##

I. INTRODUCTION TO THE FINANCIAL STATEMENTS

(all figures have been presented in PLN 000)

1. General information on the Bank

1. 1 Bank name

DOMINET BANK SPÓŁKA AKCYJNA

1. 2 Bank's seat

ul. Księcia Ludwika I nr 3, 59-300 Lubin

1. 3 Registration in the Polish Court Register

Seat of the court:	District Court for Wrocław - Fabryczna in Wrocław IX Economic Division of the Polish Court Register
Date:	02.08.2001
Registration num	0000033013

1. 4 Composition of the Supervisory and Management Boards in the financial period from 1/01/2009 to 31/07/2009

Management Board:

to 31/03/2009

1. Jacek Obłękowski	President
2. Robert Woźniak	Vice President
3. Piotr Adam Urbańczyk	Vice President
4. Adam Karolak	Vice President
5. Bogdan Bruczko	Vice President

form 01/04/2009

1. Jacek Obłękowski	President
2. Robert Woźniak	Vice President
3. Jan Bujak	Vice President
4. Jaromir Pelczarski	Vice President

Bank Supervisory Board:

to 23/06/2009

1. Alexander Paklons	Supervisory Board Chairman
2. Josef Kenis	Supervisory Board Member
3. Charles David McArthur	Supervisory Board Member
4. Piotr Kowynia	Supervisory Board Member
5. Jaromir Pelczarski	Supervisory Board Member

from 24/06/2009

1. Alexander Paklons	Supervisory Board Chairman
2. Josef Kenis	Supervisory Board Member
3. Charles David McArthur	Supervisory Board Member
4. Piotr Kowynia	Supervisory Board Member
5. Philippe Van Hellemont	Supervisory Board Member

2. Period covered by the Financial Statements

The Financial Statements were prepared for the financial period from 1 January 2009 to 31 July 2009, that is as at the day of closure of books of account of the Bank.

##

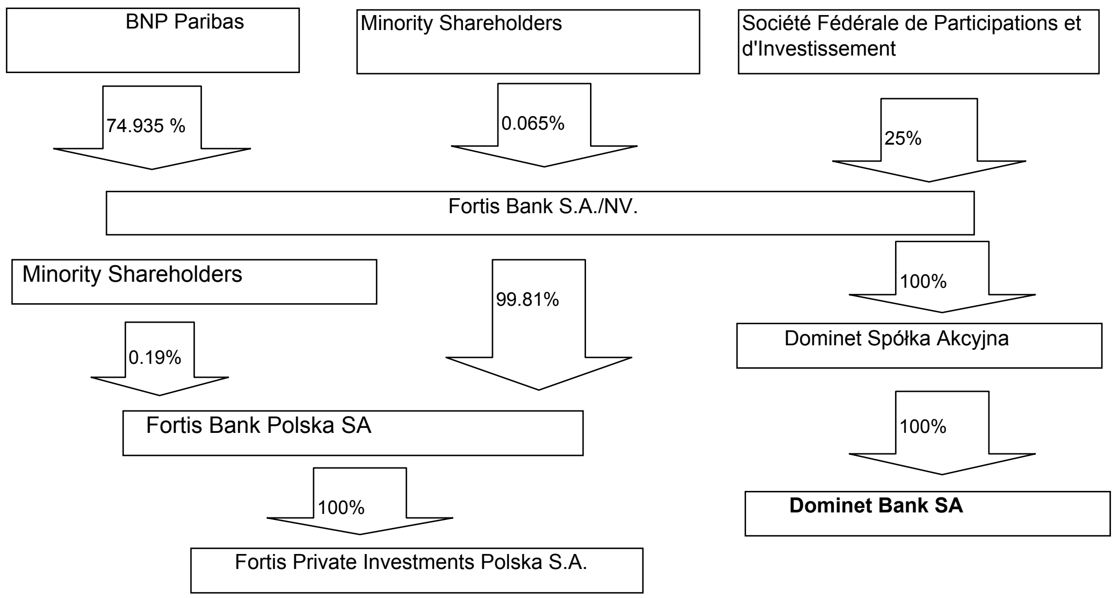
I. INTRODUCTION TO THE FINANCIAL STATEMENTS

(all figures have been presented in PLN 000)

3. *Structure of the group*

As of the day of drawing up the Financial Statements the Bank was a part of an international capital group in which BNP Paribas SA seated in Paris and the Government of the Kingdom of Belgium through Société Fédérale de Participations et d'Investissementare are the highetst-lelvel dominant entities. Dominet S.A. was a direct dominant entity towards the Bank. Fortis Bank S.A./NV is 100% owner of Dominet S.A.

The organizational chart below presents the position of Dominet Bank in the Fortis Group.



In October 2008 Fortis holding, BNP Paribas and Société Fédérale de Participations et d'Investissement entered into an agreement of sale of 75% shares of Fortis Bank S.A./NV to BNP Paribas.

Voting over the sale transaction took place at the General Meeting of Shareholders of Fortis holding company:

1. in Ghent on 28/04/2009, where 72.99 per cent shareholders granted consent for the transaction conducted between Fortis holding, BNP Paribas and the Belgian government,
2. in Utrecht on 29/04/2009, where 77.65 per cent of shareholders granted consent for finalization of the agreement between Fortis holding, BNP Paribas and the Belgian government.

Due to the ownership changes in the capital group of Fortis, Dominet Bank became an entity subject to Fortis Bank SA/NV, whose majority shareholder is BNP Paribas and the Belgian government represented by its government agency SFPI.

At a meeting held on 20 May 2009 the Polish Financial Supervision Authority granted consent for exercising 75% of the voting right by BNP Paribas at the General Meeting of Shareholders of the Bank through Dominet S.A.

On 31.07.2009 the Bank and Fortis Bank Polska S.A. merged legally and the merger was registered in the Polish Court Register.

4. *Internal Organizational Units of the Bank*

The Bank is not comprised of any internal organizational units that would prepare financial statements independently.

5. *Going Concern Basis*

Due to the merger of Dominet Bank S.A. with Fortis Bank Polska S.A. the day 31 July 2009 was for the Bank the last balance sheet day when books of account were closed and the last Financial Statements were prepared (pursuant to art.12 item 2 (4) and art. 45. item 1 of the Accounting Act).

The Financial Statements were prepared under the assumption that the Bank would continue its business activities in the foreseeable future within the merged Fortis Bank Polska S.A.

The fundamental reason for implementation of the process of merger of Fortis Bank Polska SA and Dominet Bank S.A. was establishment of a universal national bank present in all market segments with a sales network all over the country.

In view of the foregoing, no circumstances indicate the occurrence of a threat to business continuity of the Bank within the merged Fortis Bank Polska S.A.

6. *Mergers with other entities*

On 26 June 2009 the General Meeting of Shareholders adopted a resolution regarding the merger of Fortis Bank Polska S.A. and Dominet Bank S.A. and approved the Merger Plan announced in the Monitor Sadowy i Gospodarczy no. 240 dated 9 December 2008.
On 8 July 2009 the Polish Financial Supervision Authority decided to grant approval for the merger of both the banks.
On 31.07.2009 the Bank merged legally with Fortis Bank Polska S. A. and the merger was registered in the Polish Court Register.
Połączenie Fortis Bank Polska SA z Dominet Bank S.A. took place by transferring all Dominet Bank S.A.'s assets to Fortis Bank Polska SA, in exchange for 5,243,532 bearer shares series L, at par value of PLN 30 each, delivered by Fortis Bank Polska SA to the shareholder of Dominet Bank S.A., that is, Dominet S.A. in exchange for 73,647 shares of Dominet Bank S.A., in accordance with the established parity of exchange of shares.
As of the day of the merger Fortis Bank Polska and Domniet S.A are under control of Fortis Bank SA/NV.

7. *Accounting principles applied including methods of appraisal of assets and liabilities and determination of income and costs to the extent where applied regulations leave right of choice, particularly:*

Legal basis for the Financial Statements

The Financial Statements were prepared in accordance with the practice applied by banks operating in Poland, based on accounting principles of the following legal acts:
- the Accounting Act of 29 September 1994 (Dz. U. [Journal of Laws] of 2002 No. 76, item 694, consolidated text as amended),
- the Act of 29 August 1997 - Banking Law (Dz.U.[Journal of Laws] of 2002 No. 72, item. 665, consolidated text as amended),
- Ordinance of the Minister of Finance of 10 December 2001 on special accounting principles applied by banks (Dz. U. [Journal of Laws]nr 149, poz. 1673 as amended),
- Ordinance of the Minister of Finance of 10 December 2003 on rules of creation of provisions for risks connected with activities of banks (Dz. U. [Journal of Laws] 218 of 2003, item 2147),
- Ordinance of the Minister of Finance of 12 December 2001 on specific principles of recognition, valuation methods, scope of disclosure and presentation methods of financial instruments (Dz. U. [Journal of Laws]149 of 2001, item 1674, as amended),
- and also accounting principles currently applied by DOMINET BANK S.A. and recommendations of the Polish Financial Supervision Authority, the National Bank of Poland, Securities and Exchange Commission,
- IAS, in matters not governed by provisions of the Accounting Act and where there are no appropriate Polish standard and in accordance with article 10 item 3 of the Accounting Act.

7. 1. Rules of inclusion of effects of evaluation of on-balance sheet items in equity

The Bank valuates financial assets available for sale at fair value and effects of changes to fair value are charged to the revaluation capital.

7. 2. Rules of establishment of valuation of financial assets and financial liabilities split into particular types of assets and liabilities

I. . The valuation of financial assets and derivative instruments as at the balance sheet day is conducted in accordance with the following rules:

a). Financial assets held for trading are measured at market value, and financial assets with no active market demand are measured at fair value determined otherwise. The market value or fair value differences are classified to financial operation income or expense of a given reporting period respectively.

b). Financial assets held to maturity are measured at depreciated cost taking into account the effective interest rate. Effects of the valuation are classified as financial income of a given financial period: interest income, the difference between the value of provisions and revaluation and other operating income or costs. Rules of creation of provisions for receivables have been presented in point 6.5.

c). Financial assets available for sale are measured at fair value, and effects of change to fair value are transferred to the revaluation capital.

d). Originated loans and other own receivables of the Bank, which are not available for trading are measured at depreciated cost taking into account the effective interest rate. Effects of the valuation are transferred to the financial result on interest of a given financial period.

e). AShares in subordinated entities and minority shares, classified as fixed assets are measured in the following manner:
-- shares in subordinated entities are measured basing on the equity method taking into account valuation rules set forth in art.63 of the Accounting Act. Effects of the valuation are transferred to the result on financial operations due to the revaluation of financial assets of a given financial period.
-- other shares (long-term investments on the Warsaw Stock Exchange, like others with no regular market) – are measured at purchase price decreased by write-offs due to permanent loss of value. The decrease in the value of other shares is included in the result on financial operations due to the revaluation of financial assets.

f). Assets taken over for debts are measured at fair value although not higher than the balance sheet value. A write-off revaluating the assets is made for the difference between the debt and fair value which is lower than the debt. Effects of the valuation are transferred to other operating income or costs.

II. A valuation of financial liabilities as at the balance sheet day is made according to the following fundamental determinations:

Financial liabilities for trading are measured at fair value. The effects of changes in fair value are transferred to income from or costs of financial operations of a given reporting period.
Financial liabilities unavailable for trading are measured at the depreciated cost amount taking into account the effective interest rate. The effects of valuation are transferred to the financial result on interest of a given financial period.

III. Financial assets or liabilities whose fair value cannot be reliably determined are measured at the depreciated cost.

7. 3. Collateral accounting rules adopted

The Bank does not apply collateral accounting.

7. 4. Rules of writing off debts

The Bank may write off debts as uncollectible or depreciate them in full or in part upon a borrower's request or on its own. The depreciation may include the principal as well as subsidiary debts.

I. Rules of depreciation of debts as uncollectible debts.

1. Write-offs of debts charging the provision created for them are made when they ares classified as "lost" receivables for a period of at least one year and the provision created for them equals the receivable amount to be repaid (net receivables equal zero). The receivables written off to charge the provision are simultaneously transferred to off-balance sheet records until they have been depreciated, overdue or repaid. The receivables together with relevant provision are transferred to off-balance sheet records.
2. Receivables due to unrecoverable loans are written off to charge the provisions created when the following conditions are met:
- receivables in the principal or interest part are classified as lost receivables for a period of at least one year,
- a provision of 100% of debt was created for the receivables due to the principal excluding decreases in the basis for calculation of the provision,
- the total receivables due to principal or interest due are lower than costs of receivable recovery and do not exceed PLN 600 .

II. Rules of depreciation of receivables.

1. Pursuant to art. 580 of the Civil Code depreciation is effected when a creditor releases a debtor from a debt and the debtor accepts the release.
2. Depreciation of a receivable in full or in part may take place if:
2.1. all possibilities of recovery of receivables were used and there are no reasons to continue debt collection, particularly:
a) debt collection led to the statement that a debtor has no property to recover debts from or it is obvious that debt collection referring to the receivable will not give an amount in excess of debt collection costs,

(all figures have been presented in PLN 000)

b) a debtor died leaving no property or left moveable property that is not subject to collection under separate regulations or when inheritors did not accept the inheritance,
c) a person, domicile of a debtor cannot be established,
d) this results from conditions of court settlement, valid bank agreement, civil and legal agreement concluded with a debtor or is connected with a completion of court proceedings in bankruptcy.

2.2. Special economic or social reasons call for it, particularly when, as a result of execution concerning debtor's property, the debtor or his dependants would be deprived of basic support sources.
2.3. Receivables due to loans whose total unpaid due to principal or interest does not exceed PLN 15 are written off to charge other operating costs.
2.4. Receivables due to charges and commission for handling a bank account along with costs of reminders and correspondence and exceeding of the balance (debits) due to commission charging the account for the renewal and servicing debit cards and interest on those debits, when the total amount of receivables does not exceed PLN 210 for bank accounts and PLN 100 for savings and settlement accounts.

7. 5. Rules of creation of provisions for receivables

Provisions are created in accordance with rules set forth in the Ordinance of the Minister of Finance of 10 December 2003 on the creation of provisions for riks relating to activity of banks. The following percentage indexes have been adopted for particular risk groups:

1) normal exposures (regarding loans and consumer loans)	1,5%
2) under observation exposures	1,5%
3) sub-standard exposures	20%
4) doubtful exposures	50%
5) lost exposures	100%

In the financial period from 01/01/2009 to 31/07/2009 in order to establish the basis for the creation of provisions for risk relating to credit e
the Bank additionally applied limits of decrease in the amount of credit exposures depending on the period
of delay in repayments, set forth in the Ordinance.
The provision for general risk may be included in costs of the current year for the coverage of risk relating to
conducting banking operations, under art.130 of the Banking Act dated 29 August 1997.

7. 6. Debt securities

The Bank classifies debt securities to the following categories on the day of their acquisition:

a). held for trading
Securities held for trading are securities that were acquired to generate profit from short-term price or margin fluctuations. Originally securities held for trading are measured at purchase price (taking into account transaction fees), and then they are measured at fair value as at the balance sheet day. Interest and discount are settled according to the effective interest rate, and the effect of the valuation of securities held for trading is included in the result on financial operations. Interest gained from securities held for trading is classified as interest income.
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b). held to maturity
Securities held to maturity are securities that were acquired to hold them until redemption. These securities are measured at depreciated cost taking into account the effective interest rate. Interest accrued during the holding of these securities in the portfolio until maturity are classified as interest income.

c). available for sale
Securities available for sale are securities that were not classified as "held for trading" or "held to maturity". As at the balance sheet day they are measured at fair value, interest and discount are settled according to the effective interest rate, and the effect of valuation is transferred respectively to revaluation capital (fund). Interest accrued during the holding of these securities in the portfolio of securities available for sale is included in interest income.

(all figures have been presented in PLN 000)

7. 7. *Shares*

1. Shares in subordinated entities are measured by the proprietary righ method. Effects of the valuation of these assets are transferred to the result on financial operations of a given financial period due to revaluation of financial assets .

2. Other shares included in fixed assets are measured at purchase price taking into account write-offs due to permanent loss of value.

3. . Shares that are not included in fixed assets are classified to the following categories:
- held for trading,
- available for sale.

Criteria applied to classify them as well as the methodology of valuation of shares (except shares in subordinated entities) are similar to the ones applied for respective categories of debt securities, which was described in point 7.6 .

7. 8. *Tangible fixed assets and intangible assets*

The initial value of tangible fixed assets and intangible assets is included in the ledger at purchase price or manufacturing costs or re-assessed value (after updating the valuation of tangible fixed assets), decreased by depreciation write-offs as well as write-offs due to permanent loss of value. The Bank applies balance sheet and tax depreciation.

Depreciation write-offs are made in line taking into account economic usefulness of fixed assets and intangible assets. The depreciation starats not earlier than after the approval of fixed asset and intangible assets for economic use.
Since the beginning of 2008 the Bank has been applying new usage periods for fixed assets and intangible assets acquired after 01/01/2008. Those periods were adjusted to usage periods applied in the Fortis Group. Below are presented depreciation rates applied in the financial period from 01/01/2009 to 31/07/2009 for those gourps of tangible fixed assets and intangible assets for which the Bank applies the balance sheet depreciation:

	balance sheet depreciation
- tangible fixed assets	
land (including perpetual usufruct)	1,01%
buildings	2,5%
improvements to other real property (the adopted depreciation rate in accordance with a 10-year lease period)	10%
housing cooperative member's right to ownership of a living accomc	2,5%
computers	20%/25%/33%
air conditioners	10%
furniture	20%**
cars	20%
banknote counters	14%***
ATMs	25%
- safes	20%***
- strong boxes	20%
- intangible assets	
software	33%****
copyrights	50%
ATM software licence	33%****
trademark	20%
data base licence	20%
implementation of Scott Tiger systems	33%
Scott Tiger open licence	20%
System SZOK	18 months from 02.2008 to 07.2009 *****

* The balance sheet deprecation rate for the Head Office of the Bank in Lubin at ul. Księcia Ludwika I nr 3 is 2.5% p.a.
** line balance-sheet depreciation is applied to furniture with the initial value higher than or equal to PLN 1,000.00
*** since 2003 the initial value of all acquired counters has been under PLN 3,500.00 and therefore the Bank applies the depreciation rate of 100 %
****line balance-sheet depreciation is applied to software licenses and ATM software lilcenses with the initial value higher than or equal to PLN 1,000.00
****** shortening the depreciation period for the system SZOK arising out of the integration of the Bank with Fortis Bank I scheduled for 31/07/2009

(i) Fixed assets under construction are indicated at the total costs being in direct relation to their acquisition or manufacturing, decreased by write-offs due to permanent loss of value. Fixed assets under construction are not depreciated.
(ii) Fixed assets worth under PLN 1,000.00 are included once in costs.

7. 9. *Assets taken over for debts*

Assets taken over for debts are measured at fair value. A provision is created for the difference between the debt and the fair value of taken over assets that is lower than the debt, or a revaluation write-off is made.

7. 10. *Prepayments and accruals*

The Bank performs prepayments and accruals of costs to ensure that income and relevant costs are commensurate. Prepaid expenses are made if they concern future financial periods. Accrued expenses are created if probable obligations in the current financial period occur. Prepayments and accrued income are performed to include income in the period they refer to. The Bank includes also interest due on threatened receivables in prepayments and accrued income - until they have been received or written off. Write-offs concerning prepayments and accruals are performed in accordance with the prudence principle and adequately to the passing time.

7. 11. *Provisions for expected liabilities and losses*

Jubilee awards and pension severance pay

The Bank creates provisions for pension severance pay. The provisions are fixed on the basis of valuation performed by an independent actuary and are updated at the end of each financial year. The created provision is classified as liabilities in "Other provisions”. Costs of the creation of provisions concerning the current year are included in the profit and loss account of the current period

Under the new Remuneration Regulations in force since 01.07.2009 the Bank has ceased to pay jubilee awards and the income from release of the relevant provision is included in the profit and loss account of the current financial period.

Unused holiday leaves

The Bank creates a provision in full amount for holiday leaves unused by Bank's employees at the end of a financial year on the basis of the balance of unused holiday leaves. The provision amount includes charges on payroll. Costs of the creation of provisions concerning the current year are included in the profit and loss account of the current period.

Other
The Bank creates provisions for future liabilities and losses concerning the current year.

7. 12. *Capital*

Bank's own capital includes the capital and funds created in accordance with applicable law, relevant acts and Bank Articles of Association. The own capital also includes retained income and uncovered losses from previous years.

The reserve capital is created from profit after taxation or other sources regardless of the supplementary capital.

The supplementary capital is created from deductions from profit after taxation, from a surplus in the issue price of shares over their nominal value as well as from additional payments of shareholders of the Bank used for the coverage of a balance sheet loss. This capital is first of all used for the coverage of the Bank's balance sheet loss. Where the suppleentary capital amount is insufficient to cover the balance sheet loss, it is covered from other capital or funds.

The general risk fund for unidentified risk in banking activity is created from a part of net annual profit in the amount determined by the General Meeting.

The revaluation fund presents a change in the net value of fixed assets indicated in assets as a result of revaluation performed in previous years, under separate regulations. The revaluation fund is transferred to the supplementary capital on the day of sale, transfer, liquidation or recognition as a shortage in fixed assets subject to revaluation. The fund cannot be distributed.
The revaluation fund also presents changes resulting from differences in the valuation at fair value of financial assets available for sale and deferred income tax calculated.

7. 13. *Net interest*

Interest income and costs are included in the profit and loss account on the accruals basis.

Interest income includes:
- interest due to the Bank including a discount and capitalized interest on receivables classified as normal and under observation,
- interest income received in previous periods including discounts in the current financial period,
- interest income received in the current period.
- due and undue interest costs on the bank's liabilities in the current reporting period.

Interest income also includes received or paid commission related directly to the financial instrument, which is included in the effective interest rate account.
Interest income on non-performing receivables settled in accordance with the effective interest rate is included in income proportionally to the repayment of principal or under an agreement with a customer.

7. 14. *Net commission*

Commission and bank fees income and costs are included in the profit and loss statement when it is received / paid, except:
- commission relating to overdraft facility and due to credit cards, included in line commission income,
- commission on guarantees granted, included in line commission income,
- commission, which is an element of the effective interest rate account, included in interest income,
- commision due to intermediation in the sale of insurance policies is included in the profit and loss statement as fair value of the payment received for providing the services of sale of insurance policies.

7. 15. *Net foreign exchange*

Foreign exchange differences resulting from the inclusion of foreign exchange operations in account books and from the translation of the balance of assets and on-balance sheet liabilities in foreign currencies are classified respectively to foreign exchange income or costs.
The calculation of FX differences in the Bank is done in two ways.
Every day real and recorded differences are calculated that occur in connection with foreing currency operations made.
At the end of a financial period, in accordance with provisions arising out of the Accounting Act, the translation of on-balance and off-balance sheet balance is made at the average exchange rate, determined inthe exchange rate table for a given balance-sheet day by the President of the NBP. Differences that arose in this way are recorded FX differences

7. 16. Including know-how fees resulting from Cooperation Agreements concluded between the Bank and Partners in income.

The know how fee, resulting from Cooperation Agreements signed by the Bank and Partners, is included in income in a manner that enables separation of the fee due to initial services provided by the Bank to Partners and due to services provided by the Bank at a later stage and reflecting the cause of charging with these fees.

The know how fee is recognized on the accruals basis.

A fee assigned to the title of provision of initial services is recognized as income in the profit and loss statement on the day of transfer to a Partner of the right to use Know-How.

A fee assigned to the title of provision of services by the Bank at a later stage is presented in income proportionally thoughout the effectiveness of agreement.

The said method of presentation in income of the know-how fee allows the Bank to include the said fees in the profit and loss statement in costs of initial services relating to the launch of partner branches and costs of services provided by the Bank at a later stage connected with the operation of a partner branch, whose fees are included as income as services are provided.

Thanks to the application by the Bank of the method of including income from the know-how fee, a handsome profit is provided from the provision of the said services both in the first year of effectiveness of agreement and in successive years

The Bank creates provisions for receivables from partners due to Know-How where there is a risk the payment will not be made in full.
Further, the Bank created a provision for receivables due to know-how from partners with whom agreements were terminated.

7. 17. *Method of including commission income from the sale of insurance in books of account of the Bank*

For purposes of presentation of commission income from the sale of insurance offered together with retail loans, the Bank applies rules of the International Accounting Standard 18. The Bank determines the amount of income at fair value of the payment received or due.

For purposes of an analysis the Bank has adopted a division of services provided to two fundamental groups:
i) income related directly to the sale of insurance policies recognized as commission income
ii) income related to servicing transactions (during effectiveness of insurance coverage) recognized as interest income according to the effective interest rate account
The division of commission income from the sale of insurance policies into the said two parts is conducted on the basis of an analysis of degree of realization of benefits from the sale of credit

7. 18. *Determination of the financial result*

The Bank's financial result is determined in accordance with the Ordinance of the Minister of Finance of 10 December 2001 on special accounting rules for banks, applying the accruals basis, conservatism concept and the matching concept in a given financial period.
The financial result consists of all generated income and costs connected with the income regardless of when they were paid.

7. 19. *Income tax*

Income tax indicated in the profit and loss statement consists of a current part and deferred part.

Current liabilities due to income tax are calculated in accordance with tax law.

The deferred part indicated in the profit and loss account constitutes the difference between the balance of provisions and assets from deferred tax as at the end and beginning of a financial year.

Provisions and assets from deferred income tax concerning operations settled with own capital (fund) are transferred to own capital (fund).

Assets from deferred income tax are determined in the amount foreseen in the future to deduct from income tax in connection with negative temporary differences that will lead in the future to a decrease in the basis for the calculation of income tax and tax loss that can be deducted, determined taking into account the conservatism concept.

The provision due to deferred income tax is created in the amount of income tax due to be paid in the future in connection with the occurrence of positive temporar differences, i.e. differences that will lead into an increase in the basis for the calculation of income tax in the future.

The provision and assets from deferred income tax are determined taking into account income tax rates in force in the year of occurrence of a tax obligation.

8. *Amendments to accounting principles made during the financial year*

In the financial period from 01.01.2009 to 31.07.2009 there were o changes to the accounting principles at the Bank.

9. *Changes to the way of preparation of financial statements made as compared with the previous financial statements*

In the financial period from 01.01.2009 to 31.07.2009 there were no changes to the way of preparation of financial statements as compared with the previous financial statements.

10. Information on:

11. 1 Fundamental error

In the financial period from 01.01.2009 to 31.07.2009 events of fundamental error nature were not identified.

12. Post-balance-sheet events not included in the financial statements

There were no significant post-balance-sheet events not included in the financial statements.

13. Events relating to previous years included in the financial statements

There were no significant events that occurred in the Bank relating to previous years which should be included in the financial statements covering the period from 01.01.2009 to 31.07.2009.

14. Significant events relating to the current financial year with an impact on the major change to the structure of on-balance sheet items and the financial result

Due to the legal integration of the Bank with Fortis Bank Polska SA, entry in the Polish Court Register on 31.07.2009, e Bank created necessary provisions, made write-offs revaluating fixed assets and intangible assets as of 31/07/2009 and it also included the shortening of period of their economic usefulness in the profit and loss statement.

15. Information about comparability of data for the financial statements for the preceding year with the current year financial statements.

Data presented in the balance sheet and in the statement of changes in equity for the financial period from 01.01.2009 to 31.07.2009 are comparable with the data for the preceding financial year. Data presebted in the profit and loss statement and in the cash flow statement for the financial period from 01.01.2009 to 31.07.2009 are comparable with the same period of the preceding financial year.

16. Information about remuneration paid or due to a chartered auditor or an entity entitled to examine financial statements.

In the financial period from 01.01.2009 to 31.07.2009 paid or due gross remuneration of a chartered auditor amounted to, for:
1. obligatory examination of the financial statements PLN 830,000
2. tax consulting services PLN 198,000
3. other services PLN 484,000

DOMINET BANK Spółka Akcyjna
Balance Sheet
(all figures have been presented in PLN 000)

ASSETS	Noty	#ADR!	#ADR!
I. Cash in hand, operations with Central Bank		**627 096**	**139 009**
1. Current accounts		564 132	59 242
2. Statutory reserve		-	-
3. Other		62 964	79 767
II. Debt securities eligible for rediscounting in the Central Bank		-	-
III. Debts of the financial sector	**4.1.c./d**	**40 911**	**88 770**
1. Current accounts		9 942	32 928
2. Term accounts		30 969	55 842
IV. Debts of the non-financial sector	**4.1.c./d**	**2 365 808**	**2 149 435**
1. Current accounts		57 031	51 276
2. Term accounts		2 308 777	2 098 159
V. Debts of State budget sector	**4.1.c./d**	**11**	**11**
1. Current accounts		-	-
2. Term accounts		11	11
VI. Debts due to purchased securities with promised redemption		-	-
VII. Debt securities	**5**	**29 131**	**278 870**
1. Issued by banks		-	25 375
2. Issued by State budget and territorial budgets		29 131	253 495
3. Other		-	-
VIII. Shares in dependent entities		**-**	**-**
1. Financial institutions		-	-
2. Other entities		-	-
IX.Shares in co-dependent entities		**-**	**-**
1. Financial institutions		-	-
2. Other entities		-	-
X. Shares in affiliated entities	**6**	**149**	**161**
1.Financial institutions		-	-
2. Other entities		149	161
XI. Shares in other entities	**6**	**291**	**290**
1. Financial institutions		290	290
2. Other entities		1	-
XII. Other securities and other financial assets		**-**	**-**
XIII. Intangible assets, including:	**8**	**20 125**	**31 646**
goodwill		-	-
XIV. Tangible fixed assets	**9**	**72 171**	**86 690**
XV.Other assets		**11 002**	**10 349**
1. Assets acquired - for sale		72	-
2. Other	**11.1.a**	10 930	10 349
XVI. Prepayments and accruals	**11.2.a**	**98 161**	**86 655**
1. Assets from deferred income tax		58 185	42 040
2. Other prepayments and accruals		39 976	44 615
TOTAL ASSETS		**3 264 856**	**2 871 886**

DOMINET BANK Spółka Akcyjna
Balance Sheet
(all figures have been presented in PLN 000)

LIABILITIES	Noty	#ADR!	#ADR!
I. Liabilities to Central Bank		-	-
II. Liabilities to financial sector	**4.4.a.**	590 173	744 978
1. Current accounts		2 325	2 604
2. Term accounts		587 848	742 374
III. Liabilities to non-financial sector	**4.4.c.**	2 170 964	1 601 569
1. Savings deposits		2 019 012	1 401 219
a) Current accounts		232 153	158 463
b) Term accounts		1 786 859	1 242 756
2. Other liabilities, including:		151 952	200 350
a) Current accounts		110 917	139 133
b) Term accounts		41 035	61 217
IV. Liabilities to State budget sector	**4.4.c.**	69 995	75 683
1. Current accounts		40 795	56 884
2. Term accounts		29 200	18 799
V. Liabilities due to securities sold with promised redemption		-	-
VI. Liabilities due to debt securities issued	**4.4.b.**	29 915	30 625
VII. Other liabilities due to financial instruments		-	-
VIII. Special funds and other liabilities	**11.1.b.**	26 308	46 584
IX. Accrued and reserved expenses and revenues	**11.2.b./c.**	58 161	50 494
1. Accrued expenses		7 943	7 223
2. Negative goodwill		-	-
3. Other deferred and reserved income		50 218	43 271
X. Provisions	**18**	30 782	27 388
1. Provision for deferred income tax		23 514	22 995
2. Other provisions		7 268	4 393
XI. Subordinated liabilities	**16**	90 090	31 168
XII. Share capital	**12**	73 647	73 647
XIII. Due share capital (negative figure)		-	-
XIV. Own shares (negative figure)		-	-
XV. Supplementary capital		183 979	200 522
XVI. Revaluation capital		2 133	2 503
XVII. Other reserve capital		3 270	3 270
1. General banking risk fund		1 600	1 600
2. Other		1 670	1 670
XVIII. Profit (loss) brought forward		-	-
XIX. Net profit (loss)		- 64 561	- 16 545
TOTAL LIABILITIES		**3 264 856**	**2 871 886**
Solvency ratio	**15**	**11,69**	**13,07**

Bilans należy analizować łącznie z informacją dodatkową, która stanowi integralną część sprawozdania finansowego.

DOMINET BANK Spółka Akcyjna
Off-balance sheet items
(all figures have been presented in PLN 000)

OFF-BILANCE SHEET ITEMS	Noty	#ADR!	#ADR!
I. Contingent liabilities granted and received		94 874	1 668 587
1. Liabilities granted:	**18**	94 874	112 983
a) financial liabilities		93 875	111 728
b) guarantees		999	1 255
2. Liabilities received:		-	1 555 604
a) financial liabilities		-	1 555 604
b) guarantees		-	-
II. Liabilities arising out of sale and purchase transactions		-	-
III.Other		61 255	53 798

Pozycje pozabilansowe należy anlizować łącznie z informacją dodatkową, która stanowi integralną część sprawozdania finansowego.

DOMINET BANK Spółka Akcyjna
Profit and loss statement
(all figures have been presented in PLN 000)

	Noty	#ADR!	01.01.2008 -31.07.2008
I. Interest income		235 575	169 113
1. Financial sector		3 820	5 755
2. Non-financial sector		219 754	157 401
3. State budget sector		-	-
4. Fixed-yield securities		12 001	5 957
II. Interest costs		94 064	56 014
1. Financial sector		27 718	20 418
2. Non-financial sector		64 524	31 747
3. State budget sector		1 822	3 849
III. Net interest (I-II)		141 511	113 099
IV. Commission income		40 660	34 610
V. Commission costs		17 936	12 705
VI. Net commission (IV-V)		22 724	21 905
VII. Income from shares, other securities and other variable-yield financial instruments		16	-
1. Dependent entities		-	-
2. Co-dependent entities		-	-
3. Affiliate entities	**23.7.**	16	-
4. Other entities		-	-
VIII. Net financial operations		1 828	- 157
1. Securities and other financial instruments		1 828	- 157
2. Other		-	-
IX. Net foreign exchange		1 747	1 936
X. Net banking operations		167 826	136 783
XI. Other operating income	**23.11.a.**	9 926	12 942
XII. Other operating expenses	**23.11.b.**	13 807	5 417
XIII. Overheads		102 017	95 247
1. Payroll		32 563	31 474
2. Insurance and other benefits		6 356	6 464
3. Other		63 098	57 309
XIV. Depreciation of fixed assets and intangible assets	**23.2.a**	20 031	16 086
XV. Provisions and revaluation		177 530	81 617
1. Earmarked provisions and provisions against general banking risk	**17/18**	170 838	80 997
2. Revaluation of financial assets	**23.2.b.**	6 692	620
XVI. Release of provisions and revaluation		56 064	50 997
1. Release of provisions and provisions for general banking risk	**17/18**	55 890	50 869
2. Revaluation of financial assets		174	128
XVII. Net provisions and revaluation (XV - XVI)		121 466	30 620
XVIII. Operating result		- 79 569	2 355
XIX. Result on extraordinary operations		-	-
1. Extraordinary profit		-	-
2. Extraordinary loss		-	-
XX. Gross profit (loss)		- 79 569	2 355
XXI. Income tax	**24**	- 15 008	1 440
XXII. Other charges decreasing profit (increasing loss)		-	-
XXIII. Net profit (loss)		- 64 561	915

##

Statement of changes in equity

(all figures have been presented in PLN 000)

	#ADR!	#ADR!
I. Equity as at the beginning of the period (opening balance)	263 397	192 512
I.a. Equity as at the beginning of the period (opening balance) after adjustments	263 397	192 512
1. Share capital as at the beginning of the period	73 647	68 082
1.1. Changes in share capital		
a) increase (due to)	-	5 565
- issue of shares	-	-
- contribution	-	5 565
b) decrease (due to)	-	-
1.2. Share capital as at the end of the period	73 647	73 647
2. Supplementary capital as at the beginning of the period	200 522	119 269
4.1. Changes in supplementary capital		
a) increase (due to)	1	81 253
- issue of shares above par value	-	80 650
- sale or liquidation of fixed assets	1	32
b) decrease (due to)	-	571
- coverage of loss from previous years	- 16 545	-
- coverage of 2005 loss	- 16 545	-
2.2. Supplementary capital as at the end of the period	183 978	200 522
3. Revaluation capital as at the beginning of the period	2 503	1 320
5.1. Changes in revaluation capital		
a) increase (due to)	1 535	3 546
- valuation of fixed assets available for sale	1 022	3 226
- deductions for deferred income tax	513	320
b) decrease (due to)	- 1 905	- 2 363
- sale or liquidation of fixed assets	- 1	- 32
- valuation of fixed assets available for sale	- 1 478	- 1 726
- deductions for deferred income tax	- 426	- 605
3.2. Revaluation capital as at the end of the period	2 133	2 503
4. General banking risk fund as at the beginning of the period	1 600	1 600
4.1. Changes to general banking risk fund		
a) increase (due to)	-	-
- deduction from net profit	-	-
b) decrease (due to)	-	-
4.2. General banking risk fund as at the end of the period	1 600	1 600
5. Other reserve capital as at the beginning of the period	1 670	1 670
5.1. Changes to other reserve capital		
a) increase (due to)	-	-
b) decrease (due to)	-	-
5.2. Other reserve capital as at the end of the period	1 670	1 670
6. 6. Profit (loss) brought forward as at the beginning of the period	-	-
6.1. Loss brought forward as at the beginning of the period		
6.2. Change in loss brought forward		
a) increase (due to)	-	-
b) decrease (due to)		
- carriage over of loss brought forward to be covered		
6.3. Loss brought forward as at the end of the period	-	-
7.9. Profit (loss) brought forward as at the end of the period	-	-
8. Net profit		
a) net profit	-	-
b) net loss	- 64 561	- 16 545
II. Equity as at the end of the period	198 467	263 397
III.Equity, taking into account the proposed distribution of profit (coverage of loss)	198 467	263 397

Zestawienie zmian w kapitale (funduszu) własnym należy analizować łącznie z informacją dodatkową, która stanowi integralną część sprawozdania finansowego.

##

Cash Flow Statement (indirect method)

(all figures have been presented in PLN 000)

	#ADR!	01.01.2008 -31.07.2008
A. Operating cash flow		
(indirect method)		
I. Net profit (loss)	**- 64 561**	**915**
II. Total adjustments:	**230 259**	**133 702**
1. Depreciation	20 031	16 086
2. Interest and shares in profit (dividends)	- 7 250	582
3. Investment profit (loss)	- 1 062	-
4. Change in the balance of provisions	2 868	- 4 388
5. Change in the balance of debts of financial sector	37 267	36 488
6. Change in the balance of debts of non-inancial and State budget sectors	- 216 373	- 391 709
7. Change in the balance of liabilities to financial sector	- 154 805	204 887
8. Change in the balance of liabilities to non-inancial and State budget sectors	563 708	291 618
9. Change in the balance of other liabilities	- 16 532	12 293
10. Change in the balance of prepayments and accruals	- 10 260	- 6 309
11. Change in the balance of deferred and reserved income	6 947	- 3 031
12. Other adjustments	5 720	- 22 815
III. Net operating cash flow (I+/-II)	**165 698**	**134 617**
B. Investment cash flow		
I. Inflows	**3 141 789**	**1 426 795**
1. Transferred shares in other entities, other securities and other financial assets (investment assets)	3 119 083	1 419 572
2. Transferred intangible assets and fixed tangible assets	1 065	-
3. Other investment inflows	21 641	7 223
II. Outlays	**- 2 881 935**	**- 1 563 243**
1. Acquired shares in other entities, other securities and other financial assets (investment assets)	- 2 876 549	- 1 545 866
2. Acquired intangible assets and fixed tangible assets	- 5 386	- 17 377
3. Other investment outlays	-	-
III. Net investment cash flow (I-II)	**259 854**	**- 136 448**
C. Financial cash flow		
I. Inflows	**60 000**	**86 215**
1. Net inflow from shares issue and additional capital payments	-	86 215
2. Other financial inflows - subordinated loan	60 000	
II. Outlays	**- 8 056**	**- 5 438**
1. Rentals paid under finance leasing contracts	- 1 024	- 353
2. Other financial outlays	- 7 032	- 5 085
III. Net financial cash flow (I-II)	**51 944**	**80 777**
D. Total net cash flow (A.III+/-B.III+/-C.III)	**477 496**	**78 946**
E. Cash as at the beginning of the period	**154 961**	**92 589**
F. Cash as at the end of the period (F+/-D)	**632 457**	**171 535**

DOMINET BANK S.A.

ADDITIONAL INFORMATION AND EXPLANATIONS

##

II.ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

1. Data on the currency structure of assets and liabilities

Currency	#ADR! Assets	#ADR! Liabilities	#ADR! Assets	#ADR! Liabilities
PLN	3 143 833	3 149 518	2 748 741	2 751 130
EUR	5 644	5 142	6 267	5 405
USD	1 999	1 432	3 588	2 981
GBP	55	-	58	-
CHF	113 285	108 764	113 052	112 370
SEK	18		141	
other currencies	22		39	
Total	**3 264 856**	**3 264 856**	**2 871 886**	**2 871 886**

2. Data on the sources of obtaining deposits split by branches and geographical market segments

2.a. Data on the sources of obtaining deposits split by branches - companies

Branch according to the European Business Activity (	#ADR! %	#ADR! amount	#ADR! %	#ADR! amount
Agriculture, Hunting and Forestry	0,7	1 372	0,5	1 193
Mining and Quarrying	0,1	159	1,0	2 427
Industrial Prcessing	6,4	12 205	5,9	14 699
Production and providing electric power, gas and water	0,4	799	0,5	1 314
Building	8,0	15 256	10,3	25 604
Retail and delearship trade	6,9	13 070	6,6	16 503
Hotels and Restaurants	0,7	1 418	0,6	1 377
Transport, warehouse economy and communications	1,8	3 476	2,5	6 169
Financial mediation	11,4	21 710	17,5	43 385
Real property, rent, science and services connected with the conducting of business activity	15,4	29 237	10,6	26 273
Public administration and national defence; mandatory social security	25,6	48 697	27,5	68 430
Education	5,6	10 619	3,1	7 599
Health care and welfare	3,4	6 523	1,7	4 287
Other services, communal, social and individual activity connected with running business	13,5	25 680	11,7	29 137
total	**100,0**	**190 221**	**100,0**	**248 397**

Sources of obtaining deposits split by customer type	31.07.2009 %	31.07.2009 amount	31.12.2008 %	31.12.2008 amount
Corporate customers	8,7	190 221	15,3	248 397
Private individuals	91,3	1 992 723	84,7	1 380 099
total	**100,0**	**2 182 944**	**100,0**	**1 628 496**

2.b. Data on the sources of obtaining deposits split by geographical market segments

	#ADR! %	#ADR! amount	#ADR! %	#ADR! amount
1. Dolnośląskie	34,6	755 007	43,3	704 589
2. Kujawsko-Pomorskie	1,4	30 444	1,2	19 666
3. Lubelskie	4,2	91 139	3,9	62 727
4. Lubuskie	1,3	28 319	1,1	17 313
5. Łódzkie	2,9	62 654	2,6	42 400
6. Małopolskie	8,5	185 570	7,7	126 092
7. Mazowieckie	18,9	413 114	16,8	273 822
8. Opolskie	1,1	24 562	0,8	13 061
9. Podkarpackie	5,6	123 125	4,9	79 431
10. Podlaskie	1,0	22 330	0,8	12 858
11. Pomorskie	3,4	74 761	2,5	40 000
12. Śląskie	7,3	160 054	6,4	104 751
13. Świętokrzyskie	2,6	57 447	2,2	35 577
14. Warmińsko-Mazurskie	1,6	34 146	1,4	22 267
15. Wielkopolskie	2,6	55 785	1,9	30 369
16. Zachodniopomorskie	2,9	63 625	2,6	42 382
17. Other	0,0	862	0,1	1 191
total	**100,0**	**2 182 944**	**100,0**	**1 628 496**

##

II.ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

3. Information on the structure of concentration of Bank's exposure in particular units capital groups, branch and geographical market segments, together with assessment of risk connected with exposures

3.1. Information on:

3.1.a. Largest on- and off-balance sheet exposures by particular units and capital groups as at 31/07/2009

Customer / group	Risk Group	Total exposure	Loan used balance-sheet exposure	Open credit line
1 (Customer)	under observation	6 223	5 343	880
2 (Customer)	under observation	3 023	3 023	-
3 (Customer)	normal	2 349	2 349	-
4 (Customer)	normal	1 904	1 904	-
5 (Customer)	under observation	1 797	1 701	96
6 (Customer)	doubtful	1 676	1 672	4
7 (Customer)	normal	1 351	1 270	81
8 (Customer)	normal	1 236	1 235	1
9 (Customer)	normal	1 239	1 234	5
10 (Customer)	normal	1 180	1 170	10
total		21 978	20 901	1 077

Exposure limits: In accoardance with applicabe provisions of art. 71 item 1 of the Banking Law of 29 August 1997, total Bank's receivables and off-balance sheet liabilities granted by the Bank, in relation to one entity or entities related by capital or organization, cannot exceed respectively 20% of Bank's equity when any of these entities is a dominant or dependent entity in relation to the Bank or is dependent on an entity dominant in relation to the Bank, i.e. PLN 55,335,000 and 25% of Bank's equity when these entities are not related by capital or organizationa, i.e. PLN 69,169,000.
The amount of Bank's own funds used to determine exposure limits determined in the Banking Law was established under Resolution no. 382/2008 of the Polish Financial Supervision Authority dated 17 December 2008.
Total Bank's receivables and off-balance sheet liabilities granted that are in excess of 10% of Bank's equity did not exceed the limit of large exposures as of 31/07/2009.
As of 31/07/2009 the Bank did not have an exposure that would be in excess of the statutory limits in relation to one entity or entities related by capital or organization or did not exceed the other concentration limits determined by the Banking Law.

3.1.b.Largest on-balance sheet and off-balance sheet exposures by units and capital groups as at 31/12/2008

Customer / group	Risk Group	Total exposure	Loan used balance-sheet exposure	Open credit line
1 (Customer)	normal	8 246	5 848	2 398
2 (Customer)	normal	7 341	7 247	-
3 (Grupa)	normal	6 100		6 100
4 (Customer)	normal	2 646	2 625	-
5 (Customer)	normal	2 466	2 462	
6 (Customer)	normal	2 038	2 033	-
7 (Customer)	normal	1 917	1 774	142
8 (Customer)	normal	1 516	1 495	21
9 (Customer)	normal	1 390	1 299	91
10 (Customer)	normal	1 300	1 294	5
total		34 960	26 077	8 757

In accoardance with applicabe provisions of art. 71 item 1 of the Banking Law of 29 August 1997, total Bank's receivables and off-balance sheet liabilities granted by the Bank, in relation to one entity or entities related by capital or organization, cannot exceed respectively 20% of Bank's equity when any of these entities is a dominant or dependent entity in relation to the Bank or is dependent on an entity dominant in relation to the Bank, i.e. PLN 52,325,000 and 25% fof Bank's equity when these entities are not related by capital or organizationan, i.e. PLN 65,407,000.
The amount of the Bank's own funds used to determine exposure limits determined in the Banking Law was established by Resolution no. 3/2007 of the Commission for Banking Supervision of 13 March 2007.
Total Bank's receivables and off-balance sheet liabilities granted that are in excess of 10% of Bank's equity did not exceed the limit of large exposures as of 31/12/2008.
As of 31/12/2008 the Bank did not have an exposure that would be in excess of the statutory limits in relation to one entity or entities related by capital or organization or did not exceed the other concentration limits determined by the Banking Law.

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II.ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

3.2. Concentration of Bank's exposures by branches - corporate custo

	#ADR!	#ADR!	#ADR!	#ADR!
	%	*amount*	*%*	*amount*
Goods road transport	10,9	22 631	10,2	18 275
Sale of vehicles	9,3	19 198	9,4	16 881
Other services not classified elsewhere	8,6	17 766		
Performance of other building and finishing work	4,7	9 653	4,2	7 550
General building and civil engineering	3,0	6 144	4,0	7 113
Other retail sale in specialized shops	2,8	5 815	2,4	4 288
Manufacturing packages made of light metals	2,6	5 343	3,3	5 848
Maintenance and repair of vehicles, emergency road service	2,5	5 232	2,5	4 473
Retail sale in non-specialized shops with predominance of food, bevarages and tobacco	2,4	4 903	2,5	4 493
Other wholesale	2,4	4 850	3,1	5 590
First "10" economic branches	**49,1**	**101 535**	**41,5**	**74 510**
Other cash intermediation	1,7	3 602	1,8	3 258
Development and sale of real property on own account	1,6	3 295	4,2	7 625
Retail sale of fuels	1,6	3 278	2,0	3 640
Passenger land transportation, other timetable transportation	1,5	3 037	1,6	2 899
Other financial intermediation that is not classified elsewhere	1,4	2 958	1,9	3 442
Other commercial activity	1,2	2 525		
Restaurants and other bars	1,1	2 345	1,4	2 473
Sale of spare parts and car accessories	1,1	2 330		
Production of bakery products and fresh confectioneries	1,1	2 314	1,5	2 766
Retail sale of books, press and stationery	1,0	2 135	-	0
Other retail sale conducted off shop network	-		1,3	2 274
Ancillary financial activity not classified elsewhere	-		1,0	1 885
Disassembly and demolition of buildings; earthwork	-		1,0	1 868
Performance of heating, water, air and gas installations	-		1,0	1 833
Second „10" economic branches	**13,4**	**27 819**	**18,9**	**33 963**
Other branches	37,5	77 778	39,6	71 082
Total	**100,0**	**207 132**	**100,0**	**179 555**

The list contains the structure of loan exposures, i.e. loans and other receivables and debts split by market segments. The largest Bank's exposures of funds are in "Goods road transportation" and "Sale of vehicles". The next branch in terms of exposure of funds is "Other services not classified elsewhere". Bank's exposure to other branches does not exceed 10% of the total exposed money in other branches.

Concentration of exposures split by customer type

	31.07.2009	31.07.2009	31.12.2008	31.12.2008
	%	*amount*	*%*	*amount*
Corporate customers	8,2	207 132	7,9	179 555
Private individuals	91,8	2 332 071	92,1	2 086 981
Total	**100,0**	**2 539 203**	**100,0**	**2 266 536**

3.3. Concentration of exposures split by geographical market segments

	#ADR!	#ADR!	#ADR!	#ADR!
	%	*amount*	*%*	*amount*
1. Dolnośląskie	10,0	253 714	10,3	232 998
2. Kujawsko-Pomorskie	4,7	119 008	4,7	107 148
3. Lubelskie	6,4	162 398	6,6	149 397
4. Lubuskie	2,2	54 663	2,1	48 342
5. Łódzkie	4,3	109 569	4,1	93 492
6. Małopolskie	9,5	241 582	9,5	216 539
7. Mazowieckie	15,4	391 727	15,2	343 396
8. Opolskie	1,7	43 814	1,6	37 072
9. Podkarpackie	5,1	129 030	5,4	121 808
10. Podlaskie	1,9	48 804	2,0	44 966
11. Pomorskie	6,9	175 202	6,5	146 672
12. Śląskie	12,3	311 929	12,4	280 713
13. Świętokrzyskie	2,7	68 984	2,8	63 289
14. Warmińsko-Mazurskie	4,0	102 358	4,1	92 869
15. Wielkopolskie	7,2	181 652	7,0	158 145
16. Zachodniopomorskie	5,7	144 769	5,7	129 690
total	**100,0**	**2 539 203**	**100,0**	**2 266 536**

The list contains the structure of loan exposures i.e. loans and other receivables and debts split geographically by market segments. The largest Bank's exposures are in the mazowiecki, śląski and dolnośląski regions. In other regions the share of exposures is from 1.7% to 9.4% and concerns the exposure due to cash and installment loans and thus complying with internal limits of credit risk connected with the geographical area.

#####
II.ADDITIONAL INFORMATION AND EXPLANATIONS
(all figures have been presented in PLN 000)

4. Information on:

4.1.a. Structure of Bank's gross receivables (excluding interest) split by particular risk types as at 31 July 2009

Receivables	Credit and loans	Purchased debts and other receivables	Deposits with other banks	Deposits with other financial entities	Total
Normal	2 275 118	4 788	34 013	-	2 313 919
Under observation	25 429	3 670	-	-	29 099
Sub-standard	4 363	-	-	-	4 363
Doubtful	5 306	-	-	-	5 306
Lost	218 512	2 017	-	-	220 529
Total gross	2 528 728	10 475	34 013	-	2 573 216

4.1.b. Structure of Bank's gross receivables (excluding interest) split by particular risk types as at 31 December 2008

Receivables	Credit and loans	Purchased debts and other receivables	Deposits with other banks	Deposits with other financial entities	Total
Normal	2 104 369	6 188	70 581	-	2 181 138
Under observation	8 733	2 733	-	-	11 466
Sub-standard	2 879	298	-	-	3 177
Doubtful	1 284	-	-	-	1 284
Lost	137 964	2 088	947	-	140 999
Total gross	2 255 229	11 307	71 528	-	2 338 064

Sale of the loss loan portfolio to the securitization fund.

On 23 June 2009 the Bank entered into Agreement of Sale of Debts (along with further Annexes) with BEST II Niestandaryzowany Sekurytyzacyjny Fundusz Inwestycyjny Zamknięty with its registered seat in Gdynia. Under the Agreement and under terms and conditions set forth in the Agreement the Bank undertook to transfer to the Fund debts totaling PLN 46,648,000. The sale covered the Bank's debts amounting to PLN 39,925,000 as well as debts of Polish Assets SPV amounting to PLN 9,723,000. Along with making the transfer of the debts covered by the Agreement, the Bank excluded the said debts from its books of account.
The conducting of the transaction of sale of the lost loan portfolio to the securitization fund had an effect on improvement of the lending portfolio quality and on the Bank's result.

Improvement of the lending portfolio quality

	Before transaction	After transaction
The share of lost loans in the total credit portfolic	9,81%	8,64%
Change-DECREASE IN THE RATIO	-11,93%	

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II.ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

4.1.c. Structure of Bank's gross receivables split by maturities

as at 31 July 2009

Receivables	Financial sector	Non-fiancial sector	State budget sector	Total
- up to 1 month (including the current one)	3 352	269 505	43	272 900
- from 1 to 3 months	11	90 177	-	90 188
- from 3 months to 1 year	12	407 081	-	407 093
- from 1 to 5 years	30 823	1 487 568	-	1 518 391
- from 5 to 10 years	-	125 209	-	125 209
- from 10 to 20 years		81 948		81 948
- over 20 years	-	77 374	-	77 374
Total	34 198	2 538 862	43	2 573 103
- other receivables	6 806	-		6 806
- interest	205	68 020	11	68 236
- adjustment Effective Interest Rate	- 1	- 1 533	- 1	- 1 535
- positive difference between nominal value and price of purchase of debts		- 43		- 43
- provisions	- 297	- 239 498	- 42	- 239 837
Total	40 911	2 365 808	11	2 406 730

4.1.d. Structure of Bank's gross receivables split by maturities

as at 31 December 2008

Receivables	Financial sector	Non-fiancial sector	State budget sector	Total
- up to 1 month (including the current one)	40 486	190 820	43	231 349
- from 1 to 3 months	5	92 603	-	92 608
- from 3 months to 1 year	40	373 751	-	373 791
- from 1 to 5 years	146	1 427 575	-	1 427 721
- from 5 to 10 years	31 173	82 590	-	113 763
- from 10 to 20 years		52 639		52 639
- over 20 years	-	46 193	-	46 193
Total	71 850	2 266 171	43	2 338 064
- other receivables	16 592	4		16 596
- interest	1 339	53 309	11	54 659
- adjustment Effective Interest Rate	- 1	- 14 974	- 1	- 14 976
- provisions		- 43		- 43
Total	- 1 010	- 155 032	- 42	- 156 084
	88 770	2 149 435	11	2 238 216

4.2. Loans on which interest in not accrued

Loans on which interest in not accrued:	#ADR!	#ADR!
"Kredyty na Karnet" and "Kredyt na TV"	1	10

4.3. Financial assets split by:

	#ADR!	#ADR!
Cash	630 231	145 336
Loans granted by the bank and own receivables unavailable for trading	2 372 716	2 166 292
Financial assets held to maturity	-	58 802
Financial assets available for sale	60 010	285 665

4.3.a. Financial assets available for sale, appraised by the Bank at the depreciated cost amount

4.4. The structure of Bank's liabilities:

	#ADR!	#ADR!
a) deposits of banks and other financial entities	588 433	742 740
including securitization	79 062	128 136
including loans and credit received	498 512	602 056
b) own issue of securities	30 000	30 000
c) promissory notes	-	-
d) other borrowed money, of which:	2 172 085	1 615 948
- deposits taken from non-financial customers	2 102 515	1 540 296
- other customers	69 570	75 652
e) other liabilities	41 485	38 975
f) interest	28 612	25 964
f) adjustment (effective interest rate)	432	- 772
Total Bank's liabilities	2 861 047	2 452 855

The Securitization Agreement

On 30 January 2006 the Bank entered into a Securitization Agreement of Debts resulting from retail loans extended by the Bank with Polish Assets SPV Limited (SPV) - a special purpose vehicle established for the purposes of the transaction and Merrill Lynch International, which acted as a financing entity.

The asset securitization transaction (the "Transakcja") is one of elements of strategy of managing the Bank's equity. This assumption is executed as a result of sale of a part of the Bank's credit portfolio to an SPV, which results in a decrease in the value of credit exposures taken into account for the calculation of capital requirements based on Resolution of the Commission for Banking Supervision no. 1/2007 Appendix No. 21, in accordance with the version in force as of 31 December 2008. The transaction concerns the credit portfolio qualified as normal.

The financing of the credit portfolio purchase by SPV takes effect by an issue of securities secured by debts sold. SPV has been established solely for the purposes of the Transaction, and the extent of its activities is limited only to activities resulting directly from the specific nature of the Transation. Along with the purchased debts, SPV takes over rights it is entitled to (resulting from, among other things, collaterals) to the extent that enables it to recover debts from borrowers. After the sale of credit receivables to the Company, the Bank still services them fully.

Due to contractual provisions relating to the possibility to receive by the Bank of additional remuneration for loans sold under the securitization transaction, above the remuneration of 100% of the capital value, the Bank in principle keeps all the risk and all benefits connected with the possession of the financial asset. Therefore, the Bank does not exclude the debts sold under the securitization transaction from the balance sheet and still includes them in assets of the balance sheet and at the same time presents the financial liability at the ammount of payment received for the debts sold in liabilities of the balance sheet. This liability equals the total amount of PLN 79,062,000. PoThis accounting rule was adopted based on IAS 39.
The conditions of the Securitization Program, negotiated with Merrill Lynch International acting as the Arranger provide for a possibility to enter into successive transactions that allow gradual release of a part of the regulatory capital and its allocation in the newlygenerated lending activities, adequately to capital needs under Resolution of the Polish Financial Supervision Authority No. 380/2008

Roll-Over Credit Facility Agreements

On 28 April 2008 the Bank entered into Roll-Over Credit Facility Agreements with Fortis Bank Bruksela SA/NV:

Title - purpose of the facility	Currency	Overdraft facility extended in million	Utilization as of 31/07/2009	Interest terms and conditions for interst periods
for financing mortgage loans	PLN	700	390	per annum rate
for financing car and cash loans	PLN	200	-	including: WIBOR
for financing mortgage loans	EURO	100	-	plus liquidity margin
for financing mortgage loans	CHF	300	40	margin

Under the Agreement, the Credit Facilities were available to 31/03/2009 inclusive; the repayment period has been determined for three-year periods from the day of drawdown of a tranche although it may not be after 31/03/2014.
As of 31/07/2009 the total exposure of the Bank to drawn credit facilities (liability) amounted to PLN 498,512,000.

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ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

4.4.a. Liabilities due to banks and other financial entities (by maturities)

	#ADR!	#ADR!
- up to 1 month (including the current one)	5 639	8 780
- from 1 to 3 months	302	3 768
- from 3 months to 1 year	4 918	-
- from 1 to 5 years	577 574	730 192
Total deposits of banks and other financial entities	588 433	742 740
other liabilities	273	247
interest	652	1 965
adjustment (effective interest rate)	815	26
Total	590 173	744 978

4.4.b. Liabilities due to own issue of securities (by maturity)

	#ADR!	#ADR!
- from 5 to 10 years	30 000	30 000
Total issue of own securities	30 000	30 000
interest	12	947
adjustment (effective interest rate)	- 97	- 322
Total	29 915	30 625

4.4.c. Liabilities due to other borrowed money - (by maturity)

	#ADR!	#ADR!
- up to 1 month (including the current one)	873 391	648 092
- from 1 to 3 months	790 125	598 587
- from 3 months to 1 year	508 502	369 016
- from 1 to 5 years	67	253
Total other borrowed money	2 172 085	1 615 948
other liabilities	41 212	38 728
interest	27 948	23 052
adjustment (effective interest rate)	- 286	- 476
Total	2 240 959	1 677 252

5. Securities held

	#ADR!	#ADR!
5.1. Securities with unlimited transferability, unlisted and not in the regulated off-stock trading (balance sheet value)	29 131	278 870
- market value	29 131	278 870
- value by purchase price	28 415	270 949
Total value at the purchase price	28 415	270 949
Value at the beginning of the period	-	-
Revaluation adjustments (for the period), total	-	-
Total balance sheet value	29 131	278 870

##
ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

6. Shares split by dependent, co-dependent and affiliated entities

31.07.2009

	SHARES IN SUBORDINATED ENTITIES																
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	r
Item	entity name (with an indication of legal status)	seat	activity subject	nature of capital relation (dependent, co-dependent, affiliated entity including direct and indirect relations)	valuation methods / valuation by means of proprietary rights, or cost decreased by write-off due to permanent loss of value	date of assuming control / date when significant impact began	value of shares at purchase price	revaluation adjustments (total)	balance sheet value of shares	% of the share capital owned	share in the total number of votes at a general assembly	entity's equity	financial result of the financial period	value of the share in the entity capital unpaid by the bank	dividends received for the financial year	dividends due for the financial year	share of the bank in entity management
1	Dolnośląska Szkoła Bankowa Sp. z O.O.	Lubin	training and education	minority shares	proprietary rights valuation	7-kwi-1992	13	136	149	25%	25%	601	14	-	-	-	Adam Karolak Advisor to the Management Board
2	Towarzystwo Ubezpieczeń Wzajemnych S.A.	Lubin	property insurance	minority shares	cost decreased by the write-off due to permanent loss of value	27-paź-1994	290	-	290	3%	3%	29 418	988	-	-	-	-
3	SWIFT			minority shares*		23-lip-2009	1		1								
	Total						303	136	439					-	-	-	

* the shares are a "bonus" for the conudcting of and payment for transactions by means of SWIFT, the Bank holds one share worth EUR 125

31.12.2008

	SHARES IN SUBORDINATED ENTITIES																
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	r
Item	entity name (with an indication of legal status)	seat	activity subject	nature of capital relation (dependent, co-dependent, affiliated entity including direct and indirect relations)	valuation methods / valuation by means of proprietary rights, or cost decreased by write-off due to permanent loss of value	date of assuming control / date when significant impact began	value of shares at purchase price	revaluation adjustments (total)	balance sheet value of shares	% of the share capital owned	share in the total number of votes at a general assembly	entity's equity	financial result of the financial period	value of the share in the entity capital unpaid by the bank	dividends received for the financial year	dividends due for the financial year	share of the bank in entity management
1	Dolnośląska Szkoła Bankowa Sp. z O.O.	Lubin	training and education	minority shares	proprietary rights valuation	7-kwi-1992	13	148	161	25%	25%	650	64	-	-	-	Janina Danuta Firlicińska Supervisory Board Deputy Chairwoman
2	Towarzystwo Ubezpieczeń Wzajemnych S.A.	Lubin	property insurance	minority shares	cost decreased by the write-off due to permanent loss of value	27-paź-1994	290	-	290	3%	3%	28 191	1 372	-	-	-	-
	Total						303	148	451					-	-	-	

##

ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

7. Subsidies to foreign branches

As at 31 July 2009 and as at 31 December 2008 the Bank did not have branches abroad.

8. Intangible assets	**#ADR!**	**#ADR!**
Intangible assets, of which:	**20 125**	**31 646**
a) concessions, patents, licences	252	393
b) software	19 862	30 463
c) other assets	11	14
d) outlays on intangible assets	0	776

8.1.a Change in the balance of intangible assets in the financial period from 01/01/2009 to 31/07/2009

	concessions, patents, licences and related, including:	softaware	other intangible assets	outlays on intangible assets	Total intangible assets
a) gross value of intangible assets as at the beginning of the period	**3 349**	**61 138**	**3 101**	**2 457**	**70 045**
b) increase (due to)	**78**	**996**	**0**	**0**	**1 073**
- purchase	-	220	-	-	220
- contribution		-	-		0
- investments		776	-	-	776
- reclassification	78	-	-	-	78
c) decrease (due to)	**-2 271**	**-94**	**- 3 040**	**-776**	**-6 181**
- liquidation	-2 271	- 16	-3 040	-	-5 327
- investments				- 776	-776
- reclassification	0	-78		-	-78
d) gross value of intangible assets as at the end of the	**1 156**	**62 040**	**61**	**1 681**	**64 938**
e) accumulated depreciation (redemption) as at the beginning of the period	**-2 934**	**- 30 675**	**- 3 084**		**-36 693**
f) decreases and increases for the period (due to)	**2 030**	**-8 247**	**3 037**	**-**	**-3 180**
- depreciation	-160	- 8 325	- 4		-8 489
- sale and liquidiation	2 260	8	3 041		5 309
- capitalization	-	-	-		-
- release of provision		-	-		-
- reclassification	-70	70	-		-
- other		-	-		-
g) accumulated depreciation (redemption) as at the end of the period	**-904**	**-38 922**	**-47**	**-**	**-39 873**
h) write-offs due to permanent loss of value as at the beginning of the period	**-22**		**-3**	**-1 681**	**-1 706**
- increase		-3 256 *			-3 256
- decrease	22		-		22
the period	**0**	**- 3 256**	**-3**	**- 1 681**	**-4 940**
j) net value of intangible assets as at the end of the period	**252**	**19 862**	**11**	**0**	**20 125**

* Write-offs due to loss of value of licence for use of software by the Bank totaling PLN 3,256,000 concern:

1. Non-depreciated price of purchase of the licence for the Bank's systems that will not be used at FBP after the merger of the banks - write-off of PLN 1,073,000.
2. Non-depreciated price of implementation of Scott Tiger's systems - write-off 18.82 % of the value due to exclusion of the systems: Karaluch, Zepus, Orbis, Jeż, Intranet ST, SOSS, e-Dominet, Baobab and limiting the value of the system Koliber-write-off of PLN 749,000.
3. Non-depreciated price of purchase of Scott Tiger's open licence - write-off 13.99 % due to ceasing to use the following modules: Zepus, Orbis, Jeż, SOSS, Baobab, Karaluch and limiting the operation of the module Koliber - write-off of PLN 1,434,000.

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ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

8.1.b Change of intangible assets in 2008

	concessions, patents, licences and related, including:	softaware	other intangible assets	outlays on intangible assets	Total intangible assets
period	**3 127**	**43 447**	**3 088**	**1 724**	**51 386**
b) increase (due to)	**222**	**17 729**	**13**	**1 595**	**19 558**
- purchase	222	16 654	13	1 595	18 484
- contribution		-			0
- investments		1 075	-	-	1 075
- reclassification		-	-	-	0
c) decrease (due to)	**0**	**-38**	**-**	**-862**	**-900**
- liquidation	0	- 38		-	-38
- investments				- 860	-860
- reclassification	0			- 2	-2
period	**3 349**	**61 138**	**3 101**	**2 457**	**70 045**
beginning of the period	**-2 486**	**- 18 641**	**- 2 619**		**-23 746**
f) decreases and increases for the period (due to)	**-448**	**-12 034**	**-464**	**-**	**-12 946**
- depreciation	-448	- 10 234	- 464		-11 146
- depreciation (change of period of use of system SZOK) *		- 1 838			-1 838
- sale and liquidation	0	38	-		38
- capitalization		-	-		-
- release of provision		-	-		-
- reclassification		-	-		-
- other		-	-		-
the period	**-2 934**	**-30 675**	**-3 084**	**-**	**-36 693**
beginning of the period	**-81**		**-7**	**-1 681**	**-1 769**
- increase					0
- decrease (loss of value and of outlays on IT systems) *				-1 681	-1 681
- decrease	59		4		63
the period	**-22**	**-**	**-3**	**- 1 681**	**-1 706**
j) net value of intangible assets as at the end of the period	**393**	**30 463**	**14**	**776**	**31 646**

* Depreciation of PLN 1,838,000 is a result of making a decision about shortening the period of use of the system for servicing mortgage loans, SZOK, and write-offs revaluating outlays on IT systems of PLN 1,681,000 are a result of decisions made within the process of integration of Dominet Bank S.A. with Fortis Bank Polska S.A. that is in progress about migration of data from systems of DB S.A. to systems of FBP S.A.

8.2. Intangible assets - ownership structure

	#ADR!	#ADR!
a) own	20 125	30 870
b) used under the contract referred to in art. 3 item 4 of the act	-	-
Total intangible assets	20 125	30 870

##

ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

9. Fixed tangible assets

	#ADR!	#ADR!
a) fixed assets of which:	71 675	84 114
- land (including perpetual usufruct)	296	296
- buildings and structures	32 590	39 208
- technical equipment and machines	25 293	27 605
- means of transport	3 470	4 976
- other fixed assets	10 026	12 029
b) fixed assets under construction	496	2 576
Total fixed tangible assets	72 171	86 690

9.1. Change in the balance of fixed tangible assets in the financial period from 01/01/2009 to 31/07/2009

	- land (including perpetual usufruct)	- buildings, premises and civil engineering premises	- technical equipment and machines	- means of transport	- other fixed assets	Fixed assets under construction	Total fixed assets
a) gross fixed assets at the beginning of the period	**303**	**60 786**	**51 292**	**7 270**	**27 853**	**2 576**	**150 080**
b) increase (due to)	**-**	**115**	**3 050**	**-**	**278**	**302**	**3 745**
- purchase	-	115	733	-	271	302	1 421
- transfers	-	-	2 276	-	7		2 283
- reclassification	-	-	-	-	-	-	-
- leasing	-	-	41	-		-	41
c) decrease (due to)	**-**	**- 55**	**- 515**	**- 2 109**	**- 1 337**	**- 2 382**	**- 6 398**
- sale	-	-	- 14	- 2 109	- 83	-	- 2 206
- liquidation	-	- 55	- 501	-	- 1 248	-	- 1 804
- liquidation - use of provision						-	-
- investment settlement (previous year)	-	-	-	-	-	- 2 283	- 2 283
- free-of-charge transfer	-	-	-	-	-	-	-
- reclassification					-	-	-
- other (settlment of investments qualified as costs)		-				- 99	- 99
- other (theft)	-	-	-	-	-	-	-
- other (change in the current value of leasing)			-	-	- 6		- 6
d) gross fixed assets at the end of the period	**303**	**60 846**	**53 827**	**5 161**	**26 794**	**496**	**147 427**
e) accumulated depreciation (redemption) at the beginning of the period	**- 7**	**- 18 834**	**- 23 664**	**- 2 294**	**- 15 825**	**-**	**- 60 624**
f) decreases and increases for the period (due to)	**-**	**- 3 403**	**- 4 850**	**603**	**- 943**	**-**	**- 8 593**
- depreciation		- 3 422	- 5 283	- 708	- 2 129	-	- 11 542
- sale	-	-	5	1 317	69	-	1 391
- liquidation	-	12	432		1 115	-	1 559
- other (theft)	-	-	-	-	5	-	5
- decrease in redemption (donations)	-	-	-	-	-	-	-
- reclassification	-	7	- 4	- 6	- 3	-	- 6
g) accumulated depreciation (redemption) at the end of the period	**- 7**	**- 22 237**	**- 28 514**	**- 1 691**	**- 16 769**	**-**	**- 69 218**
h) write-offs due to permanent loss of value at the beginning of the period	**-**	**- 2 744**	**- 23**	**-**	**-**	**-**	**- 2 767**
- increase	-	- 3 423 *	-	-	-	-	- 3 423
- decrease	-	148	3	-	-	-	151
- use					-		-
i) write-offs due to permanent loss of value at the end of the period	**-**	**- 6 019**	**- 20**	**-**	**-**	**-**	**- 6 039**
j) net fixed assets at the end of the period	**296**	**32 590**	**25 293**	**3 470**	**10 026**	**496**	**72 171**

*Write-off of PLN 3,423,000 is a result of a decision to create write-offs for non-depreciated value as at 31/07/2009 of assets:
1. in the Bank branches that will be closed down, at the amount of PLN 1,454,000.
2. in buildings A and D in Piaseczno, due to the scheduled termination of rental agreements, at the amount of PLN 1,969,000.

##

ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

9.1.b Change in the balance of fixed tangible assets in 2008

	- land (including perpetual usufruct)	- buildings, premises and civil engineering premises	- technical equipment and machines	- means of transport	- other fixed assets	Fixed assets under construction	Total fixed assets
a) gross fixed assets at the beginning of the period	**303**	**48 984**	**41 225**	**7 522**	**23 138**	**3 902**	**125 074**
b) increase (due to)	**-**	**11 802**	**11 804**	**2 834**	**5 416**	**1 549**	**33 405**
- purchase	-	11 181	6 818	2 834	5 207	1 549	27 589
- transfers	-	621	1 796	-	209		2 626
- reclassification	-	-	3	-	-	-	3
- leasing	-	-	3 187	-		-	3 187
c) decrease (due to)	**-**	**-**	**- 1 737**	**- 3 086**	**- 701**	**- 2 875**	**- 8 399**
- sale	-	-	-	- 3 032	-	-	- 3 032
- liquidation	-	-	- 1 726	-	- 698	-	- 2 424
- liquidation - use of provision						-	-
- investment settlement (previous year)	-	-	-	-	-	- 2 840	- 2 840
- free-of-charge transfer	-	-	-	-	-	-	-
- reclassification					- 3	-	- 3
- other (settlment of investments qualified as costs)		-				- 35	- 35
- other (theft)	-	-	-	-	-	-	-
- other (change in the current value of leasing)			- 11	- 54			- 65
d) gross fixed assets at the end of the period	**303**	**60 786**	**51 292**	**7 270**	**27 853**	**2 576**	**150 080**
e) accumulated depreciation (redemption) at the beginning of the period	**- 7**	**- 13 108**	**- 17 191**	**- 2 174**	**- 12 936**	**-**	**- 45 416**
f) decreases and increases for the period (due to)	**-**	**- 5 726**	**- 6 473**	**- 120**	**- 2 888**	**-**	**- 15 207**
- depreciation		- 4 582	- 8 029	- 1 524	- 3 559	-	- 17 694
- depreciation (change of period of use of components of visual identificaitn) *	-	- 1 142	-		-	-	- 1 142
- sale	-	-	-	1 376	-	-	1 376
- liquidation	-	-	1 553		666	-	2 219
- other (theft)	-	-	3	28	-	-	31
- decrease in redemption (donations)	-	-	-	-	-	-	-
- reclassification	-	- 2	-	-	5	-	3
g) accumulated depreciation (redemption) at the end of the period	**- 7**	**- 18 834**	**- 23 664**	**- 2 294**	**- 15 825**	**-**	**- 60 624**
h) write-offs due to permanent loss of value at the beginning of the period	**-**	**- 1 098**	**- 26**	**-**	**- 22**	**-**	**- 1 146**
- increase	-	- 1 384	-	-	-	-	- 1 384
- increase (updating the value of outlays made to 1998) *		- 426					- 426
- decrease	-	164	3	-	22	-	189
- use					-		-
i) write-offs due to permanent loss of value at the end of the period	**-**	**- 2 744**	**- 23**	**-**	**0**	**-**	**- 2 767**
j) net fixed assets at the end of the period	**296**	**39 208**	**27 605**	**4 976**	**12 029**	**2 576**	**86 690**

* Depreciation of PLN 1,142,000 is a result of a decision about shortening of the period of use by the Bank of components of visual identification and write-offs of PLN 426,000 apply to writing-off to 100% of the original value of outlays on external fixed assets made by the Bank to 1998.

9.2. Fixed tangible assets - ownership structure

	#ADR!	#ADR!
a) own	67 952	79 525
b) used under the contract referred to in art. 3 item 4 of the act	3 723	4 589
Total	71 675	84 114

##

ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

10. Assets taken over - for sale	#ADR!	#ADR!
Assets taken over for sale - gross	76	4
c) other	76	4
Write-offs due to permanent loss of value	4	4
c) other	4	4
Assets taken over for sale - net	72	-

11. Other assets and other liabilities, prepayments and accruals, deferred income and reserved income

11.1.Other remaining assets other liabilities

11.1.a.Other remaining assets

	Gross receivable	Provision	#ADR! Net receivable
- Company Fund of Social Benefits (ZFŚS)	458	-	458
- settlements with Western Union Money Transfer	529	-	529
- invoices relating to partners	1 498	687	811
- settlement agreements with partners	967	872	95
- credit card fraud	2 378	1 200	1 178
- settlements of remuneration due to financial intermediation	1 325	-	1 325
- tax on repossessed vehicles	15	15	-
- roszczenia sporne	313	304	9
- rozliczenia z pozostałymi dłużnikami	368	-	368
- rozliczenie z tyt.ubezpieczenia na wypadek utraty pracy i świadczeń	3 137	2 436	701
- rozliczenie VAT	145	-	145
- rozliczenie z tyt.kart płatnoiczych	5 187	-	5 187
- pozostałe	167	43	124
	16 487	5 557	10 930

	Gross receivable	Provision	#ADR! Net receivable
- Company Fund of Social Benefits (ZFŚS)	386	-	386
- settlements with Western Union Money Transfer	530	-	530
- invoices relating to partners	1 196	381	815
- settlement agreements with partners	1 074	877	197
- credit card fraud	2 794	1 617	1 177
- settlements of remuneration due to financial intermediation	1 922	-	1 922
- tax on repossessed vehicles	320	320	-
- settlement due to intermediation in sale of financial products	205	-	205
- settlements with other debtors	539	-	539
- settlement due to job and benefit loss insurance	1 930	1 575	355
- VAT settlement	1 763	-	1 763
- settlement due to credit cards	2 081	-	2 081
- other	560	181	379
	15 300	4 951	10 349

11.1.b.Other remaining liabilities

	#ADR!	#ADR!
- interbank settlements	-	5 301
- Company Fund of Social Benefits (ZFŚS)	1 216	761
- settlements due to remuneration	124	5 267
- settlements with Western Union Money Transfer	58	224
- liability for financial leasing	3 599	4 430
currencies	-	365
- insurance settlements	6 572	10 233
- settlement due to financial intermediation with associated entity	1 238	1 897
- tax liabilities	2 093	3 710
- liabilities due to the Social Insurance Institution	1 316	1 379
- VAT settlements	178	609
- credit card settlements	701	700
- invoices paid to be paid relating to the current financial period with respect to fixed assets	6 968	10 646
- invoices paid after the balance sheet date and relating to the financial period	1 743	693
- other	502	369
	26 308	46 584

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ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

11.2. Prepayments and accrued expenses, deferred reserved income

11.2.a.Deferred expenditure	#ADR!	#ADR!
a) short-term of which:	12 984	14 838
- costs incurred in advance	276	633
- settlement of property insurance	112	155
- software maintenance	473	955
- marketing materials	-	101
- commission to receive	1 204	1 217
- fees for reminders	2 452	1 366
- income from rebilling invoices	130	515
- income from financial intermediation - provision	7 129	9 063
- advertising expenses	108	12
- prepayments against the provision of future services	-	136
- cost commission settled by line	280	620
- Polish Financial Supervision Authority (KNF)	120	-
- Company Fund of Social Benefits (ZFŚS)	323	-
- Bank Guarantee Fund (BFG)	375	-
- other deferred expenditure	2	65
b) long-term of which:	85 177	71 817
- assets from deferred income tax	58 185	42 040
- rent	3 578	4 099
- costs of issue of own securities	284	317
- securitization costs	2 169	2 985
- software maintenance	13	10
- insurance due for effectiveness period of loans	19 964	19 509
- income to receive from cooperation with partners - bonus settlement	940	2 664
- option costs for shares	-	147
- costs incurred in advance	44	46
Deferred expenditure	98 161	86 655

11.2.b. Accruals	#ADR!	#ADR!
a) short-term of which:	10 385	12 493
- income taken in advance - fees for granting - licence to use Know-How	61	58
- costs to be paid	7 943	7 222
- commission for insurance - provision	2 371	5 094
- prepayment for future sale of own cars	-	105
- income taken in advance - other	10	14
b) long-term of which:	3 677	3 815
- income taken in advance - fees for granting licence to use Know-How	2 205	2 762
- income from redemption of SPV shares	-	-
- income taken in advance - commission settled by line	1 472	1 053
- income taken in advance - other	-	-
Accruals	14 062	16 308

11.2.c.Other income brought forward and reserved	#ADR!	#ADR!
a) short-term of which:	44 099	34 186
- suspense interest	40 607	32 140
- interest capitalized under separate contracts	120	120
- other	3 372	1 926
including charges for reminder letters	2 435	1 366
b) long-term of which:	-	-
Other income brought forward and reserved	44 099	34 186
Total deferred and reserved costs and income	58 161	50 494

(all figures have been presented in PLN 000)

12. Share capital (capital ownership structure)

Series / issue	Share type	Type of preference of shares	Type of limitation of rights to shares	Number of shares	Value of series / issue according to par value	Capital coverage	Registration date
A / I	non-preference			5 000	5 000	cash	24/6/1991
B / II	non-preference			7 460	7 460	cash PLN 4,326,000 contribution PLN 3,134,000	31/12/1992
C / III	non-preference			7 540	7 540	cash	24/6/1994
D / IV	non-preference			30 000	30 000	cash	29/11/2002
E / V	non-preference			6 793	6 793	contribution	20/9/2004
F / VI	non-preference			329	329	cash	9/05/2005
G / VII	non-preference			330	330	cash	5/05/2006
H /VII	non-preference			7 330	7 330	cash	26/06/2007
I/ VII	non-preference			3 300	3 300	contribution	21/12/2007
J	non-preference			5 565	5 565	cash	02/06/2008
Total number of shares				73 647			
Total share capital					73 647		
Par value per one share					**1 000**		

13. Information about own shares held by the Bank or by dependant, co-dependant and affiliated entities

As at the day of preparation of the Financial Statements the Bank or its dependant, co-dependant and affiliated entities did not hold the Bank's own shares.

14. Information about liabilites due to dividend approved for payment

As at the day of preparation of the Financial Statements there were no liabilities due to dividend at the Bank. The Bank presented balance-sheet loss in the profit and loss statement for the financial year 2008 and for the financial period from 01/01/2009 to 31/07/2009.

15. Data for calculating the solvency ratio

	31.07.2009	31.12.2008
SOLVENCY RATIO		
I. Total equity for calculation of the solvency ratio	**266 235**	**261 627**
Value of risk-weighted assets - RWC - total balance sheet values and balance sheet equivalents		
due to exposures to financial institutions	7 443	16 788
due to exposures to companies	27 540	35 392
due to retail exposures	1 633 774	1 466 661
due to past due exposures	138 371	68 636
due to other exposures	72 943	106 861
II. Total risk-weighted assets	**1 880 071**	**1 694 339**
Capital requirements		
* credit risk capital requirements	150 406	135 547
* market risk capital requirements (FX risk)	455	
* operational risk capital requirements	31 374	24 598
III. Total capital requirements	**182 235**	**160 145**
IV. Solvency ratio (%)	**11,69**	**13,07**

In the financial period from 01/01/2009 to 31/07/2009 the Bank determined wymoregulatory capital requirements in accordance with provisions of Resolution of the Polish Financial Supervision Authority no.380/2008 dated 17 December 2008 (Official Journal of the Polish Financial Supervision Authority No.8, item 34).

The solvency ration was calculated in accordance with provision of Appendix No. 4 to Resolution no. 380/2008. It constitutes the value expressed as a percentage being a fraction multiplied by 100, whose numerator is the amount of equity and denominator is the total capital requirement multiplied by 12.5.

To calculate the solvency ratio, in the equity the Bank includes the following:
1. Under decision of the Commission for Banking Supervisionj No.270/2004 dated 14 September 2004, subordinated bonds issued
2 . Under decision of the Polish Financial Supervision Authority dated 30 June 2009, subordinated loan received from Fortis Bank SA/NV.
Those items are presented in the Bank's supplementary funds.

On 30/01/2006 an Agreement was entered into of securitization of debts due to performing retail loans with Polish Assets SPV. The Agreement provides for a sale of PLN 600 million worth of loans over a period of 18 months. The first tranche of loans was sold on 16/02/2006. Beginning from the date of receipt of payment for the first and then subsequent tranches, in acoordance with provision of Appendix no. 18 to Resolution no. 1/2007 of the Commision for Banking Supervision the Bank excludes assets under securitization from the calculation of the solvency ratio. Under the Securitization Agreement, in 2008 the Bank transferred credit risk with respect to loans with total value of PLN 104,099,000.

Information about items excluded from calculation of capital requirements

	Amount of adjustment of securitization exposures - - balance sheet value	Amount of risk-weighted assets	Impact on solvency ratio
Total exlusions of securitized exposures	-104 099	-79 719	0,40

16. Subordinated liabilities

31/07/2009

Entity	Loan amount in PLN	Interest rate terms and conditions	Maturity date	Balance of subordinated liabilities	Interest	Adjustment Effective Interest Rate	Balance sheet value
BRE Bank S.A	30 000	interest coupon	29/07/2014	30 000	28	-109	29 919
"Placement Agent"		6-month,					
		rate of interest					
		variable:					
		from 29.07.05 to 28.01.06 - 9.61 % p.a					
		from 29.01.06 to 28.07.06 - 9.38 % p.a					
		from 29.07.06 to 28.01.07 - 9.26 % p.a					
		from 29.01.07 to 28.07.07 - 9.28 % p.a					
		from 29.07.07 to 28.01.08 - 9.94 % p.a					
		from 29.01.08 to 28.07.08 - 10,84 % p.a					
		from 29.07.08 to 28.01.08 - 11.68 % p.a					
		from 29.01.09 to 28.07.09 - 10.25 % p.a					
		from 29.07.08 - 11.36 % p.a					
Fortis Bank S.A./NV	60 000	interest period 3-month - interest rate equat to 3M WIBOR, plus Margin, plus 1 %	22.04.2009 r	60 000	173	-2	60 171
		from 22.04.09 to 22.07.09 - 10.56 % p.a					
Total subordinated liabilities	**90 000**			**90 000**	**201**	**-111**	**90 090**

31.12.2008

Entity	Loan amount in PLN	Interest rate terms and conditions	Maturity date	Balance of subordinated liabilities	Interest	Adjustment Effective Interest Rate	Balance sheet value
BRE Bank S.A	30 000	interest coupon	29.07.2014 r.	30 000	1 497	-329	31 168
"Placement Agent"		6-month,					
		rate of interest					
		variable:					
		from 29.07.05 to 28.01.06 - 9.61 % p.a					
		from 29.01.06 to 28.07.06 - 9.38 % p.a					
		from 29.07.06 to 28.01.07 - 9.26 % p.a					
		from 29.01.07 to 28.07.07 - 9.28 % p.a					
		from 29.07.07 to 28.01.08 - 9.94 % p.a					
		from 29.01.08 to 28.07.08 - 10,84 % p.a					
		from 29.07.08 to 28.01.08 - 11.68 % p.a					
Total subordinated liabilities	**30 000**				**1 497**	**-329**	**31 168**

I. On 14 September 2004 the Commission for Banking Supervision granted consent for including funds due to the issue of the first tranche of subordinated bonds of PLN 30,000,000 issued on 29 July 2004 by the Bank in the supplementary capital of the Bank to 29 July 2014 on condition that:

1. the amount of the subordinated liability included in the supplementary capital pursuant to Decision of the Commission for Banking Supervision may not be in excess of half of the share capital of the Bank ,
2. the amount included in the supplementary capital will be reduced by 20% of the original value at the end of each year within 5 last years prior to the bond redemption date.

II. On 30 June 2009 the Polish Financial Supervision Authority granted consent for including the amount of PLN 60,000,000 in the Bank's own supplementary funds for the period of five years, in accordance with terms and conditions of the Subordinated Debt Agreement entered into on 21 April 2009 between the Bank and Fortis Bank SA/NV with its registered seat in Brussels and and of the Annex dated 10 June 2009.

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ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

17. Balance of specific provisions

Customer receivables by risk category	as at 01.01.2009	increase	use	release	as at 31.07.2009
Normal	27 030	10 021	-	1 587	35 464
Under observation	2 094	2 218	-	1 088	3 224
Threatened, of which:	126 960	157 587	30 753	52 645	201 149
- sub-standard	528	516		191	853
- doubtful	358	507		244	621
- lost	126 074	156 564	30 753	52 210	199 675
Total provisions	156 084	169 826	30 753	55 320	239 837
Required level of provisions					239 837

Customer receivables by risk category	as at 01.01.2008	increase	use	release	as at 31.12.2008
Normal	19 029	13 239	-	5 238	27 030
Under observation	1 127	1 667	-	700	2 094
Threatened, of which:	102 291	144 622	41 792	78 161	126 960
- sub-standard	439	435		346	528
- doubtful	266	702		610	358
- lost	101 586	143 485	41 792	77 205	126 074
Total provisions	122 447	159 528	41 792	84 099	156 084
Required level of provisions					156 084

18. Provisions for liabilities by type of liability	as at 01.01.2009	increase	use	release	as at 31.07.2009
- provision for deferred tax	22 995	3 599	-	3 080	23 514
- provision for off-balance sheet liabilities	34	1 012	-	570	476
- general risk provision	500	-	-	-	500
- provision for retirement severance pay	546	52	10	241	347
- provision for jubilee rewards	1 906	-	107	1 783	16
- provision for unused holiday leaves	149	2 113	149	-	2 113
- annual bonus provision	250	291	541	-	-
- integration bonus provision	864	1 511		-	2 375
- other liabilities	144	1 297	-		1 441
Total provision for liabilities	27 388	9 875	807	5 674	30 782

Provisions for liabilities by type of liability	as at 01.01.2008	increase	use	release	as at 31.12.2008
- provision for deferred tax	16 991	7 809	-	1 805	22 995
- provision for off-balance sheet liabilities	178	945	-	1 089	34
- general risk provision	500	-	-	-	500
- provision for retirement severance pay	484	121	59	-	546
- provision for jubilee rewards	1 564	695	353	-	1 906
- provision for unused holiday leaves	611	149	611	-	149
- annual bonus provision		250	-		250
- integration bonus provision		864		-	864
- provision for bonuses relating to the transaction of sale of shares of the Dominet Group	3 850	-	3 850	-	-
- other liabilities	430	55	-	341	144
Total provision for liabilities	24 608	10 888	4 873	3 236	27 388

19. Revaluation of assets

Revaluation of assets by type of asets	as at 01.01.2009	increase	use	decrease	as at 31.07.2009
Assets for sale	4	-		-	4
Fixed assets	4 473	6 679	-	173	10 979
Total	4 477	6 679	-	173	10 983

Revaluation of assets by type of asets	as at 01.01.2008	increase	use	decrease	as at 31.12.2008
Assets for sale	4	-		-	4
Fixed assets	1 234	3 491	-	252	4 473
Total	1 238	3 491	-	252	4 477

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ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

20. Contingent liabilities and securities

20.1.Granted off-balance sheet liabilities	#ADR!	#ADR!
Open credit lines	91 572	106 753
Guarantees	999	1 255
Other financial liabilities granted	2 779	5 009
Off-balance sheet liabilities granted, gross:	95 350	113 017
- provisions	476	34
Off-balance sheet liabilities granted, net	94 874	112 983

20.2. Granted guaratnees and sureties

	#ADR!	#ADR!
Guarantees	999	1 255
- security of due performance of a contract	358	586
- security of the Contract of sale of VISA BUSINESS cards	641	669
Total granted guarantees and sureties	999	1 255

The Bank is not related financially, organizationally or personally to entities to which it granted guarantees.

20.3. Data on concluded subscription option contracts or sale of the bank's ordinary shares

In the financial period from 01.01.2009 to 31.07.2009 the Bank did not conclude any subscription option contracts or sale of ordinary shares of the Bank.

20.4. Information about proposed payment of dividend as well as about any non-included accumulated dividends from preference shares

Shares issued by the Bank are non-preference shares.

20.5. Assets that secure liabilities

Treasury bonds with maturity on 03/03/2010 with nominal value of PLN 7,850,000.00 and purchase price of PLN 7,470,083.55 were blocked in Dominet Bank S.A. Treasury bond deposit account in the Central Register of Securities maintained by the National Bank of Poland. The balance sheet valuation of the said bonds as of 31/12/2008 PLN 7,660,924.90.
The blocked Treasury bonds constitute a coverage of the fund of protection of guaranteed funds that is at thedisposal of the Bank Guarantee Fund .

On 2 April 2003 Dominet Bank concluded with Bank Zachodni WBK S.A. Agreement no. 7/2003 of issue of payment cards of VISA International and MasterCard International, servicing and settlement of transactions conducted by means of those payment cards in the territory of Poland and abroad as well as settlement with VISA and MasterCard of transactions conducted by means of cards of those organizations in ATMs that belong to the network of Dominet Bank S.A. To secure those transacations, pursuant to Annex No. 8 of 04.04.2008 to the Agreement and under Agreement of Blockade of Financial Instruments, entered into on 04.04.2008 with Bank Zachodni WBK S.A. , the Bank blocked Treasury bonds in favour of Bank Zachodni at par value of PLN 2,000,000.00 (as of 31.07..2009) in the securities account held by Dominet Bank S.A. of Lubin, maintained at BZ WBK Bank.

On 22/07/2004, pursuant to the Deposit Agreement concluded with BRE Bank S.A. regarding the securing of all receivables of BRE Bank resulting from Secured Debts and the amount of interst due to them for the current interest period, the Bank made a deopsit in BRE Bank, pursuant to art. 102 of the Banking Law, at the amount equivalent to total nominal value of the tranche of bonds, i.e. PLN 30,000,000.00 and to the amount of interest for the current interest period, calculated in accordance with conditions of the issue of PLN 765,237.00. The total deposit amount as of 31/07/2009 is PLN 30,765,237.00.

In accordance with documentation of the Securtization Program (the Program Agreement dated 30 January 2006), Dominet Bank S.A. maintains a security account in ING Bank Śląski S.A., where securities are held (Treasury bonds) that secure a certain risks group (described in detail in the Program Agreement – chapter 2 (definitions) and 22 (the Initiator's liabilities). The nominal value of Treasury bonds is PLN 20,000,000.00 (as of 31/07/2009) and is the pledge interst in favour of Polish Assets SPV Limited with its registered seat in London.

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(all figures have been presented in PLN 000)

20.6. Information about buy-back guarantee transactions not included in the balance sheet

In the financial period from 01.01.2009 to 31.07.2009 the Bank did not conduct any buy-back guarantee transactions, which were not included in the balance sheet.

20.7. Nominal value of base instruments being a subject of derivative contracts

In the financial period from 01.01.2009 to 31.07.2009 the Bank did not conduct any derivative transactions

21. Principles of accounting of securities

In the financial period from 01.01.2009 to 31.07.2009 and in the financial year ended 31.12.2008 the Bank did not apply the accounting of securities.

22. Information about significant terms and conditions of contracts relating to financial instruments, which may have impact on the value, dates and degree of certainty of future cash flows

In the financial period from 01.01.2009 to 31.07.2009 the Bank did not enter into any financial instrument agreements, which might have impact on the value, dates and degree of certainty of future cash flows.

23. Data on profit and loss statement

23.1. Information about income and costs of conducting by the Bank of brokerage activity

In the financial period from 01.01.2009 to 31.07.2009 and in the financial year ended 31.12.2008 the Bank did not conduct brokerage activity.

23.2.a. Depreciation of fixed assets and intangible assets	**#ADR!**	**01.01.2008-31.07.2008**
a) intangible assets:	**8 489**	**6 323**
- concessions, patents, licences and related, including:	160	267
- software	8 325	5 697
- trademark	4	359
b) fixed assets:	**10 639**	**9 402**
- buildings, premises and civil engineering premises	212	151
- improvements to other real property	3 210	2 357
- technical equipment and machines	4 380	4 081
- means of transport	708	913
- other fixed assets	2 129	1 900
b) financial leasing	**903**	**361**
- technical equipment and machines	903	361
Total depreciation of fixed assets and intangible assets	20 031	16 086

23.2.b. Write-offs for revaluation of tangible fixed assets and financial assets	**#ADR!**	**01.01.2008-31.07.2008**
a) fixed assets:	6 692	620
- improvements to other real property	3 423	620
- intangible assets	3 256	-
- due to permanent loss of shares in affiliated non-financial entities	13	
- assets for sale	-	-
b) financial assets:	-	-
Write-offs for revaluation of tangible fixed assets and financial assets	6 692	620

(all figures have been presented in PLN 000)

23.3. Effects of valuation of financial assets for sale up to the level of fair value

Assets for sale are appraised according to fair value, and effects of a change to the fair value are shown in the revaluation capital (fund). respectively.

The table below presents effects of presentation of assets available for sale in the revaluation capital to the fair value level, having included deferred tax:

#ADR!	01.01.2008-31.07.2008
108	478

23.4. Information about income and costs relating to financial assets available for sale, which were removed from the balance sheet (sold, liquidated)

In the financial period from 01.01.2009 to 31.07.2009 the Bank conducted with FBP a transaction of sale of debt securities. The sale covered debt securities classified in the portfolio available for sale. The balance sheet value of the sold portfolio was PLN 310,657,000, the sale prices was PLN 312,636,000.
The sales income of PLN 1,979,000 was included in the profit and loss statement whereas the revaluation capital was adjusted by the amount o PLN 1,322,000, resulting from writing off the valuation, previously presented in revaluation capital to the market value of securities subject to the sale. Result on the sale PLN 657,000.

23.5. Information about extraordinary gains and losses

In the financial period from 01.01.2009 to 31.07.2009 and in the financial year ended 31.12.2008 the Bank did not present extraordinary gains and losses in the profit and loss statement.

23.6. Write-offs included in costs of receivables

Write-offs of receivables:	**#ADR!**	**01.01.2008-31.07.2008**
Included in provision created, due to:	32 174	31 708
- credit and loans	29 380	30 984
- other receivables	425	389
- deposits	947	
- other titles	1 422	335
Included in costs of financial operations,due to:	-	-
Included in other operational costs, due to:	-	-
	32 174	31 708

23.7. Income from dividends

	#ADR!	**01.01.2008-31.07.2008**
Dividends received from shares in Dolnosląska Szkołae Bankowa	16	-

(all figures have been presented in PLN 000)

23.8. Outlays on purchase or creation of fixed assets and intangible assets

Outlays on purchase or creation of fixed assets under construction and intangible asset:

#ADR!	01.01.2008-31.07.2008
1 642	46 073

23.9. Proposed distribution of profit or coverage of loss for the financial year

The Bank Management Board proposed to cover the loss for the financial period from 01.01.2009 to 31.07.2009 of PLN 64,560,785.43 by the supplementary capital.

23.10. Income, costs and result from activity terminated

In the financial period from 01.01.2009 to 31.07.2009 the Bank did not terminate any activity.

23.11. Other operating expenses and other operating income

	#ADR!	31.07.2008
a) other operating income		
- income from sale and liquidation of fixed assets	1 074	1 487
- income from received compensation, penalties and fines	304	119
- income from released write-offs for debts from various debtors	348	338
- fees for granting authorization to use Know-How	460	1 169
- income from adjudged court fees	298	254
- reimbursement of exploitation costs by agents	6 216	8 528
- income from rents	146	146
- income from lease of premises and other lease costs	417	336
- other	663	565
	9 926	12 942

	#ADR!	31.07.2008
b) other operating expenses		
- costs of sale and liquidiation of fixed assets	1 091	1 327
- costs of paid compensation penalties and fines	84	273
- write-offs due to loss of value for other debts	2 381	857
- execution expenses	3 808	1 016
- costs of cooperation with partners	2 972	1 877
- income from cooperation with partners - bonus adjustment	- 1 071	- 374
- costs of cooperation with parnters - bonus adjustment	2 789	-
- costs of provisions for other liabilities	1 297	-
- other	456	441
	13 807	5 417

(all figures have been presented in PLN 000)

24. Information on the value of assets and a provision created for deferred income tax

		01.01.2009 - 31.07.2009	01.01.2008 - 31.12.2008
24. 1.a.	**Balance of assets from deferred income tax for previous years**	42 040	32 746
	a) classified as financial result	41 998	32 573
	- undue interest on deposits and securities	5 317	2 199
	- provisions for loans and other receivables	22 207	16 517
	- future liabilities due to employees and business partners	1 591	1 680
	- fixed assets	1 520	821
	- commission settled in accordance with the effective interest rate	6 717	3 100
	- payroll expenses and charges on payroll	1 126	1 588
	- securitization costs	2 835	1 861
	- tax loss incurred in 2006	-	4 032
	- other	685	775
	b) shown in revaluation capital	42	173
	- valuation of securities	42	173

24. 1.b.	**Balance of provisions for deferred tax for previous years**	22 995	16 991
	a) classified as financial result	22 841	16 991
	- interest on loans, other receivables, debts, operations with the NBP	6 038	3 684
	- securitization income	5 658	3 807
	- tax depreciation	4 021	5 016
	rate	2 760	1 485
	- provision for income to receive	4 213	2 897
	- other	151	102
	b) classified as revaluation capital	154	-
	- valuation of securities	154	-

24. 2.a.	**Settlement of assets from deferred tax from previous years in the current financial year**	21 997	23 079
	a) classified as financial result	21 955	22 906
	- undue interest on deposits and securities	4 913	2 199
	- provisions for loans and other receivables	9 209	10 764
	- future liabilities due to employees and business partners	393	953
	- fixed assets	199	
	- commission settled in accordance with the effective interest rate	2 735	1 086
	- payroll expenses and charges on payroll	1 126	1 588
	- securitization costs	2 799	1 814
	- tax loss incurred in 2006 and in 2007	-	4 033
	- other	581	469
	b) classified as revaluation capital	42	173
	- valuation of securities	42	173

24. 2.b	**Settlement of provisions due to deferred tax from previous years in the current financial year**	4 370	11 650
	a) classified as financial result	4 216	11 650
	- provision for interest	1 629	3 594
	- provision for income to receive	203	2 035
	- securitization income	543	1 192
	- tax depreciation	418	3 505
	- deferred income - accident insurance premiums settled according to the effective interest rate	1 274	1 275
	- other	148	48
	b) classified as revaluation capital	154	-
	- valuation of securities	154	-

(all figures have been presented in PLN 000)

24. 3. Assets due to deferred tax created in the current financial year	38 142	32 371
a) classified as financial result	38 142	32 329
- undue interest on deposits and securities	5 168	5 317
- provisions for loans and other receivables	26 568	16 454
- future liabilities to employees and business partners	1 084	864
- fixed assets	934	699
- commission settled according to the effective interest rate	681	4 703
- costs and charges on payroll of the financial year and paid in this financial year	53	1 126
- securitization costs	2 100	2 788
- other	1 554	378
b) classified as revaluation capital	-	42
- commission on the effective interest rate classified in the opening balance as capital	-	-
- valuation of securities	-	42

24. 4. Provisions due to deferred tax created in the current financial year	4 888	17 654
a) classified as financial result	4 863	17 500
- provision for interest	822	5 949
- securitization income	877	3 043
- tax depreciation	155	2 510
- deferred income - accident insurance premiums settled according to the effective interest rate	2 296	2 550
- provision for income to receive	640	3 351
- other	73	97
b) classified as revaluation capital	25	154
- valuation of securities	25	154

24.5. Balance of assets from deferred tax at the end of the financial year	58 185	42 040
a) classified as financial result	58 185	41 998
- undue interest on deposits and securities	5 572	5 317
- provisions for loans and other receivables	39 566	22 207
- future liabilities to employees and business partners	2 282	1 591
- fixed assets	2 255	1 520
- commission settled according to the effective interest rate	4 663	6 717
- costs and charges on payroll	53	1 126
- other	1 658	685
- securitization costs	2 136	2 835
- tax losses incurred in 2006 and 2007	-	-
b) classified as revaluation capital	-	42
- valuation of securities	-	42

24.6. Balance of provisions due to deferred tax at the end of the financial year	23 514	22 995
a) classified as financial result	23 489	22 841
- provision for interest	5 231	6 038
- securitization income	5 992	5 658
- tax depreciation	3 758	4 021
- deferred income - accident insurance premiums settled according to the effective interest rate	3 782	2 760
- provision for income to receive	4 650	4 213
- other	76	151
b) classified as revaluation capital	25	154
- valuation of securities	25	154

24.7. Corporate income tax shown in the profit and loss statement	**01.01.2009 - 31.07.2009**	**01.01.2008 - 31.12.2008**
Income tax	- 15 008	1 434
- current part	431	4 857
- deferred part, including	- 15 439	- 3 423
* release of assets for the Union Guarantee Fund	99	152

(all figures have been presented in PLN 000)

Calculation of the base for taxation

	01.01.2009 - 31.07.2009	01.01.2008 - 31.12.2008
Income according to Profit and Loss Statement	**358 229**	**516 716**
Total increases in revenues	**60 335**	**43 881**
including:		
- interest accrured in the current year received in the current year on bills and inter-bank deposits and loans	24 861	14 414
- income from insurance intermediation	22 561	9 837
- income from commission on extended loans settled according to effective interest rate	10 059	9 715
- income from extra securitization payment - DPP	-	9 425
- other	2 854	490
Total decrease in revenues	**143 906**	**163 420**
including:		
- unpaid interest on loans, purchased debts and other receivables	33 285	21 617
- released provisions that did not constitute revenue earning costs	48 472	73 426
- interest accrued on bills and interbank deposits	591	9 080
- provisions for income to receive	12 282	13 547
- interest, charges and commission on securitized loans	36 602	35 476
- other	12 674	10 274
Taxable income	**274 658**	**397 177**
	-	-
Costs according to Profit and Loss Statement	**437 797**	**531 826**
Total increases in costs	**49 479**	**42 595**
of which:		
- costs of deposits from previous years paid this year	25 111	10 617
- tax depreciation	16 235	21 798
- remuneration expenses relating to 2006	5 918	8 358
- other	2 215	1 822
Total decreases in costs	**225 501**	**213 420**
of which:		
- calculated and not paid interest on deposits and securities	28 693	26 694
- specific provisions not constituting revenue earning costs	145 662	114 356
- depreciation	19 128	30 973
- payroll costs and charges	278	8 062
- general costs not constituting revenue earning costs	18 585	14 590
- costs relating to securitization transaction	11 694	17 885
- other	1 461	861
Tax deductible costs	**261 775**	**361 001**
Costs liable to tax are lower than those resulting from the profit and loss statement by	176 022	170 825

Income tax is calculated in the following way

* taxable revenues	12 883	36 176
*taxable income after including unsettled tax loss	2 270	25 561
* due income tax according to applicable rate	431	4 857
- including tax on other revenues from shares in profit	-	996
*** income tax according to the tax return**	**431**	**3 861**

The Bank decided to settle the 2006-2007 tax loss of PLN 10,613,000.

(all figures have been presented in PLN 000)

25. Aggregated data on:

25.1. Credit, loans, guarantees and sureties granted to the Bank's employees, Management and Supervisory Board Members

In the financial period from 01/01/2009 to 31/07/2009 credit, loans, guarantees and sureties granted to Bank's employees, Management and Supervisory Board members totalled PLN 6,320,000 (in 2008 - PLN 13,273,000).

	Financing in the year: 2008	from 01.01.2009 to 31.07.2009	Interest rate	Repayment period
Employees	**13 272**	**6 320**		
- credit and loans	522	195	19,00%-21,88%	credit cards
	1	2	8,99%	to 3 months
	206	-	8,99%-19,50%	to 12 months
	-	69	8,99%-20,50%	to 12 months
	657	-	8,99%-17,20%	to 24 months
	-	363	8,99%-20,50%	to 24 months
	767	-	8,99%-14,4%	to 36 months
	-	453	8,99%-18,9%	over 36 months
	5 938	-	8,9%-22,5%	over 36 months
	-	2 931	8,99%-18,9%	over 36 months
	5 181	-	1,39%-8,81%	over 36 months
	-	2 307	5,61%-10,32%	over 36 months
Management Board Members	**1**	**80**		
- credit and loans	1	-	19,00%	credit cards
		80	8,99%	over 36 months
Supervisory Board Members	**-**	**-**		
- credit and loans	-	-	-	-

25.2. Remuneration paid to the Bank's Management and Supervisory Board Members

In the financial period from 01/01/2009 to 31/07/2009 remuneration (including remuneration from profit and a bonus) paid to the Bank Management Board Members was PLN 1,184,000 (in 2008 - PLN 5,775,000, including remuneration from profit and a bonus for a sale of shares of the Dominet Group to Fortis Bank SA/NV), and remuneration paid to the Supervisory Board members totalled PLN 0 (in 2008 - PLN 72,000).

25.3. Average annual employment in the financial year (full time jobs)

	from 01.01.2009 to 31.07.2009	2008
Average employment (full time jobs)	1 041	1 051

25.4. Costs of provisions for future liabilities due to employees

	01.01.2009 to 31.07.2009	31.12.2008
Provision for unused holiday leaves	2 113	149
Provision for jubilee rewards	-	695
Provision for pension severance pay	52	121
Provisions for annual bonuses	291	250
Provisions for integration bonuses	1 511	864
Total	3 967	2 079

25.5. Costs incurred on the financing of employee pension schemes

In the financial period from 01/01/2009 to 31/07/2009 and in the financial year 2008 the Bank did not incur any costs on the financing of employee pension schemes.

on the financing of employee pension schemes.

26. Transactions with entities related by capital or organization

I. Transactions with entities related by capital or organization

1. Dolnośląska Szkoła Bankowa Sp. z o.o. w Lubinie.

Dominet Bank S.A. holds 25 shares in Dolnośląska Szkoła Bankowa, which accounts for 24.5 % of the company's share capital.
The entity has had a current account with the Bank since 24/3/1992.
As at 31/07/2009 the balance of cash in accounts of Dolnośląska Szkoła Bankowa and main cost and income items in the financial period from 01/01/2009 to 31/07/2009 are as follows:
- balance of cash in current account was zero,
- balance of term deposits was zero,
- interest costs PLN 1,000.
- commission income PLN 1,000.

2. Towarzystwo Ubezpieczeń Wzajemnych „CUPRUM" w Lubinie.

Dominet Bank S.A. holds 2900 shares in TUW „CUPRUM" (PLN 290 thousand) which accounts for 2.8% share capital of this entity.
The entity has had a current account with the Bank since 20/12/1994. Term deposits are opened under the General Contract regarding the opening of term deposits signed on 26/8/1998 for the period from 1 day (Overnight) up to 365 days.
As at 31/07/2009 the balance of cash in accounts of TUW and main cost and income items in the financial period from 01/01/2009 to 31/07/2009 are as follows:
- balance of cash in current account PLN 1,000,
- balance of cash in ZFŚS account PLN 25,000,
- balance of term deposits PLN 6,298,000,
- interest costs PLN 227,000,
- commission income PLN 10,000.

3. DOMINET S.A. with its registered seat in Piaseczno.

DOMINET S.A. holds 100 % of shares in the Bank.

DOMINET S.A. has had deposit accounts with Dominet Bank since 2000.
As of 31/07/2009 the balance of cash in DOMINET S. A.'s accounts and main cost and income items in the financial period from 01/01/2009 to 31/07/2009 are as follows:
- balance of cash in current account PLN 11,225,000
- balance of cash in ZFŚS account 132,000,
- interest expenses PLN 212,000,

4. Fortis Bank Polska S.A.

Fortis Bank Polska S.A had overnight deposit accounts and term deposit accounts with the Bank.
As of 31.07.2009 the balance of funds in those accounts was zero; and interest expenses in the financial period from 01/01/2009 to 31/07/2009 amounted to PLN 706,000,

The Bank had current accounts with Forits Bank Polska S.A. It also deposited funds, mainly overnight.
As at 31.07.2009 the current account of the Bank with Forits Bank Polska S.A. was closed whereas the term deposits amounted to zero. Interest income amounted to PLN 1,075,000 in the financial period from 01/01/2009 to 31/07/2009.

Transaction of sale of debt securities.
The sale covered debt securities classified in the portfolio available for sale. The sale was settled under transactions concluded on 22.07.2009 with the currency date 24.07.2009 confirmed by tickets. The balance sheet value of the sold portfolio was PLN 310,657,000, sale price PLN 312,636,000.
The sale income of PLN 1,979,000 was presented in the profit and loss statement and the revaluation capital was adjusted by PLN 1,322,000 resulting from writing off the valuation, previously included in the revaluation capital, to the market valule of securities covered by the sale.
Net sale PLN 657,000.

5. Fortis SA/NV Bruksela

On 28 April 2008 the Bank concluded the following agreements of roll-over credit facilities with Fortis Bank SA/NV :
* of PLN 700 million to finance mortgage loans,
* of PLN 200 million for financing car and cash loans,
* of EUR 100 million for financing mortgage loans,
* of CHF 300 million for financing mortgage loans.

As of 31.07.2009 the balance of drawn credit facilities realized pursuant to the aforesaid Agreements was PLN 498,512,000, including: PLN 390 million and CHF 40 million
Interest expenses on taken out loans in the financial period from 01/01/2009 to 31/07/2009 amounted to PLN 17,214,000.

Bank has current accounts with Forits SA/NV Brussels.
As of 31.07.2009 the balance of funds of the Bank in accounts with Forits SA/NV Brussels and the main income and cost items in the financial period from 01/01/2009 to 31/07/2009 were as follows :
- balance of funds in current accounts :
PLN 9,000
CHF 7,000
EUR 498,000
GBP 5,000
- interest income PLN 9,000
- commission expenses PLN 5,000

II. The Bank conducted the following transactions with a dominant entity, i.e. Dominet S.A. seated in Piaseczno, ul. Świętojańska 5:

1. Agreement of 16.07.2008 along with Annex No. 1 dated 05.11.2008 and Annex No. 2 dated 01.03.2009 of performance of activities by Dominet S.A. connected with banking operations consisting in presentation to individuals of banking products and activities selected from the Bank's offer, consisting in preparation and entering into agreements for the said banking products.

Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 12,853,000 net.

2. Other agreements concluded with Dominet S.A. and implemented in the financial period from 01/01/2009 to 31/07/2009:

* cost agreements of PLN 653,000, including:

Sublease Agreement dated 18/04/2003.
The Agreement was entered into in order to let the Bank office space located in Piaseczno - electricity and gas expenses paid in accordance with rebilling invoices received from Dominet S.A.
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 72,000.

The Agreement of April 29, 2003.
The agreement referred to a transfer of a separated part of the enterprise of Dominet S.A. for the benefit of the Bank. The Agreement was made in order to protect a proper operation of the Dominet capital group, to have savings in the scope of costs, and to implement assumptions of the budget of the Bank.
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 1,000.

Agreement of 30/07/2003 Annex to the Agreement of 30/07/2008.
The Agreement was entered into to grant the Bank a license for use of author's economic rights to the trademark and strategy of visual identification of Dominet, use of image of the trademark .
The Agreement value iin the financial period from 01/01/2009 to 31/07/2009 was PLN 280,000.

Agreement dated 19.12.2008.
Cooperation Agreement of supporting and management of the network of sale of loans for purchases of means of transport, entered into with respect to commissioning supporting activities from Dominet SA for the sale of loans for purchases of means of transport.
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 299,000.

Agreement dated 29.04.2009.
Agreement concerning the incurring of costs for telephone calles conducted in connection with the change of location of Departments of the Bank Head Office in Piaseczno and Dominet SA .
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 1,000.

* income agreements worth PLN 101,000, including:

The Agreement dated 01/07/2005 as may be amended from time to time. The Agreement concerns the sublease of real estate located in Piaseczno.
Income in 2008 was PLN 45,000.
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 34,000.

The Agreement dated 10.02.2009.
The agreement of sublease of premises for which the Bank entered into the Lease Agreement to Dominet SA in real estate located in Piaseczno, ul. 17 Stycznia 2 with space of 168.42 m2 and staircase of 16.76 m2
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 5,000.

The Agreement dated 31.03.2009
The Agreement governs terms and conditions of sale of a company car, make Toyota Avensis and of a notebook IBM T60
The Agreement value in the financial period from 01/01/2009 to 31/07/2009 was PLN 62,000.

III. Other transactions with entities that are members of the group:

1. Fortis Bank Polska :

The Agreement of 23.04.2008 that governs rules of reimbursement of costs to Fortis Bank Polska for training "Fortis -Harvard Leadership

1. Fortis Bank Polska :

The Agreement of 23.04.2008 that governs rules of reimbursement of costs to Fortis Bank Polska for training "Fortis -Harvard Leadership Academy".
The transaction value in 2009 PLN 29,000.

The Agreement of 05.11.2008 that governs rules of rebilling costs of participation of employees of Dominet Bank in the Indoor Football and Voleyball Tournament organized by Fortis Bank Polska S.A.
The transcaction value in the financial period from 01/01/2009 to 31/07/2009 was PLN 2,000.

The Agreement concluded in order to regulate rules of financing of all costs within the integration project.
The income in the financial period from 01/01/2009 to 31/07/2009 was PLN 8,000.

The Agreement of 30.04.2009.
The Agreement of sublease of space for office purposes in a building located in Warsaw, ul. Suwak 3 with office space of 1,991.40 m2 along with furniture as well as common space calculated by the ratio equal to 40% with respect to shared spaces, i.e. 2,787.96 m2 in total. Further, the object of the Agreement is the letting of 37 parking lots in the underground car park
The transcaction value in the financial period from 01/01/2009 to 31/07/2009 was PLN 893,000.

2. Forits Lease Polska S.A w Warszawie :

Agreement of 17.07.2007 .
The Agreement governs rules of cooperation in intermediation in entering into financial leasing agreements.
Income in the financial period from 01/01/2009 to 31/07/2009 was PLN 7,000.
3. Dominet Finanse S.A.:

Agreement of 26.07.2007
The Agreement concerns sub-letting premises in real property located in Piaseczno.
Income in the financial period from 01/01/2009 to 31/07/2009 was PLN 17,000.

27. Information about significant transactions conducted by the Bank under conditons other than market conditions with related part

In the financial period from 01/01/2009 to 31/07/2009 and in the financial year 2008 the Bank did not conduct significant transactions with parties related on conditions other than market conditions.

28. Risk management at the Bank
Goals and rules of risk management

Foreign currency risk

The primary goal of foreign currency risk management is maintenance of the foreign currency position of the Bank at a level that guarantees attainment of a positive result of foreign currency operations of the Bank, taking into account the acceptable level of fluctuations in foreign currency exchange rates, within limits that do not pose a risk to security of the Bank and to the foreign currency level accepted by the Bank.

To 31 July 2009 the foreign currency of the Bank was low. This resulted from the Bank's policy that assumed limited activities in the f/x market and closing positions in foreign currencies.
The foreign currency risk of the Bank was measured every day by the calculation of individual foreign currency items and the total f/x position, as well as the analysis of the maturity gap for assets and liabilities in foreign currencies.

For the purposes of control of foreign currency control, the Bank determines limits for:
- individual items in convertible foreign currencies and
- the total f/x position.

The table below presents the foreign currency position as well as the share of the foreign currency position in the Bank's equity.

The table below presents the foreign currency position as well as the share of the foreign currency position in the Bank's equity.

	31.07.2009		31.12.2008	
	Total f/x position (in 000 PLN)	Share in the Bank's equity	Total f/x position (in 000 PLN)	Share in the Bank's equity
USD	566	0,20	607	0,22
EUR	502	0,18	862	0,31
CHF	4 521	1,63	399	0,14
pozostałe	96	0,03	238	0,09
Pozycja całkowita	**5 685**	**2,04**	**2 106**	**0,76**

(all figures have been presented in PLN 000)

Interest rate risk

The primary goal of the interest rate risk management process is to maintain the optimum financial result and the market value of the equity resulting from changes in interest rates, within the limits that would not threaten the security of the Bank and are approved by the Bank's governing bodies.

The primary goal is achieved by:
- optimizing the level and structure of the Bank's funds and the assets portfolio in terms of profitability and sensitivity to changes in interest rates,
- avoiding undesirable fluctuations in net interest income and the capital level as a result of changes in market interest rates,
- optimizing interest margins for the particular products of the Bank.

For purposes of interest rate management, Dominet Bank S.A. determines the level of mismatch of dates of revaluation using the gap method. The gap is calculated on the basis of the balance as at end of each month (in PLN, in foreign currencies and total) separately for items with fixed and variable interest rates for assets, liabilities and off-balance sheet liabilities on relevant revaluation dates. The gap is used to calculate the effect of interest rate changes on net interest income per annum, assuming a fall of 100 base points per annum, as well as on the basis of forecasts for year-end basic interest rates.

In the scope of interest rate risk, the Bank examines:
1) bank margin,
2) effective interest margin,
3) impact of the volume, structure and interest rate level on the interest margin of the Bank

Liquidity risk

The goal of liquidity risk management is to avoid a threat to the Bank's ability to meet its obligations when due, while keeping appropriate conditions to create a desirable effectiveness of exposures to financial assets. The liquidity management process covers such activities as monitoring, control, measurement, analysis and reporting. In the liquidity management process, the Bank distinguishes activities related to current liquidity management, which are carried out by the Market Operation Division, and to long-term liquidity management, which are carried out by the Financial Risks Division.

The Bank keeps the appropriate level of liquidity by:
1) shaping the adequate liquidity structure of assets and liabilities,
2) maintaining liquid assets at a safe level,
3) monitoring compliance with supervisory limits and setting and monitoring internal liquidity limits.

Under Resolution no. 386/2008 of the Polish Financial Supervision Authority dated 17 December 2008 on the determination of liquidity norms applicable for banks, the Bank sets supervisory short-term and long-term liquidity measures. Calculation and monitoring of supervisory liquidity norms takes place every day.
The table below shows the calculation of supervisory liquidity norms as at 31 July 2009.
With respect to current liquidity management the Bank takes steps to, among other things, maintain the positive balance in the Bank's current account with the NBP, guarantee continuity of interbank settlements, maintain an adequate level of statutory reserves as well as maintain of supply of cash at an adequate level.

Short-term, medium-term and long-term liquidity is measured based on the list of structure of assets and liabilities in appropriate maturity brackets split by PLN and foreign currency operation. Liquidity is measured using mainly the gap method. In order to receive the actual structure of assets and liabilities, the stability of the deposit base is taken into account. The Bank also applies ratios for liquidity measurements. Changes in the level and structure of the deposit base, credit exposures and liquid assets are monitored on a daily basis.

The table below presents the calculation of supervisory liqudity norms

Supervisory liquidity norms:	**31.07.2009**	**31.12.2008**
Short-term liquidity gap	365 990	152 787
Short-term liquidity ratio	2,52	1,78
Coverage of non-liquid assets by equity	1,82	1,86
Coverage of non-liquid assets limited liquidity assets by equity and external stable funds	1,19	1,12

Operational risk

In the financial period from 01/01/2009 to 31/07/2009 the Bank continued actions to meet qualitative operational risk management criteria. A new ORM regulation was implemented. Changes to the Rules of Operational Risk Management resulted from adaptation to Fortis standards as well as from updating provisions of the regulation to the procedures in force.
The Bank continued the process of reporting operational events and losses by all employees of the Bank. The Bank gathered information about losses recorded in the Bank's books as well as about losses with non-financial results, e.g. lost income, alternative costs. The Bank also singled out unacceptable events, that is events that generate risk that has achieved a too high level so that it could be tolerated and which called for taking corrective measures.
Within the process of monitoring operational risk, the Bank also analyzed operational risk indicators (RI), from among which the Bank separated key operational risk indicators (KRI). The Bank Management Board and Supervisory Board received cyclical reports on analysis of operational risk in the Bank. Further, the Management Board received information about unaccaptable events, RIs and KRIs as well as about actions taken within operational risk management.
In order to meet obligations resulting from the calculation of the operational risk capital requirement within Pillar I, the Bank calculated the operational risk capital requirement by means of the Basic Indicator Approach (BIA). Within Pillar II the Bank determined internal capital necessary to cover business risk (including strategic risk and reputation risk). Both the requirements were presented on a regular basis in COREP reports.
From January to July 2009 the Bank continued a project connected with integration of Dominet Bank with Fortis Bank Polska. Due to the significance of the merger of Dominet Bank and Fortis Banku Polska, it was important to perform an analysis of operational risk in the integration process. This task was performed in cooperation with PMO of the Integration Project, Deloitte and with persons entitled to assess operational risk for indicated products from particular streams (assignment teams). The operational risk analysis was performed for products that will be offere, under the Merger Plan, by the merged Bank after Day1. The self-assessment covered an assessment of the risk materiality (in terms of exposure to risk) as well as effectiveness of control mechanisms. The assessed operational risk was assigned to defined factors. Results achieved during workshops were discussed with ORM RB Global and submitted to the Integration Project Management Bureau Manager, PMO and representatives of particular streams, and then sent by ORM RB Global employee to Chairman of the Supervisory Board of Fortis Bank Polska, Board of Executives of Fortis Bank Polska and to persons in charge of particular lines in the risk area.
In order to ensure the performance of the function of operational risk management after the legal merger date, training was held for Operational Risk staff about servicing the Equation system that is shared by the merged Banks with Bank Loss Recording option.

Credit risk

In the period from January to July 2009 the Bank took several initiatives in the area of credit risk management aimed at optimization of key processes and adapting them to the changing macroeconomic environment. Further, the Bank worked on getting ready for the merger with Fortis Bank Polska.

Credit Policies development

Since January 2009 the Bank has taken several actions in the credit policy area aimed at limitation of impact of unfavourable changes in the macroeconomic environment on the quality of the credit portfolio.
In February 2009 the Bank introduced significant changes to rules of extension of cash loans and credit cards aimed at tightening of criteria of assessment of the borrowing capacity as well as at intensification of verifying actions. In the same month the Bank launched a new scoring model with better efficiency with respect to qualitative assessment of customers applying for cash loans and credit cards.

Parallelly, the Bank worked further on rules of approval of applicaitons taking into account detailed analyses of behaviour of the credit portfolio taking into account a section of parameters that have impact on the quality of loan repayment rate. As a result of the work, at the beginning of May 2009 the Bank Management Board approved the tightened credit policies for extension of cash loans and credit card limits. The changes in the approach to the credit risk assessment covered in particular:
- Limitation of accepted risk groups determined on the basis of a scoring assessment solely to low-risk customers,
- Further tightening of criteria of assessment of the borrowing capacity, in particular a reduction in the acceptable value of the parameter that determines the maximum level of debt for a borrower
- Introduction of promoting rules, determined on the basis of historical data, lowest-risk profiles.

As a result of the said actions, the structure of originations of new loans changed so that the fundamental part of the new credit volume is among the best risk group. This resulted in improvement to early loss ratio indexes, which gives some optimism with respect to the quality of the new portfolio.
As for loans for car purchases, in June 2009, based on transversal analyses of the credit portfolio, the Bank introduced changes to the credit policy towards significant reduction in risk for newly obtained loans. The changes consisted in tightening of criteria of assessment of the borrowing capacity, implementation of a new scoring model, increasing a group of customers with unaccaptable risk profile as well as in limitation of availability of loans for medium-risk groups.
In the second quarter of 2009, the Bank worked in cooperation with dedicated units of Fortis Bank Polska SA on credit policies for retail customers that came into force after the merger of the banks. In the course of the work additional elements were introduced to the approval policies aimed at improvement to the risk profile for loans obtained.

Development of monitoring and debt collection processes

Due to the deterioration of the macroeconomic situation and related escalating financial problems of part of borrowers, from January to July 2009 the Bank took additional actions aimed at strengthening of the monitoring and debt collection process and thus improvement to the quality of the lending portfolio. The following changes were made:
- 40% more employees were delegated to the Monitoring and Debt Collection Department. This was achieved mainly by allocation of staff from other units of the Bank and partly by taking on new employees
- Intensification of cooperation with external debt collection companies by outsourcing of a major part of the delinquent credit portfolio
- The Bank ended cooperation with an external company that did not meet expectations of the Bank with respect to effectiveness of monitoring and debt collection activities performed. The portfolio of loans serviced by this company was distributed among the other companies with which the Bank cooperates.
- The Bank started to conduct field trips at an early delinquency level, also through services of external companies
- Staff of the Bank's local branches were involved in the process of early monitoringu by notification of new customers of the Bank of arrears in the repayment of loans (a phone call to the seventh day of delinquency) and by commissioning activities that consist in searching for contacts with customers
- The Bank introduced a system of notificaiton of customers of approaching deadline for installment repayment through SMSs
- The Bank launched a restructuring procedure (for customers with no arrears or for those with arrears at an early stage), aimed at facilitating loan repayment to customers.

The increase in the number of staff, broader cooperation with debt collection agencies as well as intensification of actions taken enabled a rise in the number of debt collection activities of over 30 %, comparing the first quarter of 2009 to the fourth quarter of 2008.
Due to the rise in the staff members and the transfer of a part of the portfolio to be serviced by external companies, the number of loans per one staff member in the telephone monitoring team (soft debt collection) fell dramatically, thanks to which an employee may perform activities with higher efficiency.

Sale of the non-performing loan portfolio

In June 2009 the Bank finalized two subsequent transactions of the sale of the non-performing loan portfolio: the sale of bank loans, sale of issues from the securitization of performing loans. In both cases the sale covered mainly retail loans: cash and car loans.

Modelling credit losses

In the period from January to July 2009 the Bank got ready for the launch of the methodology of measurement of loss of the loan receivable amounts, in accordance with the International Financial Reporting Standards, which was scheduled for the day of merger with Fortis Bank Polska. The methodology was based on PD and LGD models, developed in 2008, compliant with requirements of the Advanced Internal Ratings-Based (AIRB) approach covering the cash and car loan portfolios and based on analyses of historical data for other product groups. In the said period the models were subject to annual validation, which proved they were stable and of high quality.

Development of scoring models supporting assessment of loan applications

In February 2009 the Bank launched a new scoring model for the assessment of cash loan applications and credit card applications. The model was then launched also for the assessment of car loan applications. Furhter, from January to July 2009 the Bank worked on preparation of a new specialized scoring model to provide support for the assessment of car loan applications. The project aims to increase the discrimination power and stability of the model compared to solutions applied so far by the Bank. This will enable a reduction in credit losses and maintenance of the percentage of applications accepted at an unchanged level. The launch of the new model has been scheduled for the second half of 2009.

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ADDITIONAL INFORMATION AND EXPLANATIONS

(all figures have been presented in PLN 000)

29. Information on charging financial assets and liabilities with risk

29.1. Information on charging with the interest rate risk, including contractual dates of changes in rates of interest or payment dates.

The Bank has adopted a change to interest income based on the gap method as a measurement of interest rate risk, and assumed a drop in interst rates of 100 base points p.a. This amount is calculated as a total of product of surpluses on the asset or liabilities side and fluctuations in market interest rate for every day of revaluation and the time left until the end of the year taking into account the half of a given period in which the change in interest rate affects the level of the gap.

For purposes of analysis in the item: assets - floating rate, the Bank presents loan exposures bearing floating interest rate according to rates applicable on the day of agreements pursuant to currently applicable "Ordinance of the Bank Management Board President". The revaluation period presents what is the shortest possible period of introduction of change to interest rate by way of decision of the Bank Management Board."

The value of such exposures included in the item: assets - floating rate amounted to PLN 2,037 million as at 31 July 2008.

As at 31.07.2009 the impact of sensitive items gap on interest income at DOMINET BANK S.A, assuming the drop in interest rates of 100 base points, was as follows :

Specification	Nature of interest	Revaluation periods												Total sensitive
		1 month	2 months	3 months	4 months	5 months	6months	7 months	8 months	9 months	10 months	11 months	12 months	
ASSETS	floating rate	189 122	2 053 149	80 005	0	0	30 765	0	0	0	0	0	0	2 353 041
LIABILITIES	floating rate	422 280	6 485	60 000	0	0	60 000	0	0	0	0	0	0	548 765
Off-balance sheet financial liabilities	floating rate	8 565	0	7 228	0	0	8 638	0	0	0	0	0	26 379	50 810
FINANCIAL RESOURCES GAP	floating rate	**-224 594**	**2 046 665**	**27 233**	**0**	**0**	**-20 597**	**0**	**0**	**0**	**0**	**0**	**26 379**	**1 855 086**
Effect of the financial resources gap on interest income fa in interest rates of 100 base points		**2 152**	**-17 908**	**-216**	**0**	**0**	**112**	**0**	**0**	**0**	**0**	**0**	**-11**	**-15 871**

Specification	Nature of interest	Revaluation periods												Total sensitive
		1 month	2 months	3 months	4 months	5 months	6months	7 months	8 months	9 months	10 months	11 months	12 months	
ASSETS	fixed rate	543 013	8	8	8	8	7 753	8	29 139	8	8	8	8	579 978
LIABILITIES	fixed rate	1 032 939	372 490	417 558	246 662	51 721	110 793	30 393	9 319	10 102	7 502	7 779	33 624	2 330 882
Off-balance sheet guarantee liabilities	fixed rate	641	0	23	0	0	0	0	0	0	0	0	124	788
GAP	fixed rate	**-489 285**	**-372 482**	**-417 526**	**-246 654**	**-51 714**	**-103 040**	**-30 386**	**19 820**	**-10 094**	**-7 494**	**-7 771**	**-33 492**	**-1 750 117**
Effect of the financial resources gap on interest income fa in interest rates of 100 base points		**4 689**	**3 259**	**3 305**	**1 747**	**323**	**558**	**139**	**-74**	**29**	**16**	**10**	**14**	**14 016**

Specification	Nature of interest	Revaluation periods												Total sensitive
		1 month	2 months	3 months	4 months	5 months	6months	7 months	8 months	9 months	10 months	11 months	12 months	
ASSETS	total	732 134	2 053 158	80 013	8	8	38 518	8	29 139	8	8	8	8	2 933 019
LIABILITIES	total	1 455 219	378 975	477 558	246 662	51 721	170 793	30 393	9 319	10 102	7 502	7 779	33 624	2 879 648
Off-balance sheet liabilities	total	9 206	0	7 251	0	0	8 638	0	0	0	0	0	26 503	51 598
FINANCIAL RESOURCES GAP	total	**-713 879**	**1 674 183**	**-390 293**	**-246 654**	**-51 714**	**-123 636**	**-30 386**	**19 820**	**-10 094**	**-7 494**	**-7 771**	**-7 113**	**104 969**
Effect of the financial resources gap on interest income fa in interest rates of 100 base points		**6 841**	**-14 649**	**3 090**	**1 747**	**323**	**670**	**139**	**-74**	**29**	**16**	**10**	**3**	**-1 855**

(all figures have been presented in PLN 000)

29.2. Information on credit risk charge.

As at 31/07/2009 total loan exposures stood at PLN 2,539,160,000 (by nominal value without capitalized interest or without a decrease by gross credit receivables of PLN 108,011,000 sold under the securitization transaction and presented in the Bank's balance sheet, which comprised the following items: loans of PLN 2,528,728,000, receivables (net) of PLN 581,000 and other receivables amounting to PLN 9,851,000.
As at 31/07/2009 off-balance sheet liabilities stood at PLN 95,350,000, including guarantees of PLN 999,000, undrawn credit lines of PLN 91,572,000 and other items relating to financing of PLN 2,779,000.
The table below shows risk-weighted assets and off-balance sheet liabilities:

Specification	Net exposures after including adjustments of value and provisions	Division of fully adjusted exposure of off-balance sheet items by conversion index				Exposure value	Value of risk-weighted exposure	Credit risk capital requirements
		0%	20%	50%	100%			
Exposure class								
Exposures to governments and central banks	651 968,1	0,0	0,0	0,0	0,0	651 968,1	0,0	0,0
Exposures to institutions (banks)	37 534,7	0,0	0,0	641,4	0,0	37 214,0	7 442,8	595,4
Exposures to companies	31 118,9	3 552,1	0,0	53,0	0,0	27 540,3	27 540,3	2 203,2
Retail exposurs	2 242 375,0	37 412,5	0,0	53 193,2	0,0	2 178 365,8	1 633 774,4	130 701,9
Past due exposures	95 790,5	8,4	0,0	13,0	0,0	95 775,6	138 371,0	11 069,7
Other exposures	156 032,2	0,0	0,0	0,0	0,0	156 032,2	72 943,1	5 835,5
TOTAL	3 214 819,3	40 973,0	0,0	53 900,7	0,0	3 146 896,0	1 880 071,6	150 405,7

As at the end of July 2009 Having included relevant risk weights for exposure groups and risk weights for products risk-weighted exposures totaled PLN1,880,072,000. As at 31/07/2009 credit risk capital requirement calculated as 8% of the total risk-weighted assets amounted to PLN 150,406,000.

30. Information of economic nature and purpose on agreements concluded by the Bankk and not included in the balance sheet to the extent necessary to assess its impact on the financial, property condition and on the result of the Bank.

In the financial period from 01.01.2009 to 31.07.2009 and in the financial year 2008 the Bank did not enter into any agreements that were not included in the balance sheet.

31. Fiduciary activities

The Bank does not perform fiduciary activities.

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