

BALANCE SHEET

	as of	Note	31.12.2005	31.12.2004
ASSETS				
I. Cash and balances with Central Bank	1		510 785	871 835
II. Debt securities eligible for rediscount at Central Bank			25 884	9 993
III. Amounts due from financial sector	2		2 646 800	3 546 406
1. Current			87 904	80 927
2. Term			2 558 896	3 465 479
IV. Amounts due from non-financial sector	3		8 680 109	6 336 432
1. Current			1 024 773	852 881
2. Term			7 655 336	5 483 551
V. Amounts due from public sector	4		372 220	409 009
1. Current			6 415	4 987
2. Term			365 805	404 022
VI. Receivables from securities bought with sell-back clause	5		331 155	80 651
VII. Debt securities	6		8 146 067	6 915 891
VIII. Shares in subsidiaries	7, 10		850 409	1 659 836
IX. Shares in jointly controlled subsidiaries	8, 10		0	0
X. Shares in associated companies	9, 10		3 682	6 227
XI. Other shares	11		1 432	12 676
XII. Other securities and other financial assets	12		530 472	536 928
XIII. Intangible assets of which:	14		30 298	40 626
- goodwill			3 946	5 804
XIV. Tangible fixed assets	16		466 578	534 386
XV. Other assets	17		136 645	53 920
1. Repossessed assets - for resale			759	757
2. Other			135 886	53 163
XVI. Accrued costs and prepayments	18		332 487	514 279
1. Deferred income tax			270 432	230 522
2. Other			62 055	283 757
TOTAL ASSETS			23 065 023	21 529 095

LIABILITIES AND EQUITY			
I. Amounts due to Central Bank		0	1
II. Amounts due to financial sector	21	1 829 949	1 979 583
1. Current		421 136	312 765
2. Term		1 408 813	1 666 818
III. Amounts due to non-financial sector	22	12 291 840	13 329 208
1. Savings accounts, of which:		0	0
a) Current		0	0
b) Term		0	0
2. Other, of which:		12 291 840	13 329 208
a) Current		3 333 828	2 528 331
b) Term		8 958 012	10 800 877
IV. Amounts due to public sector	23	1 030 319	874 069
1. Current		656 358	510 810
2. Term		373 961	363 259
V. Liabilities from securities sold with buy-back clause	24	3 472 115	1 446 214
VI. Liabilities from debt securities issued	25	32 587	275 544
1. Short-term		32 587	176 899
2. Long-term		0	98 645
VII. Other liabilities from financial instruments		728 672	410 683
VIII. Special funds and other liabilities	26	244 439	131 974
IX. Accrued & deferred costs, other deferred and restricted incomes	27	369 370	425 847
1. Accrued and deferred costs		111 966	101 024
2. Negative goodwill	28	0	0
3. Other deferred & restricted incomes		257 404	324 823
X. Provisions	29	409 911	342 154
1. Provision for deferred income tax		184 967	117 430
2. Other		224 944	224 724
a) short-term		0	0
b) long-term		224 944	224 724
XI. Subordinated debt	30	309 504	326 978
XII. Share capital	32	849 182	849 182
XIII. Unpaid share capital (negative value)		0	0
XIV. Treasury stock (negative value)	33	0	0
XV. Supplementary capital	34	472 343	508 095
XVI. Revaluation reserve	35	58 591	52 341
XVII. Other reserves	36	383 265	380 532
XVIII. Unappropriated earnings or uncovered loss from prior years		40 817	-40 854
XIX. Net income (loss)		542 119	237 544
TOTAL LIABILITIES AND EQUITY		23 065 023	21 529 095

Capital adequacy ratio	37	10,67%	17,35%
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Book value		2 346 317	1 986 840
Number of shares		849 181 744	849 181 744
Book value per share (in PLN)	38	2,76	2,34

Estimated number of shares		849 181 744	849 181 744
Diluted book value per share (in PLN)		2,76	2,34

OFF-BALANCE SHEET ITEMS		31.12.2005	31.12.2004
I. Contingent liabilities		5 893 164	4 555 197
1. liabilities granted:	39	5 171 417	3 422 724
a) financial		4 399 152	2 974 234
b) guarantees		772 265	448 490
2. liabilities received:	39	721 747	1 132 473
a) financial		0	0
b) guarantees		652 635	1 053 838
II. Commitments resulting from sale/purchase transactions		10 683 268	13 024 534
III. Other off-balance sheet items		38 367 967	22 775 802
- interest rate and currency swaps		27 184 769	21 361 292
- options		7 199 938	514 510
- FRAs		3 600 000	900 000
- other		383 260	0
TOTAL OFF-BALANCE SHEET ITEMS		54 944 399	40 355 533

INCOME STATEMENT

	for the period	Note	01.01.2005-31.12.2005	01.01.2004-31.12.2004
I. Interest income		40	1 117 880	839 254
II. Interest expense		41	785 267	678 165
III. Net interest income (I-II)			332 613	161 089
IV. Commission income		42	238 364	234 505
V. Commission expense			23 105	31 620
VI. Net commission income (IV-V)			215 259	202 885
VII. Income from shares, other securities and other variable-income financial instruments, of which from:		43	374 434	14 584
1. Subsidiaries			372 198	13 655
2. Jointly-controlled subsidiaries			0	0
3. Associated companies			0	207
4. Other			2 236	722
VIII. Profit (loss) on financial operations		44	-114 933	405 320
IX. Foreign exchange gains (losses)			84 696	71 119
X. Profit / (loss) on banking activity			892 069	854 997
XI. Other operating income		45	78 392	107 757
XII. Other operating expenses		46	17 593	31 819
XIII. General and administrative expenses		47	598 672	601 767
XIV. Depreciation and amortization			84 348	309 110
XV. Charges to provisions and revaluation		48	663 132	909 233
1. Charges to specific provisions and general banking risk provisions			659 584	909 233
2. Revaluation of financial assets			3 548	0
XVI. Release of provisions and decreases resulting from revaluation		49	806 836	810 080
1. Release of specific provisions and general banking risk provisions			802 425	808 580
2. Revaluation of financial assets			4 411	1 500
XVII. Net provisions and revaluation (XV- XVI)			143 704	-99 153
XVIII. Operating profit			413 552	-79 095
XIX. Extraordinary gains / (losses)			0	0
1. Extraordinary gains		51	0	0
2. Extraordinary losses		52	0	0
XX. Profit before taxes			413 552	-79 095
XXI. Corporate income tax		55	11 600	5 212
1. Current			0	13 395
2. Deferred			11 600	-8 183
XXII. Other obligatory charges to profit / (loss)		56	0	0
XVII. Share in net income of subordinated entities subject to equity method		57	140 167	321 851
XXIII. Net Income			542 119	237 544
Net income (loss) (for 12 months)			542 119	237 544
Weighted average number of ordinary shares			849 181 744	849 181 744
Earnings (losses) per ordinary share (in PLN)		58	0,64	0,28
Estimated weighted average number of ordinary shares			849 181 744	849 181 744
Diluted earnings (losses) per ordinary share (in PLN)			0,64	0,28

STATEMENT OF MOVEMENTS IN SHAREHOLDERS' EQUITY

for the period	01.01.2005-31.12.2005	01.01.2004-31.12.2004
I. Shareholders' Equity at the beginning of the period (opening balance)	1 986 840	1 734 906
a) changes in adopted accounting policies	48 880	-5 103
b) material errors corrected	0	0
I.a. Shareholders' Equity at the beginning of the period (opening balance) as restated to comparable data	2 035 720	1 729 803
1. Share capital at the beginning of the period	849 182	849 182
1.1. Movements in share capital	0	0
a) increases (of which)	0	0
- issue of shares	0	0
b) decreases (of which)	0	0
- redemption	0	0
1.2. Share capital at the end of the period	849 182	849 182
2. Unpaid share capital at the beginning of the period	0	0
2.1. Movements in unpaid share capital	0	0
a) increase	0	0
b) decrease	0	0
2.2. Unpaid share capital at the end of the period	0	0
2.3 Treasury stock at the beginning of the period	0	0
a) increases	0	0
b) decreases	0	0
2.4. Treasury stock at the end of the period	0	0
3. Supplementary capital at the beginning of the period	508 095	542 970
3.1. Movements in supplementary capital	-35 752	-34 875
a) increases (of which)	0	0
-	0	0
b) decreases (of which)	35 752	34 875
- to cover prior years losses	35 752	34 875
3.2. Supplementary capital at the end of the period	472 343	508 095
4. Revaluation reserve at the beginning of the period	52 341	32 848
a) changes in adopted accounting policies	0	0
b) material errors corrected	0	0
4a. Revaluation reserve at the beginning of the period, as restated to comparable data	52 341	32 848
4.1. Movements in revaluation reserve	6 250	19 493
a) increase (of which)	45 801	28 745
- valuation to fair value	45 801	28 745
b) decrease (of which)	39 551	9 252
- transfer from revaluation reserve to income statement as a result of sale	37 654	4 603
- removal of valuation from revaluation reserve due to maturity of securities	430	76
- net change in deferred tax	1 467	4 573
4.2. Revaluation reserve at the end of the period	58 591	52 341
5. General banking risk reserve at the beginning of the period	380 532	339 637
5.1. Movements in the general banking risk reserve	2 733	40 895
a) increase (of which)	2 733	40 895
- appropriated earnings	2 733	40 895
b) decrease (of which)	0	0
-	0	0
5.2. General banking risk fund at the end of the period	383 265	380 532
6. Other reserve capital at the beginning of the period	0	0
6.1. Movements in the other reserve capital	0	0
a) increase (of which)	0	0
b) decrease (of which)	0	0
6.2. Other reserve capital at the end of the period	0	0

7. Retained earnings or losses brought forward at the beginning of the period	-40 854	-70 626
7.1. Retained earnings at the beginning of the period	-40 854	-70 626
a) changes in adopted accounting policies	48 880	-5 103
b) material errors corrected	0	0
7.2. Retained earnings at the beginning of the period, as restated to comparable data	8 026	-75 729
7.3. Movements in retained earnings	32 791	34 875
a) increase (of which)	273 295	75 770
- pending approval of prior year earnings	237 544	40 895
- to cover result of previous years	35 751	34 875
b) decrease (of which)	240 504	40 895
- appropriation of profit - General Banking Risk Reserve	2 733	40 895
- dividend payments	237 771	0
7.4. Retained earnings at the end of the period	40 817	-40 854
7.5. Retained earnings or losses brought forward at the end of the period	40 817	-40 854
8. Net result	542 119	237 544
a) net income	542 119	237 544
b) net loss	0	0
II. Shareholders' Equity at the end of the period (closing balance)	2 346 317	1 986 840

STATEMENT OF CASH FLOWS

	for the period	01.01.2005-31.12.2005	01.01.2004-31.12.2004
A. CASH FLOWS FROM OPERATING ACTIVITIES			
I. Net income (loss)		542 119	237 544
II. Adjusted by:		-1 519	2 378 243
1. Minority profit (loss)		0	0
2. Share in (profits) losses of subordinated companies subject to equity method		-140 167	-321 851
3. Depreciation and amortization		84 348	339 375
4. Foreign exchange gains/(losses)		-21 201	-195 693
5. Interest and share in profits (dividends)		-289 251	118 051
6. Profit/(loss) on investing activities		219 359	787
7. Changes in provisions		46 208	-72 763
8. Changes in inventory		0	0
9. Change in debt securities		-465 238	329 115
10. Change in amounts due from financial sector		910 471	-1 748 895
11. Change in amounts due from non-financial and public sectors		-2 322 779	3 089 484
12. Change in receivables from securities purchased with sell-back clause		-250 504	19 707
13. Change in shares, other securities and other financial assets		14 224	171 449
14. Change in amounts due to financial sector		969 048	-1 091 017
15. Change in amounts due to non-financial and public sectors		-886 670	2 740 380
16. Change in liabilities from securities sold with buy-back clause		2 025 901	-89 264
17. Change in liabilities arising from securities		-85 298	-710 451
18. Change in other liabilities		345 513	47 916
19. Change in accrued expenses and prepayments		-48 723	-19 938
20. Change in deferred and restricted incomes		-107 089	-228 149
21. Other		329	0
III. Net cash flows from operating activities		540 600	2 615 787
B. NET CASH FLOWS FROM INVESTING ACTIVITIES			
I. Cash from investing activities		7 809 378	7 668 294
1. Sale of shares in subsidiaries		0	0
2. Sale of shares in jointly-controlled subsidiaries		0	0
3. Sale of shares in associated companies		175	986
4. Sale of shares in other companies, other securities and other financial assets		6 478 750	7 640 058
5. Sale of intangible assets and tangible fixed assets		8 072	12 124
6. Sale of investments in real estate and intangible assets		0	0
7. Other investing inflows		1 322 381	15 126
II. Cash used for investing activities		7 399 714	10 056 502
1. Purchase of shares in subsidiaries		0	6
2. Purchase of shares in jointly-controlled subsidiaries		0	0
3. Purchase of shares in associated companies		0	0
4. Purchase of shares in other companies, other securities and other financial assets		7 098 211	10 023 575
5. Purchase of intangible assets and tangible fixed assets		18 003	15 342
6. Capital expenditure in real estate and intangible assets		0	17 579
7. Other investing outflows		283 500	0
III. Net cash flows from investing activities (I+/-II)		409 664	-2 388 208

C. NET CASH FLOWS FROM FINANCING ACTIVITIES (I-II)		
I. Cash from financing activities	24 012	45 687
1. Long-term bank loans	0	0
2. Long-term borrowings from financial institutions other than banks	0	0
3. Issue of debt securities	22 836	45 687
4. Increase in subordinated debt	0	0
5. Net proceeds from issues of shares and additional capital paid-in	0	0
6. Other financing inflows	1 176	0
II. Cash used for financing activities	1 324 449	196 651
1. Repayment of long-term bank loans	793 053	0
2. Repayment of long-term borrowings from financial institutions other than banks	10 932	0
3. Redemption of debt securities	178 760	75 299
4. Other financial liabilities	0	0
5. Financial leasing liabilities	0	0
6. Decrease in subordinated debt	0	0
7. Dividends and other payments to owners	237 771	0
8. Dividends and other payments to minority shareholders	0	0
9. Expenses on account of the distribution of profits other than payments to owners	0	0
10. Purchase of treasury stock	0	0
11. Other financing outflows	103 933	121 352
III. Net cash flows from financing activities (I+/-II)	-1 300 437	-150 964
D. NET CASH FLOWS, TOTAL (A+/-B+/-C)	-350 173	76 615
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	882 017	805 402
G. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (F+/- D)	531 844	882 017

For the purpose of "Cash flow as at December 31 2005 (data in thousand PLN) cash and "cash equivalents" item included

1. Cash and Central Bank balances	510 785
2. Current accounts at banks	21 059
TOTAL	531 844

For the purpose of this statement the following classification of types of activity was assumed:

1. Operating activity covers the basic scope of activity related to the provision of services by the Bank, comprising for-profit activities that are not investment or financing activity,
2. Investment activity covers activities related to purchasing or selling fixed asset components, in particular financial assets that are not classified as for trading, physical fixed assets and intangibles,
3. Financing activity covers activities related to obtaining funds in the form of capitals or liabilities, as well as servicing financing sources.

The principal gaps between the changes in the balance sheet positions and changes in these positions indicated in the cash flow statement refer to the following: i) "change in the liabilities to financial institutions" – the loan repayments, captured duly in the financial part, were separated out of this position as well as interest and FX differences connected to these liabilities ii) "Financial assets available for sale" - effects of adjustment referred to the revaluation capital were eliminated.

In the position "Other investing inflows" the amount of 948,590 thousand PLN is presented which results from reduction of the initial capital in the subsidiary and dividends received from subordinated companies in the amount of 371,599. In the same period the cash inflow resulting from the transaction concluded with Banco Comercial Portugues has been presented as "Other investing outflows", which is described in more detail in items 27 and 29 of the Additional explanatory notes.

EXPLANATORY NOTES

EXPLANATORY NOTES TO BALANCE SHEET

Information on encumbrance of assets is presented in item 6 of Additional Notes.

Note 1

1.1. CASH AND CENTRAL BANK OPERATIONS	31.12.2005	31.12.2004
1. Current account	212 212	630 933
2. Deposits	0	0
3. Cash in bank	297 657	240 703
4. Interest	730	0
5. Other funds	186	199
Total cash and central bank funds	510 785	871 835

1.2. CASH (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	399 643	819 396
b. in foreign currencies (by currency and after translation to zloty)	111 142	52 439
b1. Unit /currency 1000/USD	6 579	6 903
PLN '000	21 456	20 644
b2. Unit/currency 1000./JPY	4 282	2 777
PLN '000	119	81
b3. Unit/currency 1000/GBP	3 031	95
PLN '000	17 048	546
b4. Unit/currency 1000/CHF	1 462	758
PLN '000	3 625	2 002
b5. Unit/currency 1000/EUR	15 379	6 584
PLN '000	59 360	26 856
b6. Other currencies (PLN '000)	9 534	2 310
Total cash	510 785	871 835

Note 2

2.1. RECEIVABLES FROM FINANCIAL SECTOR (BY TYPES)	31.12.2005	31.12.2004
1. Receivables from banks, of which:	2 347 384	3 155 143
a. current nostro accounts, loro overdrafts	21 059	10 182
b. loans	70 013	70 033
c. deposits	2 255 963	3 074 496
d. purchased receivables	349	432
e. realized guarantees	0	0
f. other receivables	0	0
2. Receivables from other financial entities, of which:	287 628	566 058
a. loans	287 558	550 643
b. purchased receivables	0	15 415
c. realized guarantees	0	0
d. commercial paper	0	0
e. other receivables	70	0
3. Other receivables from financial institutions	0	30
4. Interest:	11 831	56 656
a) accrued	11 811	14 043
b) matured	20	42 613
Total (gross) receivables from financial sector	2 646 843	3 777 887
7. Provisions for irregular receivables from financial sector (negative value)	-43	-231 481
Total (net) receivables from financial sector	2 646 800	3 546 406

2.2. RECEIVABLES (GROSS) FROM FINANCIAL SECTOR (AS PER MATURITY)	31.12.2005	31.12.2004
1. On current account	87 904	80 927
2. Term receivables, time from balance sheet date to maturity:	2 547 108	3 640 304
a) up to one month	1 688 493	2 870 084
b) over 1 month to 3 months	105 533	265 654
c) over 3 months to 1 year	567 375	176 057
d) over 1 year to 5 years	185 665	321 760
e) over 5 years	0	0
f) past due	42	6 749
3. Interest	11 831	56 656
- accrued	11 811	14 043
- matured	20	42 613
Total (gross) receivables from financial sector	2 646 843	3 777 887

2.3. RECEIVABLES FROM FINANCIAL SECTOR (AS PER ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. On current account	87 904	80 927
2. Term receivables, time of repayment:	2 547 108	3 640 304
a) up to one month	1 600 095	2 646 395
b) over 1 month to 3 month	126 318	343 654
c) over 3 months to 1 year	529 824	288 980
d) over 1 year to 5 years	259 466	304 473
e) over 5 years	31 405	56 802
3. Interest	11 831	56 656
- accrued	11 811	14 043
- matured	20	42 613
Total (gross) receivables from financial sector	2 646 843	3 777 887

2.4. RECEIVABLES FROM FINANCIAL SECTOR (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	1 411 278	2 482 849
b. in foreign currencies (by currency and after zloty translation)	1 235 565	1 295 038
b1. Unit/currency1000/USD	263 487	361 469
PLN '000	859 309	1 080 937
b2. Unit/currency1000/JPY	61 785	26 262
PLN '000	1 717	766
b3. Unit/currency1000/GBP	3 065	423
PLN '000	17 239	2 440
b4. Unit/currency1000/CHF	4 786	8 510
PLN '000	11 864	22 485
b5. Unit/currency1000/EUR	86 742	45 213
PLN '000	334 805	184 425
b6. Other currencies (w PLN '000)	10 631	3 985
Total (receivables) from non-financial sector	2 646 843	3 777 887

2.5. (GROSS) RECEIVABLES FROM FINANCIAL SECTOR	31.12.2005	31.12.2004
1. Standard	2 634 968	3 457 340
2. Watch	0	75
3. Irregular, of which:	44	263 816
- substandard	1	7
- doubtful	1	3
- loss	42	263 806
3. Interest	11 831	56 656
- accrued	11 811	14 043
- matured	20	42 613
- on standard and watch receivables	0	1
- on irregular receivables	20	42 612
Total (gross) receivables from financial sector	2 646 843	3 777 887

Decrease in the balance of receivables from financial institutions under credits and loans classified as lost was caused predominately by repayment of loans (originally granted by the Bank to Prolim S.A.) effected by BEL Leasing Sp. z o.o.-legal successor of Prolim S.A. -in the amount of 233 million PLN (this issue is described in item 29 of the Additional explanatory notes).

Decrease in the balance of the interest matured in 2005 resulted from repayment of loans (originally granted by the Bank to Prolim S.A.) along with the due interest accrued at arms length for the entire period of financing, by BEL Leasing Sp. z o.o.-legal successor of Prolim S.A. (this issue is described in item 29 of the Additional explanatory notes).

2.6. VALUE OF COLLATERAL REDUCING PROVISIONING BASE FOR IRREGULAR RECEIVABLES FROM FINANCIAL SECTOR	31.12.2005	31.12.2004
a) Watch	0	75
b) Irregular, of which:	2	32 334
- substandard	1	7
- doubtful	1	1
- loss	0	32 326
Total value of collateral reducing provisioning base for irregular receivables from financial sector	2	32 409

2.7. PROVISIONS FOR RECEIVABLES FROM FINANCIAL SECTOR	31.12.2005	31.12.2004
a) Watch	0	0
b) Irregular, of which:	43	231 481
- substandard	0	0
- doubtful	1	1
- loss	42	231 480
Total	43	231 481

2.8. CHANGE IN PROVISIONS FOR IRREGULAR RECEIVABLES FROM FINANCIAL SECTOR	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Opening balance	231 481	174 935
a) increase (due to)	8 736	110 123
- provisions for irregular receivables from financial institutions	8 736	110 123
b) used for (due to)	0	23 158
- writing off receivables	0	23 158
c) release (due to)	240 174	30 419
- provisions for receivables from other financial entities	240 174	30 424
- exchange differences	0	-5
2. Provisions for irregular receivables from financial sector at the end of the period	43	231 481
3. Statutory provisioning level required for receivables from financial sector at the end of the period	43	231 481

As a result of repayment of the loans, classified under lost category (originally granted by the Bank to Prolim S.A.), by BEL Leasing Sp. z o.o.- legal successor of Prolim S.A. the Bank released provisions established for this exposure to Prolim S. A. The value of the above provisions released in the Profit and Loss Account of the Bank totalled 223 million PLN. At the same time BEL Leasing Sp. z o.o. established against the Profit and Loss Account provisions to cover the risks related to the assets taken over following the merger with Prolim S.A. - the costs of these provisions, due to the Bank's application of the equity rights method in relation to shares in the subsidiaries (BEL Leasing Sp. z o.o.), were debited to the Profit and Loss Account of the Bank under "Share in net income of subordinated entities subject to equity method". Additionally, as a result of the recovery actions that preceded the above repayment, during the year the Bank released provisions for the exposure to Prolim S.A. in the amount of 11 million PLN (for broader presentation of the above-described issues see item 29 of the Additional explanatory notes).

Total irregular receivables constitute 3.8% of total assets.

Note 3

3.1. RECEIVABLES FROM NON-FINANCIAL SECTOR (BY TYPES)	31.12.2005	31.12.2004
1. Receivables from non-financial sector	8 893 129	6 572 993
a) loans	7 960 416	5 365 411
b) purchased receivables	907 448	1 194 758
c) realized guarantees	24 951	11 776
d) other receivables	314	1 048
2. Interest	144 157	138 434
a) accrued	33 442	36 237
b) matured	110 715	102 197
Total (gross) receivables from non-financial sector	9 037 286	6 711 427
3. Provisions created for irregular receivables from non-financial sector (negative value)	-357 177	-374 995
Total (net) receivables from non-financial sector	8 680 109	6 336 432

3.2. RECEIVABLES FROM NON-FINANCIAL SECTOR (BY MATURITY)	31.12.2005	31.12.2004
1. On current account	1 024 773	852 881
2. Term receivables, time from balance sheet date to maturity:	7 868 356	5 720 112
a) up to one month	228 410	129 210
b) over 1 month to 3 months	117 723	118 853
c) over 3 months to 1 year	586 911	666 006
d) over 1 year to 5 years	1 983 528	1 668 307
e) over 5 years	4 776 697	2 935 122
f) past due	175 087	202 614
3. Interest	144 157	138 434
- accrued	33 442	36 237
- matured	110 715	102 197
Total (gross) receivables from non-financial sector	9 037 286	6 711 427

3.3. RECEIVABLES FROM NONFINANCIAL SECTOR (AS PER ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. On current account	1 024 773	852 881
2. Term receivables, time of repayment:	7 868 356	5 720 112
a) up to one month	240 023	159 503
b) over 1 month to 3 months	17 892	12 814
c) over 3 months to 1 year	328 275	298 284
d) over 1 year to 5 years	1 914 186	1 815 778
e) over 5 years	5 367 980	3 433 733
3. Interest	144 157	138 434
- accrued	33 442	36 237
- matured	110 715	102 197
Total (gross) receivables from nonfinancial sector	9 037 286	6 711 427

3.4. RECEIVABLES FROM NONFINANCIAL SECTOR (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	3 467 562	3 026 919
b. in foreign currencies (by currency and after translation to zloty)	5 569 724	3 684 508
b1. Unit/currency1000/USD	238 081	276 635
PLN '000	776 453	827 250
b2. Unit/currency1000/JPY	1 653 149	1 273 965
PLN '000	45 941	37 159
b3. Unit/currency1000/GBP	0	0
PLN '000	0	0
b4. Unit/currency1000/CHF	1 473 305	673 242
PLN '000	3 652 028	1 778 774
b5. Unit/currency1000/EUR	283 760	255 289
PLN '000	1 095 257	1 041 325
b6. Other currencies (w PLN '000)	45	0
Total receivables from nonfinancial sector	9 037 286	6 711 427

3.5. (GROSS) RECEIVABLES FROM NONFINANCIAL SECTOR	31.12.2005	31.12.2004
1. Standard	7 496 632	5 035 000
2. Watch	524 748	571 132
3. Irregular, of which:	871 749	966 861
- substandard	207 843	518 701
- doubtful	430 360	108 910
- loss	233 546	339 250
3. Interest	144 157	138 434
- accrued	33 442	36 237
- matured	110 715	102 197
- on standard and watch	1 940	385
- on irregular receivables	108 775	101 812
Total (gross) receivables from nonfinancial sector	9 037 286	6 711 427

3.6. VALUE OF COLLATERAL REDUCING PROVISIONING BASE FOR IRREGULAR RECEIVABLES FROM NONFINANCIAL SECTOR	31.12.2005	31.12.2004
a) Standard	0	0
b) Watch	117 807	486 089
c) Irregular, of which:	283 540	248 542
- substandard	65 334	113 306
- doubtful	180 934	45 372
- loss	37 272	89 864
Total value of collateral reducing provisioning base for irregular receivables from nonfinancial sector	401 347	734 631

3.7. PROVISIONS FOR IRREGULAR RECEIVABLES FROM NONFINANCIAL SECTOR	31.12.2005	31.12.2004
a) Standard	0	0
a) Watch	345	2 223
b) Irregular, of which:	356 832	372 772
- substandard	28 631	89 847
- doubtful	131 832	33 539
- loss	196 369	249 386
Total	357 177	374 995

3.8. CHANGE IN PROVISIONS FOR RECEIVABLES FROM NONFINANCIAL SECTOR	01.01.05-31.12.05	01.01.04-31.12.04
1. Opening balance	374 995	839 634
a) increase (due to)	584 672	748 120
- provisions for irregular loans and receivables	563 985	685 435
- provisions for standard and watch loans and receivables	630	1 596
- transfer from FORIN (as a result of purchase of an enterprise)	0	57 824
- transfer from provisions for off-balance sheet liabilities	13 198	0
- other	0	3 265
- exchange differences resulting from provisions for foreign currency receivables	6 859	0
b) used for (due to)	91 331	507 367
- writing off receivables	91 331	507 367
c) release (due to)	511 159	705 392
- irregular loans and receivables	508 446	689 863
- standard and watch loans and receivables	2 713	2 704
- exchange differences resulting from provisions for foreign currency receivables	0	12 825
- transfer to provisions for off-balance sheet liabilities	0	0
- other	0	0
2. Provisions for receivables from non-financial sector at the end of the period	357 177	374 995
3. Statutory provisioning level required for receivables from non-financial sector at the end of the period	357 177	374 995

Note 4

4.1. RECEIVABLES FROM PUBLIC SECTOR (BY TYPES)	31.12.2005	31.12.2004
1. Receivables from public sector	365 988	404 648
a) loans from central government institutions	13 366	5 016
- loans	13 366	5 002
- purchased receivables	0	14
- other	0	0
b) receivables from local government institutions	352 622	399 632
- loans	344 884	399 345
- purchased receivables	7 738	284
- realized guarantees	0	3
c) other receivables	0	0
2. Interest	7 804	6 621
a) accrued	7 624	6 205
b) matured	180	416
Total (gross) receivables from public sector	373 792	411 269
7. Provisions created for irregular receivables from public sector (negative value)	-1 572	-2 260
Total (net) receivables from public sector	372 220	409 009

4.2. RECEIVABLES FROM PUBLIC SECTOR (BY MATURITY)	31.12.2005	31.12.2004
1. On current account	6 415	4 987
2. Term receivables, time from balance sheet date to maturity:	359 573	399 661
a) up to one month	17 647	11 470
b) over 1 month to 3 month	82	239
c) over 3 months to 1 year	19 930	16 700
d) over 1 year to 5 years	125 871	114 372
e) over 5 years	196 013	256 416
f) past due	30	464
3. Interest	7 804	6 621
- accrued	7 624	6 205
- matured	180	416
Total (gross) receivables from public sector	373 792	411 269

4.3. RECEIVABLES FROM PUBLIC SECTOR (AS PER ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. On current account	6 415	4 987
2. Term receivables, time of repayment:	359 573	399 661
a) up to one month	20 647	11 342
b) over 1 month to 3 month	0	0
c) over 3 months to 1 year	1 142	506
d) over 1 year to 5 years	54 366	62 465
e) over 5 years	283 418	325 348
3. Interest	7 804	6 621
- accrued	7 624	6 205
- matured	180	416
Total (gross) receivables from public sector	373 792	411 269

4.4. RECEIVABLES FROM PUBLIC SECTOR (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	310 149	325 354
b. in foreign currencies (by currency and after translation to zloty)	63 643	85 915
b1. Unit/currency1000/USD	0	0
PLN '000	0	0
b2. Unit/currency1000/JPY	0	0
PLN '000	0	0
b3. Unit/currency1000/GBP	0	0
PLN '000	0	0
b4. Unit/currency1000/CHF	23 997	28 740
PLN '000	59 483	75 933
b5. Unit/currency1000/EUR	1 078	2 447
PLN '000	4 160	9 982
b6. Other currencies (in PLN '000)	0	0
Total receivables from public sector	373 792	411 269

4.5. (GROSS) RECEIVABLES FROM PUBLIC SECTOR	31.12.2005	31.12.2004
1. Standard	350 820	386 837
2. Watch	304	301
3. Irregular, of which:	14 864	17 510
- substandard	14 831	9 292
- doubtful	3	7 813
- loss	30	405
4. Interest	7 804	6 621
- accrued	7 624	6 205
- matured	180	416
- on standard and watch	137	0
- on irregular receivables	43	416
Total	373 792	411 269

4.6. VALUE OF COLLATERAL REDUCING PROVISIONING BASE FOR IRREGULAR RECEIVABLES FROM PUBLIC SECTOR	31.12.2005	31.12.2004
a) Standard	0	0
b) Watch	434	301
c) Irregular, of which:	7 172	7 990
- substandard	7 169	887
- doubtful	3	6 741
- loss	0	362
Total value of collateral reducing provisioning base for irregular receivables from nonfinancial sector	7 606	8 291

4.7. PROVISIONS FOR IRREGULAR RECEIVABLES FROM PUBLIC SECTOR	31.12.2005	31.12.2004
a) Standard	0	0
b) Watch	0	0
c) Irregular, of which:	1572	2 260
- substandard	1541	1 681
- doubtful	0	536
- loss	31	43
Total	1572	2 260

4.8. CHANGE IN PROVISIONS FOR IRREGULAR RECEIVABLES FROM PUBLIC SECTOR	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Opening balance	2 260	9 152
a) increase (due to)	1 153	7 507
- provisions for irregular loans and receivables	1 153	3 002
- transfer from FORIN (as a result of purchase of an enterprise)	0	4 505
b) used for (due to)	0	4 666
- writing off receivables	0	4 666
c) release (due to)	1 841	9 733
- irregular loans and receivables	1 841	9 733
2. Provisions for irregular receivables from public sector at the end of the period	1 572	2 260
3. Statutory provisioning level required for receivables from public sector at the end of the period	1 572	2 260

Note 5

RECEIVABLES SECURITIES BOUGHT WITH SELL-BACK CLAUSE (BSB)	31.12.2005	31.12.2004
a) from financial sector	331 018	80 334
b) from non-financial and public sector	0	0
c) interest	137	317
Total receivables from BSB	331 155	80 651

Note 6

6.1. DEBT SECURITIES	31.12.2005	31.12.2004
1. Issued by central banks, of which:	1 384 453	843 861
- FX denominated bonds	0	0
2. Issued by other banks, of which:	248 634	128 245
- FX denominated	0	0
3. Issued by other financial entities, of which:	16 608	98 011
- FX denominated	0	0
4. Issued by nonfinancial entities, of which:	163 828	282 180
- FX denominated	161 160	282 180
5. Issued by state budget, of which:	6 253 791	5 471 131
- FX denominated	119 323	16 706
6. Issued by local budgets, of which:	78 753	92 463
- FX denominated	0	0
7. Redeemed own securities	0	0
Total debt securities	8 146 067	6 915 891

6.2 DEBT SECURITIES (BY TYPE)	31.12.2005	31.12.2004
1. Issued by state budget, of which:	6 253 791	5 471 131
a) bonds	6 175 697	4 749 602
b) T-bills	78 094	721 529
c) other (by type):	0	0
2. Issued by local budget, of which:	78 753	92 463
a) bonds	78 753	92 463
b) other (by type):	0	0
-	0	0
3. Issued by subsidiaries, of which:	8 090	0
a) bonds	8 090	0
b) other (by type):	0	0
- commercial paper	0	0
4. Issued by associated companies, of which:	0	0
a) bonds	0	0
b) other (by type):	0	0
- commercial paper	0	0
5. Issued by NBP, of which:	1 384 453	843 861
a) bonds	167 868	167 142
b) other (by type):	1 216 585	676 719
- money bills	1 216 585	676 719
-	0	0
6. Issued by other entities, of which:	420 980	508 436
a) bonds	420 980	508 436
b) other (by type):	0	0
-	0	0
Total debt securities	8 146 067	6 915 891

6.3. CHANGE IN DEBT SECURITIES	01.01.05-31.12.05	01.01.04-31.12.04
a) opening balance	6 915 891	4 836 667
- opening balance adjustment due to changes in accounting policy	77 869	0
b) opening balance after adjustment	6 993 760	4 836 667
c) increases (on account of)	121 647 179	64 038 708
- purchase and calculation of interest and discount	121 645 689	64 014 436
- valuation to fair value	1 490	24 272
d) reductions (on account of)	120 494 872	61 959 484
- sale and redemption	120 483 831	61 959 484
- valuation to fair value	11 041	0
e) closing balance	8 146 067	6 915 891

Note 7

7.1. SHARES AND STOCKS IN SUBSIDIARIES	31.12.2005	31.12.2004
a) in banks	0	0
b) in other financial entities	843 709	1 655 836
c) in nonfinancial entities	6 700	4 000
Total	850 409	1 659 836

7.2. MOVEMENTS IN SHARES AND STOCKS IN SUBSIDIARIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	1 659 836	1 382 022
a) increases (due to)	139 430	281 767
- purchase or embracing of shares, stocks	0	6
- shares taken over as a result of purchase of FORIN	0	98
- equity rights valuation	136 730	281 663
- release of provisions for impairment	2 700	0
b) decreases (due to)	948 857	3 953
- capital reduction	948 590	3 175
- exchange differences	267	778
- other	0	0
Shares and stocks in subsidiaries at end of period	850 409	1 659 836

Decrease in the value of shares in the subsidiaries in 2005 was caused mainly by reduction in the initial capital in BIG BG Inwestycje S.A., which is described more specifically in item 29 of the Additional explanatory notes. The main events with impact on the value of the equity right method effect reflected in 2005 are presented under the note to the Profit and Loss Account referring to item: "Share in net income of subordinated entities subject to equity method"

Note 8

8.1. SHARES AND STOCKS IN JOINTLY CONTROLLED SUBSIDIARIES	31.12.2005	31.12.2004
a) in banks	0	0
b) in other financial entities	0	0
c) in nonfinancial entities	0	0
Total	0	0

8.2. MOVEMENTS IN SHARES AND STOCKS IN JOINTLY CONTROLLED SUBSIDIARIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	0	0
a) increases (due to)	0	0
b) decreases (due to)	0	0
Shares and stocks in jointly controlled subsidiaries at end of period	0	0

Note 9

9.1. SHARES AND STOCKS IN AFFILIATES	31.12.2005	31.12.2004
a) in banks	0	0
b) in other financial entities	1 756	1 427
c) in other nonfinancial entities	1 926	4 800
Total	3 682	6 227

9.2. MOVEMENT IN SHARES AND STOCKS IN AFFILIATES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	6 227	6 803
a) increases (due to)	329	1 669
- shares and stocks taken over as a result of purchase of FORIN	0	33
- equity rights valuation	329	136
- release of provisions	0	1 500
b) decreases (due to)	2 874	2 245
- sale of shares	0	2 212
- liquidation of an entity	174	0
- charge of provisions	2 700	0
Shares and stocks in subsidiaries at end of period	3 682	6 227

Note 10A

SHARES IN SUBORDINATED COMPANIES												
No.	a	b	c	d	e	f	g	h	i	j	k	l
	Company name and legal form	location	object of business	nature of capital relationship	consolidation method employed	date of assuming control / date significant impact is exerted	share value/ by purchasing price	Revaluations value (total)	book value of shares	% of share capital (paid in capital held)	share in votes at general meetings	indication of a different than under letters j) or k) manner of domination
1	Millennium Dom Maklerski S.A.	Warszawa	brokerage services	subsidiary	equity method	05.06.1995 r.	16500	-54364	70864	100,00	100,00	
2	TBM Sp. z o.o.	Warszawa	financial operations - equity markets, advisory services	associated company	equity method	22.03.1996 r.	225	-1531	1756	45,00	45,00	
3	Bel Leasing Sp.z o.o.	Warszawa	leasing	subsidiary	equity method	18.03.1991 r.	25363	-742683	768046	100,00	100,00	
4	BG Leasing S.A.	Gdańsk	leasing	subsidiary	excl. from consolidation	24.02.1997 r.	900	900	0	74,00	74,00	
5	BESTA Sp.z o.o.	Warszawa	supporting insurance and pension fund operations	subsidiary	equity method	17.07.1998 r.	50	50	0	100,00	100,00	
6	Lubuskie Fabryki Mebli SA	Świebodzin	furniture manufacturer	subsidiary	excl. from consolidation	05.12.1997 r.	6700	0	6700	50,00	50,00
7	Pomorskie Hurtowe Centrum Rolno - Spozywcze S.A.	Gdańsk	wholesale market	associated company	excl. from consolidation	16.06.1997 r.	8200	6274	1926	38,39	42,92
8	Towarzystwo Handlowe Weiman i S-ka Sp. z o.o.	Łódź	manufacturing and trading in sanitary ceramics	associated company	excl. from consolidation	20.10.1993	0	0	0	40,00	40,00	
9	Reess Trading Sp.z o.o.	Warszawa	financial operations - equity markets, advisory services	subsidiary	excl. from consolidation	19.06.1996 r.	98	0	98	98,00	98,00	
10	SPC S.A.	Warszawa		associated company	excl. from consolidation		33	33	0	33,00	33,00	
11	Forin Sp. z o.o.	Warszawa	managing other entities	subsidiary	equity method	25.02.1992 r.	38579	38579	0	100,00	100,00	
12	BBG Finance BV	Rotterdam	funding companies from the Group	subsidiary	full method	22.11.2001 r.	4701	0	4701	100,00	100,00	

SHARES IN SUBORDINATED COMPANIES - continued																								
	a	m							n			o			p	r	s	t						
	name of unit		Shareholders' Equity, of which:						Liabilities			Receivables			Assets (total)	Sales	Portion of shares not paid	Dividends received						
			Share capital	Additional capital payable (negative amount)	Supplementary capital	Other	Retained earnings (loss brought forward)	Net income (loss)											of which:	current	long-term	of which:	short-term	long-term
1	Millennium Dom Maklerski S.A.	58 467	16 500	0	27 089	14 878	0	14 878	282 889	260 614	22 275	17 625	17 625	0	349 070	38 811								
2	TBM Sp.z o.o.	5 199	500	0	2 008	2 691	0	155	0	0	0	0	0	0	5 821	40								
3	Bel Leasing Sp.z o.o.	735 553	43 400	0	26 305	665 848	10 594	471 451	1 210 794	618 579	592 215	1 719 059	633 149	1 085 910	2 303 277	157 324		371 599						
4	BG Leasing S.A.*																							
5	BESTA Sp.z o.o.	92	50	0	8 462	-8 420	-8 420	0	7	7	0	46	46	0	223	0								
6	Lubuskie Fabryki Mebli S.A.**	16 099	13 400	0	1 053	1 646	0	431	4 625	4 625	0	4 016	4 016	0	20 724	39 313		599						
7	Pomorskie Hurtowe Centrum Rolno - Spożywcze S.A.***	20 633	21 357	0	494	-1 219	-13 486	736	54 744	10 986	43 758	331	331	0	78 529	2 501								
8	Towarzystwo Handlowe Weiman i S-ka Sp. z o.o.****																							
9	Reess Trading Sp.z o.o.	117	100	0	10	6	0	3	0	0	0	1	1	0	117	0								
10	SPC S.A. ****																							
11	Forin Sp. z o.o.	53 409	86 318	0	32 788	-65 697	-66 127	430	224 818	0	224 818	256 056	10 066	245 989	300 856	12 715								
12	BBG Finance BV *****	5 286	69	0	4 632	585	0	241	436 157	0	436 157	436 157	0	436 157	442 313	0								
* - under bankruptcy proceedings ** - for the period of 1.01.2005 - 30.11.2005 *** - for the period of 01.07.2005 - 31.12.2005 **** - the company has not been carrying business activity ***** - as at 31.12.2004																								

11. SHARES IN OTHER COMPANIES										
No.	a	b	c	d	e	f	g		h	i
	Company name and legal form	Location	Business	Book value of shares	% of shares held	% of votes at a GM	Shareholders' equity*, of which:	- share capital	shares unpaid by the Issuer	dividends received or receivable for the last financial year
1	Elmor S.A.	Gdańsk	electronics	86	8,38	8,38	8408	7203	0	0
2	MacQuillan Polska Sp.z o.o.	Warszawa	advisory services	1	10,00	10,00		10	0	0
3	Krajowa Izba Rozliczeniowa S.A.	Warszawa	interbank settlements	313	5,74	5,74	92502	5445	0	1563
4	Servibanca	Lizbona	przeprowadzanie rozliczeń	29	2,67	2,67		1 084		
5	Centralna Tablica Ofert S.A.	Warszawa	providing information on non-exchange transactions	104	1,55	1,55	6079	10000	0	0
6	Biuro Informacji Kredytowej SA	Warszawa	preparing and sale of reports on financial liabilities	400	2,50	2,50	12236	15550	0	30
7	Giełda Papierów Wartościowych S.A.	Warszawa	stock exchange	20	0,03	0,03		42000	0	0
8	SWIFT	Bruksela	telecom services	84	0,02	0,02		4 180	0	0
9	PKB POL-BUILDING S.A.	Toruń	building services	4	16,66	16,66			0	0
10	PZL "Krosno" S.A.	Krosno	telecom equipment	244	9,34	9,34			0	0
11	other			147						
* - as at 31.12.2004				1 432						

Note 11

11.1. SHARES AND STOCKS IN OTHER ENTITIES	31.12.2005	31.12.2004
a) in financial sector entities	974	12 254
b) in non-financial sector entities	458	422
Total	1 432	12 676

11.2. MOVEMENTS IN SHARES AND STOCKS IN OTHER ENTITIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	12 676	12 714
a) increases (due to)	1 536	116
- purchase or embracing of shares and stocks	0	34
- shares and stocks taken over as a result of purchase of FORIN	0	82
- release of provisions	1 536	0
b) decreases (due to)	12 780	154
- charge of a provision against costs	133	0
- sale of shares and stocks	12 640	136
- valuation (exchange differences)	7	18
Shares and stocks in other entities at the end of period	1 432	12 676

Note 12

12.1. OTHER SECURITIES AND OTHER FINANCIAL ASSETS (BY TYPE)	31.12.2005	31.12.2004
a) investment funds units and investment certificates	3 330	4 249
b) rights	0	0
c) derivative rights	0	0
d) other (by type)	527 142	532 679
- assets on account of valuation of financial instruments connected with securities purchased in term transactions market	0	0
- assets on account of valuation of financial instruments connected with securities purchased in interest rate market	141 017	220 401
- assets on account of valuation of financial instruments connected with securities purchased in interest and exchange rate market	288 231	178 135
- assets on account of valuation of financial instruments connected with securities purchased in exchange rate market	97 894	134 143
Total	530 472	536 928

12.2. MOVEMENTS IN OTHER SECURITIES AND OTHER FINANCIAL ASSETS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	536 928	677 449
a) increases (due to)	7 745	148 836
- valuation of investment funds units	264	249
- purchase of investment funds units	7 481	4 000
- valuation of other financial instruments	0	144 587
b) reductions (due to)	24 123	289 357
- sale/redemption of investment certificates	0	289 357
- sale of investment funds units	8 664	0
- valuation of other financial instruments	5 537	0
End of period	530 472	536 928

12.3. OTHER SECURITIES AND OTHER FINANCIAL ASSETS (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	527 142	536 928
b. in foreign currencies (by currency and after zloty translation)	3 330	0
b1. Unit/currency 1000/EUR	0	0
PLN '000	0	0
b2. Unit/currency 1000/USD	1 021	0
PLN '000	3 330	0
b3. Unit/currency...../.....	0	0
PLN '000	0	0
b4. Other currencies (in PLN '000)	0	0
Total	530 472	536 928

Note 13

13.1. FINANCIAL ASSETS	31.12.2005	31.12.2004
a) financial assets for trading (note 13.3)	3 519 586	3 064 134
b) loans extended by bank and own receivables not for trade	12 035 109	10 372 309
c) financial assets held to maturity (note 13.4)	327 270	202 252
d) financial assets available for sale (note 13.5)	4 831 115	4 199 109
e) money assets	531 844	882 017
Total	21 244 924	18 719 821

Item „loans extended by the bank and own receivables not for trade" captured the following:

- debt securities admitted for rediscounting at the Central Bank
- receivables from the financial sector excluding nostro current accounts and loro account overdrafts
- receivables from the non-financial sector
- receivables from the public sector
- receivables from purchase of securities with sell-back clause

Item "money assets" captured the following:

- cash, operations with the Central Bank
- receivables from the financial sector - nostro current accounts, loro account overdrafts

This note does not contain shares in subsidiaries and affiliates

13.2. FINANCIAL ASSETS (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	14 319 808	13 911 651
b. in foreign currencies (by currency and after zloty translation)	7 283 908	5 416 906
b1. Unit/currency 1000/USD	550 927	680 714
PLN '000	1 796 739	2 035 607
b2. Unit/currency 1000/JPY	1 719 216	1 303 003
PLN '000	47 777	38 006
b3. Unit/currency 1000/GBP	6 095	518
PLN '000	34 287	2 986
b4. Unit/currency 1000/CHF	1 503 550	711 250
PLN '000	3 727 000	1 879 194
b5. Unit/currency 1000/EUR	418 079	356 660
PLN '000	1 613 703	1 454 818
b6. Other currencies (in PLN '000)	64 402	6 295
Total financial assets	21 603 716	19 328 557

Credits and loans granted by the Bank and Bank's receivables, not for trading, are presented as gross values.

13.3 FINANCIAL ASSETS FOR TRADING (BY MARKET LIQUIDITY)	31.12.2005	31.12.2004
A. With unlimited market liquidity - listed on the stock exchange (balance sheet value)	1 775 859	1 722 694
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	1 775 859	1 722 694
- fair value	1 775 859	1 722 694
- market value	1 775 859	1 722 694
- by purchasing price	1 758 395	1 689 108
c) other - by types (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
B. With unlimited market liquidity, listed on OTC market (balance sheet value)	0	0
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c) other - by types (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
C. With unlimited market liquidity, not listed on regulated markets (balance sheet value)	1 216 585	808 761
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c) other - by types (balance sheet value):	1 216 585	808 761
c1) NBP money bills (balance sheet value)	1 216 585	676 719
- fair value	1 216 585	676 719
- market value	1 216 585	676 719
- by purchasing price	1 216 585	676 719
c2) T-bonds (balance sheet value)	0	127 793
- fair value	0	127 793
- market value	0	127 793
- by purchasing price	0	126 498
c3) investment fund units and investment certificates (balance sheet value)	0	4 249
- fair value	0	4 249
- market value	0	4 249
- by purchasing price	0	4 000
D. With limited market liquidity (balance sheet value)	527 142	532 679
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c) other - by types (balance sheet value):	527 142	532 679
c1) commercial papers	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c2) assets resulting from valuation of financial instruments (balance sheet value)	527 142	532 679
Total valuation by purchasing price	2 974 980	2 496 325
Total value at the beginning of period	3 074 056	3 219 665
Total revaluation adjustments (for period)	531 086	547 913
Total balance sheet value	3 519 586	3 064 134

13.4. FINANCIAL ASSETS HELD TO MATURITY (BY MARKET LIQUIDITY)	31.12.2005	31.12.2004
A. With unlimited market liquidity - listed on the stock exchange (balance sheet value)	78 636	74 007
a) bonds (balance sheet value):	78 636	74 007
- valuation adjustments (for period)	0	0
- value at period start	74 007	0
- by purchasing price	69 920	69 920
b) other - by types (balance sheet value):	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
B. With limited market liquidity - listed on OTC market (balance sheet value)	0	0
a) bonds (balance sheet value):	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
b) other - by type groups (balance sheet value):	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
.....	0	0
C. With unlimited market liquidity, not listed on a regulated market (balance sheet value)	0	0
a) restructuring bonds issued by State Treasury (balance sheet value):	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
b) other - by type groups (balance sheet value):	0	0
b1) NBP money bills (balance sheet value)	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
b2) units in investment funds and investment certificates (balance sheet value)	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
D. With limited market liquidity (balance sheet value)	248 634	128 245
a) bonds (balance sheet value):	248 634	128 245
- valuation adjustments (for period)	0	0
- value at period start	128 245	112 232
- by purchasing price	74 750	74 750
b) other - by types (balance sheet value):	0	0
b1) (balance sheet value)	0	0
- valuation adjustments (for period)	0	0
- value at period start	0	0
- by purchasing price	0	0
Total valuation by purchasing price	144 670	144 670
Total value at the beginning of period	202 252	112 232
Total revaluation adjustments (by period)	0	0
Total balance sheet value	327 270	202 252

13.5. FINANCIAL ASSETS AVAILABLE FOR SALE (BY MARKET LIQUIDITY)	31.12.2005	31.12.2004
A. With unlimited market liquidity - exchange listed (balance sheet value)	4 321 202	2 952 901
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	4 321 202	2 952 901
- fair value	4 321 202	2 952 901
- market value	4 321 202	2 952 901
- by purchasing price	4 176 630	2 897 302
c) other - by types (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
B. With unlimited liquidity, OTC listed (balance sheet value)	0	0
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c) other - by types (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
....	0	0
C. With unlimited market liquidity, not listed on a regulated market (balance sheet value)	418 507	1 043 058
a) shares (balance sheet value):	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
b) bonds (balance sheet value):	337 083	449 322
- fair value	337 083	449 322
- market value	337 083	449 322
- by purchasing price	331 993	441 520
c) other - by types (balance sheet value):	81 424	593 736
c1) T-bills dedicated for deposit insurance coverage by the Bank Guarantee Fund (balance sheet value)	34 574	38 853
- fair value	34 574	38 853
- market value	34 574	38 853
- by purchasing price	34 575	38 001
c2) other T-bills (balance sheet value)	43 520	554 883
- fair value	43 520	554 883
- market value	43 520	554 883
- by purchasing price	43 533	548 902
c3) investment fund units (balance sheet value)	3 330	0
- fair value	3 330	0
- market value	3 330	0
- by purchasing price	3 261	0

D. With limited market liquidity (balance sheet value)	91 406	203 150
a) shares and stocks (balance sheet value):	1 432	12 676
- fair value	1 432	12 676
- market value	1 432	12 676
- by purchasing price	1 695	14 476
b) bonds (balance sheet value):	89 974	190 474
- fair value	89 974	190 474
- market value	89 974	190 474
- by purchasing price	89 861	173 060
c) other - by types (balance sheet value):	0	0
c1) (balance sheet value)	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c2) (balance sheet value)	0	0
- fair value	0	0
- market value	0	0
- by purchasing price	0	0
c3) assets resulting from valuation of financial instruments (balance sheet value)	0	0
Total value by purchasing price	4 681 548	4 113 261
Total value at the beginning of period	4 199 109	2 194 933
Total revaluation adjustments (by period)	35 020	31 928
Total balance sheet value	4 831 115	4 199 109

Note 14

14.1. INTANGIBLE FIXED ASSETS	31.12.2005	31.12.2004
a) costs of completed development work	0	0
b) goodwill	3 946	5 804
c) licenses, patents, etc. of which:	26 352	34 822
- computer software	26 053	34 822
d) other intangible fixed assets	0	0
e) advances towards intangible fixed assets	0	0
Total intangible fixed assets	30 298	40 626

Pursuant to the conclusions of the analysis of the periods of economic use of intangibles and fixed assets, in 2004 the Bank performed a one-off depreciation in the amount of 221 million PLN (the event was described in item 27 of the Additional explanatory notes).

14.2. INTANGIBLE FIXED ASSETS (BY OWNERSHIP STATUS)	31.12.2005	31.12.2004
a) own	30 298	40 626
b) used under rent, lease or any similar agreement, of which:	0	0
-		
-		
Total intangible fixed assets	30 298	40 626

Note 15

GOODWILL - SUBORDINATED COMPANIES	31.12.2005	31.12.2004
a) goodwill - subsidiaries	0	0
b) goodwill - jointly controlled companies	0	0
c) goodwill - associated companies	0	0
Total goodwill - subordinated companies	0	0

15.2. Movements in goodwill - subsidiaries	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) opening balance (gross)	0	0
b) additions (of which)	0	0
c) decreases (of which)	0	0
d) closing balance (gross)	0	0
e) accumulated amortization at the beginning of the period	0	0
f) amortization write-off in the period (of which)	0	0
g) accumulated amortization at the end of the period	0	0
h) net goodwill at the end of the period	0	0

14.3. MOVEMENTS IN INTANGIBLE FIXED ASSETS (BY TYPES)

	a cost of completed development work	b goodwill	c concessions, patents, etc.		d other intangible assets	e advances towards intangible assets	Total intangible assets
			including:	computer software			
a) Opening balance (gross value)	26	12 997	367 139	157 022	0	0	380 162
b) increases (due to)	0	0	5 015	4 715	0	0	5 015
- purchase	0	0	0	0	0	0	0
- transfers from fixed assets under construction	0	0	712	712	0	0	712
- investment outlays for intangible fixed assets	0	0	4 303	4 003	0	0	4 303
c) decreases (due to)	0	0	498	498	0	0	498
- other	0	0	498	498	0	0	498
d) gross value of intangible assets at period end	26	12 997	371 656	161 239	0	0	384 679
e) cumulated depreciation (amortization) at period start	26	7 193	332 316	122 200	0	0	339 535
f) depreciation for period (due to)	0	1 858	12 988	12 986	0	0	14 846
- current charge (income statement)	0	1 858	12 988	12 986	0	0	14 846
- other	0	0	0	0	0	0	0
g) cumulated depreciation (amortization) at period end	26	9 051	345 304	135 186	0	0	354 381
h) movements on lasting impairment of value at beginning of period	0	0		0	0	0	0
- increase	0	0	0	0	0	0	0
- decrease	0	0	0	0	0	0	0
i) movements on lasting impairment of value at end of period	0	0	0	0	0	0	0
j) net value of intangible assets at period end	0	3 946	26 352	26 053	0	0	30 298

15.3. Movements in goodwill - jointly controlled subsidiaries	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) opening balance (gross)	0	0
b) additions (of which)	0	0
c) decreases (of which)	0	0
d) closing balance (gross)	0	0
e) accumulated amortization at the beginning of the period	0	0
f) amortization write-off in the period (of which)	0	0
g) accumulated amortization at the end of the period	0	0
h) net goodwill at the end of the period	0	0

15.4. Movements in goodwill - associated companies	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) opening balance (gross)	0	0
b) additions (of which)	0	0
c) decreases (of which)	0	0
d) closing balance (gross)	0	0
e) accumulated amortization at the beginning of the period	0	0
f) amortization write-off in the period (of which)	0	0
g) accumulated amortization at the end of the period	0	0
h) net goodwill at the end of the period	0	0

Note 16

16.1. TANGIBLE FIXED ASSETS	31.12.2005	31.12.2004
a) tangible fixed assets, of which:	447 244	515 501
- land (including perpetual usufruct - leasehold)	192 897	192 980
- buildings, premises, civil and hydro-engineering structures	196 302	237 137
- equipment	40 154	55 020
- means of transport	7 270	9 032
- other tangible fixed assets	10 621	21 332
b) tangible fixed assets under construction	19 334	18 885
c) advances towards tangible fixed assets under construction	0	0
Total tangible fixed assets	466 578	534 386

As consequence of the decision to implement a new business model at the Bank (the issue, which is described more specifically in item 29 of the Additional explanatory notes), following a detailed analysis and pursuant to the obligatory accounting regulations, the Bank captured in the 2005 result the impairment costs related to the branches assigned for closure in the amount of 9.9 million PLN. Additionally, the Bank changed the estimates regarding period of economic use for the fixed asset items to be replaced in the branches and recognized a respective depreciation charge in the amount of 10.9 million PLN.

16.2. BALANCE SHEET TANGIBLE FIXED ASSETS (BY OWNERSHIP STATES)	31.12.2005	31.12.2004
a) own	447 244	515 501
b) used under rent, lease or any similar agreement, of which:	0	0
-		
-		
Total balance sheet tangible fixed assets	447 244	515 501

16.3. OFF-BALANCE SHEET FIXED ASSETS	31.12.2005	31.12.2004
- used under a lease, rent or similar agreement, of which:	0	0
-	0	0
-		
-		
Total off-balance sheet fixed assets	0	0

16.4. MOVEMENTS IN FIXED ASSETS (BY TYPES)

	- Land (including perpetual usufruct)	- buildings, premises, etc.	- equipment	- means of transport	- other fixed assets	Total fixed assets
a) Gross value of fixed assets at period start	194 983	400 691	378 791	19 802	96 927	1 091 194
b) increases (due to)	0	12 494	7 913	1 942	4 295	26 644
- purchase	0	0	0	0	0	0
- transfer from fixed assets under construction	0	12 494	7 913	1 942	4 295	26 644
- other	0	0	0	0	0	0
c) decreases (due to)	83	17 416	61 391	2 294	13 346	94 530
- sale	83	9 583	3 025	1 994	7 056	21 741
- liquidation	0	292	40 933	0	5 352	46 577
- other	0	7 541	17 433	300	938	26 212
d) gross value of fixed assets at the end of period	194 900	395 769	325 313	19 450	87 876	1 023 308
e) cumulated depreciation (amortization) at period start	3	126 447	323 771	10 770	75 595	536 586
f) amortization for period (by title)	0	19 495	-38 612	1 410	1 660	-16 047
- current decrease (P & L)	0	29 140	22 167	3 302	14 892	69 501
- decrease on sale	0	-4 479	-2 605	-1 748	-7 026	-15 858
- decrease on liquidation	0	-192	-40 756	0	-5 291	-46 239
- decrease on branch liquidation	0	-4 974	-99	0	-10	-5 083
- other	0	0	-17 319	-144	-905	-18 368
g) cumulated depreciation (amortization) at period end	3	145 942	285 159	12 180	77 255	520 539
h) reductions on lasting impairment of value	2 000	37 107	0	0	0	39 107
- increase	54	19 830	0	0	0	19 884
- decrease	54	3 412	0	0	0	3 466
i) reductions on lasting impairment of value at period end	2 000	53 525	0	0	0	55 525
j) net value of fixed assets at period end	192 897	196 302	40 154	7 270	10 621	447 244

Note 17

17.1. OTHER ASSETS	31.12.2005	31.12.2004
a) repossessed assets for resale	759	757
b) other, of which:	135 886	53 163
- settlement accounts	376	9 562
- contributions to capital in subsidiaries	20 025	20 025
- receivables from the National Insurance Fund ZUS, budget and other public and legal units	92 020	6 043
- sundry debtors	23 464	17 533
Total net other assets	136 645	53 920

17.2. REPOSSESSED ASSETS FOR RESALE	31.12.2005	31.12.2004
a) fixed assets under construction	0	0
b) real estate	757	757
c) other	2	0
Total repossessed assets for resale	759	757

17.3. MOVEMENTS IN REPOSSESSED ASSETS FOR RESALE	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Opening balance	757	3 228
2. Increases over period (due to)	809	4 618
- takeovers	747	4 618
- release of provisions	62	0
3. Decreases in period (due to)	807	7 089
- sale	805	4 927
- transfer to tangible fixed assets	0	0
- charge to costs	2	1 365
- charge of provisions	0	797
4. Closing balance	759	757

Note 18

18.1. ACCRUED COSTS AND PREPAYMENTS	31.12.2005	31.12.2004
a) long-term	323 076	506 240
- deferred income tax assets	270 432	230 522
- prepaid interest on borrowing	0	255 912
- other	52 644	19 806
b) short-term, of which:	9 411	8 039
- prepaid interest on borrowing	0	0
- other expenses paid in advance	7 496	7 976
- expenses to be settled	798	0
- deferred income	1 117	63
Total accrued costs and prepayments	332 487	514 279

The lack of the item: "prepayments and accruals" under the prepaid interest on borrowing as at December 31 2005 (decrease in the balance by 255,912 thousand PLN) results from application of the effective rate method in case of an important loan agreement. This issue is presented in item 11.2 ("Accounting principles applied when preparing financial statements") of the Introduction to this statement.

18.2. MOVEMENTS IN DEFERRED INCOME TAX ASSETS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Deferred income tax assets at the beginning of the period	230 522	238 741
- adjustment of the opening balance sheet following changes in accounting principles	7 537	1 197
- adjustment of the opening balance sheet in respect of elimination of the intragroup transaction as a result of the acquisition of business activities of FORIN	0	4 799
1a. Deferred income tax assets at the beginning of the period after opening balance sheet adjustment, of which:	238 059	244 737
a) posted to financial result	238 059	244 737
b) posted to shareholders' equity	0	0
c) posted to goodwill or negative goodwill	0	0
2. Increases	114 742	76 018
a) posted to financial result for the period in respect of negative timing differences (of which)	68 526	76 018
- accrued interest	0	4 311
- valuation of financial instruments/derivatives	5 670	22 724
- negative foreign exchange differences in respect of valuation of derivatives	5 730	8 478
- accrued derivatives interest	28 159	0
- income received in advance	6 338	0
- difference between balance-sheet and taxable depreciation	0	19 759
- capitalized interest	0	6 325
- impairment of fixed assets	2 430	7 840
- accruals	9 775	4 157
- commissions received - effective interest rate settlement	7 227	0
- other	3 197	2 424
b) posted to financial result for the period in respect of tax loss (of which)	46 216	0
- of 2005	46 216	0
...		
c) posted to shareholders' equity in respect of negative timing differences (of which)	0	0
...		
d) posted to shareholders' equity in respect of tax loss (of which)	0	0
...		
e) posted to goodwill or negative goodwill in respect of negative timing differences (of which)	0	0
...		
3. Decreases	82 369	90 233
a) posted to financial result for the period in respect of negative timing differences (of which)	82 369	23 856
- settlement of deposits and own bonds interest	6 230	0
- settlement of income received in advance	1 693	960
- costs of operations on derivative instruments	12 452	0
- decrease in specific provisions	42 758	20 849
- realized foreign exchange losses	0	1 562
- write-offs in respect of deferred income tax (restructuring costs)	0	485
- settlement of difference between balance-sheet and taxable depreciation	10 001	0
- effective interest rate settlement of commissions	3 342	0
- not recognized temporary difference of previous year - final tax declaration	4 536	0
- other	1 357	0
b) posted to financial result for the period in respect of tax loss (of which)	0	66 377
- of 2001	0	40 091
- of 2003	0	26 286
...		
c) posted to shareholders' equity in respect of negative timing differences (of which)	0	0
...		
d) posted to shareholders' equity in respect of tax loss (of which)	0	0
...		
e) posted to goodwill or negative goodwill in respect of negative timing differences (of which)	0	0
...		
4. Total deferred income tax assets at the end of the period, of which:	270 432	230 522
a) posted to financial result	270 432	230 522
b) posted to shareholders' equity	0	0
c) posted to goodwill or negative goodwill	0	0
...		

Note 19

SUBORDINATED LOANS EXTENDED				
1.	2.		3.	4.
Name of unit	Loan value		Interest	Maturity
	currency	000		
DOM MAKLESKI BIG BG	PLN	2000	floating - 3M WIBOR + 50 basic points	18.09.2008
DOM MAKLESKI BIG BG	PLN	20250	floating - average 13- week T-bill yield	01.05.2007

18.3. OTHER ACCRUED COSTS AND PREPAYMENTS	31.12.2005	31.12.2004
a) accrued costs, of which:	60 938	283 694
- prepaid interest on borrowings	0	255 912
- other prepaid expenses	60 140	27 782
- expenses to be settled	798	0
b) other, of which:	1 117	63
- deferred income	1 117	63
- other prepaid expenses	0	0
Total other accrued costs and prepayments	62 055	283 757

Note 20

The total impairment revaluation charges captured / reversed are not material in relation to the net financial result of the reporting period with exception of the issue regarding release of the provisions for receivables from the financial sector, which is described in a greater detail under the note about the changes in the level of provisions for irregular receivables from financial sector.

Note 21

21.1. LIABILITIES TO FINANCIAL SECTOR (BY TYPES)	31.12.2005	31.12.2004
1. Liabilities to banks: of which	1 063 911	1 480 905
a. Current accounts	46 996	9 074
b. Terms and blocked deposits	768 229	126 426
c. Borrowings	248 627	1 345 405
d. Other liabilities	59	0
2. Liabilities to insurance institutions, of which:	342 311	45 699
a. Current accounts	36 333	38 306
b. Terms and blocked deposits	305 972	4 508
c. Borrowings	0	0
d. Other liabilities	6	2 885
3. Liabilities to other financial institutions, of which:	416 917	441 208
a. Current accounts	337 807	262 500
b. Terms and blocked deposits	54 757	165 593
c. Borrowings	0	10 932
d. Other liabilities	24 353	2 183
4. Other liabilities	0	0
5. Interest	6 810	11 771
Total	1 829 949	1 979 583

Decrease in the liabilities to the banks under credits and loans by 301 million PLN (in the note presenting maturities this event referred to the bracket of 10 to 20 years) results from implementation of the effective interest rate approach in relation to an important loan agreement, which is described in greater detail in item II.2 ("Accounting principles applied when preparing financial statements") of the Introduction to this statement. Additionally, between January 1 and December 31 2005 the Bank repaid the loans taken at other banks in the amount of 793 million PLN.

21.2. LIABILITIES TO FINANCIAL SECTOR (BY MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	421 136	312 765
2. Term liabilities, with time from balance sheet date to maturity of:	1 402 003	1 655 047
a) up to one month	649 505	247 813
b) over 1 month to 3 months	220 940	50 688
c) over 3 months to 1 year	282 931	209
d) over 1 year to 5 years	0	795 405
e) over 5 to 10 years	248 627	10 932
f) over 10 to 20 years	0	550 000
g) over 20 years	0	0
h) past due	0	0
3. Interest	6 810	11 771
Total	1 829 949	1 979 583

21.3. LIABILITIES TO FINANCIAL SECTOR (BY ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	421 136	312 765
2. Term liabilities with time of repayment:	1 402 003	1 655 047
a) up to one month	579 254	126 590
b) over 1 month to 3 month	87 423	141 687
c) over 3 months to 1 year	486 699	30 425
d) over 1 year to 5 years	0	795 413
e) over 5 to 10 years	0	10 932
f) over 10 to 20 years	248 627	550 000
g) over 20 years	0	0
h) past due	0	0
3. Interest	6 810	11 771
Total	1 829 949	1 979 583

21.4. LIABILITIES TO FINANCIAL SECTOR (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	1 683 734	1 117 026
b. in foreign currencies (by currency and after zloty translation)	146 215	862 557
b1. Unit/currency1000/USD.	23 086	619
PLN '000	75 289	1 852
b3. Unit/currency1000/JPY.	6 189	0
PLN '000	172	0
b4. Unit/currency1000/GBP.	52	700
PLN '000	290	4 040
b5. Unit/currency1000/CHF.	13 145	4 300
PLN '000	32 584	11 362
b6. Unit/currency1000/EUR.	9 814	207 233
PLN '000	37 880	845 303
b7. Other currencies (in PLN '000)	0	0
Total	1 829 949	1 979 583

Note 22

22.1. LIABILITIES TO NONFINANCIAL SECTOR (BY TYPES)	31.12.2005	31.12.2004
1. Current deposits	3 306 393	2 526 538
2. Term deposits	8 665 436	10 494 237
3. Borrowings	0	0
4. Promissory notes	0	0
5. Own issuance of securities	0	0
6. Other liabilities	256 237	231 898
7. Interest	63 774	76 535
Total	12 291 840	13 329 208

22.2. LIABILITIES TO NONFINANCIAL SECTOR - SAVINGS DEPOSITS (BY MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	0	0
2. Term liabilities with time from balance sheet date to maturity:	0	0
a) up to one month	0	0
b) over 1 month to 3 months	0	0
c) over 3 months to 1 year	0	0
d) over 1 year to 5 years	0	0
e) over 5 to 10 years	0	0
f) over 10 to 20 years	0	0
g) over 20 years	0	0
h) past due	0	0
3. Interest	0	0
Total	0	0

22.3. LIABILITIES TO NONFINANCIAL SECTOR - SAVINGS DEPOSITS (BY ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	0	0
2. Term liabilities with period of repayment:	0	0
a) up to one month	0	0
b) over 1 month to 3 months	0	0
c) over 3 months to 1 year	0	0
d) over 1 year to 5 years	0	0
e) over 5 to 10 years	0	0
f) over 10 to 20 years	0	0
g) over 20 years	0	0
h) past due	0	0
3. Interest	0	0
Total	0	0

22.4. LIABILITIES TO NONFINANCIAL SECTOR - OTHER (BY MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	3 333 828	2 528 331
2. Term liabilities, with time from balance sheet date to maturity of:	8 894 238	10 724 342
a) up to one month	4 210 794	5 346 496
b) over 1 month to 3 month	1 558 767	1 518 066
c) over 3 months to 1 year	2 189 642	3 287 557
d) over 1 year to 5 years	877 899	506 350
e) over 5 to 10 years	57 129	65 580
f) over 10 to 20 years	7	0
g) over 20 years	0	293
h) past due	0	0
3. Interest	63 774	76 535
Total	12 291 840	13 329 208

22.5. LIABILITIES TO NONFINANCIAL SECTOR - OTHER (BY ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	3 333 828	2 528 331
2. Term liabilities with time of repayment:	8 894 238	10 724 342
a) up to one month	2 683 561	3 912 759
b) over 1 month to 3 month	2 335 040	2 262 267
c) over 3 months to 1 year	2 375 602	3 400 844
d) over 1 year to 5 years	1 434 279	1 072 059
e) over 5 to 10 years	65 749	76 120
f) over 10 to 20 years	7	0
g) over 20 years	0	293
h) past due	0	0
3. Interest	63 774	76 535
Total	12 291 840	13 329 208

22.6. LIABILITIES TO NONFINANCIAL SECTOR (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	10 689 308	11 883 427
b. in foreign currencies (by currency and after zloty translation)	1 602 532	1 445 781
b1. Unit/currency1000/USD	273 220	282 152
PLN '000	891 054	843 746
b3. Unit/currency1000/JPY.	0	0
PLN '000	0	0
b4. Unit/currency1000/GBP.	4 106	1 045
PLN '000	23 099	6 028
b6. Unit/currency1000/CHF.	2 778	1 184
PLN '000	6 886	3 128
b7. Unit/currency1000/EUR.	175 294	144 806
PLN '000	676 601	590 663
b8. Other currencies (in PLN '000)	4 892	2 216
Total	12 291 840	13 329 208

Note 23

23.1. LIABILITIES TO PUBLIC SECTOR (BY TYPE)	31.12.2005	31.12.2004
1. Current deposits	656 270	509 890
2. Term deposits	372 786	359 699
3. Borrowings	0	0
4. Promissory notes	0	0
5. Own issuance of securities	0	0
6. Other liabilities	600	3 557
7. Interest	663	923
Total	1 030 319	874 069

23.2. LIABILITIES TO PUBLIC SECTOR - SAVINGS DEPOSITS (BY MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	0	0
2. Term liabilities, with time to maturity of:	0	0
a) up to one month	0	0
b) over 1 month to 3 months	0	0
c) over 3 months to 1 year	0	0
d) over 1 year to 5 years	0	0
e) over 5 to 10 years	0	0
h) past due	0	0
3. Interest	0	0
Total	0	0

23.3. LIABILITIES TO PUBLIC SECTOR - SAVINGS DEPOSITS (BY ORIGINAL MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	0	0
2. Term liabilities, period of repayment:	0	0
a) up to one month	0	0
b) over 1 month to 3 month	0	0
c) over 3 months to 1 year	0	0
d) over 1 year to 5 years	0	0
e) over 5 to 10 years	0	0
f) over 10 to 20 years	0	0
g) over 20 years	0	0
h) past due	0	0
3. Interest	0	0
Total	0	0

23.4. LIABILITIES TO PUBLIC SECTOR - OTHER (BY MATURITY)	31.12.2005	31.12.2004
1. Current liabilities	656 358	510 810
2. Term liabilities, with time from balance sheet date to maturity:	373 298	362 336
a) up to one month	287 595	336 036
b) over 1 month to 3 month	72 311	23 553
c) over 3 months to 1 year	13 386	2 734
d) over 1 year to 5 years	6	13
e) over 5 to 10 years	0	0
f) over 10 to 20 years	0	0
g) over 20 years	0	0
h) past due	0	0
3. Interest	663	923
Total	1 030 319	874 069

23.5. LIABILITIES TO PUBLIC SECTOR - OTHER (BY ORIGINAL MATURITIES)	31.12.2005	31.12.2004
1. Current liabilities	656 358	510 810
2. Term liabilities, period of repayment:	373 298	362 336
a) up to one month	239 220	286 000
b) over 1 month to 3 months	116 865	55 853
c) over 3 months to 1 year	17 194	20 330
d) over 1 year to 5 years	19	153
e) over 5 to 10 years	0	0
f) over 10 to 20 years	0	0
g) over 20 years	0	0
h) past due	0	0
3. Interest	663	923
Total	1 030 319	874 069

23.6. LIABILITIES TO PUBLIC SECTOR (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	988 041	824 622
b. in foreign currencies (by currency and after zloty translation)	42 278	49 447
b1. Unit/currency1000/USD	3 224	3 319
PLN '000	10 516	9 924
b2. Unit/currency1000/JPY.	0	0
PLN '000	0	0
b3. Unit/currency1000/GBP.	4	4
PLN '000	20	21
b4. Unit/currency1000/CHF.	0	0
PLN '000	1	1
b6. Unit/currency1000/EUR.	8 223	9 684
PLN '000	31 741	39 501
b7. Other currencies (in PLN '000)	0	0
Total liabilities to budget sector	1 030 319	874 069

Note 24

LIABILITIES ON SECURITIES SOLD WITH BUY-BACK CLAUSE (SBB)	31.12.2005	31.12.2004
a) to financial sector	2 027 895	1 247 521
b) to non-financial and public sectors	1 441 738	191 049
c) interest	2 482	7 644
Total liabilities on SBB	3 472 115	1 446 214

Note 25

25.1. LIABILITIES ON OWN SECURITIES ISSUED	31.12.2005	31.12.2004
1. Bonds	8 909	225 224
2. Certificates	0	0
3. Others (on account of)	22 836	45 687
- bills of exchange	22 836	45 687
-	0	0
3. Interest	842	4 633
Total	32 587	275 544

25.2. LIABILITIES ON OWN SECURITIES ISSUED	31.12.2005	31.12.2004
1. Short-term	32 587	176 899
2. Long-term	0	98 645
Total	32 587	275 544

25.3. MOVEMENTS IN LIABILITIES ON OWN SECURITIES ISSUED	01.01.05-31.12.05	01.01.04-31.12.04
Opening balance	275 544	982 660
a) increases (on account of)	28 726	72 179
- purchase of bill of exchange by the NBP	22 836	45 687
- interest accrual	5 683	26 492
- settlement of discount	207	0
b) decreases (on account of)	271 683	779 295
- repurchase of bonds from NBP	0	10 000
- repurchase of bonds	214 987	656 770
- repurchase of bill of exchange from NBP	45 687	65 299
- exchange differences	1 545	21 055
- discount settlement	0	387
- interest repayment	9 464	25 784
Closing balance	32 587	275 544

In the above table, under reduction of liabilities from issuance of own securities the effect of the repurchase of 33 proprietary bonds by the Bank from a subsidiary at 133.073 thousand PLN was captured. (this event was described in a greater detail in item 29 of the Additional explanatory notes)

Pursuant to the agreement concluded with NBP on the restructuring of Lodzki Bank Rozwoju S. A taken over by the Bank Millennium in 1995, the promissory note issued by the Bank will be rolled on yearly basis until 2006.

Information on liabilities secured with assets is presented in item 6 of Additional Notes.

Note 25.4.

LIABILITIES ON ISSUES SECURITIES						
a	b	c	d	e	f	g
debt securities by type	par value	interest	maturity	guarantees/collateral	additional rights	Market
restructuring bill of exchange	22 836	1%	04.11.2006			not listed
II Issue Program	6 875	4,460%	10.11.2006			CeTO
II Issue Program	2 032	4,460%	08.12.2006			CeTO

Note 26

SPECIAL FUNDS AND OTHER LIABILITIES	31.12.2005	31.12.2004
1. Special funds (comprising)	24 059	25 257
- Company Social Benefit Fund	24 059	25 257
- other	0	0
2. Other liabilities (on account of)	220 380	106 717
- interbank settlements	134 192	20 319
- interbranch settlements	269	269
- public law liabilities	12 165	4 410
- other creditors	73 754	81 719
- settlements in respect of derivatives and securities operations	0	0
- other liabilities	0	0
Total	244 439	131 974

Note 27

27.1. ACCRUED AND DEFERRED COSTS	31.12.2005	31.12.2004
a) short-term, of which:	102 457	92 091
- expense accruals - bonuses, salaries	30 068	31 732
- expense accruals - accumulated holidays	12 148	12 384
- expense accruals - other	60 241	47 975
b) long-term, of which:	9 509	8 933
- expense accrual - retirement severance payments	4 972	4 028
- expense accruals - other	4 537	4 905
Total accrued and deferred costs	111 966	101 024

27.2. OTHER DEFERRED OR RESTRICTED INCOME	31.12.2005	31.12.2004
a) short-term, of which:	52 516	56 064
- restricted income	0	0
b) long-term, of which:	204 888	268 759
- restricted income	185 223	231 866
Total	257 404	324 823

The following were the major factors behind the decrease in the balance of the suspended revenues in 2005: repayment of interest on the loans classified under lost category (originally granted by the Bank to Prolim S.A.) by BEL Leasing Sp. z o.o. - legal successor of Prolim S.A. (this issue is presented in a greater detail in item 29 of the Additional explanatory notes), and write-off of part of the lost receivables with interest against the provisions pursuant to the accounting principles discussed in the Introduction to this statement.

Note 28

28.1. NEGATIVE GOODWILL - SUBORDINATED COMPANIES	31.12.2005	31.12.2004
a) negative goodwill - subsidiaries	0	0
b) negative goodwill - jointly controlled subsidiaries	0	0
c) negative goodwill - associated companies	0	0
Total negative goodwill - subordinated companies	0	0

28.2. Movements in negative goodwill - subsidiaries	01.01.05-31.12.05	01.01.04-31.12.04
a) gross negative goodwill at the beginning of the period	0	0
b) additions (of which)	0	0
c) decreases (of which)	0	0
d) gross negative goodwill at the end of the period	0	0
e) accumulated amortization of negative goodwill at the beginning of the period	0	0
f) write-off in the period (of which)	0	0
g) accumulated amortization of negative goodwill at the end of the period	0	0
h) net negative goodwill at the end of the period	0	0

28.3. Movements in negative goodwill - jointly controlled subsidiaries	01.01.05-31.12.05	01.01.04-31.12.04
a) gross negative goodwill at the beginning of the period	0	0
b) additions (of which)	0	0
c) decreases (of which)	0	0
d) gross negative goodwill at the end of the period	0	0
e) accumulated amortization of negative goodwill at the beginning of the period	0	0
f) write-off in the period (of which)	0	0
g) accumulated amortization of negative goodwill at the end of the period	0	0
h) net negative goodwill at the end of the period	0	0

28.4. Movements in negative goodwill - associated companies	01.01.05-31.12.05	01.01.04-31.12.04
a) gross negative goodwill at the beginning of the period	0	0
b) additions (of which)	0	0
c) decreases (of which)	0	0
d) gross negative goodwill at the end of the period	0	0
e) accumulated amortization of negative goodwill at the beginning of the period	0	0
f) write-off in the period (of which)	0	0
g) accumulated amortization of negative goodwill at the end of the period	0	0
h) net negative goodwill at the end of the period	0	0

Note 29

29.1. MOVEMENTS IN PROVISIONS FOR DEFERRED INCOME TAX	01.01.05-31.12.05	01.01.04-31.12.04
1. Provisions for deferred income tax at the beginning of the period	117 430	140 603
- opening balance adjustments resulting from changes in accounting principles	19 357	0
1a. Provisions for deferred income tax at the beginning of the period, after opening balance adjustments, of which:	136 787	140 603
a) posted to financial result	131 774	140 163
b) posted to shareholders' equity	5 013	440
c) posted to goodwill or negative goodwill	0	0
2. Additions	57 557	23 075
a) posted to financial result for the period in respect of positive timing differences (of which)	56 092	18 502
- valuation of financial instruments	4 675	3 852
- accrued interest to be received on receivables, securities, etc.	35 435	9 762
- effective interest rate settlement of commissions	15 982	0
- structural deposits interest	0	169
- compensation paid from sold PTF portfolio	0	3 717
- other	0	1 002
b) posted to shareholders' equity in respect of positive timing differences (of which)	1 465	4 573
- valuation of financial assets	1 465	4 573
c) posted to goodwill or negative goodwill in respect of positive timing differences (of which)	0	0
3. Decreases	9 377	46 248
a) posted to financial result for the period in respect of positive timing differences (of which)	9 377	46 248
- realization of exchange differences	0	0
- settlement of costs paid in advance	405	0
- realized revenues on securities, interest on loans and derivative instruments	3 330	4 592
- settlement of CIRS operations surcharge	3 560	27 840
- investment breaks	0	307
- realization of financial instruments/derivatives operations interest	0	2 317
- difference between accounting and tax depreciation	0	10 640
- settlements of tax-deductible costs when incurred	1 090	552
- other	992	0
b) posted to shareholders' equity in respect of positive timing differences (of which)	0	0
c) posted to goodwill or negative goodwill in respect of positive timing differences (of which)	0	0
...		
4. Total provisions for deferred income tax at the end of the period, of which:	184 967	117 430
a) posted to financial result	178 489	112 417
b) posted to shareholders' equity	6 478	5 013
c) posted to goodwill or negative goodwill	0	0

29.2. PROVISIONS FOR DEFERRED INCOME TAX (BY CURRENCY)	31.12.2005	31.12.2004
a. in PLN	184 967	117 430
b. in foreign currencies (by currency and after translating into PLN)	0	0
b1. unit/currency...../.....		
PLN '000		
...		
other currencies (w PLN '000)		
Total provisions for deferred income tax	184 967	117 430

29.3. OTHER PROVISIONS (BY TYPE):	31.12.2005	31.12.2004
- off-balance sheet liabilities	15 647	32 530
- general risk reserve	185 591	166 891
- provision for equity rights valuation	23 706	25 303
- other	0	0
Total other provisions	224 944	224 724

29.4. OTHER PROVISIONS	31.12.2005	31.12.2004
a) short-term (by type):	0	0
- other	0	0
b) long-term (by type):	224 944	224 724
- off-balance sheet contingent liabilities	15 647	32 530
- general risk reserve	185 591	166 891
- provision for equity rights valuation	23 706	25 303
- other	0	0
Total other provisions	224 944	224 724

29.5. OTHER PROVISIONS (BY CURRENCY)	31.12.2005	31.12.2004
a. in Polish currency	214 495	224 724
b. in foreign currencies (by currency and after zloty translation)	10 449	0
b1. Unit/currency1000/USD	0	0
PLN '000	0	0
b2. Unit/currency1000/JPY.	0	0
PLN '000	0	0
b3. Unit/currency1000/GBP.	0	0
PLN '000	0	0
b4. Unit/currency1000/CHF.	9	0
PLN '000	22	0
b5. Unit/currency1000/EUR.	2 701	0
PLN '000	10 427	0
b6. Other currencies (in PLN '000)	0	0
Total other assets	224 944	224 724

29.6. MOVEMENTS IN SHORT-TERM OTHER PROVISIONS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	0	2 552
- restructuring reserve	0	2 552
a) increases (on account of)	0	0
-	0	0
b) utilization (on account of)	0	2 552
- restructuring reserve	0	2 552
c) release (on account of)	0	0
-	0	0
Total short-term other provisions at the end of the period	0	0
- exchange differences from SWAP transactions	0	0

29.7. MOVEMENTS IN LONG-TERM OTHER PROVISIONS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Provisions at the beginning of the period	224 724	267 190
- for off balance sheet contingent liabilities	32 530	29 432
- general risk provision	166 891	171 691
- provision for future obligations - equity rights valuation	25 303	66 067
a) increased (due to)	63 014	72 854
- off balance sheet contingent liabilities	44 297	25 954
- off balance sheet contingent liabilities, transfer from balance sheet	0	0
- general risk provision, transfer from contingent liabilities provisions	0	0
- for off balance sheet contingent liabilities, exchange differences	17	0
- charge of general risk provision	18 700	46 900
b) use of (due to)	13 198	0
- off balance sheet contingent liabilities	13 198	0
c) release (due to)	49 596	115 320
- for off balance sheet contingent commitments	47 999	22 856
- off balance sheet contingent liabilities, transfer to general risk provision	0	0
- general risk provision	0	51 700
- equity rights valuation of shares	1 597	40 764
Total long-term other provisions at the end of the period	224 944	224 724
- for off balance sheet contingent liabilities	15 647	32 530
- general risk provision	185 591	166 891
- provision for future obligations - equity rights valuation	23 706	25 303

Note 30

MOVEMENTS IN SUBORDINATED LIABILITIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Opening balance	326 978	378 162
a) increase (due to)	12 150	13 491
- interest accrual	12 150	13 491
b) decreases (due to)	29 624	64 675
- repayment of interest	12 053	13 635
- foreign exchange differences	17 571	51 040
Subordinated liabilities at end of period	309 504	326 978

According to decision number 242/01 of December 11, 2001 issued by the Banking Supervision Commission the Bank was given a permit to capture under supplementary funds the amount of 275 million PLN, from the sale of the bonds issued by the Bank and purchased by the subsidiary of the Bank - BBG Finance B. V. with seat in the Netherlands (the issue is described in a greater detail in item 27 of the Additional explanatory notes).

Note 34

SUPPLEMENTARY CAPITAL	31.12.2005	31.12.2004
a) share premium reserve	472 343	508 095
b) statutory	0	0
c) created according to bank charter over statutorily required (minimum) amount	0	0
d) from shareholders additional contributions	0	0
e) other	0	0
Total supplementary capital	472 343	508 095

Note 35

REVALUATION RESERVE	31.12.2005	31.12.2004
a) revaluation of fixed assets	30 974	30 974
b) deferred income tax	-6 479	-5 012
c) foreign exchange gains and losses from foreign branches	0	0
d) other	0	0
e) valuation of available for sale financial assets	34 096	26 379
Total revaluation reserve	58 591	52 341

Note 30

SUBORDINATED LIABILITIES						
1.	2.		3.	4.	5.	6.
Name of entity	Loan value		Interest	Maturity	Subordinated loans	Interest
	currency	PLN 000				
BBG FINANCE B.V.	EUR	308784	floating, 31.12.2005 - 4,199%	12.12.2011	309504	720
	Total:	308 784			309 504	720

Note 32

SHARE CAPITAL							
Par value of one share = 1 PLN							
Series / issue	Share type	Type of preference	Number of shares	Value of series/issue	Manner of capital coverage	Registration date	Right to dividend
A	named founder*	x2 as to voting	106850	106850	cash	30.06.1989	30.06.1989
B1	ordinary registered*		150000	150000	cash	13.06.1990	01.01.1990
B2	ordinary registered*		150000	150000	cash	13.12.1990	01.01.1990
C	ordinary bearer		4693150	4693150	cash	17.05.1991	01.01.1991
D1	ordinary bearer		1700002	1700002	cash	31.12.1991	01.01.1992
D2	ordinary bearer		2611366	2611366	cash	31.01.1992	01.01.1992
D3	ordinary bearer		1001500	1001500	cash	10.03.1992	01.01.1992
E	ordinary bearer		6000000	6000000	cash	28.05.1993	01.01.1992
F	ordinary bearer		9372721	9372721	cash	10.12.1993	01.01.1993
G	ordinary bearer		8000000	8000000	cash	30.05.1994	01.10.1993
H	ordinary bearer		7082129	7082129	cash	24.10.1994	01.10.1994
Increasing of par value of shares from 1 to 4 PLN				122603154	surplus	24.11.1994	
1:4 split			122603154			5.12.1994	
I	ordinary bearer		65000000	65000000	cash	12.08.1997	01.10.1996
J	ordinary bearer		196120000	196120000	capitals of Bank Gdański S.A.	12.09.1997	01.10.1996
K	ordinary bearer		424590872	424590872	cash	31.12.2001	01.01.2001
Total number of shares			849181744				
Total share capital				849181744			
* - as a result of conversion the number of registered shares went down and stood at 31.12.2005 at 113 596, from which 66 200 were founding shares							

Share capital at Bank Millennium S.A. stands at PLN 849.181.744 and is divided into 849.181.744 shares 1 PLN par value each.

In the reporting period have not been made any conversions of registered to bearer shares.

Shareholders who hold at least 5% of shares in the Bank's share capital and in total number of votes at the Shareholders' General Meeting.

SHAREHOLDER	SHARES		VOTES AT GSM	
	number	%	number	%
Banco Comercial Portugues	424 624 072	50,00	424 624 072	50,00
Carothers Trading Limited	84 833 256	9,99	84 833 256	9,99
Priory Investments Group Corp	84 833 256	9,99	84 833 256	9,99
M+P Holding S.A.	84 833 256	9,99	84 833 256	9,99

Note 33

33.1. TREASURY STOCK				
number	value at purchase price	book value	reason of purchase	intended purpose
	-	-	-	-

33.2. ISSUER SHARES OWNED BY SUBSIDIARY ENTITIES			
Name of entity	Number	Value acc. to buying price	Balance sheet value
-	-	-	-

Note 36

OTHER RESERVES (BY PURPOSE), of which:	31.12.2005	31.12.2004
- general banking risk fund	383 265	380 532
- reserve capital transferred from risk fund pursuant to Art.174 of the Banking Law	0	0
- risk fund	0	0
- statutory provision	0	0
- restructuring provision	0	0
- other	0	0
Total other reserves	383 265	380 532

Note 37

Capital adequacy ratio (particular items '000 PLN):

Share capital	849 182
Supplementary capital	472 343
Other reserves	0
General risk fund	383 265
Total tier one funds	1 704 790
Revaluation reserve	58 591
Subordinated debt	275 000
Total gross own funds:	2 038 381
Less:	
Shortfall of required specific provision	0
Capital commitments	866 500
Intangible assets	30 298
Previous years' uncovered loss	
Loss under approval	
Total deduction	896 798
NET OWN FUNDS:	1 141 583
Capital requirements on credit risk	795 459
Capital requirements on market risk	15 822
Capital requirements on concentration limit exceeded	44 604
Total capital requirements	855 885
Capital requirements * 12,5	10 698 563
Capital adequacy ratio	10,67%

Note 38

Book value per shares (particular items '000 PLN):

Share capital	849 182
Supplementary capital	472 343
Other reserves	0
General risk fund	383 265
Revaluation reserve	58 591
Retaining earnings	40 817
Loss under approval	
Net income of the current period	542 119
Book value	2 346 317
Number of shares	849 181 744
Book value per share	PLN 2,76

Note 39

39.1. CONTINGENT LIABILITIES DUE TO SUBORDINATED COMPANIES (BY TYPE)	31.12.2005	31.12.2004
a) guarantees granted, of which:	37066	80 155
- subsidiaries	36900	80 000
- jointly controlled subsidiaries	0	0
- associated companies	166	155
- parent company	0	0
- major investor	0	0
b) others, of which:	42 059	130 748
- subsidiaries	42 059	130 748
- jointly controlled subsidiaries	0	0
- associated companies	0	0
- parent company	0	0
- major investor	0	0
Total contingent liabilities due to affiliates	79125	210 903

39.2. CONTINGENT LIABILITIES DUE FROM SUBORDINATED COMPANIES (BY TYPE)	31.12.2005	31.12.2004
a) guarantees received, of which:	69 488	79 150
- subsidiaries	69 488	79 150
- jointly controlled subsidiaries	0	0
- associated companies	0	0
- parent company	0	0
- major investor	0	0
b) other, of which:	0	0
- subsidiaries	0	0
- jointly controlled subsidiaries	0	0
- associated companies	0	0
- parent company	0	0
- major investor	0	0
Total contingent liabilities due from affiliates	69 488	79 150

Note 40

INTEREST INCOME	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. From financial sector, including:	152 550	110 718
2. From non-financial sector, including:	448 208	411 856
3. From public sector	20 465	24 748
4. On fixed income securities	496 657	291 932
5. Other	0	0
Total interest income	1 117 880	839 254

As a result of repayment of loans together with accrued interest (originally granted by the Bank to Prolim S. A.) made by BEL Leasing Sp. z o.o. - legal successor of Prolim S.A. (the issue is described in item 29 of the Additional explanatory notes), the Bank captured in 2005 interest income in the amount of 62 million PLN. At the same time the Profit and Loss Account of BEL Leasing Sp. z o.o. reflected costs of the interest in question in the corresponding amount of 62 million PLN, which - due to the Bank's application of the equity rights method in relation to shares in the subsidiaries (BEL Leasing Sp. z o.o.) - was debited to the Profit and Loss Account of the Bank under "Share in net income of subordinated entities subject to equity method".

Note 41

INTEREST EXPENSE	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. On transactions with financial sector, including:	244 177	259 484
2. On transactions with non-financial sector, including:	491 988	370 435
3. On transactions with public sector	49 102	48 246
4. Other, including:	0	0
Total cost of interest	785 267	678 165

Note 42

COMMISSION INCOME	01.01.05-31.12.05	01.01.04-31.12.04
1. Banking commissions	238 364	234 505
2. Brokerage commissions	0	0
Total commission income	238 364	234 505

Note 43

INCOME FROM STOCKS AND SHARES, OTHER SECURITIES AND OTHER PROPERTY RIGHTS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. From subsidiaries	372 198	13 655
2. From jointly controlled subsidiaries	0	0
3. From associated companies	0	207
4. From other entities	2 236	722
Total income from stocks and shares, other securities and other property rights	374 434	14 584

Income on subsidiaries for 2005 in the amount of 371,599 thousand PLN constitutes dividends from subsidiaries. The amount in question includes the mid-year dividend paid by the subsidiary in 2005 from the profit carried forward in the amount of 150,000 thousand PLN. Note that the dividends in question do not impact the net result of the Bank as following application of the equity rights method in relation to shares in subordinated entities, this income is eliminated from the Profit and Loss Account of the Bank (item " Share in net income of subordinated entities subject to equity method).

Note 44

RESULT ON FINANCIAL OPERATIONS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Result on financial operations on securities and other financial instruments	-108 669	267 015
- revenue	2 370 407	1 049 289
- costs	2 479 076	782 274
2. Other financial revenues	264	151 218
3. Other financial costs	6 528	12 913
Total result on financial operations	-114 933	405 320

On 1.10.2003 the Bank concluded a SWAP agreement with Banco Comercial Portugues (the issue is described separately in items 27 and 29 of the Additional explanatory notes). Following the final settlement of the sale of 10% of the PZU S.A. shares (the issue is described separately in items 27 and 29 of the Additional explanatory notes) the Bank paid in favour of BCP the amount of 283,500,000 PLN. The costs of this transaction were reflected as costs of financial operations on securities and other derivatives.

In the Profit and Loss Account of the Bank, the income realised under the execution of the provisions of agreement regarding sale of the 10% of PZU S.A. shares received from EUREKO B.V. (through the Bank's subsidiaries: BIG BG Inwestycje S.A and BEL Leasing Sp. z o.o. (legal successor of BIG BG Inwestycje S.A.) were captured under „ Share in net income of subordinated entities subject to equity method" (the issue is described separately in items 27 i 29 of the Additional explanatory notes). In gross values the "above-mentioned income totalled respectively:

- 48,537,188 PLN in consequence of pay-out of dividend by PZU S.A in 2005,
- 700,000,000 PLN in consequence of the final settlement of the sale agreement. The amount of 700,000,000 PLN constitutes an adjustment to the minimal selling price guaranteed, which was received in 2004, and it was calculated on the basis of the average of the PZU Group's valuations prepared by two independent international investment banks.

Other financial income from financial operations for 2004 captured the bonus in the amount of 150 million received by the Bank for the sale of part of the car loan portfolio. This transaction is described in a greater detail in item 27 of the Additional explanatory notes.

Note 45

OTHER OPERATING INCOME	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) asset management on behalf of a third party	0	0
b) sale or liquidation of fixed assets, assets for sale and intangible assets	6 361	9 191
c) uncollectible receivables recovered	38 580	53 812
d) indemnifications, penalties and fines received	0	0
e) donations received	0	0
f) non-core income	8 661	7 794
g) Other, including:	24 790	36 960
- remuneration for advisory services provided by a subsidiary, which services consisted of holding negotiations and handling other activities connected with the sale of PZU S.A. Shares	14 000	32 000
- revenues on account of recovery activities	890	888
- release of restructuring reserve	0	317
- costs incurred in previous years	1 631	677
- other	8 269	3 078
Total other operating income	78 392	107 757

Note 46

OTHER OPERATING EXPENSES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) asset management on behalf of a third party	0	0
b) sale or liquidation of fixed assets, assets for sale and intangible assets	8 072	12 696
c) receivables written-off	0	0
d) indemnifications, penalties and fines paid	95	162
e) donations made	496	545
f) non-core costs	4 805	4 068
g) Other, including:	4 125	14 348
- costs of credit recovery	1 442	3 940
- other	2 683	10 408
Total other operating costs	17 593	31 819

Note 47

COST OF BANK OPERATIONS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Salaries	242 813	233 561
2. Charges on salaries	38 659	36 422
3. Benefits to employees	8 910	7 708
4. Other costs of operations, including:	308 290	324 076
- costs of buildings maintenance and rental	90 540	99 992
- costs of repairs	3 726	3 747
- costs of equipment and materials	10 386	9 780
- cost of cars operation and maintenance	5 886	6 411
- costs of property security	10 950	12 670
- cost of business travel	7 490	5 541
- costs of consultancy, audit, and legal advisory and translation	18 244	15 738
- costs of IT and communications	20 595	23 873
- costs of software maintenance and IT services	33 508	33 617
- taxes and fees	16 082	23 173
- postal charges and other	15 903	16 024
- costs of advertising, promotion and representation	33 216	28 507
- KIR clearing charges, PFRON and BFG costs	7 606	10 651
- ATM and cash costs	21 890	24 556
- card costs and insurance	12 268	9 796
Total costs of bank's operations	598 672	601 767

Note 48

CHARGES TO PROVISIONS AND REVALUATION	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) charges to provisions for:	641 464	878 968
- irregular receivables	573 874	798 560
- regular and under-watch receivables	630	1 596
- off-balance sheet liabilities	44 297	25 954
- general risk	18 700	46 900
- other assets	3 963	5 958
b) revaluation of:	21 668	30 265
- financial assets	3 548	0
- fixed assets, investments and intangible assets	18 120	30 265
Total charges to provisions and revaluation	663 132	909 233

Note 49

PROVISIONS RELEASED AND REVALUATION	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) elimination of provisions for:	802 415	808 580
- irregular receivables	750 461	730 020
- regular and under-watch receivables	2 713	2 704
- off-balance sheet liabilities	47 999	22 856
- general risk	0	51 700
- other assets	1 242	1 300
b) revaluation of:	4 421	1 500
- financial assets	4 411	1 500
- fixed assets, investments and intangible assets	10	0
Total provisions released and revaluation	806 836	810 080

As a result of repayment of loans classified under lost category (originally granted by the Bank to Prolim S.A) by BEL Leasing Sp. z o.o.-legal successor of Prolim S.A., the Bank released provisions established for this exposure to Prolim S.A. The value of the above provisions released in the Profit and Loss Account of the Bank totalled 223 million PLN. At the same time BEL Leasing Sp. z o.o. established against the Profit and Loss Account provisions to cover the risks related to the assets taken over as a result of the merger with Prolim S.A - the costs of these provisions due to the Bank's application of the equity rights method in relation to shares in the subsidiaries (BEL Leasing Sp. z o. o.) were debited to the Profit and Loss Account of the Bank under " Share in net income of subordinated entities subject to equity method ". Additionally, as a result of the recovery actions that preceded the above repayment, during the year the Bank released-provisions for the exposure to Prolim S.A. in the amount of 11 million PLN (for broader presentation of the above-described issues see item29 of the Additional explanatory notes).

Note 50

PROFIT (LOSS) ON SALE OF ALL OR PART OF SHARES IN SUBORDINATED COMPANIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) profit on sale of shares in	0	0
- subsidiaries	0	0
- jointly controlled subsidiaries	0	0
- associated companies	0	0
b) loss on sale of shares in	0	0
- subsidiaries	0	0
- jointly controlled subsidiaries	0	0
- associated companies	0	0
Total profit (loss) on sale of all or part of shares in subordinated companies		

Note 51

EXTRAORDINARY GAINS	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) random	0	0
b) other	0	0
Total extraordinary gains	0	0

Note 52

EXTRAORDINARY LOSSES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) random	0	0
b) other	0	0
Total extraordinary losses	0	0

Note 53

WRITE-OFF OF GOODWILL OF SUBORDINATED COMPANIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) subsidiaries	0	0
b) jointly controlled subsidiaries	0	0
c) associated companies	0	0
Total write-off of goodwill of subordinated companies	0	0

Note 54

WRITE-OFF OF NEGATIVE GOODWILL OF SUBORDINATED COMPANIES	01.01.2005-31.12.2005	01.01.2004-31.12.2004
a) subsidiaries	0	0
b) jointly controlled subsidiaries	0	0
c) associated companies	0	0
Total write-off of negative goodwill of subordinated companies	0	0

Note 55

55.1. CURRENT INCOME TAX	01.01.2005-31.12.2005	01.01.2004-31.12.2004
1. Gross profit (after equity rights valuation)	553 719	242 756
2. Differences between gross profit (loss) and taxable income, by title	-796 962	-172 254
- increases of P&L income - cash realized revenues accrued in previous years	328 691	94 001
- income reduction - accrued items not subject to taxation	-3 664 541	-1 309 491
including permanent differences:		
<i>positive equity rights valuation of shares</i>	-643 250	-332 004
<i>dividends received</i>	-373 780	-15 126
- increase of tax costs - realization of interest, F/X gains and losses, specific provisions	-262 330	-96 575
- reduction of costs - items not recognized by law as being tax deductible	2 801 218	1 489 524
including permanent differences:		
<i>negative equity rights valuation of shares</i>	503 083	9 481
<i>loss on sale of loan receivables</i>	7 384	41 973
<i>other non-deductible costs according to the article 16 paragraph 1 of the Corporate Income Tax Act</i>	13 903	24 176
<i>intangible fixed assets depreciation</i>	0	14 000
- settled losses from previous years	0	-349 350
- tax deductible donations	0	-363
3. Taxable income	-243 243	70 502
4. 19% income tax	0	13 395
5. Increases, waivers, exemptions, deductions and reductions of tax	0	0
6. Current income tax reported (presented) in the tax return for the period, including:	0	13 395
- reported in the P&L account	0	13 395

55.2. DEFERRED INCOME TAX REPORTED IN THE P&L ACCOUNT	01.01.2005-31.12.2005	01.01.2004-31.12.2004
- reduction (increase) on account of appearance and reversal of transitional differences	14 342	-13 531
- reduction (increase) on account of not recognized temporary difference of previous year - final tax declaration	-4 536	0
- increase - settlement of assets assigned for costs of restructuring of the bank	0	0
- increase - 8% receivables from Internal Revenue Service in respect of specific provisions created in 2002	1 794	5 348
Deferred income tax, total	11 600	-8 183

55.3. TOTAL AMOUNT OF DEFERRED TAX	01.01.2005-31.12.2005	01.01.2004-31.12.2004
- reported in equity	6 479	5 012
- reported in goodwill or negative goodwill	0	0

Note 56

OTHER OBLIGATORY DECREASES OF PROFIT (INCREASES OF LOSS)	01.01.2005-31.12.2005	01.01.2004-31.12.2004
Other mandatory reductions of profit (increases of loss) on account of:	0	0
-	0	0
Other mandatory reductions of profit (increases of loss) total	0	0

Note 57

SHARE IN NET PROFIT/LOSS OF SUBSIDIARIES VALUATED BY EQUITY METHOD INCLUDING:	01.01.2005-31.12.2005	01.01.2004-31.12.2004
- subsidiaries' goodwill write-off	0	0
- subsidiaries' negative goodwill write-off	0	0
- write-off of difference in net assets valuation	140 167	321 851

The events, which had material impact on the value of item "Share in net income of subordinated entities subject to equity method" in 2005 were as follows: (i) interest repayment by subsidiary, (ii) pay-out of intra-group dividends (iii) final settlement of the sale of 10% of PZU S.A. shares and (iv) recognition of the impairment charges by subsidiary. For more detailed presentation of the events in question see the respective descriptions under (1) note "Interest Income", (ii) note "Income from shares and other securities", (iii) note "Result on financial operations" and iv) note "Provision release and revaluation". Additionally, the detailed characteristics of the events defined as repayment of restricted interest by subsidiary and final settlement of the PZU S.A. sale transaction are presented in item 29 of the Additional explanatory notes.

The event with material impact on the value of item "Share in net income of subordinated entities subject to equity method" in 2004 was the income in the amount of 382 million PLN (gross) received by the subsidiary as a result of the initial settlement for the sale of 10% of PZU S.A. shares, which together with quantification is presented in item 27 of the Additional explanatory notes.

Note 58 (Earnings per share)

12-month earnings per share:
Net earnings 1.01.2005 – 31.12.2005 542 119 ths PLN
Average number of shares in period 1.01.2005 – 31.12.2005 849 181 744
Earnings per share 0,64 PLN

Signatures of all Members of the
Management Board:

date.....

date.....

date.....

date.....

date.....

Signature of person who was entrusted with running of books of account

date.....