

# SECURITIES AND EXCHANGE COMMISSION

## Consolidated Report for 1<sup>st</sup> Quarter 2005 Qsr 1/2005

(Pursuant to §93.2 and § 94.1 of the Regulation of the Council of Ministers of 21 March 2005 – Journal of Laws No 49.463)  
(for banks)

For 1<sup>st</sup> Quarter 2005, period starting 2005.01.01 ending 2005.03.31  
Including Shortened Consolidated Quarterly Report according to IFRS for the 1<sup>st</sup> Quarter 2005

29 April 2005  
(date of submittal)

<b>BRE BANK SPÓŁKA AKCYJNA .</b> ( Full name of the issuer)		
<b>BRE BANK SA</b> (Abbreviated name of the issuer)		
<b>00-950</b> (Post code)	<b>WARSZAWA</b> (City)	<b>18</b> (number)
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<b>526-021-50-88</b> (NIP)		

### The Management Board of BRE Bank SA

publishes this Consolidated Quarterly Report for the First Quarter 2005:

SELECTED FINANCIAL DATA FOR THE GROUP (current year)	in '000 PLN		in '000 EUR	
	I Quarter cumulative from 1 Jan 2005 to 31 Mar 2005	I Quarter cumulative from 1 Jan 2004 to 31 Mar 2004	I Quarter cumulative from 1 Jan 2005 to 31 Mar 2005	I Quarter cumulative from 1 Jan 2004 to 31 Mar 2004
I. Interest income	406 737	324 249	101 297	67 639
II. Fee and commission income	106 275	109 369	26 468	22 815
III. Net trading income	30 327	31 803	7 553	6 634
IV. Operating profit	81 979	48 308	20 417	10 077
V. Profit before income tax	81 977	48 285	20 416	10 072
VI. Net profit (loss)	64 228	31 995	15 996	6 674
VII. Net cash from operating activities	60 141	28 996	14 978	6 049
VIII. Net cash used in investing activities	(857 679)	45 104	(213 603)	9 409
IX. Net cash from financing activities	(33 699)	(35 596)	(8 393)	(7 425)
X. Net increase / decrease in cash and cash equivalents	240 968	(71 003)	60 012	(14 811)
XI. Total assets	(650 410)	(61 495)	(161 983)	(12 828)
XII. Amounts due to the Central Bank	31 243 077	30 603 321	7 650 679	6 448 914
XIII. Amounts due to other banks	-	-	-	-
XIV. Amounts due to customers	5 272 826	5 294 204	1 291 188	1 115 626
XV. Equity	16 882 130	15 786 458	4 134 028	3 326 616
XVI. Share capital	1 889 486	1 765 914	462 690	372 124
XVII. Number of shares	114 853	91 882	28 125	19 362
XVIII. Book value per share ( in PLN / EUR per share)	28 713 125	22 970 500	28 713 125	22 970 500
XIX. Diluted book value per share (in PLN/EUR per share)	65,81	76,88	16,11	16,20
XX. Capital adequacy ratio	65,67	-	16,08	-
XXI. Earnings per 1 ordinary share (in PLN / EUR per share) (for 12 months)	11,89	7,62	11,89	7,62
XXII. Diluted earnings per 1 ordinary share (in PLN / EUR per share) (for 12 months)	(8,40)	(0,35)	(2,09)	(0,07)
XXIII. Declared or paid dividend per share (in PLN / EUR per share)	(8,38)	-	(2,09)	-

## Consolidated Quarterly Report according to IFRS for the 1st Quarter 2005

**The Management Board of BRE Bank SA**

**publishes this Consolidated Quarterly Report for the First Quarter 2005:**

SELECTED INDIVIDUAL COMPANY FINANCIAL DATA (current year)	in '000 PLN		in '000 EUR	
	I Quarter cumulative from 1 Jan 2005 to 31 Mar	I Quarter cumulative from 1 Jan 2004 to 31 Mar 2004	I Quarter cumulative from 1 Jan 2005 to 31 Mar 2005	I Quarter cumulative from 1 Jan 2004 to 31 Mar 2004
I. Interest income	350 166	248 042	87 208	51 742
II. Fee and commission income	76 104	74 182	18 954	15 475
III. Profit (loss) on trading activities	30 130	27 040	7 504	5 641
IV. Profit (loss) on operating activities	60 632	47 348	15 100	9 877
V. Gross profit (loss) before tax	60 632	47 348	15 100	9 877
VI. Net profit (loss) after tax	48 589	35 111	12 101	7 324
VII. Net cash flows on operating activities	(1 066 293)	(24 768)	(265 557)	(5 167)
VIII. Net cash flows on investment activities	(34 581)	(32 532)	(8 612)	(6 786)
IX. Net cash flows on financial activities	398 123	(54 956)	99 151	(11 464)
X. Net cash flows, total	(702 751)	(112 256)	(175 018)	(23 417)
XI. Total assets	28 496 211	26 617 355	6 978 037	5 608 967
XII. Liabilities with respect to the Central Bank	-	-	-	-
XIII. Liabilities with respect to other banks	3 290 867	3 161 856	805 854	666 285
XIV. Liabilities with respect to clients	19 200 119	17 949 039	4 701 648	3 782 328
XV. Owners' equity	1 769 985	1 603 328	433 427	337 863
XVI. Share capital	114 853	91 882	28 125	19 362
XVII. The number of shares outstanding	28 713 125	22 970 500	28 713 125	22 970 500
XVIII. Book value per one share (in PLN/EUR)	61,64	69,80	15,10	14,71
PLN/EUR)	61,52	-	15,06	-
XX. Solvency ratio	13,68	8,71	13,68	8,71
XXI. Earnings (losses) per one ordinary share (in PLN/EUR) (for 12 month period)	(10,88)	(0,41)	(2,71)	(0,09)
XXII. Diluted earning (losses) per one ordinary share (in PLN/EUR) (for 12 month period)	(10,86)	-	(2,70)	-
XXIII. Declared or distributed dividend per one share (in PLN/EUR)	-	-	-	-

## Consolidated Quarterly Report according to IFRS for the 1st Quarter 2005

CONSOLIDATED INCOME STATEMENT (in '000 PLN)	I Quarter (current year) from 1 Jan 2005 to 31 Mar 2005	I Quarter cumulative (current year) from 1 Jan 2005 to 31 Mar 2005	I Quarter (previous year) from 1 Jan 2004 to 31 Mar 2004	I Quarter cumulative (previous year) from 1 Jan 2004 to 31 Mar 2004
I. Interest income		406 737		324 249
II. Interest expense		(228 593)		(217 707)
<b>III. Net interest income</b>		<b>178 144</b>		<b>106 542</b>
IV. Fee and commission income		106 275		109 369
V. Fee and commission expense		(25 549)		(30 114)
<b>VI. Net fee and commission income</b>		<b>80 726</b>		<b>79 255</b>
VII. Dividend income		4 438		-
<b>VIII. Net trading income</b>		<b>30 327</b>		<b>31 803</b>
1. Foreign exchange result		57 271		53 443
2. Other trading income		(26 944)		(21 640)
<b>IX. Gains less losses from investment securities</b>		<b>2 308</b>		<b>19 801</b>
<b>X. Other operating income</b>		<b>37 770</b>		<b>63 406</b>
<b>XI. Impairment losses on loans and advances</b>		<b>(12 353)</b>		<b>(27 650)</b>
<b>XII. Overhead costs</b>		<b>(182 697)</b>		<b>(154 710)</b>
<b>XIII. Other operating expenses</b>		<b>(56 684)</b>		<b>(70 139)</b>
<b>XIV. Operating profit</b>		<b>81 979</b>		<b>48 308</b>
XV. Share of profit of associates		(2)		(23)
<b>XVI. Profit before income tax</b>		<b>81 977</b>		<b>48 285</b>
<b>XVII. Income tax expense</b>		<b>(17 749)</b>		<b>(16 290)</b>
<b>XVIII. Net profit (loss)</b>		<b>64 228</b>		<b>31 995</b>
1. Attributable to equity holders of the Company		60 141		28 996
2. Attributable to minority interest		4 087		2 999

Net profit (loss) (for 12 months)	(229 065)		(8 141)	
Weighted average number of ordinary shares	27 277 469		22 970 500	
Earnings per 1 ordinary share (in PLN per share)	(8,40)		(0,35)	
Weighted average number of ordinary shares for diluted earnings	27 336 450		-	
Diluted earnings per 1 ordinary share (in PLN per share)	(8,38)		-	

CONSOLIDATED BALANCE SHEET (in '000 PLN)	as at 31 Mar 2005 end of the quarter 2005	as at 31 Dec 2004 end of the previous quarter 2004	as at 31 Mar 2004 end of the quarter 2004	as at 31 Dec 2003 end of the previous quarter 2003
<b>Assets</b>				
<b>I. Cash and balances with Central Bank</b>	<b>492 829</b>	<b>738 469</b>	<b>673 700</b>	<b>503 322</b>
<b>II. Debt securities eligible for rediscounting at the Central Bank</b>	<b>46 848</b>	<b>52 832</b>	<b>60 888</b>	<b>52 765</b>
<b>III. Loans and advances to banks</b>	<b>6 209 819</b>	<b>5 781 393</b>	<b>3 694 964</b>	<b>3 618 835</b>
<b>IV. Trading securities</b>	<b>4 980 919</b>	<b>4 123 222</b>	<b>4 459 588</b>	<b>3 532 064</b>
<b>V. Derivative financial instruments</b>	<b>1 449 725</b>	<b>1 796 824</b>	<b>1 213 176</b>	<b>1 688 549</b>
<b>VI. Other financial instruments at fair value through profit or loss</b>	<b>125 866</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Loans and advances to customers</b>	<b>14 779 243</b>	<b>15 443 062</b>	<b>16 848 227</b>	<b>16 293 623</b>
<b>VIII. Investment securities</b>	<b>571 077</b>	<b>796 150</b>	<b>753 189</b>	<b>984 649</b>
1. Available for sale	545 247	778 465	750 441	981 801
2. Held to maturity	25 830	17 685	2 748	2 848
<b>IX. Pledged assets</b>	<b>32 054</b>	<b>31 500</b>	<b>48 462</b>	<b>47 788</b>
<b>X. Investments in associated undertakings</b>	<b>473</b>	<b>2 464</b>	<b>30 093</b>	<b>12 574</b>
<b>XI. Intangible assets</b>	<b>665 302</b>	<b>664 724</b>	<b>729 298</b>	<b>735 225</b>
<b>XII. Tangible fixed assets</b>	<b>517 832</b>	<b>521 889</b>	<b>949 239</b>	<b>944 581</b>
<b>XIII. Deferred income tax assets</b>	<b>723 272</b>	<b>773 999</b>	<b>629 138</b>	<b>703 803</b>
<b>XIV. Other assets</b>	<b>647 818</b>	<b>551 197</b>	<b>513 359</b>	<b>490 881</b>
<b>Total assets</b>	<b>31 243 077</b>	<b>31 277 725</b>	<b>30 603 321</b>	<b>29 608 659</b>

<b>Equity and liabilities</b>				
<b>Liabilities</b>				
<b>I. Amounts due to the Central Bank</b>	-	-	-	-
<b>II. Amounts due to other banks</b>	5 272 826	4 170 704	5 294 204	5 780 670
<b>III. Other deposits</b>	-	-	-	-
<b>IV. Derivative financial instruments and other trading liabilities</b>	1 587 673	1 535 731	1 337 830	1 629 805
<b>V. Amounts due to customers</b>	16 882 130	18 327 960	15 786 458	14 900 718
<b>VI. Debt securities in issue</b>	2 926 368	3 133 666	3 941 809	3 329 181
<b>VII. Other borrowed funds</b>	1 438 779	1 020 144	1 228 774	1 221 340
<b>VIII. Other liabilities</b>	582 416	331 987	569 283	310 530
<b>IX. Current income tax liabilities</b>	8 216	1 761	421	267
<b>X. Provisions for deferred income tax</b>	610 626	688 725	539 879	598 154
<b>XI. Provisions</b>	44 557	143 426	138 749	136 796
<b>Total liabilities</b>	<b>29 353 591</b>	<b>29 354 104</b>	<b>28 837 407</b>	<b>27 907 461</b>
<b>Equity</b>				
<b>Capital and reserves attributable to the Company's equity holders</b>	<b>1 825 315</b>	<b>1 845 390</b>	<b>1 635 543</b>	<b>1 573 132</b>
<b>XII. Share capital</b>	<b>114 853</b>	<b>114 853</b>	<b>91 882</b>	<b>91 882</b>
<b>XIII. Supplementary capital</b>	<b>1 195 884</b>	<b>1 192 304</b>	<b>660 006</b>	<b>657 157</b>
<b>XIV. Retained earnings</b>	<b>(44 623)</b>	<b>(226 436)</b>	<b>119 092</b>	<b>79 695</b>
<b>XV. Other capital and reserves</b>	<b>559 201</b>	<b>764 669</b>	<b>764 563</b>	<b>744 398</b>
<b>Minority interest</b>	<b>64 171</b>	<b>78 231</b>	<b>130 371</b>	<b>128 066</b>
<b>Total equity</b>	<b>1 889 486</b>	<b>1 923 621</b>	<b>1 765 914</b>	<b>1 701 198</b>
<b>Total equity and liabilities</b>	<b>31 243 077</b>	<b>31 277 725</b>	<b>30 603 321</b>	<b>29 608 659</b>

<b>Capital adequacy ratio</b>	<b>11,89</b>	<b>10,03</b>	<b>7,62</b>	<b>8,23</b>
<b>Book value</b>	<b>1 889 486</b>	<b>1 923 621</b>	<b>1 765 914</b>	<b>1 701 198</b>
<b>Number of shares</b>	<b>28 713 125</b>	<b>28 713 125</b>	<b>22 970 500</b>	<b>22 970 500</b>
<b>Book value per share ( in PLN per share)</b>	<b>65,81</b>	<b>66,99</b>	<b>76,88</b>	<b>74,06</b>
<b>Diluted numebr of shares</b>	<b>28 772 106</b>	<b>28 750 436</b>	<b>-</b>	<b>-</b>
<b>Diluted book value per share (in PLN per share)</b>	<b>65,67</b>	<b>66,91</b>	<b>-</b>	<b>-</b>

<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in '000 PLN)</b>	<b>I Quarter (current year)  from 1 Jan 2005 to 31 Mar 2005</b>	<b>I Quarter cumulative (current year)  from 1 Jan 2005 to 31 Mar 2005</b>	<b>I Quarter (previous year)  from 1 Jan 2004 to 31 Mar 2004</b>	<b>I Quarter cumulative (previous year)  from 1 Jan 2004 to 31 Mar 2004</b>
<b>Equity as at the beginning of the period</b>		<b>1 861 938</b>		<b>1 577 795</b>
a) changes to accounting policies		(98 675)		12 698
b) adjustment of errors				
<b>Adjusted equity as at the beginning of the period</b>		<b>1 763 263</b>		<b>1 590 493</b>
<b>1. Share capital as at the beginning of the period</b>		<b>114 853</b>		<b>91 882</b>
a) increase (due to)		-		-
- issue of shares				-
-				
b) decrease (due to)		-		-
- redemption of shares				-
-				
<b>1. Share capital as at the end of the period</b>		<b>114 853</b>		<b>91 882</b>
<b>2. Share capital not paid up as at the beginning of the period</b>				
a) increase (due to)				
b) decrease (due to)				
<b>2. Share capital not paid up as at the end of the period</b>		-		-
<b>3. Own shares as at the beginning of the period (negative amount)</b>				
a) increase (due to)		-		-
- purchase				
b) decrease (due to)		-		-
- sale				
<b>3. Own shares as at the end of the period</b>		-		-
<b>4. Supplementary capital as at the beginning of the period</b>		<b>1 190 793</b>		<b>657 157</b>
Changes to accounting policies		1 511		1 511
<b>Adjusted supplementary capital as at the beginning of the period</b>		<b>1 192 304</b>		<b>658 668</b>
a) increase (due to)		3 802		1 338
- issue of shares above their nominal value				
- appropriation of profit		3 802		1 336
- change in the scope of consolidation				-
- sale of tangible fixed assets				
- other				2
b) decrease (due to)		222		-
- cover of loss		222		
- cost of issuing shares				
- currency translation differences				
- other				
<b>4. Supplementary capital as at the end of the period</b>		<b>1 195 884</b>		<b>660 006</b>
<b>5. Other capital and reserves as at the beginning of the period</b>		<b>749 726</b>		<b>744 122</b>
Changes to accounting policies		14 943		4 594
<b>Adjusted other capital and reserves as at the beginning of the period</b>		<b>764 669</b>		<b>748 716</b>
a) net change in available for sale investments, net of tax		827		14 630
b) net change in cash flow hedges, net of tax		809		
c) currency translation differences		(756)		927
d) net change in general banking risk fund		-		-
e) net change in manager options		1 077		
f) net change in other reserves		(207 425)		290
<b>5. Other capital and reserves as at the end of the period</b>		<b>559 201</b>		<b>764 563</b>

<b>6. Retained earnings or loss brought forward as at the beginning of the year</b>		<b>(193 434)</b>		<b>84 634</b>
<b>6.1. Retained earnings as at the beginning of the year</b>		<b>105 068</b>		<b>105 408</b>
a) changes to accounting policies		21 388		41 415
b) adjustment of errors		-		-
<b>6.1. Adjusted retained earnings as at the beginning of the year</b>		<b>126 456</b>		<b>146 823</b>
a) increase ( due to)		-		673
- net profit for the current year		-		-
- other		-		673
b) decrease (due to)		4 725		1 804
- transfer to general banking risk fund		-		-
- transfer to other reserves		877		189
- transfer to supplementary capital		3 802		1 336
- dividends paid		-		-
- other		46		279
<b>6.1. Retained earnings as at the end of the year</b>		<b>121 731</b>		<b>145 692</b>
<b>6.2. Loss brought forward as at the beginning of the year</b>		<b>(298 502)</b>		<b>(20 774)</b>
a) changes to accounting policies		(136 517)		(34 822)
b) adjustment of errors		-		-
<b>6.2. Adjusted loss brought forward as at the beginning of the year</b>		<b>(435 019)</b>		<b>(55 596)</b>
a) increase ( due to)		-		-
- net loss for the current year		-		-
- other		-		-
b) decrease (due to)		(208 524)		-
- transfer from general banking risk fund		(222)		-
- transfer from other reserves		(208 302)		-
- other		-		-
<b>6.2. Loss brought forward as at the end of the year</b>		<b>(226 495)</b>		<b>(55 596)</b>
<b>7.3 Profit for the current year</b>		<b>60 141</b>		<b>28 996</b>
<b>Retained earnings or loss brought forward as at the end of the year</b>		<b>(104 764)</b>		<b>90 096</b>
<b>II. Equity as at the end of the period</b>		<b>1 825 315</b>		<b>1 635 543</b>

<b>CONSOLIDATED CASH FLOW STATEMENT</b>	<b>I Quarter (current year)</b> from 1 Jan 2005 to 31 Mar 2005	<b>I Quarter cumulative (current year)</b> from 1 Jan 2005 to 31 Mar 2005	<b>I Quarter (previous year)</b> from 1 Jan 2004 to 31 Mar 2004	<b>I Quarter cumulative (previous year)</b> from 1 Jan 2004 to 31 Mar 2004
<b>A. Cash flow from operating activities - indirect method</b>		<b>(857 679)</b>		<b>45 104</b>
<b>Profit before income tax</b>		<b>81 977</b>		<b>48 285</b>
<b>Adjustments:</b>		<b>(939 656)</b>		<b>(3 181)</b>
Income taxes paid (negative amount)		-		-
Amortization		-		38 139
Foreign exchange gains (losses)		(14 699)		(5 092)
Gains (losses) on investing activities		-		(7 318)
Impairment of financial assets		-		378
Dividends received		(101)		-
Interest paid		195 413		166 191
Change in loans and advances to banks		(1 302 902)		(1 455 266)
Change in trading securities		(524 147)		207 847
Change in derivative financial instruments		347 099		475 373
Change in other financial instruments at fair value		(125 866)		6 290
Change in loans and advances to customers		663 819		(596 104)
Change in investment securities		306 938		266 947
Change in other assets		(46 448)		51 513
Change in amounts due to other banks		1 263 570		(392 094)
Change in other deposits		-		-
Change in financial instruments and other trading liabilities		51 942		(291 975)
Change in amounts due to customers		(1 626 892)		745 846
Change in debt securities in issue		(207 298)		593 527
Change in provisions		(176 968)		(56 322)
Change in other liabilities		256 884		248 939
<b>Net cash from operating activities</b>		<b>(857 679)</b>		<b>45 104</b>

<b>B. Cash flows from investing activities</b>		<b>(33 699)</b>		<b>(35 596)</b>
<b>Investing activity inflows</b>		<b>9 387</b>		<b>1 670</b>
Disposal of shares in associates		-		-
Disposal of shares in subsidiaries, net of cash disposed		8 489		-
Proceeds from sale of intangible assets and tangible fixed assets		898		1 670
Other investing inflows		-		-
<b>Investing activity outflows</b>		<b>43 086</b>		<b>37 266</b>
Acquisition of associates		-		-
Acquisition of subsidiaries, net of cash acquired		9 213		-
Purchase of intangible assets and tangible fixed assets		33 873		37 266
Other investing outflows		-		-
<b>Net cash used in investing activities</b>		<b>(33 699)</b>		<b>(35 596)</b>
<b>C. Cash flows from financing activities</b>		<b>240 968</b>		<b>(71 003)</b>
<b>Financing activity inflows</b>		<b>443 449</b>		<b>140 000</b>
Proceeds from loans and advances from other banks		52		120 000
Proceeds from other loans and advances		37 567		-
Issue of debt securities		-		20 000
Increase of subordinated liabilities		405 830		-
Issue of ordinary shares		-		-
Sale of own shares		-		-
Other financing inflows		-		-
<b>Financing activity outflows</b>		<b>202 481</b>		<b>211 003</b>
Repayments of loans and advances from other banks		161 500		183 807
Repayments of other loans and advances		-		-
Redemption of debt securities		-		-
Decrease of subordinated liabilities		-		-
Other financial liabilities		-		-
Payments of financial lease liabilities		-		-
Dividends and other payments to shareholders		-		-
Other than payments to shareholders expenditures due to appropriation of profit		-		-
Purchase of own shares		-		-
Other financing outflows		40 981		27 196
<b>Net cash from financing activities</b>		<b>240 968</b>		<b>(71 003)</b>
<b>Net increase / decrease in cash and cash equivalents</b>		<b>(650 410)</b>		<b>(61 495)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>10 050 950</b>		<b>8 103 497</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>9 400 541</b>		<b>8 038 002</b>

STAND ALONE FINANCIAL STATEMENTS

INCOME STATEMENT (in '000 PLN)	I Quarter (current year) from 1 Jan 2005 to 31 Mar 2005	I Quarter cumulative (current year) from 1 Jan 2005 to 31 Mar 2005	I Quarter (previous year) from 1 Jan 2004 to 31 Mar 2004	I Quarter cumulative (previous year) from 1 Jan 2004 to 31 Mar 2004
I. Interest income		350 166		248 042
II. Interest expense		(202 187)		(168 545)
<b>III. Net interest income</b>		<b>147 979</b>		<b>79 497</b>
IV. Fee and commission income		76 104		74 182
V. Fee and commission expense		(20 702)		(20 803)
<b>VI. Net fee and commission income</b>		<b>55 402</b>		<b>53 379</b>
VII. Dividend income		6 697		15 963
<b>VIII. Net trading income</b>		<b>30 130</b>		<b>27 040</b>
1. Foreign exchange result		57 191		51 319
2. Other trading income		(27 061)		(24 279)
<b>IX. Gains less losses from investment securities</b>		<b>193</b>		<b>19 425</b>
<b>X. Other operating income</b>		<b>4 460</b>		<b>29 912</b>
XI. Impairment losses on loans and advances		(4 340)		(20 715)
XII. Overhead costs		(134 203)		(98 059)
XIII. Other operating expenses		(45 686)		(59 094)
<b>XIV. Operating profit</b>		<b>60 632</b>		<b>47 348</b>
XV. Share of profit of associates		-		-
<b>XVI. Profit before income tax</b>		<b>60 632</b>		<b>47 348</b>
XVII. Income tax expense		(12 043)		(12 237)
<b>XVIII. Net profit (loss)</b>		<b>48 589</b>		<b>35 111</b>
1. Attributable to equity holders of the Company		48 589		35 111
2. Attributable to minority interest		-		-

Net profit (loss) (for 12 months)	(296 764)		(9 450)	
Weighted average number of ordinary shares	27 277 469		22 970 500	
Earnings per 1 ordinary share (in PLN per share)	(10,88)		(0,41)	
Weighted average number of ordinary shares for diluted earnings	27 336 450		-	
Diluted earnings per 1 ordinary share (in PLN per share)	(10,86)		-	

BALANCE SHEET (in '000 PLN)	stan na 31 Mar 2005 end of the quarter 2005	stan na 31 Dec 2004 end of the previous quarter 2004	stan na 31 Mar 2004 end of the quarter 2004	stan na 31 Dec 2003 end of the previous quarter 2003
<b>Assets</b>				
<b>I. Cash and balances with Central Bank</b>	<b>489 123</b>	<b>734 608</b>	<b>610 138</b>	<b>473 243</b>
<b>II. Debt securities eligible for rediscounting at the Central Bank</b>	<b>46 848</b>	<b>52 832</b>	<b>60 888</b>	<b>52 765</b>
<b>III. Loans and advances to banks</b>	<b>6 241 151</b>	<b>5 622 162</b>	<b>3 892 052</b>	<b>3 828 310</b>
<b>IV. Trading securities</b>	<b>4 917 184</b>	<b>4 140 909</b>	<b>4 566 782</b>	<b>3 691 898</b>
<b>V. Derivative financial instruments</b>	<b>1 449 423</b>	<b>1 796 824</b>	<b>1 226 627</b>	<b>1 701 506</b>
<b>VI. Other financial instruments at fair value through profit or loss</b>	<b>125 866</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Loans and advances to customers</b>	<b>12 122 760</b>	<b>12 831 060</b>	<b>12 570 935</b>	<b>12 176 703</b>
<b>VIII. Investment securities</b>	<b>1 092 636</b>	<b>1 330 148</b>	<b>1 515 661</b>	<b>1 734 836</b>
1. Available for sale	1 092 636	1 330 148	1 515 661	1 734 836
2. Held to maturity	-	-	-	-
<b>IX. Pledged assets</b>	<b>32 054</b>	<b>31 500</b>	<b>48 462</b>	<b>47 788</b>
<b>X. Investments in associated undertakings</b>	<b>826</b>	<b>826</b>	<b>7 229</b>	<b>6 304</b>
<b>XI. Intangible assets</b>	<b>349 202</b>	<b>350 148</b>	<b>222 542</b>	<b>226 632</b>
<b>XII. Tangible fixed assets</b>	<b>468 911</b>	<b>475 911</b>	<b>882 634</b>	<b>877 479</b>
<b>XIII. Deferred income tax assets</b>	<b>676 163</b>	<b>729 799</b>	<b>563 602</b>	<b>636 144</b>
<b>XIV. Other assets</b>	<b>484 064</b>	<b>424 998</b>	<b>449 803</b>	<b>433 243</b>
<b>Total assets</b>	<b>28 496 211</b>	<b>28 521 725</b>	<b>26 617 355</b>	<b>25 886 851</b>



<b>Equity and liabilities</b>				
<b>Liabilities</b>				
I. Amounts due to the Central Bank	-	-	-	-
II. Amounts due to other banks	3 290 867	2 095 959	3 161 856	3 412 060
III. Other deposits	-	-	-	-
IV. Derivative financial instruments and other trading liabilities	1 578 049	1 613 461	1 314 042	1 609 211
V. Amounts due to customers	19 200 119	20 657 040	17 949 039	17 131 823
VI. Debt securities in issue	183 044	407 792	400 908	165 298
VII. Other borrowed funds	1 438 779	1 020 144	1 186 658	1 179 475
VIII. Other liabilities	410 521	141 326	383 128	161 301
IX. Current income tax liabilities	4 906	-	-	-
X. Provisions for deferred income tax	595 892	671 187	500 942	557 914
XI. Provisions	24 049	123 470	117 454	116 946
<b>Total liabilities</b>	<b>26 726 226</b>	<b>26 730 379</b>	<b>25 014 027</b>	<b>24 334 028</b>
<b>Equity</b>				
Capital and reserves attributable to the Company's equity holders	1 769 985	1 791 346	1 603 328	1 552 823
XII. Share capital	114 853	114 853	91 882	91 882
XIII. Supplementary capital	1 283 552	1 283 552	748 739	748 739
XIV. Retained earnings	(206 472)	(371 624)	(5 381)	(37 738)
XV. Other capital and reserves	578 052	764 565	768 088	749 940
Minority interest	-	-	-	-
<b>Total equity</b>	<b>1 769 985</b>	<b>1 791 346</b>	<b>1 603 328</b>	<b>1 552 823</b>
<b>Total equity and liabilities</b>	<b>28 496 211</b>	<b>28 521 725</b>	<b>26 617 355</b>	<b>25 886 851</b>

Capital adequacy ratio	13,68	11,76	8,71	9,45
Book value	1 769 985	1 791 346	1 603 328	1 552 823
Number of shares	28 713 125	28 713 125	22 970 500	22 970 500
Book value per share ( in PLN per share)	61,64	62,39	69,80	67,60
Diluted numebr of shares	28 772 106	28 750 436	-	-
Diluted book value per share (in PLN per share)	61,52	62,31	-	-

STATEMENT OF CHANGES IN EQUITY (in '000 PLN)	I Quarter (current year) from 1 Jan 2005 to 31 Mar 2005	I Quarter cumulative (current year) from 1 Jan 2005 to 31 Mar 2005	I Quarter (previous year) from 1 Jan 2004 to 31 Mar 2004	I Quarter cumulative (previous year) from 1 Jan 2004 to 31 Mar 2004
<b>Equity as at the beginning of the period</b>		<b>1 854 530</b>		<b>1 576 850</b>
a) changes to accounting policies		(135 379)		(24 609)
b) adjustment of errors				
<b>Adjusted equity as at the beginning of the period</b>		<b>1 719 151</b>		<b>1 552 241</b>
<b>1. Share capital as at the beginning of the period</b>		<b>114 853</b>		<b>91 882</b>
a) increase (due to)		-		-
- issue of shares				-
-				
b) decrease (due to)		-		-
- redemption of shares				-
-				
<b>1. Share capital as at the end of the period</b>		<b>114 853</b>		<b>91 882</b>
<del>2. Share capital not paid up as at the beginning of the period</del>				
a) increase (due to)				
b) decrease (due to)				
<b>2. Share capital not paid up as at the end of the period</b>		-		-
<b>3. Own shares as at the beginning of the period (negative amount)</b>				
a) increase (due to)		-		-
- purchase				
b) decrease (due to)		-		-
- sale				
<b>3. Own shares as at the end of the period</b>		-		-
<del>4. Supplementary capital as at the beginning of the period</del>		<b>1 283 552</b>		<b>748 739</b>
a) increase (due to)		-		-
- issue of shares above their nominal value				
- appropriation of profit				
- contributions from shareholders				
- sale of tangible fixed assets				
- other				
b) decrease (due to)		-		-
- cover of loss				
- cost of issuing shares				
- currency translation differences				
- other				
<b>4. Supplementary capital as at the end of the period</b>		<b>1 283 552</b>		<b>748 739</b>
<del>5. Other capital and reserves as at the beginning of the period</del>		<b>749 225</b>		<b>743 286</b>
Changes to accounting policies		15 340		8 826
<b>Adjusted other capital and reserves as at the beginning of the period</b>		<b>764 565</b>		<b>752 112</b>
a) net change in available for sale investments, net of tax		866		15 305
b) net change in cash flow hedges, net of tax				
c) currency translation differences		302		672
d) net change in general banking risk fund				
e) net change in manager options		1 077		-
f) net change in other reserves		(188 758)		
<b>5. Other capital and reserves as at the end of the period</b>		<b>578 052</b>		<b>768 089</b>
<b>6. Retained earnings or loss brought forward as at the beginning of the year</b>		<b>(293 100)</b>		<b>(7 057)</b>
<b>6.1. Retained earnings as at the beginning of the year</b>		<b>4 524</b>		<b>6 360</b>
a) changes to accounting policies		455 899		238 442
b) adjustment of errors				
<b>6.1. Adjusted retained earnings as at the beginning of the year</b>		<b>460 423</b>		<b>244 802</b>
a) increase (due to)		-		-
- net profit for the current year				
- other				
b) decrease (due to)		-		-
- transfer to general banking risk fund				
- transfer to other reserves				
- transfer to supplementary capital				
- dividends paid				
- other				

<b>6.1. Retained earnings as at the end of the year</b>		<b>460 423</b>		<b>244 802</b>
<b>6.2. Loss brought forward as at the beginning of the year</b>		<b>(297 624)</b>		<b>(13 417)</b>
a) changes to accounting policies		(606 618)		(271 877)
b) adjustment of errors				
<b>6.2. Adjusted loss brought forward as at the beginning of the year</b>		<b>(904 242)</b>		<b>(285 294)</b>
a) increase ( due to)		-		-
- net loss for the current year				
- other				
b) decrease (due to)		<b>(188 758)</b>		-
- transfer from general banking risk fund				
- transfer from other reserves		(188 758)		
- other				
<b>6.2. Loss brought forward as at the end of the year</b>		<b>(715 484)</b>		<b>(285 294)</b>
<b>6.3. Retained earnings or loss brought forward as at the end of the year</b>		<b>(255 061)</b>		<b>(40 492)</b>
<b>6.4 Profit for the current year</b>		<b>48 589</b>		<b>35 110</b>
<b>II. Equity as at the end of the period</b>		<b>1 769 985</b>		<b>1 603 328</b>

<b>CASH FLOW STATEMENT</b>	<b>I Quarter (current year) from 1 Jan 2005 to 31 Mar 2005</b>	<b>I Quarter cumulative (current year) from 1 Jan 2005 to 31 Mar 2005</b>	<b>I Quarter (previous year) from 1 Jan 2004 to 31 Mar 2004</b>	<b>I Quarter cumulative (previous year) from 1 Jan 2004 to 31 Mar 2004</b>
<b>A. Cash flow from operating activities - indirect method</b>		<b>(1 066 293)</b>		<b>(24 768)</b>
<b>Profit before income tax</b>		<b>60 632</b>		<b>47 347</b>
<b>Adjustments:</b>		<b>(1 126 925)</b>		<b>(72 115)</b>
Income taxes paid(negative amount)		-		-
Amortization		27 489		33 171
Foreign exchange gains (losses)		(14 699)		(5 343)
Gains (losses) on investing activities		227		(7 318)
Impairment of financial assets		432		378
Dividends received		(7 697)		-
Interest paid		163 506		158 338
Change in loans and advances to banks		(1 475 756)		(1 436 791)
Change in trading securities		(513 103)		241 124
Change in derivative financial instruments		347 401		474 879
Change in other financial instruments at fair value		(125 866)		-
Change in loans and advances to customers		708 300		(394 232)
Change in investment securities		316 687		217 176
Change in other assets		(5 984)		55 140
Change in amounts due to other banks		1 195 721		(172 662)
Change in other deposits		-		-
Change in financial instruments and other trading liabilities		(35 412)		(295 169)
Change in amounts due to customers		(1 582 808)		677 322
Change in debt securities in issue		(224 748)		216 509
Change in provisions		(174 716)		(56 464)
Change in other liabilities		274 101		221 827
<b>Net cash from operating activities</b>		<b>(1 066 293)</b>		<b>(24 768)</b>
<b>B.Cash flows from investing activities</b>		<b>(34 581)</b>		<b>(32 532)</b>
<b>Investing activity inflows</b>		<b>1 217</b>		<b>1 456</b>
Disposal of shares in associates		-		-
Disposal of shares in subsidiaries, net of cash disposed		8 489		-
Proceeds from sale of intangible assets and tangible fixed assets		425		1 456
Other investing inflows		(7 697)		-
<b>Investing activity outflows</b>		<b>35 798</b>		<b>33 988</b>
Acquisition of associates		-		-
Acquisition of subsidiaries, net of cash acquired		9 213		3
Purchase of intangible assets and tangible fixed assets		26 585		33 985
Other investing outflows		-		-
<b>Net cash used in investing activities</b>		<b>(34 581)</b>		<b>(32 532)</b>

<b>C. Cash flows from financing activities</b>		<b>398 123</b>		<b>(54 956)</b>
<b>Financing activity inflows</b>		<b>405 830</b>		<b>20 000</b>
Proceeds from loans and advances from other banks		-		-
Proceeds from other loans and advances		-		-
Issue of debt securities		-		20 000
Increase of subordinated liabilities		405 830		-
Issue of ordinary shares		-		-
Sale of own shares		-		-
Other financing inflows		-		-
<b>Financing activity outflows</b>		<b>7 707</b>		<b>74 956</b>
Repayments of loans and advances from other banks		-		46 977
Repayments of other loans and advances		7 438		8 636
Redemption of debt securities		-		-
Decrease of subordinated liabilities		-		-
Other financial liabilities		-		-
Payments of financial lease liabilities		-		-
Dividends and other payments to shareholders		-		-
Other than payments to shareholders expenditures due to appropriation of profit		-		-
Purchase of own shares		-		-
Other financing outflows		269		19 343
<b>Net cash from financing activities</b>		<b>398 123</b>		<b>(54 956)</b>
<b>Net increase / decrease in cash and cash equivalents (A+B+C)</b>		<b>(702 751)</b>		<b>(112 256)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>9 989 852</b>		<b>8 006 016</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>9 287 101</b>		<b>7 893 760</b>