

MOVEMENTS IN OWN EQUITY

	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
I. Opening balance of own equity	595 176	516 176
a) Changes in adopted accounting principles (policy)	-7 468	-2 731
b) Correction of material errors		
I.a. Opening balance of own equity after reclassification to confirm with current year presentation	587 708	513 445
1. Opening balance of share capital	30 155	30 155
1.1. Movements in share capital		
a) increases (in respect of)		
- issue of shares		
b) decreases (in respect of)		
- redemption of shares		
1.2. Closing balance of share capital	30 155	30 155
2. Opening balance of unpaid contribution to share capital		
2.1. Movements in unpaid contributions to share capital		
a) increases		
b) decreases		
2.2. Closing balance of unpaid contribution to share capital		
3. Opening balance of own shares		
a) increases		
b) decreases		
3.1 Closing balance of own shares		
4. Opening balance of reserve capital	349 539	349 534
4.1. Movements in reserve capital		
a) increases (in respect of)		
- issuance of shares above their par value		
- profit distribution (mandatory)		
- distribution of profit (voluntary)		
- sale and liquidation of fixed assets		
b) decreases (in respect of)		
- covering financial effects of the amendments to the Accounting Act		
4.2. Closing balance of reserve capital	349 539	349 539
5. Opening balance of remeasurement reserve	-163	-7 336
5.1. Movements in remeasurement reserve		
a) increases (in respect of)		
- measurement of securities available for sale	8 014	17 938
- measurement of shares in subsidiaries	1 063	1 945
- deferred corporate income tax	1 198	2 233
b) decreases (in respect of)	-7 697	-14 943
- sale of fixed assets		
- liquidation of fixed assets	-1	-5
- measurement of securities available for sale	-5 440	-9 936
- measurement of shares in subsidiaries	-454	-1 316
- deferred corporate income tax	-1 802	-3 686
5.2. Closing balance of remeasurement reserve	2 415	-163
6. Opening balance of General Risk Fund	112 263	80 263
6.1. Movements in General Risk Fund		
a) increases (in respect of)		
- profit distribution	24 553	32 000
b) decreases (in respect of)		
6.2. Closing balance of General Risk Fund	136 816	112 263
7. Opening balance of other reserve capital	17 018	17 018
7.1. Movements in other reserve capital		
a) increases (in respect of)		
b) decreases (in respect of)		
7.2. Closing balance of other reserve capital	17 018	17 018

8. Opening balance of undistributed profit (uncovered loss) from prior year	11 811	46 542
8.1. Opening balance of undistributed profit from prior years	14 542	46 542
a) changes in adopted accounting principles (policy)		
b) corrections of material errors		
8.2. Opening balance of undistributed profit from prior year after reclassification to confirm with current year presentation	14 542	46 542
8.3. Movements in undistributed profit from prior years	50 000	-32 000
a) increases (in respect of)	50 000	
- profit distribution	50 000	
b) decreases (in respect of)		-32 000
- profit distribution		-32 000
8.4. Closing balance of undistributed profit from prior years	64 542	14 542
8.5. Opening balance of uncovered loss from prior years	-2 731	
a) changes in adopted accounting principles (policy)	-7 468	-2 731
b) corrections of material errors		
8.6. Opening balance of uncovered loss from prior years, after reclassification to confirm with current year presentation	-10 199	-2 731
8.7. Movements in uncovered loss from prior years		
a) increases (in respect of)		
b) decreases (in respect of)		
- profit distribution		
- loss coverage from the reserve capital		
8.8. Closing balance of uncovered loss from prior years	-10 199	-2 731
8.9. Closing balance of undistributed profit or uncovered loss from prior years	54 343	11 811
9. Net income	101 499	74 553
a) net profit	101 499	74 553
b) net loss		
II. Closing balance of own equity	691 785	595 176
III. Closing balance of own equity, including the proposed profit distribution (loss covering)	691 785	595 176

CASH FLOW STATEMENT

A. CASH FLOW FROM OPERATING ACTIVITY (I +/- II) - indirect method*		
I. Net profit (loss)	101 499	74 553
II. Adjustments for:	-18 632	387 252
1. Share in net profit (loss) of subsidiaries measured by equity rights	-2 169	-3 870
2. Depreciation	21 129	21 729
3. Foreign exchange gains/(losses)	-48 385	-202 131
4. Interest and dividends received and paid	19 778	18 020
5. Profit (loss) on investments	-2 001	-8 786
6. Change in other reserves	6 097	23 770
7. Change in debt securities held	4 106	1 056 571
8. Change in amounts due from financial sector	10 422	-524 139
9. Change in amounts due from customers and budget	-908 595	-145 416
10. Change in securities purchased under resale agreements		
11. Change in shares, securities and other financial instruments with variable yield	-31 378	-44 675
12. Change in amounts due to financial sector	319 387	-31 949
13. Change in amounts due to customers and budget	523 416	152 534
14. Change securities sold under repurchase agreements		
15. Change in securities issued		
16. Change in other liabilities	92 640	23 737
17. Change in prepayments and accrued income	4 000	-6 841
18. Change in deferred income	8 830	14 901
19. Other items	-35 909	43 797
III. Net cash flow from operating activity (I +/- II) - indirect method	82 867	461 805
B. CASH FLOW FROM INVESTING ACTIVITY (I-II)		
I. Cash inflows from investing activity	1 470 859	1 237 413
1. Sale of shares in subsidiaries	50 000	
2. Sale of shares in sister companies		
3. Sale of shares in associated entities		
4. Sale of other shares, securities and financial assets	1 410 789	1 231 146
5. Sale of tangible and intangible fixed assets	1 621	211
6. Sale of investment in real estates and intangible fixed assets		
7. Other inflows	8 449	6 056
II. Cash outflows from investing activity	-1 405 357	-2 081 438
1. Purchase of shares in subsidiaries		
2. Purchase of shares in sister companies		
3. Purchase of shares in associated entities		
4. Purchase of other shares, securities and financial assets	-1 375 833	-2 067 520
5. Purchase of tangible and intangible fixed assets	-13 024	-8 039
6. Investments in real estates and intangible fixed assets	-16 500	-2 476
7. Other outflows		-3 403
III. Net cash flow from investing activity (I +/- II)	65 502	-844 025
C. CASH FLOW FROM FINANCIAL ACTIVITY (I-II)		
I. Cash inflows from financial activity		1 289 131
1. Long-term loans from other banks		1 289 131
2. Long-term loans from other financial institutions		
3. Issue of debt securities		
4. Increase in subordinated debt		
5. Net inflows from issuance of own shares and additional payments to share capital		
6. Other inflows		
II. Cash outflows from financial activity	-40 946	-544 585
1. Repayment of long-term loans contracted from other banks		-502 954
2. Repayment of long-term loans contracted from other financial institutions	-20 471	-22 862
3. Redemption of debt securities		
4. Other financial liabilities		
5. Payment of liabilities under financial lease agreements		
6. Decrease in subordinated debt		
7. Payment of dividends and other payments to owners		
8. Other payments (not to owners) related to profit distribution		
9. Purchase of own shares		
10. Other outflows	-20 475	-18 769
III. Net cash flow from financial activity (I +/- II)	-40 946	744 546
D. NET CASH FLOW (AIII+/-BIII+/-CIII)	107 423	362 326
E. CHANGE IN CASH IN BALANCE-SHEET	107 423	362 326
- including changes in cash arising from FX differences	-36 272	-110 253
F. CASH AT THE BEGINNING OF THE REPORTING PERIOD	695 484	333 158
G. CASH AT THE END OF THE REPORTING PERIOD (F+/- D)	802 907	695 484
- including cash with restricted option of use		

NOTES TO THE BALANCE SHEET**Note 1A**

CASH AND DUE FROM CENTRAL BANK	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current account	231 153	146 328
b. Mandatory reserve		
c. Amounts of Bank Guarantee Fund		
d. Other	221	53
TOTAL of cash and due from Central Bank	231 374	146 381

Between Nov. 30, 2004 to Jan. 1, 2005 the Bank's declared mandatory reserve on the current account with NBP amounted to PLN 106,482 thousand.

Between Dec. 31, 2004 to Jan. 30, 2005 the Bank's declared mandatory reserve on the current account with NBP amounted to PLN 94,354 thousand.

Note 1B

CASH (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty	107 103	101 063
b. in foreign currency (PLN equivalent)	124 271	45 318
b1. unit /currency 1000/EUR	18 655	8 336
in PLN thousand	72 005	34 003
b2. unit/currency 1000/USD	5 090	219
in PLN thousand	28 630	1 262
b3. unit/ currency 1000/GBP	4 706	2 660
in PLN thousand	15 348	7 955
b4. unit/ currency 1000/CHF	8 511	1 295
in PLN thousand	3 487	585
b5. other currencies (in PLN thousand)	4 801	1 513
TOTAL CASH	231 374	146 381

Note 2A

RECEIVABLES DUE FROM FINANCIAL INSTITUTIONS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts	571 446	549 054
b. Credits, loans and placements, incl.	729 173	739 423
- placements in other banks and financial institutions	648 185	697 206
c. Purchased receivables		
d. Realized guarantees and commitments		
e. Other receivables (in respect of)	8 737	7 523
- L/C discounts	8 666	7 468
- VISA cards settlements	71	55
f. Interest	1 663	3 011
- accrued	1 623	2 976
- overdue	40	35
Total gross receivables due from other financial institutions	1 311 019	1 299 011
g. Provisions for receivables due from other financial institutions (negative value)	-71	-75
Total receivables due from other financial institutions (net)	1 310 948	1 298 936

Note 2B

GROSS RECEIVABLES DUE FROM FINANCIAL INSTITUTIONS (BY MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts	571 446	549 054
b. Term, with maturity from balance sheet date:	737 910	746 946
- up to 1 month	573 133	581 852
- 1 month - 3 months	1 656	12 367
- 3 months - 1 year	4 108	827
- 1 year - 5 years		
- over 5 years	158 939	151 825
- overdue	74	75
c. Interest	1 663	3 011
- accrued	1 623	2 976
- overdue	40	35
Total receivables due from other financial institutions (gross)	1 311 019	1 299 011

The changes in the presentation of receivables due broken by maturity are described in Section 32 of the Additional Notes.

Note 2C

RECEIVABLES DUE FROM FINANCIAL INSTITUTIONS (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts	571 446	549 054
b. Term, with duration:	737 910	746 946
- up to 1 month	513 316	529 779
- 1 month - 3 months	4 743	14 345
- 3 months - 1 year	3 604	1 324
- 1 year - 5 years	58 080	49 335
- over 5 years	158 167	152 163
c. Interest	1 663	3 011
- accrued	1 623	2 976
- overdue	40	35
Total receivables due from other financial institutions (gross)	1 311 019	1 299 011

Note 2D

RECEIVABLES DUE FROM FINANCIAL INSTITUTIONS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	298 910	362 778
b. in foreign currency (PLN equivalent)	1 012 109	936 233
b1. unit/currency 1000/ USD	199 455	62 723
in PLN thousand	769 856	255 845
b2. unit/currency 1000 /EUR	64 467	222 187
in PLN thousand	210 245	664 429
b3. unit/currency 1000 /CHF	5 428	3 132
in PLN thousand	13 454	8 274
b4. unit/currency 1000/ GBP	410 644	3 054
in PLN thousand	11 412	89
b5. other receivables (in PLN thousand)	7 142	7 596
Total receivables due from other financial institutions (gross)	1 311 019	1 299 011

Note 2E

RECEIVABLES DUE FROM FINANCIAL INSTITUTIONS (GROSS)	31.12.2005 (current year)	31.12.2004 (prior year)
1. Performing loans	1 309 285	1 295 925
2. Watch loans		
3. Non-performing loans, including:	71	75
- substandard		
- doubtful		
- lost	71	75
4. Interest:	1 663	3 011
a) accrued	1 623	2 976
b) overdue	40	35
- from performing and watch loans		
- from non-performing loans	40	35
Total receivables due from other financial institutions (gross)	1 311 019	1 299 011

Note 2F

VALUE OF LEGAL COLLATERAL DIMINISHING THE BASE FOR CALCULATION OF SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM OTHER FINANCIAL INSTITUTIONS	31.12.2005 (current year)	31.12.2004 (prior year)
a. Watch loans		
b. Non-performing loans, including:		75
- substandard		
- doubtful		
- lost		75
Total value of collateral diminishing the base for calculation of specific provisions for receivables due from other financial institutions		75

Note 2G

SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM OTHER FINANCIAL INSTITUTIONS	31.12.2005 (current year)	31.12.2004 (prior year)
a. Watch loans		
b. Non-performing loans, including:	71	75
- substandard		
- doubtful		
- lost	71	75
Total specific provisions for receivables due from other financial institutions	71	75

Note 2H

MOVEMENTS IN SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM OTHER FINANCIAL INSTITUTIONS	31.12.2005 (current year)	31.12.2004 (prior year)
1. Opening balance	75	87
a) Increases (in respect of)		
- creating provision		
- FX differences		
b) Utilisation (in respect of)		
c) Releases (in respect of)	-4	-12
- repayment of debts		
- FX differences	-4	-12
2. Closing balance	71	75
3. The required amount of specific provisions for receivables due from other financial institutions acc. to the binding law	71	75

Note 3A

RECEIVABLES DUE FROM CUSTOMERS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Credits and loans	4 301 178	3 401 940
b. Purchased receivables	3 111	3 736
c. Realized guarantees and commitments	6 504	3 797
d. Other receivables (in respect of)	13 153	13 461
- VISA cards settlements	12 793	13 461
- L/C discounts	360	
e. Interest	125 239	118 132
- accrued	22 760	22 542
- overdue	102 479	95 590
Total receivables from customers (gross)	4 449 185	3 541 066
f. Provision for receivables from customers (negative value)	-155 562	-159 483
Total receivables due from customers (net)	4 293 623	3 381 583

The Bank has no receivables due related to financial leases.

Note 3B

RECEIVABLES DUE FROM CUSTOMERS (BY MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts	882 540	794 375
b. Term, with maturity from balance sheet date:	3 441 406	2 628 559
- up to 1 month	161 615	65 838
- 1 month - 3 months	213 466	91 552
- 3 months - 1 year	784 871	543 771
- 1 year - 5 years	1 250 262	614 944
- over 5 years	887 253	1 015 133
- overdue	143 939	297 321
c. Interest	125 239	118 132
- accrued	22 760	22 542
- overdue	102 479	95 590
Total receivables due from customers (gross)	4 449 185	3 541 066

The changes in the presentation of receivables due broken by maturity are described in Section 32 of the Additional Notes.

Note 3C

RECEIVABLES DUE FROM CUSTOMERS (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts	882 540	794 375
b. Term, with duration:	3 441 406	2 628 559
- up to 1 month	85 416	93 628
- 1 month - 3 months	29 269	24 789
- 3 months - 1 year	801 267	728 123
- 1 year - 5 years	746 568	604 088
- over 5 years	1 778 886	1 177 931
c. Interest	125 239	118 132
- accrued	22 760	22 542
- overdue	102 479	95 590
Total receivables due from customers (gross)	4 449 185	3 541 066

Note 3D

RECEIVABLES DUE FROM CUSTOMERS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	2 771 090	2 081 020
b. in foreign currencies (PLN equivalent)	1 678 095	1 460 046
b1. Unit/currency 1000 / EUR	245 505	243 218
in PLN thousand	947 600	992 082
b2. Unit/currency 1000 / USD	195 498	73 649
in PLN thousand	484 601	194 590
b3. Unit/currency 1000 / CHF	75 222	91 141
in PLN thousand	245 321	272 547
b4. Other currencies (in PLN thousand)	573	827
Total receivables due from customers (net)	4 449 185	3 541 066

Note 3E

RECEIVABLES DUE FROM CUSTOMERS (GROSS)	31.12.2005 (current year)	31.12.2004 (prior year)
1. Performing loans	3 998 495	3 060 066
2. Watch loans	71 298	65 329
3. Non-performing loans, including:	254 153	297 539
- substandard	54 474	28 155
- doubtful	46 809	85 451
- lost	152 870	183 933
4. Interest:	125 239	118 132
a) accrued	22 760	22 542
b) overdue	102 479	95 590
- from performing and watch loans	79	250
- from non-performing loans	102 400	95 340
Total receivables due from customers (gross)	4 449 185	3 541 066

Note 3F

VALUE OF LEGAL COLLATERAL DIMINISHING THE BASE FOR CALCULATION OF SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM CUSTOMERS	31.12.2005 (current year)	31.12.2004 (prior year)
1. Performing loans (including interest)		
a. Watch loans	26 043	27 658
b. Non-performing loans, including:	94 152	151 044
- substandard	33 115	22 592
- doubtful	28 861	68 744
- lost	32 176	59 708
Total value of collateral diminishing the base for calculation of specific provisions for receivables due from customers	120 195	178 702

Note 3G

SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM CUSTOMERS	31.12.2005 (current year)	31.12.2004 (prior year)
a. Performing loans	4 941	4 803
a. Watch loans	660	584
b. Non-performing loans, including:	149 961	154 096
- substandard	5 350	1 964
- doubtful	15 738	15 653
- lost	128 873	136 479
Total specific provisions for receivables due from customers	155 562	159 483

Note 3H

MOVEMENTS IN SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM CUSTOMERS	31.12.2005 (current year)	31.12.2004 (prior year)
1. Opening balance	159 483	152 291
a) Increases (in respect of)	44 170	41 152
- change in risk category	17 842	37 618
- other	26 328	3 534
b) Utilisation (in respect of)		
c) Releases (in respect of)	-48 091	-33 960
- repayment	-1 460	-9 836
- change in risk category	-12 391	-4 814
- write off	-13 715	-5 077
- other (incl. FX differences)	-20 525	-14 233
2. Closing balance	155 562	159 483
3. The required amount of specific provisions acc. to the binding law	155 562	159 483

Note 4A

RECEIVABLES DUE FROM BUDGET (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Credits and loans	525	54
b. Purchased receivables		
c. Realized guarantees and commitments		
d. Other receivables (in respect of)	3	1
- VISA cards settlements	3	1
e. Interest	3	
- accrued	3	
- overdue		
Total receivables due from budget (gross)	531	55
f. Provision for receivables from budget (negative value)		
Total receivables due from budget (net)	531	55

The Bank has no receivables due related to financial leases.

Note 4B

RECEIVABLES DUE FROM BUDGET (BY MATURITY DATE)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts		
b. Term, with maturity from balance sheet date:	528	55
- up to 1 month	6	1
- 1 month - 3 months	6	
- 3 months - 1 year	28	
- 1 year - 5 years	147	54
- over 5 years	341	
- overdue		
c. Interest	3	
- accrued	3	
- overdue		
Total receivables due from budget (gross)	531	55

The changes in the presentation of receivables due broken by maturity are described in Section 32 of the Additional Notes.

Note 4C

RECEIVABLES DUE FROM BUDGET (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts		
b. Term, with duration:	528	55
- up to 1 month		1
- 1 month - 3 months		
- 3 months - 1 year		
- 1 year - 5 years		54
- over 5 years	528	
c. Interest	3	
- accrued	3	
- overdue		
Total receivables due from budget (gross)	531	55

Note 4D

RECEIVABLES DUE FROM BUDGET (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	531	55
b. in foreign currencies (PLN equivalent)		
b1. Unit/currency 1000 / EUR in PLN thousand		
b2. Other currencies (in PLN thousand)		
Total receivables due from budget (net)	531	55

Note 4E

RECEIVABLES DUE FROM BUDGET (GROSS)	31.12.2005 (current year)	31.12.2004 (prior year)
1. Performing loans	528	55
2. Watch loans		
3. Non-performing loans, including:		
- substandard		
- doubtful		
- lost		
4. Interest:	3	
a) accrued	3	
b) overdue		
- from performing and watch loans		
- from non-performing loans		
Total due from budget (gross)	531	55

VALUE OF LEGAL COLLATERAL DIMINISHING THE BASE FOR CALCULATION OF SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM BUDGET
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not applicable

SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM BUDGET
--

not applicable

MOVEMENTS IN SPECIFIC PROVISIONS FOR RECEIVABLES DUE FROM BUDGET

not applicable

SECURITIES PURCHASED UNDER RESALE AGREEMENTS

not applicable

Note 6A

DEBT SECURITIES	31.12.2005 (current year)	31.12.2004 (prior year)
a. Issued by central banks, of which:	26 277	26 214
- bonds denominated in foreign currency		
b. Issued by other banks, of which:		
- denominated in foreign currency		
c. Issued by other financial institutions, of which:		
- denominated in foreign currency		
d. Issued by non-financial institutions, of which:		
- denominated in foreign currency		
e. Issued by State Treasury of which:	285 151	320 291
- denominated in foreign currency		
f. Issued by local authorities, of which:		
- denominated in foreign currency		
g. Repurchased own securities		
Total debt securities	311 428	346 505

Note 6B

DEBT SECURITIES (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
1. Issued by State Treasury, of which:	285 151	320 291
a) bonds	281 287	202 081
b) treasury bills	3 864	118 210
c) other (by category)		
2. Issued by parent entity, of which:		
a) bonds		
b) other (by category)		
3. Issued by major investor, of which		
a) bonds		
b) other (by category)		
4. Issued by subsidiaries, of which:		
a) bonds		
b) other (by category):		
5. Issued by sister companies, of which:		
a) bonds		
b) other (by category):		
6. Issued by associated entities, of which:		
a) bonds		
b) other (by category):		
7. Issued by others, of which:	26 277	26 214
a) bonds	26 277	26 214
- NBP bonds against mandatory reserve	26 277	26 214
b) other (by category):		
- NBP bills		
Total debt securities	311 428	346 505

Note 6C

MOVEMENTS IN DEBT SECURITIES	31.12.2005 (current year)	31.12.2004 (prior year)
a) Opening balance	346 505	572 342
b) Increases (in respect of)	3 849 328	3 433 653
- purchase	3 841 038	3 421 680
- discount	6 167	3 821
- premium		7
- value adjustments	2 123	8 145
c) Decreases (in respect of)	-3 884 405	-3 659 490
- sale	-3 881 526	-3 657 664
- interest		-1 764
- discount/premium	-2 874	-62
- value adjustments	-5	
d) Closing balance	311 428	346 505

Debt securities securing the Bank's liabilities:

* treasury bills held as security for the Banking Guarantee Fund:

- as at 31.12.2005 - 392 bills at total nominal value of PLN 3,920 thousand,
- as at 31.12.2004 - 1,300 bills at total nominal value of PLN 13,000 thousand,

* treasury bills blocked against the technical loan granted by NBP; technical loan is granted in 80% of the blocked bills value:

- as at 31.12.2005 - there were no T-bills blocked against the technical loan
- as at 31.12.2004 - total nominal value of PLN 87,000 thousand,

* available-for-sale NBP bonds converted by NBP in February 2002 related to lowering the mandatory reserve rate

- as at 31.12.2005 - total nominal value of PLN 24,979 thousand
- as at 31.12.2004 - total nominal value of PLN 24,979 thousand

Note 7A

SHARES AND INVESTMENTS IN SUBSIDIARIES	31.12.2005 (current year)	31.12.2004 (prior year)
a) in banks		
b) in other financial institutions	15 360	62 582
c) in non-financial institution		
Total shares and investments in subsidiary	15 360	62 582

Note 7B

MOVEMENTS IN SHARES AND INVESTMENTS IN SUBSIDIARIES	31.12.2005 (current year)	31.12.2004 (prior year)
Opening balance	62 582	58 084
a) Increases (in respect of)	3 329	5 846
- measurement	3 329	5 846
b) Decreases (in respect of)	-50 551	-1 348
- withdrawal of shares in subsidiary	-50 000	
- measurement	-551	-1 348
Closing balance	15 360	62 582

SHARES AND INVESTMENTS IN SUBSIDIARIES

not applicable

MOVEMENTS IN GOODWILL OF SUBSIDIARIES

not applicable

MOVEMENTS IN NEGATIVE GOODWILL OF SUBSIDIARIES

not applicable

SHARES AND INVESTMENTS IN SISTER COMPANIES

not applicable

MOVEMENTS IN SHARES AND INVESTMENTS IN SISTER COMPANIES

not applicable

SHARES AND INVESTMENTS IN SISTER COMPANIES, INCL. GOODWILL

not applicable

MOVEMENTS IN GOODWILL OF SISTER COMPANIES

not applicable

MOVEMENTS IN NEGATIVE GOODWILL OF SISTER COMPANIES

not applicable

SHARES AND INVESTMENTS IN ASSOCIATED ENTITIES

not applicable

MOVEMENTS IN SHARES AND INVESTMENTS IN ASSOCIATED ENTITIES

not applicable

SHARES AND INVESTMENTS IN ASSOCIATED ENTITIES, INCL. GOODWILL

not applicable

MOVEMENTS IN GOODWILL OF ASSOCIATED ENTITIES

not applicable

MOVEMENTS IN NEGATIVE GOODWILL OF ASSOCIATED ENTITIES

not applicable

SHARES AND INVESTMENTS IN AFFILIATES

Note 11A

SHARES AND INVESTMENTS IN OTHER ENTITIES	31.12.2005 (current year)	31.12.2004 (prior year)
a. other financial institutions		
b. non-financial institutions	43	45
Total shares and investments in other entities	43	45

As at Dec. 31, 2005 the Bank owned 7 (seven) shares of EUR at par value of 11,113.41 in S.W.I.F.T., the global banking communication entity.

Note 11B

MOVEMENTS IN SHARES AND INVESTMENTS IN OTHER ENTITIES	31.12.2005 (current year)	31.12.2004 (prior year)
Opening balance	45	52
a) Increases (in respect of)		
- purchase		
- discount		
- interest		
- other (FX differences)		
b) Decreases (in respect of)	-2	-7
- sale		
- interest		
- premium		
- discount		
- other (FX differences)	-2	-7
Closing balance	43	45

Note 12A

OTHER SECURITIES AND FINANCIAL ASSETS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. pre-emptive rights		
b. derivatives		
c. other (by category)	52 790	46 261
- settlements of financial instruments measurement	52 790	46 261
Total other securities and financial assets (by category)	52 790	46 261

Note 12B

MOVEMENTS IN OTHER SECURITIES AND FINANCIAL ASSETS	31.12.2005 (current year)	31.12.2004 (prior year)
Opening balance	46 261	1 579
a) Increases (in respect of)	21 669	61 991
- financial instruments measurement	21 669	61 991
b) Decreases (in respect of)	-15 140	-17 309
- financial instruments measurement	-15 140	-17 309
Closing balance	52 790	46 261

Note 12C

OTHER SECURITIES AND FINANCIAL ASSETS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	35 964	42 314
b. in foreign currencies (PLN equivalent)	16 826	3 947
b1. Unit/currency 1000 / EUR	2 584	599
in PLN thousand	9 973	2 443
b2. Unit/currency 1000 / USD	2 098	492
in PLN thousand	6 842	1 472
b3. Other currencies (in PLN thousand)	11	32
Total other securities and financial assets	52 790	46 261

Note 13A

FINANCIAL ASSETS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. cash	246 808	174 513
b. financial assets held for trading	62 909	65 353
c. credits and loans granted by the Bank and own receivables not held for trading	5 589 668	4 652 442
d. held-to-maturity financial assets		
e. available-for-sale financial assets	301 352	327 458
Total financial assets	6 200 737	5 219 766

Note 13B

FINANCIAL ASSETS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	3 426 309	2 832 978
b. in foreign currencies (PLN equivalent)	2 774 428	2 386 788
b1. Unit/currency 1000 / EUR	457 511	464 570
in PLN thousand	1 765 903	1 244 729
b2. Unit/currency 1000 / CHF	200 271	76 290
in PLN thousand	496 431	201 567
b3. Unit/currency 1000 / USD	140 052	310 629
in PLN thousand	456 752	928 906
b4. Other currencies (in PLN thousand)	55 342	11 586
Total financial assets	6 200 737	5 219 766

Note 13C

FINANCIAL ASSETS HELD FOR TRADING - TRADING PORTFOLIO (ACC. TO MARKETABILITY)	31.12.2005 (current year)	31.12.2004 (prior year)
A. Unrestricted marketability, quoted on Stock Exchange (book value)	10 119	19 092
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):	10 119	19 092
- fair value	10 119	19 092
- market value		
- value at purchase cost	10 096	18 877
c. other - by category (book value):		
c1. T-bills		
- fair value		
- market value		
- value at purchase cost		
B. Unrestricted marketability, and quoted on OTC market (book value)		
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):		
- fair value		
- market value		
- value at purchase cost		
c. other - by category (book value):		
c1.		
C. Unrestricted marketability and non-quoted on regulated market (book value)	52 790	46 261
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):		
- fair value		
- market value		
- value at purchase cost		
c. other - by category (book value):	52 790	46 261
c1. financial instruments	52 790	46 261
- fair value	52 790	46 261
- market value		
- value at purchase cost		
D. Restricted marketability (book value)		
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):		
- fair value		
- market value		
- value at purchase cost		
c. other - by category (book value):		
c1.		
Total value at purchase cost	10 096	18 877
Total opening balance value	65 353	141 972
Total value adjustments	52 813	46 476
Total book value	62 909	65 353

Note 13D

HELD-TO-MATURITY FINANCIAL ASSETS (BY MARKETABILITY)	31.12.2005 (current year)	31.12.2004 (prior year)
A. Unrestricted marketability, quoted on Stock Exchange (book value)		
a. bonds (book value):		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
b. other - by category (book value):		
b1.		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
B. Unrestricted marketability, and quoted on OTC market (book value)		
a. bonds (book value):		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
b. other - by category (book value):		
b1.		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
C. Unrestricted marketability and non-quoted on regulated market (book value)		
a. bonds (book value):		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
b. other - by category (book value):		
b1. participation units in open investment funds		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
- write-off of participation units in investment funds		
D. Restricted marketability (book value)		
a. bonds (book value):		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
b. other - by category (book value):		
b1. participation units in open investment funds		
- value adjustments (for a given period)		
- opening balance value		
- value at purchase cost		
Total value at purchase cost		
Total opening balance value		
Total value adjustments		
Total book value		

Note 13E

AVAILABLE-FOR-SALE FINANCIAL ASSETS (BY MARKETABILITY)	31.12.2005 (current year)	31.12.2004 (prior year)
A. Unrestricted marketability, quoted on Stock Exchange (book value)	271 168	228 295
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):	271 168	228 295
- fair value	271 168	228 295
- market value		
- value at purchase cost		
c. other - by category (book value):		
c1.		
- fair value		
- market value		
- value at purchase cost		
B. Unrestricted marketability, and quoted on OTC market (book value)	3 864	99 118
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):		
- fair value		
- market value		
- value at purchase cost		
c. other - by category (book value):	3 864	99 118
c1. Treasury bills	3 864	99 118
- fair value	3 864	99 118
- market value		
- value at purchase cost		
c2. NBP bills		
- fair value		
- market value		
- value at purchase cost		
C. Unrestricted marketability and non-quoted on regulated market (book value)	26 277	
a. shares (book value):		
- fair value		
- market value		
- value at purchase cost		
b. bonds (book value):	26 277	
- fair value	26 277	
- market value		
- value at purchase cost		
c. other - by category (book value):		
c1.		
- fair value		
- market value		
- value at purchase cost		
D. Restricted marketability (book value)	43	45
a. shares and investments (book value):	43	45
- fair value		
- market value	43	45
- value at purchase cost		
b. bonds (book value):	43	45
- fair value		
- market value		
- value at purchase cost		
c. other - by category (book value):		
c1.		
- fair value		
- market value		
- value at purchase cost		
Total value at purchase cost	299 257	320 267
Total opening balance value	327 458	432 001
Total value adjustments	2 095	7 191
Total book value	301 352	327 458

Note 14A

INTANGIBLE FIXED ASSETS	31.12.2005 (current year)	31.12.2004 (prior year)
a. research and development costs		
b. goodwill		
c. patents, licences and related rights, incl.	14 522	10 380
- purchased software	14 522	10 380
d. other intangible fixed assets		
e. prepayments for intangible fixed assets		
Total intangible fixed assets	14 522	10 380

MOVEMENTS IN INTANGIBLE ASSETS (by category)

Note 14C

INTANGIBLE FIXED ASSETS (by ownership)	31.12.2005 (current year)	31.12.2004 (prior year)
a. own	14 522	10 380
b. used under rental, lease or other agreements, incl. leasing		
Total intangible fixed assets	14 522	10 380

Note 15A

TANGIBLE FIXED ASSETS	31.12.2005 (current year)	31.12.2004 (prior year)
a) Tangible fixed assets, of which:	43 947	43 137
- land (incl. perpetual usufruct right)		
- buildings, premises, ground or water structures		
- technical equipment and machines	9 820	9 150
- vehicles	8 085	3 082
- other fixed assets	26 042	30 905
b) Assets under construction	3 507	1 372
c) Advances for assets under construction		
Total tangible fixed assets	47 454	44 509

In 2005, there was no unplanned depreciation of fixed assets.

Note 15B

ZMIANA STANU ŚRODKÓW TRWAŁYCH (WG GRUP RODZAJOWYCH)						
	grunty (w tym prawo użytkowania gruntu)	budynki, lokale i obiekty inżynierii lądowej i wodnej	urządzenia techniczne i maszyny	środki transportu	inne środki trwałe	Środki trwałe, razem
a) wartość brutto środków trwałych na początek okresu			53 210	9 200	60 824	123 234
b) zwiększenia (z tytułu)			6 757	6 806	2 775	16 338
- zakupu			3 049	6 806	791	10 646
- rozliczenie inwestycji			3 708		1 984	5 692
c) zmniejszenia (z tytułu)			-2 459	-4 327	-482	-7 268
- sprzedaży			-1 468	-4 327	-429	-6 224
- likwidacji			-517		-43	-560
- inne			-474		-10	-484
d) wartość brutto środków trwałych na koniec okresu			57 508	11 679	63 117	132 304
e) skumulowana amortyzacja (umorzenie) na początek okresu			-44 060	-6 117	-29 885	-80 062
f) amortyzacja za okres (z tytułu)			-3 628	2 523	-7 190	-8 295
- naliczenie amortyzacji			-6 083	-1 746	-7 612	-15 441
- sprzedaży			1 459	4 269	376	6 104
- likwidacji			515		43	558
- inne			481		3	484
g) skumulowana amortyzacja (umorzenie) na koniec okresu			-47 688	-3 594	-37 075	-88 357
h) odpisy z tytułu trwałej utraty wartości na początek okresu						
- zwiększenie						
- zmniejszenie						
i) odpisy z tytułu trwałej utraty wartości na koniec okresu						
j) wartość netto środków trwałych na koniec okresu			9 820	8 085	26 042	43 947

Note 15C

ON-BALANCE FIXED ASSETS (BY OWNERSHIP)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Own	47 454	44 509
b. Used under rental, lease or other agreements, incl. leasing		
- operating leases		
- advances for fixed assets under construction		
Total on-balance sheet fixed assets	47 454	44 509

OFF-BALANCE FIXED ASSETS

not applicable

Note 16A

OTHER ASSETS	31.12.2005 (current year)	31.12.2004 (prior year)
1. Assets seized for sale	5	5
2. Other, including:	58 823	38 690
- sale of subsidiary shares settlements	50 000	
- interbank settlements	458	31 496
- tax settlements	3 490	1 667
- settlements with suppliers and recipients		771
- settlements with employees	317	378
- other settlements	5 983	5 118
- provisions for other assets	-1 425	-740
Total other assets	58 828	38 695

Note 16B

ASSETS SEIZED FOR SALE	31.12.2005 (current year)	31.12.2004 (prior year)
a) Fixed assets under construction		
b) Land		
c) Other:	5	5
Total assets seized for sale	5	5

Note 16C

MOVEMENTS IN ASSETS SEIZED FOR SALE	31.12.2005 (current year)	31.12.2004 (prior year)
Opening balance	5	0
a) Increases (in respect of)		5
- seizure against receivables		5
b) Decreases (in respect of)		
- sale		
Closing balance	5	5

Note 17A

PREPAYMENTS AND ACCRUED INCOME	31.12.2004 (current year)	31.12.2002 (prior year)
a. Long-term	29 899	29 351
- deferred corporate income tax	29 899	29 351
- other prepayments and accrued income		
b. Short-term	3 103	3 510
- capital acquisition costs settlement	211	603
- settlement of rents	28	6
- settlement of insurance	646	719
- assets due from deferred tax	586	
- release of provisions for deferred tax	1 632	2 182
Total prepayments and accrued income	33 002	32 861

Note 17B

MOVEMENTS IN ASSETS IN RESPECT OF DEFERRED CORPORATE INCOME TAX	31.12.2005 (current year)	31.12.2004 (prior year)
1. Opening balance	29 351	18 621
a. related to financial result	29 138	17 009
- accrued interest	5 584	1 392
- prepayments	25	36
- provision for non-performing loans	15 348	10 606
- provision for non-performing loans 2002	404	732
- other provisions	4 016	4 227
- derivatives adjustments to fair value	2 284	2
- securities adjustments to fair value		14
- fee settlement using straight-line method	1 477	
b. related to own equity	213	1 612
- securities adjustments to fair value	146	1 612
- retrospective measurement of fees settled using straight-line method		
- measurement of subsidiary's securities	67	
c. related to goodwill or negative goodwill		
2. Increases	5 246	13 377
a. related to financial result of the period due to negative temporary differences (in respect of)	4 271	12 693
- accrued interest		4 192
- prepayments	10	
- provision for non-performing loans		4 742
- other provisions		
- derivatives adjustments to fair value	1 539	2 282
- securities adjustments to fair value		
- fee settlement using straight-line method	559	1 477
- fee settlement using effective rate	2 163	
- IRS costs - 2005 income		
b. related to financial result of the period due to income tax losses (in respect of)		
c. related to own equity due to negative temporary differences (in respect of)	975	684
- securities adjustments to fair value		
- retrospective measurement of fees settled using straight-line method		617
- retrospective measurement of fees settled using effective rate	975	
- measurement of subsidiary's securities		67
d. related to own equity due to income tax losses (in respect of)		
e. related to goodwill or negative goodwill due to negative temporary differences (in respect of)		
3. Deductions	-4 698	-2 647
a. related to financial result of the period due to negative temporary differences (in respect of)	-3 511	-564
- accrued interest	-2 196	
- prepayments		-11
- provision for non-performing loans	-892	
- provision for lost and doubtful loans 2002	-404	-328
- other provisions	-19	-211
- securities adjustments to fair value		-14
- retrospective measurement of fees settled using straight-line method		
b. related to financial result of the period due to income tax losses (in respect of)		
- securities adjustments to fair value		
- retrospective measurement of fees settled using straight-line method		
- measurement of subsidiary's securities		
c. related to own equity due to negative temporary differences (in respect of)	-1 187	-2 083
- securities adjustments to fair value	-145	-1 466
- measurement of subsidiary's securities	-67	
- retrospective measurement of fees settled using straight-line method	-975	-617
d. related to own equity due to income tax losses (in respect of)		
e. related to goodwill or negative goodwill due to negative temporary differences (in respect of)		

4. Closing balance	29 899	29 351
a. related to financial result	29 898	29 138
- accrued interest	3 388	5 584
- prepayments	35	25
- provision for non-performing loans	14 456	15 348
- provision for lost and doubtful loans 2002		404
- other provisions	3 997	4 016
- derivatives adjustments to fair value	3 823	2 284
- securities adjustments to fair value		
- fee settlement using straight-line method	2 036	1 477
- retrospective measurement of fees settled using straight-line method		
- fee settlement using effective rate	2 163	
- IRS costs - 2005 income		
b. related to own equity	1	213
- securities adjustments to fair value	1	146
- retrospective measurement of fees settled using straight-line method		
- retrospective measurement of fees settled using effective rate		
- measurement of subsidiary's securities		67
c. related to own equity due to tax losses		

Note 17C

OTHER PREPAYMENTS AND ACCRUED INCOME	31.12.2005 (current year)	31.12.2004 (prior year)
a) prepayments and accrued income, of which:	3 082	3 499
- settlements of capital acquisition costs	211	603
- Banking Guarantee Fund costs		
- rents	28	6
- Social Benefit Fund		
- insurance	646	708
- other	2 197	2 182
b) Other, including:	21	11
- fees to be received	21	11
Total other prepayments and accrued income	3 103	3 510

SUBORDINATED LOANS

not applicable

Note 20A

DUE TO FINANCIAL INSTITUTIONS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts and deposits	1 105 678	786 052
- placements of banks and other entities	968 994	114 472
b. Loans and borrowings received	1 067 306	1 136 162
c. Promissory notes		
d. Own share issue		
e. Other, in respect of	1 218	828
- amounts due in respect of financial collateral	1 172	828
- amounts due in respect of VISA cards	45	
- others	1	
f. Interest	4 174	4 803
Total due to other financial institutions	2 178 376	1 927 845

Note 20B

DUE TO FINANCIAL INSTITUTIONS (BY MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current	709 435	671 579
b. Term, with maturity from the balance sheet date:	1 464 767	1 251 463
- Up to 1 month	360 071	22 034
- 1 month - 3 months	792 954	11 479
- 3 months - 1 year	45 345	91 835
- 1 year - 5 years		856 740
- 5 years - 10 years	266 397	269 375
- 10 years - 20 years		
- over 20 years		
- overdue		
c. Interest	4 174	4 803
Total due to other financial institutions	2 178 376	1 927 845

Note 20C

DUE TO FINANCIAL INSTITUTIONS (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current	709 435	671 579
b. Term, with maturity from the balance sheet date:	1 464 767	1 251 463
- Up to 1 month	340 356	1 078
- 1 month - 3 months	100	319
- 3 months - 1 year	53 566	113 903
- 1 year - 5 years	804 348	866 788
- 5 years - 10 years	266 397	269 375
- 10 years - 20 years		
- over 20 years		
- overdue		
c. Interest	4 174	4 803
Total due to other financial institutions	2 178 376	1 927 845

Note 20D

DUE TO FINANCIAL INSTITUTIONS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a.in Polish zloty (PLN)	975 745	785 619
b. in foreign currency (PLN equivalent)	1 202 631	1 142 226
b1. unit/currency 1000/ EUR	214 970	213 206
in PLN thousand	829 742	869 666
b2. unit/currency 1000 /USD	61 043	30 821
in PLN thousand	199 081	92 168
b3. unit/currency 1000 /CHF	68 326	68 148
in PLN thousand	169 368	180 054
b4. Other currency (in PLN thousand)	4 440	338
Total due to other financial institutions	2 178 376	1 927 845

Note 21A

DUE TO CUSTOMERS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts and deposits	2 936 109	2 395 064
b. Loans and borrowings received		
c. Promissory notes		
d. Own share issue		
e. Other, in respect of	204 052	220 152
- amounts due in respect of financial collateral	204 043	219 783
- VISA settlements	9	4
- term deposit settlements		365
f. Interest	4 530	6 644
Total due to customers	3 144 691	2 621 860

Note 21B

DUE TO CUSTOMERS - SAVINGS (BY MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current		
b. Term, with maturity from the balance sheet date:	1 558	688
- Up to 1 month		
- 1 month - 3 months		
- 3 months - 1 year		
- 1 year - 5 years		
- 5 years - 10 years		
- 10 years - 20 years		
- over 20 years	1 558	688
- overdue		
c. Interest	13	
Total due to customers - other	1 571	688

Note 21C

DUE TO CUSTOMERS - SAVINGS (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current		
b. Term, with duration:	1 558	688
- up to 1 month		
- 1 month - 3 months		
- 3 months - 1 year		
- 1 year - 5 years		
- 5 years - 10 years		
- 10 years - 20 years		
- over 20 years	1 558	688
- overdue		
c. Interest	13	
Total due to customers - other	1 571	688

Note 21D

DUE TO CUSTOMERS - OTHER (BY MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current	1 650 728	1 331 471
b. Term, with maturity from the balance sheet date:	1 487 875	1 283 057
- Up to 1 month	970 750	737 642
- 1 month - 3 months	360 833	341 609
- 3 months - 1 year	128 454	167 183
- 1 year - 5 years	6 688	23 477
- 5 years - 10 years	21 050	13 146
- 10 years - 20 years		
- over 20 years	100	
- overdue		
c. Interest	4 517	6 644
Total due to customers - other	3 143 120	2 621 172

Note 21E

DUE TO CUSTOMERS - OTHER (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current	1 650 728	1 331 471
b. Term, with duration:	1 487 875	1 283 057
- up to 1 month	439 665	471 366
- 1 month - 3 months	693 684	476 482
- 3 months - 1 year	284 900	288 226
- 1 year - 5 years	18 405	31 227
- 5 years - 10 years	32 280	14 306
- 10 years - 20 years	17 284	1 450
- over 20 years	1 657	
- overdue		
c. Interest	4 517	6 644
Total due to customers - other	3 143 120	2 621 172

Note 21F

DUE TO CUSTOMERS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	2 342 248	2 029 376
b. in foreign currencies (in respect of)	802 443	592 484
b1. Unit/currency 1000 / EUR	136 420	71 175
in PLN thousand	526 555	290 323
b2. Unit/currency 1000 / USD	79 584	98 426
in PLN thousand	259 547	294 333
b3. Unit/currency 1000 / GBP	1 570	561
in PLN thousand	8 830	3 238
b4. Unit/currency 1000 / CHF	2 336	577
in PLN thousand	5 791	1 525
b5. Other currencies (in PLN thousand)	1 720	3 065
Total due to customers	3 144 691	2 621 860

Note 22A

DUE TO BUDGET (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current accounts and deposits	25 861	25 395
b. Loans and borrowings received		
c. Promissory notes		
d. Own share issue		
e. Other, in respect of	150	
- amounts due in respect of financial collateral	150	
f. Interest	31	62
Total due to budget	26 042	25 457

DUE TO BUDGET - SAVINGS (BY MATURITY)

not applicable

DUE TO BUDGET - SAVINGS (BY CONTRACTUAL MATURITY)

not applicable

Note 22D

DUE TO BUDGET - OTHER (BY MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current	11 598	10 192
b. Term, with maturity from the balance sheet date:	14 413	15 203
- Up to 1 month	12 843	15 003
- 1 month - 3 months	1 570	100
- 3 months - 1 year		100
- 1 year - 5 years		
- 5 years - 10 years		
- 10 years - 20 years		
- over 20 years		
- overdue		
c. Interest	31	62
Total due to budget - other	26 042	25 457

Note 22E

DUE TO BUDGET - OTHER (BY CONTRACTUAL MATURITY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. Current	11 598	10 192
b. Term, with duration:	14 413	15 203
- up to 1 month	1 458	3 340
- 1 month - 3 months	12 955	11 763
- 3 months - 1 year		100
- 1 year - 5 years		
- 5 years - 10 years		
- 10 years - 20 years		
- over 20 years		
- overdue		
c. Interest	31	62
Total due to budget - other	26 042	25 457

Note 22F

DUE TO BUDGET (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	24 972	24 751
b. in foreign currencies (in respect of)	1 070	706
b1. Unit/currency 1000 /EUR	277	173
in PLN thousand	1 070	706
b2. Unit/currency 1000 / USD		
in PLN thousand		
b3. Other currencies (in PLN thousand)		
Total due to budget	26 042	25 457

SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

not applicable

DEBT SECURITIES ISSUED

not applicable

MOVEMENTS IN DEBT SECURITIES ISSUED

not applicable

Note 24C**LONG-TERM LIABILITIES FROM DEBT SECURITIES ISSUED**

not applicable

The Bank does not have liabilities secured on the Issuer assets.

Note 25

SPECIAL FUNDS AND OTHER LIABILITIES	31.12.2005 (current year)	31.12.2004 (prior year)
1. Special funds	1 280	1 152
- social benefit fund	814	748
- other	466	404
2. Other liabilities	107 045	40 186
- tax settlements	56 981	21 474
- interbank settlements	23 496	8 392
- settlements with suppliers and customers	6 137	4 287
- settlements arising from purchase of debts	5 133	4 408
- liabilities arising from other transactions with customers	4 767	108
- settlements arising from loan insurance	3 189	161
- settlements with employees	68	54
- other	7 274	1 302
Total special funds and other liabilities	108 325	41 338

Note 26A

ACCRUALS AND DEFERRED INCOME	31.12.2005 (current year)	31.12.2004 (prior year)
a. Short-term, of which:	13 399	12 521
- provision for variable part of remuneration	8 021	8 212
- provision for unused leave of absence	3 306	2 860
- provision for sub-lease agreements	1 157	1 003
- other interperiod settlements	915	446
b. Long-term, of which:		
Total accruals and deferred income	13 399	12 521

CHANGE IN NEGATIVE GOODWILL

not applicable

Note 26C

OTHER ACCRUALS AND DEFERRALS	31.12.2005 (current year)	31.12.2004 (prior year)
a. Short-term, incl.	13 900	7 913
- prepayments	10 900	7 913
- fees to be settled	3 000	
b. Long-term, incl.	107 959	102 116
- deferred income	107 959	102 116
Total other accruals and deferrals	121 859	110 029

Note 27A

MOVEMENTS IN DEFERRED CORPORATE INCOME TAX PROVISION	31.12.2005 (current year)	31.12.2004 (prior year)
1. Opening balance	9 778	5 083
a. related to financial result	9 724	5 083
- accrued interest on securities	652	987
- other accrued interest	5 986	2 241
- derivative measurement	437	24
- unpaid discount	1 396	705
- investment relief, net	531	583
- difference between balance-sheet and tax depreciation	709	543
- securities adjustments to fair value		
- other revenues	13	
b. related to own equity	54	
- securities adjustments to fair value	54	
c. related to goodwill or negative goodwill		
2. Increases	2 944	5 082
a. related to financial result of the period due to positive temporary differences (in respect of)	2 550	5 028
- accrued interest on securities	284	
- other accrued interest		3 745
- derivatives measurement	197	413
- unpaid discount	649	691
- investment relief, net		
- difference between balance-sheet and tax depreciation		166
- unrealized FX difference	1 416	
- other revenues		
- securities adjustments to fair value	4	13
b. related to own equity due to positive temporary differences (in respect of)	394	54
- securities adjustments to fair value (remeasurement capital)	345	54
- measurement of subsidiary's securities	49	
c. related to own equity due to negative temporary differences (in respect of)		
3. Deductions	-1 868	-387
a. related to financial result of the period due to positive temporary differences (in respect of)	-1 868	-387
- accrued interest on securities		-335
- other accrued interest	-1 341	
- derivative measurement		
- unpaid discount		
- investment relief, net	-39	-52
- difference of balance-sheet and tax depreciation	-475	
- securities adjustments to fair value		
- other revenues	-13	
b. related to own equity due to positive temporary differences (in respect of)		
- securities adjustments to fair value (remeasurement capital)		
c. related to goodwill or negative goodwill due to positive temporary differences (in respect of)		
- securities adjustments to fair value		
4. Closing balance	10 854	9 778
a. related to financial result	10 406	9 724
- accrued interest on securities	936	652
- other accrued interest	4 645	5 986
- derivative measurement	634	437
- unpaid discount	2 045	1 396
- investment relief, net	492	531
- securities adjustments to fair value	4	709
- difference of balance-sheet and tax depreciation	234	
- unrealized FX differences	1 416	
- other revenues		13
b. related to own equity	448	54
- securities adjustments to fair value (remeasurement capital)	399	54
- measurement of subsidiary's securities	49	
c. related to goodwill or negative goodwill		

Note 27B

DEFERRED INCOME TAX PROVISION (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	10 854	9 778
b. in foreign currencies (in respect of)		
b1. Unit/currency 1000 / EUR in PLN thousand		
b2. Unit/currency 1000 / USD in PLN thousand		
b3. Other currencies (in PLN thousand)		
Total deferred income tax provision	10 854	9 778

Note 27C

OTHER PROVISIONS (BY CATEGORY)	31.12.2005 (current year)	31.12.2004 (prior year)
- off-balance sheet commitments provision	1 235	1 176
- provision for future liabilities	488	477
- general risk reserve	20 910	12 000
- provision for employee benefits		
Total other provisions	22 633	13 653

Note 27D

OTHER PROVISIONS	31.12.2005 (current year)	31.12.2004 (prior year)
a. Short-term		
b. Long-term	22 633	13 653
- off-balance sheet commitments provision	1 235	1 176
- provision for future liabilities in respect of legal risk	488	477
- general risk reserve	20 910	12 000
Total other provisions	22 633	13 653

Note 27E

OTHER PROVISIONS (BY CURRENCY)	31.12.2005 (current year)	31.12.2004 (prior year)
a. in Polish zloty (PLN)	22 442	13 402
b. in foreign currencies (in respect of)	191	251
b1. Unit/currency 1000 / EUR in PLN thousand	42	59
in PLN thousand	162	242
b2. Unit/currency 1000 / USD in PLN thousand	9	3
in PLN thousand	29	9
b3. Other currencies (in PLN thousand)		
Total deferred income tax provision	22 633	13 653

MOVEMENTS IN OTHER SHORT-TERM PROVISIONS

not applicable

Note 27G

MOVEMENTS IN OTHER LONG-TERM PROVISIONS	31.12.2005 (current year)	31.12.2004 (prior year)
Opening balance	13 653	1 792
- off-balance sheet commitments provision	1 175	1 628
- provision for future liabilities in respect of legal risk	478	164
- general risk reserve	12 000	
a) Increases (in respect of)	13 631	13 195
- creating provision for off-balance sheet commitments	4 703	881
- creating provision for future liabilities	15	314
- general risk reserve	8 910	12 000
- creating provision for FX differences	3	
b) utilisation (in respect of)		
c) releases (in respect of)	-4 651	-1 334
- release of off-balance sheet commitments provision	-4 609	-1 303
- release of provision for future liabilities in respect of legal risk	-5	
- general risk reserve		
- creating provision for FX differences	-37	-31
Closing balance	22 633	13 653
- off-balance sheet commitments provision	1 235	1 175
- provision for future liabilities in respect of legal risk	488	478
- general risk reserve	20 910	12 000
Total other long-term provisions	22 633	13 653

SUBORDINATED DEBT

not applicable

MOVEMENTS IN SUBORDINATED DEBT

not applicable

Note 29

SHARE CAPITAL							
par value of 1 share = 2PLN							
Series/ issue	Type of shares	Type of preference	Number of shares	Issue value	Type of capital covering	Date of registration	Eligibility for dividend
A	bearer share	common shares	634 060	1 268 120	cash	19.12.1990	from full payment
B	bearer share	common shares	1 115 940	2 231 880	cash	30.04.1991	from full payment
C	bearer share	common shares	2 000 000	4 000 000	cash	14.07.1994	01.01.1994
D	bearer share	common shares	1 250 000	2 500 000	cash	11.07.1996	01.01.1995
E	bearer share	common shares	1 250 000	2 500 000	cash	11.04.1997	01.01.1996
F	bearer share	common shares	625 000	1 250 000	cash	04.06.1998	01.01.1997
G	bearer share	common shares	740 000	1 480 000	cash	04.06.1998	01.01.1997
H	bearer share	common shares	761 500	1 523 000	cash	08.10.1999	01.01.1999
I	bearer share	common shares	1 675 300	3 350 600	cash	03.07.2000	01.01.1999
J	bearer share	common shares	5 025 900	10 051 800	cash	28.06.2001	01.01.2000
Total number of shares			15 077 700				
Total share capital				30 155 400			

As at Dec. 31, 2005 the following shareholders owned stock representing at least 5% of the Bank's share capital or 5% of the votes in the General Meeting of Shareholders (AGM):

Fortis Bank: 99.10% of share capital. However, in accordance with Article 26 of the Bill dated 29.08.1997 r. Banking Law (Dz. U. Nr 140, item 939 as amended) with reference to the resolution No. 159/KNB/99 of Banking Supervision Commission as of 16.08.1999 r. relating to permission granted to Fortis Bank to purchase shares of PPABank SA, Fortis Bank has permission only to acquire shares which give it up to 75% of the total voting rights at the AGM, i.e. 11,308,275 votes.

OWN SHARES

not applicable

BANK SHARES OWNED BY SUBSIDIARIES

not applicable

Note 31

RESERVE CAPITAL	31.12.2005 (current year)	31.12.2004 (prior year)
a. Share premium	349 539	349 539
b. Mandatory reserve		
c. Statutory		
d. Contribution from shareholders		
e. Other		
Total reserve capital	349 539	349 539

Note 32

REMEASUREMENT RESERVE	31.12.2005 (current year)	31.12.2004 (prior year)
a. fixed assets remeasurement	510	511
b. deferred income tax	-447	158
c. FX differences from foreign branches		
d. Other	2 352	-832
- value adjustment of available-for-sale securities	2 096	-479
- measurement of shares in subsidiaries	256	-353
Total remeasurement capital	2 415	-163

Note 33

OTHER RESERVE CAPITAL (BY PURPOSE)	31.12.2005 (current year)	31.12.2004 (prior year)
- General Risk Fund	136 816	112 263
- Other	17 018	17 018
Total other reserve capital	153 834	129 281

Note 34

Capital Adequacy Ratio calculation	31.12.2005 (current year)	31.12.2004 (prior year)
Risk weighted assets	4 576 388	3 360 477
Risk weighted contingent liabilities	448 345	285 359
Total weighed assets and contingent liabilities	5 024 733	3 645 836
Share capital	30 155	30 155
Additional capital	349 539	349 539
Reserve capital	17 018	17 018
General Risk Fund	136 816	112 263
Fixed assets remeasurement capital	510	511
Financial assets remeasurement capital	1 905	-674
Undistributed profit (uncovered loss) from previous years	54 343	11 811
Deductions of core funds and supplementary own funds	29 882	72 962
capital exposure in financial institutions	15 360	62 582
100% of net intangible assets	14 522	10 380
Net equity for the purpose of capital adequacy calculation	560 404	447 661
Short-term capital	5 253	1 776
Credit risk	401 979	291 667
Interest rate risk	3 294	514
Delivery settlement and counterparty risk	1 958	1 262
Total capital adequacy requirement	407 231	293 443
Capital Adequacy Ratio	11.11%	12.26%

Note 35

Book value per share	31.12.2005 (current year)	31.12.2004 (prior year)
Share capital	30 155	30 155
Additional capital	349 539	349 539
Reserve capital	17 018	17 018
General Risk Fund	136 816	112 263
Remeasurement reserve	2 415	-163
Undistributed profit (uncovered loss) from previous years	54 343	11 811
Net profit	101 499	74 553
Total	691 785	595 176
Number of shares	15 077 700	15 077 700
Book value per share (in PLN)	45.88	39.47

Diluted book value per share

not applicable

Note 36

CONTINGENT LIABILITIES GRANTED TO AFFILIATED ENTITIES	31.12.2005 (current year)	31.12.2004 (prior year)
a. Guarantees and sureties granted to:	44 129	4 092
- subsidiaries		
- sister companies	43 734	4 092
- associated entities		
- major investor		
- controlling entity	395	
b. Other, incl.	43 240	23 593
confirmed export LCs		
- subsidiaries		
- sister companies		
- associated entities		
- major investor		
- controlling entity		
Visa card limits granted to	70	59
- subsidiaries	47	49
- sister companies	23	10
- associated entities		
- major investor		
- controlling entity		
credit lines granted to	42 570	21 596
- subsidiaries		
- sister companies	42 570	21 596
- associated entities		
- major investor		
- controlling entity		
open import LCs	600	1 938
- subsidiaries		
- sister companies	600	1 938
- associated entities		
- major investor		
- controlling entity		
Total guarantees and sureties granted to affiliated entities	87 369	27 685

Note 37

CONTINGENT LIABILITIES RECEIVED FROM AFFILIATED ENTITIES	31.12.2005 (current year)	31.12.2004 (prior year)
a. Guarantees and sureties received from:	54 224	175 146
- subsidiaries		
- sister companies	47 412	51 276
- associated entities		
- major investor		
- controlling entity	6 812	123 870
b. Other, incl.	581 182	540 276
Counter-guarantees received from:	70 630	
- subsidiaries		
- sister companies	59 842	
- associated entities		
- major investor		
- controlling entity	10 788	
Credit lines received from:	510 552	540 276
- subsidiaries		
- sister companies	510 552	540 276
- associated entities		
- major investor		
- controlling entity		
Total guarantees and sureties received from affiliated entities	635 406	715 422

NOTES TO PROFIT AND LOSS STATEMENT

Note 38

INTEREST INCOME	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Interest income from financial institutions	38 524	27 972
b. Interest income from customers	232 288	208 221
c. Interest income from budget	22	7
d. Fixed income securities	30 860	43 735
e. Other		
Total interest income	301 694	279 935

Note 39

INTEREST EXPENSE	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Interest expense on transactions with financial institutions	57 244	41 638
b. Interest expense on transactions with customers	77 547	71 522
c. Interest expense on transactions with budget	1 360	1 506
d. Other	629	10 366
Total interest income	136 780	125 032

Note 40

COMMISSION AND FEE INCOME	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Commission and fee income on banking activity	87 531	84 924
b. Commission and fee income on brokerage activity		
Total commission and fee income	87 531	84 924

INCOME ON SHARES, SECURITIES AND OTHER FINANCIAL INSTRUMENTS WITH VARIABLE YIELD

not applicable

Note 42

NET INCOME FROM FINANCIAL OPERATIONS	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Transactions with securities and other financial instruments	5 328	-3 607
- income	93 015	110 344
- expense	87 687	113 951
b. Other financial transactions		
Total net income from financial operations	5 328	-3 607

Note 43

OTHER OPERATING INCOME	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Asset management fees		
b. Sales, liquidation of fixed assets, intangible assets and seized assets for sale	1 626	211
c. Recovered past-due, written-off, uncollectible debts	962	1 060
d. Compensation, penalties, fines received	303	841
e. Donations		
f. Other	6 321	4 160
- income on rents and leases	1 613	1 700
- income on rendering financial services	1 412	
- income on agency in customer acquisition	1 230	1 010
- income on purchase of debts	27	17
- income on returned court and bailiff fees	386	398
- provision for cash differences settlement	170	181
- other	1 483	854
Total other operating income	9 212	6 272

Note 44

OTHER OPERATING EXPENSES	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Asset management fees		
b. Sales, liquidation of fixed assets, intangible assets and seized assets for sale	86	425
c. Recovered past-due, written-off, uncollectible debts	471	501
d. Compensation, penalties, fines paid	266	281
e. Donations	105	70
f. Other	2 026	2 589
- debt recovery expenses	443	612
- legal risk provision	31	453
- provision for cash differences settlement	165	170
- provision for contentious liabilities	737	16
- other	650	1 338
Total other operating expenses	2 954	3 866

Note 45

GENERAL EXPENSES	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Remuneration	70 199	62 177
b. Social security premium and other employee benefits	14 656	11 996
c. Material losses	74 461	71 281
d. Taxes and levies	508	441
e. Bank Guarantee Fund charges	871	1 179
f. Other general expenses		
Total general expenses	160 695	147 074

Note 46

CHARGES TO PROVISIONS AND REMEASUREMENT	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Charges to provisions for::	51 875	56 127
- performing loans	3 678	5 274
- watch loans	803	848
- non-performing loans	33 587	33 728
- general risk reserve	8 910	12 000
- contingent liabilities	4 703	3 969
- other	194	308
b. Remeasurement:		
- of financial assets		
- other		
Total charges to provisions and remeasurement	51 875	56 127

Note 47

RELEASE OF PROVISIONS AND DECREASE IN RESPECT OF REmeasurement	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
a. Releases of provisions for:	26 697	21 244
- performing loans	3 563	2 087
- watch loans	589	455
- non-performing loans	17 936	14 270
- contingent liabilities	4 609	4 368
- general risk reserve		
- other		64
b. Remeasurement:		
Total releases of provisions and decrease in respect of remeasurement	26 697	21 244

EXTRAORDINARY GAINS

not applicable

EXTRAORDINARY LOSSES

not applicable

In 2005 sale of neither all nor part of the shares in subsidiaries, sister companies and associates did occur.

Note 51A

CURRENT CORPORATE INCOME TAX	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
1. Gross profit before tax	122 392	82 467
2. Differences between gross profit before taxation and taxable income	-9 825	34 141
- permanent	-6 449	-6 887
- temporary	-3 292	41 068
- other	-84	-40
3. Taxable income	112 567	116 608
4. Corporate Income Tax 27%/2004 / 28%/2002	21 388	22 155
5. Increases, exemptions, deductions and abatements		-227
6. Corporate Income Tax payable as shown in CIT declaration	21 388	18 632
- as shown in the profit&loss statement	21 388	18 632
- on items which increased/decreased the Bank's equity		
- on items which increased/decreased the Bank's goodwill or negative goodwill		

Note 51B

DEFERRED INCOME TAX AS SHOWN IN PROFIT&LOSS STATEMENT	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
- decrease/increase due to arising and reversing the temporary differences	-1 674	-6 444
- decrease/increase due to changes in tax rates		
- decrease/increase due to carryover of tax loss, tax allowances or temporary differences		
- decrease/increase due to write-off of assets for income tax or no possibility to use the provision for deferred income tax		
- other deferred tax items		-404
Total deferred income	-1 674	-6 848

Detailed information on the differences between corporate income tax charge as shown in	31.12.2005	31.12.2004
a) there was neither investment tax allowance nor investment premium claimed as at 31.12.2005 (in PLN thousand)	0	40
b) tax deductible donations granted (in PLN thousand)		
c) reasons and amount of discontinuance of payment, exemptions, deductions or abatements	31.12.2005	31.12.2004
- due to the decrease in income tax advance for December 2004 by an overpayment resulting from the liquidation of TFI PDM		227
d) deferred tax liabilities as at 31.12.2004 and as at 31.12.2002 (in PLN thousand) divided into categories:	31.12.2005	31.12.2004
accrued interest on securities	4 928	3 432
other accrued interest	24 450	31 500
derivatives measurement	3 336	2 302
unpaid discount	10 762	7 349
net investment tax allowance	2 587	2 794
difference between balance-sheet and tax depreciation	1 231	3 730
securities measurement	23	68
unrealized FX differences	7 453	-
deferred tax liability base	54 770	51 175
deferred tax provision (related to financial result)	10 406	9 723
tax rates	19%	19%
e) deferred tax assets as at 31.12.2005 and as at 31.12.2004 (in PLN thousand) divided into categories:	31.12.2005	31.12.2004
interest payable	17 837	29 390
deferred income	186	132
provision for non-performing loans	71 028	75 721
derivatives measurement	20 121	12 016
other provisions	21 035	21 136
other	22 103	7 778
provision for non-performing loans in 2002	3 554	5 055
tax rates	27%	27%
deferred tax asset base	152 310	146 173
deferred tax assets (related to financial result)	29 899	29 138
difference between deferred tax assets and deferred tax provision	-19 493	-19 415
tax rates	19% / 27%	19% / 27%
f) changes resulting from the change of tax rates did not occur		
g) the Bank did not release any deferred tax assets due to the inability of claiming the future tax receivables		
h) income tax on extraordinary gains amounts to 0		

Note 51C

	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
TOTAL DEFFERED INCOME TAX		
- included in equity		-181
- included in goodwill and negative goodwill		

INCOME TAX AS SHOWN IN PROFIT&LOSS STATEMENT

not applicable

OTHER OBLIGATORY CHARGES TO PROFIT (LOSS)

not applicable

Note 53

	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
SHARE IN NET PROFIT (LOSS) OF SUBSIDIARIES MEASURED BY EQUITY RIGHTS		
- write-off of subordinates goodwill		
- write-off of subordinates negative goodwill		
- write-off of difference in net assets measurement	2 169	3 870

Note 54**ALLOCATION OF NET PROFIT**

The Board of Executives will recommend the Shareholders' Meeting to allocate the 2005 entire net profit to increase the Bank's own funds.

Note 55

	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
PROFIT PER ORDINARY SHARE		
Net profit	101 499	74 553
Weighted average ordinary shares	15 077 700	15 077 700
Profit per ordinary share (in PLN)	6.73	4.94

Diluted profit per share

not applicable

NOTES TO CASH FLOW STATEMENT

Structure of cash (ref. to balance-sheet movements of cash)	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
Cash	156 894	71 692
Travellers checks and valuable stamps	52	50
Current account with NBP	46 259	74 636
Nostro accounts with Polish banks		78
Nostro accounts with foreign banks	15 434	28 055
O/N deposits of Polish banks		
O/N deposits of foreign banks	28 000	29 904
Debit balances on vostro accounts	555 811	491 016
Current receivables from financial institutions	200	1
Interest receivable from performing debit balances	257	52
Total cash	802 907	695 484

Other items - operating activity	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
Donations granted	-379	70
Change in balance of accrued income from securities	-7 449	16 027
Change in balance of other assets	-21 001	27 700
Other differences	-7 080	
Total	-35 909	43 797

Other inflow - investment activity	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
Realised interest on securities, accrued in	7 857	5 378
Realised and accrued interest on securities in	592	678
Total	8 449	6 056

Other outflow - financial activity	01.01.2005- 31.12.2005 (current year)	01.01.2004- 31.12.2004 (prior year)
Donations granted	-105	-70
Interest on long-term bank loans	-19 621	-18 699
Interest on long-term loans from other financial institutions	-749	
Total	-20 475	-18 769

Operating activity includes the Bank's core activity that generates income. The funds generated from operating activity are intended

- maintaining banking accounts,
- granting credits and cash loans,
- accepting deposits.

In addition, the Bank includes to the operating activity the following items: income tax payments, revenues from income tax surplus

The investment activity is connected with purchasing and sale of long-term assets that allow the Bank to generate future profits,

- receipts and expenses related to sale / purchase of fixed tangible and intangible assets,
- receipts and expenses related to sale / purchase of shares and stakes in companies,
- receipts and expenses related to sale / purchase of debt securities.

The financial activity involves changes in the volume and relations of own capital to outside capital invested in

- contracting and repaying long-term loans towards banks,
- receipts from own share issues,
- expenses related to the dividend paid to owners,
- expenses for social purposes (donations).

Cash flow statement is prepared according to the indirect method.