

**CENTRUM BANKU ŚLĄSKIEGO SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ**

**FINANCIAL STATEMENTS FOR THE PERIOD  
FROM 1 JANUARY TO 31 DECEMBER 2013**

*Katowice, 10 January 2014*

## **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 2013.

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 2014.

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.

However, the Directors inform that the Company's Owner together with the Company carry out works aiming at the Company's split-off under Art. 529.1.1 of the Commercial Companies Code.

If the plan is implemented, the Company will be dissolved without liquidation on the day it is deleted from the register (split-off date). The Company will be deleted from the register *ex officio* immediately after the registration of the increase of the share capital of the taking-over Company.

## **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

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
Financial Statements for the Period from 1 January to 31 December 2013  
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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.

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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.

**Centrum Banku Śląskiego Spółka z ograniczoną odpowiedzialnością**  
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*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.

*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, 10 January 2014

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 2013**  
**Balance Sheet**

**Assets**

(in PLN)		Year ended 31 December 2012	Year ended 31 December 2013
<b>A.</b>	<b>Fixed assets</b>	<b>131 988 047.03</b>	<b>128 573 309.01</b>
<b>I.</b>	<b>Intangibles</b>	<b>147 751.83</b>	<b>87 682.78</b>
1.	Cost of completed R&D	-	-
2.	Goodwill	-	-
3.	Other intangibles	147 751.83	87 682.78
4.	Down payments on account of intangibles	-	-
<b>II.</b>	<b>Tangible fixed assets</b>	<b>17 112.20</b>	<b>1 684.59</b>
1.	Fixed assets	17 112.20	1 684.59
	a) land (including perpetual usufruct of land)	-	-
	b) buildings, premises and civil engineering structures	-	-
	c) plant and machinery	14 797.72	266.03
	d) means of transport	-	-
	e) other fixed assets	2 314.48	1 418.56
2.	Fixed assets under construction	-	-
3.	Down payments on account of fixed assets under construction	-	-
<b>III.</b>	<b>Long-term receivables</b>	-	-
1.	From affiliates	-	-
2.	From other entities	-	-
<b>IV.</b>	<b>Long-term investments</b>	<b>131 781 000.00</b>	<b>128 409 000.00</b>
1.	Real property	131 781 000.00	128 409 000.00
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>42 183.00</b>	<b>74 941.64</b>
1.	Deferred income tax assets	42 183.00	74 941.64
2.	Other prepaid expenses	-	-
<b>B.</b>	<b>Current assets</b>	<b>93 417 540.10</b>	<b>100 432 587.03</b>
<b>I.</b>	<b>Inventories</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>796 400.36</b>	<b>854 348.40</b>
1.	Receivables from affiliates	260 537.03	72 947.91
	a) trade receivables:	260 537.03	72 947.91
	- up to 12 months	260 537.03	72 947.91
	- above 12 months	-	-
	b) other	-	-
2.	Receivables from other entities	535 863.33	781 400.49
	a) trade receivables:	334 225.03	292 426.78
	- up to 12 months	334 225.03	292 426.78
	- above 12 months	-	-
	b) taxes, donations, social and health insurance and other benefits	201 638.30	488 973.71
	c) other	-	-
	d) claimed at courts	-	-

Signature of a person in  
charge of book-keeping

Katowice, 10 January 2014

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 2013**  
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<b>III.</b>	<b>Short-term investments</b>	<b>92 613 040.55</b>	<b>99 578 048.79</b>
1.	Short-term financial assets	92 613 040.55	99 578 048.79
	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	42 476 054.25	99 578 048.79
	- cash in hand and bank accounts	40 857 290.27	98 459 319.56
	- other cash	1 618 763.98	1 118 729.23
	- cash equivalents	-	-
2.	Other short-term investments	-	-
<b>IV.</b>	<b>Short-term prepayments</b>	<b>1 513.82</b>	<b>189.84</b>
	<b>Total assets</b>	<b>225 405 587.13</b>	<b>229 005 896.04</b>

Signature of a person in  
charge of book-keeping

Katowice, 10 January 2014

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 2013**  
**Balance Sheet**

**Equity and liabilities**

(in PLN)		Year ended 31 December 2012	Year ended 31 December 2013
<b>A.</b>	<b>Equity</b>	<b>219 310 724.36</b>	<b>223 673 202.39</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	-	1 630.06
VI.	Other reserves	-	-
VII.	Profit (loss) of previous years	-22 879 627.52	-11 119 801.76
VIII.	Net profit (loss)	11 759 825.76	4 360 847.97
IX.	Net profit deductions during the financial year (negative value)	-	-
<b>B.</b>	<b>Payables and provisions for payables</b>	<b>6 094 862.77</b>	<b>5 332 693.65</b>
I.	Provisions for payables	2 560 821.33	2 742 974.34
1.	Deferred income tax provision	2 338 804.00	2 348 547.00
2.	Provision for pension and similar benefits	202 517.33	224 073.07
	- long-term	7 671.52	8 105.26
	- short-term	194 845.81	215 967.81
3.	Other provisions	19 500.00	170 354.27
	- long-term	-	-
	- short-term	19 500.00	170 354.27
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	3 534 041.44	2 589 719.31
1.	To affiliates	152 408.10	24 214.52
	a) trade payables:	152 408.10	24 214.52
	- up to 12 months	152 408.10	24 214.52
	- above 12 months	-	-
	b) other	-	-
2.	To other entities	3 381 633.34	2 565 504.79
	a) loans and advances	-	-
	b) issue of debt securities	-	-
	c) other financial commitments	1 239.86	3908.87
	d) trade payables:	1 157 366.50	1 327 580.62
	- up to 12 months	1 157 366.50	1 327 580.62
	- above 12 months	-	-
	e) down payments received on account of supplies	-	-
	f) promissory notes	-	-
	g) taxes, customs, insurance and other benefits	601 140.80	115 286.07
	h) wages and salaries	3 122.20	-
	i) other	1 618 763.98	1 118 729.23
3.	Special funds	-	-
IV.	Accruals	0.00	0.00
1.	Badwill	-	-
2.	Other accrued expenses	-	-
	- long-term	-	-
	- short-term	-	-
<b>Total equity and liabilities</b>		<b>225 405 587.13</b>	<b>229 005 896.04</b>

Signature of a person in  
charge of book-keeping

Katowice, 10 January 2014

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 2013**  
**Profit and Loss Account**

**Single-step format**

(in PLN)	Year ended 31 December 2012	Year ended 31 December 2013
<b>A. Net sales and sales equivalents, including:</b>	<b>20 843 479.10</b>	<b>20 614 647.35</b>
- from affiliates	5 955 490.23	7 047 605.47
I. Net sales of products	20 654 452.76	20 482 456.13
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	189 026.34	132 191.22
<b>B. Operating expenses</b>	<b>11 819 231.74</b>	<b>13 888 390.56</b>
I. Depreciation	91 623.73	76 261.66
II. Material and power consumption	2 472 159.74	2 393 884.94
III. Outsourcing	5 726 668.86	8 320 397.19
IV. Taxes and charges, including:	1 387 625.60	1 387 817.90
- excise tax	-	-
V. Wages and salaries	1 394 818.44	1 217 462.20
VI. Social insurance and other benefits	250 768.20	203 545.03
VII. Other cost by nature	306 540.83	156 830.42
VIII. Goods and materials sold	189 026.34	132 191.22
<b>C. Profit (loss) from sale (A-B)</b>	<b>9 024 247.36</b>	<b>6 726 256.79</b>
<b>D. Other operating income</b>	<b>1 756 469.46</b>	<b>84 032.03</b>
I. Profit from sale of non-financial fixed assets	-	-
II. Subsidies	-	-
III. Other operating income	1 756 469.46	84 032.03
<b>E. Other operating expenses</b>	<b>732 396.46</b>	<b>4 181 168.62</b>
I. Loss from sale of non-financial fixed assets	-	-
II. Revaluation of non-financial fixed assets	723 543.11	4 139 261.48
III. Other operating expenses	8 853.35	41 907.14
<b>F. Profit (loss) from operating activities (C+D-E)</b>	<b>10 048 320.36</b>	<b>2 629 120.20</b>
<b>G. Financial income</b>	<b>4 512 465.13</b>	<b>2 832 393.24</b>
I. Dividends and profit sharing, including:	-	-
- from affiliates	-	-
II. Interest, including:	3 881 090.19	2 830 832.13
- from affiliates	3 881 090.19	2 830 832.13
III. Profit from divestments	-	-
IV. Revaluation of investments	-	-
V. Other	631 374.94	1 561.11
<b>H. Financial expenses</b>	<b>1 927.73</b>	<b>9 122.47</b>
I. Interest, including:	1 927.73	1 628.50
- to affiliates	-	-
II. Loss from divestments	-	-
III. Revaluation of investments	-	-
IV. Other	-	7 493.97
<b>I. Profit (loss) from business activity (F+G-H)</b>	<b>14 558 857.76</b>	<b>5 452 390.97</b>
<b>J. 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. Profit (loss) before tax (±J)</b>	<b>14 558 857.76</b>	<b>5 452 390.97</b>
<b>L. Income tax</b>	<b>2 799 032.00</b>	<b>1 091 543.00</b>
1. Current tax	1 717 643.00	1 114 941.00
2. Deferred tax	1 081 389.00	-23 398.00
<b>M. Other mandatory profit deductions (loss increase)</b>	<b>-</b>	<b>-</b>
<b>N. Profit (loss) after tax (K-L-M)</b>	<b>11 759 825.76</b>	<b>4 360 847.97</b>

Signature of a person in  
charge of book-keeping

Katowice, 10 January 2014

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 2013**  
**Statement of Changes in Equity**

	(in PLN)	Year ended 31 December 2012	Year ended 31 December 2013
<b>I.</b>	<b>Equity as of the period beginning (OB)</b>	<b>207 550 898.60</b>	<b>219 310 724.36</b>
	- correction of basic errors	-	-
<b>I.a.</b>	<b>Equity as of the period beginning (OB) after corrections</b>	<b>207 550 898.60</b>	<b>219 310 724.36</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	-	1 630.06
	a) increase	-	1 630.06
	- actuarial valuation	-	1 630.06
	b) decrease	-	-
	- revaluation of investment properties	-	-
5.2.	Revaluation reserve as of the period end	-	1 630.06
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	- 22 879 627.52	- 11 119 801.76
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,	- 22 879 627.52	- 11 119 801.76
	- correction of basic errors	-	-
7.5.	Loss of previous years as of the period beginning after corrections	- 22 879 627.52	- 11 119 801.76
	a) increase	-	-
	- loss carried forward from previous years to be covered	-	-
	b) decrease	-	-
	- profit carried forward	-	-
7.6.	Loss of previous years as of the period end	- 22 879 627.52	-11 119 801.76
7.7.	Profit (loss) of previous years as of the period end	- 22 879 627.52	-11 119 801.76
8.	Net profit (loss)	11 759 825.76	4 360 847.97
	a) net profit	11 759 825.76	4 360 847.97
	b) net loss	-	-
	c) profit deductions	-	-
<b>II.</b>	<b>Equity as of the period end (CB)</b>	<b>219 310 724.36</b>	<b>223 673 202.39</b>
<b>III.</b>	<b>Equity including suggested profit distribution (loss coverage)</b>	<b>219 310 724.36</b>	<b>223 673 202.39</b>

Signature of a person in  
charge of book-keeping

Katowice, 10 January 2014

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 2013**  
**Statement of Cash Flows (indirect method)**

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

(in PLN)	Year ended 31 December 2012	Year ended 31 December 2013
<b>A. Cash flows from operating activities</b>		
<b>I Net profit (loss)</b>	<b>11 759 825.76</b>	<b>4 360 847.97</b>
<b>II Total corrections</b>	<b>-3 656 219.64</b>	<b>1 165 563.31</b>
1. Depreciation	91 623.73	76 261.66
2. Foreign currency translation gains (losses)	-	-
3. Interest and profit sharing (dividends)	-2 764 554.79	-2 035 531.50
4. Profit (loss) from investing activities	-2 437 794.07	3 968 169.54
5. Change in provisions	1 023 054.11	182 153.01
6. Change in inventories	-	6 585.37
7. Change in receivables	2 361 497.55	-57 948.04
8. Change in short-term payables, excluding loans and advances	-2 039 436.54	-944 322.13
9. Change in prepayments and accruals	109 390.37	-31 434.66
10. Other corrections	-	1 630.06
<b>III Net cash flows from operating activities (I+II)</b>	<b>8 103 606.12</b>	<b>5 526 411.28</b>
<b>B. Cash flows from investing activities</b>		
<b>I Inflows</b>	<b>2 627 568.49</b>	<b>190 472 517.80</b>
1. Sale of intangibles and tangible fixed assets	-	-
2. Sale of investments in real properties and intangibles	-	-
3. Financial assets, including:	2 627 568.49	190 472 517.80
a) in affiliates	2 627 568.49	190 472 517.80
- deposits and interest	2 627 568.49	2 172 517.80
b) in other entities	-	188 300 000.00
- 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>50 159 393.91</b>	<b>138 896 934.54</b>
1. Purchase of intangibles and tangible fixed assets	50 022 407.61	765.00
2. Investments in real properties and intangibles	22 407.61	596 169.54
3. Financial assets, including:	50 000 000.00	138 300 000.00
a) in affiliates	50 000 000.00	138 300 000.00
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>-47 394 839.12</b>	<b>51 575 583.26</b>
<b>C. Cash flows from financing activities</b>		
<b>I Inflows</b>	<b>615 191.57</b>	<b>-</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	615 191.57	-
<b>II Outflows</b>	<b>0.00</b>	<b>-</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	-	-
<b>III Net cash flows from financing activities (I-II)</b>	<b>615 191.57</b>	<b>-</b>
<b>D. Total net cash flows (A.III +/- B.III +/- C.III)</b>	<b>-38 676 041.43</b>	<b>57 101 994.54</b>
<b>E. Balance-sheet change in cash, including</b>	<b>-38 676 041.43</b>	<b>57 101 994.54</b>
- change in cash caused by foreign exchange rate changes	-	-
<b>F. Cash as of the period beginning</b>	<b>81 152 095.68</b>	<b>42 476 054.25</b>
<b>G. Cash as of the period end (F+/-D), including</b>	<b>42 476 054.25</b>	<b>99 578 048.79</b>
- cash subject to limited disposal	1 618 763.98	1 118 729.23

Signature of a person in  
charge of book-keeping

Katowice, 10 January 2014

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 2013 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 2013, the Company implemented changes providing for the maintenance of additional records for the purpose of the preparation of financial reports for separated parts: the organised part of the enterprise 1 called the Warsaw Subsidiary and the organised part of the enterprise 2 called the Main Office (Regulation No. 3/2013 of 13 November 2013).

### **4. INTANGIBLES**

As of the balance-sheet date, under "Other intangibles: licences", the Company recognised PLN 147 751.87 682.78, 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 2013, the Company also started using the licence for MS Office 2010/2013 of PLN 765.00.

(in PLN)	Cost of completed R&D	Goodwill	Other intangibles	Down payments on account of intangibles	Total
<u>Beginning value</u>					
Opening balance	-	-	301 117.49	-	301 117.49
Increase, including:	-	-	765.00	-	765.00
Purchase	-	-	765.00	-	765.00
Revaluation	-	-		-	
Other	-	-		-	
Deductions, including:	-	-		-	
Revaluation	-	-		-	
Other	-	-		-	
Closing balance	-	-	301 882.49		301 882.49

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 Financial Statements for the Year Ended 31 December 2013  
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<u>Amortisation</u>					
Opening balance, including:	-	-	153 365.66	-	153 365.66
impairments	-	-	-	-	-
Increase, including:	-	-	60 834.05	-	60 834.05
Depreciation	-	-	60 834.05	-	60 834.05
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Deductions, including:	-	-	-	-	-
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Closing balance, including:	-	-	214 199.71	-	214 199.71
Revaluation	-	-	-	-	-
<u>Net value</u>			87 682.78		87 682.78
Opening balance	-	-	147 751.83	-	147 751.83
Closing balance	-	-	87 682.78	-	87 682.78

## 5. TANGIBLE FIXED ASSETS

Fixed assets owned by the Company as of 31 December 2013 comprise office equipment (server), office IT equipment, and fittings of the building at 64a Powsińska Street under the group entitled "Other".

In 2013, the Company did not buy fixed assets.

As of 31 December 2013, 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>	94 334.27	4 479.62	98 813.89
Opening balance	-	-	-
Increase, including:	-	-	-
Purchase	-	-	-
Revaluation	-	-	-
Other (in-kind contribution of the organised part of the enterprise)	-	-	-
Transfers	-	-	-
Deductions, including:	-	-	-
Revaluation	-	-	-
Other	-	-	-
Sale	-	-	-
Closing balance	94 334.27	4 479.62	98 813.89
<u>Amortisation</u>			
Opening balance, including:	79 536.55	2 165.14	81 701.69
Impairments	79 536.55	2 165.14	81 701.69
Increase, including:	14 531.69	895.92	15 427.61
Depreciation	14 531.69	895.92	15 427.61
Revaluation	-	-	-
Other	-	-	-

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Transfers	-	-	-
Deductions, including:	-	-	-
Revaluation	-	-	-
Reclassification of fixed assets into long-term investments	-	-	-
Closing balance, including:	<b>94 068.24</b>	<b>3 061.06</b>	<b>97 129.30</b>
Impairments			
Net value	<b>266.03</b>	<b>1 418.56</b>	<b>1 684.59</b>
Opening balance	<b>14 797.72</b>	<b>2 314.48</b>	<b>17 112.20</b>
Closing balance	<b>266.03</b>	<b>1 418.56</b>	<b>1 684.59</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 2013 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 2013 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 2013 assumed that the Company owned investment properties of PLN 128 409 000.00 net in total.

The following table presents more details:

Investment properties	Year ended 31 December 2013
64A Powsińska Street in Warsaw	PLN <b>7 022 000.00</b>
50 Chorzowska Street in Katowice	PLN <b>121 387 000.00</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>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>
Increase, including:	<b>596 169.54</b>		<b>77 944.06</b>	<b>518 225.48</b>	<b>596 169.54</b>
Purchase	596 169.54		77 944.06	518 225.48	596 169.54
Revaluation	-		-	-	-
Share in profit (loss) of affiliates	-		-	-	-
Other (in-kind contribution of the organised part of the enterprise)	-		-	-	-
Transfers	-		-	-	-
Deductions, including:	<b>3 968 169.54</b>		<b>3 960 944.06</b>	<b>7 225.48</b>	<b>3 968 169.54</b>
Sale	-		-	-	-
Revaluation	3 968 169.54		3 960 944.06	7 225.48	3 968 169.54
Share in profit (loss) of affiliates	-		-	-	-
Other	-		-	-	-
Closing balance, including:	<b>128 409 000.00</b>		<b>7 022 000.00</b>	<b>121 387 000.00</b>	<b>128 409 000.00</b>
Gross value	142 191 574.23		11 185 821.98	131 005 752.25	142 191 574.23
At fair value	<b>13 782 574.23</b>		<b>-4 163 821.98</b>	<b>-9 618 752.25</b>	<b>13 782 574.23</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 2013 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 3 973.26
- 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 did not recognise short-term investments in affiliates since cash held by the Company as of the balance-sheet date are kept in the current account.

The following table presents details of short-term investments:

(in PLN)	31 December 2012	31 December 2013
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 2012	31 December 2013
Deferred income tax assets	42 183.00	74 941.64
Total long-term assets	<b>42 183.00</b>	<b>74 941.64</b>
Subscription of magazines	1 513.82	189.84
Total short-term prepayments	<b>1 513.82</b>	<b>189.84</b>
Total prepayments	<b>43 696.82</b>	<b>75 131.48</b>

The Company recognised the deferred income tax asset for PLN 394 427.34 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%
Total	<b>230 343</b>	<b>100%</b>	<b>230 343 000.00</b>	<b>100%</b>

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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	Provision for awards for Directors	Total
As of 1 January 2013	<b>7 671.52</b>	<b>19 500.00</b>	<b>2 338 804.00</b>	<b>19 845.81</b>	<b>175 000.00</b>	<b>2 560 821.33</b>
Increase	2 613.07	170 354.27	<b>9 743.00</b>	7 908.69	188 000.00	378 619.03
including increase in:						
- profit (loss)	983.01	170 354.27	9 743.00	7 908.69	188 000.00	376 988.97
- revaluation capital	1 630.06	-	-	-	-	1 630.06
Decrease	-	<b>19 500.00</b>	-	-	<b>175 000.00</b>	<b>196 512.42</b>
including deductions to:						
- profit (loss)	-	19 500.00	-	-	175 000.00	194 500.00
- revaluation reserve	2 012.42	-	-	-	-	2 012.42
As of 31 December 2013, including:	<b>8 318.57</b>	<b>170 354.27</b>	<b>2 348 547.00</b>	<b>27 754.50</b>	<b>188 000.00</b>	<b>2 742 974.34</b>
Long-term	8 105.26	-	2 348 547.00	-	-	2 356 652.26
Short-term	213.31	170 354.27	-	27 754.50	188 000.00	386 322.08

The Company established a deferred income tax provision for a positive difference between net tax value and market value of assets (PLN 12 360 771.94).

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 2013 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 128 968.01 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 2013	-	<b>373 153.80</b>
Increase	-	171 091.94
Decrease	-	42 123.93
As of 31 December 2013	-	<b>502 121.81</b>

Bad debts of PLN 34 004.43 were recognised in the profit and loss account as other operating expenses.

## 11. LONG-TERM PAYABLES

As of 31 December 2013, 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 2013, the Company did not have accruals.

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

As of 31 December 2013, 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 2013, 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 2013, 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 2012	Year ended 31 December 2013
1. Property administration and management services	1 927 986.09	1 311 120.93
2. Other services related to ING building operation	464 252.78	2 048 627.92
3. Rental (45 Malczewskiego Street in Warsaw)	286 542.72	-
4. Services for tenants at 50 Chorzowska Street in Katowice	81 593.55	19 977.64
5. Telephone services	204 922.00	156 672.50
6. Resale of building operating materials	189 026.34	132 191.22
7. Rental of premises at 50 Chorzowska Street	15 266 093.15	14 735 966.90
8. Rental of premises at 64A Powsińska Street	1 301 696.19	1 383 718.40
9. Sale of utilities to tenants	561 248.59	495 490.45
10. Renovation works for affiliates	560 117.69	330 881.39
<b>Total net sales</b>	<b>20 843 479.10</b>	<b>20 614 647.35</b>

Total sales in 2013 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 2012	Year ended 31 December 2013
Other financial income	634 083.21	730.65
Foreign currency translation gains	18 891.64	730.65
Positive settlement of forwards (hedging)	615 191.57	-
Other financial expenses	2 708.27	8 224.62
Foreign currency translation loss from invoices paid	2 708.27	8 224.62

The profit and loss account discloses foreign currency translation gains and losses jointly.

## 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 2013, 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.

Only on 31 May 2013, ING Bank Śląski terminated the agreement on the administration of the building at 45 Malczewskiego Street in Warsaw, which contributed to the drop of income from this operating area.

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 2013 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:

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(in PLN)	Character of differences (permanent/temporary)	Year ended 31 December 2012	Year ended 31 December 2013
Profit (loss) before tax		<b>14 558 857.76</b>	<b>5 452 390.97</b>
Tax depreciation	temporary	4 271 479.59	4 338 061.52
Balance-sheet depreciation (excluded)	temporary	91 623.73	76 261.66
Income from interest received on that matured on 7.03.2012, not recognised in the account 750-01 in 2012	permanent	286 334.25	---
Income from interest received on that matured on 7.03.2013, not recognised in the account 750-01 in 2013	permanent	---	243 835.62
Cost of 2012 settled for tax purposes in 2013	permanent	---	175 000.00
Income recognised as taxable income		<b>21 330.00</b>	<b>46 000.00</b>
- free services to the Company	permanent	21 330.00	21 600.00
- uninvoiced electricity	permanent	---	21 400.00
- uninvoiced car parks	permanent	---	3 000.00
Income not recognised as taxable income		<b>1 893 772.05</b>	---
- unpaid deposit interest	temporary	243 835.62	---
- carrying amount of properties (positive)	temporary	1 649 936.43	---
Non-deductible expenses		<b>391 383.27</b>	<b>4 562 682.34</b>
- lease of a passenger car and fuel	permanent	17 823.28	27 754.41
- carrying amount of properties (negative)	temporary	665 877.92	3 968 169.54
- impairment of receivables	temporary	57 665.19	205 096.37
- entertainment costs	permanent	63 868.22	5 271.36
- budgetary interest	permanent	1 708.80	1 374.80
- provision for the cost of a given period	temporary	258 684.69	170 354.27
- provision for annual leaves	temporary	---	7 908.69
- provision for retirement gratuities	temporary	---	2 613.07
- Cost of 2012 settled for tax purposes in 2013	permanent	---	-19 500.00
- Non-deductible VAT	permanent	8 019.38	5 593.43
- provision for Directors' bonuses	Temporary	175 000.00	188 000.00
- other non-deductibles	permanent	---	<del>5590.43</del>
<b>Income tax base</b>		<b>9 040 227.37</b>	<b>5 868 108.77</b>
Tax rate		19%	19%
Tax loss of previous years, settled in the current year		---	---
Income tax (current)		<b>1 717 643.00</b>	<b>1 114 941.00</b>
Change in deferred income tax provision/assets		<b>1 081 389.00</b>	<b>-23 398.00</b>
Total income tax		<b>2 799 032.00</b>	<b>1 091 543.00</b>

Deferred income tax provisions/assets comprise the following differences:

(in PLN)	31 December 2012	31 December 2013
Deferred income tax provision		
- deposit interest accrued and unpaid as of 31 December, recognised in the profit and loss account of a given year	46 328.77	---
- positive difference between tax value and carrying amount of assets (investment properties)	2 292 475.54	2 348 547.00
Total deferred income tax provision	<b>2 338 804.00</b>	<b>2 348 547.00</b>
Deferred income tax assets		
- other costs of the current year to be settled in the following years	42 183.00	75 324.00
- assets resulting from the measurement of actuarial profit and loss	42 183.00	-382.36
Total deferred income tax assets	<b>42 183.00</b>	<b>74 941.64</b>

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In 2013, 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 12 360 771.94 of the buildings, including the building at 64 Powsińska Street, results from the fact that the fair value of the building of PLN 7 022 000.00 as of 31 December 2013, as recognised in the Company's books, is bigger than the net tax value of the building as of the same day by PLN 6 422 182.05.

While, the fair value of the building at 50 Chorzowska Street is bigger than its tax value by PLN 5 938 589.89.

The net tax value of properties as of the balance-sheet date is PLN 116 048 228.06, including (in PLN):

- the building at 64 Powsińska Street	599 817.95
- the building at 50 Chorzowska Street	115 448 410.11.

The deferred income tax asset for the costs of 2013 was not recorded till the balance-sheet date.

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

(in PLN)	31 December 2012	31 December 2013
Cash in bank accounts	<b>40 849 737.91</b>	<b>98 452 774.29</b>
- current accounts	1 742 888.59	98 452 774.29
- deposits up to 1 year	39 106 849.32	---
Cash in hand	<b>7 552.36</b>	<b>6 545.27</b>
<b>Total cash</b>	<b>40 857 290.27</b>	<b>98 459 319.56</b>

As of the balance-sheet date, the Company recorded PLN 99 578 048.79 under cash and cash equivalents, which includes PLN 98 452 774.29 of the deposit of cash in current accounts.

In addition, this item also includes deposits of PLN 1 118 729.23 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 2012	Year ended 31 December 2013
Directors	1	1
Management	0.5	0.1
Other white-collars	7	5
Technical staff	7	7
<b>Total headcount</b>	<b>15.5</b>	<b>13.1</b>

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

Remuneration (in PLN)	Year ended 31 December 2012	Year ended 31 December 2013
Directors		
- remuneration under employment contracts (gross + social insurance + benefits)	232 512.06	240 951.08
- performance bonus awarded by the Supervisory Board	175 000.00	188 000.00
Supervisory Board	-	-
<b>Total remuneration</b>	<b>407 512.06</b>	<b>428 951.08</b>

**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 2013.

**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 2013, the Company's sole shareholder was ING Bank Śląski SA (100% share).

In the financial year from 1 January to 31 December 2013, the following transactions with affiliates were made:

**ING BANK ŚLĄSKI SA .**

Amount and type of transactions:

(in PLN, gross)	Year ended 31 December 2012	Year ended 31 December 2013
<b>INCOME</b>		
<b>Interest – financial income</b>	<b>3 881 090.19</b>	<b>2 830 832.13</b>
<b>Sales of services</b>	<b>4 119 442.91</b>	<b>5 156 417.61</b>
including:		
Management of buildings in Katowice	874 106.22	905 766.04
Administration of the building at Malczewskiego St. in Warsaw	589 090.44	254 536.15
Resale of services – technical services	310 689.31	317 696.37
Management of conference rooms in Katowice	83 247.52	87 658.52
Repair and renovation services	70 852.60	125 448.68
Technical inspection of buildings	1 500.00	3 150.00
Preparation of office premises	---	1 509 613.65
Other management-related services	168 957.18	120 377.06
Resale of materials to operate the buildings	189 026.34	132 191.22
Real estate agency services	293 795.60	---
Rental of premises at 50 Chorzowska St., including utilities	1 146 020.89	1 275 558.00
Rental of premises at 64 Powsińska St., including utilities	392 156.81	424 421.57

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**EXPENSES**

<b>Purchase of other services</b>	<b>1 577 250.11</b>	<b>1 235 584.27</b>
including:		
Commercial rents and utilities	226 285.00	----
Human resource and payroll services	6963.00	6 138.00
Bank services	8 327.02	9 296.62
Electricity at 50 Chorzowska St.	1 292 312.30	1 089 356.46
Insurance	25 539.51	129 499.59
Other expenses	4 979.40	1 293.60

In 2013, 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 agreement was terminated as of 31 May 2013.

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. 1/10/CH50/2013 of 10 October 2013 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.

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 2013, the Company earned PLN 2 830 832.13.

Other entities:

Sale of services

- ING Commercial Finance Polska SA (rental of premises, net income of PLN 95 868.25)
- ING Lease (Polska) Sp. z o.o. (rental of premises, net income of PLN 147 277.27)
- ING Securities SA (repair services, net income of PLN 10 636.24)
- ING Services Polska Sp. z o.o. (rental of premises, net income of PLN 1 307 311.13)
- ING Usługi dla Biznesu S.A. (rental of premises, net income of PLN 200 502.78)
- ING ABL Polska S.A. (rental of premises, net income of PLN 32 431.96)

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ING Alfabeta Polska S.A. (rental of premises, net income of PLN 97 160.23)

Purchase of services:

ING Alfabeta Polska S.A. (lease of a passenger car, maintenance services and fuel, net buying cost: PLN 18 561.68)

ING Usługi dla Biznesu S.A. (book-keeping services, buying cost: PLN 202 707.20 )

### **34. FINANCIAL ASSETS**

(in PLN)	31 December 2012	31 December 2013
Net financial assets		
Cash	92 369 204.93	99 578 048.79
Receivables	796 400.36	854 348.40
Total net financial assets	<b>93 165 605.29</b>	<b>100 432 397.19</b>

### **36. VALUE OF TRANSACTIONS**

In the Company's opinion, all market transactions were made on an arm's length basis.

### **37. MERGER OF COMPANIES**

In the audited year, no companies were merged.

### **38. OTHER KEY INFORMATION**

On 10 May 2013, the Company's Directors adopted the Resolution No. 1/2013 on the establishment of an off-site business unit of the Company as of 1 June 2013. The new business unit will be called Centrum Banku Śląskiego Sp. z o.o. – Warsaw Subsidiary. Therefore two organised parts of an enterprise were established in the Company's organisational structure.

Units established as a result of split-off of the organised part of the enterprise are not branches preparing their own balance sheets within the meaning of the Accounting Act. Therefore the Company does not prepare consolidated statements.

In 2014, the Company is planned to be split off in accordance with Art. 529 § 1.1 of the Commercial Companies Code.

The Company will be split off without liquidation.

The Company will stop existing the moment the Registration Court records the split-off in the register of companies.

### **39. GOING CONCERN**

As of the statement date, the Directors do not find any threats to the continuation of the Company's activities.

In accordance with information presented in the introduction hereto and Art. 39 of the supplementary information hereto, the Directors have been informed about the planned split-off of the Company in 2014 under Art. 529 § 1.1 of the Commercial Companies Code.

**36. AUDITOR**

On the basis of the Supervisory Board's resolution of 27 February 2013, "BUFIKS" Biuro Usług Finansowo-Księgowych Spółka z o.o. in Katowice was appointed as the Company's auditor in 2013.

In accordance with the agreement of 14 March 2013 No. 001/13/14//BSF, the auditor's remuneration is PLN 18 500.00 net.

In addition, on 30 October 2013, the Company signed the consultancy agreement No. 007/13/14/INN with "BUFIKS" Biuro Usług Finansowo-Księgowych Spółka z o.o. in Katowice. The agreement provides for consultancy in relation to the separation of the organised part of the enterprise within the Company against the remuneration of PLN 28 000.

**37. CONSOLIDATED FINANCIAL STATEMENTS**

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, 10 January 2014

Signature of the Head of the Company