Noble Bank S.A. Capital Group

Summary interim consolidated financial statements

for the three months ended March 31st 2009

Prepared in accordance with

the International Financial Reporting Standards

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1. FINANCIAL HIGHLIGHTS

	PLN '000		EUR '000	
Consolidated financial statements data	**01.01.2009 - 31.03.2009**	**01.01.2008 - 31.03.2008**	**01.01.2009 - 31.03.2009**	**01.01.2008 - 31.03.2008**
Interest income	105 744	41 779	22 991	11 744
Fee and commission income	123 729	48 323	26 901	13 584
General administrative costs	65 180	35 048	14 171	9 852
Operating profit	50 817	46 602	11 049	13 100
Pre-tax profit	50 817	46 602	11 049	13 100
Net profit	40 997	38 388	8 913	10 791
Net profit attributable to Parent Company's equity holders	40 225	37 143	8 746	10 441
Net profit attributable to minority interests	772	1 245	168	350
Net earnings per share (PLN/EUR) attributable to Parent Company's equity holders	0.19	0.17	0.04	0.05
Diluted net earnings per share (PLN/EUR) attributable to Parent Company's equity holders	0.19	0.17	0.04	0.05
Cash flows from operating activities	315 567	347 257	68 610	97 615
Net cash flows from investing activities	(40 184)	(301 585)	(8 737)	(84 777)
Net cash flows from financing activities	(16 546)	(6 066)	(3 597)	(1 705)
Total net cash flows	258 837	39 606	56 276	11 133
	31.03.2009	**31.12.2008**	**31.03.2009**	**31.12.2008**
Amounts due from banks	1 209 920	965 217	257 359	231 334
Loans and advances to customers	4 698 038	3 825 081	999 306	916 758
Total assets	7 051 022	5 602 916	1 499 803	1 342 852
Amounts due to customers	5 137 961	3 454 781	1 092 881	828 008
Amounts due to banks and financial institutions	393 827	500 632	83 770	119 987
Total liabilities	6 387 452	4 910 366	1 358 657	1 176 868
Total shareholders' equity	663 570	692 550	141 146	165 984
Shareholders' equity attributable to Parent Company's equity holders	661 036	683 618	140 607	163 843
Minority interests	2 534	8 932	539	2 141
Share capital	215 178	215 178	45 770	51 572
Own shares repurchased—par value	(1 650)	(147)	(351)	(35)
Number of shares	215 178 156	215 178 156	215 178 156	215 178 156
Solvency ratio	11.6%	13.8%	11.6%	13.8%

	PLN '000		EUR '000	
Individual financial statements data	**01.01.2009 - 31.03.2009**	**01.01.2008 - 31.03.2008**	**01.01.2009 - 31.03.2009**	**01.01.2008 - 31.03.2008**
Interest income	105 760	41 658	22 994	11 710
Fee and commission income	95 672	12 178	20 801	3 423
General administrative costs	24 952	10 972	5 425	3 084
Operating profit	85 061	64 525	18 494	18 138
Pre-tax profit	85 061	64 525	18 494	18 138
Net profit	78 608	58 515	17 091	16 449
Net earnings per share (PLN/EUR)	0.37	0.27	0.08	0.08
Diluted net earnings per share (PLN/EUR)	0.37	0.27	0.08	0.08
Cash flows from operating activities	275 865	342 866	59 978	96 381
Net cash flows from investing activities	(30 493)	(300 661)	(6 630)	(84 517)
Net cash flows from financing activities	7 352	3 886	1 598	1 092
Total net cash flows	252 724	46 091	54 947	12 956
	31.03.2009	**31.12.2008**	**31.03.2009**	**31.12.2008**
Amounts due from banks	1 198 063	945 661	254 837	226 647
Loans and advances to customers	4 756 722	3 874 509	1 011 789	928 604
Total assets	7 060 371	5 577 103	1 501 791	1 336 665
Amounts due to customers	5 166 724	3 483 511	1 098 999	834 894
Amounts due to banks and other financial institutions	393 517	500 575	83 704	119 973
Total liabilities	6 395 863	4 928 396	1 360 446	1 181 190
Total shareholders' equity	664 508	648 707	141 346	155 476
Share capital	215 178	215 178	45 770	51 572
Own shares repurchased—par value	(1 650)	(147)	(351)	(35)
Number of shares	215 178 156	215 178 156	215 178 156	215 178 156
Solvency ratio	11.0%	13.4%	11.0%	13.4%

The financial highlights which incorporate the main items of the summary interim consolidated and individual financial statements are translated into Euro according to the following rules:

- individual items of assets, liabilities and shareholders' equity are translated at the average exchange rates announced by the National Bank of Poland, in force as at March 31st 2009, of EUR 1 = PLN 4.7013, and as at December 31st 2008, of EUR 1 = PLN 4.1724.
- individual items of the statement of comprehensive income and the statement of cash flows are translated at the arithmetic means of the average exchange rates set by the National Bank of Poland on the last day of each elapsed month for the three months ended March 31st 2009 and March 31st 2008 (EUR 1 = PLN 4.5994 and EUR 1 = PLN 3.5574, respectively).

2. INTRODUCTION TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31ST 2009

2.1 General information

Parent Company details:

Noble Bank S.A.
ul. Domaniewska 39b
02-675 Warsaw

The Noble Bank S.A. Capital Group ("the Noble Bank Capital Group" or "the Noble Bank Group") is composed of the parent company, Noble Bank S.A. ("the Bank", "Noble Bank", "the Parent Company", "the Company") and its subsidiaries: Open Finance S.A., Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A., Introfactor S.A., Noble Concierge Sp. z o.o. and Panorama Finansów S.A. (a subsidiary through Open Finance S.A.).

Pursuant to a decision of the District Court of Lublin, XIth Commercial and Registration Division, the Parent Company was registered on October 31st 1990 in the Commercial Register, Section B, under entry H 1954, and on June 8th 2001 it was registered in the National Court Register in Lublin under KRS entry No. 0000018507. On June 8th 2006, the change of the Bank's name and registered office was registered in the District Court for the Capital City of Warsaw, XIIIth Commercial Division of the National Court Register.

The legal basis for the Parent Company's activities are its Articles of Association made out in the form of a notary deed of September 21st 1990 (as amended).

Noble Bank S.A. and the Group companies were established for an unlimited duration.
The holding company of the Noble Bank S.A. Group is Getin Holding S.A. The controlling shareholder of the entire Getin Holding S.A. Capital Group is Leszek Czarnecki.
Noble Bank S.A. shares are quoted on the Warsaw Stock Exchange in the banking sector.

These summary interim consolidated financial statements were authorised for issue by the Parent Company's Management Board on August 28th 2009.

The summary interim consolidated financial statements for the three months ended March 31st 2009 include the summary interim consolidated financial statements of the Capital Group of Noble Bank S.A.

The presented financial data comprise the statement of financial position as at March 31st 2009, the statement of comprehensive income for the three months ended March 31st 2009, i.e. from January 1st 2009 to March 31st 2009, the statement of changes in shareholders' equity and the statement of cash flows for the period from January 1st 2009 to March 31st 2009.

The comparative financial data comprise the statement of financial position as at December 31st 2008, the statement of comprehensive income for the period from January 1st 2008 to March 31st 2008, the statement of changes in shareholders' equity and the statement of cash flows for the period from January 1st 2008 to March 31st 2008.

(figures in PLN thousand)

2.2. Governing bodies

The composition of the Company's Management Board as at March 31st 2009 was as follows:

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

The composition of the Company's Supervisory Board as at March 31st 2009 was as follows:

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

2.3. Structure of the Capital Group

Company	Registered office	Core business	Bank's percentage share in capital	
			31.03.2009	31.03.2008
Open Finance S.A.	ul. Domaniewska 39, Warsaw	Financial intermediation	100.0%	100.0%
Noble Funds Towarzystwo Funduszy Inwestycyjnych S.A.	ul. Domaniewska 39, Warsaw	Management of investment funds	70.0%	70.0%
Introfactor S.A.	ul. Wołoska 18, Warsaw	Other financial activity	100.0%	0.0%
Noble Concierge Sp. z o.o.	ul. Domaniewska 39, Warsaw	Activity auxiliary to financial services	100.0%	0.0%
Panorama Finansów S.A.	ul. Domaniewska 39, Warsaw	Financial intermediation	100.0% *	0.0%

* —through a subsidiary—Open Finance S.A.

Pursuant to the Investment Contract of March 31st 2006 between Noble Bank S.A. and natural persons who as at March 31st 2009 were the shareholders of Noble Funds TFI S.A., Noble Bank S.A. has the right (between June 28th 2007 and December 31st 2012) to call all natural persons mentioned above to sell Noble Bank S.A. all the shares owned by them. The possible repurchase valuation depends, among others, on the performance of Noble Funds TFI S.A., the net value of assets and results as at the option exercise date and financial results for the 12-month period preceding the option exercise date.

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

As at March 31st 2009 and December 31st 2008 there were no reliable parameters which would allow the options to be valued. Therefore the options mentioned above as at March 31st 2009 and December 31st 2008 were not included in the balance sheet valuation.

On July 28th 2008, an Investment Contract was made between Noble Bank S.A. and natural persons and Factor Management Team Sp. z o.o., which sets out conditions for the respective parties' planned investments in the shares of Introfactor S.A., rules which regulate that company's business and principles for its supervision and management. Under that contract, Noble Bank S.A acquired 100% of Introfactor S.A. shares, for a cash contribution of PLN 500 thousand. In addition, the contract gives Factor Management Team Sp. z o.o. a conditional right to acquire in the future a new issue of Introfactor S.A. shares which account for 30% of that company's share capital and confer 30% of votes at its General Shareholders' Meeting. The key requirement for the acquisition right to be exercised by Factor Management Team Sp. z o.o. consists in the delivery of a business plan assumed in the Investment Contract, which concerns both Introfactor S.A. and Introbank (a Specialist Unit of Noble Bank S.A.) and involves raising a specific volume of deposits for Noble Bank S.A., within a period of 24 months (starting from July 31st 2008). If the above right is exercised, Factor Management Team Sp. z o.o. will acquire the new issue at the nominal price, for cash. As at March 31st 2009 there were no reliable parameters which would allow the share acquisition option to be valued. Therefore this option as at March 31st 2009 was not included in the balance sheet valuation.

Introfactor S.A.'s scope of business includes factoring services. The company's share capital as at March 31st 2009 amounted to PLN 500 thousand.

Noble Concierge Sp. z o.o., a subsidiary, was purchased by Noble Bank S.A. from Open Finance S.A. on May 26th 2008. Its share capital was then increased from PLN 50 thousand to PLN 450 thousand.

On February 6th 2009, Noble Bank S.A.'s subsidiary—Open Finance S.A.—concluded an agreement with Getin Holding S.A. to purchase 500 ordinary registered shares of Panorama Finansów S.A., with a par value of PLN 1000 (one thousand zlotys) each, which represent 100% of that company's share capital and confer 100% of voting rights at its General Shareholders' Meeting.

As at March 31st 2009 and December 31st 2008 the Bank did not have equity investments in joint subsidiaries and associates.

2.4. Accounting policies

Basis of preparation of the summary interim consolidated financial statements

The summary interim consolidated financial statements have been prepared under the historical cost convention, except for financial instruments recognised at fair value. The summary consolidated financial statements are presented in the Polish zloty ("PLN") and all amounts are expressed in PLN thousand, unless indicated otherwise.

The summary interim consolidated financial statements have been prepared on a going concern basis on which the Group companies will continue their business in the foreseeable future, i.e. for at least 12 months from the end of the reporting period. As at the financial statements approval date, no circumstances have been found which indicate that the continuation of the Group companies' activities is threatened in any way.

The summary interim consolidated financial statements do not include all information and disclosures required in annual consolidated financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended December 31st 2008.

Accounting policies

a) Statement of compliance with the International Financial Reporting Standards

These interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") and especially with the International Accounting Standard No. 34 and the IFRSs as approved by the European Union. As at the date when these statements were authorised for issue, as regards a process of implementing the IFRS standards going on in the European Union and the Group's activities, there are no differences between the IFRS standards which came into force and the IFRS standards approved by the European Union with respect to the accounting policies applied by the Group.

IFRSs include standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

The Group's subsidiaries keep their accounting books in accordance with the accounting policies (principles) set out in the Accounting Act of September 29th 1994 ("the Act") as amended and the regulations adopted on the basis thereof ("the Polish accounting standards"). The consolidated financial statements incorporate adjustments not included in the accounting books of the Group's companies, which have been introduced to make their financial statements complaint with the IFRSs.

b) Currency of measurement and currency of the financial statements

The measurement currency of the Parent Company and other companies covered by these consolidated financial statements and the reporting currency of these summary interim consolidated financial statements shall be the Polish zloty.

c) Consolidation

The interim consolidated financial statements include the financial statements of Noble Bank S.A. and that of the Bank's subsidiaries. Financial statements of the subsidiaries have been prepared for the same reporting period as the financial statements of the Parent Company, using consistent accounting principles and based on uniform accounting principles applied to transactions and business events of similar nature. To eliminate any inconsistencies in the applied accounting principles, adjustments are made.

All significant inter-company balances and transactions between the Group companies, including unrealised gains arising from intra-group transactions, have been fully eliminated. Unrealised losses are eliminated unless there is evidence of impairment.

Subsidiaries are subject to consolidation from the date on which the Group obtains control over them and continue to be consolidated until the date when such control ceases. Control is exercised by the parent company when it has, directly or indirectly, through is subsidiaries, more than half of the votes in a company, unless such ownership can be proved not to be determinant of exercising control. Control is also exercised when the parent company is able to affect the financial and operating policies of a company (detailed conditions are defined in IAS 27 and IFRIC 12).

d) Significant accounting principles

The significant accounting principles presented below have been applied to all reporting periods presented in these summary interim consolidated financial statements by all companies of the Group.

Accounting principles (policies) used to prepare the summary interim consolidated financial statements are consistent with those used in making the annual consolidated financial statements of the Company for the year ended December 31st 2008, with the exception of the following amendments to the standards and new interpretations effective for annual periods beginning on or after January 1st 2009:

- IFRS 8—"Operating Segments", which upon entry into force superseded IAS 14—"Segment Reporting". In this standard, an approach consistent with the management's approach was adopted to identify and measure the results of reportable operating segments.
- IAS 1—"Presentation of Financial Statements" (revised in September 2007)—the standard distinguishes between changes in equity which result from capital transactions with owners and those which result from other transactions. Therefore, the statement of changes in shareholders' equity contains only details of transactions with owners, while all other changes in shareholders' equity are presented on one line. Additionally, the standard introduces a statement of comprehensive income, which includes all items of income and expense recognised in profit or loss and all other items of disclosed income and expense; it is possible to present all such items together in one statement or to present two connected statements. The Group has decided to present all items of income and expense jointly in a single statement. In order to adjust the interim consolidated financial statements to the requirements of the revised IAS 1, the Group has changed the presentation of equity capital. Revaluation reserve is presented in the statement of comprehensive income, and under "Other capital and reserves" in shareholders' equity. Net profit with retained profit for previous years is now disclosed under retained earnings/other losses.
- IAS 23—"Borrowing Costs" (revised in March 2007)—the revised standard requires that borrowing costs attributable to the acquisition, construction or production of a qualifying asset should be recognised as a part of the purchase price or development cost. The application of this amendment did not have an impact on the Group's financial position or profit, as there were no events to which it would have pertained.
- IFRS 2—"Share-based Payment: Vesting Conditions and Cancellations"—the amendment clarifies the definition of vesting conditions and refers to the recognition of cancellation of rights to awards. The application of this amendment did not have an impact on the Group's financial position or profit, as there were no events to which it would have pertained.

- Amendments to IAS 32 and IAS 1—puttable instruments at fair value—introduce an exception of the puttable instruments which may be classified as equity, subject to specified criteria being met. The application of this amendment did not have an impact on the Group's financial position or profit, as the Group does not have financial instruments puttable at fair value.
- IFRIC 13 interpretation—"Customer Loyalty Programmes"—requires that loyalty programme credits should be accounted for as a separate component of the sale transaction. The application of this amendment did not have an impact on the Group's financial position or profit, as there were no events to which it would have pertained.

The following IFRSs have been published by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee and are not yet effective:

- IFRS 3—"Business Combinations" (revised in January 2008)—effective for annual periods beginning on or after July 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- IAS 27—"Consolidated and Separate Financial Statements" (revised in January 2008)—effective for annual periods beginning on or after July 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- IFRIC 12 interpretation—"Service Concession Arrangements"—effective for annual periods beginning on or after January 1st 2008,
- IFRIC 15 interpretation—"Agreements for the Construction of Real Estate"—effective for annual periods beginning on or after January 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- IFRIC 16 interpretation—"Hedges of a Net Investment in a Foreign Operation"—effective for annual periods beginning on or after October 1st 2008—until the approval date of these financial statements it had not been approved by the European Union,
- Amendments to IAS 39—"Financial Instruments: Recognition and Measurement: Eligible Hedged Items" (amended in July 2008)—effective for annual periods beginning on or after January 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- IFRS 1—"First-Time Adoption of International Financial Reporting Standards" (revised in November 2008)—effective for annual periods beginning on or after July 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- IFRIC 17 interpretation—"Distributions of Non-cash Assets to Owners"—effective for annual periods beginning on or after July 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- Amendments to IAS 39 and IFRS 7—"*Reclassification of Financial Assets—Effective Date and Transition"* (amended in November 2008)—effective from July 1st 2008—until the approval date of these financial statements it had not been approved by the European Union,

(figures in PLN thousand)

- IFRIC 18 interpretation—"Transfers of Assets from Customers"—effective from July 1st 2009—until the approval date of these financial statements it had not been approved by the European Union,
- Amendments to IFRS 7—"Financial Instruments: Disclosures"—until the approval date of these financial statements it had not been approved by the European Union,
- Amendment to IFRIC 9 and IAS 39—derivative instruments (amended in March 2009)—until the approval date of these financial statements it had not been approved by the European Union.

- The Management Board does not expect the implementation of the above standards and interpretations to have a significant impact on the accounting principles (policies) applied by the Group.

Translation of items in foreign currencies

Transactions expressed in foreign currencies are translated into PLN at an exchange rate in force at the transaction date. Monetary assets and liabilities denominated in foreign currencies, recognised at historical cost, are translated into PLN at an average exchange rate of the National Bank of Poland as at the end of the reporting period. Gains or losses arising from translation are recognised in the statement of comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies, recognised at historical cost, are translated into PLN at an exchange rate in force at the transaction date, and items valued at fair value are translated at an average exchange rate of the National Bank of Poland as at the valuation date. The foreign exchange differences on non-monetary items at fair value through profit or loss are recognised in the statement of comprehensive income. The foreign exchange differences on non-monetary items are included in other capital and reserves.

For the purposes of the balance sheet valuation, the following rates have been adopted:

Currency	31.03.2009	31.12.2008
EUR	4.7013	4.1724
USD	3.5416	2.9618
CHF	3.1001	2.8014
GBP	5.0546	4.2913
JPY	0.0361	0.0328

Financial assets and liabilities

The Group recognises financial assets or liabilities in the statement of financial position when it becomes a party to transactions. Purchase and sale transactions involving financial assets valued at fair value through profit or loss, held to maturity financial assets and available for sale financial assets, including standardised purchase and sale transactions involving financial assets, are recognised in the statement of financial position always on the transaction date. Loans and receivables are recognised at the moment of the transfer of funds to the borrower.

Recognition of financial instruments

The Group recognises a financial asset or liability in the statement of financial position when it becomes a party to an agreement on such an instrument. Purchase and sale transactions involving financial assets are recognised on the transaction date.

All financial instruments at their initial recognition are valued at fair value adjusted, in the case of financial instruments other than those classified as valued at fair value through profit or loss, for transaction costs which could be attributed directly to the purchase or issue of a financial asset or liability.

The Group classifies financial instruments according to the following categories: financial instruments at fair value through profit or loss, held to maturity financial assets, loans and receivables, available for sale financial assets, other financial liabilities.

Financial assets at fair value through profit or loss

This category is divided into two subcategories:

- financial assets and liabilities held for trading—purchased or taken for resale in the short term—and derivative instruments,
- financial assets and liabilities designated upon their initial recognition as financial assets and liabilities at fair value through profit or loss.

Financial assets and liabilities may be classified upon their initial recognition as financial assets and liabilities at fair value through profit or loss only if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an “accounting mismatch”) that would otherwise arise from measuring such financial assets or liabilities or from recognising the gains and losses on them on different bases, or
- a group of financial assets, financial liabilities, or both, is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity’s key management personnel (in accordance with the definition in IAS 24 “Related Party Disclosures”), for example to the entity’s board of directors or executive director.

As the first condition is fulfilled, customer deposits at a fixed interest rate, denominated in PLN, accepted between April 1st 2008 and June 30th 2008 for a period longer than one year, are designated by the Company at the initial recognition as financial liabilities at fair value through profit or loss. This approach considerably reduces the inconsistency in measuring such deposits and financial instruments of the IRS type, which are made in connection with the way the Company manages the risk of interest rate changes.

Financial assets held for trading and financial assets designated upon their initial recognition as financial assets at fair value through profit or loss are recognised in the statement of financial position at fair value.

Derivative financial instruments

Derivative financial instruments which are not hedge accounted are recognised on the transaction day and valued at fair value at the end of the reporting period. The Group recognises changes in fair value in result on financial instruments valued at fair value through profit or loss or in foreign exchange result (FX swap, FX forward and CIRS transactions) with corresponding receivables/liabilities, respectively, on derivative financial instruments.

The effect of final settlement of derivatives transactions is recognised in result on financial instruments at fair value through profit or loss or, in the case of currency derivative financial instruments (FX swap, FX forward and CIRS transactions), in foreign exchange result.
Underlying amounts of derivatives transactions are recognised in the off-balance sheet items on the dates of transactions and throughout their terms. The off-balance sheet items in foreign currencies are retranslated at the day close at the average exchange rate of the National Bank of Poland (fixing as at the valuation day).

The fair value of financial instruments on the market is the market price. In other cases it is the fair value determined on the basis of a valuation model for which data was obtained from an active market (especially in the case of IRS and CIRS instruments, using the discounted cash flows method).

Held to maturity financial assets

Held to maturity financial assets include non-derivative financial assets with fixed or determinable payments or fixed maturity which the Group intends and is able to hold to maturity, other than:

- those designated at the initial recognition as valued at fair value through profit or loss,
- those designated as available for sale, and
- those satisfying the definition of loans and receivables.

Held to maturity financial assets are valued at amortised cost using the effective interest rate and including provisions for impairment. Accrued interest as well amortised discounts or premiums are recorded in interest income.

Loans and receivables

The loans and receivables category stands for financial assets with defined or definable cash flows, which are not quoted on an active market and which are not classified as derivatives. Loans and receivables originate when the Group lends funds to customers for purposes other than achieving short-term economic gains. This category incorporates amounts due from banks and customers, including purchased receivables and investments in debt financial instruments, unless they are quoted on an active market.

Loans and receivables are valued in the statement of financial position at amortised cost using the effective interest rate method and including provisions for impairment.

Accrued interest with commissions settled in time according to the effective interest rate is recognised in interest income. Commissions which do not constitute interest income and which are settled on a linear basis are included in commission income. Impairment charges are recognised in the statement of comprehensive income as net impairment charges for loans, advances and lease receivables.

Available for sale financial assets

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

Available for sale financial assets are valued in the statement of financial position at fair value. Results of changes in the fair value are recognised in „Other comprehensive income" in the statement of comprehensive income until the exclusion of assets from the statement of financial position, when cumulative profits or losses are recognised in the statement of comprehensive income under "Result on other financial instruments". In the case of debt instruments, income and discount or premium are respectively recognised in interest income or interest expense using the effective interest rate method.

If the fair value can not be determined, assets are recognised at the acquisition cost adjusted for impairment. The impairment charge is recognised in the statement of comprehensive income.

Other financial liabilities

This category includes amounts due to banks and customers, loans taken by the Group and issued debt securities, net of transaction costs, except for financial liabilities classified at their initial recognition as liabilities at fair value through profit or loss.

Financial liabilities not classified at their initial recognition as liabilities at fair value through profit or loss are recognised in the statement of financial position at amortised cost using the effective interest rate.

Exclusion from the statement of financial position

A financial asset is excluded from the statement of the Group's financial position upon the expiry of the contractual rights to the cash flows from the asset or when the Group transfers the contractual rights to receive the cash flows.

When transferring the rights, the Group evaluates the extent to which it retains the risks and rewards of ownership of the financial asset. Accordingly:

- if the Group transfers substantially all risks and rewards of ownership of the financial asset then it will exclude the financial asset from the statement of financial position; if the Group retains substantially all risks and rewards of ownership of the financial asset then it will continue to recognise the financial asset in the statement of financial position,

- if the Group neither transfers nor retains substantially all risks and rewards of ownership of the financial asset, the Group determines whether it has retained control over this financial asset. If such control has been retained, the Group continues to recognise the financial asset in its statement of financial position.

The Group excludes a financial asset or a part of it from the accounting books when the Group no longer controls it, i.e. when the Group has exercised its rights to benefits specified in an agreement, such rights expire or the Group has waived such rights.

The Group eliminates a financial liability (or a part of it) from its statement of financial position, when the obligation specified in the agreement has been fulfilled, cancelled or has expired.

Impairment of financial assets

As at the end of each reporting period, the Group assesses if there is any objective evidence that a financial asset is impaired. If this is the case, the Group determines amounts of impairment charges. Impairment loss is incurred when there is objective evidence of impairment stemming from one or more events after the initial recognition of the asset, and the loss event has an impact on the expected future cash flows from the asset or a group of assets, which can be reliably estimated.

Evidence for impairment can be especially identified in the following circumstances:

- considerable financial difficulties of an issuer or a borrower,
- an issuer's or borrower's breach of contract, e.g. default or delinquency in interest or principal payments,
- the Group, for economic or legal reasons relating to an issuer's or borrower's financial difficulties, granting to them a concession which would have not been otherwise considered,
- a great likelihood of an issuer's or borrower's bankruptcy or restructuring,
- the disappearance of an active market for a financial asset owing to an issuer's or borrower's financial difficulties.

Loans, purchased receivables, other receivables

Receivables from loans are the most significant group of assets recognised at amortised cost in the statement of financial position of the Group and at the same time exposed to the impairment risk. As at the end of each reporting period, the Group analyses whether there is any objective evidence that individual assets and/or a portfolio of assets have been impaired. A financial asset or a group of financial assets were impaired and the impairment loss has been incurred if, and only if, there is objective evidence of impairment stemming from one or more events after the initial recognition of the asset, and such events have an impact on the future cash flows generated by the asset or the group of financial assets, assuming that they can be reliably estimated. Expected future losses are not included in the estimated current impairment.

If the Group identifies evidence indicating impairment, it then calculates an amount of impairment charge which is equal to the difference between the carrying amount of loan receivables and their economic value measured as the present value of expected future cash flows discounted using the effective interest rate for contracts as at the date when such evidence appeared for a financial asset.

The impairment charge is recognised in the statement of comprehensive income.

Measurement of impairment losses on the individual level is made for all loan receivables for which individual impairment triggers have been identified.

When there is no objective evidence that an individually analysed loan was impaired, irrespective of whether it constitutes a significant reporting item, such an exposure is included in a portfolio of loans with similar characteristics and an impairment analysis is performed on the portfolio level. The measurement of the portfolio impairment is based on historical characteristics of losses generated by similar asset portfolios.

When the evidence of impairment no longer exists, an impairment charge is released through profit or loss.

Loans granted by Wschodni Bank Cukrownictwa (old portfolio)

In the Group's opinion, evidence exists that the entire old portfolio has been impaired. The portfolio value was calculated using the method of discounting the expected cash flows in next periods, assessed on the basis of historical recoveries from this portfolio and the current collection results.

The value of loans and impairment charges for the old portfolio is updated at the end of each quarter.

Purchased receivables—valuation

The Group values the purchased receivables using the discounted expected future cash flows from such receivables. The value of purchased receivables is updated at the end of each quarter including the obtained recoveries of such receivables and possible changes in the estimated future cash flows.
Monthly receipts due to the purchased receivables, estimated to be recovered within a planned period, are discounted in the following manner:

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

R—receipt due to the purchased receivables at the end of a consecutive month of the estimate

IRR—internal rate of return for cash flows

IRR—internal rate of return for cash flows
The rate is calculated at the purchase and changed in successive reporting periods only to reflect changes in the market interest rates. It takes into account the price paid for receivables and the period in which the Group intends to recover this price.

Loans granted as part of a strategy to build a private banking platform (new portfolio), started by the Group in 2006

As at the end of the reporting period, the valuation of impairment of financial assets was performed according to IAS 39, using a valuation model adopted as at the date of conversion to the IFRSs. In building a valuation model of financial assets impairment the Bank has adopted the following assumptions:

- the loans portfolio has been divided into a group of homogenous loans and a group of individually significant loans,
- within the group of homogenous loans, the Bank has singled out loans free from the risk of impairment and those with the risk of impairment,
- the portfolio of loans free from the impairment risk has been valued—depending on the product type, and, owing to the lack of historical data base—using specialist indicators,

- the portfolio of loans with the risk of impairment has been valued using the estimated recovery rates,
- in the case of product groups for which the historical rates could not be measured owing to the shortage of sufficient data, specialist indicators have been assumed.

The Group also makes a provision for possible losses which might have been incurred in the old portfolio and have not been reported yet (IBNR).

Noble Bank S.A., owing to the short mortgage lending history, does not have a required number of observations with respect to the quality of its mortgage loans portfolio to calculate real time series. On account of the above, the Group adopts a ratio assessed according to the best knowledge, which approximately includes possible losses which have not been reported yet.

In order to determine the above ratio, the following criteria, among others, have been included:

- developed loan portfolio has a short history,
- shortage of sufficient historical data on the performance of this portfolio type,
- long lending periods—owing to dynamic changes on Poland's property market it is difficult to predict the future values of established collateral.

For determining the ratio, data on lost portfolios of housing loans and financial loans for the entire banking sector in Poland have been adopted. The previous level of loan loss ratio for the new loans portfolio in Noble Bank S.A. and the values of obtained collateral were also included. As a result of the above analyses, the IBNR ratio which is the basis for creating an impairment charge for the "new portfolio" was determined as at March 31st 2009 at 0.5% for mortgage loans (0.5% as at December 31st 2008) and at 1.2% for financial loans—loans secured with the customers' financial assets—(1.2% as at December 31st 2008).

The provision ratio is analysed according to the above criteria and updated quarterly.

Held to maturity investments

The Group analyses whether there is any objective evidence that individual held to maturity investments have been impaired. In the event of objective evidence indicating impairment, the amount of impairment charge is equal to the difference between the carrying amount of an asset and the present value of expected future cash flows (excluding future loan losses which were not incurred), discounted using the effective interest rate as at the date when such evidence appeared for the financial asset.

If in the subsequent period the impairment loss decreases as a result of an event which took place after the impairment was recognised, then the previously made impairment charge is reversed by adjusting appropriately the impairment charges balance. The reversed amount is shown in the statement of comprehensive income.

Available for sale financial assets

As at the end of each reporting period, the Group analyses whether there is any objective evidence that individual assets and/or a portfolio of assets have been impaired.

If the Group identifies objective evidence that an available for sale asset has been impaired, the amount of difference between its purchase price (less all principal and interest payments) and present fair value less all impairment charges previously recognised in the statement of comprehensive income is derecognised from equity and transferred to the statement of comprehensive income. The reversed impairment charge on equity 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 such an increase can be objectively linked to an event which took place after the impairment was recognised in the statement of comprehensive income, the remount of the reversed charge is recognised in the statement of comprehensive income.

Netting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of comprehensive income if the Group has a valid legal right to set off the recognised amounts and intends to settle on a net basis or to realise an asset and settle the liability simultaneously.

Tangible fixed assets and intangible assets

Tangible fixed assets

Tangible fixed assets are recognised at the purchase price/development cost less depreciation and all impairment charges.

Initial value of fixed assets includes their purchase price plus all costs directly related to the purchase and adaptation of an asset to usable condition. The cost also includes the cost of replacing components of plant and equipment as at the date of incurring, if the recognition criteria have been met. Costs incurred after the date of putting a fixed asset into use, such as maintenance and repair costs, are charged to the statement of comprehensive income as at the date they were incurred.

Fixed assets at the purchase are divided into components being significant items to which a separate period of economic usability can be assigned. Components also comprise general overhaul costs.

Depreciation is calculated using the straight line method over the estimated useful life of an asset, which is:

Type	Life
Investments in third party properties	Duration of a lease—up to 10 years
Plant and technical equipment	8-17 years
Computer units	3 years
Means of transport	5 years
Office equipment, furniture	5 years

A fixed asset may be derecognised from the statement of financial position after its disposal or when no economic benefits are expected which result from the continued use of such an asset. All profits or losses arising from the derecognition of an asset (calculated as the difference between possible net proceeds from sale and its carrying amount) are recognised in the statement of comprehensive income for the period in which such derecognition was made.

Investments in progress involve fixed assets under construction or assembly and are recognised at the purchase prices or development cost. Fixed assets under construction are not depreciated until the construction completion and the commissioning of a fixed asset.

The residual value, useful life and depreciation method of assets are revised and, if necessary, adjusted, at the end of each financial year.

Each time when a repair is done, its cost is recognised in the carrying amount of tangible fixed assets if the recognition criteria have been met.

Intangible assets

Intangible assets purchased under a separate transaction are initially valued at the purchase price or development cost. The acquisition price of intangible assets acquired in a business combination is equal to their fair value at the combination date. After the initial recognition, intangible assets with a finite useful life are recognised at the purchase price or the development cost less amortisation and impairment charges. With the exception of development work, capital expenditures on intangible assets developed internally, except for activated expenditures on development work, are not activated and are recognised in the costs for a period in which they were incurred.

The Group establishes whether a useful life of intangible assets is finite or indefinite. Intangible assets with a finite useful life are amortised over their useful time and tested for impairment each time when indications of impairment exist. Time and method of amortisation of intangible assets with a finite useful time are reviewed at least at the end of each financial year. Changes in the expected useful life or pattern of consumption of economic benefits embodied in an asset are recognised through changing the amortisation time or method, respectively, and treated as changes of estimates. Amortisation charge for intangible assets with a finite useful life is recognised in the statement of comprehensive income against a category which corresponds to a function of an intangible asset.

Intangible assets with an indefinite useful life and those not used are subject to an annual test for impairment with respect to individual assets or on the level of a cash-generating unit. Other intangible assets are each year assessed for indications of their impairment. Useful lives are also subject to annual reviews and, if necessary, adjusted with effect from the beginning of a financial year.

Goodwill

Goodwill arises on the acquisition of subsidiaries. Goodwill is initially recognised at the excess of costs of a business combination over the acquirer's share of the net fair values of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is measured at the purchase price less the previous accumulated impairment charges. Goodwill is not amortised, only annually tested for impairment. Impairment is determined by measuring the recoverable amount of a cash-generating unit to which the goodwill relates. If the recoverable amount of the cash-generating unit is lower than its carrying amount plus goodwill, a goodwill impairment charge is made.

Trademark

An intangible fixed asset acquired in a business combination, separable, reliably measured, recognised separately from the goodwill. As a trademark is expected to contribute to generating net cash inflows for an indefinite time, it is considered to have an indefinite useful life. A trademark is not amortised until its useful life is reclassified to finite. In accordance with IAS 36, a trademark is subjected to tests for impairment annually and whenever indications exits that it may have been impaired.

Principles used as regards intangible assets of the Group are as follows:

	Trademark	Goodwill	Computer software
Useful life	Indefinite	Indefinite	2-10 years
Method applied	Indefinite life assets are not amortised or revalued	Indefinite life assets are not amortised or revalued	Using the straight line method
Developed internally or purchased	Purchased	Purchased	Purchased
Impairment review/ assessment of recoverable amount	Annual impairment test	Annual impairment test	Annually assessed for indications of impairment If the indications exist—impairment test.

Profits or losses arising from the derecognition of intangible assets are calculated as the difference between net proceeds from sale and the carrying amount of an asset and are recognised in the statement of comprehensive income when such derecognition is made.

Business combinations

A business combination is the bringing together of separate entities or businesses into one reporting entity. It leads to the holding entity's obtaining control of the acquirees. All business combinations are accounted for using the acquisition method. The acquisition method treats a business combination from the perspective of the entity identified as the acquirer. The acquirer recognises the assets acquired, liabilities and contingent liabilities incurred, including those previously not recognised by the acquiree.

Application of the acquisition method consists in the performance of the following actions:

- identification of an acquirer,
- measurement of the cost of a business combination,
- allocating, at the acquisition date, the cost of a business combination to assets acquired, liabilities and contingent liabilities incurred or assumed.

The acquirer measures the cost of the business combination as the aggregate of:

- the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree; plus
- any costs directly attributable to the combination.

Non-current assets held for sale and discontinued operations

Non-current assets and assets in the group held for sale are valued at the lower of: their current carrying amount or fair value less costs to sell. Discontinued operations are a part of the Group's business which constitutes its separate, dedicated business area or its geographical segment or are a subsidiary purchased solely for resale. The Group discloses its operations as discontinued as at the sale or classification under the "held for sale" category.

Impairment of fixed assets

Carrying amounts of individual assets are subject to periodic impairment review. If the Group identifies indications of impairment, it then assess whether the current carrying amount of an asset exceeds a value which can be obtained in its further use or disposal, in other words, estimates the recoverable amount of an asset. If the recoverable amount is lower than the carrying amount of an asset, its impairment is recognised and written down in the statement of comprehensive income.

The recoverable amount of an asset is determined as the higher of: obtainable selling price less the costs to sell and the value in use of the asset. Value in use is calculated as the future cash flows generated by an asset discounted using the market-based rate plus a margin for risk specific to the given category of assets.

An impairment charge may be reversed only to the carrying amount of the asset which would have been determined including the accumulated depreciation had the impairment charge not been made.

Cash and cash equivalents

Cash and cash equivalents: cash and funds in current accounts with the Central Bank and current accounts and overnight deposits in other banks.
Bills of exchange eligible for rediscounting at the Central Bank are bills in the zloty with maturities of up to three months.

Prepayments, accrued costs, deferred income

Prepayments refer to those expenses which will be recognised in the statement of comprehensive income proportionally to time elapsed in the future reporting periods. Prepayments are presented as “Other assets”.

Accrued costs include provisions for costs which result from the services provided for the Group, which will be settled in the next periods. Such balances are disclosed as “Other liabilities”. Deferred income includes, among others, received amounts of future benefits and some types of income charged in advance which will be recognised in the statement of comprehensive income in the future reporting periods. They are also shown under “Other liabilities”.

Provisions

Provisions are established when the Group is under an obligation (legal or constructive) which stems from past events and when the fulfilment of such an obligation is likely to cause a necessity of transfer of economic benefits and when it is possible to estimate the amount of that obligation reliably. If the Group expects to recover the costs covered by a provision, for instance under an insurance agreement, then such recovery is recognised as a separate asset, but only when if it is actually certain to happen. Costs of a provision less any recoveries are recognised in the statement of comprehensive income. If the influence of the time value of money is significant, the amount of provision is determined by discounting the expected future cash flows to the present value, using the gross discount rate which reflects the time value of money on a current market basis and a risk, if any, related to an obligation.

Employee benefits

In accordance with provisions of the Labour Code and the Rules for Employee Compensation, the Group’s employees are eligible for pension payments. Such payments are paid on a one-off basis on the old age or disability retirement and their amounts depend on the number of an employee’s years of employment and his or her individual compensation. The Group carries a provision for future liabilities on that account in order to allocate costs to corresponding periods. According to IAS 19, pension payments are schemes involving certain post-employment benefits. The present value of such liabilities as at the end of each reporting period is calculated by an independent actuary. The calculated liabilities are equal to discounted payments to be made in the future, including staff turnover, and pertain to a period until the end of the reporting period. Demographic information and information on staff turnover is based on historical data. Profits and losses from actuarial valuations are recognised in the statement of comprehensive income.

The current regulations on the compensation rules for the Group’s employees do not provide for jubilee award payments.

Leases

Finance lease agreements which transfer substantially all risks and rewards on the Group which arise from ownership of the subject under lease; at the lease commencement date they are recognised in the statement of financial position at the lower of the two amounts: the fair value of a fixed asset under lease or the present value of minimum lease payments. Lease payments are divided into other operating expenses and reduction of the lease liability balance, in such a manner as to enable obtaining a fixed interest rate on the outstanding liability. Other operating expenses are recognised directly in the statement of comprehensive income.

Fixed assets used under finance lease agreements are depreciated over the shorter of the two periods: estimated useful life of a fixed asset or the period of lease.

Lease agreements under which the lessor retains substantially all risk and rewards of ownership of the leased subject are included in the category of operating lease agreements. Operating lease payments are recognised as costs in the statement of comprehensive income using the straight-line method throughout the lease period.

Shareholders' equity

Equity comprises the capital and funds created in accordance with the binding regulations, applicable laws and the Articles of Association.

Equity is composed of: share capital, retained earnings and other capital and reserves.

Share capital

Share capital is recognised at nominal value according to the Articles of Association and the entry in the commercial register.

Dividends for a financial year which have been approved by the General Shareholders' Meeting but not paid out as at the end of the reporting period are recognised as "Other liabilities" in the statement of financial position.

Repurchased own shares

If the Group purchases its own equity instruments, the amount paid with the directly related costs are recognised as a change in equity. Purchased own shares at par value are recognised as treasury shares, and the excess of incurred costs over the par value is disclosed as a deduction from other equity until their cancellation or sale.

All items of equity described below, in the case of acquisition of entities, pertain to events from the date on which control over an entity was gained to the date on which such control was lost.

Share premium reserve

Share premium reserve (surplus of the issue price over the nominal value) is created from the issue of shares at a premium less the direct costs incurred. The share premium reserve increases the reserve funds.

Retained earnings

Retained earnings are created from appropriations of profit and are allocated for purposes set out in the Articles of Association or other regulations (the remaining part of reserve funds, capital reserve, including the general banking risk provision) or comprise the previous years profits/losses or the net financial result of the current period.

Share-based payments

Transactions settled in equity instruments

The cost of transactions settled with employees in equity instruments is measured by reference to the fair value of the granted equity instruments as at the rights granting date. The fair value is determined on the basis of a chosen model. No performance/results conditions except for those related to the price of shares of the Parent Company ("market conditions") are taken into account in the assessment of transactions settled in equity instruments.

The cost of transactions settled in equity instruments is recognised together with the accompanying increase in the value of equity in the period in which effectiveness/performance conditions were fulfilled, ending on the date when certain employees acquire full rights to the benefits ("vesting date"). The accumulated cost recognised for transactions settled in equity instruments at the end of each reporting period until the vesting date reflects the extent of elapse of the vesting period and the number of awards the rights to which—in the opinion of the Parent Company's Management Board for that date, based on the best available estimates of the number of equity instruments— will be eventually vested.

No costs of awards the rights to which will not be eventually vested are recognised, except for awards in the case of which the acquisition or rights depends on the market conditions, which are treated as acquired irrespective of whether the market conditions have been fulfilled, provided that all other performance conditions have been met.

In the event of modifications of conditions for granting awards settled in equity instruments, costs are recognised, as part of fulfilment of the minimum requirement, as if such conditions would not have changed. Also, costs are recognised resulting from each increase in the value of the transactions as a result of the modifications, measured at the date of change.

If the award settled in equity instruments is cancelled, it is treated in such a way as if the rights to it were acquired on the cancellation date, and any unrecognised costs resulting from the award are immediately recognised. If, however, the cancelled award is replaced with a new one—defined as a replacement award on the date it is granted—the cancelled award and the new award are treated as if they were a modification of the original award, i.e. in a way described above.

The diluting effect of the issued options is taken into account when measuring the amount of earnings per share, as additional dilution of shares.

Transactions settled in cash

Transactions settled in cash are initially valued at fair value measured as at the granting date using a relevant model and taking into account the rules of conditions for granting options. The fair value thus measured is charged to costs throughout the entire period until the vesting date—with the recognition of a corresponding opposite liability. The amount of this liability is revalued as at the end of each reporting period up until and on the settlement date, and changes in the fair value are recognised in the statement of comprehensive income.

Income

Income is recognised at an amount at which the Group is likely to obtain economic benefits related to a transaction and when the amount of income can be measured in a reliable way. The criteria presented below also apply in the recognition of income.

Net interest income

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

The Group measures the following financial assets and liabilities at amortised cost:

- loans and advances granted and other receivables—not held for trading,
- held to maturity financial assets,
- non-derivative financial liabilities not classified at their initial recognition as liabilities at fair value through profit or loss.

The effective interest rate is the rate which discounts the expected future cash payments to the net present carrying value until maturity or the next market valuation of a specific financial asset and liability, and its calculation includes all payments and flows due and received on a cash basis, paid or received by the Group under a contract on a given instrument, excluding future possible loan losses.

The way of settling interest coupons, fees/commissions and some external costs related to financial instruments (using the effective interest rate or on a straight line basis) depends on the nature of an instrument. Financial instruments with defined cash flows schedules are valued using the effective interest rate method. For instruments with undefined flows schedules, calculation of the effective interest rate is not possible, and fees/commissions are settled on an accrual basis using the straight line method.

The way of recognising settled over time particular types of fees/commissions in the statement of comprehensive income as interest or commission income, and the general necessity to settle them over time instead of a possibility of their one-time recognition in the statement of comprehensive income, depend on the economic nature of a fee/commission.

Fees/commissions settled over time include, for instance, loan application review and approval fees, lending fees, loan release fees, fees for establishing additional security, etc. Making such payments constitutes an integral part of return generated by a particular financial instrument. This category also includes fees and charges connected with amending contractual terms, which leads to a modification of the originally calculated effective interest rate. Each significant change of terms of a financial instrument in the economic sense entails expiry of the financial instrument with the original characteristics and the creation of a new instrument with new characteristics. Fees in this category include, among others, fees for annexes changing the schedule of future flows, fees for restructuring loan agreements, for granting grace, etc. The mentioned types of fees are deferred and accounted for in the statement of comprehensive income on an accrual basis using the effective interest rate or the straight line method depending on a product nature.

Also, if particular lending agreements are likely to be made, fees for the Group's commitment to conclude them are treated as consideration for continued commitment to purchase a financial instrument, and are deferred and recognised as an adjustment of effective return when an agreement is made (using the effective interest rate or the straight line method depending on a product nature).

In the case of assets with identified impairment, interest income is calculated in the statement of comprehensive income on a net exposure basis defined as the difference between gross exposure value and the impairment charge and using the effective interest rate to measure the impairment charge.

Net interest income also includes the income on the accrued and paid interest relating to CIRS and IRS type derivative instruments.

Net fee and commission income

As has been indicated above, fees and commissions settled in the statement of comprehensive income using the effective interest rate method are recognised by the Group as net interest income.

As regards fees and commissions which are not settled using the effective interest rate method but recognised on an accrual basis using the straight line method or on a one-time basis, they are shown under the item of "Net fee and commission income". Fee and commission income comprises fee and commission income arising from transaction services.

Such income includes all fees recognised on a one-time basis, for operations where the Group acts as an agent or performs such services as distribution of investment funds units, transfers, payments, etc.

Income from the intermediation services in selling financial products

The Group discloses income and expense from selling financial products on the basis of calculations according to the following principle.

The statement of comprehensive income recognises income from the sale of financial products for a month in which a customer's application was delivered to a purchasing bank and/or other financial institutions, and commission costs payable to a financial adviser for the sale of financial products. The amount of income is measured at the fair value of the received or due payment.

In accordance with IAS 18, income from the sale of a product is recognised in the statement of comprehensive income if the following conditions have been fulfilled:

- a company has transferred substantial risks and rewards of the product ownership to the buyer (provision of a customer's loan application in a form required by a purchasing bank),
- a company does not continue to manage the products as regards the ownership title and does not exercise effective control over them,
- the amount of income can be reliably calculated. The Group assumes that at least 60% of loan applications (depending on the distributor), at least 85% of deposit applications and at least 78% of savings scheme applications are closed.

Result on financial instruments at fair value

The result on financial instruments at fair value is calculated taking into account the valuation of financial liabilities classified at their initial recognition as liabilities at fair value through profit or loss and the fair value valuation of derivative instruments of the IRS type.

Foreign exchange result

The foreign exchange result is calculated taking into account positive and negative foreign exchange differences, both realised and unrealised, arising from the daily valuation of assets and liabilities denominated in foreign currencies, using the relevant average exchange rate set by the National Bank of Poland as at the end of the reporting period and recognised under foreign exchange income or cost. This result also includes the fair value valuation of the CIRS and forward derivative instruments.

Other operating income and expenses

Other operating income and expenses include costs and gains directly unrelated to the Group's banking activities. It especially includes gains or losses on the sale and liquidation of fixed assets, revenues on the sale of other services, received and paid damages, penalties and fines.

Dividend income

Dividend income is recognised in the statement of comprehensive income on the date of acquiring rights to dividends, if such dividends are paid out from profits generated after the acquisition date.

Income tax

Deferred tax

For the purposes of financial reporting, the deferred income tax is established using the balance sheet liability method on all temporary differences as at the end of the reporting period between the taxable amount of assets and liabilities and their carrying amount as disclosed in the statement of financial position.

The deferred tax provision is recognised with reference to all positive temporary differences:

- except for situations where the deferred income tax provision arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination, which, when it is made, has no influence on the pre-tax financial result or the taxable income or tax loss, and
- in the case of positive temporary differences stemming from investments in subsidiaries or associates and participation in joint ventures—except for situations where the dates of reversal of temporary differences are subject to an investor's control or when it is probable that in the foreseeable future they will not be reversed.

The deferred income tax assets are recognised with reference to all negative temporary differences as well as unused tax credits and tax losses carried forward, in an amount equal to that of the taxable income which will be probably available, against which above mentioned differences, assets and losses can be utilized:

- except for situations where the deferred income tax assets regarding the negative temporary differences arise from the initial recognition of an asset or liability in a transaction other than a business combination and when it is made they have no influence on the pre-tax financial result or the taxable income or tax loss, and

- in the case of negative temporary differences from investments in subsidiaries or associates and participation in joint ventures, a deferred tax asset is recognised in the statement of financial position only in such an amount in which it is probable that the above temporary differences will be reversed in the foreseeable future and taxable income will be available against which the negative temporary differences can be charged.

The carrying amount of a deferred tax asset is verified at the end of each reporting period and is reduced accordingly to the extent that it is no longer probable that the taxable income will be achieved which will suffice for partial or full realisation of the deferred income tax asset.

Unrecognised deferred income tax asset is subject to re-measurement at the end of each reporting period and is recognised up to a value which reflects the probability of achieving taxable income in the future which will allow the recovery of such an asset.

Deferred income tax assets and deferred tax provisions are measured using tax rates which are predicted to be in force when an asset is realised or a provision released, assuming as the basis the tax rates (and tax regulations) which are effective as at the end of the reporting period or the ones which are certain to be effective in the future as at the end of the reporting period.

The Group offsets deferred income tax assets against deferred income tax provisions if, and only if, it has an enforceable legal title to set off receivables against liabilities on the current tax and the deferred tax concerns the same taxpayer and the same tax authority.

Hedge accounting

Derivative financial instruments and hedges

In hedge accounting, there are the following categories of hedges:

- a fair value hedge, protecting against the exposure to changes in fair value of a recognised asset or liability, or
- a cash flow hedge, protecting against the exposure to the variability in cash flows that is attributable to a particular risk associated with a recognised asset, liability or a probable forecast transaction, or
- a hedge of a net investment in a foreign operation.

A hedge of the foreign currency risk of a probable future commitment is accounted for as a cash flow hedge.
When a hedge is established, the Group formally designates and documents the hedging relationship, including its risk management objective and strategy for undertaking the hedge. The documentation contains the identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged, and how the Group will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the fair value of the hedged item or cash flows associated with the risk being hedged. A hedge is expected to be highly effective in offsetting the changes in the fair value or cash flows resulting from the risk being hedged. Hedge effectiveness is assessed on an ongoing basis to check whether it is highly effective in all reporting periods for which it was established.

Fair value hedge

A hedge of the Group's fair value is a hedge against changes in fair value of a recognised asset or liability or a previously unrecognised probable future commitment, or of an identified portion of such an asset, liability or a probable future commitment, that is attributable to a particular risk and could affect the statement of comprehensive income.

The Group applies portfolio hedges of the fair value of PLN deposits at a fixed interest rate against the risk of changes in the fair value owing to the risk of changes in the WIBOR reference interest rate. The portfolio of derivative instruments—IRSs—or a part of it—is the hedging instrument in such portfolio hedges. The Group designates the hedging relationships on the basis of sensitivity analysis of the fair value of the hedged deposits portfolio and of the portfolio of hedging instruments against the risk of changes in the WIBOR reference interest rate. The analysis is based on the BPV and duration measures. The effectiveness of the hedging relationship is measured monthly on an ongoing basis.

In portfolio hedges of fair value, costs of interest on the hedged part of deposits portfolio are adjusted for accrued income or expenses on interest on a hedging IRS transaction, which relate to a given reporting period. At the same time, a change in the fair value of derivatives designated as hedging instruments in a time period is accounted for in the statement of comprehensive income under "Result on financial instruments at fair value", in the same item as the change in the fair value of the hedged item resulting from the risk being hedged. A change in the fair value of a part of PLN deposits portfolio designated as the hedged item in a time period is presented in the statement of financial position in a separate line item within liabilities: „Adjustment of fair value of amounts due to other banks and financial institutions under fair value hedge" (for hedges of interbank deposits) or under "Adjustment of fair value of amounts due to customers under fair value hedge" (for hedges of retail customers' deposits). An adjustment of the carrying amount of the hedged deposits portfolio is amortised linearly beginning from a month which follows the month when the adjustment was made, over the period remaining to the maturity of the hedged cash flows. The amortisation amount adjusts "Income expense" in the statement of comprehensive income.

The Group discontinues the application of hedge accounting principles if the hedging instrument expires or is sold, terminated, or exercised; if the hedge no longer meets the hedge accounting criteria or when the Group revokes the hedging relationship.

Contingent liabilities granted

As part of its operating activities, the Group enters into transactions which upon their signing are not recognised in the statement of financial position as assets or liabilities, but cause contingent liabilities. A contingent liability is:

- a potential obligation which arises as a result of past events the existence of which will be confirmed only upon occurrence or non-occurrence of one or more uncertain future events which are not fully under the Group's control;

- a current obligation which arises as a result of past events but is not recognised in the statement of financial position because it is not probable that spending cash or other assets to fulfil the obligation will be necessary, or the obligation amount cannot be reliably measured.

In accordance with IAS 37, provisions are established for the granted off-balance sheet liabilities with the risk of a customer's defaulting on an agreement.

Financial guarantees are disclosed and recognised in line with IAS 39 provisions.

Net earnings per share

Net earnings per share for each period are calculated by dividing the net profit for a period by the weighted average number of shares in a given reporting period.

2.5. Important values based on professional judgements and estimates

Professional judgement

Classification of lease agreements

The Group classifies leases as operating or finance ones based on the judgement of an extent to which risks and rewards from the ownership of the leased subject fall to the lessor and the lessee. The judgement relies on the economic content of each transaction.

Valuation of loans granted by Wschodni Bank Cukrownictwa (old portfolio)

In the Parent Company's opinion, evidence exists that the entire old portfolio has been impaired. The value of impairment charges was calculated using the method of discounting the expected cash flows in next periods, assessed on the basis of historical recoveries from this portfolio, as described below.

Valuation of newly purchased receivables portfolios

The value of impairment charges was calculated using the method of discounted expected cash flows in next periods, assessed on the basis of expected recoveries from receivables portfolios and the current collection results.

Close rate of loans, deposits and savings schemes

The Group recognises income due from fees on the loan applications (not yet released loans), deposit and savings scheme applications (not yet established deposits and savings schemes) submitted to other financial institutions on the basis of the close rate. The rate is based on historical data concerning the probability of loan disbursement and establishment of deposits and savings schemes in relation to the submitted applications. This rate is also used in calculating a provision for fees connected with such loans, deposits, and savings schemes, which are paid to the Group's advisers.

IBNR rate

Owing to its short mortgage and financial lending history, the Parent Company does not have a required number of observations with respect to the quality of its portfolio of mortgage and financial loans over time, which would make it possible to assess loan loss ratios based on historical data. On account of the above, the Parent Company considered it proper to adopt a ratio assessed according to the best knowledge, which would approximately include the future loss ratio for the portfolio of mortgage and financial loans. To determine the ratio, data on lost portfolios of housing and financial loans for the entire banking sector in Poland have been adopted. Therefore, the ratio which is the basis for creating a write-down for the "new portfolio" was set as at December 31st 2008 at 0.5% for mortgage loans and at 1.2% for financial loans and did not change as at March 31st 2009.

Trademark and goodwill

Trademark and goodwill are annually tested for impairment. Identified impairment is recognised in the statement of comprehensive income. As at December 31st 2008 the tests which had been carried out did not reveal the impairment of trademark and goodwill. As at March 31st 2009 there were no indications that the trademark and the goodwill may have been impaired.

Uncertainty of estimates

Preparing financial statements in accordance with the IFRSs requires from the Group to make certain estimates and assumptions which have an impact on the amounts presented in the financial statements. Estimates and assumptions, which are subject to a continuous review by the Group's management, are based on historical data and other factors, including expectations as to future events, which seem justified at a given moment. Although such estimates rely on the best knowledge of the current conditions and activities carried out by the Group, the actual results may differ from such estimates.

Estimates made as at the end of each reporting period reflect conditions which existed at such a date (e.g. foreign exchange rate, interest rates, market prices).

The Group has made estimates mainly in the following areas:

Impairment of loans and advances

As at the end of each reporting period, the Group assesses whether there is any objective evidence that a financial asset or a group of financial asset is impaired. The Group assesses whether there is any evidence/indications of a reliably measurable decrease in the estimated future cash flows concerning the loan portfolio, before such a decrease can be assigned to a particular loan for impairment assessment. The assessments may include observable data which indicate an adverse change in the payment situation of borrowers from a specific group or in the economic situation in a given country or a part thereof, which relates to problems existing in this group of assets. Historical loss parameters are adjusted on the basis of data from current observations, to include the impact of current market factors which did not exist at a time covered by historical observations and to exclude the effects of circumstances which existed in the past period and which are no longer present. The methodology and assumptions underlying the measurement of estimated cash flows with their time frames will be regularly reviewed in order to reduce the differences between the estimated and actual losses.

In the Group's opinion, evidence exists that the entire old portfolio has been impaired. The value of impairment charges was calculated using the method of discounted expected cash flows in next periods, assessed on the basis of historical recoveries from this portfolio and the current collection results.

Also, as have been mentioned under the above section on professional judgements and under the section on loans granted as part of a strategy to build a private banking platform (new portfolio), started by the Parent Company in 2006, uncertainty affects the estimated impairment of the new portfolio (both for the portion of portfolio with the impairment risk and for the quality of portfolio with no impairment risk for which the write-down is made based on the adopted IBNR ratio).

Fair value of collateral on the given loans

The fair value of collateral on the given loans is measured on the basis of valuation techniques and analyses of the property market.

Derivative instruments, financial assets and liabilities at fair value through profit or loss

Fair value of derivative instruments and financial assets and liabilities not quoted on active markets is measured using universally recognised valuation techniques. All models are approved before their use, and calibrated to ensure that obtained results reflect the actual data and comparable market prices. To the extent possible, the models use only observable data from an active market.

Fair value of amounts due to customers is measured in the following manner:

The Bank establishes the carrying value of deposits as the sum of the current deposit balance and the accrued interest as at the valuation date. This value is then discounted to the valuation date using a discount factor relevant for the maturity date from the market yield curve, increased by an average weighted margin for deposits from a given band of placement date or initial period. Thus the fair value is derived. The result of the fair value valuation is presented in the statement of comprehensive income in "Result on financial assets and liabilities at fair value through profit or loss".

Fair value of other financial instruments

Fair value of financial instruments not quoted on active markets is measured using valuation techniques. All models are approved before their use, and calibrated to ensure that obtained results reflect the actual data and comparable market prices. To the extent possible, the models use only observable data from an active market.

Impairment of other fixed assets

As at the end of each reporting period, the Group assesses whether there are any indications that fixed assets have been impaired. Where it is found that such indications exist, the Group estimates the recoverable amount. Estimating the useable value of a fixed asset entails, among other things, adopting assumptions as to estimated amounts and dates of future cash flows which the Group may achieve from a given fixed asset, or other factors. In estimating the fair value less the costs to sell, the Group relies on the available relevant market data or valuations prepared by independent appraisers, which in principle also rely on estimates.

Other estimates

Provision for retirement severance payments is actuarially calculated by an independent actuary as the present value of the Group's future obligations to its employees according to the level of employment and salaries and wages as at revaluation. The provision for retirement severance payments is revalued on an annual basis. The calculation of the provision is based on a number of assumptions about macroeconomic conditions as well as those about staff turnover, the risk of death and other.

The managements of the Group companies estimate the amounts of some short-term employee benefits (bonuses for senior executives) as at the end of the reporting period. The ultimate amount of these employee benefits is decided by the Supervisory Board.

The correspondence between the actual results and the estimates is reviewed on an ongoing basis in the reporting periods.

3. SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31ST 2009 PREPARED IN ACCORDANCE WITH THE IFRSs

3.1 Summary interim consolidated statement of comprehensive income

	Note	01.01.2009-31.03.2009 PLN '000 *(unaudited)*	01.01.2008-31.03.2008 PLN '000 *(unaudited)*
CONTINUING OPERATIONS			
Interest income	3.6	105 744	41 779
Interest expense	3.6	(99 740)	(27 574)
Net interest income		**6 004**	**14 205**
Fee and commission income	3.7	123 729	48 323
Fee and commission expense	3.7	(14 760)	(6 106)
Net fee and commission income		**108 969**	**42 217**
Result on financial instruments at fair value through profit or loss		(1 309)	(126)
Result on other financial instruments		(1 450)	-
Foreign exchange result		12 060	20 784
Other operating income		1 264	9 443
Other operating expenses		(1 823)	(881)
Other net operating income and expenses		**8 742**	**29 220**
Net impairment charges for loans, advances and lease receivables		(7 718)	(3 992)
General administrative costs	3.8	(65 180)	(35 048)
Operating profit		**50 817**	**46 602**
Loss on divestment of investments		-	-
Pre-tax profit		**50 817**	**46 602**
Income tax		(9 820)	(8 214)
Net profit		**40 997**	**38 388**
Other comprehensive income			
Available for sale financial assets		(17 393)	(28)
Cash flow hedges			
Income tax relating to other comprehensive income		3 305	5
Other net comprehensive income		**(14 088)**	**(23)**
COMPREHENSIVE INCOME FOR PERIOD		**26 909**	**38 365**
Profit attributable to:			
- Parent Company's equity holders		40 225	37 143
- minority interests		772	1 245
Comprehensive income attributable to:			
- Parent Company's equity holders		26 137	37 120
- minority interests		772	1 245
Earnings per share:			
- basic from profit for period, attributable to Parent Company's equity holders		0.19	0.17
- diluted from profit for period, attributable to Parent Company's equity holders		0.19	0.17

3.2 Summary interim consolidated statement of financial position

	Note	31.03.2009 PLN '000 *(unaudited)*	31.12.2008 PLN '000 *(audited)*
ASSETS			
Cash and balances with Central Bank		335 580	83 762
Amounts due from banks		1 209 920	965 217
Derivative financial instruments		98 018	60 843
Loans and advances to customers		4 698 038	3 825 081
Financial instruments:		484 693	477 241
Available for sale		434 631	477 241
Held to maturity		50 062	-
Intangible assets		109 566	103 738
Tangible fixed assets		25 928	24 692
Income tax assets		20 176	18 126
Current income tax liabilities		18 076	17 396
Deferred income tax assets	3.5	2 100	730
Other assets		67 194	44 164
Non-current assets classified as held for sale		1 909	52
TOTAL ASSETS		**7 051 022**	**5 602 916**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Liabilities			
Amounts due to banks and financial institutions		393 827	500 632
Derivative financial instruments		318 453	472 383
Amounts due to customers, including:		5 137 961	3 454 781
amounts due at fair value through profit or loss		211 371	221 054
Debt securities in issue		411 951	414 150
Corporate income tax liabilities		654	1 160
Other liabilities		88 968	33 255
Deferred income tax provision	3.5	35 586	33 953
Provisions	3.5	52	52
Total liabilities		**6 387 452**	**4 910 366**
Shareholders' equity (attributable to Parent Company's equity holders)		**661 036**	**683 618**
Share capital	3.20	215 178	215 178
Own shares repurchased—par value		(1 650)	(147)
Retained earnings		47 453	171 842
Other capital and reserves		400 055	296 745
Minority interests		**2 534**	**8 932**
Total shareholders' equity		**663 570**	**692 550**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**7 051 022**	**5 602 916**

3.3 Summary interim consolidated statement of changes in shareholders' equity

	Equity attributable to Parent Company's equity holders							
	Share capital	Own shares repurchased—par value	Other capital and reserves		Retained earnings	Total	Minority interests	Total shareholders' equity
			Reserve funds	Other capital and reserves				
Unaudited)	PLN '000	PLN '000	PLN '000	PLN '000	PLN '000	PLN '000	PLN '000	PLN '000
As at January 1st 2009	**215 178**	**(147)**	**294 734**	**2 011**	**171 842**	**683 618**	**8 932**	**692 550**
Comprehensive income for period	-	-	-	(14 088)	40 225	26 137	772	26 909
Transfer of previous period profit to reserve funds	-	-	119 774	-	(119 774)	-	-	-
Dividends paid	-	-	-	-	(44 840)	(44 840)	(7 170)	(52 010)
Purchase of own shares	-	(1 503)	(2 376)	-	-	(3 879)	-	(3 879)
As at March 31st 2009	**215 178**	**(1 650)**	**412 132**	**(12 077)**	**47 453**	**661 036**	**2 534**	**663 570**

	Equity attributable to Parent Company's equity holders							
	Share capital PLN '000	Own shares repurchased—par value PLN '000	Other capital and reserves		Retained earnings PLN '000	Total PLN '000	Minority interests PLN '000	Total shareholders' equity PLN '000
(Unaudited)			Reserve funds PLN '000	Other capital and reserves PLN '000				
As at January 1st 2008	**215 178**	**-**	**192 140**	**-**	**123 159**	**530 477**	**5 864**	**536 341**
Comprehensive income for period	-	-	-	(23)	37 143	37 120	1 245	38 365
As at March 31st 2008	**215 178**	**-**	**192 140**	**(23)**	**160 302**	**567 597**	**7 109**	**574 706**

3.4 Summary interim consolidated statement of cash flows

	01.01.2009-31.03.2009 PLN '000 *(unaudited)*	**01.01.2008-31.03.2008 PLN '000 *(unaudited)***
Cash flows from operating activities		
Net profit	40 997	38 388
Total adjustments:	274 570	308 869
Depreciation and amortisation	2 800	1 862
Interest and dividends	9 115	5 916
Change in amounts due from banks	(237 684)	(45 706)
Change in derivative financial instruments (asset)	(37 175)	11 691
Change in loans and advances to customers	(872 957)	(436 719)
Change in deferred income tax assets	(1 370)	(3 633)
Change in other assets and liabilities	(12 157)	(1 685)
Change in amounts due to other banks and institutions	(106 805)	9 335
Change in derivative financial instruments (liability)	(153 930)	9 519
Change in amounts due to customers	1 683 180	758 561
Change in debt securities in issue	(2 199)	(189)
Change in provisions and deferred income tax provisions	4 938	2 471
Income tax paid	(7 259)	(5 695)
Current tax charge	6 073	3 141
Net cash from operating activities	**315 567**	**347 257**
Cash flows from investing activities		
Inflows from investing activities	**3 509 553**	**1 977 793**
Sale of investment securities	3 509 271	1 977 768
Sale of intangible assets and tangible fixed assets	20	25
Sale of non-current assets classified as held for sale	262	-
Interest received		
Outflows from investing activities	**(3 549 737)**	**(2 279 378)**
Purchase of investment securities	(3 534 138)	(2 277 789)
Purchase of intangible assets and tangible fixed assets	(11 721)	(1 589)
Purchase of own shares	(3 878)	-
Net cash used in investing activities	**(40 184)**	**(301 585)**
Cash flows from financing activities		
Dividends paid to minority interests	(7 169)	-
Interest paid	(9 377)	(5 916)
Other financing outflows	-	(150)
Net cash from / (used in) financing activities	**(16 546)**	**(6 066)**
Net increase (decrease) in cash and cash equivalents	258 837	39 606
Cash and cash equivalents at beginning of period	93 762	40 061
Cash and cash equivalents at end of period	**352 599**	**79 667**

3.5. Deferred income tax assets, provisions and write-downs on assets in the three months ended March 31st 2009

As at March 31st 2009 the summary consolidated financial statements of the Noble Bank S.A. Capital Group include the following deferred income tax assets, provisions and write-downs on assets:

	31.03.2009 PLN '000 *(unaudited)*	31.12.2008 PLN '000 *(audited)*
1. Deferred income tax assets	**2 100**	**730**
2. Deferred income tax provision	**35 586**	**33 953**
3. Provisions, including:	**52**	**52**
Provision for retirement benefits	52	52

Write-downs on assets	31.03.2009 PLN '000 *(unaudited)*	31.12.2008 PLN '000 *(audited)*
Loans and advances to customers	92 907	85 297
Available for sale financial instruments	227	205
Other assets	8 116	8 228
Total write-downs on assets	101 250	93 730

3.6 Interest income and expense

Interest income	01.01.2009-31.03.2009 PLN '000 *(unaudited)*	01.01.2008-31.03.2008 PLN '000 *(unaudited)*
Income on loans and advances to customers	58 764	24 023
Result on financial liabilities at fair value through profit or loss (derivative instruments)	23 931	2 209
Income on deposits in other banks	13 828	9 629
Interest income on available for sale financial instruments at fair value	7 750	5 553
Interest on mandatory reserve	1 108	365
Income on held to maturity financial instruments	324	-
Other interest	39	-
Total	**105 744**	**41 779**

Interest expense	01.01.2009- 31.03.2009 PLN '000 *(unaudited)*	01.01.2008- 31.03.2008 PLN '000 *(unaudited)*
Expense on amounts due to customers	86 078	19 250
Expense on debt securities in issue	7 179	5 916
Expense on deposits of other banks and other institutions	5 219	1 318
Interest on obtained loans	1 180	902
Interest—finance lease	55	32
Other interest expense	29	156
Total	**99 74 0**	**27 574**

3.7 Fee and commission income and expense

Fee and commission income	01.01.2009- 31.03.2009 PLN '000 *(unaudited)*	01.01.2003- 31.03.2003 PLN '000 *(unaudited)*
Loans and advances	80 789	338
Intermediation	35 724	39 480
Sale of units in investment fund companies	4 511	7 130
Maintenance of bank accounts	937	-
Portfolio management and other fees for asset management	583	989
Credit cards	108	-
Other	1 077	386
Total	**123 729**	**43 323**

Fee and commission expense	01.01.2009- 31.03.2009 PLN '000 *(unaudited)*	01.01.2003- 31.03.2003 PLN '000 *(unaudited)*
Intermediation in selling loans and investment products	13 707	5 312
Intermediation in selling units in investment fund companies and asset management	651	684
Loans and advances	120	37
Credit cards	35	-
Other	247	73
Total	**14 760**	**6 106**

3.8 General administrative costs

General administrative costs	01.01.2009- 31.03.2009 PLN '000 *(unaudited)*	01.01.2008- 31.03.2008 PLN '000 *(unaudited)*
Employee benefits	35 200	18 488
Materials and energy used	2 145	1 088
Contracted services, including	23 237	11 835
- marketing, representation and advertisement	*10 334*	*5 187*
- lease and rent	*8 127*	*3 914*
- telecommunications and postal services	*1 305*	*1 050*
- consulting services	*1 174*	*193*
- IT services	*465*	*316*
- service, maintenance and repair costs	*450*	*91*
- legal services	*201*	*321*
- insurance	*121*	*99*
- security services	*23*	*15*
- other	*1 037*	*649*
Other non-personnel costs	243	1 029
Taxes and charges	726	423
Fees and contributions to Bank Guarantee Fund and the Financial Supervision Authority	735	193
Depreciation	2 800	1 862
Other	94	130
Total	**65 180**	**35 048**

3.9 Hedge accounting

The Group applies a dynamic hedging strategy under which it monthly establishes a hedged item as a part of the portfolio of PLN deposits at a fixed interest rate, valuated using the amortised cost method, recognised in the Group's books at the beginning of a given settlement month. The Group may also decide to designate interbank deposits as the hedged item. In such case the Group establishes a separate hedging relationship—one hedging relationship for interbank deposits with no option of early termination and the other hedging relationship for deposits taken from retail customers.

A part of or the entire cash flows from the IRS transactions made by the Bank is the hedging instrument. A portion of the IRS transactions being the hedging instrument is established monthly according to the balance as at the end of preceding month, in line with the methodology adopted by the Bank in this field. The table below presents the fair value of the IRS transactions designated as the hedging instruments as part of hedging the fair value of deposits in PLN at a fixed interest rate against the interest rate risk:

	As at 31.03.2009
Fair value of IRS derivatives being the hedging instruments in fair value hedges of deposits from retail customers against interest rate risk	40 330
Total fair value of hedging instruments:	40 330

In the reporting period, the Group recognised the following amounts due to changes in the fair vale of the hedging instrument and the hedged item:

(figures in PLN thousand)

	For period 1.01.2009 - 31.03.2009
Fair value valuation:	
gains from changes in fair value of hedging item	2 039
Total amounts disclosed in result on financial instruments at fair value due to application of hedge accounting	2 039

3.10 Description of business highlights of Noble Bank S.A. Capital Group

In the three months ended March 31st 2009 the Noble Bank S.A. Group was continuing to expand its distribution network. As at March 31st 2009, Noble Bank S.A. was offering financial products in eight branches, and Open Finance S.A. was providing financial services through a network of 41 branches and 29 Open Direct offices which offer full customer service from mobile advisers.

As in 2008, the Group's business in the three months ended March 31st 2009 was also focused on the execution of a strategy to sell its companies' financial products as well as those from third parties. The private banking business within Noble Bank S.A. specialises in the acquisition of wealthy clients and services for them, providing bespoke financial solutions in respect of lending and personal investment.

A portfolio of mortgage loans and financial loans collateralised by securities is growing strongly in Noble Bank S.A. under its Metrobank brand. In the three months ended March 31st 2009, the value of granted loans exceeded PLN 4,6bn and the average monthly sales stood at PLN 120m. In the three months ended March 31st 2009 Noble Bank collected PLN 2.7bn-worth of deposits.

Noble Bank's chief success in this period lay in the launch of a number of new banking products. This enabled the Group to realise profits at a level which was much higher than budgeted. Also, strong sales of deposit products made possible a further improvement in stability of the Bank's liquidity measures. Brisk sales of Noble Bank products by Open Finance S.A. in the reported period should also be emphasized. The sales involved not only credit products, but also deposits.

Noble Bank's Management Board came first ahead of other banks' in a 2008 ranking of management board competencies prepared in February 2009 by Pentor for *Puls Biznesu*. Boards were marked by capital markets experts: stock analysts, brokers and investment advisers, among others.

3.11 Group's financial performance for the three months ended March 31st 2009

In the three months ended March 31st 2009, net profit attributable to the parent company's equity holders in the Noble Bank S.A. Capital Group was PLN 40,225 thousand and increased by 8% and 46% compared to the three months ended March 31st 2009 and the three months ended December 31st 2008, respectively. It was mainly due to a considerable increase in fee and commission income driven by the launch of new credit products for the existing customers.

Individual results (excluding consolidation eliminations and in the case of Noble Funds TFI S.A. including a share attributable to minority interests) generated by the consolidated companies are presented below:

Net profit	01.01.2009- 31.03.2009 PLN '000 *(unaudited)*	01.01.2008- 31.03.2008 PLN '000 *(unaudited)*
Noble Bank S.A.	78 608	58 515
Open Finance S.A.	16 509	8 442
Noble Funds TFI S.A.	2 574	4 149
Fanorama Finansów S.A.	1 345	-
Noble Concierge Sp. z o.o.	108	-
Introfactor S.A.	59	-

In the three months ended March 31st 2009, profit on banking activities in the Noble Bank S.A. Capital Group was PLN 124,274 thousand and increased by 61% and 50%, compared to the three months ended March 31st 2008 and the three months ended December 31st 2008, respectively. In the three months ended March 31st 2009, interest income and fee and commission income grew jointly by 155% or PLN 139,371 thousand, reaching PLN 229,473 thousand, compared to the three months ended March 31st 2008. This growth was driven by the rapidly growing sales, mainly at Open Finance S.A. and Noble Bank S.A., and by the launch of new banking products.

Interest expense incurred in the three months ended March 31st 2009 rose considerably against the interest expense run in the 2008 corresponding period, as well as in the three months ended December 31st 2008. An immediate cause of that situation was an increased cost of collecting deposits on the market. As a result of such a steep increase in interest expense, net interest income has worsened, compared to both the three months ended March 31st 2008 and the three months ended December 31st 2008.

3.12 Description of factors and events, especially the untypical ones, which have a considerable influence on the Group's achieved financial results

There were no untypical factors or events which would have a considerable influence on the Group's financial results.

3.13 Seasonal or cyclical elements in the Group's operations in the three months ended March 31st 2009

There are no important elements in the Group's operations which are cyclical in nature or subject to seasonal fluctuations. Therefore, the Group's reported results do not reflect significant fluctuations throughout a year.

3.14 Information about the issue, redemption and repayment of debt and equity securities

In the three months ended March 31st 2009 the Group did not issue, redeem, or repay debt and equity securities, except for interest on certificates of deposit.

3.15 Information about dividends

On March 20th 2009, the Ordinary General Shareholders' Meeting of Noble Bank S.A. decided to distribute the net profit generated in 2008 (of PLN 164,614 thousand): the amount of PLN 45,187 thousand was allocated for dividend payment, and the amount of PLN 119,427 thousand will be allocated to reserve funds. The dividend value per ordinary share is PLN 0.21 before tax. The dividend record date was set on April 10th 2009, and the dividend payment date on April 30th 2009. Noble Bank S.A has no preference shares in issue.

On March 20th 2009, the Ordinary General Shareholders' Meeting of Open Finance S.A. decided to allocate the net profit for the financial year ended December 31st 2008, of PLN 25,004 thousand, and the reserve funds pooled from previous year profits, of PLN 9,996 thousand, for the dividend payment to its sole shareholder, Noble Bank S.A. The total value of dividend is PLN 35,000 thousand, which accounts for PLN 70 per ordinary share. Open Finance S.A. has no preference shares in issue.

On March 18th 2009, the Ordinary General Shareholders' Meeting of Noble Funds TFI S.A. decided to allocate the net profit for the financial year ended December 31st 2008, of PLN 14,227 thousand, and a portion of the net profit for the financial year ended December 31st 2007, of PLN 9,672 thousand, for the dividend payment to its shareholders. The total value of dividend is PLN 23,899 thousand, which accounts for PLN 238.89 per ordinary share. Noble Funds TFI S.A. has no preference shares in issue.

3.16. Identification of events after March 31st 2009 which are not covered in these statements and which might materially influence future financial results of Noble Bank S.A. Capital Group

After March 31st 2009 the Group continued to repurchase its own shares. Between April 1st 2009 and the approval date of these consolidated financial statements the Group repurchased 893,088 thousand own shares with the aggregate par value of PLN 893 thousand. The total purchase price of the shares was PLN 2,932 thousand.

There were no important events after the end of the reporting period which would have an effect on the financial statements for the three months ended March 31st 2009.

3.17. Change in contingent liabilities and contingent assets

Contingent liabilities and off-balance sheet items	**31.03.2009 PLN '000 *(unaudited)***	**31.12.2008 PLN '000 *(audited)***
1. Contingent liabilities granted	**166 249**	**228 203**
a) related to financing	164 813	227 511
a) guarantees given	1 436	692
2. Financial instruments	**6 307 928**	**4 412 732**
Total contingent liabilities and off-balance sheet items	**6 474 177**	**4 640 935**

3.18. Changes in the organisation of subsidiaries in the three months ended March 31st 2009

On February 6th 2009, Open Finance S.A. concluded an agreement with Getin Holding S.A. to purchase 500 ordinary registered shares of Panorama Finansów S.A., with a par value of PLN 1000 (one thousand zlotys) each, which represent 100% of that company's share capital and confer 100% of voting rights at its General Shareholders' Meeting.

(figures in PLN thousand)

3.19. Management Board's position on the possibility of achieving previously published forecasts for a year, in the light of results presented in the quarterly report compared with the forecast figures

The Noble Bank S.A. Capital Group did not publish forecasts.

3.20. Shareholders with at least 5% of total number of votes, directly or indirectly, at the General Shareholders' Meeting of the Issuer, as at March 31st 2009

Share capital structure 31.03.2009	Number of shares held	Number of votes held	% of votes at GSM
Getin Holding S.A.	158 458 666	158 458 666	73.64%
ASK Investments S.A.	14 819 840	14 819 840	6.89%
A. Nagelkerken Holding B.V.	5 350 000	5 350 000	2.49%
International consultancy strategy Implementation B.V.	5 450 000	5 450 000	2.53%
H.P. Holding 3 B.V.	5 750 000	5 750 000	2.67%
Minority shareholders	25 349 650	25 349 650	11.78%
Total	**215 178 156**	**215 178 156**	**100.00%**

3.21. Information about changes in share ownership among the supervisory and management staff (in the period since the previous interim report)

	Function	As at 31.12.2008	Shares acquired in reporting period	Shares sold in reporting period	As at 31.03.2009
Remigiusz Baliński	Member of the Supervisory Board	22 333	-	-	22 333
Maurycy Kuhn *	Member of the Management Board	10 304 447	-	-	10 304 447
Krzysztof Spyra **	Member of the Management Board	10 389 947	-	-	10 389 947
Jarosław Augustyniak ***	President of the Management Board	10 697 947	-	-	10 697 947

* through:	ASK Investments SA	4 939 947
	A. Nagelkerken Holding B.V.	5 350 000
	as a private individual	14 500
		10 304 447
** through:	ASK Investments SA	4 939 947
	International Consultancy Strategy Implementation	5 450 000
		10 389 947
*** through:	ASK Investments SA	4 939 947
	H.P. Holding 3 B.V.	5 750 000
	as a private individual	8 000
		10 697 947

3.22. Information about litigation proceedings

There is no single proceeding in respect of liabilities and receivables of the Issuer or its subsidiaries the value of which would represent at least 10% of the Issuer's equity.

There are no two or more proceedings which concern liabilities and receivables the total value of which accounts for at least 10% of the Issuer's equity.

In the group of liabilities the total litigation value is PLN 804 thousand.

In the group of receivables the total litigation value is PLN 5,051 thousand.

3.23. Information about related party transactions made by the Company or its subsidiary, at a value exceeding EUR 500,000, if such transactions are not standard ones conducted on an arm's length basis

No such transactions were made in the three months ended March 31st 2009.

3.24. Information about sureties given by the Issuer or its subsidiary on loans or borrowings or about guarantees given in the amount of at least 10% of the Issuer's equity

No such sureties or guarantees were given in the three months ended March 31st 2009.

3.25. Other information which in the Group's view is essential for the assessment of its situation as regards staff, assets, finances, financial result and their changes

Apart from events described in section 3.11 no other events occurred which are essential for the assessment of the Group's situation as regards its staff, assets or finances.

3.26. Identification of events which in the Group's view will have an impact on its achieved results in the perspective of at least next quarter

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

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

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

Except for the above, there were no other important events which have an impact on the Group's business and financial performance in the years to come.

3.27. Solvency ratio

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

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

As at March 31st 2009 and December 31st 2008, the 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 (Official Journal of 2002, No. 72, item 665, as amended),

- Resolution No. 1/2007 of the Commission for Banking Supervision of March 13th 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 statements of financial position 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 March 13th 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 items of the statement of financial position 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 March 13th 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 at March 31st 2009 and December 31st 2008, Noble Bank S.A. calculated the capital requirements and the solvency ratio based on the Resolution No. 1/2007 of the Commission for Banking Supervision.

	31.03.2009	**31.12.2008**
	PLN '000	**PLN '000**
	(unaudited)	***(audited)***
Shareholders' equity		
Share capital	215 178	215 178
Reserve funds	412 132	295 084
Other capital and reserves	(12 077)	1 272
Result for 1H 2008	-	78 125
Adjustment by intangible assets	(104 921)	(103 738)
Profit from previous years	7 228	20 214
Minority interests	(2 534)	(8 932)
Own shares	(1 650)	(497)
Total shareholders' equity	**513 356**	**496 706**
Risk weighted assets		
Risk exposure of 0%	1 158 709	664 351
Risk exposure of 20%	1 034 599	908 152
Risk exposure of 35%	213 234	218 315
Risk exposure of 50%	175 551	57 338
Risk exposure of 75%	3 221 727	2 864 422
Risk exposure of 100%	1 282 778	710 167
Risk exposure of 150%	7 126	109 898
Total risk weighted assets	**4 079 089**	**3 310 040**
Risk weighted off-balance sheet liabilities		
Risk exposure of 20%	42 653	32 918
Risk exposure of 35%	1 368	1 116
Risk exposure of 50%	130 194	50 050
Risk exposure of 75%	66 076	92 768
Risk exposure of 100%	13 359	16 166
Risk exposure of 150%	56	1 446
Total risk weighted off-balance sheet liabilities	**137 022**	**119 910**
Total risk weighted off-balance sheet assets and liabilities	**4216 111**	**3 429 950**
Capital requirements for:		
Credit risk	337 289	274 396
Operational risk	16 331	12 987
Solvency ratio	**11.6%**	**13.8%**

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

In the three months ended March 31st 2009 liquidity norms were not violated.

4 RELATED PARTY TRANSACTIONS

(1) DESCRIPTION OF RELATED PARTY TRANSACTIONS

Noble Bank is the Parent Company of the Noble Bank S.A. Capital Group, and Getin Holding S.A. is the direct holding company of Noble Bank S.A. The Group understands the related parties to include also ASK Investments S.A., a minority shareholder of the Bank. The group of related parties also includes: Getin Holding S.A., Carcade OOO, TU Europa S.A., TU na Życie Europa S.A., Getin Bank S.A., Getin Leasing S.A., Panorama Finansów 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, Leszek Czarnecki as the major shareholder of Getin Holding S.A., and the superior holding company as well as the Parent Company's Management Board members, the Parent Company's Supervisory Board members and persons connected to them.

All transactions between the related parties in the three months ended March 31st 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 services. No material transactions have occurred which would require disclosure in these statements. Settlements and transactions with related parties are not hedged.

The principal amounts of related party transactions are presented below.

	Statement of financial position *(unaudited)* 31.03.2009				Statement of comprehensive income *(unaudited)* 01.01.2009 – 31.03.2009						Off-balance sheet 31.03.2009
	Receivables from loans and advances	**Other receivables**	**Liabilities from deposits**	**Other liabilities**	**Interest income**	**Interest expense**	**Fee and commission income**	**Fee and commission expense**	**Other sales**	**Other purchases**	**Guarantee liabilities granted**
	PLN '000	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**
Related party transactions	**35 806**	**313 030**	**1 650 111**	**5 177**	**2 290**	**30 277**	**12 604**	**373**	**34**	**3 017**	**507**
Getin Holding S.A.	-	-	-	-	-	-	-	-	-	-	-
Carcade ooo	34 354	-	-	-	1 079	31	-	-	-	500	-
Getin Bank SA	-	302 663	-	-	1 198	1 897	40	-	-	138	-
TU Europa SA	-	7 004	128 456	21	-	2 487	7 110	64	-	-	-
TU Europa na Życie SA	-	3 288	1 513 552	102	-	25 614	5 406	-	-	1 126	-
Getin Leasing S.A.	-	39	-	4 969	-	141	48	-	-	-	-
Dom Maklerski Polonia Net S.A.	-	-	3 981	-	-	53	-	-	-	83	-
Home Broker S.A. (formerly JML S.A.)	-	36	-	85	-	-	-	305	17	1 170	507
Iguana Investments sp. z o.o.	-	-	-	-	-	-	-	4	5	-	-
Tax Care S.A.	-	-	-	-	-	-	-	-	4	-	-
Jarosław Augustyniak—President of the Management Board	40	-	2 983	-	-	24	-	-	6	-	-
Maurycy Kuhn—Member of the Management Board	1 374	-	865	-	13	20	-	-	2	-	-
Krzysztof Spyra—Member of the Management Board	38	-	274	-	-	10	-	-	-	-	-

	Statement of financial position *(audited)* 31.12.2008				Statement of comprehensive income *(unaudited)* 01.01.2008 – 31.03.2008						Off-balance sheet 31.12.2008
	Receivables from loans and advances	**Other receivables**	**Liabilities from deposits**	**Other liabilities**	**Interest income**	**Interest expense**	**Fee and commission income**	**Fee and commission expense**	**Other sales**	**Other purchases**	**Guarantee liabilities granted**
	PLN '000	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**
Related party transactions	**42 861**	**1 891**	**1 516 903**	**1 925**	**743**	**4 579**	**8 785**	**4**	**43**	**93**	**450**
Getin Holding S.A.	-	-	-	-	-	-	-	-	-	-	-
Carcade ooo	36 726	-	-	-	743	-	-	-	-	-	-
Getin Bank SA	-	42	125 186	-	-	-	441	4	-	42	-
TU Europa SA	-	365	121 934	462	-	1 587	901	-	-	51	-
TU Europa na Życie SA	-	1 360	1 259 958	1 397	-	2 842	7 443	-	-	-	-
Panorama Finansów S.A.	2 013	108	1	10	-	-	-	-	-	-	-
Dom Maklerski Polonia Net S.A.	-	-	2 514	-	-	-	-	-	-	-	-
Home Broker S.A. (formerly JML S.A.)	-	16	-	56	-	-	-	-	41	-	450
Iguana Investments sp. z o.o.	16	-	-	-	-	-	-	-	1	-	-
Tax Care S.A.	2	-	-	-	-	-	-	-	1	-	-
Jarosław Augustyniak—President of the Management Board	20	-	3 144	-	-	86	-	-	-	-	-
Maurycy Kuhn—Member of the Management Board	4 041	-	2 465	-	-	22	-	-	-	-	-
Krzysztof Spyra—Member of the Management Board	43	-	1 701	-	-	42	-	-	-	-	-

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

As at March 31st 2009

Carcade Sp. z o.o.

- amount of outstanding loans— USD 9,700 thousand
- amount of outstanding interest— USD 0 thousand

As at December 31st 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 Parent Company (PLN '000):

Short-term remuneration and benefits:

1.01.2009 - 31.03.2009	PLN 2,217 thousand
1.01.2008 - 31.03.2008	PLN 525 thousand

* Remuneration for the three months ended March 31st 2009 for individual members of the Parent Company's Management Board:

Jarosław Augustyniak	PLN 716 thousand
Maurycy Kuhn	PLN 716 thousand
Krzysztof Spyra	PLN 716 thousand
Bogusław Krysiński	PLN 69 thousand

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

Short-term remuneration and benefits:

1.01.2009 - 31.03.2009 PLN 0

thousand

PLN 0 thousand

5 INFORMATION ON BUSINESS SEGMENTS

Within the Group there are the following reporting operating segments:

- Metrobank
- Debt collection
- Financial intermediation
- Management of assets and funds

Metrobank

Business in this segment involves banking services and business activities in the following areas: accepting cash deposits payable on demand or at a due date and keeping accounts for such deposits, keeping other bank accounts, granting loans, granting and confirming bank guarantees and confirming letters of credit, issuing banking securities, conducting banking cash settlements, granting cash advances, concluding cheque, bill of exchange and warrant transactions, issuing payment cards and processing card operations, performing term financial transactions, purchase and sale of receivables, safekeeping of valuables and securities and provision of safe boxes, purchase and sale of foreign currencies, granting and confirming sureties, performing commissioned operations related to the issue of securities, providing agency services in money transfers and foreign exchange settlements.

The Group operates throughout Poland, and offers private banking services—current accounts for retail clients, savings accounts, deposits, consumer and mortgage loans, term deposits, in the Polish zloty and in foreign currencies.

Segment income includes the Bank's interest income and fee and commission income related to the sales of other products in the credit offering. Income also includes foreign exchange result. Segment assets include the loans portfolio excluding loans from the "old portfolio" and purchased receivables, cash and balances with central bank, amounts due from banks, derivative financial instruments (assets) and available for sale financial instruments and held to maturity financial instruments.

Debt collection

The Group's debt collection business involves the collection of loan receivables and purchased receivables.

Segment income includes the amount of recovered receivables. Segment assets include the "old portfolio" and purchased receivables.

Financial intermediation

The Group's business in this area involves providing financial intermediation services—loan, deposit, saving and investment intermediation services. Personal finance services include legal information, professional advice, and comparisons of banks' offerings. Broadly understood investment intermediary services include offerings in the area of savings schemes, deposits, currency schemes and investment funds, together with their analyses.

Segment income includes all income recognised by Open Finance S.A., Panorama Finansów S.A. and income from the Bank's fees and commissions from the financial intermediation business. Segment assets include the assets of Open Finance S.A. and Panorama Finansów S.A. and the Bank's receivables from the financial intermediation business.

Management of funds and assets

This business involves investing cash acquired through the offering of fund units to the public, advisory services in securities trading, asset management services, setting up and managing investment funds: treasury, equity and mixed.

Segment income includes income recognised by Noble Funds TFI S.A. Segment assets include assets disclosed by Noble Funds TFI S.A.

None of the Group's operating segments was merged with another to create the above reporting operating segments.

The Management Board separately reviews segments' operating results to make decisions about resources to be allocated to the segment and to assess results of the allocation and the segment's performance. The basis for the performance assessment is a pre-tax profit or loss, which, to a degree, as explained in the table below, is measured in a different manner than the pre-tax profit or loss in consolidated financial statements. The Group's financing (including financial expense and income) and the income tax are reviewed on the Group's level and are not allocated to segments.

Transaction prices used in transactions between operating segments are settled on a commercial arm's-length basis as in transactions with third parties.

(figures in PLN thousand)

01.01.2009 - 31.03.2009 (Unaudited)	Metrobank [1]	Debt collection [2]	Financial intermediation	Management of assets and funds	Adjustments	Total
Income	197 850	10 657	82 364	5 216	(53 290) [3]	242 797
Pre-tax profit	48 304	9 321	23 540	3 180	(33 528) [4]	50 817
Segment assets as at 31.03.2009	6 844 675	26 617	88 669	11 724	79 337 [5]	7 051 022

1 – Metrobank's income includes interest income of PLN 105,760 thousand, and pre-tax profit additionally includes interest expense of PLN 100,347 thousand.

2 – Operating income from debt collection activities represents cash inflows from pursued receivables in a given reporting period; these amounts may not be identical with the income recognised in the Bank's books on the basis of a valuation model (through the release of impairment charges).

3 – Income presented in the segments does not include mainly consolidation adjustments which mostly relate to transactions realised by the Noble Bank Group companies (PLN -44,413 thousand) and other operating income (PLN +1,084 thousand); adjustments also include the difference in the manner of recognising income in the debt collection segment and in the Bank's books (PLN -9,961 thousand).

4 – Pre-tax profit presented in the segments does not include mainly general administrative costs (PLN -21,800 thousand); consolidation adjustments (PLN -4,504 thousand) and other operating income (PLN +1,084 thousand); adjustments also include the difference in the manner of recognising income in the debt collection segment and in the Bank's books (PLN -8,308 thousand).

5 – Assets presented in the segments do not include intangible assets (PLN +109,566 thousand); tangible fixed assets (PLN +25,928 thousand), income tax assets (PLN +20,176 thousand) and other assets (PLN +29,675 thousand). Adjustments also include consolidation eliminations of intercompany balances among the Noble Bank Group companies (PLN -106,008 thousand).

(figures in PLN thousand)

01.01.2008 - 31.03.2008 *(Unaudited)*	Metrobank [6]	Debt collection [7]	Financial intermediation	Towarzystwo Funduszy Inwestycyjnych	Eliminations	Total
Income	62 443	7 040	50 848	8 461	(8 463) [8]	120 329
Pre-tax profit	28 429	5 532	16 474	5 127	(8 960) [9]	46 602
Segment assets as at 31.12.2008	5 404 738	36 476	58 612	32 626	70 464 [10]	5 602 916

6 – Metrobank's income includes interest income of PLN 41,658 thousand, and pre-tax profit additionally includes interest expense of PLN 28,295 thousand.

7 – Operating income from debt collection activities represents cash inflows from pursued receivables in a given reporting period; these amounts may not be identical with the income recognised in the Bank's books on the basis of a valuation model (through the release of impairment charges).

8 – Income presented in the segments does not include mainly consolidation adjustments which mostly relate to transactions realised by the Noble Bank Group companies (PLN -11,194 thousand) and other operating income (PLN +9,325 thousand); adjustments also include the difference in the manner of recognising income in the debt collection segment and in the Bank's books (PLN -6,594 thousand).

9 – Pre-tax profit presented in the segments does not include mainly general administrative costs (PLN -8,255 thousand); consolidation adjustments (PLN -5,456 thousand) and other operating income (PLN +9,325 thousand); adjustments also include the difference in the manner of recognising income in the debt collection segment and in the Bank's books (PLN -4,574 thousand).

10 – Assets presented in the segments do not include intangible assets (PLN 103,738 thousand); tangible fixed assets (PLN 24,692 thousand), income tax assets (PLN 18,126 thousand) and other assets (PLN 44,164 thousand). Adjustments also include consolidation eliminations of intercompany balances among the Noble Bank Group companies (PLN -120,256 thousand).

6 SUMMARY INTERIM INDIVIDUAL FINANCIAL STATEMENTS OF NOBLE BANK S.A FOR THE THREE MONTHS ENDED MARCH 31ST 2009 PREPARED IN ACCORDANCE WITH THE IFRSs

6.1. Summary interim statement of comprehensive income

	01.01.2009-31.03.2009 PLN '000 (unaudited)	01.01.2008-31.03.2008 PLN '000 (unaudited)
CONTINUING OPERATIONS		
Interest income	105 760	41 658
Interest expense	(100 347)	(28 295)
Net interest income	**5 413**	**13 363**
Fee and commission income	95 672	12 178
Fee and commission expense	(44 185)	(5 457)
Net fee and commission income	**51 487**	**6 721**
Dividend income	51 729	30 000
Result on financial instruments at fair value through profit or loss	(1 309)	(91)
Result on other financial instruments	(1 428)	-
Foreign exchange result	12 063	20 785
Other operating income	1 084	9 325
Other operating expenses	(1 308)	(614)
Other net operating income and expenses	**60 831**	**59 405**
Net impairment charges for loans, advances and lease receivables	(7 718)	(3 992)
General administrative costs	(24 952)	(10 972)
Operating profit	**85 061**	**64 525**
Pre-tax profit	**85 061**	**64 525**
Income tax	(6 453)	(6 010)
Net profit	**78 608**	**58 515**
Other comprehensive income		
Available for sale financial assets	(17 393)	(28)
Income tax relating to other comprehensive income	3 305	5
Other net comprehensive income	**(14 088)**	**(23)**
COMPREHENSIVE INCOME FOR PERIOD	**64 520**	**58 492**
Earnings per share:		
- basic from profit for period, attributable to Parent Company's equity holders	0.37	0.27
- diluted from profit for period, attributable to Parent Company's equity holders	0.37	0.27

6.2 Summary interim statement of financial position

	31.03.2009 PLN '000 *(unaudited)*	31.12.2008 PLN '000 *(audited)*
ASSETS		
Cash and balances with Central Bank	335 576	83 762
Amounts due from banks	1 198 063	945 661
Derivative financial instruments	98 018	60 843
Loans and advances to customers	4 756 722	3 874 509
Financial instruments:	482 913	476 439
Available for sale	432 851	476 439
Held to maturity	50 062	-
Investments in subordinated entities	90 506	90 506
Intangible assets	4 645	4 000
Tangible fixed assets	13 501	14 353
Income tax assets	18 076	17 396
Current income tax liabilities	18 076	17 396
Other assets	60 442	9 582
Non-current assets classified as held for sale	1 909	52
TOTAL ASSETS	**7 060 371**	**5 577 103**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Liabilities		
Amounts due to banks and financial institutions	393 517	500 575
Derivative financial instruments	318 453	472 383
Amounts due to customers, including:	5 166 724	3 483 511
Amounts due at fair value through profit or loss	211 371	221 054
Debt securities in issue	411 951	414 150
Other liabilities	72 032	27 741
Deferred income tax provision	33 134	29 984
Provisions	52	52
Total liabilities	**6 395 863**	**4 928 396**
Shareholders' equity	**664 508**	**648 707**
Share capital	215 178	215 178
Own shares repurchased—par value	(1 650)	(147)
Retained earnings	79 563	165 569
Other capital and reserves	371 417	268 107
Total shareholders' equity	**664 508**	**648 707**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**7 060 371**	**5 577 103**

6.3 Summary interim statement of changes in shareholders' equity

	Share capital	Own shares repurchased—value	Other capital and reserves		Retained earnings	Total shareholders' equity
			Reserve funds	Other capital and reserves		
(Unaudited)	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**	**PLN '000**
As at January 1st 2009	**215 178**	**(147)**	**266 095**	**2 012**	**165 569**	**648 707**
Comprehensive income for period	-	-	-	(14 088)	78 608	64 520
Transfer of previous period profit to reserve funds	-	-	119 774	-	(119 774)	-
Dividends paid	-	-	-	-	(44 840)	(44 840)
Purchase of own shares	-	(1 503)	(2 376)	-	-	(3 879)
As at March 31st 2009	**215 178**	**(1 650)**	**383 493**	**(12 076)**	**79 563**	**664 508**

(Unaudited)	Share capital PLN '000	Own shares repurchased—value PLN '000	Other capital and reserves		Retained earnings PLN '000	Total shareholders' equity PLN '000
			Reserve funds PLN '000	Other capital and reserves PLN '000		
As at January 1st 2008	**215 178**	**-**	**173 072**	**-**	**94 329**	**482 579**
Comprehensive income for period	-	-	-	(23)	58 515	58 492
As at March 31st 2008	**215 178**	**-**	**173 072**	**(23)**	**152 844**	**541 071**

6.4 Summary interim statement of cash flows

	01.01.2009-31.03.2009 PLN '000 *(unaudited)*	**01.01.2008-31.03.2008 PLN '000 *(unaudited)***
Cash flows from operating activities		
Net profit	78 608	58 515
Total adjustments:	197 257	284 351
Depreciation and amortisation	1 358	648
Profit (loss) from investing activities	-	5
Interest and dividends	(42 614)	(24 084)
Change in amounts due from banks	(251 491)	(43 272)
Change in loans and advances to customers	(882 213)	(439 042)
Change in deferred income tax assets	-	(3 153)
Change in other assets	(15 860)	(3 403)
Change in derivative financial instruments (asset)	(37 175)	11 691
Change in derivative financial instruments (liability)	(153 930)	9 519
Change in amounts due to customers	1 683 213	768 510
Change in amounts due to banks and financial institutions	(107 058)	8 885
Change in provisions and deferred income tax provisions	6 454	1 779
Change in debt securities in issue	(2 199)	(189)
Change in other liabilities	(548)	(405)
Income tax paid	(680)	(4 287)
Current tax charge	-	1 149
Net cash from operating activities	**275 865**	**342 866**
Cash flows from investing activities		
Inflows from investing activities	**3 509 533**	**1 977 773**
Sale of investment securities	3 509 271	1 977 768
Sale of intangible assets and tangible fixed assets	-	5
Interest received	262	-
Outflows from investing activities	**(3 540 026)**	**(2 278 434)**
Purchase of shares in subsidiaries		
Purchase of investment securities	(3 533 138)	(2 277 789)
Purchase of intangible assets and tangible fixed assets	(3 009)	(645)
Purchase of own shares	(3 879)	-
Net cash used in investing activities	**(30 493)**	**(300 661)**
Cash flows from financing activities		
Dividends received	16 729	-
Interest paid	(9 377)	(5 916)
Other financing inflows	-	9 802
Net cash from / (used in) financing activities	**7 352**	**3 886**
Net increase (decrease) in cash and cash equivalents	252 724	46 091
Cash and cash equivalents at beginning of period	91 376	27 909
Cash and cash equivalents at end of period	**344 100**	**74 000**

Signatures of all Management Board members of Noble Bank S.A.:

Jarosław Augustyniak, President of Noble Bank S.A. Management Board

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

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

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

Warsaw, April 28th 2009