



WARSAW
STOCK
EXCHANGE

Letter of the President of the WSE Management Board

Ladies and Gentlemen,

The Warsaw Stock Exchange today is one of the world's fastest growing capital markets. We give investors and issuers a wide range of financial instruments in pursuit of the mission of contributing to prosperity and economic growth in Poland. As the WSE is becoming a regional market and supports business transition of companies across Central and Eastern Europe, we facilitate economic co-operation and strengthen the liquidity of our markets, making them ever more attractive and offering additional benefits to Polish and international market participants.

The WSE is also a highly profitable corporation, which pursues a coherent growth strategy, seamlessly and synergically benefiting the Polish capital market, the Polish economy as well as the shareholders of WSE shares listed on the Warsaw Stock Exchange since 9 November 2010. The flotation of the WSE was one of the most spectacular IPOs in the history of the Polish capital market and one of the most effective and popular public offerings on international markets in the past few years.

In 2010, many new companies were listed on the main stock market, including several large-cap stocks attracting the interest of all investor segments. NewConnect reported a historically high number of IPOs, growing turnover, and a rising share of institutional investors in total trade. New regulatory conditions were put in place in order to broaden the range of derivative instruments on offer. Catalyst listed further series of corporate and municipal bonds, opening new prospects for the organised market of non-Treasury bonds in Poland.

The WSE's diversified business model attracts Polish and international issuers of financial instruments, facilitates the growth and development of the local sector of financial intermediaries, and ensures the presence of foreign investment firms on the Polish market. The new segment of electricity trading operated as of late 2010 adds to the intellectual capital developed by the WSE as the basis of continued improvement of the WSE's market position among others by effectively competing with other financial institutions.

The WSE Group is growing steadily, including the leading subsidiary BondSpot SA: its business and financial results generated in 2010 prove the success of the local market consolidation concept implemented by the WSE by taking control of BondSpot (then MTS-CeTO SA) in 2010. Similarly, the National Depository for Securities (KDPW SA) is one of the WSE's main partners and investments. KDPW's institutional initiatives (founding a central counterparty) and operational activity (development of links with other depositories) strengthen confidence in the Polish capital market and create new trading opportunities.

On 9 November 2010, the WSE opened a new chapter in its history. However, one of the key factors of the WSE's successful rise to the role of a regional leader by all relevant measures has been the continuity of the main development lines and determined pursuit of the strategy. The development of a balanced and comprehensive market comprising all important classes of traded financial instruments; growth ensuring protection against threats imminent in a competitive environment; and the international positioning of the WSE are the key goals of the strategy which has made the WSE the biggest and most modern securities exchange in the region and will guide our efforts in the future.

Ludwik Sobolewski
President and CEO