



BNP PARIBAS

Interim Abbreviated Consolidated
Financial Statements of the Group of
BNP Paribas Bank Polska SA
for the First Half of 2012



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1. Financial Highlights

CONSOLIDATED FINANCIAL HIGHLIGHTS	in PLN thousand		in EUR thousand	
	30 June 2012 (YTD)	30 June 2012 (YTD)	30 June 2012 (YTD)	30 June 2011 (YTD)
Income Statement				
Interest income	518,034	458,563	122,623	115,586
Fee and commission income	88,346	89,166	20,912	22,475
Net banking income	412,505	368,735	97,644	92,944
Profit/loss before taxation	21,396	14,545	5,065	3,666
Profit/loss after taxation	12,754	9,570	3,019	2,412
Ratios				
Weighted average number of shares	24,299,253	24,123,506	-	-
Basic earnings/loss per share (PLN/EUR)	0.52	0.40	0.12	0.10
Diluted earnings/loss per share (PLN/EUR)	0.52	0.40	0.12	0.10
Cash Flow Statement				
Net cash provided by operating activities	-25,992	-65,399	- 6,152	-16,485
Net cash provided by investing activities	1,510,279	-1,002,919	357,496	-252,796
Net cash provided by (used in) financing activities	-1,974,186	251,270	-467,307	63,335
Total net cash flow	-489,899	-817,048	-115,963	-205,946
Balance Sheet	Balance as at 30 June 2012	Balance as at 31 Dec 2011	Balance as at 30 June 2012	Balance as at 31 Dec 2011
Total assets	20,468,967	22,479,304	4,803,456	5,089,500
Loans to customers	16,676,565	16,646,924	3,913,492	3,769,001
Due to banks	1,155,387	1,032,033	271,135	233,661
Due to customers	8,939,302	8,882,230	2,097,788	2,011,010
Loans and credit facilities received	7,851,333	10,035,056	1,842,474	2,272,020
Own equity	1,687,490	1,403,922	396,004	317,860
Ratios				
Number of shares	28,692,926	24,123,506	-	-
Book value per share (in PLN / EUR)	58.81	58.20	13.80	13.18
Diluted book value per share (in PLN / EUR)	58.81	58.20	13.80	13.18
Capital adequacy				
Capital adequacy ratio	11.63%	11.53%	-	-
Tier 1 (core) capital	1,631,921	1,314,045	382,963	297,511
Tier 2 (supplementary) capital	433,851	595,512	101,812	134,829
Tier 3 (short term) capital	9,727	12,234	2,283	2,770

Key items in the balance sheet, income statement and cash flow statement in the financial statements for the first half of 2012 and the corresponding financial figures for the first half of 2011 and for 2011 have been converted into EUR according to the following rules:

- particular assets and liabilities items in the balance sheet and book value per share as at the end of the first half of 2012 have been converted into EUR at the mid-rate binding as at 30 June 2012 published by the National Bank of Poland on 29 June 2012, i.e. EUR 1 = PLN 4.2613; comparative financial figures as at the end of 2011 have been converted into EUR at the mid-rate binding as at 31 December 2011, published by the National Bank of Poland on 31 December 2011, i.e.
- EUR 1 = PLN 4.4168;

- particular items in the income statement and cash flow statement, and earnings per share as at the end of the first half of 2012 were converted into EUR at the rate based on the arithmetic mean of mid-rates determined by the National Bank of Poland as at the last days of the months from January through June 2012, i.e. EUR 1 = PLN 4.2246, whereas comparative data as at the end of the first half of 2011 were converted into EUR at the rate based on the arithmetic mean of mid rates determined by the National Bank of Poland as at the last days of the months from January through June 2011, i.e. EUR 1 = PLN 3.9673.

2. Consolidated Financial Statements of BNP Paribas Bank Polska SA Group

Comparative data of the Group for the period from 1 January 2011 through 30 June 2011 do not contain relevant items of Fortis Lease Polska Sp. z o.o., and BNP Paribas Factor Sp. z o.o. Financial results of Fortis Lease Sp. z o.o. and BNP Paribas Factor Sp. z o.o. are included in the financial result of the Group from the date of their acquisition, i.e. the result of Fortis Lease from 1 July 2011, while the result of BNP Paribas Factor from 2 April 2012.

Consolidated Income Statement (in PLN thousand)	Notes	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Interest income	7.1	518,034	458,563
Interest expense	7.2	-241,219	-179,176
Net interest income		276,815	279,387
Fee and commission income	7.3	88,346	89,166
Fee and commission expense	7.4	-18,779	-22,349
Net fee and commission income		69,567	66,817
Dividend and other investment income		-	-
Net trading income	7.5	53,078	23,393
Net profit/loss on available-for-sale financial assets	7.6	12,392	-439
Other revenues	7.7	25,778	8,147
Other operating expenses	7.8	-25,125	-8,570
Net banking income		412,505	368,735
General expenses		-287,141	-263,493
Personnel expenses	7.9	-157,320	-134,408
Other general expenses	7.10	-129,821	-129,085
Depreciation		-29,742	-32,754
Gross operating profit/loss		95,622	72,488
Risk costs	7.11	-73,570	-55,447
Net operating profit/loss		22,052	17,041
Net profit/loss from disposal of assets, shares and interest		-656	-2,496
Profit/loss before taxation		21,396	14,545
Income tax expense		-8,642	-4,975
Profit/loss after taxation		12,754	9,570
Consolidated Earnings Per Share	7.12		
Profit/loss after taxation (in PLN thousand)		12,754	9,570
Weighted average number of ordinary shares		24,299,253	24,123,506
EPS ratio (in PLN)		0.52	0.40
Weighted average of diluted number of ordinary shares		24,299,253	24,123,506
Diluted earnings per ordinary share ratio (in PLN)		0.52	0.40

Consolidated report of total income (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Net profit (loss) for the year	12,754	9,570
Profits/losses not recognised in the income statement (investments available for sale)	13,737	6,871
Deferred tax - profits/losses not recognised in the income statement (investments available for sale)	-2,611	-1,305
Profits/losses not recognised in the income statement (investments available for sale) - net	11,126	5,566
Total consolidated income	23,880	15,136

Notes posted on subsequent pages are an integral part of the consolidated financial statements.

As at 30 June 2011 the comparative data do not include the relevant items of the following companies: Fortis Lease Polska Sp. z o.o., and BNP Paribas Factor Sp. z o.o. As at 31 December 2011, they do not contain relevant items of BNP Paribas Factor Sp. z o.o., whereas they include items of Fortis Lease Polska Sp. z o.o. starting from the acquisition date of shares in that company, i.e. from 1 July 2011.

Consolidated balance sheet (in PLN thousand)	Notes	30 June 2012	31 December 2011	30 June 2011
ASSETS				
Cash and cash equivalents	8	627,372	1,116,676	356,063
Financial assets held for trading	9.1	129,057	175,761	167,567
Due from banks	10.1	358,866	358,985	157,510
Loans to customers	10.2	16,676,565	16,646,924	14,291,509
Hedging instruments	15	8,712	17,759	1,355
Investments - available for sale	11.1	2,138,175	3,658,899	4,283,155
Other investments	11.2	-	-	12
Property, plant and equipment		140,994	148,948	151,835
Intangible assets		30,005	31,011	23,719
Non-current assets held for sale	12	8,942	5,254	4,785
Settlements on account of income tax		2,879	-	715
Deferred tax assets		241,806	246,207	222,749
Other assets		105,594	72,880	90,296
Total assets		20,468,967	22,479,304	19,751,270
LIABILITIES				
Financial liabilities held for trading	9.2	109,904	126,034	74,914
Due to banks	13.1	1,155,387	1,032,033	2,174,963
Due to customers	13.2	8,939,302	8,882,230	7,661,912
Loans and credit facilities received	13.3	7,851,333	10,035,056	7,644,244
Hedging instruments		-	-	74
Differences from the fair value hedge against interest rate risk falling on hedged items		7,667	13,132	-532
Subordinated liabilities	14	426,163	592,628	540,691
Income tax liabilities		1,478	24,132	110
Other liabilities		222,438	322,845	265,239
Provisions		67,805	47,292	25,316
Total liabilities		18,781,477	21,075,382	18,386,931
EQUITY CAPITAL				
Share capital		1,434,646	1,206,175	1,206,175
Additional capital		172,401	127,099	127,099
Transfer from BNP Paribas SA Branch		-	15,161	15,161
Other capital		26,269	6,919	6,919
Revaluation reserve		6,742	-4,384	-1,290
Consolidation adjustment		833	12,805	-
Retained earnings		33,845	705	705
Net profit (loss) for the year		12,754	39,442	9,570
Total equity		1,687,490	1,403,922	1,364,339
Total liabilities and equity		20,468,967	22,479,304	19,751,270

Notes published on the following pages constitute an integral part of the consolidated financial statements.

**Consolidated Statement of Changes in Shareholders' Equity for the first half of 2011
(in PLN thousand)**

	Share capital	Additional capital	Transfer from BNP Paribas SA Branch	Retained profit	Net profit (loss) for the current year	Other capital	Revaluation reserve	Total capital
Balance as at 1 Jan 2011	1,206,175	124,810	-78,010	42,279	-	45,685	-6,856	1,334,083
Total income for the first half of 2011	-	-	-	-	9,570	-	5,566	15,136
Distribution of retained earnings	-	2,289	-	-41,574	-	39,244	-	-41
Other	-	-	93,171	-	-	-78,010	-	15,161
Balance as at 30 June 2011	1,206,175	127,099	15,161	705	9,570	6,919	-1,290	1,364,339

**Consolidated Statement of Changes in Shareholders' Equity in 2011
(in PLN thousand)**

	Share capital	Additional capital	Transfer from BNP Paribas SA Branch	Retained profit	Net profit (loss) for the current year	Other capital	Revaluation reserve	Consolidation adjustment	Total capital
Balance as at 1 Jan 2011	1,206,175	124,810	-78,010	42,279	-	45,685	-6,856	-	1,334,083
Consolidation adjustment	-	-	-	-	-	-	-	12,805	12,805
Total income in 2011	-	-	-	-	39,442	-	2,472	-	41,914
Distribution of retained earnings	-	2,289	-	-41,574	-	39,244	-	-	-41
Other	-	-	93,171	-	-	-78,010	-	-	15,161
Balance as at 31 Dec 2011	1,206,175	127,099	15,161	705	39,442	6,919	-4,384	12,805	1,403,922

**Consolidated Statement of Changes in Shareholders' Equity for the first half of 2012
(in PLN thousand)**

	Share capital	Additional capital	Transfer from BNP Paribas SA Branch	Retained profit	Net profit (loss) for the current year	Other capital	Revaluation reserve	Consolidation adjustment	Total capital
Balance as at 1 Jan 2012	1,206,175	127,099	15,161	40,147	-	6,919	-4,384	12,805	1,403,922
Consolidation adjustment	-	-	-	12,805	-	-	-	-11,972	833
Total income for the first half of 2012	-	-	-	-	12,754	-	11,126	-	23,880
Share issue	228,471	31,529	-	-	-	-	-	-	260,000
Transfer of a positive difference into the additional capital	-	15,161	-15,161*	-	-	-	-	-	-
Distribution of retained earnings	-	-243	-	-19,107	-	19,350	-	-	-
Other	-	-1,145	-	-	-	-	-	-	-1,145
Balance as at 30 June 2012	1,434,646	172,401	-	33,845	12,754	26,269	6,742	833	1,687,490

*In 2012, the Annual General Meeting decided to transfer a positive difference, in the amount of PLN 15,161, arising from the tax settlement of the acquisition by BNP Paribas Bank Polska SA of an organized part of BNP Paribas SA Branch in Poland into the additional capital. The tax settlement of the acquisition of the organized part of the enterprise was made in March 2011, and then the respective asset was recognized on that account.

Consolidated Cash Flow Statement (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Cash and cash equivalents (gross), opening balance	1,117,782	1,173,682
Operational activity		
Gross profit/loss	21,396	14,545
Adjustments for:	-47,388	-79,944
Depreciation	29,742	32,754
Impairment losses	-4,184	55,860
Profits/losses on account of FX rate differences	-672	-
Profits/losses on investing activities	6,235	2,762
Changes in operational assets and liabilities:	-48,688	-257,341
- financial assets and liabilities held for trading	30,573	4,648
- due from banks	57,209	2,058
- loans to customers	46,979	-1,147,356
- change in the balance of assets and liabilities on account of applying fair value hedge accounting	3,582	-1,813
- change in the balance of available-for-sale investments	-8,094	-29,820
- change in other investments	-	-
- due to banks	127,772	1,455,520
- due to customers	52,656	-598,654
- liabilities due on account of credit facilities and loans received	-204,626	166,269
- liabilities due on account of a subordinated loan	-18,761	1,052
- other assets and liabilities	-135,978	-109,245
Income tax expense	-29,821	86,021
Net operating cash flows	-25,992	-65,399
Investment activity		
Acquisition of shares and investments in subsidiaries	-7,652	-
Cash held by the acquired unit	8,591	-
Purchase of available-for-sale investments	-14,446,053	-35,889,922
Purchase of property, plant and equipment and intangible fixed assets	-27,018	-30,677
Proceeds from sales of available-for-sale investments	15,982,355	34,917,742
Proceeds from sales of property, plant and equipment	427	217
Other investment expenses (notes 18.1)	-371	-279
Net cash provided by investing activities	1,510,279	-1,002,919
Financial activity		
Payment of subordinated liabilities	-147,705	-60,000
Loans and credit facilities taken	3,015,362	2,175,100
Repayment of loans and credit facilities	-5,100,701	-1,863,830
Share issue	260,000	-
Other financial expenses (notes 18.2)	-1,142	-
Net cash provided by (used in) financing activities	-1,974,186	251,270
Cash and cash equivalents, gross Ending balance	627,888	356,634
Change in cash and cash equivalents, net	-489,899	-817,048

The consolidated Cash Flow Statement is prepared using an indirect method.

Notes published on the following pages constitute an integral part of the consolidated financial statements.

Additional Notes to Financial Statements

3. Information on BNP Paribas Bank Polska SA Group

Basic data on the Issuer

BNP Paribas Bank Polska Spółka Akcyjna ("the Bank") with its registered office in Warsaw, at ul. Suwak 3, entered in the National Court Register (KRS) maintained by the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register under No. KRS 0000006421.

The Bank was assigned statistical number (REGON) 003915970, and tax identification number (NIP) 676-007-83-01.

The Bank is a company with an indefinite period of operation, and its business has no seasonal or periodical nature.

The consolidated financial statements of BNP Paribas Bank Polska SA Group for the first half of 2012 contain the data of the Bank and its subsidiaries: Towarzystwo Funduszy Inwestycyjnych BNP Paribas Polska S.A., Fortis Lease Polska Sp. z o.o. and BNP Paribas Factor Sp. z o.o. (jointly referred to as "the Group").

Structure of the Group

BNP Paribas Bank Polska SA Group is part of BNP Paribas SA, an international financial institution based in Paris.

As at 30 June 2012, the direct parent entity of BNP Paribas Bank Polska SA was Fortis Bank SA/NV based in Brussels which held 99.89% of the Bank's shares, of which 81.62% directly, while 18.27% through Dominet SA. The remaining 0.11% shares are held by other shareholders.

As at 30 June 2012, the Group comprised:

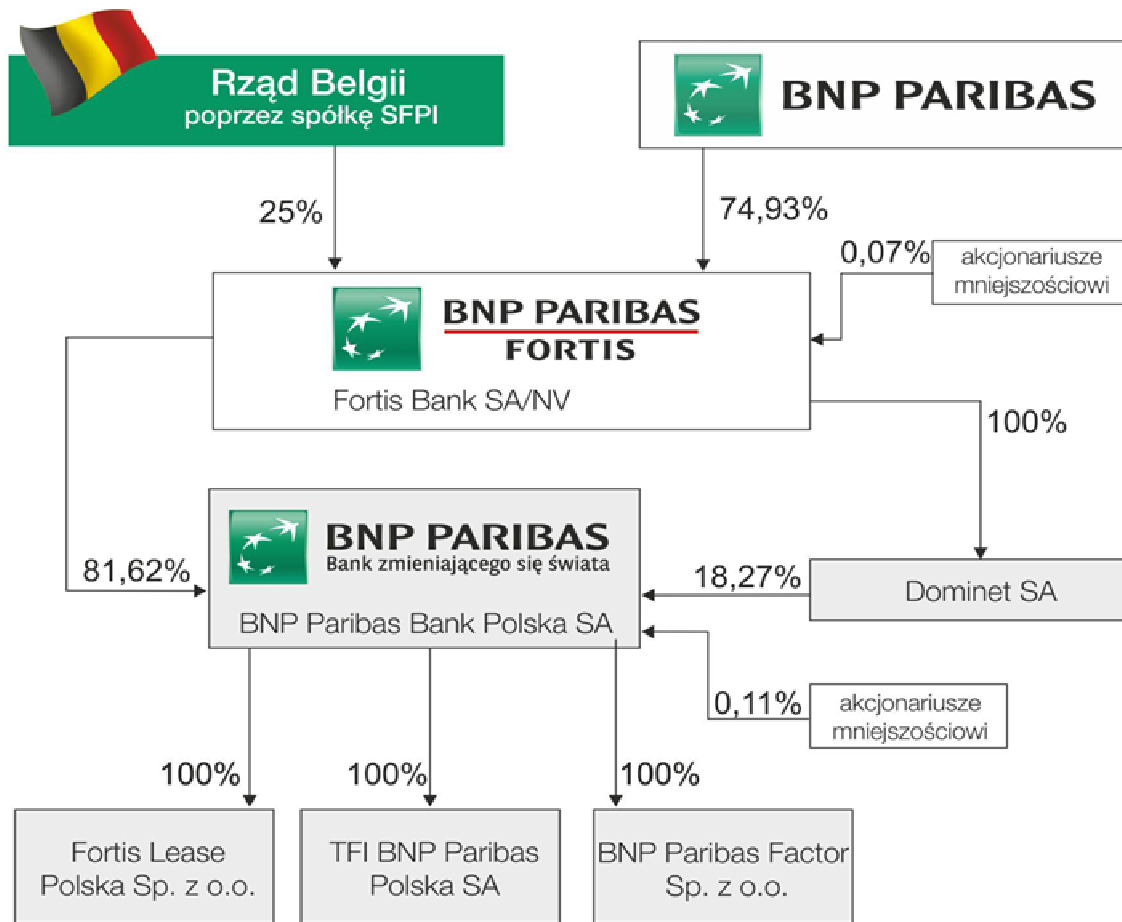
- BNP Paribas Bank Polska SA (hereinafter: ("the Bank"),
- Towarzystwo Funduszy Inwestycyjnych BNP Paribas Polska SA (investment fund company) (hereinafter: "TFI") - the Bank's subsidiary in which it holds 100% shares,
- Fortis Lease Polska Sp. z o.o. (hereinafter: "FLP") - the Bank's subsidiary in which it holds 100% shares;
- BNP Paribas Factor Sp. z o.o. (hereinafter: "Factor") - the Bank's subsidiary in which it holds 100% shares.

Towarzystwo Funduszy Inwestycyjnych BNP Paribas Polska S.A. with its registered office in Warsaw, at ul. Fredry 8, is entered in the District Court for the capital city of Warsaw, XII Commercial Division of the National Court Register (KRS) under KRS Entry No. 0000031121. The company was assigned statistical number (REGON): 012557199, and tax identification number (NIP): 526-02-10-808.

Fortis Lease Polska Sp. z o. o. with its registered office in Warsaw, ul. Suwak 3, is entered in the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register (KRS) under KRS Entry No. 0000098813. The company was assigned statistical number (REGON): 016425425, and tax identification number (NIP): 521-31-10-063.

BNP Paribas Factor Sp. z o. o. with its registered office in Warsaw at ul. Cybernetyki 19B, is registered with the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register (KRS) under No. KRS 0000225155. The company was assigned statistical number (REGON): 052255107, and tax identification number (NIP): 966-17-67-430.

The diagram below presents the position of BNP Paribas Bank Polska SA in the BNP Paribas group



BNP Paribas Bank Polska SA is the parent entity of the following subsidiaries: Towarzystwa Funduszy Inwestycyjnych BNP Paribas Polska SA, Fortis Lease Polska Sp. z o.o. and BNP Paribas Factor Sp. z o.o., holding 100% of their shares.

Name of the unit	Ownership relation	Consolidation method	Registered office	% of votes at the General Meeting of Shareholders	
				30 June 2012	30 June 2011
Towarzystwo Funduszy Inwestycyjnych BNP Paribas Polska SA	subsidiary	full consolidation	Warsaw	100%	100%
Fortis Lease Polska Sp. z o.o.	subsidiary	full consolidation	Warsaw	100%	-
BNP Paribas Factor Sp. z o.o.	subsidiary	full consolidation	Warsaw	100%	-

Acquisition of BNP Paribas Factor Sp. z o.o. (formerly: Fortis Commercial Finance Sp. z o.o.)

On 2 April 2012, BNP Paribas Bank Polska acquired 100% of shares in Fortis Commercial Finance Sp. z o.o., a company with its registered office in Warsaw, from a Dutch company, Fortis Commercial Finance Holding N.V. On 29 June 2012, the company changed its name into BNP Paribas Factor Sp. z o.o.

BNP Paribas Factor Sp. z o.o. supports the financing of the Bank's customers from the corporate and SME segment, offering factoring services, both with and without assuming the risk of customers' insolvency. From the Bank's perspective, having a factoring company - besides a possibility to propose an expanded and more integrated financing offering - also means new cross-selling opportunities with respect to business customers.

Field of the Group's business activity:

The Group's business activity includes banking transactions both in Polish zlotys and foreign currencies for domestic and foreign private individuals and legal persons and other organizations without legal personality, likewise brokerage activities.

In addition, through its subsidiaries the Group is engaged in leasing and factoring activity and provides other financial services.

4. Accounting Policies

4.1. Basis of Presentation

Statement on consistency with the IFRS

The interim abbreviated consolidated financial statements of the BNP Paribas Bank Polska SA Group have been prepared pursuant to the International Accounting Standard 34 "Interim Financial Reporting" (IAS 34), approved by the EU, and other applicable regulations. This financial report does not contain all information required for the annual consolidated financial statements and therefore, it should be read together with the consolidated financial statements of BNP Paribas Bank Polska SA Group for the year ended 31 December 2011. The Consolidated Financial Statements of BNP Paribas Bank Polska SA Group for the year ended 31 December 2011 is available on the Bank's website: www.bnpparibas.pl.

Pursuant to the Ministry of Finance Ordinance dated 19 February 2009 regarding current and periodical information submitted by issuers of securities and conditions of recognising as equivalent the information required by law provisions of a country that is not a EU Member State (Journal of Laws No. 33/2009, item 259), the Bank shall publish its financial performance for the period of six months ending on 30 June 2012, which is considered a current interim reporting period.

These financial statements of the Bank were approved for publishing by the Bank Board of Executives on 27 August 2012.

The Accounting Policies adopted to prepare the interim abbreviated financial statements of the BNP Paribas Bank Polska SA Group are consistent with the rules applied in the annual financial statements for the fiscal year ended on 31 December 2011.

The financial statements do not include amendments to standards and interpretations, which:

- were issued by the International Accounting Standards Board (International Financial Reporting Interpretations Committee) however have not been approved by the European Union;
- were issued by the International Accounting Standards Board (International Financial Reporting Interpretations Committee) and were approved by the European Union, however they became, or will become, effective after the balance sheet date.
-

The Group now analyses in detail the effect of new standards on the financial statements. In the opinion of the Group, the aforesaid amendments to standards and interpretations will have no material effect on the Group's financial statements except for IFRS 9 Financial Instruments, effective for annual periods beginning on or after 01 January 2015; as at the date of preparing these financial statements, the amendments have not been approved by the European Commission.

4.2. Comparative Data

In the consolidated financial statements there were presented consolidated data of BNP Paribas Bank Polska S.A. and its subsidiaries: Fortis Lease Polska Sp z o.o. and Towarzystwo Funduszy Inwestycyjnych BNP Paribas Polska S.A. for the period from 1 Jan 2012 through 30 June 2012 and as at 30 June 2012, and BNP Paribas Factor Sp. z o.o for the period from 2 April 2012 through 30 June 2012 and as at 30 June 2012, likewise consolidated comparative data for the period from 1 Jan 2011 through 30 June 2011 and as at 30 June 2011 and 31 Dec 2011, including the financial result of Fortis Lease Polska Sp. z o.o. since the date of shares acquisition in this subsidiary, i.e. from 1 July 2011 through 31 Dec 2011 and as at 31 Dec 2011. It means that in the statements, the Group presents comparative data for the period from 1 Jan 2011 through 30 June 2011 and as at 30 June 2012 which do not contain relevant items of Fortis Lease Polska Sp. z o.o. and BNP Paribas Factor Sp. z o.o.

5. Comparability with Previously Published Reports

In order to ensure data comparability, some changes were made with respect to the manner of presentation of the data published in the report for the first half of 2011 as at 30 June 2011, including the data published in the quarterly report for the first quarter of 2012 as at 31 Dec 2011. The data are presented in PLN thousand.

Consolidated balance sheet as at 31 December 2011				
Item	Report for the first half of 2012	2011 Annual Report	Difference	Change description
Cash and cash equivalents	1,116,676	1,113,667	3,009	Change in the presentation of accrued interest
Assets held for trading	175,761	175,238	523	
Due from banks	358,985	358,822	163	
Loans to customers	16,646,924	16,591,353	55,571	
Investments available for sale	3,658,899	3,624,921	33,978	
Other assets	72,880	166,124	-93,244	Change in the presentation of accrued interest
Due to banks	1,032,033	1,042,630	6,082	Change in the presentation of accrued interest and customer type
Due to customers	8,882,230	8,828,685	36,866	
Loans and credit facilities received	10,035,056	10,014,560	20,496	Change in the presentation of accrued interest
Subordinated liabilities	592,628	590,016	2,612	
Other liabilities	322,845	391,369	-66,056	Change in the presentation of accrued interest
			-2,468	Change in the presentation of reserves for employee benefits
Provisions	47,292	44,824	2,468	Change in the presentation of reserves for employee benefits
Total changes			-	

Consolidated income statement for the period from 1 Jan 2011 through 30 June 2011				
Item	Report for the first half of 2012	Report for the first half of 2011	Difference	Change description
Interest expense	-179,176	-179,231	55	Change in the presentation of interest on lease
Fee and commission income	89,166	90,530	1,603	Change in the presentation of provisions for fees and commissions
			30	Change in the presentation of income
			-2 997	Change in the presentation of income
Fee and commission expense	-22,349	-20,746	-1,603	Change in the presentation of provisions for fees and commissions
Net trading income	23 393	20 396	2 997	Change in the presentation of income
Other revenues	8,147	9,552	-418	Change in the presentation of income
			-955	
			-30	
			-2	Others
Other operating expenses:	-8,570	-	-8,570	Separation of "Other operating expenses" from "Other general expenses"
Personnel expenses	-134,408	-133,916	-492	Change in the presentation of personnel expenses
Other general expenses	-129,085	-144,676	-55	Change in the presentation of interest on lease
			955	Change in the presentation of income
			8,570	Separation of "Other operating expenses" from "Other general expenses"
			492	Change in the presentation of personnel expenses
			1,653	Separation of "Net profit/loss from disposal of assets, shares and interest" from "Other expenses"
			3,974	Change in the presentation of expenses

			2	Others
Depreciation	-32,754	-33,120	366	Change in the presentation of provisions for investments
Risk costs	-55,447	-52,368	-366	Change in the presentation of provisions for investments
			418	Change in the presentation of income
			843	Separation of "Net profit/loss from disposal of assets, shares and interest" from "Risk costs"
			-3,974	Change in the presentation of expenses
Net profit/loss from disposal of assets, shares and interest	-2,496	-	-843	Separation of "Net profit/loss from disposal of assets, shares and interest" from "Risk costs"
			-1,653	Separation of "Net profit/loss from disposal of assets, shares and interest" from "Other expenses"
Total changes			-	

Consolidated balance sheet as at 30 June 2011

Item	Report for the first half of 2012	Report for the first half of 2011	Difference	Change description
Cash and cash equivalents	356,063	356,038	25	Change in the presentation of accrued interest
Assets held for trading	167,567	166,808	759	
Due from banks	157,510	157,334	176	
Loans to customers	14,291,509	14,243,526	47,983	
Investments available for sale	4,283,155	4,237,847	45,308	
Other assets	90,296	184,547	-94,251	
Due to banks	2,174,963	2,201,464	1,867	Change in the presentation of accrued interest
			-28,368	Change in the presentation of a customer type
Due to customers	7,661,912	7,598,181	35,365	Change in the presentation of accrued interest
			28,368	Change in the presentation of a customer type
			-2	Others
Loans and credit facilities received	7,644,244	7,635,046	9,198	Change in the presentation of accrued interest
Subordinated liabilities	540,691	538,392	2,299	Change in the presentation of accrued interest
Other liabilities	265,239	316,315	-48,729	
			-2,348	
			1	Others
Provisions	25,316	22,968	2,348	Change in the presentation of reserves for employee benefits
Total changes			-	

6. Segment Reporting

Information on segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

Primary segmentation

The main business profile of the Group includes financial services rendered within the following segments:

- Retail Banking
- Corporate and Transaction Banking
- Other Banking Activity

Accounting principles for specific segments are the same as the ones described in the accounting principles. In the income statement costs are at first presented as direct costs in all business lines and support units (horizontal functions).

Activity segments

- Retail Banking

The Retail Banking business line specializes in servicing small enterprises and individual customers, by providing financial services for individual customers, professionals (liberal professions) and small companies. Moreover, the segment offers consulting on all forms of daily banking, savings, investment and lending, likewise providing retail banking services.

- Corporate and Transaction Banking

The Corporate and Transaction Banking business line specializes in the service of medium and big enterprises, focusing on customers that operate internationally, by offering them financial solutions based on standard products and banking services as well as specialist financial products.

- Other Banking Activity

Units operating under the Other banking activity play an important role in the management of balance-sheet and off-balance sheet items of the Bank and are responsible for risk and capital management, transfer price setting, relations with other banks and liquidity management of the Bank. Costs of support units (horizontal functions), treasury and financial functions as well as other activity not related with the core banking activity are also included in the segment.

Geographical segment

The Group runs its business in Poland as the only geographical area, therefore all revenues earned, costs incurred and assets pertain to one geographical area – Poland.

Consolidated Income Statement by Business Segments

1 Jan 2011 - 30 June 2011 (in PLN thousand)	Retail Banking	Corporate and Transaction Banking	Other Banking Activity	Total
Interest income (external)	247,931	105,241	105,391	458,563
Transfer prices expense (internal)	-140,640	-75,100	-190,797	-406,537
Interest expense (external)	-67,557	-41,842	-69,777	-179,176
Transfer prices income (internal)	97,072	67,317	242,148	406,537
Net interest income	136,806	55,616	86,965	279,387
Fee and commission income (external)	62,259	26,032	875	89,166
Fee and commission expense (external)	-20,991	-468	-890	-22,349
Net fee and commission income	41,268	25,564	-15	66,817
Net trading income (external)	13,640	32,293	-22,540	23,393
Net profit/loss on transactions in available-for-sale financial instruments (external)	-	-	-439	-439
Other income (external)	6,171	1,974	2	8,147
Other operating expenses (external)	-5,570	-3,000	-	-8,570
Net banking income	192,315	112,447	63,973	368,735
General expenses	-136,351	-18,797	-108,345	-263,493
Personnel expense (external)	-61,887	-12,956	-59,565	-134,408
Other general expenses (external)	-74,464	-5,841	-48,780	-129,085
Depreciation (external)	-15,648	-1,550	-15,556	-32,754
Cost allocation (internal)	-104,469	-16,139	120,608	-
Gross operating profit/loss	-64,153	75,961	60,680	72,488
Risk costs (external)	-51,175	-4,439	167	-55,447
Net operating profit/loss	-115,328	71,522	60,847	17,041
Net profit/loss from disposal of assets, shares and interest (external)	-2,306	-190	-	-2,496
Profit/loss before taxation	-117,634	71,332	60,847	14,545
Income tax expense	37,767	-23,066	-19,676	-4,975
Profit/loss after taxation	-79,867	48,266	41,171	9,570

1 Jan 2012 - 30 June 2012 (in PLN thousand)	Retail Banking	Corporate and Transaction Banking	Other Banking Activity	Total
Interest income (external)	285,052	151,633	81,349	518,034
Transfer prices expense (internal)	-171,480	-85,160	-239,880	-496,520
Interest expense (external)	-102,935	-82,043	-56,241	-241,219
Transfer prices income (internal)	120,693	89,525	286,302	496,520
Net interest income	131,330	73,955	71,530	276,815
Fee and commission income (external)	57,884	29,999	463	88,346
Fee and commission expense (external)	-17,409	-1,011	-359	-18,779
Net fee and commission income	40,475	28,988	104	69,567
Net trading income (external)	13,126	37,299	2,653	53,078
Net profit/loss on transactions in available-for-sale financial instruments (external)	196	99	12,097	12,392
Other income (external)	10,021	15,750	7	25,778
Other operating expenses (external)	-10,086	-15,039	-	-25,125
Net banking income	185,062	141,052	86,391	412,505
General expenses	-151,811	-26,519	-108,811	-287,141
Personnel expense (external)	-75,466	-16,437	-65,417	-157,320
Other general expenses (external)	-76,345	-10,082	-43,394	-129,821
Depreciation (external)	-15,545	-1,552	-12,645	-29,742
Cost allocation (internal)	-87,874	-19,607	107,481	-
Gross operating profit/loss	-70,168	93,374	72,416	95,622
Risk costs (external)	-81,810	7,644	596	-73,570
Net operating profit/loss	-151,978	101,018	73,012	22,052
Net profit/loss from disposal of assets, shares and interest (external)	-410	-246	-	-656
Profit/loss before taxation	-152,388	100,772	73,012	21,396
Income tax expense	22,257	-19,427	-11,472	-8,642
Profit/loss after taxation	-130,131	81,345	61,540	12,754

Consolidated total assets (in PLN thousand)	As at:	Retail Banking	Corporate and Transaction Banking	Other Banking Activity	Total
Assets	30 June 2012	11,044,244	5,605,126	3,819,597	20,468,967
	31 Dec 2011	11,794,380	6,113,721	4,571,203	22,479,304
	30 June 2011	9,876,648	4,495,565	5,379,057	19,751,270
Liabilities	30 June 2012	5,692,475	5,334,374	9,442,118	20,468,967
	31 Dec 2011	5,301,543	5,642,411	11,535,350	22,479,304
	30 June 2011	4,606,996	3,661,684	11,482,590	19,751,270

Description of Segment Activity

BNP Paribas Bank Polska SA Group presents the results of Fortis Lease Polska Sp z o.o. (FLP) from the acquisition of the company, i.e. from 1 July 2011 and the results of BNP Paribas Factor Sp. z o.o. from the acquisition of the Company, i.e. from 2 April 2012. Acquisition of the above-mentioned companies and consolidation of their results have an impact on the amount of indices calculated and comparisons made.

In January 2012, the Bank changed the methodology of cost division into business segments. Pursuant to the new methodology, costs of a specific segment comprise the costs incurred directly by this segment and costs of support units allocated to this segment on the basis of percentage keys determined for a given year in the budgeting process, presented in the cost allocation item. Total segment costs in comparative data for 2011 were not changed however direct costs were translated according to the new methodology and are comparable with the costs of 2012.

Retail Banking

In the first half of 2012, the net banking income of the Retail Banking BL amounted to PLN 185.1 million, i.e. was by 4% lower than in 2011. The net interest income amounted to PLN 131.3 million and was by 4% lower than the result for the first half of 2011. The net interest income accounted for 71% of the net banking income of the Retail Banking BL. Net commission and fee income was PLN 40.5 million and was lower by PLN 0.8 million (2%) than the result for the first half of 2011. The net fee and commission income made up 22% of the Retail Banking BL net income.

In the first half of 2012, risk costs amounted to PLN 81.8 million as compared to PLN 51.2 million in the first half of 2011.

The personnel costs for the first half of 2012 equalled PLN 75.5 million in comparison to PLN 61.9 million in the first half of 2011 and accounted for 48% of total personnel expenses of the Group. The "cost allocation" item constitutes the value of costs allocated from support units to a business line. Such costs amounted to PLN 87.9 million in the first half of 2012.

Loss before taxation of the business line in the first half of 2012 amounted to PLN 152.4 million as compared to the loss of PLN 117.6 million in the first half of 2011.

Corporate and Transaction Banking

The net banking income of the Corporate and Transaction Banking BL grew from PLN 112.4 million earned in the first half of 2011 up to PLN 141.1 million in the first half of 2012, i.e. by 25%.

The change in the CTB BL net revenues is attributable primarily to:

- increase in net interest income by 33% (ie, PLN 18.3 million, including an increase in net interest income associated with the result of Fortis Lease Polska Sp. z o.o. by PLN 13.5 million);
- net fee and commission income higher by 13% (i.e. by PLN 3.4 million);
- net trading income higher by 16% (i.e. PLN 5.0 million);

In the first half of 2012 the Corporate and Transaction Banking BL recorded a positive result on account of risk costs in the amount of PLN 7.6 million (in connection with release of net provisions for customer receivables) compared to the risk costs in the amount of PLN 4.4 million in the first half of 2011. The decrease in risk costs is a result of restructuring actions taken by the Group and the credit portfolio quality improvement.

Personnel costs increased from PLN 13.0 million for the first half of 2011 up to PLN 16.4 million in the first half of 2012. The "costs allocation" item represents the net value of business line costs allocated and transferred from Corporate and Transaction Banking to other units. The costs increased from PLN 16.1 million for the first half of 2011 up to PLN 19.6 million for the first half of 2012.

The above events translated into an increase in gross income from PLN 71.3 million for the first half of 2011 up to PLN 100.8 million for the first half of 2012.

Other Banking Activity

The Other Banking Activity segment presents net income on account of interest rate, liquidity and FX risks. The net income increased from PLN 64.0 million for the first half of 2011 up to PLN 86.4 million for the first half of 2012. The increase results primarily from increase in net trading income. The expenses include costs generated by support units.

7. Additional Notes to Consolidated Income Statement

Below there is detailed information on consolidated revenues and expenses of the Group for the first half of 2012 and comparative data for the first half of 2011. Comparative data of the Group for the period from 1 January 2011 through 30 June 2011 do not contain relevant items of Fortis Lease Polska Sp. z o.o., and BNP Paribas Factor Sp. z o.o. Financial results of Fortis Lease Sp. z o.o. and BNP Paribas Factor Sp. z o.o. are included in the financial result of the Group from the date of their acquisition, i.e. the result of Fortis Lease from 1 July 2011, while the result of BNP Paribas Factor from 2 April 2012, respectively.

Note 7.1

Interest income (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Cash and cash equivalents	11,913	6,583
Due from banks	10,671	1,895
Loans to customers	430,940	351,052
Investments available for sale	62,919	94,889
Securities held for trading	252	1,905
Derivative hedging instruments	1,339	2,239
Total interest income	518,034	458,563

Note 7.2

Interest expense (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Due to banks	-16,563	-26,082
Due to customers	-151,819	-101,818
Loans and credit facilities received	-59,197	-38,910
Debt securities issue	-	-311
Subordinated loans	-11,196	-10,427
Derivative hedging instruments	-545	-808
Others	-1,899	-820
Total interest expense	-241,219	-179,176

Note 7.3

Fee and commission income (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Custody services and securities trading	412	647
Cash settlements services	30,925	28,809
Guarantees and contingent liabilities	10,760	9,695
Commissions related to granting credit facilities (amortised using the straight-line method)	7,474	7,851
Loan origination fees and commissions (one-off items)	3,950	3,268
Income on account of agency in customer acquisition	535	587
Card related income	10,546	8,902
Insurance product sales revenues	10,599	13,869
Income on asset management	1,295	1,934
Others	11,850	13,604
Total fee and commission income	88,346	89,166

Note 7.4

Fee and commission expense (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Custody services and securities trading	-44	-80
Card related expenses	-5,889	-5,211
Cash transactions expenses	-160	-125
Settlements	-705	-692
Fee and commission income related to the franchisee branch network	-4,150	-5,113
Expenses related to the sale of insurance products:	-1,217	-1,184
Others	-6,614	-9,944
Total fee and commission expenses	-18,779	-22,349

Note 7.5

Net trading income (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Securities	274	-234
Derivative instruments, including:	6,729	-10,594
- fair value adjustment on account for credit risk of derivative instruments	6,565	3,114
Foreign exchange transactions	46,075	34,221
Total net trading income	53,078	23,393

Note 7.6

Net result on available-for-sale financial assets (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Securities	12,392	-439
Including: result on available-for-sale financial instruments	8,530	-499
Shares and holdings	-	-
Total net profit (loss) on transactions in available-for-sale financial instruments	12,392	-439

Note 7.7

Other revenues (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Income on account of covering mandatory annual fee for BGF	2,403	2,008
Rental and lease income	3,744	2,975
Income on account of providing financial services	-	699
Compensation, penalties and fines	317	143
Reimbursement of costs related to agents' activities	71	137
Other	19,243*	2,180
Total other income	25,778	8,147

* the „Other” item comprises revenues of a subsidiary in the amount of PLN 16,088 thousand.

Note 7.8

Other operating expenses: (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Compensation, penalties and fines	-321	-321
BGF costs	-7,409	-6,677
Other expenses	-17,395*	-1,572
Total other operating costs	-25,125	-8,570

* the „Other expenses” item comprises expenses of a subsidiary in the amount of PLN 16,045 thousand.(the amount includes, but is not limited to, the following: costs related to taxes, registration fees and insurance).

Note 7.9

Personnel expenses (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Remuneration	-108,646	-105,402
Surcharges on remuneration	-23,106	-19,775
Provisions on severance pay related to retirement, unused vacation leaves and other employee benefits	-25,484	-9,164
- including: restructuring provision	-13,000	-
Other remuneration components	-84	-67
Total personnel costs	-157,320	-134,408

Note 7.10

Other general expenses (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
- rents	-36,614	-33,842
- information technologies and systems	-20,946	-19,102
-marketing and advertising	-16,458	-19,165
- expenditure related to RE use	-6,536	-8,439
- postal and telecommunication services	-8,653	-10,934
- advisory services and consulting	547	-1,411
- business travels	-4,953	-5,189
- training	-2,390	-3,061
- municipal services	-8,445	-8,688
- investment expenditures	-2,183	-888
- security	-2,329	-2,598
- stationery	-1,599	-2,851
- KNF costs	-2,126	-1,939
- costs of receivables recovery	-3,445	-3,664
- other*	-13,691	-7,314
Total other general costs	-129,821	-129,085

*"other"- the item includes, but is not limited to, the following: provision for recovery costs, provision for other administration costs, costs of ATM service and supply.

Note 7.11

Risk costs (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Net cash and cash equivalents, including:	595	167
- write-downs for Incurred But Not Reported losses (IBNR)	595	167
Due from banks, net, including:	-9	-
- write-downs for Incurred But Not Reported losses (IBNR)	-9	-
Loans to customers, net, including:	-62,954	-46,453
- write-downs for impaired credit receivables	-87,275	-46,112
- write-downs for Incurred But Not Reported losses (IBNR)	3,801	-445
- income on account of receivables written-down to provisions	1,259	104
- income on account of receivables recovered	19,261	-
Off-balance sheet liabilities, net, including:	-7,752	-1,296
- provisions for off-balance sheet commitments	-7,105	-462
- write-downs for Incurred But Not Reported losses (IBNR)	-647	-834
Other assets, net	-3,450	-7,865
Total impairment losses, net	-73,570	-55,447

Note 7.12

Consolidated Earnings Per Share	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Number of shares as at 30 June	28,692,926	24,123,506
Weighted average number of ordinary shares	24,299,253	24,123,506
Profit/loss after taxation (in PLN thousand)	12,754	9,570
Earnings/loss per ordinary share ratio in PLN	0.52	0.40
Weighted average diluted number of potential ordinary shares	24,299,253	24,123,506
Diluted consolidated Earnings/Loss Per Share (PLN per share)	0.52	0.40

The basic earnings per share are computed as a quotient of the profit attributable to the Bank's shareholders and a weighted average number of ordinary shares during the period.

The diluted earnings per share are computed as a quotient of the profit attributable to the Bank's shareholders and a weighted average number of ordinary shares adjusted to take into consideration the impact of all potential ordinary shares that cause the EPS dilution.

As at the reporting date, there occurred no factors resulting in the dilution of potential ordinary shares.

8. Cash and cash equivalents

Note 8

Cash and cash equivalents (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Cash at hand	173,228	167,052	183,073
Due from the Central Bank	24,690	11,552	119,934
Short-term due from banks, including:	428,012	936,174	53,602
- Nostro accounts	11,162	37,918	23,068
- short-term deposits from banks	416,850	898,256	30,534
Interest	1,958	3,009	25
Cash and cash equivalents, gross	627,888	1,117,787	356,634
Impairment losses:	-516	-1,111	-571
- for Incurred But Not Reported losses (IBNR)	-516	-1,111	-571
Total cash and cash equivalents, net	627,372	1,116,676	356,063

The item "Due from the Central Bank" includes the balance on the nostro account and overnight deposits at the National Bank of Poland (NBP). At the nostro account with the NBP, funds that constitute the mandatory reserve are kept, computed on the basis of the arithmetic mean of daily balances on current and term accounts for a given month.

The average balance of the mandatory reserve declared at the end of the first half of 2012 stood at PLN 342,811 thousand, as at the end of 2011 it reached PLN 309,468 thousand, while at the end of the first half of 2011 it stood at PLN 296,931 thousand.

9. Financial Assets and Liabilities Held for Trading

Note 9.1

Financial assets held for trading (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Held-for-trading securities, including:	-	25,058	83,168
- treasury bonds	-	24,535	82,410
Interest	-	523	758
Derivative financial instruments, including:	129,057	150,703	84,399
- foreign currency contracts, including:	64,145	89,424	44,785
- fair value adjustment for credit risk	-2,606	-2,945	-2,686
- interest rate contracts	64,912	61,279	39,614
Total financial assets held for trading	129,057	175,761	167,567

As at 30 June 2012, 31 December 2011 and 30 June 2011, in the Bank's balance sheet there were no buy-sell-back repo securities held for trading.

Note 9.2

Financial liabilities held for trading (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Derivative financial instruments, including:	109,904	126,034	74,914
- foreign currency contracts	48,375	68,796	36,745
- interest rate contracts	61,529	57,238	38,169
Total financial liabilities held for trading	109,904	126,034	74,914

10. Receivables

Note 10.1

Due from banks (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Loans	75,032	60,063	75,066
Deposits	213,065	101,586	-
Receivables from financial instruments recognition (FX spot and FX swap transactions) on the transaction date	65,350	193,028	76,446
Other receivables	4,953	4,229	5,928
Interest	559	163	176
Total due from banks, gross	358,959	359,069	157,616
Impairment losses:	-93	-84	-106
- for Incurred But Not Reported losses (IBNR)	-93	-84	-106
Total due from banks, net	358,866	358,985	157,510

Note 10.2

Loans to customers (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Loans to budgetary entities	96	45	44
Mortgage loans	5,893,971	5,987,368	5,416,562
Consumer loans and credit facilities	2,360,965	2,278,817	2,361,628
Commercial loans	7,754,640	7,757,912	7,742,012
Receivables from financial instruments recognition (FX spot and FX swap transactions) on the transaction date	3,267	393	51
Finance lease receivables	1,792,753	1,899,785	-
Other receivables	126,827	7,521	9,185
Interest	57,796	55,571	47,984
Total loans to customers, gross	17,990,315	17,987,412	15,577,466
Impairment losses:	-1,313,750	-1,340,488	-1,285,957
- for incurred, reported losses	-1,221,716	-1,245,061	-1,203,829
- for Incurred But Not Reported losses (IBNR)	-92,034	-95,427	-82,128
Total loans to customers, net	16,676,565	16,646,924	14,291,509

Note 10.3

Changes to impairment losses (in PLN thousand)	Due from banks	Loans to customers	
	Write-downs for Incurred But Not Reported losses (IBNR)	Impairment loss	Write-downs for Incurred But Not Reported losses (IBNR)
Balance as at 1 Jan 2011	-105	-1,153,854	-81,683
Increases	-1	-125,880	-12,661
Decreases	-	76,220	12,216
Write-downs to provisions	-	2,193	-
FX rate differences	-	-2,508	-
Balance as at 30 June 2011	-106	-1,203,829	-82,128
Balance as at 1 Jan 2011	-105	-1,153,854	-81,683

Consolidation adjustment	-	-137,532	-12,168
Increases	-56	-396,256	-28,021
Decreases	77	263,764	26,445
Write-downs to provisions	-	151,210	-
FX rate differences	-	27,607	-
Balance as at 31 Dec 2011	-84	-1,245,061	-95,427
Balance as at 1 Jan 2012	-84	-1,245,061	-95,427
Increases	-21	-253,880	-4,546
Decreases	12	170,376	7,939
Write-downs to provisions	-	104,001	-
FX rate differences	-	2,848	-
Balance as at 30 June 2012	-93	-1,221,716	-92,034

11. Investments

Note 11.1

Investments available for sale (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Treasury bonds	1,697,099	1,893,309	2,320,693
Treasury bills	-	-	184,742
Bonds issued by banks	-	141,968	142,728
Bonds issued by non-financial entities	11,447	10,000	7,726
NBP cash bills	379,765	1,569,391	1,560,000
Shares and stock	24,249	22,240	18,806
Other	9,416	3,200	3,152
Interest	31,458	33,978	45,308
Total investments available for sale, gross	2,153,434	3,674,086	4,283,155
Write-downs for investments available for sale	-15,259	-15,187	-
Write-downs for bonds issued by non-financial entities	-3,888	-3,888	-
Write-downs for shares	-11,371	-11,299	-
Total investments available for sale, net	2,138,175	3,658,899	4,283,155

Note 11.2

Other investments (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Investments in subsidiaries	-	-	-
Investments in affiliates	-	-	12
Total other investments	-	-	12

12. Non-current assets held for sale

The table below presents a specification of non-current assets held for sale as at 30 June 2012 as well as comparative data:

Note 12

in PLN thousand	30 June 2012	31 Dec 2011	30 June 2011
Land (including perpetual usufruct of land)	403	250	250
Buildings and premises	6,871	4,535	4,535
Means of transport	159	313	-
Construction machines	200	156	-
Others	1,309	-	-
Total non-current assets held for sale	8,942	5,254	4,785

In accordance with IFRS5 "Non-current Assets Held for Sale and Discontinued Operations," in the "Non-current assets held for sale" balance sheet position, BNP Paribas Bank Polska SA recognised the real estate which fulfils relevant IFRS5 requirements concerning classification of assets as non-current assets held for sale.

The Bank entered into a preliminary conditional sale agreement of real estate, with its finalisation planned for the first quarter of 2013.

In accordance with IFRS5 "Non-current Assets Held for Sale and Discontinued Operations", Fortis Lease Polska Sp. z o.o. recognized in the balance sheet position "Non-current assets held for sale" the following assets:

- five means of transport
- a construction machine
- one production line
- one specialized machine
- one real property with land

that meet the relevant requirements of IFRS5 concerning the classification of non-current assets held for sale as at 30 June 2012.

The aforesaid assets were taken over from lessees through debt recovery actions and earmarked for sale pursuant to the debt recovery procedure applied in the Company.

13. Liabilities

Note 13.1

Due to banks (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Banks' deposits	1,084,450	833,094	1,832,124
- current	77,644	269,521	110,152
- term	618,169	13,746	1,214,404
- cash collateral	388,637	549,827	507,568
Sale of securities with the repurchase option	-	-	264,474
Liabilities on account of recognition of financial instruments (FX spot and FX swap transactions) on the transaction date	65,321	193,074	76,498
Interest	5,616	5,865	1,867
Total due to banks	1,155,387	1,032,033	2,174,963

Note 13.2

Due to customers (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Current deposits	3,362,986	3,339,224	3,094,605
Term deposits	5,349,070	5,330,680	4,349,860
Cash collateral	170,942	388	182,033
Liabilities on account of recognition of financial instruments (FX spot and FX swap transactions) on the transaction date	3,284	155,500	49
Others	5,944	19,355	-
Interest	47,076	37,083	35,365
Total due to customers	8,939,302	8,882,230	7,661,912

Note 13.3

Loans and credit facilities received (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Loans and credit facilities received from banks	7,839,963	10,014,560	7,635,046
Interest	11,370	20,496	9,198
Total loans and credit facilities received	7,851,333	10,035,056	7,644,244

14. Subordinated liabilities

The table below presents the change in the subordinated liabilities for the first half of 2012 and comparative data:

Note 14

Change in subordinated liabilities (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 31 Dec 2011	1 Jan 2011 – 30 June 2011
Opening balance	592,628	569,639	569,639
Increases	-	133,986	-
- on account of loan contracting	-	133,986	-
Decreases	-144 758	-109,206	-30,000
- on account of loans repayment	-144 758	-109,206	-30,000
Others	-21 707	-1,791	1 052
Ending balance	426,163	592,628	540,691

15. Hedge Accounting

As at 30 June 2012, the Group applies the fair value hedge. The risk hedged is the interest rate risk, and in particular, changes in the fair value of assets and liabilities bearing a fixed interest rate due to changes in a specific reference rate.

In connection with a material variability of volumes of USD current accounts, hedging relationships of such accounts with hedging transactions (IRS) were terminated.

Hedging transactions were closed on the interbank market. The market valuation of hedging transactions at their closing date (January 2012) amounted to USD +622,078.59 (PLN +2,182,313.90).

Additionally, in connection with the observed variability of volumes of EUR current accounts, in February 2012 some hedging transactions related to those accounts were closed on the interbank market. The market valuation of hedging transactions at their closing date (February 2012) amounted to EUR 1,364,658.00 (PLN +5,706,726.82).

Hedging instruments

Hedging instruments are plain vanilla interest rate swaps (IRS) in EUR under which the Group receives a fixed interest rate and pays a variable interest rate based on EURIBOR 3M.

Hedged item

Fixed rate current accounts in EUR are the hedged items.

The table below presents the breakdown of hedging derivative instruments at nominal value as at 30 June 2012, broken down by residual maturities:

Note 15

Hedging derivative instruments (in PLN thousand)	30 June 2012							
	Fair value		Nominal value					Total
	positive	negative	up to 1 month	from 1 to 3 months	from 3 months to 1 year	1-5 years	> 5 years	
Interest Rate Contracts	8,712	-	-	-	-	51,136	46,874	98,010
- Swaps (IRS)	8,712	-	-	-	-	51,136	46,874	98,010
Total hedging derivative instruments	8,712	-	-	-	-	51,136	46,874	98,010

Hedging derivative instruments (in PLN thousand)	31 Dec 2011							
	Fair value		Nominal value					Total
	positive	negative	up to 1 month	from 1 to 3 months	from 3 months to 1 year	1-5 years	> 5 years	
Interest Rate Contracts	17,759	-	-	-	-	35,334	148,592	183,926
- Swaps (IRS)	17,759	-	-	-	-	35,334	148,592	183,926
Total hedging derivative instruments	17,759	-	-	-	-	35,334	148,592	183,926

Hedging derivative instruments (in PLN thousand)	30 June 2011							
	Fair value		Nominal value					Total
	positive	negative	up to 1 month	from 1 to 3 months	from 3 months to 1 year	1-5 years	> 5 years	
Interest Rate Contracts	1,355	74	-	-	-	31,892	132,122	164,014
- Swaps (IRS)	1,355	74	-	-	-	31,892	132,122	164,014
Total hedging derivative instruments	1,355	74	-	-	-	31,892	132,122	164,014

16. Lease facilities

The Group runs lease activity through its subsidiary, Fortis Lease Polska Sp. z o.o., by concluding, as a lessor, finance lease transactions primarily concerning means of transport, technical equipment and real estate.

Note 16.1

Finance Lease Receivables (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
(Gross) finance lease receivables	1,796,809	1,904,395	-
Unrealised financial income	-4,056	-4,610	-
Current value of minimum lease charges	1,792,753	1,899,785	-

Note 16.2

Finance Lease Receivables by Maturity (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
up to 1 year	435,932	556,495	-
from 1 up to 5 years	729,976	718,578	-
above 5 years	630,901	629,322	-
(Gross) finance lease receivables	1,796,809	1,904,395	-
impairment losses	-135,617	-140,248	-
Total finance lease receivables	1,661,192	1,764,147	-

Note 16.3

Current value of minimum lease charges (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
up to 1 year	431,876	551,885	-
from 1 up to 5 years	729,976	718,578	-
above 5 years	630,901	629,322	-
Current value of minimum lease charges, gross	1,792,753	1,899,785	-
impairment losses	-135,617	-140,248	-
Total current value of minimum lease charges, net	1,657,136	1,759,537	-

17. Information on Related Party Transactions

Information on transactions of the Group with its parent company and entities affiliated by management is presented below. These transactions refer to banking operations performed within a standard business activity; the terms and conditions of transactions presented correspond to market conditions.

Note 17.1

30 June 2011 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Cash and cash equivalents	33,641	1,543	35,184
Financial assets held for trading	25,175	14,580	39,755
Due from banks and Loans to customers	57,928	38,768	96,696
Hedging instruments	1,355	-	1,355
Other assets	3,628	1,823	5,451
Total	121,727	56,714	178,441
Financial liabilities held for trading	47,902	16,038	63,940
Due to banks and customers	473,994	1,410,833	1,884,827
Loans and credit facilities received	100,013	7,464,082	7,564,095
Hedging instruments	74	-	74
Adjustment of the hedged item to fair value	-532	-	-532
Subordinated liabilities	61,152	479,539	540,691
Other liabilities	727	18,831	19,558
Total	683,330	9,389,323	10,072,653

31 Dec 2011 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Cash and cash equivalents	200,728	645,666	846,394
Financial assets held for trading	15,063	36,155	51,218
Due from banks and Loans to customers	149,266	185,124	334,390
Hedging instruments	17,759	-	17,759
Other assets	3,771	1,375	5,146
Total	368,587	868,320	1,254,907
Financial liabilities held for trading	75,600	34,118	109,718
Due to banks and customers	354,387	256,585	610,972
Loans and credit facilities received	-	7,882,263	7,882,263
Differences from measurement to fair value of a hedged item against interest rate risk	13,132	-	13,132
Subordinated liabilities	592,628	-	592,628
Other liabilities	600	4,220	4,820
Total	1,036,347	8,177,186	9,213,533

30 June 2012 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Cash and cash equivalents	359,830	1,899	361,729
Financial assets held for trading	20,722	20,350	41,072
Due from banks and Loans to customers	234,587	107,911	342,498
Hedging instruments	8,712	-	8,712
Other assets	9,487	918	10,405
Total	633,338	131,078	764,416
Financial liabilities held for trading	10,401	18,821	29,222
Due to banks and customers	251,657	559,339	810,996
Loans and credit facilities received	-	5,717,410	5,717,410
Differences from measurement to fair value of a hedged item against interest rate risk	7,667	-	7,667
Subordinated liabilities	426,163	-	426,163
Other liabilities	714	5,206	5,920
Total	696,602	6,300,776	6,997,378

Note 17.2

1 Jan 2011 – 30 June 2011 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Income Statement			
Interest income	338	499	837
Interest expense	-11,076	-60,482	-71,558
Fee and commission income	984	290	1,274
Fee and commission expense	-524	-12,689	-13,213
Net trading income	3,618	15,826	19,444
Net profit (loss) on hedging transactions	-532	-	-532
Other revenues	701	-105	596
Other operating expenses:	-	-37	-37
Other general expenses	-	4	4

1 Jan 2012 – 30 June 2012 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Income Statement			
Interest income	4,053	6,858	10,911
Interest expense	-12,360	-37,223	-49,583
Fee and commission income	567	102	669
Fee and commission expense	-563	-32	-595
Net trading income	51,957	-36,270	15,687
Net profit (loss) on hedging transactions	-4,748	-	-4,748
Other revenues	7	2	9
Other operating expenses:	-	-6	-6
Other general expenses	-	-1,597	-1,597
Risk costs	-102	-74	-176

Note 17.3

30 June 2011 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Contingent liabilities and transactions in derivative instruments			
Contingent liabilities granted:	10,227	317,997	328,224
- items related to financing	-	212,706	212,706
- guarantees	10,227	105,291	115,518
Contingent liabilities received:	20,621	1,389,037	1,409,658
- items related to financing	-	1,254,152	1,254,152
- guarantees	20,621	134,885	155,506
Transactions in derivative instruments*	9,794,814	4,791,054	14,585,868

31 Dec 2011 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Contingent liabilities and transactions in derivative instruments			
Contingent liabilities granted:	11,186	313,397	324,583
- items related to financing	-	34,845	34,845
- guarantees	11,186	278,552	289,738
Contingent liabilities received:	19,625	338,104	357,729
- guarantees	19,625	338,104	357,729
Transactions in derivative instruments*	8,292,687	6,248,518	14,541,205

30 June 2012 (in PLN thousand)	Parent entity	Other entities of the BNP Paribas Group	Total
Contingent liabilities and transactions in derivative instruments			
Contingent liabilities granted:	9,356	368,883	378,239
- items related to financing	-	35,086	35,086
- guarantees	9,356	333,797	343,153
Contingent liabilities received:	28,716	356,283	384,999
- items related to financing	-	1,939	1,939
- guarantees	28,716	354,344	383,060
Transactions in derivative instruments*	8,153,900	4,087,362	12,241,262

*In the item "Transactions in derivative instruments", the derivative instrument purchase and sale transactions are presented.

Material agreements with affiliated entities

Agreement on subscription of shares by BNP Paribas Fortis (Fortis Bank SA/NV)

On 23 May 2012, the Annual General Meeting of the Bank made a decision on the Bank's share capital increase through the Series N shares issue under private placement with pre-emptive rights excluded. The offer to subscribe the Series N shares was addressed to the main shareholder of the Bank i.e. Fortis Bank SA/NV. Pursuant to the subscription agreement for Series N shares signed on 24 May 2012, Fortis Bank SA/NV subscribed for all 4,569,420 Series N ordinary bearer shares at an issue price of PLN 56.90 each. The total value of the issue was PLN 260 thousand. The shares were fully paid up.

Following the Series N share issue, on 23 June 2012 the Bank's share capital was increased from PLN 1,206,175,300 up to PLN 1,434,646,300, i.e. by the amount of PLN 228,471,000.

Agreement with BNP Paribas SA

In the first half of 2012, the Bank repaid credit lines in the following total amounts: CHF 814 million, EUR 352.5 million and PLN 550 million. In May 2012, the Bank repaid two subordinated loans in the amount of EUR 20 million and PLN 60 million. From January to June 2012, subsequent funding tranches were disbursed by BNP Paribas in the following total amounts: CHF 725 million and EUR 90 million. Furthermore, as at the end of June 2012 the Bank used one subordinated loan of EUR 100 million with the repayment deadline of 28 September 2017. The value of medium and long-term financing by the Group (including the subordinated loan) as at the end of June 2012 amounted to PLN 6,133 million.

Agreement on acquisition of BNP Paribas Factor Sp. z o.o. (formerly: Fortis Commercial Finance Sp. z o.o.)

On 2 April 2012, BNP Paribas Bank Polska acquired 100% of shares in Fortis Commercial Finance Sp. z o.o., a company with its registered office in Warsaw, from a Dutch company, Fortis Commercial Finance Holding N.V. On 29 June 2012, the company changed its name into BNP Paribas Factor Sp. z o.o.

Beneficiaries of these changes are customers of BNP Paribas Bank Polska SA who will get access to factoring services. From the perspective of the Bank, the new structure will not only enhance business competence but also bring new cross-selling opportunities as regards the offering addressed to corporate customers. Ownership changes did not alter anything in relations between the company and its customers.

BNP Paribas Factor Sp. z o.o. has been on the Polish market since 2006. It offers broadly understood factoring services, both non-recourse and recourse factoring. BNP Paribas Factor is a member of the Polish Association of Factors and part of Factors Chain International. Its offering is addressed to small, medium and large manufacturing and trade enterprises as well as service providers which sell their goods or services on deferred payment terms. The company specializes in the service of international corporate customers. An extensive experience in factoring, as well as the fact that BNP Paribas Factor Sp. z o.o. belongs to the BNP Paribas Group are its assets that are essential in the service of Polish export-oriented companies. BNP Paribas became a leader on the European market in terms of factoring turnover realised.

BNP Paribas Factor Sp. z o.o. supports financing of the Bank's customers from the corporate and SME segment, offering both non-recourse and recourse factoring services. From the Bank's perspective, having a factoring company, besides a possibility to propose an expanded and more integrated financing products offering, also means new cross-selling opportunities with respect to corporate customers.

BNP Paribas Factor Sp. z o.o. holds share capital of PLN 10.4 million, which is divided into 20,820 shares. As at 30 June 2012, assets of the Company amounted to PLN 130 million.

Multi-option credit line agreement with Fortis Lease Polska Sp. z o.o.

On 7 May 2012 the Bank signed another annex to the multi-option credit line agreement with Fortis Lease Polska Sp. z o.o. dated 17 November 2000. The credit line can be utilised as an overdraft facility, L/C line or guarantee credit line. Under the aforesaid annex, the credit limit amount was reduced from PLN 160 million down to PLN 60 million. Current credit term is until 13 August 2012.

Moreover, on 23 March 2012, the Bank and FLP concluded an agreement on uncommitted credit line up to the maximum amount of PLN 200 million. Under the credit line FLP may draw down tranches denominated in EUR, CHF or PLN for the period from 12 months to maximum 10 years.

Transactions with the Board of Executives, Supervisory Board and Managing Directors

The total remuneration and the value of benefits obtained by the members of the Board of Executives, Supervisory Board and Managing Directors of BNP Paribas Bank Polska SA are specified in the table below:

Note 17.4

in PLN thousand	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Board of Executives, including:	5,170	5,592
- remuneration	2,972	2,477
- benefits*	276	448
- other**	1,922	2,667
Supervisory Board	351	378
Managing Directors***	10,686	8,482
Total	16,207	14,452

* The "benefits" item includes expenses related to medical care, company car (lump sum), accommodation.

** The "other" item includes equivalent for holiday leave, bonuses and remuneration for the Board of Executives' meetings.

***Gross remuneration paid out of the salary fund, including ZUS (Social Security) contributions for Directors directly reporting to the Board of Executives.

Information on loans, credit facilities, guarantees and sureties granted by the Bank to: Managing Directors, Members of the Board of Executives and Supervisory Board of BNP Paribas Bank Polska SA.

As at 30 June 2012, the Bank granted:

to the Supervisory Board's Members:

- no debt with the Bank;

to the Board of Executives' Members:

- 4 credit card limits totalling PLN 35 thousand, of which PLN 15 thousand was utilised as at the end of the first half year;
- 4 foreign currency loans in the amount equivalent to PLN 1,219 thousand with the original maturity from 5 to 30 years, inclusive;
- 2 debit limits in the savings and checking account in the total amount of PLN 80 thousand;

to Managing Directors:

- 50 loans totalling PLN 8,351 thousand, including 12 FC loans in the total amount equivalent of PLN 6,485 thousand with original maturity from 1 to over 30 years;
- 11 debit limits in the savings and checking accounts (ROR) in the amount of PLN 211 thousand, of which PLN 97 thousand was utilised as at the end of the first half year of 2012;
- 17 credit card limits totalling PLN 114 thousand, of which PLN 31 thousand was utilised as at the end of the first half year of 2012;

to persons related to managing and supervising persons:

- 9 loans totalling PLN 301 thousand, including 1 FC loan in the amount equivalent to PLN 100 thousand with original maturity from 3 months to over 30 years;
- 3 debit limits in the savings and checking accounts (ROR) in the amount of PLN 109 thousand, of which PLN 7 thousand was utilised as at the end of the first half year of 2012;
- 3 credit card limits totalling PLN 31 thousand, of which PLN 6 thousand was utilised as at the end of the first half year of 2012;

As at 31 Dec 2011, the Bank granted:

to the Supervisory Board's Members:

- no debt with the Bank;

to the Board of Executives' Members:

- 7 credit card limits totalling PLN 35 thousand, of which PLN 11 thousand was used;
- 5 foreign currency loans in the amount equivalent to PLN 1,311 thousand with the original maturity from 5 to 10 years, inclusive;
- 2 debit limits in the savings and checking account in the total amount of PLN 80 thousand;

to Managing Directors:

- 34 loans totalling PLN 8,555 thousand, including 13 FC loans in the total amount equivalent to PLN 6,833 thousand with original maturity from 3 months to over 30 years;
- 11 debit limits in the savings and checking account of PLN 231 thousand, of which PLN 27 thousand was utilised as at the end of 2011;
- 29 credit card limits totalling PLN 212 thousand, of which PLN 54 thousand were utilised as at the end of 2011;

to persons related to managing and supervising persons:

- 8 loans, of which one in a foreign currency, in the total amount of PLN 259 thousand with the original maturity from 2 to 30 years, inclusive;
- 1 debit limit in the savings and credit account in the total amount of PLN 8 thousand;
- 2 credit card limits totalling PLN 11 thousand, of which PLN 7 thousand were utilised as at the end of 2011;

As at 30 June 2011, the Bank granted:

to the Supervisory Board's Members:

- no debt with the Bank;

to the Board of Executives' Members:

- 7 credit card limits totalling PLN 55 thousand, of which PLN 15 thousand was used;
- 5 foreign currency loans in the amount equivalent to PLN 1,243 thousand with the original maturity from 5 to 30 years, inclusive;
- 3 debit limits in the savings and checking account in the total amount of PLN 180 thousand;

to Managing Directors:

- 19 loans totalling PLN 6,152 thousand, including 10 FC loans in the total amount equivalent to PLN 5,220 thousand with original maturity from 5 to over 30 years;
- 11 debit limits in the savings and checking accounts (ROR) of PLN 196 thousand, of which PLN 38 thousand was utilised as at the end of the reporting period;
- 24 credit card limits totalling PLN 101 thousand, of which PLN 23 thousand were utilised as at the end of the reporting period.

to persons related to managing and supervising persons:

- 6 loans, of which one in a foreign currency in the amount equivalent to PLN 177 thousand with the original maturity from 2 to 30 years inclusive;
- credit card limit totalling PLN 10 thousand, of which PLN 4 thousand were utilised as at the end of the reporting period.

18. Additional Notes to Cash Flow Statement

Note 18.1

Other investment expenses (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Acquisition of low value fixed assets	-371	-279
Total other investment expenses	-371	-279

Note 18.2

Other financial expenses (in PLN thousand)	1 Jan 2012 – 30 June 2012	1 Jan 2011 – 30 June 2011
Tax paid on the share capital increase	-1,142	-
Total other financial expenses	-1,142	-

The table below presents acquired assets and liabilities of BNP Paribas Factor Sp. z o.o. as at the acquisition date.

Note 18.3

Assets (in PLN thousand)	2 April 2012
Cash and cash equivalents	8,591
Loans to customers	106,617
Other assets	226
Total assets	115,434
Liabilities (in PLN thousand)	2 April 2012
Loans and credit facilities received	106,002
Other liabilities	947
Total dues	106,949
Net assets	8,485
Acquisition price paid in cash	-7,652
Cash and cash equivalents of the acquired unit	8,591
Acquisition of a subsidiary, net of cash acquired	939

19. Risk Management

The Bank identifies the following categories of risk monitoring, control and management:

- credit risk
- liquidity risk
- FX risk
- interest rate risk
- counterparty risk
- operational risk;
- compliance risk
- business risk (break-even risk), including:
 - strategic risk
 - reputation risk.

The Bank's Board of Executives defines the risk management policy for all risk types and policy for specific risk types. The strategy is approved by the Supervisory Board.

The Bank risk management process and rules have not changed as compared to the ones presented in the consolidated financial statement of the Group for the year ending 31 December 2011.

Credit risk

Note 19.1

Information on exposure quality (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Cash and cash equivalents	454,144	949,624	172,990
- receivables without impairment	452,702	947,726	173,536
- write-downs for impairment of IBNR losses	-516	-1,111	-571
- interest	1,958	3,009	25
Financial assets held for trading	129,057	175,761	167,567
- securities	-	24,535	82,410
- derivative financial instruments	129,057	150,703	84,399
measurement to fair value	131,663	153,648	87,084
fair value adjustment for credit risk	-2,606	-2,945	-2,686
- interest	-	523	758
Due from banks	358,866	358,985	157,510
- receivables without impairment	358,400	358,906	157,440
- write-downs for impairment of IBNR losses	-93	-84	-106
- interest	559	163	176
Loans to customers	16,676,565	16,646,924	14,291,509
- receivables without impairment	15,774,943	15,687,490	13,320,415
- receivables impaired, including where the impairment is:	2,157,576	2,244,351	2,209,067
determined on a case-by-case basis	1,403,092	1,405,511	1,281,490
determined using a collective method	754,484	838,840	927,577
- write-downs for impairment for incurred and reported losses	-1,221,716	-1,245,061	-1,203,829
determined on a case-by-case basis	-709,920	-723,022	-632,522
determined using a collective method	-511,796	-522,039	-571,307
- write-downs for impairment of IBNR losses	-92,034	-95,427	-82,128
- interest	57,796	55,571	47,984
Investments - Available for Sale	2,138,175	3,658,899	4,283,155
- receivables without impairment	2,092,092	3,609,727	4,237,847
- receivables impaired	29,884	30,381	-

- write-downs for impairment for incurred and reported losses	-15,259	-15,187	-
- interest	31,458	33,978	45,308
Other investments	-	-	12
Off-balance sheet commitments granted	6,029,102	5,667,764	4,832,292
- off-balance sheet commitments without impairment	5,966,072	5,609,578	4,753,847
- off-balance sheet commitments impaired, including where the impairment is:	102,978	92,652	93,920
determined on a case-by-case basis	77,431	62,235	60,320
determined using a collective method	25,547	30,417	33,600
- provisions for off-balance sheet commitments	-33,121	-28,286	-6,416
determined on a case-by-case basis	-32,035	-26,741	-4,705
determined using a collective method	-1,086	-1,545	-1,711
- write-downs for impairment of IBNR losses – off-balance sheet commitments	-6,827	-6,180	-9,059

Note 19.2

Analysis of gross receivables from customers (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Performing receivables without impairment	15,350,964	15,302,476	12,865,503
Non-performing receivables without impairment	423,979	385,014	454,912
Impaired receivables with impairment determined on a case-by-case basis with a write-down	1,324,682	1,350,152	1,185,956
Impaired receivables with impairment determined on a case-by-case basis with no write-down	78,410	55,359	95,534
Impaired receivables with impairment determined on a collective basis with a write-down	732,578	816,837	920,414
Impaired receivables with impairment determined on a collective basis with no write-down	21,906	22,003	7,163
Total loans to customers, gross	17,932,519	17,931,841	15,529,482

Credit risk concentration

As at 30 June 2012, the Bank did not exceed the maximum exposure limit towards any customer or group as stipulated in the Banking Law Act.

Liquidity Risk

The key sources of financing for the Bank are deposits of non-bank customers and loans extended by BNP Paribas. The Bank is provided with a permanent source of financing through long-term loans. Regulatory liquidity measures (established by KNF) were at safe levels above the required values. The Bank's liquidity situation is stable. Thanks to the large surplus of liquid assets over unstable liabilities and growth of deposits of customers, the Bank decided to repay part of the medium and long-term credit lines granted by the BNPP Group.

In the first half of 2012, the Bank repaid credit lines in the following total amounts: CHF 814 million, EUR 352.5 million and PLN 550 million. In May 2012 the Bank repaid two subordinated loans in the amount of EUR 20 million and PLN 60 million. From January to June 2012 subsequent funding tranches were disbursed by BNP Paribas in the following total amounts: CHF 725 million and EUR 90 million. In addition, as at the end of June 2012 the Bank used one subordinated loan of EUR 100 million with the repayment deadline of 28 September 2017. The value of the medium-and long-term financing by the Group (with a subordinated loan) as at the end of June 2012 amounted to PLN 6,133 million and was lower than at the end of 2011 by PLN 2,320 million.

Foreign Exchange Risk

The table below presents currency structure of assets and liabilities of the Bank in PLN equivalents, as at 30 June 2012 along with comparative data as at 31 December 2011 and 30 June 2011.

Note 19.2

FX position components (in PLN thousand)	30 June 2012		31 Dec 2011		30 June 2011	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
CHF	4,525,281	4,610,186	5,244,614	5,244,244	4,483,473	4,761,404
EUR	2,834,602	2,582,753	3,671,163	4,617,999	2,127,055	3,259,703
PLN	12,807,553	12,924,978	13,198,248	12,120,592	12,841,115	10,661,583
USD	266,412	313,824	326,100	454,024	289,291	1,009,496
Other convertible currencies	35,119	37,226	39,179	42,445	10,336	23,084
Total	20,468,967	20,468,967	22,479,304	22,479,304	19,751,270	19,751,270

Counterparty risk

Counterparty risk is the risk of the counterparty's default on its liabilities under contracts included in the Bank's trading portfolio. The counterparty risk is related to exposures at risk of such market factors as interest rates or FX rates. The impact of market factors on transactions can result in a change in the exposure scale over time, thus generating credit risk when a customer is insolvent. Actual exposure depends on contract measurement and surcharge that depends on a transaction type, customer type and settlement dates.

As at the end of June 2012, the counterparty risk calculation included the following transaction types included in the Bank's trading portfolio:

- day-to-day foreign exchange contracts
- interest rate swap contracts
- FX options
- interest rate options

The Bank monitors the amounts of adjustments made to the fair value of FX transactions (FX forward) and FX options on account of credit risk. If a need arises, the amounts are corrected.

Other risks

The management process and measurement methods of the other risks i.e.:

- Interest rate risk
- Operational risk
- Compliance risk
- Security policy
- Business risk

have not changed as compared to the ones described in the consolidated financial statements of BNP Paribas Bank Polska SA group for the year ended on 31 December 2011.

Capital management

Rules applied in the capital adequacy account

Duties related to the capital management and capital adequacy are performed by BNP Paribas Bank Polska SA Group in line with guidelines specified in the Banking Law Act and KNF resolutions.

Pursuant to the aforesaid guidelines, the Bank's capital adequacy is managed under the following three pillars:

- Pillar 1 – calculation of capital requirements for credit risk, operational risk and market risk,
- Pillar II - internal capital assessment process and determination of the optimal level of capital funds consistent with the bank's risk profile,
- Pillar III - disclosure of information about the bank's risk profile and capital adequacy level.

Under Pillar I (regulatory approach) the scope and detailed rules of determination of capital requirements on account of specific risk types are stipulated in Resolution No. 76/2010 of the Financial Supervision Authority dated 10 March 2010 regarding the scope and specific rules of determination of capital requirements on account of particular risk types, as amended.

BNP Paribas Bank Polska SA fulfils duties related to the computation of the capital requirement for credit risk by using a standardized approach. According to this approach, the Bank computes requirements using the regulatory division into risk classes.

To determine capital requirement for market risk, the capital requirement for interest rate risk and FX risk are calculated first. The capital requirement for interest rate risk comprises the following: capital requirement for general interest rate risk (calculated for original positions by maturities) and the capital requirement for specific risk of debt instrument prices (calculated using the Basic Indicator Approach). The capital requirement for foreign exchange risk is calculated using the Basic Indicator Approach (BIA).

The requirement for operational risk is computed using the Basic Indicator Approach (BIA) as the percentage of the net income generated.

Under Pillar II, the Bank fulfils duties related to the internal capital computation pursuant to KNF Resolution No. 258/2011 dated 4 October 2011 regarding detailed rules governing risk management system and internal controls and detailed conditions of estimation by banks of internal capital and review of the internal capital estimation and maintenance process, and rules of determination of the policy governing variable components of remuneration paid to bank managers. For all risks that have been considered material, internal capital estimation methodologies have been developed. They are used by the Bank to make monthly internal assessments of the internal capital needs.

Duties under Pillar III are governed by KNF Resolution no. 385/2008 dated 17 December 2008 regarding detailed rules and manner of public disclosure of qualitative and quantitative information on capital adequacy and scope of the information subject to disclosure, as amended. The Bank fulfils these duties by publishing information, on the Bank's website, on measurement of risks identified in the Bank's activity, and on own funds required to cover those risks.

Calculation of equity capital used in the capital adequacy ratio computation is governed by the Banking Law Act and Resolution no. 325/2011 of the Financial Supervision Authority dated 20 December 2011 regarding other reductions of Tier 1 funds, their amount, scope and conditions of decreasing bank's Tier 1 funds by such reductions, other bank's balance sheet items included into Tier 2 capital, their amount, scope and conditions of including them into bank's Tier 2 capital, reductions of Tier 2 capital, their amount, scope and conditions of decreasing bank's Tier 2 capital by such reductions; likewise the scope and manner of taking into account bank's business in holdings in the calculation of equity capital.

Current situation with respect to capital adequacy

The primary capital adequacy principle is to keep own capital funds at the level not lower than the regulatory capital requirement, and assessment of internal capital needs.

Ensuring an adequate level of capital and maintenance the capital adequacy ratio at a given level is one of the main tasks of managing the Bank's balance sheet. The Group assumes maintaining the capital adequacy ratio and the Tier 1 capital ratio at a level exceeding the regulatory requirements.

The Group actively manages its capital position. It refers to actions aimed at increasing own equity funds and ensuring their proper structure and cost effectiveness, likewise to actions leading to limitation of risk generated while conducting its activity.

Note 19.4

Capital adequacy (in PLN thousand)	30 June 2012	31 Dec 2011	30 June 2011
Total equity capital plus short-term capital	2,075,498	1,922,327	1,874,181
Total capital requirement	1,427,232	1,334,108	1,156,454
Capital adequacy ratio	11.63 %	11.53%	12.97%

As at 30 June 2012, the capital adequacy ratio of the Bank stood at 11.63% in comparison to 12.97% as at the end of June 2011.

The increase in risk-weighted assets was largely influenced by the following factors: the acquisition of Fortis Lease Polska Sp. z o.o. (in July 2011) and Fortis Commercial Finance Sp. z o.o. (in April 2012, presently BNP Paribas Factor Sp. z o.o.), and including them in the capital adequacy calculation, likewise change in the risk weight of retail foreign currency loans (including mortgage loans) from 75% to 100% (in June 2012). The increase in requirements also partly resulted from the weakening of the Polish currency (7% against EUR and CHF).

The Group's own equity funds with short-term capital as at the end of the first half of 2012 increased by 10.7% compared to June 2011, and amounted to PLN 2,075 million. The increase was achieved despite the repayment of subordinated loans in the amount of PLN 60 million and EUR 20 million (in May 2012), thanks to the increase in capital funds, which was a consequence of the shares issue (increase of the Bank's own equity by PLN 258.9 million in June 2012).

The BNP Paribas Bank Polska SA Group's capital situation in the first half of 2012 remained stable, which allowed the Group to safely continue its business activity and carry out plans.

20. Other Material Information

20.1. Description of factors and events, especially atypical ones, having a material effect on the financial results generated.

The Bank has not identified any atypical factors, which had material impact on the financial results generated.

20.2. Information on shareholders holding, directly or indirectly through their subsidiaries, at least 5% of the total number of votes at the issuer's Annual General Meeting

As at 30 June 2012 and the publication date of the report for the first half of 2012, i.e. 31 August 2012, the shareholders' structure specifying the shareholders with at least 5% of the total number of votes at the General Meeting of Shareholders was as follows:

Entity name	Number of shares	% of the share capital	Share capital (in PLN)	Number of votes at the AGM	share (%) in the total number votes at the AGM
BNP Paribas	28,661,545	99.89%	1,433,077,250	28,661,545	99.89%
Fortis Bank SA/NV	23,418,013	81.62%	1,170,900,650	23,418,013	81.2%
Dominet SA	5,243,532	18.27%	262,176,600	5,243,532	18.27%
Minority shareholders	31,381	0.11%	1,569,050	3,381	0.11%
Total:	28,692,926	100.00%	1,434,646,300	28,692,926	100.00%

BNP Paribas SA, based in Paris, is the parent entity (74.93% shares) of Fortis Bank SA/NV based in Brussels.

Fortis Bank SA/NV based in Brussels is the parent entity (100% shares) of Dominet SA.

Series N shares issue under private placement with pre-emptive rights excluded

On 23 May 2012, the Annual General Meeting of the Bank made a decision on the Bank's share capital increase through the Series N shares issue under private placement with pre-emptive rights excluded. The offer to subscribe the Series N shares was addressed to the main shareholder of the Bank i.e. Fortis Bank SA/NV. Under the series N shares subscription agreement signed on 24 May 2012, Fortis Bank SA / NV subscribed for all 4,569,420 series N ordinary bearer shares at an issue price of PLN 56.90 per each share. The total value of the issue was PLN 259,999,998. The shares were fully paid up.

As a result of the issue on 23 June 2012 the Bank's share capital increased from PLN 1,206,175,300 up to PLN 1,434,646,300, i.e. by the amount of PLN 228,471,000.

Share capital

After registration of the capital increase, the Bank's share capital amounts to PLN 1,434,646,300 and is divided into 28,692,926 ordinary bearer shares with a nominal value of PLN 50 each, which entitle their holders to 28,692,926 votes at the Bank's general meeting of shareholders.

Changes in the shareholder structure as a result of series N shares issue

As a result of acquiring series N shares, the share of Fortis Bank SA/NV changed by 3.49% in the total number of votes at the general meeting of shareholders.

The number of the Bank's shares held by Fortis Bank SA/NV rose from 18,848,593 shares, which gave the right to exercise 78.13% of the total number of votes at the general meeting, to 23,418,013 shares, which account for 81.62% of the total number of shares and entitle to exercise 23,418,013 voting rights, i.e. 81.62% of the total number of votes.

The share of Dominet SA (a wholly owned subsidiary of Fortis Bank SA/NV) has changed by 3.47% and dropped below the 20% threshold of the total number of votes at the general meeting.

The number of the Bank's shares held by Dominet SA remains unchanged and is 5,243,532 shares. Prior to the share capital increase, the amount accounted for 21.74% of the total number of the shares that entitled to exercise 21.74% of the total number of voting rights at the general meeting. After the change this percentage decreased to 18.27% of the total number of the Bank's shares that entitle to exercise 18.27% of the total number of voting rights.

As a result of the above, the share of BNP Paribas SA (indirectly through Fortis Bank SA/NV and Dominet SA) increased by 0.02%, i.e. from 99.87% to 99.89%.

In the first half of 2012 and as at the report publication date, i.e. 31 August 2012, the Bank did not take any actions to introduce L and M series shares to stock exchange trading. All other shares (series A to K) have been admitted and introduced to public trading.

20.3. Pending Proceedings before Court, Relevant Arbitration Body or Public Administration Body

The Bank acts as a defendant and plaintiff in court and administrative proceedings while conducting its regular banking activity. In no case the value in dispute exceeds 10% of the Bank's equity capital.

In the first half of 2012 there were no resolutions in the proceedings pending since 2001 before the Office of Competition and Consumer Protection (the Office) as regards the issue of using practices that limit competition on the payment cards market by VISA and MasterCard as well as 20 banks, including BNP Paribas Bank Polska SA. To secure against an unfavourable outcome of the case, in 2007 the Bank created a provision of PLN 2.9 million.

As at 30 June 2012, the total value of 15 claims against the Bank regarding the FX derivatives made by the customers amounted to PLN 64 million. The highest claim in this group concerns the amount of PLN 28 million (EUR 7 million) on account of option transactions questioned. As regards other customer lawsuits regarding foreign currency derivative instruments, no single claim amount exceeds PLN 2.5 million.

20.4. Information about granting by the issuer or its subsidiary any suretyships for loans or credit facilities or issuance of guarantees – in total to one entity or its subsidiary, if the total value of the existing suretyships or guarantees constitutes the equivalent of at least 10% of the group's equity.

In the first half of 2012, no suretyships for loans or credit facilities or issuance of guarantees were granted with the total value of existing suretyships and guarantees accounting for at least 10% of the Group's equity.

20.5. Factors that in the issuer's opinion will affect the results generated at least in the subsequent quarter

The Bank does not identify internal factors that would affect its financial performance in the subsequent quarter. It cannot be ruled out that in the future the economic and market situation in Poland and abroad may affect the Bank's performance.

20.6. Other information essential for the assessment of the situation with respect to human resources, property, finances, net profit/loss and changes thereto, likewise the information which is vital for the evaluation of the Group's ability to fulfil its obligations.

Update of the Recovery Programme

On 17 April 2012, the Polish Financial Supervision Authority approved the revised *Recovery Programme for BNP Paribas Bank Polska SA*.

In the approved revised version of the Programme, its implementation date was postponed until 2014, and amended assumptions regarding income, expenses, provisions and capital adequacy were adopted. An increase of the Bank's own equity scheduled for 2012 (finalized in June this year) is to support the planned business development. As a result of the *Recovery Programme* implementation, the Bank expects an improvement of the cost/income ratio and general profitability, while keeping an adequate risk profile.

Project of the Bank's Operational Efficiency Optimization

On 9 May 2012 the Bank started to implement its project to further optimize the Bank's operational efficiency, mainly in central and back office organization, whilst simultaneously continuing to grow its revenue base and activities through investment in its sales network and business capabilities.

The efficiency improvement program will require a reduction of headcount by a maximum of 410 employees across the Bank, spread between June 2012 and mid-2013. Costs of such restructuring associated with a support scheme for employees affected by redundancies, will be charged to the financial results of the first half of 2012. (a provision for restructuring costs was created in the amount of PLN 13 million).

Implementation of the above-mentioned restructuring programme is essential in order that the Bank strengthens its position in the market and is able to pursue, in a balanced manner, long-term development strategy for a universal bank servicing all customer segments, and acting in accordance with the principle of responsible banking, and to the satisfaction of both customers and employees.

As at 30 June 2012, the Bank Supervisory Board's composition was as follows:

- | | |
|----------------------|----------------------------|
| 1. Camille Fohl | – Chairman |
| 2. Jarosław Bauc | – Vice Chairman |
| 3. Filip Dierckx | – Vice Chairman |
| 4. Monika Bednarek | – Supervisory Board Member |
| 5. Francois Benaroya | – Supervisory Board Member |
| 6. Jean Deullin | – Supervisory Board Member |
| 7. Helene Dubourg | – Supervisory Board Member |
| 8. Andrzej Wojtyna | – Supervisory Board Member |

Changes in the composition of the Supervisory Board of BNP Paribas Bank Polska SA

On 1 February 2012 Mr Lars Machenil resigned his membership in the Bank's Supervisory Board. The Annual General Meeting of the Bank held on 23 May 2012, appointed three new members of the Supervisory Board:

- Francois Benaroya,
- Filip Dierckx,
- Helene Dubourg.

Mr. Mark Selles, in connection with taking up new duties in the BNP Paribas SA Group, resigned from membership in the Supervisory Board on 23 May 2012, i.e. the date at which the Bank's Annual General Meeting was held. Mr Selles has served on the Supervisory Board since 30 April 2010.

At the Supervisory Board meeting held on 23 May 2012 after adjournment of the Annual General Meeting, Mr. Filip Dierckx was appointed to the following positions: Vice Chairman of the Supervisory Board, Chairman of the Audit Committee and a member of the Remuneration Committee.

As at 30 June 2012, the composition of the Bank's Board of Executives was as follows:

1. Frédéric Amoudru - President of the Board of Executives, CEO
2. Jan Bujak - Senior Vice President, CFO
3. Jaromir Pelczarski - Vice President, COO
4. Michel Thebault - Vice President, Personal Finance
5. Wojciech Kemblowski - Member of the Board of Executives, Risk
6. Marta Oracz - Member of the Board of Executives, HR
7. Adam Parfiniewicz - Member of the Board of Executives, RB
8. Stéphane Rodes - Member of the Board of Executives, CTB.

Changes in the composition of the Board of Executives of BNP Paribas Bank Polska SA

In the first half of 2012, there were the following changes in the composition of the Board of Executives:

On 23 May 2012 the Supervisory Board appointed Mr Adam Parfiniewicz to the position of the member of the Board of Executives of BNP Paribas Bank Polska SA effective 23 May 2012 until the end of the current five-years' tenure of the Board of Executives ending on the date of the Bank Annual General Shareholders' Meeting approving financial statements for fiscal year 2014.

20.7. Other important events

Brokerage activity

Based on the authorization of the Financial Supervision Authority of 17 April 2012 for conducting brokerage activities in terms of accepting and forwarding orders to buy or sell financial instruments, likewise providing investment advisory services - the Bank opened Brokerage Office as a separate unit of the Bank. The Brokerage Office dedicates its services to customers of the Bank's Private Banking Department.

Information on effects of changes in the Group's structure

BNP Paribas Bank Polska SA Group is part of the international financial institution BNP Paribas SA based in Paris.

The direct parent entity of the Bank is Fortis Bank SA/NV, based in Brussels, which holds 99.89% of the Bank's shares, of which 81.62% directly, while 18.27% through Dominet SA. On 2 April 2012 the Bank acquired 100% of shares in BNP Paribas Factor Sp. z o.o. Details concerning the transaction are described in the chapter: Information on BNP Paribas Bank Polska SA Group.

Prepayment of loans from the Group

In connection with good liquidity situation and following assumptions of the pursued financing strategy, the Bank decided to partially prepay the debt taken from the BNP Paribas Group.

The net result generated in the first half of 2012 on the loans prepayment reached PLN 10.1 million.

Sale of a portion of the irrecoverable consumer loans portfolio

In June 2012, the Bank sold a portion of its irrecoverable debt portfolio, classified into the "lost" category (car loans, cash loans and credit cards), with debt principal value arising from the loan agreements signed with the debtors amounting to PLN 89.96 million. The price obtained was PLN 19.3 million.

Recommendation R of the Polish Financial Supervision Authority

Under Recommendation R of the Polish Financial Supervision Authority, in the first quarter of 2012 the Bank reviewed its rules governing the creation of write-downs for non-performing loans. As a result of the review, additional write-downs were created for cash loans, car loans, receivables on account of credit cards and receivables in current accounts of natural persons in the total amount of PLN 40.7 million.

Information on changes to contingent liabilities

The tables below present changes to contingent liabilities granted and received.

Note 20.9

Contingent liabilities received (in PLN thousand)	30 June 2012	31 Dec 2011	Change (%)
Financial liabilities received	1,938,565	3,290,922	41%
Guarantee liabilities received	469,004	378,134	24%
Total contingent liabilities received	2,407,569	3,669,056	

Contingent liabilities granted (in PLN thousand)	30 June 2012	31 Dec 2011	Change (%)
Financial liabilities granted	4,221,806	3,777,003	7%
Guarantee liabilities granted	1,847,244	1,925,227	-4%
Total contingent liabilities granted	6,069,050	5,702,230	

Agreement with auditor

On 11 June 2012, the Bank signed an agreement with Mazars Audyt Sp. z o.o., with its registered office at ul. Piękna 18, 00-549 Warsaw, KIBR (Polish National Chamber of Statutory Auditors) register number 186, regarding an audit and review of financial statements for 2012-2017 with an option to terminate this agreement by the Bank after an audit of financial statements for 2013. Total remuneration, determined in the agreement, exclusive of VAT, on account of work performed in 2012 is PLN 576 thousand. Remuneration for work performed in 2013 - 2017 will be determined at a later date, on the basis of annexes to the agreement.

20.8 Resolutions of the Annual General Meeting of Shareholders

Resolutions of the Annual General Meeting of BNP Paribas Bank Polska SA

On 23 May 2012, the Bank's Annual General Meeting was held which adopted resolutions concerning the approval of separate and consolidated financial statements for 2011, the Board of Executives' Report from the activity in 2011 and the Supervisory Board's Report for 2011, the approval of the discharge of duties of the Bank's authorities for 2011, likewise the increase of the Bank's share capital through the Series N shares issue under private placement with pre-emptive rights excluded and the related amendments to the Statute

The Bank's net profit for the fiscal year 2011 which amounted to PLN 21 million, was earmarked in full for the Bank's equity increase in the following manner: the profit portion of PLN 1.7 million was allocated to the additional capital, and the portion of PLN 19.3 million to the general risk fund.

The Bank's shareholders at the Annual General Meeting decided on the increase of the Bank's share capital by PLN 228.5 million through the Series N shares issue with pre-emptive rights excluded.

20.9 Significant agreements with entities not affiliated with the Bank

On 10 January 2012, the Bank concluded an agreement on a multi-option credit line up to the maximum amount of PLN 200 million with a customer not affiliated with the Bank. The credit facility will finance the customer's current operating activity. The financing term is 24 months. The loan interest rate has been established based on the WIBOR interest rate increased by a margin. The financing conditions correspond to market conditions. The agreement meets the criteria of a significant agreement, because the value of the agreement subject exceeds 10% of the Bank's equity.

Underwriting Agreement, Agency Agreement and Depository Agreement

On 29 June 2012, the Bank, together with other banks within a syndicate, concluded an underwriting agreement, agency agreement and depository agreement with a customer not affiliated with the Bank. Under the agreements, the Bank will act as one of Paying Sub-agents and Sub-depositories and will co-underwrite two tranches of bonds issued by the client. The Bank has committed to underwrite the bonds' issue up to the maximum PLN 200 million in total.

20.10 Statements of the Bank's Board of Executives

Correctness and reliability of reports presented

To the best knowledge of the Board of Executives of the Bank, the interim financial data and comparative data presented in the abbreviated interim consolidated financial statements of BNP Paribas Bank Polska SA group for the period ending on 30 June 2012 were prepared pursuant to the binding accounting policies and they accurately, reliably and clearly reflect the property and financial situation of the Group and its profit.

Selection of an entity authorised to audit the financial statements

Mazars Audyt Sp. z o.o., an entity authorised to audit financial statements, reviewing the abbreviated interim consolidated financial statements of BNP Paribas Bank Polska SA for the period ending on 30 June 2012, has been chosen pursuant to the provisions of law. The above entity and statutory auditors meet the conditions to issue an impartial and independent review report, in accordance with the respective provisions of Polish law.

21. Events after the Balance Sheet Date

21.1 Conclusion of significant agreements with customers not affiliated with the Bank

On 30 July 2012 (after the balance sheet date) an annex to the multi-option guarantee credit line agreement of 25 April 2008 concluded with a customer not affiliated with the Bank, was signed. Under this annex, the credit limit was reduced from PLN 205.8 million to PLN 176 million, and the credit line current term was extended until 1 September 2012. Other terms and conditions of the agreement remained unchanged. The total value of guarantees granted under this line exceeds 10% of the Group's equity capital.

21.2 Sale of a portion of the irrecoverable consumer loans portfolio

In August 2012, the Bank sold a portion of its irrecoverable debt portfolio classified into the "lost" category (loans granted to business entities and individual customers), with a debt principal value arising from the loan agreements signed with debtors amounting to PLN 98.8 million. The price obtained was PLN 5.8 million.

Signatures of the Members of the Board of Executives (on the Polish original):

27/08/2012	Frédéric Amoudru President of the Board of Executives signature
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27/08/2012	Jan Bujak □ Senior Vice President of the Board of Executives Chief Financial Officer signature
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27/08/2012	Jaromir Pelczarski Vice President of the Board of Executives signature
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27/08/2012	Michel Thebault Vice President of the Board of Executives signature
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27/08/2012	Wojciech Kemblowski Member of the Board of Executives signature
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27/08/2012	Marta Oracz Member of the Board of Executives signature
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27/08/2012	Adam Parfiniewicz Member of the Board of Executives signature
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27/08/2012	Stephane Rodes Member of the Board of Executives signature
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