



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

MAIN FINANCIAL DATA

	Amount '000 PLN		Amount '000 EUR	
	4 quarters / period from 1.01.2007 - 31.12.2007	4 quarters / period from 1.01.2006 - 31.12.2006	4 quarters / period from 1.01.2007 - 31.12.2007	4 quarters / period from 1.01.2006 - 31.12.2006
I. Interest income	1 611 082	1 282 550	426 574	328 938
II. Fee and commission income	626 869	420 500	165 979	107 846
III. Operating income	1 709 368	1 267 558	452 598	325 093
IV. Operating profit	584 555	370 732	154 776	95 082
V. Profit / (loss) before taxes	584 555	370 732	154 776	95 082
VI. Profit (loss) after taxes	461 595	300 787	122 219	77 143
VII. Net cash flows from operating activities	-1 754 882	-4 918 088	-464 649	-1 261 350
VIII. Net cash flows from investing activities	951 775	2 157 640	252 006	553 373
IX. Net cash flows from financing activities	1 333 043	847 542	352 956	217 370
X. Net cash flows, total	529 936	-1 912 906	140 314	-490 606
XI. Total Assets	30 530 106	24 692 125	8 523 201	6 445 011
XII. Deposits from banks	2 568 688	3 600 205	717 110	939 707
XIII. Deposits from customers	21 800 662	16 069 301	6 086 170	4 194 326
XIV. Equity	2 519 932	2 215 321	703 499	578 232
XV. Share capital	849 182	849 182	237 069	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)	2.97	2.61	0.83	0.68
XVIII. Diluted book value per share (in PLN / EUR)	2.97	2.61	0.83	0.68
XIX. Capital adequacy ratio	13.75%	13.63%	13.75%	13.63%
XX. Earnings (losses) per ordinary share (in PLN / EUR)	0.54	0.35	0.14	0.09
XXI. Diluted earnings (losses) per ordinary share (in PLN / EUR)	0.54	0.35	0.14	0.09
XXII. Pledged or paid dividend per share (in PLN/EUR)	0.17	0.54	0.05	0.13

TABLE OF CONTENTS

I.	INTRODUCTION AND ACCOUNTING PRINCIPLES.....	3
II.	INFORMATON ABOUT THE ACTIVITY OF BANK MILLENNIUM GROUP IN 2007	4
III.	CONSOLIDATED FINANCIAL DATA (GROUP).....	10
IV.	FINANCIAL DATA (BANK)	17
V.	FINANCIAL INFORMATION BROKEN DOWN INTO ACTIVITY SEGMENTS	23
VI.	DIVIDEND FOR 2006 AND 2007	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	28
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.....	28
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	30
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 fourth 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 non-consolidated report of the Bank has been based on IFRS, as of January 1, 2006.

This financial report is consistent with IFRS adopted by the European Community, the description of which was presented in the Group's 1st half 2007 consolidated report, published on 28th September 2007 and constitutes a condensed interim report pursuant to IAS 34.

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

The consolidated net profit of Bank Millennium Capital Group in 2007 totaled PLN 461.6 million (53.5% growth y/y), the best ever profit from recurring activity. The fourth quarter 2007 profit reached PLN 122.1 million, i.e. 37,4% higher than in the fourth quarter of 2006.

The 2007 main financial highlights are:

- **ROE:** 19,9%
- **Net interest income:** +22% y/y (on a pro-forma basis)
- **Net commissions income:** +48.8% y/y
- **Total operating income:** +34.9% y/y
- **Total costs:** +23.3% (or +10.2% if excluding branch expansion)
- **Cost to income ratio:** 61.9%
- **Solvency ratio:** 13.7%

Fast increase of new customers brought a strong growth of deposits and even stronger growth of loans during 2007 year. The main business achievements in 2007 can be summarized as follows:

- **Active clients in Retail:** 954 thousand, growth of 208 thousand customers during the year
- **Total customers' funds** grew 38.8% y/y, of which:
 - deposits:** + 36% y/y; + 18% q/q; market share in retail deposits crossed 5%
 - mutual funds:** + 43% y/y, market share of 3.8%,
- **Total loans** grew 47.5% y/y, of which:
 - mortgage loans:** + 72% y/y, market share of portfolio: 11.3%
 - credit cards loans:** + 72% y/y, 170 thousand new cards in 2007
 - cash loans:** + 68% y/y, PLN 817 million disbursed in 2007
 - leasing portfolio:** + 39% y/y, market share in movables production: 6.7%

Management Board is proposing to distribute, as a **dividend**, PLN 0,19 per each share, which makes a total of PLN 161,3 million and 35% of 2007 consolidated profit.

By the end of 2007, Bank Millennium completed half of the branch expansion program planned for 2006-2009. Up to now, 128 new branches were opened or transformed to the new format, bringing the total branch network of the Bank to 410 branches. More than half of the investment budget was completed: PLN 144 million was spent so far (including re-branding project) and PLN 100-110 million should be invested until the end of 2009.

a) **Financial results after 4Q 2007**

Operating Income (PLN million)	2007	2006	Change
Net Interest Income *	819,9	672,1	22,0%
Net Commissions Income	543,2	365,2	48,8%
Other Non-Interest Income *	346,3	230,3	50,4%
Operating Income	1709,4	1267,6	34,9%

(*) 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 afore-mentioned change. However, as this hedge accounting does not cover all the portfolio denominated in foreign currency, the Bank provides pro-forma data, which presents all margin from derivatives in Net Interest Income caption, whereas in accounting terms part of this margin (PLN 48 m in 2007 and PLN 22 m in 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 2007 amounted to PLN 819.9 million and was 22% higher than in 2006 year. Interest income was accelerating quarter after quarter, showing a very strong growth of 14% in 4Q versus previous quarter. This was possible not only due to strong growth of business volumes, but also thanks to interest margin improvement. Net Interest Margin reached 3.3% in 4Q, starting from 2.9% in the first half of the year. Growing interest rates partially helped the margin to improve – especially in the second half of the year.

Net commissions income kept very strong level in the last 3 quarters, reaching for the whole year PLN 543.2 million. This means a very strong yearly growth of 48.8%. Mutual funds, despite lower sales in 2H, remain the main source of commission income. Bancassurance products and credit cards were also important drivers of net commission growth. Net commission income represents now 32% of the total operating income.

Despite financial markets turmoil in 2H of 2007, **other non-interest income** kept strong growth of 50.4% versus last year. Foreign exchange results were the main contributor to this item and they grew by 32.5% yearly, reaching the total amount of PLN 240.5 million during the whole year.

Total **net operating income** reached the amount of PLN 1709.4 million, which means a 34.9% growth versus previous year.

Operating Costs (PLN million)	2007	2006	Change
Personnel Costs	538,8	412,9	30,5%
Other Administrative Costs	431,1	382,9	12,6%
Depreciation & impairment of fixed assets	88,4	62,5	41,6%
Total Operating Costs	1058,3	858,2	23,3%
<i>Of which expansion and new image</i>	<i>168,7</i>	<i>50,7</i>	
Operating costs without expansion	889,6	807,5	10,2%

Total costs in 2007 grew 23.3% y/y mainly as a result of branch expansion project. Without the expansion costs (PLN 168.7 million), total costs would grow 10.2% only.

Personnel costs grew 30.5% y/y, being the main contributor to total costs growth, as a consequence of headcount increase (+978 employees or 19.2% since December 2006), average salary increase and bonuses related to business results. At 2007 year-end Bank Millennium Group had 6067 persons employed.

Administrative costs grew only in connection with branch expansion – without this project, they would have stayed flat (0.1% growth y/y).

Depreciation grew sharply in 4Q, finishing 2007 with a 41.6% y/y growth. This was caused by an extraordinary write-off (PLN 20.9 million) connected with the announced move to a new headquarter in 1Q 2008.

Cost to income ratio improved significantly during the whole year from 67.7% in 2006 to 61.9% in 2007.

Net impairment provisions created by the Group during 2007 year reached PLN 66.5 million. This amount was strongly influenced by the creation of “generic” (IBNR) provisions of PLN 55.2 million associated with the strong growth of the retail loan portfolio.

Pre-tax profit of the Group in 2007 stood at PLN 584.6 million (+57.7% y/y), with **net profit** at PLN 461.6 million (+53.5% y/y).

b) Business results in 2007

Total assets of the Group reached at year-end PLN 30,530 million, growing 23.6% versus last year.

Key Business Volumes (PLN million)	31.12.2007	31.12.2006	Change
Total Assets	30 530	24 692	23,6%
Total Customer Funds	27 917	20 111	38,8%
- where Deposits	21 801	16 069	35,7%
- where Investment products *	6 117	4 042	51,3%
Total Loans to Customers	22 027	14 938	47,5%
- where Mortgage loans	13 093	7 595	72,4%
- where Leasing	2 687	1 929	39,3%

(*) include investment funds and third party savings products sold to Millennium customers

Bank Millennium finished 2007 with very strong growth of **loans portfolio** (+ 47.5% y/y). Total net loans crossed PLN 22 billion, giving the Bank a very strong, 5th position on the market. On the other

side of the balance sheet, the Bank had an excellent performance in **deposits**, which accelerated growth in the second half of the year, bringing total yearly growth to 35.7% and reaching PLN 21,801 million.

Total **customers' funds**, including own mutual funds and third parties savings products, grew even stronger, by 38.8%, to the level of PLN 27,917 million in 2007 year-end.

Deposits grew exceptionally strong in the second half of the year, especially among individual customers. During entire 2007 year, Bank Millennium increased households' deposits by 41%, outperforming four-folds the market average of 10%. Sale of deposits was supported by a strong marketing campaign, especially during 4th quarter. The Bank conducted the biggest deposits campaign in its history, supplemented by a campaign of wealth management solutions for affluent customers. As a result, deposits grew extremely well in 4th quarter (by 25.9%).

Mutual funds managed by the Group decreased during the second half by PLN 1,150 million (or 18.5%), caused by a continued stock market correction, however compared to the end of 2006 the value of mutual funds grew by 43%.

Number of active retail clients is approaching 1 million: it grew by 208 thousand during 2007 and reached 954 thousand at year-end. The number of individual Customers registered in the Bank's **internet service** reached 653 thousand, keeping 50% growth rate y/y. Internet users among companies also grew to the total number of 40 thousand. Despite such strong growth of number of customers, Bank Millennium managed to increase cross-selling ratio again to the level of 3.1 products per customer. During 2007 the Bank acquired also 1481 new **business clients**.

Retail loans remain the main driver of total loans increase. During 2007 they showed a very strong 69% growth rate, reaching the amount of PLN 14,905 million. Loans to individuals increased the share in total loans from 51% in the beginning of the year to 68% in the end.

Mortgage loans, the main item of retail loans portfolio, grew during 2007 by 72% to the level of PLN 13,093 million. This growth allowed Bank Millennium to increase market share in total stock from 10% to 11.3% during the year. Total sale of new mortgages during 2007 year reached PLN 7,115 million which means 50% increase versus previous year. The quarterly evolution of mortgage sales shows a drop of 26% in 4Q versus 3Q caused by a total market drop. After 11 months of the year, Bank Millennium has got almost 13% market share in new mortgages sold in the period. The share of new PLN denominated loans reached 38% during the entire 2007 year.

Credit cards loans grew 72% during last 12 months, to the amount of PLN 482 million. The Bank has sold in total 427 thousand credit cards and improved the market share from 3.8% in the beginning of the year to 5.2% in September 2007.

In **cash loans**, total portfolio crossed PLN 1 billion growing by 68% during the year. Fourth quarter sales were kept on the level above PLN 200 million.

Corporate loans grew during 2007 year by 17% reaching total amount of PLN 7,122 million. **Leasing** remains the main driver of the growth with 39% increase y/y. The Group's Millennium Leasing company managed to outperform the fast growing leasing market in Poland (64% versus 50% growth in new contracts in 2007) thus enabling to increase market share in movables from 6.4% to 6.7%.

c) Loans quality, solvency and liquidity

Loan quality and solvency indicators	31.12.2007	31.12.2006
Total impaired loans (PLN million)	766	885
Impaired Loans over Total Loans	3.4%	5.7%
Total Provisions over Impaired Loans	79%	75%
Equity (for CAR)	2 872	2 168
Capital Adequacy Ratio	13.7%	13.6%

Assets quality improved during 2007 no matter which measure is taken into consideration. Total impaired loans dropped by 14% to PLN 766 million and their ratio to all loans dropped even stronger, to 3.4%, thanks to the solid growth of loans portfolio. Finally, impaired loans coverage by provisions (including IBNR) increased to 79%.

Group's **solvency** position improved thanks to the subordinated bonds issue (EUR 150 million) and leasing securitization, which counterbalanced the strong growth of loan portfolio. Assuming the expected amount of retained 2007 profit, according to above stated dividend proposal, CAR would increase to 14.7%.

Liquidity also improved in the second half of 2007 thanks to above mentioned securitization transaction (net impact: PLN 720 million), subordinated bonds issue, syndicated loan completed in July (CHF 120 million) and excellent growth of clients' deposits. Thanks to strong acceleration of deposits growth, especially during 4th quarter, the ratio of total loans to deposits, which was steadily growing during first 3 quarters of the year to the level of 114.5%, dropped to 101% at year-end.

d) Branch expansion program status

As at 2007 year-end, Bank Millennium has completed c.a. 50% of the whole branch expansion program. 128 new branches were developed, including 45 transformed to the new format. 35 financial centers, 60 "retail & business", 16 pure retail and 17 credit centers have been opened within the total number of the new branches.

Currently, the Bank has 410 branches and is planning to open 150 more, to finish 2009 year with 560. More than 70 new locations have been already reserved.

The Bank has already completed more than half of the project planned investment, since there was a re-branding project in the beginning and first half of the openings included bigger format branches. Till the end of 2007, total cumulated investments stood at PLN 143.6 million. Plan of the remaining investments needed to complete whole program until December 2009 is estimated at PLN 100-110 million.

During 2007, the Bank had PLN 168.7 million operating costs connected with the expansion (for comparison: 2006 year expansion costs were PLN 50.7 million).

e) Rating and share price main indicators

As of 31 December 2007, Bank Millennium has the following ratings:

Fitch Ratings:	Current rating
Issuer Default (IDR)	A
Short-term deposit rating	F-1
Individual	C/D
Support	1

Moody's Investor Services:	Current rating
Long-term deposit rating	A3
Short-term deposit rating	Prime-2
Financial strength rating	D

The Bank Millennium share price on the Warsaw Stock Exchange grew 46% between 31st December 2006 and 31st December 2007, outperforming the main indexes (WIG Index: +10% and WIG Banks: +12%). Due to the global market correction, which took place during 2nd half 2007, market capitalization of the Bank dropped slightly versus last quarter (by 1,4%), however it was higher than year ago and reached PLN 9 876 million.

Market indicators	31.12.2007	31.12.2006
Shares outstanding – period end	849 181 744	849 181 744
Closing price – period end (PLN)	11.63	7,95
Market capitalization (PLN million)	9 876	6 836
Book value per share (PLN)	2.97	2.61
Earnings per share (PLN)	0.54	0.35
Return on equity (ROE)	19.9%	13.6%

III. CONSOLIDATED FINANCIAL DATA (GROUP)

ASSETS

<i>Amount '000 PLN</i>	31.12.2007	31.12.2006
I. Cash, balances with the Central Bank	1 257 128	965 834
II. Loans and advances to banks	1 053 052	1 123 131
III. Financial assets valued at fair value through profit and loss (held for trading)	3 134 582	3 742 760
IV. Hedging derivatives	218 321	108 027
V. Loans and advances to customers	22 027 152	14 937 743
VI. Investment financial assets	1 894 569	2 931 656
- available for sale	1 894 569	2 931 656
- held to maturity	0	0
VII. Investments in associates	5 100	7 016
VIII. Receivables from securities bought with sell-back clause (loans and advances)	28 807	15 509
IX. Property, plant and equipment	337 306	297 040
X. Intangible assets	18 162	21 578
XI. Non-current assets held for sale	1 571	25 907
XII. Deferred income tax assets	159 987	127 370
XIII. Other assets	394 369	388 554
Total Assets	30 530 106	24 692 125

LIABILITIES

<i>Amount '000 PLN</i>	31.12.2007	31.12.2006
I. Deposits from banks	2 568 688	3 600 205
II. Financial liabilities valued at fair value through profit and loss (held for trading)	566 821	298 709
III. Hedging derivatives	20 220	14 506
IV. Deposits from customers	21 800 662	16 069 301
V. Liabilities from securities sold with buy-back clause	725 976	1 428 134
VI. Debt securities	851 474	5 705
VII. Provisions	12 351	10 400
VIII. Deferred income tax liabilities	0	0
IX. Current tax liabilities	6 397	1 436
X. Other liabilities	631 550	741 099
XI. Subordinated debt	826 035	307 309
Total Liabilities	28 010 174	22 476 804

EQUITY

I. Share capital	849 182	849 182
II. Share premium	471 709	471 709
III. Revaluation reserve	-2 742	9 881
IV. Retained earnings	1 201 783	884 549
Total equity attributable to equity holders of the parent company	2 519 932	2 215 321
Minority interests	0	0
Total Equity	2 519 932	2 215 321
Total Liabilities and Equity	30 530 106	24 692 125
Capital adequacy ratio	13.75%	13.63%
Book value	2 519 932	2 215 321
Number of shares	849 181 744	849 181 744
Book value per share (in PLN)	2.97	2.61

OFF-BALANCE SHEET ITEMS

<i>Amount '000 PLN</i>	31.12.2007	31.12.2006
Contingent liabilities granted and received	8 032 120	6 442 924
1. Liabilities granted:	7 331 787	5 960 867
a) financial	5 547 751	4 582 952
b) guarantees	1 784 036	1 377 915
2. Liabilities received:	700 333	482 057
a) financial	15 936	50 000
b) guarantees	684 397	432 057

CONSOLIDATED INCOME STATEMENT

Amount '000 PLN	1.01.2007 - 31.12.2007	1.10.2007 - 31.12.2007	1.01.2006 - 31.12.2006	1.10.2006 - 31.12.2006
I. Interest income	1 611 082	469 141	1 282 550	353 549
II. Interest expense	-839 390	-246 874	-640 982	-190 107
III. Net interest income	771 692	222 267	641 568	163 442
IV. Fee and commission income	626 869	168 091	420 500	129 968
V. Fee and commission expense	-83 662	-23 025	-55 322	-16 366
VI. Net fee and commission income	543 207	145 066	365 178	113 602
VII. Dividend income	1 614	5	2 573	0
VIII. Result on investment financial assets	5 770	541	2 278	449
IX. Result on financial instruments valued at fair value through profit and loss (held for trading)	98 390	28 291	72 785	43 554
X. Result from other financial instruments	-12 973	-3 598	-12 875	-5 121
XI. Foreign exchange profit	240 519	56 703	181 512	54 070
XII. Other operating income	102 859	29 149	67 322	9 937
XIII. Other operating expenses	-41 710	-14 763	-52 783	-8 535
XIV. Operating income	1 709 368	463 661	1 267 558	371 398
XV. General and administrative expenses	-969 897	-269 726	-795 736	-239 918
XVI. Impairment losses on financial assets	-66 506	-708	-38 646	-7 242
XVII. Impairment losses on non financial assets	-1 286	-1 412	-979	-627
XVIII. Depreciation and amortization	-87 124	-38 017	-61 465	-16 357
XIX. Operating expenses	-1 124 813	-309 863	-896 826	-264 144
XX. Operating profit	584 555	153 798	370 732	107 254
XXI. Share of profit of associates	0	0	0	0
XXII. Profit / (loss) before taxes	584 555	153 798	370 732	107 254
XXIII. Corporate income tax	-122 960	-31 726	-69 945	-18 381
XXIV. Profit / (loss) after taxes	461 595	122 072	300 787	88 873
Attributable to:				
Equity holders of the parent	461 595	122 072	300 787	88 873
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)	0.54	0.14	0.35	0.10

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN 2007

	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	-11 231	0	0	-11 231	0	0
- effect of valuation of derivatives designated for future cash flows hedge	-1 392	0	0	0	-1 392	0
- dividend	-144 361	0	0	0	0	-144 361
- profit / (loss) of the period after taxes	461 595	0	0	0	0	461 595
Equity at the end of the period (closing balance) 31.012.2007	2 519 932	849 182	471 709	-1 949	-793	1 201 783

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN 2006

	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	-18 330	0	0	-18 330	0	0
- effect of valuation of derivatives designated for future cash flows hedge	599	0	0	0	599	0
- dividend	-458 558	0	0	0	0	-458 558
- profit / (loss) of the period after taxes	300 787	0	0	0	0	300 787
Equity at the end of the period (closing balance) 31.12.2006	2 215 321	849 182	471 709	9 282	599	884 549

A. CASH FLOWS FROM OPERATING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.01.2006 - 31.12.2006
I. Profit (loss) after taxes	461 595	300 787
II. Adjustments for:	-2 216 477	-5 218 875
1. Minority profit (loss)	0	0
2. Interests in net income (loss) of associated companies	0	0
3. Depreciation and amortization	87 124	61 465
4. Foreign exchange (gains)/ losses	-165 772	-2 288
5. Dividends	-1 614	-2 573
6. Changes in provisions	1 951	-6 068
7. Result on sale and liquidation of investing activity assets	-53 951	-20 770
8. Change in financial assets valued at fair value through profit and loss (held for trading)	565 340	-1 720 291
9. Change in loans and advances to banks	300 488	236 099
10. Change in loans and advances to customers	-7 101 692	-5 350 235
11. Change in receivables from securities bought with sell-back clause (loans and advances)	-13 298	295 618
12. Change in financial liabilities valued at fair value through profit and loss (held for trading)	273 826	-212 718
13. Change in deposits from banks	-1 132 131	1 185 909
14. Change in deposits from customers	5 731 361	2 074 885
15. Change in liabilities from securities sold with buy-back clause	-702 158	-1 632 903
16. Change in debt securities	134 356	-46 600
17. Change in income tax settlements	45 818	66 812
18. Income tax paid	-86 029	-166 277
19. Change in other assets and liabilities	-118 775	18 675
20. Other	18 679	2 385
III. Net cash flows from operating activities	-1 754 882	-4 918 088

B. CASH FLOWS FROM INVESTING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.01.2006 - 31.12.2006
I. Inflows:	1 046 339	6 691 299
1. Proceeds form sale of property, plant and equipment and intangible assets	77 358	189 275
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	967 367	6 499 451
5. Other	1 614	2 573
II. Outflows:	-94 564	-4 533 659
1. Acquisition of property, plant and equipment and intangible assets	-94 564	-75 461
2. Acquisition of shares in associates	0	0
3. Acquisition of financial assets valued at fair value through profit and loss	0	-4 458 198
4. Acquisition of investment financial assets	0	0
5. Other	0	0
III. Net cash flows from investing activities	951 775	2 157 640

C. CASH FLOWS FROM FINANCING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.01.2006 - 31.12.2006
I. Inflows:	1 535 968	1 328 936
1. Long-term bank loans	275 400	1 323 231
2. Issue of debt securities	717 118	5 705
3. Increase in subordinated debt	543 450	0
4. Net proceeds from issues of shares and additional capital paid-in	0	0
5. Other	0	0
II. Outflows:	-202 925	-481 394
1. Repayment of long-term bank loans	0	0
2. Redemption of debt securities	-5 705	-22 836
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	-144 361	-458 558
7. Other	-52 859	0
III. Net cash flows from financing activities	1 333 043	847 542
D. NET CASH FLOWS, TOTAL (A III+B III+C III)	529 936	-1 912 906
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)	2 172 683	1 642 747

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 revenues (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.

LIABILITIES FROM ISSUANCE OF DEBT SECURITIES

The growth of liabilities on account of issuance of debt securities in the consolidated balance sheet resulted from the leasing receivables securitisation transaction, concluded in December 2007. In line with the adopted interpretation of accounting standards (IFRS), financial assets and liabilities constituting the object of this deal, in case of which the Group did not effect a transfer to external entities (control and risk criterion) were included in the Group's financial report (consolidated).

SUBORDINATED LIABILITIES

The increase of the volume of subordinated liabilities resulted from the issuance done by the Bank in December 2007 of subordinated notes (pursuant to art. 127 sect. 3 item 2 letter b of Banking Law) with the total value of EUR 150,000,000 (150 Notes with nominal value of EUR 1,000,000 each)

Detailed information about the leasing receivables securitisation transaction and the issuance of junior debt was presented by the Bank in the form of current reports.

RATES USED TO CONVERT FINANCIAL DATA TO EURO

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

- for balance sheet items: 3.5820 PLN/EURO rate on 31 December 2007 (for comparable data: 3.8312 PLN/EURO),
- for profit and loss account items for the period between 1 January – 31 December 2007 – 3.7768 PLN/EURO, computed as average of rates at ends of months covered by the report (for comparable data: 3.8991 PLN/EURO).

IV. FINANCIAL DATA (BANK)

ASSETS

<i>Amount '000 PLN</i>	31.12.2007	31.12.2006
I. Cash, balances with the Central Bank	1 255 055	965 817
II. Loans and advances to banks	1 053 052	1 123 131
III. Financial assets valued at fair value through profit and loss (held for trading)	3 127 988	3 742 385
IV. Hedging derivatives	218 321	108 027
V. Loans and advances to customers	20 881 303	14 109 193
VI. Investment financial assets	1 893 949	2 929 896
- available for sale	1 893 949	2 929 896
- held to maturity	0	0
VII. Investments in associates	191 343	159 156
VIII. Receivables from securities bought with sell-back clause (loans and advances)	28 807	15 509
IX. Property, plant and equipment	247 382	263 910
X. Intangible assets	16 646	20 936
XI. Non-current assets held for sale	0	12 086
XII. Deferred income tax assets	112 322	82 451
XIII. Other assets	215 843	837 466
Total Assets	29 242 011	24 369 963

LIABILITIES

<i>Amount '000 PLN</i>	31.12.2007	31.12.2006
I. Deposits from banks	2 568 688	3 600 205
II. Financial liabilities valued at fair value through profit and loss (held for trading)	569 729	298 744
III. Hedging derivatives	20 220	14 506
IV. Deposits from customers	22 021 633	16 195 022
V. Liabilities from securities sold with buy-back clause	729 993	1 477 686
VI. Debt securities	0	5 705
VII. Provisions	12 351	10 400
VIII. Deferred income tax liabilities	0	0
IX. Current tax liabilities	5 347	0
X. Other liabilities	404 029	631 338
XI. Subordinated debt	826 035	307 309
Total Liabilities	27 158 025	22 540 915

EQUITY

I. Share capital	849 182	849 182
II. Share premium	472 343	472 343
III. Revaluation reserve	-2 742	9 881
IV. Retained earnings	765 203	497 642
Total Equity	2 083 986	1 829 048
Total Liabilities and Equity	29 242 011	24 369 963

Capital adequacy ratio	12.09%	11.92%
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Book value	2 083 986	1 829 048
Number of shares	849 181 744	849 181 744
Book value per share (in PLN)	2.45	2.15

OFF-BALANCE SHEET ITEMS

<i>Amount '000 PLN</i>	31.12.2007	31.12.2006
Contingent liabilities granted and received	8 284 026	6 583 398
1. Liabilities granted:	7 582 956	6 045 675
a) financial	5 626 654	4 666 790
b) guarantees	1 956 302	1 378 885
2. Liabilities received:	701 070	537 723
a) financial	15 936	50 000
b) guarantees	685 134	487 723

INCOME STATEMENT

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.10.2007 - 31.12.2007	1.01.2006 - 31.12.2006	1.10.2006 - 31.12.2006
I. Interest income	1 500 467	434 933	1 161 456	326 322
II. Interest expense	-845 417	-247 047	-655 826	-193 172
III. Net interest income	655 050	187 886	505 630	133 150
IV. Fee and commission income	502 946	148 725	327 538	96 174
V. Fee and commission expense	-72 862	-19 935	-46 618	-13 617
VI. Net fee and commission income	430 084	128 790	280 920	82 557
VII. Dividend income	112 638	0	508 936	5 225
VIII. Result on investment financial assets	5 770	541	3 549	1 721
IX. Result on financial instruments valued at fair value through profit and loss (held for trading)	97 311	28 358	63 843	34 851
X. Result from other financial instruments	-12 973	-3 598	-12 875	-5 121
XI. Foreign exchange profit	241 373	58 891	177 419	55 624
XII. Other operating income	49 987	15 441	39 500	9 224
XIII. Other operating expenses	-25 071	-2 508	-35 071	-18 441
XIV. Operating income	1 554 169	413 801	1 531 851	298 790
XV. General and administrative expenses	-900 205	-249 842	-728 610	-220 648
XVI. Impairment losses on financial assets	-77 392	-13 623	-42 060	-9 424
XVII. Impairment losses on non financial assets	-1 670	-1 181	-1 130	1 931
XVIII. Depreciation and amortization	-77 974	-34 610	-58 287	-15 302
XIX. Operating expenses	-1 057 241	-299 256	-830 087	-243 443
XX. Operating profit	496 928	114 545	701 764	55 347
XXI. Share of profit of associates	0	0	0	0
XXII. Profit / (loss) before taxes	496 928	114 545	701 764	55 347
XXIII. Corporate income tax	-85 006	-24 332	-39 082	-7 934
XXIV. Profit / (loss) after taxes	411 922	90 213	662 682	47 413
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)	0.49	0.11	0.78	0.06

STATEMENT OF CHANGES IN EQUITY IN 2007

	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	-11 231	0	0	-11 231	0	0
- effect of valuation of derivatives designated for future cash flows hedge	-1 392	0	0	0	-1 392	0
- dividend	-144 361	0	0	0	0	-144 361
- profit / (loss) of the period after taxes	411 922	0	0	0	0	411 922
Equity at the end of the period (closing balance) 31.12.2007	2 083 986	849 182	472 343	-1 949	-793	765 203

STATEMENT OF CHANGES IN EQUITY IN 2006

	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	-18 335	0	0	-18 335	0	0
- effect of valuation of derivatives designated for future cash flows hedge	599	0	0	0	599	0
- dividend	-458 558	0	0	0	0	-458 558
- profit / (loss) of the period after taxes	662 682	0	0	0	0	662 682
Equity at the end of the period (closing balance) 31.12.2006	1 829 048	849 182	472 343	9 282	599	497 642

A. CASH FLOWS FROM OPERATING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.01.2006 - 31.12.2006
I. Profit (loss) after taxes	411 922	662 682
II. Adjustments for:	-1 540 501	-5 570 890
1. Interests in net income (loss) of associated companies	0	0
2. Depreciation and amortization	77 974	58 287
3. Foreign exchange (gains) losses	-165 469	-2 253
4. Dividends	-112 638	-508 936
5. Changes in provisions	1 951	-5 443
6. Result on sale and liquidation of investing activity assets	-19 515	-9 480
7. Change in financial assets valued at fair value through profit and loss (held for trading)	571 559	-1 721 401
8. Change in loans and advances to banks	300 488	236 099
9. Change in loans and advances to customers	-6 781 879	-5 121 318
10. Change in receivables from securities bought with sell-back clause (loans and advances)	-13 298	315 646
11. Change in financial liabilities valued at fair value through profit and loss (held for trading)	276 699	-213 210
12. Change in deposits from banks	-1 132 131	1 185 909
13. Change in deposits from customers	5 826 611	2 110 259
14. Change in liabilities from securities sold with buy-back clause	-747 693	-1 994 429
15. Change in debt securities	0	-9 751
16. Change in income tax settlements	36 724	7 924
17. Income tax paid	-59 060	0
18. Change in other assets and liabilities	379 442	98 174
19. Other	19 734	3 033
III. Net cash flows from operating activities	-1 128 579	-4 908 208

B. CASH FLOWS FROM INVESTING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.01.2006 - 31.12.2006
I. Wpływy z działalności inwestycyjnej	1 107 717	2 239 489
I. Inflows:	29 068	163 437
1. Proceeds from sale of property, plant and equipment and intangible assets	0	150
2. Proceeds from sale of shares in associates	0	0
3. Proceeds from sale of financial assets valued at fair value through profit and loss	966 011	2 050 342
4. Proceeds from sale of investment financial assets	112 638	25 560
II. Outflows:	-67 183	-91 726
1. Acquisition of property, plant and equipment and intangible assets	-32 993	-44 776
2. Acquisition of shares in associates	-34 190	-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	-46 000
III. Net cash flows from investing activities	1 040 534	2 147 763

C. CASH FLOWS FROM FINANCING ACTIVITIES

<i>Amount '000 PLN</i>	1.01.2007 - 31.12.2007	1.01.2006 - 31.12.2006
I. Inflows:	818 850	1 328 936
1. Long-term bank loans	275 400	1 323 231
2. Issue of debt securities	0	5 705
3. Increase in subordinated debt	543 450	0
4. Net proceeds from issues of shares and additional capital paid-in	0	0
5. Other	0	0
II. Outflows:	-202 925	-481 394
1. Repayment of long-term bank loans	0	0
2. Redemption of debt securities	-5 705	-22 836
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	-144 361	-458 558
7. Other	-52 859	0
III. Net cash flows from financing activities	615 925	847 542
D. NET CASH FLOWS, TOTAL (A III+B III+C III)	527 880	-1 912 903
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)	2 170 610	1 642 730

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

Between January 1 and December 31, 2007 the Bank wrote off uncollectible receivables against created provisions at PLN 14 756 thousand.

V. FINANCIAL INFORMATION BROKEN DOWN INTO ACTIVITY SEGMENTS

Business Segments

The activity of Bank Millennium Group 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 micro business constitute the major drivers of volumes increase. On the customer funds side, 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 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 corporate companies. Product offer of these segments is also addressed 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) Treasury and Investment activities

This segment consists of the Group activities in capital investment for the Bank's 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, assets and liabilities from hedging transactions, deferred tax asset, cash and other assets and liabilities, not allocated to any segment.

Own funds are presented at the Group level only in "Total" column.

Tax charge is shown only at the Group level.

Geographical segments

Bank Millennium Group 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:

- § Interest income calculated on the basis of external interest from working assets and liabilities of the segment and internal interest income or cost from allocated assets / liabilities, measured using internal transfer interest rates based on market interest rates;
- § Net commissions income;
- § Income from financial operations and FX transactions such as: dividend income, result on investment and trading activity, income from FX transactions, result from other financial instruments;
- § Other operating income and cost;
- § Provisions for impairment of financial and non financial assets;
- § Share of the segment in personnel and administrative costs;
- § Share of the segment in depreciation

The segments' 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 activity include money market assets /liabilities and debt securities. Not allocated assets/liabilities are shown in the 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.

Income Statement for 2007

Amount '000 PLN

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total consolidated
Net interest income	525 184	224 918	21 590	0	771 692
<i>external interest income</i>	814 658	373 005	423 419	0	1 611 082
<i>external interest cost</i>	-347 805	-201 222	-290 363	0	-839 390
External interest income less cost	466 853	171 783	133 056	0	771 692
<i>internal interest income</i>	465 979	295 681	-761 660	0	0
<i>internal interest cost</i>	-407 649	-242 546	650 195	0	0
Internal interest income less cost	58 331	53 135	-111 465	0	0
Net commission income	409 247	101 692	32 268	0	543 207
Result from financial operations and FX transactions	172 581	81 019	79 720	0	333 320
Other operating income and cost	258	-100	60 991	0	61 149
Operating Income	1 107 270	407 529	194 569	0	1 709 368
Staff costs	-369 488	-130 401	-38 936	0	-538 825
Other administrative costs	-338 013	-76 499	-16 560		-431 072
Impairment cost of assets	-100 408	37 593	-4 977	0	-67 792
Depreciation	-55 711	-21 022	-10 391		-87 124
Operating costs	-863 620	-190 329	-70 864	0	-1 124 813
Operating Profit	243 650	217 199	123 705	0	584 555
Profit before taxes	243 650	217 199	123 705	0	584 555
Income taxes					-122 960
Net profit					461 595

Balance Sheet 31.12.2007

Amount '000 PLN

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total consolidated
ASSETS					
Segment assets	16 159 661	7 188 306	4 546 351	16 992	27 911 309
<i>Incl. capital investments</i>	78 429	10 286	1 491	16 992	107 198
Assets allocated to segment	758 472	1 750 679	-2 509 150	0	0
Assets not allocated to segment	0	0	0	2 618 797	2 618 797
Total	16 918 133	8 938 984	2 037 201	2 635 789	30 530 106
LIABILITIES & EQUITY					
Segment Liabilities	14 142 535	8 071 241	4 559 060	0	26 772 835
Liabilities allocated to segment	1 909 813	287 604	-2 197 416	0	0
Liabilities not allocated to segment	0	0	0	1 237 339	1 237 339
Equity	0	0	0	0	2 519 932
Total	16 052 348	8 358 844	2 361 644	1 237 339	30 530 106

Income Statement for 2006

<i>Amount '000 PLN</i>	Retail Banking	Corporate Banking	Treasury and Investment Banking	Other	Total consolidated
Net interest income	380 317	191 324	69 927	0	641 568
<i>external interest income</i>	429 369	327 348	525 833	0	1 282 550
<i>external interest cost</i>	-240 386	-148 274	-252 322	0	-640 982
External interest income less cost	188 983	179 074	273 511	0	641 568
<i>internal interest income</i>	361 457	221 368	-582 825	0	0
<i>internal interest cost</i>	-170 124	-209 118	379 241	0	0
Internal interest income less cost	191 333	12 250	-203 584	0	0
Net commission income	237 100	85 689	42 389	0	365 178
Result from financial operations and FX transactions	116 879	41 044	88 350	0	246 273
Other operating income and cost	214	34	14 291	0	14 539
Operating Income	734 510	318 091	214 957	0	1 267 558
Staff costs	-274 786	-96 956	-41 140	0	-412 882
Other administrative costs	-286 844	-70 940	-25 070	0	-382 854
Impairment cost of assets	-74 842	31 918	-979	0	-39 625
Depreciation	-51 349	-11 542	1 426	0	-61 465
Operating costs	-687 821	-147 520	-65 763	0	-896 826
Operating Profit	46 689	170 571	149 194	0	370 732
Profit before taxes	46 689	170 571	149 194	0	370 732
Income taxes					-69 945
Net profit					300 787

Balance Sheet 31.12.2006

<i>Amount '000 PLN</i>	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	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 & EQUITY					
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	0
Liabilities not allocated to segment	0	0	0	1 066 150	1 066 150
Equity	0	0	0	0	2 215 321
Total	11 982 113	8 962 962	465 579	1 066 150	24 692 125

VI. DIVIDEND FOR 2006 AND 2007

On 26 March 2007 the Bank's Ordinary General Meeting of Shareholders 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 May 2007.

Management Board of the Bank will propose to General Meeting of Shareholders to pay dividend from 2007 profit in the amount of PLN 0.19 per share, which makes a total of PLN 161.3 million and 35% of the consolidated net profit of 2007.

VII. EARNINGS PER SHARE

Earnings per share (and the diluted EPS) for the 2007 year, calculated based on the consolidated profit is PLN 0.54.

VIII. STRUCTURE OF THE CAPITAL GROUP OF THE BANK

With respect to the Group's chart presented in the extended consolidated financial report on the 1st semester of 2007, published on 28th September 2007, the following changes in the Group's structure have taken place:

- Millennium Lease Sp. z o.o. (a subsidiary of the Bank) sold to a company not related to the Group 100 shares in Accountancy & Consulting – Accon Services Sp. z o.o. („Accon”). The carrying value of the sold shares (constituting 100% shares in initial capital of Accon) was PLN 216,000 while the total sale price stood at PLN 247,000;
- The Bank concluded with not related entity the agreement on sale of 134,001 shares of Lubuskie Fabryki Mebli S.A. („LFM”), which constitutes 50% + 1 share in initial capital of the company, for the total price of PLN 5,000,000 (net carrying value in the Bank's books is PLN 5,000,000). Then condition precedent of execution of the agreement is obtaining by the seller of assent from the Office for Competition and Consumer Protection for purchase of the shares. As at 31st December 2007 the transaction has not been implemented and the capital exposure to LFM is presented in the balance sheet of the Bank and the Group.

Neither Accon nor LFM were consolidated in line with IAS 8 guidelines (“Accounting Policies, Changes in Accounting Estimates and Errors”) par.8, according to which IFRS constitute a complete set of accounting principles, which do not have to be applied if the effect of their application is insignificant.

Additionally, the Bank acquired 100% shares in initial capital of MB Finance AB with its seat in Stockholm, for the price of SEK 500,000. This company has been consolidated.

IX. MATERIAL EVENTS THAT OCCURRED 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 31 December 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 30 September 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 31 December 2007	Number of shares as of the day of submission of the quarterly report prepared as of 30 September 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
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

* On 4.01.2008 the Management Board of the Bank informed that Mr Jorge Jardim Goncalves filed his resignation from the function of member of the Bank's Supervisory Board as of 31.12.2007.

** On 28.12.2007 Mr Vasco de Mello filed his resignation from the function of member of the Bank's Supervisory Board for personal reasons.

XII. PENDING COURT CASES

The largest pending court case involving Bank Millennium S.A. is the following:

- Proceedings instituted by Grzegorz Jedamski against the Bank, in connection with a lawsuit filed with the District Court in Warsaw for adjudication in his favour of the amount of PLN 299 833 300 as damages for BIG BANK Spółka Akcyjna (formerly ŁBR S.A.) taken over illegally in his opinion. On 11th April 2007 the court decided to dismiss the lawsuit. The decision is not legally valid. The claimant filed and appeal and the Bank filed a reply to the appeal.

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

In the 4th 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 31 December 2007 would exceed 10% of the Group'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 15 February 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.

As at 31 December 2007 the Bank had income subject to taxation with corporate income tax. Despite consideration of 50% of 2005 loss, due this year for settlement, taxable income was generated.

The main drivers of Bank's taxable income are:

- 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;
- ü Sale and securitisation of receivables
- ü Received premiums from options contracts

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, Group 's companies 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.

Deferred tax reported in the Group's 2007 year Profit and Loss Account increased after-tax profit by the amount of PLN 28.9 million. The value of due income tax reported in the consolidated Profit and Loss Account in the same period was PLN 151.8 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- 31.12.2007
Balance at the beginning of the period	5 705
a) increases (of which)	851 474
- issue of bonds within a securitization of leasing receivables portfolio	717 118
- issue of short-term bonds by a subsidiary	134 356
b) decreases (of which)	- 5 705
- purchase of bill of exchange by the National Bank of Poland	-5 705
Balance at the end of the period	851 474

XVI. DESCRIPTION OF TRANSACTIONS WITH RELATED ENTITIES

Any transactions made between the Group's entities in during 2007 year 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.)

ASSETS	31.12.2007
Accounts and deposits kept in the Bank	528 781
Receivables from loans, advances, purchased receivables	1 574 689
Receivables from securities bought with a sell-back clause	4 017
Investment financial assets	34 000
Shares in associated companies	199 668
Other assets	161 309
LIABILITIES	31.12.2007
Liabilities from accepted deposits, loans, advances, sold receivables	3 002 882
Liabilities from securities sold with a buy-back clause	4 017
Debt securities	-717 118
Subordinated liabilities	0
Other liabilities	27 150
INCOME STATEMENT	1.01.07 – 31.12.2007
Income from:	
Interest on accounts, deposits and receivables from loans, advances, purchased receivables	106 367
Bank and brokerage commissions	146 996
Group internal dividends	134 804
Other net operating income	37 601
Expense from:	
Interest on accounts, deposits and receivables on loans, advances, sold receivables	105 468
Bank and brokerage commissions	141 591
Operations of entities subject to consolidation	34 274