



NOBLE BANK SPÓŁKA AKCYJNA GROUP

MANAGEMENT BOARD'S REPORT

FOR THE PERIOD FROM JANUARY 1ST 2008 TO DECEMBER 31ST 2008

Group's growth in 2008

The Noble Bank S.A. Capital Group is composed of Noble Bank S.A. and its subsidiaries: Open Finance S.A., Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A., Noble Concierge Sp. z o.o. and Introfactor S.A. The parent company is Noble Bank S.A., registered office at ul. Domaniewska 39B, Warsaw, registered in the District Court for the Capital City of Warsaw, XIIIth Commercial Division of the National Court Register, under entry No. KRS 0000018507. As at December 31st 2008 the share capital of the Noble Bank S.A. Group is PLN 215,178,156.

The business model of Noble Bank (like that of Open Finance) is based on an open transaction platform. The Bank distributes its own products as well as those of other financial institutions.

In 2008 the scope of Noble Bank's offering included financial advisory services, property advisory services, investment funds, asset management, mortgage financing, investment accounts and deposits (including structured products). The offering is addressed at demanding clients of above-average wealth. As at December 31st 2008 the Company employed 485 staff, including 140 financial advisers and their assistants.

In 2008 Open Finance S.A. continued to grow dynamically, reaching higher sales results than those in the previous year. This growth was attributed to the extension of the number branches and offices to 64 (including Open Direct) and the higher number of advisers, including advisers at Open Direct, a direct distribution network (447 advisers as at December 31st 2008). In addition to that, relatively high expenditure on marketing was incurred, including TV advertisements. This contributed to a further improvement in the Company's market image and was measurably reflected in the sales volumes.

Noble Funds TFI S.A. offers asset management and investment funds.

Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. as at December 31st 2008 was managing Noble Funds Fundusz Inwestycyjny Otwarty (FIO—open-end investment fund) with five separate subfunds: Noble Fund Skarbowy (Treasuries), Noble Fund Mieszany (mixed), Noble Fund Akcji (equities), Noble Fund Akcji Małych i Średnich Spółek (equities of small and medium-sized companies, Noble Fund Luxury and Noble Fund Timingowy.

In 2008 the value of Noble Funds FIO assets fell from PLN 1,124.2m to PLN 775.8m, which corresponds to a 31% decrease. In the same period, assets of Polish investment fund companies shrank from PLN 135.0bn to PLN 74.2bn, which represents a 45% decline, according to data from the Chamber of Fund and Asset Management (IZFiA). Thus, the Company's share in the market of investment fund companies grew over the year from 0.83% to 1.05%.

As at December 31st 2008 the Company was managing the assets of 81 individual clients (natural and legal persons). In 2008 the value of assets under management fell from PLN 409.6m to PLN 139.6m, which accounts for a 66% decrease. In the case of asset management clients, around 65% of withdrawn assets involved those of companies from the Getin Holding S.A. capital group.

At the end of December 2008 Noble Funds TFI S.A. was managing assets of the investment fund and asset management clients with a total of value of PLN 915.4m.

The Noble Bank S.A. Capital Group experiences continuous growth.

On July 31st 2008 Noble Bank S.A. acquired 50,000 shares in Introfactor S.A., registered office in Warsaw, with a par value of PLN 10 each, which correspond to 100% of that company's share capital and confer 100% of voting rights at its general shareholders' meeting, for a total price of PLN 500,000.00. Introfactor S.A. runs factoring business. In 2008 it was operating on the domestic market.

On May 26th 2008 Noble Bank S.A. concluded an agreement with Open Finance S.A. to buy 100 shares in Open Dystrybucja Sp. z o.o., registered office in Warsaw, with a par value of PLN 500 each, which correspond to 100% of that company's share capital and confer 100% of voting rights at its shareholders' meeting, for a total price of PLN 69,000. Its company name was afterwards changed to Noble Concierge Sp. z o.o. The company's business mainly involves concierge services for Noble Bank S.A. customers.

Overview of key financial indicators

In 2008 the Noble Bank S.A. Group achieved a net profit of PLN 151,628 thousand. The financial result targets, adopted by Noble Bank S.A. shareholders in the 2008 financial plan, have been outperformed.

The sales model used at the Group brought about a considerable increase in income on interest, fees and commissions and foreign exchange differences during the year.

2008 also saw a substantial rise in the value of loans given by the Group. Their value rose from PLN 1,175,899 thousand as at December 31st 2007 to PLN 3,825,081 thousand as at December 31st 2008.

Important factors and events, including untypical ones, which occurred in 2008 and afterwards, until the approval date of the financial statements, and which have a material impact on the Group's business and financial performance in the financial year or which are likely to have such an impact in future years

The conducted marketing campaign and increased efficiency of Noble Bank S.A. and Open Finance S.A. financial advisers enabled the Group to achieve high sales of mortgage loans and deposit products (especially at the year end), which was reflected in profits at a level exceeding the originally expected target.

The change in macroeconomic parameters towards the end of the financial year, which continued in 2009, will demand additional efforts from the Group's Management Board and employees in pursuing ambitious goals set for 2009. According to the Group's Management Board, objectives established in the 2009 plan are not threatened.

On January 29th 2009, the Management Boards of Noble Bank S.A. and Getin Bank S.A. agreed on, and the Supervisory Boards of the both banks approved, the Plan of Merger between Noble Bank S.A. and Getin Bank S.A.

Except for the above, there were no untypical events or factors which would significantly influence the Group's business and financial performance in the current financial year and in the future years.

Prospects for the Group's business growth

In connection with the planned dynamic growth of the Group companies and the planned merger with Getin Bank S.A., the Group companies intend to continue the expansion of the product distribution network and its sales volumes.

The Group's planned fast growth in the area of product distribution (chiefly loans) will entail further needs to obtain stable sources of financing for lending. Plans foresee particular emphasis on the sales of deposit products—including structured ones.

The Bank intends to continue the debt collection of its "old" loan portfolio, also taking into account a possibility of purchasing other banks' pools of receivables for the Bank's specialised unit to carry out debt collection activities.

The Group is planning further growth of its subsidiaries.

Open Finance S.A. is going to continue building up the distribution network by opening new branches and developing the network of mobile advisers.

Noble Funds TFI S.A. will carry on building the investment portfolio within the framework of the offered participation units in the umbrella fund and asset management services. Among Noble Funds TFI S.A. growth factors, the most important one will be the repeatability of sound investment performance, which the Company would wish to attain by taking care of the investments team quality.

Introfactor S.A. wants to continue expanding its factoring business, while taking great care with the selection of business partners. The company addresses its services mostly to small and medium-sized enterprises with revenues ranging from PLN 4m to PLN 50m. 2009 will be the first full year of operation for the company.

Noble Concierge Sp. z o.o. is going to carry on its services for Noble Bank Concierge Programme and to develop and adapt its legal, information and operational infrastructure necessary to fulfil a modified business model. The model consists in the generation of revenues from companies from outside the Group on the basis of a service model and standard worked out for Noble Bank S.A. VIP clients.

Information about key products and services offered by Noble Bank S.A. Group

The business model of Noble Bank S.A. (like that of Open Finance S.A.) is based on an open transaction platform. The Bank distributes its own products (loans and deposits) as well as those of other financial institutions.

In 2008 the scope of Noble Bank's and Open Finance's offering included: financial advisory services, property advisory services, investment funds, asset management, mortgage financing, investment accounts, deposits and structured deposits. The offering is addressed at demanding clients of above-average wealth.

Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. as at December 31st 2008 was managing Noble Funds Fundusz Inwestycyjny Otwarty (FIO—open-end investment fund) with five separate subfunds: Noble Fund Skarbowy (Treasuries), Noble Fund Mieszany (mixed), Noble Fund Akcji (equities), Noble Fund Akcji Małych i Średnich Spółek (equities of small and medium-sized companies), Noble Fund Luxury and Noble Fund Timingowy.

As at December 31st 2008 the Company was also managing the assets of 81 individual clients (natural and legal persons).

On August 19th 2008 Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. was authorised by the Polish Financial Supervision Authority to provide advisory services on securities trading. In this way the Company has broadened its scope of offering (besides activities which involve setting up and managing investment funds, including intermediation in the selling and buying of participation units, managing a collective portfolio of securities and asset management services).

On December 1st 2008 Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. effectively commenced running advisory services on securities trading for the benefit of Skandia Życie Towarzystwo Ubezpieczeń S.A., which commissioned the company to manage model portfolios.

Introfactor S.A. provides factoring services—mostly for small and medium-sized enterprises.

Noble Concierge Sp. z o.o. renders services chiefly for Noble Bank S.A. clients as part of Noble Bank Concierge Programme.

In 2008, the interest income of PLN 253,013 thousand (2007: PLN 77,956 thousand) and fee and commission income of PLN 184,209 thousand (2007: PLN 177,116 thousand) was achieved. In 2008 interest income rose by 225% and fee and commission income rose by 4% as compared with the 2007 figures.

Description of important risk factors and threats to the Group's growth, with determination of the Group's exposure

One of the objectives of risk management policy is to optimise the structure of balance sheet and off-balance sheet items to retain the planned proportion of income to the risk incurred. The Bank's Management Board is responsible for managing risk at the strategic level. Noble Bank S.A. has two Committees: Credit Committee and Asset and Liability Management Committee, which are responsible for managing their relevant risk areas at the operational level, monitoring risk levels as well as for the development of current risk management policies within the framework of strategies adopted by the Bank's Management Board and in line with internal limits and supervisory regulations.

In its business the Bank is exposed to a number of risks of which the most important is credit risk, liquidity risk, market risk and operational risk. In accordance with a resolution of the Commission for Banking Supervision (KNB), the Bank is obliged to calculate capital requirements for the coverage of particular risks, i.e. to maintain its equity at a level commensurate with the exposure. The resolution of KNB governs the method of calculating the solvency ratio and includes, apart from the credit risk capital requirements, capital requirements for other risks (currency risk, interest rate risk and operational risk, among others) in the capital adequacy calculation.

Credit risk:

The Bank controls credit risk through the implementation and observance of internal procedures for the monitoring of the granted loans and through day-to-day reviews of the borrowers' financial standing and loan repayments. The Bank has in place a separate organisational unit which monitors and manages credit risk.

Currency risk:

Noble Bank S.A. has in place written and implemented procedures regulating the currency risk management. As part of its operating activities, the Bank aims to minimise the currency risk by keeping the total currency position value at a level below the adopted limit. The limit is determined and changed by the Asset and Liability Management Committee.

Interest rate risk:

Noble Bank S.A. has in place written and implemented procedures regulating the interest rate risk management. The interest rate risk management system in use at Noble Bank S.A. makes it possible to establish whether, and to what extent, the Bank is exposed to the risk of changing interest rates. For assessing the interest rate risk, Noble Bank S.A. applies the method of analysing the mismatching of maturity dates of assets and liabilities (timing differences in the maturity); the duration method (the duration gap) using the convexity ratio; the mismatch gap method (funds gap, repricing model); sensitivity analysis based on the position value formulas; sensitivity analysis of the margin on variable interest items. The Bank also examines yield curve risk, basis risk and customer options risk.

Liquidity risk:

Noble Bank S.A. has in place written and implemented procedures regulating the liquidity risk management. The liquidity risk management system established and used at Noble Bank S.A. allows it to monitor the level of liquid assets on a day-to-day basis and ensures a liquidity level necessary for meeting obligations. The main indicators of the Bank's liquidity level are: daily information on the level of kept supervisory liquidity measures, monthly statements of mismatched assets and liabilities with the off-balance sheet items according to actual and adjusted maturity dates and liquidity ratios calculated on this basis. Such ratios are subject to limits and monitoring.

Operational risk:

For the purposes of efficient operational risk management, a five-stage risk management process has been implemented in Noble Bank S.A. The Bank mapped processes and segments with potential exposure to operational risk. For those segments staff were assigned who are responsible for reporting operational risk-related events. Noble Bank S.A. keeps a base of operational losses and incidents. As far as the operational risk management issues are concerned, Noble Bank S.A. follows regulations contained in Recommendation M, which deals with the operational risk management in banks.

Open Finance S.A. operates as a broker of financial products, above all loan products. Because of that, all market risks related to the fluctuation in the zloty's value, degree of wealth of households, changing loan interest rates and banks' tightening of the lending criteria have influence on the Company's financial performance. Open Finance S.A. has an IT system in place, which supports the business and largely limits the likelihood of adverse effects of the operational risk taking place.

A key risk to the growth of Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A lies in losing a large portion of assets under its management, owing to the current situation on capital markets. This risk now applies to Poland's entire market of investment funds. Distribution of participation units in Noble Funds FIO is run chiefly through unit-linked funds offered by the following companies: Skandia Życie Towarzystwo Ubezpieczeń S.A., AEGON TU na Życie S.A., AXA Życie Towarzystwo Ubezpieczeń S.A., through Noble Bank S.A. branches, Open Finance S.A. distribution network and several dozen other distributors, mostly financial intermediation firms. Despite an expanded distribution network, it can not be excluded that, with such a negative attitude of customers towards investments in capital market as is observed today, the system of distributing participation units in Noble Funds FIO might fail to contribute to asset growth, which may adversely influence the Company's activities and performance. The Company will mitigate the above risk by making distribution deals with new financial intermediaries, banking networks and brokerage offices and most of all by coming up with products tailored to the current market situation (Noble Fund Global Return subfund, closed-end funds dedicated to natural persons, a closed-end private equity fund, the broadening of the Company's business with advisory services on securities trading).

Apart from the risk related to the market situation and the distribution network, Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A is exposed to the following market risks which may affect the volume of assets under its management:

- 1) a start of a "price war" on management fees among investment fund companies, which could affect the Company's profitability,
- 2) growing distribution costs of investment fund participation units.

In addition to the risks mentioned above, the quality of management of assets placed in custody of Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A., which should be understood as the repeatability of good investment results as compared to competition, poses a considerable risk to the company, which could materially influence the volume of assets it manages and, by extension, its financial performance. Good returns on individual clients' portfolios and on Noble Fund Timingowy and Noble Fund Akcji Małych i Średnich Spółek subfunds may be a vital source of the company's income, owing to the design of fees on such products which makes it possible for the company to charge a success fee.

Operational risks for the business of Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. exist in two main areas: its activity as an enterprise and as a manager of investment funds and individual clients' portfolios. The company hedges against the risks, especially risks inherent in the process of making investment decisions, by valuations of fund participation units, valuations of individual clients' portfolios and by buying and selling fund participation units. The company protects itself against such risks by having an adequate IT infrastructure, internal procedures and procedures for co-operating with external entities, especially with distributors of fund participation units, the transfer agent and the depositary bank. Management staff, who have many years' experience acquired with rival investment fund companies, are central in minimising the company's operational risks.

Companies of the Noble Bank S.A. Group did not apply hedge accounting principles in 2008.

Information on the markets

The Group operates mainly on the domestic market. It does not have suppliers or customers who achieve more than 10% of revenue on sales or costs of purchase.

Information on agreements significant for the Group's business, including agreements between shareholders (partners) and insurance or cooperation agreements known to the Company

As at December 31st 2008 Noble Bank S.A. had 7,674 deposits from Towarzystwo Ubezpieczeń na Życie Europa S.A. The total value of those deposits as at December 31st 2008 was PLN 1,255,701 thousand (principal—PLN 1,229,224 thousand and interest—PLN 26,477 thousand). The last deposit matures in July 2013. Deposits are accepted on an arm's length basis.

The (Noble Bank S.A) Group entered into a number of transactions which relate to financial instruments, for a total of PLN 4,412,732 thousand.

Information on the issuer's organisational or capital links with other entities, and description of main domestic and foreign investments

Noble Bank is the parent company of the Noble Bank S.A. Capital Group. The Bank has investments in the following subsidiaries:

Company	Registered office	Core business	Bank's percentage share in equity	
			31.12.2008	31.12.2007
Open Finance S.A.	ul. Domaniewska 39, Warsaw	Financial intermediation	100.0%	100.0%
Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A.	ul. Domaniewska 39, Warsaw	Management of investment funds	70.0%	70.0%
Introfactor S.A.	ul. Wołoska 18, Warsaw	Other financial activity	100.0%	0.0%
Noble Concierge Sp. z o.o.	ul. Domaniewska 39, Warsaw	Activity auxiliary to financial services	100.0%	0.0%

Getin Holding S.A. is the superior parent company and the direct holding company of Noble Bank S.A. The Company understands the related entities to include also the Bank's minority shareholders: ASK Investments S.A., A. Negelkerken Holding B.V., International consultancy strategy Implementation B.V., H.P. Holding 3 B.V. The group of related entities also includes: the Company's Management Board, Carcade Sp. z o.o., TU Europa S.A., TU na Życie Europa S.A., Getin Bank S.A. (formerly JML S.A.), Powszechny Dom Kredytowy S.A., S.A., Panorama Finansów S.A., Dom Maklerski Polonia Net S.A., Leszek Czarniecki as the main shareholder of Getin Holding S.A., as well as the parent company's Management Board members, the parent company's Supervisory Board members and parties related to them.

As at December 31st 2008 the Company had the following available-for-sale securities, in which it invested its cash surplus: securities issued by central banks in the amount of PLN 299,958 thousand, securities issued by banks in the amount of PLN 118 thousand, securities issued by other financial entities in the amount of PLN 1,194 thousand, securities issued by non-financial entities in the amount of PLN 51 thousand and securities issued by the Treasury in the amount of PLN 175,920 thousand.

Description of transactions with related entities, if a single or aggregate amount of transactions concluded by an entity in a period from the beginning of the financial year exceeds the PLN equivalent of EUR 500,000

The Group made transactions with the following entities:

- TU Europa na Życie S.A.—transactions involved mainly deposits accepted by Noble Bank S.A. (PLN 121,934 thousand as at December 31st 2008), interest expense on those deposits (PLN 7,994 thousand in 2008), fee and commission income (PLN 6,953 in 2008), fee and commission expense (PLN 15 thousand in 2008), costs of other services and materials (PLN 139 thousand in 2008) and sales revenues (PLN 16 thousand in 2008). Receivables on fees and commissions as at December 31st 2008 amounted to PLN 365 thousand. Liabilities on insurance intermediation as at December 31st 2008 amounted to PLN 462 thousand.
- TU Europa na Życie S.A.—transactions involved mainly deposits accepted by Noble Bank S.A. and current accounts (PLN 1,259,958 thousand as at December 31st 2008), interest expense on those deposits (PLN 39,715 thousand in 2008) and fees and commissions (fee and commission income in 2008 was PLN 23,556 thousand, fee and commission expense was PLN 670 thousand, receivables as at December 31st 2008 were PLN 1,360 thousand and liabilities stood at PLN 1,397 thousand). In 2008 the Group achieved income from TU Europa na Życie S.A. on the sale of other services, of PLN 153 thousand, and incurred expenses from the purchase of other services from TU Europa na Życie S.A., of PLN 3,199 thousand.
- Carcade Sp. z o.o.—transactions involved mainly a loan given by Noble Bank S.A. (of PLN 36,726 thousand as at December 31st 2008) and interest income on that loan (of PLN 3,303 thousand in 2008).
- Panorama Finansów S.A.—transactions involved mainly a loan given by Noble Bank S.A. (outstanding amount as at December 31st 2008 was PLN 2,013 thousand) and interest income on that loan (of PLN 32 thousand in 2008). Interest expense in 2008 amounted to PLN 22 thousand. As at December 31st 2008 other receivables from Panorama Finansów S.A. and liabilities to it amounted to PLN 108 thousand and PLN 12 thousand, respectively. In 2008 the Group sold Panorama Finansów S.A. materials and fixed assets of PLN 129 thousand and incurred commission costs of PLN 9 thousand.
- Getin Bank S.A.—transactions involved mainly deposits placed by Getin Bank S.A. Their balance as at December 31st 2008 was PLN 125,186 thousand, and the associated interest expense was PLN 496 thousand. Other receivables as at December 31st 2008 came to PLN 42 thousand. Fee and commission expense in 2008 was PLN 20 thousand, other sales to Getin Bank S.A. were PLN 26 thousand, and the purchase costs of materials and other services came to PLN 240 thousand. In 2008 the Group realised fee and commission sales to Getin Bank S.A., of PLN 2,511 thousand.
- Dom Maklerski Polonia Net S.A.—transactions involved mainly deposits placed by Dom Maklerski Polonia Net S.A. Their balance as at December 31st 2008 was PLN 2,514 thousand, and the associated interest expense was PLN 104 thousand.
- Jarosław Augustyniak, President of Noble Bank S.A. Management Board, as at December 31st 2008 had deposits in the bank, totalling PLN 3,144 thousand. In the financial year the sum of paid or accrued interest on the placed deposits was PLN 501 thousand. As at December 31st 2008 receivables from Mr Augustyniak amounted to PLN 20 thousand and were due under credit card transactions. Mr Augustyniak's remuneration in 2008 was PLN 3,465 thousand.
- Maurycy Kuhn, Management Board Member—transactions involved mainly deposits placed in Noble Bank S.A. (as at December 31st 2008 their value was PLN 2,465 thousand, with the interest of PLN 77 thousand accrued for 2008) and a loan worth PLN 4,041 thousand as at December 31st 2008, with the corresponding income interest in 2008 amounting to PLN 108 thousand. Mr Kuhn's remuneration in 2008 was PLN 3,139 thousand.
- Krzysztof Spyra, Management Board Member, as at December 31st 2008 had deposits in the bank, totalling PLN 1,701 thousand. In the financial year the sum of paid or accrued interest on the placed deposits was PLN 112 thousand.

As at December 31st 2008 receivables from Mr Spyra amounted to PLN 43 thousand and were due under credit card transactions. The Company's interest income in 2008 amounted to PLN 1 thousand. Mr Spyra's remuneration in 2008 was PLN 3,165 thousand.

Information on loans taken out and advance agreements, including their maturities

As at December 31st 2008 the Company had the following loans taken out from the following institutions:

- BOŚ—CHF 20,000 thousand—matures on May 2nd 2009.
- Mazowiecki Bank Regionalny—PLN 25,000 thousand—matures on June 29th 2009.
- DZ Bank—CHF 15,000 thousand—matures on July 29th 2009.
- Danske Bank—CHF 21,500 thousand—credit line maturing on October 2nd 2009.

Information on advances given, including their maturities, and sureties and guarantees given

The Noble Bank S.A. Group provided a guarantee for the payment of rent and other liabilities of up to PLN 450 thousand for Home Broker S.A. (formerly JML S.A.) and of PLN 243 thousand for Dominata Sp. z o.o. The provision of the guarantee is subject to a fee which is 1% of the guaranteed sum.

Description of the Group's use of proceeds from the issue of securities

On September 15th 2008 Noble Bank S.A. issued two-year certificates of deposit in the amount of PLN 57,500,000, as part of the Bank Securities Issue Programme. Interest on certificates is paid every six months on the basis of the six-month WIBOR rate plus a margin. Funds raised under the issue programme will be allocated for the purpose of intensifying mortgage lending and lending involving loans secured with financial assets.

Explanation of differences between financial results disclosed in the annual report and the previously published result forecasts for the year

The Group did not publish forecasts.

Justified assessment of the management of financial resources, with the focus on the capacity to fulfil its obligations, and description of possible measures which the Company has taken or intends to take to counteract such risks

The Group is fully capable of fulfilling its incurred financial obligations. Earned and budgeted profits make it possible to maintain fully the ability to meet the incurred obligations.

Assessment of prospects for achieving investment plans

The Group's planned investments mostly involve opening new branches. The Group has adequate resources to realise those plans fully.

Assessment of events and untypical events influencing the result on operations for the financial year

Relatively high spending on advertisement as well as financial advisers' ever increasing efficiency enabled the Company to sell loans (including those denominated in foreign currencies) at a higher than expected level, thus to realise profits which exceeded the originally assumed figures.

In 2008, strong loan sales contributed to a considerable increase in the Group's interest income (a 225% rise compared to 2007) and in fee and commission income (a 4% rise compared to 2007). Owing to the sales of loans denominated in foreign currencies, the Group also improved the foreign exchange result (by 120% against 2007).

Description of external and internal factors which are essential to the Company's growth

Slower or no economic growth, a weakening zloty, rising interest rates and, consequently, lower than usual customers' willingness to take out mortgage and financial loans may cause lower sales of loans (especially ones denominated in foreign currencies).

Securing funds to finance lending is the determining factor in further growth of the Group. The Group pursues this goal by an active campaign to collect deposits – also by selling structured deposits.

Retention of the qualified and experienced managerial staff is another critical factor in the Group's further growth.

Changes in the basic rules for managing the Company and its capital group

In 2008 there were no important changes in the methods in which the Company and the Capital Group of Noble Bank S.A. are managed.

Changes in the composition of the management and supervisory bodies of the Issuer and the subsidiaries in 2008. Rules for appointing and dismissing managing individuals and their rights, especially the right to decide to issue or redeem shares

The composition of Noble Bank's Management Board as at December 31st 2008 was as follows:

- Jarosław Augustyniak – President of the Bank's Management Board,
- Maurycy Kuhn – Member of the Management Board,
- Krzysztof Spyra – Member of the Management Board.

Henryk Pietraszkiewicz, who was the President of the Management Board of Noble Bank S.A., resigned from the Board on March 7th 2008. On March 7th 2008 the Supervisory Board of Noble Bank S.A. appointed Jarosław Augustyniak, who until then had served as the Vice-President of the Management Board of Noble Bank S.A., to the post of its President.

On January 9th 2009, the Supervisory Board appointed Bogusław Krysiński as a new member of the Bank's Management Board.

The composition of the Supervisory Board of Noble Bank S.A. as at December 31st 2008 was as follows:

- Krzysztof Rosiński – Chairman of the Supervisory Board,
- Michał Kowalczewski – Member of the Supervisory Board,
- Dariusz Niedośpiał – Member of the Supervisory Board,
- Remigiusz Baliński – Member of the Supervisory Board,
- Radosław Stefurak – Member of the Supervisory Board.

On March 6th 2008 the Extraordinary General Shareholders' Meeting of Noble Bank S.A. accepted Piotr Stępnia's resignation from the Supervisory Board of Noble Bank S.A., submitted on January 22nd 2008.

On that date Krzysztof Rosiński was appointed to the post of Chairman of the Supervisory Board of Noble Bank S.A.

On July 31st 2008 the Extraordinary General Shareholders' Meeting decided to appoint Radosław Stefurak as a Supervisory Board Member.

On September 19th 2008 Marek Kaczałko resigned from the Supervisory Board of Noble Bank S.A.

In 2008, the Management Board of Noble Concierge Sp. z o.o. was composed of the following persons:

- Wojciech Gradowski—President of the Management Board—until May 26th 2008,
- Aleksandra Łukasiewicz—Vice-President of the Management Board—until May 26th 2008,
- Michał Kulka—President of the Management Board—from May 27th 2008,
- Tomasz Mihułka—Member of the Management Board—from May 27th 2008.

On January 29th 2008 Mr Stępiak resigned from the Supervisory Board of Open Finance S.A., and on January 31st 2008 Mr Rosiński was appointed to the post of a Supervisory Board Member.

In 2008 the composition of the management and supervisory bodies of the Group's other companies did not change.

Management Board Members are appointed and removed by the Supervisory Board. Supervisory Board Members are appointed and removed by the General Shareholders' Meeting. The General Shareholders' Meeting decides on the redemption and issue of shares.

Agreements between the Company and managing individuals which stipulate compensation in the event of their resignation or dismissal from the held position without a valid reason or when their resignation or dismissal is caused by the Company's merger through takeover

The Group does not have such agreements.

Amount of remuneration, awards and benefits, including those resulting from the Company equity-based motivation or bonus schemes, paid or payable to the Company's Management Board and Supervisory Board Members

The remuneration of the Management Board of Noble Bank S.A. in 2008 was PLN 10,018 thousand. Supervisory Board Members were not remunerated in 2008.

In 2008, Management Board Members of Noble Funds TFI S.A. received the aggregate remuneration of PLN 1,372 thousand and the dividend from the 2007 profit, of PLN 1,120 thousand. Management Board Members have shareholdings in the Company. The Company does not remunerate Supervisory Board Members.

In 2008, Management Board Members of Open Finance S.A. received the aggregate remuneration of PLN 282 thousand. The Company does not remunerate Supervisory Board Members.

In 2008, Management Board Members of Noble Concierge Sp. z o.o. received the remuneration of PLN 12 thousand.

In 2008, Management Board Members of Introfactor S.A. received the remuneration of PLN 120 thousand. The Company did not remunerate Supervisory Board Members in 2008.

Description of the total number and par value of all of the Company's shares owned by individuals managing and supervising Noble Bank S.A. — as at December 31st 2008

The table below presents the ownership of Noble Bank S.A. shares among its supervising and managing individuals as at December 31st 2008 and December 31st 2007:

Name	Function	As at 31.12.2007	Shares acquired in reporting period	Shares sold in reporting period	As at 31.12.2008
Remigiusz Baliński	Member of the Supervisory Board	22 333	-	-	22 333
Maurycy Kuhn *	Member of the Management Board	10 758 000	-	453 553	10 304 447
Krzysztof Spyra **	Member of the Management Board	10 750 000	-	360 053	10 389 947
Jarosław Augustyniak ***	President of the Management Board	10 758 000	-	60 053	10 697 947
* through:	ASK Investments SA				4 939 947
	A. Nagelkerken Holding B.V.				5 350 000
	as a private individual				14 500
					10 304 447
** through:	ASK Investments SA				4 939 947
	International Consultancy Strategy Implementation				5 450 000 10
					10 389 947
*** through:	ASK Investments SA				4 939 947
	H.P.Holding 3 B.V.				5 750 000
	as a private individual				8 000
					10 697 947

Indication of shareholders with at least 5% of total number of votes, directly or indirectly through subsidiaries, at the Company's general meeting

The shareholders of Noble Bank S.A. as at December 31st 2008:

Share capital structure 31.12.008 Audited data	Number of shares held	Number of votes held	% of votes at GSM
Getin Holding S.A.	158 458 666	158 458 666	73.64%
ASK Investments S.A.	14 819 840	14 819 840	6.89%
A. Nagelkerken Holding B.V.	5 350 000	5 350 000	2.49%
International consultancy strategy Implementation B.V.	5 450 000	5 450 000	2.53%
H.P. Holding 3 B.V.	5 750 000	5 750 000	2.67%
Minority shareholders	25 349 650	25 349 650	11.78%
Total	215 178 156	215 178 156	100.00%

Information on agreements known to the Company (including ones made after the balance sheet date) which could lead to future changes in the proportions of shares held by the current shareholders and bondholders

On January 29th 2009, the Management Boards of Noble Bank S.A. and Getin Bank S.A. agreed on, and the Supervisory Boards of the both banks approved, the Plan of Merger between Noble Bank S.A. and Getin Bank S.A.

Pursuant to the Investment Contract of March 31st 2006 between Noble Bank S.A. and natural persons who as at December 31st 2007 were the shareholders of Noble Funds TFI S.A., Noble Bank S.A. has the right (between 2007 and December 31st 2012) to call all natural persons mentioned above to sell Noble Bank S.A. all the shares owned by them. The possible repurchase valuation depends, among others, on the performance of Noble Funds TFI S.A., the net value of assets and results as at the option exercise date and financial results for the 12-month period preceding the option exercise date.

At the same time, the natural persons mentioned above are entitled to call Noble Bank S.A. to purchase the shares owned by them. This right is exercisable between January 1st 2012 and December 31st 2012. The sale price depends, among others, on the performance of Noble Funds TFI S.A., the net value of assets and financial results for the option years.

On July 28th 2008, an Investment Contract was made between Noble Bank S.A. and natural persons and Factor Management Team Sp. z o.o., which sets out conditions for the respective parties' planned investments in the shares of Introfactor S.A., rules which regulate that company's business and principles for its supervision and management. Under that contract, Noble Bank S.A. acquired 100% of Introfactor S.A. shares, for a cash contribution of PLN 500 thousand. In addition, the contract gives Factor Management Team Sp. z o.o. a conditional right to acquire in the future a new issue of Introfactor S.A. shares which account for 30% of that company's share capital and confer 30% of votes at its General Shareholders' Meeting. The key requirement for the acquisition right to be exercised by Factor Management Team Sp. z o.o. consists in the delivery of a business plan assumed in the Investment Contract, which concerns both Introfactor S.A. and Introbank (a Specialist Unit of Noble Bank S.A.) and involves raising a specific volume of deposits for Noble Bank S.A., within a period of 24 months (starting from July 31st 2008). If the above right is exercised, Factor Management Team Sp. z o.o. will acquire the new issue at the nominal price, for cash.

According to the Management Board's knowledge, there were no other agreements which could lead to changes in the proportions of shares held by the Company's current shareholders.

Indication of owners of securities which give special controlling rights in the Issuer

The Company does not have any securities which give special controlling rights in the Issuer.

Information on the controls system for employee share schemes

The Noble Bank S.A. Group does not have employee share schemes.

Indication of any constraints on transferring the ownership of the Company's securities and exercising voting rights attached to the Company's shares

No such need constraints exist.

Information on agreements with the Parent Company's auditor

On July 21st 2008 Noble Bank S.A. signed an agreement with Ernst & Young Audit Sp. z o.o. on the review of the individual and consolidated financial statements prepared as at June 30th 2008 and on the audit of the individual and consolidated financial statements prepared for the financial year ended December 31st 2008.

On July 17th 2008 Noble Funds TFI S.A. signed an agreement with Ernst & Young Audit Sp. z o.o. on the review and audit of Noble Funds FIO for 2008.

The total remuneration for Ernst & Young Audit Sp. z o.o. under the above agreements for 2008 was PLN 435 thousand for the 2008 financial year.

The remuneration for Ernst & Young Audit Sp. z o.o. for the audit and review of financial statements of Noble Bank and Noble Funds TFI S.A (with FIO) for 2007 was PLN 390 thousand.

Information on the sources of financing for the Group's operating activities

In 2008 the main sources of financing of the Group's activities were amounts due to customers, amounts due to banks and shareholders' equity. As at December 31st 2008 amounts due to customers and to banks and other financial institutions were PLN 3,454,781 thousand and PLN 500,632 thousand respectively, and shareholder's equity as at December 31st 2008 amounted to PLN 692,550 thousand. In order to secure stable financing of its activities, the Company has developed a package of deposit products, which, because of their advanced design and attractive terms, make it possible to build a stable deposit base. The Company also obtains financing through the co-operation with other banks on the interbank transactions market and with other financial institutions. As at December 31st 2008 amounts due to customers, amounts due to banks and other financial institutions, and shareholders' equity accounted for 62%, 9% and 12% of all financing sources, respectively.

In 2008 the Group was operating in Poland.

Information on the number and value of enforcement titles issued by the Group and on the value of established collateral

In 2008 the Company issued 2,356 enforcement titles with a total value of PLN 19,601 thousand. The value of the borrowers' assets pledged as collateral was PLN 4,915,344 thousand as at December 31st 2008.

Information on other important agreements between the Group and the Central Bank or supervisory authorities

In 2008 no important agreements between the Group and the Central Bank or supervisory authorities were made.

Information on loans taken out, agreements on advances, sureties and guarantees which do not involve the Group's operating activities, and on all contractual obligations resulting from the debt securities or financial instruments issued, underwriting agreements and guarantees given to subsidiaries

In 2008 there were no agreements on loans, advances, sureties and guarantees which do not involve the operating activities of the Group. No underwriting agreements were concluded, either.

As at December 31st 2008 Noble Bank S.A. had a guarantee given to Open Finance S.A. in the amount of PLN 1,953 thousand.

On September 15th 2008 Noble Bank S.A. issued two-year certificates of deposit in the amount of PLN 57,500,000, as part of the Bank Securities Issue Programme. Interest on certificates is paid every six months on the basis of the six-month WIBOR rate plus a margin.

Description of the co-operation with international financial institutions and of the Bank's credit policy

The Group's co-operation with international financial institutions mostly involved selling their products to Polish clients.

The Bank's credit policy complies with the guidelines contained in budgets approved by the Supervisory Board and includes criteria closely connected with the control of the identified risks—credit, currency, interest rate and liquidity risk. The Bank controls credit risk through the implementation and observance of internal procedures for the monitoring of the granted loans and through day-to-day reviews of the borrowers' financial standing and loan repayments. In accordance with a resolution of the Commission for Banking Supervision, the Bank is obliged to calculate capital requirements for the coverage of particular risks, i.e. to maintain its equity at a level commensurate with the exposure. The resolution of the Commission for Banking Supervision governs the method of calculating the solvency ratio and includes, apart from the credit risk capital requirements, capital requirements for other risks (currency risk, interest rate risk, among others) in the capital adequacy calculation.

Profile of the Bank's assets and liabilities and the description of the main balance sheet items

As at December 31st 2008 amounts due from banks made up 17% of all of the Group's assets and stood at PLN 965,217 thousand. They largely comprised term deposits and current accounts.

Loans and advances to customers as at December 31st 2008 accounted for 68% of all assets, at PLN 3,825,081 thousand. They largely comprised mortgage loans and loans secured with financial assets.

Amounts due to customers (including financial liabilities at fair value through profit or loss) as at December 31st 2008 represented 62% of all of the Group's shareholders' equity and liabilities, at PLN 3,454,781 thousand. They chiefly included term deposits and current accounts.

Debt securities in issue represented 7% of all of the Group's shareholders' equity and liabilities, and amounted to PLN 414,150 thousand as at December 31st 2008. The securities involve three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. Interest on certificates is paid every three months on the basis of the three-month WIBOR rate plus a margin. On September 15th 2008 Noble Bank S.A. launched a next issue of two-year certificates of deposit in the amount of PLN 57,500,000, as part of the Bank Securities Issue Programme. Interest on certificates is paid every six months on the basis of the six-month WIBOR rate plus a margin.

Shareholders' equity as at December 31st 2008 amounted to PLN 692,550 thousand and made up 12% of the Group's total shareholders' equity and liabilities. Changes in equity during the year mostly arose from the generated net profit of PLN 151,628 thousand.

The profile of asset and liability structure as regards the Group's liquidity is presented below:

Balance sheet items	Up to 1 month inclusive	From 1 to 3 months inclusive	From 3 months to 1 year inclusive	Total below 12 months	From 1 to 5 years inclusive	Over 5 years	Total over 12 months	Undefined maturity	Total
Assets:									
Cash and balances with Central Bank	83 762	-	-	83 762	-	-	-	-	83 762
Amounts due from banks	837 993	112 212	-	950 205	-	-	-	15 012	965 217
Derivative financial instruments	1 010	23 762	-	24 772	36 071	-	36 071	-	60 843
Loans and advances to customers	175 418	3 825	93 535	272 778	359 907	3 192 396	3 552 303	-	3 825 081
Financial instruments	299 958	-	10 964	310 922	164 956	-	164 956	1 363	477 241
Available for sale	299 958	-	10 964	310 922	164 956	-	164 956	1 363	477 241
Intangible assets	-	-	-	-	-	-	-	103 738	103 738
Tangible fixed assets	-	-	-	-	-	-	-	24 692	24 692
Non-current assets classified as held for sale	-	-	-	-	-	-	-	52	52
Income tax assets	-	-	17 396	17 396	-	-	-	730	18 126
Current income tax assets	-	-	17 396	17 396	-	-	-	-	17 396
Deferred income tax assets	-	-	-	-	-	-	-	730	730
Other assets	3 854	1 325	1 719	6 898	2 626	-	2 626	34 640	44 164
Total assets:	1 401 995	141 124	123 614	1 666 733	563 560	3 192 396	3 755 956	180 227	5 602 916
Liabilities:									
Amounts due to banks and financial institutions	57	127 296	353 279	480 632	20 000	-	20 000	-	500 632
Derivative financial instruments	12 372	153 281	282 258	447 911	24 472	-	24 472	-	472 383
Amounts due to customers	628 878	490 120	1 539 483	2 658 481	796 300	-	796 300	-	3 454 781
Debt securities in issue	5 785	1 463	-	7 248	406 902	-	406 902	-	414 150
Corporate income tax liabilities	-	-	-	-	-	-	-	1 160	1 160
Other liabilities	14 053	6 717	7 888	28 658	3 149	-	3 149	1 448	33 255
Deferred income tax provision	-	-	-	-	-	-	-	33 953	33 953
Provisions	-	-	-	-	-	-	-	52	52
Total liabilities:	661 145	778 877	2 182 908	3 622 930	1 250 823	-	1 250 823	36 613	4 910 366
Equity				-			-	692 550	692 550
Total shareholders' equity and liabilities	661 145	778 877	2 182 908	3 622 930	1 250 823	-	1 250 823	729 163	5 602 916
Liquidity gap	740 850	(637 753)	(2 059 294)	(1 956 197)	(687 263)	3 192 396	2 505 133	(548 936)	-

Structure of loans given

Loans given as at December 31st 2008 were classified according to the following categories:

As at December 31st 2008	Gross value of unimpaired loans and advances	Gross value of impaired loans and advances	IBNR charges for unimpaired loans and advances	Charges for impaired loans and advances	Total net value
PLN '000					
- Corporate loans	258 005	43 459	(1 066)	(38 725)	261 673
- Housing loans	2 979 233	5 742	(19 582)	(1 937)	2 963 456
- Consumer loans	566 220	57 719	(3 218)	(20 769)	599 952
Total	3 803 458	106 920	(23 866)	(61 431)	3 825 081

Structure of deposits held

As at December 31st 2008 deposits held by the Group were classified in the following manner:

Current accounts and O/N deposits	252 432
Term liabilities with maturities of:	3 201 715
up to 1 month	375 812
between 1 to 3 months	490 120
between 3 months to 1 year	1 539 483
between 1 to 5 years	796 300
Other*	634
Total	3 454 781

Average basic interest rate used at the Group for deposits and loans during the financial year

As at December 31st 2008, the average effective interest rate on deposits, broken down by currencies, was as follows:

Deposits in EUR	2.10%
Deposits in PLN	6.19%
Deposits in USD	0.20%
Deposits in GBP	1.50%
Deposits in CHF	0.40%
Deposits in JPY	0.40%

As at December 31st 2008, the average effective interest rate on loan receivables, broken down by currencies, was as follows:

Receivables in EUR	8.30%
Receivables in PLN	10.52%
Receivables in USD	7.91%
Receivables in CHF	5.77%
Receivables in JPY	4.05%

Description of guarantees and sureties granted by the Bank

As at December 31st 2008, the Noble Bank S.A. Group provided a guarantee for Home Broker S.A. (formerly JML S.A.) of PLN 450 thousand and for Dominata Sp. z o.o., of PLN 242 thousand. The guarantees relate to rental payments.

The provision of the guarantee is subject to a fee which is 1% of the guaranteed sum.

Important achievements in research and development

In 2008 no research and development work was conducted.

Purchase of own shares

On November 28th 2008 the Extraordinary General Shareholders' Meeting of Noble Bank S.A. passed a resolution on the purchase of Noble Bank S.A. own shares and in that resolution authorised the Company's Management Board to determine detailed conditions for the purchase of shares. The Company's Management Board adopted the Rules for the Share Buy-Back Programme in a resolution of December 5th 2008.

On December 5th 2008 the Company made an agreement with Dom Maklerski POLONIA NET S.A., registered office in Kraków ("DM POLONIA"), under which the Company will be purchasing its own shares through DM POLONIA, in accordance with the Rules mentioned above. In 2008 the Company bought back 147,000 own shares. The value of the repurchased shares was PLN 498 thousand.

Group's branches and offices

In 2008 Noble Bank was operating through eight branches: three in Warsaw and the others in Kraków, Poznań, Wrocław, Gdańsk and Katowice.

Open Finance S.A. has stationary branches in the following cities: Warsaw (11), Wrocław (2), Kraków (2), Poznań (2), Gdynia (2), Gdańsk (2), Katowice, Bielsko-Biała, Olsztyn, Lublin, Szczecin, Łódź, Białystok, Bydgoszcz, Kielce, Gorzów Wielkopolski, Radom, Opole, Koszalin, Zielona Góra, Kalisz, Częstochowa and Rzeszów. They make up the Company's distribution network. In addition, the Company has 26 Open Direct mobile advisors offices.

Methods and objectives of financial risk management adopted by the Group, including hedging methods for significant transaction planning for which hedge accounting is used

The Group's companies do not apply hedge accounting principles in 2008.

Description of major equity holdings or major equity investments made within the Issuer's Capital Group in the given financial year

On July 31st 2008 Noble Bank S.A. acquired 50,000 (fifty thousand) shares in Introfactor S.A., registered office in Warsaw, with a par value of PLN 10 (ten zlotys) each, which correspond to 100% of that company's share capital and confer 100% of voting rights at its general shareholders' meeting, for a total price of PLN 500,000.00 (five hundred thousand zlotys). The company conducts factoring business. In 2008 it was operating on the domestic market.

On May 26th 2008 Noble Bank S.A. concluded an agreement with Open Finance S.A., registered office in Warsaw (the Issuer's subsidiary), to purchase 100 (one hundred) shares in Open Dystrybucja Sp. z o.o., registered office in Warsaw ("the Company"), with a par value of PLN 500 (five hundred zlotys) each, which correspond to 100% of that company's share capital and confer 100% of voting rights at its shareholders' meeting, for a total price of PLN 69,000.00. In May 2008 the company name was changed to Noble Concierge Sp. z o.o. Pursuant to a resolution of August 27th 2008, the share capital of Noble Concierge Sp. z o.o. was increased through the establishment of 800 new shares with a value of PLN 500 each. All new shares have been acquired by Noble Bank S.A.

Description of significant off-balance sheet items

As at December 31st 2008 Noble Bank S.A. had financial contingent liabilities and commitments (loans to its customers which had not been paid out) of PLN 227,511 thousand and guarantees given for Home Broker S.A. (PLN 450 thousand) and Dominata Sp. z o.o. (PLN 242 thousand). Additionally, Noble Bank S.A. as at December 31st 2008 disclosed financial instruments with the off-balance sheet value of PLN 4,412,732 thousand.

Noble Bank S.A. Management Board:

Jarosław Augustyniak
President of the Management Board

Krzysztof Spyra
Member of the Management Board

Maurycy Kuhn
Member of the Management Board

Bogusław Krysiński
Member of the Management Board

February 27th 2009