IDMSA BH’s Extraordinary General Shareholders’ Meeting
decided to execute subsequent treasury share buyback

Press Release

The today’s Extraordinary General Shareholders’ Meeting of IDMSA Brokerage House authorised the Company to execute the subsequent, already fourth, treasury share buyback. Under the buyback, the Company may acquire up to 21.8m shares representing 10% of IDMSA Brokerage House’s share capital. All shareholders present in the Company’s Extraordinary General Shareholders’ Meeting voted in favour of the resolution on the buyback.

The price at which the buyback will be carried out ranges from the shares’ par value to PLN 5. The authorisation to acquire treasury shares is valid until the end of 2013. The Company will allocate up to PLN 109.1m for this purpose. The shares acquired under the buyback may be further resold.

"In the second half of this year, the market situation has materially deteriorated; nonetheless, our approach to long-term development prospects of IDMSA Brokerage House and of the entire Group has not changed – we continue to consider them to be very good. Therefore, we intend to take full advantage of the current circumstances, and buy additional shares in order to resell them with profit once market conditions become stable,” explains Mr Grzegorz Leszczyński, the President of IDMSA BH’s Management Board.

Further, the Extraordinary General Shareholders’ Meeting resolved to terminate the previous buyback lasting from mid last year.

"Wishing to initiate the subsequent buyback, we concluded the previous one in order to maintain information transparency. For some time we have not been able to carry it out in any case, in spite of available means held for this purpose, because the market valuation of our shares has been lower than the minimum value specified in the earlier authorisation, amounting to PLN 2,” explains Mr Leszczyński.

"In our opinion, the new treasury share buyback programme will bring a double benefit for our shareholders. Firstly, due to an increase in demand, it should contribute to an increase in the shares’ price, and secondly, the Company will record an additional, positive cash flow upon the profitable sale
of the shares in the future. Admittedly, due to accounting standards it will not be visible in a profit and loss account, but it may be used to execute further gainful projects,” adds Mr Leszczyński.

From 29 November to 5 December, IDMSA BH lent the total of 6.8m treasury shares against remuneration. Currently, the Company holds 5.9m of its treasury shares.

“The transaction involving lending of our shares stirred considerable interest in the market. We decided to execute it because we had been contacted by entities willing to conclude such an agreement, and given that with the current valuations we do not intend to sell the treasury shares held by the Company, we reached the conclusion that it was worthwhile to make money on lending them,” finalises Mr Leszczyński.

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About the Company:
IDMSA Brokerage House is a parent undertaking in the Group operating in the area of financial services. IDMSA Brokerage House is an independent, non-banking, dynamically developing brokerage office. The Company is the first broker listed on the Warsaw Stock Exchange.
The activities of IDMSA Brokerage House are focused in four main areas:
- brokerage services,
- asset management,
- forex,
- corporate services – capital transactions and operations, and fundraising.
Crucial skills behind the Company’s value include know-how and experience which allow IDMSA Brokerage House to provide its Clients with customised solutions, flexibility which enables it to quickly react to market needs, and independence.