



NOBLE BANK

NOBLE BANK SPÓŁKA AKCYJNA GROUP

MANAGEMENT BOARD'S REPORT FOR THE FINANCIAL YEAR ENDED DECEMBER 31ST 2007

Group's growth in 2007

The Noble Bank S.A. Capital Group is composed of Noble Bank S.A. and its subsidiaries: Open Finance S.A. and Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. The parent company is Noble Bank S.A., registered office at ul. Domaniewska 39B, Warsaw, registered in the District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register, under entry No. KRS: 0000018507. As at December 31st 2007 the share capital of the Noble Bank S.A. Group is PLN 215,178,156.

In May 2007 Noble Bank, in accordance with the provisions of the Financial Plan, conducted a public share issue. The par value of shares offered in the initial public offering amounted to PLN 15,000,000. The selling price was PLN 10.50 per share. As a result of the issue, Noble Bank shares are quoted on the Warsaw Stock Exchange. The public share issue led to an increase in the Bank's capital base, which will enable continued dynamic growth in the future while providing full security for funds deposited by the customers.

In July 2007 Noble Bank issued three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. Funds obtained under the issue programme were used mainly for the purpose of further increasing the sales of mortgage loans and loans secured with financial assets.

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

In 2007 the scope of Noble Bank's offering included: financial advisory services, property advisory services, investment funds, asset management, mortgage financing, investment accounts and structured deposits. The offering is addressed at demanding clients of above-average wealth. In 2007 the Company extended the number of branches through which it sells its products to eight. As at December 31st 2007 the Company employed 249 staff, including 74 financial advisers and their assistants.

Open Finance S.A. in 2007 continued to grow dynamically, reaching higher than expected sales results. This fact can be attributed to a favourable market condition, extended number of branches and offices to 46 (compared with 16 in 2006), as well as to a higher number of advisers, including those of Open Direct, a direct distribution network.

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

Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. as at December 31st 2007 managed Noble Funds Open-End Investment Fund with five separate subfunds: Noble Fund Equities, Noble Fund Mixed, Noble Fund Treasury, Noble Fund Small and Medium-sized Companies and Noble Fund Luxury. As at December 31st 2007 the value of net assets of Noble Funds Open-End Investment Fund was PLN 1,124, 169 thousand.

In addition, Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A managed the assets of 91 individual clients (natural persons and legal persons). As at December 31st 2007 the Company managed PLN 409,610 thousand-worth of assets.

Owing to dynamic growth of assets and number of securities portfolios managed by Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A, many of the Company's activities in the reporting period were related to the expansion of internal structures, creation and elaboration of internal procedures and procedures for cooperation with external companies, especially with the transfer agent and the depository bank, and to the development of IT systems which facilitate the Company's running its business. In the reporting period agreements with next distributors of participation units in Noble Funds FIO subfunds were signed.

Overview of key business indicators

In 2007 the Noble Bank S.A. Capital Group achieved a net profit (attributable to the parent company's shareholders) of PLN 126,457 thousand. The financial result targets, adopted by Noble Bank S.A. shareholders in the 2007 financial plan, have been significantly outperformed.

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

2007 also saw a substantial rise in the value of loans given by the Group. Their value rose from PLN 132,588 thousand as at December 31st 2006 to PLN 1,175,899 thousand as at December 31st 2007.

Important factors and events, including untypical ones, which occurred in 2007 and afterwards, until the approval date of the financial statements, which have a material impact on the Group's business and financial performance in the financial year or which are likely to have such an impact in the next years

Strong demand for mortgage loans in 2007 enabled the Group to realise profits at a level exceeding the expected target.

In May 2007 Noble Bank launched a public share issue. The par value of shares offered in the initial public offering amounted to PLN 15,000,000. The selling price was PLN 10.50 per share. In July 2007 Noble Bank also issued three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. The raised funds were used mainly for the purpose of further increasing sales of mortgage loans and loans secured with financial assets.

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

Prospects for the Group's business growth

On account of its planned dynamic growth, the Noble Bank S.A. Group is going to continue the expansion of the product distribution network. In 2008 the Group plans to further develop the network of branches which will be located in Poland's largest cities.

The Bank's planned fast growth in the area of product distribution will be connected with further needs to obtain stable financing sources for the lending production. The Bank aims to launch new innovative savings products which will offer depositors higher return rates, at the same time guaranteeing fully the security of placed funds.

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

In 2007 the Bank plans further expansion of its subsidiaries: Open Finance S.A. and Noble Funds TFI S.A. Open Finance S.A. is going to continue building up the distribution network by opening new branches and developing the network of mobile advisers. Noble Funds TFI S.A. will carry on building the investment portfolio within the framework of the offered participation units in the umbrella fund and asset management services. Among Noble Funds TFI S.A. growth factors the most important one will be repeated sound investment performance, which the Company would wish to attain by taking care of the investments team quality. Therefore, in 2008 it plans to gradually increase employment at the asset management department.

Information about key products and services offered by the Group

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

In 2007 the scope of Noble Bank's and Open Finance's offering included: financial advisory services, property advisory services, investment funds, asset management, mortgage financing, investment accounts and structured deposits. The offering is addressed at demanding clients of above-average wealth.

Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A. as at December 31st 2007 managed Noble Funds Open-End Investment Fund with five separate subfunds: Noble Fund Equities, Noble Fund Mixed, Noble Fund Treasury, Noble Fund Small and Medium-sized Companies and Noble Fund Luxury.

In addition, Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A managed the assets of 91 individual clients (natural persons and legal persons).

In 2007, the interest income of PLN 69,078 thousand and fee and commission income of PLN 177,116 thousand were achieved. They were considerably higher than in 2006. In 2007 interest income rose by 184% and fee and commission income rose by 142% as compared with the 2006 figures.

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

The objective of assets and liabilities management at the Noble Bank S.A. Group, particularly at Noble Bank S.A., is to optimise the structure of the balance sheet and the off-balance sheet items to retain the planned relation of profit and the risk incurred. The Bank's Management Board is responsible for managing risk in Noble Bank S.A. at the strategic level. Noble Bank S.A. has two Committees: Credit Committee and Asset and Liability Management Committee, which are responsible for managing their relevant risk areas at the operational level, monitoring risk levels as well as for the development of current risk management policies within the framework of strategies adopted by the Bank's Management Board and in line with internal limits and supervisory regulations. All existing market risk management regulations incorporate requirements of the Supervisory Recommendations of the General Inspectorate of Banking Supervision.

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

Credit risk

The Bank controls credit risk through the implementation and observance of internal procedures for the monitoring of the granted loans and through day-to-day reviews of the borrowers' financial standing and loan repayments.

Currency risk

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

Interest rate risk

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

Liquidity risk

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

Open Finance S.A. operates on the market as a financial products broker, which is why all risks typical of the banking activity have no impact on the Company's performance. Open Finance S.A. has an IT system in place, which supports the business and largely limits the likelihood of adverse effects of the operational risk taking place.

The equity of Noble Funds TFI S.A. complies with the requirements of the Act on Investment Funds. Participation units in Noble Funds FIO are mainly distributed by Noble Bank S.A. branches and Open Finance S.A. distribution network. Despite an expanded distribution network of Open Finance S.A. it can not be excluded that the system of distributing participation units in Noble Funds FIO might fail to contribute to fast and satisfactory asset growth, which may adversely influence the Company's activities and performance. Noble Funds TFI mitigates that risk by making agreements with other financial brokers, banking networks and brokerage offices.

Apart from the risk related to the distribution network, Noble Funds TFI is exposed to the following market risks which may affect the volume of assets under management:

- 1) rising interest rates or a significant correction of share prices on the Warsaw Stock Exchange could lead to a weaker interest in investment funds and asset management,
- 2) starting a "price war" on management fees among investment fund companies, which could affect the Company's profitability,
- 3) growing distribution prices of investment fund participation units.

Apart from the risks mentioned above, the quality of managing clients' assets under custody might in particular pose a substantial risk for the Company, which may materially affect Noble Funds TFI financial performance, as a variable fee is a constituent of the fee payable by the client.

Operational risks for the Company's business exist in two main areas: Noble Funds TFI activity as an enterprise and as a manager of investment funds and individual clients' portfolios. Risks connected with the investment decision process, valuation of funds participation units, valuation of individual clients' portfolios and with the process of buying and selling funds participation units are hedged by having an adequate IT infrastructure, internal procedures and procedures for co-operating with external entities, especially with distributors of funds participation units, the transfer agent and the depositary bank.

Information on the markets

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

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

No such agreements were concluded in 2007.

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

Noble Bank is the Parent Company of the Noble Bank S.A. Capital Group, and Getin Holding S.A. is the superior holding company and Noble Bank S.A.'s direct holding company. The Group understands the related entities to include also ASK Investments S.A., a minority shareholder of the Bank. The group of related entities also includes: Carcade Sp. z o.o., TU Europa S.A., TU na Życie Europa S.A., Getin Bank S.A., JML S.A., Powszechny Dom Kredytowy S.A., Leszek Czarnecki as the main shareholder of Getin Holding S.A., as well as the Parent Company's Management Board members, the Parent Company's Supervisory Board members and parties related to them.

As at Dec 31st 2007 the Group had the following available-for-sale securities, in which it invested its cash surplus: securities issued by central banks in the amount of PLN 49,979 thousand, securities issued by banks in the amount of PLN 18 thousand, securities issued by other financial entities in the amount of 965 thousand, securities issued by non-financial entities in the amount of 50 thousand and securities issued by the State Treasury in the amount of 1,898 thousand.

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

The Group made transactions with the following entities:

- TU Europa S.A. – transactions involved mainly deposits accepted by Noble Bank S.A. (with the value of 50,088 thousand as at December 31st 2007), interest expense on those deposits (of PLN 3,280 thousand in 2007), costs of other purchases – mainly insurance (of PLN 359 thousand in 2007) and fee and commission income (of PLN 865 thousand). As at December 31st 2007 receivables and liabilities amounted to PLN 656 thousand and 18 thousand, respectively.
- TU Europa na Życie S.A. – transactions involved mainly deposits accepted by Noble Bank S.A. (with the value of 141,127 thousand as at December 31st 2007), interest expense on those deposits (of PLN 2,022 thousand in 2007) and fee and commission income (with the fee and commission income of PLN 9,269 in 2007 and the fee and commission expense of PLN 3.049 thousand as at December 31st 2007).
- Carcade – transactions involved mainly a loan given by Noble Bank S.A. (of PLN 25,939 thousand as at December 31st 2007), interest income on that loan (of PLN 1,387 thousand in 2007).
- Getin Bank S.A. – transactions involved mainly fee and commission income (of PLN 2,491 thousand in 2007). In addition, the Group provided office rental services (with the 2007 income of PLN 369 thousand) and purchased services (mainly IT ones) for PLN 524 thousand. As at December 31st 2007 receivables from Getin Holding S.A. and liabilities to it amounted to PLN 140 thousand and 44 thousand, respectively.

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

As at December 31st 2007 the Group had the following loans taken with the following institutions:

- BOŚ – CHF 20,000 thousand – matures on May 2nd 2009.
- Mazowiecki Bank Regionalny – PLN 25,000 thousand – matures on September 20th 2009.

- DZ Bank – CHF 15,000 thousand – matures on November 28th 2009.

Information on the given loans, including their maturities, and sureties and guarantees given

The Noble Bank Group provided a guarantee for the payment of rent and other liabilities of up to EUR 107,760 for JML S.A., registered office in Warsaw, for a period from November 6th 2007 to November 6th 2008. The guarantee is subject to a fee which amounts to 1% of the guaranteed sum.

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

In May 2007 Noble Bank launched a public share issue. The par value of shares offered in the initial public offering amounted to PLN 15,000,000. The selling price was PLN 10.50 per share. The share issue has enabled the Bank to continue its dynamic growth and an increase in the lending sales while providing full security for funds deposited by the customers.

In July 2007 Noble Bank issued three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. Funds obtained under the issue programme were used mainly for the purpose of further increasing the sales of mortgage loans and loans secured with financial assets.

Other companies of the Group did not make issues of securities in 2007.

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

The Group did not publish forecasts.

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

Companies of the Group have full capacity to fulfil their incurred financial obligations. Earned and budgeted profits make it possible to maintain fully the ability to meet the incurred obligations.

Assessment of prospects for achieving investment plans

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

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

Strong demand for mortgage loans in 2007 enabled the Group to realise profits at a level exceeding the expected target. Loan sales contributed to a considerable increase in the Group's interest income in 2007 (a 184% rise compared with 2006) and fee and commission income (a 142% rise compared with 2006). Owing to the sales of loans denominated in foreign currencies, the Group has also improved the foreign exchange result (by 1.685% against 2006).

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

Continued economic growth which will sustain the customers' willingness to take out mortgage and financial loans on the current level is the external factor which could considerably influence further development of the Group. The level of interest rates, so far guaranteeing the attractiveness of loans, and of the currency exchange rates is also an important factor. A large part of the Group's income so far is made up of income on foreign exchange differences.

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

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

In 2007 there were no important changes in the management methods.

Changes in the composition of the management and supervisory bodies of the Issuer and the subsidiaries in 2007. Rules for appointing and dismissing managing individuals and their rights, especially the right to decide to issue or redeem shares

The composition of the Parent Company's Management Board as at December 31st 2007 was as follows:

1. Henryk Pietraszkiewicz - President of the Bank's Management Board,
2. Jarosław Augustyniak - Vice-President of the Bank's Management Board,
3. Maurycy Kuhn - Member of the Management Board,
4. Krzysztof Spyra - Member of the Management Board.

In the reporting period, on February 7th 2007 Dariusz Kozłowski resigned from the post of a Management Board Member with effect from February 28th 2007.

The composition of the Parent Company's Supervisory Board as at December 31st 2007 was as follows:

1. Piotr Stępiak - Chairman of the Supervisory Board,
2. Marek Ryszard Kaczałko - Deputy Chairman of the Supervisory Board,
3. Michał Kowalczewski - Member of the Supervisory Board,
4. Dariusz Niedośpiał - Member of the Supervisory Board,
5. Remigiusz Baliński - Member of the Supervisory Board.

Mr Baliński has been a Member of the Supervisory Board since March 7th 2007.

On March 6th 2008 the Extraordinary General Shareholders' Meeting of Noble Bank S.A. accepted Mr Stępiak's resignation from the Supervisory Board of Noble Bank S.A., submitted on January 22nd 2008. On that date Krzysztof Rosiński was appointed to the post of Chairman of the Noble Bank S.A. Supervisory Board.

Changes of the subsidiaries' managing and supervising individuals were as follows:

- Changes of individuals supervising Noble Funds TFI S.A., in 2007:
 - on February 28th 2007 Leszek Czarnecki resigned from the post of a Supervisory Board member,
 - on April 23rd 2007 Radosław Stefurak was appointed to the post of a Supervisory Board member.
- Changes of individuals supervising Open Finance S.A., in 2007:
 - on December 31st 2007 Dominik Fajbusiewicz resigned from the post of a Management Board member,
 - on December 31st 2007 Dariusz Makosz resigned from the post of a Management Board member,
 - on October 17th 2007 Aleksandra Łukasiewicz was appointed to the post of a Management Board Member,
 - on October 17th 2007 Wojciech Gradowski was appointed to the post of a Management Board Member,
 - on January 29th 2008 Piotr Stępiak resigned from the Supervisory Board,

- on January 31st 2008 Krzysztof Rosiński was appointed to the Supervisory Board.

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

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

The Group does not have such agreements.

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

The aggregate remuneration of Noble Bank's Management Board Members in the financial year amounted to PLN 1,666 thousand. Supervisory Board Members were not remunerated.

In 2007, Members of Noble Funds TFI S.A. Management Board received the aggregate remuneration of PLN 576 thousand. Management Board Members have shareholdings in the Company. The Company does not remunerate the Supervisory Board Members.

In 2007, Members of Open Finance S.A. Management Board received the aggregate remuneration of PLN 2,290 thousand. The Company does not remunerate the Supervisory Board Members.

Description of the total number and par value of all of the Company's shares owned by individuals managing and supervising Noble Bank S.A. – as at December 31st 2007

The table below presents the ownership of Noble Bank shares among its supervising and managing individuals as at December 31st 2007 and December 31st 2006:

Name	Function	As at December 31st 2007	As at December 31st 2006
Remigiusz Baliński	Member of the Supervisory Board	22,333	-
Henryk Pietraszkiewicz	President of the Management Board	20,590	-
Jarosław Augustyniak	Vice-President of the Management Board	10,758,000	5,000,000
Maurycy Kuhn	Member of the Management Board	10,750,000	5,000,000
Krzysztof Spyra	Member of the Management Board	10,758,000	5,000,000

None of the individuals supervising and managing the Bank owned any shares in the subsidiaries of Noble Bank S.A.

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

The Parent Company's shareholders as at December 31st 2007:

Share capital structure Dec 31st 2007	Number of shares held	Number of voting rights	% of voting rights at GSM
Getin Holding S.A.	155,178,156	155,178,156	72.12%
ASK Investments S.A.	15,000,000	15,000,000	6.97%
A. Nagelkerken Holding B.V.	5,750,000	5,750,000	2.67%
International consultancy strategy Implementation B.V.	5,750,000	5,750,000	2.67%
H.P. Holding 3 B.V.	5,750,000	5,750,000	2.67%
Minority shareholders	27,750,000	27,750,000	12.90%
Total	215,178,156	215,178,156	100.00%

The percentage ownership of Noble Bank's share capital equals the percentage share of voting rights at the General Shareholders' Meeting.

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

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

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

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

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

The Group does not have any securities which give special controlling rights to the Issuer.

Information on the controls system for employee share schemes

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

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

No such need constraints exist.

Information on agreements with the Parent Company's auditor

On July 17th 2007 Noble Bank S.A. signed an agreement with Ernst & Young Audit Sp. z o.o., on the review of its financial statements as at June 30th 2007 and the audit of its financial statements as at December 31st 2007. On January 10th 2008 Noble Funds TFI S.A. and Ernst & Young Audit Sp. z o.o. executed an agreement on the audit of the Company for 2007.

The total remuneration for Ernst & Young Audit Sp. z o.o. under the above agreements was PLN 390 thousand for the 2007 financial year and PLN 460 thousand for the 2006 financial year.

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

In 2007 the main sources of financing of the Group's activities were liabilities to customers, liabilities to banks and equity. As at December 31st 2007 amounts due to customers and banks stood at PLN 938,021 thousand and PLN 195,391 thousand, respectively, and the equity attributable to the Parent Company's shareholders was PLN 530,477 thousand. In order to secure stable financing of its activities, the Group has developed a package of deposit products, which, because of their advanced design and attractive terms, make it possible to build a stable deposit base. The Group also secures its financing through cooperation with other banks on the interbank transactions market and with other financial institutions. Amounts due to customers, amounts due to banks and the equity attributable to the Parent Company's shareholders accounted for 45%, 9% and 25% of all financing sources, respectively.

In May 2007 Noble Bank launched a public share issue. The par value of shares offered in the initial public offering amounted to PLN 15,000,000. The selling price was PLN 10.50 per share. The share issue has enabled the Bank to continue its dynamic growth while providing full security for funds deposited by the customers.

In July 2007 Noble Bank issued three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. Funds obtained under the issue programme were used mainly for the purpose of further increasing the sales of mortgage loans and loans secured with financial assets.

In 2007 the Company was operating in Poland.

Information on the number and value of enforcement titles issued by the Company and on the value of pledged collateral

In 2007 the Company issued 1,679 enforcement titles with a total value of PLN 5,806 thousand. The value of the borrowers' assets pledged as collateral was PLN 1,968,665 thousand as at December 31st 2007.

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

In 2007 no important agreements between the Group's Companies and the Central Bank or supervisory authorities were made.

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

In 2007 there were no agreements on loans, advances, sureties and guarantees not involving the operating activities of the Group's Companies. No underwriting or guarantee agreements for the subsidiaries were made, either.

In July 2007 Noble Bank issued three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. Interest on certificates is paid every three months on the basis of the three-month WIBOR rate plus a margin.

Description of the cooperation with international financial institutions and of the Bank's credit policy

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

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

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

As at December 31st 2007 amounts due from banks made up 31% of all of the Group's assets and stood at PLN 657,070 thousand. They largely comprised term deposits and current accounts.

Loans and advances to customers as at December 31st 2007 accounted for 56% of all assets, at PLN 1,175,899 thousand. They largely comprised mortgage loans and loans secured with financial assets.

Amounts due to customers as at December 31st 2007 represented 45% of all of the Company's shareholders' equity and liabilities, at PLN 938,021 thousand. They chiefly included term deposits and current accounts.

Debt securities in issue represented 17% of all of the Group's shareholders' equity and liabilities, and amounted to PLN 353,911 thousand as at December 31st 2007. The securities involve three-year certificates of deposit for PLN 270,000,000 and five-year certificates of deposit for PLN 80,000,000. Interest on certificates is paid every three months on the basis of the three-month WIBOR rate plus a margin.

Shareholders' equity (attributable to the Parent Company's shareholders) as at December 31st 2007 amounted to PLN 530,477 thousand and made up 25% of the Group's total shareholders' equity and liabilities. Changes in equity during the year resulted mainly from the generated net profit of PLN 126,457 thousand and from the share issue of PLN 154,616 thousand.

The profile of the asset and liability structure as regards the Capital Group's liquidity is presented in Note XVII, point 3, of the financial statements.

Structure of the given loans

Noble Bank S.A. is the entity which gives loans in the Group. Given loans as at December 31st 2007 were classified according to the following categories:

As at December 31st 2007	Gross value of unimpaired loans and advances	Gross value of impaired loans and advances	IBNR charges for unimpaired loans and advances	Charges for impaired loans and advances	Total net value
	PLN '000	PLN '000	PLN '000	PLN '000	PLN '000
- Corporate loans	91,590	41,943	-84	-48,864	84,585
- Housing loans	904,223	389	-9,028	-79	895,505
- Consumer loans	14,983	69,637	-1,177	-22,634	195,809
Total	1,145,796	111,969	-10,289	-71,577	1,175,899

Structure of the held deposits

As at December 31st 2007 deposits held by the Group in other banks were classified in the following manner:

Term receivables with a maturity of:

- up to one month – PLN 228,094 thousand;
- between 1 to 3 months – PLN 400,000 thousand.

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

The average interest rate on deposits was at around 5.7 % and on loans at 6.4%.

Description of guarantees and sureties granted by the Bank

Noble Bank S.A. provided a guarantee for the payment of rent and other liabilities of up to EUR 107,760 for JML S.A., registered office in Warsaw, for a period from November 6th 2007 to November 6th 2008. The Company's fee for the guarantee amounts to 1% of the guaranteed sum.

Other companies of the Group did not give guarantees or sureties.

Important achievements in research and development

In 2007 no research and development work was conducted.

Purchase of treasury shares

In 2007 the Group's Companies did not purchase treasury shares.

Group's branches and offices

Among the Companies of the Group, Noble Bank S.A. and Open Finance S.A. are the ones that have branches.

By the end of 2007 Noble Bank was operating through eight branches: three in Warsaw and the others in Kraków, Poznań, Wrocław, Gdańsk and Katowice.

Open Finance has branches in the following cities: Warsaw (11), Wrocław (2), Kraków (2), Poznań (2), Gdynia (2), Gdańsk (2), Katowice, Bielsko-Biała, Olsztyn, Lublin, Szczecin, Łódź, Białystok and Bydgoszcz.

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

The Group's Companies do not apply hedge accounting principles.

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

In 2007 the Noble Bank S.A. Capital Group did not have any equity deposits or investments.

Description of significant off-balance sheet items

As at December 31st 2007 Noble Bank S.A. had the financial contingent liabilities (unpaid loans to Noble Bank S.A. customers) of PLN 140,634 thousand and guarantees given to JML S.A., of PLN 386 thousand. Additionally, Noble Bank S.A. as at December 31st 2007 disclosed financial instruments with the off-balance sheet value of PLN 1,007,312 thousand.

Noble Bank S.A. Management Board:

Henryk Pietraszkiewicz
President of the Management Board

Jarosław Augustyniak
Vice-President of the Management Board

Maurycy Kuhn
Member of the Management Board

Krzysztof Spyra
Member of the Management Board

March 6th 2008