

## **Investing in Shares of Innovative Companies: The Risk and the Return, Evidence from Polish Capital Market**

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**Abstract :** Due to the growing global interest of investment society in innovative enterprises, as the objective of this research was adopted to examine the investment efficiency in shares of companies with innovative characteristics in the risk-return layout. The research was carried out for companies listed on the Warsaw Stock Exchange taking into various consideration time ranges of investment. Obtained results show that in shorter periods of time, investors buy expectations connected with innovative companies and therefore the efficiency of investment in their shares is relatively high, but in the longer term expectations are revised by companies financial results, which in turn negatively affects the efficiency of investment in their shares.

**Keywords :** capital market, innovative company, investment strategies, risk and return analysis

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