Noble Bank S.A.

Separate Interim Abridged Financial Statements

for the period of six months ended 30 June 2009

prepared in accordance with

International Financial Reporting Standards

SELECTED FINANCIAL FIGURES

Figures relating to separate financial statements	PLN'000 1 Jan.2009 – 30 June 2009	PLN'000 1 Jan.2008 – 30 June 2008	EUR'000 1 Jan.2009 – 30 June 2009	EUR'000 1 Jan.2008 – 30 June 2008
Interest income	212,362	94,359	46,999	27,133
Fee and commission income	210,665	23,773	46,624	6,836
General administrative costs	52,219	25,616	11,557	7,366
Operating profit	115,797	106,517	25,628	30,629
Gross profit	115,797	106,517	25,628	30,629
Net profit	103,624	92,972	22,934	26,735
Cash flows from operating activities	1,040,584	480,047	230,298	138,040
Net cash flows from investing activities	(751,541)	(387,004)	(166,328)	(111,285)
Net cash flows from financing activities	(60,117)	(6,714)	(13,305)	(1,931)
Total net cash flows	228,926	86,329	50,665	24,824
	30 June 2009	**31 Dec. 2008**	**30 June 2009**	**31 Dec. 2008**
Amounts due from banks	585,777	945,661	131,058	226,647
Loans to customers	5,244,649	3,874,509	1,173,405	928,604
Total assets	7,675,032	5,577,103	1,717,163	1,336,665
Amounts due to customers	5,689,819	3,483,511	1,273,004	834,894
Amounts due to the central bank	638,359	-	142,822	-
Amounts due to banks and other financial institutions	79,290	500,575	17,740	119,973
Total liabilities	6,986,227	4,928,396	1,563,054	1,181,190
Total equity	688,805	648,707	154,109	155,476
Share capital	215,178	215,178	48,143	51,572
Repurchased own shares (nominal value)	(2,635)	(147)	(590)	(35)
Number of shares	215,178,156	215,178,156	215,178,156	215,178,156
Solvency ratio	11,7%	13,4%	11,7%	13,4%

The selected financial figures, showing the key items of the separate interim abridged financial statements, were converted into the Euro as follows:

- Items in assets, liabilities and equity were converted using the average exchange rates published by the National Bank of Poland as of 30 June 2009 (1 EUR = PLN 4.4696) and as of 31 December 2008 (1 EUR = PLN 4.1724).
- Items in the statement of comprehensive income and items relating to the cash flow statement were converted using exchange rates determined as the arithmetic mean of the average exchange rates published by the National Bank of Poland as of the last day of each full month in the period of six months ended 30 June 2009 and in the period of six months ended 30 June 2008 (respectively: 1 EUR = PLN 4.5184 and 1 EUR = PLN 3.4776).

Contents

(Figures in PLN'000)

1. SEPARATE INTERIM ABRIDGED FINANCIAL STATEMENTS FOR THE PERIOD OF SIX MONTHS ENDED 30 JUNE 2009 PREPARED IN ACCORDANCE WITH IFRS

1.1 Separate interim abridged statement of comprehensive income

	Note	1 Jan.2009 – 30 June 2009	1 Jan.2008 – 30 June 2008	1 Jan.2009 – 30 June 2009	1 Jan.2008 – 30 June 2008
CONTINUED OPERATIONS					
Interest income	5.3	106,602	212,362	52,701	94,359
Interest expense	5.3	(109,159)	(209,506)	(37,561)	(65,856)
Net interest income		(2,557)	2,856	15,140	28,503
Fee and commission income	5.4	114,993	210,665	11,595	23,773
Fee and commission expense	5.4	(41,910)	(86,095)	(4,001)	(9,458)
Net fee and commission income		73,083	124,570	7,594	14,315
Dividend income		-	51,729	2,800	32,800
Gain (loss) on financial instruments measured to fair value through profit and loss		(18,186)	(19,495)	(32)	(32)
Gain (loss) on other financial instruments		(163)	(1,591)	120	29
FX gain (loss)		1,694	13,757	29,220	50,005
Other operating income		1,323	2,407	557	9,882
Other operating expense		(1,307)	(2,615)	(824)	(1,438)
Other net operating income and expense		(16,639)	44,192	31,841	91,246
Impairment losses of loans and leases		4,116	(3,602)	2,060	(1,931)
General administrative costs	5.5	(27,267)	(52,219)	(14,643)	(25,616)
Operating profit		30,736	115,797	41,992	106,517
		-			
Gross profit		(30,736)	115,797	41,992	106,517
Corporation tax	5.6	(5,720)	(12,173)	(7,535)	(13,545)
Net profit		25,016	103,624	34,457	92,972
Other comprehensive income					
Available-for-sale financial assets		3,082	(14,311)	(1,276)	(1,304)
Corporation tax on other comprehensive income		(586)	2,719	243	248
Other net comprehensive income		2,496	(11,592)	(1,033)	(1,056)
COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		**27,512**	**92,032**	**33,424**	**91,916**

1.2 Separate interim abridged statement of financial position

	Note	30 June 2009 PLN'000 (unaudited)	31 Dec.2008 PLN'000 (audited)
ASSETS			
Cash and balances with central bank		309,871	83,762
Amounts due from banks		585,777	945,661
Derivative financial instruments		96,313	60,843
Loans to customers	5.1	5,244,649	3,874,509
Financial instruments		1,231,402	476,439
Available-for-sale financial instruments		1,181,349	476,439
Financial instruments held to maturity		50,053	-
Investments in subordinated entities		90,506	90,506
Intangible assets		4,500	4,000
Tangible fixed assets		12,436	14,353
Income tax assets		2,518	17,396
Current income tax receivables		2,518	17,396
Other assets		94,336	9,582
Fixed assets for sale		2,724	52
TOTAL ASSETS		**7,675,032**	**5,577,103**
LIABILITIES & EQUITY			
Liabilities			
Amounts due to the central bank		638,359	-
Amounts due to banks and financial institutions		79,290	500,575
Derivative financial instruments		74,478	472,383
Amounts due to customers, including		5,689,819	3,483,511
Liabilities measured at fair value though profit and loss		211,371	221,054
Issue of debt securities		411,948	414,150
Other liabilities		52,843	27,741
Provision for deferred tax		39,438	29,984
Provisions		52	52
TOTAL LIABILITIES		**6,986,227**	**4,928,396**
Equity		688,805	648,707
Share capital		215,178	215,178
Repurchased own shares at nominal value		(2,635)	(147)
Retained earnings		104,579	165,569
Other capital		371,683	268,107
Total equity		688,805	648,707
TOTAL LIABILITIES & EQUITY		7,675,032	5,577,103

1.3 Separate interim abridged of changes in equity

(unaudited)	Share capital PLN'000	Other Capital: Repurchased own shares at nominal value *PLN'000*	Other Capital: Supplementary fund PLN'000	Other Capital: Other capital PLN'000	Retained earningst PLN'000	Total equity PLN'000
As of 1 January 2009	215,178	(147)	266,095	2,012	165,569	648,707
Comprehensive income for the reporting period	-	**-**	**-**	**(11,592)**	**103,624**	**92,032**
Profit for the previous reporting period carried over to supplementary fund	-	-	119,830	-	(119,830)	-
Dividend paid	**-**	**-**	**-**	**-**	**(44,784)**	**(44,784)**
Own shares repurchased	-	**(2,488)**	**(4,662)**	**-**	**-**	**(7,150)**
As of 30 June 2009	215,178	(2,635)	381,263	(9,580)	104,579	688,805

(unaudited)	Share capital PLN'000	Other Capital: Repurchased own shares at nominal value *PLN'000*	Other Capital: Supplementary fund PLN'000	Other Capital: Other capital PLN'000	Retained earningst PLN'000	Total equity PLN'000
As of 1 January 2008	215,178	-	173,072	-	94,329	482,579
Comprehensive income for the reporting period	-	**-**	**-**	**(1,056)**	**92,972**	**91,916**
Profit for the previous reporting period carried over to supplementary fund	-	-	93,374	-	(93,374)	-
As of 30 June 2008	215,178	-	266,446	(1,056)	93,927	574,495

1.4 Separate interim abridged cash flow statement

	Note	1 Jan.2009 - 30 June 2009 PLN'000 *(unaudited)*	1 Jan.2008 - 30 June 2008 PLN'000 *(unaudited)*
Cash flows from operating activities			
Net profit		103,624	92,972
Total adjustments		936,960	387,075
Amortisation and depreciation	5.5	2,660	1,323
Profit (loss) on investing activities		14,268	(4,383)
Interest and dividend		(51,729)	(26,086)
Change in amounts due from banks		362,701	7,721
Change in loans to customers		(1,370,140)	(904,420)
Change in other assets		(60,754)	(806)
Change in derivative financial instruments (asset)		(35,470)	(15,989)
Change in derivative financial instruments (liability)		(397,905)	3,481
Change in amounts due to customers		2,206,308	1,171,627
Change in amounts due to banks and financial institutions		(421,289)	152,368
Change in amounts due to the central bank		638,359	-
Change in provisions and in provision for deferred tax/deferred tax asset		12,173	1,933
Change in liabilities from issue of debt securities		(2,202)	806
Change in other liabilities		25,102	(185)
Income tax paid/refunded		14,878	(4,842)
Current tax liability	5.6	-	4,527
Net cash from operating activities		1,040,584	480,047
Cash flows from investing activities			
Investing inflows		4,573,084	4,426,900
Dividend received		27,729	22,800
Sale of investment securities		4,544,290	4,399,413
Interest received		1,065	4,687
Investing outflows		(5,324,625)	(4,813,904)
Investment securities purchased		(5,313,564)	(4,809,938)
Intangible and tangible fixed assets purchased		(3,911)	(3,897)
Own shares repurchased		(7,150)	-
Other investing outflows		-	(69)
Net cash used in investing activities		(751,541)	(387,004)
Cash flows from financing activities			
Interest paid		(15,333)	(6,714)
Dividend paid		(44,784)	-
Net cash from (used in) financing activities		(60,117)	(6,714)
Change in net cash and cash equivalents		228,926	86,329
Opening balance of cash and cash equivalents		91,376	27,909
Closing balance of cash and cash equivalents		320,302	114,238

2. GENERAL INFORMATION

1. GENERAL INFORMATION

Noble Bank S.A. ("Bank", "Noble Bank" "Company"), with its registered office situated in Warsaw, Poland, ul.Domaniewska 39B (formerly Wschodni Bank Cukrownictwa S.A. in Lublin, ul.Okopowa 1) was registered on 31 October 1990 under number H 1954 with the Commercial Register, Section B, based on a decision of the Commercial Court attached to the District Court of Lublin, 11th Commercial & Registration Department. On 8 June 2001, it was registered under number KRS 0000018507 with the National Court Register.

The Company's REGON number [issued by the Polish statistics office and used mostly for statistical purposes] is 004184103.

The duration of the Company is unspecified.

These interim abridged financial statements were approved for publication by the Management Board of the controlling company on 17 August. 2009.

These interim financial statements of the Company cover the period of six months ended 30 June 2009 and include comparative figures for the period of six months ended 30 June 2008 and comparative figures as of 31 December 2008. Additionally, the statement of comprehensive income includes figures for the period of three months ended 30 June 2009 and comparative figures for the period of three months ended 30 June 2008. Figures for the period of three montths ended 30 June 2008 were not reviewed or examined by an auditor.

Governing bodies

As of 30 June 2009, the Company's Management Board consisted of the following persons:

1. Jarosław Augustyniak - Chairman of the Management Board
2. Maurycy Kuhn - Management Board Member
3. Krzysztof Spyra - Management Board Member
4. Bogusław Krysiński - Management Board Member

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

As of 30 June 2009, the Company's Supervisory Board consisted of the following persons:

1. Krzysztof Rosiński - Chairman of the Supervisory Board,
2. Michał Kowalczewski - Supervisory Board Member,
3. Dariusz Niedośpiał - Supervisory Board Member,
4. Remigiusz Baliński - Supervisory Board Member,
5. Radosław Stefurak - Supervisory Board Member,

No changes in the composition of the Company's Supervisory Board were made in the period of six months ended 30 June 2009.

Description of the Noble Bank Group's organisation

(Figures in PLN'000)

Noble Bank S.A. is directly controlled by Getin Holding S.A. The entire Getin Holding S.A. group is controlled by Mr Leszek Czarnecki.

Objects of the Bank

As stated in the Bank's Articles of Association, the object of the Bank is to provide banking services and carry out the business activities specified in the Bank's Articles of Association.

In the period of six months ended 30 June 2009, the Bank continued its restructuring process with regard to debt collection. The process was launched as part of the Bank's Reorganisation Procedure Programme in 2003, which programme was completed in 2005. Also, the Bank continued its strategy, launched in 2006, of building a private-banking platform. Noble Bank's business model involves distributing both the Bank's own products and products developed by other financial institutions. Services offered by Noble Bank include financial advisory services, investment advisory services, real estate advisory services and tax advisory services, provided in cooperation with external financial advisers. These services are targeted at customers with high requirements and above-average wealth.

Bank's investments:

The Bank has investments in the following subsidiaries::

Name	Registered Office	Basic Line of Business	Percentage Share	
			30 June 2009	31 Dec.2008
Open Finance S.A.	ul.Domaniewska 39, Warszawa (Warsaw)	financial intermediation	100%	100%
Noble Funds TFI S.A.	ul.Domaniewska 39, Warszawa	investment fund management	70%	70.0%
Introfactor S.A.	ul.Wołoska 18 Warszawa	other financial activities	100%	100%
Noble Concierge Sp. z o.o.	ul.Domaniewska 39, Warszawa	activities to support financial services	100%	100%
Panorama Finansów S.A.	ul.Domaniewska 39, Warszawa	financial intermediation	100.0%*	0.0%

* through the subordinated entity Open Finance S.A.

As of 30 June 2009 and 31 December 2008, the Bank's share of the total number of voting rights in its subsidiaries is equal to the Bank's share in the share capital of the same subsidiaries.

In these interim financial statements, the Bank's investments in its subsidiaries are presented in accordance with IAS 27. Investments in subsidiaries are recognised at purchase cost less impairment losses.

Under the investment agreement of 31 March 2006 between Noble Bank and the individuals being shareholders in Noble Funds TFI S.A. as of 30 June 2009, Noble Bank is entitled to request (between 28 June 2007 and 31 December 2012) a sale of all the shares held by the aforementioned persons to Noble Funds TFI S.A. The purchase price will depend on, among other things, Noble Funds TFI S.A.'s operation, the net value of its assets and on its financial results as of the date of exercising the option as well as on its financial results for the 12 months preceding the date of exercising the option.

The said individuals are entitled to require Noble Bank to buy the shares held by them. The option to buy the shares may be exercised between 1 January 2012 and 31 December 2012. The sale price will depend on, among other things, Noble Funds TFI S.A.'s operation, the net value of its assets and its financial results for the period during which the option may be exercised.

As of 30 June 2009 and 31 December 2008, no reliable parameters were known to price the option. Therefore, the above options were not included in the balance sheet as of 30 June 2009 and 31 December 2008.

On 28 July 2008, an Investment Agreement was entered into between Noble Bank, natural persons and Factor Management Team Sp. z o.o. which sets forth the terms and conditions for planned investments by the parties to the agreement in a company called Introfactor S.A., the rules for the carrying on of business activities by the company, the rules for controlling the company and the rules for managing the company. Under the agreement, Noble Bank acquired 100 per cent of shares in Introfactor S.A. in return for a pecuniary contribution of PLN 500,000. Also, the agreement gives Factor Management Team Sp. z o.o. an unconditional right to acquire, in the future, a new issue of Introfactor S.A. shares representing 30 per cent of the company's share capital and entitling the shareholder to 30 per cent of the votes at the company's general shareholders meeting. The key prerequisite for Factor Management Team Sp. z o.o. to be able to exercise the right is to carry out, within a period of twenty-four months (starting from 31 July 2008), the business plan that is part of the Investment Agreement and that relates to both Introfactor S.A. and Introbank (which is a specialist branch of Noble Bank) and to obtain deposits for Noble Bank in the amount specified in the agreement. If the above right is exercised, Factor Management Team Sp. z o.o. will acquire the new issue of shares at the nominal price and for cash. As of 30 June 2009, no reliable parameters are known to price the option to acquire such shares and therefore the option was not included in the balance sheet as of 30 June 2009.

The object of Introfactor S.A. is the provision of factoring services. The company's share capital as o 30 June 2009 was PLN 500,000.

The subsidiary Noble Concierge Sp. z o.o. was acquired by Noble Bank from Open Finance S.A. on 26 May 2008. The company's share capital was then increased from PLN 50,000 to PLN 450,000.

On 6 February 2009, Open Finance S.A., a subsidiary of Noble Bank S.A., entered into an agreement with Getin Holding S.A. to acquire 500 ordinary registered shares in Panorama Finansów S.A. with the nominal value of PLN 1,00.00 (one thousand zlotys) each, representing 100% of the company's share capital and entitling the shareholder to 100% of the votes at the company's general meeting.

As of 30 June 2009 and 31 December 2008, the Bank had no investments in co-subsidiaries or affiliated companies

2. ACCOUNTING POLICY

The basis for the preparation of these separate interim financial statements

These interim abridged financial statements have been prepared in accordance with the historical cost principle, except for the financial instruments measured at fair value. These financial statements are presented in the Polish currency ("PLN") and all the figures, unless otherwise stated, are expressed in PLN '000.

These interim abridged financial statements have been prepared based on the assumption that the Bank will continue its operations in the foreseeable future, i.e. for a period of at least 12 months from the end of the reporting period. As of the date of approving these financial statements, no circumstances were identified which could threaten the continuity of the Company's operations.

The Company has also prepared the interim abridged consolidated financial statements of the Noble Bank Group (Grupa Kapitałowa Noble Bank S.A.) for the period of six months ended 30 June 2009, covering Noble Bank S.A. and its subsidiaries, in acccordance with the International Financial Reporting Standards. The said statements were approved for publication on 17 August 2009. The interim abridged consolidated financial statements have been prepared using the full consolidation method. In these separate interim abridged financial statements, the Bank's investments in subsidiaries are presented at purchase cost less impairment losses. As of the end of the reporting period, no evidence of impairment of such investments existed.

These separate interim abridged financial statements do not include all the information and disclosures that are required in separate annual financial statements and should therefore be read together with the Company's separate financial statements for the year ended 31 December 2008.

Accounting policy

a) Statement of compliance with International Financial Reporting Standards

These separate interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), particularly International Accounting Standard 34 and the IFRS approved by the European Union. As of the date of approving these financial statements for publication, taking into account both the continuing process of implementing IFRS within the European Unuion and the Company's activities, no differences exist between the IFRS in effect and the IFRS approved by the European Union with regard to the Company's accounting principles, except for IAS 7 – disclosures of financial instruments that have not been approved by the EU until the date of these financial statements and the effect of which is described in item C of this note.

IFRS comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

b) Currency of measurement and presentation

The currency of measurement and presentation used in these separate interim abridged financial statements is the Polish *zloty.*

c) Significant accounting principles

The significant accounting principles described below have been applied to all the reporting periods presented in these separate interim abridged financial statements of the Company.

The accounting principles (policies) used in the preparation of these separate interim abridged financial statements are consistent with those used in the preparation of the Company's separate annual financial statements for the year ended 31 December 2008, except for the following changes to the standards and new interpratations applicable to annual periods beginning on or after 1 January 2009:

- IFRS 8 Operating Segments, which replaced IAS 14 Segment Reporting. In this standard, the results of the operating segments subject to reporting were identified and measured using an approach consistent with that used by the management.
- IAS 1 Presentation of Financial Statements (amended in September 2007). This standard introduced a distinction between such changes in equity that result from capital transactions with owners and changes that result from other transactions. As a result, the statement of changes in equity includes only details of transactions with owners and all the other changes in equity are presented in the same line. Additionally, the IAS 1 standard introduced the notion of "statement of comprehensive income". Comprehensive income for a period includes all the revenue and cost items recognised in profit or loss plus all other income and costs recognised in that period. The standard permits the presentation of all these items in the same statement or the presentation of two related statements. The Company has decided to present all the revenue and cost items in a single statement. To ensure that these separate interim financial statements comply with the requirements of the amended IAS 1, the Company has changed the presentation of capital items. Revaluation capital is presented in the statement of comprehensive income and under 'other capital items' in the statement of equity. Net profit, including undistributed profit for the previous years, is now presented under 'retained profits/uncovered losses'.
- IAS 23 Borrowing Costs (amended in March 2007). The amended standard requires that borrowing costs relating to the acquisition, construction or production of a qualifying asset form part of the cost of that asset (the purchase price or the cost of production). The application of this amended standard has not affected the Company's financial standing or the results of its operations, since no events have occurred that the amended standard applies to.
- IFRS 2 Share-based payments: vesting conditions and cancellations. The amened standard makes precise the definition of vesting condition and applies to recognising the cancellation of the rights to awards. The application of this amended standard has not affected the Company's financial standing or the results of its operations, since no events have occurred that the amended standard applies to.
- Amendments to IAS 32 and IAS 1: Financial instruments puttable at fair value – introduce an scope-limited exception relating to puttable instruments that can be classified as a capital asset provided that a number of specified requirements are satisfied. The application of this amendment has not affected the Company's financial standing or the results of its operations because the Company holds no financial instruments puttable at fair value.
- IFRIC Interpretation 13 Customer Loyalty Programmes requires that loyalty award credits be recognised as a separate component of the transaction from which they result. The application of this amendment has not affected the Company's financial standing or the results of its operations, since no events have occurred that the amendment applies to.
- Amendments to IFRS 1 First-Time Adoption of International Financial Reporting Standards and IAS 27 Consolidated and Separate Financial Statement: *In accordance with amendments to IFRS 1, a first–time adopter of IFRS will be allowed to measure, in its separate financial statements, the cost of*

its investments in subsidiaries, jointly controlled entities and associates either in accordance with IAS 27 or using a deemed cost. The amended IAS 27 requires that all dividends received from a subsidiary, a jointly controlled entity or an associate be recognised in the controlling entity's statement of comprehensive income as part of it separate financial statements. The amendment to IAS 27 is applied prospectively. The application of this amendment has not affected the Company's financial standing or the results of its operations.

- IFRIC Interpretation 12 Service Concession Arrangements is applicable to operators under service concession arrangements and explains how the rights and obligations arising from such arrangements should be recognised. The application of this amendment has not affected the Company's financial standing or the results of its operations, since no events have occurred that the amendment applies to.
- IFRIC Interpretation 15 Agreements for the Construction of Real Estate defines how and when revenue from the sale of real estate and the related expenses should be recognised if the contract between the property developer and the purchaser is concluded before construction of the real estate is completed. This interpretation also provides guidance on how to determine whether an agreement for the construction of real estate is within scope of IAS 11 or IAS 18. The application of this amendment has not affected the Company's financial standing or the results of its operations, since no events have occurred that the amendment applies to.
- IFRIC Interpretation 16 Hedges of a Net Investment in a Foreign Operation. This interpretation provides guidance on the recognition of hedges of a net investment in a foreign operation and, in particular, on the following: identifying the foreign currency risks that qualify as a hedged risk in the hedge of a net investment in a foreign operation; where, within a group, hedging instruments that are hedges of a net investment in a foreign operation can be held to qualify for hedge accounting; and how an entity should determine the amount of a positive or negative currecy translation difference to be reclassified from equity to profit or loss for both the net investment and the hedging instrument when the foreign operation is sold. The application of this amendment has not affected the Company's financial standing or the results of its operations, since no events have occurred that the amendment applies to.

The following IFRS's have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee but are not yet effective:

- Amendments to IAS 39 Financial instruments: Recognition and Measurement: Exposures Qualifying for Hedge Accounting (amendments introduced in July 2008) - applicable to annual periods beginning on or after 1 July 2009, not approved by the EU until the date of approval of these financial statements.
- IFRIC Interpretation 17 Distributions of Non-cash Assets to Owners - applicable to annual periods beginning on or after 1 July 2009, not approved by the EU until the date of approval of these financial statements.
- Amendments to IAS 39 and IFRS 7 – Reclassification of Financial Assets – Effective Date and Transition (amendments introduced in November 2008) – applicable from 1 July 2008, not approved by the EU until the date of approval of these financial statements.

(Figures in PLN'000)

- IFRIC Interpretation 18 Transfers of Assets from Customers – applicable from 1 July 2009, not approved by the EU until the date of approval of these financial statements.
- Amendments to IAS 7 Financial instruments: Disclosures (amendments introduced in March 2009) – the amended standard introduces the obligation to disclose additional information on measurement at fair value and information on liquidity risk. For each class of financial instruments measured at fair value, information must be disclosed on the measurement using a fair-value hierarchy based on inputs to the fair valuation.
- Amendments to IFRIS 9 and IAS 39 – Derivatives (amendments in March 2009), not approved by the EU until the date of approval of these financial statements.

The Company's Management Board does not expect the above standards and interpretations, when introduced, to have a significant effect on the Company's accounting principles (policy), except for IFRS 7 - disclosures of financial instruments, as described above, relating to derivatives, available-for-sale- financial instruments and financial obligations measured at fair value through profit or loss (deposits).

Conversion of items expressed in foreign currencies

Transactions expressed in foreign currencies are converted to PLN at the exchange rate applicable as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies and recognised at their historical cost are converted to PLN at the average exchange rate of the National Bank of Poland applicable as of the balance sheet date. Any currency exchange gains or losses are recognised in the statement of comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies and recognised at their historical cost are converted to PLN at the exchange rate applicable as of the date of the transaction, and items measured at fair value are converted at the average exchange rate of the National Bank of Poland applicable as of the date of measurement. Currency exchange differences in respect of non-monetary items measured at fair value through profit or loss are recognised in the statement of comprehensive income. Currency translation differences in respect of non-monetary items are recognised in other capital.

The following exchange rates were used for balance sheet measurement purposes

Currency	30 June 2009	31 Dec.2008
EUR	4.4696	4.1724
USD	3.1733	2.9618
CHF	2.9314	2.8014
GBP	5.2745	4.2913
JPY	0.0332	0.0328

Financial assets and liabilities

A financial asset or liability is recognised in the Company's statement of financial position when the Company becomes party to a transaction. Transactions to buy or sell financial assets measured at fair value through profit or loss, financial assets held to maturity and available-for-sale financial assets, including regular way purchases or sales of financial assets, are recognised in the statement of financial position always as of the date of the transaction. Loans and receivables are recognised upon payment of funds to the borrower.

Recognition of financial instruments

A financial asset or liability is recognised in the Company's statement of financial position when the Company becomes party to an agreement for such an asset. Transactions to buy or sell financial assets are recognised as at the date of the transaction.

All financial instruments initially recognised are measured to fair value adjusted, in the case of financial instruments other than classified as measured to fair value through profit or loss, by those transaction costs which can be attributed directly to the acquisition or issue of a financial asset or a financial liability

The Company's financial instruments are divided into the following categories: financial instruments measured at fair value through profit and loss, financial assets held to maturity, loans and receivables, available-for-sale financial assets , and other financial liabilities.

Financial instruments measured at fair value through profit and *loss*

This category is divided into two subcategories:

- financial assets and financial liabilities held for trading - acquired or intended for resale in the short term, and derivative instruments,
- financial assets and financial liabilities designated, when initially recognised, as financial assets measured at fair value through profit and loss.

Financial assets and financial liabilities can be classified, when initially recognised, as financial assets and financial liabilities measured at fair value through profit and loss only if:

- this eliminates or significantly reduces inconsistency with regard to the measurement or recognition (sometimes referred to as "accounting mismatch") of financial assets and financial liabilities, which inconsistency would otherwise occur as a result of using a different method of measuring such assets or liabilities or a different method of recognising the related gains or losses, or
- a group of financial assets or financial liabilities or a group of both of these categories is managed, and its results are assessed based on fair value, in accordance with documented risk management principles or an investment strategy, while information on that group is provided internally to the key member of management of an entity (as defined in IAS 24 Related Party Disclosures), e.g. to the management board or executive director of the entity.

Since the first of the above conditions has been met, customers' deposits with a fixed interest rate, denominated in the Polish currency (PLN) and made between 1 April 2008 and 30 June 2008 for a period not longer than one year were designated by the Company, when initially recognised, as financial liabilities measured at fair value through profit and loss. This method significantly reduces inconsistency with regard to the measurement of such deposits and the measurement of IRS (Interest Rate Swap) financial instruments contracted for in connection with the Company's method for managing interest rate risk.

Financial assets held for sale and financial assets designated, when initially recognised, as financial assets measured at fair value through profit and loss are recognised at fair value in the statement of financial position.

Derivative financial instruments

Derivative financial instruments not subject to hedge accounting are recognised as of the date of the transaction and measured to fair value as of the end of the reporting period. Changes in fair value are recognised, respectively, in the gains (losses) on financial instruments measured to fair value through profit and loss (e.g. IRS transactions) or in foreign exchange gain (loss) (FX swap, FX forward and CIRS transactions) correspondingly to receivables/liabilities from derivative financial instruments.
The result of the final settlement of derivative transactions is recognised in gain (loss) on financial instruments

measured to fair value through profit and loss or, in the case of foreign-currency financial derivatives (FX swap, FX forward and CIRS transactions), in foreign exchange gain (loss).

The notional amounts of derivative transactions are recognised in off-balance sheet items as of the date of the transaction and throughout their duration.. Off-balance sheet items expressed in foreign currencies are re-estimated at the end of the day and at the average exchange rate of the National Bank of Poland (fixed as of the valuation date).

The fair value of financial instruments in an active market is the market price of such instruments. In other cases, the fair value is determined based on a measurement model inputs to which have been obtained from an active market (particularly in the case of IRS and CIRS instruments using the discounted cash flow method).

Financial assets held to maturity

Financial assets held to maturity are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the positive intention and ability to hold to maturity and other than:

- assets designated by the Company, when initially recognised, as assets measured at fair value through profit and loss,
- designated by the Company as assets available for sale; and
- assets that fall within the definition of loans and receivables.

Financial assets held to maturity are measured at amortised cost using the effective interest rate and taking into account impairment losses. Accrued interest, discount or premium are recognised in the net interest income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.. Loans and receivables arise when the Company lends amounts to customers for purposes other than generating short-term commercial profits. This category comprises amounts due from banks and customers, including purchased receivables and investments in debt securities unless they are quoted in an active market.

Loans and receivables are measured in the statement of financial position at amortized cost using the effective interest rate and taking into account impairment losses.

Accrued interest and commission income amortised using the effective interest rate method are recognised in the income interest.. Commission that is not part of the interest income and that is accounted for using a straight-line method is recognised in the fee and commission income. Impairment losses are recognised in the statement of comprehensive income as gain (loss) on impairment of loans and leases.

Available-for-sale financial assets

Financial assets available for sale are non-derivative financial assets designated as available for sale or not classified as financial assets measured at fair value through profit or loss, loans and receivables or financial assets held to maturity.

Available-for-sale financial assets are measured in the statement of financial position at fair value. Changes in the fair value of an asset are carried over to “other comprehensive income” in the statement of comprehensive income until the asset is excluded from the statement of financial position, when the cumulative profit or loss is recognised in "gain (loss) on other financial instruments" in the statement of comprehensive income". In the case of debt instruments, interest income and discount or premium are recognised, respectively, in interest income and interest expense using the effective interest rate method.

Where the fair value of an asset cannot be determined, the asset is recognised at the cost of acquisition, taking into account impairment losses. Impairment losses are recognised in the statement of comprehensive income.

Other financial liabilities

This category includes amounts due to banks and customers, loans taken out by the Company and debt securities issued, taking into account the transaction costs, except for financial liabilities classified, when initially recognised, as liabilities measured at fair value through profit and loss.
Financial liabilities not classified, when initially recognised, as liabilities measured at fair value through profit and loss are recognised in the statement of financial position at amortised cost, taking into account the effective interest rate.

Removal from the statement of financial position

A financial asset is removed from the Company's statement of financial position upon expiry of the contractual rights to cash flows related to the asset or upon transfer by the Company of the contractual rights to such cash flows.

When the Company transfers a financial asset, the Company evaluates the extent to which it retains the risks and rewards of ownership of the asset. In such a case:

- where substantially all the risks and rewards of ownership of a financial asset are transferred, the Company removes the asset from its statement of financial position; where substantially all the risks and rewards of ownership of a financial asset are retained, the Company continues to recognise the asset in its statement of financial position;

- where the Company does not transfer or retain substantially all the risks and rewards of ownership of a financial asset, the Company evaluates whether it has retained control of the asset. Where the Company retains control of the asset, the asset continues to be recognised in the Company's statement of financial position.

A financial asset or part of a financial asset is derecognised when the Company loses control of the asset or part of the asset, i.e. when the Company exercises its rights to specific contractual rewards, when such rights expire or when the Company renounces such rights.

A financial liability (or part of a financial liability) is removed from the Company's statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

<u>Impairment of financial assets</u>

The Company assesses as of the end of each reporting period whether there is any objective evidence that a financial asset is impaired. If any such evidence exists, the Company determines the amount of impairment losses. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or a group of assets is impaired includes in particular:

- significant financial difficulties of the issuer or obligor;
- a breach of contract by the issuer or obligor, such as a default or delinquency in interest or principal payments;
- the lender, for economic or legal reasons relating to the issuer or obligor's financial difficulty, granting to the issuer of obligor a concession that the lender would not otherwise consider;
- it becoming highly probable that the issuer of obligor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties of the issuer or obligor.

Loans, repurchased receivables, other receivables

The most important category of financial assets recognised in the Company's statement of financial position at amortised cost and, at the same time, exposed to impairment is credit receivables. The Company assesses at of the end of each reporting period whether there is any objective evidence that a financial asset and/or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Expected, future losses are not taken into account in estimates of the current impairment.

If the Company identifies evidence that an asset of a group of assets is impaired, the amount of impairment loss is calculated as the difference between the book value of a credit receivable and its economic value measured as the current value of expected future cash flows discounted using the effective contract interest rate of contracts as of the date on which such evidence occurs for a given financial asset.

Impairment losses are recognised in the statement of comprehensive income.

Impairment losses are measured for all the credit receivables for which individual evidence of impairment is identified.

If the Company determines that no objective evidence of impairment exists for an individually assessed loan, whether significant or not, it includes the loan in a group of loans with similar credit risk characteristics and collectively assesses them for impairment. Such collective assessment is made using historical losses generated by similar groups of assets.

When evidence of impairment ceases to exist, impairment losses are released through profit and loss.

Loans granted by Wschodni Bank Cukrownictwa (" old group of loans")

In the opinion of the Company, there is evidence that the entire old group of loans is impaired. The value of the this group of loans has been determined by discounting the expected cash flows in successive periods, estimated on the basis of historical recovery rates for that group of loans and on the basis of the current results of debt recovery.

The value of loans and impairment of the "old group of loans" are re-assessed as of the end of each quarter.

Repurchased receivables: valuation

The Company assesses the value of repurchased receivables based on discounted expected future cash flows from those receivables. The value of repurchased receivables is re-assessed as of the end of each quarter, taking into account the recoveries from those receivables and possible changes in estimated future cash flows.

Monthly cash flows from purchased receivables, expected to be recovered within a specified period of time, are discounted as follows

$$V = R_1 \frac{1}{(1+IRR)^{(1/12)}} + R_2 \frac{1}{(1+IRR)^{(2/12)}} + ... + R_n \frac{1}{(1+IRR)^{(n/12)}}$$

R means cash flows from purchased receivables as of the end of each forecast month,

IRR - internal rate of return for cash flows

IRR - internal rate of return for cash flows

The IRR is calculated at purchase and changed in successive reporting periods only to reflect changes to market interest rates. The IRR takes into account the price paid for a receivable and the period of time within which the Company intends to recover the price paid.

Loans provided as part of the Company's strategy, launched in 2006, to build a private-banking platform (a new group of loans)

As of the date of a reporting period, impairment of financial assets was measured in accordance with IAS 39 using the pricing model used by the Company on the date of adoption of International Financial Reporting Standards. In building its pricing model for the measurement of financial asset impairment, the Bank applied the following assumptions:

- The group of loans was divided into a group of homogeneous loans and a group of individually significant loans.
- The group of homogeneous loans was further divided into loans without a risk of impairment and loans with a risk of impairment.
- The group of loans without a risk of impairment was measured (IBNR reserve), depending on the type of product and due to lack of historical date, using expert ratios or using a mode based on historical data relating to days past due and repayment of debt for specific exposures.
- The group of loans with a risk of impairment was measured using estimated recovery rates.
- For groups of loans for which it was impossible to estimate historical recovery rates due to lack of appropriate data, expert ratios were used.

With regard to impairment charges for losses incurred but not yet reported (IBNR) in the Bank's group of mortgage loans, the Bank, having gathered data on the history of the that group of loas, estimated the IBNR reserve ratio based on historical data.

Based on historical data, parameters of a group of loans necessary to estimate the amount of such charges are determined, i.e. insolvency probability and a recovery rate (RR), using a method based on the migration matrices of a Markov chain. The above parameters are estimated o a historical exposure basis. In justified cases, the parameters may be adjusted manually to ensure that they reflect the impact of the current conditions. The Bank regularly reviews the methodology and the assumptions adopted for the estimation of parameters for groups of loans in order to reduce the discrepancy between their actual and estimated values. Additionally, for the evaluation of the IBNR charges, the period of time in which the losses incurred are disclosed (LIP) is determined. Based on the estimated parameters of a group of loans and using balance sheet values as of the date of measurement, the amount of impairment losses and the value of IBNR charges are calculated.

With regard to financial loans and credit card receivables, Noble Bank does not have – due to the unrepresentative value of the groups of such loans and/or a short history of the product - the required number of observations relating to the performance of its group of such loans to be able to calculate real time series. As a result, the Company uses a ratio the value of which is estimated to the best of the Company's knowledge, which takes into account, in an approximate manner, the possibility of losses that have not yet been reported.

In determining the ratio for the Bank's group of financial loans, the present loss ratios for the Bank's group of financial loans and the value of the security interests received. As a result of these analyses, the value fo the IBNR reserve ratio has been determined as 0.326% (1.2% as of 31 December 2008).

The IBNR reserve ratio for credit card receivables has been determined as 1.5% (1.5% as of 31 December 2008).

Investments held to maturity

The Company assesses whether there is objective evidence that an individual held-to-maturity investment is impaired. If there is objective evidence of impairment, the amount of impairment losses is equal to the difference between the carrying amount of an asset and the current value of estimated future cash flows (excluding future credit losses not incurred) discounted using the effective interest rate as of the date on which such evidence occurs for that financial asset.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the impairment loss account balance. The amount of the reversal is recognised in the statement of comprehensive income.

Available-for-sale financial assets

The Company assesses as of the end of each reporting period whether there is objective evidence that an individual financial asset and/or a group of financial asset is impaired.

If the Company identifies objective evidence that an available-for-sale asset is impaired, the amount equal to the difference between the price of purchase of that asset (less any repayment of capital and interest) and its current fair value less any impairment losses of that asset that have previously been recognised in the Bank's statement of comprehensive income is removed from equity and moved to the statement of comprehensive income. Reversed impairment losses of capital instruments classified as available for sale may not be recognised in the statement of comprehensive income. If, in the subsequent period, the fair value of an available-for-sale debt instrument increases and if that increase can be objectively linked to an event that occurred after recognition of an impairment loss in the Bank's statement of comprehensive income, the amount of the reversed impairment loss is recognised in the statement of comprehensive income.

<u>Offsetting financial instruments</u>

Financial assets and financial liabilities are offset and recognised net in the Company's statement of comprehensive income if the Company holds a valid legal right to offset the recognised amounts and intends to settle the amounts net, or to realize a given asset and settle the liability.

<u>Tangible fixed assets and intangible assets</u>

Tangible fixed assets

Tangible fixed assets are recognised at acquisition or manufacturing cost less depreciation and any impairment losses. The initial cost of a tangible fixed asset comprises its acquisition price and all the costs directly attributable to the acquisition and preparation of an asset to be put into operation. The initial cost also includes the costs of replacement of parts of plant and equipment when incurred if the criteria for recognition are met. Any costs incurred after the date when a fixed asset is put into operation, such as the costs of maintenance and repairs, are recognised in the statement of comprehensive income when incurred.

Fixed assets, when acquired, are divided into component parts that are items of significant value and to which a separate period of economic life can be allocated. The costs of complete overhauls are also a component part.

Depreciation is provided on a straight-line basis over the estimated useful life of the respective asset. The useful lives of assets are as shown below:

Type of Asset	Useful Life
Investments in third-party assets	rental duration – up to 10 years
Plant and equipment	8 – 17 years
Computer units	3 years
Means of transport	5 years
Office equipment, furniture	5 years

A tangible fixed asset can be removed from the statement of financial position when the asset is sold or when no economic gains are expected from continuing to use such an asset. All gains or losses resulting from the removal of such an asset from the statement of financial position (such gains and loss calculated as the difference between possible net proceeds from the sale of the asset and the carrying amount of the asset) are recognised in the statement of comprehensive income for that period in which the asset was removed.

Construction in progress applies to fixed assets under construction or assembly and is recognised at acquisition or manufacturing cost. Fixed assets under construction are not depreciated until their construction is completed and the assets are put into operation.

The residual value, useful life of and the depreciation method used for tangible assets are verified and, if necessary, corrected as of the end of each financial year.

When an asset is overhauled, the cost of overhaul is recognised in the carrying amount of tangible fixed assets if the criteria for such recognition are met.

Intangible assets

An intangible asset acquired in a separate transaction is initially measured at acquisition or manufacturing cost. The cost of acquisition of an intangible asset in a business combination is equal to its fair value as of the date of the combination. An initially recognised intangible asset with a definite useful life is recognised at the cost of acquisition or manufacturing less depreciation and impairment losses. Expenditure on internally generated intangible assets, except for activated expenditure on development, is not activated and is recognised in the costs of the period in which it was incurred.

The Company assesses whether the useful life of an intangible asset is definite or indefinite. An intangible asset with a definite useful life is amortised throughout its useful life and subject to impairment tests every time that evidence is identified that the asset is impaired. The period and method of amortisation of intangible assets with a definite useful life are verified at least as of the end of each financial year. Changes in the expected useful life or in the expected method of consuming the economic benefits from an intangible asset are recognised through a change of, respectively, the period or method of amortisation, and treated as changes of the estimated values. Amortisation charges for intangible assets with a definite useful life are recognised in the statement of comprehensive income, in the respective category for the function of that intangible asset.

Intangible assets with an indefinite useful life and those which are not used are, on an annual basis, subject to impairment tests in respect of individual assets or at the level of a cash-generating unit. In the case of other intangible assets, the Company assesses, on an annual basis, whether there is evidence that such assets are impaired. The useful lives are also subject to verification on an annual basis and, if necessary, corrected with effect from the beginning of the financial year.

Below is a summary of the rules applied in relation to the Company's intangible assets:

	Computer software
Useful lives	2 – 10 years
Amortisation method	straight-line method
Internally generated or acquired	acquired
Tested for impairment / reviewing the recoverable value	tested for evidence of impairment annually If no evidence is identified, tested for impairment

The gain or loss resulting from the removal of an intangible asset from the statement of financial position is measured as the difference between the net proceeds from the sale of the asset and the carrying amount of the asset, and is recognised in the statement of comprehensive income when it is derecognised.

Tangible assets held for sale and discontinued operations

Fixed assets and fixed assets held for sale are measured at the lower of carrying amount and fair value less costs to sell. Discontinued operations are an element of the Company's activities that is a separate, specialised area of the Company's operations or its geographical segment, or is a subsidiary acquired exclusively to be resold. The Company discloses an operation as discontinued when it is sold or classified as "held for sale".

Impairment of fixed assets

The carrying amounts of intangible assets are tested for impairment periodically. If the Company identifies evidence that a tangible asset is impaired, it is determined whether the current carrying amount of the asset is higher than the amount recoverable through further use or sale, i.e. the recoverable amount of the asset is estimated. If the recoverable amount is lower than the current carrying amount, the asset is impaired and the impairment loss is recognised in the statement of comprehensive income.

The recoverable amount of a tangible asset is determined as the higher of two amounts: the amount expected to be received from sale less costs to sell and the asset's value in use. An asset's value in use is determined as the future cash flows expected to be derived from the asset, discounted with the current market rate of interest plus a margin against a risk specific to a given class of assets.

The impairment loss of an asset may be reversed only up to that carrying amount of the asset less the accumulated amortisation which would have been determined if the asset had not been impaired.

Investments in subordinated entities

The Company assesses as of the end of each reporting period whether there is objective evidence that an individual investment in subordinated entities is impaired.

If the Company identifies objective evidence that an individual investment in subordinated entities is impaired, the impairment loss recognised in the statement of comprehensive income. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the impairment loss account balance. The amount of the reversal is recognised in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents: cash, bills of exchange eligible for rediscount by the central bank, current accounts with the central bank and current accounts and one-day deposits with other banks.
Bills of exchange eligible for rediscount by the central bank are Polish-currency bills of exchange that mature within three months.

Accrued expenses and deferred income

Accrued expenses (assets) are expenses recognised in the statement of comprehensive income in future reporting periods, based on the passage of time. Accrued expenses (assets) are recognised in 'Other assets'.
Accrued expenses (liabilities) are provisions for expenses resulting from goods and services provided to the Bank which are to be paid for in future reporting periods. These are recognised in 'Other liabilities'. Deferred income includes, among other items, amounts received during a reporting period for goods and services to be supplied in the future and certain types of income received in advance which will be recognised in the statement of compehensive income in future reporting periods. They, too, are recognised in 'Other liabilities'

Provisions

A provision is made if the Company has a present obligation (legal or constructive) as a result of past events and if it is probable that an outflow of economic benefits will be required to settle the obligation, and if a reliable estimate can be made of the amount of the obligation. If the Company expects reimbursement of the expenditure required to settle a provision (for example, through insurance contracts), the Company recognises the reimbursement as a separate asset, but only and only when it is virtually certain that the reimbursement will be received. The expense relating to a provision is presented in the statement of comprehensive income, net of the amount recognised for a reimbursement. Where the effect of the time value of money is material, the provision is discounted to the current value using a pre-tax discount rate that reflects current market assessments of the time value of money and those risks specific to the liability.

Employee benefits

In accordance with the Polish Labour Code and the Company's Pay Rules, the Company's employees are entitled to disability/retirement severance pay. Such severance pay is paid as a lump sum to an employee upon termination of his or her employment for retirement or disability. The amount of severance pay depends on the number of the employee's years of service and his or her individual pay level. The Company recognises a provision for severance pay to assign the future costs to the periods to which they relate. Under IAS 19, disability/retirement severance pay is provided under termination benefit plans. The current amount of such liabilities as of the end of each reporting period is determined by an independent actuary. The liabilities are equal to discounted payments to be made in the future, taking into account the employee turnover rate, and relate to the period until the end of the reporting period. Demographic and employee turnover figures are based on historical data. Gains or losses resulting from actuarial calculations are recognised in the statement of comprehensive income.
The Company's current pay regulations do not provide for payment of anniversary benefits to the Company's employees.

Leasing

Finance leases which transfer substantially all the risks and rewards incident to ownership of the leased asset are recognised in the statement of financial position as of the date of commencement of the lease term at the lower of the fair value of the asset and the present value of the minimum lease payments. Finance lease payments are apportioned between other operating costs and the reduction of the outstanding leasing liability in such a manner so as to produce a constant periodic rate of interest on the remaining balance of thae liability. Other operating costs are recognised directly in the statement of comprehensive income.

Tangible fixed assets used under finance leases are depreciated over the shorter of the lease term and the life of the asset.

Leases where the lessor retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease payments are charged directly to income on a straight-line basis over the term of the relevant lease.

Equity

Equity is capital, reserves and funds made in accordance with the applicable laws, regulations and the Company's Articles of Association.

The Company's equity consists of share capital, retained earnings and other capital.

Share capital

The Company's share capital is presented at nominal value, in accordance with the Company's Articles of Association and incorporation records.

Dividends for a financial year that have been approved by the Company's General Shareholders Meeting but have not been paid as of the end of the reporting period are disclosed as 'Other liabilities' in the statement of financial position.

Repurchases own shares

Where the Company acquires its own capital instruments, the amount paid for the instruments, including all the direct costs related to such acquisition, are recorded as a change in equity. The acquired own shares are recognised at their nominal value as own shares and the surplus of the costs incurred over the nominal value is disclosed as a reduction in other capital until the shares are cancelled or sold.

All of the capital items described below relate, where an entity is acquired, to events ocurring from the date of taking control of the entity to the date of losing control of that entity.

Proceeds from sale of shares above their nominal value

Proceeds from the sale of shares above their nominal value (a surplus of the issue price over the nominal price) are the share issue premium less the direct costs incurred in connection with the share issue. Proceeds from the sale of shares above their nominal value are recognised in the supplementary fund.

Retained earnings

Retained earnings are created as a portion of the Company's profit which is retained by the Company for purposes set out in the Company's Articles of Association or other regulations (the remaining amount of the supplementary fund and the reserve fund, including the general risk fund), or are the previous years' profit (loss), or current net profit.

Share-based payments

Equity-settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted as of the date on which the rights to such instruments are granted. The fair value is determined using a pricing model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the controlling entity ("market conditions').

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). The cumulative expense recognised for equity-settled transactions as of the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the number of awards that - in the opinion of the controlling entity's Management Board as of that date and based on the best available estimate of the number of equity instruments - will ultimately be vested.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon market conditions, which are treated as vested irrespective of whether or not the market conditions are satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured as of the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Cash-settled transactions

Cash-settled transactions are initially measured at fair value as of the grant date using a relevant model and taking into the account the terms and conditions upon which the options were granted. This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is re-measured as of the end of each reporting period up to and including the settlement date, with changes in fair value recognised in the statement of comprehensive income.

Income

Income from a transaction is recognised in the amount in which it is probable that economic benefits associated with the transaction will flow to the Company and if the amount of income can be measured reliably. In recognising income, the criteria described below also apply.

Interest income

Interest income and interest expense generated by financial assets and liabilities are recognised in the statement of comprehensive income at amortised cost using the effective interest rate method.

The following financial assets and liabilities are measured at amortised cost:

- loans granted and other receivables not held for trading,

- financial assets held to maturity,

- non-derivative financial liabilities not classified, when initially recognised, as liabilities measured at fair value through profit and loss.

The effective interest rate is the rate that discounts the expected stream of future cash payments through maturity or the next market-based repricing date to the current net carrying amount of the financial asset or financial liability. That computation should include all fees and points paid or received by the Company under the contract for the asset or liability, excluding possible future credit losses.

The choice of the settlement method for interest coupons, fees and commission and some other external expenses associated with financial instruments (the effective interest method or the straight-line method) depends on the character of the instrument. Financial instruments with defined cash flow schedules are measured using the effective interest rate method. In the case of financial instruments without defined cash flow schedules, it is impossible to calculate the effective interest rate and therefore fees and commission are settled using the straight-line method over a period of time.

The method for recognising the different types of deferred fee/commission in the statement of comprehensive income as interest income or fee and commission income and, generally, whether it should be deferred and not recognised wholly the statement of comprehensive income, depends on the economic character of the fee/commission concerned.

Deferred fees and commission income includes, for example, loan approval fees, loan fees, loan release fees, fees for backing a loan with additional collateral and similar. Such fees are an integral part of the return generated by the financial instrument concerned. This category also includes fees and charges for changing the terms and conditions of contracts, which modifies the originally calculated effective interest rate. Each significant change to the terms and conditions of a contract for a financial instrument results, in the economic sense, in the financial instrument with the previous characteristics expiring and a financial instrument with new characteristics being established. This category includes fees for an amendment to a schedule for future cash flow, loan agreement restructuring charges, fees for deferment of loan payments and similar. The types of fees and charges mentioned above are deferred and recognised in the statement of comprehensive income using the effective interest rate method or the straight-line method, depending on the character of the product.

In addition, if it is probable that a loan agreement will be executed, the fees and charges for the Company's obligation to execute the agreement are considered as remuneration for continuing involvement to purchase the financial instrument, deferred and recognised as an adjustment of the effective rate of return at the time of execution of the agreement (using the effective interest rate method or the straight-line method, depending on the character of the product).

In the case of an asset where evidence is identified that the asset is impaired, interest income is recognised in the statement of comprehensive in come based on net exposure determined as the difference between gross exposure and impairment loss, using the effective interest rate used in the determination of the impairment loss.

Net interest income also includes net income from interest calculated and paid in connection with CIRS and IRS derivative instruments.

Net fee and commission income

As noted above, fees and commission recognised in the statement of comprehensive income using the effective interest rate method are recognised as net interest income.

Fees and commission that are not recognised using the effective interest rate method, but are recognised over time using the straight-line method or as a lump sum, are recognised as 'Net fee and commission income' The Company's fee and commission income includes fee and commission income from transaction services for the performance of an important service.

This category includes fees and commission for transaction services where the Company acts as an agent or provides services such as distribution of investment fund shares, processing bank transfers, payments and similar services.

Revenue from credit intermediation services

The Company recognises revenue and costs to sell financial products based on estimates, in accordance with the following.

In the statement of comprehensive income, the Company recognises revenue from the sale of financial products in the month in which the customer's application was received by the buyer's bank and/or other financial instituions and the commission expense due to the financial adviser for the sale of the financial product.

The amount of the revenue is calculated as the fair value of the payment received or due.

In accordance with IRS 18, revenue from the sale of a product is recognised in the statement of comprehensive income when the following conditions have been satisfied:

- The entity has transferred to the buyer the significant risks and rewards of ownership of the product (the provision by the customer of a loan application form as required by the buyer's bank).
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the products sold.
- The amount of revenue can be measured reliably. The Bank assumed as of 31 December 2008 and 30 June 2009 that at least 60 per cent of all loan applications are closed (depending on the distributor), at least 85 per cent of deposit applications and at least 78 per cent of savings plan applications.

Gain (loss) on financial instruments measured to fair value

Gain (loss) on financial instruments measured to fair value is determined taking into account the following: the value of financial liabilities classified, when initially recognised, as liabilities measured at fair value through profit and loss and the value of IRS derivative instruments measured to fair value.

Foreign exchange gain (loss)

The foreign exchange gain (loss) is determined taking into account positive and negative exchange rate differences, both realised and unrealised, which result from the daily measurement of FX assets and liabilities at the average National Bank of Poland exchange rate of the Polish currency against a given foreign currency as applicable as of the end of the reporting period and which affect foreign exchange income and expense. The foreign exchange gain (loss) also includes the value of CIRS and Forward derivative instruments measured to fair value.

<u>Other operating income and expenses</u>

Other operating income and expenses are income and expenses not directly related to the Bank's banking activities. They include, in particular, gain (loss) on the sale and liquidation of fixed assets, revenue from sale of other services, penalties and fines received and paid.

Dividend income

Dividend income is recognised in the statement of comprehensive income as of the dividend record date, if the dividend is paid from profits made after the record date.

Income tax

Deferred tax

For the purposes of financial reporting, deferred tax is created using the liability method with regard to all temporary differences arising as of the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts presented in the statement of financial position.

Provision for deferred tax is recognised with reference to all positive temporary differences:

- except when the provision for deferred tax arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination and at the time of the transaction affects neither gross profit (loss) nor taxable profit or loss, and
- in the event of positive temporary differences that arise from investments in subsidiaries or affiliated entities and from participation in joint undertakings, except where the dates of reversal of the temporary differences are subject to the investor's control or where it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets recognised with reference to all negative temporary differences, as well as unexercised tax concessions and unexercised tax losses transferred to the following years, in the amount which corresponds to the probability of generating taxable income sufficient for realisation of the aforementioned differences, assets and losses:

- except when the deferred tax assets related to negative temporary differences arise from initial recognition of as asset or liability in a transaction other than a business combination and at the time of the transaction affects neither gross profit (loss) nor taxable profit or loss, and
- in the event of negative temporary differences that arise from investments in subsidiaries or affiliated entities and from participation in joint undertakings, a deferred tax asset is recognised in the statement of financial position only in such an amount in which it is probable that the aforementioned temporary differences will be reversed in the foreseeable future and that the Company generates taxable income sufficient for deduction of the negative temporary differences.

The carrying amount of a deferred tax asset is verified as of the end of each reporting period and is subject to a respective decrease by the amount which corresponds to the lower probability of generating taxable income sufficient for partial or full realisation of the deferred tax asset.

A deferred income tax asset that is not recognised is re-assessed as of the end of each reporting period and is recognised to the amount which corresponds to the probability of generating taxable income in the future sufficient for recovering that asset.

Deferred income tax assets and provision for deferred income tax are measured using tax rates that are expected to apply when a deferred tax asset is realized or the provision is released, based on tax rates (and laws) that have been enacted as of the end of the reporting period or that will substantially be enacted by the end of the reporting period.

The Bank offsets deferred income tax assets against provisions for deferred income tax only if holds a valid and enforceable legal right to offset current income tax receivables against current income tax liabilities and if the deferred income tax is linked to the same taxpayer and the same tax authority

Hedge accounting

Derivative financial instruments and hedges

In hedge accounting, hedges are classified as:

- fair value hedges against the risk of changes in the fair value of a recognised asset or liability, or
- cash flow hedges against changes in cash flows that can be attributable to a particular type of risk associated with a recognised asset, liability or a forecast transaction,or
- net-investment hedges at a foreign entity

A currency risk hedge for a substantiated future liability is settled as a cash flow hedge.

When a hedge is established, the Bank formally designates and documents a hedging relationship as well as the objective of risk management and a strategy for establishing the hedge. The documents identify the hedging instrument, the hedging position or transaction, the character of the hedged risk and the method of evaluating the effectiveness of the hedging instrument in offsetting the risk of changes in the fair value of the hedged position or cash flows associated with the hedged risk. The hedge is expected to be highly effective in offsetting fair value changes or cash flow changes resulting from the hedged risk. The effectiveness of a hedge is evaluated on an ongoing basis to check whether the hedge is highly effective in all the reporting periods in which it was established.

Fair value hedging

The Bank's fair value hedge is a hedge against changes in the fair value of a recognised asset or liability or the fair value of an non-recognised substantiated future liability or a separated part of such an asset, liability or substantiated future liability that can be attributed to a particular risk and that might affect the statement of comprehensive income.

The Bank applies fair value hedges for groups of Polish-currency deposits with a fixed interest rate against the risk of changes in their fair value resulting from the risk of changes in the WIBOR reference rate. The hedging instrument in this type of hedges is a group of or part of a group of IRS derivative instruments. The Bank designates hedging relationships based on an analysis of the fair value of the hedged group of deposits and of the group of hedging instruments for sensitivity to the risk of the WIBOR reference rate. This analysis is base don BPV and duration measures. The effectiveness of a hedging relationship is measures on an ongoing, monthly basis.

In fair value group hedges, the interest expense for the hedged part of a group is adjusted by the interest income or interest expense calculated for the hedging IRS transaction and relating to a given reporting period. At the same time, changes in the fair value of derivative instruments designated as the hedging instrument in a given reporting period are recognised in the statement of comprehensive income under gain (loss) on financial instruments measured at fair value, under the same item as changes in the fair value of the hedging item resulting from the type of risk hedged. Changes in the fair value of part of a group of Polish-currency deposits in a given reporting period as a hedged item are presented in the statement of financial position under amounts due to other banks and financial institutions (for hedges of interbank deposits) or under amounts due to customers (for hedges of deposits from individual customers). Adjustments in the carrying amount of a hedged group of deposits is amortised using the straight-line method, beginning from the month following the month of adjustment and continuing throughout the period remaining until the due date of the hedged cash flows. The amortisation amount is recognised in interest expense in the statement of comprehensive income.

The Bank ceases to use hedge accounting if the hedging instrument expires, is sold, released or exercised or if the hedge ceases to meet the hedge accounting criteria or if the Bank invalidates the hedging relationship.

Contingent liabilities granted

As part of its operations, the Bank executes transactions that, at the time of execution, are not recognised in the statement of financial position as assets or liabilities, but which result in contingent liabilities. A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Company's control;
- or a present obligation that arises from past events but is not recognised in the statement of financial position because it is not probable that an outflow of cash or other assets will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

Off-balance sheet liabilities that carry the risk of a breach of contract by the principal are provided in accordance with IAS 37.

Financial guarantees are treated and recognised in accordance with IAS 399.

2. IMPORTANT FIGURES BASED ON PROFESSIONAL JUDGEMENT AND ESTIMATES

Professional judgement

Classification of leases

The Company classifies leases as either finance or operating, based on its assessment of the extent to which the benefits and risks of ownership are transferred to the lessor and the lessee. Such assessment is based on the economic content of each transaction.

Measurement of loans granted by Wschodni Bank Cukrownictwa (" old group of loans")

In the opinion of the controlling entity, there is evidence that the entire old group of loans is impaired. The amount of impairment losses has been determined by discounting the expected cash flows in successive periods, estimated on the basis of historical recovery rates for that group of loans, in accordance with the description below.

Measurement of newly purchased groups of receivables

The value of impairment losses has been determined based on discounted expected future cash flows in subsequent periods, estimated based on the expected recovery rates for groups of receivables and on the current results of debt recovery.

Closing ratio for loans, term deposits and savings plans

The Bank recognises commission income from the loan applications submitted (but for loans not yet paid out), applications for term deposits and savings plans (submitted but not yet processed) with other financial institutions based on "a closing ratio". This ratio is based on historical data for the likelihood of a loan applied for being actually paid out, a term deposit or a saving plan realised. This ratio is also used in determining the amount of provision for commission to be paid to the Company's advisers in respect of such loans, term deposits and savings plans.

IBNR ratio

In modelling the IBNR reserve ratio, the Bank used all the mortgage loans in a normal situation, which have been considered as a single homogeneous. 90 days past due is considered as evidence of impairment.. The likelihood of such evidence is calculated based on historical data using a method based on a Markov chain migration matrix. Due to insufficient statistics, the expert ratios method was used in tmodelling the recovery rate. The Bank re-assesses the parameters of the model on a monthly basis as new group-related data are available.

For financial loans, due to an unrepresentative size of the group of loans as of 30 June 2009, the Company used an expert ratio to determine IBNR charges, based on the present level of loss ratios for this group of loans. As of 30 June 2009, this ratio is 0.326% (1.2% as of 31 December 2008).

Investments in subordinated entities

The value of the Company's investments in subordinated entities is tested for impairment annually The impairment loss is recognised in the statement of comprehensive income. As of 31 December 2008, no impairment of the Company's investments in subordinated entities was identified.

As of 30 June 2009, no evidence of impairment of the Company's investments in subordinated entities was identified.

Uncertainty of estimates

In preparing financial statements in conformity with IFRS, the Company is required to make estimates and assumptions that affect the amounts presented in the Company's financial statements. These assumptions and estimates are reviewed on an ongoing basis by the Company's management and based on historical experience and other factors, including such expectations as to future events which seem justified in a particular situation. Although these estimates are based on the best knowledge of the current conditions and of the activities undertaken by the Bank, the actual results may be different from these estimates.

Estimates made as of the end of each reporting period reflect the conditions as of the same date (e.g. currency exchange rates, the central bank's interest rates, market prices).

The main areas for which estimates were made by the Bank include:

Impairment of loans

The Bank assesses, as of the end of each reporting period, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. The Bank assesses whether there is any data/evidence indicating a reliably measurable decrease in estimated future cash flows relating to the Bank's loan portfolio, before such a decrease can be assigned to a particular loan in order to estimate the level of impairment. The Bank's estimates may take in account observable data indicating an unfavourable change in the debt repayment ability of a particular category of borrowers or in the economic situation in a particular country or part of the country, which is related to problems in this group of financial assets. Historical losses are corrected on the basis of data from ongoing observations in order to include the effect of those market factors which did not exist in the period in which such observations were made and to exclude the effect of such circumstances which existed historically and which do not exist now. The methodology and assumptions for estimating amounts of cash flows and the periods in which they will occur will be reviewed on a regular basis in order to reduce the differences between the estimated and actual amounts of losses.

In the opinion of the Company, there is evidence that the entire old group of loans is impaired. The value of impairment losses has been determined based on discounted expected future cash flows in subsequent periods, estimated based on the expected recovery rates for the old group of loans and on the current results of debt recovery.

In addition, as described in the section regarding professional judgement above and in the section regarding loans granted as part of the Company's strategy, launched in 2006, to build a private-banking platform (a new group of loans), the uncertainty is connected with estimates of impairment of the new group of loans (with regard to the loans with a risk of impairment and the loans without a risk of impairment, for which write-offs are made based on the IBNR ratio).

Fair value of security on the loans granted

The fair value of security pledged on loans granted by the Bank is determined based on pricing methods and analyses of the real estate market.

Derivatives, financial assets and financial liabilities measured at fair value through profit and loss

The fair values of derivatives, financial assets and financial liabilities not traded on active markets are determined based on widely recognised pricing methods. All the pricing models are subject to approval before application and calibrated to ensure that the results achieved reflect the actual data and comparable market prices. As far as practicable, the models use only observable data from an active market. However, in some circumstances, the Bank estimates the level of uncertainty (such as contractor risk, variation risk and market correlations). Changes of the assumptions relating to such factors may affect the prices of certain financial instruments.

The fair value of amounts due to customers is determined as follows:

The carrying value of deposits is determined as the sum of the current deposit balance and the accrued interest as of the date of measurement. The value is subsequently discounted until the date of measurement using a discounting factor appropriate for the maturity date from the market profitability curve increased by the average weighted margin for deposits from a given range of the period of deposit or the original period. The result is the fair value. Gain (loss) on measurement to fair value is presented in the statement of comprehensive income under gain (loss) on financial assets and liabilities measured to fair value through profit and loss.

Fair value of other financial instruments

The fair value of financial instruments not traded on active markets is measured using measurement techniques. AAll the models are subject to approval before they are used and are calibrated to ensure that the results achieved reflect the actual figures and comparable market prices. As far as practicable, only observable data from active markets are used in the models.

Impairment of other fixed assets

The Company assesses as of the end of each reporting period whether there is any objective evidence that a fixed asset is impaired. If such evidence is identified, the Company estimates the recoverable amount. In estimating the useful value of a fixed asset, the Company makes assumptions about the amounts and dates of future cash flows that the Company may receive from a particular fixed asset as well as assumption about other factors. In estimating the fair value of a fixed asset less the costs of sale of the same asset, the Company uses the available market data in this regard or measurements by independent assessors, which in principle are also based on estimates.

Other estimated figures

The Company's provision for retirement severance pay is determined using the actuarial method by an independent actuary as the current value of the Company's future liabilities to employees, based on the head count and pay levels at the date of the revaluation. The provision for retirement pay is subject to revaluation on an annual basis and is determined based on a number of assumptions about the microeconomic conditions as well as assumptions about staff turnover, death risk and other factors.

As regards some of the Company's short-term employee liabilities (bonuses for high-level management), the Company assesses the amount of such benefits as of the end of the reporting period. The final amount of such benefits is determined by way of a decision of the Supervisory Board.

The actual amounts are verified on an ongoing basis in the reporting periods for consistency with the estimated amounts and the assumptions made.

3. NOTES

1.1 Loan receivables

As at 30 June 2009 *(unaudited)*	Gross value excl. impairment PLN'000	Gross value incl. Impairment PLN'000	Deductions for loans without impairment IBNR PLN'000	Revaluation deductions for loans with impairment PLN'000	Total (net) PLN'000
- corporate loans	481,990	40,420	(2,123)	(38,802)	481,485
- residential loans	3,926,569	24,513	(12,244)	(10,689)	3,928,149
- consumer loans	802,228	57,590	(4,757)	(20,046)	835,015
Total	5,210,787	122,523	(19,124)	(69,537)	5,244,649

As at 31 Dec.2008 *naudited)*	Gross value excl. impairment PLN'000	Gross value incl. Impairment PLN'000	Deductions for loans without impairment IBNR PLN'000	Revaluation deductions for loans with impairment PLN'000	Total (net) PLN'000
- corporate loans	283,133	43,459	(1,066)	(38,725)	286,801
- residential loans	3,003,533	5,742	(19,582)	(1,937)	2,987,756
- consumer loans	566,220	57,719	(3,218)	(20,769)	599,952
Total	3,852,886	106,920	(23,866)	(61,431)	3,874,509

Financial loans are recognised under corporate loans and consumer loans.

The old group of loans and repurchased receivables are presented under corporate loans and consumer loans.

1.2 Revaluation of loan receivables

1 Jan.2009 – 30 June 2009 *(unaudited)* PLN'000	Loans to Customers			Total
	Corporate Loans	Residential Loans	Consumer Loans	
Opening balance of impairment losses/provisions as at 1 Jan.2009	39,791	21,519	23,987	85,297

Created	1,747	12,187	3,106	17,040
Released	(613)	(10,773)	(2,052)	(13,438)
Change in net provisions as recognised in the statement of comprehensive income	1,134	1,414	1,054	3,602
Used-written off	-	-	(238)	(238)
Closing balance of impairment losses/provisions as at 30 June 2009	40,925	22,933	24,803	88,661

1 Jan.2008 – 30 June 2008 *(unaudited)* PLN'000	**Loans to Customers**			**Total**
	Corporate Loans	**Residential Loans**	**Consumer Loans**	
Opening balance of impairment losses/provisions as at 1 Jan.2008	42,027	9,107	30,732	81,866
Created	2,368	13,385	5,083	20,836
Released	(1,126)	(9,055)	(8,724)	(18,905)
Change in net provisions as recognised in the statement of comprehensive income	1,242	4,330	(3,641)	1,931
Used-written off	-	(4)	(1,359)	(1,363)
Closing balance of impairment losses/provisions as at 30 June 2008	43,269	13,433	25,732	82,434

1.3 Interest income and expense

Interest income	**1 Jan.2009 – 30 June 2009 PLN'000 *(unaudited)***	**1 Jan.2008 – 30 June 2008 PLN'000 *(unaudited)***
Income from loans to customers	118,486	53,711
Income from derivatives	53,005	12,830
Income from deposits with other banks	21,020	21,558
Income from available-for-sale financial instruments measured at fair value	16,115	5,918
Income from financial instruments held to maturity	1,119	-
Interest on obligatory reserve	2,591	247
Other interest	26	95
Total	212,362	94,359

Interest expense	**1 Jan.2009 – 30 June 2009 PLN'000 (unaudited)**	**1 Jan.2008 – 30 June 2008 PLN'000 (unaudited)**
Expense on amounts due to customers	185,954	48,701
Expense on own issue of debt securities	12,946	12,347
Expense on deposits of other banks and financial institutions	7,670	2,409
Interest on loans taken out	2,936	2,370
Other interest expense	-	29
Total	209,506	65,856

5.4 Fee and commission income and expense

Fee and commission income	**1 Jan.2009 – 30 June 2009 PLN'000 *(unaudited)***	**1 Jan.2008 – 30 June 2008 PLN'000 *(unaudited)***
Income from loans granted	163,836	775

Income from intermediation services	45,445	22,462
Income from bank account maintenance	1,112	491
Income from credit cards	243	18
Other income	29	27
Total	210,665	23,773

Fee and commission expense	**1 Jan.2009 – 30 June 2009 PLN'000 *(unaudited)***	**1 Jan.2008 – 30 June 2008 PLN'000 *(unaudited)***
Expense on intermediation in the sale of loans and investment products	85,508	8,679
Expense on loans	319	151
Expense on credit cards	55	1
Other expense	213	627
Total	86,095	9,458

5.5 General administrative costs

General administrative costs	**1 Jan.2009 – 30 June 2009 PLN'000 *(unaudited)***	**1 Jan.2008 – 30 June 2008 PLN'000 *(unaudited)***
Employee benefits	28,247	11,844
Use of materials and energy	1,067	806
External services, including:	16,616	8,889
- marketing, representation and advertising services	5,356	1,701
- lease and tenancy	6,614	3,969
- telecommunications and postal services	1,262	1,182
- advisory services	1,259	348
- IT services	625	396
- costs of maintenance and repair	412	341
- legal services	272	404
- insurance	115	112
- property security services	28	33
- other	673	403
Other material costs	1,792	1,021
Fees and taxes	327	238
BFG* contributions	1,510	423
Amortisation and depreciation	2,660	1,323
Other	-	1,072
Total	52,219	25,616

5.6 Basic tax liabilities

Basic tax liabilities	**1 Jan.2009 – 30 June 2009 PLN'000 *(unaudited)***	**1 Jan.2008 – 30 June 2008 PLN'000 *(unaudited)***
Statement of comprehensive income		
Current income tax	-	4,527
Current tax liability	-	4,527
Deferred income tax	9,454	8,770
Relating to origination and reversal of temporary differences	107,502	9,018
Relating to tax loss	(95,329)	-
Relating to available-for-sale financial instruments	(2,719)	(248)
Tax liability presented in the statement of comprehensive income	9,454	13,297

As of 30 June 2009, the effecrive tax rate was 10.5% (12.7% as of 30 June 2008). – 12,7%). The main permanent tax difference was dividend income in the amount of PLN 51,729 thosand (PLN 32,800 thousand for the period of 6 months ended 30 June 2008). Accounted for this difference, the effective tax rate is 19% (18.4% as of 30 June 2008). – 18,4%).

5. Hedge accounting

The Company uses a dynamic hedging strategy where a hedged position is established on a monthly basis as part of the Company's group of deposits with a Polish-currency fixed interest rate, measured at amortised cost and recognised by the Company as of the beginning of a given reporting period. The Company may also decide to designate interbank deposits as a hedged position. In such a case, the Company establishes separate hedging relationships: one hedging relationship for interbank deposits without the option of early termination and one hedging relationship for deposits accepted from individual customers.

The hedging instrument is all or part of the cash flows from the IRS transactions executed by the Bank. The part of the IRS transactions that is the hedging instrument is determined on a monthly basis based on the state as of the end of the previous month, in accordance with the Bank's methodology in this respect.

(Figures in PLN'000)

The fair values of IRS transactions designated as hedging instruments as part of hedging the fair value of Polish-currency deposits with a fixed interest rate against interest rate risk have been presented in the table below:

	As of 30 June 2009
Fair value of IRS derivatives used as hedging instruments in hedging the fair value of individual customers' deposits agains interest rate risk	16,212
Total fair value of hedging instruments	16,212

The Company did not apply hedge accounting in 2008.

During the reporting period, the Company recognised the following amounts of changes in the fair value of the hedging instrument and the hedged item.

	1 Jan.2009 – 30 June 2009	
	Hedging instrument	Hedged item associated with the risk hedged against
Gain	0	3,014
Loss	5,460	50
Total	5,460	3,014

6. Description of Noble Bank's significant achievements

As was the case in 2008, in the six months ended 30 June 2009, Noble Bank's activities focused on carrying out its strategy of selling financial products developed by the group's companies and products developed by external entities. Noble Bank's private-banking department focuses on attracting and providing services to wealthy customers, offering them custom financial solutions regarding credit, loans and personal investments.

Under the Metrobank brand, Noble Bank's portfolio of mortgage loans and financial loans secured with securities is growing fast. In the six months ended 30 June 2009, the Bank's loan portfolio exceed the amount of PLN 5.0 billion, with average monthly sales of PLN 180m. In the period of six months ended 30 June 2009, the Bank accepted a total of PLN 5.1 billion in deposits.

Noble Bank's main achievement in the period of six months ended 30 June 2009 was the launch of a number of new banking products. As a result, the Company achieved profits far above the budgeted level. Additionally, good sales of the Bank's deposit products allowed the Bank to further improve the stability of its liquidity measures. In the reporting period in question, attention should also be given to the efficient distribution of Noble Bank's products by Open Finance S.A. The products included not only loans but also deposit products.

The Bank's Management Board was ranked first in a ranking of management competencies in 2008. The ranking was produced in February 2009 by research firm Pentor for *Puls Biznesu*. The management boards of the banks included in the ranking were evaluated by stock exchange analysts, stockbrokers and investment advisers.

Noble Bank was the winner of the 16th edition of Best Banks Ranking by *Gazeta Bankowa* (in the Small & Medium-Sized Banks" category). The results of the ranking were announced at the end of June 2009. The judges appreciated the Bank's wide range of products and services (including banking products, concierge services and real estate portfolio management services) as well as its fast growth and innovation.

In June 2009, the results of another ranking, by the monthly *Bank*, were announced. In it, Noble Bank was ranked number one (another year in a row) in the "Effieciency of Operation" category.

5.9 Bank's financial results for the period of six months ended 30 June 2009

In the period of six months ended 30 June 2009, Noble Bank's net profit was PLN 103,624 thousand, up by 11% compared to the period of six months ended 30 June 2008. This is attributable mostly to higher fee and commission income as a result of the Bank launching a number of new banking products.

In the period of six months ended 30 June 2009, the Bank's profit from banking activities (the sum of net interest income, net fee and commission income, dividend income, gain (loss) on financial instruments measured to fair value through profit and loss, gain (loss) on other financial instruments and FX gain (loss)) was PLN 171,826 thousand, up by 37% compared to the period of six months ended 30 June 2008. In the period of six months ended 30 June 2009, interest income and fee and commission income increased compared to the period of six months ended 30 June 2008 by 258%, i.e. by PLN 304,895 thousand, to PLN 423,027 thousand. This increase was mostly the result of the Bank launching new banking products.

The Bank's Interest expense incurred in the period of six months ended 30 June 2009 increased significantly compared to interest expense for the same period of 2008. This increase is directly attributable to the cost of attracting deposits on the market. This considerable increase in interest expense resulted in a decrease in the Bank's net interest income compared to the period of six months ended 30 June 2008.
The decrease in the Bank's foreign exchange gain from PLN 50,005 thousand in the period of six months ended 30 June 2008 to PLN 13,757 thousand in the period of six months ended 30 June 2009 is the result of the fact that in 2009 the Bank discontinued to provide loans denominated in foreign currencies. The decrease in the Bank's gain on financial instruments measured to fair value through profit and loss from PLN - 32 thousand in the period of six months ended 30 June 2008 to PLN –19,495 thousand in the period of six months ended 30 June 2009 is mostly the result of lower values of derivatives and financial liabilities measured to fair value through profit and loss (deposits).

5.10 Description of non-standard factors and events significantly affecting the Company's financial results

No non-standard factors or events occurred that might significantly affect the Company's financial results.

5.11 Seasonal or cyclic events in the Bank's activities over the period of six months ended 30 June 2009

No seasonal or cylic events occur in the Company's activities. Therefore. the Company's financial results as presented in these financial statements do not reflect any significant fluctuations during the year.

5.12 Issues, redemption and repayment of debt securities and capital securities

In the period of six months ended 30 June 2009 and in the period of six months ended 30 June 2008, the Company did not issue, redeem or repay any debt securities or capital securities, except for repayment of interest on certificates of deposit.

5.13 Information on dividend

On 20 March 2009, Noble Bank's General Shareholders Meeting made a decision on the distribution of the Company's 2008 net profit of PLN 164,614 thousand by allocating an amount of PLN 45,187 thousand for dividend and recognising an amount of PLN 119,427 thousad in the Bank's reserve capital. Dividend per ordinary share is PLN 0.21 gross. The record date was set for 10 April 2009. On 30 April 2009, payment of dividend in the amount of PLN 44,784 thousand was made. The remaining dividend of PLN 403 thousand in respect of the Bank's repurchased own shares was retained by the Company and presented in its reserve capital. No preference shares in Noble Bank exisit.

5.14 Events occurring after 30 June 2009, not included in these financial statements and that might significantly affect Noble Bank's financial results in the future

On 13 July 2009, an agreement was entered into between GETIN Holding S.A. as the seller and Noble Bank S.A. as the buyer to sell 785,200 bearer shares in Towarzystwo Ubezpieczeń Europa S.A. for the total price of PLN 67,056,080. The shares bought by the Bank account for 9.9708% of the share capital of Towarzystwo Ubezpieczeń Europa S.A.

On 13 August 2009, Noble Bank S.A. entered into a conditional agreement with Getin Holding S.A. to sell shares in Noble Securities S.A. (formerly Dom Maklerski Polonia Net S.A.) with its registered office situated in Cracow ("Noble Securities").

The agreement concerns the sale of all the shares held by Getin Holding S.A., i.e. 2,787,289 registered shares in Noble Securities, with a nominal value of PLN 1.00 each, accounting for 79.76% of the sahre capital of Noble Securities and entitling the holder to 10,328,593 at its general shareholders meeting (82.73% of total votes). The purchase price will be PLN 11,929,596.92 or PLN 4.28 per share.

The sale of the shares will be executed if the conditions precendent of the agreement are satisfied. These include, in particular, the Polish Financial Supervision Authority ("KNF") making no objection against the planned sale of shares in Noble Securities by the Issuer and Noble Securities's Supervisory Board approving the sale, retaining their preference status. On 13 August 2009, Noble Bank S.A. notified KNF of its plans to acquire shares in Noble Securities. If the conditions precedent are satisfied, the transaction to acquire shares in Noble Securities will be executed through the agency of a brokerage house.

After the above transactions are settled, the Issuer will hold 2,787,289 registered shares in Noble Securities, with a nominal value of PLN 1.00 each, accounting for 79,76% of the share capital of Noble Securities and entitling the holder to 10.328.593 votes at its general shareholders meeting (82.73% of total votes).

Also, on 13 August 2009, Noble Bank S.A. entered into an memorandum of understanding with Getin Holding regarding the assumption by Noble Bank S.A. of the rights and obligations of Getin Holding under an investment agreement dated 30 June 2008, later amended by an agreement dated 12 August 2009. Under the investment agreement and the memorandum of understanding, Mr Jarosław Augustyniak, Mr Maurycy Kuhn and Mr Krzysztof Spyra were granted an option to acquire shares in Noble Securities of up to 5% in the case of Mr Jarosław Augustyniak, up to 5% in the case of Mr Maurycy Kuhn and up to 10% in the case of Mr Krzysztof Spyra – of the total number of shares in Noble Securities. In addition, under the memorandum of understanding, Mr Jarosław Augustyniak and Mr Maurycy Kuhn were granted the right to require, through the entities controlled by them, Getin Holding to buy back the shares held by such entities as of the date of the memorandum of understanding.

Noble Bank S.A. will assume the rights and obligations of Getin Holding if an agreement to sell shares in Noble Securities is effectively executed and upon the transfer of ownershop of the shares to Noble Bank S..A.

No significant events (other than those described above and other than events relating to the planned merger of Noble Bank S.A. with GETIN Bank S.A., as described in 5.23) occurred after the end of the reporting period that might affect the Bank's financial statements for the period of six months ended 30 June 2009.

5.15. Changes in contingent liabilities and contingent asset

Contingent liabilities and off-balance sheet items	30 June 2009 PLN'000 *(unaudited)*	31 Dec.2008 PLN'000 *(audited)*
1.Contigent liabilities granted	236,824	230,156
a) related to financing	233,200	227,511
b) guarantees granted	3,624	2,645
2.Contingent liabilities received	1,733	-
a) guarantees received	1,733	-
3. Financial instruments	5,052,145	4,412,732
Total contingent liabilities and off-balance sheet items	5,290,702	4,642,888

5.16 Changes to the organisation of the Company's subordinated entities in the period of six months ended 30 June 2009

In the period of six months ended 30 June 2009 and in the period of six months ended 30 June 2008, no changes occurred to the organisation of the Company's subordinated entities.

5.17. Management Board's opinion on the possibility of achieving previously published forecasts for the Company's financial results for a given year in the light of the results presented in the quarterly report compared to the forecast results

Noble Bank S.A. published no forecasts.

5.18. Shareholders directly or indirectly holding at least 5% of the overall number of votes at the Issuer's general shareholders meeting as of 30 June 2009

Shareholding Structure 30 June 2009	Total Shares	Number of Voting Rights	Percentage of voting rights at general shareholders meeting
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	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%

Shareholding Structure 31 Dec. 2008	Total Shares	Number of Voting Rights	Percentage of voting rights at general shareholders meeting
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	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%

No significant changes to the shareholding structure or the number of votes held by shareholders at the Company's general meeting occurred after 30 June 2009.

5.19. Information on changes relating to shares held by members of the Company's management and supervisory boards (since the publication of the previous periodic report)

(Figures in PLN'000)

NAME	FUNCTION	AS AT 31 DEC.2008	SHARES ACQUIRED IN THE REPORTING PERIOD	SHARES SOLD IN THE REPORTING PERIOD	AS AT 30 JUNE 2008
Remigiusz Baliński	Member of the Supervisory Board	22,333	-	-	22,333
Maurycy Kuhn*	Member of the Management Board	10,304,447	24,147	-	10,328,594
Krzysztof Spyra**	Member of the Management Board	10,389,947	-	-	10,389,947
Jarosław Augustyniak***	Chairman of the Management Board	10,697,947	-	-	10,697,947

*through	ASK Investments S.A.	4,939,947
	A.Nagelkerken Holding B.V.	5,750,000
	as a private individual	8,000
		10,697,947
**through	ASK Investments S.A.	4,939,947
	International Consultancy Strategy Implementation	5,750,000
		10,689,947
***through	ASK Investments S.A.	4,939,947
	H.P.Holding 3 B.V.	5,750,000
	As a private individual	8,0000

NAME	FUNCTION	AS AT 31 DEC.2007	SHARES ACQUIRED IN THE REPORTING PERIOD	SHARES SOLD IN THE REPORTING PERIOD	AS AT 31 DEC. 2008
Remigiusz Baliński	Member of the Supervisory Board	22,333	-		22,333
Maurycy Kuhn*	Member of the Management Board	10,758,000	-	60,053	10,697,947
Krzysztof Spyra**	Member of the Management Board	10,750,000	-	60,053	10,689,947
Jarosław Augustyniak***	Chairman of the Management Board	10,758,000	-	60,053	10,697,947

*through	ASK Investments S.A.	4,939,947
	A.Nagelkerken Holding B.V.	5,750,000
	as a private individual	8,000
		10,697,947
**through	ASK Investments S.A.	4,939,947
	International Consultancy Strategy Implementation	5,750,000
		10,689,947
***through	ASK Investments S.A.	4,939,947
	H.P.Holding 3 B.V.	5,750,000
	As a private individual	8,0000
		10,697,947

5.20 Information on proceedings pending before courts of law

No proceedings are pending with regard to the Issuer's liabilities and receivables or any entities controlled by the Issuer whose value equals to at least 10% of the Issuer's equity

No proceedings are pending with regard to the Issuer's liabilities and receivables or any entities controlled by the Issuer whose value equals to at least 10% of the Issuer's equity.

With regard to liabilities, the total value of proceedings pending as of 30 June 2009 is PLN 439 thousand (PLN 455 thousand as of 31 December 2008).

With regard to receivables, the total value of proceedings pending as of 30 June 2009 is PLN 7,955 thousand (PLN 4,886 thousand as of 31 December 2008).

5.21. Information on transactions executed by the Company or an entity controlled by the Company with a related party with a value of over EUR 500,000 other than standard normal transactions executed on an arm's length basis

In the period of six months ended 30 June 2009 and in the period of six months ended 30 June 2008, no such transactions occurred.

5.22. Information on the provision by the Issuer or an entity controlled by the Issuer of loan guarantees or bank guarantees with a value equal to at least 10% of the Issuer's equity

In the period of six months ended 30 June 2009 and in the period of six months ended 30 June 2008, no such guarantees were provided.

5.23. Other information that the Company belives is significant for the assessment of the its personnel, economic and financial situation, its financial results and their changes

On 29 January 2009, the Management Boards of Getin Bank and Noble Bank agreed upon a merger plan approved by both banks' supervisory boards. In accordance with the plan, the merger will be carried out by transferring the assets of Getin Bank to Noble Bank in return for shares in Noble Bank. On 18 June 2009, the general meetings of the banks approved the merger plan and adopted a decision to apply for registration of the merger after obtaining a decision of the Polish Financial Supervision Authority confirming that the information memorandum relating to all of the series J shares to be issued is equivalent in form and content to the information required in the prospectus and after obtaining the required approvals of the Polish Financial Supervision Authority for carrying out the merger and for amending Noble Bank's articles of association.

On 8 July 2009, the Polish Financial Supervision Authority approved for the merger between Noble Bank and Getin Bank to be carried out by transferring the assets of Getin Bank to Noble Bank in return for shares in Noble Bank, in accordance with the merger plan. In addition, the Polish Financial Supervision Authority gave its consent to Mr Leszek Czarnecki to exercise, through Getin Holding, his voting rights on shares in Noble Bank to the extent of 75% of all the votes at the general meeting and, 10 July 2009, to amend Noble Bank's articles of association to reflect the changes resulting from the merger.

On 29 July 2009, the Company applied to the Polish Financial Supervision Authority for a decision confirming that the information memorandum prepared in connection with an issue of series J shares and the intention to apply for admission of such shares to trading on a regulated market is equivalent in form and content to the information required in the prospectus The application has not been approved by the Polish Financial Supervision Authority until the date of approving these financial statements.

Except for the events described above in section 5.9, no other events occurred that might significantly affect the assessment of the Company's personnel, economic and financial situation.

5.24. Factors that the Company believes will affect its financial results at least within the next quarter

The slowdown in economic growth or economic contraction, the weakening of the Polish currency, higher interest rates and, in consequence, customers being less willing to take out mortgage loans and financial loans, may result in lower sales of mortgage loans (particular loans denominated in foreign currencies).

The Company's growth in the future will depend on the availability of funding to provide loans. The Company is working to obtain such funding through actively accepting deposits, also by offering structured deposits.

An important internal factor in the Company's continued growth is the Company's ability to retain qualified and experienced managers.

Except for the events described below, no other events occurred that might affect the Company's activities and financial results in the future.

5.25. Solvency ratio

The Company maintains a safe level of equity in relation to the risk incurred. At the same time, observing the mandatory principle of capital safety, the Company aims to set an optimum relation to the long-term return on equity.

In order to monitor an adequate level of capitalisation, the Company calculates capital requirements according to the regulations in force.

As of 30 June 2009 and 31 December 2008, the Company's solvency ratio and shareholders' equity forming the basis for the calculation of the ratio are calculated pursuant to the following regulations:

- The Banking Law of August 29th 1997 (Journal of Laws of 2002, No. 72, item 665, as amended;
- Resolution No. 1/2007 of the Commission for Banking Supervision of 13 March 2007, on the scope of the capital requirements against particular risks and the detailed principles to be applied in determining those requirements, including but not limited to the scope and conditions of applying statistical methods and the scope of information attached to an application for authorization to apply them, principles and conditions of taking account of contracts on debt assignment, subparticipation, credit derivative and contracts other than those on debt assignment, subparticipation, in calculating the capital requirements, terms and conditions, scope and manner of making use of the ratings assigned by external credit assessment institutions and the export credit agencies, manner and specific principles of calculating the solvency ratio of a bank, the scope and manner of taking account of banks conducting their activities in groups in calculating their capital requirements as well as establishing additional items of bank balance sheets presented jointly with bank regulatory own funds in the calculation of capital adequacy, the amount thereof and the conditions of setting them;
- Resolution No. 2/2007 of the Commission for Banking Supervision of 13 March 2007, on other deductions from a bank's core capital, amount thereof, scope and conditions of such deductions from the core capital of a bank, other balance sheet items included in the supplementary capital, the amount and scope thereof, and the conditions of including them in a bank's supplementary capital, deductions from a bank's supplementary capital, the amount and scope thereof and conditions of performing such deductions from the banks' supplementary capital, the scope and manner of taking account of the business of banks conducting their activities in groups in calculating their own funds**;**
- Resolution No. 3/2007 of the Commission for Banking Supervision of 13 March 2007, on the detailed principles and conditions of accounting for exposures in determining compliance with exposure

concentration limit and large exposure limit, specifying exposures exempt from the provisions regarding exposure concentration limits and large exposure limits, and the conditions they have to satisfy, specifying exposures that need the authorisation of the Commission for Banking Supervision for the exemption from provisions related to exposure concentration limits and large exposure limits and the scope and manner of accounting for the activities of banks operating in groups in calculating exposure concentration limits.

As of 30 June 2009 and 31 December 2008, Noble Bank calculated its capital requirement and solvency ratio based on Resolution No.1/2007 of the Commission for Banking Supervision.

	30 June 2009 PLN'000 *(unaudited)*	**31 Dec.2008 PLN'000 *(audited)***
Shareholders' equity		
Share capital	215,178	215,178
Supplementary fund	381,263	266,095
Other capital	(9,580)	1,272
Profit (loss) for H1 2008	-	92,972
Profit (loss) for Q1 2009	78,608	-
Adjustment for shares in financial institutions	(90,037)	(90,506)
Adjustment for intangible assets	(4,500)	(4,000)
Profit (loss) from previous years	955	955
Treasury shares	(2,635)	(147)
Total shareholders' equity	569,252	481,819
Risk weighted assets		
Risk exposure of 0 %	1,934,154	753,886
Risk exposure of 20 %	556,874	908,152
Risk exposure of 35 %	72,301	218,315
Risk exposure of 50 %	29,039	37,782
Risk exposure of 75 %	3,465,256	2,864,422
Risk exposure of 100 %	1,696,366	713,924
Risk exposure of 150 %	32,456	110,867
Total risk weighted assets	4,495,192	3,305,474
Risk weighted off-balance sheet liabilities		
Risk exposure of 20 %	58,745	32,918
Risk exposure of 35 %	488	1,116
Risk exposure of 50 %	113,098	50,050
Risk exposure of 75 %	103,117	92,768
Risk exposure of 100 %	11,897	16,166
Risk exposure of 150 %	226	1,446
Total risk weighted off-balance sheet liabilities	158,043	119,910
Total risk weighted off-balance sheet assets and liabilities	4,653,235	3,425,384
Capital requirement in respect of:		
Credit risk	372,259	274,031
Operational risk	16,331	12,987
Solvency ratios	11.7%	13.4%

The solvency ratio fluctuations are the result of higher currency exchange rates and payment of dividend in the first half of 2009.

Concentration risk and the capital requirement for its coverage are calculated on the basis of provisions of the above resolutions. As of 30 June 2009 and 31 December 2008, the Company's portfolio did not contain receivables that could be qualified as exceeding concentration limits, therefore the Company estimates the concentration risk to be negligible.

In the period of six months ended 30 June 2009, the Bank did not exceed the liquidity standards.

3. TRANSACTIONS WITH RELATED PARTIES

(1) DESCRIPTION OF TRANSACTIONS WITH RELATED PARTIES

Noble Bank is the controlling company in Noble Bank S.A. Grupa Kapitałowa (Noble Bank Group) and is directly controlled by Getin Holding S.A. The term 'related party' as used by the Company includes its minority shareholder ASK Investments. The Company's related parties also include: Getin Holding S.A.., Carcade OOO, TU Europa S.A., TU na Życie Europa S.A., Getin Bank S.A., Getin Leasing S.A., JML S.A., Fiolet - Powszechny Dom Kredytowy S.A., Dom Maklerski Polonia Net S.A., Iguana Investments Sp. z o.o., Tax Care S.A., LC Corp BV, Fundacja LC Hart, Mr Leszek Czarnecki as the main shareholder in Getin Holding S.A. and the highest-level controlling entity, as well as the members of the controlling company's Management Board and Supervisory Board and persons related to them.

All transactions between the Company's related parties in the period of six months ended 30 June 2009 and in 2008 were conducted on an arm's length basis and resulted from day-to-day operations. The main items of those transactions refer to the provision of financial intermediation service. No material transactions occurred which would require disclosure in these financial statements. Settlements and transactions with the Company's related parties are not secured.

The most important amounts of transactions with related parties are presented belowi.

	Statement of Financial Position (unaudited) 30 June 2009				Statement of Comprehensive Income (unaudited) 1 Jan.2009 – 30 June 2009							Off-balance sheet 30 June 2009	
	Loan Receivables PLN'000	Other Receivables PLN'000	Deposit Liabilities PLN'000	Other Liabilities PLN'000	Interest Income PLN'000	Interest Expense PLN'000	Fee & Commission Income PLN'000	Fee & Commission Expense PLN'000	Dividend Received PLN'000	Other Sales PLN'000	Other Purchase PLN'000	Guarantee liabilities granted	Guarantee liabilities received
Transactions with related parties	47,332	50,504	1,808,304	52,902	6,044	64,147	38,102	106,027	51,729	2,378	5,509	1,971	1,733
Open Finance S.A.	**-**	**24,001**	**20,109**	**27,053**	**-**	**518**	**38**	**105,256**	**35,000**	**1,438**	**155**	**1,489**	**-**
Noble Funds TFI S.A.	**-**	**305**	**6,053**	**-**	**-**	**652**	**976**	**-**	**16,729**	**269**	**35**	**-**	**-**
Introfactor S.A.	**35,525**	**11**	**3,185**	**-**	**951**	**43**	**-**	**-**	**-**	**261**	**-**	**-**	**-**
Noble Concierge Sp. z o.o.	**-**	**22**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**35**	**1,201**	**-**	**-**
Panorama Finansów S.A.	**7,142**	**-**	**-**	**-**	**253**	**-**	**-**	**2,899**	**-**	**94**	**9**	**-**	**-**
Getin Holding S.A.	**-**	**182**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**149**	**73**	**-**	**-**
Carcade OOO	**-**	**-**	**-**	**-**	**1,108**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Getin Bank S.A.	**-**	**40**	**-**	**-**	**3,660**	**1,897**	**-**	**17**	**-**	**34**	**2,207**	**-**	**1,733**
TU Europa S.A.	**-**	**17,551**	**133,614**	**24,000**	**-**	**5,069**	**24,644**	**125**	**-**	**-**	**-**	**-**	**-**
TU Europa na Życie S.A.	**-**	**8,391**	**1,633,824**	**194**	**-**	**55,548**	**12,444**	**-**	**-**	**-**	**1,684**	**-**	**-**
Getin Leasing S.A.	**-**	**-**	**-**	**1,655**	**-**	**158**	**-**	**59**	**-**	**-**	**-**	**-**	**-**
Powszechny Dom Kredytowy S.A.	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**28**	**-**	**-**	**-**	**-**	**-**
Dom Maklerski Polonia Net S.A.	**-**	**-**	**5,895**	**-**	**-**	**117**	**-**	**-**	**-**	**76**	**95**	**-**	**-**
Home Broker S.A. (formerly JML S.A.)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**629**	**-**	**7**	**50**	**482**	**-**
Iguana Investments Sp. z o.o.	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4**	**-**	**-**	**-**	**-**	**-**
Tax Care S.A.	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7**	**-**	**-**	**-**
Jarosław Augystyniak – Management Board Chairman	**80**	**-**	**2,989**	**-**	**1**	**93**	**-**	**-**	**-**	**6**	**-**	**-**	**-**
Maurycy Kuhn – Management Board Member	**4,333**	**-**	**1,794**	**-**	**71**	**36**	**-**	**-**	**-**	**2**	**-**	**-**	**-**
Krzysztof Spyra – Management Board Member	**252**	**-**	**841**	**-**	**-**	**16**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

	Statement of Financial Position (unaudited) 31 December 2008				Statement of Comprehensive Income (unaudited) 1 Jan.2008 – 30 June 2008						Off-balance sheet
	Loan Receivables PLN'000	Other Receivables PLN'000	Deposit Liabilities PLN'000	Other Liabilities PLN'000	Interest Income PLN'000	Interest Expense PLN'000	Fee & Commission Income PLN'000	Fee & Commission Expense PLN'000	Other Sales PLN'000	Other Purchase PLN'000	Guarantee liabilities granted PLN'000
Transactions with related parties	67,971	853	1,549,546	15,513	1,640	13,803	13,808	1,101	-	-	2,403
Open Finance S.A.	**-**	**57**	**7,150**	**10,966**	**-**	**350**	**-**		**-**	**-**	**1,953**
Noble Funds TFI S.A.	**-**	**95**	**23,651**	**-**	**-**	**521**	**1,304**		**-**	**-**	
Introfactor S.A.	**25,128**	**-**	**4,355**	**-**	**-**	**-**	**-**		**-**	**-**	
Noble Concierge Sp. z o.o.	**-**	**2**	**-**	**174**	**-**	**-**	**-**		**-**	**-**	
Panorama Finansów S.A.	**2,013**	**108**	**1**	**-**	**-**	**-**	**-**		**-**	**-**	**-**
Carcade OOO	**36,726**	**-**	**-**	**-**	**1,522**	**-**	**-**		**-**	**-**	**-**
Getin Bank S.A.	**-**	**36**	**125,186**	**-**	**-**	**-**	**-**	**7**	**-**	**-**	**-**
TU Europa S.A.	**-**	**365**	**121,934**	**462**	**-**	**3,594**	**2,586**	**-**	**-**	**-**	**-**
TU Europa na Życie S.A.	**-**	**188**	**1,259,958**	**1,397**	**-**	**9,067**	**9,918**	**626**	**-**	**-**	**-**
Dom Maklerski Polonia Net S.A.	**-**	**-**	**-**	**2,514**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Home Broker S.A. (formerly JML S.A.)	**-**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**450**
Powszechny Dom Kredytowy S.A.	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**468**	**-**	**-**	**-**
Tax Care S.A.	**-**	**2**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Jarosław Augystyniak – Management Board Chairman	**20**	**-**	**3,144**	**-**	**-**	**228**	**-**	**-**	**-**	**-**	**-**
Maurycy Kuhn – Management Board Member	**4,041**	**-**	**2,465**	**-**	**32**	**43**	**-**	**-**	**-**	**-**	**-**
Krzysztof Spyra – Management Board Member	**43**	**-**	**1,701**	**-**	**86**	**-**	**-**	**-**	**-**	**-**	**-**

(2) INFORMATION ON THE AMOUNTS OF OUTSTANDING ADVANCES, LOANS AND GUARANTEES

As of 30 June 2009:

Carcade Sp. z o.o.

- amount of outstanding loans - USD 0 thousand
- amount of outstanding interest - USD 0 thousand

As of 31 December 2008:

Carcade Sp. z o.o.

- amount of outstanding loans - USD 12, 400 thousand
- amount of outstanding interest - USD 0 thousand

(3) INFORMATION ON REMUNERATION AND BENEFITS FOR THE BANK'S SUPERVISORY BOARD AND MANAGEMENT BOARD MEMBERS

Costs of remuneration and benefits for the Management Board members, incurred by the Company (PLN '000)

Short-term remuneration and benefits:

1.01.2009 – 30.06.2009 PLN 10,059 thousand*

1.01.2008 – 30.06.2008 PLN 1,200 thousand

* Remuneration for the period of six months ended 30 June 2009 for the members of the controlling company's Management Board:

Jarosław Augustyniak

Maurycy Kuhn

Krzysztof Spyra

Bogusław Krysiński

Costs of remuneration and benefits for the Supervisory Board members, incurred by the Company (PLN '000)

Short-term remuneration and benefits:

1.01.2009 – 30.06.2009 PLN 0 thousand

1.01.2008 – 30.06.2008 PLN 0 thousand

Signatures of all members of the Bank's Management Board

____
Jarosław Augustyniak, Chairman of the Management Board, Noble Bank S.A

____
Maurycy Kuhn, Member of the Management Board, Noble Bank S.A

____
Krzysztof Spyra, Member of the Management Board, Noble Bank S.A.

____
Bogusław Krysiński, Member of the Management Board, Noble Bank S.A

Warsaw, 17 August 2009