

***CENTRUM BANKU ŚLĄSKIEGO SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ***

**FINANCIAL STATEMENTS FOR THE PERIOD  
FROM 1 JANUARY TO 31 DECEMBER 2012**

*Katowice, 4 February 2013*

## **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 Młoczeńskiego 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 park 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 2012.

The Company does not have internal business units that prepare their individual financial statements.

In the period of the financial statements, Centrum Banku Śląskiego Sp. z o.o. did not merge with any company.

## **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 2013.

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*

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 other operating income or other operating 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.

### *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.

Under other short-term financial assets, the Company recorded bank deposits whose maturity exceeded 3 months.

### *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.

### *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 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.

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
Financial Statements for the Period from 1 January to 31 December 2012  
Balance Sheet

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*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, 4 February 2013

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 2012**  
**Balance Sheet**

**Assets**

(in PLN)		Year ended 31 December 2011	Year ended 31 December 2012
<b>A.</b>	<b>Fixed assets</b>	<b>130 344 430.65</b>	<b>131 988 047.03</b>
<b>I.</b>	<b>Intangibles</b>	<b>192 268.68</b>	<b>147 751.83</b>
1.	Cost of completed R&D	-	-
2.	Goodwill	-	-
3.	Other intangibles	192 268.68	147 751.83
4.	Down payments on account of intangibles	-	-
<b>II.</b>	<b>Tangible fixed assets</b>	<b>100 208.97</b>	<b>17 112.20</b>
1.	Fixed assets	41 811.47	17 112.20
	a) land (including perpetual usufruct of land)	-	-
	b) buildings, premises and civil engineering structures	-	-
	c) plant and machinery	38 601.07	14 797.72
	d) means of transport	-	-
	e) other fixed assets	3 210.40	2 314.48
2.	Fixed assets under construction	-	-
3.	Down payments on account of fixed assets under construction	58 397.50	-
<b>III.</b>	<b>Long-term receivables</b>	-	-
1.	From affiliates	-	-
2.	From other entities	-	-
<b>IV.</b>	<b>Long-term investments</b>	<b>129 900 000.00</b>	<b>131 781 000.00</b>
1.	Real property	129 900 000.00	131 781 000.00
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.</b>	<b>Long-term prepayments</b>	<b>151 953.00</b>	<b>42 183.00</b>
1.	Deferred income tax assets	151 953.00	42 183.00
2.	Other prepaid expenses	-	-
<b>B.</b>	<b>Current assets</b>	<b>84 317 713.15</b>	<b>93 417 540.10</b>
<b>I.</b>	<b>Inventories</b>	<b>0.00</b>	<b>6 585.37</b>
1.	Materials	-	-
2.	Semi-finished products and production in progress	-	-
3.	Finished products	-	-
4.	Goods	-	-
5.	Down payments on account of supplies	-	6 585.37
<b>II.</b>	<b>Short-term receivables</b>	<b>3 164 483.28</b>	<b>796 400.36</b>
1.	Receivables from affiliates	1 481 896.22	260 537.03
	a) trade receivables:	1 481 896.22	260 537.03
	- up to 12 months	1 481 896.22	260 537.03
	- above 12 months	-	-
	b) other	-	-
2.	Receivables from other entities	1 682 587.06	535 863.33
	a) trade receivables:	1 090 726.32	334 225.03
	- up to 12 months	1 090 726.32	334 225.03
	- above 12 months	-	-
	b) taxes, donations, social and health insurance and other benefits	591 860.74	201 638.30
	c) other	-	-
	d) claimed at courts	-	-

Signature of a person in  
charge of book-keeping

Katowice, 4 February 2013

Signature of the Head of the Company

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



**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
**Financial Statements for the Period from 1 January to 31 December 2012**  
**Balance Sheet**

<b>III.</b>	<b>Short-term investments</b>	<b>81 152 095.68</b>	<b>92 613 040.55</b>
1.	Short-term financial assets	81 152 095.68	92 613 040.55
	a) in affiliates	-	50 136 986.30
	- interests or shares	-	-
	- other securities	-	-
	- loans granted	-	-
	- other short-term financial assets	-	50 136 986.30
	b) in other entities	-	-
	- interests or shares	-	-
	- other securities	-	-
	- loans granted	-	-
	- other short-term financial assets	-	-
	c) cash and cash equivalents	81 152 095.68	42 476 054.25
	- cash in hand and bank accounts	79 546 007.42	40 857 290.27
	- other cash	1 606 088.26	1 618 763.98
	- cash equivalents	-	-
2.	Other short-term investments	-	-
<b>IV.</b>	<b>Short-term prepayments</b>	<b>1 134.19</b>	<b>1 513.82</b>
<b>Total assets</b>		<b>214 662 143.80</b>	<b>225 405 587.13</b>

Signature of a person in  
charge of book-keeping

Katowice, 4 February 2013

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 2012  
Balance Sheet

**Equity and liabilities**

(in PLN)		Year ended 31 December 2011	Year ended 31 December 2012
<b>A.</b>	<b>Equity</b>	<b>207 550 898.60</b>	<b>219 310 724.36</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	-33 289 882.59	-22 879 627.52
VIII.	Net profit (loss)	10 410 255.07	11 759 825.76
IX.	Net profit deductions during the financial year (negative value)	-	-
<b>B.</b>	<b>Payables and provisions for payables</b>	<b>7 111 245.20</b>	<b>6 094 862.77</b>
I.	Provisions for payables	1 537 767.22	2 560 821.33
1.	Deferred income tax provision	1 367 185.00	2 338 804.00
2.	Provision for pension and similar benefits	155 902.22	202 517.33
	- long-term	4 064.00	7 671.52
	- short-term	151 838.22	194 845.81
3.	Other provisions	14 680.00	19 500.00
	- long-term	-	-
	- short-term	14 680.00	19 500.00
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	5 573 477.98	3 534 041.44
1.	To affiliates	262 531.46	152 408.10
	a) trade payables:	262 531.46	152 408.10
	- up to 12 months	262 531.46	152 408.10
	- above 12 months	-	-
	b) other	-	-
2.	To other entities	5 310 946.52	3 381 633.34
	a) loans and advances	-	-
	b) issue of debt securities	-	-
	c) other financial commitments	-	1 239.86
	d) trade payables:	3 528 895.07	1 157 366.50
	- up to 12 months	3 528 895.07	1 157 366.50
	- above 12 months	-	-
	e) down payments received on account of supplies	-	-
	f) promissory notes	-	-
	g) taxes, customs, insurance and other benefits	173 888.48	601 140.80
	h) wages and salaries	2 074.71	3 122.20
	i) other	1 606 088.26	1 618 763.98
3.	Special funds	-	-
IV.	Accruals	0.00	0.00
1.	Badwill	-	-
2.	Other accrued expenses	-	-
	- long-term	-	-
	- short-term	-	-
<b>Total equity and payables</b>		<b>214 662 143.80</b>	<b>225 405 587.13</b>

Signature of a person in  
charge of book-keeping

Katowice, 4 February 2013

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 2012  
Profit and Loss Account

**Single-step format**

	(in PLN)	Year ended 31 December 2011	Year ended 31 December 2012
<b>A.</b>	<b>Net sales and sales equivalents, including:</b>	<b>26 002 648.40</b>	<b>20 843 479.10</b>
	- from affiliates	6 599 855.91	5 955 490.23
I.	Net sales of products	25 810 795.93	20 654 452.76
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	191 852.47	189 026.34
<b>B.</b>	<b>Operating expenses</b>	<b>14 230 042.07</b>	<b>11 819 231.74</b>
I.	Depreciation	104 949.12	91 623.73
II.	Material and power consumption	2 623 223.10	2 472 159.74
III.	Outsourcing	8 014 694.83	5 726 668.86
IV.	Taxes and charges, including:	1 280 829.90	1 387 625.60
	- excise tax	-	-
V.	Wages and salaries	1 344 664.57	1 394 818.44
VI.	Social insurance and other benefits	225 766.50	250 768.20
VII.	Other cost by nature	444 061.58	306 540.83
VIII.	Goods and materials sold	191 852.47	189 026.34
<b>C.</b>	<b>Profit (loss) from sale (A-B)</b>	<b>11 772 606.33</b>	<b>9 024 247.36</b>
<b>D.</b>	<b>Other operating income</b>	<b>344 603.39</b>	<b>1 756 469.46</b>
I.	Profit from sale of non-financial fixed assets	-	-
II.	Subsidies	-	-
III.	Other operating income	344 603.39	1 756 469.46
<b>E.</b>	<b>Other operating expenses</b>	<b>1 917 160.98</b>	<b>732 396.46</b>
I.	Loss from sale of non-financial fixed assets	-	-
II.	Revaluation of non-financial fixed assets	1 768 794.73	723 543.11
III.	Other operating expenses	148 366.25	8 853.35
<b>F.</b>	<b>Profit (loss) from operating activities (C+D-E)</b>	<b>10 200 048.74</b>	<b>10 048 320.36</b>
<b>G.</b>	<b>Financial income</b>	<b>3 022 455.61</b>	<b>4 512 465.13</b>
I.	Dividends and profit sharing, including:	-	-
	- from affiliates	-	-
II.	Interest, including:	3 018 971.27	3 881 090.19
	- from affiliates	3 018 971.27	3 881 090.19
III.	Profit from divestments	-	-
IV.	Revaluation of investments	-	-
V.	Other	3 484.34	631 374.94
<b>H.</b>	<b>Financial expenses</b>	<b>262 805.28</b>	<b>1 927.73</b>
I.	Interest, including:	235.28	1 927.73
	- to affiliates	-	-
II.	Loss from divestments	-	-
III.	Revaluation of investments	-	-
IV.	Other	262 570.00	-
<b>I.</b>	<b>Profit (loss) from business activity (F+G-H)</b>	<b>12 959 699.07</b>	<b>14 558 857.76</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 (I±J)</b>	<b>12 959 699.07</b>	<b>14 558 857.76</b>
<b>L.</b>	<b>Income tax</b>	<b>2 549 444.00</b>	<b>2 799 032.00</b>
1.	Current tax	306 945.00	1 717 643.00
2.	Deferred tax	2 242 499.00	1 081 389.00
<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>10 410 255.07</b>	<b>11 759 825.76</b>

Signature of a person in  
charge of book-keeping

Katowice, 4 February 2013

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 2012  
Statement of Changes in Equity

	(in PLN)	Year ended 31 December 2011	Year ended 31 December 2012
<b>I.</b>	<b>Equity as of the period beginning (OB)</b>	<b>197 140 643.53</b>	<b>207 550 898.60</b>
	- correction of basic errors	-	-
<b>I.a.</b>	<b>Equity as of the period beginning (OB) after corrections</b>	<b>197 140 643.53</b>	<b>207 550 898.60</b>
1.	Share capital as of the period beginning	230 343 000.00	230 343 000.00
1.1.	Change in share capital	-	-
	increase	-	-
	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	-33 289 882.59	-22 879 627.52
7.1.	Profit of previous years as of the period beginning	-	-
-	Correction of basic errors	-	-
7.2.	Profit of previous years as of the period beginning, after correction	-	-
	a) increase	-	-
	b) decrease	-	-
7.3.	Profit of previous years as of the period end	-	-
7.4.	Loss of previous years as of the period beginning,	-32 107 240.08	-33 289 882.59
	- correction of basic errors	-	-
7.5.	Loss of previous years as of the period beginning after corrections	-32 107 240.08	-33 289 882.59
	a) increase	-1 182 642.51	-
	- loss carried forward from previous years to be covered	-1 182 642.51	-
	b) decrease	-	10 410 255.07
	- profit carried forward	-	10 410 255.07
7.6.	Loss of previous years as of the period end	-33 289 882.59	-22 879 627.52
7.7.	Profit (loss) of previous years as of the period end	-33 289 882.59	-22 879 627.52
8.	Net profit (loss)	10 410 255.07	11 759 825.76
	a) net profit	10 410 255.07	11 759 825.76
	b) net loss	-	-
	c) profit deductions	-	-
<b>II.</b>	<b>Equity as of the period end (CB)</b>	<b>207 550 898.60</b>	<b>219 310 724.36</b>
<b>III.</b>	<b>Equity including suggested profit distribution (loss coverage)</b>	<b>207 550 898.60</b>	<b>219 310 724.36</b>

Signature of a person in  
charge of book-keeping

Katowice, 4 February 2013

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 2012  
Statement of Cash Flows (indirect method)

**Statement of cash flows (indirect method)**

(in PLN)	Year ended 31 December 2011	Year ended 31 December 2012
<b>A. Cash flows from operating activities</b>		
<b>I Net profit (loss)</b>	<b>10 410 255.07</b>	<b>11 759 825.76</b>
<b>II Total corrections</b>	<b>1 524 778.50</b>	<b>-3 519 233.34</b>
1. Depreciation	104 949.12	91 623.73
2. Foreign currency translation gains (losses)	-	-
3. Interest and profit sharing (dividends)	-	-2 627 568.49
4. Profit (loss) from investing activities	-535 809.80	-2 437 794.07
5. Change in provisions	452 003.95	1 023 054.11
6. Change in inventories	-	-
7. Change in receivables	-1 946 181.65	2 361 497.55
8. Change in short-term payables, excluding loans and advances	2 451 116.24	-2 039 436.54
9. Change in prepayments and accruals	998 700.64	109 390.37
10. Other corrections	-	-
<b>III Net cash flows from operating activities (I+/-II)</b>	<b>11 935 033.57</b>	<b>8 240 592.42</b>
<b>B. Cash flows from investing activities</b>		
<b>I Inflows</b>	<b>61 783 630.13</b>	<b>2 627 568.49</b>
1. Sale of intangibles and tangible fixed assets	-	-
2. Sale of investments in real properties and intangibles	-	-
3. Financial assets, including:	61 783 630.13	2 627 568.49
a) in affiliates	61 783 630.13	2 627 568.49
- deposits and interest	61 783 630.13	2 627 568.49
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>-80 199.99</b>	<b>50 159 393.91</b>
1. Purchase of intangibles and tangible fixed assets	80 199.99	50 159 393.91
2. Investments in real properties and intangibles	-	22 407.61
3. Financial assets, including:	-	-
a) in affiliates	-	50 136 986.30
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>61 703 430.14</b>	<b>-47 531 825.42</b>
<b>C. Cash flows from financing activities</b>		
<b>I Inflows</b>	<b>2 310.00</b>	<b>615 191.57</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	615 191.57
<b>II Outflows</b>	<b>264 880.00</b>	<b>0.00</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>-262 570.00</b>	<b>615 191.57</b>
<b>D. Total net cash flows (A.III +/- B.III +/- C.III)</b>	<b>73 375 893.71</b>	<b>-38 676 041.43</b>
<b>E. Balance-sheet change in cash, including</b>	<b>73 375 893.71</b>	<b>-38 676 041.43</b>
- change in cash caused by foreign exchange rate changes	-	-
<b>F. Cash as of the period beginning</b>	<b>7 776 201.97</b>	<b>81 152 095.68</b>
<b>G. Cash as of the period end (F+/-D), including</b>	<b>81 152 095.68</b>	<b>42 476 054.25</b>
- cash subject to limited disposal	-	-

Signature of a person in  
charge of book-keeping

Katowice, 4 February 2013

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 2012 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).

In 2012, no changes were made.

### **4. INTANGIBLES**

As of the balance-sheet date, under "Other intangibles: licences", the Company recognised PLN 147 751.83, which comprises SAP Business One Professional licences that were put into operation, a licence for the operation of an access control system in the building at 50 Chorzowska Street, and a SAP HR licence. The value of the licence comprises licence buying and system implementation costs.

In 2012, the Company also started using the licence for Microsoft Win Svr External Connector 2008 SNGL lic (server management) of PLN 8 546.00, licences for a cost-estimation programme of PLN 1 990.00, and a Eset Nod 32 licence of PLN 4 388.24.

(in PLN)	Cost of completed R&D	Goodwill	Other intangibles	Down payments on account of intangibles	Total
<u>Beginning value</u>					
Opening balance	-	-	286 193.25	-	286 193.25
Increase, including:	-	-	14 924.24	-	14 924.24
Purchase	-	-	14 924.24	-	14 924.24
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Decrease, including	-	-	-	-	-
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Closing balance	-	-	301 117.49	-	301 117.49

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Financial Statements for the Year Ended 31 December 2012  
Supplementary Information and Explanatory Notes

<u>Amortisation</u>					
Opening balance, including:	-	-	93 924.57	-	93 924.57
impairments	-	-	-	-	-
Increase, including:	-	-	59 441.09	-	59 441.09
Depreciation	-	-	59 441.09	-	59 441.09
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Decrease, including:	-	-	-	-	-
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Closing balance, including:	-	-	153 365.66	-	153 365.66
Revaluation	-	-	-	-	-
<u>Net value</u>					
Opening balance	-	-	192 268.68	-	192 268.68
Closing balance	-	-	147 751.83	-	147 751.83

## 5. TANGIBLE ASSETS

Fixed assets owned by the Company as of 31 December 2012 comprise office equipment (server), office IT equipment, and fittings of the building at 64a Powsińska Street under the group entitled "Other".

In 2012, the Company expanded its IT equipment, including a server of PLN 7 483.37 in total.

As of 31 December 2012, the Company owned a fixed asset (a passenger car Skoda Octavia Nowa) used on the basis of the operational lease agreement No. 2012/08/01747-OL of 6 August 2012 and the service provision agreement No. 2012/08/01747-S of 6 August 2012. On the basis of the analysis conducted under Art. 3.4 of the Accounting Act, the Company decided that the agreement did not meet terms of financial lease and lease was not transformed and the object of the agreement is not presented as the Company's asset.

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	86 850.90	4 479.62	91 330.52
Increase, including:	7 483.37	-	7 483.37
Purchase	7 483.37	-	7 483.37
Revaluation	-	-	-
Other (ZCP in-kind contribution)	-	-	-
Transfers	-	-	-
Decrease, including:	-	-	-
Revaluation	-	-	-
Other	-	-	-
Sale	-	-	-
Closing balance	94 334.27	4 479.62	98 813.89
<u>Amortisation</u>			
Opening balance, including:	48 249.83	1 269.22	49 519.05
Impairments	48 249.83	1 269.22	49 519.05
Increase, including:	31 286.72	895.92	32 182.64
Depreciation	31 286.72	895.92	32 182.64
Revaluation	-	-	-
Other	-	-	-
Transfers	-	-	-

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Decrease, including:	-	-	-
Revaluation	-	-	-
Reclassification of fixed assets into long-term investments	-	-	-
Closing balance, including:	<b>79 536.55</b>	<b>2 165.14</b>	<b>81 701.69</b>
Impairments	-	-	-
<u>Net value</u>			
Opening balance	<b>38 601.07</b>	<b>3 210.40</b>	<b>41 811.47</b>
Closing balance	<b>14 797.72</b>	<b>2 314.48</b>	<b>17 112.20</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 2012 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 2012 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 2012 assumed that the Company owned investment properties of PLN 131 781 000.00 net in total.

The following table presents more details:

Investment properties	Year ended 31 December 2012
64A Powsińska Street in Warsaw	PLN <b>10 905 000.00</b>
50 Chorzowska Street in Katowice	PLN <b>120 876 000.00</b>

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

(in PLN)	Properties	including :	Building at 64A Powsińska Street in Warsaw	Building at 50 Chorzowska Street in Katowice	Total
Opening 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>
Increase, including:	<b>2 546 877.04</b>		<b>375 877.04</b>	<b>2 171 000.00</b>	<b>2 546 877.04</b>
Purchase	896 941.04		375 877.04	521 064.00	896 941.04
Revaluation	1 649 936.00		-	1 649 936.00	1 649 936.00
Share in profit (loss) of affiliates	-		-	-	-
Other (ZCP in-kind contribution)	-		-	-	-
Transfers	-		-	-	-
Decrease, including:	<b>665 877.92</b>		<b>665 877.92</b>	-	<b>665 877.92</b>
Sale	-		-	-	-
Revaluation	665 877.92		665 877.92	-	665 877.92
Share in profit (loss) of affiliates	-		-	-	-
Other	-		-	-	-
Closing balance, including:	<b>131 781 000.00</b>		<b>10 905 000.00</b>	<b>120 876 000.00</b>	<b>131 781 000.00</b>
Gross value	141 595 404.69		11 107 877.92	130 487 526.77	141 595 404.69
At fair value	<b>-9 814 404.69</b>		<b>-202 877.92</b>	<b>-9 611 526.77</b>	<b>-9 814 404.69</b>

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Perpetual usufruct of land is an integral part of investment properties and is measured together with buildings set on the land.

Charges on perpetual usufruct of land in 2012 were as follows:

- land plot No. 24/6 (Katowice, 50 Chorzowska St.)	PLN 304 495.68
- land plot No. 64 (Warsaw, 11B Limanowskiego St.)	PLN 1 365.40
- land plot No. 65 (Warsaw, 64a Powsińska St.)	PLN 39 743.80

As of the balance-sheet year, in comparison to the previous year, the Company recognised short-term investments in affiliates, including the deposit of PLN 50 000 000 and interest of PLN 136 986.30 (maturity: 7 June 2013).

While the deposit that matures on 7 March 2013 of PLN 39 000 000 and interest of PLN 106 849.32 are recognised as cash and other assets.

The following table presents details of short-term investments:

(in PLN)	31 December 2011	31 December 2012
Long-term investments (deposit)	-	-
Total long-term investments	-	-
Short-term investments (deposit)	-	50 136 986.30
Short-term investments	-	50 136 986.30
Total investments	-	50 136 986.30

## 7. PREPAYMENTS

As of the balance-sheet date, the Company recognised PLN 42 183.00 as long-term prepayments and PLN 1 134.19 as short-term prepayments.

The following table presents more details:

(in PLN)	31 December 2011	31 December 2012
Deferred income tax assets	151 953.00	42 183.00
Total long-term assets	151 953.00	42 183.00
Subscription of magazines	1 134.19	1 513.82
Total short-term prepayments	1 134.19	1 513.82
Total prepayments	153 087.19	43 696.82

The Company recognised the deferred income tax asset for PLN 222 017.33 of expenses to be settled in the following tax years.

The asset was measured at the tax rate of 19%.

## 8. EQUITY

As of the balance-sheet date, the Company's equity was owned by:

	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%

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
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Total	230 343	100%	230 343 000.00	100%
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Centrum Banku Śląskiego Sp. z o.o. considers the Group of ING Bank Śląski as its parent company.

## 9. PROVISIONS

In the financial period, the Company recorded the following changes in provisions:

(in PLN)	Provision for pension and similar benefits	Provision for the cost of the current year	Deferred income tax provision	Provision for annual leaves	Total
As of 1 January 2012	4 064.00	158 730.00	1 367 185.00	7 788.22	1 537 767.22
Increase	3 607.52	35.770.00	971.619.00	12 057.59	1 023 054.11
including increase in:					
- profit (loss)	3 607.52	35.770.00	971.619.00	12 057.59	1 023 054.11
- revaluation capital					
Decrease					
including deductions to:					
- profit (loss)					
- revaluation reserve					
As of 31 December 2012,					
including:	7 671.52	194.500.00	2.338.804.00	19 845.81	2 560 821.33
Long-term	7 671.52	-	2.292.475.54	-	2 300 147.06
Short-term	-	194.500.00	46.328.46	19 845.81	260 674.27

The Company established a deferred income tax provision for PLN 243 835.62 of unpaid bank deposit interest and a positive difference between net tax value and market value of assets (PLN 12 065 660.76).

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 2012 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 57 665.19 of cases subject to court litigation because those receivables were considered bad debt and of disputable receivables.

(in PLN)	Impairment of long-term receivables	Impairment of short-term receivables
As of 1 January 2012	-	315 488.61
Increase	-	57 665.19
Decrease	-	-
As of 31 December 2012	-	373 153.80

## **11. LONG-TERM PAYABLES**

As of 31 December 2012, the Company did not have long-term payables.

## **12. PROFIT DISTRIBUTION/LOSS COVERAGE**

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

## **13. ACCRUALS**

As of 31 December 2012, the Company did not have accruals.

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

As of 31 December 2012, 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 2012, 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 of which is 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.

The lease agreement does not provide for any security during the term thereof.

## **16. OFF-BALANCE SHEET LIABILITIES**

As of 31 December 2012, 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 2011	Year ended 31 December 2012
1. Property administration and management services	2 637 611.96	1 927 986.09
2. Other services related to ING building operation	1 902 671.10	464 252.78
3. Rental (45 Malczewskiego Street in Warsaw)	758 825.15	286 542.72
4. Services for tenants at 50 Chorzowska Street in Katowice	723 744.76	81 593.55
5. Telephone services	228 783.11	204 922.00
6. Resale of building operating materials	191 852.47	189 026.34
7. Rental of premises at 50 Chorzowska Street	17 108 428.88	15 266 093.15
8. Rental of premises at 64A Powsińska Street	1 079 478.04	1 301 696.19
9. Sale of utilities to tenants	605 298.69	561 248.59
10. Renovation works for affiliates	766 464.24	560 117.69
Total net sales	<b>26 002 648.40</b>	<b>20 843 479.10</b>

Total sales in 2012 were generated in the domestic market.

## **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 2011	Year ended 31 December 2012
Other financial income	3 484.34	634 083.21
Foreign currency translation loss resulting from the balance-sheet measurement of cash	5 717.00	-
Foreign currency translation gains	-8 822.01	18 891.64
Positive settlement of forwards (hedging)		615 191.57
Other	379.33	-
Other financial expenses	262 570.00	2 708.27
Foreign currency translation loss from invoices paid	-	2 708.27
Positive settlement of forwards (hedging)	2 310.00	-
Negative settlement of forwards (hedging)	264 880.00	-

The profit and loss account records the surplus of positive differences over negative ones under financial income.

## **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 2012, the Company carried on and did not discontinue its activities related to commercial property management at request and the rental of office and commercial premises.

Therefore, the profit and loss account of the current financial year does not include any income and expenses of the discontinued activity.

## **22. COST TO MANUFACTURE FIXED ASSETS UNDER CONSTRUCTION**

The financial statements of the current financial year do not include any fixed assets under construction.

## **23. EXPENSES FOR NON-FINANCIAL FIXED ASSETS**

The financial statements of the current financial year do not comprise expenses for non-financial fixed assets, including environmental protection expenses.

## 24. EXTRAORDINARY GAINS AND LOSSES

In the period from 1 January to 31 December 2012 and in the previous year, the Company did not record any extraordinary gains or losses.

## 25. INCOME TAX

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

(in PLN)	Character of differences (permanent/temporary)	Year ended 31 December 2011	Year ended 31 December 2012
Profit (loss) before tax		<b>12 959 699.07</b>	<b>14 558 857.76</b>
Social insurance premiums related to the previous year and paid in the current year	temporary	413.95	---
Tax depreciation	temporary	4 249 869.22	4 271 479.59
Balance-sheet depreciation (excluded)	temporary	-104 949.12	91 623.73
Income from interest received on the deposit that matured on 07.03.2012, not recognised in the account 750-01 in 2012	permanent	-	286 334.25
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>20 340.00</b>	<b>21 330.00</b>
- free services to the Company	permanent	20 340.00	21 330.00
Income not recognised as taxable income		<b>574 674.04</b>	<b>1 893 772.05</b>
- unpaid deposit interest	temporary	286 334.25	243 835.62
- cash (positive)	temporary	8 339.79	---
- carrying amount of properties (positive)	temporary	280 000.00	1 649 936.43
Non-deductible expenses		<b>984 364.40</b>	<b>391 383.27</b>
- lease of a passenger car and fuel	permanent	25 006.68	17 823.28
- carrying amount of properties (negative)	temporary	-	665 877.92
- adaptation works in investment property (ST)	permanent	8 890.32	---
- impairment of receivables	temporary	148 257.75	57 665.19
- entertainment costs	permanent	5 527.63	63 868.22
- budgetary interest	permanent	20.99	1 708.80
- provision for costs of a given period	temporary	789 617.80	-433 684.69
- non-deductible VAT	permanent	7 043.23	8 019.38
Income tax base		<b>11 938 546.18</b>	<b>9 040 227.37</b>
Tax rate		19%	19%
Tax loss of previous years, settled in the current year		<b>10 323 046.58</b>	---
Income tax (current)		<b>306 944.92</b>	<b>1 717 643.00</b>
Change in deferred income tax provision/assets		<b>2 242 499.00</b>	<b>1 081 389.00</b>
Total income tax		<b>2 549 444.00</b>	<b>2 799 032.00</b>

Deferred income tax provisions/assets comprise the following differences:

(in PLN)	31 December 2011	31 December 2012
Deferred income tax provision		
- deposit interest accrued and unpaid as of 31 December, recognised in the profit and loss account of a given year	54.403.51	46.328.77
- positive difference between tax value and carrying amount of assets (investment properties)	1.312.781.90	2.292.475.54
Total deferred income tax provision	<b>1.367.185.00</b>	<b>2.338.804.00</b>
Deferred income tax assets		
- other costs of the current year to be settled in the following years	151.953.00	42.183.00
Total deferred income tax assets	<b>151.953.00</b>	<b>42.183.00</b>

In 2012, 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 PLN 12 065 660.76 of the building at 64 Powsińska Street results from the fact that the fair value of the building as of 31 December 2012, as recognised in the Company's books, is bigger than the net tax value of the building as of the same day by PLN 10 278 673.52.

While, the fair value of the building at 50 Chorzowska Street is bigger than its tax value by PLN 1 786 987.24.

The net tax value of properties as of the balance-sheet date is PLN 119 715 339.24, including (in PLN):

- the building at 64 Powsińska Street	626 326.48
- the building at 50 Chorzowska Street	119 089 012.76

In addition, the deferred income tax provision was influenced by the estimated income from deposits opened in 2012.

The deferred income tax asset for the costs of 2012 was not recorded till the balance-sheet date.

## 26. STRUCTURE OF CASH IN THE STATEMENT OF CASH FLOWS

(in PLN)	31 December 2011	31 December 2012
Cash in bank accounts	<b>79 255 240.36</b>	<b>90 742 888.59</b>
- current accounts	1 255 240.36	1 742 888.59
- deposits up to 1 year	78 000 000.00	89 000 000.00
Cash in hand	<b>4 432.81</b>	<b>7 552.36</b>
Total cash	<b>79 259 673.17</b>	<b>90 750 440.95</b>

As of the balance-sheet date, the Company recorded PLN 42 476 054.25 under cash and cash equivalents, which includes PLN 39 106 849.32 of the deposit of the nominal value of PLN 39 000 000.00 and the interest accrued till the balance-sheet date of PLN 106 849.32. The deposit matures on 7 March 2013. In addition, this item also includes deposits of PLN 1 618 763.98 paid by tenants under their lease agreements.

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

There are no such differences.

## 28. AVERAGE HEADCOUNT BY PROFESSIONAL GROUP

Group of employees	Year ended 31 December 2011	Year ended 31 December 2012
Board of Directors	1	1
Management staff	1	0.5
Advisors	-	-

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Other white-collars	9	7
Technical staff	7	7
Total headcount	18	15.5

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

Remuneration (in PLN)	Year ended 31 December 2011	Year ended 31 December 2012
Directors		
- remuneration under employment contracts (gross + social insurance + benefits)	219.285.13	232.512.06
- performance bonus awarded by the Supervisory Board	144 050.00	175.000.00
Supervisory Board	-	-
Total remuneration	363.335.13	407.512.06

**30. 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 2012.

**31. 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 to 31 December 2012, the Company's sole shareholder was ING Bank Śląski SA (100% share).

In the financial year from 1 January to 31 December 2012, the following transactions with affiliates were made:

**ING BANK ŚLĄSKI SA**

Amount and type of transactions:

(in PLN, gross)	Year ended 31 December 2011	Year ended 31 December 2012
<b>INCOME</b>		
<b>Interest – financial income</b>	<b>3 023 709.76</b>	<b>3 881 090.19</b>
<b>Sales of services</b>	<b>5 833 391.67</b>	<b>4 119 442.91</b>
including:		
Management of buildings in Katowice	838 003.48	874 106.22
Administration of the building at Malczewskiego St. in Warsaw	564 803.88	589 090.44
Resale of services – technical services	328 911.73	310 689.31
Management of conference rooms in Katowice	118 639.73	83 247.52
Management of the building at Powsińska St. in Warsaw	-	-
Repair and renovation services	289 773.16	70 852.60



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Technical inspection of buildings	56 214.10	1 500.00
Other management-related services	1 849 736.98	168 957.18
Resale of materials to operate the buildings	191 852.47	189 026.34
Real estate agency services	494 200.00	293 795.60
Rental of premises at 50 Chorzowska St., including utilities	668 382.94	1 146 020.89
Rental of premises at 64 Powsińska St., including utilities	432 873.20	392 156.81
<b>EXPENSES</b>		
<b>Purchase of other services</b>	<b>2 061 145.53</b>	<b>1 577 250.11</b>
including:		
Commercial rents and utilities	679 024.72	226 285.00
Own rent	-	-
Book-keeping services	-	-
Human resource and payroll services	7 128.00	6963.00
Bank services	9 284.28	8 327.02
Electricity at 50 Chorzowska Street	1 318 425.85	1 292 312.30
Insurances	30 142.72	25 539.51
Other expenses	-	4 979.40

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 the 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. The agreement provides for current building administration and technical maintenance.

The Company also signed rental agreements concerning premises occupied by ING Bank Śląski SA 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. 1/11/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 an agreement 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 provided real estate agency services to the Bank till 31 December 2012.

The purchase of services also results from the agreements.

Additionally, the Company obtains financial benefits from interest on cash deposited with ING Bank Śląski SA.

In 2012, the Company earned the interest of PLN 3 881 090.19 and had two deposits as of the balance-sheet date:

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- a) PLN 50 000 000.00 for the period from 8 December 2012 to 7 March 2013,  
b) PLN 39 000 000.00 for the period from 8 December 2012 to 7 June 2013.

The interest as of the balance-sheet date amount PLN 243 835.62 and is presented in the balance sheet together with the value of deposits as:

- cash in hand and bank accounts: PLN 39 106 849.32, including interest of PLN 106 849.32,
- short-term financial assets: PLN 50 136 986.30, including interest of PLN 136 986.30.

Financial benefits recognised in the profit and loss account for the financial year 2012 amount PLN 3 881 090.19.

Other entities:

Sale of services

ING Commercial Finance Polska SA (rental of premises, net income of PLN 117 180.53)  
ING Car Lease Polska Sp. Z o.o. (rental of premises, net income of PLN 77 427.11)  
ING Lease (Polska) Sp. z o.o. (rental of premises, net income of PLN 165 374.23)  
ING Securities SA (repair works, net income of PLN 31 452.14)  
ING Services Polska Sp. z o.o. (rental of premises, net income of PLN 1 296 641.79)  
ING Usługi dla Biznesu S.A. (rental of premises, net income of PLN 116 658.27)  
ING ABL Polska S.A. (rental of premises, net income of PLN 31 313.25)

Purchase of services:

ING Car Lease Polska Sp. z o.o. (lease of a passenger car, maintenance services and fuel, net buying cost: PLN 17 823.28).  
ING Usługi dla Biznesu S.A. (book-keeping services, buying cost: PLN 55 958.72)

### **34. FINANCIAL ASSETS**

(in PLN)	31 December 2011	31 December 2012
Net financial assets		
Cash	80 865 761.43	92 369 204.93
Receivables	3 164 483.28	796 400.36
Total net financial assets	<b>84 030 244.71</b>	<b>93 165 605.29</b>

### **35. AUDITOR**

On the basis of the Supervisory Board's resolution of 5 March 2012, "BUFIKS" Biuro Usług Finansowo-Księgowych Spółka z o.o. in Katowice was appointed as the Company's auditor in 2012.

In accordance with the agreement of 28 March 2002 No. 001/12/13//BSF, the auditor's remuneration is PLN 18 000.00 net.

### **36. CONSOLIDATED FINANCIAL STATEMENTS**

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The Company is a member of the capital group of ING Bank Śląski SA and as a 100% subsidiary is consolidated at the lowest level of the capital group by ING Bank Śląski SA with its registered office in Katowice, 34 Sokolska Street.

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, 4 February 2013

Signature of the Head of the Company