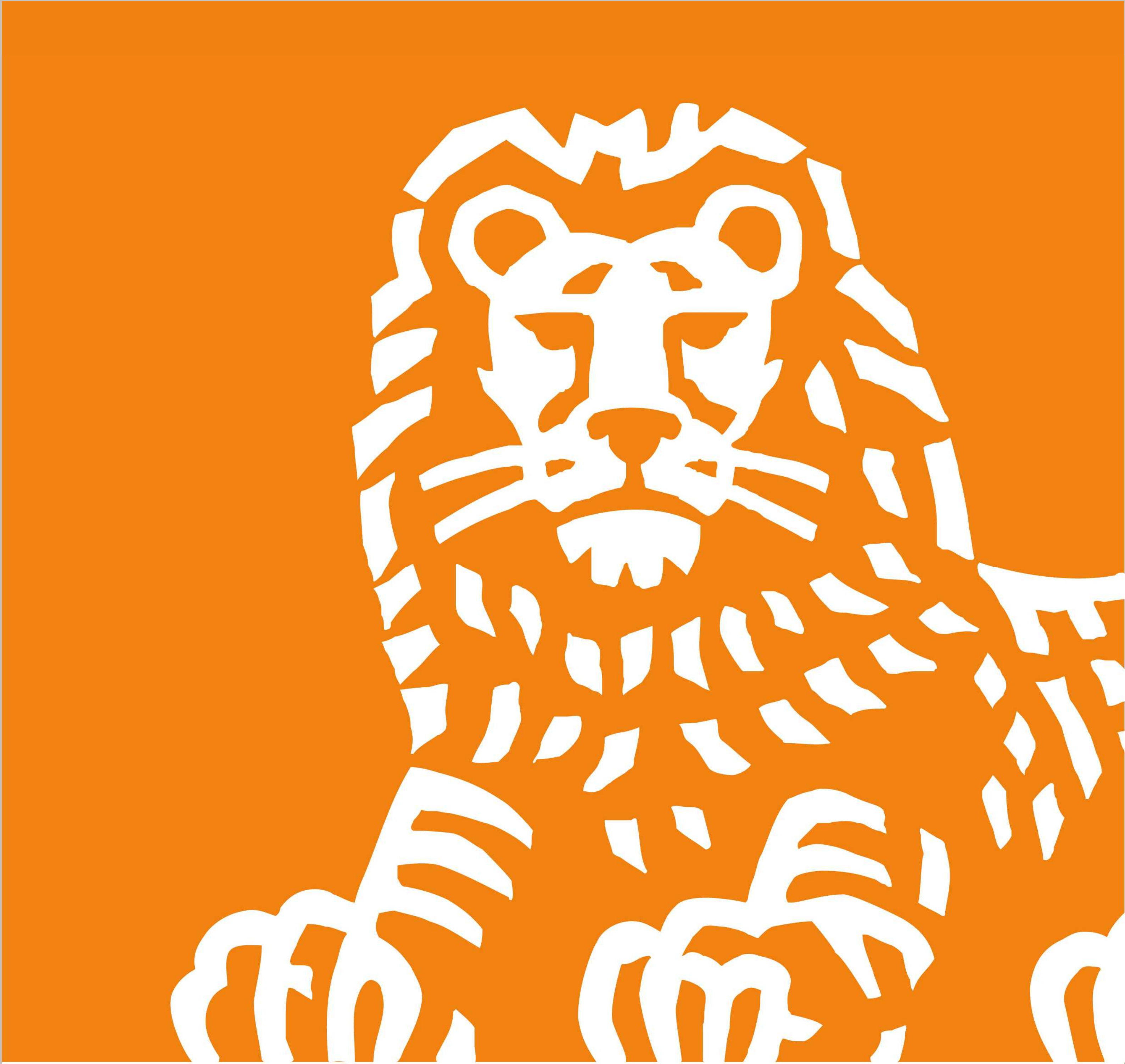


2009

Interim consolidated financial statements of ING Bank Śląski S.A. Capital Group for the III quarter 2009

ING

ING BANK ŚLĄSKI

www.ing.pl

Table of contents

I. Interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT (PLN '000)

	Note	**III quarter 2009** the period from 01 Jul 2009 to 30 Sep 2009	**3 quarters 2009** the period from 01 Jan 2009 to 30 Sep 2009	**III quarter 2008** the period from 01 Jul 2008 to 30 Sep 2008	**3 quarters 2008** the period from 01 Jan 2008 to 30 Sep 2008
Interest income	*5.1*	*745 257*	*2 390 212*	*886 734*	*2 443 918*
Interest expenses	*5.1*	*-354 080*	*-1 318 121*	*-589 214*	*-1 595 746*
Net interest income	*5.1*	**391 177**	**1 072 091**	**297 520**	**848 172**
Commission income	*5.2*	*271 189*	*756 579*	*244 746*	*709 258*
Commission expenses	*5.2*	*-24 967*	*-72 442*	*-16 461*	*-58 456*
Net commission income	*5.2*	**246 222**	**684 137**	**228 285**	**650 802**
Net income on investment financial assets	*5.3*	-40 730	-64 537	5 662	31 279
Net income on instruments measured at fair value through profit and loss and revaluation	*5.4*	91 923	202 985	73 537	257 904
Net income on other basic activities		5 361	16 052	971	-2 031
Result on basic activities		**693 953**	**1 910 728**	**605 975**	**1 786 126**
General and administrative expenses	*5.5*	-393 037	-1 138 495	-402 603	-1 152 354
Result on other operating income and expenses		-208	39	-3 815	-9 284
Impairment losses and provisions for off-balance sheet liabilities	*5.6*	-54 140	-219 693	-7 222	50 935
Share in net profit (loss) of associated entities recognised under the equity method	*5.7*	10 394	36 024	13 016	38 846
Profit (loss) before tax		**256 962**	**588 603**	**205 351**	**714 269**
Income tax		-46 217	-114 341	-38 408	-139 857
Net profit (loss)		**210 745**	**474 262**	**166 943**	**574 412**
- assigned to shareholders of the holding company		**210 726**	**474 250**	**166 892**	**574 362**
- assigned to minority shareholders		19	12	51	50

Net profit (loss) assigned to shareholders of the holding company	**210 726**	**474 250**	**166 892**	**574 362**
Weighted average number of ordinary shares	**13 010 000**	**13 010 000**	**13 010 000**	**13 010 000**
Earnings per ordinary share (PLN)	**16,20**	**36,45**	**12,83**	**44,15**

Diluted earnings per share agrees with earnings per ordinary share

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (PLN '000)

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	III quarter 2008 the period from 01 Jul 2008 to 30 Sep 2008	3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008
Net result for the period	**210 745**	**474 262**	**166 943**	**574 412**
Gains/losses on remeasurement of available-for-sale financial assets charged to equity	28 180	69 633	219 461	86 731
including deferred tax	*-6 722*	*-16 409*	*-51 572*	*-20 555*
Reclassified to the financial result as a result of sale of available-for-sale financial assets	-4 235	-7 945	-107 881	-64 616
including deferred tax	*994*	*1 864*	*25 305*	*15 157*
Adjustment of valuation of securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-244	2 742	0	0
including deferred tax	*58*	*-643*	*0*	*0*
Revaluation of share-based payment	820	15 028	0	0
including deferred tax	*0*	*-2 502*	*0*	*0*
Remeasurement of property, plant and equipment	0	0	-567	-7 240
including deferred tax	*0*	*0*	*133*	*1 698*
Effective part of cash flow hedging instruments revaluation	-7 838	-33 676	22 232	2 075
including deferred tax	*1 838*	*7 899*	*-5 215*	*-487*
Other	54	26	87	-28
including deferred tax	*4*	*10*	*5*	*131*
Other comprehensive income (loss)	**16 737**	**45 808**	**133 332**	**16 922**
Total comprehensive income for the period	**227 482**	**520 070**	**300 275**	**591 334**

Total comprehensive income				
- assigned to shareholders of the holding company	227 463	520 058	300 224	591 284
- assigned to minority shareholders	19	12	51	50
Total comprehensive income for the period	**227 482**	**520 070**	**300 275**	**591 334**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (PLN '000)

	Note	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
ASSETS						
- Cash in hand and balances with the Central Bank		1 685 972	903 317	1 369 795	2 151 267	1 622 851
- Loans and receivables to other banks	*5.8*	3 639 939	3 233 643	7 787 225	7 244 522	9 002 046
- Financial assets measured at fair value through profit and loss	*5.9*	12 177 694	10 822 131	10 548 819	11 196 283	8 974 208
- Valuation of derivatives		1 953 334	3 241 981	4 579 765	1 621 616	2 185 921
- Investments	*5.10*	14 334 484	15 568 193	18 050 922	19 710 713	17 001 261
- available-for-sale		*6 990 808*	*8 329 498*	*10 739 090*	*12 385 200*	*10 816 223*
- held-to-maturity		*7 343 676*	*7 238 695*	*7 311 832*	*7 325 513*	*6 185 038*
- Derivative hedge instruments		64 605	90 975	197 003	70 405	75 992
- Loans and receivables to customers	*5.11*	29 049 972	29 268 639	25 742 839	21 986 791	20 371 953
- Investments in controlled entities		99 542	89 148	107 261	97 875	84 859
- Investment real estates		151 458	151 458	151 458	135 845	135 845
- Property, plant and equipment	*5.13*	541 341	553 166	544 163	527 639	529 148
- Intangible assets		316 369	317 791	316 187	309 454	311 016
- Property, plant and equipment held for sale		224	135	248	228	266
- Current tax asset		0	82 879	142	0	13
- Deferred tax asset		34 337	0	48 651	19 077	88 028
- Other assets		207 201	193 043	165 997	190 846	129 862
Total assets		**64 256 472**	**64 516 499**	**69 610 475**	**65 262 561**	**60 513 269**
EQUITY AND LIABILITIES						
LIABILITIES						
- Liabilities due to the Central Bank		0	0	5 932 116	0	0
- Liabilities due to other banks	*5.14*	6 395 045	9 730 831	6 060 868	5 188 064	6 085 194
- Financial liabilities measured at fair value through profit and loss	*5.15*	3 701 045	981 361	825 060	1 758 692	129 754
- Valuation of derivatives		1 341 038	2 103 080	4 321 638	1 512 392	1 507 874
- Derivative hedge instruments		493 729	382 120	420 047	110 771	24 515
- Liabilities due to customers	*5.16*	46 480 785	45 732 378	47 066 918	51 269 030	47 591 057
- Provisions	*5.17*	49 708	48 975	50 579	62 674	55 595
- Current income tax liabilities		101 080	53	39 148	46 607	53 602
- Deferred tax provision		0	55 599	0	0	0
- Other liabilities		949 543	965 085	669 672	1 034 712	1 086 334
Total liabilities		**59 511 973**	**59 999 482**	**65 386 046**	**60 982 942**	**56 533 925**
EQUITY						
- Share capital		130 100	130 100	130 100	130 100	130 100
- Supplementary capital - issuance of shares over nominal value		956 250	956 250	956 250	956 250	956 250
- Revaluation reserve from measurement of available-for-sale financial assets		-36 551	-60 252	-100 981	-127 476	-239 056
- Revaluation reserve from measurement of property, plant and equipment		52 819	52 828	52 864	50 200	50 786
- Revaluation reserve from measurement of cash flow hedging instruments		11 905	19 743	45 581	2 075	-20 157
- Revaluation of share-based payment		15 028	14 208	0	0	0
- Retained earnings		3 612 637	3 401 848	3 138 316	3 266 701	3 099 703
Equity assigned to shareholders of the holding company		**4 742 188**	**4 514 725**	**4 222 130**	**4 277 850**	**3 977 626**
- Minority equity		**2 311**	**2 292**	**2 299**	**1 769**	**1 718**
Total equity		**4 744 499**	**4 517 017**	**4 224 429**	**4 279 619**	**3 979 344**
Total equity and liabilities		**64 256 472**	**64 516 499**	**69 610 475**	**65 262 561**	**60 513 269**

Solvency ratio	*5.18*	**12,07%**	**10,87%**	**10,39%**	**11,91%**	**11,22%**

Book value	**4 742 188**	**4 514 725**	**4 222 130**	**4 277 850**	**3 977 626**
Number of shares	**13 010 000**	**13 010 000**	**13 010 000**	**13 010 000**	**13 010 000**
Book value per share (PLN)	**364,50**	**347,02**	**324,53**	**328,81**	**305,74**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (PLN '000)

3 quarters 2009
the period from 01 Jan 2009 to 30 Sep 2009

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Minority equity	Total equity
Opening balance of equity	**130 100**	**956 250**	**-100 981**	**52 864**	**45 581**	**0**	**3 138 316**	**2 299**	**4 224 429**
- net result for the current period	-	-	-	-	-	-	474 262	-	**474 262**
- share of minority shareholders in the net financial result	-	-	-	-	-	-	-12	12	**0**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	69 633	-	-	-	-	-	**69 633**
- reclassified to the financial result as a result of sale of available-for-sale financial assets	-	-	-7 945	-	-	-	-	-	**-7 945**
- adjustment of valuation of securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	2 742	-	-	-	-	-	**2 742**
- revaluation of share-based payment	-	-	-	-	-	15 028	-	-	**15 028**
- effective part of cash flow hedging instruments revaluation	-	-	-	-	-33 676	-	-	-	**-33 676**
- other	-	-	-	-45	-	-	71	-	**26**
Total comprehensive income for the period	**0**	**0**	**64 430**	**-45**	**-33 676**	**15 028**	**474 321**	**12**	**520 070**
Dividends paid	-	-	-	-	-	-	-	-	**0**
Closing balance of equity	**130 100**	**956 250**	**-36 551**	**52 819**	**11 905**	**15 028**	**3 612 637**	**2 311**	**4 744 499**

end of year 2008
the period from 01 Jan 2008 to 31 Dec 2008

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Minority equity	Total equity
Opening balance of equity	**130 100**	**956 250**	**-149 591**	**57 998**	**0**	**0**	**2 844 026**	**1 719**	**3 840 502**
- net result for the current period	-	-	-	-	-	-	445 418	-	**445 418**
- share of minority shareholders in the net financial result	-	-	-	-	-	-	-5	5	**0**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	240 366	-	-	-	-	-	**240 366**
- reclassified to the financial result as a result of sale of available-for-sale financial assets	-	-	-192 191	-	-	-	-	-	**-192 191**
- adjustment of valuation of securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	435	-	-	-	-	-	**435**
- remeasurement of property, plant and equipment	-	-	-	-4 565	-	-	-	575	**-3 990**
- effective part of cash flow hedging instruments revaluation	-	-	-	-	45 581	-	-	-	**45 581**
- other	-	-	-	-569	-	-	1 094	-	**525**
Total comprehensive income for the period	**0**	**0**	**48 610**	**-5 134**	**45 581**	**0**	**446 507**	**580**	**536 144**
Dividends paid	-	-	-	-	-	-	-152 217	-	**-152 217**
Closing balance of equity	**130 100**	**956 250**	**-100 981**	**52 864**	**45 581**	**0**	**3 138 316**	**2 299**	**4 224 429**

3 quarters 2008
the period from 01 Jan 2008 to 30 Sep 2008

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Minority equity	Total equity
Opening balance of equity	**130 100**	**956 250**	**-149 591**	**57 998**	**0**	**0**	**2 844 026**	**1 719**	**3 840 502**
- net result for the current period	-	-	-	-	-	-	574 412	-	**574 412**
- share of minority shareholders in the net financial result	-	-	-	-	-	-	-50	50	**0**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	86 731	-	-	-	-	-	**86 731**
- reclassified to the financial result as a result of sale of available-for-sale financial assets	-	-	-64 616	-	-	-	-	-	**-64 616**
- remeasurement of property, plant and equipment	-	-	-	-7 240	-	-	-	-	**-7 240**
- effective part of cash flow hedging instruments revaluation	-	-	-	-	2 075	-	-	-	**2 075**
- other	-	-	-	-558	-	-	530	-	**-28**
Total comprehensive income for the period	**0**	**0**	**22 115**	**-7 798**	**2 075**	**0**	**574 892**	**50**	**591 334**
Dividends paid	-	-	-	-	-	-	-152 217	-	**-152 217**
Closing balance of equity	**130 100**	**956 250**	**-127 476**	**50 200**	**2 075**	**0**	**3 266 701**	**1 769**	**4 279 619**

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT (PLN '000)

	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	**3 quarters 2008** the period from 01 Jan 2008 to 30 Sep 2008
OPERATING ACTIVITIES		
Net profit (loss)	**474 250**	**574 362**
Adjustments	**-1 364 187**	**-1 991 986**
- Minority shareholders' profit (loss)	12	50
- Share in net profit (loss) of associated entities	-36 024	-38 846
- Depreciation and amortisation	92 503	101 108
- Interest accrued (from the profit and loss account)	1 072 091	848 172
- Interest paid	1 317 599	1 475 167
- Interest received	-2 134 859	-2 121 474
- Dividends received	4 012	-2 881
- Gains (losses) on investment activities	1 071	-312
- Income tax (from the profit and loss account)	114 341	139 857
- Income tax paid	-37 953	-37 905
- Change in provisions	-871	-9 833
- Change in loans and other receivables to other banks	2 743 278	5 933 160
- Change in financial assets at fair value through profit or loss	2 829 645	-4 914 018
- Change in available-for-sale financial assets	3 767 397	-3 973 934
- Change in held-to-maturity financial assets	5 266	-6 631 789
- Change in valuation of derivatives	-612 296	484 508
- Change in derivative hedge instruments	172 404	47 013
- Change in loans and other receivables to customers	-3 332 604	-5 618 051
- Change in other assets	5 105	-2 624
- Change in liabilities due to other banks	-5 622 322	3 383 499
- Change in liabilities at fair value through profit or loss	-1 445 653	1 601 005
- Change in liabilities due to customers	-561 228	6 882 142
- Change in other liabilities	294 899	464 000
Net cash flow from operating activities	**-889 937**	**-1 417 624**
INVESTMENT ACTIVITIES		
- Purchase of property plant and equipment	-60 036	-67 596
- Disposal of property, plant and equipment	121	312
- Purchase of intangible assets	-33 577	-30 312
- Disposal of fixed assets held for sale	42	490
- Dividends received	-4 012	2 881
Net cash flow from investment activities	**-97 462**	**-94 225**
FINANCIAL ACTIVITIES		
- Dividends paid	0	-152 217
Net cash flow from financial activities	**0**	**-152 217**
Effect of exchange rate changes on cash and cash equivalents	***30 498***	***-17 980***
Net increase/decrease in cash and cash equivalents	**-987 399**	**-1 664 066**
Opening balance of cash and cash equivalents	**4 133 362**	**4 872 755**
Closing balance of cash and cash equivalents	**3 145 963**	**3 208 689**

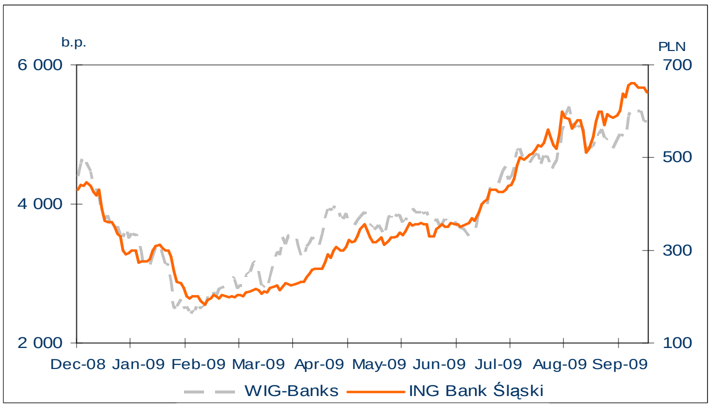
II. Additional information

1. Informational details of the Bank and Its Capital Group

ING Bank Śląski S.A. („Parent company. parent entity. Bank") with the headquarters in Katowice. Sokolska Str. 34. was entered into the entrepreneurs National Court Register managed by the Commercial Department of the Regional Court in Katowice under the reference number KRS 5459.

The Parent entity statistic number is REGON 271514909. and the taxation identification number is NIP 634-013-54-75. Entity authorised to audit financial statements is Ernst & Young Audit Sp. z o.o. having its registered office in Warsaw. 1 Rondo ONZ. entered into the list under number 130.

The share capital of IG Bank Śląski S.A. is PLN 130.100.000 and is divided in 13.010.000 ordinary bearer shares with a par value of PLN 10.00 each. Shares of the Bank are quoted on the Warsaw Stock Exchange. Price of ING Bank Śląski S.A. shares in the first 9 months of 2009:



ING Bank Śląski S.A. is the parent company of the ING Bank Śląski S.A. Group ("Capital Group"). of the following composition as at 30 September 2009:

- ING Securities S.A. (subsidiary. 100% share).
- ING Bank Hipoteczny S.A. (subsidiary. 100% share).
- ING BSK Development Sp. z o.o. in liquidation (subsidiary. 100% share).
- Centrum Banku Śląskiego Sp. z o.o. (subsidiary. 100% share).
- Solver Sp. z o.o. (subsidiary. 82.3% share).

As at the balance sheet date the Bank held the share of affiliated entity:

- ING Powszechne Towarzystwo Emerytalne S.A. (associate. 20% share).

In first 9 months 2009 the Group's structure did not change.

The duration of the dominant entity and entities forming the Capital Group is indefinite. except for ING BSK Development Sp. z o.o. which as of 1 January 2009 was put into liquidation. On 16 March 2009 an announcement was published at Monitor Sądowy i Gospodarczy informing the public about opening of the company liquidation process, whereas on 5 October 2009 the Extraordinary General Meeting of the Company took place that approved liquidation report of the Company as at 30 September 2009. Court Application for deleting the Company from the National Court Register was submitted on 12 October 2009.

ING Bank Śląski S.A. offers a broad range of banking services rendered for individual and institutional clients in line with the scope of services outlined in the Bank's charter. The Bank's operations are denominated in both polish zloty and foreign currencies as well as actively participates in domestic and foreign financial markets. The subsidiary: ING Bank Hipoteczny S.A. undertaken banking activities. including sales of mortgage loans. Additionally through subsidiaries the Group operates brokerage services. real estate. leasing of real estate. advisory and acts as a financial intermediary as well as provides other financial services.

ING Bank Śląski S.A. is a subsidiary of ING Bank NV. which as at 30 September 2009 held 75% share in the initial capital of ING Bank Śląski and 75% shares in the total number of votes at the General Meeting of Shareholders.

As at the date of submission of the report for the third quarter of 2009. the shareholders owning 5% and more votes at the General Shareholders Meeting of ING Bank Śląski Spółka Akcyjna were the following entities:

No.	Entity	Number of shares and votes	% of total number of shares and votes at General Shareholders Meeting
1.	ING Bank N.V.	9.757.500	75.00
2.	Aviva OFE Aviva BZ WBK	850.000	6.53

As regards members of the Bank Supervisory Board. the following individuals have held shares of ING Bank Śląski: Mr. Mirosław Kośmider – 3 shares; Mr. Wojciech Popiołek – 6 shares. The other members of the Bank Management Board and the Bank Supervisory Board do not hold any shares of ING Bank Śląski S.A. As at the day of the public announcement of the Semi-annual consolidated report if ING Bank Śląski Group for the period of 6 months ending on 30 June 2009. the number of shares held by the Bank Management Board Members and the Supervisory Board Members remained unchanged.

The interim consolidated financial statements of the Group for third quarter 2009 comprise the Bank and its subsidiaries and the Group's interest in associates and jointly controlled entities.

The consolidated financial statements of the Group for 2008 were approved by the General Meeting of Shareholders of the Bank on 3 April 2009.

These interim consolidated financial statements has been approved by the Bank Management Board on 03 November 2009.

2. Compliance with International Financial Reporting Standards

These interim consolidated financial statements of the ING Bank Śląski S.A. Group for the III quarter 2009 have been prepared under the International Financial Reporting Standards (IFRS) in a version approved by the European Commission effective as at the reporting date. that is 30 September 2009 as well as in accordance with the Ordinance of Finance Minister of 19 February 2009 on current and interim information submitted by issuers of securities (Journal of Laws of 2009. no. 33. item 259). Condensed consolidated P&L, condensed consolidated report on total revenues, condensed list of changes in consolidated equity, and condensed consolidated cash flow report for the period from 01 January 2009 to 30 September 2009, and condensed consolidated report on financial standing as at 30 September 2009 together with comparable data were prepared according to the same principles of accounting for each period.

These consolidated financial statements for III quarter 2009 meet the requirements of International Financial Reporting Standards (IFRS). including IAS 34 (International Accounting Standards) with regard to interim financial statements. This is the condensed version of the statements.

Interim consolidated financial statements of the ING Bank Śląski S.A. Group covers the period of 9 months ending on 30 September 2009 and includes reference data for the period of 9 months ending on 30 September 2008 and 31 December 2008.

These interim consolidated financial statements have been prepared in PLN rounded to one thousand zlotys (unless otherwise noted).

In this interim consolidated financial report the same principles of accounting have been applied as the ones applied for developing the 2008 annual consolidated financial report, with the exception of the following changes in standards and new interpretations binding for annual periods starting on 1 January 2009 or after that date:

- IFRS 8 *Operating Segments* that superseded IAS 14 *Segment Reporting* as of its effective date. The said standard applies - for identification and measurement of results of the operating segments subject to reporting – an approach coherent with the approach of the Management,
- IAS 1 *Presentation of Financial Statements* (revised in September 2007) – this standard makes a differentiation between such changes in equity that result from transactions with the company owners, and the ones that result from other transactions. Thus, a statement of changes in equity shows only the details of

transactions with the owners, whereas any other changes in equity are presented under one line. Additionally, the standard introduces a statement of total income comprised of all items of income and expense recognised in profit or loss, and all other items of identified income and expense. All the above mentioned items may be recognised in one statement or in two inter-related statements (the Group applied the second option),

- IAS 23 *Borrowing Costs* (revised in March 2007) – the revised standard requires that borrowing costs attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset (purchase price or cost of production), the Group does not use any external financing,
- IFRS 2 *Share-based Payment – Vesting Conditions and Cancellations* – the amendment elaborates the definition of vesting conditions and refers to recognising cancellation of rights to bonuses. Application of this interpretation had influence neither on the financial standing nor on the results of the activities of the Group as no events happened that would have fallen under that standard,
- Amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements: Puttable Shares and Obligations Arising Only on Liquidation* – introduce an exception (limited as regards the scope) that refers to puttable shares that may be classified as an element of equity if they meet certain conditions. Application of the said amendment had impact neither on the financial standing nor on the results of the activities of the Group, as the Group did not issue such instruments,
- Interpretation IFRIC 13 *Customer Loyalty Programmes* – the interpretation requires that loyalty award credits be recognised as a separate element of the sales transaction under which they were granted. Application of the said amendment had impact neither on the financial standing nor on the results of the activities of the Group, as the Group does not have any customer loyalty programme.

Amendments arising on annual review of IFRS:

- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* and IAS 27 *Consolidated and Separate Financial Statements*: *Cost of Subsidiaries* – in line with the amendments to IFRS 1, a unit that adopts IFRS first time can recognise cost of subsidiaries in a separate financial statement of a parent in accordance with IAS 27, or based on the assumed cost. Amendment to IAS 27 requires that all dividends received from a subsidiary be recognised in a separate financial statement of a parent in the income statement. Amendment to IAS 27 is applied prospectively. The new requirements refer only to separate financial statements of a parent, and will have no impact on the consolidated financial statement,
- Interpretation of IFRIC 12 *Service Concession Agreements* – the interpretation applies to operators of the concession agreements, and explains how to recognise the obligations and rights resulting therefrom. The interpretation has no impact on the financial statement of the Group as no Group entity is a concession operator.

- Changes in IFRS 7 Financial instruments: disclosures – the changed standard imposes the obligation to disclose additional information on measuring at fair value and liquidity risk. For each class of financial instruments measured at fair value, information should be disclosed on the valuation, using the fair value hierarchy that includes the materiality of input data for the valuation. Moreover, for measurements of fair value that fall into Level 3 of the fair value hierarchy, adjustment between opening balance sheet and closing balance sheet should be presented. Also, all material movements between Level 1 and Level 2 in the fair value hierarchy should be presented. The changes also specify the requirements concerning disclosure of information on liquidity risk. The Group applied changes; relevant disclosures will be presented in the annual report for 2009.
- Interpretation of IFRIC 15 *Agreements for the Construction of Real Estate* – the Interpretation provides guidance on how and when to account for revenue on the sale of the real estate and related costs when the agreement between a developer and a buyer is concluded before the construction of the real estate is completed. The Interpretation provides also guidance on how to determine if the agreement falls within the scope of IAS 11 or IAS 18. Application of IFRIC 15 will have no impact on the consolidated financial statement because the Group runs no such activities.
- Interpretation of IFRIC 16 *Hedges on a Net Investment in a Foreign Operation* – the Interpretation provides guidance on accounting for hedging on net investment in a foreign operation, especially: identifying the foreign currency risks that qualify as a hedged risk in the hedge of a net investment in a foreign operation, where, within a capital group structure, hedging instruments are held, and determining by the unit the amount of the positive or negative FX rate difference referring both to net investment and hedging instrument, that should be reclassified from equity to income statement on the sale of a foreign operation. Application of IFRIC 16 will have no impact on consolidated financial statement because the Group does not hedge net investments in a foreign operation.

Going-concern

This interim consolidated financial report was prepared on a going-concern basis (with the exception of the issue described herein below) as regards the foreseeable future, namely as regards the period of minimum 12 months from the balance sheet date. As of the date of approving this statement, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Capital Group is endangered.

On 23 December 2008, Extraordinary General Meeting of ING BSK Development Sp. z o.o. passed a resolution on its winding-up and starting its liquidation on 1 January 2009. On 5 October 2009 the Extraordinary General Meeting of the Company took place that approved liquidation report of the Company as at 30 September 2009.

Discontinued operations

The Group had no operations that were discontinued in 9 months 2009.

Material accounting principles (policy)

Detailed accounting principles are presented in consolidated annual financial report of ING Bank Śląski S.A. Capital Group for the period from 1 January 2008 to 31 December 2008 published on 27 February 2009 that is available on the Internet site of ING Bank Śląski S.A. (www.ingbank.pl).

Selected accounting principles applied by the capital Group are presented below.

Consolidation policies

(i) Subsidiaries

Subsidiaries are any entities controlled by the Bank. The control exists, when the Bank has direct or indirect influence on the financial and operating policies of an entity so as to obtain benefits from its activities.
Control is presumed to exist when the parent owns more than a half of the voting rights of an entity and when there are:

a) rights to more than a half of the voting rights by virtue of an agreement with other investors;
b) power to govern the financial and operating policies of the entity under a statute or an agreement;
c) power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; or
d) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.

The financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition until the date on which the parent ceases to control the subsidiary, if applicable.

(ii) Purchase method

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Assets, liabilities and contingent liabilities acquired in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share in identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

(iii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a share of between 20% and 50% of the voting rights. The consolidated financial statements include the Group's share in profits and losses of associates according to its share in net assets of associates, from the date of obtaining significant influence until the date, the significant influence ceases.

Investments in associates are initially accounted at purchase price and then accounted for using the equity method. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition. The share of the Group in the profits (losses) of associates since the date of acquisition is recognised in the profit and loss, whereas its share in changes in other reserves since the date of acquisition – in other reserves. The carrying amount of the investment is adjusted by the total changes of different items of equity after the date of their acquisition.

When the share of the Group in the losses of an associate becomes equal or greater than the share of the Group in that associate, the Group discontinues the recognition of any further losses or creates provision only to such amount, it has assumed obligations or has settled payments on behalf of the respective associate.

(iv) Transactions eliminated in consolidation process

Intragroup balances and gains and losses or revenues and costs resulting from intragroup transactions are eliminated in full in the consolidated financial statements.

Foreign currency

(i) The functional currency and the presentation's currency

The items contained in presentations of particular units of the Group are priced in the currency of the basic economic environment in which a given entity operates ("the functional currency"). The consolidated financial report is presented in Polish Zloty, which is the functional currency and the presentation currency of the Group.

(ii) Transactions and balances in foreign currency

Transactions expressed in foreign currency are translated into the functional currency by applying the exchange rate at the date of the transaction. Exchange rate profits and losses due to settlements of these transactions and to the balance sheet valuation of assets and monetary commitments expressed in foreign currency are accounted for in the profit and loss account. Exchange rate differences due to items, such as equity instruments classified to financial assets available for sale, are included in the revaluation reserve.

(iii) Financial statements of investments in a foreign operation

The Group does not have any investments nor runs operations abroad.

Financial assets and liabilities

(i) Classification

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

(a) Financial assets and liabilities valued at fair value through profit and loss;

These are financial assets or financial liabilities that meet either of the following conditions.

– Are classified as held for trading. A financial asset or financial liability is classified as held for trading if it is: acquired or incurred principally for the purpose of selling or repurchasing it in the near term or are a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also classified as held for trading (other than those that are designated and effective hedging instruments).
– Upon initial recognition it is designated by the Group as at fair value through profit and loss. Such designation can be made only if (i) the designated financial asset or financial liability is a hybrid instrument containing one or many embedded derivatives, which qualify for separate recognition and embedded derivatives cannot change significantly the cash flows resulting from the host contract or separation of embedded derivative is forbidden; (ii) usage of such classification of financial asset or liability eliminates or decreases significantly the inconsistency of measurement or recognition (so called accounting difference due to various methods of assets and liabilities valuation or various recognition of gains and losses attributable to them); (iii) the group of financial assets and liabilities or both categories is managed properly, and its results are measured using fair value, in accordance with documented risk management principles or the Group's investment strategy.

(b) Investment held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity. In case of sale or reclassification of more than an insignificant amount of held-to-maturity investments in relation to the total held-to-maturity investments before maturity all the assets of this category are reclassified to the available sale category.

The Group is not allowed to classify any financial assets as held to maturity during the current financial year or during the two preceding financial years.

(c) Loans and advances

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

– those that the entity intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity upon initial recognition designates at fair value through profit and loss;

- those that the entity upon initial recognition designates as available for sale; or
- those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available for sale.

The category of loans and receivables include loans and cash loans extended to other banks and clients, including the debts purchased and debt securities reclassified from the portfolio of financial assets available for sale.

(d) Financial assets available for sale

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

(e) Other financial liabilities

A financial liability is a contractual obligation to deliver cash or other financial asset to another entity not valued at fair value through the profit and loss, being a deposit or loan received.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

(ii) Recognition

The Group recognizes financial assets or liabilities on the balance sheet when, and only when it becomes a party to the contractual provisions of the instrument. Purchase and sale transactions of financial assets valued at fair value through profit and loss, held-to-maturity and available for sale are recognized, in accordance with accounting policies applied to all transactions of a certain type, at the settlement date, the date on which the asset is delivered to an entity or by an entity. Loans and receivables are recognized on distribution of the cash to borrower.

(iii) Derecognition

The Group derecognises a financial asset when, and only when: the contractual rights to the cash flows from the financial asset expire or the Group transfers the contractual right to receipt of the cash flow from the financial asset. On transferring a financial asset, the Group evaluates the extent to which it retains the risks and rewards of ownership of the financial asset. Accordingly, where the Group:

- transfers substantially all the risks and rewards of ownership of the financial asset, it derecognises the financial asset.
- retains substantially all the risks and rewards of ownership of the financial asset, it continues to recognise the financial asset.
- neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it determines whether it has retained control of the financial asset. In this

case if the Group has retained control, it continues to recognise the financial asset, and if the Group has not retained control, it derecognises the financial asset to the extent of its continuing involvement in the financial asset.

The Group removes a financial liability (or a part of a financial liability) from its balance sheet when, and only when the obligation specified in the contract is realised or cancelled or expires.
Particularly, the Group derecognizes loans and receivables or its part from its balance sheet, if rights pertaining to the credit agreement expire, the Group waives such rights, or sells the loan.

When irrevocability of financial assets is declared, the Group most frequently writes down receivables as impairment charges.

The amounts of receivables written down as loss and recovered thereafter shall diminish the value of impairment loss in the income statement.

(iv) Measurement

When a financial asset or financial liability is recognised initially, the Group measures it at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.
After initial recognition, the Group measures financial assets, including derivatives that are assets, at their fair values, without any deduction for transaction costs it may incur on sale or other disposal, except for the following financial assets:

– loans and receivables which are measured at amortized cost using the effective interest method;
– held-to-maturity investments are measured at amortised cost using the effective interest method; and
– investments in equity instruments that do not have a quoted market price in an active market and their fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost.

After initial recognition, the Group measures all financial liabilities at amortised cost using the effective interest method, except for:

- financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are measured at fair value except for a derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument which fair value cannot be reliably measured, are measured at cost,
- financial liabilities resulting from the transfer of a financial asset which does not qualify for being excluded from the balance sheet or recognised on a *continuing involvement* basis.

The other financial liabilities are measured at depreciated cost or the amount of due payment.

Granted financial guarantees are measured at the higher of:

(a) the amount being the most appropriate estimation of the expenditures needed to fulfil the current obligation arising from the financial guarantee, upon consideration of the probability of materialisation thereof;

(b) the amount recognised at the initial entry, adjusted with the settled amount of commission received for granting the guarantee.

(v) Reclassification

A particular financial asset classified as available-for-sale may be reclassified from this category should it fulfil the definition of loans and receivables and should the Group intend and be able to maintain this financial asset in the foreseeable future or until its maturity. Fair value of the financial asset on the reclassification date is deemed as its new cost or new depreciated cost, respectively.

In the event of a maturing financial asset, the profits or losses recognised as equity until the date of reclassification are amortised and carried through the income statement for the remaining term until maturity. All differences between the new amortised cost and the amortisation amount are amortised for the remaining term until the instrument's maturity, similarly to the amortisation of premium or discount. Amortisation is based on the effective interest rate method.

In the event of a non-maturing asset, the profits and losses remain with equity until the asset has been sold or disposed of otherwise when it is carried through the income statement.

(vi) Gains and losses resulting from subsequent measurement

A gain or loss arising from a change in the fair value of a financial asset or financial liability that is not part of a hedging relationship is recognised, as follows.

– A gain or loss on a financial asset or financial liability classified as at fair value through profit or loss is recognised in profit or loss;
– A gain or loss on an available-for-sale financial asset is recognized directly in equity;

Interest calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the entity's right to receive payment is established. Foreign exchange gains and losses arising from a change in the fair value of a non monetary financial asset available for sale denominated in foreign currency are recognized directly in equity. Foreign exchange gains and losses arising from monetary financial assets (e.g debt securities) denominated in foreign currency are recognized directly in the profit and loss account.

At the moment of derecognition of financial assets from the balance sheet, cumulated gains and losses recognized previously in equity, are transferred to the profit and loss account. If any objective evidence exists that a financial asset or group of financial assets is impaired, the Group recognizes impairment in accordance with the established rules of determination of impairment of financial assets.

The fair value of securities for which there is an active market is determined by the current bid price. The fair value of other financial assets/liabilities quoted in an active market is determined on the basis of the bid price for long position and offer price for short position. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, discounted cash flow analysis and option pricing models and other techniques used by market members.

Based on the employed methods of determining the fair value, financial assets/liabilities are classified to the following categories:

Level I: financial assets/liabilities measured directly on the basis of prices quoted in the active market or measurement techniques based solely on market data.

Level II: financial assets/liabilities measured on the basis of measurement techniques based on assumptions using data from an active market or market observations.

Level III: financial assets/liabilities measured on the basis of measurement techniques commonly used by the market players, the assumptions of which are not based on data from an active market.

Derivative instruments

Derivative instruments are valued at fair value without cost of transactions, which are to be incurred at the moment of its sale. The base of initial fair value measurement of derivative instruments is value at cost, i.e. fair value of received or paid amount.

The Group separates and recognizes in the balance sheet derivative instruments being a component of hybrid instruments. A hybrid (combined) instrument includes a non-derivative host contract and derivative instrument, which causes some or all of the cash flows arising from the host contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable.

The Group separates embedded derivatives from the host contract and accounts for them as a derivative if, and only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, and the host contract is not valued at fair value through profit and loss.

An embedded derivative is valued at fair value, and its changes are recognized in profit and loss.

The Group uses derivative instruments in order to hedge against FX and interest rate risk, arising from activity of the Group. Derivative instruments that are not subject to hedge accounting are classified as financial instruments held for trading and are valued at fair value.

(i) Derivative instruments not qualifying as hedging instruments

Changes in the fair value of derivatives that do not meet the criteria of hedge accounting are shown in the profit and loss account for the current period in position ”Result on financial instruments carried through profit and loss”. This position includes only unrealized valuations.

(ii) Hedge Accounting

Hedge accounting recognises the offsetting effects on profit or loss of changes in the fair values of the hedging instrument and the hedged item.

The Group designates certain derivative instruments as fair value hedge or cash flow hedge. The Group uses hedge accounting, if the following conditions are met:

– At the inception of the hedge there is formal designation and documentation of the hedging relationship and the Group’s risk management objective and strategy for undertaking the hedge. That documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument’s effectiveness in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk.
– The hedging instrument and hedged instrument are similar, especially nominal value, maturity date, and volatility for interest rate and foreign exchange changes.
– The hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship.
– For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss.
– The effectiveness of the hedge can be reliably measured, ie. the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured.
– The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

- *Fair value hedge*

Fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect the profit or loss.

A fair value hedge is accounted for as follows: the gain or loss from remeasuring the hedging instrument at fair value (for a derivative hedging instrument) is recognised in profit and loss; the gain or loss on the hedged item attributable to the hedged risk adjust the carrying amount of the hedged item and are recognised in profit and loss. Recognition of the gain or loss attributable to the hedged risk in profit and loss applies if the hedged item is an available-for-sale financial asset.

The Group applies the fair value hedge accounting whereby it hedges against any changes to the fair value of the real estates following the changes in the current foreign exchange rates and the changes in the fair value of debt papers of fixed interest rate classified as the assets available for sale following the changes in the interest rates.

The Group applies the fair value hedge accounting in order to hedge changes in fair value of fixed-rate debt instruments classified to the portfolio of available-for-sale assets and fixed-rate debt instruments classified to the portfolio of loans and receivables resulting from interest rate changes.

- *Cash flow hedge*

Cash flow hedge: a hedge of the exposure to volatility in cash flows that (i) is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and (ii) could affect profit or loss.

A cash flow hedge is accounted for as follows: the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity through the statement of comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recognised in profit or loss account.

The associated gains or losses that were recognised directly in equity (effective hedge), at the moment of recognition of a financial asset and liability being a result of planned future transaction, are transferred into profit or loss in the same period or periods during which the asset acquired or liability assumed affects the profit and loss.

In case of a hedge of non-financial asset or a non-financial liability, the associated gains and losses recognized directly in equity as an effective hedge, are transferred successively into the profit and loss account in the same period or periods during which the asset acquired or liability assumed affects the profit and loss account (such as in the periods that depreciation expense is recognised); or it is the result of a one-off transfer as an adjustment to the initial purchase price or carrying amount of a hedged item.

The Group has been applying cash flow hedge accounting to secure the size of future cash flows in a specific portfolio of the Bank's assets/ liabilities or a portfolio of highly probable planned transactions against the interest rate changes.

Impairment

Assets valued at amortized cost

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably stimated. Losses expected as a result of future events, no matter how likely, are not recognised. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the holder of the asset about the following loss events:

a) significant financial difficulty of the issuer or obligor;

b) a breach of contract, such as a default or delinquency in interest or principal payments above 90 days;

c) the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

e) the disappearance of an active market for that financial asset because of financial difficulties; or

f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets within the group.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. The Group classifies loan receivables by size of exposure, into the individual and group portfolios. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment. In a group portfolio, groups of similar credit risk characteristics are identified, which are then assessed collectively for the impairment.

If there is any objective evidence of impairment of loans and receivables, or investments held-to-maturity, then the amount of the impairment is the difference between the carrying amount of an asset and the current value of estimated future cash flows, discounted using an original effective interest rate established with the initial recognition of a given financial asset.

If there is any objective evidence of lack of expected future cash flows arising from these financial assets, then the amount of impairment is equal to their carrying amount.

Future cash flows concerning groups of financial assets assessed collectively in terms of their possible impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the Group.

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period in which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. The Group regularly verifies the methodology and assumptions adopted to estimate future cash flows in order to mitigate the differences between estimated and actual losses.

For the purposes of the calculation of the provision against balance sheet exposures analysed collectively, the probability of default (PD) method has been applied. Modification of the PD parameter takes into account characteristics of specific products and emerging periods for losses on those products. This approach allows specifically for: 1) detecting the losses that already occurred and 2) losses that occurred as at the impairment date, but have not been documented yet (incurred but not reported IBNR).

The impairment is presented as a reduction of the carrying amount of the asset either through use of an allowance account and the amount of the loss shall be recognized in profit and loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is recognised in the profit and loss account.

Financial assets available for sale

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognized directly in equity is removed from equity and recognised in the profit and loss account even though the financial asset has not been derecognised.
The amount of the cumulative loss that is removed from equity and recognised in profit and loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit and loss.
Impairment losses recognised in the profit and loss account for an investment in an equity instrument classified as available for sale is not reversed through profit and loss.
If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the profit and loss, the impairment loss is reversed, with the amount of the reversal recognized in profit and loss.

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset). Such impairment losses are not reversed.

Valuation of motivational programmes for employees

The fair value of options granted is recognised as an expense under staff expenses and is allocated over the vesting period of the options. The fair values of the option awards have been determined by using a Monte Carlo simulation. This model takes the risk free interest rate into account (3.55% to 4.92%), as well as the expected life of the options granted (5 year to 8 years), the exercise price, the current share price (EUR 18.70 – EUR 33.92), the expected volatility of the certificates of ING Group shares (25% – 39%) and the expected dividends yield (3.57% to 8.99%). The source for implied volatilities used for the valuation of the stock options is ING's trading system. The implied volatilities in this system are determined by ING's traders and are based on market data implied volatilities not on historical volatilities.

3. Accounting estimates

The preparation of financial statements in accordance with IFRS requires from the Group the use of estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes thereto. Estimations and assumptions applied to the presentation of value of assets. liabilities. revenues and costs. are made on basis of historical data available and other factors considered to be relevant in given circumstances. Applied assumptions related to the future and available data sources are the base for making estimations regarding carrying value of assets and liabilities. which cannot be determined explicitly on the basis of other sources. The estimates reflect the reasons for/ sources of uncertainties as at the balance sheet date. The actual results may differ from estimates.

The estimations and assumptions are reviewed on an on-going basis. Adjustments to estimates are recognized in the period when the estimation was changed. provided that the adjustment applies to this period alone. or in the period when the estimation was changed and in the following periods. should the adjustment impact both the current and future periods.

Major accounting estimations adopted by the Group are as follows:

Impairment of financial assets

At each balance sheet date. the Group assesses. whether there is objective evidence of impairment of a given financial asset or of a group of such assets. Impairment of a financial asset or of a group of financial assets is incurred only if there is objective evidence for the impairment due to one or many events. The occurrence of such event or group of such events affects the estimation of expected cash flows regarding these assets.

The estimates may take into account any observable indications pointing at the occurrence of an unfavourable change in the solvency position of debtors belonging to any particular group or in the economic situation of a given country or part of a country. which is associated with the problems appearing in that group of assets.

Historical parameters of recoveries are adjusted on the basis of the data coming from current observations. so as to take into consideration the influence of current conditions and to exclude the influencing factors from the prior periods that are not currently present.

In order to estimate impairment or its recovery. it is necessary to estimate the present value of the expected cash flows. If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred. the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted using effective interest rate. If. in a subsequent period. the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized. the previously recognized impairment loss is reversed by adjusting a carrying amount of the financial asset. The amount of the reversal shall be recognised in profit or loss account up to the value of prior impairment.

The methodology and the assumptions. on the basis of which the estimated cash flows and their anticipated timing are determined. are regularly reviewed and updated. Moreover. the tests on historical data are carried out in order to compare actual results with estimations of impairment.

Credit risk connected with derivative instruments

In view of a considerable increase of credit risk in FX option transactions made by the Group with clients, the Group carries out reviews of a major part of the portfolio of those instruments systematically. With the aim of having the risk level outlined precisely, the Group structured the approach.

The approach adopted by the Group to estimation of the credit risk generated by derivative instruments with future settlement dates (active transactions. outstanding as at the balance sheet date) is in line with the approach adopted by the Group for the purpose of assessing the credit risk generated by credit receivables.

In addition. for mature transactions or terminated and unsettled as at the balance sheet date. the Group made charges using the methodology for assessing the risk of impaired loans.

The two types of fair value adjustments. as mentioned above. were differently reflected in the consolidated financial statement. Fair value adjustments due to risk for non-matured transactions were presented under the item: *Result on financial instruments carried through the income statement and revaluation*. whereas the charges for matured transactions under the item: *Impairment charges for financial assets and provisions for off-balance-sheet liabilities.*

Uncertainty of the estimates

The Group continues to assess the risk level related to FX options. initiated in 2008. The appraisal was made as of the balance sheet date. assuming the measurement level as of that date. and taking into account the risk appraisal performed as of the same date. The Group will perform periodical appraisal of the financial standing of the clients holding similar instruments. The following key factors taken into account in case of changes of risk estimates are:

(i) changes of measurement at the fair value of derivatives.

(ii) changes in the scope of the credit risk appraisal of the contracting parties by the Group. However. considering the great volatility of the business environment. there still remains some uncertainty as to the Group's estimates

Impairment of other non-current assets

At each balance sheet date. the Group assesses the existence of circumstances indicating of impairment of a non-current asset. If such indicators exist. the Group performs an estimation of recoverable value. Estimation of value-in-use of a non-current asset (or cash generating unit) requires assumptions to be adopted. regarding. among others. amounts and timing of future cash flows. which the Group may obtain from the given non-current asset (or cash generating unit). Adoption of different measurement assumptions could affect the carrying value of some of the non–current assets.

The Group performs an estimation of the fair value less costs to sell on the basis of available market data regarding this subject or estimations made by external bodies. which are also based on estimations.

Measurement of financial instruments that do not have a quoted market price

The fair value of financial instruments not quoted on active markets is measured using valuation models. For non-optional derivatives and debentures available for sale. the Group uses valuation models based on discounted cash flows. Options are valued using option valuation models including the assessment of counterparty risk.

Valuation models used by the Group. are verified by independent bodies before/prior to their usage. Where possible. in models the Group uses observable data from active markets. However. the Group also adopts assumptions as to probability (as counterparty risk. variables and market correlations). Any change in these assumptions may affect the fair value of some financial instruments. The change of assumptions concerning these factors may influence valuation of some financial instruments.

Retirement and sick pension severance payments provision

Retirement payments provision is calculated using an actuarial method by an independent actuary as the present value of future liabilities of the Group towards the employees according to headcount and remuneration at the updating date. The estimation of the provision is made on the basis of several assumptions both about macroeconomic environment and employee turnover. mortality risk and other. The estimated provision is updated annually.

The Group adopts a corridor approach to recognition of a determined portion of the cumulated net value of actuarial gains and losses. Under this method. when determining an obligation due to certain benefits. the Group recognises some actuarial gains and losses as revenue or costs. when the net value of accumulated unrecognised actuarial gains and losses as at the end of the previous reporting period exceeds the higher of the following two values:

a) 10% of the current value of the obligation due to certain benefits as at that day (before deduction of the plan's assets)

b) 10% of the fair value of the plan's assets as at that day.

A portion of the actuarial gains and losses above the said limit is recognised in the profit and loss account as the quotient of the above named excess and the average expected remaining working life of the Group employees. The Group presents in the balance sheet the net value of the liability comprising the current value of the liability and unrecognised actuarial gains/ losses.

Provisions for the bonus for employees and top executives

Provisions for the bonus for employees shall be set in the amount resulting from the effective bonus regulations.

The provisions for top executive staff bonuses are estimated by the Management Board of the Group parent entity which calculates the amount of benefits as of the balance-sheet date. The final amount of the bonuses is approved by the Supervisory Boards of the Group's Companies.

4. Comparability of financial data

In the interim consolidated financial statements developed for the period from 1 January 2009 to 30 September 2009. the Group introduced changes with regard to the presentation manner of some items in the profit and loss account. as compared to the interim consolidated financial statements for the period from 1 January 2008 to 30 September 2008. The changes concerned financial data of the Bank and resulted from adopting another approach to presentation of positions adjusting commission income, in particular those concerning paid commissions on cards and commissions due to insurance of loans that were previously presented as commission costs and currently reduce commission income.

The second change is the result of the analysis of correctness of disclosure of the debt securities income.

Consolidated profit and loss account *(PLN '000))*	**3 quarters 2008** in the interim consolidated financial statements for the III quarter 2008	changes	**3 quarters 2008** in the interim condensed consolidated financial statements for the III quarter 2009
Interest income	2 443 918	0	2 443 918
Interest expenses	-1 595 746	0	-1 595 746
Net interest income	848 172	0	848 172
Commission income	742 990	-33 732	709 258
Commission expenses	-92 188	33 732	-58 456
Net commission income	650 802	0	650 802
Net income on investment financial assets	35 672	-4 393	31 279
Net income on instruments measured At fair value through profit and loss and revaluation	253 511	4 393	257 904
Other operating income and expenses	-2 031	0	-2 031
Result on basic activities	**1 786 126**	**0**	**1 786 126**
General and administrative expenses	-1 152 354	0	-1 152 354
Result on other operating income and expenses	-9 284	0	-9 284
Impairment losses and provision for off-balance sweet liabilities	50 935	0	50 935
Share in net profit (loss) od associated entities recognised dunder the equity method	38 846	0	38 846
Profit (loss) before tax	**714 269**	**0**	**714 269**
Income tax	-139 857	0	-139 857
Net profit (loss)	**574 412**	**0**	**574 412**
- assigned to shareholders of the holding company	**574 362**	**0**	**574 362**
- assigned to minority shareholders	**50**		**50**

In the report for Q3 2009 as compared to the report for Q3 2008, the Group changed the manner of presentation of provisions for irrevocable unused credit lines for wholesale exposures. At present they are treated as an equivalent of balance sheet exposures and provisions for such exposures are established and disclosed together with credit receivables impairment write-offs. Change of the presentation consisted in moving of a proper amount from the "Provisions" item to the "Loans and receivables to customers" item.

Consolidated statement of financial position *(pln '000)*	**3 quarters 2008** in the interim consolidated financial statements for the III quarter 2008	changes	**3 quarters 2008** in the interim condensed consolidated financial statements for the III quarter 2009
A S S E T S			
- Cash in hand and balances with the Central Bank	2 151 267	0	2 151 267
- Loans and receivables to other banks	7 244 522	0	7 244 522
- Financial assets measured at fair value through profit and loss	11 196 283	0	11 196 283
- Valuation of derivatives	1 621 616	0	1 621 616
- Investments	19 710 713	0	19 710 713
- available-for-sale	*12 385 200*	*0*	*12 385 200*
- held-to-maturity	*7 325 513*	*0*	*7 325 513*
- Derivative hedge instruments	70 405	0	70 405
- Loans and receivables to customers	22 001 619	-14 828	21 986 791
- Investments in controlled entities	97 875	0	97 875
- Investment real estates	135 845	0	135 845
- Property, plant and equipment	527 639	0	527 639
- Intangible assets	309 454	0	309 454
- Property, plant and equipment held for sale	228	0	228
- Current tax asset	0	0	0
- Deferred tax asset	19 077	0	19 077
- Other assets	190 846	0	190 846
T o t a l a s s e t s	**65 277 389**	**-14 828**	**65 262 561**
E Q U I T Y A N D L I A B I L I T I E S			
LIABILITIES			
- Liabilities due to other banks	5 188 064	0	5 188 064
- Financial liabilities measured at fair value through profit and loss	1 758 692	0	1 758 692
- Valuation of derivatives	1 512 392	0	1 512 392
- Derivative hedge instruments	110 771	0	110 771
- Liabilities due to customers	51 269 030	0	51 269 030
- Provisions	77 502	-14 828	62 674
- Current income tax liabilities	46 607	0	46 607
- Other liabilities	1 034 712	0	1 034 712
T o t a l l i a b i l i t i e s	**60 997 770**	**-14 828**	**60 982 942**
EQUITY			
- Share capital	130 100	0	130 100
- Supplementary capital – issuance of shares over nominal capital	956 250	0	956 250
- Revaluation reserve from measurement of available-for-sale financial assets	-127 476	0	-127 476
- Revaluation reserve from measurement of property, plant and equipment	50 200	0	50 200
- Revaluation reserve from measurement of cash flow hedging instruments	2 075	0	2 075
- Retained earnings	3 266 701	0	3 266 701
Equity assigned to shareholders of the holding company	**4 277 850**	**0**	**4 277 850**
- Minority equity	1 769		1 769
T o t a l e q u i t y	**4 279 619**	**0**	**4 279 619**
T o t a l e q u i t y a n d l i a b i l i t i e s	**65 277 389**	**-14 828**	**65 262 561**

5. Interim supplementary notes to condensed consolidated financial statements

5.1 Net interest income

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	III quarter 2008 the period from 01 Jul 2008 to 30 Sep 2008	3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008
Interest income and similar charges				
- Loans and receivables to banks	29 868	128 484	143 365	532 010
- Loans and receivables to customers	419 732	1 259 971	393 038	1 042 990
- Debt securities	290 657	982 672	342 646	851 941
- Other	5 000	19 085	7 685	16 977
	745 257	**2 390 212**	**886 734**	**2 443 918**
Interest expense and similar charges				
- Deposits from banks	-12 071	-52 131	-60 580	-152 827
- Deposits from customers	-333 939	-1 143 461	-522 207	-1 416 858
- Reverse repos	-8 070	-122 529	-6 427	-26 052
- Loans and advances received	0	0	0	-9
	-354 080	**-1 318 121**	**-589 214**	**-1 595 746**
Net interest income	**391 177**	**1 072 091**	**297 520**	**848 172**

Interest result does not include interest on hedging instruments (IRS) in the fair value hedge accounting (recognised under the item "Investment financial assets") and swap points and interest on derivatives (presented in "Result on financial instruments recognised through P&L and revaluation"). Should the result include result on mentioned above interest, the item would be as follows:

	III quarter 2009	*3 quarters 2009*	*III quarter 2008*	*3 quarters 2008*
Net interest income	*374 726*	*1 036 907*	*320 900*	*918 276*

5.2 Net commission income

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	III quarter 2008 the period from 01 Jul 2008 to 30 Sep 2008	3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008
Commission income				
- Commission related to brokerage activity	20 025	52 551	16 182	58 185
- Commission related to keeping accounts	74 402	218 825	71 503	211 647
- Commission related to loans and advances	36 196	106 113	30 689	90 141
- Commission related to loans and advances insurance	15 266	41 772	2 156	2 156
- Commission related to payment and credit cards	45 334	117 889	36 866	102 087
- Commission related to distribution of participation units	13 532	39 919	21 805	83 365
- Fiduciary and custodian fees	6 316	19 007	7 358	22 520
- Foreign commercial business	3 917	10 588	3 961	12 009
- Commission related to subscription of structured products	200	4 505	4 376	18 834
- The transaction margin on currency exchange transactions*)	44 508	113 156	36 880	82 605
- Commission related to sales of financial products	6 395	13 734	7 305	9 935
- Other	5 098	18 520	5 665	15 774
	271 189	**756 579**	**244 746**	**709 258**
Commission expense				
- Brokerage fees	-5 431	-15 736	-5 700	-18 094
- Other commission	-19 536	-56 706	-10 761	-40 362
	-24 967	**-72 442**	**-16 461**	**-58 456**
Net commission income	**246 222**	**684 137**	**228 285**	**650 802**

*) The amount of PLN 44,508 thousand, presented for Q3/2009 in the item " The transaction margin on currency exchange transactions", includes the amount of PLN 10,107 thousand due to adjustment of the operating error which occurred in Q1/2009. Assuming that the errors were adjusted in the same quarter in which it occurred, the value of transaction margin for specific quarters of 2009 would be as follows:

	3 quarters 2009	*III quarter 2009*	*II quarter 2009*	*I quarter 2009*
The transaction margin on currency exchange transactions	*113 156*	*34 401*	*39 212*	*39 543*

	III quarter 2009	3 quarters 2009	III quarter 2008	3 quarters 2008
	the period from 01 Jul 2009 to 30 Sep 2009	the period from 01 Jan 2009 to 30 Sep 2009	the period from 01 Jul 2008 to 30 Sep 2008	the period from 01 Jan 2008 to 30 Sep 2008
5.3 Net income on investment financial assets				
- Equity instruments	146	4 295	0	25 391
- Debt instruments	5 228	5 670	-696	-4 388
- Dividend income	87	4 099	378	2 880
- Valuation of the transaction hedged under the fair value hedge accounting for securities	61 058	-75 983	133 850	58 755
- Valuation of the hedging transaction under the fair value hedge accounting for securities*)	-107 249	-2 618	-127 870	-51 359
Net income on investment financial assets	**-40 730**	**-64 537**	**5 662**	**31 279**

*) The measurement of hedging transaction includes, among others, the interest result on hedging instrument (IRS) comprising interest accrued from the year beginning until the reporting date. The amounts of interest result on the hedging instrument for specific quarters of 2009 were as follows: PLN -23,173 thousand for Q1, PLN -33,065 thousand for Q2 and PLN -39.373 thousand for Q3. Should the above amounts not be taken into account in the result on investment financial assets, the said result would be as follows:

	III quarter 2009	3 quarters 2009	III quarter 2008	3 quarters 2008
Net income on investment financial assets	*-1 357*	*31 074*	*2 190*	*26 362*

The interest result on the hedged transaction (debt securities) is presented herein as part of interest revenue, partially under the item "debt securities" (for debt securities classified as available for sale) and partially under the item "loans and other receivables from clients" (for debt securities classified as loans and other receivables).

	III quarter 2009	3 quarters 2009	III quarter 2008	3 quarters 2008
	the period from 01 Jul 2009 to 30 Sep 2009	the period from 01 Jan 2009 to 30 Sep 2009	the period from 01 Jul 2008 to 30 Sep 2008	the period from 01 Jan 2008 to 30 Sep 2008
5.4 Result on financial instruments carried through profit and loss and revaluation				
- ***Net income on financial assets and liabilities held for trading***	**-295 262**	**1 112 848**	**-395 418**	**-234 832**
- Net income on equity instruments	4 929	6 984	-1 772	-12 203
- Net income on Debt instruments	51 789	38 227	71 455	31 288
- Net income on derivatives, of which:	-351 980	1 067 637	-465 101	-253 917
- Currency derivatives)*	-385 125	914 770	-424 269	-257 715
*- Interest rate derivatives**)*	34 180	148 837	-49 534	-25 056
- Securities derivatives	-1 035	4 030	8 702	28 854
- ***Net income on financial assets and liabilities measured at fair value upon initial recognition***	**-33**	**-1 875**	**-6 055**	**-2 337**
- Net income on debt instruments	-33	137	1 727	-301
- Net income on the measurement of the deposits designated to be measured at their fair value	0	-2 012	-7 782	-2 036
- ***Ineffectiveness recognised in profit and loss account that arises from cash flow hedges***	**87**	**162**	**199**	**190**
- ***Result on the revaluation of balance sheet items***	**387 131**	**-908 150**	**474 811**	**494 883**
Result on financial instruments carried through profit and loss and revaluation	**91 923**	**202 985**	**73 537**	**257 904**

*) Swap points are recognised under the item "Currency derivatives". Their values in specific quarters of 2009 were as follows: PLN 45,235 thousand in Q1, PLN 10,210 thousand in Q2 and PLN 10,398 thousand in Q3.
**) Interest on derivative instruments is recognised under the item "Interest rate derivatives". Its values in specific quarters of 2009 were as follows: PLN -23.798 thousand in Q1, PLN 5,858 thousand in Q2 and PLN 12,524 thousand in Q3.
Should the swap points and interest on derivatives be included in the interest result, the result on financial instruments recognised through P&L would be as presented in the table below (presentation takes into account additionally the adjustment of operational error on transactional margin described in note 5.2.):

	III quarter 2009	*3 quarters 2009*	*III quarter 2008*	*3 quarters 2008*
Result on financial instruments carried through profit and loss and revaluation	*79 108*	*142 558*	*53 629*	*192 717*

The item "Net income on derivatives - Currency derivatives" includes a counterparty risk charge related to transactions on FX Options. In Y 2009, the charge amounted to PLN -151 million (PLN -26 million in Q3 2009). Whereas, there was no such an item in the same periods of the last year.

5.5 General and administrative expenses

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	III quarter 2008 the period from 01 Jul 2008 to 30 Sep 2008	3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008
- Personnel expenses	-182 302	-511 864	-208 727	-572 918
- Other	-210 735	-626 631	-193 876	-579 436
Total	**-393 037**	**-1 138 495**	**-402 603**	**-1 152 354**

5.6 Impairment losses and provisions for off-balance sheet liabilities

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	III quarter 2008 the period from 01 Jul 2008 to 30 Sep 2008	3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008
- Impairment losses	-103 441	-453 381	-65 282	-373 302
- Reversed impairment losses	49 301	233 688	58 060	424 237
Net impairment losses and provisions for off-balance sheet liabilities	**-54 140**	**-219 693**	**-7 222**	**50 935**

5.7 Share in net profit (loss) of associated entities recognised under the equity method

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	III quarter 2008 the period from 01 Jul 2008 to 30 Sep 2008	3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008
- ING Powszechne Towarzystwo Emerytalne S.A.	10 394	36 024	13 016	38 846
Total	**10 394**	**36 024**	**13 016**	**38 846**

5.8 Loans and receivables to other banks

	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
- Current accounts	565 088	206 012	276 550	484 833	341 392
- Interbank deposits	1 662 848	2 502 734	5 699 110	6 127 700	7 707 543
- Other receivables, of which:	1 412 044	524 938	1 814 232	632 182	953 406
- loans and advances	*227 066*	*242 093*	*459 114*	*495 419*	*481 741*
- reverse repo transactions	*1 144 023*	*185 504*	*796 138*	*0*	*405 809*
- debt securities	*0*	*0*	*518 910*	*0*	*0*
- other receivables	*40 955*	*97 341*	*40 070*	*136 763*	*65 856*
Total (gross)	**3 639 980**	**3 233 684**	**7 789 892**	**7 244 715**	**9 002 341**
Impairment losses	-41	-41	-2 667	-193	-295
Total (net)	**3 639 939**	**3 233 643**	**7 787 225**	**7 244 522**	**9 002 046**

	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
5.9 Financial assets measured at fair value through profit and loss					
- Financial assets held for trading, of which:	11 560 822	9 938 747	6 116 918	7 105 021	4 816 098
- debt instruments	*11 558 873*	*9 937 633*	*6 115 950*	*7 100 099*	*4 814 031*
- equity instruments	*1 949*	*1 114*	*968*	*4 922*	*2 067*
- Financial assets designated as at fair value upon initial recognition, of which:	616 872	883 384	4 431 901	4 091 262	4 158 110
- deposits	*0*	*0*	*2 246 725*	*2 144 986*	*2 470 683*
- debt instruments	*199 792*	*203 568*	*1 822 654*	*1 576 550*	*1 432 459*
- transactions with the buy-back commitment	*417 080*	*679 816*	*362 522*	*369 726*	*254 968*
Total	**12 177 694**	**10 822 131**	**10 548 819**	**11 196 283**	**8 974 208**

	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
5.10 Investments					
- Available-for-sale financial assets, of which:	6 990 808	8 329 498	10 739 090	12 385 200	10 816 223
- debt instruments, including:	*6 939 787*	*8 322 990*	*10 730 536*	*12 374 624*	*10 811 768*
- hedged items in fair value hedging	*3 157 892*	*3 114 835*	*3 235 793*	*4 246 574*	*3 112 530*
- equity instruments	*51 021*	*6 508*	*8 554*	*10 576*	*4 455*
- Held-to-maturity financial assets, of which:	7 343 676	7 238 695	7 311 832	7 325 513	6 185 038
- debt instruments	*7 343 676*	*7 238 695*	*7 311 832*	*7 325 513*	*6 185 038*
Total	**14 334 484**	**15 568 193**	**18 050 922**	**19 710 713**	**17 001 261**

	3 quarters 2009	2 quarters 2009	end of year 2008	3 quarters 2008	2 quarters 2008
	as of 30 Sep 2009	as of 30 Jun 2009	as of 31 Dec 2008	as of 30 Sep 2008	as of 30 Jun 2008
5.11 Loans and receivables to customers					
Loans and other receivables to entities from the financial sector other than banks					
- Loans and advances	2 673 448	2 714 493	2 925 110	2 918 681	2 602 687
- in the current account	*414 293*	*354 495*	*382 674*	*399 396*	*520 018*
- term ones	*2 259 155*	*2 359 998*	*2 542 436*	*2 519 285*	*2 082 669*
- Reverse repo transactions	214 769	654 695	158 159	71 014	802 580
- Other receivables	138 322	120 578	98 173	153 550	103 069
Total (gross)	**3 026 539**	**3 489 766**	**3 181 442**	**3 143 245**	**3 508 336**
Impairment losses, of which	-2 232	-1 778	-2 045	-3 219	-3 604
- concerning loan	*-2 232*	*-1 778*	*-2 045*	*-3 219*	*-3 604*
Total (net)	**3 024 307**	**3 487 988**	**3 179 397**	**3 140 026**	**3 504 732**
Loans and other receivables to entities from the non-financial sector					
- Loans and advances granted to business entities	12 409 294	12 657 565	12 312 034	11 881 779	10 591 621
- in the current account	*4 001 944*	*4 300 982*	*3 931 464*	*4 328 888*	*4 006 551*
- term ones	*8 407 350*	*8 356 583*	*8 380 570*	*7 552 891*	*6 585 070*
- Loans and advances granted to households	9 336 896	8 827 942	7 446 511	6 603 620	5 931 434
- in the current account	*1 266 140*	*1 238 694*	*1 091 580*	*1 144 937*	*1 102 764*
- term ones	*8 070 756*	*7 589 248*	*6 354 931*	*5 458 683*	*4 828 670*
- Debt securities, of which:	440 518	533 941	559 378	13 500	13 500
- reclassified from available-for-sale portfolio	*169 547*	*294 132*	*294 184*	*0*	*0*
- Other receivables	23 985	42 625	36 739	70 574	55 419
Total (gross)	**22 210 693**	**22 062 073**	**20 354 662**	**18 569 473**	**16 591 974**
Impairment losses, of which	-804 922	-755 727	-482 274	-393 598	-372 915
- concerning loan	*-796 355*	*-747 160*	*-473 561*	*-383 871*	*-362 830*
- concerning other receivables	*-8 567*	*-8 567*	*-8 713*	*-9 727*	*-10 085*
Total (net)	**21 405 771**	**21 306 346**	**19 872 388**	**18 175 875**	**16 219 059**
Loans and other receivables to entities from the government and local government sector					
- Loans and advances	1 177 337	959 491	973 899	688 058	674 995
- in the current account	*16 829*	*14 789*	*11 854*	*12 851*	*16 316*
- term ones	*1 160 508*	*944 702*	*962 045*	*675 207*	*658 679*
- Debt securities, of which:	3 445 443	3 522 211	1 735 062	0	0
- reclassified from available-for-sale portfolio	*1 728 063*	*1 778 707*	*1 688 407*	*0*	*0*
- Other receivables	80	55	32	31	30
Total (gross)	**4 622 860**	**4 481 757**	**2 708 993**	**688 089**	**675 025**
Impairment losses, of which	-2 966	-7 452	-17 939	-17 199	-26 863
- concerning loan	*-2 966*	*-7 452*	*-17 939*	*-17 199*	*-26 863*
Total (net)	**4 619 894**	**4 474 305**	**2 691 054**	**670 890**	**648 162**
Loans and other receivables to customers - TOTAL					
- Loans and advances	25 596 975	25 159 491	23 657 554	22 092 138	19 800 737
- Reverse repo transactions	214 769	654 695	158 159	71 014	802 580
- Debt securities	3 885 961	4 056 152	2 294 440	13 500	13 500
- Other receivables	162 387	163 258	134 944	224 155	158 518
Loans and other receivables to customers – gross	**29 860 092**	**30 033 596**	**26 245 097**	**22 400 807**	**20 775 335**
Impairment losses, of wich	-810 120	-764 957	-502 258	-414 016	-403 382
- concerning loan	*-801 553*	*-756 390*	*-493 545*	*-404 289*	*-393 297*
- concerning other receivables	*-8 567*	*-8 567*	*-8 713*	*-9 727*	*-10 085*
Loans and other receivables to customers – net	**29 049 972**	**29 268 639**	**25 742 839**	**21 986 791**	**20 371 953**

In Y 2009 the Bank sold Eurobonds classified as of 31 December 2008 into the portfolio of financial assets valued using fair value option (FVO). The sale was concluded with an independent counterparty on an arm's length basis. The nominal value of the sold Eurobonds was EUR 417 million. Then the Bank re-purchased the Eurobonds from the independent counterparty on an arm's length basis. After the re-purchase, the instruments were classified into the loans and receivables portfolio and are presented in the above note under "debt securities" (as loans and other receivables to entities from the government and local government sector).
At the same time, a hedging relationship with IRS instruments held by the Bank was created, under the strategy of fair value hedging (FVH). The value of the securities that are hedged as part of fair value hedge accounting was PLN 3.348.906 thousand and PLN 1,645,003 thousand as of 30 Septemper 2009 and 31 December 2008, respectively.

5.12 Quality of portfolio of loans	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
Corporate activity					
- Exposure	**16 406 690**	**16 519 658**	**16 356 630**	**15 652 618**	**14 076 943**
- unimpaired (Incurred But Not Reported)	*15 612 117*	*15 663 361*	*16 008 879*	*15 392 116*	*13 853 762*
- impaired	*794 573*	*856 297*	*347 751*	*260 502*	*223 181*
inclusive of receivables related to transactions on derivatives	*328 568*	*344 654*	*32 697*	*0*	*0*
- Impairment and provisions	**613 765**	**571 672**	**338 711**	**271 499**	**268 299**
- related to unimpaired portfolio	96 520	84 567	71 187	71 334	77 185
- related to impaired portfolio	502 353	473 558	258 243	192 878	184 772
inclusive of receivables related to transactions on derivatives	*245 465*	*224 562*	*21 593*	*0*	*0*
- provisions against off-balance sheet liabilities	14 892	13 547	9 281	7 287	6 342
Impaired portfolio coverage ratio	63,2%	55,3%	74,3%	74,0%	82,8%
Impaired portfolio coverage ratio exclusive of receivables related to transactions on derivatives	55,1%	48,7%	75,1%	74,0%	82,8%
Detal activity					
- Exposure	**9 190 285**	**8 639 833**	**7 300 924**	**6 439 520**	**5 723 794**
- unimpaired (Incurred But Not Reported)	*9 018 275*	*8 469 480*	*7 146 308*	*6 306 105*	*5 582 200*
- impaired	*172 010*	*170 353*	*154 616*	*133 415*	*141 594*
- Impairment losses	**202 680**	**198 265**	**164 115**	**140 077**	**131 340**
- related to unimpaired portfolio	63 920	56 582	44 843	31 661	27 161
- related to impaired portfolio	138 760	141 683	119 272	108 416	104 179
Impaired portfolio coverage ratio	80,7%	83,2%	77,1%	81,3%	73,6%
Total exposure	**25 596 975**	**25 159 491**	**23 657 554**	**22 092 138**	**19 800 737**
Impairment losses, of which	**816 445**	**769 937**	**502 826**	**411 576**	**399 639**
- impairment losses	*801 553*	*756 390*	*493 545*	*404 289*	*393 297*
- provisions against off-balance sheet liabilities	*14 892*	*13 547*	*9 281*	*7 287*	*6 342*
Total portfolio coverage ratio	3,2%	3,1%	2,1%	1,9%	2,0%
Share of the impairment endangered portfolio	3,8%	4,1%	2,1%	1,8%	1,8%
Share of the impairment endangered portfolio exclusive of receivables related to transactions on derivatives	2,5%	2,7%	2,0%	1,8%	1,8%
Impaired portfolio coverage ratio (%) (including transactions on derivatives)	**66,3%**	**59,9%**	**75,1%**	**76,5%**	**79,2%**

Change in the impairment loss

3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	Charges for balance sheet receivables, off-balance sheet exposure, and receivables written-down from the	*including impairement to other banks*	Charges for receivables related to transactions on derivatives	**TOTAL**
Opening balance of impairement	**483 900**	***2 667***	**21 593**	**505 493**
- Changes in Profit and Loss Account	121 592	*-2 626*	98 101	219 693
- Depreciation	-73 424	*0*	0	-73 424
- Restructuring and forgiveness of the debts related to transactions on derivatives*)	0	*0*	125 771	125 771
- Transfer of provisions from off-balance sheet after their repayment	45 110	*0*	0	45 110
- Other (inclusive, but not limited to, unwinding interest, FX differences)	-6 157	*0*	0	-6 157
Closing balance of impairement	**571 021**	***41***	**245 465**	**816 486**

3 quarters 2008 the period from 01 Jan 2008 to 30 Sep 2008	Charges for balance sheet receivables, off-balance sheet exposure, and receivables written-down from the	*including impairement to other banks*	Charges for receivables related to transactions on derivatives	**TOTAL**
Opening balance of impairement	**576 045**	***691***	**0**	**576 045**
- Changes in Profit and Loss Account	-50 935	*-498*	0	-50 935
- Depreciation	-180 917	*0*	0	-180 917
- Transfer of provisions from off-balance sheet after their repayment	56 521	*0*	0	56 521
- Other (inclusive, but not limited to, unwinding interest, FX differences)	11 055	*0*	0	11 055
Closing balance of impairement	**411 769**	**193**	**0**	**411 769**

*) The balance of impairment charges was influenced by the amount of the fair value adjustment concerning transactions on derivatives. If a transaction whose fair value was adjusted in the previous reporting period in the position *Result on financial instruments carried through profit or loss and revaluation* becomes mature or subject to restructuring, then the amount of the previous fair value adjustment should be moved to the position *Impairment charges and the added part of the impairment charge* for such already matured transaction is presented in the profit and loss account in the position *Impairment charges and provisions for off-balance liabilities* . Therefore the financial result is influenced only by the amount of surplus of the current impairment charge (or write-down) for a mature transaction above the amount of the fair value adjustment established before the transaction has matured.

5.13 Property, plant and equipment	**3 quarters 2009** as of 30 Sep 2009	**2 quarters 2009** as of 30 Jun 2009	**end of year 2008** as of 31 Dec 2008	**3 quarters 2008** as of 30 Sep 2008	**2 quarters 2008** as of 30 Jun 2008
- Real estate and investments in third-party non-current assets	374 347	379 766	390 086	386 207	389 903
- Computer hardware	43 179	47 164	40 978	40 474	41 194
- Vehicles	225	246	316	177	206
- Other fixtures and fittings	86 650	86 189	89 649	78 660	76 309
- Constructions in progress	36 940	39 801	23 134	22 121	21 536
Total	**541 341**	**553 166**	**544 163**	**527 639**	**529 148**

5.14 Liabilities due to other banks	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
- Current accounts	434 296	408 442	177 596	247 485	320 947
- Interbank deposits	3 742 708	5 836 502	3 108 831	4 816 943	5 750 103
- Repo transactions	2 202 825	3 461 589	2 760 763	0	0
- Other liabilities	15 216	24 298	13 678	123 636	14 144
Total	**6 395 045**	**9 730 831**	**6 060 868**	**5 188 064**	**6 085 194**

5.15 Financial liabilities at fair value	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
- Financial liabilities designated as at fair value upon initial recognition	3 591 378	861 794	652 904	1 681 924	21 382
sell-buy-back transactions	*3 591 378*	*861 794*	*652 904*	1 681 924	*21 382*
- Book short position in trading securities	109 667	119 567	172 156	76 768	108 372
Total	**3 701 045**	**981 361**	**825 060**	**1 758 692**	**129 754**

5.16 Liabilities due to customers	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
Liabilities due to entities from the financial sector other than banks					
- Deposits	4 171 319	3 815 844	4 267 492	3 231 215	3 588 737
- current accounts	*1 668 558*	*1 645 422*	*1 268 135*	*1 790 130*	*2 111 688*
- term deposits	*2 502 761*	*2 170 422*	*2 999 357*	*1 441 085*	*1 477 049*
- Repo transactions	15 011	193 284	163 543	274 016	191 812
- Other liabilities	116 470	141 146	83 864	85 334	153 025
Total	**4 302 800**	**4 150 274**	**4 514 899**	**3 590 565**	**3 933 574**
Liabilities due to entities from the non-financial sector					
- Business entities' deposits	10 922 826	9 973 054	11 173 552	12 316 253	12 007 731
- current accounts	*8 210 046*	*7 222 927*	*7 292 099*	*7 482 432*	*7 124 123*
- term deposits	*2 712 780*	*2 750 127*	*3 881 453*	*4 833 821*	*4 883 608*
- Households' deposits	28 963 424	29 363 058	27 945 689	32 224 985	28 277 421
- current accounts	*3 847 597*	*3 858 306*	*3 796 117*	*2 313 098*	*3 582 633*
- savings accounts and term accounts	*25 115 827*	*25 504 752*	*24 149 572*	*29 911 887*	*24 694 788*
- Repo transactions	0	5 992	18 272	25 089	14 004
- Other liabilities	606 922	565 335	492 090	547 073	468 310
Total	**40 493 172**	**39 907 439**	**39 629 603**	**45 113 400**	**40 767 466**
Liabilities due to entities from the government and self-government institutions' sector					
- Deposits	1 679 349	1 661 033	2 886 223	2 562 934	2 885 371
- current accounts	*1 198 352*	*1 182 310*	*2 400 751*	*1 176 227*	*1 695 499*
- term deposits	*480 997*	*478 723*	*485 472*	*1 386 707*	*1 189 872*
- Repo transactions	0	0	20 209	0	0
- Other liabilities	5 464	13 632	15 984	2 131	4 646
Total	**1 684 813**	**1 674 665**	**2 922 416**	**2 565 065**	**2 890 017**
Liabilities due to customers – TOTAL					
- Deposits	45 736 918	44 812 989	46 272 956	50 335 387	46 759 260
- Repo transactions	15 011	199 276	202 024	299 105	205 816
- Other liabilities	728 856	720 113	591 938	634 538	625 981
Total	**46 480 785**	**45 732 378**	**47 066 918**	**51 269 030**	**47 591 057**

5.17 Provisions

	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
- Provision for disputes	11 625	12 103	16 722	33 672	29 975
- Provision for off-balance sheet liabilities	14 892	13 547	9 281	7 287	6 342
- Provision for retirement benefits	12 543	12 543	12 544	11 839	11 839
- Provision for unused holidays	7 993	7 993	7 993	9 876	7 439
- Provision for employment restructuring	2 655	2 789	4 039	0	0
Total	**49 708**	**48 975**	**50 579**	**62 674**	**55 595**

5.18 Solvency Ratio

	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
Own Funds					
- Share capital	130 100	130 100	130 100	130 100	130 100
- Issue premium	956 250	956 250	956 250	956 250	956 250
- Other supplementary capital	74 931	74 931	74 889	73 946	73 946
- Capital reserve including retained profit of past years	2 288 314	2 287 422	1 887 836	1 888 214	1 888 108
- Net profit of current period in audited part	263 524	0	407 470	407 470	0
- Minority equity	2 311	2 292	2 299	1 769	1 718
- General risk fund	790 179	790 179	730 179	730 179	730 179
- Revaluation reserve	-37 785	-61 481	-100 996	-130 046	-239 644
- Funds adjustment by intangibles	-316 369	-317 791	-316 187	-309 454	-311 016
- Funds adjustment by capital commitments in financial institutions	-40 000	-40 000	-40 000	-40 000	-40 000
- Short-term capital	54 819	63 450	79 691	89 863	58 432
Total own funds	**4 166 274**	**3 885 352**	**3 811 531**	**3 798 291**	**3 248 073**
Capital requirements					
- Capital requirements for credit risk, credit counterparty, dilution and delivery of instruments for future settlement	2 416 016	2 503 438	2 580 271	2 188 155	1 983 364
- Capital requirement for the risk of settlement - delivery	2 187	2 187	1 319	30	0
- Capital requirements for the capital securities rate risk, debt instruments rates risk, FX risk and commodity rates risk	13 676	19 264	27 707	31 591	22 847
- Capital requirement for operational risk	290 789	290 789	274 247	274 247	274 247
- Capital requirement for general interest rate risk	38 957	44 266	51 984	58 272	35 585
Total capital requirements	**2 761 625**	**2 859 944**	**2 935 528**	**2 552 295**	**2 316 043**
Solvency ratio	**12,07%**	**10,87%**	**10,39%**	**11,91%**	**11,22%**

6. Significant events in III quarter 2009.

Portfolio Sales

On 23 June 2009, ING Bank Śląski S.A. concluded an agreement with VPF I Niestandaryzowany Sekurytyzacyjny Fundusz Inwestycyjny Zamknięty [Non—Standard Closed-End Securitisation Investment Fund] with the effective date of 9 July 2009, concerning sales of the portfolio of identified non-performing loans. The total amount of debt claims sold under the agreement was PLN 217 million (principal, interest and other debt) whose significant part is covered with impairment, or that is written off from the Group balance sheet. The Group recognised profit of PLN 5.7 million (gross) on that transaction, out of which the amount of PLN 3.7 million concerned release of impairment charges whereas PLN 2.0 million is the commission and interest income.

Debt Restructuring PKM Duda S.A. („PKM Duda")

On 24 July 2009 a settlement was carried by vote concerning rehabilitation proceedings between PKM Duda and banks to which the company is indebted. Under this settlement, the existing liabilities of the bans will be restructured. Under debt restructuring, a part of the liabilities will be repaid and in exchange for another part the banks will take over the shares in the increased share capital of PKM Duda. On the date of accepting the composition agreement, the debt of PKM Duda in ING Bank Śląski Group totalled PLN 60.7 million (principal and interest), of which about 50% were the amounts due from transactions on FX Options.

On 28 September 2009 the Management Board of ING Bank Śląski S.A. was informed that the Court decision ratifying the agreement concluded on 24 July 2009 by and between Polski Koncern Mięsny DUDA S.A. and its creditors, inclusive of ING Bank Śląski S.A. became final and binding.

As a result of the settlement, ING Bank Śląski S.A. acquired 36,199,232 registered shares, i.e. 15.99% of the Company share capital and entitles to 36.199.232 votes on the General Shareholders Meeting, i.e. 15.99% of the total number of votes on the General Shareholders Meeting of PKM DUDA. Increase of the capital of PKM DUDA related to debt conversion into shares has not been registered so far. Prior to the conclusion of the abovementioned settlement ING Bank Śląski S.A. did not hold any shares of PKM DUDA. ING Bank Śląski S.A. does not intend to increase share in the total number of votes at PKM DUDA in the period of 12 months as of serving the notice. Subsidiaries of ING Bank Śląski S.A. do not hold shares of PKM DUDA.

As a result of restructuring debt of PKM Duda, the Group recognised in Q3 2009 the profit in the amount of PLN 7.6 million (gross), resulting on the one hand from release of impairment charges for the amount of PLN +10.9 million and on the other from the interest rate adjustment for the amount of PLN -3.3 million.

7. Factors potentially affecting the financial results in the following quarters

The most important macroeconomic factors that may impact the results in the subsequent quarters include:

- the economic growth rate in Poland (according to forecasts developed at ING Bank Śląski S.A., GDP increase in 2010 will be 2.2%),
- drop of enterprises' demand for loans as a result of deterioration of their financial standing and limitation of investments (apart from infrastructure investments),
- deterioration of situation in the labour market,
- slowdown in salary growth influencing financial situation of clients and related private consumption weakening,
- drop in real estate prices, decreasing the value of collaterals for home mortgage loans,
- uncertainty regarding interest rate policy in Poland (changed composition of the Monetary Policy Council),
- strengthening of the zloty rate which may result in the drop in competitiveness of Polish companies abroad and therefore limit export dynamics.

8. Significant developments after the closing of the interim period

Resignation of the President of the Bank Management Board

On 26 October 2009, the Supervisory Board Chair of ING Bank Śląski S.A. received a resignation of Mr Brunon Bartkiewicz from a post of the Management Board President of ING Bank Śląski S.A., as of 31 December 2009.
The reason for the resignation is the fact of taking up by Mr Brunon Bartkiewicz of another position in ING Group as of 1 January 2010.

Liquidation of ING BSK Development Sp. z o.o.

On 23 December 2008, Extraordinary General Meeting of ING BSK Development Sp. z o.o. passed a resolution on its winding-up and starting its liquidation on 1 January 2009. On 16 March 2009 an announcement was published at Monitor Sądowy i Gospodarczy informing the public about opening of the company liquidation process, whereas on 5 October 2009 the Extraordinary General Meeting of the Company took place that approved liquidation report of the Company as at 30 September 2009. Court Application for deleting the Company from the National Court Register was submitted on 12 October 2009.

Annex to Credit Agreement

On 2 November 2009 there was signed an annex to the credit agreement for reversed factoring with ING Commercial Finance Polska S.A. dated 22 March 2007, as amended, increasing the current loan amount to PLN 210,000,000.00. The credit risk of the above-mentioned exposure, up to the total loan amount, is linked with the business of a third party (factorer).

The total exposure of ING Commercial Finance Polska S.A. and that of the factorer may not exceed PLN 210,000,000.00. The loan interest rate is based on WIBOR rate plus the Bank's margin.

The total exposure of the Bank towards ING Commercial Finance Polska S.A. amounts to PLN 610,000,000.00.

The credit agreement of the largest value is the one dated 8 September 2006, as amended, with the total loan amount of PLN 400,000,000.00. Terms and conditions of that agreement were disclosed in interim report No. 27/2008 dated 17 December 2008.

The criterion for regarding the agreement as significant is the ratio of the total loan amounts to the Bank's equity. The Borrower is a related entity of ING Bank Śląski S.A.

9. Off-balance sheet items

(pln '000)	**3 quarters 2009** as of 30.09.2009	**2 quarters 2009** as of 30.06.2009	**end 2008** as of 31.12.2008	**3 quarters 2008** as of 30.09.2008	**2 quarters 2008** as of 30.06.2008
Contingent liabilities granted	13 613 979	14 295 352	14 100 914	13 546 152	12 528 185
Contingent liabilities received	13 771 144	17 131 778	15 310 545	14 982 790	14 061 085
Off-balance sheet financial instruments	139 796 995	148 909 117	262 720 990	277 226 786	241 695 304
Total off-balance sheet items	**167 182 118**	**180 336 247**	**292 132 449**	**305 755 728**	**268 284 574**

10. Issues. Redemption or repayments of debt securities and equities

None.

11. Dividends paid

On 3 April 2009. the General Shareholders Meeting decided that the dividend for 2008 would not be paid.

On 24 April 2008, the General Shareholders Meeting approved the payout of dividend for 2007 of PLN 11.70 gross per 1 share, which is equivalent to PLN 152,217,000. The dividend was paid on 2 June 2008.

12. Settlements due to disputable cases

ING Bank Śląski maintains detailed records of court cases and other liabilities being legal claims. The Bank establishes reserves for the cases. which in the opinion of the legal staff and/or management staff are encumbered with a high risk of losing the case or it is impossible to recover the lost assets. Possible future settlements are made against the reserves established.

Changes to the litigation reserves were presented below:

(pln '000)	**3 quarters 2009** period from 01.01.2009 to 30.09.2009	**3 quarters 2008** period from 01.01.2008 to 30.09.2008
Status at the period beginning:	**16 722**	**29 294**
Establishment of provisions as costs	2 685	8 211
Release of provisions as income	-2 873	-1 679
Utilisation of provision due to dispute loss or settlement	-4 909	-2 154
Status as at the period end	**11 625**	**33 672**

Either in 9 months of 2009 or 9 months of 2008. no proceedings concerning liabilities or debts whose total value would amount to 10% of the Bank's equity were initiated before courts or administrative bodies against the Capital Group of ING Bank Śląski.

13. Seasonality or cyclicity of activity

Activity of ING Bank Śląski Group is not subject to seasonality or cyclicity within the meaning of §21 of IAS 34.

14. Transactions with related entities

Subsidiaries and Related Entities of ING Bank Śląski:

- ING Securities S.A..
- ING Bank Hipoteczny S.A..
- ING BSK Development Sp. z o.o. in liquidation.
- Centrum Banku Śląskiego (CBS) Sp. z o.o..
- Solver Sp. z o.o..
- ING Powszechne Towarzystwo Emerytalne S.A..

as part of their business hold current accounts at ING Bank Śląski. via which they perform standard clearing operations and also invest cash funds using term deposits. Furthermore. ING Bank Hipoteczny took loans from ING Bank Śląski. Similarly. ING Bank Śląski maintains bank accounts of other members of ING Group. for instance ING Lease (Poland). ING Car

Lease and ING Real Estate. The transactions with the above entities are performed on an arm's length basis.

ING Bank Śląski performs operations with ING Bank NV and its subsidiaries on the inter-bank market. These are both short-term deposits and loans. as well as operations in derivatives: Forex Spot and Forex Forward. FX options and SWAP transactions. The abovementioned transactions are carried out on an arm's length basis.

There were also other transactions between the associated entities and ING Bank Śląski. They originated from agreements concluded as to co-operation. sublease of premises. lease of equipment. data processing. leasing of non-current assets and intangible assets as well as car fleet leasing. management and employees' insurance contributions.

In the period 1.01.2009 – 30.09.2009 the following transactions were made of the total value exceeding EURO 500.000:

- In connection with execution of the Co-operation Agreement concluded by ING Bank Śląski S.A. and ING Bank NV the remuneration for the services provided as to financial consulting in 9 months of 2009 amounted to PLN 40.9 million (net). Following the implementation of the agreement for provision of data processing and financial information analysis services. concluded by and between ING Bank Śląski S.A. and ING Bank NV. the fee for data processing and financial information analysis services used by ING Bank Śląski amounted to PLN 9.6 million (net).

- ING Services Polska provides services to ING Bank Śląski with regard to lease of hardware resources. The costs of service were PLN 20.3 million (gross).

- ING Bank Śląski made a transaction with ING Lease due to sublease of functional rooms totalling PLN 13.9 million (gross).

- ING Bank Śląski co-operates with ING Car Lease as to leasing of cars and management of car fleet. The derivative amount of payment was PLN 10.8 million in 9 months of 2009 (gross).

Transactions with related entities (in PLN thousands):

30.09.2009

	Parent company	Other ING Group entities	Subsidiary undertakings	Associated undertakings
Receivables				
Deposits placed	1 024 932	-	-	-
Nostro accounts	5 469	448 398	-	-
Loans	-	1 747 963	294 393	-
Securities	-	-	20 004	-
Other receivables	17 273	1 008	2 711	-
Liabilities				
Deposits received	2 665 702	302 858	294 836	37 843
Loro accounts	11 157	300 417	-	-
Repo	2 237 505	-	-	-
Other liabilities	-	225	407	
Off-balance-sheet operations				
Contingent liabilities	-	982 754	185 854	-
FX transactions	13 951 651	6 286 862	-	-
Forward transactions	2 230 657	1 813 220	-	-
IRS/CIRS	29 614 003	9 196 577	-	-
FRA	519 878	-	-	-
Options	856 337	1 088 126	-	-
Revenue and costs*				
Revenue	-23 165	83 386	6 179	187
Costs	52 001	48 879	6 475	1 348

30.09.2008

	Parent company	Other ING Group entities	Subsidiary undertakings	Associated undertakings
Receivables				
Deposits placed	6 607 131	-	-	-
Nostro accounts	271 340	226 713	-	
Loans	-	1 399 795	183 267	-
Other receivables	219 018	25 651	2 705	-
Liabilities				
Deposits received	3 336 756	114 864	164 080	39 954
Loro accounts	11 558	199 052	-	-
Securities	-	-	50 388	-
Other liabilities	104 402	9 662	418	-
Off-balance-sheet operations				
Contingent liabilities	-	1 317 067	297 159	-
FX transactions	16 534 252	8 173 772	-	-
Forward transactions	530 826	894 948	-	-
IRS/CIRS	36 235 786	4 563 038	-	-
FRA	474 396	450 080	-	-
Options	1 727 472	1 175 011	-	-
Revenue and costs*				
Revenue	220 296	81 376	7 848	1 694
Costs	43 013	35 975	10 523	2 587

*/ Revenues and costs are presented in the uniform setting as in the financial statements. The revenues include. among others. the result on valuation of derivatives.

15. Segmentation of revenue and financial results of the Group

The management of the ING Bank Śląski Group is conducted through breaking down the operations into the following business segments:

- retail banking,
- corporate banking,
- own operations.

Wholesale and retail segments are separated based on the financial criterion (especially turnover, level of collected assets) and subject related criterion specified by internal regulations of the dominant entity of the Group.

Within the framework of retail banking, the Bank's Group provides services for individual customers (segments of mass customers and wealthy customers) and small enterprises. This activity is analysed by the following products: credit products (overdraft on the savings and settlement account - ROR, loans related to cards, hire purchase loans, housing loans, mortgage loans), contract loans granted by the Building Society, mortgage loans granted by ING Bank Hipoteczny, deposit products (current accounts, term deposits, savings accounts), ING fund units, brokerage services provided by ING Securities SA, and bank cards.

The wholesale activity includes services to institutional clients, including strategic clients, large corporate entities and mid-sized companies. For corporate banking, the Group provides reporting broken down by loan products (working loans, investment loans), deposit products (current accounts, term deposits and negotiated deposits, savings accounts), trust services, capital market operations conducted by the parent and by ING Securities, and operations of intermediation in lease services.

Proprietary operations are carried out by Financial Markets and ALCO (.Assets and Liabilities Management Committee).

Financial markets encompass operations performed in money and capital markets, conducted both on the proprietary basis as well as for the customers' benefit. Within the framework of this activity, currency, money and derivative instrument market products and securities operations (Treasury securities, shares and notes) are specified. The item *Financial markets - total segment income* presents the income from proprietary trading. The income from the sale of financial market products for the corporate banking and retail banking segments are disclosed in the income of these segments.

ALCO comprises above all of investing funds originating from own funds and funding some assets of the Bank. The main element of the core business income of ALCO is income from investing proprietary funds (book capital). This income is then adjusted by the interest calculated on the economic capital required by individual business lines (retail banking segment, corporate banking segment, financial markets). Interest on economic capital is allocated from the ALCO line to individual business lines in the manner corresponding to their demand for economic capital.

The measurement of the segment’s assets, liabilities, revenue and costs shall be based on the accounting standards used by the Group. In particular, the internal and external interest revenue and costs for individual segments shall be established with the use of the transfer pricing system. Transfer prices are defined based on the yield curve for a given currency that is common for assets and liabilities. The transfer price that is determined for the products being assets and liabilities with the same position on the yield curve is identical. The original transfer price – coming from the product measurement regarding the yield curve can be modified and the factors adjusting the transfer price can be the following: a premium for obtainment of long-term liquidity, matching of the Bank’s position, a hedging cost for sophisticated products and the pricing policy. Thereafter, based on quotation rates available at news services, yield curves are developed using mathematical equations.

Revenue, costs, results, assets and liabilities for a given segment account for elements that are directly attributable to the segment in question, as well as element that may be attributed to that segment based on reasonable premises.

The Group presents segment's interest income reduced by the cost of the interest. This results from the fact that while evaluating the segment's results and assigning assets to the segment, the Management Board relies mainly on net interest income.

No changes in the approach to segmentation were introduced in 9 months 2009.

PLN thousand	3 quarters 2009 period from 01.01.2009 to 30.09.2009					
	Retail customers segment	Corporate customers segment	Own operating		Nonallocated items	Total
			Treasury & ALM	ALCO		
Revenue total*	**927 477**	**445 700**	**388 334**	**185 567**	**-325**	**1 946 752**
Net interest income	429 177	274 411	197 429	171 073	0	1 072 091
external	*-345 490*	*494 200*	*197 497*	*725 885*	*0*	*1 072 091*
internal	*774 667*	*-219 788*	*-67*	*-554 812*	*0*	*0*
Net commission income, of which:	438 927	256 773	1 734	-13 297	0	684 137
income	*500 023*	*268 120*	*1 734*	*-13 297*	*0*	*756 579*
expenses	*-61 095*	*-11 347*	*0*	*0*	*0*	*-72 442*
Other income/expenses	23 348	-85 485	189 171	27 791	-325	154 500
Share in net profit (loss) of associated entities recognised under the equity method	36 024	0	0	0	0	36 024
Expenses total	**729 000**	**370 325**	**37 655**	**0**	**1 476**	**1 138 456**
Operational expenses, including:	729 000	370 325	37 655	0	1 515	1 138 495
personel expenses	*317 290*	*166 482*	*28 092*	*0*	*0*	*511 864*
depreciation	*70 735*	*18 000*	*3 767*	*0*	*0*	*92 503*
Other expenses	0	0	0	0	-39	-39
Result before risk	**198 477**	**75 375**	**350 678**	**185 567**	**-1 801**	**808 296**
Risk cost	41 058	174 021	0	4 615	0	219 693
Result after risk cost	**157 419**	**-98 646**	**350 678**	**180 952**	**-1 801**	**588 603**
CIT	0	0	0	0	114 341	114 341
Result after tax	**157 419**	**-98 646**	**350 678**	**180 952**	**-116 142**	**474 262**
- assigned to shareholders of the holding company	**157 419**	**-98 646**	**350 678**	**180 952**	**-116 154**	**474 250**
- assigned to minority shareholders	0	0	0	0	12	12

*/ including the share in net profit of affiliated units shown using the method of ownership rights

PLN thousand	**3 quarters** 2008 period from 01.01.2008 to 30.09.2008					
	Retail customers segment	Corporate customers segment	Own operating		Nonallocated items	Total
			Treasury & ALM	ALCO		
Revenue total*	**946 603**	**617 797**	**125 428**	**128 195**	**6 949**	**1 824 972**
Net interest income	414 093	262 519	72 959	98 601	0	848 172
external	*-474 762*	*530 489*	*-36 609*	*829 053*	*0*	*848 172*
internal	*888 855*	*-267 970*	*109 568*	*-730 453*	*0*	*0*
Net commission income, of which:	417 205	256 027	-1 087	-21 343	0	650 802
income	*471 443*	*260 245*	*-1 087*	*-21 343*	*0*	*709 258*
expenses	*-54 238*	*-4 218*	*0*	*0*	*0*	*-58 456*
Other income/expenses	76 460	99 250	53 555	50 938	6 949	287 152
Share in net profit (loss) of associated entities recognised under the equity method	38 846	0	0	0	0	38 846
Expenses total	**735 307**	**376 837**	**40 210**	**0**	**9 284**	**1 161 638**
Operational expenses, including:	735 307	376 837	40 210	0	0	1 152 354
personel expenses	*353 854*	*188 041*	*31 022*	*0*	*0*	*572 918*
depreciation	*75 369*	*20 759*	*4 980*	*0*	*0*	*101 108*
Other expenses	0	0	0	0	9 284	9 284
Result before risk	**211 297**	**240 959**	**85 218**	**128 195**	**-2 335**	**663 334**
Risk cost	8 395	-62 339	0	3 009	0	-50 935
Result after risk cost	**202 902**	**303 298**	**85 218**	**125 186**	**-2 335**	**714 269**
CIT	0	0	0	0	139 857	139 857
Result after tax	**202 902**	**303 298**	**85 218**	**125 186**	**-142 192**	**574 412**
- assigned to shareholders of the holding company	**202 902**	**303 298**	**85 218**	**125 186**	**-142 242**	**574 362**
- assigned to minority shareholders	0	0	0	0	50	50

*/ including the share in net profit of affiliated units shown using the method of ownership rights

16. Other informations

Key effectiveness ratios

	30.09.2009 *PLN million*	30.09.2008 *PLN million*	Change 30.09.2009 / 30.09.2008
Profitability ratio (%)	20.9	25.3	-4.4 b.p.
Return on assets (%)	1.0	1.3	-0.3 b.p.
Return on equity (%)	15.7	21.8	-6.1 b.p.
Cost/Income ratio (%)	58.5	63.7	-5.2 b.p.
Solvency ratio (%)	12.07	11.91	0.16 b.p.

Profitability ratio – gross profit to total costs.
Return on assets (ROA) – net profit assigned to shareholders of the holding company to average total assets.
Return on equity (ROE) – net profit assigned to shareholders of the holding company to average equity.
Cost to Income ratio (C/I) – total costs to income from operating activity per type.
Solvency ratio – equity to risk weighted assets and off-balance sheet liabilities.

Ratings

Fitch Ratings Ltd.

The Fitch Ratings Ltd. Agency assigns full rating to ING Bank Śląski S.A. under the agreement between the bank and the Agency. As at 30.09.2009. the Bank had the rating of financial credibility. issued by the agency:

Long-term IDR	A
Short-term IDR	F1
Individual	C
Support rating	1
Rating Outlook	Stable

Long-term IDR and Short-term IDR determine the entity's ability to meet financial commitments on a timely basis. Long-term IDR at A level reflects high ability of the Bank to timely settle long-term financial obligations. Short-term IDR at the F1 level means the highest rating for the ability to meet short-term commitments (up to 13 months) on a timely basis. In case of both ratings the Fitch agency considered the high probability of obtaining potential support from the dominant shareholder. ING Bank NV (ING Bank Śląski was assigned the highest support rating – 1).

In the opinion of the Agency, the individual rating at C level reflects high liquidity of the Bank, stable funding sources in the form of a deposit base of retail clients, strong sales network, low credit risk appetite and good quality of the credit portfolio in spite of relatively difficult conditions in the operational environment. This rating also takes account of an adequate capital standing that may nevertheless require strengthening in the future due to lending growth.

Moody's Investors Service Ltd.

The Moody's Investors Service Ltd. Agency assigns rating to ING Bank Śląski S.A. on the basis of the universally available public information. As at 30.09.2009. the Bank had the rating of financial credibility. issued by the agency:

Long-term PLN deposits	A2
Long-term FX deposits	A2
Short-term deposits	P-1
Financial strength	D+
Outlook for ratings of long-term and short-term deposits	Stable

Moreover, on 21 September 2009, the Agency announced that ratings of long-term (A2) and short-term deposits (P-1) have been put on review for downgrade. In accordance with the Agency announcement, the decision is due to the fact that C+ BFSR rating and Aa-3 long-term senior debt rating of the parent company i.e. ING Bank N.V. were put on review for downgrade In the opinion of the Agency, evaluation of further support of the mother company will have significant influence on long-term ratings of ING Bank Śląski S.A.

Headcount

The headcount in the Capital Group was as follows:

Headcount	30.09.2009	30.06.2009	31.03.2009	31.12.2008	30.09.2008
Individuals	8 291	8 378	8 522	8 577	8 434
FTEs	8 153.7	8 238.3	8 365.1	8 413.9	8 258.8

Number of Branches and ATMs

ING Bank Śląski conducts operational activity in the network of its own branches as well as with the use of the network of partnership outlets based on the franchise model.

The number of outlets in particular periods was as follows:

	30.09.2009	31.03.2009	31.03.2009	31.12.2008	30.09.2008
Number of outlets	438	438	439	439	432

As at the end of September 2009. the Bank had a network of 721 ATMs compared with 694 ATMs as at the end of June 2009 and 673 ATMs in the analogical period in 2008.

As at the end of September 2009. the Bank also had a network of 370 cash deposit machines. compared with 368 cash deposit machines as at the end of June 2009 and 313 cash deposit machines in the analogical period in 2008.

Electronic distribution channels

Development of electronic distribution channels is one of the Bank's priorities. A regular update of this offer results in an increase of the number of Clients interested in e-banking.

The figures for electronic banking clients[1] are as follows:

	30.09.2009	30.06.2009	31.03.2009	31.12.2008	30.09.2008
ING BankOnLine. ING OnLine. ING BusinessOnLine and MultiCash	1 447 162	1 358 473	1 270 260	1 167 054	1 067 415
HaloŚląski	824 848	752 914	689 979	617 422	561 571
SMS	562 943	498 313	443 689	387 456	346 961

The monthly number of transactions in September 2009 was at the level of 9.2 million. whereas in the analogical period in 2008 it was 7.4 million.

Banking cards

ING Bank Śląski S.A. is one of the largest issuers of banking cards in Poland. As at the end of September 2009, ING Bank Śląski issued to clients 2,085.9 thousand payment cards, i.e. by 1.5% more than as at the end of June 2009 and by 5.2% more than in the analogical period of the previous year.

Out of all cards issued to clients as at the end of September 2009, 259 thousand were credit cards[2] (265 thousand as at the end of June 2009 and 277 thousand in the same period a year earlier). The newest types of cards were very popular among clients. As at the end of September 2009, 87.2 thousand PayPass cards (59.8 thousand as at the end of June 2009) and 4.2 thousand Virtual c@rds were issued to clients.

[1] The number of clients is not the same as the number of users as one klient may represent several users in a given system.
[2] Inclusive of VE Credit and VE Credit NN-P cards.

17. Selected financial data from financial statements

	PLN thousand		EUR thousand	
	3 quarters 2009 period from 01.01.2009 to 30.09.2009	**2008** period from 01.01.2008 to 30.09.2008	**3 quarters 2009** period from 01.01.2009 to 30.09.2009	**2008** period from 01.01.2008 to 30.09.2008
Interest income	2 390 212	2 443 918	543 316	713 615
Commission income	756 579	709 258	171 977	207 101
Result on basic activities	1 910 728	1 786 126	434 325	521 542
Result before tax	588 603	714 269	133 795	208 564
Net result of shareholders of the holding company	474 250	574 362	107 801	167 712
Net result of minority shareholders	12	50	3	15
Net cash flows	-987 399	-1 664 066	-224 445	-485 901
Earnings per ordinary share (PLN / EUR)	36.45	44.15	8.29	12.89

	PLN thousand			EUR thousand		
	3 quarters 2009 as of 30.09.2009	**end 2008** as of 31.12.2008	**3 quarters 2008** as of 30.09.2008	**3 quarters 2009** as of 30.09.2009	**end 2008** as of 31.12.2008	**3 quarters 2008** as of 30.09.2008
Total assets	64 256 472	69 610 475	65 262 561	15 217 277	16 683 557	19 148 127
Equity of the holding company	4 742 188	4 222 130	4 277 850	1 123 049	1 011 919	1 255 127
Share capital	130 100	130 100	130 100	30 810	31 181	38 172
Numer of shares	13 010 000	13 010 000	13 010 000	-	-	-
Book value per share (PLN / EUR)	364.50	324.53	328.81	86.32	77.78	96.47
Solvency ratio (%)	12,07%	10,39%	11,91%	-	-	-

In order to determine the basic figures in EUR. the following exchange rates were applied:

- for balance-sheet items – PLN 4.2226 NBP exchange rate of 30.09.2009; 3.4083 NBP exchange rate of 30.09.2008.
- for income statement items and cash flow statement for 30.09.2009 – PLN 4.3993 exchange rate calculated as the average of NBP exchange rates as at the last day of each month in 3 quarters 2009; 3.4247 exchange rate calculated as the average of NBP exchange rates as at the last day of each month in 3 quarters 2008.

III. Interim Condensed Standalone Financial Statement of the Bank

INTERIM CONDENSED STANDALONE PROFIT AND LOSS ACCOUNT (PLN '000)

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	**3 quarters 2009** the period from 01 Jan 2009 to 30 Sep 2009	**III quarter 2008** the period from 01 Jul 2008 to 30 Sep 2008	**3 quarters 2008** the period from 01 Jan 2008 to 30 Sep 2008
Interest income	*740 683*	*2 378 792*	*883 981*	*2 434 987*
Interest expenses	*-356 029*	*-1 324 126*	*-592 184*	*-1 606 039*
Net interest income	**384 654**	**1 054 666**	**291 797**	**828 948**
Commission income	*250 614*	*702 869*	*227 447*	*648 069*
Commission expenses	*-19 681*	*-57 135*	*-11 972*	*-43 453*
Net commission income	**230 933**	**645 734**	**215 475**	**604 616**
Net income on investment financial assets	-40 957	9 663	5 290	133 648
Net income on instruments measured at fair value through profit and loss and revaluation	90 495	198 502	72 794	255 384
Net income on other basic activities	4 113	13 743	260	-12 109
Result on basic activities	**669 238**	**1 922 308**	**585 616**	**1 810 487**
General and administrative expenses	-382 385	-1 106 286	-389 608	-1 114 884
Result on other operating income and expenses	-208	90	-3 826	-9 203
Impairment losses and provisions for off-balance sheet liabilities	-54 227	-218 791	-8 846	49 709
Profit (loss) before tax	**232 418**	**597 321**	**183 336**	**736 109**
Income tax	-43 936	-108 995	-36 869	-132 209
Net result for the current period	**188 482**	**488 326**	**146 467**	**603 900**

Net profit (loss)	**188 482**	**488 326**	**146 467**	**603 900**
Weighted average number of ordinary shares	**13 010 000**	**13 010 000**	**13 010 000**	**13 010 000**
Earnings per ordinary share (PLN)	**14,49**	**37,53**	**11,26**	**46,42**

Diluted earnings per share agrees with earnings per ordinary share

INTERIM CONDENSED STANDALONE STATEMENT OF COMPREHENSIVE INCOME (PLN '000)

	III quarter 2009 the period from 01 Jul 2009 to 30 Sep 2009	**3 quarters 2009** the period from 01 Jan 2009 to 30 Sep 2009	**III quarter 2008** the period from 01 Jul 2008 to 30 Sep 2008	**3 quarters 2008** the period from 01 Jan 2008 to 30 Sep 2008
Net result for the period	**188 482**	**488 326**	**146 467**	**603 900**
Gains/losses on remeasurement of available-for-sale financial assets charged to equity	28 196	69 679	219 461	86 731
including deferred tax	*-6 725*	*-16 420*	*-51 572*	*-20 555*
Reclassified to the financial result as a result of sale of available-for-sale financial assets	-4 235	-7 945	-107 881	-64 616
including deferred tax	*994*	*1 864*	*25 305*	*15 157*
Adjustment of valuation of securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-260	2 696	0	0
including deferred tax	*61*	*-632*	*0*	*0*
Revaluation of share-based payment	820	15 028	0	0
including deferred tax	*0*	*-2 502*	*0*	*0*
Remeasurement of property, plant and equipment	0	0	-567	-567
including deferred tax	*0*	*0*	*133*	*133*
Effective part of cash flow hedging instruments revaluation	-7 838	-33 676	22 232	2 075
including deferred tax	*1 838*	*7 899*	*-5 215*	*-487*
Other	54	26	87	-28
including deferred tax	*4*	*10*	*5*	*131*
Other comprehensive income (loss)	**16 737**	**45 808**	**133 332**	**23 595**
Total comprehensive income for the period	**205 219**	**534 134**	**279 799**	**627 495**

INTERIM CONDENSED STANDALONE STATEMENT OF FINANCIAL POSITION (PLN '000)

	3 quarters 2009 as of 30 Sep 2009	2 quarters 2009 as of 30 Jun 2009	end of year 2008 as of 31 Dec 2008	3 quarters 2008 as of 30 Sep 2008	2 quarters 2008 as of 30 Jun 2008
ASSETS					
- Cash in hand and balances with the Central Bank	1 685 961	903 306	1 369 777	2 151 252	1 622 834
- Loans and receivables to other banks	3 924 552	3 408 130	8 094 181	7 298 108	9 097 930
- Financial assets measured at fair value through profit and loss	12 176 656	10 821 017	10 547 851	11 191 361	8 972 141
- Valuation of derivatives	1 953 334	3 241 981	4 579 765	1 621 616	2 185 921
- Investments	14 334 332	15 568 041	18 050 736	19 760 915	17 051 441
- available-for-sale	*6 990 656*	*8 329 346*	*10 738 904*	*12 435 402*	*10 866 403*
- held-to-maturity	*7 343 676*	*7 238 695*	*7 311 832*	*7 325 513*	*6 185 038*
- Derivative hedge instruments	64 605	90 975	197 003	70 405	75 992
- Loans and receivables to customers	28 516 811	28 781 616	25 277 781	21 567 839	20 040 064
- Investments in controlled entities	310 569	310 569	210 569	210 569	210 569
- Investment real estates	151 458	151 458	151 458	135 845	135 845
- Property, plant and equipment	526 945	538 479	529 256	516 699	518 148
- Intangible assets	315 113	316 362	314 790	308 046	309 648
- Property, plant and equipment held for sale	224	135	248	228	266
- Current tax asset	0	82 860	0	0	0
- Deferred tax asset	32 771	0	45 994	15 483	84 605
- Other assets	206 046	193 373	166 476	191 679	129 454
Total assets	**64 199 377**	**64 408 302**	**69 535 885**	**65 040 045**	**60 434 858**
EQUITY AND LIABILITIES					
LIABILITIES					
- Liabilities due to the Central Bank	0	0	5 932 116	0	0
- Liabilities due to other banks	6 436 268	9 723 990	6 063 785	5 086 762	6 083 870
- Financial liabilities measured at fair value through profit and loss	3 701 045	981 361	825 060	1 758 692	129 754
- Valuation of derivatives	1 341 038	2 103 080	4 321 638	1 512 392	1 507 874
- Derivative hedge instruments	493 729	382 120	420 047	110 771	24 515
- Liabilities due to customers	46 537 947	45 761 049	47 165 612	51 301 764	47 646 143
- Provisions	48 434	47 701	49 304	61 074	53 995
- Current income tax liabilities	100 336	0	38 851	45 877	53 001
- Deferred tax provision	0	57 101	0	0	0
- Other liabilities	939 497	956 036	652 523	1 017 981	1 070 773
Total liabilities	**59 598 294**	**60 012 438**	**65 468 936**	**60 895 313**	**56 569 925**
EQUITY					
- Share capital	130 100	130 100	130 100	130 100	130 100
- Supplementary capital - issuance of shares over nominal value	956 250	956 250	956 250	956 250	956 250
- Revaluation reserve from measurement of available-for-sale financial assets	-36 551	-60 252	-100 981	-127 476	-239 056
- Revaluation reserve from measurement of property, plant and equipment	35 973	35 982	36 018	36 029	36 615
- Revaluation reserve from measurement of cash flow hedging instruments	11 905	19 743	45 581	2 075	-20 157
- Revaluation of share-based payment	15 028	14 208	0	0	0
- Retained earnings	3 488 378	3 299 833	2 999 981	3 147 754	3 001 181
Total equity	**4 601 083**	**4 395 864**	**4 066 949**	**4 144 732**	**3 864 933**
Total equity and liabilities	**64 199 377**	**64 408 302**	**69 535 885**	**65 040 045**	**60 434 858**

Solvency ratio	**11,21%**	**9,93%**	**9,82%**	**11,31%**	**10,33%**

Book value	**4 601 083**	**4 395 864**	**4 066 949**	**4 144 732**	**3 864 933**
Number of shares	**13 010 000**	**13 010 000**	**13 010 000**	**13 010 000**	**13 010 000**
Book value per share (PLN)	**353,66**	**337,88**	**312,60**	**318,58**	**297,07**

INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY (PLN '000)

3 quarters 2009
the period from 01 Jan 2009 to 30 Sep 2009

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	**Total equity**
Opening balance of equity	**130 100**	**956 250**	**-100 981**	**36 018**	**45 581**	**0**	**2 999 981**	**4 066 949**
- net result for the current period	-	-	0	-	-	-	488 326	**488 326**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	69 679	-	-	-	-	**69 679**
- reclassified to the financial result as a result of sale of available-for-sale financial assets	-	-	-7 945	-	-	-	-	**-7 945**
- adjustment of valuation of securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	2 696	-	-	-	-	**2 696**
- revaluation of share-based payment	-	-	-	-	-	15 028	-	**15 028**
- effective part of cash flow hedging instruments revaluation	-	-	-	-	-33 676	-	-	**-33 676**
- other	-	-	-	-45		-	71	**26**
Total comprehensive income for the period	**0**	**0**	**64 430**	**-45**	**-33 676**	**15 028**	**488 397**	**534 134**
Dividends paid	-	-	-	-	-	-	-	**0**
Closing balance of equity	**130 100**	**956 250**	**-36 551**	**35 973**	**11 905**	**15 028**	**3 488 378**	**4 601 083**

end of year 2008
the period from 01 Jan 2008 to 31 Dec 2008

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	**Total equity**
Opening balance of equity	**130 100**	**956 250**	**-149 591**	**37 154**	**0**	**0**	**2 695 541**	**3 669 454**
- net result for the current period	-	-	-	-	-	-	455 563	**455 563**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	240 225	-	-	-	-	**240 225**
- reclassified to the financial result as a result of sale of available-for-sale financial assets	-	-	-192 191	-	-	-	-	**-192 191**
- adjustment of valuation of securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	576	-	-	-	-	**576**
- remeasurement of property, plant and equipment	-	-	-	-567	-	-	-	**-567**
- effective part of cash flow hedging instruments revaluation	-	-	-	-	45 581	-	-	**45 581**
- other	-	-	-	-569	-	-	1 094	**525**
Total comprehensive income for the period	**0**	**0**	**48 610**	**-1 136**	**45 581**	**0**	**456 657**	**549 712**
Dividends paid	-	-	-	-	-	-	-152 217	**-152 217**
Closing balance of equity	**130 100**	**956 250**	**-100 981**	**36 018**	**45 581**	**0**	**2 999 981**	**4 066 949**

3 quarters 2008
the period from 01 Jan 2008 to 30 Sep 2008

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	**Total equity**
Opening balance of equity	**130 100**	**956 250**	**-149 591**	**37 154**	**0**	**0**	**2 695 541**	**3 669 454**
- net result for the current period	-	-	-	-	-	-	603 900	**603 900**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	86 731	-	-	-	-	**86 731**
- reclassified to the financial result as a result of sale of available-for-sale financial assets	-	-	-64 616	-	-	-	-	**-64 616**
- remeasurement of property, plant and equipment	-	-	-	-567	-	-	-	**-567**
- effective part of cash flow hedging instruments revaluation	-	-	-	-	2 075	-	-	**2 075**
- other	-	-	-	-558	-	-	530	**-28**
Total comprehensive income for the period	**0**	**0**	**22 115**	**-1 125**	**2 075**	**0**	**604 430**	**627 495**
Dividends paid	-	-	-	-	-	-	-152 217	**-152 217**
Closing balance of equity	**130 100**	**956 250**	**-127 476**	**36 029**	**2 075**	**0**	**3 147 754**	**4 144 732**

INTERIM CONDENSED STANDALONE CASH FLOW STATEMENT (PLN '000)

	3 quarters 2009 the period from 01 Jan 2009 to 30 Sep 2009	**3 quarters 2008** the period from 01 Jan 2008 to 30 Sep 2008
OPERATING ACTIVITIES		
Net profit (loss)	**488 326**	**603 900**
Adjustments	**-1 358 256**	**-2 195 787**
- Depreciation and amortisation	91 076	99 589
- Interest accrued (from the profit and loss account)	1 054 666	828 948
- Interest paid	1 322 521	1 485 453
- Interest received	-2 126 477	-2 110 661
- Dividends received	-78 439	-105 250
- Gains (losses) on investment activities	1 071	-312
- Income tax (from the profit and loss account)	108 995	132 209
- Income tax paid	-34 287	-31 558
- Change in provisions	-870	-9 830
- Change in loans and other receivables to other banks	2 772 618	5 864 374
- Change in financial assets at fair value through profit or loss	2 829 715	-4 947 626
- Change in available-for-sale financial assets	3 767 363	-3 994 016
- Change in held-to-maturity financial assets	5 266	-6 631 789
- Change in valuation of derivatives	-612 296	484 508
- Change in derivative hedge instruments	172 404	47 013
- Change in loans and other receivables to customers	-3 263 952	-5 530 773
- Change in other assets	-38 286	-33 077
- Change in liabilities due to other banks	-5 583 997	3 280 109
- Change in liabilities at fair value through profit or loss	-1 445 653	1 601 005
- Change in liabilities due to customers	-601 696	6 914 531
- Change in other liabilities	302 002	461 366
Net cash flow from operating activities	**-869 930**	**-1 591 887**
INVESTMENT ACTIVITIES		
- Purchase of property plant and equipment	-58 807	-66 935
- Disposal of property, plant and equipment	121	312
- Purchase of intangible assets	-32 749	-29 758
- Purchase of investments in subordinated entities	-100 000	0
- Disposal of fixed assets held for sale	42	490
- Dividends received	78 439	105 250
Net cash flow from investment activities	**-112 954**	**9 359**
FINANCIAL ACTIVITIES		
- Dividends paid	0	-152 217
Net cash flow from financial activities	**0**	**-152 217**
Effect of exchange rate changes on cash and cash equivalents	***30 498***	***-17 980***
Net increase/decrease in cash and cash equivalents	**-982 884**	**-1 734 745**
Opening balance of cash and cash equivalents	**4 097 924**	**4 816 455**
Closing balance of cash and cash equivalents	**3 115 040**	**3 081 710**

1. Introduction

These interim financial statements of the ING Bank Śląski for the III quarter 2009 have been prepared under the International Financial Reporting Standards (IFRS) in a version approved by the European Commission effective as at the reporting date. that is 30 September 2009 as well as in accordance with the Ordinance of Finance Minister of 19 February 2009 on current and interim information submitted by issuers of securities (Journal of Laws of 2009. no. 33. item 259).

Summary profit and loss account, summary statement of comprehensive income, summary list of changes in the equity and summary report on cash flow for the period from 01.01.2009 to 30.09.2009 and summary report on financial standing as of 30.09.2009 together with reference data have been developed following the same accounting principles for each period.

These interim financial statements for III quarter 2009 meet the requirements of International Financial Reporting Standards (IFRS). including IAS 34 (International Accounting Standards) with regard to interim financial statements.

Interim financial statement of ING Bank Śląski S.A. covers the period of 9 months ending on 30 September 2009 and includes reference data for the period of 9 months ending on 30 September 2008 and 31 December 2008.

These interim condensed financial statements have been prepared in PLN rounded to one thousand zlotys (unless otherwise noted).

The same accounting principles were applied to this interim financial statement and to the full annual financial statement for 2008, except that amendments to the standards and new interpretations applicable to annual periods starting on or after 1 January 2009 were also applied to this statement. Amendments to standards and new interpretations are described in interim consolidated financial statement of the ING Bank Śląski S.A. Capital Group enclosed herewith ("interim consolidated financial statement"), in chapter II.2 "Compliance with International Financial Reporting Standards".

From the Bank's point of view all significant disclosures are presented in Interim condensed consolidated financial statements.

These interim condensed standalone financial statements has been approved by the Bank Management Board on 03 November 2009.

This interim condensed financial report was prepared on a going-concern basis (with the exception of the issue described herein below) as regards the foreseeable future, namely as regards the period of minimum 12 months from the balance sheet date.

As of the date of approving this statement, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Bank is endangered.

The Bank did not carry out operations ceased during three quarters of 2009.

2. Material accounting principles (policy)

Detailed accounting principles are presented in consolidated annual financial report of ING Bank Śląski S.A. Capital Group for the period from 1 January 2008 to 31 December 2008 published on 27 February 2009 that is available on the Internet site of ING Bank Śląski S.A. (www.ingbank.pl).

The same accounting principles were applied to summary semi-annual financial statement and summary semi-annual consolidated financial statement, except for the changes in recording capital investments described above.

Investment in subsidiaries and associates

Subsidiaries
Subsidiaries are the entities over which the Bank has direct or indirect control. Control is the ability to manage financial and operating policies in order to gain economic profits. Control basically is involved with larger number of votes in governing bodies. Control usually is implicated with the possession of the majority of votes in governing bodies.

Associates
Associated entities are entities over which the Bank has significant influence and are not subsidiaries. The Bank usually determines significant influence by possession of 20 % to 50 % of the total number of votes in governing bodies.

Recognition and valuation
Investments in subsidiaries and associates are recorded at cost of purchase less impairment if any. The carrying value is subject to tests for impairment in accordance with IAS 39. Any impairment is recognized in the profit and loss account as “Impairment losses and provisions for off-balance sheet liabilities”. Dividends are recognized in the profit and loss account when the Bank obtains legal rights to receive them.

3. Accounting estimates

The most significant accounting estimates made by the Bank are described in the summary interim consolidated financial statement in paragraph II.3.

4. Comparability of financial data

In comparison to the financial statement for the period from 1 January 2008 to 30 September 2008, the Bank introduced several amendments into summary interim financial statement for the period from 1 January 2009 to 30 September 2009. The amendments refer to the way of presenting some positions of the profit and loss account and report on financial standing. The amendments are described in detail in summary interim consolidated financial statement in paragraph II. 4.

5. Material events in III quarter 2009

Material events that occurred in III 2009 are described in the summary interim consolidated financial statement in paragraph II.6.

6. Seasonality or cyclicity of activity

Activity of ING Bank Śląski Group is not subject to seasonality or cyclicity within the meaning of §21 of IAS 34.

7. Issues. redemption or repayments of debt securities and equities

None.

8. Dividends paid

On 3 April 2009. the General Shareholders Meeting decided that the dividend for 2008 would not be paid.

On 24 April 2008, the General Shareholders Meeting approved the payout of dividend for 2007 of PLN 11.70 gross per 1 share, which is equivalent to PLN 152,217,000. The dividend was paid on 2 June 2008.

9. Acquisitions

In III quarter 2009, the ING Bank Śląski did not make any acquisitions, as in III quarter 2008.

10. Off-balance sheet items

(pln '000)	**3 quarters 2009** as of 30.09.2009	**2 quarters 2009** as of 30.06.2009	**end 2008** as of 31.12.2008	**3 quarters 2008** as of 30.09.2008	**2 quarters 2008** as of 30.06.2008
Contingent liabilities granted	13 766 995	14 488 186	14 181 808	13 779 451	12 781 655
Contingent liabilities received	13 771 144	17 131 778	15 310 545	14 982 790	14 061 085
Off-balance sheet financial instruments	139 796 995	148 909 117	262 720 990	277 226 786	241 695 304
Total off-balance sheet items	**167 335 134**	**180 529 081**	**292 213 343**	**305 989 027**	**268 538 044**

11. Events after the balance sheet date

Events after the balance sheet date are described in the summary interim consolidated financial statement in paragraph II.8.

12. Transactions with related entities

Transactions with related entities have been described in the interim consolidated financial statements in item II.14.