

Interim Extended Financial Statement of Capital Group of Bank Millennium S.A. issued under the International Financial Reporting Standards for the second quarter 2007

MAIN FINANCIAL DATA

	Amount '000 PLN		Amount '000 EUR	
	2 nd quarter y-t-d/ period from 1.01.2007 - 30.06.2007	2 nd quarter y-t-d/ period from 1.01.2006 - 30.06.2006*	2 nd quarter y-t-d/ period from 1.01.2007 - 30.06.2007	2 nd quarter y-t-d/ period from 1.01.2006 - 30.06.2006*
I. Interest income	719 349	610 705	186 911	156 582
II. Fee and commission income	293 494	188 734	76 260	48 390
III. Operating income	797 461	586 789	207 207	150 450
IV. Operating profit	268 267	172 530	69 705	44 236
V. Gross profit (loss)	268 267	172 530	69 705	44 236
VI. Net profit (loss)	212 146	139 677	55 123	35 812
VII. Net cash flows from operating activities	-968 935	-2 160 904	-251 762	-554 045
VIII. Net cash flows from investing activities	889 059	514 922	231 007	132 023
IX. Net cash flows from financing activities	0	0	0	0
X. Net cash flows, total	-79 876	-1 645 982	-20 574	-422 021
XI. Total Assets	27 380 661	24 692 125	7 270 875	6 445 011
XII. Deposits from banks	3 357 945	3 600 205	891 695	939 707
XIII. Deposits from customers	17 217 418	16 069 301	4 572 048	4 194 326
XIV. Equity	2 275 593	2 215 321	604 279	578 232
XV. Share capital	849 182	849 182	225 498	221 649
XVI. Number of shares	849 181 744	849 181 744	849 181 744	849 181 744
XVII. Book value per share (in PLN / EUR)	2.68	2.61	0.71	0.68
XVIII. Diluted book value per share (in PLN / EUR)	2.68	2.61	0.71	0.68
XIX. Capital adequacy ratio	12.15%	13.63%	12.15%	13.63%
XX. Earnings (losses) per ordinary share (in PLN / EUR)	0.25	0.16	0.06	0.04
XXI. Diluted earnings (losses) per ordinary share (in PLN / EUR)	0.25	0.16	0.06	0.04
XXII. Pledged or paid dividend per share (in PLN/EUR)	0.17	0.54	0.05	0.13

* - Comparable balance sheet data (items XI-XIX and XXII) are presented, as required by IFRS, at 31.12.2006. Other comparable data are presented for the period from 1.01.2006 till 30.06.2006.

TABLE OF CONTENTS

I.	INTRODUCTION AND ACCOUNTING PRINCIPLES.....	3
II.	INFORMATON ABOUT THE ACTIVITY OF BANK MILLENNIUM GROUP IN THE FIRST HALF 2007.....	3
III.	CONSOLIDATED FINANCIAL DATA (GROUP).....	10
IV.	FINANCIAL DATA (BANK)	17
V.	FINANCIAL INFORMATION BROKEN DOWN INTO ACTIVITY SEGMENTS	23
VI.	DIVIDEND FOR 2006.....	27
VII.	EARNINGS PER SHARE	27
VIII.	STRUCTURE OF THE CAPITAL GROUP OF THE BANK.....	27
IX.	MATERIAL EVENTS THAT OCURRED BETWEEN THE DATE OF THE REPORT AND ITS PUBLICATION DATE AND MIGHT BE OF SIGNIFICANT IMPACT ONTO THE FUTURE FINANCIAL RESULTS OF THE GROUP	27
X.	SHAREHOLDERS WITH AT LEAST 5% OF TOTAL NUMBER OF VOTES AT THE GSM OF THE DOMINANT ENTITY OF THE GROUP - BANK MILLENNIUM S.A.....	27
XI.	TABLE OF SHARES OF BANK MILLENNIUM S.A. HELD BY MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS	28
XII.	PENDING COURT CASES.....	29
XIII.	INFORMATION ON LOAN SURETIES OR GUARANTEES GRANTED BY THE BANK	29
XIV.	INFORMATION ON INCOME TAX	29
XV.	INFORMATION ON ISSUE/REPURCHASE/REPAYMENT OF DEBT SECURITIES AND EQUITIES	30
XVI.	DESCRIPTION OF TRANSACTIONS WITH RELATED ENTITIES	31

I. INTRODUCTION AND ACCOUNTING PRINCIPLES

The below extended financial report, containing data of the Capital Group of Bank Millennium S.A. (the Group) and of Bank Millennium S.A. (the Bank) for the second quarter 2007, composed of the balance sheet, income statement, reports on changes to equities and cash flows, and additional explanatory notes, has been issued based on the International Financial Reporting Standards/ International Accounting Standards (the IFRS). The Group has implemented the IFRS as the financial reporting basis, pursuant to the Regulation of the European Parliament and Council no. 1606/2002/WE, and the guidelines of the amended Accounting Act, as of January 1, 2005, whilst the solo report of the Bank has been based on IFRS, as of January 1, 2006. The financial report complies with the IFRS adopted by European Community, described in detail in the Annual 2006 Consolidated Report of the Group, (published on February 28, 2007) and shall be considered an interim report under IAS 34.

II. INFORMATION ABOUT THE ACTIVITY OF BANK MILLENNIUM GROUP IN THE FIRST HALF 2007

In the first half of 2007, the consolidated net profit of Bank Millennium Capital Group totaled PLN 212.1 million, showing a growth of 51.9% versus the corresponding period of 2006 (PLN 139.7 million). In the second quarter of 2007 only, net profit reached PLN 127.9 million i.e. 51.8% higher than in the first quarter.

The main financial indicators achieved after the second quarter of 2007 are the following:

- **ROE (annualized):** 19.2%
- **Net interest income:** +13.6% y/y (on a pro-forma basis)
- **Net commissions income:** +54.8% y/y
- **Total operating income:** +35.9% y/y
- **Total costs:** +21.0 % (or +8.5 % if excluding branch expansion project)
- **Cost to income ratio:** 60%
- **Solvency ratio:** 12.2%

On the business development side, the second quarter of 2007 brought record quarterly sales in all main strategic products, i.e.: mortgages, credit cards, cash loans, mutual funds and leasing. The main business highlights after 2nd quarter 2007 are the following:

- **Active clients in Retail:** 842 thousand, 63 thousand new customers just in 2nd quarter 2007
- **Total customers funds** grew 36.5% y/y, of which:
 - mutual funds:** +175% y/y, market share of 4.5%, PLN 6.2 billion under management
- **Total loans** jumped 56.8% y/y, of which:
 - mortgage loans:** + 96% y/y, market share of 10.9% in portfolio and 14.7% in production
 - credit cards loans:** + 93% y/y, 46 thousand new cards in 2nd quarter 2007

cash loans: + 101% y/y, PLN 403 million disbursed year-to-date

leasing production: + 74% y/y, market share in movables of 6.7%

As on 30 June 2007, within the scope of the branch expansion project, Bank Millennium has concluded 93 new branches (of which 40 transformed), bringing the total number of branches to 380. As it was announced on June 1st, the economics of the current expansion is above expectations, both in terms of the capacity of attracting new customers as well as their average profitability. Efficient implementation of the current branch expansion and still high growth potential of the Polish economy led to the announcement of the extension of the expansion: 100 more branches until end of 2009.

a) Financial results after 2nd quarter 2007

Operating Income (PLN million)	1H 2007	1H 2006	Change
Net Interest Income *	369.3	325.1	13.6%
Net Commissions Income	254.5	164.4	54.8%
Other Non-Interest Income *	173.7	97.3	78.5%
Operating Income	797.5	586.8	35.9%

(*) Pro-forma data: Net Interest Income includes margin from all derivatives. From 1st January 2006 the Bank started to treat under hedge accounting principles the combination of mortgage floating rate foreign currency loans, floating rate PLN deposits and related cross currency interest rate swaps. The margin from these operations is reflected in Net Interest Income since aforementioned change. However, as this hedge accounting does not cover all the portfolio denominated in foreign currency, the Bank provides pro-forma data. For the purpose of the report the pro-forma statement presents all margin from derivatives included in Net Interest Income, whereas in accounting terms part of this margin (PLN 21.4 m in 1H 2007 and PLN 9 m in 1H 2006) is presented in Other Non-Interest Income. In the Bank's opinion such approach allows better understanding of the real evolution of this item from economic point of view.

Net interest income (on a pro-forma basis) of the Group in 1st half 2007 amounted to PLN 369.3 million and was 13.6% higher than for comparable period of the last year, continuing a stable upward trend quarter after quarter. Net interest margin stabilised at 2.9%, i.e. the same level as for the last two quarters.

Net commissions income jumped by 54.8% y/y, mainly as a result of the strong growth of mutual funds, bancassurance products, credit cards, as well as income from brokerage services. Net commission income represented 32% of total operating income in 1st half 2007.

Other non-interest income increased by 78.5% versus last year due to bigger FX results as well as better trading income compared to 1st half 2006. Foreign exchange results grew from PLN 82.1 million to 118.6 million (+44.5%) mainly driven by customers transactions.

The increase of the three above mentioned income groups translated into strong **net operating income** growth of 35.9% compared with the 1st half 2006 (to the amount of PLN 797.5 million).

Operating Costs (PLN million)	1H 2007	1H 2006	Change
Personnel Costs	249.7	183.9	35.7%
Other Administrative Costs	197.0	181.1	8.8%
Depreciation & impairment of fixed assets	31.8	30.4	4.5%
Total Operating Costs	478.4	395.5	21.0%
<i>Of which expansion and new image</i>	62.5	12.1	-
Operating costs without expansion	415.9	383.4	+8.5%

Total Costs in the 1st half 2007 grew 21% y/y mainly as a result of branch expansion project. If not considering the costs connected with expansion (PLN 62.5 million), total costs would grow 8.5%, of which administration costs would stay flat.

Branch expansion accounted for 13% of the cost base (year-to-date) and was the main driver of staff increase of 979 employees during the last 12 months. The Group employed 5623 persons at the end of June 2007.

Despite the additional costs of the network expansion, Bank Millennium Group significantly improved the **cost to income ratio** to 60% (compared with 67.4% a year ago).

In the 1st half of 2007, the Group created **net impairment provisions** of PLN 50.8 million. This value is strongly influenced by creation of "generic" (IBNR) provisions of PLN 32.5 million associated with the strong growth of the loan portfolio.

Pre-tax profit of the Group in 1st half 2007 stood at PLN 268.3 million (+55.5% y/y), with **net profit** at PLN 212.1 million (+51.9% y/y).

b) Business results after 2nd quarter 2007

As at 30 June 2007, **Total Assets** of the Group stood at PLN 27 381 million, growing 17 % versus last year.

Key Business Volumes (PLN million)	30.06.2007	30.06.2006	Change
Total Assets	27 381	23 408	17.0%
Total Customer Funds	23 428	17 159	36.5%
- where Deposits and Retail Bonds	17 217	14 900	15.6%
- where Mutual Funds	6 211	2 259	175.0%
Total Loans to Customers	18 770	11 967	56.8%
- where Mortgage loans	10 571	5 401	95.7%
- where Leasing	2 250	1 749	28.7%

Net Loans to Customers kept an excellent growth rate, of 56.8% y/y, and reached PLN 18,770 million.

Retail loans continued to be the main driver of the increase (+ 93% y/y) and already represent 65% of the total net loan portfolio. The second quarter of 2007 marked another record in quarterly sales in all three main products of the consumer lending business:

- **Mortgage loans:** in the 2nd quarter 2007 the Bank set a new record of PLN 2,042 million in new mortgage loans disbursements; total portfolio grew 96% y/y to the level of PLN 10,571 million. During the period January - May 2007, Bank's market share in new mortgages sold was 14.7% and in total stock 10.9%. The share of new PLN denominated loans is gradually increasing, from 10% year ago to 34% in the 1st half of 2007.
- **Credit cards:** total number sold by the Bank in 1st half 2007 reached 46 thousands (the highest quarterly sale so far), which enabled achieving of almost 350 thousand cards (79% growth versus last year). Average usage of Millennium cards is higher than the market average: market share of the Bank in total credit cards payments is estimated above 7%. The Bank is launching a new card – Visa Platinum (on August 1st) and added new functionalities to current cards like bills payments and conversion option into installment loan.
- **Cash loans:** record sale of PLN 207 million in 2nd quarter 2007 (20% growth versus last year) was achieved mainly through retail branch network. Total portfolio reached PLN 858 million (up 101% y/y).

Corporate loans grew 16.6% y/y, mainly due to strong growth in leasing. The value of **leasing** contracts in 2nd quarter 2007 was exceptionally high and reached PLN 532 million, which means 89% growth compared to 2nd quarter 2006. Although the total market grew also strongly, Bank Millennium managed to increase market share in new sale of movables from 6.2% quarter ago to an estimated 6.7%. Growth of sales in leasing was made mainly to SME/microbusinesses (72% of total sale in 1st half 2007).

Total **Customers' Funds**, including mutual funds, totaled PLN 23,428 million as at 30 June 2007, which means an increase of 36.5% y/y (or 40,3% if third party savings products are included). As in previous periods, the strongest growth came from mutual funds – increase by 175% to the amount of PLN 6,211 million. This means the increase of the market share from 2.9% to 4.5% during the year, of which 0.8 p.p. just in 2nd quarter. Additionally Bank is selling, mostly to affluent Customers segment, saving products of third parties (insurances, mutual funds and structured bonds). They increased four times from PLN 253 million as at 30 June 2006 to PLN 1,002 million as at 30 June 2007.

Total **number of active retail clients** grew by 63 thousand during 2nd quarter 2007, to 842 thousand. Bank also managed to acquire 388 new corporate customers increasing the total number of new corporate customers acquired in 2007 to 733. The number of individual Customers registered in the Bank's **internet service** reached 539 thousand, growing strongly by 56 % y/y. Additionally, there were

31 thousand internet users among companies. Cross-sell ratio stabilized at 3.07 due to the very strong growth in new customers.

c) Loans quality and solvency

Loan quality and solvency indicators	30.06.2007	30.06.2006
Total impaired loans (PLN million)	901	1 039
Impaired Loans over Total Loans	4.6%	8.2%
Total Provisions over Impaired Loans	75%	67%
Equity (as on balance sheet)	2 276	2 039
Capital Adequacy Ratio	12.2%	17.0%

Group's **assets quality** improved again versus previous periods. Value of impaired to total loans ratio dropped to 4.6%. This improvement was due to the drop in total impaired loans by PLN 138 million since June 2006 and due to an increase of the loan portfolio. Impaired loans coverage by provisions (including IBNR) reached 75% .

The **solvency ratio** of the Group dropped to 12.2% against 17.0% as at 30 June 2006 in line with the strong lending expansion. Despite dividend payment on 23 May (PLN 144.4 million, i.e. PLN 0.17 per share), total equity increased by 11.6% y/y.

d) New 2009 targets and branch expansion status

Solid track record of improving profitability and growing market share, which Bank Millennium showed during last few quarters, together with favorable prospects for the Polish economy, led to the announcement of the new medium-term targets for the Bank (on June 1st during Millennium bcp Investor Day). Apart from several new market share or business volumes targets, Bank Millennium has committed to achieve **ROE of 20% and C/I of 55%** by the end of 2009.

Excellent results after 2nd quarter 2007 show that the targets are achievable, even taking into consideration the continuation of very intensive branch expansion program. As on 30 June 2007, Bank Millennium is in the middle of the current expansion program with 93 branches opened (of which 40 transformed), reaching the total number of 380 branches. After finishing the current program in June 2008 (163 new branches plus 20 new credit centers), Bank Millennium will have 460 branches. Smooth implementation of current program, better than expected results and still high growth potential

for Poland led to the announcement of the extension of the expansion plan: 100 new branches on top of the existing plan.

As of 30 June 2007 total cumulated investments connected with the current branch expansion were at PLN 91,6 million. Additionally PLN 62,5 million more operating costs were incurred during 1st half 2007. So far evolution of total expenditures for branch expansion shows that the current program can be concluded with 10-15% savings (i.e. with PLN 160-170 million investment). The investments needed for the extended "100 branches" plan (for the period July 2008-December 2009) are estimated at PLN 80 million.

e) New ratings and main awards in 2nd quarter 2007

On May 21, Fitch Agency assigned the following new ratings for Bank Millennium:

- Issuer Default (IDR): 'A' (Stable Outlook);
- Short-term: 'F1';
- Individual: 'C/D'
- Support: '1'.

According to Fitch, individual rating reflects Bank Millennium's increasing core profitability, focused strategy, improved quality of loan portfolio and adequate impaired loans coverage.

During 2Q 07 also Moody's Agency has changed its ratings for Bank Millennium to (A3; P-2; D – positive outlook) due to new methodology implementation

Bank Millennium was ranked 3rd in "**Best Banks in 2007**" ranking list by *Gazeta Bankowa* weekly in the group of "universal banks" (large scale banks), being praised for its development and efficiency

The Bank has been also distinguished as a **Brand of High Reputation** and as one of most desirable, fashionable and exceptional brands in the financial sector in independent surveys - Premiumbrands 2007, Coolbrands 2007

Finally, Bank Millennium has been recognized by students as a **good employer** - In the 3rd edition of the "KOMPAS National Ranking of Employers" made by students of Poland's best economic universities. The Bank was among the leaders in the "Finance" sector in all categories.

Bank Millennium is also very proud that its Macroeconomic Research Bureau took a third place in the **ranking of forecasters** prepared by the Polish daily *Parkiet*. Millennium turned out to be the third best in the whole 2Q of this year among 20 surveyed banks.

f) Share price indicators

	30.06.2007	30.06.2006
Shares outstanding – period end	849 181 744	849 181 744
Closing price – period end (PLN)	12.97	6.00
Book value per share (PLN)	2.68	2.61
Earnings per share (PLN) – for 1 st half of the year	0.25	0.16
Return on equity (ROE)	19.2%	12.5%

Shares of Bank Millennium in the Warsaw Stock Exchange grew 116% between 30th June 2006 and 30th June 2007, outperforming the main indexes (WIG Index: +63% and WIG Banks: +61%). Market capitalization reached PLN 11,014 million.

III. CONSOLIDATED FINANCIAL DATA (GROUP)

ASSETS

<i>Amount '000 PLN</i>	30.06.2007	31.12.2006
I. Cash, balances with the Central Bank	773 831	965 834
II. Loans and advances to banks	1 052 112	1 123 131
III. Financial assets valued at fair value through profit and loss	3 689 878	3 742 760
IV. Hedging derivatives	158 876	108 027
V. Loans and advances to customers	18 769 630	14 937 743
VI. Investments securities	1 986 009	2 931 656
- available for sale	1 986 009	2 931 656
- held to maturity	0	0
VII. Investments in associates	7 016	7 016
VIII. Receivables from securities bought with sell-back clause	144 691	15 509
IX. Property, plant and equipment	302 905	297 040
X. Intangible assets	17 596	21 578
XI. Non-current assets held for sale	14 126	25 907
XII. Deferred income tax assets	124 813	127 370
XIII. Other assets	339 178	388 554
Total Assets	27 380 661	24 692 125

LIABILITIES

<i>Amount '000 PLN</i>	30.06.2007	31.12.2006
I. Deposits from banks	3 357 945	3 600 205
II. Financial liabilities valued at fair value through profit and loss	355 906	298 709
III. Hedging derivatives	8 622	14 506
IV. Deposits from customers	17 217 418	16 069 301
V. Liabilities from securities sold with buy-back clause	3 258 393	1 428 134
VI. Debt securities	85 466	5 705
VII. Provisions	12 990	10 400
VIII. Deferred income tax liabilities	0	0
IX. Current tax liabilities	5 438	1 436
X. Other liabilities	500 146	741 099
XI. Subordinated debt	302 744	307 309
Total Liabilities	25 105 068	22 476 804

EQUITY

I. Share capital	849 182	849 182
II. Share premium	471 709	471 709
III. Revaluation reserve	2 368	9 881
IV. Retained earnings	952 334	884 549
Total equity attributable to equity holders of the parent company	2 275 593	2 215 321
Minority interests	0	0
Total Equity	2 275 593	2 215 321
Total Liabilities and Equity	27 380 661	24 692 125
Capital adequacy ratio	12.15%	13.63%
Book value	2 275 593	2 215 321
Number of shares	849 181 744	849 181 744
Book value per share (in PLN)	2.68	2.61

OFF-BALANCE SHEET ITEMS

<i>Amount '000 PLN</i>	30.06.2007	31.12.2006
Contingent liabilities granted and received	9 933 628	6 442 924
1. Liabilities granted:	7 094 408	5 960 867
a) financial	5 552 131	4 582 952
b) guarantees	1 542 277	1 377 915
2. Liabilities received:	2 839 220	482 057
a) financial	2 211 303	50 000
b) guarantees	627 917	432 057

CONSOLIDATED INCOME STATEMENT

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.04.2007 - 30.06.2007	1.01.2006 - 30.06.2006	1.04.2006 - 30.06.2006
I. Interest income	719 349	369 803	610 705	301 089
II. Interest expense	-371 433	-190 621	-294 632	-144 005
III. Net interest income	347 916	179 182	316 073	157 084
IV. Fee and commission income	293 494	161 589	188 734	100 163
V. Fee and commission expense	-38 995	-21 067	-24 350	-13 159
VI. Net fee and commission income	254 499	140 522	164 384	87 004
VII. Dividend income	1 013	1 013	2 573	2 573
VIII. Result on investment activity	4 301	-457	3 125	-5 753
IX. Result on financial instruments valued at fair value through profit and loss	59 976	33 341	8 931	-2 538
X. Result from other financial instruments	-5 222	-3 407	-4 734	-3 373
XI. Foreign exchange profit	118 642	67 241	82 102	51 963
XII. Other operating income	34 370	14 990	47 945	24 962
XIII. Other operating expenses	-18 034	-5 465	-33 610	-12 995
XIV. Operating income	797 461	426 960	586 789	298 927
XV. General and administrative expenses	-446 624	-232 279	-365 036	-187 256
XVI. Impairment losses on financial assets	-50 770	-16 368	-18 785	-12 115
XVII. Impairment losses on non financial assets	505	-19	-62	46
XVIII. Depreciation and amortization	-32 305	-15 726	-30 376	-13 986
XIX. Operating expenses	-529 194	-264 392	-414 259	-213 311
XX. Operating profit	268 267	162 568	172 530	85 616
XXI. Share of profit of associates	0	0	0	0
XXII. Gross profit (loss)	268 267	162 568	172 530	85 616
XXIII. Corporate income tax	-56 121	-34 665	-32 853	-15 683
XXIV. Net profit (loss)	212 146	127 903	139 677	69 933
Attributable to:				
Equity holders of the parent	212 146	127 903	139 677	69 933
Minority interests	0	0	0	0
Weighted average number of ordinary shares	849 181 744	849 181 744	849 181 744	849 181 744
Earnings (losses) per ordinary share (in PLN)	0.25	0.15	0.16	0.08

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Total consolidated equity	Share capital	Share premium	Revaluation reserve on available for sale financial assets	Revaluation reserve on derivatives designated for future cash flows hedge	Retained earnings
Equity at the beginning of the period (opening balance) 01.01.2007	2 215 321	849 182	471 709	9 282	599	884 549
- purchase/sale and valuation of available for sale financial assets	-5 915	0	0	-5 915	0	0
- effect of valuation of derivatives designated for future cash flows hedge	-1 598	0	0	0	-1 598	0
- dividend	-144 361	0	0	0	0	-144 361
- net income (loss) of the period	212 146	0	0	0	0	212 146
Equity at the end of the period (closing balance) 30.06.2007	2 275 593	849 182	471 709	3 367	-999	952 334

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Total consolidated equity	Share capital	Share premium	Revaluation reserve on available for sale financial assets	Revaluation reserve on derivatives designated for future cash flows hedge	Retained earnings
Equity at the beginning of the period (opening balance) 01.01.2006	2 390 823	849 182	471 709	27 612	0	1 042 320
- purchase/sale and valuation of available for sale financial assets	-33 599	0	0	-33 599	0	0
- effect of valuation of derivatives designated for future cash flows hedge	718	0	0	0	718	0
- dividend	-458 558	0	0	0	0	-458 558
- net income (loss) of the period	139 677	0	0	0	0	139 677
Equity at the end of the period (closing balance) 30.06.2006	2 039 062	849 182	471 709	-5 987	718	723 439

A. CASH FLOWS FROM OPERATING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.01.2006 - 30.06.2006
I. Net profit (loss)	212 146	139 677
II. Adjustments for:	-1 181 081	-2 300 581
1. Minority profit (loss)	0	0
2. Interests in net income (loss) of associated companies	0	0
3. Depreciation and amortization	32 305	30 376
4. Foreign exchange (gains)/ losses	-5 232	14 688
5. Dividends	1 013	-2 573
6. Changes in provisions	2 590	2 190
7. Result on sale and liquidation of investing activity assets	-12 228	-16 569
8. Change in financial assets valued at fair value through profit and loss	-33 308	-712 560
9. Change in loans and advances to banks	259 758	-57 723
10. Change in loans and advances to customers	-3 835 790	-2 385 503
11. Change in receivables from securities bought with sell-back clause	-129 182	146 332
12. Change in financial liabilities valued at fair value through profit and loss	51 313	-33 766
13. Change in deposits from banks	-242 260	1 058 708
14. Change in deposits from customers	1 148 117	896 546
15. Change in liabilities from securities sold with buy-back clause	1 830 259	-784 599
16. Change in debt securities	79 761	-36 654
17. Change in income tax settlements	19 790	40 313
18. Income tax paid	-11 469	-142 697
19. Change in other assets and liabilities	-335 938	-318 965
20. Other	1 446	1 875
III. Net cash flows from operating activities	-968 935	-2 160 904

B. CASH FLOWS FROM INVESTING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.01.2006 - 30.06.2006
I. Inflows:	921 049	524 241
1. Proceeds form sale of property, plant and equipment and intangible assets	21 504	123 241
2. Proceeds form sale of shares in associates	0	0
3. Proceeds form sale of financial assets valued at fair value through profit and loss	0	0
4. Proceeds form sale of investment financial assets	898 532	401 000
5. Other	1 013	0
II. Outflows:	-31 990	-9 319
1. Acquisition of property, plant and equipment and intangible assets	-31 990	-9 319
2. Acquisition of shares in associates	0	0
3. Acquisition of financial assets valued at fair value through profit and loss	0	0
4. Acquisition of investment financial assets	0	0
5. Other	0	0
III. Net cash flows from investing activities	889 059	514 922

C. CASH FLOWS FROM FINANCING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.01.2006 - 30.06.2006
I. Inflows:	0	0
1. Long-term bank loans	0	0
2. Issue of debt securities	0	0
3. Increase in subordinated debt	0	0
4. Net proceeds from issues of shares and additional capital paid-in	0	0
5. Other	0	0
II. Outflows:	0	0
1. Repayment of long-term bank loans	0	0
2. Redemption of debt securities	0	0
3. Decrease in subordinated debt	0	0
4. Issue of shares expenses	0	0
5. Redemption of shares	0	0
6. Dividends paid and other payments to owners	0	0
7. Other	0	0
III. Net cash flows from financing activities	0	0
D. NET CASH FLOWS, TOTAL (A III+B III+C III)	-79 876	-1 645 982
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	1 642 747	3 555 653
F. CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD (D+E)	1 562 871	1 909 671

ADDITIONAL EXPLANATIONS ON FINANCIAL DATA***DISCOUNT/PREMIUM ON DEBT SECURITIES WITH INTEREST COUPON***

In 2007 the Group changed the methodology of presentation in the Profit and Loss Account of revenue (costs) from debt securities with interest coupon classified for the "Held for Trading" portfolio. Until the end of 2006 the settled discount (premium) on these securities was reported as "result on financial instruments measured at fair value through the profit and loss account". As of 1st January 2007 the settled discount (premium) is presented as a component of interest margin, with appropriate adjustments of comparable data being done.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS ACCOUNT

At present both the Bank and the Group classify as financial instruments measured at fair value through the profit and loss account only instruments for trading, not using the possibility of designating for this category instruments at initial presentation.

RATES USED TO CONVERT FINANCIAL DATA TO EURO

The following FX rates were used to convert figures to EURO:

- for balance sheet items: 3.7658 PLN/EURO rate on 30 June 2007 (for comparable data: 3.8312 PLN/EURO),
- for profit and loss account items for the period between 1 January – 30 June 2007 – 3.8486 PLN/EURO, computed as average of rates at ends of months covered by the report (for comparable data: 3.9002 PLN/EURO).

IV. FINANCIAL DATA (BANK)

ASSETS

<i>Amount '000 PLN</i>	30.06.2007	31.12.2006
I. Cash, balances with the Central Bank	769 535	965 817
II. Loans and advances to banks	1 052 112	1 123 131
III. Financial assets valued at fair value through profit and loss	3 683 856	3 742 385
IV. Hedging derivatives	158 876	108 027
V. Loans and advances to customers	18 391 931	14 109 193
VI. Investments securities	2 039 361	2 929 896
- available for sale	2 039 361	2 929 896
- held to maturity	0	0
VII. Investments in associates	163 077	159 156
VIII. Receivables from securities bought with sell-back clause	144 691	15 509
IX. Property, plant and equipment	248 855	263 910
X. Intangible assets	16 854	20 936
XI. Non-current assets held for sale	433	12 086
XII. Deferred income tax assets	78 285	82 451
XIII. Other assets	262 133	837 466
Total Assets	27 009 999	24 369 963

LIABILITIES

<i>Amount '000 PLN</i>	30.06.2007	31.12.2006
I. Deposits from banks	3 357 945	3 600 205
II. Financial liabilities valued at fair value through profit and loss	356 546	298 744
III. Hedging derivatives	8 622	14 506
IV. Deposits from customers	17 302 286	16 195 022
V. Liabilities from securities sold with buy-back clause	3 318 496	1 477 686
VI. Debt securities	5 705	5 705
VII. Provisions	12 990	10 400
VIII. Deferred income tax liabilities	0	0
IX. Current tax liabilities	0	0
X. Other liabilities	417 722	631 338
XI. Subordinated debt	302 744	307 309
Total Liabilities	25 083 056	22 540 915

EQUITY

I. Share capital	849 182	849 182
II. Share premium	472 343	472 343
III. Revaluation reserve	2 398	9 881
IV. Retained earnings	603 020	497 642
Total Equity	1 926 943	1 829 048
Total Liabilities and Equity	27 009 999	24 369 963

Capital adequacy ratio	9.81%	11.92%
-------------------------------	--------------	---------------

Book value	1 926 943	1 829 048
Number of shares	849 181 744	849 181 744
Book value per share (in PLN)	2.27	2.15

OFF-BALANCE SHEET ITEMS

<i>Amount '000 PLN</i>	30.06.2007	31.12.2006
Contingent liabilities granted and received	10 172 432	6 583 398
1. Liabilities granted:	7 330 652	6 045 675
a) financial	5 706 279	4 666 790
b) guarantees	1 624 373	1 378 885
2. Liabilities received:	2 841 780	537 723
a) financial	2 211 303	50 000
b) guarantees	630 477	487 723

INCOME STATEMENT

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.04.2007 - 30.06.2007	1.01.2006 - 30.06.2006	1.04.2006 - 30.06.2006
I. Interest income	669 152	346 288	547 707	273 056
II. Interest expense	-375 827	-193 038	-304 591	-149 936
III. Net interest income	293 325	153 250	243 116	123 120
IV. Fee and commission income	219 796	118 846	148 831	78 988
V. Fee and commission expense	-33 575	-18 297	-20 055	-11 106
VI. Net fee and commission income	186 221	100 549	128 776	67 882
VII. Dividend income	112 075	1 013	498 594	7 587
VIII. Result on investment activity	4 301	-457	3 125	-5 753
IX. Result on financial instruments valued at fair value through profit and loss	58 700	32 087	8 661	-2 508
X. Result from other financial instruments	-5 222	-3 407	-4 734	-3 373
XI. Foreign exchange profit	119 021	65 518	76 552	48 902
XII. Other operating income	30 717	18 980	25 611	18 793
XIII. Other operating expenses	-18 259	-9 240	-14 845	-2 382
XIV. Operating income	780 879	358 293	964 856	252 268
XV. General and administrative expenses	-414 778	-217 344	-333 583	-171 757
XVI. Impairment losses on financial assets	-48 977	-16 637	-17 680	-11 547
XVII. Impairment losses on non financial assets	-110	-20	-1 797	-1 689
XVIII. Depreciation and amortization	-28 859	-13 800	-29 097	-12 864
XIX. Operating expenses	-492 724	-247 801	-382 157	-197 857
XX. Operating profit	288 155	110 492	582 699	54 411
XXI. Share of profit of associates	0	0	0	0
XXII. Gross profit (loss)	288 155	110 492	582 699	54 411
XXIII. Corporate income tax	-38 416	-24 505	-19 306	-8 500
XXIV. Net profit (loss)	249 739	85 987	563 393	45 911
Weighted average number of ordinary shares	849 181 744	849 181 744	849 181 744	849 181 744
Earnings (losses) per ordinary share (in PLN)	0.29	0.10	0.66	0.05

STATEMENT OF CHANGES IN EQUITY

	Total equity	Share capital	Share premium	Revaluation reserve on available for sale financial assets	Revaluation reserve on derivatives designated for future cash flows hedge	Retained earnings
Equity at the beginning of the period (opening balance) 01.01.2007	1 829 048	849 182	472 343	9 282	599	497 642
- purchase/sale and valuation of available for sale financial assets	-5 885	0	0	-5 885	0	0
- effect of valuation of derivatives designated for future cash flows hedge	-1 598	0	0	0	-1 598	0
- dividend	-144 361	0	0	0	0	-144 361
- net income (loss) of the period	249 739	0	0	0	0	249 739
Equity at the end of the period (closing balance) 30.06.2007	1 926 943	849 182	472 343	3 397	-999	603 020

STATEMENT OF CHANGES IN EQUITY

	Total equity	Share capital	Share premium	Revaluation reserve on available for sale financial assets	Revaluation reserve on derivatives designated for future cash flows hedge	Retained earnings
Equity at the beginning of the period (opening balance) 01.01.2006	1 642 662	849 182	472 343	27 617	0	293 520
- purchase/sale and valuation of available for sale financial assets	-33 599	0	0	-33 599	0	0
- effect of valuation of derivatives designated for future cash flows hedge	718	0	0	0	718	0
- dividend	-458 558	0	0	0	0	-458 558
- net income (loss) of the period	563 393	0	0	0	0	563 393
Equity at the end of the period (closing balance) 30.06.2006	1 714 615	849 182	472 343	-5 982	718	398 355

A. CASH FLOWS FROM OPERATING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.01.2006 - 30.06.2006
I. Net profit (loss)	249 739	563 393
II. Adjustments for:	-1 298 229	-2 748 651
1. Interests in net income (loss) of associated companies	0	0
2. Depreciation and amortization	28 859	29 097
3. Foreign exchange (gains) losses	-5 153	14 464
4. Dividends	-112 075	-498 594
5. Changes in provisions	2 590	1 876
6. Result on sale and liquidation of investing activity assets	-12 371	-10 850
7. Change in financial assets valued at fair value through profit and loss	-27 661	-714 558
8. Change in loans and advances to banks	259 758	-57 723
9. Change in loans and advances to customers	-4 284 898	-2 263 599
10. Change in receivables from securities bought with sell-back clause	-129 182	166 360
11. Change in financial liabilities valued at fair value through profit and loss	51 918	-34 291
12. Change in deposits from banks	-242 260	1 058 708
13. Change in deposits from customers	1 107 264	960 479
14. Change in liabilities from securities sold with buy-back clause	1 840 810	-1 147 043
15. Change in debt securities	0	195
16. Change in income tax settlements	5 921	19 298
17. Income tax paid	0	0
18. Change in other assets and liabilities	217 356	-272 380
19. Other	895	-90
III. Net cash flows from operating activities	-1 048 490	-2 185 258

B. CASH FLOWS FROM INVESTING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.01.2006 - 30.06.2006
I. Inflows:	977 082	554 432
1. Proceeds form sale of property, plant and equipment and intangible assets	21 550	122 091
2. Proceeds form sale of shares in associates	0	0
3. Proceeds form sale of financial assets valued at fair value through profit and loss	0	0
4. Proceeds form sale of investment financial assets	843 457	409 971
5. Other	112 075	22 370
II. Outflows:	-12 747	-15 150
1. Acquisition of property, plant and equipment and intangible assets	-8 747	-200
2. Acquisition of shares in associates	-4 000	-950
3. Acquisition of financial assets valued at fair value through profit and loss	0	0
4. Acquisition of investment financial assets	0	0
5. Other	0	-14 000
III. Net cash flows from investing activities	964 335	539 282

C. CASH FLOWS FROM FINANCING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 30.06.2007	1.01.2006 - 30.06.2006
I. Inflows:	0	0
1. Long-term bank loans	0	0
2. Issue of debt securities	0	0
3. Increase in subordinated debt	0	0
4. Net proceeds from issues of shares and additional capital paid-in	0	0
5. Other	0	0
II. Outflows:	0	0
1. Repayment of long-term bank loans	0	0
2. Redemption of debt securities	0	0
3. Decrease in subordinated debt	0	0
4. Issue of shares expenses	0	0
5. Redemption of shares	0	0
6. Dividends paid and other payments to owners	0	0
7. Other	0	0
III. Net cash flows from financing activities	0	0
D. NET CASH FLOWS, TOTAL (A III+B III+C III)	-84 155	-1 645 976
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	1 642 730	3 555 633
F. CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD (D+E)	1 558 575	1 909 657

ADDITIONAL EXPLANATIONS ON FINANCIAL DATA***WRITE-OFF OF UNCOLLECTIBLE RECEIVABLES AGAINST PROVISIONS***

Between January 1 and June 30, 2007 the Bank wrote off uncollectible receivables against created provisions at PLN 2 706 thousand.

V. FINANCIAL INFORMATION BROKEN DOWN INTO ACTIVITY SEGMENTS

Business Segments

The activity of Group Bank Millennium is conducted through different business lines offering specific products and services targeted to approach the following market segments:

a) Retail Segment

This segment includes the following business areas: mass market individuals, affluent individuals, micro businesses and individual entrepreneurs.

The activity of the above mentioned areas is developed through the disposal of a complete panoply of banking products, complemented by specialized products developed by the Group's subsidiary companies. In the area of credit: mortgage loans, consumer loans, credit cards loans and leasing for small business constitute the major drivers of volumes increase. On the side of customer funds, the main products are: current accounts, term deposits, mutual funds and structured products. Insurance products are also commercialised in this segment, especially together with loans and credit cards. Offer for affluent segment was recently enriched with selective mutual funds of other financial entities and international investment funds.

b) Corporate Segment

The corporate segment includes the commercial activity made with SME, big and large companies. Product offer of these segments is sold also to local governments and other public entities.

The commercial activity in the corporate segment is driven by a high quality offer of typical banking products (working capital loans, investments loans, current accounts, term deposits) complemented by cash management and treasury product, including derivative products. Cross selling of leasing and trade finance products is very intensive for Corporate Clients.

c) Investment and treasury activities

The segment of investment activities consists of the Group activities in capital investment for the bank own account, brokerage activities, interbank and debt securities market operations that are not allocated to other segments.

d) Not allocated (Other) assets and liabilities, incomes and costs

Not allocated assets and liabilities include own funds, other assets and liabilities, assets and liabilities from hedging transactions, deferred tax asset and cash not allocated to any segment.

Equity is presented at the Group level only in "Total" column

Tax charge is shown only at the Group level.

Geographical segments

Group Bank Millennium operates exclusively on territory of the Republic of Poland and no significant differences in risk were identified as regarding the geographical location of its outlets. Therefore, the Group does not present financial statements with a breakdown into geographical areas.

Accounting policies

Accounting policies applied in segment reporting are in accordance with the International Accounting Standard 14.

For each segment there is determined profit before taxes, including:

- q Interest result calculated on the basis of external interest from working assets and liabilities of a segment and internal interest income or cost from allocated assets / liabilities. Internal interest income or cost is measured using internal transfer interest rates based on market interest rates;
- q Net commissions income;
- q Other income from financial operations and FX transactions (mostly affecting Investment and Treasury operations) like dividend income, result on investment and trading activity, income from FX transactions, result from other financial instruments;
- q Other operating cost and income;
- q Provisions for impairment of financial and non financial assets;
- q Share of the segment in personnel and administrative costs;
- q Share of the segment in depreciation

The segment's assets and liabilities are operational assets and liabilities used by that segment in its operating activities, allocated to a particular business segment based on rational business assumptions. Gap between operational assets and liabilities in each business segment is covered by money market assets/liabilities and debt securities. Assets /liabilities of Treasury and Investment banking include money market assets /liabilities and debt securities. Not allocated assets/liabilities are shown in column "Other".

Buildings and land, that as result of the optimisation process of operational activity will not be used in further banking activity, are shown as assets in Retail Banking. Fixed assets for resale from terminated leasing contracts are part of Corporate Banking assets.

30.06.07 PLN thousand	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total consolidated
Net interest income	222,212	104,019	21,685	0	347,916
external interest income	316,957	179,794	222,598	0	719,349
external interest cost	-146,056	-82,118	-143,259	0	-371,433
External interest income less cost	170,901	97,676	79,339	0	347,916
internal income	207,852	127,506	-335,358	0	0
internal cost	-156,540	-121,164	277,704	0	0
Internal income less cost allocated	51,311	6,342	-57,654	0	0
Net commission income	177,784	49,750	26,965	0	254,499
Result from financial operations and Fx transactions	86,506	34,645	57,559	0	178,710
Other operating income and cost	-178	353	16,161	0	16,336
Operating Income	486,324	188,767	122,370	0	797,461
Staff costs	-155,864	-73,394	-20,397	0	-249,655
Other administrative costs and net other operating costs	-161,530	-26,055	-9,384	0	-196,969
Impairment cost of financial assets	-58,404	9,944	-2,310	0	-50,770
Impairment cost of non financial assets	0	0	505	0	505
Depreciation	-27,342	-3,287	-1,677	0	-32,305
Operating costs	-403,140	-92,792	-33,262	0	-529,194
Operating Profit	83,184	95,975	89,108	0	268,267
Profit before taxes	83,184	95,975	89,108	0	268,267
Income taxes					-56,121
Net profit					212,146

30.06.07
PLN thousand

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total / consolidated
Assets					
Segment assets	13,421,449	7,501,038	5,635,626	2,079	26,560,192
<i>Incl. capital investments</i>	26,557	3,225	75	2,079	31,937
Assets allocated to segment	363,055	3,185,682	-3,548,738		0
Assets not allocated to segment	0	0	0	820,469	820,469
Total	13,784,504	10,686,720	2,086,888	822,548	27,380,661

Liabilities

Segment Liabilities	10,140,916	10,040,019	4,041,032	0	24,221,966
Liabilities allocated to segment	2,883,603	109,650	-2,993,253		0
Liabilities not allocated to segment	0	0	0	883,102	883,102
Equity					2,275,593
Total	13,024,519	10,149,668	1,047,779	883,102	27,380,661

30.06.06

PLN thousand

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total consolidated
Net interest income	161,058	91,017	63,999	0	316,073
external interest income	161,966	152,830	295,909	0	610,705
external interest cost	-111,286	-70,926	-112,420	0	-294,632
External interest income less cost	50,680	81,904	183,489	0	316,073
internal income	173,718	106,070	-279,788	0	0
internal cost	-63,340	-96,957	160,297	0	0
Internal income less cost allocated	110,378	9,113	-119,491	0	0
Net commission income	101,927	44,540	17,917	0	164,384
Result from financial operations and Fx transactions	49,170	19,299	23,528	0	91,997
Other operating income and cost	127	231	13,977	0	14,335
Operating Income	312,282	155,086	119,421	0	586,789
Staff costs	-119,755	-49,544	-14,649	0	-183,948
Other administrative costs and net other operating costs	-130,274	-34,991	-15,823	0	-181,088
Impairment cost of financial assets	-24,909	6,124	0	0	-18,785
Impairment cost of non financial assets			-62	0	-62
Depreciation	-24,328	-5,382	-666	0	-30,376
Operating costs	-299,266	-83,793	-31,199	0	-414,259
Operating Profit	13,016	71,293	88,221	0	172,530
Profit before taxes	13,016	71,293	88,221	0	172,530
Income taxes					-32,853
Net profit					139,677

31.12.06

PLN thousand

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total / consolidated
Assets					
Segment assets	10 226 125	6 855 735	6 370 405	25 102	23 477 367
<i>Incl. capital investments</i>	58 576	5 617	2 981	25 102	92 276
Assets allocated to segment	2 366 936	2 596 831	-4 963 767		0
Assets not allocated to segment	0	0	0	1 214 758	1 214 758
Total	12 593 060	9 452 567	1 406 638	1 239 860	24 692 125
Liabilities					
Segment Liabilities	9 652 091	6 168 095	5 590 467	0	21 410 654
Liabilities allocated to segment	2 330 022	2 794 867	-5 124 888		0
Liabilities not allocated to segment	0	0	0	1 066 150	1 066 150
Equity					2 215 321
Total	11 982 113	8 962 962	465 579	1 066 150	24 692 125

VI. DIVIDEND FOR 2006

On 26.03.2007 the Bank's Ordinary GSM passed a resolution on assignment for payment of dividend of the amount of PLN 144,360,896.48, which gives PLN 0.17 gross per share. The payment of dividend was done on 23.05.2007.

VII. EARNINGS PER SHARE

Earnings per share (and the diluted EPS) for the two quarters of 2007, calculated based on the consolidated profit is PLN 0.25.

VIII. STRUCTURE OF THE CAPITAL GROUP OF THE BANK

In the period from 1 January to 30 March 2007 no changes occurred in the structure of the Group. In result the organisational chart of the Group, presented in the 2006 financial report published on 28th February 2007, remains valid.

IX. MATERIAL EVENTS THAT OCURRED BETWEEN THE DATE OF THE REPORT AND ITS PUBLICATION DATE AND MIGHT BE OF SIGNIFICANT IMPACT ONTO THE FUTURE FINANCIAL RESULTS OF THE GROUP

Such events did not occur.

X. SHAREHOLDERS WITH AT LEAST 5% OF TOTAL NUMBER OF VOTES AT THE GSM OF THE DOMINANT ENTITY OF THE GROUP - BANK MILLENNIUM S.A.

Data as at the closing date of the quarterly report based on data as at 30 June 2007

Shareholder	Number of shares	% share in share capital	Number of votes	% share in GSM votes
Banco Comercial Portugues S.A.	556 325 794	65.51	556 325 794	65.51

Data as at the closing date of the current quarterly report based on data as at 31 March 2007

Shareholder	Number of shares	% share in share capital	Number of votes	% share in GSM votes
Banco Comercial Portugues S.A.	556 325 794	65.51	556 325 794	65.51

XI. TABLE OF SHARES OF BANK MILLENNIUM S.A. HELD BY MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS

Name and surname	Function	Number of shares as of the day of submission of the quarterly report prepared as of June 30 2006	Number of shares as of the day of submission of the quarterly report prepared as of March 31 2007
Bogusław Kott	Chairman of the Management Board	3 023 174	3 023 174
Luis Pereira Coutinho	Deputy Chairman of the Management Board	0	0
Fernando Bicho	Member of the Management Board	0	0
Julianna Boniuk-Gorzelańczyk	Member of the Management Board	490 000	490 000
Wojciech Haase	Member of the Management Board	5 246	5 246
Joao Bras Jorge	Member of the Management Board	0	0
Zbigniew Kudaś	Member of the Management Board	0	0
Jerzy Andrzejewicz	Proxy	6 260	6 260
Maciej Bednarkiewicz	Chairman of the Supervisory Board	94	94
Ryszard Pospieszynski	Deputy Chairman of the Supervisory Board	26 200	26 200
Christopher de Beck	Member of the Supervisory Board	95 000	95 000
Dimitrios Contominas	Member of the Supervisory Board	0	0
Pedro Teixeira Duarte	Member of the Supervisory Board	0	0
Marek Furtek	Member of the Supervisory Board	1	1
Jorge Manuel Jardim Goncalves	Member of the Supervisory Board	10 000	10 000
Andrzej Koźmiński	Member of the Supervisory Board	0	0
Francisco de Lacerda	Member of the Supervisory Board	0	0
Vasco de Mello	Member of the Supervisory Board	0	0
Paulo Teixeira Pinto	Member of the Supervisory Board	0	0
Marek Rocki	Member of the Supervisory Board	0	0
Dariusz Rosati	Member of the Supervisory Board	0	0
Zbigniew Sobolewski	Member of the Supervisory Board	0	0

XII. PENDING COURT CASES

The largest pending court cases involving Bank Millennium S.A. are as follows:

- Case instituted by the Bank with the suit dated 22.07.1998 against the State Treasury for PLN 65 613 512.20 under the responsibility of the State Treasury in connection with purchase, by former Bank Gdański S.A., of the receivables from health service providers, which contrary to the assurances proved disputable; On April 26, 2006 the Bank filed an appeal against the ruling, dated March 20, 2006, dismissing the Bank's lawsuit. The appeal was dismissed. The sentence is valid. On 30.04.2007 the Bank filed for cassation.
- Case instituted by Grzegorz Jedamski against the Bank, in connection with the suit filed to the District Court in Warsaw for awarding in his favour an amount of PLN 299 833 300 as indemnity for the illegally taken-over BIG BANK Spółka Akcyjna (former ŁBR S.A.). On 11th April 2007 a court sentence was issued dismissing the action. The sentence is not legally valid. The Plaintiff filed an appeal and the Bank replied to the appeal.

XIII. INFORMATION ON LOAN SURETIES OR GUARANTEES GRANTED BY THE BANK

In the 2nd Quarter of 2007 the Group did not grant to any entity a loan or cash advance surety, guarantee as a result of which the total value of the Bank's exposure towards the Client as at 30 June 2007 would exceed 10% of the Bank's equity.

XIV. INFORMATION ON INCOME TAX

q The due income tax

The due income tax, debiting the gross financial result, was established pursuant to the provisions of the Act on corporate income tax, dated February 15, 1992. In the light of the legal regulations in force the Group does not constitute a tax group and consequently the amount debited to the consolidated gross result under both the due and deferred taxes is the total of proper fiscal values of the companies included in the consolidation.

In the first half of 2007 the Bank had income subjected to taxation with Corporate Income Tax. Despite consideration of 50% of the loss from 2005, due for settlement in the current year, taxable income arose. Due income tax was offset against dividend tax paid in 2004, in consequence of which no obligation arose to pay monthly tax advances. The main items affecting the volume of the Bank's tax revenues were:

- ü Interest realised on receivables from past years;
- ü Cash profit on debt securities;
- ü Additional payments to principal of concluded CIRS transactions;
- ü Premiums received on option contracts.

Income tax due in the amount of PLN 6.2 million, reported in the consolidated profit and loss account comprised the tax burden on subsidiaries Millennium Leasing Sp. z o.o. and Millennium TFI S.A.

q Deferred income tax

On the grounds of the Accounting Act business entities are obliged to establish provision for deferred tax, as a result of the differences in recognition of the income as obtained and cost as incurred, following the Act on corporate income tax. Therefore, companies-members of the Group establish provision for income tax every month assuming as the basis for provisioning all the timing differences, which will certainly become tax cost or income in the following reporting periods. The application of this approach allows consistent debiting of the gross financial result and guarantees that the costs and income of the current financial year will not impact the financial result of the following years. The deferred part captured in the income statement constitutes the difference between the change in the deferred tax provision and asset. In the consolidated balance sheet the deferred tax provision and assets are offset pursuant to IAS 12.

The deferred income tax recognised in the Group's income statement for the first half 2007 totalled PLN 4.3 million.

XV. INFORMATION ON ISSUE/REPURCHASE/REPAYMENT OF DEBT SECURITIES AND EQUITIES

In the period under review the change in the Group's liabilities from issue of debt securities was as follows (data in PLN thousands):

MOVEMENTS IN LIABILITIES FROM ISSUE OF DEBT SECURITIES

	01.01.2007- 30.06.2007
Balance at the beginning of the period	5 705
a) increases (of which)	79 761
- issue of short-term bonds by a subsidiary	79 761
b) decreases (of which)	0
Balance at the end of the period	85 466

XVI. DESCRIPTION OF TRANSACTIONS WITH RELATED ENTITIES

Any transactions made between the Group's entities in the 1st half of 2007 were concluded on market terms and resulted from current operations. Below please find the amounts of group-internal transactions eliminated in the process of consolidation.

MOST IMPORTANT ELIMINATIONS OF GROUP-INTERNAL TRANSACTIONS AND CONSOLIDATION ADJUSTMENTS (PLN thous.)

	30.06.2007
ASSETS	
Accounts and deposits kept in the Bank	431 936
Loans, advances, purchased receivables	1 976 924
Receivables from securities bought with a sell-back clause	60 103
Investment debt securities	54 820
Shares in associated companies	169 702
Other assets	184 803
LIABILITIES	
Liabilities from accepted deposits, loans, advances, sold receivables	2 576 455
Liabilities from securities sold with a buy-back clause	60 103
Debt securities	54 774
Other liabilities	32 442
INCOME STATEMENT	
	1.01.2007 - 30.06.2007
Income from:	
Interest on accounts, deposits and receivables from loans, advances, purchased receivables	45 839
Bank and brokerage commissions	55 304
Group internal dividends	134 804
Other net operating income	15 273
Expense from:	
Interest on accounts, deposits and receivables on loans, advances, sold receivables	45 456
Bank and brokerage commissions	63 042
Operations of entities subject to consolidation	14 558