

**CENTRUM BANKU ŚLĄSKIEGO SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ**

**FINANCIAL STATEMENTS FOR THE PERIOD  
FROM 1 JANUARY TO 31 DECEMBER 2011**

*Katowice, 25 January 2012*

## **INTRODUCTION TO THE FINANCIAL STATEMENTS**

### **1. GENERAL INFORMATION**

Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością ("Company") was established on the basis of the Notarial Deed of 9 December 1997.

The Company is registered in the National Court Register kept by the District Court in Katowice, Commercial Division of the National Court Register, under the number 0000047713.

The Company uses a statistical ID (REGON) 273842724. The Company's registered office is located at 50 Chorzowska Street in Katowice.

The Company's life is unlimited.

On 12 December 2007, the District Court, 8<sup>th</sup> Commercial Division of the National Court Register, in Katowice made a decision to disclose information about the adoption of a resolution on dissolving and liquidating the Company as of 1 December 2007 in the National Court Register. The Company received the decision No. KA.VIII NS-REJ.KRS/027183/07404 on 28 December 2007.

Given the above, from 1 December 2007 to 31 December 2008, the Company used the name Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością w likwidacji (under liquidation).

On 23 December 2008, Members of the Company present at the Extraordinary Meeting of Members adopted resolution No. 1/2008 on further existence of the Company and resolution No. 2/2008 on the dismissal of a liquidator. The resolutions came into force as of 1 January 2009. The decisions were confirmed by the Court's ruling of 7 January 2009, Ref. No. KA.VIII NS-REJ.KRS/000015/09/353, which was received by the Company on 19 January 2009.

Since the Members of the Company adopted the resolution on the Company's further existence, the Company's life is unlimited as of the date of the financial statements, as set out in the Company's Articles of Incorporation.

Starting from 1 January 2009, the Company has been using the name Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością.

In accordance with the resolution adopted by the Board of Directors of ING Bank Śląski SA, in 2009, the Company's core activity consisted in the management of real property at request. In the first half of 2009, the Company prepared and organised processes. The Company started performing duties related to the management of buildings at 34 Sokolska Street and 50 Chorzowska Street in Katowice and 45 Malczewskiego in Warsaw on 1 July 2009. The processes were carried out without changes till 30 June 2010.

On 30 June 2010, on the basis of the Notarial Deed registered in the Notary Public's Register A No. 5997/2010, the Member, i.e. ING Bank Śląski SA in Katowice stated to take over 138 552 new shares in the Company of PLN 1000 each and increase the share capital by PLN 138 552 000, i.e. up to PLN 230 343 000.00.

On 1 July 2010, on the basis of the Notarial Deed registered in the Notary Public's register A No. 6040/2010, all new shares were covered with an in-kind contribution in the form of an organised part of the Bank's enterprise operated under the name of the Commercial Property Management Department, including, without limitation, real properties located in Katowice at 50 Chorzowska Street and in Warsaw at 64A Powsińska Street.

In accordance with the Company's Articles of Incorporation, the Company's core activity comprises:

1. the rental and lease of buildings, structures, residential and commercial premises.
2. the management of non-residential properties;
3. the provision of services related, without limitation, to spatial planning and development, car par management and organisation;
4. the performance of building, construction and renovation civil engineering works.

The financial statements were prepared for the period from 1 January to 31 December 2011.

## **2. GOING CONCERN**

The Company's financial statements were prepared on the assumption that the Company would continue its activities during 12 months after the balance-sheet date, i.e. in 2012.

As of the financial statement date, the Company's Directors were not aware of any facts or circumstances that would constitute a threat to the continuation of the Company's activity during 12 months after the balance-sheet date because of any intentional or compulsory discontinuance or substantial limitation of the Company's existing activities.

## **3. ACCOUNTING PRINCIPLES (POLICY), INCLUDING PRINCIPLES FOR THE MEASUREMENT OF ASSETS, LIABILITIES AND EQUITY (INCLUDING DEPRECIATION), PROFIT AND LOSS AND THE PREPARATION OF FINANCIAL STATEMENTS**

### *3.1. Format and basis of the financial statements*

The financial statements were prepared in accordance with the Accounting Act of 29 September 1994 (consolidated text in the Journal of Laws No. 2002.76.684 of 17 June 2001, as amended) ["Accounting Act"].

### *3.2. Intangibles*

Intangibles are recognised if it is probable that they will bring future economic benefits to the Company which are directly attributable to such intangible assets. Initially, intangibles are carried at buying prices or production costs. After their initial recognition, intangibles are carried at a buying price or production cost less amortisation or impairment. Intangibles are depreciated on a straight line basis during a period that corresponds to their estimated useful economic life. The useful life is updated every year.

Expected useful economic life is as follows:

Software	5 years
Other intangibles (licences)	5 years

### *3.3. Fixed assets*

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
Financial Statements for the period from 1 January to 31 December 2011  
Balance Sheet

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Fixed assets are carried at a buying price, production cost or revalued amount less amortisation and impairment.

All costs incurred after a fixed assets is put into operation, like costs of repair, inspections, maintenance, influence profit/loss of a reporting period in which they are paid. If it is, however, possible to prove that additional expenses increased expected future economic benefits from a given fixed assets over originally assumed benefits, they are added to the beginning value of a fixed asset.

The Company does not own land.

Fixed assets, except for computer sets, are depreciated on a straight line basis during a period corresponding to the estimated useful economic life at the following depreciation rates:

Other fixed assets	20%
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Computer sets (KST 491) are subject to degressive depreciation of 60%.

The useful life of fixed assets is verified every year and updated, if necessary.

Fixed assets whose beginning value is small and does not exceed PLN 3 500 are recognised under expenses on a one-off basis.

#### *3.4. Investments in real properties*

Investments in real properties are measured at fair value as of the end of each financial period (see: item 6 of supplementary information and explanatory notes).

Investments in real properties including investments in land, perpetual usufruct right, buildings and structures also include such properties that the Company does not use for its own purposes or uses to a small extent, but which have been bought or produced mainly to earn benefits in the form of the growth of value or income from rental.

Consequences of the measurement of long-term investments in real properties which increase or decrease the beginning value of properties are recognised as income or expenses in the profit and loss account.

A change in fair value is recognised in item D.III if fair value increases or item E.II in the case of impairment.

#### *3.5. Short and long-term receivables*

Receivables are recognised at an amount payable less impairment

Receivables are revalued on the basis of the probability of their repayment through impairment. The Impairment of receivables is recognised respectively under other operating expenses or financial expenses depending on the type of receivables subject to impairment.

Amortised, statute-barred or bad receivables reduce the impairments.

Amortised, statute-barred or bad receivables which have not been subject to impairment or have been subject to partial impairment are recognised respectively under other operating expenses or financial expenses.

#### *3.6. Transactions in foreign currencies*

As of the balance-sheet date, assets and liabilities in currencies other than Polish zloty are translated into Polish zloty at mid-point exchange rate of the National Bank of Poland applicable as of the end of the financial year. Foreign currency translation differences, if any, are recognised respectively under financial income or expenses.

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
Financial Statements for the period from 1 January to 31 December 2011  
Balance Sheet

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Exchange rates used for valuation purposes:

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31 December 2011  
mid-point exchange rate of NBP of 30.12.2011  
Table No. 252/A/NBP/2011

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EURO

EUR 1 = PLN 4.4168

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### 3.7. *Cash and cash equivalents*

Cash in bank and in hand and short-term deposits are recognised at nominal value.

Cash and cash equivalents disclosed in the statement of cash flows comprises cash in hand, cash in bank accounts and bank deposits whose maturity is not longer than 3 months and which are not recognised as investments.

### 3.8. *Prepayments and accruals*

The Company recognised prepaid expenses if they refer to future reporting periods. Accrued expenses are carried at the amount of probable liabilities attributable to the current reporting period.

### 3.9. *Equity*

Equity is recognised at an amount defined in the Articles of Incorporation and disclosed in the National Court Register.

Supplementary capital is recognised in accordance with recommendations specified in the Members' resolutions.

### 3.10. *Deferred income tax*

An income tax provision is established in relation to all temporary differences existing as of the balance-sheet date between the tax value of assets, liabilities and equity and their carrying amount recognised in the books of account at 19%.

Deferred income tax assets are recognised for all negative temporary differences, as well as unused deferred income tax assets and unused tax loss carried forward to the following years at the probable amount of future taxable income which will let use such differences, assets and losses.

The carrying amount of a deferred income tax asset is verified as of each balance-sheet date and is reduced to such an extent to which taxable income sufficient to realise a deferred income tax asset partially or fully is no longer likely to be earned.

Deferred income tax assets and provisions are measured at tax rates which are likely to be in force in the period in which an asset will be realised or a provision will be released based on tax rates (and tax regulations) applicable as of the balance-sheet date.

### 3.11. *Provisions*

Provisions are recognised when the Company has such a legal or customary obligation resulting from past events or it is certain or highly probable that, if such an obligation is fulfilled, the Company will have to spend funds corresponding to economic benefits and if the amount of such an obligation may be reliably estimated.

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The supplementary information is an integral part of the balance sheet.

### *3.12. Impairment of assets*

As of each balance-sheet date, the Company evaluates whether there are any objective evidence for the impairment of an asset or a group of assets. If there is such evidence, the Company defines an estimated recoverable value of the asset and recognises its impairment equal to a difference between a recoverable value and a carrying amount. Impairment loss is recognised in the profit and loss account for the current period under other operating expenses as revaluation of non-financial assets.

### *3.13. Income recognition*

Income is recognised at such an amount at which the Company is likely to earn economic benefits that may be reliably measured.

#### *3.13.1. Service provision*

Income from service provision is recognised proportionally to service completion provided that a degree to which a service is completed can be reliably estimated. If the effects of a transaction connected with service provision cannot be reliably measured, income from service provision is recognised only up to costs incurred thereunder.

The major source of income is the rental of office and commercial premises on the basis of relevant agreements. Income is recorded on the basis of monthly invoices that are issued in advance. A base rent rate is expressed in euro and an invoice net value is defined on the basis of a EUR/PLN exchange rate of the National Bank of Poland that is applicable as of the invoice date.

An additional source of income is the provision of commercial property management at request. Such income is recorded on the basis of monthly invoices that are issued in accordance with contractual terms and conditions.

#### *3.13.2. Sale of materials*

Sales are recognised the moment substantial risks and benefits resulting from property rights to materials or products are transferred to a buyer. Sales comprise amounts paid and payable less VAT.

#### *3.13.3. Interest*

Interest income is recognised the moment interest is charged, unless the receipt of interest is doubtful.

### *3.14. Profit / loss*

Profit or loss is defined in accordance with the Accounting Act, i.e. on an accrual basis, in accordance with prudent valuation principle, going concern principle, and the principle of income and expense matching in a given financial year.

### *3.15. Income tax*

An income tax base (tax loss) is defined on the basis of books of account by eliminating non-taxable income and expenses from the Company's income and expenses and including those

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
Financial Statements for the period from 1 January to 31 December 2011  
Balance Sheet

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income and expenses that have not been recognised in the books and have not been recognised as taxable in the light of the corporate income tax act.

*3.16. International Accounting Standards*

In all matters not provided for by the Accounting Act of 29 September 1994 the Company applies Polish Accounting Standards issued by the Accounting Standards Committee and, if there is no relevant Polish standard, International Accounting Standards.

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
**Financial Statements for the period from 1 January to 31 December 2011**  
**Balance Sheet**

**Assets**

(in PLN)	year ended 31 December 2010	year ended 31 December 2011
<b>A. Fixed assets</b>	<b>131 404 438.98</b>	<b>130.344.430.65</b>
<b>I. Intangibles</b>	<b>235 395.05</b>	<b>192.268.68</b>
1. Cost of completed R&D	-	-
2. Goodwill	-	-
3. Other intangibles	235 395.05	192.268.68
4. Down payments on account of intangibles	-	-
<b>II. Tangible fixed assets</b>	<b>81 831.73</b>	<b>100.208.97</b>
1. Fixed assets	81 831.73	41.811.47
a) land (including perpetual usufruct of land)	-	-
b) buildings, premises and civil engineering structures	-	-
c) plant and machinery	77 725.41	38.601.07
d) means of transport	-	-
e) other fixed assets	4 106.32	3.210.40
2. Fixed assets under construction	-	-
3. Down payments on account of fixed assets under construction	-	58.397.50
<b>III. Long-term receivables</b>	<b>-</b>	<b>-</b>
1. From affiliates	-	-
2. From other entities	-	-
<b>IV. Long-term investments</b>	<b>129 101 620.20</b>	<b>129.900.000.00</b>
1. Real property	129 101 620.20	129.900.000.00
2. Intangibles	-	-
3. Long-term financial assets	-	-
a) in affiliates	-	-
- interests or shares	-	-
- other securities	-	-
- loans granted	-	-
- other long-term financial assets	-	-
b) in other entities	-	-
- interests or shares	-	-
- other securities	-	-
- loans granted	-	-
- other long-term financial assets	-	-
4. Other long-term investments	-	-
<b>V. Long-term prepayments</b>	<b>1 985 592.00</b>	<b>151.953.00</b>
1. Deferred income tax assets	1 985 592.00	151.953.00
2. Other prepaid expenses	-	-
<b>B. Current assets</b>	<b>70 807 720.01</b>	<b>84.317.713.15</b>
<b>I. Inventories</b>	<b>0.00</b>	<b>0.00</b>
1. Materials	-	-
2. Semi-finished products and production in progress	-	-
3. Finished products	-	-
4. Goods	-	-
5. Down payments on account of supplies	-	-
<b>II. Short-term receivables</b>	<b>1 218 301.63</b>	<b>3.164.483.28</b>
1. Receivables from affiliates	721 581.50	1.481.896.22
a) trade receivables:	721 581.50	1.481.896.22
- up to 12 months	721 581.50	1.481.896.22
- above 12 months	-	-
b) other	-	-
2. Receivables from other entities	496 720.13	1.682.587.06
a) trade receivables:	496 720.13	1.090.726.32
- up to 12 months	496 720.13	1.090.726.32
- above 12 months	-	-
b) taxes, donations, social and health insurance and other benefits	-	591.860.74
c) other	-	-
d) claimed at courts	-	-

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
**Financial Statements for the period from 1 January to 31 December 2011**  
**Balance Sheet**

<b>III.</b>	<b>Short-term investments</b>	<b>69 559 832.10</b>	<b>81.152.095.68</b>
1.	Short-term financial assets	69 559 832.10	-
	a) in affiliates	61 783 630.13	-
	- interests or shares	-	-
	- other securities	-	-
	- loans granted	-	-
	- other short-term financial assets	61 783 630.13	-
	b) in other entities	-	-
	- interests or shares	-	-
	- other securities	-	-
	- loans granted	-	-
	- other short-term financial assets	-	-
	c) cash and cash equivalents	7 776 201.97	81.152.095.68
	- cash in hand and bank accounts	6 202 978.59	1 259 673.17
	- other cash	1 573 223.38	79 892 422.51
	- cash equivalents	-	-
2.	Other short-term investments	-	-
<b>IV.</b>	<b>Short-term prepayments</b>	<b>29 586.28</b>	<b>1.134.19</b>
<b>Total assets</b>		<b>202 212 158.99</b>	<b>214.662.143.80</b>

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
**Financial Statements for the period from 1 January to 31 December 2011**  
**Balance Sheet**

**Equity and liabilities**

(in PLN)		year ended 31 December 2010	year ended 31 December 2011
<b>A.</b>	<b>Equity</b>	<b>197 140 643.53</b>	<b>207.550.898.60</b>
I.	Share capital	230 343 000.00	230 343 000.00
II.	Called-up share capital (negative value)	-	-
III.	Own interests (shares) (negative value)	-	-
IV.	Supplementary capital	87 526.12	87 526.12
V.	Revaluation reserve	-	-
VI.	Other reserves	-	-
VII.	Profit (loss) of previous years	-32 107 240.08	-33.289.882.59
VIII.	Net profit (loss)	-1 182 642.51	10.410.255.07
IX.	Net profit deductions during the financial year (negative value)	-	-
<b>B.</b>	<b>Payables and provisions for payables</b>	<b>5 071 515.46</b>	<b>7.111.245.20</b>
I.	Provisions for payables	1 085 763.27	1.537.767.22
1.	Deferred income tax provision	958 325.00	1.367.185.00
2.	Provision for pension and similar benefits	119 438.27	155.902.22
	- long-term	2 346.00	4.064.00
	- short-term	117 092.27	151.838.22
3.	Other provisions	8 000.00	14.680.00
	- long-term	-	-
	- short-term	8 000.00	14.680.00
II.	Long-term payables	0.00	0.00
1.	To affiliates	-	-
2.	To other entities	-	-
	a) loans and advances	-	-
	b) issue of debt securities	-	-
	c) other financial commitments	-	-
	d) other	-	-
III.	Short-term payables	3 122 361.74	5.573.477.98
1.	To affiliates	133 779.65	262.531.46
	a) trade payables:	133 779.65	262.531.46
	- up to 12 months	133 779.65	262.531.46
	- above 12 months	-	-
	b) other	-	-
2.	To other entities	2 988 582.09	5.310.946.52
	a) loans and advances	-	-
	b) issue of debt securities	-	-
	c) other financial commitments	-	-
	d) trade payables:	1 114 996.33	3.528.895.07
	- up to 12 months	1 114 996.33	3.528.895.07
	- above 12 months	-	-
	e) down payments received on account of supplies	-	-
	f) promissory notes	-	-
	g) taxes, customs, insurance and other benefits	300 168.72	173.888.48
	h) wages and salaries	1 902.66	2.074.71
	i) other	1 571 514.38	1.606.088.26
3.	Special funds	-	-
IV.	Accruals	863 390.45	0.00
1.	Badwill	-	-
2.	Other accrued expenses	863 390.45	-
	- long-term	-	-
	- short-term	863 390.45	-
<b>Total equity and liabilities</b>		<b>202 212 158.99</b>	<b>214.662.143.80</b>

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
 Financial Statement for the period from 1 January to 31 December 2011  
 Profit and Loss Account

**Single-step format**

	(in PLN)	year ended 31 December 2010	year ended 31 December 2011
<b>A.</b>	<b>Net sales and sales equivalents, including:</b>	<b>14 663 575.75</b>	<b>26.002.648.40</b>
	- from affiliates	4 586 993.69	6.599.855.91
I.	Net sales of products	14 347 097.82	25.810.795.93
II.	Change in products (increase: positive value, decrease: negative value)	-	-
III.	Cost to manufacture own goods for the Company's own purposes	-	-
IV.	Net sales of goods and materials	316 477.93	191.852.47
<b>B.</b>	<b>Operating expenses</b>	<b>8 715 141.72</b>	<b>14.230.042.07</b>
I.	Depreciation	38 494.50	104.949.12
II.	Material and power consumption	1 341 027.85	2.623.223.10
III.	Outsourcing	5 242 255.14	8.014.694.83
IV.	Taxes and charges, including:	401 749.22	1.280.829.90
	- excise tax	-	-
V.	Wages and salaries	1 056 780.28	1.344.664.57
VI.	Social insurance and other benefits	176 597.77	225.766.50
VII.	Other cost by nature	141 759.03	444.061.58
VIII.	Goods and materials sold	316 477.93	191.852.47
<b>C.</b>	<b>Profit (loss) from sale (A-B)</b>	<b>5 948 434.03</b>	<b>11.772.606.33</b>
<b>D.</b>	<b>Other operating income</b>	<b>1 405 423.15</b>	<b>344.603.39</b>
I.	Profit from sale of non-financial fixed assets	-	-
II.	Subsidies	-	-
III.	Other operating income	1 405 423.15	344.603.39
<b>E.</b>	<b>Other operating expenses</b>	<b>11 699 429.24</b>	<b>1.917.160.98</b>
I.	Loss from sale of non-financial fixed assets	-	-
II.	Revaluation of non-financial fixed assets	11 692 871.57	1.917.052.48
III.	Other operating expenses	6 557.67	108.50
<b>F.</b>	<b>Profit (loss) from operating activities (C+D-E)</b>	<b>-4 345 572.06</b>	<b>10.200.048.74</b>
<b>G.</b>	<b>Financial income</b>	<b>2 540 393.87</b>	<b>3.022.455.61</b>
I.	Dividends and profit sharing, including:	-	-
	- from affiliates	-	-
II.	Interest, including:	2 540 393.87	3.018.971.27
	- from affiliates	2 540 287.41	3.018.971.27
III.	Profit from divestments	-	-
IV.	Revaluation of investments	-	-
V.	Other	-	3.484.34
<b>H.</b>	<b>Financial expenses</b>	<b>899.32</b>	<b>262.805.28</b>
I.	Interest, including:	105.59	235.28
	- to affiliates	-	-
II.	Loss from divestments	-	-
III.	Revaluation of investments	-	-
IV.	Other	793.73	262.570.00
<b>I.</b>	<b>Profit (loss) from business activity (F+G-H)</b>	<b>-1 806 077.51</b>	<b>12.959.699.07</b>
<b>J.</b>	<b>Extraordinary gains and losses (J.I.-J.II.)</b>	<b>0.00</b>	<b>0.00</b>
I.	Extraordinary gains	-	-
II.	Extraordinary losses	-	-
<b>K.</b>	<b>Profit (loss) before tax (±J)</b>	<b>-1 806 077.51</b>	<b>12.959.699.07</b>
<b>L.</b>	<b>Income tax</b>	<b>-623 435.00</b>	<b>2.549.444.00</b>
1.	Current tax	-	306.945.00
2.	Deferred tax	-623 435.00	2.242.499.00
<b>M.</b>	<b>Other mandatory profit deductions (loss increase)</b>	<b>-</b>	<b>-</b>
<b>N.</b>	<b>Profit (loss) after tax (K-L-M)</b>	<b>-1 182 642.51</b>	<b>10.410.255.07</b>

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

The supplementary information is an integral part of the profit and loss account.

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
**Financial Statements for the period from 1 January to 31 December 2011**  
**Statement of Changes in Equity**

	(in PLN)	year ended 31 December 2010	year ended 31 December 2011
<b>I.</b>	<b>Equity as of the period beginning (OB)</b>	<b>59 771 286.04</b>	<b>197 140 643.53</b>
	- correction of basic errors	-	-
<b>I.a.</b>	<b>Equity as of the period beginning (OB) after corrections</b>	<b>59 771 286.04</b>	<b>197 140 643.53</b>
1.	Share capital as of the period beginning	91 791 000.00	230.343.000.00
1.1.	Change in share capital	138 552 000.00	-
	increase	138 552 000.00	-
	decrease (amount carried forward from share capital after the closure of liquidation)	-	-
1.2.	Share capital as of the period end	230 343 000.00	230 343 000.00
2.	Called up share capital as of the period beginning	-	-
2.1.	Change in called up share capital	-	-
2.2.	Called up share capital as of the period end	-	-
3.	Own interests (shares) as of the period beginning	-	-
3.1.	Own interests (shares) as of the period end	-	-
4.	Supplementary capital as of the period beginning	87 526.12	87 526.12
4.1.	Change in supplementary capital	-	-
	a) increase (amount carried forward from share capital after the closure of liquidation)	-	-
	b) decrease	-	-
4.2.	Supplementary capital as of the period end	87 526.12	87 526.12
5.	Revaluation reserve as of the period beginning	-	-
5.1.	Change in revaluation reserve	-	-
	a) increase	-	-
	- revaluation of investment properties	-	-
	- release of deferred income tax provision as a result of drop of real property value	-	-
	b) decrease	-	-
	- revaluation of investment properties	-	-
	- establishment of deferred income tax provision as a result of the growth of real property value	-	-
5.2.	Revaluation reserve as of the period end	-	-
6.	Other reserves as of the period beginning	-	-
6.1.	Change in other reserves	-	-
6.2.	Other reserves as of the period end	-	-
7.	Profit (loss) of previous years as of the period beginning	-32 107 240.08	-33.289.882.59
7.1.	Profit of previous years as of the period beginning	2 948 121.82	-
-	Correction of basic errors	-	-
7.2.	Profit of previous years as of the period beginning, after correction	2 948 121.82	-
	a) increase	-	-
	b) decrease	2 948 121.82	-
7.3.	Profit of previous years as of the period end	-	-
7.4.	Loss of previous years as of the period beginning,	-35 055 361.90	-32 107 240.08
	- correction of basic errors	-	-
7.5.	Loss of previous years as of the period beginning after corrections	-35 055 361.90	-32 107 240.08
	a) increase	-35 055 361.90	-1 182 642.51
	- loss carried forward from previous years to be covered	-35 055 361.90	-1 182 642.51
	b) decrease	2 948 121.82	-
	- profit carried forward	2 948 121.82	-
7.6.	Loss of previous years as of the period end	-32 107 240.08	-33.289.882.59
7.7.	Profit (loss) of previous years as of the period end	-32 107 240.08	-33.289.882.59
8.	Net profit (loss)	-1 182 642.51	10.410.255.07
	a) net profit	-	-
	b) net loss	-1 182 642.51	10.410.255.07
	c) profit deductions	-	-
<b>II.</b>	<b>Equity as of the period end (CB)</b>	<b>197 140 643.53</b>	<b>207.550.898.60</b>
<b>III.</b>	<b>Equity including suggested profit distribution (loss coverage)</b>	<b>197 140 643.53</b>	<b>207.550.898.60</b>

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
**Financial Statements for the period from 1 January to 31 December 2011**  
**Statement of Cash Flows (indirect method)**

**Statement of Cash Flows (indirect method)**

(in PLN)	year ended 31 December 2010	year ended 31 December 2011
<b>A. Cash flows from operating activities</b>		
<b>I Net profit (loss)</b>	<b>-1 182 642.51</b>	<b>10.410.255.07</b>
<b>II Total corrections</b>	<b>10 407 088.93</b>	<b>1.524.778.50</b>
1. Depreciation	38 494.50	104.949.12
2. Foreign currency translation gains (losses)	-	-
3. Interest and profit sharing (dividends)	-1 696 150.68	-
4. Profit (loss) from investing activities	9 445 900.18	-535.809.80
5. Change in provisions	785 267.27	452.003.95
6. Change in inventories	-	-
7. Change in receivables	-489 217.32	-1.946.181.65
8. Change in short-term payables, excluding loans and advances	2 767 314.88	2.451.116.24
9. Change in prepayments and accruals	-444 519.90	998.700.64
10. Other corrections	-	-
<b>III Net cash flows from operating activities (I+II)</b>	<b>9 224 446.42</b>	<b>11.935.033.57</b>
<b>B. Cash flows from investing activities</b>		
<b>I Inflows</b>	<b>484 520.55</b>	<b>61.783.630.13</b>
1. Sale of intangibles and tangible fixed assets	-	-
2. Sale of investments in real properties and intangibles	-	-
3. Financial assets, including:	484 520.55	61.783.630.13
a) in affiliates	484 520.55	61.783.630.13
- interest	484 520.55	61.783.630.13
b) in other entities	-	-
- sale of fixed assets	-	-
- dividends and profit sharing	-	-
- repayment of long-term loans granted	-	-
- interest	-	-
- other inflows from financial assets	-	-
4. Other investment inflows	-	-
<b>II Outflows</b>	<b>14 167 635.41</b>	<b>-80.199.99</b>
1. Purchase of intangibles and tangible fixed assets	167 635.41	80.199.99
2. Investments in real properties and intangibles	-	-
3. Financial assets, including:	14 000 000.00	-
a) in affiliates	14 000 000.00	-
b) in other entities	-	-
- purchase of financial assets	-	-
- long-term loans granted	-	-
4. Other investment outflows	-	-
<b>III Net cash flows from investing activities (I-II)</b>	<b>-13 683 114.86</b>	<b>61.703.430.14</b>
<b>C. Cash flows from financing activities</b>		
<b>I Inflows</b>	<b>0.00</b>	<b>2.310.00</b>
1. Net inflows from issue of interests (shares) and other capital instruments and contributions	-	-
2. Loans and advances	-	-
3. Issue of debt securities	-	-
4. Other financial inflows	-	2.310.00
<b>II Outflows</b>	<b>-</b>	<b>264.880.00</b>
1. Purchase of own interests (shares)	-	-
2. Dividends and other payments to owners	-	-
3. Expenses related to profit sharing, other than payments to owners	-	-
4. Repayment of loans and advances	-	-
5. Repurchase of debt securities	-	-
6. Other financial commitments	-	-
7. Payments under financial lease	-	-
8. Interest	-	-
9. Other financial expenses	-	264.880.00
<b>III Net cash flows from financing activities (I-II)</b>	<b>-</b>	<b>-262.570.00</b>
<b>D. Total net cash flows (A.III +/- B.III +/- C.III)</b>	<b>-4 458 668.44</b>	<b>73.375.893.71</b>
<b>E. Balance-sheet change in cash, including</b>	<b>-4 458 668.44</b>	<b>73.375.893.71</b>
- change in cash caused by foreign exchange rate changes	-	-
<b>F. Cash as of the period beginning</b>	<b>12 234 870.41</b>	<b>7.776.201.97</b>
<b>G. Cash as of the period end (F+/-D), including</b>	<b>7 776 201.97</b>	<b>81.152.095.68</b>
- cash subject to limited disposal	-	-

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company

## B. Supplementary Information and Explanatory Notes

### 1. SIGNIFICANT EVENTS RELATED TO PREVIOUS YEARS AND DISCLOSED IN THE FINANCIAL STATEMENTS OF THE FINANCIAL YEAR

Till the preparation of the 2011 financial statements, no events related to previous years which had not been, although should have been, disclosed in the books of account of the financial period took place.

### 2. SIGNIFICANT EVENTS THAT TOOK AFTER THE BALANCE-SHEET DATE AND WERE NOT DISCLOSED IN THE FINANCIAL STATEMENTS

Till the preparation of the financial statements of the financial year, no events which had not, although should have been, disclosed in the books of account of the financial year took place.

### 3. CHANGES IN ACCOUNTING PRINCIPLES (POLICY) IN THE FINANCIAL YEAR

Starting its operating activities on 1 July 2009, the company implemented its accounting policy and principles on the basis of the Regulation No. 3/2009.

In 2011, the Company changed its accounting principles (policy) (Regulation No. 7/2011 of 30 November 2011). Changes related to the update of regulations on software used to keep the books: SAP BO upgrade to ver. 8.81. In addition, the Company updated the list of accounts in the General Ledger and operating principles for certain accounts (including, without limitation, 221.222.251.301.302.305). Art. 4.4 on inventory deadlines, terms and conditions was added.

### 4. INTANGIBLES

As of the balance-sheet date, under "Other intangibles: licences", the Company recognised PLN 192 268.68, which comprises SAP Business One Professional licences that were put into operation in 2011, a licence for the operation of an access control system in the building at 50 Chorzowska Street, and a licence for the operation of the SAP HR system. The value of the licence comprises licence buying and system implementation costs.

In 2011, the Company started using SAP HR licences of PLN 7 840.00, Autokad licences of PLN 3 850.00, and Windows 7 licence of PLN 987.00.

(in PLN)	Cost of completed R&D	Goodwill	Other intangibles	Down payments on account of intangibles	Total
<u>Beginning value</u>					
Opening balance	-	-	273 516.25	-	273 516.25
Increase, including:	-	-	12 667.00	-	12 667.00
Purchase	-	-	12 667.00	-	12 667.00
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Decrease, including:	-	-	-	-	-
Revaluation	-	-	-	-	-
Other	-	-	-	-	-

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
 Financial Statements for the Year Ended 31 December 2011  
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Closing balance	-	-	286 193.25	-	286 193.25
<u>Amortisation</u>					
Opening balance, including:	-	-	38 121.20	-	38 121.20
impairments	-	-	-	-	-
Increase, including:	-	-	55 803.37	-	55 803.37
Depreciation	-	-	55 803.37	-	55 803.37
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Decrease, including:	-	-	-	-	-
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Closing balance, including:	-	-	93 924.57	-	93 924.57
Revaluation	-	-	-	-	-
<u>Net value</u>					
Opening balance	-	-	235 395.05	-	235 395.05
Closing balance	-	-	192 268.68	-	192 268.68

## 5. TANGIBLE FIXED ASSETS

Fixed assets owned by the Company as of 31 December 2011 comprise office equipment (server), IT office equipment and fittings of the building at 64a Powsińska Street under the group entitled "Other".

In 2011, the Company bought IT office equipment of PLN 9 125.49.

As of 31 December 2011, the Company did not hold any fixed assets used under financial lease, rental or other similar agreements.

The Company does not have any liabilities towards the State budget or local government units on account of ownership rights to buildings or structures.

(in PLN)	Plant and machinery	Other fixed assets	Total
<u>Beginning value</u>			
Opening balance	77 725.41	4 479.62	82 205.03
Increase, including:	9 125.49	-	9 125.49
Purchase	9 125.49	-	9 125.49
Revaluation	-	-	-
Other (ZCP in-kind contribution)	-	-	-
Transfers	-	-	-
Decrease, including:	-	-	-
Revaluation	-	-	-
Other	-	-	-
Sale	-	-	-
Closing balance	86 850.90	4 479.62	91 330.52
<u>Amortisation</u>			
Opening balance, including:	-	373.30	373.30
Impairments	-	-	-
Increase, including:	48 249.83	895.92	49 145.75
Depreciation	48 249.83	895.92	49 145.75
Revaluation	-	-	-
Other	-	-	-
Transfers	-	-	-
Decrease, including:	-	-	-
Revaluation	-	-	-
Reclassification of fixed assets into long-term investments	-	-	-

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
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Closing balance, including:	<b>48 249.83</b>	<b>1 269.22</b>	<b>49 519.05</b>
Impairments	-	-	-
<b>Net value</b>			
Opening balance	<b>77 725.41</b>	<b>4 106.32</b>	<b>81 831.73</b>
Closing balance	<b>38 601.07</b>	<b>3 210.40</b>	<b>41 811.47</b>

## 6. INVESTMENTS

### *Long-term investments*

In accordance with the Accounting Act (Art. 3.1.17), investments comprise assets bought to earn economic benefits resulting from:

- the growth of the value of such assets,
- interest (e.g. on deposits),
- dividends (e.g. from shares or interests in other business entities),
- other benefits (e.g. from rental or lease),
- profit from commercial transactions (e.g. sale of land at a price higher than a buying price).

The Company owns commercial properties (office buildings) that are used for rental, thus, in the Company's opinion, its income from rental must be recognised under other benefits from own buildings.

Based on the Accounting Act (Art. 4.2), business events must be recorded in the books of account and disclosed in the financial statements in accordance with their economic content in accordance with solutions permitted by the Act and adjusted to the Company's needs. Therefore all operations that are important to assess the Company's assets, financial position and performance must be separated in the books of account in accordance with the prudence principle (Art. 8.1). The Company decided that its core business activity, i.e. services consisting in the rental of commercial premises in the Company's own real properties specified in the Company's Articles of Incorporation, the Regon certificate, as well as the court register as core activity, should not influence the manner how such real properties are recognised. Real properties were classified as investments on the basis of a statutory definition and the economic content of the whole transaction.

While, in accordance with § 5 of IAS 40, investment property is property (land, building or both land and building) held by the owner to earn rentals or for capital appreciation or both.

Based on § 10 of IAS 40, which recommends to recognise a building as long-term investment event if an insignificant part of property is occupied, for example, for administration purposes of the Company, the Company decided that its use of a part of the building at 50 Chorzowska Street for the Company's own purposes (including, without limitation, building administration and management and own offices) may not influence the classification of the building as investment.

For such a reason, the Company decided that properties it owns met the criteria for investments and they were measured and accounted for as such in the 2011 statements.

If buildings owned by the Company are accounted for as investment property, they are measured at fair value in accordance with the Accounting Act and International Accounting Standards.

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Fair value of properties as of 31 December 2011 was accepted by the Directors and recognised in the books on the basis of the valuation made at the Company's request by Contract Consulting Sp. z o.o. with its registered office in Kraków.

The valuation assumed that individual buildings at 64a Powsińska Street in Warsaw and 50 Chorzowska Street in Katowice would be measured separately.

The valuation was based on the following parameters:

- the level of rental in the following years both for the building at Powsińska Street and the building at Chorzowska Street was estimated on the basis of currently applicable rental agreements and current information about progress of negotiations with potential tenants;
- estimations related to future agreements take into account the most real (in the opinion of experts) level of square meter rates, administration and maintenance costs (including necessary expenses for renovations and repairs);
- a discount rate based on the character and risk of investment was defined.

Summing up, the statements prepared as of 31 December 2011 assumed that the Company owned investment properties of PLN 129 900 000.00 net in total.

The following table presents more details:

Investment properties	Year ended 31 December 2011	
64A Powsińska Street in Warsaw	PLN	<b>11 195 000.00</b>
50 Chorzowska Street in Katowice	PLN	<b>118 705 000.00</b>

The following table presents detailed changes in the value of properties owned by the Company:

(in PLN)	Properties	<i>including</i> :	<i>Building at 64A Powsińska Street in Warsaw</i>	<i>Building at 50 Chorzowska Street in Katowice</i>	Total
Opening balance, including:	<b>129 101 620.20</b>		<b>10 915 000.00</b>	<b>118 186 620.20</b>	<b>129 101 620.20</b>
Gross value	140 399 000.00		10 732 000.00	129 667 000.00	140 399 000.00
At fair value	<b>-11 297 379.80</b>		<b>183 000.00</b>	<b>-11 480 379.80</b>	<b>-11 297 379.80</b>
Increase, including:	<b>2 567 174.53</b>		<b>280.000.00</b>	<b>2 287 174.53</b>	<b>2 567 174.53</b>
Purchase	2 287 174.53		-	2 287 174.53	2 287 174.53
Revaluation	280.000.00		280.000.00	-	280.000.00
Share in profit (loss) of affiliates	-		-	-	-
Other (ZCP in-kind contribution)	-		-	-	-
Transfers	-		-	-	-
Decrease, including:	<b>1 768 794.73</b>		-	<b>1 768 794.73</b>	<b>1 768 794.73</b>
Sale	-		-	-	-
Revaluation	1 768 794.73		-	1 768 794.73	1 768 794.73
Share in profit (loss) of affiliates	-		-	-	-
Other	-		-	-	-
Closing balance, including:	<b>129.900.000.00</b>		<b>11.195.000.00</b>	<b>118.705.000.00</b>	<b>129.900.000.00</b>
Gross value	140.698.462.77		10 732 000.00	129.966.462.77	140.698.462.77
At fair value	<b>-10.798.462.77</b>		<b>463.000.00</b>	<b>-11.261.462.77</b>	<b>-10.798.462.77</b>

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As of the balance-sheet date, in comparison to the previous year, the Company did not recognise any short-term investments in affiliates.

Given the maturities of deposits, they are recognised under cash and cash equivalents.

The following table presents more details:

(in PLN)	31 December 2010	31 December 2011
Long-term investments (deposit)	-	-
Total long-term investments	-	-
Short-term investments (deposit)	32 602 479.45	-
Short-term investments (deposit)	29 181 150.68	-
Total short-term investments	<b>61 783 630.13</b>	-
Total investments	<b>61 783 630.13</b>	-

## 7. PREPAYMENTS

As of the balance-sheet date, the Company recognised PLN 151 953.00 as long-term prepayments and PLN 1 134.19 as short-term prepayments.

The following table presents more details:

(in PLN)	31 December 2010	31 December 2011
Deferred income tax assets	<b>1 985 592.00</b>	<b>151 953.00</b>
Long-term prepayments	<b>1 985 592.00</b>	<b>151 953.00</b>
Subscription of magazines	2 294.79	1 134.19
VAT input to be settled in future periods	27 261.69	-
Overpaid real estate tax	29.80	-
Total short-term prepayments	<b>29 586.28</b>	<b>1 134.19</b>
Total prepayments	<b>2 015 178.28</b>	<b>153 087.19</b>

The Company recorded a deferred income tax asset on PLN 799 752.02 of payable in the following tax years.

The asset was measured at a 19% tax rate.

## 8. EQUITY

As of the balance-sheet date, the ownership structure of Company's share capital was as follows:

	Number of shares	Number of votes	Nominal value of shares	Share in the share capital
ING Bank Śląski SA	230 343	100%	230 343 000.00	100%
Total	<b>230 343</b>	<b>100%</b>	<b>230 343 000.00</b>	<b>100%</b>

Centrum Banku Śląskiego Sp. z o.o. considers the Group of ING Bank Śląski as its parent company.

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## 9. PROVISIONS

In the financial year, the Company's provisions changed as follows:

(in PLN)	Provision for pension and similar benefits	Provision for current expenses	Deferred income tax provision	Provision for annual leave	Total
As of 1 January 2011	<b>2 346.00</b>	<b>97 100.00</b>	<b>958 325.00</b>	<b>27 992.27</b>	<b>1 085 763.27</b>
Increase	<b>1 718.00</b>	<b>61 630.00</b>	<b>408 860.00</b>	-	<b>472 208.00</b>
including increase in:					
- profit (loss)	1 718.00	61 630.00	408 860.00	-	472 208.00
- revaluation reserve	-	-	-		
Decrease	-	-	-	<b>20 204.05</b>	<b>20204.05</b>
including deductions to:					
- profit (loss)	-	-	-	20 204.05	20 204.05
- revaluation reserve	-	-	-		-
As of 31 December 2011,					
including:	<b>4 064.00</b>	<b>158 730.00</b>	<b>1 367 185.00</b>	<b>7 788.22</b>	<b>1 537 767.22</b>
long-term	<b>4 064.00</b>	-	-	-	<b>4 064.00</b>
short-term	-	<b>158 730.00</b>	<b>1 367 185.00</b>	<b>7 788.22</b>	<b>1 533 703.22</b>

The Company established a deferred income tax provision for PLN 286 334.25 of unpaid bank deposit interest and for PLN 6 909 378.42 of a positive difference between the carrying amount and tax value of assets (investment properties).

The provision was established only for interest disclosed in the profit and loss account of the current period at the tax rate of 19%.

Provision for pension benefits was established on the basis of the report on the actuarial measurement of provisions for employee benefits prepared as of 31 December 2011 for the purpose of the Group of ING Bank Śląski SA.

## 10. IMPAIRMENT OF RECEIVABLES

In the current year, the Company impaired receivables by PLN 102 996.84, i.e. receivables related to cases subject to court litigation because those receivables were considered bad debt and doubtful receivables.

(in PLN)	Impairment of long-term receivables	Impairment of short-term receivables
As of 1 January 2011	-	<b>212 491.77</b>
Increase	-	<b>117 996.84</b>
Decrease	-	<b>15 000.00</b>
As of 31 December 2011	-	<b>315 488.61</b>

## 11. LONG-TERM PAYABLES

As of 31 December 2011, the Company did not have long-term payables.

## 12. PROFIT DISTRIBUTION/LOSS COVERAGE

Based on Members' resolutions of previous years, the Company's Directors suggest that the profit of the financial year should be allocated to cover the losses of previous years.

## 13. ACCRUALS

As of 31 December 2011, the Company recorded the following accruals

(in PLN)	31 December 2010	31 December 2011
	-	
Deferred income	<b>863 390.45</b>	-
including:		
prepayment on account of rent for the first quarter of 2011	863 390.45	-
Total short-term accruals	<b>863 390.45</b>	-
Total accruals	<b>863 390.45</b>	-

## 14. PAYABLES SECURED WITH THE COMPANY'S ASSETS

As of 31 December 2011, the Company did not have any payables secured with its assets.

## 15. CONTINGENT LIABILITIES, INCLUDING GUARANTEES, SURETIES AND PROMISSORY NOTES GRANTED BY THE COMPANY

As of 31 December 2011, the Company did not have any contingent liabilities, including guarantees, sureties or promissory notes granted to other entities, except for two VISA Business Charge credit cards of ING Bank Śląski SA, each secured with voluntary submission to debt collection proceedings under the Civil Code up to PLN 10 000 per card, i.e. PLN 20 000 in total.

## 16. OFF-BALANCE SHEET LIABILITIES

As of 31 December 2011, the Company did not have off-balance sheet liabilities.

## 17. SALES BY ACTIVITY TYPE AND TERRITORY

In the financial year, sales by activity type were as follows:

Activity type (in PLN)	Year ended 31 December 2010	Year ended 31 December 2011
1. Property administration and management services	2 680 494.69	2 637 611.96
2. Other services related to ING building operation	1 160 726.39	1 902 671.10
3. Rental (45 Malczewskiego Street in Warsaw)	788 624.29	758 825.15
4. Services for tenants at 50 Chorzowska Street in Katowice	172 994.06	723 744.76
5. Telephone services	405 559.19	228 783.11
6. Resale of building operating materials	316 477.93	191 852.47
7. Rental of premises at 50 Chorzowska Street	8 212 193.05	17 108 428.88
8. Rental of premises at 64A Powsińska Street	589 971.12	1 079 478.04
9. Sale of utilities to tenants	336 535.03	605 298.69
10. Renovation works for affiliates	-	766 464.24
Total net sales	<b>14 663 575.75</b>	<b>26 002 648.40</b>

Total sales in 2011 were generated in the domestic market.

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## 18. IMPAIRMENT OF FIXED ASSETS

In the current financial year, the Company did not recognise any impairment.

## 19. IMPAIRMENT OF INVENTORIES

As of the balance-sheet date, the Company did not own any inventories of materials and goods, therefore it did not recognise any impairment thereof.

## 20. OTHER FINANCIAL INCOME AND EXPENSES

(in PLN)	Year ended 31 December 2010	Year ended 31 December 2011
Other financial income	106.46	3.484.34
Interest obtained from business partners	106.46	-
Foreign currency translation loss resulting from the carrying amount of cash	-	5.717.00
Foreign currency translation gains, realised	-	-8.822.01
Other	-	379.33
Other financial expenses	793.73	262.570.00
Foreign currency translation loss resulting from the carrying amount of cash	1 640.87	-
Foreign currency translation gains	-847.14	-
Positive settlement of forwards (hedging)	-	2.310.00
Negative settlement of forwards (hedging)	-	264.880.00

## 21. INCOME, EXPENSES, PROFIT AND LOSS OF ACTIVITIES DISCONTINUED IN THE FINANCIAL YEAR OR TO BE DISCONTINUED NEXT YEAR

In the period from 1 January to 31 December 2011, the Company carried out and did not discontinue its commercial property management activity at request of other entities and continued the rental of office and commercial facilities.

## 22. EXTRAORDINARY GAINS AND LOSSES

In the period from 1 January to 31 December 2011 and in the previous year, the Company did not record any extraordinary gains or losses.

## 23. INCOME TAX

Reconciliation of profit (loss) before tax with a tax base:

(in PLN)	Character of differences (permanent/temporary)	Year ended 31 December 2010	Year ended 31 December 2011
Profit (loss) before tax		<b>-1 806 077.51</b>	<b>12 959 699.07</b>
Social insurance premiums related to the previous year and paid in the current year	temporary	6 766.74	413.95

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Tax depreciation		1 799 153.82	4 249 869.22
Balance-sheet depreciation (excluded)		-38 494.50	-104 949.12
Income from interest received on the deposit that matured on 11.04.2010, not recognised in the account 750-01 in 2010	permanent	484 520.55	-
Income from interest received on the deposit that matured on 11.04.2011, not recognised in the account 750-01 in 2011	permanent	-	2 783 630.13
Income recognised as taxable income		<b>31 400.00</b>	<b>20 340.00</b>
- free services to the Company	permanent	31 400.00	20 340.00
Income not recognised as taxable income		<b>3 102 149.81</b>	<b>574 674.04</b>
- badwill from ZCP in-kind contribution	permanent	1 222 151.99	-
- unpaid deposit interest	temporary	1 696 150.68	286 334.25
- carrying amount of cash (positive)	temporary	847.14	8 339.79
- carrying amount of properties (positive)	temporary	183 000.00	280 000.00
Non-deductible expenses		<b>12 345 872.04</b>	<b>984 364.40</b>
- fittings and small-value fixed assets under ZCP in-kind contribution	permanent	66 835.26	-
- lease of a passenger car and fuel	permanent	9 083.23	25 006.68
- carrying amount of cash (negative)	temporary	1 226.47	-
- carrying amount of properties (negative)	temporary	11 480 379.80	-
- adaptation work at investment property (ST)	permanent	427 294.62	8 890.32
- impairment of receivables	temporary	212 491.77	148 257.75
- entertainment costs	permanent	12 965.67	5 527.63
- unpaid wages, salaries and social insurance premiums	temporary	413.95	-
- other expenses	permanent	50.00	-
- budgetary interest	permanent	22.00	20.99
- provision for expenses of a given period	temporary	125 622.27	789 617.80
- non-deductible VAT	permanent	9 487.00	7 043.23
Income tax base		<b>6 168 139.21</b>	<b>11 938 546.18</b>
Tax rate		19%	19%
Tax loss of previous years, settled in the current year		<b>6 168 139.21</b>	<b>10 323 046.58</b>
Income tax (current liability)		-	<b>306 944.92</b>
Change in deferred income tax provision/assets		<b>-623 435.00</b>	<b>2 242 499.00</b>
Total income tax		<b>-623 435.00</b>	<b>2 549 444.00</b>

Total tax loss of 2007 which was settled in the tax year from 1 January to 31 December 2011 was PLN 10 323 046.86.

Deferred income tax provisions/assets comprise the following differences:

(in PLN)	31 December 2010	31 December 2011
Deferred income tax provision		
- deposit interest unpaid as of 31 December recognised in the profit and loss account of a given year	528 889.73	54.403.51
- positive difference between tax value and carrying amount of assets (investment properties)	429 435.29	1.312.781.90
Total deferred income tax provision	<b>958 325.01</b>	<b>1.367.185.00</b>
Deferred income tax assets		
- unsettled tax loss of 01-11.2007	1 961 378.90	-
- other expenses of the current year to be settled in the following years	24 213.27	151.953.00
Total deferred income tax assets	<b>1 985 592.17</b>	<b>151.953.00</b>

In 2011, the Company recorded deferred income tax assets for a temporary difference between the carrying amount and tax value of investment properties.

The temporary difference between the carrying amount and tax value of the building at 64 Powsińska Street results from the fact that the fair value of the building as of 31 December 2011,

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as recognised in the Company's books, is bigger than the net tax value of the building as of the same day by PLN 10 919 468.21.

While, the fair value of the building at 50 Chorzowska Street is smaller than its tax value by PLN 4 010 089.79.

The net tax value of properties as of the balance-sheet date is PLN 121 990 621.58, including (in PLN):

- the building at 64 Powsińska Street	275 531.79
- the building at 50 Chorzowska Street	122 715 089.79

In addition, the deferred income tax provision was influenced by income generated from deposits opened in 2011.

The asset was established on the basis of provisions for costs of 2011 that were not recorded in the books till the balance-sheet date.

#### **24. STRUCTURE OF CASH IN THE STATEMENT OF CASH FLOWS**

(in PLN)	31 December 2010	31 December 2011
Cash in bank accounts	<b>66 769 292.57</b>	<b>81 147 662.87</b>
- current accounts	7 769 292.57	2 861 328.61
- deposits up to 1 year	59 000 000.00	78 286 334.25
Cash in hand	<b>6 909.40</b>	<b>4 432.81</b>
<b>Total cash</b>	<b>66 776 201.97</b>	<b>81 152 095.68</b>

As of the balance-sheet date, the Company recognised PLN 81 152 095.68 under cash and cash equivalents, including PLN 78 286 334.25 of deposits of the nominal value of PLN 78 000 000.00 and interest accrued till the balance-sheet date of PLN 286 334.25. The deposits mature on 01.03.2012 (PLN 162 134.25) and on 05.03.2012 (PLN 124 200.00). In addition, this item also includes deposits of PLN 1 606 088.25, which were paid by tenants to secure their rental agreements.

#### **25. REASONS FOR DIFFERENCES BETWEEN BALANCE-SHEET CHANGES IN CERTAIN ITEMS AND CHANGES RESULTING FROM THE STATEMENT OF CASH FLOWS**

There are no such differences.

#### **26. AVERAGE HEADCOUNT BY PROFESSIONAL GROUP**

Group of employees	Year ended 31 December 2010	Year ended 31 December 2011
Board of Directors	1	1
Management staff	1	1
Advisors	-	-
Other white-collars	9	9
Technical staff	7	7
<b>Total headcount</b>	<b>18</b>	<b>18</b>

**27. REMUNERATION, INCLUDING PROFIT SHARING, PAID OR DUE TO MEMBERS OF MANAGEMENT AND SUPERVISORY AUTHORITIES**

Remuneration (in PLN)	Year ended 31 December 2010	Year ended 31 December 2011
Directors	132 000.00	144 050.00
Supervisory Board	-	-
<b>Total remuneration</b>	<b>132 000.00</b>	<b>144 050.00</b>

**28. LOANS AND SIMILAR BENEFITS GRANTED TO MEMBERS OF MANAGEMENT AND SUPERVISORY AUTHORITIES**

The Company did not make any transactions with members of its management and supervisory authorities in the period from 1 January to 31 December 2011.

**29. TRANSACTIONS WITH AFFILIATES**

The Group of ING Bank Śląski S.A. owns 100% share in the Company's share capital.

In the period from 1 January 2011 to 31 December 2011, the Company's sole shareholder was ING Bank Śląski SA (100% share).

In the financial year from 1 January to 31 December 2011, the following transactions with affiliates were made:

**ING BANK ŚLĄSKI SA .**

Amount and type of transactions:

(in PLN, gross)	Year ended 31 December 2010	Year ended 31 December 2011
<b>INCOME</b>		
<b>Interest – financial income</b>	<b>2 540 287.41</b>	<b>3 018 971.27</b>
<b>Sales of services</b>	<b>4 586 993.69</b>	<b>5 833 391.67</b>
including:		
Management of buildings in Katowice	1 174 398.93	838 003.48
Administration of the building at Malczewskiego St. in Warsaw	567 579.18	564 803.88
Resale of services – technical services	410 170.84	328 911.73
Management of conference rooms in Katowice	142 133.12	118 639.73
Management of the building at Powsińska St. in Warsaw	134 545.00	-
Repair and renovation services	207 740.13	289 773.16
Technical inspection of buildings	40 851.90	56 214.10
Other management-related services	1 128 801.98	1 849 736.98
Resale of materials to operate the buildings	316 477.93	191 852.47
Real estate agency services	35 000.00	494 200.00
Rental of premises at 50 Chorzowska St., including utilities	214 300.02	668 382.94
Rental of premises at 64 Powsińska St., including utilities	209 994.66	432 873.20
<b>EXPENSES</b>		

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<b>Purchase of other services</b>	<b>1 389 982.25</b>	<b>2 061 145.53</b>
including:		
Commercial rents and utilities	720 843.60	679 024.72
Own rent	13 720.79	-
Rental/lease of cars	5 713.24	17 139.96
Book-keeping services	-	-
Human resource and payroll services	7 128.00	7 128.00
Bank services	7 504.24	9 284.28
Electricity at 50 Chorzowska Street	620 892.15	1 318 425.85
Insurances	19 893.47	30 142.72

**Śląski Bank Hipoteczny SA (taken over by ING Bank Śląski SA on 1 November 2011)**

Amount and type of transactions:

(in PLN, gross)	Year ended 31 December 2010	Year ended 31 December 2011
INCOME from repair and renovation works	---	<b>724 611.32</b>

**ING Securities SA**

Amount and type of transactions:

(in PLN, gross)	Year ended 31 December 2010	Year ended 31 December 2011
INCOME from repair and renovation works	-	<b>41 852.92</b>

Cooperation between the Company and ING Bank Śląski SA is mainly based on the agreement of 10 July 2009 which provides for the provision of management services for a building located in Katowice at 34 Sokolska Street, and the management of technical services and materials to operate the building. The agreement also provides for the operation of conference rooms and other technical and repair services to be provided at the request of ING Bank Śląski SA.

In addition, as regards the management of non-residential properties, on 1 October 2009 the Company executed the agreement concerning the administration of the building at 45 Malczewskiego Street in Warsaw, which provides for the current administration and technical maintenance of the building.

The Company also signed rental agreements with ING Bank Śląski S.A. in relation to premises rented in the buildings at 50 Chorzowska Street and 64A Powsińska Street:

- the rental agreement of 1 July 2010 in relation to premises at 64 Powsińska Street in Warsaw,
- the rental agreement No. 01/11/CH50/2011 of 1 November 2011 in relation to premises at 50 Chorzowska Street in Katowice.

As a part of additional services, the Company also has two service agreements of 3 June 2009 concerning the performance of technical inspections and of 9 June 2010 concerning maintenance services and services consisting in the relocation and construction of electrical, technical and telecommunications infrastructure.

In addition, on the basis of the agreement of 15 April 2010, the Company provides real estate agency services to the Bank.



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While, the group's ultimate consolidation is performed by ING Groep Naamloze Vennootschap with its registered office at Amstelveenseweg 500, Amsterdam 1081 KL (the Netherlands).

Signature of a person in  
charge of book-keeping

Katowice, 25 January 2012

Signature of the Head of the Company