



NOBLE BANK GROUP

DIRECTORS' REPORT

FOR THE PERIOD FROM 1 JANUARY 2008 TO 30 JUNE 2008

Group's growth in 2008

Noble Bank Group consists of Noble Bank S.A. and its subsidiaries: Open Finance S.A. and Noble Funds TFI S.A. The parent company is Noble Bank S.A., whose registered office is located in Warsaw, ul.Domaniewska 39b, and which is registered under number 0000018507 with Warsaw District Court, 13th Commercial Division of the National Court Register. The Noble Bank Group's share capital as at 30 June 2008 is PLN 215,178,156.

The business model used by Noble Bank and Open Finance is based on an open transaction platform. The bank distributes both its own products and products developed by other financial institutions.

In the first half of 2008, Noble Bank offered the following range of services: financial advisory services, real estate advisory services, investment funds, asset management services, mortgage financing, investment accounts and structured deposits. The bank targets these services to highly demanding customers with above-average wealth. As at 30 June 2008, the company employed 312 people, including 72 financial advisers and their assistants.

In the first half of 2008, Open Finance S.A. continued its fast growth, achieving sales results above expectations, which was the result of an increase in the number of its sales offices (including Open Direct offices) to 52 (In 2007, the number of Open Finance offices

increased by 8) and an increase in the number of advisers, including advisers in the company's direct sales network, Open Direct. Additionally, marketing expenditure, including TV advertising expenditure, was relatively high, which further contributed to improving the company's market image and had a measurable effect on its sales figures.

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

As at 30 June 2008, Noble Funds TFI managed an open-ended investment fund called Noble Funds FIO, with 5 subfunds: Noble Fund Skarbowy, a bond fund; Noble Fund Mieszany, a mixed fund; Noble Fund Akcji, a stock fund; Noble Fund Akcji Małych i średnich Spółek, a stock fund (SMEs); and Noble Fund Luxury. As at 30 June 2008, the company managed a PLN 150.7m worth of assets of 89 individual customers (natural and legal persons).

Description of key financial figures

Noble Bank Group's first-half 2008 net profit (attributable to shareholders in the parent company) of PLN 78,125 thousand, exceeding the level for the first half of 2008 as projected in the Group's financial plan and adopted by Noble Bank's shareholders.

Thanks to its sales model, the Group achieved a considerable increase in interest income, fee and commission income and foreign exchange gains during the year.

During the year, the value of the Group's loan portfolio increased considerably, from PLN 1,175,899 thousand as at 31 December 2007 to PLN 2,076,002 thousand as at 30 June 2008.

Important factors and events, including untypical ones, in the first half of 2008 and until the approval of the financial statements which have a significant impact on the Group's activities and financial results in the financial year or which might have such an impact in subsequent years

A marketing campaign and improved performance of the financial advisers at Noble Bank and Open Finance enabled the Group to achieve high sales of mortgage loans, which translated to profits above the expected levels.

On 21 July 2008, Noble Bank established a specialist branch under the name Introbank. This new branch will provide loans to business clients. The Group is also growing through acquisitions. On 31 July 2008, Noble Bank paid PLN 500,000.00 (five hundred thousand zlotys) for 50 000 (fifty thousand) shares in Introfactor S.A., a Warsaw based

company, each with a nominal value of PLN 10 (ten zlotys) each, which are equal to 100% of Introfactor's share capital and which carry the right to 100% of votes at Introbank's general shareholders meeting. Introbank will provide factoring services. The newly established specialist branch, Introbank, and the investment in Introfactor will enable the Group to achieve a significant increase in sales and realised profits in the years to come.

No other important events, including untypical factors, in the first half of 2008 and until the approval of the financial statements which have a significant impact on the Group's activities and financial results in the financial year and in subsequent years have been identified.

Group's growth prospects

In line with its fast-growth plans, the Noble Bank Group plans to continue to expand its product distribution network.

Noble Bank intends to open a network of Introbank branches, employing mostly mobile advisers.

The bank's fast sales growth plans will require the bank to further seek stable sources of financing new loans. The bank plans to put special emphasis on selling deposit products, including structured deposits.

Also, the bank intends to continue its efforts to collect outstanding loans granted by Wschodni Bank Cukrownictwa ("old group of loans"), taking into account the possibility to purchase packages of past-due receivables from other banks to be later collected by a specialised unit within Noble Bank.

Plans have been made to continue expanding the bank's subsidiaries, i.e. Open Finance and Noble Funds TFI in the second half of 2008. Open Finance plans to continue expanding its distribution network by opening new offices and developing its network of mobile advisers. Noble Funds TFI intends to continue building its investment portfolio by offering shares in its umbrella fund and providing the services of securities management. The key factor in Noble Funds TFI's growth will be the company's ability to continue reporting good investment results, which the company plans to achieve by paying attention to the quality of its investment team.

Information on the basic products and services provided by the Group

The business model used by Noble Bank and Open Finance is based on an open transaction platform. The bank distributes both its own products (mostly loans and deposits) and products developed by other financial institutions.

In the first half of 2008, Noble Bank and Open Finance offered the following range of services: financial advisory services, real property advisory services, investment funds, asset management services, mortgage financing, investment accounts and structured deposits. These services are targeted to highly demanding customers with above-average wealth.

Noble Funds TFI S.A. offers asset management services and investment funds. As at 30 June 2008, Noble Funds TFI managed an open-ended investment fund called Noble Funds FIO, with 5 subfunds: Noble Fund Skarbowy, a bond fund; Noble Fund Mieszany, a mixed fund; Noble Fund Akcji, a stock fund; Noble Fund Akcji Małych i Średnich Spółek, a stock fund (SMEs); and Noble Fund Luxury. As at 30 June 2008, the company managed a PLN 150.7m worth of assets of 89 individual customers (natural and legal persons).

In the first half of 2008, interest income amounted to PLN 95,359 thousand (PLN 19,624 thousand in the first half of 2007) and fee and commission income was PLN 102,197 thousand (PLN 77,395 thousand in the first half of 2007). These figures were significantly higher than for the first six months of 2007. In 2008, interest income increased by 386% and fee and commission income by 32% compared to 2007.

Description of significant risk factors and threats to the Company's growth, and the degree to which the Group is exposed to them

One of the objectives of the bank's risk management policy is to optimise its balance sheet structure and off-balance items in order to maintain its proportion of income to risk. Risk management on the strategic level is the responsibility of the bank's Management Board. At Noble Bank, there are two committees: Credit Committee and Assets & Liabilities Management Committees, which are responsible for managing risk areas on the operational level, monitoring risk levels and defining policies as part of the bank's strategy and within internal limits and supervisory regulations.

In carrying out its activities, the bank is exposed to a number of risks, of which the key ones include credit risk, liquidity risk, market risk and operational risk. According to a

resolution by the Polish Banking Supervision Commission, the bank is under the obligation to calculate capital requirements to cover the risks and therefore to maintain its equity capital levels adequate for the level of risk it is exposed to. The above resolution sets out the method for calculating the solvency ratio, where in the calculation of capital adequacy, capital requirements in respect of other types of risk (e.g. currency risk, interest rate risk and operational risk) are taken into account in addition to credit risk.

Credit Risk

The bank controls credit risk through the implementation and compliance with internal procedures for monitoring the loans granted and for monitoring, on a day-to-day basis, the financial situation of its borrowers and loan repayments. The bank has a separate organisational unit responsible for monitoring and managing credit risk.

Currency Risk

Noble Bank has implemented written procedures for managing currency risk. As part of its operations, the bank aims to minimise currency risk by keeping its total currency position at a level below the established limit. The limit is established and changed by the bank's Assets & Liabilities Management Committee.

Interest Rate Risk

Noble Bank has implemented written procedures for managing interest rate risk. The interest rate risk management system in place at Noble Bank allows the bank to assess whether (and if yes, the degree to which) it is exposed to the risk of interest rate changes. In measuring its risk due to changes in the interest rate, Noble Bank uses the following methods: maturity mismatch (maturity gap), the duration method (duration gap) using the convexity coefficient, the mismatch gap (the funding gap, the repricing model), sensitivity analysis based on formulas for measuring the value of positions and margin sensitivity analysis for positions with variable interest rates. The bank analyses yield curve risk, base risk, basis risk and option risk.

Liquidity Risk

Noble Bank has implemented written procedures for managing liquidity risk. The liquidity risk management system in place at Noble Bank allows the bank to measure, on a day-to-day basis, the level of its liquid assets and ensure a liquidity level sufficient for the bank to be able to perform its obligations. The main sources of information on

the level of liquidity risk at the bank include daily reports on the level of maintaining supervisory liquidity measures, monthly reports on asset-liability mismatches with off-balance items based on actual and realigned maturities, and liquidity ratios calculated based on them. These ratios are limited and monitored.

Operational Risk

To be able to manage operational risk effectively, Noble Bank has implemented a five-level operational risk management process. The bank has mapped the processes and areas with potential exposure to operational risk. The bank has appointed individuals to be responsible for reporting operational risk events in these areas. Noble Bank keeps a record of operational losses and incidents. With regard to operational risk management, Noble Bank follows the regulations set forth in Recommendation M, a document on the management of operational risk at banks, issued by the Polish Banking Supervision Commission.

Open Finance operates as a financial brokerage firm. For this reason, all the risks typical of banking activities do not affect the company's results. Open Finance has an IT system in place that supports its business activities and significantly reduces the possibility of adverse effects of operational risk.

Noble Funds TFI has equity capital in compliance with the Polish Investment Funds Act. Shares in the open-ended fund Noble Funds FIO are distributed mostly through Noble Bank branches and Open Finance offices. Despite a large number of Open Finance offices, it is possible that the system of distributing shares in the Noble Fund FIO fund will not allow the company to achieve a fast and satisfactory increase in assets, which may have a negative effect on the company's activities and results. Noble Funds TFI reduces the above risk by signing distribution agreements with new financial intermediaries, banking networks and stockbrokerages.

In addition to the distribution network-related risk, Noble Funds TFI is exposed to the following market risks that may affect the level of assets under management:

- 1) Interest rates rises or further significant falls in share prices on the Warsaw Stock Exchanges may result in reduced demand for shares in investment funds and for securities management services,
- 2) A price war among investment fund companies resulting in reduced management fees may have an impact on the company's profitability.
- 3) Rising costs of distributing shares in investment funds.

In addition to the above described risks, a fairly important risk factor for Noble Funds TFI that may significantly affect the company's financial results is the quality of managing its customers' assets, particularly with regard to asset management services, where one of the components of the fee paid by customers for such services is of variable nature.

The company is exposed to operational risk in two main areas: the activity of Noble Funds TFI as a business and as a manager of investment funds and individual customers' portfolios. The risks related to the process of making investment decisions, valuation of shares in investment funds, valuation of individual customers' portfolios and the process of purchasing and selling shares in investment funds are prevented by using appropriate IT infrastructure, having internal procedures and procedures for cooperating with external entities, particularly with distributors of shares in investment funds, the fund agent, and the depositary bank.

The companies within the Noble Bank Group do not use hedge accounting.

Information of markets

The Group operates mainly on the Polish market. It does not have any suppliers or customers accounting for more than 10% of its sales revenue or purchase costs.

Information on agreements significant for the Group's activities, including agreements made between its shareholders that the Group is aware of, insurance contracts, cooperation agreements

No such contracts or agreements were executed in the first half of 2008.

Information on the Group's organisational or capital relationships with other parties and on the Group's main investments in Poland and abroad

Noble Bank is the parent company in the Noble Bank Group and Getin Holding S.A. is the parent company of the highest level that directly controls Noble Bank. The Group's related parties also include the minority shareholders in Noble Bank, i.e. ASK Investments S.A., Negelkerken Holding B.V, International Consultancy Strategy Implementation B.V., as well as the following companies: 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 in Getin Holding S.A., the members of the parent company's Management Board, the members of the parent company's Supervisory Board and the related persons.

As at 30 June 2008, the Group held the following securities available for trading in which the Group invested its financial surpluses: securities issued by central banks (PLN 399,800 thousand), securities issued by banks (PLN 18 thousand), securities issued by other financial institutions (PLN 807 thousand), securities issued by non-financial institutions (PLN 52 thousand) and securities issued by the Polish Treasury (PLN 61,349 thousand).

Description of related-party transactions if the value of any one of all of such transactions entered into with a related party from the beginning of the financial year exceeds the equivalent of EUR 500,000 in the Polish currency

The Group entered into transactions with the following related parties:

- TU Europa S.A - transactions with this related party concerned mostly deposits accepted by Noble Bank (Their value as at 30 June 2008 was PLN 108,173 thousand), interest expense on these deposits (PLN 3,594 thousand in 2008) and fee and commission income (PLN 2,586 thousand in 2008). Receivables as at 30 June 2008 were PLN 1,204 thousand.
- TU Europa na Życie S.A. - transactions with this related party concerned mostly deposits accepted by Noble Bank (Their value as at 30 June 2008 was PLN 548,550 thousand), interest expense on these deposits (PLN 9,067 thousand in 2008) and fee and commission income (In 2008, fee and commission income was PLN 14,426 thousand, fee and commission expense was PLN 626 thousand and receivables as at 30 June 2008 were PLN 3,536 thousand).
- Carcade – transactions with this related party concerned mostly a loan granted by Noble Bank (Its value as at 30 June 2008 was PLN 26,313 thousand), interest income from the loan (PLN 1,522 thousand in 2008).

Information on loans taken out and cash loan agreements, including information on their maturity dates

As at 30 June 2008, the Group had the following loans taken out with the following institutions:

- BOŚ – CHF 20,000 thousand - maturity date: 2 May 2009
- Mazowiecki Bank Regionalny – PLN 25,000 thousand, maturity date: 29 June 2009

- DZ Bank – CH 15,000 thousand, maturity date: 29 July 2009
- Danske Bank – a line of credit for CHF 21,500 thousand, maturity date: 2 October 2009.

Information on loans granted, including information on their maturity dates and on sureties and guarantees granted

The Noble Bank Group provided a guarantee for payment of rent and other liabilities of up to the amount of EUR 107,760 for JML S.A., a Warsaw based company, for the period from 6 November 2007 to 6 November 2008. The remuneration for granting the guarantee is a commission equal to 1% of the guarantee amount.

Description of the use by the Group of proceeds from the issue of securities

The Group's companies have not issued any securities in 2008.

Explanation of the differences between the financial results shown in the annual report and the previously published forecasts for the financial covered by the annual report

The Group did not publish any such forecasts.

Evaluation of the Group's financial resources management, including the reasons for the evaluation, information on the Group's capacity to meet its financial liabilities and information on the measures taken or planned by the Group to prevent such threats.

The Group's companies are fully capable of meeting their financial liabilities. The Group's budgeted and actual profits allow the Group to meet all its financial liabilities.

Evaluation of the Group's capacity to carry out its planned investment projects

The Group plans to open new branches (offices) and has all the means to carry out its plans.

Evaluation of factors and untypical events affecting the Group's financial results for the current financial year

With relatively large amounts of money spent on promotion and with the increasing effectiveness of the Group's financial advisers, the Group achieved sales of loans above expectations and, as a result, profits above expectations. Thanks to the loans granted in 2008, the Group achieved a considerable increase in interest income (by 386% compared to the first half of 2007) and fee and commission income (by 32% compared to the first half of 2007). Thanks to loans denominated in foreign currencies, the Group also achieved a significant increase in foreign exchange gains (by 217% compared to the first half of 2007).

Description of internal and external factors significant for the Group's growth

An external factor that may significantly affect the Group's future growth is whether the Polish economy will continue to grow, resulting in customers continuing to be interested, to the same degree as today, in taking out mortgage and financial loans. Another important factor is interest rates and their impact on the attractiveness of loans, as well as the currency exchange rates. A large part of the Group's revenue is generated by exchange rate differences.

Another a factor determining the Group's further growth is its ability to provide financing for its new loans. For this purpose, the Group is actively involved in accepting deposits from customers, including by offering structured deposits.

An internal factor significant for the Group's further growth is its ability to keep qualified and experienced managers within the Group.

Changes to the key principles of managing Noble Bank and the Group

No significant changes have been made to the Group's management principles in 2008.

Changes to the composition of the managing and supervisory bodies of the Group and its subsidiaries in 2007; the rules for the appointing and dismissing managers and the powers of managers, particularly the right to make a decision to issue or redeem shares

As at 30 June 2008, the Management Board of Noble Bank consisted of the following persons:

1. Jarosław Augustyniak – Management Board Chairman
2. Maurycy Kuhn – Management Board Member
3. Krzysztof Spyra – Management Board Member

On 7 March, Mr Henryk Pietraszkiewicz resigned as Chairman of Noble Bank's Management Board. On 7 March 2008, the Supervisory Board of Noble Bank appointed Mr Jarosław Augustyniak, the then Deputy Chairman of Noble Bank's Management Board, as Management Board Chairman.

As at 30 June 2008, the Supervisory Board of the parent company consisted of the following persons:

1. Krzysztof Rosiński – Supervisory Board Chairman
2. Marek Kaczałko – Deputy Chairman of the Supervisory Board
3. Michał Kowalczewski - Supervisory Board Member
4. Dariusz Niedośpiał - Supervisory Board Member
5. Remigiusz Baliński - Supervisory Board Member

On 6 March 2008, an Extraordinary Shareholders Meeting of Noble Bank accepted Mr Piotr Stępniań's resignation of 22 January 2008 as member of the Supervisory Board of Noble Bank. On the same day, Mr Krzysztof Rosiński was appointed as Chairman of Noble Bank's Supervisory Board.

On 31 July 2008, an Extraordinary Shareholders Meeting of Noble Bank appointed Mr Radosław Stefurak as Member of the Supervisory Board.

No changes to the composition of the management and supervisory boards of Noble Funds TFI and Open Finance have been made in 2008.

Members of the Management Board are appointed and dismissed by the Supervisory Board. Members of the Supervisory Board are appointed by the General Shareholders Meeting. Decisions to issue and redeem shares are made by the General Shareholders Meeting.

Agreements between the company and its management that provide for compensation in the event of their resignation or dismissal without a valid reason or in the event of their resignation or dismissal as a result of a merger through a takeover.

No such agreements are in effect within the Group.

Value of salaries, rewards, benefits, including those awarded under incentive or bonus schemes based on the company's equity, paid or due to members of the Management Board and the Supervisory Board

Salaries paid to members of Noble Bank's Management Board in the first half of 2008 totalled PLN 1,200 thousand.

No salaries were paid to Members of Noble Bank's Supervisory Board.

In the first half of 2008, the members of Noble Funds TFI's Management Board received a total of PLN 400 thousand in salaries and PLN 1,120 thousand in divided from the profits for 2007. The members of the Management Board hold shares in the company. The company does not pay salaries to members of the Supervisory Board.

In the first half of 2008, the members of Open Finance's Management Board received a total of PLN 131.5 thousand in salaries. The company does not pay salaries to members of the Supervisory Board.

Total number and nominal value of all the shares in the company that are held by members of Noble Bank's Management Board and Supervisory Board as at 30 June 2008

As at 30 June 2008 and 31 December 2007, members of Noble Bank's Management Board and Supervisory Board held shares in Noble Bank as follows:

Name	Function	Number of shares held as at 31 Dec.2007	Number of shares acquired in the reporting period	Sale of shares in the reporting period	Number of shares held as at 30 June 2007
Remigiusz Baliński	Supervisory Board Member	22,333	0	0	22,333
Jarosław Augustyniak	Management Board Chairman	10,758,000	0	60,053	10,697,947
Maurycy Kuhn	Management Board Member	10,758,000	0	60,053	10,697,947
Krzysztof Spyra	Management Board Member	10,758,000	0	60,053	10,697,947

None of the members of Noble Bank's Management Board and Supervisory Board held shares in Noble Bank's subsidiaries.

Shareholders who, directly or indirectly through subsidiaries, hold at least 5% of the total votes at the company's general meeting

Shareholders in the parent company as at 30 June 2008 are named below:

Shareholding structure as at 30 June 2008	Number of shares held	Number of votes held	Percentage of total votes at the General Meeting
Getin Holding S.A.	155,899,666	155,899,666	72.45%
ASK Investments S.A.	14,819,840	14,819,840	6.89%
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	27,208,650	27,208,650	12.64%
Total	215,178,156	215,178,156	100.00%

The percentage of shares in Noble Bank's capital held by any shareholder is equal to the percentage of the total votes at the General Shareholders Meeting.

Information on agreements that the company is aware of (including agreements made after the balance sheet date) that may result in changes to the percentages of shares held by the present shareholders and bondholders

As far as the Management Board is aware, no agreements were made in the first half of 2008 under which changes might be made to the percentages of shares held by the present shareholders in Noble Bank.

Under Investment Agreement dated 31 March 2006 made between Noble Bank and the natural persons who were shareholders in Noble Funds TFI S.A. as at 31 December 2007, Noble Bank has the option to require the above persons (from 2007 to 31 December 2012) to sell all of their shares to Noble Bank. The purchase price would depend, among other things, on the operation of Noble Funds TFI, the value of its net assets and its financial results as at the date of exercising the option and on its financial results for the period of 12 months preceding the date of exercising the option.

At the same time, the above natural persons have the option to require Noble Bank to purchase their shares. This option may be exercised from 1 January 2012 to 31 December 2012. The sale price would depend on, among other things, the operation of Noble

Funds TFI, the value of its net assets and its financial results for the period during which the option may be exercised.

Holders of securities giving their holders special powers to control their issuer

No securities giving their holders special powers to control their issuer are held within the Group.

Information on the system for monitoring employee share programmes

The Noble Bank Group has no employee share programmes in place.

Information on all restrictions on the transfer of ownership of the company's securities and on all restrictions on exercising the voting rights attached to shares in the company

No such restrictions are in place.

Information on agreements with the parent company's auditor

On 21 July 2008, Noble Bank signed an agreement with Ernst & Young Audit sp. z o.o. under which Ernst & Young Audit will carry out a review of the company's individual and consolidated financial statements prepared as at 30 June 2008 and an audit of the company's individual and consolidated financial statements prepared for the financial year ended 31 December 2008. On 17 July 2008, Noble Funds TFI signed an agreement with Ernst & Young Audit Sp. z o.o. under which Ernst & Young Audit would carry out a review and an audit of the open-ended fund Noble Funds FIO for 2008.

The total amount of fees payable to Ernst & Young Audit under the above agreements was PLN 435 thousand.

The amount of fees payable to Ernst & Young Audit for reviewing and auditing the financial statements of Noble Bank and Noble Funds TFI (including Noble Funds FIO) for 2008 was PLN 390 thousand.

Information on the source of financing the Group's operations

In 2008, the main source of financing the Group's operations was amounts due to customers, amounts due to banks and equity. As at 30 June 2008, amounts due to customers and amounts due to banks and other financial institutions amounted to,

respectively, PLN 2,104,542 thousand and PLN 346,742 thousand. Equity attributable to shareholders in the parent company as at 30 June 2008 was PLN 607,546 thousand. In order to ensure stability in financing the Group's operations, the Group has developed a range of deposit products that, based on a modern formula and attractive conditions, provide the Group with an opportunity to build up its deposit volumes. The Group obtains financing for its operations also through cooperation with banks in the interbank transaction market and with other financial institutions. Amounts due to customers accounted for 60% of all the sources of financing, amounts due to banks and other financial institutions for 10% and equity attributable to shareholders in the parent company for 17%.

In the first half of 2008, the Group operated mostly in Poland.

Information on the number of value of bank enforcement titles issued by the company and on the value of assets pledged as collateral

In 2008, Noble Bank issued 1,317 bank enforcement titles for a total of PLN 33,995 thousand. The value of borrowers' assets pledged as collateral as at 30 June 2008 was PLN 1,970,294 thousand.

Information on other important agreements between the company and the central bank or supervisory authorities

No important agreements between the Group's companies and the central bank have been in 2008.

Information on loans taken out, cash loan agreements, surety agreements and guarantee agreements not relating to the company's operations, on all contractual obligations resulting from the debt securities or financial instruments issued, on underwriting agreements and on guarantees granted to subsidiaries

In 2008, no loan agreements, cash loan agreements, surety agreements or guarantee agreements not relating to the operations of the Group's companies have been signed. Also, no underwriting agreements have been signed in 2008.

As at 30 June 2008, Noble Bank granted a guarantee to the Open Finance for PLN 851 thousand.

In July 2007, Noble Bank issued three-year certificates of deposit for a total of PLN 270,000,000 and five-year certificates of deposits for a total of PLN 80,000,000. Interest

on the certificates is paid every three months based on the three-month WIBOR rate plus a margin. In the first half of 2008, no new certificates of deposit were issued.

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

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

The bank's credit policy complies with the objectives set out in the budgets approved by the bank's Supervisory Board and takes into account criteria closely connected with the control of the following, identified risks: credit risk, currency risk, interest rate risk and liquidity risk. The bank controls credit risk through the implementation and compliance with internal procedures for monitoring the loans granted to its customers and through day-to-day analysis of the financial situation of its borrowers and their loan repayments. According to a resolution by the Polish Banking Supervision Commission, the bank is under the obligation to calculate capital requirements to cover the risks and therefore to maintain its equity capital levels adequate for the level of risk it is exposed to. The above resolutions sets out the method for calculating the solvency ratio, where in the calculation of capital adequacy, capital requirements in respect of other types of risk (e.g. currency risk, interest rate risk) are taken into account in addition to credit risk.

Description of the bank's assets and liabilities and of the main balance sheet items

As at 30 June 2008, amounts from banks accounted for 18% of all of the Group's assets and totalled PLN 646,608 thousand. Amounts due from banks were mostly term deposits and current accounts.

As at 30 June 2008, loans and advances to customers accounted for 59% of all the assets and totalled PLN 2,076,002 thousand. Loans and advances to customers were mostly mortgage loans and loans secured with financial assets.

Amounts due to customers, including financial liabilities measured at fair value through profit or loss, as at 30 June 2008 accounted for 60% of all of the company's assets and amounted to PLN 2,104,542 thousand. Amounts due to customers were mostly term deposits and funds in current accounts.

As at 30 June 2008, debt securities in issue accounted for 10% of all the Group's liabilities and totalled PLN 354,717 thousand. The securities in issue include three-year certificates of deposits for a total of PLN 270,000,000 and five-year certificates of deposit for a total

of PLN 80,000,000. Interest on the certificates is paid every three months based on the three-month WIBOR rate plus a margin.

Equity (attributable to shareholders in the parent company) as at 30 June 2008 was PLN 607,546 thousand and accounted for 17% of all of the Group's liabilities. Changes in equity during the first half of 2008 resulted mostly from the generated net profit of PLN 78,125 thousand.

A description of the Group's asset and liability structure in the consolidated balance sheet from the point of view of the Group's liquidity is provided in Note 17.3. to the financial statements.

Structure of loans granted

Among the Group's companies, loans are provided by Noble Bank. The table below shows the structure of loans granted as at 30 June 2008:

Figures as at 30 June 2008 (audited)	Gross value of unimpaired loans	Gross value of impaired loans	IBNR charges for unimpaired loans	Charges for impaired losses	Total net value
- corporate loans	173,237	42,123	-1,147	-42,123	172,090
- mortgage loans	1,539,734	728	-13,241	-192	1,527,029
- consumer loans	342,750	65,670	-4,318	-27,219	376,883
Total	2,055,721	108,521	-18,706	-69,534	2,076,002

Structure of deposits held

Deposits held by the Group with other banks as at 30 June 2008 were classified as follows:

Term receivables with a maturity of:

- up to one month – PLN 457,118 thousand
- from one month to three months – PLN 149,990 thousand

Average basic interest rate as used by the company for deposits and loans during the financial year

As at 30 June 2008, the average effective interest rates for different currencies were as follows:

Amounts in EUR – 4.08%
Amounts in PLN – 6.20%
Amounts in USD – 2.52%
Amounts in GBP - 5.30%

As at 30 June 2008, the average effective interest rates on loans for different currencies were as follows:

Amounts in EUR – 8.98%
Amounts in PLN – 10.29%
Amounts in USD – 10.92%
Amounts in CHF – 6.19%
Amounts in JPY – 3.78%

Description of the sureties and guarantees granted by the bank

The Noble Bank Group provided a guarantee for payment of rent and other liabilities of up to the amount of EUR 107,760 for JML S.A., a Warsaw based company, for the period from 6 November 2007 to 6 November 2008. The bank's remuneration for granting the guarantee is a commission equal to 1% of the guarantee amount.

The other companies within the Group did not grant any sureties or guarantees in the first half of 2008.

Important achievements in research and development

No research and development work was carried out in the first half of 2008.

Repurchase of own shares

The Group's companies did not repurchase their own shares in the first half of 2008.

Group's branches and offices

The Group's companies that have branches or offices are Noble Bank and Open Finance. During the first half of 2008, Noble Bank operated from 8 branches, three of which are located in Warsaw, the others in Krakow, Poznań, Wrocław, Gdańsk and Katowice.

Open Finance has offices in the following cities: Warsaw (11 offices), Wrocław (2 offices), Krakow (2 offices), Poznań (2 offices), Gdynia (2 offices), Gdańsk (2 offices), Katowice, Bielsko-Biała, Olsztyn, Lublin, Szczecin, Łódź, Białystok, Bydgoszcz, Gorzów, Koszalin, Radom, Kielce and Opole.

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

The companies within the Noble Bank Group do not use hedge accounting.

Description of the main capital deposits or the main capital investments made within the Group in the financial year

No capital deposits or new capital investments were made within the Noble Bank Group in the first half of 2008.

Description of important off-balance items

As at 30 June 2008, contingent financial liabilities (loans not paid out to Noble Bank customers) amounted to PLN 241,610 thousand and guarantees granted by Noble Bank to JML S.A. amounted to PLN 380 thousand. Additionally, as at 30 June 2008, Noble Bank held financial instruments with an off-balance value of PLN 2,239,184 thousand.

Noble Bank Management Board

Jarosław Augustyniak
Management Board Chairman

Maurycy Kuhn
Management Board Member

Krzysztof Spyra
Management Board Member

26 August 2008