

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS OF GETIN NOBLE BANK S.A. CAPITAL GROUP  
FOR THE 2012 FINANCIAL YEAR**

**I. GENERAL INFORMATION**

**1. Details of the audited Parent Company**

The Parent Company of the Capital Group operates under the business name Getin Noble Bank S.A. (Parent Company). The Company's registered office is located in Warsaw at Domaniewska 39.

On 1 June 2012 District Court for the capital city of Warsaw, Business-Registry Division in Warsaw, issued a decision on the merger of Get Bank S.A. (the acquiring company) and Getin Noble Bank S.A. (the acquired company) to Getin Noble Bank S.A. At the same time, the Bank's firm was changed from Get Bank S.A. to Getin Noble Bank S.A.

The Parent Company operates as a joint stock company established by a notarized deed on 5 March 2008 as amended before Zbigniew Warchoń, Notary Public in Warsaw (Repertory A No. 4365/2008). The Bank was recorded in the Commercial Register kept by the District Court, XIII Business-Registry Division in Warsaw, section B, under number 0000304735, based on the decision dated 25 April 2008. Currently, the Bank is recorded in the Register of Entrepreneurs kept by the District Court, Business-Registry Division in Warsaw, under KRS number 0000304735.

The Parent Company's tax identification number NIP assigned by Head of the Second Tax Office in Warsaw on 31 March 2008 is 108-000-48-50.

The REGON number assigned to the Parent Company by the Statistical Office on 5 May 2008 is 141334039.

The Parent Company operates based on the provisions of the Code of Commercial Companies and Banking law.

In accordance with the Parent Company's articles of association, the scope of its activities includes:

- accepting term and on demand deposits and keeping their records of transactions,
- operating other bank accounts,
- granting loans,
- granting and confirming bank guarantees as well as opening and confirming letters of credit,
- issuing banking securities,
- financial settlements operations,
- granting cash advances,
- concluding check and B/E transactions and transactions relating to warrants,
- issuing payment cards and processing card operations,
- performing term financial transactions,
- trading in receivables,
- safekeeping of objects and securities as well as providing access to safe deposit boxes,
- purchase and sale of FX values,
- granting and confirming sureties,
- performing operations related to the issue of securities,
- providing agency services in international funds transfers and settlements in international trade,
- issue of electronic money instrument.

Additionally the Getin Noble Bank S.A. Group offers services listed below:

- brokerage,
- leasing,
- financial intermediary,
- asset & fund management.

As of 31 December 2012, the Parent Company's share capital amounted to PLN 2,650,143,319 and was divided into 2,650,143,319 ordinary shares with a face value of PLN 1.00 each.

In accordance with notifications received by the Parent Company as at 31 December 2012, the Bank's shareholders included:

- LC Corp B.V. – 38.98% shares,
- Dr Leszek Czarnecki – 10.24% shares,
- ING Otwarty Fundusz Emerytalny – 7.26% shares,
- Getin Holding S.A. – 5.66% shares,
- other shareholders – 37.86% shares.

During the 2012 financial year there were following changes in the share capital of the Parent Company:

- On 2 January 2012, as a result of the split-off of Getin Holding S.A., District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register registered an increase in share capital of Get Bank S.A. of PLN 103,060,000 to the amount of PLN 2,245,525,631. At the same time 893,786,767 shares of Getin Noble Bank S.A. were transferred to Get Bank S.A., which constituted 93.71% of the share capital and entitled to 893,786,767 (93.71%) votes at the General Shareholders' Meeting of Getin Noble Bank S.A.
- On 19 January 2012, Getin Holding S.A. ceased to be the parent company for Get Bank S.A. and indirectly for Getin Noble Bank S.A. At the same time dr Leszek Czarnecki has become the parent company for Get Bank S.A. in connection with the acquirement directly and indirectly of 1,197,323,225 shares in Get Bank S.A. Thereby, he acquired indirectly (via Get Bank S.A.) 893,786,767 shares in Getin Noble Bank S.A., which represents 93.71% of the share capital and entitles to 893,786,767 (93.71%) votes at the General Shareholders' Meeting of Getin Noble Bank S.A.
- On 7 February 2012, the Management Board of Get Bank S.A. and Getin Noble Bank S.A. agreed, and the Supervisory Boards of both Banks approved the merger plan of Getin Noble Bank S.A. and Get Bank S.A., which resulted in the transfer of all assets of Getin Noble Bank S.A. to Get Bank S.A. as the acquiring company (merger by acquisition) with a simultaneous increase in the share capital of Get Bank S.A. through a new issue of 144,617,688 shares series I, with a face value of PLN 1.00 each.
- On 18 June 2012 all shares of Getin Noble Bank S.A., i.e. 953,763,097 series from A to H and series J have been excluded from stock exchange trading. Following the merger of Get Bank S.A. and Getin Noble Bank S.A. existing shareholders of Getin Noble Bank S.A. obtained shares of the merged Bank at the parity of 1:2.4112460520.
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- On 9 November 2012, the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register registered an increase in share capital of Getin Noble Bank S.A. of PLN 260,000,000 by the issue through a public offering 200,000,000 ordinary bearer shares series J with a face value PLN 1.00 each and 60,000,000 ordinary bearer shares series K with a face value PLN 1.00 each.

During the audited period, the shareholding structure of the Parent Company's share capital did not undergo any changes other than the ones specified above.

After the balance-sheet date there were no changes in the Parent Company's share capital.

As of 31 December 2012, the Capital Group's equity amounted to PLN 4,721,643 thousand.

The Capital Group's financial year is the calendar year.

Composition of the Management Board of the Parent Company as of the date of the opinion:

- Krzysztof Rosiński – President of the Management Board,
- Radosław Stefurak – Member of the Management Board,
- Karol Karolkiewicz – Member of the Management Board,
- Maciej Szczechura – Member of the Management Board,
- Maurycy Kühn – Member of the Management Board,
- Grzegorz Tracz – Member of the Management Board,
- Krzysztof Spyra – Member of the Management Board.

During the audited period and till the date of the opinion there were following changes in the composition of the Management Board of the Parent Company:

- On 30 May 2012 Marcin Dec and Radosław Radowski resigned from the position held by them in the Management Board of the Parent Company with effect on the date of legal merger of Get Bank S.A. and Getin Noble Bank S.A. At the same time on 30 May 2012 the Supervisory Board of the Parent Company appointed to the Parent Company's Management Board from the date of legal merger of Get Bank S.A. and Getin Noble Bank S.A. Krzysztof Rosiński as Vice-President of the Management Board and Maurycy Kühn, Krzysztof Spyra, Maciej Szczechura and Grzegorz Tracz as Members of the Management Board.
- On 20 June 2012 Grzegorz Słoka resigned from the position as the Member of the Parent Company's Management Board and Radosław Stefurak resigned from the position of the President of the Management Board of Getin Noble Bank S.A. Consequently, on 20 June 2012 Krzysztof Rosiński took the position of the Vice-President and acting President of the Management Board and Radosław Stefurak took the position of the Member of the Management Board.

The above changes have been reported and registered at a relevant court register.

On 29 January 2013 the Polish Financial Supervision Authority approved the appointment of Krzysztof Rosiński to the position of the President of the Management Board of the Parent Company.

Composition of Getin Noble Bank S.A. Capital Group as of 31 December 2012:

- Parent Company – Getin Noble Bank S.A. and
- subsidiaries:
  - Getin Leasing S.A.,
  - Getin Services S.A. (subsidiary of Getin Leasing S.A.),
  - Noble Concierge Sp. z o.o.,
  - Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A.,
  - Noble Securities S.A.,
  - Pośrednik Finansowy Sp. z o.o. (subsidiary of Getin Leasing S.A.),
  - Pośrednik Finansowy Sp. z o.o. S.K.A. (subsidiary of Getin Services S.A.),
  - Sax Development Sp. z o.o.,
- associates:
  - Open Finance S.A. Capital Group.

The consolidated financial statements as of 31 December 2012 included the following entities:

- a) Parent Company – Getin Noble Bank S.A.

We have audited the financial statements of Getin Noble Bank S.A., the Parent Company, for the period from 1 January to 31 December 2012. As a result of our audit on 28 February 2013 we issued an unqualified opinion.

- b) Companies subject to full consolidation:

<b>Name and address of the Company</b>	<b>Interest in the capital (%)</b>	<b>Name of entity that audited the financial statements and type of opinion issued</b>	<b>Balance sheet date of the consolidated entity</b>	<b>Opinion date</b>
Getin Leasing S.A.	97.16%	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31 December 2012	The opinion has not been issued till the date of this report.
Getin Services S.A.	100%	Hera Sp. z o.o. An unqualified opinion.	31 December 2012	15 February 2013
Noble Concierge Sp. z o.o.	100%	The company was not subject to audit.	31 December 2012	Not applicable.
Noble Funds TFI S.A.	100%	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. An unqualified opinion.	31 December 2012	28 February 2013
Noble Securities S.A.	96.74%	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31 December 2012	The opinion has not been issued till the date of this report.
Pośrednik Finansowy Sp. z o.o.	100%	Hera Sp. z o.o. An unqualified opinion.	31 December 2012	15 February 2013
Pośrednik Finansowy Sp. z o.o. S.K.A.	100%	The company was not subject to audit.	31 December 2012	Not applicable.
Sax Development Sp. z o.o.	100%	The company was not subject to audit.	31 December 2012	Not applicable.
GNB Auto Plan Sp. z o.o.		Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.	31 December 2012	The opinion has not been issued till the date of this report.

c) Companies subject to equity method of consolidation:

<b>Name and address of the Company</b>	<b>Interest in the capital (%)</b>	<b>Name of entity that audited the financial statements and type of opinion issued</b>	<b>Balance sheet date of the consolidated entity</b>	<b>Opinion date</b>
Open Finance S.A. Capital Group	48.85%	Ernst & Young Audit Sp. z o.o. An unqualified opinion.	31 December 2012	27 February 2013

The Parent Company preparing the consolidated financial statements did not simplify or alter consolidation principles in relation to the consolidated entities.

In the audited financial year the Parent Company included in consolidation the entity GNB Auto Plan Sp. z o.o. as result of concluded securitization transaction involving transfer to GNB Auto Plan Sp. z o.o. of legal title to the Parent Company's car loans portfolio securitized receivables for the price of PLN 1,007,120 thousand. The transaction was financed with a loan of nominal value PLN 488,454 thousand granted to the company by the Parent Company and through issue of bonds with nominal value of PLN 518,666 thousand by GNB Auto Plan Sp. z o.o. The Parent Company acquired PLN 225,666 thousand of the bonds issued by GNB Auto Plan Sp. z o.o.

The company is subject to consolidation based on control exercised by the Parent Company through the securitization transaction on car loans portfolio receivables of the Parent Company, although there is no involvement of Group in the company's capital.

In the audited financial year, the Parent Company excluded from consolidation Idea Bank S.A. as a result of sale by the Parent Company to Getin Holding S.A. its entire stake 9,872,629 shares in an associate, representing 37.05% of the company share capital.

## **2. Information about the consolidated financial statements for the prior financial year**

In the previous financial year the current Parent Company, formerly Get Bank S.A. (the acquiring company), did not prepare consolidated financial statements. The consolidated financial statements of Getin Noble Bank S.A. Capital Group for 2011 were prepared by the parent company Getin Noble Bank S.A. (the acquired company). On 1 June 2012 merger of the companies took place as described in section I.1 of this report.

The activities of the Capital Group in 2011 resulted in a net profit of PLN 949,838 thousand. The consolidated financial statements of the Capital Group for 2011 were audited by a certified auditor. The audit was performed by authorized entity Ernst & Young Audit Sp. z o.o. On 29 February 2012 the certified auditor issued an unqualified opinion on those financial statements.

On 3 April 2012 the General Shareholders' Meeting approved the consolidated financial statements for the 2011 financial year.

In accordance with applicable laws, the consolidated financial statements for the 2011 financial year were submitted to the National Court Register (KRS) on 25 April 2012 and filed for publication in Monitor Polski B on 12 April 2012. They were published in Monitor Polski B No. 1367 on 2 July 2012.

### **3. Details of the authorized entity and the key certified auditor acting on its behalf**

The audit of the consolidated financial statements was performed based on the agreement of 12 June 2012 concluded between Getin Noble Bank S.A. and Deloitte Audyt Sp. z o.o. (presently: Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.) with its registered office in Warsaw, al. Jana Pawła II 19, recorded under number 73 on the list of entities authorized to provide audit services kept by the National Council of Statutory Auditors. On behalf of the authorized entity, the audit of the consolidated financial statements was conducted under the supervision of Paweł Nowosadko, key certified auditor (No. 90119), in the registered office of the Parent Company from 22 October to 9 November 2012 and from 28 January to 15 February 2013 as well as outside the Company's premises until the date of this opinion.

The entity authorized to audit the financial statements was appointed by the resolution of the Parent Company's Supervisory Board of 30 May 2012, based on the power of attorney included in Article 10.3.8 of the Parent Company's articles of association.

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: Deloitte Audyt Sp. z o.o.) and Paweł Nowosadko, key certified auditor, confirm that they are authorized to carry out audits and meet the requirements of Article 56 of the Act on statutory auditors and their self-governing body, auditing firms and on public oversight (Journal of Laws of 2009, No. 77, item 649, as amended) to express an unbiased and independent opinion on the consolidated financial statements of the Getin Noble Bank S.A. Capital Group.

### **4. Availability of data and management's representations**

The scope of our audit was not limited.

During the audit, all necessary documents and data as well as detailed information and explanations, were provided to the authorized entity and the key certified auditor, as confirmed e.g. in the written representation of the Management Board of the Parent Company of 28 February 2013.

## II. ECONOMIC AND FINANCIAL POSITION OF THE CAPITAL GROUP

Presented below are the main items from the consolidated income statement as well as financial ratios describing the financial performance of the Capital Group and its economic and financial position compared to corresponding figures for 2011. Due to the merger of Get Bank S.A. and Getin Noble Bank S.A. (on 1 June 2012) the comparative information for 2011 and as of 31 December 2011 are restated i.e. financial data of Get Bank S.A. were included in income statement, statement of comprehensive income and statement of financial position of Getin Noble Bank S.A. as they were be presented in consolidated financial statements of Getin Holding S.A. after necessary eliminations (details of the restatements of 2011 financial data are presented in point 5.5 of the consolidated financial statements of Capital Group).

<u>Main items from the statement of financial position (PLN '000)</u>	<u>2012</u>	<u>2011</u>
Total assets	58,794,443	54,487,999
Cash and balances with the Central Bank	2,906,944	2,423,347
Amounts due from banks and financial institutions	2,104,758	3,313,047
Financial assets held for trading	16,115	18,245
Derivative financial instruments (assets)	182,128	90,026
Loans and advances to customers	42,393,501	41,055,562
Finance lease receivables	1,834,441	1,364,098
Available-for-sale financial assets	7,199,792	4,542,121
Investments in associates	386,075	426,384
Intangible assets	124,426	134,875
Property, plant and equipment	295,324	158,662
Deferred tax assets	511,903	387,738
Other assets	802,310	536,850
Amounts due to banks and financial institutions	794,937	579,057
Derivative financial instruments (liabilities)	658,019	1,135,555
Amounts due to customers	50,185,371	47,217,221
Debt securities issued	1,965,968	811,673
Total equity, including:	4,721,643	4,227,206
- Share capital	2,650,143	103,060
<u>Main items from the income statement (PLN '000)</u>	<u>2012</u>	<u>2011</u>
Interest income	4,290,532	3,683,909
Interest expense	(3,042,954)	(2,312,139)
Net fee and commission income	768,937	871,458
Dividend income	3,102	4,402
General administrative expenses	(833,840)	(867,462)
Impairment allowances on financial assets and off-balance sheet provisions	(975,263)	(1,225,424)
Net profit for the period	385,776	979,269
Total comprehensive income for the period	238,188	1,055,386
<u>Effectiveness ratios</u>	<u>2012</u>	<u>2011</u>
Total profitability ratio	7.0%	16.8%
Solvency ratio	12.2%	10.0%
Crediting ratio	72.1%	75.4%
Ratio of impaired credits	6.1%	5.6%
Equity ratio	8.0%	7.8%

An analysis of the above figures and ratios indicated the following trends in 2012:

- the total profitability ratio as a relation of net profit to revenues from interest, fees and commissions, dividends, result on financial instruments measured at fair value through profit and loss, foreign exchange result and result on other financial instruments, decreased by 9.8 p.p. compared to 2011, reaching 7.0%,
- the crediting ratio as a relation of loans and advances to customers to total assets decreased by 3.3 p.p. compared to 2011, reaching 72.1%,
- the ratio of impaired loans as a relation of net value of impaired loans and advances to customers to total net value of loans and advances to customers remained on a stable level (increase by 0.5 p.p. compared to 2011),
- the solvency ratio increased by 2.2 p.p. compared to 2011, reaching 12.2%,
- the net profit decreased by 61% compared to 2011.

#### **Application of prudence principles**

During the audit we did not detect facts indicating that as of 31 December 2012 the Parent Company did not comply with prudence principles defined by provisions of the Banking Law, resolutions of the Management Board of the National Bank of Poland and resolutions of the Polish Financial Supervision Authority.



### III. DETAILED INFORMATION

#### 1. Information about the audited consolidated financial statements

The audited consolidated financial statements were prepared as of 31 December 2012 and include:

- consolidated statement of financial position prepared as of 31 December 2012 with total assets and liabilities plus equity of PLN 58,794,443 thousand,
- consolidated income statement for the period from 1 January 2012 to 31 December 2012 with a net profit of PLN 385,776 thousand,
- consolidated statement of comprehensive income for the period from 1 January 2012 to 31 December 2012 with a total comprehensive income of PLN 238,188 thousand,
- consolidated statement of changes in equity for the period from 1 January 2012 to 31 December 2012 disclosing an increase in equity of PLN 494,437 thousand,
- consolidated statement of cash flows for the period from 1 January 2012 to 31 December 2012 showing a cash inflow of PLN 831,201 thousand,
- additional notes comprising a summary of significant accounting policies and other explanatory information.

The structure of assets and liabilities plus equity as well as items affecting the financial profit or loss has been presented in the consolidated financial statements.

The audit covered the period from 1 January 2012 to 31 December 2012 and focused mainly on:

- verification of the correctness and fairness of the consolidated financial statements prepared by the Management Board of the Parent Company,
- verification of the consolidation documentation,
- evaluation of the correctness of the consolidation methods and procedures applied during consolidation,
- review of opinions and reports on audits of financial statements of subsidiaries and associated companies included in consolidation, prepared by other certified auditors.

#### 2. Consolidation documentation

The Parent Company presented the consolidation documentation including:

- 1) financial statements of entities, included in the consolidated financial statements,
- 2) financial statements of controlled entities, included in the consolidated, adjusted to IFRS and the accounting principles (policy) of Group applied during consolidation,
- 3) all consolidation adjustments and eliminations necessary for preparation of the consolidated financial statements,
- 4) calculation of minority interest.

#### Basis for the preparation of the consolidated financial statements

The consolidated financial statements of the Capital Group for the 2012 financial year have been prepared in accordance with the International Financial Reporting Standards.

#### Entities in the Capital Group

The scope and method of consolidation as well as the relationship between entities in the capital group have been determined based on the criteria specified in the International Financial Reporting Standards.

Financial period

The consolidated financial statements have been prepared as of the same balance sheet date and for the same financial year as the financial statements of the Parent Company – Getin Noble Bank S.A. Subsidiaries and associated companies included in consolidation prepared their financial statements as of the same balance sheet date as the Parent Company. The financial year of all subsidiaries and associated companies included in consolidation ended on 31 December 2012.

Consolidation method

The financial statements of the subsidiaries were consolidated using the full method, i.e. full amounts of all relevant items of the financial statements of the Parent Company and the subsidiaries included in consolidation were summed up.

Once the values had been summed up, consolidation adjustments and eliminations were applied to:

- the cost of shares held by the Parent Company in subsidiaries and the part of net assets of subsidiaries corresponding to the interest of the Parent Company in these companies,
- mutual receivables and liabilities of entities included in consolidation,
- material revenue and expenses related to transactions between entities included in consolidation.

The equity method was applied with respect to associated entities. The value of the Parent Company's interest in the associated company was adjusted by increases or decreases in the equity of the associated company attributable to the Parent Company, which occurred in the period covered by consolidation, and decreased by dividends due from such companies.

**3. Completeness and correctness of drawing up notes and explanations and the report on the activities of the Capital Group**

The Parent Company confirmed the validity of the going concern basis in preparation of the consolidated financial statements. The notes to the consolidated financial statements give a correct and complete description of measurement principles regarding assets, liabilities, profit or loss and principles of preparation of the consolidated financial statements.

The Parent Company prepared notes in the form of tables to individual items of the consolidated statement of financial position and statement of comprehensive income as well as narrative descriptions, in line with the requirement of IFRS.

Notes describing property, plant and equipment, intangible assets, investment in property and provisions correctly present increases and decreases as well as their basis during the financial year.

Limitations imposed on individual assets disclosed in the consolidated statement of financial position arising from security granted to creditors have been described.

Individual assets and liabilities as well as revenue and expenses have been correctly presented by the Parent Company in the consolidated financial statements. The consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows as well as notes which constitute an integral part of the consolidated financial statements include all items required for disclosure in the consolidated financial statements under IFRS.

The Management Board prepared and supplemented the consolidated financial statements with a report on the activities of the Capital Group in the 2012 financial year. The report contains all information required under Article 49.2 of the Accounting Act and the Ordinance of the Minister of Finance Ordinance of 19 February 2009 on current and periodic information published by issuers of securities and the rules of equal treatment of the information required by the laws of non-member states. We have audited the report with respect to the disclosed information derived directly from the audited consolidated financial statements.

#### **IV. CLOSING COMMENTS**

##### Management Board's Representation

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: Deloitte Audyt Sp. z o.o.) and the key certified auditor received a representation letter from the Parent Company's Management Board, in which the Board stated that the Capital Group complied with the laws in force.

Paweł Nowosadko

Key certified auditor  
conducting the audit  
No. 90119

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: Deloitte Audyt Sp. z o.o.) – entity authorized to audit financial statements entered under number 73 on the list kept by the National Council of Statutory Auditors:

Dariusz Szkaradek – Vice-President of the Management Board of Deloitte Polska Sp. z o.o. – which is the General Partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: Deloitte Audyt Sp. z o.o.)

Warsaw, 28 February 2013