

Commentary
to a quarterly report of
Fortis Bank Polska SA
for the fourth quarter of 2001

1. Accounting principles adopted in the report:
 - 1.1. Fortis Bank Polska SA keeps its accounting records pursuant to the rules detailed in the Accounting Act dated September 29, 1994 (Official Journal No. 121 item 591, as amended) and Resolution no. 1/98 of the Banking Supervision Commission dated June 3, 1998, on the special rules of bank accounting and the notes to the financial statements (NBP Official Journal no. 14 item 27).
 - 1.2. A detailed description of the accounting principles applied by the Bank was presented in 2001 Semi-annual report.
 - 1.3. In the fourth quarter of 2001, the accounting principles were not changed.
 - 1.4. Financial data included in the quarterly report has been prepared using valuation rules applicable to assets and liabilities and the calculation of the financial result determined on the balance sheet day, taking into account adjustments resulting from provisions, including provisions for other timing differences arising from income tax, referred to in the Accountancy Act, and write-offs revaluing assets according to the existing provisions.
 - 1.5. Selected financial data included in the report has been converted into the euro according to the following rules:
 - 1.5.1. the particular assets and liabilities were converted into the euro at the average exchange rate on December 31, 2001, i.e. PLN 3.5219 announced by the National Bank of Poland,
 - 1.5.2. the particular items in the YTD profit and loss statement were converted into the euro at the rate based on the arithmetic mean of average rates determined by the National Bank of Poland on the last days of the months from January to December of 2001, i.e. PLN 3.6509.
 - 1.5.3. the particular items in the profit and loss statement for the quarter were converted into the euro at the rate based on the arithmetic mean of average rates determined by the National Bank of Poland on the last days of October, November, December of 2001, i.e. PLN 3.617.
 - 1.5.4. the following rates were applied in the calculations done according to the above mentioned rules:
 - rate at the end of January, 2001 – EUR/PLN 3.8015,
 - rate at the end of February, 2001 – EUR/PLN 3.7535
 - rate at the end of March, 2001 – EUR/PLN 3.617
 - rate at the end of April, 2001 – EUR/PLN 3.5364
 - rate at the end of May, 2001 – EUR/PLN 3.3969
 - rate at the end of June, 2001 – EUR/PLN 3.3783
 - rate at the end of July, 2001 – EUR/PLN 3.711
 - rate at the end of August, 2001 – EUR/PLN 3.8843
 - rate at the end of September, 2001 – EUR/PLN 3.881
 - rate at the end of October, 2001 – EUR/PLN 3.7069
 - rate at the end of November, 2001 – EUR/PLN 3.6223
 - rate at the end of December, 2001 – EUR/PLN 3.5219
 - 1.6. The Bank does not prepare consolidated financial statements under Clause 3 Section 2 Item 3 of the Resolution No 2/98 of the Banking Supervision Commission dated June 3, 1998 on the detailed rules of preparation of consolidated financial statements (NBP Official Journal No

14, item 28). The Bank as a parent entity does not prepare a consolidated financial report, as total assets of its subsidiary entity – Fortis Securities Polska SA are below 5% of total assets of the parent entity, and non-banking activity revenues or net revenues from sale of goods and services and financial operations of non-banking activities of the subsidiary entity are lower than 5% of parent entity revenues. The data of the subsidiary entity that justifies the above-mentioned exclusion were presented in the 2001 Fortis Bank Polska SA Semi-Annual Report.

- 1.7. The Bank has not changed the presentation of the financial statements for the previous accounting periods.
2. Information on adjustments resulting from provisions, including provisions for other timing differences arising from income tax, referred to in the Accountancy Act.
 - 2.1. at the end of the fourth quarter of 2001, the Bank reported a negative other timing difference arising from income tax in the amount of PLN 17,174 thousand which is shown as interperiod settlements on the assets side.
 - 2.2. in the fourth quarter of 2001, the Bank released the general risk reserve in the amount of PLN 3,072 thousand. As of December 31, 2001, the Bank did not report a general risk reserve.
 - 2.3. the Bank built up considerable provisions for loans and off-balance liabilities in the amount of PLN 58,465 thousand. In the fourth quarter of 2001, the surplus difference between the established and released provisions was PLN 32,706 thousand;
 - 2.4. As a consequence of receiving the decision issued by the Tax authorities confirming that the Bank has no additional liabilities due from VAT related to its former Leasing & Investment Branch, the Bank released the provisions to cover potential liabilities in the amount of PLN 9,155 in the 4th quarter of 2001.
3. Description of factors and events which had a substantial impact upon the financial results generated in the 4th quarter of 2001:
 - 3.1. increase in the interest income by 15% as compared to the fourth quarter of 2000 mainly due to the growth both in the amount of granted loans and in the acquired deposits.
 - 3.2. commission and fee income was higher by 42% as compared to the fourth quarter of 2000;
 - 3.3. financial operations result amounted to PLN 3,677 thousand;
 - 3.4. good result from the FX position in the amount of PLN 18,295 thousand (was higher by 128% than the result in the fourth quarter of 2000);
 - 3.5. increase of 20% in general expenses as compared to the fourth quarter of 2000;
 - 3.6. interest income in the amount of PLN 2,426 thousand due from the overpayment of VAT.
4. One type of collateral used by the Bank is the transfer of a specific amount to the Bank's account, where the Bank undertakes to return this amount upon the repayment of debt along with the interest and fees due. Art 102 of the Banking Law Act dated August 29, 1998 regulates this form of collateral. The value of this type of collateral accepted by the Bank as of December 31, 2001 amounted to PLN 317,633 thousand and was shown under the balance-sheet item "due to other customers and the budget sector".
5. The net financial result for 12 months of 2001 was substantially lower than the projected figure. This was due to the following factors:
 - 5.1. lower interest margin – 3.3% at the end of the fourth quarter of 2001, as compared to 4.3% in the fourth quarter of 2000,
 - 5.2. deterioration of the loan portfolio quality and related write-offs for specific provisions; the surplus difference between the established and released provisions was PLN 69,412 thousand;
 - 5.3. lower than projected loan and deposit production,

6. Concise description of significant achievements or failures of the issuer in the fourth quarter of 2001 with a catalogue of the most important events related to them.
 - 6.1. As a continuation of successful cooperation, Fortis Bank Polska SA concluded a credit agreement with the European Bank for Reconstruction and Development on December 21, 2001, under which EBRD granted to the Bank an additional credit facility to EUR 20 million for 5 years (counting from 2000) to be disbursed in two tranches earmarked for financing SME Finance Facility. The official signing of the agreement took place at the Bank's seat in the presence of the EBRD representatives, the Bank authorities and reporters.
 - 6.2. In the fourth quarter, the Bank, within the individual customer segment:
 - 6.2.1. introduced to its offering a new product – VISA Business Electron card. At the same time, aiming at the growth of the customers contentment with its card products and reduction of costs related to the card misuse, the Bank modified its procedures related to issuance and servicing of the offered payment cards and terms of servicing personal accounts.
 - 6.2.2. offered to its customers promotional long-term PLN deposits.
 - 6.3. The Bank introduced a collecting account for non-residents, which are economic entities, that facilitates making settlements between residents and non-residents, which are clients of the bank-correspondent.
 - 6.4. In the end of the 4th quarter the Bank successfully carried out the conversion of FC accounts maintained in the currencies of EMU countries into euro, which was accompanied by a large-scale information campaign for the Bank's customers and staff.
7. Presentation of the Board of Executives' standpoint regarding the chances of carrying out the financial forecast for a given year, published earlier, taking into account the results presented in the quarterly report as compared to the projected results.
 - 7.1. As announced in the semi-annual financial report, the Board of Executives once more revised the 2001 financial forecast in the 3rd quarter report submitted on October 31, 2001. According to the last reforecast the net profit of the Bank as of the year-end was planned at PLN 11 million that is 20% of the profit planned originally in December 2000.
 - 7.2. In comparison with the difficult first 6 months of 2001, some positive trends appeared in the third and fourth quarter of 2001, in terms of interest margins, increase of commission and fee income, deposit production growth and cost control. The costs grew at a lower pace than revenues due to extensive efforts to improve the processes and reduce costs. At the same time, due to deterioration of financial standing of some borrowers, the Bank was forced to create considerable specific provisions for non-performing loans, which had a significant impact upon its financial result.
 - 7.3. On December 20, 2001 the Board of Directors approved the budget plan for 2002 – 2004 as presented by the Board of Executives assuming the after - tax profit forecast for 2002 in the amount of PLN 46 million.
8. Shareholders holding at least 5% of the total votes at the Bank's General Shareholders' Meeting and changes in the ownership structure as at December 31, 2002:

shareholder	number of shares owned	% in share capital	number of votes at the GSM	% in total number of shares
Fortis Bank	14,941,807	99.10%	11,308,275	75%
Others	135,893	0.90%	135,893	0.90%
Total:	15,077,700	100%		

**Pursuant to Art. 26 of the Banking Law Act of 29.08.1997 (Dz. U. No. 140, Item. 939 as amended) and according to Resolution No. 159/KNB/99 of the Banking Supervision*

Commission of 16.08.1999 regarding the issuance of the permit to acquire the Bank's shares by Fortis Bank – Fortis Bank has 75% of the total votes at the General Shareholders Meeting.

8.1. In the fourth quarter of 2001 there were no changes in the Bank's ownership structure as compared with the end of the previous quarter. The last change took place as a result of the registration of the Bank's share capital increase up to PLN 30,155,400 following the Series J shares issue on June 28, 2001.

9. Changes in the numbers of the issuer's shares or share options owned by the members of the management or supervisory bodies according to the Bank's knowledge.

9.1. At the end of the 4th Qtr. 2001, i.e. on December 31, 2001, none of the Members of the Board of Executives (Jean-Marie De Baerdemaeker, Marek Kulczycki, Leszek Niemycki, Jean-Luc Deguel, Gilles Polet, Andre Van Brussel) held any shares issued by Fortis Bank Polska SA, which has not changed as compared to the previous quarter.

9.2. In the fourth quarter of 2001 no changes took place with respect to the structure of the Bank shares owned by the Members of the Board of Directors:

	Position	Number of shares owned	
		as of	
		Sept. 30, 2001	Dec. 31, 2001
Luc Delvaux	Deputy Chairman	25	25

The other Members of the Board of Directors, i.e. Sjoerd van Keulen, Antoni Potocki, Zbigniew Dresler, Paul Dor, Roland Saintrond, Werner Claes and Kathleen Steel do not hold any shares of the Bank.

10. In the 4th quarter of 2001, there were no pending proceedings related to the obligations or claims of the Bank or its subsidiary before court, relevant authority for arbitration or state administration bodies, whose total value would account for at least 10% of the Bank's own funds.

11. Information on transactions with affiliated entities.

11.1. Loan Agreement with Fortis Bank, seated in Brussels and Fortis Bank Nederland seated in Rotterdam concluded on September 24, 1998. On November 12, 1999, the third Annex to this Agreement was signed in order to increase the credit line facility granted by Fortis Bank (Nederland) N.V. seated in Rotterdam up to DEM 200 million (or its equivalent in USD, NLG, BEF, FRF, GBP, EURO) for the term of seven years.

11.2. Loan Agreement dated September 24, 2001 with Fortis Bank (Nederland) N.V. seated in Rotterdam. Under the Agreement the Bank was granted a credit facility in the principal maximum amount of EUR 50 million for 48 months

12. The Bank or its subsidiary did not issue any credit/loan sureties or guarantees by an issuer or its subsidiary – jointly to one entity or its subsidiary within 12 months, whose value would equal at least 10% of the Bank's own funds.

13. Other significant information.

13.1. changes in the composition of the Bank's Board of Executives

On December 20, 2001, the Bank Board of Directors took the decisions regarding the composition of the Bank Board of Executives. The BoD accepted the resignation submitted by Marek Kulczycki, Senior Vice President and Fortis Bank Country Manager effective December 31, 2001. The BoD decided to nominate a new President, Ronald Richardson, presently Managing Director of Fortis Lease NV Belgium and also President of Executive Board of Fortis Lease Polska Sp. z o.o. The nomination, subject to receiving all the necessary permits from the Polish authorities, will enter into force in September 2002 when the term of the present President, Jean-Marie De Baerdemaeker expires. In order to ensure a smooth transition period Mr. Richardson is already appointed Senior Vice President of FBP as of Feb. 1st 2002.

13.2. change of the Bank's address

On November 27, the change of Fortis Bank Polska SA address (the Board of Executives' seat) was registered from ul. Marynarska 13 in Warszawa to Postępu 15, 02-676 Warszawa.