2013

Quarterly consolidated report of the ING Bank Śląski Group S.A. for the 1 quarter 2013

ING

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Interim condensed consolidated financial statements (PLN million)

SELECTED FINANCIAL DATA FROM FINANCIAL STATEMENTS

• Selected financial data

	I quarter 2013	I quarter 2012
Interest income	925.1	945.2
Commission income	271.3	280.7
Result on basic activities	843.9	839.0
Result before tax	324.0	317.6
Net profit attributable to shareholders of ING Bank Śląski S.A.	259.7	271.5
Earnings per ordinary share (PLN)	2.00	2.09

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Loans and receivables to customers (net) excluding Eurobonds	45 301.6	45 205.6	44 115.2	38 457.1
Liabilities due to customers including matched funding for leasing portfolio:	60 736.5	60 521.5	55 193.0	52 932.1
- matched funding	*2 686.8*	*2 664.0*	*2 753.1*	*0.0*
Total assets	77 753.8	78 266.8	72 263.1	69 723.4
Equity attributable to shareholders of ING Bank Śląski S.A.	8 236.5	8 133.8	6 751.1	6 413.7
Initial capital	130.1	130.1	130.1	130.1

• Key effectiveness ratios

	I quarter 2013	I quarter 2012	Change I quarter 2013 / I quarter 2012
C/I - Cost/Income ratio (%)	55.2	54.8	+0.4 p.p.
ROA - Return on assets (%)	1.1	1.3	-0.2 p.p.
ROE - Return on equity (%)	10.9	15.1	-4.2 p.p.
L/D - Loans-to-deposits ratio (%)	74.6	79.9	-5.3 p.p.
Solvency ratio (%) - **regulatory***	15.15	12.11	3.04 p.p.
Solvency ratio (%) – calculated under standard approach (SA)	15.45	12.43	3.02 p.p.
Solvency ratio (%) – calculated with Advanced Internal Rating-Based method (AIRB)	17.38	13.07	4.31 p.p.

*) Following the letter of the Polish Financial Supervision Authority (PFSA) dated 18 May 2012 related to the decision of 06 October 2011 on a conditional approval of application of the Advanced Internal Rating-Based Approach (AIRB) by the Bank" (...) the solvency ratio should be computed based on the following figures:

1) for the capital requirement for credit risk computed with AIRB being lower than the capital requirement for credit risk computed using standard approach:
    a) for own funds – considering the amount calculated with AIRB,
    b) for the total capital requirement – considering the supplementary amount of capital requirement for credit risk to the requirement calculated under standard approach (SA),
2) for the capital requirement for credit risk computed with AIRB being higher than the capital requirement for credit risk computed under standard approach:
    a) for own funds – considering the amount calculated with AIRB,
    b) for the total capital requirement – considering the capital requirement for credit risk calculated with AIRB."

AIRB method may be applied in full to calculate the capital requirement for credit risk for supervisory purposes only upon fulfillment by the Bank of the requirements listed in the aforesaid decision of PFSA. By then the Bank is obliged to consider the supplementary amount of capital requirement for credit risk to the requirement calculated under standard approach.

Explanations:

C/I - Cost to Income ratio – total costs to income from operating activity per type.

ROA - Return on assets – net profit attributable to shareholders of ING Bank Śląski S.A. for 4 subsequent quarters to average assets for 5 subsequent quarters.

ROE - Return on equity - net profit attributable to shareholders of ING Bank Śląski S.A. for 4 subsequent quarters to average equity for 5 subsequent quarters.

L/D - Loans-to-deposits ratio – loans and receivables to customers (net) excluding Eurobonds to liabilities due to customers including matched funding for leasing portfolio.

Solvency ratio – equity to risk weighted assets and off-balance sheet liabilities.

For the purpose of converting the presented figures into EUR, the Bank applies the following FX rates:

- for income statement items and cash flow statement items:
    - PLN 4.1738 - exchange rate calculated as the average of NBP exchange rates as at the last day of each month in IQ 2013,
    - PLN 4.1750 - exchange rate calculated as the average of NBP exchange rates as at the last day of each month in IQ 2012.
- for statement of financial positions items:
    - PLN 4.1774 - NBP exchange rate of 31 March 2013,
    - PLN 4.0882 - NBP exchange rate of 31 December 2012,
    - PLN 4.1616 - NBP exchange rate of 31 March 2012,
    - PLN 4.4168 - NBP exchange rate of 31 December 2011.

Interim condensed consolidated financial statements (PLN million)

I. Interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
- Interest income	7.1	925.1	945.2
- Interest expenses	7.1	449.3	431.7
Net interest income	7.1	**475.8**	**513.5**
- Commission income	7.2	271.3	280.7
- Commission expenses	7.2	31.5	33.7
Net commission income	7.2	**239.8**	**247.0**
Net income on financial instruments measured at fair value through profit or loss and FX result	7.3	17.1	53.7
Net income on investments	7.4	120.4	19.1
Net income on hedge accounting	7.5	-19.0	1.7
Net income on other basic activities		9.8	4.0
Result on basic activities		**843.9**	**839.0**
General and administrative expenses	7.6	470.1	464.9
Result on other operating income and expenses		-0.8	1.0
Impairment losses and provisions for off-balance sheet liabilities	7.7	58.0	64.3
Share in net profit (loss) of associated entities recognised under the equity method		9.0	6.8
Profit (loss) before tax		**324.0**	**317.6**
Income tax		64.3	46.1
Net profit (loss)		**259.7**	**271.5**
- attributable to shareholders of ING Bank Śląski S.A.		**259.7**	**271.5**

Net profit (loss) attributable to shareholders of ING Bank Śląski S.A.	**259.7**	**271.5**
Weighted average number of ordinary shares	**130 100 000**	**130 100 000**
Earnings per ordinary share (PLN)	**2.00**	**2.09**

Diluted earnings per share agrees with earnings per ordinary share

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Net result for the period	**259.7**	**271.5**
Other comprehensive income, of which:	**-160.0**	**68.9**
- items which will be reclassified subsequently to profit or loss when specific conditions are met	-160.0	69.5
- items which will not be reclassified subsequently to profit or loss	0.0	-0.6
Total comprehensive income for the period, of which:	**99.7**	**340.4**
- attributable to shareholders of ING Bank Śląski S.A.	99.7	340.4

SIGNATURES OF THE MEMBERS OF THE MANAGEMENT BOARD OF ING BANK ŚLĄSKI S.A.

Małgorzata Kołakowska
President
Signed on the Polish original

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SIGNATURE OF THE PERSON ENTRUSTED WITH KEEPING THE ACCOUNTING BOOKS

Tomasz Biłous
Director of Accounting Department, Chief Accountant
Signed on the Polish original

Katowice, 07-05-2013

Interim condensed consolidated income statement and interim condensed consolidated statement of comprehensive income shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
A S S E T S					
- Cash in hand and balances with the Central Bank		3 534.4	4 071.6	1 558.1	1 493.1
- Loans and receivables to other banks	7.8	1 600.3	1 377.1	1 478.4	1 018.1
- Financial assets measured at fair value through profit and loss	7.9	1 412.1	1 554.6	1 425.7	639.6
- Valuation of derivatives		1 572.1	1 822.1	1 293.9	1 858.4
- Investments	7.10	18 003.9	17 881.1	16 819.8	20 450.7
- available-for-sale		*18 003.9*	*17 881.1*	*11 765.1*	*15 468.4*
- held-to-maturity		*0.0*	*0.0*	*5 054.7*	*4 982.3*
- Derivative hedge instruments		1 066.9	1 112.6	349.2	433.4
- Loans and receivables to customers	7.11, 7.12	49 119.3	48 985.3	47 795.9	42 329.7
- Investments in controlled entities recognised under the equity method		123.3	114.4	111.8	105.0
- Investment real estates		120.9	120.9	118.7	118.7
- Property, plant and equipment		573.3	600.0	573.7	575.3
- Intangible assets		353.6	361.6	360.4	362.0
- Property, plant and equipment held for sale		44.3	33.0	38.9	33.6
- Current income tax assets		1.0	0.3	91.3	147.5
- Deferred tax assets		55.1	38.3	69.7	16.5
- Other assets		173.3	193.9	177.6	141.8
T o t a l a s s e t s		**77 753.8**	**78 266.8**	**72 263.1**	**69 723.4**

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Katowice, 07-05-2013

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Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued

	Note	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
EQUITY AND LIABILITIES					
LIABILITIES					
- Liabilities due to other banks	7.13	4 850.4	4 554.6	5 407.0	4 961.9
- Financial liabilities measured at fair value through profit and loss	7.14	2 123.3	3 003.4	4 395.0	1 814.7
- Valuation of derivatives		1 665.5	1 778.1	1 226.3	1 694.1
- Derivative hedge instruments		1 267.9	1 364.0	851.5	900.6
- Liabilities due to customers	7.15	58 049.7	57 857.5	52 439.9	52 932.1
- Liabilities under issue of debt securities		574.5	567.1	0.0	0.0
- Provisions	7.16	73.9	72.8	64.6	58.1
- Current income tax liabilities		95.2	74.0	2.2	0.0
- Deferred tax provision		2.5	29.0	1.5	0.0
- Other liabilities		812.1	830.2	1 121.7	945.9
Total liabilities		**69 515.0**	**70 130.7**	**65 509.7**	**63 307.4**
EQUITY					
- Share capital		130.1	130.1	130.1	130.1
- Supplementary capital - issuance of shares over nominal value		956.3	956.3	956.3	956.3
- Revaluation reserve		839.7	999.7	187.1	118.3
- Revaluation of share-based payment		44.3	41.3	33.6	30.8
- Retained earnings		6 266.1	6 006.4	5 444.0	5 178.2
Equity attributable to shareholders of ING Bank Śląski S.A.		**8 236.5**	**8 133.8**	**6 751.1**	**6 413.7**
- Non-controlling interests		**2.3**	**2.3**	**2.3**	**2.3**
Total equity		**8 238.8**	**8 136.1**	**6 753.4**	**6 416.0**
Total equity and liabilities		**77 753.8**	**78 266.8**	**72 263.1**	**69 723.4**

Net book value	**8 236.5**	**8 133.8**	**6 751.1**	**6 413.7**
Number of shares	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**
Net book value per share (PLN)	**63.31**	**62.52**	**51.89**	**49.30**

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Katowice, 07-05-2013

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Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1 Q 2013
the period from 01 Jan 2013 to 31 Mar 2013

	Share capital	Supplemen- tary 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	Non-controlling interests	**Total equity**
Opening balance of equity	**130.1**	**956.3**	**590.7**	**42.0**	**367.0**	**41.3**	**6 006.4**	**2.3**	**8 136.1**
Net result for the current period	-	-	-	-	-	-	259.7	0.0	**259.7**
Other comprehensive income, of which:	**0.0**	**0.0**	**-168.8**	**0.0**	**8.8**	**0.0**	**0.0**	**0.0**	**-160.0**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*-88.3*	-	-	-	-	-	***-88.3***
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-80.5*	-	-	-	-	-	***-80.5***
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*8.8*	-	-	-	***8.8***
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**3.0**	**0.0**	**0.0**	**3.0**
- revaluation of share-based payment	-	-	-	-	-	*3.0*	-	-	***3.0***
Closing balance of equity	**130.1**	**956.3**	**421.9**	**42.0**	**375.8**	**44.3**	**6 266.1**	**2.3**	**8 238.8**

4 Q 2012 YTD
the period from 01 Jan 2012 to 31 Dec 2012

	Share capital	Supplemen- tary 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	Non-controlling interests	**Total equity**
Opening balance of equity	**130.1**	**956.3**	**20.8**	**39.3**	**58.2**	**30.8**	**5 178.2**	**2.3**	**6 416.0**
Net result for the current period	-	-	-	-	-	-	832.3	0.0	**832.3**
Other comprehensive income, of which:	**0.0**	**0.0**	**569.9**	**2.7**	**308.8**	**0.0**	**1.7**	**0.0**	**883.1**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*590.5*	-	-	-	-	-	***590.5***
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-20.4*	-	-	-	-	-	***-20.4***
- amortisation of gains or losses previously recognised in equity concerning securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	*-0.2*	-	-	-	-	-	***-0.2***
- remeasurement of property, plant and equipment	-	-	-	*3.4*	-	-	-	-	***3.4***
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*308.8*	-	-	-	***308.8***
- disposal of property, plant and equipment	-	-	-	*-0.7*	-	-	*1.7*	-	***1.0***
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**10.5**	**-5.8**	**0.0**	**4.7**
- revaluation of share-based payment	-	-	-	-	-	*10.5*	-	-	***10.5***
- purchase of subsidiary settlement	-	-	-	-	-	-	*-5.8*	-	***-5.8***
Closing balance of equity	**130.1**	**956.3**	**590.7**	**42.0**	**367.0**	**41.3**	**6 006.4**	**2.3**	**8 136.1**

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Katowice, 07-05-2013

Interim condensed consolidated statement of changes in equity shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - continued

1 Q 2012
the period from 01 Jan 2012 to 31 Mar 2012

	Share capital	Supplemen- tary 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	Non-controlling interests	Total equity
Opening balance of equity	**130.1**	**956.3**	**20.8**	**39.3**	**58.2**	**30.8**	**5 178.2**	**2.3**	**6 416.0**
Net result for the current period	-	-	-	-	-	-	271.5	0.0	**271.5**
Other comprehensive income, of which:	**0.0**	**0.0**	**78.7**	**-0.7**	**-9.2**	**0.0**	**0.1**	**0.0**	**68.9**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*94.4*	-	-	-	-	-	***94.4***
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-15.5*	-	-	-	-	-	***-15.5***
- amortisation of gains or losses previously recognised in equity concerning securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	*-0.2*	-	-	-	-	-	***-0.2***
- remeasurement of property, plant and equipment	-	-	-	*-0.6*	-	-	-	-	***-0.6***
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*-9.2*	-	-	-	***-9.2***
- disposal of property, plant and equipment	-	-	-	*-0.1*	-	-	*0.1*	-	***0.0***
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**2.8**	**-5.8**	**0.0**	**-3.0**
- revaluation of share-based payment	-	-	-	-	-	*2.8*	-	-	***2.8***
- purchase of subsidiary settlement	-	-	-	-	-	-	*-5.8*	-	***-5.8***
Closing balance of equity	**130.1**	**956.3**	**99.5**	**38.6**	**49.0**	**33.6**	**5 444.0**	**2.3**	**6 753.4**

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Katowice, 07-05-2013

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Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
OPERATING ACTIVITIES		
Net profit (loss)	**259.7**	**271.5**
Adjustments	**11.0**	**697.4**
- Share in net profit (loss) of associated entities	-9.0	-6.8
- Depreciation and amortisation	39.9	33.7
- Interest accrued (from the profit and loss account)	475.8	513.5
- Interest paid	456.6	358.6
- Interest received	-978.9	-1 011.2
- Gains (losses) on investment activities	-0.1	-1.1
- Income tax (from the profit and loss account)	64.3	46.1
- Income tax paid	-87.1	-39.4
- Change in provisions	1.1	6.5
- Change in loans and other receivables to other banks	-169.0	-0.7
- Change in financial assets at fair value through profit or loss	142.4	-787.9
- Change in available-for-sale financial assets	-291.5	3 751.9
- Change in valuation of derivatives	137.4	96.7
- Change in derivative hedge instruments	-41.6	25.9
- Change in loans and other receivables to customers	-80.8	-5 368.0
- Change in other assets	20.6	88.8
- Change in liabilities due to other banks	1 035.4	429.3
- Change in liabilities at fair value through profit or loss	-880.1	2 580.3
- Change in liabilities due to customers	190.7	-197.4
- Change in other liabilities	-15.1	178.6
Net cash flow from operating activities	**270.7**	**968.9**
INVESTMENT ACTIVITIES		
- Purchase of property plant and equipment	-6.9	-24.2
- Purchase of intangible assets	-9.5	-9.6
- Purchase of investments in subordinated entities	0.0	-206.1
- Disposal of fixed assets held for sale	0.1	1.7
- Redemption / sale of held-to-maturity financial assets	0.0	0.1
Net cash flow from investment activities	**-16.3**	**-238.1**
FINANCIAL ACTIVITIES		
- Long-term loans received	70.9	42.1
- Long-term loans repaid	-798.3	-248.0
- Interest on long-term loans repaid	-10.6	0.0
Net cash flow from financial activities	**-738.0**	**-205.9**
Effect of exchange rate changes on cash and cash equivalents	***40.2***	***-57.4***
Net increase/decrease in cash and cash equivalents	**-483.6**	**524.9**
Opening balance of cash and cash equivalents	**5 060.6**	**2 356.7**
Closing balance of cash and cash equivalents	**4 577.0**	**2 881.6**

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II. Additional information

1. Information on the Bank and the Capital Group

1.1. Key Bank data

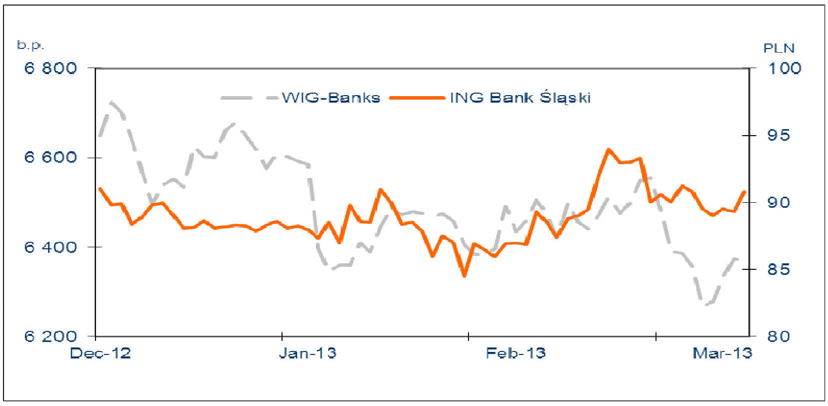
ING Bank Śląski S.A. ("Parent company", "parent entity", "Bank") with the headquarters in Katowice, Sokolska Str. 34, was entered into the entrepreneurs National Court Register managed by the Commercial Department of the Regional Court in Katowice under the reference number KRS 5459.The parent entity statistic number is REGON 271514909, and the taxation identification number is NIP 634-013-54-75.

1.2. Scope and duration of operations

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 runs operations both in the home currency and in foreign currencies. The Bank is also active on the domestic and foreign financial markets. The scope of services offered by the Bank was expanded with leasing and factoring operations, following the acquisition in 2012 of new companies. Additionally through subsidiaries the Group operates brokerage services, real estate, leasing of real estate and advisory and acts as a financial intermediary as well as provides other financial services. The duration of the parent entity and entities forming the Capital Group is indefinite.

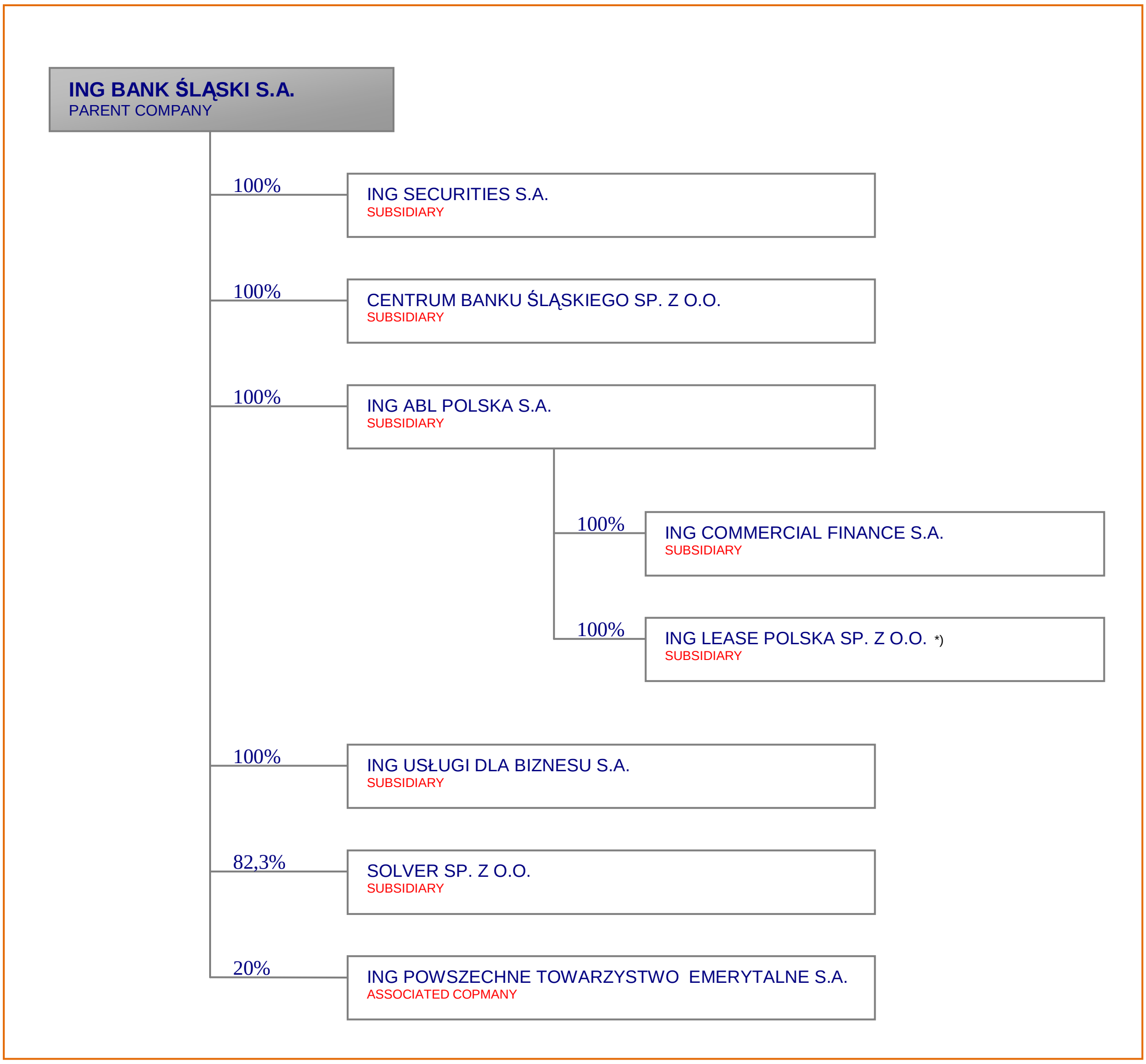
1.3. Initial capital, share price

The initial capital of ING Bank Śląski S.A. is PLN 130,100,000 and is divided in 130,100,000 ordinary bearer shares with a par value of PLN 1.00 each. Shares of the Bank are quoted on the Warsaw Stock Exchange (sector: banks). As of 31 March 2013, the share price of ING Bank Śląski S.A. was PLN 90.80, whereas during the same period last year it was at the level of PLN 88,35. In the 3 months of 2013, the price of ING Bank Śląski S.A. shares was as follows:



1.4. Capital Group of ING Bank Śląski S.A.

ING Bank Śląski S.A. is the parent company of the ING Bank Śląski S.A. Group ("Capital Group", "Group"). As at 31 March 2013, the composition of ING Bank Śląski S.A. Capital Group was the following:



*) The capital group of ING lease Sp. z o.o. is composed of 10 special purpose vehicles wherein ING Lease Sp. z o.o. holds 100% of shares.

1.5. Shareholding structure of ING Bank Śląski S.A.

ING Bank Śląski S.A. is a subsidiary of ING Bank NV, which as at 31 March 2013 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. ING Bank NV belongs to the Capital Group, herein referred to as ING Group.

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As at the date 31 March 2013, the shareholders owning 5% and more votes at the General Shareholders Meeting of ING Bank Śląski Spółka Akcyjna were:

No.	Entity	Number of shares and votes	% of total number of shares and votes at General Meeting
1.	ING Bank N.V.	97,575,000	75.00
2.	Funds managed by PTE PZU S.A. (Otwarty Fundusz Emerytalny PZU “Złota Jesień” and Dobrowolny Fundusz Emerytalny PZU)	6,631,428	5.10

1.6. Number of ING Bank Śląski shares held by Bank Management Board and Supervisory Board members

As at 31 March 2013, neither Management Board nor Supervisory Board members held shares of ING Bank Śląski S.A. So was the situation also at the date of rendering the financial statements for the previous reporting period into the public domain.

1.7. Entity authorised to audit financial statements

Entity authorised to audit financial statements is KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp.k. with registered office in Warsaw.

1.8. Approval of financial statements

The annual consolidated financial statements of the ING Bank Śląski S.A. Group for the period from 1 January 2012 to 31 December 2012 were approved by the General Meeting on 19 April 2013.

These interim condensed consolidated financial statements have been approved by the Bank Management Board on 7 May 2013.

2. Significant events in 1 quarter 2013

2.1. Changes to the Statutory Authorities of ING Bank Śląski S.A.

0n 7 March 2013, the Supervisory Board of ING Bank Śląski S.A. appointed Joanna Erdman as Management Board Vice-President as of 1 April 2013. Apart from the abovementioned change, there were no other changes to the composition of the statutory authorities of ING Bank Śląski S.A.

2.2. Selection of Chartered Auditor

On 18 January 2013, the ING Bank Śląski S.A. Supervisory Board selected KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp.k. with registered office in Warsaw as their chartered auditor authorised to audit the financial statements of ING Bank Śląski S.A. and the Capital Group of ING Bank Śląski S.A. for the years 2013-2015.

KPMG Audyt Spółka z o.o. has been entered on the list of entities authorised to audit financial statements, which is kept by the National Board of Statutory Auditors (KRBR).

2.3. Agreement with BGK

In 1 quarter 2013, ING Bank Śląski S.A. concluded with Bank Gospodarstwa Krajowego an agreement inaugurating the governmental programme supporting small and medium enterprises.
Thereby, ING Bank Śląski became one of the banks extending working capital loans with guarantees as part of Portfolio Guarantee Line de minimis (PLD) and Portfolio Surety Line (PLP). The support programme brings a lot of benefits for borrowers seeking additional funds for financing their business with the use of attractive collateral for loans.

2.4. Change of rating perspective

In December 2012, Fitch Agency carried out the annual rating review at the Bank. As a result, all the to-date Bank's ratings were affirmed (the press release of the Fitch agency of 29 January 2013). Nevertheless, on 6 February 2013, the Agency announced that it revised the ratings outlook for three big Dutch banks, ING Bank N.V. inclusive, from stable to negative. It led to an analogical rating revision for ING Bank Śląski S.A. Change of the ratings outlook for the Dutch banks was related to the revision of the Netherlands rating of a day earlier - the country's rating was affirmed at 'AAA' level but the outlook was revised from stable to negative. As a justification the Agency referred to the worsening, in its opinion, macroeconomic standing of the Netherlands.

3. Significant events after the balance sheet date

3.1. Changes to the Supervisory Board Composition

On 10 April 2013, Mr Ralph Hamers tendered his resignation to the Chair of the Supervisory Board of ING Bank Śląski S.A. as the Member of the Supervisory Board of ING Bank Śląski S.A., effective as of 19 April 2013, after the General Meeting of ING Bank Śląski S.A. The resignation was due to the appointment of Mr Ralph Hamers as CEO of ING Group.

On 19 April 2013, with the Resolution of the Ordinary General Meeting of ING Bank Śląski S.A. Mr Adrianus Johannes Antonius Kas was appointed the Member of the Supervisory Board of ING Bank Śląski S.A.

3.2. General Meeting of ING Bank Śląski S.A.

On 19 April 2013, the General Meeting of ING Bank Śląski S.A. was held, during which the following resolutions were passed:

- on approval of the 2012 annual financial statements (consolidated and separate financial statements),
- on approval of the Management Board Report on Operations in 2012 (consolidated and separate reports),
- on acknowledgement of the fulfilment of duties of the Management Board and Supervisory Board Members for 2012,
- on 2012 profit distribution,
- on amendment to the Charter of ING Bank Śląski S.A.,

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- on the change to the Supervisory Board composition (the said change was delineated in item *3.1 Changes to the Supervisory Board Composition.*

3.3. Shareholders having 5 or more per cent of votes at the Ordinary General Meeting of ING Bank Śląski S.A.

In line with the list of shareholders authorised to participate in the Ordinary General Meeting (GM) of ING Bank Śląski S.A., convened for 19 April 2013, the following entities were authorised to 5 or more per cent of votes:

No.	Entity	Number of shares and votes at GM	% of the number of votes at GM	% of total number of shares and votes at GM
1.	ING Bank N.V.	97,575,000	86.97	75.00
2.	Otwarty Fundusz Emerytalny PZU "Złota Jesień"	8,250,000	7.35	6.34
3.	Aviva Otwarty Fundusz Emerytalny AVIVA BZ WBK	5,713,382	5.09	4.39

4. Compliance with International Financial Reporting Standards

These interim condensed consolidated financial statements of the ING Bank Śląski S.A. Group for the 1 quarter 2013 were prepared under the International Financial Reporting Standards (IFRS) in a version approved by the European Commission effective as at the reporting date, that is 31 March 2013 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) with subsequent amendments.

Presented interim condensed consolidated financial statements meet the requirements of IAS 34 (International Accounting Standards) with regard to interim financial statements. These interim condensed consolidated financial statements have been prepared in a condensed version and does not cover all disclosures required in the annual financial statements.

Interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity, and interim condensed consolidated cash flow statement for the period from 1 January 2012 to 31 March 2012, and interim condensed consolidated statement of financial position as at 31 March 2012 together with comparable data were prepared according to the same principles of accounting for each period.

4.1. Going-concern

These interim condensed consolidated financial statements were prepared on a going-concern basis 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 these statements, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Capital Group is endangered.

4.2. Discontinued operations

No operations were discontinued during the 1 quarter 2013 and 1 quarter 2012.

4.3. Financial statements scope and currency

These interim condensed consolidated financial statements of the Group for the 1 quarter 2013 comprise the Bank and its subsidiaries and the Group's interest in associates and jointly controlled entities.

These interim condensed consolidated financial statements have been developed in Polish zloties ("PLN"). Unless provided for otherwise, all values were given rounded up to PLN million. Therefore, some totals and individual notes can be inconsistent in mathematical terms.

4.4. Comparable data

The comparative data cover the period from 1 January 2012 to 31 March 2012 for the interim condensed consolidated income statement; the interim condensed consolidated statement of comprehensive income and the interim condensed consolidated cash flow statement, additionally for the interim condensed consolidated statement of changes in equity as at 31 December 2012; and in the case of the interim condensed consolidated statement of financial position data as of 31 December 2012, 31 March 2012 and 31 December 2011. The Group adopted the approach whereunder comparable data are not adjusted when control is assumed over an entity subject to common control under IFRS 3. The Group shall be consistent in applying this approach.

4.5. Changes to accounting standards

In these interim condensed consolidated financial statements, the same accounting standards have been applied as in the case of annual consolidated financial statements for the year 2012 (Annual consolidated financial statements of the ING Bank Śląski S.A. Group for the period from 1 January 2012 to 31 December 2012) and the following effective standards and interpretations adopted by the European Union:

Change	Scope	Influence on the Bank statements
IAS 1 *Presentation of Financial Statements*	The changes result from co-operation between IASB and FASB (US GAAP has been changed in the same manner) and refer to the guidelines for items presentation under other total income. Application date: the accounting year starting on 1 July 2012 or later.	Implementation of the change had no material impact on the financial statements of the Group (the disclosure structure was changed).
IAS 12 *Income Taxes – Deferred Income Tax: Recovery (Settlement) of carrying amount of assets*	The changes pertain to classification of the revenue depending on expectations of the entity whether or not it will recover the carrying amount of a given asset either through use or sale. Application date: as of the beginning of the first accounting year starting at the effective date of the EU Regulation or later – i.e., 1 January 2013.	Implementation of the change had no material impact on the financial statements of the Group .

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IAS 19 *Employee Benefits*	The changes made refer to the removal of the possibility to defer income and costs recognition (i.e., elimination of the "corridor method"), presentation under other total income and requirements for disclosure. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the change impacted the structure of the financial statements of the Group; however, the impact was immaterial.
IAS 32 *Financial Instruments: Presentation – Offsetting of Financial Assets and Liabilities*	The change specifies the meaning of the phrase "have the on-going possibility to exercise the right to set-off" and that certain systemic gross settlements can be treated as the equivalent of net settlement. Application date: as for the changes to IFRS 7; i.e., for paragraph 43 – the accounting year starting on 1 January 2013 or later, for the remainder – the accounting year starting on 1 January 2014 or later.	Implementation of the change had no material impact on the financial statements of the Group .
IFRS 1 *First-time Adoption of International Financial Reporting Standards: severe hyperinflation and removal of fixed dates for those who adopt IFRS for the first time. Government cash loans.*	The change specifies the guidelines related to reinstitution of the financial statements presentation in line with the IFRS following the term when the functional currency was exposed to significant hyperinflation, thus enabling the given entity to fulfil the IFRS requirements and to delete the fixed dates of IFRS first-time application. Application date: as of the beginning of the first accounting year starting at the effective date of the EU Regulation or later – i.e., 1 January 2013. The change concerning cash loans obtained from the government below market rates. Application date: the accounting year starting on 1 January 2013 or later.	No impact on the financial statements of the Group.
IFRS 7 *Financial Instruments: Disclosures – Offsetting of Financial Assets and Liabilities*	Change of requirements for disclosures related to offsetting of financial assets and liabilities. Application date: the accounting year starting on 1 January 2013 or later.	The change will cause the scope of disclosures to increase; however, it will not have a material impact on the financial statements of the Group.
IFRS 10 *Consolidated Financial Statements*	New standard presenting the guidelines for financial statements consolidation including in particular but not limited to the indications confirming the requirement to include entities in the consolidated financial statements. The change published on 28 June 2012 is to specify implementation requirements. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the change had no material impact on the financial statements of the Group .
IFRS 11 *Joint Arrangements*	New standard sets out the requirements for joint arrangements recognition and measurement. The change published on 28 June 2012 is to specify implementation requirements. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the change had no material impact on the financial statements of the Group .
IFRS 12 *Disclosure of Interest in Other Entities*	New standard sets out the disclosures of interest in other entities. The change published on 28 June 2012 is to specify implementation requirements. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the change had no material impact on the financial statements of the Group .

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IFRS 13 _Fair Value Measurement_	New standard sets out comprehensive guidelines for fair value measurement of financial and non-financial assets and liabilities. The standard is introduced to make the said requirements more coherent and transparent by compiling them in one standard, specify the guidelines and terms used as well as increase the scope of disclosures. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the change had no material impact on the financial statements of the Group .
IFRIC 20 _Stripping Costs in the Production Phase of a Surface Mine_	The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. Application date: the accounting year starting on 1 January 2013 or later.	Not applicable.
The changes following the IFRS review (published in May 2012), applying to annual periods starting on 1 January 2013.	The changes cover the issues discussed during the IFRS reviews commenced in 2009 and considered in the draft changes earlier presented for consultation, but not included in the final changes published in earlier periods. The changes published on 17 May 2012 impact IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34 and are of specifying nature. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the changes had no material impact on the financial statements of the Group .

The published standards and interpretations which were already issued but are still ineffective as they were not approved by the European Union or were approved by the European Union but were not previously applied by the Group:

Change	Scope	Influence on the Bank statements
IAS 27 _Separate Financial Statements_	The change introduces the necessity to recognize investments in subsidiaries, jointly controlled entities and associates at cost or in line with rules set forth in IFRS 9 Financial Instruments in separate financial statements. The name of the standard was also changed. The change published on 31 October 2012, specifying the guidelines for investment entities. Application date: the accounting year starting on 1 January 2014 or later.	The Group is currently analysing the impact of changes on the financial statements. The preliminary analyses show that the change made will not have a material impact on the financial statements of the Group.
IAS 28 _Investments in Associates and Joint Ventures_	The changes pertain to the accounting principles for investments in associates and determine the requirements that have to be met in order to apply accounting using the equity method for investments in associates and jointly controlled entities. Application date: the accounting year starting on 1 January 2014 or later.	The Group is currently analysing the impact of changes on the financial statements. The preliminary analyses show that the change made will not have a material impact on the financial statements of the Group.
IFRS 9 Financial Instruments	The standard is the result of the outcome of the first stage of IASB Project focusing on the replacement of IAS 39 and it comprises the classification and valuation of assets and financial liabilities. In 2012, IASB started the procedure to revise the adopted and published guidelines which provides for expanding the catalogue of categories of financial assets with an additional, third category being the financial assets carried at fair value through other total income. The subsequent stages of IASB Project will cover hedge accounting and permanent impairment of financial assets. The change concerns shift of the obligatory date for standard application from 1 January 2013 to 1 January 2015. Application date: the accounting year starting on 1 January 2015 or later.	Standard implementation may affect the structure of the financial statements; however, the Group will comprehensively assess the impact of the new standard together with the guidelines for hedge accounting and impairment, which have not been published yet.

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IFRS 10 *Consolidated Financial Statements*	The change published on 31 October 2012 specifying the guidelines for investment entities which due to the purpose of their business are excluded from the requirement to include subsidiaries in consolidation and are required to carry them at fair value through profit or loss. Application date: the accounting year starting on 1 January 2014 or later.	The analyses show that the changes made will not materially affect the financial statements of the Group.
IFRS 12 *Disclosure of Interest in Other Entities*	The change published on 31 October 2012, specifying the guidelines for investment entities in consequence of parallel changes made to IFRS 10. Application date: the accounting year starting on 1 January 2014 or later.	The analyses show that the changes made will not materially affect the financial statements of the Group.

In view of the ongoing process of IFRS introduction in the EU and the business run by the Company, as at the approval date of this report, there were no differences between the already effective IFRSs and the IFRSs approved by the EU in terms of the accounting principles applied by the Company.

5. Material accounting principles

Detailed accounting principles are presented in annual consolidated financial statements of the ING Bank Śląski S.A. Group for the period from 1 January 2012 to 31 December 2012 published on 7 March 2012 that is available on the Internet site of ING Bank Śląski S.A. (www.ingbank.pl).

Below presented are modifications introduced to the description of accounting principles applied by the Capital Group. The changes implemented in 1 quarter 2013 were linked with implementation of the requirements arising from new standards, were related to the revision of the approach to the applied estimates as well as were editorial in nature and were aimed at enhancing the quality of the description of the accounting principles applied by the Group and making it more transparent.

5.1. Modifications introduced to the description of estimations applied

5.1.1. Retirement and pension benefit provision

The Group updated the description of rules in the item titled: R*etirement and pension benefit provision.* Full text of the description is presented below.

The Group establishes the provisions for retirement and pension benefit in accordance with IAS 19. The provision for retirement and pension benefit pay awarded as part of the benefits under the Labour Code regulations is calculated using the actuarial method by an independent actuary as the current value of the future long-term Group obligations towards its employees according to the headcount and payroll status as at the update date.

The provisions are calculated based on the range of assumptions, related to both macroeconomic conditions as well as to those related to staff rotation, death risk and others. The employees provision is calculated based on the estimated retirement or pension benefit which the Group undertakes to pay under the General Conditions of Remuneration effective in every Group unit.

The estimated benefit amount is calculated as the product of the following elements:

- the estimated assessment basis for retirement or pension benefit, in keeping with the

General Conditions of Remuneration for each Entity,

- the estimated growth of assessment basis by the time of reaching the retirement age,
- percentage rate depending on seniority (in keeping with the General Conditions of Remuneration).

The resulting amount is discounted on an actuarial basis as at the yearend date. In accordance with IAS 19 requirements, the financial discount rate used to calculate the current value of the employee benefit obligations is determined on the basis of the market yield on government bonds, whose currency and maturity date are consistent with the currency and estimated term of the employees benefit obligations.

The discounted amount is lowered by the annual provisions discounted using actuarial method as at the same date, the purpose whereof is to increase the employee provisions. The actuarial discount stands for the product of the financial discount and the probability that the given individual will survive until the retirement age as the Group employee. The amount of annual provisions and the probability are calculated based on the models assuming the following three risks:

- probability of quitting work,
- full incapacity to work,
- death.

The probability of quitting work is estimated according to the statistical distribution principle, with the consideration of the Group's statistical data. The probability of employee quitting work depends on the age of employee and it is at fixed level in every work year.

The risk of death has been reflected in the latest statistical data from the Polish life-tables for men and women published by the Central Statistical Office as at the valuation date.

The provision being the result of actuarial valuation is updated annually based on the valuation of the independent actuary, and in quarterly intervals, based on the quarterly forecasts indicated in the valuation.

In line with the Commission Regulation (EU) No 475/2012 of 05 June 2012 amending Regulation (EC) No 1126/2008 and amending some IAS/IFRS, IAS 19, among others, as of 01 January 2013 the Bank recognises the actuarial gains and losses in other total income at the moment when they arise, so that the net amount of the retirement assets or liabilities recognised in the statement of financial position reflects full amount of the financial surplus or deficit of the programme.

5.1.2. Cost basis of investment of debt and capital securities

Additionally, the Group supplemented the description of rules with item _Cost basis for investment of debt and capital securities_ whose text is presented below. Estimation of fair value of and result on sale of securities requires application of a certain cost basis for investment. The cost basis for investment applied in that respect is based on the interpretation resulting in the analogical application of the guidelines given in IAS 2 _Inventories,_ however only as far as possible considering the unique nature of the financial instruments of this type. The Group applies the "weighted average purchase price" as the effective cost basis for investment to estimate fair value of and result on sale of securities with the capital rights.

The Group changed the cost basis for investment used for debt securities from the "weighted average purchase price" into the "first-in first-out" (FIFO) method. The changed method for relevant estimates was applied on a prospective basis, effective as of this accounting year.

5.2. Modifications introduced to the description of derecognition of financial assets from the balance sheet

The Group specified in more detail the description of the principles as regards the item *Derecognition*. The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when 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 financial asset ownership. Accordingly, where the Group:

- transfers substantially all the risks and rewards of financial asset ownership, it derecognises the financial asset,
- retains substantially all the risks and rewards of financial asset ownership, it continues to recognise the financial asset,
- neither transfers nor retains substantially all the risks and rewards of financial asset ownership, the Group 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 satisfied or cancelled or expires.

The Group derecognizes loans and receivables or their part from its balance sheet, if the rights pertaining to the credit agreement expire, the Group waives such rights, or sells the loan.

The Group most frequently writes down receivables as impairment loss when irrevocability of financial assets is declared, and also when repayment claim costs exceed the amount of the receivable.

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

5.3. Modifications introduced to the description of measurements of financial assets and liabilities

The Group specified in more detail the description of the principles as regards the item *Measurement*. When a financial asset or financial liability is recognised initially, it is measured at its fair value plus, in the case of a financial asset or financial liability not carried at fair value through profit and 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, except for the following financial assets:

- loans and receivables which are measured at amortized cost using the effective interest method,
- held-to-maturity investments which are measured at amortised cost using the effective interest method,
- 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, which are measured at cost.

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

- financial liabilities carried at fair value through profit and 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:

- 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;
- the amount recognised at the initial entry, adjusted with the settled amount of commission received for granting the guarantee.

5.4. Modifications introduced to the description of offsetting of financial instruments.

The Group specified in more detail the description of the principles as regards the item *Offsetting financial instruments,* whose current wording has been given below.

The Group offsets financial assets and financial liabilities and reports them in the net amount in the statement of financial position when and only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

In order to mitigate credit risk, the Group concludes special master agreements with contracting parties, with which the Group concludes transactions. These special master agreements provide for offsetting financial assets and liabilities in case of a breach of the master agreement.

5.5. Other modifications

Other modifications were editorial in nature and were to specify in more detail and merge the descriptions of the principles applied.

6. Comparability of financial data

In the interim condensed consolidated financial statements for the 1 quarter 2013 the Group did not change the principles of presentation, compared to the financial statements for the 1 quarter 2012.

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7. Supplementary notes to interim condensed consolidated financial statements

7.1. Net interest income

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	**1 Q 2012** the period from 01 Jan 2012 to 31 Mar 2012
Interest income		
- interest on loans and receivables to banks	27.8	26.9
- interest on loans and receivables to customers	685.3	707.7
- interest on leasing agreements	*40.2*	*42.1*
- interest on factoring agreements	*22.0*	*23.9*
- interest on debt securities	196.4	199.3
- interest result on derivatives	15.6	11.3
Total interest income	**925.1**	**945.2**
Interest expenses		
- interest on deposits from banks	26.3	39.8
- interest on deposits from customers	415.6	391.9
- interest on issue of debt securities	7.4	0.0
Total interest expenses	**449.3**	**431.7**
Net interest income	**475.8**	**513.5**

7.2. Net commission income

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	**1 Q 2012** the period from 01 Jan 2012 to 31 Mar 2012
Commission income		
- the transaction margin on currency exchange transactions	64.3	65.5
- commission related to keeping accounts	63.6	61.7
- commission related to loans	47.2	43.9
- commission related to payment and credit cards	42.5	49.6
- commission related to distribution of participation units	16.3	15.2
- commission related to brokerage activity	10.9	19.1
- fiduciary and custodian fees	7.8	6.5
- commission related to factoring and lease agreements	6.4	5.9
- foreign commercial business	3.9	3.3
- commission related to insurance product offering	2.6	5.5
- commission related to subscription of structured products	0.0	1.1
- other	5.8	3.4
Total comission income	**271.3**	**280.7**
Commission expenses	**31.5**	**33.7**
- of which costs of the Bank Guarantee Fund (BFG)	11.3	11.0
Net commission income	**239.8**	**247.0**

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7.3. Net income on financial instruments measured at fair value through profit or loss and FX result

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Net income on financial assets and liabilities held for trading, of which:	**-74.3**	**-82.6**
- Net income on debt instruments	6.4	11.6
- Net income on derivatives, of which:	-80.7	-94.2
- currency derivatives	*-78.5*	*-101.0*
- interest rate derivatives	*-2.9*	*6.3*
- securities derivatives	*0.7*	*0.5*
Net income on financial assets and liabilities measured at fair value upon initial recognition, of which:	**0.0**	**0.6**
- Net income on debt instruments	0.0	0.6
FX-result	**91.4**	**135.7**
Net income on financial instruments measured at fair value through profit or loss and FX result	**17.1**	**53.7**

7.4. Net income on investments

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Net income on debt instruments available-for-sale	120.3	12.3
Net income on equity instruments available-for-sale	0.0	6.8
Impairment losses	0.1	0.0
Net income on investments	**120.4**	**19.1**

7.5. Net income on hedge accounting

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Fair value hedge accounting for securities	**-19.7**	**2.4**
- valuation of the hedged transaction	-66.6	33.8
- valuation of the hedging transaction	46.9	-31.4
Cash flow hedge accounting	**0.7**	**-0.7**
- ineffectiveness that arises from cash flow hedges	0.7	-0.7
Net income on hedge accounting	**-19.0**	**1.7**

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7.6. General and administrative expenses

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Personnel expenses	226.7	228.0
Cost of marketing and promotion	24.6	20.3
Amortization	39.9	33.6
Other general and administrative expenses	178.9	183.0
General and administrative expenses	**470.1**	**464.9**

7.6.1. Headcount

The headcount in the ING Bank Śląski S.A. Group was as follows:

	as of 31 Mar 2013	as of 31 Mar 2012
FTEs	8 504.8	8 513.5
Individuals	8 670	8 665

The headcount in the ING Bank Śląski S.A. was as follows:

	as of 31 Mar 2013	as of 31 Mar 2012
FTEs	8 074.4	8 112.6
Individuals	8 233	8 260

7.7. Impairment losses and provisions for off-balance sheet liabilities

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Impairment losses	250.6	162.3
Release of impairment write-offs	-192.6	-98.0
Net impairment losses and provisions for off-balance sheet liabilities	**58.0**	**64.3**

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7.8. Loans and receivables to other banks

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Current accounts	1 005.6	977.2	758.8	805.7
Interbank deposits	106.8	25.3	508.2	40.9
Loans and advances	113.8	139.0	143.8	113.6
Factoring receivables	144.9	158.3	11.2	7.1
Reverse repo transactions	207.8	66.0	0.0	0.0
Other receivables	22.0	11.8	56.5	51.0
Total (gross)	**1 600.9**	**1 377.6**	**1 478.5**	**1 018.3**
Impairment losses, of which:	-0.6	-0.5	-0.1	-0.2
- concerning loans and advances	*-0.1*	*0.0*	*-0.1*	*-0.2*
- concerning factoring receivables	*-0.5*	*-0.5*	*0.0*	*0.0*
Total (net)	**1 600.3**	**1 377.1**	**1 478.4**	**1 018.1**

7.9. Financial assets measured at fair value through profit and loss

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Financial assets held for trading, of which:	1 034.7	507.6	853.7	444.7
- debt instruments	*1 034.7*	*507.6*	*853.7*	*444.7*
Financial assets designated as at fair value upon initial recognition, of which:	377.4	1 047.0	572.0	194.9
- buy-sell-back transactions	*377.4*	*1 047.0*	*157.5*	*194.9*
- debt instruments	*0.0*	*0.0*	*414.5*	*0.0*
Total	**1 412.1**	**1 554.6**	**1 425.7**	**639.6**

7.10. Investments

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Available-for-sale financial assets, of which:	18 003.9	17 881.1	11 765.1	15 468.4
- debt instruments, including:	*17 983.1*	*17 863.8*	*11 736.1*	*15 437.7*
- hedged items in fair value hedging	*790.7*	*1 042.3*	*1 031.8*	*1 020.3*
- equity instruments	*20.8*	*17.3*	*29.0*	*30.7*
Held-to-maturity financial assets, of which:	0.0	0.0	5 054.7	4 982.3
- debt instruments	*0.0*	*0.0*	*5 054.7*	*4 982.3*
Total	**18 003.9**	**17 881.1**	**16 819.8**	**20 450.7**

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7.11. Loans and receivables to customers

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Loans and advances	39 620.3	38 898.3	37 990.0	37 103.6
Leasing receivables	3 251.8	3 233.9	3 108.3	0.0
Factoring receivables	1 966.5	2 212.1	1 860.1	275.4
Debt securities, of which:	5 649.3	5 945.1	5 828.2	5 959.6
- T-eurobonds	*3 817.7*	*3 779.7*	*3 680.7*	*3 872.6*
- corporate and municipal bonds	*1 831.6*	*2 165.4*	*2 147.5*	*2 087.0*
Reverse repo transactions	0.0	0.0	78.6	0.0
Other receivables	105.6	125.1	127.4	105.1
Total loans and receivables to customers (gross)	**50 593.5**	**50 414.5**	**48 992.6**	**43 443.7**
Impairment losses, of which	-1 474.2	-1 429.2	-1 196.7	-1 114.0
- concerning loans and advances	*-1 338.4*	*-1 287.4*	*-1 121.1*	*-1 105.6*
- concerning leasing receivables	*-63.4*	*-69.4*	*-62.7*	*0.0*
- concerning factoring receivables	*-8.2*	*-9.4*	*-7.6*	*-3.0*
- concerning debt securities	*-59.0*	*-57.8*	*-0.2*	*-0.2*
- concerning other receivables	*-5.2*	*-5.2*	*-5.1*	*-5.2*
Total loans and receivables to customers (net), of which:	**49 119.3**	**48 985.3**	**47 795.9**	**42 329.7**
- to entities from the financial sector other than banks	*1 405.9*	*1 645.4*	*1 327.5*	*2 908.9*
- to entities from the non-financial sector	*40 060.0*	*39 645.0*	*38 737.6*	*31 635.8*
- to entities from the government and self-government institutions' sector	*7 653.4*	*7 694.9*	*7 730.8*	*7 785.0*

Loans and other receivables to entities from the financial sector other than banks

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Loans and advances, of which:	1 310.4	1 533.8	1 140.5	2 821.8
- in the current account	*40.8*	*127.9*	*18.7*	*503.3*
- term ones	*1 269.6*	*1 405.9*	*1 121.8*	*2 318.5*
Leasing receivables	0.4	0.6	0.1	0.0
Factoring receivables	4.5	0.0	0.0	0.0
Reverse repo transactions	0.0	0.0	78.6	0.0
Other receivables	90.8	111.6	108.7	87.4
Total (gross)	**1 406.1**	**1 646.0**	**1 327.9**	**2 909.2**
Impairment losses, of which	-0.2	-0.6	-0.4	-0.3
- concerning loans and advances	*-0.2*	*-0.6*	*-0.4*	*-0.3*
Total (net)	**1 405.9**	**1 645.4**	**1 327.5**	**2 908.9**

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Loans and other receivables to entities from the non-financial sector

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Loans and advances granted to business entities, of which:	18 067.6	17 364.0	18 068.3	15 714.1
- in the current account	*5 169.5*	*4 978.3*	*5 179.3*	*4 316.1*
- term ones	*12 898.1*	*12 385.7*	*12 889.0*	*11 398.0*
Loans and advances granted to households, of which:	17 219.0	16 910.1	15 567.4	15 297.2
- in the current account	*1 380.6*	*1 379.0*	*1 367.8*	*1 311.3*
- term ones	*15 838.4*	*15 531.1*	*14 199.6*	*13 985.9*
Leasing receivables	3 239.5	3 220.7	2 930.7	0.0
Factoring receivables	1 950.2	2 188.8	1 854.4	273.1
Debt securities	1 042.3	1 376.0	1 493.0	1 446.1
Other receivables	14.6	13.2	18.7	17.6
Total (gross)	**41 533.2**	**41 072.8**	**39 932.5**	**32 748.1**
Impairment losses, of which:	-1 473.2	-1 427.8	-1 194.9	-1 112.3
- concerning loans and advances to business entities	*-834.8*	*-820.2*	*-725.3*	*-728.1*
- concerning loans and advances to households	*-502.6*	*-465.8*	*-394.0*	*-375.8*
- concerning leasing receivables	*-63.4*	*-69.4*	*-62.7*	*0.0*
- concerning factoring receivables	*-8.2*	*-9.4*	*-7.6*	*-3.0*
- concerning debt securities	*-59.0*	*-57.8*	*-0.2*	*-0.2*
- concerning other receivables	*-5.2*	*-5.2*	*-5.1*	*-5.2*
Total (net)	**40 060.0**	**39 645.0**	**38 737.6**	**31 635.8**

Loans and other receivables to entities from the government and self-government institutions' sector

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Loans and advances, of which:	3 023.3	3 090.4	3 213.8	3 270.5
- in the current account	*64.0*	*9.5*	*105.3*	*34.7*
- term ones	*2 959.3*	*3 080.9*	*3 108.5*	*3 235.8*
Leasing receivables	11.9	12.6	177.5	0.0
Factoring receivables	11.8	23.3	5.7	2.3
Debt securities, of which:	4 607.0	4 569.1	4 335.2	4 513.5
- hedged items in fair value hedging	*3 817.7*	*3 779.7*	*3 680.7*	*3 872.6*
Other receivables	0.2	0.3	0.0	0.1
Total (gross)	**7 654.2**	**7 695.7**	**7 732.2**	**7 786.4**
Impairment losses, of which:	-0.8	-0.8	-1.4	-1.4
- concerning loans and advances	*-0.8*	*-0.8*	*-1.4*	*-1.4*
- concerning factoring receivables	*0.0*	*0.0*	*0.0*	*0.0*
Total (net)	**7 653.4**	**7 694.9**	**7 730.8**	**7 785.0**

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7.12. Quality of portfolio of loans and advances

Quality of loans and advances to customers portfolio

(Including leasing receivables, factoring receivables and corporate and municipal bonds)

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Corporate activity				
Exposure	**29 710.2**	**29 877.7**	**29 827.4**	**24 457.1**
- unimpaired (IBNR)	28 213.1	28 500.4	28 645.9	23 323.9
- impaired	1 497.1	1 377.3	1 181.5	1 133.2
Impairment losses and provisions	**985.9**	**975.8**	**805.6**	**736.6**
- related to unimpaired portfolio	56.8	58.0	79.4	63.0
- related to impaired portfolio	905.6	895.5	711.3	663.0
- provisions for off-balance sheet liabilities	23.5	22.3	14.9	10.6
Share of the impaired portfolio	5.0%	4.6%	4.0%	4.6%
Impaired portfolio coverage ratio (%)	60.5%	65.2%	60.2%	58.5%
Retail activity				
Exposure	**16 960.0**	**16 632.0**	**15 278.5**	**15 008.9**
- unimpaired (IBNR)	16 421.8	16 114.3	14 837.9	14 589.1
- impaired	538.2	517.7	440.6	419.8
Impairment losses	**506.6**	**470.5**	**400.9**	**382.8**
- related to unimpaired portfolio	86.5	70.4	95.9	96.9
- related to impaired portfolio	420.1	400.1	305.0	285.9
Share of the impaired portfolio	3.2%	3.1%	2.9%	2.8%
Impaired portfolio coverage ratio (%)	78.1%	77.3%	69.2%	68.1%
Total exposure	**46 670.2**	**46 509.7**	**45 105.9**	**39 466.0**
Impairment losses and total provisions, of which:	**1 492.5**	**1 446.3**	**1 206.5**	**1 119.4**
- impairment losses	1 469.0	1 424.0	1 191.6	1 108.8
- provisions for off-balance sheet liabilities	23.5	22.3	14.9	10.6
Total portfolio coverage ratio	3.2%	3.1%	2.7%	2.8%
Share of the impaired portfolio	4.4%	4.1%	3.6%	3.9%
Impaired portfolio coverage ratio (%)	**65.1%**	**68.5%**	**62.7%**	**61.1%**

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Changes in impairment losses

(including provisions for off-balance sheet liabilities and impairment losses concerning loans and advances to other banks)

1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	Charges for loans and advances and off-balance sheet exposure	*including charges for loans and advances to other banks*	Charges for receivables related to transactions on derivatives	**TOTAL**
Opening balance of impairment losses	**1 237.5**	***0.5***	**209.3**	**1 446.8**
Changes in the period (due to):	**47.8**	***0.1***	**-1.5**	**46.3**
- changes in income statement	*57.1*	*0.1*	*0.9*	***58.0***
- depreciation	*-8.2*	*0.0*	*0.0*	***-8.2***
- restructuring and forgiveness of the debts related to transactions on derivatives	*0.0*	*0.0*	*-2.4*	***-2.4***
- transfer of provisions from off-balance sheet after their repayment	*-3.1*	*0.0*	*0.0*	***-3.1***
- other (inclusive FX differences, adjustment of interest income on impaired loans)	*57.1*	*0.1*	*0.9*	***58.0***
Closing balance of impairment losses	**1 285.3**	***0.6***	**207.8**	**1 493.1**

1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012	Charges for loans and advances and off-balance sheet exposure	*including charges for loans and advances to other banks*	Charges for receivables related to transactions on derivatives	**TOTAL**
Opening balance of impairment losses	**862.6**	***0.2***	**256.8**	**1 119.4**
Changes in the period (due to):	**123.0**	***-0.1***	**-36.0**	**87.0**
- changes in income statement	*59.1*	*-0.1*	*5.2*	***64.3***
- depreciation	*-9.7*	*0.0*	*0.0*	***-9.7***
- restructuring and forgiveness of the debts related to transactions on derivatives	*0.0*	*0.0*	*-41.2*	***-41.2***
- purchase of subsidiaries	*82.8*	*0.0*	*0.0*	***82.8***
- transfer of provisions from off-balance sheet after their repayment	*2.3*	*0.0*	*0.0*	***2.3***
- other (inclusive FX differences, adjustment of interest income on impaired loans)	*-11.5*	*0.0*	*0.0*	***-11.5***
Closing balance of impairment losses	**985.6**	***0.1***	**220.8**	**1 206.4**

7.13. Liabilities due to other banks

	as of 31 Mar 2013	**as of 31 Dec 2012**	**as of 31 Mar 2012**	**as of 31 Dec 2011**
Current accounts	933.6	896.4	494.8	335.6
Interbank deposits	654.1	781.6	1 887.1	3 003.2
Repo transactions	547.2	176.2	256.1	1 594.6
Loans received*	2 686.8	2 664.0	2 753.1	0.0
Other liabilities	28.7	36.4	15.9	28.5
Total	**4 850.4**	**4 554.6**	**5 407.0**	**4 961.9**

*) The item *Loans received* covers funding of long-term leasing contracts in EUR (the so-called matched funding) received by the subsidiary ING Lease Sp. z o.o. from ING Bank NV.

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7.14. Financial liabilities measured at fair value through profit and loss

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Financial liabilities designated as at fair value upon initial recognition, of which:	1 663.9	2 067.5	4 085.9	1 629.5
- Sell-buy-back transaction	*1 663.9*	*2 067.5*	*4 085.9*	*1 629.5*
Book short position in trading securities	459.4	935.9	309.1	185.2
Total	**2 123.3**	**3 003.4**	**4 395.0**	**1 814.7**

7.15. Liabilities due to customers

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Deposits	56 957.1	56 793.8	51 532.3	52 334.6
Repo transactions	0.0	0.0	44.0	116.1
Other liabilities	1 092.6	1 063.7	863.6	481.4
Total liabilities due to customers, of which:	**58 049.7**	**57 857.5**	**52 439.9**	**52 932.1**
- due to entities from the financial sector other than banks	*2 363.6*	*3 503.8*	*3 123.1*	*3 082.2*
- due to entities from the non-financial sector	*53 749.5*	*52 251.1*	*47 634.9*	*47 745.2*
- due to entities from the government and self-government institutions' sector	*1 936.6*	*2 102.6*	*1 681.9*	*2 104.7*

Liabilities due to entities from the financial sector other than banks

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Deposits, of which:	2 246.0	3 327.2	2 952.2	2 910.0
- current accounts	*1 440.4*	*2 292.6*	*1 709.6*	*1 250.8*
- term deposit	*805.6*	*1 034.6*	*1 242.6*	*1 659.2*
Repo transactions	0.0	0.0	44.0	116.1
Other liabilities	117.6	176.6	126.9	56.1
Total	**2 363.6**	**3 503.8**	**3 123.1**	**3 082.2**

Liabilities due to entities from the non-financial sector

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Business entities' deposits, of which:	13 459.1	13 739.9	13 203.2	13 887.3
- current accounts	*10 692.0*	*11 395.0*	*8 976.9*	*10 224.7*
- term deposit	*2 767.1*	*2 344.9*	*4 226.3*	*3 662.6*
Households' deposits, of which:	39 370.3	37 627.7	33 696.9	33 434.7
- current accounts	*5 464.8*	*7 520.3*	*4 983.6*	*5 065.5*
- saving accounts and term deposits	*33 905.5*	*30 107.4*	*28 713.3*	*28 369.2*
Other liabilities	920.1	883.5	734.8	423.2
Total	**53 749.5**	**52 251.1**	**47 634.9**	**47 745.2**

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Liabilities due to entities from the government and self-government institutions' sector

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Deposits, of which:	1 881.7	2 099.0	1 680.0	2 102.6
- current accounts	*1 446.1*	*1 982.1*	*1 216.3*	*1 930.9*
- term deposit	*435.6*	*116.9*	*463.7*	*171.7*
Other liabilities	54.9	3.6	1.9	2.1
Total	**1 936.6**	**2 102.6**	**1 681.9**	**2 104.7**

7.16. Provisions

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Provision for issues in dispute	20.6	20.6	23.3	21.0
Provisions for off-balance sheet liabilities	23.5	22.3	14.9	10.6
Provision for retirement benefits	20.3	20.3	17.5	17.5
Provision for unused holidays	9.4	9.5	8.4	7.8
Provision for employment restructuring	0.1	0.1	0.5	1.2
Total	**73.9**	**72.8**	**64.6**	**58.1**

7.17. Fair values

Fair value of financial assets and liabilities

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.

The table below presents the balance-sheet figures for financial assets and liabilities per individual measurement levels.

Interim condensed consolidated financial statements (PLN million)

as of 31 Mar 2013

	Level I	Level II	Level III	Total
Financial assets, of which:	**15 862.2**	**6 190.0**	**2.8**	**22 055.0**
- Financial assets held for trading, of which:	981.5	53.2	0.0	1 034.7
- treasury bonds	*981.5*	*0.0*	*0.0*	*981.5*
- treasury bills	*0.0*	*53.2*	*0.0*	*53.2*
- Financial assets designated as fair value at initial recognition, of which:	377.4	0.0	0.0	377.4
- buy-sell-back transactions	*377.4*	*0.0*	*0.0*	*377.4*
- Valuation of derivatives	0.0	1 572.1	0.0	1 572.1
- Financial assets available-for sale, of which:	14 503.3	3 497.8	2.8	18 003.9
- treasury bonds	*12 747.7*	*0.0*	*0.0*	*12 747.7*
- NBP bills	*0.0*	*3 497.8*	*0.0*	*3 497.8*
- BGK bonds	*1 737.6*	*0.0*	*0.0*	*1 737.6*
- equity instruments	*18.0*	*0.0*	*2.8*	*20.8*
- Derivative hedge instruments	0.0	1 066.9	0.0	1 066.9
Financial liabilities, of which:	**2 123.3**	**2 933.4**	**0.0**	**5 056.7**
- Financial liabilities measured at fair value upon initial recognition, of which:	1 663.9	0.0	0.0	1 663.9
- sell-buy-back transactions	*1 663.9*	*0.0*	*0.0*	*1 663.9*
- Book short position in trading securities	459.4	0.0	0.0	459.4
- Valuation of derivatives	0.0	1 665.5	0.0	1 665.5
- Derivative hedge instruments	0.0	1 267.9	0.0	1 267.9

Interim condensed consolidated financial statements (PLN million)

as of 31 Mar 2012

	Level I	Level II	Level III	Total
Financial assets, of which:	**13 144.5**	**1 662.1**	**27.3**	**14 833.9**
- Financial assets held for trading, of which:	843.7	10.0	0.0	853.7
- *treasury bonds*	*843.7*	*0.0*	*0.0*	*843.7*
- *treasury bills*	*0.0*	*10.0*	*0.0*	*10.0*
- Financial assets designated as fair value at initial recognition, of which:	563.9	8.1	0.0	572.0
- *treasury bonds*	*414.5*	*0.0*	*0.0*	*414.5*
- *buy-sell-back transactions*	*149.4*	*8.1*	*0.0*	*157.5*
- Valuation of derivatives	0.0	1 293.9	0.0	1 293.9
- Financial assets available-for sale, of which:	11 736.9	0.9	27.3	11 765.1
- *treasury bonds*	*10 317.1*	*0.0*	*0.0*	*10 317.1*
- *NBP bills*	*0.0*	*0.0*	*0.0*	*0.0*
- *BGK bonds*	*1 419.0*	*0.0*	*0.0*	*1 419.0*
- *equity instruments*	*0.8*	*0.9*	*27.3*	*29.0*
- Derivative hedge instruments	0.0	349.2	0.0	349.2
Financial liabilities, of which:	**4 395.0**	**2 077.8**	**0.0**	**6 472.8**
- Financial liabilities measured at fair value upon initial recognition, of which:	4 085.9	0.0	0.0	4 085.9
- *sell-buy-back transactions*	*4 085.9*	*0.0*	*0.0*	*4 085.9*
- Book short position in trading securities	309.1	0.0	0.0	309.1
- Valuation of derivatives	0.0	1 226.3	0.0	1 226.3
- Derivative hedge instruments	0.0	851.5	0.0	851.5

In 2013 there were movements in terms of valuation levels:

- Shares of one of the companies moved from 2nd to 1st valuation level as they were converted from registered privileged shares into ordinary bearer shares. The shares are quoted in the active market and at present directly valuated on quotations.
- Shares of two companies moved from 3rd to 1st valuation level; the said companies were taken over by the Bank by means of debt restructuring and due to the initial restrictions as regards trading in these shares the bank used the valuation model to valuate them. The shares of both companies are quoted in the active market and at present directly valuated on quotations.

The Bank holds shares of and interest in a few companies which are not listed in the active market, and which are classified to the 3rd valuation level. The Bank discloses these instruments at acquisition price.

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7.18. Solvency ratio

Own funds	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
A. Own equity in the statement of financial position, of which:	**8 238.8**	**8 136.1**	**6 753.4**	**6 416.0**
A.I. Own equity included in tier 1 capital, of which:	**7 093.0**	**6 699.9**	**6 259.9**	**5 817.2**
- share capital	*130.1*	*130.1*	*130.1*	*130.1*
- supplementary capital - agio	*956.3*	*956.3*	*956.3*	*956.3*
- supplementary capital - other	*96.7*	*96.7*	*75.4*	*75.3*
- reserve capital	*4 004.4*	*4 004.4*	*3 139.8*	*3 139.8*
- general risk fund	*960.2*	*960.2*	*910.2*	*910.2*
- retained profit of past years and profit during the approval	*945.1*	*112.8*	*1 047.1*	*172.8*
- net profit of current period in audited part	*0.0*	*439.1*	*0.0*	*446.4*
- non-controlling interests	*2.3*	*2.3*	*2.3*	*2.3*
- revaluation reserve from measurement of available-for-sale financial assets (unrealised losses)	*-2.1*	*-2.0*	*-1.3*	*-16.0*
A.II. Own equity included in tier 2 capital, of which:	**418.8**	**585.4**	**100.0**	**33.3**
- revaluation reserve from measurement of available-for-sale financial assets (unrealised gains)	*418.8*	*585.4*	*100.0*	*33.3*
A.III. Own equity excluded from own funds calculation, of which:	***727.0***	***850.8***	***393.5***	***565.5***
- revaluation reserve from measurement of available-for-sale financial assets	*5.2*	*7.3*	*0.8*	*3.5*
- revaluation reserve from measurement of property, plant and equipment	*42.0*	*42.0*	*38.6*	*39.3*
- revaluation reserve from measurement of cash flow hedging instruments	*375.8*	*367.0*	*49.0*	*58.2*
- revaluation of share-based payment	*44.3*	*41.3*	*33.6*	*30.8*
- net profit of current period in unaudited part	*259.7*	*393.2*	*271.5*	*433.7*
B. Other elements of own funds (decreases and increases), of which:	**-494.9**	**-488.1**	**-514.2**	**-524.0**
B.I. Other elements of tier 1 capital:	**-443.1**	**-447.1**	**-458.1**	**-523.4**
- intangible assets	*-353.6*	*-361.6*	*-360.4*	*-362.0*
- capital commitments in financial institutions (50%)	*-20.0*	*-20.0*	*-20.0*	*-20.0*
- amount of expected losses (50%) – only for AIRB method	*-69.5*	*-65.5*	*-77.7*	*-141.4*
B.II. Other elements of tier 2 capital:	**-89.4**	**-85.4**	**-97.7**	**-33.3**
- capital commitments in financial institutions (50%)	*-20.0*	*-20.0*	*-20.0*	*-20.0*
- amount of expected losses (50%) – only for AIRB method	*-69.4*	*-65.4*	*-77.7*	*-13.3*
B.III. Short-term capital	**37.6**	**44.4**	**41.6**	**32.7**
Own funds taken into account in solvency ratio calculation according to advanced method (AIRB) (A.I. + A.II. + B.I. + B.II. + B.III.), of which:	**7 016.9**	**6 797.2**	**5 845.7**	**5 326.5**
- Tier 1 capital (A.I. + B.I.)	6 649.9	6 252.8	5 801.8	5 293.8
- Tier 2 capital (A.II. + B.II.)	329.4	500.0	2.3	0.0
- Short-term capital (B.III.)	37.6	44.4	41.6	32.7
Own funds taken into account in solvency ratio calculation according to standard method (SA) (A.I. + A.II. + B.I. + B.II. + B.III.), of which:	**7 155.8**	**6 928.1**	**6 001.1**	**5 481.2**
- Tier 1 capital (A.I. + B.I.)	6 719.4	6 318.3	5 879.5	5 435.2
- Tier 2 capital (A.II. + B.II.)	398.8	565.4	80.0	13.3
- Short-term capital (B.III.)	37.6	44.4	41.6	32.7

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**Capital requirements**	**as of 31 Mar 2013**	**as of 31 Dec 2012**	**as of 31 Mar 2012**	**as of 31 Dec 2011**
- Capital requirements for credit risk, credit counterparty, dilution and delivery of instruments for future settlement	3 229.5	3 285.8	3 414.8	3 176.6
- including: supplementation of the credit risk capital requirement to the requirement computed using the standard method	_475.0_	_444.1_	_285.2_	_329.0_
- Capital requirement for the risk of settlement - delivery	13.6	13.0	8.7	7.9
- Capital requirement for operational risk	437.6	405.9	405.9	364.6
- Capital requirement for general interest rate risk	24.0	31.4	32.9	24.8
Total capital requirement computed with Advanced Internal Rating-Based method (AIRB) for calculation of the credit risk requirement	**3 229.7**	**3 292.0**	**3 577.1**	**3 244.9**
Total capital requirement computed with Standard Approach (SA) for calculation of the credit risk requirement	**3 704.7**	**3 736.1**	**3 862.3**	**3 573.9**
Solvency ratio - supervisory	**15.15%**	**14.55%**	**12.11%**	**11.92%**
Solvency ratio (SA)	**15.45%**	**14.83%**	**12.43%**	**12.27%**
Solvency ratio (AIRB)	**17.38%**	**16.52%**	**13.07%**	**13.13%**

Following the letter of the Polish Financial Supervision Authority (PFSA) dated 18 May 2012 related to the decision of 06 October 2011 on a conditional approval of application of the Advanced Internal Rating-Based Approach (AIRB) by the Bank "(...) the solvency ratio should be computed based on the following figures:

1) for the capital requirement for credit risk computed with AIRB being lower than the capital requirement for credit risk computed using standard approach:
   a) for own funds – considering the amount calculated with AIRB,
   b) for the total capital requirement – considering the supplementary amount of capital requirement for credit risk to the requirement calculated under standard approach (SA),
2) for the capital requirement for credit risk computed with AIRB being higher than the capital requirement for credit risk computed under standard approach:
   a) for own funds – considering the amount calculated with AIRB,
   b) for the total capital requirement – considering the capital requirement for credit risk calculated with AIRB."

AIRB method may be applied in full to calculate the capital requirement for credit risk for supervisory purposes only upon fulfillment by the Bank of the requirements listed in the aforesaid decision of PFSA. By then the Bank is obliged to consider the supplementary amount of capital requirement for credit risk to the requirement calculated under standard approach.

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

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

- economic slowdown in Poland – the Central Statistical Office revised the economic growth [forecast] for 4 quarter 2012 (from 1.1% y/y to 0.7%) and it highlighted that 1 quarter 2013 may not yet be the turning point in the economy; according to the forecasts developed by ING Bank Śląski S.A., the growth rate of GDP in 1 quarter 2013 might be equal to 0.7% (y/y), and in 2013 it might stand at 1.2% against 1.9% throughout 2012.
- poor consumption growth (following the revision of consumer habits and replenishment of savings) and lower investments in 2013 (due to completion and absence of new large investment projects carried out using public funds). According to the report on the economy developed by the National Bank of Poland, the eagerness to start new investment projects is poor and chances for economic revival are slender as regards 2 quarter. ING economists are of the opinion that the governmental programme "Polish Investments" will have tangible effects for the economy growth at the 2013 yearend; nonetheless, its impact will be more noticeable first in 2014,
- change on the labour market – as at the end of 1 quarter 2013, the unemployment rate was 14.3% against 13.4% as at the 2012 yearend and 13.3% in the same period of the previous year; negative processes on the labour market gained momentum from mid-2012,
- main interest rates in Poland – on account of economic slowdown and fast inflation drop, continued monetary policy easing is expected. The forecasts by ING economists read that within 3 months the Monetary Policy Council will cut down interest rates by at least 50 bp in total to the level of 2.75% (reference rate).

9. Off-balance sheet items

	I quarter 2013 as of 31 Mar 2013	**end of year 2012** as of 31 Dec 2012	**I quarter 2012** as of 31 Mar 2012	**end of year 2011** as of 31 Dec 2011
Contingent liabilities granted	17 675.7	16 559.9	16 429.9	16 777.7
Contingent liabilities received	40 157.7	38 516.1	37 981.2	34 334.8
Off-balance sheet financial instruments	156 263.4	133 546.7	128 232.3	157 928.2
Total off-balance sheet items	**214 096.8**	**188 622.7**	**182 643.4**	**209 040.7**

10. Issues, redemption or repayments of debt securities and equities

None.

11. Dividends paid

On 19 April 2013, the General Meeting approved earmarking the entire 2012 net profit of the Group's dominant entity for equity.

On 19 April 2012, the General Meeting approved earmarking the entire 2011 net profit of the Group's dominant entity for equity.

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 (in PLN million)

	I quarter 2013 the period from 01 Jan 2013 to 31 Mar 2013	**I quarter 2012** the period from 01 Jan 2012 to 31 Mar 2012
Status at the period beginning:	**20.6**	**21.0**
Establishment of provisions	0.0	0.1
Release of provisions	0.0	-0.1
Acquisition of subsidiaries	0.0	2.3
Status as at the period end	**20.6**	**23.3**

Either in 1 quarter 2013 or 1 quarter 2012, 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

ING Bank Śląski subsidiaries and affiliated entities (their list has been presented in Chapter II. *Supplementary information* in item 1.4. *ING Bank Śląski S.A. Capital Group)* 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. Similarly, ING Bank Śląski maintains bank accounts of other members of ING Group. 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. The abovementioned transactions are carried out on an arm's length basis.

There were also other transactions between the related entities and ING Bank Śląski. They originated from agreements concluded as to co-operation, sublease of premises, lease of equipment, data processing as well as management and employees' insurance contributions.

In the period from 1 January 2013 to 31 March 2013 the following transactions were made of the total value exceeding EURO 500.000:

- transactions with ING Bank NV – under execution of Co-operation Agreement and Agreement on Provision of Data Processing and Financial Information Analysis Services, the fee for services rendered under financial advisory and the fee for using by ING Bank Śląski the data processing and financial information analysis services for the 3 months of 2013 totalled PLN 20.7 million against PLN 20.5 million in the analogous period of the previous year (net amounts).
- transactions with ING Services Polska – the company renders hardware lease services for ING Bank Śląski. Services' costs amounted to PLN 11.3 million versus PLN 10.5 million in the analogous period of the previous year (gross amounts).

Transactions with related entities (in PLN million)

31.03.2013

	ING Bank NV	Other ING Group	Subsidiary undertakings*	Associated undertakings*
Receivables				
Nostro accounts	8.1	26.0	-	-
Deposits placed	15.0	-	-	-
Loans	-	2.8	3 024.8	-
Positive valuation of derivatives	345.0	304.9	0,5	-
Repo	207.8	-	-	-
Other receivables	3.7	0.5	0.2	-
Liabilities				
Deposits received	125.5	875.0	459.7	104.9
Loans received	2 686.8	-	-	-
Loro accounts	18.5	8.5	-	-
Negative valuation of derivatives	347.9	322.7	0.3	-
Repo	112.9	-	-	-
Other liabilities	3.5	-	0.2	-
Off-balance-sheet operations				
Contingent liabilities	27.0	44.0	1 058.9	-
FX transactions	7 701.3	39.6	-	-
Forward transactions	28.4	-	-	-
IRS	7 243.5	4 566.9	11.0	-
Options	1 134.1	1 766.0	53.3	-
Revenue and costs**				
Revenue	-16.2	-2.3	28.9	-0.8
Costs	20.9	10.6	4.5	-

*/ Includes transactions between ING Bank Śląski S.A. affiliates of ING Bank Śląski S.A. Group
**/ 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.

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31.03.2012

	ING Bank NV	Other ING Group	Subsidiary undertakings*	Associated undertakings*
Receivables				
Deposits placed	371.9	-	-	-
Nostro accounts	2.9	2.9	-	-
Loans	-	4.2	2 712.5	-
Positive valuation of derivatives	213.6	272.4	0.5	-
Other receivables	1.3	0.3	0.1	-
Liabilities				
Deposits received	343.2	613.0	374.1	9.8
Loans received	2 753.1	-	-	-
Loro accounts	90.7	21.8	-	-
Negative valuation of derivatives	284.0	350.9	1.2	-
Repo	256.1	-	-	-
Other liabilities	1.5	-	0.4	-
Off-balance-sheet operations				
Contingent liabilities	154.1	31.2	2 723.1	-
FX transactions	3 850.8	24.5	-	-
Forward transactions	40.8	2.5	-	-
IRS	9 110.0	6 072.7	-	-
Options	707.0	2 027.9	-	-
Revenue and costs**				
Revenue	-89.3	-13.1	29.0	-0.2
Costs	19.7	9.1	5.2	-

*/ Includes transactions between ING Bank Śląski S.A. affiliates of ING Bank Śląski S.A. Group
**/ 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

15.1. Segments of operation

The management of ING Bank Śląski is conducted within the areas defined in the Bank's business model.

The Bank's business model, above all for the purpose of management reporting, includes division of clients into two main segments:

- retail banking segment,
- corporate banking segment.

The segments are separated based on the financial (especially turnover, level of collected assets) and subject-related criteria. The specific rules of putting clients to respective segments are governed by the clients segmentation criteria specified in the Bank's internal regulations.

15.1.1. Retail banking segment

Within the framework of retail banking, the Bank provides services for individual customers (segments of mass customers and wealthy customers) and for sole traders.

This activity is analysed by the leading products, including i.e.: 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), deposit products (current accounts, term deposits, savings accounts), structured product, ING fund units, brokerage services provided by ING Securities SA and bank cards.

15.1.2. Corporate banking segment

Corporate banking area encompasses as follows:

- providing services to institutional clients,
- Financial Markets products.

Services to institutional clients encompasses strategic clients, large corporate entities and mid-sized companies. For corporate activity, the Bank provides reporting broken down by leading products covering i.e. loan products (working loans, investment loans), deposit products (current accounts, term deposits and negotiated deposits, savings accounts), financial markets products, trust services, capital market operations conducted by the parent and by ING Securities, products related to leasing and factoring services offered by ING Lease (Polska) Sp. z o.o. and ING Commercial Finance Polska S.A.

Financial Markets products 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.

15.1.3. Modifications in the reporting for Bank operating segments

In 1 quarter 2013, the Bank did not change the reporting for its operating segments against 1 quarter 2012.

15.2. Geographical segments

The business activities of the Capital Group are performed on the territory of the Republic of Poland.

PLN million	**I quarter 2013** the period from 01 Jan 2013 to 31 Mar 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total*	**412.2**	**440.7**	**852.9**
Net interest income	228.9	246.9	475.8
external	*50.2*	*425.6*	*475.8*
internal	*178.7*	*-178.7*	*0.0*
Net commission income	103.5	136.3	239.8
Other income/expenses	70.8	57.5	128.3
Share in net profit (loss) of associated entities recognised under the equity method	9.0	0.0	9.0
Expenses total	**291.5**	**179.4**	**470.9**
Result before risk	**120.7**	**261.3**	**382.0**
Impairment losses	38.0	20.0	58.0
Result after impairment losses (profit before tax)	**82.7**	**241.3**	**324.0**
Income tax	-	-	64.3
Result after tax	-	-	**259.7**
- attributable to shareholders of ING Bank Śląski S.A.	-	-	**259.7**

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

PLN million	**I quarter 2012** the period from 01 Jan 2012 to 31 Mar 2012		
	Retail banking segment	Corporate banking segment	TOTAL
Revenue total*	**395,2**	**450,6**	**845,8**
Net interest income	244,0	269,5	513,5
external	*49,3*	*464,2*	*513,5*
internal	*194,7*	*-194,7*	*0,0*
Net commission income	114,2	132,8	247,0
Other income/expenses	30,2	48,3	78,5
Share in net profit (loss) of associated entities recognised under the equity method	6,8	0,0	6,8
Expenses total	**281,3**	**182,6**	**463,9**
Result before risk	**113,9**	**268,0**	**381,9**
Impairment losses	19,2	45,1	64,3
Result after impairment losses (profit before tax)	**94,7**	**222,9**	**317,6**
Income tax	-	-	46,1
Result after tax	-	-	**271,5**
- attributable to shareholders of ING Bank Śląski S.A.	-	-	**271,5**

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

16. Other informations

16.1. 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. In December 2012, Fitch Agency carried out the annual rating review at the Bank. As a result, all the to-date Bank's ratings were affirmed (the press release of the Fitch agency of 29 January 2013). Nevertheless, on 6 February 2013, the Agency announced that it revised the ratings outlook for three big Dutch banks, ING Bank N.V. inclusive, from stable to negative. It led to an analogical rating revision for ING Bank Śląski S.A. Change of the ratings outlook for the Dutch banks was related to the revision of the Netherlands rating of a day earlier - the country's rating was affirmed at 'AAA' level but the outlook was revised from stable to negative. As a justification the Agency referred to the worsening, in its opinion, macroeconomic standing of the Netherlands. As at 31.03.2013, the Bank had the rating of financial credibility, issued by the agency:

Rating	Level
Long-term IDR	A
Short-term IDR	F1
Viability rating	bbb+
Support rating	1
Rating Outlook	Negative

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). Viability rating of bbb+ means that according to the Agency, the intrinsic creditworthiness of the Bank; i.e., without any support (understood as the capacity to pay one's liabilities on time) is high. The Agency is of the opinion that the Bank has strong capital and liquidity position. Viability Rating was introduced to supersede individual rating which was withdrawn by the Agency on 25 January 2012. VR bbb+ was the highest rating to win by a financial institution with C individual rating (before individual rating withdrawal, ING Bank Śląski had such rating).

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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 31.03.2013, the Bank had the rating of financial credibility, issued by the agency:

Rating	Level
Long-term deposits (LT rating)	Baa1
Short-term deposits (ST rating)	P-2
Financial strength (BFSR)/ individual rating (BCA)	D+ / baa3
Financial strength outlook	Stable

On 21 February 2012, the Moody's Agency has placed on review for downgrade ING Bank Śląski S.A. deposit ratings. This was caused by the analogous rating action addressed at the parent company ING Bank NV as part of a mass rating review – 114 banks from 16 countries (Moody's press release of 15 February 2012).

As a result of the then-announced mass review of financial institutions' ratings, on 15 June 2012, the Moody's Agency downgraded Dutch banks' ratings, among others: ING Bank N.V. to A2 (from Aa3; i.e., by two notches) for long-term deposit rating and to C-/baa1 (from C+/a2; i.e. by two notches as well) for the Bank financial strength rating (BSFR). For both ratings the outlook remained negative.

As a follow-up to downgrade of ING Bank N.V. financial strength, on 18 June 2012, the Agency downgraded ratings of ING Bank Śląski S.A., namely:

- Long-term deposits from A2 to Baa1 (analogically to ING Group rating downgrade).
- Short-term deposits from P-1 to P-2.

Individual rating (BFSR) of ING Bank Śląski S.A. was affirmed at D+ level which corresponds with Baseline Credit Assessment (BCA) of baa3.

In April 2013, the Moody's Agency confirmed all the existing ratings of the Bank (Moody's press release of 23 April 2013).

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16.2. Number of Branches and ATMs

The number of outlets of the Bank in particular periods was as follows:

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Number of outlets	423	426	438	439

As at the end of March 2013 the Bank had a network of 767 ATMs[1] compared with 772 ATMs as at the end of December 2012 and 777 ATMs in the analogical period last year.

As at the end of March 2013, the Bank also had a network of 698 cash deposit machines[2], compared with 696 deposit machines as at the end of December 2012 and 595 deposit machines in the analogical period last year.

16.3. 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[3] are as follows:

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
ING BankOnLine, ING OnLine, ING BusinessOnLine and MultiCash	2 395 047	2 350 269	2 183 416	2 115 325
HaloŚląski	1 467 604	1 433 433	1 345 852	1 285 261
SMS	1 060 793	1 035 575	957 658	918 954
ING BankMobile	115 692	88 421	8 960	-
ING BusinessMobile	847	-	-	-

The monthly number of transactions in March 2013 was at the level of 16.7 million, whereas at the end of December 2012 it was 16.4 million and in the analogical period last year it was 14.9 million.

[1] Including duals the number of which as of the end of March 2013 was 351.
[2] As above.
[3] The number of clients is not the same as the number of users as one client may represent several users in a given system.

16.4. Banking cards

ING Bank Śląski S.A. is one of the largest issuers of banking cards in Poland. The data concerning the number of payment cards issued to ING Bank Śląski S.A. clients are as follows:

(in thousands)	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Payment cards, of which:	2 447	2 437	2 405	2 386
Debit cards	*2 155*	*2 144*	*2 132*	*2 116*
Credit cards	*199*	*201*	*211*	*211*
Other cards	*93*	*92*	*62*	*59*

ING Bank Śląski S.A. offers also paywave and virtual cards. By the end of March 2013, clients were issued 1,584.3 thousand proximity cards in total[1] (1,516.4 thousand as at the end of December 2012 and 1,044.3 thousand in the same period last year) and 35.0 thousand Virtual C@rds (34.2 thousand as at the end of December 2012 and 30.0 thousand in the same period last year).

[1] Cards: Maestro PayPass, MasterCard Debit PayPass, Proximity Card , VISA PayWave and Visa Business Proximity

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SIGNATURES OF THE MANAGEMENT BOARD MEMBERS OF ING BANK ŚLĄSKI S.A.

2013-05-07	**Małgorzata Kołakowska**	President	*(signed on the Polish original)*
2013-05-07	**Mirosław Boda**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Michał Bolesławski**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Joanna Erdman**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Justyna Kesler**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Oscar Edward Swan**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Ignacio Juliá Vilar**	Vice-President	*(signed on the Polish original)*

SIGNATURE OF THE PERSON RESPONSIBLE FOR ACCOUNTS

2013-05-07	**Tomasz Biłous**	Director of Accounting Department Chief Accountant	*(signed on the Polish original)*

Interim condensed standalone financial statements (PLN million)

III. Interim condensed standalone financial statement of the Bank

INTERIM CONDENSED STANDALONE INCOME STATEMENT

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
- Interest income	889.3	903.5
- Interest expenses	442.3	419.4
Net interest income	**447.0**	**484.1**
- Commission income	254.1	254.3
- Commission expenses	28.2	28.4
Net commission income	**225.9**	**225.9**
Net income on financial instruments measured at fair value through profit or loss and FX result	15.3	53.0
Net income on investments	120.4	19.1
Net income on hedge accounting	-19.0	1.7
Net income on other basic activities	3.6	-0.2
Result on basic activities	**793.2**	**783.6**
General and administrative expenses	445.0	437.1
Result on other operating income and expenses	-0.9	0.7
Impairment losses and provisions for off-balance sheet liabilities	59.0	68.2
Profit (loss) before tax	**288.3**	**279.0**
Income tax	58.8	56.6
Net result for the current period	**229.5**	**222.4**

Net profit (loss)	**229.5**	**222.4**
Weighted average number of ordinary shares	**130 100 000**	**130 100 000**
Earnings per ordinary share (PLN)	**1.76**	**1.71**

Diluted earnings per share agrees with earnings per ordinary share

INTERIM CONDENSED STANDALONE STATEMENT OF COMPREHENSIVE INCOME

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
Net result for the period	**229.5**	**222.4**
Other comprehensive income, of which:	**-160.0**	**68.9**
- items which will be reclassified subsequently to profit or loss when specific conditions are met	-160.0	69.5
- items which will not be reclassified subsequently to profit or loss	0.0	-0.6
Total comprehensive income for the period	**69.5**	**291.3**

SIGNATURES OF THE MEMBERS OF THE MANAGEMENT BOARD OF ING BANK ŚLĄSKI S.A.

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SIGNATURE OF THE PERSON ENTRUSTED WITH KEEPING THE ACCOUNTING BOOKS

Tomasz Biłous
Director of Accounting Department, Chief Accountant
Signed on the Polish original

Katowice, 07-05-2013

Interim condensed standalone income statement and interim condensed standalone statement of comprehensive income shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF FINANCIAL POSITION

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
A S S E T S				
- Cash in hand and balances with the Central Bank	3 534.4	4 071.6	1 558.1	1 493.1
- Loans and receivables to other banks	1 578.3	1 365.3	1 421.9	967.1
- Financial assets measured at fair value through profit and loss	1 412.1	1 554.6	1 425.7	639.6
- Valuation of derivatives	1 572.6	1 822.7	1 294.4	1 858.4
- Investments	18 003.3	17 880.5	16 819.1	20 450.1
- available-for-sale	*18 003.3*	*17 880.5*	*11 764.4*	*15 467.8*
- held-to-maturity	*0.0*	*0.0*	*5 054.7*	*4 982.3*
- Derivative hedge instruments	1 066.9	1 112.6	349.2	433.4
- Loans and receivables to customers	45 967.0	45 764.0	44 462.5	42 298.7
- Investments in controlled entities recognised under the equity method	454.4	454.4	454.4	238.3
- Property, plant and equipment	560.7	587.2	559.2	562.4
- Intangible assets	347.7	355.9	356.7	360.8
- Property, plant and equipment held for sale	33.4	22.1	27.7	22.4
- Current income tax assets	0.0	0.0	90.9	146.5
- Deferred tax assets	13.8	0.0	39.6	15.4
- Other assets	153.9	168.3	165.8	138.1
T o t a l a s s e t s	**74 698.5**	**75 159.2**	**69 025.2**	**69 624.3**

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Katowice, 07-05-2013

Interim condensed standalone statement of financial position shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF FINANCIAL POSITION - continued

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
EQUITY AND LIABILITIES				
LIABILITIES				
- Liabilities due to other banks	2 151.4	1 870.0	2 653.9	4 951.8
- Financial liabilities measured at fair value through profit and loss	2 123.3	3 003.4	4 395.0	1 814.7
- Valuation of derivatives	1 665.8	1 778.3	1 227.5	1 694.1
- Derivative hedge instruments	1 267.9	1 364.0	851.5	900.6
- Liabilities due to customers	58 040.8	57 782.6	52 314.3	53 044.3
- Liabilities under issue of debt securities	574.5	567.1	0.0	0.0
- Provisions	70.1	68.9	60.2	56.6
- Current income tax liabilities	91.1	70.0	0.0	0.0
- Other liabilities	762.2	748.8	997.2	930.7
Total liabilities	**66 747.1**	**67 280.4**	**62 499.6**	**63 392.8**
EQUITY				
- Share capital	130.1	130.1	130.1	130.1
- Supplementary capital - issuance of shares over nominal value	956.3	956.3	956.3	956.3
- Revaluation reserve	830.7	990.7	182.2	113.4
- Revaluation of share-based payment	44.3	41.3	33.6	30.8
- Retained earnings	5 990.0	5 760.4	5 223.4	5 000.9
Total equity	**7 951.4**	**7 878.8**	**6 525.6**	**6 231.5**
Total equity and liabilities	**74 698.5**	**75 159.2**	**69 025.2**	**69 624.3**

Net book value	**7 951.4**	**7 878.8**	**6 525.6**	**6 231.5**
Number of shares	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**
Net book value per share (PLN)	**61.12**	**60.56**	**50.16**	**47.90**

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Signed on the Polish original

Katowice, 07-05-2013

Interim condensed standalone statement of financial position shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY

1 Q 2013
the period from 01 Jan 2013 to 31 Mar 2013

	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	**130.1**	**956.3**	**590.3**	**33.4**	**367.0**	**41.3**	**5 760.5**	**7 878.9**
Net result for the current period	-	-	-	-	-	-	229.5	**229.5**
Other comprehensive income, of which:	**0.0**	**0.0**	**-168.8**	**0.0**	**8.8**	**0.0**	**0.0**	**-160.0**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*-88.3*	-	-	-	-	*-88.3*
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-80.5*	-	-	-	-	*-80.5*
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*8.8*	-	-	*8.8*
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**3.0**	**0.0**	**3.0**
- revaluation of share-based payment	-	-	-	-	-	*3.0*	-	*3.0*
Closing balance of equity	**130.1**	**956.3**	**421.5**	**33.4**	**375.8**	**44.3**	**5 990.0**	**7 951.4**

4 Q 2012 YTD
the period from 01 Jan 2012 to 31 Dec 2012

	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	**130.1**	**956.3**	**20.4**	**34.8**	**58.2**	**30.8**	**5 000.9**	**6 231.5**
Net result for the current period	-	-	-	-	-	-	757.8	**757.8**
Other comprehensive income, of which:	**0.0**	**0.0**	**569.9**	**-1.4**	**308.8**	**0.0**	**1.7**	**879.0**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*590.5*	-	-	-	-	*590.5*
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-20.4*	-	-	-	-	*-20.4*
- amortisation of gains or losses previously recognised in equity concerning securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	*-0.2*	-	-	-	-	*-0.2*
- remeasurement of property, plant and equipment	-	-	-	*-0.7*	-	-	-	*-0.7*
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*308.8*	-	-	*308.8*
- disposal of property, plant and equipment	-	-	-	*-0.7*	-	-	*1.7*	*1.0*
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**10.5**	**0.0**	**10.5**
- revaluation of share-based payment	-	-	-	-	-	*10.5*	-	*10.5*
Closing balance of equity	**130.1**	**956.3**	**590.3**	**33.4**	**367.0**	**41.3**	**5 760.4**	**7 878.8**

SIGNATURES OF THE MEMBERS OF THE MANAGEMENT BOARD OF ING BANK ŚLĄSKI S.A.

Małgorzata Kołakowska
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Tomasz Biłous
Director of Accounting Department, Chief Accountant
Signed on the Polish original

Katowice, 07-05-2013

Interim condensed standalone statement of changes in equity shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY - continued

1 Q 2012
the period from 01 Jan 2012 to 31 Mar 2012

	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	**130.1**	**956.3**	**20.4**	**34.8**	**58.2**	**30.8**	**5 000.9**	**6 231.5**
Net result for the current period	**-**	**-**	**-**	**-**	**-**	**-**	222.4	**222.4**
Other comprehensive income, of which:	**0.0**	**0.0**	**78.7**	**-0.7**	**-9.2**	**0.0**	**0.1**	**68.9**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*94.4*	-	-	-	-	*94.4*
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-15.5*	-	-	-	-	*-15.5*
- amortisation of gains or losses previously recognised in equity concerning securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	*-0.2*	-	-	-	-	*-0.2*
- remeasurement of property, plant and equipment	-	-	-	*-0.6*	-	-	-	*-0.6*
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*-9.2*	-	-	*-9.2*
- disposal of property, plant and equipment	-	-	-	*-0.1*	-	-	*0.1*	*0.0*
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**2.8**	**0.0**	**2.8**
- revaluation of share-based payment	-	-	-	-	-	*2.8*	-	*2.8*
Closing balance of equity	**130.1**	**956.3**	**99.1**	**34.1**	**49.0**	**33.6**	**5 223.4**	**6 525.6**

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Katowice, 07-05-2013

Interim condensed standalone statement of changes in equity shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE CASH FLOW STATEMENT

	1 Q 2013 the period from 01 Jan 2013 to 31 Mar 2013	1 Q 2012 the period from 01 Jan 2012 to 31 Mar 2012
OPERATING ACTIVITIES		
Net profit (loss)	**229.5**	**222.4**
Adjustments	**-707.0**	**544.7**
- Depreciation and amortisation	39.3	33.1
- Interest accrued (from the profit and loss account)	447.0	484.1
- Interest paid	451.8	406.3
- Interest received	-926.9	-878.9
- Gains (losses) on investment activities	-0.1	-1.1
- Income tax (from the profit and loss account)	58.8	56.6
- Income tax paid	-78.8	-25.2
- Change in provisions	1.2	3.6
- Change in loans and other receivables to other banks	-169.2	-0.6
- Change in financial assets at fair value through profit or loss	142.4	-787.9
- Change in available-for-sale financial assets	-291.5	3 752.0
- Change in valuation of derivatives	137.6	97.4
- Change in derivative hedge instruments	-41.6	25.9
- Change in loans and other receivables to customers	-165.8	-2 156.3
- Change in other assets	15.0	-99.1
- Change in liabilities due to other banks	281.0	-2 298.3
- Change in liabilities at fair value through profit or loss	-880.1	2 580.3
- Change in liabilities due to customers	256.5	-716.5
- Change in other liabilities	16.4	69.3
Net cash flow from operating activities	**-477.5**	**767.1**
INVESTMENT ACTIVITIES		
- Purchase of property plant and equipment	-6.9	-23.8
- Purchase of intangible assets	-9.5	-9.5
- Purchase of investments in subordinated entities	0.0	-216.1
- Disposal of fixed assets held for sale	0.1	1.7
- Redemption / sale of held-to-maturity financial assets	0.0	0.1
Net cash flow from investment activities	**-16.3**	**-247.6**
Effect of exchange rate changes on cash and cash equivalents	***40.2***	***-57.4***
Net increase/decrease in cash and cash equivalents	**-493.8**	**519.5**
Opening balance of cash and cash equivalents	**5 048.8**	**2 305.7**
Closing balance of cash and cash equivalents	**4 555.0**	**2 825.2**

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Katowice, 07-05-2013

Interim condensed standalone cash flow statement shall be analysed together with the supplementary notes to interim condensed consolidated financial statements being the integral part of interim condensed consolidated financial statements.

1. Introduction

1.1. Going-concern

These interim condensed standalone financial statements were prepared on a going-concern basis 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.

1.2. Discontinued operations

No operations were discontinued during the 1 quarter 2013 and 1 quarter 2012.

1.3. Compliance with IFRS

These interim condensed standalone financial statements of the ING Bank Śląski S.A. for the 1 quarter 2013 were prepared under the International Financial Reporting Standards (IFRS) in a version approved by the European Commission effective as at the reporting date, that is 31 March 2013 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) with subsequent amendments.

Presented interim condensed standalone financial statements meet the requirements of IAS 34 (International Accounting Standards) with regard to interim financial statements.

Interim condensed standalone income statement, interim condensed standalone statement of comprehensive income, interim condensed standalone statement of changes in equity, and interim condensed standalone cash flow statement for the period from 1 January 2013 to 31 March 2013, and interim condensed standalone statement of financial position as at 31 March 2013 together with comparable data were prepared according to the same principles of accounting for each period.

1.4. Comparable data

The comparative data cover the period from 1 January 2012 to 31 March 2012 for the interim condensed standalone income statement; the interim condensed standalone statement of comprehensive income and the interim condensed standalone cash flow statement, additionally for the interim condensed standalone statement of changes in equity as at 31 December 2012; and in the case of the interim condensed standalone statement of financial position data as of 31 December 2012, 31 March 2012 and 31 December 2011.

1.5. Financial statements scope and currency

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

These interim condensed financial statements have been developed in Polish zloties ("PLN"). Unless provided for otherwise, all values were given rounded up to PLN million. Therefore, some totals and individual notes can be inconsistent in mathematical terms.

1.6. Changes to accounting standards

In these interim condensed standalone financial statements the same principles of accounting have been applied as the ones applied for developing the 2012 annual standalone financial statements. Amendments to standards and new interpretations are described in interim condensed consolidated statements of the ING Bank Śląski S.A. Capital Group enclosed herewith ("interim condensed consolidated financial statements"), in chapter II. *Additional information* in item 4.5. *Changes to accounting standards*.

1.7. Approval of financial statements

These interim condensed standalone financial statements have been approved by the Bank Management Board on 7 May 2013.

2. Material accounting principles (policy)

Detailed accounting principles are presented in annual financial statements of ING Bank Śląski S.A. for the period from 1 January 2012 to 31 December 2012 published on 7 March 2013 that is available on the Internet site of ING Bank Śląski S.A. (www.ingbank.pl).

The same accounting principles were applied to interim condensed financial statements and interim condensed consolidated financial statements, except for the changes in recording capital investments described above.

2.1. Investment in subsidiaries and associates

2.1.1. 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.

2.1.2. 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.

2.1.3. 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 36. 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 in annual financial statements of ING Bank Śląski S.A. for the period from 1 January 2012 to 31 December 2012 published on 7 March 2013 that is available on the Internet site of ING Bank Śląski S.A. (www.ingbank.pl).

Modifications to estimates introduced in 1 quarter 2013 were presented in the interim condensed consolidated financial statements in Chapter II. *Supplementary information* in item *5.1. Modifications introduced to the description of estimates applied.*

4. Comparability of financial data

In the interim condensed standalone financial statements for the 1 quarter 2013 the Bank did not change the principles of presentation, compared to the financial statements for the 1 quarter 2012.

5. Significant events in 1 quarter 2013

Significant events that occurred in 1 quarter 2013 are described in the interim condensed consolidated financial statement in Chapter II. *Additional information* in item 2. *Significant events in 1 quarter 2013*.

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 19 April 2013, the General Meeting approved earmarking the entire 2012 net profit of the Bank for equity.

On 19 April 2012, the General Meeting approved earmarking the entire 2011 net profit of the Bank for equity.

9. Acquisitions

In 1 quarter 2013, ING Bank Śląski S.A. did not make any acquisitions, while in 1 quarter 2012 it acquired 100% shares of ING ABL Polska S.A. being a parent entity towards ING Lease Polska Sp. z o.o. and ING Commercial Finance S.A., wherein it holds 100% of the share capital.

Interim condensed standalone financial statements (PLN million)

10. Off-balance sheet items

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Contingent liabilities granted	16 752.7	15 803.1	16 537.2	16 792.8
Contingent liabilities received	38 909.6	37 324.3	36 890.2	34 334.8
Off-balance sheet financial instruments	156 327.7	133 610.6	128 312.5	157 928.2
Total off-balance sheet items	**211 990.0**	**186 738.0**	**181 739.9**	**209 055.8**

11. Solvency ratio

	as of 31 Mar 2013	as of 31 Dec 2012	as of 31 Mar 2012	as of 31 Dec 2011
Solvency ratio - standalone (%)				
- **regulatory**	14.41%	14.00%	11.57%	11.58%
- calculated under standard approach (SA)	14.73%	14.31%	11.90%	11.93%
- calculated with Advanced Internal Rating-Based method (AIRB)	16.41%	15.94%	12.74%	12.76%

12. Significant events after the balance sheet date

Significant events after the balance sheet date are described in the interim condensed consolidated financial statement in Chapter II. *Additional information* in item 3. *Significant events after the balance sheet date*.

13. Transactions with related entities

Transactions with related entities have been described in the interim condensed consolidated financial statements in Chapter II. *Additional information* in item 14. *Transactions with related entities.*

Interim condensed standalone financial statements (PLN million)

SIGNATURES OF THE MANAGEMENT BOARD MEMBERS OF ING BANK ŚLĄSKI S.A.

2013-05-07	**Małgorzata Kołakowska**	President	*(signed on the Polish original)*
2013-05-07	**Mirosław Boda**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Michał Bolesławski**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Joanna Erdman**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Justyna Kesler**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Oscar Edward Swan**	Vice-President	*(signed on the Polish original)*
2013-05-07	**Ignacio Juliá Vilar**	Vice-President	*(signed on the Polish original)*

SIGNATURE OF THE PERSON RESPONSIBLE FOR ACCOUNTS

2013-05-07	**Tomasz Biłous**	Director of Accounting Department Chief Accountant	*(signed on the Polish original)*

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