notes.

Management of Giełda Papierów Wartościowych S.A. is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with the International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union ("IAS 34") and other applicable regulations. Our responsibility is to express a conclusion on these condensed interim financial statements, based on our review.

Scope of Review

We conducted our review in accordance with the national standard on auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* and the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements of Giełda Papierów Wartościowych S.A. Group are not prepared, in all material respects, in accordance with IAS 34.

Signed on the Polish original

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. nr ewidencyjny 3546
ul. Chłodna 51, 00-867 Warszawa

....
Certified Auditor No. 12017
Krzysztof Stański

....
Certified Auditor No. 796
Member of the Management Board of KPMG Audyt Sp. z o.o.
General Partner of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k.
Bogdan Dębicki

25 August 2011
Warsaw

GIEŁDA PAPIERÓW WARTOŚCIOWYCH W WARSZAWIE S.A. GROUP
("THE WARSAW STOCK EXCHANGE GROUP")

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX–MONTH PERIOD ENDED 30 JUNE 2011

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Note	30.06.2011	31.12.2010
NON-CURRENT ASSETS		**393,975**	**337,664**
Property and equipment	4	118,047	119,516
Intangible assets	5	59,452	60,167
Investments in associates	6	141,534	138,956
Deferred tax assets	7	4,440	4,007
Available-for-sale financial assets	8	67,348	11,829
Prepayments		3,154	3,189
CURRENT ASSETS		**239,546**	**220,862**
Inventories		292	438
Corporate income tax receivable		-	621
Trade and other receivables	10	50,268	81,416
Available-for-sale financial assets	8	-	30,787
Cash and cash equivalents	11	188,986	107,600
TOTAL ASSETS		**633,521**	**558,526**

EQUITY AND LIABILITIES	Note	30.06.2011	31.12.2010
Equity		**460,992**	**524,726**
Equity of the shareholders of the parent entity		**459,989**	**523,843**
Share capital	12	63,865	63,865
Other reserves	12	(30)	204
Retained earnings	12	396,154	459,774
Non-controlling interests		**1,003**	883
Non-current liabilities		**3,370**	**4,814**
Employee benefits payable		2,266	2,367
Other liabilities		-	1,360
Finance lease liabilities		94	77
Provisions for other liabilities and charges		1,010	1,010
Current liabilities		**169,159**	**28,986**
Trade payables	13	3,301	7,472
Finance lease liabilities		66	73
Income tax payable		5,569	-
Other liabilities	13	153,110	11,440
Employee benefits payable		7,013	9,790
Provisions for other liabilities and charges		100	211
TOTAL EQUITY AND LIABILITIES		**633,521**	**558,526**

The notes presented on pages 6 to 34 form an integral part of these condensed consolidated interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six-month period ended 30.06.2011	Six-month period ended 30.06.2010
Revenue	14	137,469	111,477
Operating expenses	15	65,162	58,896
Other income		706	400
Other expenses		679	182
Operating profit		**72,334**	**52,799**
Financial income		4,658	6,417
Financial expenses		81	151
Share of profit of associates	6	9,858	6,846
Profit before income tax		**86,769**	**65,911**
Income tax expense	16	15,278	11,486
Profit for the period		**71,491**	**54,425**
Other comprehensive income:			
Gains/(losses) from the valuation of financial assets available for sale of the parent entity		(87)	(601)
Gains/(losses) from the valuation of financial assets available-for-sale of the associate		(147)	31
Other comprehensive income after tax		**(234)**	**(570)**
Total comprehensive income		**71,257**	**53,855**
Profit for the period		**71,491**	**54,425**
Profit for the period attributable to the shareholders of the parent entity		71,311	54,373
Profit for the period attributable to the non-controlling interests		180	52
Total comprehensive income		**71,257**	**53,855**
Total comprehensive income attributable to the shareholders of the parent entity		71,077	53,803
Total comprehensive income attributable to the non-controlling interests		180	52
Basic / diluted earnings per share (expressed in PLN)		1.70	1.30

The notes presented on pages 6 to 34 form an integral part of these condensed consolidated interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

CONSOLIDATED STATEMENT OF CASH FLOWS

		Note	Six-month period ended 30.06.2011	Six-month period ended 30.06.2010
A	**Cash flows from operating activities:**		**53,737**	**45,412**
	Cash generated from operations	21	63,266	54,889
	Income tax paid		(9,529)	(9,477)
B	**Cash flows from investing activities:**		**27,649**	**46,045**
	Purchases of property and equipment	4	(4,299)	(2,780)
	Proceeds from sale of property and equipment		64	50
	Purchases of intangible assets	5	(1,338)	(214)
	Purchases of available-for-sale financial assets		(54,201)	-
	Sales of available-for-sale financial assets		30,000	46,707
	Interest received		3,330	2,019
	Dividends received		54,093	280
	Other			(17)
C	**Cash flow from financing activities:**		**-**	**(506,098)**
	Dividends paid*		-	(506,098)
D	**Net (decrease) / increase in cash and cash equivalents**		**81,386**	**(414,641)**
	Cash and cash equivalents at the beginning of the period		**107,600**	**484,167**
	Cash and cash equivalents at the end of the period	**11**	**188,986**	**69,526**

**Without PLN 84 thousand of dividend payable to Miejski Dom Maklerski S.A., that no longer exists.*

The notes presented on pages 6 to 34 form an integral part of these condensed consolidated interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the shareholders of the parent entity				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings	Total		
Balance as at 31 December 2009	**63,865**	**1,453**	**455,741**	**521,059**	**749**	**521,808**
Dividend	-	-	(90,659)	(90,659)	-	**(90,659)**
Profit for the six-month period ended 30 June 2010	-	-	54,373	54,373	52	**54,425**
Revaluation of available-for-sale financial assets	-	(570)	-	(570)	-	**(570)**
Total comprehensive income for the six-month period ended 30 June 2010	-	(570)	54,373	53,803	52	**53,855**
Balance as at 30 June 2010	**63,865**	**883**	**419,455**	**484,203**	**801**	**485,004**
Balance as at 31 December 2009	**63,865**	**1,453**	**455,741**	**521,059**	**749**	**521,808**
Dividend	-	-	(90,659)	(90,659)	-	**(90,659)**
Profit for the year 2010	-	-	94,692	94,692	134	**94,826**
Revaluation of available-for-sale financial assets	-	(1,249)	-	(1,249)	-	**(1,249)**
Total comprehensive income for 2010	-	(1,249)	94,692	93,443	134	**93,577**
Balance as at 31 December 2010	**63,865**	**204**	**459,774**	**523,843**	**883**	**524,726**
Balance as at 31 December 2010	**63,865**	**204**	**459,774**	**523,843**	**883**	**524,726**
Dividend and Social Benefit Fund	-	-	(134,931)	(134,931)	(60)	**(134,991)**
Profit for the six-month period ended 30 June 2011	-	-	71,311	71,311	180	**71,491**
Revaluation of available-for-sale financial assets	-	(234)	-	(234)	-	**(234)**
Total comprehensive income for the six-month period ended 30 June 2011	-	(234)	71,311	71,077	180	**71,257**
Balance as at 30 June 2011	**63,865**	**(30)**	**396,154**	**459,989**	**1,003**	**460,992**

The notes presented on pages 6 to 34 form an integral part of these condensed consolidated interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

1.1. Legal status and the scope of operations of the parent company

The parent entity of Giełda Papierów Wartościowych w Warszawie S.A. Group (the "Group") is Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna (the "Warsaw Stock Exchange", the "Exchange", "WSE" or the "Company") with its registered office in Warsaw, ul. Książęca 4. The Company was established by Notarial Deed on 12 April 1991 and registered in the Commercial Court in Warsaw on 25 April 1991.

The core operations of WSE comprise the organization of public trading in securities.

1.2. Approval of the financial statements

Condensed consolidated interim financial statements were authorized for issue by the parent entity's Management Board on 25 August 2011.

1.3. The Group's composition and operations

The Warsaw Stock Exchange and its subsidiaries: WSEInfoEngine S.A., BondSpot S.A. and Instytut Rynku Kapitałowego – WSE Research S.A. comprise the Warsaw Stock Exchange Group. The associates on which the Group exerts significant influence are as follows: KDPW S.A., Centrum Giełdowe S.A. and INNEX Stock Exchange.

The composition of the Group as at 30 June 2011 and 30 June 2010 is set out in table below:

Name of the entity	Registered office of the entity	Scope of operations	% interest in share capital
Parent company			
Warsaw Stock Exchange	00-498 Warsaw ul. Książęca 4 Poland	– operating a stock exchange through the organization of public trading in securities – conducting educational, promotional and information activities regarding functioning of the capital market – organizing an alternative trading system	
Subsidiaries			
WSEInfoEngine S.A.	00-498 Warsaw ul. Książęca 4 Poland	– providing data transmission and information services	100.00%
BondSpot S.A.	00-609 Warsaw Al. Armii Ludowej 26 Poland	– running an over-the-counter market and conducting other activities related to organizing trading in securities and other financial instruments – organizing an alternative trading system – organizing and conducting all activities which supplement and support the functioning of the markets operated by the Company	92.47%

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Name of the entity	**Registered office of the entity**	**Scope of operations**	**% interest in share capital**
Instytut Rynku Kapitałowego - WSE Research S.A.	00-498 Warszawa ul. Książęca 4 Poland	– publishing books, newspapers, magazines and other periodicals – non-school forms of education – activities which support education	100.00%
Associates			
Krajowy Depozyt Papierów Wartościowych S.A.	00-498 Warsaw ul. Książęca 4 Poland	– maintaining a deposit for securities – clearing and settlement of transactions concluded on the stock exchanges, energy exchanges and commodity exchanges – conducting other activities related to trading in securities and other financial instruments – administration of the Guarantee Fund	33.33%
Centrum Giełdowe S.A.	00-498 Warsaw ul. Książęca 4 Poland	– building, urban and technological – design operations – undertaking general building works related to constructing buildings – leasing of real estate on own account – real estate management	24.79%
Closed joint stock company „INNEX Stock Exchange”	01015, Kiev ul. Moskowska 43/11 Ukraine	– managing financial markets – stock exchange transactions in securities – other types of wholesale – other auxiliary activities relating to financial intermediation – commercial and management advisory services – organizing secondary trading in shares, bonds and options – organizing tenders on the primary market for shares in Ukrainian businesses under privatisation	24.98%

In the period from 1 January 2011 to the date of the condensed consolidated interim financial statements as at 30 June 2011 there have been no changes in the structure of the Group.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2. Summary of significant accounting policies

2.1. Basis of preparation of the condensed consolidated interim financial statements

These condensed consolidated interim financial statements of the Warsaw Stock Exchange Group have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" endorsed by the European Union.

These condensed consolidated interim financial statements have been prepared on the assumption that the Group will continue as a going concern in the foreseeable future. As at the date of these condensed consolidated interim financial statements, there are no circumstances indicating any threats to the Group's ability to continue operations.

These condensed consolidated interim financial statements have been prepared under the historical cost basis, with the exception of available-for-sale financial assets which are measured at fair value.

2.2. Major accounting policy principles

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policy principles binding for the consolidated financial statements for the year ended 31 December 2010, except for standards and interpretations binding for:

a) Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.
b) Published Standards and Interpretations which have been issued and binding of the Group for annual periods starting on 1 January 2011:
   - IFRIC 14, (Revised), Prepayments of a Minimum Funding, binding for annual periods commencing on or after 1 January 2011;
   - IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments, binding for annual periods commencing on or after 1 July 2010;
   - IAS 32 (Revised), Classification of Rights Issues, binding for annual periods commencing on or after 1 February 2010.

Implementation of preciding standards has not infuanced financial statements of the company.

3. Financial risk management

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks. The Group is subject to the following financial risks: market risk (including fair value and cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize any potential adverse effects on the Group's financial performance. The parent entity's Management Board is responsible for risk management within the Group.
The Group has dedicated departments, responsible for ensuring its liquidity, including foreign currency liquidity, debt collection and timely payment of liabilities, particularly tax liabilities.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3.2. Market risk

(a) Cash flow and fair value interest rate risk.

The Group is moderately exposed to interest rate risk. The Group has short-term and long-term assets whose interest terms and profitability were determined at the inception of contracts and are not subject to significant changes resulting from interest rate fluctuations. Due to the average or short period to maturity the risk of changes in the cash flows related to those assets resulting from interest rate fluctuations is relatively low.
The Group minimizes interest rate risk by maintaining a short average duration period for the entire Treasury bond portfolio – below two years. With the increase in interest rates, the Group benefits from higher interest rates than the ones offered by the bank deposits and increase in cash flows, and at the same time the fair value of the bonds decreases.

(b) Foreign exchange risk

The Group does not conduct significant international activities and has moderate foreign exchange risk. The Management Board concludes that changes in the exchange rates do not influence the financial results of the Group.

BondSpot S.A. has signed two forward contracts for sales of Euro currency. First contract was signed on 12 May 2011 with nominal value of EUR 40,000 with the maturity date of 12 July 2011 at the rate of 3,9140 with nominal value of PLN 156,560. Second contract was signed on 6 June 2011 with nominal value of EUR 50,000 with the maturity date of 5 August 2011 at the rate of 3,9570 with nominal value of PLN 197,850. Value of the contracts as at 30 June 2011 is negative and amount to PLN 2,998.58 and 1,937.15 respectively. The company does not hedge the above mentioned forward contracts in any way.

3.3. Credit risk

Credit risk is defined as a risk of occurrence of losses due to counterparty's default of payments to the Group or as a risk of decrease in economic value of amounts due to the Group as a result of deterioration of counterparty's ability to repay due amounts.

The credit risk connected with trade receivables is restricted by the Management Board of the parent entity by setting credit limits and an assessment of the clients' credibility. Resolutions of the Management Board of the parent entity, which are binding for the Group, differ payment dates depending on groups of clients. Standard payment dates amount to 30 days. The payment terms for recipients of stock exchange news bulletins are mostly 60 days. Specific procedure of debt collections in the Group has been implemented.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Financial assets held by the Group are disclosed in the table below.

	30.06.2011	31.12.2010
Financial assets available-for-sale	67,348	42,616
- long-term	67,348	11,829
- short-term	-	30,787
Loans and receivables	233,499	185,980
- trade and other receivables	44,523	78,389
- bank deposits and current accounts (included in cash and cash equivalents)	188,976	107,591
Total financial assets	**300,847**	**228,596**

By decision of the Management Board of the parent entity, the portfolio of debt securities comprises only securities issued or guaranteed by the State Treasury (rating A2 according to Moody's).
In the case of banks and financial institutions (concerning term deposits and bank accounts) only entities with a stable financial standing are accepted (rating above Baa2 according to Moody's).

3.4. Liquidity risk

An analysis of the Group's financial position shows that the Group is not significantly exposed to the liquidity risk.

An analysis of the structure of the Group's assets shows a considerable share of liquid assets, and thus, a very good position of the Group in terms of liquidity. Cash and debt securities owned by the Group as at 30 June 2011 amounted to PLN 255,071 thousand (as at 31 December 2010: PLN 148,913 thousand) representing 40.26% of the total assets (as at 31 December 2010: 26.66%)
The analysis of the structure of equity and liabilities shows the following share of equity in financing the WSE Group's operations: as at 30 June 2011 equity comprised 72.77% of WSE's total liabilities and equity (31 December 2010: 93.95%).

The Management Board monitors, on a current basis, forecasts of the Group's liquidity funds on the basis of contractual cash flows, based on the current interest rates.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Liquidity analysis based on the contractual cash flows is presented in the following tables:

Liquidity risk as at 30 June 2011

	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets							
Treasury bonds and bills available-for-sale	-	-	625	-	70,500	-	**71,125**
Bank deposits and current accounts	140,783	10,031	37,739	500	-	-	**189,053**
Trade receivables	34,479	3,026	-	-	-	-	**37,505**
Total assets	**175,262**	**13,057**	**38,364**	**500**	**70,500**	**-**	**297,683**
Liabilities							
Trade liabilities	3,301	-	-	-	-	-	**3,301**
Finance lease liabilities	5	15	15	31	94	-	**160**
Dividend paybles	134,890	-	-	-	-	-	**134,890**
Total liabilities	**138,196**	**15**	**15**	**31**	**94**	**-**	**138,351**
Liquidity gap	**37,066**	**13,042**	**38,349**	**469**	**70,406**	**-**	**159,332**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Liquidity risk as at 31 December 2010

	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets							
Treasury bonds and bills available-for-sale	-	-	31,275	625	12,500	-	**44,400**
Bank deposits and current accounts	54,990	52,110	500	-	-	-	**107,600**
Trade receivables	20,853	3,340	20	19	88	-	**24,320**
Total assets	**75,843**	**55,450**	**31,795**	**644**	**12,588**	**-**	**176,320**
Liabilities							
Trade liabilities	5,523	861	544	272	272	-	**7,472**
Finance lease liabilities	5	24	19	25	78	-	**151**
Total liabilities	**5,528**	**885**	**563**	**297**	**350**	**-**	**7,623**
Liquidity gap	**70,315**	**54,565**	**31,232**	**347**	**12,238**	**-**	**168,697**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4. Property and equipment

	30.06.2011	31.12.2010
Land and buildings	92,967	94,296
Vehicles and machinery	16,258	19,534
Furniture, fittings and equipment	1,616	1,794
Fixed assets under construction	7,128	3,892
Other	78	-
Plant and equipment total	**118,047**	**119,516**

	Six-month period ended 30.06.2011	Year ended 31.12.2010	Six-month period ended 30.06.2010
Opening gross carrying value	207,185	199,058	199,058
Accumulated depreciation	(87,669)	(74,711)	(74,711)
Opening net carrying value	**119,516**	**124,347**	**124,347**
Additions	4,299	18,530	2,780
Disposals & liquidation	(14)	(10,403)	-
Depreciation charge	(5,754)	(12,958)	(6,412)
Closing net carrying value	**118,047**	**119,516**	**120,715**

In the period ended 30 June 2011 the Group has sold tangible fixed assets for PLN 64 thousand, with gross book value of PLN 274 thousand.

5. Intangible assets

	30.06.2011	31.12.2010
Licenses	25,843	26,367
Copyrights	1,088	1,279
Goodwill	32,521	32,521
Intangible assets	**59,452**	**60,167**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

	Six-month period ended 30.06.2011	Year ended 31.12.2010	Six-month period ended 30.06.2010
Opening gross carrying value	119,280	91,492	91,492
Accumulated depreciation	(59,113)	(55,390)	(55,390)
Opening net carrying value	**60,167**	**36,102**	**36,102**
Additions	1,338	28,352	214
Disposals & liquidation	-	(564)	-
Depreciation charge	(2,053)	(3,723)	(1,760)
Closing net carrying value	**59,452**	**60,167**	**34,556**

6. Investments in associates

	Six-month period ended 30.06.2011	Year ended 31.12.2010	Six-month period ended 30.06.2010
Opening balance	**138,957**	**179,324**	**179,324**
Dividends	(7,134)	(54,302)	(229)
Share in profit *	9,640	14,170	6,846
Other additions **	218	(176)	-
Share in revaluation reserve	(147)	(60)	31
Closing balance	**141,534**	**138,956**	**185,972**

* *Represents share in profit after tax*

** *The impact of full consolidation method (for the time CCP KDPW in KDPW Group)*

None of the Group's associates is listed on the active market. Selected financial data of the associates are presented below:

Six- months period ended 30 June 2011

Name of the entity	Assets	Equity	Libilities	Revenue	Profit (loss) for the period	Interest held	The Group's share in associate's profit (loss)
KDPW S.A.	1,213,070	376,015	837,055	285,736	27,128	33.33%	9,043
Centrum Giełdowe S.A.	91,083	64,932	26,151	8,824	2,407	24.79%	597
INNEX *	1,990	1,972	18	54	(164)	24.98%	-
Razem	**1,306,143**	**442,919**	**863,224**	**294,614**	**29,371**		**9,640**

* *INNEX Stock Exchange prepares financial statements in accordance with Ukrainian accounting policies.*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Year ended 31 December 2010

Name of the entity	Assets	Equity	Libilities	Revenue	Profit (loss) for the period	Interest held	The Group's share in associate's profit (loss)
KDPW S.A.	1,361,353	370,023	991,330	150,908	42,106	33.33%	14,035
Centrum Giełdowe S.A.	92,880	63,027	29,853	17,533	547	24.79%	135
INNEX *	2,313	2,303	10	283	(192)	24.98%	-
Total	**1,456,546**	**435,353**	**1 021,193**	**168,724**	**42,461**		**14,170**

* *INNEX Stock Exchange prepares financial statements in accordance with Ukrainian accounting policies.*

Six- months period ended 30 June 2010

Name of the entity	Assets	Equity	Libilities	Revenue	Profit (loss) for the period	Interest held	The Group's share in associate's profit (loss)
KDPW S.A.	1,259,414	514,081	745,333	63,593	23,168	33.33%	7,723
Centrum Giełdowe S.A.	92,961	58,943	34,018	8,202	(3,538)	24.79%	(877)
INNEX *	2,638	2,597	41	72	(243)	24.98%	-
Razem	**1,355,013**	**575,621**	**779,392**	**71,867**	**19,387**		**6,846**

* *INNEX Stock Exchange prepares financial statements in accordance with Ukrainian accounting policies. Data as at 31 December 2009.*

In accordance with Article 4, clause 3 of the Memorandum of Association of KDPW S.A., the company's shares are only registered shares.
The registered offices of the associates, except for INNEX, are located in Poland. The registered office of INNEX is located in the Ukraine.

7. Deferred tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. After offsetting, the following amounts are disclosed in the condensed consolidated interim financial statements:

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The gross movement on the deferred tax asset account is as follows:

Deferred tax assets:	**30.06.2011**	**31.12.2010**
- deferred tax assets to be recovered within 12 months	(4,118)	(2,375)
- deferred tax assets to be recovered after more than 12 months	(1,698)	(1,931)
Total	**(5,816)**	**(4,306)**

Deferred tax liabilities:	**30.06.2011**	**31.12.2010**
- deferred tax liabilities to be settled within 12 months	1,061	(69)
- deferred tax liabilities to be settled after more than 12 months	315	368
Total	**1,376**	**299**

Changes in the deferred tax balance are as follows:

	Six-month ended 30.06.2011	**Year ended 31.12.2010**
Deferred tax assets (net) at the beginning of the period	**(3,998)**	**(2,400)**
Credited to the income statement	(421)	(1,328)
Tax charged (credited) to other comprehensive income	(21)	(279)
Deferred tax assets (net) at the end of the period	**(4,440)**	**(4,007)**

The Group did not include differences between book and tax values of the associates in the calculation of deferred tax.

Total difference between book and tax value of the associates amounted to PLN 129,882 thousand as at 30 June 2011 (123,484 thousand as at 31 December 2010). According to The Act of 22 February 2002 on Corporate Income Tax, the parent entity will not be charged with tax on dividend paid by its associates. Moreover, the parent entity does not intend to sell shares in associates. Therefore, the Group did not recognize a deferred tax liability in respect of the difference between the book value of associates and its tax base, which would amount to PLN 23,952 thousand as at 30 June 2011 (PLN 23,462 thousand as at 31 December 2010).

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. Financial assets available for sale

Changes in financial assets available-for-sale:

	Six-month ended 30.06.2011	Year ended 31.12.2010	Six-month ended 30.06.2010
Beginning of the period	**42,616**	**49,622**	**49,622**
Additions (purchase of Treasury bonds)	56,115	3,055	47
Reclassification from protfolio of financial assets held to maturity	-	152,372	152,372
Decreases (redemption of Treasury bonds and bills, interest received)	(31,275)	(160,965)	(45,109)
Change in fair value – recognized in other comprehensive income	(108)	(1,468)	(742)
- shares	*(40)*	*(1,031)*	*71*
- Treasury bonds and Treasury bills	*(68)*	*(437)*	*(813)*
End of the period	**67,348**	**42,616**	**156,190**
Non-current portion	67,348	11,829	14,363
Current portion	-	30,787	141,827

Available-for-sale financial assets include:

	30.06.2011	31.12.2010
Debt financial assets	**66,085**	**41,313**
Treasury bonds	66,085	41,313
Equity financial assets	**1,263**	**1,303**
Listed on the active market	616	656
Not listed on the active market	647	647
Total	**67,348**	**42,616**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Equity securities in available-for-sale portfolio include:

Name of the entity	Purchase consideration of shares	Impairment	Revaluation	Carrying amount
30.06.2011				
XTRADE S.A., Warszawa, Polska	220	(220)	-	-
Towarowa Giełda Energii S.A., Warszawa, Polska	647	-	-	647
S.C. SIBEX - Sibiu Stock Exchange S.A., Sibiu, Rumunia	1,343	-	(727)	616
Total available-for-sale equity securities	**2,210**	**(220)**	**(727)**	**1,263**
31.12.2010				
XTRADE S.A., Warszawa, Polska	220	(220)	-	-
Towarowa Giełda Energii S.A., Warszawa, Polska	647	-	-	647
S.C. SIBEX - Sibiu Stock Exchange S.A., Sibiu, Rumunia	1,343	-	(687)	656
Total available-for-sale equity securities	**2,210**	**(220)**	**(687)**	**1,303**

Since there is no active market for shares of XTRADE S.A. and Towarowa Giełda Energii S.A. and it is not possible to reliably determine the fair value of the shares of those companies, they were recognized at cost, less impairment losses.

Due to the losses of XTRADE S.A. shares of the company have been fully impaired.

The fair values of quoted investments are based on current share quotations. The value of S.C. SIBEX - Sibiu Stock Exchange S.A. (SIBEX), which is listed on S.C. SIBEX - Sibiu Stock Exchange S.A., was valued based on its market price as at 30 June 2011.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

9. Financial assets held to maturity

Changes in financial assets held to maturity:

	Six-month ended 30.06.2011	Year ended 31.12.2010	Six-month ended 30.06.2010
Beginning of the period	**-**	**150,645**	**150,645**
Additions (purchases of Treasury bonds, bills and interest accrued)	-	2,727	2,727
Decreases (redemption of bonds and interest received as well as reclassification from held to matrurity to available- for-sale financial assets)	-	(153,372)	(153,372)
End of the period	**-**	**-**	**-**
Non-current	-	-	-
Current	-	-	-

10. Trade and other receivables

Trade and other receivables comprise the following:

	30.06.2011	31.12.2010
Gross trade receivables	40,382	27,214
Allowances for receivables	(2,877)	(2,904)
Net trade receivables	37,505	24,310
Dividend receivables	7,018	54,079
Total financial assets	**44,523**	**78,389**
Prepayments	4,231	1,586
Other receivables and advances	1,452	1,134
Receivables from the public sector	62	307
Total non financial assets	**5,745**	**3,027**
Total trade and other receivables	**50,268**	**81,416**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

Changes in allowances for trade receivables:

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Beginning of the period	**2,904**	**1,709**
Allowance recorded	585	96
Receivables written off during the period as uncollectible	-	(151)
Reversal of allowance	(612)	(222)
End of the period	**2,877**	**1,432**

Changes in allowances for other receivables:

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Beginning of the period	**-**	**82**
Allowance recorded	-	-
End of the period	**-**	**82**

The recording and reversing of allowance for receivables is recognized as either other expenses or other income respectively. The amounts that are charged to the allowance account are usually written off if it is likely that the cash would not be collected, i.e. it is highly probable that the debtor will go bankrupt, will be subject of financial restructurisation or when debtor has significant financial difficulties.

11. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	30.06.2011	31.12.2010
Cash in hands	10	9
Current accounts	1,321	1,228
Term deposits	187,655	106,363
Total cash and cash equivalents	**188,986**	**107,600**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

12. Equity

Equity attributable to the shareholders of parent entity	**30.06.2011**	**31.12.2010**
Share capital	63,865	63,865
Other reserves	(30)	204
Retained earnings	396,154	459,774
Total	**459,989**	**523,843**

Share capital	**30.06.2011**	**31.12.2010**
41 972 000 ordinary shares approved, allocated and paid up	41,972	41,972
Revaluation of the share capital using the inflation rate	21,893	21,893
Total	**63,865**	**63,865**

As at a 30 June 2011 as well as at 31 December 2010 the WSE’s share capital amounted to PLN 41,972 thousand and comprised 41,972,000 shares each of PLN 1.00 par value.

Share capital from before 1996 in the nominal value of PLN 6,000 thousand was revalued with general price index according to IAS 29 (the cumulative inflation rate index for the period April 1991 - December 1996 amounted to 464.9%).

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The ownership structure of the share capital and percentage of shares in the parent entity as at 30 June 2011:

Shareholders	**Nominal value of shares**	**% in share capital**	**% of votes**
Registered shares	15,087	35.95%	52.88%
State Treasury	14,688	35.00%	51.48%
Banks	231	0.55%	0.81%
Brokerage houses	126	0.30%	0.44%
Others	42	0.10%	0.15%
Bearer shares	26,885	64.05%	47.12%
Total	**41,972**	**100.00%**	**100.00%**

Other reserves

	30.06.2011	**31.12.2010**
Revaluation reserve	**(30)**	**204**
- revaluation	(110)	263
- deferred tax	80	(59)

Change in the revaluation reserve

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Beginning of the period:	**204**	**1,453**
- parent entity (net)	(245)	944
- associate (net)	449	509
Additions/decreases	**(234)**	**(570)**
- changes due to revaluation and sales:	(255)	(711)
- parent entity (net)	(108)	(742)
- associate (net)	(147)	31
- deferred tax, including parent company	21	141
End of period:	**(30)**	**883**
- parent entity (net)	(332)	343
- associate (net)	302	540

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Retained earnings

	Reserve capital	Other capital reserves	Accumulated profits	Profit for the period	Total
31 December 2010	**38,023**	**182,656**	**144,403**	**94,692**	**459,774**
Allocation of profit for 2010	217	110	94,365	(94,692)	-
Dividend payable and Social Benefit Fund	-	-	(134,931)	-	(134,931)
Profit for the six-month period ended 30 June 2011 attributable to the shareholders of the parent entity	-	-	-	71,311	71,311
30 June 2011	**38,240**	**182,766**	**103,837**	**71,311**	**396,154**

	Reserve capital	Other capital reserves	Accumulated profits	Profit for the period	Total
31 December 2009	**38,023**	**182,508**	**134,448**	**100,762**	**455,741**
Allocation of profit for 2009	-	148	100,614	(100,762)	-
Dividend payable	-	-	(90,659)	-	(90,659)
Profit for the year 2010 attributable to the shareholders of the parent entity	-	-	-	94,692	94,692
31 December 2010	**38,023**	**182,656**	**144,403**	**94,692**	**459,774**

	Reserve capital	Other capital reserves	Accumulated profits	Profit for the period	Total
31 December 2009	**38,023**	**182,508**	**134,448**	**100,762**	**455,741**
Allocation of profit for 2009	-	148	100,614	(100,762)	-
Dividend payable	-	-	(90,659)	-	(90,659)
Profit for the six-month period ended 30 June 2010 attributable to the shareholders of the parent entity	-	-	-	54,373	54,373
30 June 2010	**38,023**	**182,656**	**144,403**	**54,373**	**419,455**

As required by the Commercial Companies Code, which is binding for the Company, the amounts to be divided between the shareholders may not exceed the net profit reported for the last financial year plus retained earnings, less the accumulated losses and amounts transferred to reserves that are established in accordance with law or the Memorandum of Association and that may not be earmarked for the payment of dividend.

As required by WSE's Memorandum of Association, the supplementary capital is earmarked for covering losses that may arise on the Company’s operations, and for supplementing the share capital. Transfers from profit are made to the supplementary capital, which may not be lower than 10% of the profit. The transfers may be discontinued when the supplementary capital equals a third of the share capital.

The reserves are earmarked for covering investments and other expenses connected with the Company’s operations. Reserves can be capitalised as share capital.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

13. Trade and other liabilities

	30.06.2011	31.12.2010
Trade payables	3,240	6,968
Payables to associated	61	504
Dividend payable	134,890	-
Total financial liabilities	**138,191**	**7,472**
Social security and similar payables	1,789	4,275
Other payables *	5,055	6,421
Accruals and deferred income**	11,376	744
Total other liabilities	**18,220**	**11,440**
Total trade payables and other liabilities	**156,411**	**18,912**

** Other payables as at 30 June 2011 comprise, among others, payables arising from purchase of Platforma Obrotu Energią Elektryczną (poee) amounting PLN 4,896 thousand*

*** Accruals and deferred income as at 30 June 2011 include, among others, annual charges invoiced at the beginning of the calendar year as well as accrued costs amounting to PLN 435 thousand. The amount of PLN 10,809 thousand will be recognised as revenues to the end of 2011.*

There are no overdue payables.

14. Sales revenue

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Revenue from trading	105,429	84,247
Revenue from listing	11,774	10,125
Revenue from information services	17,563	15,980
Other revenue	2,703	1,125
Total	**137,469**	**111,477**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15. Operating expenses

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Depreciation and amortization	7,807	8,172
Salaries (1)	19,376	15,844
Other employee costs (2)	5,346	4,422
Rent and other rent related fees	3,386	3,049
Fees and charges	8,323	8,432
External services	17,613	15,524
Other operating expenses	3,311	3,453
Total	**65,162**	**58,896**

Salaries (1)	**Six-month ended 30.06.2011**	**Six-month ended 30.06.2010**
Wages and salaries	19,113	15,389
Other payment after employment period	-	152
Termination payments	33	106
Employee cost concerning jubilee bonus	230	197
Total	**19,376**	**15,844**

Other employee costs (2)	**Six-month ended 30.06.2011**	**Six-month ended 30.06.2010**
Social security costs	2,800	2,273
Retirement benefit costs - defined contribution plans *	901	678
Other current service benefits (including: medical services, lunch subsidies, Social Fund)	1,645	1,471
Total	**5,346**	**4,422**

** The Group offers its employees defined contribution plans (Workers' Pension Fund). The plans are financed from contributions made by the Group and employees to the retirement fund that is independent of the Group's financial structure.*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

16. Income tax

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Current income tax	15,699	13,110
Deferred tax (Note 7)	(421)	(1,624)
Total	**15,278**	**11,486**

As required by the Polish tax regulations, the tax rate applicable in 2011 and 2010 amounts to 19%.

The reconciliation of the theoretical amount of tax arising from profit before tax and the statutory tax rate with the income tax expense shown in the profit and loss is as follows:

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Profit before income tax	**86,769**	**65,911**
Income tax rate	19%	19%
Income tax at the statutory tax rate	**16,486**	**12,523**
Tax effect of:		
Non-deductible differences	718	310
Non taxable share in profit	(1,926)	(1,347)
Tax charge	**15,278**	**11,486**

17. Contingent positions

The tax authorities may inspect the books of account and tax settlements within 5 years after the end of the year in which tax declarations were submitted and they may impose additional tax on the Group, together with penalties and interest.

According to the Management Board of the parent entity there are no indications of any material contingent liabilities in this respect arising.

18. Contingent and investment liabilities

As at 30 June 2011 and 31 December 2010 the Group had no contingent liabilities and investment commitments.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

19. Transactions with related parties

Information on transactions with entities related to the State Treasury

Related parties of the Group comprise associates (Krajowy Depozyt Papierów Wartościowych S.A., Centrum Giełdowe S.A. and INNEX) as well as the State Treasury as a dominant party (holds as at 30 June 2011 35.00% of shares and 51.48% votes in the General Meeting of WSE), parties controlled or co controlled by the State Treasury and with significant influence of the State Treasury. Additionally to related parties belong members of key personnel of the WSE.

Information regarding transactions with related parties with State Treasury is not published or revealed by the Ministry of Treasury to parties that belong to State Treasury or to the parties with significant influence of State Treasury. Therefore the Management Board of WSE disclosed in the hereby financial statement transactions with those related parties that were indentified based on its best knowledge.

State-controlled entities identified by the parent entity’s Management Board include companies listed on the Warsaw Stock Exchange (issuers of securities) and the stock exchange members. The Group charges fees to the related entities listed on WSE for introduction, admission to trading, and listing financial instruments. In case of related parties being stock exchange members the fees for enabling the conclusion of transactions in the stock exchange market, enabling access to the Exchange's information systems and trading in financial instruments are charged.

All the transactions with entities related to the State Treasury are concluded in the normal course of business and are carried out on an arm's length basis.

In accordance with the Polish law, the Group is subject to tax obligations. Hence, the Group pays tax to the State Treasury, which is its related party to 9 November 2010. The principles and regulations binding upon the Group in this regard are the same as those binding upon other entities which are not associated with the Group.

In accordance with the Decree of the Minister of Finance of 16 March 2010 on fees paid to the Polish Securities and Exchange Commission by supervised entities, the Group incurs costs of fees, paid to the State Treasury in the amount set by the Polish Financial Supervision Authority (PFSA). The Group contributes monthly prepayments and the PFSA makes final yearly settlements before 15 February of the following year. Fees paid for the six-month period ended 30 June 2011 amounted to PLN 7,783 thousand (for the six-month period ended 30 June 2010 PLN 7,920 thousand).

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Transactions with associates

Six- month period ended 30 June 2011

Name of the entity	**Receivables 30.06.2011**	**Liabilities 30.06.2011**	**Revenue for the six-months period ended 30.06.2011**	**Operating expenses for the six-months period ended 30.06.2011**
Centrum Giełdowe S.A.	-	136	-	1,030
KDPW S.A.	269	2	401	13
Total	**269**	**138**	**401**	**1,043**

Six -month period ended 30 June 2010

Name of the entity	**Receivables 30.06.2010**	**Liabilities 30.06.2010**	**Revenue for the six-months period ended 30.06.2010**	**Operating expenses for the six-months period ended 30.06.2010**
Centrum Giełdowe S.A.	-	70	-	924
KDPW S.A.	47	1	150	4
Total	**47**	**71**	**150**	**928**

In the six-month period ended 30 June 2011 and 30 June 2010 no receivables from related parties were written off and no impairment write-downs on receivables from related parties were recorded.

The Stock Exchange also concluded transactions with the "Książęca 4" Housing Cooperative of which it is a member. Related expenses amounted to PLN 1,537 thousand in the six-month period ended 30 June 2011. In the six-month period ended 30 June 2010 related expenses amounted to PLN 1,429 thousand.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

20. Information on remuneration and benefits of key management personnel

The Management Board of parent entity constitutes to key management personnel of the Group.

Remuneration and benefits paid to the members of the Management Board of parent entity

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Remuneration	1,651	635
Other employee benefits	1,094	268
Razem	**2,745**	**903**

Information on loans advanced to key management personnel

In the six-month periods ended 30 June 2011 and 30 June 2010 no loans were advanced to the key management personnel of the Group.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

21. Cash inflows on operating activity

	Note	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Profit for the period		**71,491**	**54,425**
Total adjustments		**(8,225)**	**464**
Income tax expense	16	15,278	11,486
Depreciation of property and equipment	4	5,754	6,412
Amortization of intangible assets	5	2,053	1,760
(Gain) / Loss on sale of property and equipment		(50)	(50)
Change in provisions for other liabilities and charges		50	(100)
Financial income on financial asstes held to maturity		-	(3,990)
Financial income on available-for-sale financial assets		(1,914)	-
Revaluation of financial assets available-for-sale		-	(644)
Dividend income		7,018	(52)
Interest income on deposits		(2,249)	(823)
Share in profit of associates	6	(9,640)	(6,846)
Change in assets and short-term liabilities			
Increase in inventories		146	(9)
Increase in trade and other receivables and prepayments		(22,780)	(4,109)
Increase in trade and other payables		987	2,538
Decrease in employee benefit payables		(2,878)	(2,939)
Change in other current financial assets		-	(2,170)
Cash generated from operations		**63,266**	**54,889**

22. Dividend

By a Resolution No. 4 of Annual General Meeting dated 27 June 2011 earmarked PLN 134,730 thousand from the net profit for 2010 for dividend payment. The date of dividend payment was established on 27 July 2011. The value of dividend per share amounted to PLN 3.21. Dividend was paid on 27 July 2011.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

23. Earnings per share

Basic and diluted	**Six-month ended 30.06.2011**	**Six-month ended 30.06.2010**
Profit attributable to the shareholders of the parent entity	71,311	54,373
Weighted average number of ordinary shares (in thousands)	41,972	41,972
Basic and diluted earnings per share (in PLN)	**1.70**	**1.30**

24. Segments of activity

Following the “management approach”, operating segments are reported in accordance with the internal reporting provided to the parent entity’s Management Board (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses their performance.

The operating segments of the Group were identified by the type of products and services, from which a given operating segment earns revenues.

For the six-month period ended 30 June 2011 and for the six-month period ended 30 June 2010 the Group was engaged in activities in three main operating segments:

- trading (transaction fees dependant on the stock exchange market turnover, stock exchange system access fees, charges for servicing brokerage application);
- listing (annual fees for the listing of securities and one-off charges e.g. charges for admission and introducing the securities to stock exchange trading);
- information services.

For the time being the Group does not analyse costs as divded into individual operating segments. However, it intends to implement activity based costing model, which will support appropriate segment cost allocation. Furthermore, the Group does not allocate assets and liabilities to individual segments.

The Group’s other revenues comprise mainly income from training services and rental of space. None of these segments of operations is subject to the reporting duty. The parent entity’s Management Board does not analyse data relating to the subsidiaries and associates.

For the six-month period ended 30 June 2011 and for the six-month period ended 30 June 2010 there were no sales between the segments.

The Group’s operating segments are concentrated on the territory of Poland.

The following tables present a reconciliation of the data analysed by the Management Board of the parent entity with the relevant items shown in these condensed consolidated interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six-month period ended 30 June 2011, the segment revenues were as follows:

		WSE*	Subsidiaries	Other adjustments	Total**
Revenue (external transactions)		**130,054**	**8,273**	**(858)**	**137,469**
Segments	Trading	99,007	6,422	-	105,429
	Listing	11,464	310	-	11,774
	Information services	17,522	41	-	17,563
	Other	2,061	1,500	(858)	2,703
Operating expenses		60,341	5,679	(858)	65,162
Profit on sales		69,713	2,594	-	72,307
Other operating profit		33	(6)	-	27
Operating profit		69,746	2,588	-	72,334
Net financial gain		12,129	321	(7,873)	4,577
Share of profit of associates		-	-	9,858	9,858
Profit before income tax		**81,875**	**2,909**	**1,985**	**86,769**

** Data analysed by the Management Board of WSE*
*** As presented in Consolidated Statements of Comprehensive Income*

For the six-month period ended 30 June 2010, the segment revenues were as follows:

		WSE *	Subsidiaries	Other adjustments	Total**
Revenue (external transactions)		**107,195**	**4,565**	**(283)**	**111,477**
Segments	Trading	80,269	3,978	-	84,247
	Listing	10,061	64	-	10,125
	Information services	15,961	33	(14)	15,980
	Other	904	490	(269)	1,125
Operating expenses		55,105	4,068	(277)	58,896
Profit on sales		52,090	497	(6)	52,581
Other operating profit		183	35	-	218
Operating profit		52,273	532	(6)	52,799
Net financial gain		6,111	227	(72)	6,266
Share of profit of associates		-	-	6,846	6,846
Profit before income tax		**58,384**	**759**	**6,768**	**65,911**

** Data analyzed by the Management Board of WSE*
*** As presented in Consolidated Statements of Comprehensive Income*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Revenue by geographical region was as follows:

	Six-month ended 30.06.2011	Share (%)	Six-month ended 30.06.2010	Share (%)
Domestic sales	107,117	77.92%	90,812	81.46%
Export sales	30,352	22.08%	20,665	18.54%
Total	**137,469**	**100.00%**	**111,477**	**100.00%**

The following tables present a reconciliation of total assets and liabilities as analysed by Management Board to total assets and liabilities presented in these condensed consolidated interim financial statements.

Assets and liabilities of the company are presented in the assets and liabilities of the Group as at 30 June 2011 as follows:

30.06.2011	WSE	Subsidiaries	Associates*	Other adjustments**	Total***
Total assets	497,739	21,094	129,882	(15,194)	633,521
Total liabilities	169,133	4,392	-	(996)	172,529

** representing the difference between the carrying amount of the associates determined using the equity method and their measurement at cost net of impairment as analysed by the Management Board*

*** other adjustments include consolidation eliminations such as: (1) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary (2) the dividend declared by KDPW S.A. (the Associate) (3) non-controlling interests in the profit or loss of consolidated subsidiaries for the reporting period (4) non-controlling interests in the net assets of consolidated subsidiaries (5) intragroup balances, transactions, income and expenses*
**** as presented in Consolidated Statement of Financial Position*

Assets and liabilities as at 30 June 2010 are presented as follows:

30.06.2010	WSE	Subsidiaries	Associates*	Other adjustments**	Total***
Total assets	427,401	13,974	174,320	(11,695)	604,000
Total liabilities	118,155	2,103	-	(1,262)	118,996

** representing the difference between the carrying amount of the associates determined using the equity method and their measurement at cost net of impairment as analysed by the Management Board*

*** other adjustments include consolidation eliminations such as: (1) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary (2) the dividend declared by KDPW S.A. (the Associate) (3) non-controlling interests in the profit or loss of consolidated subsidiaries for the reporting period (4) non-controlling interests in the net assets of consolidated subsidiaries (5) intragroup balances, transactions, income and expenses*
**** as presented in Consolidated Statement of Financial Position*

25. Subsequent events

After 30 June 2011 that is after the balance sheet date there have been no significant events that could have influenced consolidated financial statement of the Group for the six-month period ended 30 June 2011.

Consolidated Interim Financial Statements were presented by Management Board of Warsaw Stock Exchange:

1. Ludwik Sobolewski – Board President ……………………………………….…..
2. Lidia Adamska – Board Member ……………………………………….…..
3. Beata Jarosz - Board Member ……………………………………….…..
4. Adam Maciejewski - Board Member ……………………………………….…..

Warsaw, 25 August 2011

KPMG Audyt
Spółka z ograniczoną
odpowiedzialnością sp.k.
ul. Chłodna 51
00-867 Warszawa
Poland

Telefon +48 22 528 11 00
Fax +48 22 528 10 09
E-mail kpmg@kpmg.pl
Internet www.kpmg.pl

This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

INDEPENDENT AUDITORS' REVIEW REPORT ON THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS OF GIEŁDA PAPIERÓW WARTOŚCIOWYCH FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

To the Shareholders of Giełda Papierów Wartościowych S.A.

Introduction

We have reviewed the accompanying condensed interim unconsolidated financial statements of Giełda Papierów Wartościowych S.A., with its registered office in Warsaw, Książęca 4 Street that consist of the condensed unconsolidated statement of financial position as at 30 June 2011, the condensed unconsolidated statement of comprehensive income, the condensed unconsolidated statement of changes in equity, the condensed unconsolidated statement of cash flow for the period from 1 January 2011 to 30 June 2011 and selected explanatory notes.

Management of Giełda Papierów Wartościowych S.A. is responsible for the preparation and presentation of these condensed interim unconsolidated financial statements in accordance with the International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union ("IAS 34") and other applicable regulations. Our responsibility is to express a conclusion on these condensed interim financial statements, based on our review.

Scope of Review

We conducted our review in accordance with the national standard on auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* and the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial statements of Giełda Papierów Wartościowych S.A. are not prepared, in all material respects, in accordance with IAS 34.

Signed on the Polish original

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. nr ewidencyjny 3546
ul. Chłodna 51, 00-867 Warszawa

....
Certified Auditor No. 12017
Krzysztof Stański

....
Certified Auditor No. 796
Member of the Management Board of KPMG Audyt Sp. z o.o.
General Partner of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k.
Bogdan Dębicki

25 August 2011
Warsaw

GIEŁDA PAPIERÓW WARTOŚCIOWYCH W WARSZAWIE S.A.
("THE WARSAW STOCK EXCHANGE")

CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS

FOR THE SIX–MONTH PERIOD ENDED 30 JUNE 2011

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

STATEMENT OF FINANCIAL POSITION

ASSETS	Note	30.06.2011	31.12.2010
NON-CURRENT ASSETS		**274,577**	**220,157**
Property and equipment	4	117,126	118,543
Intangible assets	5	34,231	34,810
Investments in associates	6	11,652	11,652
Investments in subsidiaries and other entities	7	36,915	36,415
Deferred tax assets	8	4,180	3,729
Available-for-sale financial assets	9	67,348	11,829
Prepayments		3,125	3,179
CURRENT ASSETS		**223,162**	**206,513**
Inventories		292	438
Corporate income tax receivable		-	575
Trade and other receivables	11	48,719	80,071
Available-for-sale financial assets	9	-	30,787
Cash and cash equivalents	12	174,151	94,642
TOTAL ASSETS		**497,739**	**426,670**

EQUITY AND LIABILITIES	Note	30.06.2011	31.12.2010
Equity		**328,606**	**396,444**
Share capital	13	63,865	63,865
Other reserves	13	(332)	(245)
Retained earnings	13	265,073	332,824
Non-current liabilities		**2,266**	**3,626**
Employee benefits payable		2,266	2,266
Other liabilities		-	1,360
Current liabilities		**166,867**	**26,600**
Trade payables	14	3,215	5,885
Income tax payable		5,028	-
Other liabilities	14	151,833	10,983
Employee benefits payable		6,691	9,532
Provisions for other liabilities and charges		100	200
TOTAL EQUITY AND LIABILITIES		**497,739**	**426,670**

The notes presented on pages 6 to 33 form an integral part of these condensed interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

STATEMENT OF COMPREHENSIVE INCOME

	Note	Six-month period ended 30.06.2011	Six-month period ended 30.06.2010
Revenue	15	130,054	107,195
Operating expenses	16	60,341	55,105
Other income		703	313
Other expenses		670	130
Operating profit		**69,746**	**52,273**
Financial income		12,192	6,563
Financial expenses		63	452
Profit before income tax		**81,875**	**58,384**
Income tax expense	17	14,695	11,141
Profit for the period		**67,180**	**47,243**
Other comprehensive income:			
Gains/(losses) from the valuation of financial assets available for sale		(87)	(601)
Other comprehensive income after tax		**(87)**	**(601)**
Total comprehensive income		**67,093**	**46,642**
Profit for the period		**67,180**	**47,243**
Profit for the period attributable to the shareholders of the parent entity		67,180	47,243
Total comprehensive income		**67,093**	**46,642**
Total comprehensive income attributable to the shareholders of the parent entity		67,093	46,642
Basic / diluted earnings per share (expressed in PLN)		1.60	1.13

The notes presented on pages 6 to 33 form an integral part of these condensed interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

STATEMENT OF CASH FLOWS

		Note	Six-month period ended 30.06.2011	Six-month period ended 30.06.2010
A	**Cash flows from operating activities:**		**52,297**	**47,054**
	Cash generated from operations	22	61,859	56,331
	Income tax paid		(9,562)	(9,277)
B	**Cash flows from investing activities:**		**27,212**	**45,413**
	Purchases of property and equipment	4	(4,149)	(2,353)
	Proceeds from sale of property and equipment		64	50
	Purchases of intangible assets	5	(1,328)	(128)
	Purchases of available-for-sale financial assets		(54,201)	-
	Sales of available-for-sale financial assets		30,000	45,707
	Interest received		2,733	1,857
	Dividends received		54,093	280
C	**Cash flow from financing activities:**		**-**	**(506,098)**
	Dividends paid*		-	(506,098)
D	**Net (decrease) / increase in cash and cash equivalents**		**79,509**	**(413,631)**
	Cash and cash equivalents at the beginning of the period		**94,642**	**474,241**
	Cash and cash equivalents at the end of the period	**12**	**174,151**	**60,610**

**Without PLN 84 thousand of dividend payable to Miejski Dom Maklerski S.A., that no longer exists.*

The notes presented on pages 6 to 33 form an integral part of these condensed interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

STATEMENT OF CHANGES IN EQUITY

	Attributable to the shareholders of parent entity				Total Equity
	Share capital	**Other reserves**	**Retained earnings**	**Total**	
Balance as at 31 December 2009	**63,865**	**944**	**288,442**	**353,251**	**353,251**
Dividend	-	-	(90,659)	(90,659)	**(90,659)**
Profit for the six-month period ended 30 June 2010	-	-	47,243	47,243	**47,243**
Revaluation of available-for-sale financial assets	-	(601)	-	(601)	**(601)**
Total comprehensive income for the six-month period ended 30 June 2010	-	(601)	47,243	46,642	**46,642**
Balance as at 30 June 2010	**63,865**	**343**	**245,026**	**309,234**	**309,234**
Balance as at 31 December 2009	**63,865**	**944**	**288,442**	**353,251**	**353,251**
Dividend	-	-	(90,659)	(90,659)	**(90,659)**
Profit for the year 2010	-	-	135,041	135,041	**135,041**
Revaluation of available-for-sale financial assets	-	(1,189)	-	(1,189)	**(1,189)**
Total comprehensive income for 2010	-	(1,189)	135,041	133,852	**133,852**
Balance as at 31 December 2010	**63,865**	**(245)**	**332,824**	**396,444**	**396,444**
Balance as at 31 December 2010	**63,865**	**(245)**	**332,824**	**396,444**	**396,444**
Dividend and Social Benefit Fund	-	-	(134,931)	(134,931)	**(134,931)**
Profit for the six-month period ended 30 June 2011	-	-	67,180	67,180	**67,180**
Revaluation of available-for-sale financial assets	-	(87)	-	(87)	**(87)**
Total comprehensive income for the six-month period ended 30 June 2011	-	(87)	67,180	67,093	**67,093**
Balance as at 30 June 2011	**63,865**	**(332)**	**265,073**	**328,606**	**328,606**

The notes presented on pages 6 to 33 form an integral part of these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. General information

1.1. Legal status and the scope of operations of the company

The entity is Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna (the "Warsaw Stock Exchange", the "Exchange", "WSE" or the "Company") with its registered office in Warsaw, ul. Książęca 4. The Company was established by Notarial Deed on 12 April 1991 and registered in the Commercial Court in Warsaw on 25 April 1991.

The core operations of WSE comprise the organization of public trading in securities.

1.2. Approval of the financial statements

Condensed interim financial statements were authorized for issue by the Management Board on 25 August 2011.

2. Summary of significant accounting policies

2.1. Basis of preparation of the condensed interim financial statements

These condensed interim financial statements of the Warsaw Stock Exchange have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" endorsed by the European Union.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future. As at the date of these condensed interim financial statements, there are no circumstances indicating any threats to the Company's ability to continue operations.

These condensed interim financial statements have been prepared under the historical cost basis, with the exception of available-for-sale financial assets which are measured at fair value.

2.2. Major accounting policy principles

These condensed interim financial statements have been prepared in accordance with the accounting policy principles binding for the financial statements for the year ended 31 December 2010, except for standards and interpretations binding for:

a) Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.
b) Published Standards and Interpretations which have been issued and binding of the Group for annual periods starting on 1 January 2011:
   - IFRIC 14, (Revised), Prepayments of a Minimum Funding, binding for annual periods commencing on or after 1 January 2011;
   - IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments, binding for annual periods commencing on or after 1 July 2010;
   - IAS 32 (Revised), Classification of Rights Issues, binding for annual periods commencing on or after 1 February 2010.

Implementation of preciding standards has not infuanced financial statements of the company.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

3. Financial risk management

3.1. Financial risk factors

The Company's activities expose it to a variety of financial risks. The Company is subject to the following financial risks: market risk (including fair value and cash flow interest rate risk and price risk), credit risk and liquidity risk. The WSE's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize any potential adverse effects on the Company's financial performance. The Management Board is responsible for risk management within the Company.
The Company has dedicated departments, responsible for ensuring its liquidity, including foreign currency liquidity, debt collection and timely payment of liabilities, particularly tax liabilities.

3.2. Market risk

(a) Cash flow and fair value interest rate risk.

The Company is moderately exposed to interest rate risk. The WSE has short-term and long-term assets whose interest terms and profitability were determined at the inception of contracts and are not subject to significant changes resulting from interest rate fluctuations. Due to the average or short period to maturity the risk of changes in the cash flows related to those assets resulting from interest rate fluctuations is relatively low.
The Company minimizes interest rate risk by maintaining a short average duration period for the entire Treasury bond portfolio – below two years. With the increase in interest rates, the Company benefits from higher interest rates than the ones offered by the bank deposits and increase in cash flows, and at the same time the fair value of the bonds decreases.

(b) Foreign exchange risk

WSE does not conduct significant international activities and has moderate foreign exchange risk. The Management Board concludes that changes in the exchange rates do not influence the financial results of the Company.

3.3. Credit risk

Credit risk is defined as a risk of occurrence of losses due to counterparty's default of payments to the Company or as a risk of decrease in economic value of amounts due to the Company as a result of deterioration of counterparty's ability to repay due amounts.

The credit risk connected with trade receivables is restricted by the Management Board by setting credit limits and an assessment of the clients' credibility. Resolutions of the Management Board of the Company, differ payment dates depending on groups of clients. Standard payment dates amount to 30 days. The payment terms for recipients of stock exchange news bulletins are mostly 60 days. Specific procedure of debt collections in the Group has been implemented.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Financial assets held by the Company are disclosed in the table below.

	30.06.2011	31.12.2010
Financial assets available-for-sale	67,348	42,616
- long-term	67,348	11,829
- short-term	-	30,787
Loans and receivables	217,482	171,986
- trade and other receivables	43,341	77,353
- bank deposits and current accounts (included in cash and cash equivalents)	174,141	94,633
Total financial assets	**284,830**	**214,602**

By decision of the Management Board, the portfolio of debt securities comprises only securities issued or guaranteed by the State Treasury (rating A2 according to Moody's).
In the case of banks and financial institutions (concerning term deposits and bank accounts) only entities with a stable financial standing are accepted (rating above Baa2 according to Moody's).

3.4. Liquidity risk

An analysis of the Company's financial position shows that the Company is not significantly exposed to the liquidity risk.

An analysis of the structure of the WSE's assets shows a considerable share of liquid assets, and thus, a very good position of the Company in terms of liquidity. Cash and debt securities owned by the Company as at 30 June 2011 amounted to PLN 240,226 thousand (as at 31 December 2010: PLN 135,955 thousand) representing 48.26% of the total assets (as at 31 December 2010: 31.86%)
The analysis of the structure of equity and liabilities shows the following share of equity in financing the WSE's operations: as at 30 June 2011 equity comprised 66.02% of Company's total liabilities and equity (31 December 2010: 92.92%)

The Management Board monitors, on a current basis, forecasts of the Company's liquidity funds on the basis of contractual cash flows, based on the current interest rates.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Liquidity analysis based on the contractual cash flows is presented in the following tables:

Liquidity risk as at 30 June 2011

	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets							
Treasury bonds and bills available-for-sale	-	-	625	-	70,500	-	**71,125**
Bank deposits and current accounts	136,412	-	37,739	-	-	-	**174,151**
Trade and other receivables	33,771	9,570	-	-	-	-	**43,341**
Total assets	**170,183**	**9,570**	**38,364**	**-**	**70,500**	**-**	**288,617**
Liabilities							
Trade liabilities	3,215	-	-	-	-	-	**3,215**
Dividend paybles	134,829	-	-	-	-	-	**134,829**
Total liabilities	**138,044**	**-**	**-**	**-**	**-**	**-**	**138,044**
Liquidity gap	**32,139**	**9,570**	**38,364**	**-**	**70,500**	**-**	**150,573**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Liquidity risk as at 31 December 2010

	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets							
Treasury bonds and bills available-for-sale	-	-	31,275	625	12,500	-	**44,400**
Bank deposits and current accounts	49,438	45,204	-	-	-	-	**94,642**
Trade and other receivables	20,109	3,165	-	-	-		**23,274**
Total assets	**69,547**	**48,369**	**31,275**	**625**	**12,500**	**-**	**162,316**
Liabilities							
Trade liabilities	4,949	544	-	-	-	-	**5,493**
Total liabilities	**4,949**	**544**	**-**	**-**	**-**	**-**	**5,493**
Liquidity gap	**64,598**	**47,825**	**31,275**	**625**	**12,500**	**-**	**156,823**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

4. Property and equipment

	30.06.2011	31.12.2010
Land and buildings	92,954	94,282
Vehicles and machinery	15,568	18,776
Furniture, fittings and equipment	1,488	1,598
Fixed assets under construction	7,116	3,887
Other	-	-
Plant and equipment total	**117,126**	**118,543**

	Six-month period ended 30.06.2011	Year ended 31.12.2010	Six-month period ended 30.06.2010
Opening gross carrying value	202,048	194,652	194,652
Accumulated depreciation	(83,505)	(70,917)	(70,917)
Opening net carrying value	**118,543**	**123,735**	**123,735**
Additions	4,149	17,030	2,353
Disposals & liquidation	(14)	(9,634)	-
Depreciation charge	(5,552)	(12,588)	(6,253)
Closing net carrying value	**117,126**	**118,543**	**119,835**

In the period ended 30 June 2011 the Group has sold tangible fixed assets for PLN 64 thousand ,with gross book value of PLN 274 thousand.

5. Intangible assets

	30.06.2011	31.12.2010
Licenses	25,197	25,617
Copyrights	1,088	1,247
Goodwill	7,946	7,946
Intangible assets	**34,231**	**34,810**

	Six-month period ended 30.06.2011	Year ended 31.12.2010	Six-month period ended 30.06.2010
Opening gross carrying value	93,535	68,025	68,025
Accumulated depreciation	(58,725)	(55,109)	(55,109)
Opening net carrying value	**34,810**	**12,916**	**12,916**
Additions	1,328	26,074	128
Disposals & liquidation	-	(564)	-
Depreciation charge	(1,907)	(3,616)	(1,715)
Closing net carrying value	**34,231**	**34,810**	**11,329**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

6. Investments in associates

None of the Group's associates is listed on the active market. Selected financial data of the associates are presented below:

Investments in associates as at 30 June 2011

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the six-month period ended 30.06.2011
KDPW S.A.	7,000	-	-	7,000	7,000	33.33	33.33	27,128
Centrum Giełdowe S.A.	4,652	-	-	4,652	46,506	24.79	24.79	2,407
INNEX (*)	3,820	-	(3,820)	-	1,499	24.98	24.98	(164)
Razem	**15,472**	**-**	**(3,820)**	**11,652**				**29,371**

* *INNEX Stock Exchange prepares financial statements in accordance with Ukrainian accounting policies.*

Investments in associates as at 31 December 2010

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the year ended 31.12.2010
KDPW S.A.	7,000	-	-	7,000	7,000	33.33	33.33	42,106
Centrum Giełdowe S.A.	4,652	-	-	4,652	46,506	24.79	24.79	546
INNEX (*)	3,820	-	(3,820)	-	1,499	24.98	24.98	(192)
Razem	**15,472**	**-**	**(3,820)**	**11,652**				**42,460**

* *INNEX Stock Exchange prepares financial statements in accordance with Ukrainian accounting policies.*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Investments in associates as at 30 June 2010

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the six-month period ended 30.06.2010
KDPW S.A.	7,000	-	-	7,000	7,000	33.33	33.33	23,168
Centrum Giełdowe S.A.	4,652	-	-	4,652	46,506	24.79	24.79	(3,538)
INNEX (*)	3,820	-	(3,820)	-	1,499	24.98	24.98	(243)
Razem	**15,472**	**-**	**(3,820)**	**11,652**				**19,387**

* *INNEX Stock Exchange prepares financial statements in accordance with Ukrainian accounting policies.Data as at 31 December 2009.*

In accordance with Article 4, clause 3 of the Memorandum of Association of KDPW S.A., the company’s shares are only registered shares.
The registered offices of the associates, except for INNEX, are located in Poland. The registered office of INNEX is located in the Ukraine.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

7. Investments in subsidiaries and other entities

Investments in subsidiaries as at 30 June 2011

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the six-month period ended 30.06.2011
WSEInfoEngine S.A.	3,445	-	-	3,445	3,445	100	100	62
BondSpot S.A.	32,470	-	-	32,470	9,246,659	92	92	2,390
Instytut Rynku Kapitałowego S.A. (WSE Research) (*)	1,000	-	-	1,000	1,000	100	100	(259)
Razem	**36,915**	**-**	**-**	**36,915**				**2,193**

** Until 30 June 2011 new shares of Instytut Rynku Kapitałowego have not been registered in the National Court Registry (KRS), (PLN 500 thousand)*

Investments in subsidiaries as at 31 December 2010

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the year ended 31.12.2010
WSEInfoEngine S.A. (*)	3,445	-	-	3,445	3,445	100	100	(163)
BondSpot S.A.	32,470	-	-	32,470	9,246,659	92	92	1,782
Instytut Rynku Kapitałowego S.A. (WSE Research)	500	-	-	500	1,000	100	100	(281)
Razem	**36,415**	**-**	**-**	**36,415**				**1,338**

** Until 31 December 2010 new shares of WSEInfo Engine S.A. have not been registered in the National Court Registry (KRS), (PLN 2,000 thousand)*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Investments in subsidiaries as at 30 June 2010

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the six-month period ended 30.06.2010
WSEInfoEngine S.A.	1,445	-	-	1,445	3,445	100	100	(110)
BondSpot S.A.	32,470	-	(1,500)	30,970	9,246,659	92	92	682
Instytut Rynku Kapitałowego S.A. (IRK)	506	-	-	506	1,000	100	100	(22)
Razem	**34,421**	**-**	**(1,500)**	**32,921**				**550**

Investments in other entities as at 30 June 2011

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the six-month period ended 30.06.2011
Towarowa Giełda Energii S.A.	647	-	-	647	33,750	2.33	2.33	11,417
S.C. SIBEX - SIBIU Stock Exchange S.A. (*)	1,343	(727)	-	616	41,500	1.93	1,93	4
Razem	**1,990**	**(727)**	**-**	**1,263**				**11,421**

** Net profit as at 31 March 2011*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Investments in other entities as at 31 December 2010

Name of the entity	**Purchase consideration of shares**	**Revaluation**	**Impairment**	**Carrying amount**	**No. of shares**	**% Share in equity**	**% Votes in regulatory authority**	**Profit (loss) for the year ended 31.12.2010**
Towarowa Giełda Energii S.A.	647	-	-	647	33,750	2.33	2.33	15,827
S.C. SIBEX - SIBIU Stock Exchange S.A. (*)	1,343	(687)	-	656	41,500	1.93	1,93	226
Razem	**1,990**	**(687)**	**-**	**1,303**				**16,053**

** The Company SIBIU Monetary Financial And Commodities Exchange has changed its name to S.C.SIBEX – SIBIU Stock Exchange S.A. since 15 December 2010.*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Investments in other entities as at 30 June 2010

Name of the entity	Purchase consideration of shares	Revaluation	Impairment	Carrying amount	No. of shares	% Share in equity	% Votes in regulatory authority	Profit (loss) for the six-month period ended 30.06.2010
Towarowa Giełda Energii S.A.	647	-	-	647	33,750	2.33	2.33	15,442
NYSE Euronext (*)	828	364	-	1192	12,663	-	-	660,634
Deutsche Borse (*)	396	705	-	1101	7,266	-	-	2,146,774
London Stock Exchange (**)	200	8	-	208	5,280	-	-	445,644
Sibiu Monetary Financial And Commodities Exchange	1,324	(663)	-	661	41,500	1.93	1,93	264
Razem	**3,395**	**414**	**-**	**3,809**				**3,268,758**

** Net profit as at 31 December 2009*
*** Net profit as at 31 March 2010*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

8. Deferred tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. After offsetting, the following amounts are disclosed in the condensed interim financial statements:

The gross movement on the deferred tax asset account is as follows:

Deferred tax assets:	**30.06.2011**	**31.12.2010**
- deferred tax assets to be recovered within 12 months	(3,859)	(2,106)
- deferred tax assets to be recovered after more than 12 months	(1,687)	(1,911)
Total	**(5,546)**	**(4,017)**

Deferred tax liabilities:	**30.06.2011**	**31.12.2010**
- deferred tax liabilities to be settled within 12 months	1,051	(80)
- deferred tax liabilities to be settled after more than 12 months	315	368
Total	**1,366**	**288**

Changes in the deferred tax balance are as follows:

	Six-month ended 30.06.2011	**Year ended 31.12.2010**
Deferred tax assets (net) at the beginning of the period	**(3,729)**	**(2,276)**
Credited to the income statement	(430)	(1,174)
Tax charged (credited) to other comprehensive income	(21)	(279)
Deferred tax assets (net) at the end of the period	**(4,180)**	**(3,729)**

The Company did not include differences between book and tax values of the associates in the calculation of deferred tax.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

9. Financial assets available for sale

Changes in financial assets available-for-sale:

	Six-month ended 30.06.2011	Year ended 31.12.2010	Six-month ended 30.06.2010
Beginning of the period	**42,616**	**49,622**	**49,622**
Additions (purchase of Treasury bonds)	56,115	3,055	47
Reclassification from protfolio of financial assets held to maturity	-	152,372	152,372
Decreases (redemption of Treasury bonds and bills, interest received)	(31,275)	(160,965)	(45,109)
Change in fair value – recognized in other comprehensive income	(108)	(1,468)	(742)
- shares	*(40)*	*(1,031)*	*71*
- Treasury bonds and Treasury bills	*(68)*	*(437)*	*(813)*
End of the period	**67,348**	**42,616**	**156,190**
Non-current portion	67,348	11,829	14,363
Current portion	-	30,787	141,827

Available-for-sale financial assets include:

	30.06.2011	31.12.2010
Debt financial assets	**66,085**	**41,313**
Treasury bonds	66,085	41,313
Equity financial assets	**1,263**	**1,303**
Listed on the active market	616	656
Not listed on the active market	647	647
Total	**67,348**	**42,616**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Equity securities in available-for-sale portfolio include:

Name of the entity	Purchase consideration of shares	Impairment	Revaluation	Carrying amount
30.06.2011				
Towarowa Giełda Energii S.A., Warszawa, Polska	647	-	-	647
S.C. SIBEX - Sibiu Stock Exchange S.A., Sibiu, Rumunia	1,343	-	(727)	616
Total available-for-sale equity securities	**1,990**	**-**	**(727)**	**1,263**
31.12.2010				
Towarowa Giełda Energii S.A., Warszawa, Polska	647	-	-	647
S.C. SIBEX - Sibiu Stock Exchange S.A., Sibiu, Rumunia	1,343	-	(687)	656
Total available-for-sale equity securities	**1,990**	**-**	**(687)**	**1,303**

Since there is no active market for shares of Towarowa Giełda Energii S.A. and it is not possible to reliably determine the fair value of the shares of this company, they were recognized at cost, less impairment losses.

The fair values of quoted investments are based on current share quotations. The value of S.C. SIBEX - Sibiu Stock Exchange S.A. (SIBEX), which is listed on S.C. SIBEX - Sibiu Stock Exchange S.A., was valued based on its market price as at 30 June 2011.

10. Financial assets held to maturity

Changes in financial assets held to maturity:

	Six-month ended 30.06.2011	Year ended 31.12.2010	Six-month ended 30.06.2010
Beginning of the period	**-**	**149,657**	**149,657**
Additions (purchases of Treasury bonds, bills and interest accrued)	-	2,715	2,715
Decreases (redemption of bonds and interest received as well as reclassification from held to matrurity to available- for-sale financial assets)	-	(152,372)	(153,372)
End of the period	**-**	**-**	**-**
Non-current	-	-	-
Current	-	-	-

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

11. Trade and other receivables

Trade and other receivables comprise the following:

	30.06.2011	31.12.2010
Gross trade receivables	38,373	26,090
Allowance for receivables	(2,789)	(2,816)
Net trade receivables	35,584	23,274
Dividend receivables	7,757	54,079
Total financial assets	**43,341**	**77,353**
Prepayments	4,027	1,439
Other receivables and advances	1,296	988
Receivables from the public sector	55	291
Total non financial assets	**5,378**	**2,718**
Total trade and other receivables	**48,719**	**80,071**

Changes in allowance for trade receivables:

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Beginning of the period	**2,816**	**1,584**
Allowance recorded	585	65
Receivables written off during the period as uncollectible	-	(68)
Reversal of allowance	(612)	(222)
End of the period	**2,789**	**1,359**

The recording and reversing of allowance for receivables were recognized as either other expenses or other income respectively. The amounts that are charged to the allowance account are usually written off if it is likely that the cash would not be collected, i.e. it is highly probable that the debtor will go bankrupt, will be subject of financial restructurisation or when debtor has significant financial difficulties.

12. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	30.06.2011	31.12.2010
Cash in hands	10	9
Current accounts	412	280
Term deposits	173,729	94,353
Total cash and cash equivalents	**174,151**	**94,642**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

13. Equity

Equity attributable to the shareholders of entity	**30.06.2011**	**31.12.2010**
Share capital	63,865	63,865
Other reserves	(332)	(245)
Retained earnings	265,073	332,824
Total	**328,606**	**396,444**

Share capital	**30.06.2011**	**31.12.2010**
41 972 000 ordinary shares approved, allocated and paid up	41,972	41,972
Revaluation of the share capital using the inflation rate	21,893	21,893
Total	**63,865**	**63,865**

As at a 30 June 2011 as well as at 31 December 2010 the WSE's share capital amounted to PLN 41,972 thousand and comprised 41,972,000 shares each of PLN 1.00 par value.

Share capital from before 1996 in the nominal value of PLN 6,000 thousand was revalued with general price index according to IAS 29 (the cumulative inflation rate index for the period April 1991 - December 1996 amounted to 464.9%).

The ownership structure of the share capital and percentage of shares in the parent entity as at 30 June 2011:

Shareholders	**Nominal value of shares**	**% in share capital**	**% of votes**
Registered shares	15,087	35.95%	52.88%
State Treasury	14,688	35.00%	51.48%
Banks	231	0.55%	0.81%
Brokerage houses	126	0.30%	0.44%
Others	42	0.10%	0.15%
Bearer shares	26,885	64.05%	47.12%
Total	**41,972**	**100%**	**100%**

Other reserves

	30.06.2011	**31.12.2010**
Revaluation reserve	**(332)**	**(245)**
- revaluation	(412)	(304)
- deferred tax	80	59

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Change in the revaluation reserve

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Beginning of the period:	**245**	**944**
- entity (net)	(245)	944
Additions/decreases	**(87)**	**(601)**
- changes due to revaluation and sales:	(108)	(742)
- entity (net)	(108)	(742)
- deferred tax, including parent company	21	141
End of period:	**(332)**	**343**
- entity (net)	(332)	343

Retained earnings

	Reserve capital	Other capital reserves	Accumulated profits	Profit for the period	Total
31 December 2010	**38,023**	**182,656**	**(22,896)**	**135,041**	**332,824**
Allocation of profit for 2010	-	110	134,931	(135,041)	-
Dividend payable and Social Benefit Fund	-	-	(134,931)	-	(134,931)
Profit for the six-month period ended 30 June 2011 attributable to the entity's shareholders	-	-	-	67,180	67,180
30 June 2011	**38,023**	**182,766**	**(22,896)**	**67,180**	**265,073**
31 December 2009	**38,023**	**182,508**	**(22,893)**	**90,804**	**288,442**
Allocation of profit for 2009	-	148	90,656	(90,804)	-
Dividend payable	-	-	(90,659)	-	(90,659)
Profit for the year 2010 attributable to the entity's shareholders	-	-	-	135,041	135,041
31 December 2010	**38,023**	**182,656**	**(22,896)**	**135,041**	**332,824**
31 December 2009	**38,023**	**182,508**	**(22,893)**	**90,804**	**288,442**
Allocation of profit for 2009	-	148	90,656	(90,804)	-
Dividend payable	-	-	(90,659)	-	(90,659)
Profit for the six-month period ended 30 June 2010 attributable to the entity's shareholders	-	-	-	47,243	47,243
30 June 2010	**38,023**	**182,656**	**(22,896)**	**47,243**	**245,026**

As required by the Commercial Companies Code, which is binding for the Company, the amounts to be divided between the shareholders may not exceed the net profit reported for the last financial year plus retained earnings, less the accumulated losses and amounts transferred to reserves that are established in accordance with law or the Memorandum of Association and that may not be earmarked for the payment of dividend.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

As required by WSE's Memorandum of Association, the supplementary capital is earmarked for covering losses that may arise on the Company's operations, and for supplementing the share capital. Transfers from profit are made to the supplementary capital, which may not be lower than 10% of the profit. The transfers may be discontinued when the supplementary capital equals a third of the share capital.

The reserves are earmarked for covering investments and other expenses connected with the Company's operations. Reserves can be capitalised as share capital.

14. Trade and other liabilities

	30.06.2011	31.12.2010
Trade payables	2,933	5,248
Payables to associated	282	637
Dividend payable	134,829	-
Total financial liabilities	**138,044**	**5,885**
Social security and similar payables	1,543	4,020
Other payables *	4,217	6,399
Accruals and deferred income**	11,244	564
Total other liabilities	**17,004**	**10,983**
Total trade payables and other liabilities	**155,048**	**16,868**

** Other payables as at 30 June 2011 comprise, among others, payables arising from purchase of Platforma Obrotu Energią Elektryczną (poee) amounting PLN 4,080 thousand*

*** Accruals and deferred income as at 30 June 2011 include, among others, annual charges invoiced at the beginning of the calendar year as well as accrued costs amounting to PLN 435 thousand. The amount of PLN 10,809 thousand will be recognised as revenues to the end of 2011.*

There are no overdue payables.

15. Sales revenue

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Revenue from trading	99,007	80,269
Revenue from listing	11,464	10,061
Revenue from information services	17,522	15,961
Other revenue	2,061	904
Total	**130,054**	**107,195**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

16. Operating expenses

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Depreciation and amortization	7,459	7,968
Salaries (1)	16,694	13,845
Other employee costs (2)	4,869	4,074
Rent and other rent related fees	3,049	2,811
Fees and charges	8,067	8,211
External services	16,564	14,977
Other operating expenses	3,639	3,219
Total	**60,341**	**55,105**

Salaries (1)	**Six-month ended 30.06.2011**	**Six-month ended 30.06.2010**
Wages and salaries	16,464	13,542
Other payments after employment period	-	-
Termination payments	33	106
Employee cost concerning jubilee bonus	197	197
Total	**16,694**	**13,845**

Other employee costs (2)	**Six-month ended 30.06.2011**	**Six-month ended 30.06.2010**
Social security costs	2,390	1,992
Retirement benefit costs - defined contribution plans *	901	678
Other current service benefits (including: medical services, lunch subsidies, Social Fund)	1,578	1,404
Total	**4,869**	**4,074**

** The Company offers its employees defined contribution plans (Workers' Pension Fund). The plans are financed from contributions made by the Company and employees to the retirement fund that is independent of the Company's financial structure.*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

17. Income tax

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Current income tax	15,125	12,929
Deferred tax (Note 8)	(430)	(1,788)
Total	**14,695**	**11,141**

As required by the Polish tax regulations, the tax rate applicable in 2011 and 2010 amounts to 19%.

The reconciliation of the theoretical amount of tax arising from profit before tax and the statutory tax rate with the income tax expense shown in the profit and loss is as follows:

	Six-month ended 30.06.2011	**Six-month ended 30.06.2010**
Profit before income tax	**81,875**	**58,384**
Income tax rate	19%	19%
Income tax at the statutory tax rate	**15,557**	**11,093**
Tax effect of:		
Non-deductible differences	678	90
Non taxable share in profit	(1,540)	(42)
Tax charge	**14,695**	**11,141**

18. Contingent positions

The tax authorities may inspect the books of account and tax settlements within 5 years after the end of the year in which tax declarations were submitted and they may impose additional tax on the Company, together with penalties and interest.

According to the Management Board of the entity there are no indications of any material contingent liabilities in this respect arising.

19. Contingent and investment liabilities

As at 30 June 2011 and 31 December 2010 the Company had no contingent liabilities and investment commitments.

20. Transactions with related parties

Information on transactions with entities related to the State Treasury

Related parties of the WSE comprise associates (Krajowy Depozyt Papierów Wartościowych S.A., Centrum Giełdowe S.A. and INNEX) as well as the State Treasury as a dominant party (holds as at 30 June 2011 35.00% of shares and 51.48% votes in the General Meeting of WSE), parties controlled or co controlled by the State Treasury and with significant influence of the State Treasury. Additionally to related parties belong members of key personnel of the WSE.

Information regarding transactions with related parties with State Treasury is not published or revealed by the Ministry of Treasury to parties that belong to State Treasury or to the parties with significant influence of State Treasury. Therefore the Management Board of WSE disclosed in the hereby financial statement transactions with those related parties that were indentified based on its best knowledge.

State-controlled entities identified by the parent entity’s Management Board include companies listed on the Warsaw Stock Exchange (issuers of securities) and the stock exchange members. The Group charges fees to the related entities listed on WSE for introduction, admission to trading, for floating and listing financial instruments. In case of related parties being stock exchange members the fees for enabling the conclusion of transactions in the stock exchange market, enabling access to the Exchange's information systems and trading in financial instruments are charged.

All the transactions with entities related to the State Treasury are concluded in the normal course of business and are carried out on an arm's length basis.

In accordance with the Polish law, the Company is subject to tax obligations. Hence, the WSE pays tax to the State Treasury, which is its related party to 9 November 2010. The principles and regulations binding upon the Company in this regard are the same as those binding upon other entities which are not associated with the Company.

In accordance with the Decree of the Minister of Finance of 16 March 2010 on fees paid to the Polish Securities and Exchange Commission by supervised entities, the Company incurs costs of fees, paid to the State Treasury in the amount set by the Polish Financial Supervision Authority (PFSA). The Company contributes monthly prepayments and the PFSA makes final yearly settlements before 15 February of the following year. Fees paid for the six-month period ended 30 June 2011 amounted to PLN 7,783 thousand (for the six-month period ended 30 June 2010 PLN 7,920 thousand).

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Transactions with associates

Six-month period ended 30 June 2011

Name of the entity	Receivables 30.06.2011	Liabilities 30.06.2011	Revenue for the six-months period ended 30.06.2011	Operating expenses for the six-months period ended 30.06.2011
Centrum Giełdowe S.A.	-	135	-	1,024
KDPW S.A.	269	2	401	13
Total	**269**	**137**	**401**	**1,037**

Six-month period ended 30 June 2010

Name of the entity	Receivables 30.06.2010	Liabilities 30.06.2010	Revenue for the six-months period ended 30.06.2010	Operating expenses for the six-months period ended 30.06.2010
Centrum Giełdowe S.A.	-	70	-	924
KDPW S.A.	47	1	150	4
Total	**47**	**71**	**150**	**928**

Transactions with associates

Six-month period ended 30 June 2011

Name of the entity	Receivables 30.06.2011	Liabilities 30.06.2011	Revenue for the six-months period ended 30.06.2011	Operating expenses for the six-months period ended 30.06.2011
WSEInfoEngine S.A.	288	1,032	1,319	1,168
BondSpot S.A.	2,185	1,205	6,773	4,080
Instytut Rynku Kapitałowego – WSE Research S.A.	71	122	181	431
Total	**2,544**	**2,359**	**8,273**	**5,679**

Six-month period ended 30 June 2010

Name of the entity	Receivables 30.06.2010	Liabilities 30.06.2010	Revenue for the six-months period ended 30.06.2010	Operating expenses for the six-months period ended 30.06.2010
WSEInfoEngine S.A.	-	39	-	260
BondSpot S.A.	13	-	15	11
Instytut Rynku Kapitałowego – WSE Research S.A.	6	-	5	-
Total	**19**	**39**	**20**	**271**

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

In the six-month period ended 30 June 2011 and 30 June 2010 no receivables from related parties were written off and no impairment write-downs on receivables from related parties were recorded.

The Stock Exchange also concluded transactions with the "Książęca 4" Housing Cooperative of which it is a member. Related expenses amounted to PLN 1,537 thousand in the six-month period ended 30 June 2011. In the six-month period ended 30 June 2010 related expenses amounted to PLN 1,429 thousand.

21. Information on remuneration and benefits of key management personnel

The Management Board of the entity constitutes to key management personnel of the Company.

Remuneration and benefits paid to the members of the Management Board of the Company

	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Remuneration	1,651	635
Other employee benefits	1,094	268
Total	**2,745**	**903**

Information on loans advanced to key management personnel

In the six-month periods ended 30 June 2011 and 30 June 2010 no loans were advanced to the key management personnel of the Company.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

22. Cash inflows on operating activity

	Note	Six-month ended 30.06.2011	Six-month ended 30.06.2010
Profit for the period		**67,180**	**47,243**
Total adjustments		**(5,321)**	**9,088**
Income tax expense	17	14,695	11,141
Depreciation of property and equipment	4	5,552	6,253
Amortization of intangible assets	5	1,907	1,715
(Gain) / Loss on sale of property and equipment		(49)	(50)
Change in provisions for other liabilities and charges		(100)	(100)
Financial income on financial assets held to maturity		-	(3,990)
Financial income on available-for-sale financial assets		(1,914)	-
Revaluation on available-for-sale financial assets		-	(644)
Dividend income		(7,888)	(280)
Interest income on deposits		(2,021)	(677)
Change in assets and short-term liabilities			
Increase in inventories		146	(9)
Increase in trade and other receivables and prepayments		(14,799)	(3,800)
Increase in trade and other payables		1,991	2,362
Decrease in employee benefit payables		(2,841)	(2,833)
Cash generated from operations		**61,859**	**56,331**

23. Dividend

By a Resolution No. 4 of Annual General Meeting dated 27 June 2011 earmarked PLN 134,730 thousand from the net profit for 2010 for dividend payment.The date of dividend payment was established on 27 July 2011. The value of dividend per share amounted to PLN 3.21. Dividend was paid on 27 July 2011.

24. Earnings per share

Basic and diluted	**Six-month ended 30.06.2011**	**Six-month ended 30.06.2010**
Profit attributable to the shareholders	67,180	47,243
Weighted average number of ordinary shares (in thousands)	41,972	41,972
Basic and diluted earnings per share (in PLN)	**1.60**	**1.13**

25. Segments of activity

Following the “management approach”, operating segments are reported in accordance with the internal reporting provided to the Company’s Management Board (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses their performance.

The operating segments of the Company were identified by the type of products and services, from which a given operating segment earns revenues.

For the six-month period ended 30 June 2011 and for the six-month period ended 30 June 2010 the Company was engaged in activities in three main operating segments:

- trading (transaction fees dependant on the stock exchange market turnover, stock exchange system access fees, charges for servicing brokerage application);
- listing (annual fees for the listing of securities and one-off charges e.g. charges for admission and introducing the securities to stock exchange trading);
- information services.

For the time being the Company does not analyse costs as divided into individual operating segments. However, it intends to implement activity based costing model, which will support appropriate segment cost allocation. Furthermore, the Company does not allocate assets and liabilities to individual segments.

The Company’s other revenues comprise mainly income from training services and rental of space. None of these segments of operations is subject to the reporting duty. The Company’s Management Board does not analyse data relating to the subsidiaries and associates.

For the six-month period ended 30 June 2011 and for the six-month period ended 30 June 2010 there were no sales between the segments.

The Company’s operating segments are concentrated on the territory of Poland.

The following tables present a reconciliation of the data analysed by the Management Board of the Company with the relevant items shown in these condensed interim financial statements.

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six-month period ended 30 June 2011, the segment revenues were as follows:

		WSE*
Revenue (external transactions)		**130,054**
Segments	Trading	99,007
	Listing	11,464
	Information services	17,522
	Other	2,061
Operating expenses		60,341
Profit on sales		69,713
Other operating profit		33
Operating profit		69,746
Net financial gain		12,129
Profit before income tax		**81,875**

** Data analysed by the Management Board of WSE*

For the six-month period ended 30 June 2010, the segment revenues were as follows:

		WSE*
Revenue (external transactions)		**107,195**
Segments	Trading	80,269
	Listing	10,061
	Information services	15,961
	Other	904
Operating expenses		55,105
Profit on sales		52,090
Other operating profit		183
Operating profit		52,273
Net financial gain		6,111
Profit before income tax		**58,384**

** Data analyzed by the Management Board of WSE*

(ALL AMOUNTS IN PLN THOUSAND, UNLESS OTHERWISE STATED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Revenue by geographical region was as follows:

	Six-month ended 30.06.2011	Share (%)	Six-month ended 30.06.2010	Share (%)
Domestic sales	101,969	78.40%	88,060	82.15%
Export sales	28,085	21.60%	19,135	17.85%
Total	**130,054**	**100.00%**	**107,195**	**100.00%**

The following tables present a reconciliation of total assets and liabilities as analysed by Management Board to total assets and liabilities presented in these condensed interim financial statements.

Assets and liabilities as at 30 June 2011 are presented as follows:

30.06.2011	WSE
Total assets	497,739
Total liabilities	169,133

Assets and liabilities as at 30 June 2010 are presented as follows:

30.06.2010	WSE
Total assets	427,401
Total liabilities	118,155

26. Subsequent events

After 30 June 2011, which is after the balance sheet date, there have been no significant events that could have influenced financial statement of the Company for the six-month period ended 30 June 2011.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Interim Financial Statements were presented by Management Board of Warsaw Stock Exchange:

1. Ludwik Sobolewski – Board President ……………………………………..…..

2. Lidia Adamska – Board Member ……………………………………..…..

3. Beata Jarosz - Board Member ……………………………………..…..

4. Adam Maciejewski - Board Member ……………………………………..…..

Warsaw, 25 August 2011

WARSAW
STOCK
EXCHANGE

Management Board's Statement

The Management Board of the Warsaw Stock Exchange declares that the registered audit firm performing the audit of the Condensed Separate Financial Statements of the Warsaw Stock Exchange for the six-month period ended 30 June 2011 and the Condensed Consolidated Financial Statements of the Warsaw Stock Exchange Group for the six-month period ended 30 June 2011 has been appointed pursuant to the binding regulations. The audit firm and the certified auditors performing the audit meet the requirements necessary for issuing an objective and independent audit opinion on the separate and the consolidated financial statement, pursuant to the binding provisions of the law and professional standards.

______________________	______________________
Ludwik Sobolewski President of the Management Board	Lidia Adamska Member of the Management Board
______________________	______________________
Beata Jarosz Member of the Management Board	Adam Maciejewski Member of the Management Board

Warsaw, 25 August 2011

President and CEO - Ludwik Sobolewski
Members of the Management Board - Lidia Adamska, Beata Jarosz, Adam Maciejewski
Książęca 4, 00-498 Warsaw, Poland, tel +48 22 537 70 85, fax +48 22 625 59 65, 537 77 90, wse@wse.com.pl

Management Board's Statement

The Management Board of the Warsaw Stock Exchange declares to the best of its knowledge that:

- The Condensed Separate Financial Statement of the Warsaw Stock Exchange for the six-month period ended 30 June 2011, including comparative information, have been prepared in accordance with the binding accounting policies and that these give a true, fair and clear view of the financial position and results of the Warsaw Stock Exchange,
- The Condensed Consolidated Financial Statement of the Warsaw Stock Exchange Group for the six-month period ended 30 June 2011, including comparative information, have been prepared in accordance with the binding accounting policies and that these give a true, fair and clear view of the financial position and results of the Warsaw Stock Exchange Group,
- The Consolidated report on the activities of the Warsaw Stock Exchange Group for the six-month period ended 30 June 2011 gives the true view of the Warsaw Stock Exchange Group development, achievements and situation, including the main threats and risks.

________________________	________________________
Ludwik Sobolewski President of the Management Board	Lidia Adamska Member of the Management Board
________________________	________________________
Beata Jarosz Member of the Management Board	Adam Maciejewski Member of the Management Board

Warsaw, 25 August 2011