2013

Semi-annual consolidated report of the ING Bank Śląski S.A. Group for the period of 6 months ending on 30 June 2013

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Selected financial data from financial statements (PLN million)

SELECTED FINANCIAL DATA FROM FINANCIAL STATEMENTS

• *Selected financial data*

	2 quarter 2013	I half year 2013	2 quarter 2012	I half year 2012
Interest income	902.8	1 827.9	945.2	1 890.4
Commission income	293.7	565.0	285.4	566.1
Result on basic activities	794.9	1 638.8	781.3	1 620.3
Result before tax	268.0	592.0	207.3	524.9
Net profit attributable to shareholders of ING Bank Śląski S.A.	216.9	476.6	167.6	439.1
Earnings per ordinary share (PLN)	1.67	3.66	1.29	3.38

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Loans and receivables to customers (net) excluding Eurobonds	46 678.2	45 301.6	45 205.6	44 732.4	44 036.6
Liabilities due to customers including matched funding for leasing portfolio:	64 674.7	60 736.5	60 521.5	56 891.6	55 149.0
- matched funding	*2 726.0*	*2 686.8*	*2 664.0*	*2 738.2*	*2 753.1*
Total assets	81 790.6	77 753.8	78 266.8	70 260.1	72 263.1
Equity attributable to shareholders of ING Bank Śląski S.A.	8 131.2	8 236.5	8 133.8	6 978.8	6 751.1
Initial capital	130.1	130.1	130.1	130.1	130.1

• *Key effectiveness ratios*

	I half 2013	I half 2012	Change I half 2013 / I half 2012
C/I - Cost/Income ratio (%)	56.6	56.0	+0.6 p.p.
ROA - Return on assets (%)	1.1	1.2	-0.1 p.p.
ROE - Return on equity (%)	11.2	13.5	-2.3 p.p.
L/D - Loans-to-deposits ratio (%)	72.2	78.6	-6.4 p.p.
Solvency ratio (%)	15.83	12.98	2.85 p.p.

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

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

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

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

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

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

- for income statement items and cash flow statement items:
  - PLN 4.2140 - exchange rate calculated as the average of NBP exchange rates as at the last day of each month in IH 2013,
  - PLN 4.2246 - exchange rate calculated as the average of NBP exchange rates as at the last day of each month in IH 2012.
- for statement of financial positions items:
  - PLN 4.3292 - NBP exchange rate of 30 June 2013,
  - PLN 4.1774 - NBP exchange rate of 31 March 2013,
  - PLN 4.0882 - NBP exchange rate of 31 December 2012,
  - PLN 4.2613 - NBP exchange rate of 30 June 2012,
  - PLN 4.1616 - NBP exchange rate of 31 March 2012.

Interim condensed consolidated financial statements (PLN million)

I. Interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	2 quarter 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 half year 2013 the period from 01 Jan 2013 to 30 Jun 2013	2 quarter 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 half year 2012 the period from 01 Jan 2012 to 30 Jun 2012
- Interest income	7.1	902.8	1 827.9	945.2	1 890.4
- Interest expenses	7.1	407.5	856.8	431.1	862.8
Net interest income	7.1	**495.3**	**971.1**	**514.1**	**1 027.6**
- Commission income	7.2	293.7	565.0	285.4	566.1
- Commission expenses	7.2	33.8	65.3	35.0	68.7
Net commission income	7.2	**259.9**	**499.7**	**250.4**	**497.4**
Net income on financial instruments measured at fair value through profit or loss and FX result	7.3	24.0	41.1	12.3	66.0
Net income on investments	7.4	-0.3	120.1	6.6	25.7
Net income on hedge accounting	7.5	11.5	-7.5	-5.2	-3.5
Net income on other basic activities		4.5	14.3	3.1	7.1
Result on basic activities		**794.9**	**1 638.8**	**781.3**	**1 620.3**
General and administrative expenses	7.6	464.9	935.0	456.3	921.2
Result on other operating income and expenses		-0.7	-1.5	2.3	3.3
Impairment losses and provisions for off-balance sheet liabilities	7.7	69.1	127.1	131.2	195.5
Share in net profit (loss) of associated entities recognised under the equity method		7.8	16.8	11.2	18.0
Profit (loss) before tax		**268.0**	**592.0**	**207.3**	**524.9**
Income tax		51.1	115.4	39.7	85.8
Net profit (loss)		**216.9**	**476.6**	**167.6**	**439.1**
- attributable to shareholders of ING Bank Śląski S.A.		**216.9**	**476.6**	**167.6**	**439.1**

Net profit (loss) attributable to shareholders of ING Bank Śląski S.A.	**216.9**	**476.6**	**167.6**	**439.1**
Weighted average number of ordinary shares	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**
Earnings per ordinary share (PLN)	**1.67**	**3.66**	**1.29**	**3.38**

Diluted earnings per share agrees with earnings per ordinary share

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2 quarter 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 half year 2013 the period from 01 Jan 2013 to 30 Jun 2013	2 quarter 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 half year 2012 the period from 01 Jan 2012 to 30 Jun 2012
Net result for the period	**216.9**	**476.6**	**167.6**	**439.1**
Other comprehensive income, of which:	**-322.8**	**-482.8**	**58.2**	**127.1**
- items which can be reclassified to income statement	-322.9	-482.9	57.6	127.1
- items which will not be reclassified to income statement	0.1	0.1	0.6	0.0
Total comprehensive income for the period, of which:	**-105.9**	**-6.2**	**225.8**	**566.2**
- attributable to shareholders of ING Bank Śląski S.A.	-105.9	-6.2	225.8	566.2

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

Małgorzata Kołakowska
President
Signed on the Polish original

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SIGNATURE OF THE PERSON ENTRUSTED WITH KEEPING THE ACCOUNTING BOOKS

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

Katowice, 06-08-2013

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

Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
A S S E T S						
- Cash in hand and balances with the Central Bank		1 673.5	3 534.4	4 071.6	2 321.2	1 558.1
- Loans and receivables to other banks	7.8	2 043.8	1 600.3	1 377.1	1 605.3	1 478.4
- Financial assets measured at fair value through profit and loss	7.9	2 057.4	1 412.1	1 554.6	791.5	1 425.7
- Valuation of derivatives		1 519.3	1 572.1	1 822.1	1 235.1	1 293.9
- Investments	7.10	20 256.7	18 003.9	17 881.1	13 817.5	16 819.8
- available-for-sale		*20 256.7*	*18 003.9*	*17 881.1*	*10 299.0*	*11 765.1*
- held-to-maturity		*0.0*	*0.0*	*0.0*	*3 518.5*	*5 054.7*
- Derivative hedge instruments		990.7	1 066.9	1 112.6	420.0	349.2
- Loans and receivables to customers	7.11, 7.12	50 472.5	49 119.3	48 985.3	48 490.6	47 717.3
- Receivables from customers due to repo transactions		1 284.2	0.0	0.0	0.0	78.6
- Investments in controlled entities recognised under the equity method		115.1	123.3	114.4	96.8	111.8
- Non-financial assets	7.13	1 077.7	1 092.1	1 115.5	1 094.3	1 091.7
- Tax assets		74.3	56.1	38.6	139.4	161.0
- Other assets		225.4	173.3	193.9	248.4	177.6
T o t a l a s s e t s		**81 790.6**	**77 753.8**	**78 266.8**	**70 260.1**	**72 263.1**
E Q U I T Y A N D L I A B I L I T I E S						
LIABILITIES						
- Liabilities due to other banks	7.14	4 411.5	4 850.4	4 554.6	4 108.3	5 407.0
- Financial liabilities measured at fair value through profit and loss	7.15	902.8	2 123.3	3 003.4	1 679.0	4 395.0
- Valuation of derivatives		1 606.7	1 665.5	1 778.1	1 287.4	1 226.3
- Derivative hedge instruments		1 082.3	1 267.9	1 364.0	871.7	851.5
- Liabilities due to customers	7.16	61 948.7	58 049.7	57 857.5	54 153.4	52 395.9
- Liabilities due to customers under repo transactions		1 938.5	0.0	0.0	3.6	44.0
- Liabilities under issue of debt securities		566.4	574.5	567.1	0.0	0.0
- Provisions	7.17	77.6	73.9	72.8	64.2	64.6
- Tax liabilities		20.0	97.7	103.0	27.0	3.7
- Other liabilities		1 102.6	812.1	830.2	1 084.4	1 121.7
T o t a l l i a b i l i t i e s		**73 657.1**	**69 515.0**	**70 130.7**	**63 279.0**	**65 509.7**
EQUITY						
- Share capital		130.1	130.1	130.1	130.1	130.1
- Supplementary capital - issuance of shares over nominal value		956.3	956.3	956.3	956.3	956.3
- Revaluation reserve		516.4	839.7	999.7	244.2	187.1
- Revaluation of share-based payment		44.9	44.3	41.3	35.5	33.6
- Retained earnings		6 483.5	6 266.1	6 006.4	5 612.7	5 444.0
Equity attributable to shareholders of ING Bank Śląski S.A.		**8 131.2**	**8 236.5**	**8 133.8**	**6 978.8**	**6 751.1**
- Non-controlling interests		**2.3**	**2.3**	**2.3**	**2.3**	**2.3**
T o t a l e q u i t y		**8 133.5**	**8 238.8**	**8 136.1**	**6 981.1**	**6 753.4**
T o t a l e q u i t y a n d l i a b i l i t i e s		**81 790.6**	**77 753.8**	**78 266.8**	**70 260.1**	**72 263.1**

Net book value	**8 131.2**	**8 236.5**	**8 133.8**	**6 978.8**	**6 751.1**
Number of shares	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**
Net book value per share (PLN)	**62.50**	**63.31**	**62.52**	**53.64**	**51.89**

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

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Katowice, 06-08-2013

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

Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1 half year 2013
the period from 01 Jan 2013 to 30 Jun 2013

	Share capital	Supplemen- tary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Non-controlling interests	Total equity
Opening balance of equity	**130.1**	**956.3**	**590.7**	**42.0**	**367.0**	**41.3**	**6 006.4**	**2.3**	**8 136.1**
Net result for the current period	-	-	-	-	-	-	476.6	0.0	**476.6**
Other comprehensive income, of which:	**0.0**	**0.0**	**-343.5**	**-0.4**	**-139.4**	**0.0**	**0.5**	**0.0**	**-482.8**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*-260.5*	-	-	-	-	-	***-260.5***
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-83.0*	-	-	-	-	-	***-83.0***
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*-139.4*	-	-	-	***-139.4***
- disposal of property, plant and equipment	-	-	-	*-0.4*	-	-	*0.5*	-	***0.1***
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**3.6**	**0.0**	**0.0**	**3.6**
- revaluation of share-based payment	-	-	-	-	-	*3.6*	-	-	***3.6***
Closing balance of equity	**130.1**	**956.3**	**247.2**	**41.6**	**227.6**	**44.9**	**6 483.5**	**2.3**	**8 133.5**

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

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

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Katowice, 06-08-2013

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

Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - continued

1 half year 2012
the period from 01 Jan 2012 to 30 Jun 2012

	Share capital	Supplemen- tary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Non-controlling interests	**Total equity**
Opening balance of equity	**130.1**	**956.3**	**20.8**	**39.3**	**58.2**	**30.8**	**5 178.2**	**2.3**	**6 416.0**
Net result for the current period	-	-	-	-	-	-	439.1	0.0	**439.1**
Other comprehensive income, of which:	**0.0**	**0.0**	**102.6**	**-1.2**	**24.5**	**0.0**	**1.2**	**0.0**	**127.1**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*120.3*	-	-	-	-	-	***120.3***
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-17.5*	-	-	-	-	-	***-17.5***
- amortisation of gains or losses previously recognised in equity concerning securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	*-0.2*	-	-	-	-	-	***-0.2***
- remeasurement of property, plant and equipment	-	-	-	*-0.6*	-	-	-	-	***-0.6***
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*24.5*	-	-	-	***24.5***
- disposal of property, plant and equipment	-	-	-	*-0.6*	-	-	*1.2*	-	***0.6***
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**4.7**	**-5.8**	**0.0**	**-1.1**
- revaluation of share-based payment	-	-	-	-	-	*4.7*	-	-	***4.7***
- purchase of subsidiary settlement	-	-	-	-	-	-	*-5.8*	-	***-5.8***
Closing balance of equity	**130.1**	**956.3**	**123.4**	**38.1**	**82.7**	**35.5**	**5 612.7**	**2.3**	**6 981.1**

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Katowice, 06-08-2013

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Interim condensed consolidated financial statements (PLN million)

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	1 half year 2013 the period from 01 Jan 2013 to 30 Jun 2013	1 half year 2012 the period from 01 Jan 2012 to 30 Jun 2012
OPERATING ACTIVITIES		
Net profit (loss)	**476.6**	**439.1**
Adjustments	**-2 876.8**	**-141.5**
- Share in net profit (loss) of associated entities	-16.8	-18.0
- Depreciation and amortisation	80.6	68.3
- Interest accrued (from the profit and loss account)	971.1	1 027.6
- Interest paid	729.5	810.8
- Interest received	-2 072.0	-2 084.5
- Dividends received	-1.2	-1.6
- Gains (losses) on investment activities	0.1	-4.4
- Income tax (from the profit and loss account)	115.4	85.8
- Income tax paid	-234.1	-34.2
- Change in provisions	4.8	6.1
- Change in loans and other receivables to other banks	-668.3	-17.9
- Change in financial assets at fair value through profit or loss	-500.3	-152.1
- Change in available-for-sale financial assets	-2 643.6	5 275.3
- Change in valuation of derivatives	131.4	216.6
- Change in derivative hedge instruments	-299.2	9.0
- Change in other receivables to customers	-2 607.8	-6 118.0
- Change in other assets	-14.6	139.0
- Change in liabilities due to other banks	-182.8	-923.2
- Change in liabilities at fair value through profit or loss	-2 100.6	-135.7
- Change in liabilities due to customers	6 155.5	1 566.4
- Change in other liabilities	276.1	143.2
Net cash flow from operating activities	**-2 400.2**	**297.6**
INVESTMENT ACTIVITIES		
- Purchase of property plant and equipment	-16.1	-52.5
- Disposal of property, plant and equipment	0.1	0.9
- Purchase of intangible assets	-28.0	-21.9
- Purchase of investments in subordinated entities	0.0	-206.1
- Disposal of fixed assets held for sale	0.4	4.8
- Redemption / sale of held-to-maturity financial assets	0.0	1 444.9
- Interest received from held-to-maturity financial assets	0.0	148.3
- Dividends received	1.2	1.6
Net cash flow from investment activities	**-42.4**	**1 320.0**
FINANCIAL ACTIVITIES		
- Long-term loans received	255.0	100.9
- Long-term loans repaid	-193.5	-320.9
- Interest on long-term loans repaid	-20.3	0.0
- Interest on debt securities issued	-0.7	0.0
Net cash flow from financial activities	**40.5**	**-220.0**
Effect of exchange rate changes on cash and cash equivalents	***55.9***	***-48.7***
Net increase/decrease in cash and cash equivalents	**-2 402.1**	**1 397.6**
Opening balance of cash and cash equivalents	**5 060.6**	**2 356.7**
Closing balance of cash and cash equivalents	**2 658.5**	**3 754.3**

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

Katowice, 06-08-2013

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

II. Additional information

1. Information on the Bank and the Capital Group

1.1. Key information about the Bank

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

1.2. Scope and duration of operations

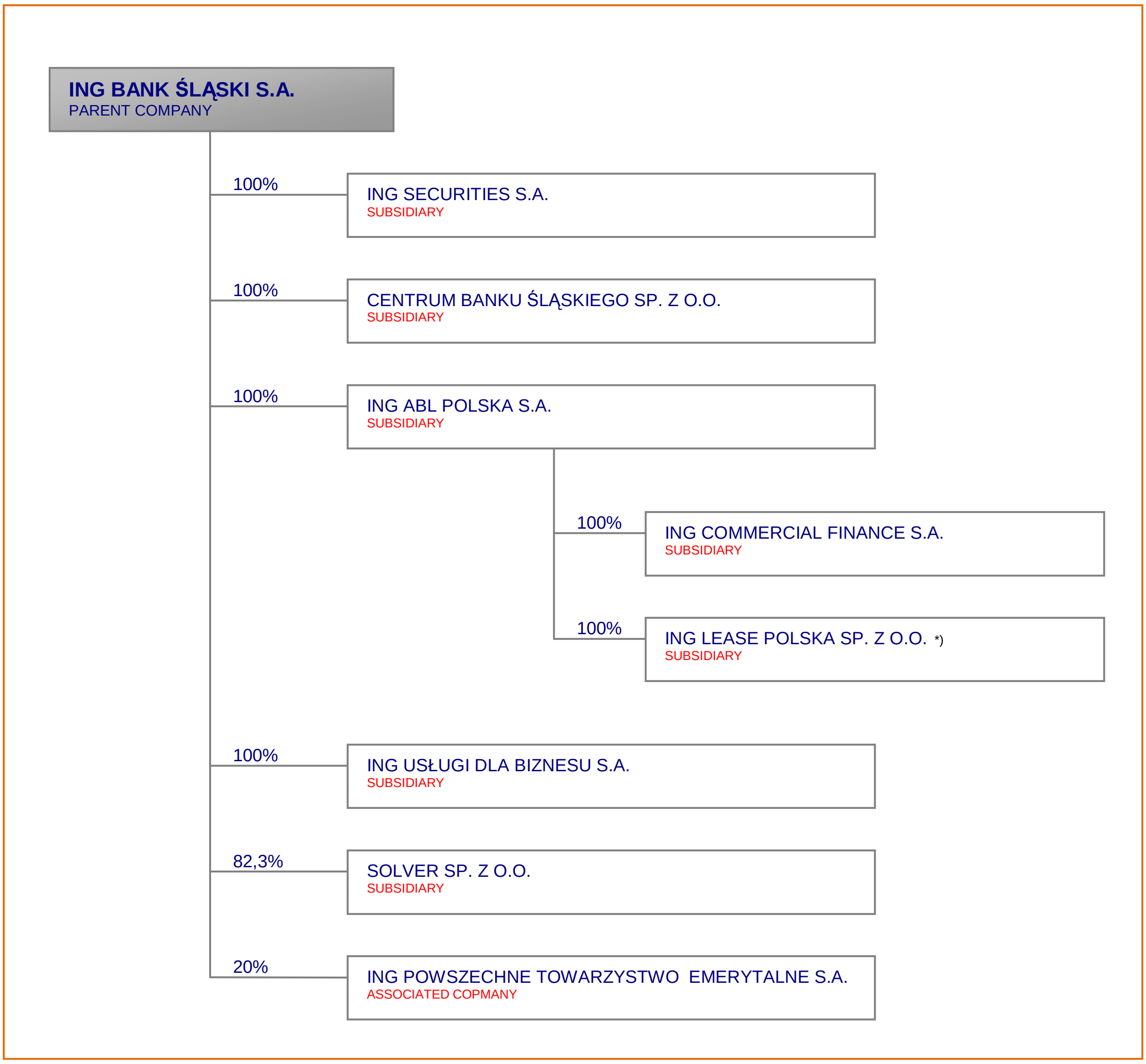
ING Bank Śląski S.A. offers a broad range of banking services rendered for individual and institutional clients in line with the scope of services outlined in the Bank's charter. The Bank runs operations both in the home currency and in foreign currencies. The Bank is also active on the domestic and foreign financial markets. The scope of services offered by the Bank was expanded with leasing and factoring operations, following the acquisition in 2012 of new companies. Additionally through subsidiaries the Group operates brokerage services, real estate, leasing of real estate and advisory and acts as a financial intermediary as well as provides other financial services. The duration of the parent entity and entities forming the Capital Group is indefinite.

1.3. Initial capital

The initial capital of ING Bank Śląski S.A. is PLN 130,100,000 and is divided in 130,100,000 ordinary bearer shares with a par value of PLN 1.00 each. Shares of the Bank are quoted on the Warsaw Stock Exchange (sector: banks).

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

ING Bank Śląski S.A. is the parent company of the ING Bank Śląski S.A. Group ("Capital Group", "Group"). As at 30 June 2013, the composition of ING Bank Śląski S.A. Capital Group was the following:



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

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

ING Bank Śląski S.A. is a subsidiary of ING Bank NV, which as at 30 June 2013 held 75% share in the initial capital of ING Bank Śląski and 75% shares in the total number of votes at the General Meeting of Shareholders. ING Bank NV belongs to the Capital Group, herein referred to as ING Group.

Interim condensed consolidated financial statements (PLN million)

As at the date 30 June 2013, the shareholders owning 5% and more votes at the General Shareholders Meeting of ING Bank Śląski Spółka Akcyjna were:

No.	Entity	Number of shares and votes	% of total number of shares and votes at General Meeting
1.	ING Bank N.V.	97,575,000	75,00
2.	Otwarty Fundusz Emerytalny PZU "Złota Jesień" and Dobrowolny Fundusz Emerytalny PZU	8,250,170	6,34

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

As at 30 June 2013, neither Management Board nor Supervisory Board members held shares of ING Bank Śląski S.A. So was the situation also at the date of rendering the financial statements for the previous reporting period into the public domain.

1.7. Entity authorised to audit financial statements

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

1.8. Approval of financial statements

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

These interim condensed consolidated financial statements have been approved by the Bank Management Board on 6 August 2013.

2. Significant events in I half 2013

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

0n 7 March 2013, the Supervisory Board of ING Bank Śląski S.A. appointed Joanna Erdman as Management Board Vice-President as of 1 April 2013.

2.2. Selection of Chartered Auditor

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

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

2.3. Agreement with BGK

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

2.4. Change of rating perspective

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

2.5. Changes to the Supervisory Board Composition

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

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

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

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

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

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delineated in item 2*.5 Changes to the Supervisory Board Composition.*

The amendments to the Bank's Charter which were passed by the General Meeting were registered with the Decision of the District Court in Katowice, the Commercial Division of the National Court Register, of 30 April 2013.

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

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

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

3. Significant events after the balance sheet date

3.1. Stake increase in the share capital of ING Bank Śląski S.A.

On 3 July 2013, Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK ("Aviva Open-Ended Pension Fund") informed ING Bank Śląski S.A. that as a result of the transaction of purchase of Bank shares concluded on 26 June 2013, the number of shares of the Company held by Aviva Open-Ended Pension Fund exceeded 5% stake in the total number of shares and votes at the Bank. Prior to the settlement of the abovementioned transaction, as at 28 June 2013, Aviva Open-Ended Pension Fund held 6,483,382 shares of ING Bank Śląski S.A., i.e. 4.98% of the Company share capital. Following the conclusion and settlement of the purchase transaction, as at 1 July 2013, Aviva Open-Ended Pension Fund held 6,548,964 shares of ING Bank Śląski S.A., i.e. 5.03% of the Company share capital.

3.2. Portfolio sale

On 19 July 2013, ING Bank Śląski S.A. concluded with Kredyt Inkaso I Niestandaryzowany Sekurytyzacyjny Fundusz Inwestycyjny Zamknięty (Loan Collection 1 Non-Standard Closed-End Securitization Investment Fund) with its registered office in Warsaw an agreement on the sale of portfolio of retail receivables recognized as impaired loans or written off the Group balance sheet in full. The total amount of receivables sold under the agreement equalled PLN 295.4 million (principal and interest), which in are fully recognized as impairment losses, or written off the Bank balance sheet in full. Positive impact of the transaction to the Group income amounted to PLN 9.6 million, whereas for the impairment losses for financial assets and provisions for off-balance-sheet liabilities (risk costs) it was PLN 25.3 million. As a consequence of the agreement described herein, the Bank decreased its non-performing loans portfolio by PLN 155.1 million.

3.3. Annex to the credit agreement

On 26 July 2013, there was concluded an annex to the credit agreement of 02 January 2012 with ING Commercial Finance Polska S.A. whereby the annual amount of the working capital loan granted to the company was increased by PLN 500.0 million to PLN 2,225.0 million. The total exposure of the Bank towards the ING Commercial Finance Polska S.A. Company is PLN 2,225.3 million. The criterion for regarding the agreement as significant is the ratio of the total loan amounts to the Bank's equity. The borrower is a related entity of ING Bank Śląski S.A.

4. Compliance with International Financial Reporting Standards

These interim condensed consolidated financial statements of the ING Bank Śląski S.A. Group for the period of 6 months ending on 30 June 2013 were prepared under the IAS 34 *Interim Financial Reporting* (International Accounting Standards) in a version approved by the European Commission effective as at the reporting date, that is 30 June 2013 as well as in accordance with the Ordinance of Finance Minister of 19 February 2009 on current and interim information submitted by issuers of securities (Journal of Laws of 2009, no. 33, item 259) with subsequent amendments.

Presented financial statements have been prepared in a condensed version. The interim condensed financial statements do not provide all data or disclosures required in the annual financial statements and should be interpreted together with the Bank's financial statements for the year ended 31 December 2012 approved by the Bank Management Board on 5 March 2013.

Interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity, and interim condensed consolidated cash flow statement for the period from 1 January 2013 to 30 June 2013, and interim condensed consolidated statement of financial position as at 30 June 2013 together with comparable data were prepared according to the same principles of accounting for each period.

4.1. Going-concern

These interim condensed consolidated financial statements of the ING Bank Śląski S.A. Group were prepared on a going-concern basis as regards the foreseeable future, namely as regards the period of minimum 12 months from the balance sheet date. As of the date of approving these statements, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Capital Group is endangered.

4.2. Discontinued operations

No operations were discontinued during the I half 2013 and I half 2012.

4.3. Financial statements scope and currency

These interim condensed consolidated financial statements of the ING Bank Śląski S.A. Group for the period of 6 months ending on 30 June 2013 comprise the Bank and its subsidiaries and the Group's interest in associates and jointly controlled entities.

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

4.4. Comparative data and verification by the chartered auditor

The comparative data cover the period from 1 January 2012 to 30 June 2012 for the interim condensed consolidated income statement; the interim condensed consolidated statement of comprehensive income and the interim condensed consolidated cash flow statement, additionally for the period from 1 January 2012 to 31 December 2012 for the interim condensed consolidated statement of changes in equity; and in the case of the interim condensed consolidated statement of financial position data as of 31 March 2013, 31 December 2012, 30 June 2012 and 31 March 2012. Interim condensed consolidated income statements, interim condensed consolidated statement of comprehensive income and notes to the interim condensed consolidated income statements include data for the Q2 2013 (period from 1 April 2013 to 30 June 2013) as well as comparative data for the Q2 2012 (period from 1 April 2012 to 30 June 2012).

The following financial data presented quarterly:

- for the period from 1 January 2013 to 31 March 2013,
- for the period from 1 April 2013 to 30 June 2013,
- for the period from 1 April 2012 to 30 June 2012 and
- as at 31 March 2013

were neither reviewed separately nor audited by the chartered auditor.

4.5. Changes to accounting standards

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

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

Interim condensed consolidated financial statements _(PLN million)_

IAS 19 _Employee Benefits_	The changes made refer to the removal of the possibility to defer income and costs recognition (i.e., elimination of the ”corridor method”), presentation under other total income and requirements for disclosure. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the change impacted the structure of the financial statements of the Group; however, the impact was immaterial.
IAS 32 _Financial Instruments: Presentation – Offsetting of Financial Assets and Liabilities_	The change specifies the meaning of the phrase ”have the on-going possibility to exercise the right to set-off” and that certain systemic gross settlements can be treated as the equivalent of net settlement. Application date: as for the changes to IFRS 7; i.e., for paragraph 43 – the accounting year starting on 1 January 2013 or later, for the remainder – the accounting year starting on 1 January 2014 or later.	Implementation of the change had no material impact on the financial statements of the Group .
IFRS 1 _First-time Adoption of International Financial Reporting Standards: severe hyperinflation and removal of fixed dates for those who adopt IFRS for the first time. Government cash loans._	The change specifies the guidelines related to reinstitution of the financial statements presentation in line with the IFRS following the term when the functional currency was exposed to significant hyperinflation, thus enabling the given entity to fulfil the IFRS requirements and to delete the fixed dates of IFRS first-time application. Application date: as of the beginning of the first accounting year starting at the effective date of the EU Regulation or later – i.e., 1 January 2013. The change concerning cash loans obtained from the government below market rates. Application date: the accounting year starting on 1 January 2013 or later.	No impact on the financial statements of the Group.
IFRS 7 _Financial Instruments: Disclosures – Offsetting of Financial Assets and Liabilities_	Change of requirements for disclosures related to offsetting of financial assets and liabilities. Application date: the accounting year starting on 1 January 2013 or later.	The change will cause the scope of disclosures to increase; however, it will not have a material impact on the financial statements of the Group.
IFRS 13 _Fair Value Measurement_	New standard sets out comprehensive guidelines for fair value measurement of financial and non-financial assets and liabilities. The standard is introduced to make the said requirements more coherent and transparent by compiling them in one standard, specify the guidelines and terms used as well as increase the scope of disclosures. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of a new standard impacted measurement of derivatives. Its impact on the financial statements was however immaterial. Implementation of IFRS 13 has a considerable impact on scope of disclosures made for fair value.
IFRIC 20 _Stripping Costs in the Production Phase of a Surface Mine_	The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. Application date: the accounting year starting on 1 January 2013 or later.	Not applicable.
The changes following the IFRS review (published in May 2012), applying to annual periods starting on 1 January 2013.	The changes cover the issues discussed during the IFRS reviews commenced in 2009 and considered in the draft changes earlier presented for consultation, but not included in the final changes published in earlier periods. The changes published on 17 May 2012 impact IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34 and are of specifying nature. Application date: the accounting year starting on 1 January 2013 or later.	Implementation of the changes had no material impact on the financial statements of the Group .

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

Change	Scope	Influence on the Bank statements
IAS 27 _Separate Financial Statements_	The change introduces the necessity to recognize investments in subsidiaries, jointly controlled entities and associates at cost or in line with rules set forth in IFRS 9 Financial Instruments in separate financial statements. The name of the standard was also changed. The change published on 31 October 2012, specifying the guidelines for investment entities. Application date: the accounting year starting on 1 January 2014 or later.	The Group is currently analysing the impact of changes on the financial statements. The preliminary analyses show that the change made will not have a material impact on the financial statements of the Group.
IAS 28 _Investments in Associates and Joint Ventures_	The changes pertain to the accounting principles for investments in associates and determine the requirements that have to be met in order to apply accounting using the equity method for investments in associates and jointly controlled entities. Application date: the accounting year starting on 1 January 2014 or later.	The Group is currently analysing the impact of changes on the financial statements. The preliminary analyses show that the change made will not have a material impact on the financial statements of the Group.
IAS 36 _Impairment of Assets Recoverable Amount Disclosures for Non-Financial Assets_	The amendment specifies the requirements for recoverable amount disclosures for non-financial assets. The scope of mandatory disclosures was limited to the recoverable amount of non-financial assets where for impairment is identified based on the fair value less costs of sale. Application date: the accounting year starting on 1 January 2014 or later.	The Group is currently analysing the impact of changes on the financial statements. The preliminary analyses show that the change made will not have a material impact on the financial statements of the Group.
IAS 39 _Financial Instruments: Recognition and Measurement_ _Novation of Derivatives and Continuation of Hedge Accounting_	The objective of the amendment is to enable novation to a central counterparty (CCP) for the derivatives designated as hedging instruments under the existing hedging relationships. The amendment made allows for continuation of the hedge structure in such conditions. Application date: the accounting year starting on 1 January 2014 or later.	The Group is currently analysing the impact of changes on the financial statements. The preliminary analyses show that the change made will not have a material impact on the financial statements of the Group.
IFRS 9 _Financial Instruments_	The standard is the result of the outcome of the first stage of IASB Project focusing on the replacement of IAS 39 and it comprises the classification and valuation of assets and financial liabilities. In 2012, IASB started the procedure to revise the adopted and published guidelines which provides for expanding the catalogue of categories of financial assets with an additional, third category being the financial assets carried at fair value through other total income. The subsequent stages of IASB Project will cover hedge accounting and permanent impairment of financial assets. The change concerns shift of the obligatory date for standard application from 1 January 2013 to 1 January 2015. Application date: the accounting year starting on 1 January 2015 or later.	Standard implementation may affect the structure of the financial statements; however, the Group will comprehensively assess the impact of the new standard together with the guidelines for hedge accounting and impairment, which have not been published yet.

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IFRS 10 _Consolidated Financial Statements_	New standard presenting the guidelines for financial statements consolidation including in particular but not limited to the indications confirming the requirement to include entities in the consolidated financial statements. The change published on 28 June 2012 is to specify implementation requirements. The change published on 31 October 2012 specifying the guidelines for investment entities which due to the purpose of their business are excluded from the requirement to include subsidiaries in consolidation and are required to carry them at fair value through profit or loss. Application date: the accounting year starting on 1 January 2014 or later.	The analyses show that the changes made will not materially affect the financial statements of the Group. Following the publication by the European Union of the approved version of the standard, the Group ultimately choose not to apply it earlier.
IFRS 11 _Joint Arrangements_	New standard sets out the requirements for joint arrangements recognition and measurement. The change published on 28 June 2012 is to specify implementation requirements. Application date: the accounting year starting on 1 January 2014 or later.	Implementation of the new standard will not have material impact on the financial statements of the Group . Following the publication by the European Union of the approved version of the standard, the Group ultimately choose not to apply it earlier.
IFRS 12 _Disclosure of Interest in Other Entities_	New standard sets out the disclosures of interest in other entities. The change published on 28 June 2012 is to specify implementation requirements. The change published on 31 October 2012, specifying the guidelines for investment entities in consequence of parallel changes made to IFRS 10. Application date: the accounting year starting on 1 January 2014 or later.	The analyses show that the changes made will not materially affect the financial statements of the Group. Following the publication by the European Union of the approved version of the standard, the Group ultimately choose not to apply it earlier.
IFRIC 21 _Levies– Interpretation of Recognition of Levies Imposed by Governments_	IFRIC 21 is the interpretation of the requirements given in IAS 37 _Provisions, Contingent Liabilities and Contingent Assets_ and it concerns recognition of a liability for a levy imposed by the government; i.e., the levies other than the income tax. The interpretation specifies that the obligating event that gives rise to the recognition of liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation. Application date: the accounting year starting on 01 January 2014 or later.	The analyses show that application of the new interpretation will not have impact on the financial statements of the Group.

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

5. Significant accounting policies

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

The Group made certain changes to the present Report with respect to the accounting principles it applied or their respective descriptions. The amendments were linked with the implementation of the requirements arising from new standards, resulted from update or specification of approach to estimates or were of editorial and specifying nature to enhance the quality and transparency of the description of the accounting principles applied by the Group. The amendments did not necessitate restatement of comparable data.

Presented below is the full text of the individual descriptions of principles that have been updated in the first half of 2013.

5.1. Amendments arising from implementation of the requirements arising from new standards as well as update or specification of approach to estimates

5.1.1. Net commission income

Commission income arises from providing financial services by the Group and comprises fees for extending a loan, the Group's pledge to extend a loan, cards issue, cash management services, brokerage services, insurance products-related services and asset management services. Commission income comprises also margins on FX derivatives transactions concluded with corporate clients.

Fees and commissions (both income and expenses) directly attributed to financial assets with repayment schedule are recognised in the Income Statement as effective interest rate component and are part of the interest income.

Other fees and commissions attributed to financial assets without the repayment schedule (e.g. commission on overdrafts) are settled using a straight-line method throughout the agreement term. Fees on pledge to extend a loan, which is likely to be taken, are deferred and as at the date of financial assets rise are settled as the component of effective interest rate or using straight-line method based on above mentioned criterion.

Other fees and commissions relating to the financial services offered by the Group – like cash management services, brokerage services and asset management services – are recognised in the income statement at the time of service provision.

Fees and commission related to insurance products are recognised in the income statement based on the principles specified above. In majority, the revenue on insurance products is recognised based on monthly settlements with the insurer and the client, and therefore revenues are recognised in the income statement on a monthly basis.

In relation to insurance products, based on the policy adopted, the Group analyses, on an annual basis, facts and circumstances, as well as product characteristics, including the following: economic purpose of the product, customer profile, risk profile, actual product behaviour data (sales performance, market penetration, resignation level) as well as changes to the offer, changes to the terms and conditions, or changes to the external environment, market terms and others. Based on such an analysis, the Group makes changes (if any) or revises the assumptions for revenue recognition of bancassurance insurance commission accordingly in order to reflect economic substance in the best possible manner based on the most recent knowledge and based on the most up-to-date available information.

In the event of significant changes, the Group introduces new accounting policy for products with materially changed characteristics; where the changes are less significant, they are recognised in the current year as changes to estimates.

5.1.2. Retirement and pension benefit provision

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

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

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

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

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

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

- probability of termination of employment,
- full incapacity to work,
- death.

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

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

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

In line with the Commission Regulation (EU) No 475/2012 of 5 June 2012 amending Regulation (EC) No 1126/2008 and amending some IAS/IFRS, IAS 19, among others, as of 1 January 2013 the Bank recognises the actuarial gains and losses in other total income at the moment when they arise, so that the net amount of the retirement assets or liabilities recognised in the statement of financial position reflects full amount of the financial surplus or deficit of the programme. The amendment is of forward-looking nature due to immateriality of the amounts concerned.

5.1.3. Cost basis of investment of debt and capital securities

Estimation of fair value of and result on sale of securities requires application of a certain cost basis for investment. The cost basis for investment applied in that respect is based on the interpretation resulting in application by an analogy to the guidelines given in IAS 2 *Inventories,* however only as far as possible considering the unique nature of the financial instruments of this type. The Group applies the "weighted average purchase price" as the effective cost basis for investment to estimate fair value of and result on sale of securities with the capital rights.

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

5.1.4. Assets valued at amortized cost

The Group assesses at each balance sheet date whether there is any objective evidence that a financial assets item or a group of financial assets is impaired. A financial assets item or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset item (a 'loss event') and that loss event (or events) has an impact on the expected future cash flows of the financial asset item or a group of financial assets that can be reliably estimated. Losses expected as a result of future events, no matter how likely, are not recognised.

During the impairment determination process, the Group first assesses whether conditions of impairment exist for financial assets.

The Group defined the following events as impairment conditions for a financial assets item:

- high probability of bankruptcy or other financial restructuring of the debtor;
- discontinuation of principal, interest or commission repayment by the debtor with the default of +90 DPD;
- sustaining by the debtor of financial problems which can adversely influence future cash flows from a given financial assets item;
- a serious breach of contractual terms and conditions by the debtor, indicating a measurable decline in estimated future cash flows from a given financial assets item; i.e.:
  - collateral of significant value was sold or liquidated,
  - collateral of significant value was established to the benefit of another lender,
  - significant debt was drawn with another financial institution, or
  - significant debt was prepaid with another financial institution,
- the disappearance of an active market for that financial assets item because of financial difficulties of the debtor, adversely influencing future cash flows from a given financial assets item;
- restructuring of a credit receivable for non-profit reasons; i.e.: the Bank provided the debtor with facilities for economic or legal reasons related to its financial problems whereby the future cash flows expected by the Bank from the said credit exposure are reduced below the carrying amount of that exposure;
- questioning of the balance sheet credit exposure by the debtor under court procedure; and

- unknown place of stay and undisclosed property of the debtor.

The entire lending portfolio of strategic and corporate network clients is tested for exposure impairment. The debtor's credit exposure is tested for impairment at the monitoring dates in place for the regular and irregular portfolios. For each credit exposure impairment condition identified, the debtor has to be reclassified to the irregular portfolio and analysed (tested) for impairment on account of the expected future cash flows.

If after the assessment we find that for a given financial assets item there are no objective reasons for impairment, the item is included in the group of financial assets with similar credit risk characteristics, which indicate that the debtor is capable to repay the entire debt according to provisions of the agreement. Such groups are subject to collective assessment in terms of impairment. If there is any objective evidence of impairment of loans and receivables, or investments held to maturity measured at amortized cost, then the amount of the impairment is the difference between the carrying amount of an assets item and the present value of estimated future cash flows, discounted with the initial effective interest rate of a given financial instrument item.

Practically, for significant assets, impairment is calculated per assets item using the discounted future cash flows of a given assets item; for insignificant assets – it is calculated collectively. When estimating future cash flows, the available debtor data are considered; the debtor's capacity to repay the exposure is assessed in particular. For backed credit exposures, the expected future cash flows on collateral execution are also used in the estimation, considering the time, costs and impediments of payment recovery under collateral sale, among other factors.

If the existing objective evidence of impairment of an assets item or financial assets group measured at the amortized cost indicate that there will be no expected future cash flows from the abovementioned financial assets, the impairment loss of assets equals their carrying amount.

The impairment loss calculated collectively is estimated on the basis of historical loss experience for assets with similar credit risk characteristics. Historical loss experience is adjusted on the basis of current observable data (to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based), and also through elimination of the effects of conditions in the historical period that do not exist currently. The Group regularly verifies the methodology and assumptions adopted to estimate future cash flows in order to mitigate the differences between estimated and actual losses.

For the purposes of calculation of the provision for the balance sheet and off-balance sheet exposures shown as EAD, the probability of default (PD) method is applied, among others. The mode of PD parameter calculation makes it possible to take account of the specific features of individual products and related loss identification periods as well as the historical loss adjustments made using the data available currently. The Group also verifies the conversion rate (the so-called CCF or k-factor) of utilisation of the unused part of the credit limit in the period from the reporting date to the default date to assure compliance with IAS 37 concerning provisions for contingent off-balance sheet liabilities.

This approach allows specifically for identification of:

- the losses that have already occurred, and
- the losses that occurred as at the impairment date, but have not been reported yet (the so-called provision for incurred but not reported losses – IBNR).

The impairment is presented as a reduction of the carrying amount of the assets item through use of an impairment loss and the amount of the loss (the impairment loss formed) is recognised in the income statement for the period.

If in a consecutive period, the amount of loss due to the impairment decreases as a result of an event that took place after the impairment (e.g. improved credit capacity assessment of the debtor), the previous impairment loss is reversed through the income statement with an adjustment.

5.2. Other amendments

5.2.1. Credit risk related to derivatives

The approach employed by the Group to estimate credit risk for derivatives with future settlement date (active deals unsettled as at the balance sheet date) is consistent with its approach to assessing credit risk for credit receivables. Valuation adjustments are estimated per counterparty considering the expected presettlement exposures and the same risk incurred by the Group.

This approach assuming the possibility of occurrence of risk of bilateral value adjustments. The adjustment is made using the expected positive exposure estimated through numerous simulations (the results from the scenarios leading to a negative outcome are eliminated) and the present market value (or its estimation through referencing to comparable data) of credit default swaps (CDS). Own risk of the Group and the risk of realisation of a scenario of concurrent client and Group insolvency are calculated by analogy.

In addition for mature or terminated and unsettled transactions as at the balance sheet date, the Group establishes impairment losses using the methodology for assessing the risk of impaired loans.

The two types of fair value adjustments as mentioned above were differently reflected in the consolidated financial statements. Fair value adjustments due to risk for non-matured transactions were presented under the item _Net income on instruments measured at fair value through profit or loss and FX result,_ whereas the impairments losses for matured transactions under the item _Impairment losses for financial assets and provisions for off-balance-sheet liabilities._ If a transaction whose fair value was adjusted in the previous reporting period in the item _Net income on instruments measured at fair value through profit or loss and FX result_ becomes mature or subject to restructuring, then the amount of the previous fair value adjustment is moved to the item _Impairment losses_ and the added part of the impairment loss for such already matured transaction is presented in the income statement in the item _Impairment losses for financial assets and provisions for off-balance-sheet liabilities._

Therefore the financial result is impacted only by the amount of surplus of the current impairment loss (or write-down) for a mature transaction above the amount of the fair value adjustment established before the transaction has matured.

5.2.2. Gains and losses resulting from subsequent measurement

A gain or loss arising from a change in the fair value of a financial asset or financial liability that is not part of a hedging relationship is recognised, as follows:

- a gain or loss on a financial asset or financial liability classified as at fair value through profit and loss is recognised in the income statement;
- a gain or loss on an available-for-sale financial asset is recognized directly in equity through list of changes in equity.

The interest calculated using the effective interest rate method is recognised in the income statement.

As of impairment of items of financial assets or a group of financial assets, the Group carries the amount of contractual interest not paid at the impairment date through profit and loss. Since then, the Group accrues interest on the items of financial assets or a group of financial assets less the impairment charge. Interest is accrued at the interest rate used to calculate the impairment charge for the financial assets affected. Later, the value is adjusted with the contractual interest paid in a given period.

Dividends on an available-for-sale equity instrument are recognised in the income statement when the entity's right to receive payment is established.

Foreign exchange gains and losses arising from a change in the fair value of a non monetary financial asset available for sale denominated in foreign currency are recognized directly in equity. Foreign exchange gains and losses arising from monetary financial assets (e.g. debt securities) denominated in foreign currency are recognized directly in the income statement.

At the moment of derecognition of financial assets from the balance sheet, cumulated gains and losses recognized previously in equity, are transferred to the income statement. If any objective evidence exists that a financial asset or group of financial assets is impaired, the Group recognizes impairment in accordance with the established rules of determination of impairment of financial assets.

The fair value of financial assets and liabilities quoted in an active market (including securities) is determined on the basis of the bid price for long position and offer price for short position. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, discounted cash flow analysis and option pricing models and other techniques used by market members.

Based on the employed methods of determining the fair value, financial assets/liabilities are classified to the following categories:

- Level I: financial assets/liabilities measured directly on the basis of prices quoted in the active market or measurement techniques based solely on market data,
- Level II: financial assets/liabilities measured on the basis of measurement techniques based on assumptions using data from an active market or market observations,
- Level III: financial assets/liabilities measured on the basis of measurement techniques commonly used by the market players, the assumptions of which are not based on data from an active market.

5.2.3. Measurement of financial instruments that do not have a quoted market price

The fair value of financial instruments not quoted in active markets is measured using valuation models. For non-option derivatives, the models based on discounted cash flows apply. Options are measured using appropriate option valuation models.

Valuation models used by the Bank are verified prior to their usage. Where possible, in models the Bank uses observable data from active markets. However, in certain circumstances, to choose the right valuation parameter, the Bank makes an estimation by comparing a given instrument to another one present on another market but having similar or identical features.

Application of the prudence principle requiring to choose the lower value of assets and the higher value of liabilities as being more probable – especially in the conditions of lower liquidity or/and volatility of the financial markets – is fundamental in the valuation made based on this approach. The change of assumptions concerning these factors may influence valuation of some financial instruments.

5.2.4. Repo/reverse repo transactions

The Group presents sold financial assets with the repurchase clauses (repo, sell–buy–back transactions) in its statement of financial position, simultaneously recognising a financial liability under a repurchase clause. This is done in order to reflect the risks and benefits arising on this assets item that are retained by the Group after the transfer.

For the securities purchased with a repurchase clause (reverse repo, buy–sell–back), the financial assets held are presented as receivables arising from repurchase clause, hedged with securities.

Starting from the second quarter of 2013, the Group ceased to designate newly concluded sell-buy-back/buy-sell-back transactions upon initial recognition through profit or loss.

Transactions are measured in line with their intention. Accordingly, the transactions made for the category of financial instruments held for trading are carried at fair value through profit or loss. Other transactions are recognised at amortized cost using the effective interest method.

6. Comparability of financial data

In the interim condensed consolidated financial statements for the period from 1 January 2013 to 30 June 2013, the Group made following presentation changes to the statement of financial position, compared to the interim consolidated financial statements for previous periods. The changes included:

1) Exclusion of the receivables under repo transactions made with Group clients from "*Loans and receivables to customers*" and their disclosure under a separate item "*Receivables from customers due to repo transactions*".
2) Exclusion of the liabilities under repo transactions made with Group clients from "*Liabilities due to customers*" and their disclosure under a separate item "*Liabilities due to customers under repo transactions*".
3) Aggregation of non-financial-like assets (investment properties, property, plant and equipment, intangible assets and non-current assets held for sale) under one item "*Non-financial assets*".
4) Aggregation of current and deferred tax assets under one item "*Tax assets*".
5) Aggregation of current tax liabilities and deferred tax liability under one item "*Tax liabilities*".

The changes discussed in items 1 and 2 herein were made to recognise stable assets/ liabilities measured at amortized cost separately from those characterised by a high volatility in individual reporting periods.

The changes discussed in items 3 through 5 herein were made to show the total worth of similar items, not that significant on account of their share in the assets/ liabilities total.

The Group is of the opinion that changes to the statement of financial position improved transparency. Changes did not impact the balance sheet totals of the reporting periods.

The below tables show individual items of the consolidated statement of financial position as per amounts disclosed in the interim consolidated financial statements for previous periods (Table 1) and in the current financial statements (Table 2).

Interim condensed consolidated financial statements _(PLN million)_

Table 1

	change	as at 31.03.2013	as at 31.12.2012	as at 30.06.2012	as at 31.03.2012
A S S E T S					
- Loans and receivables to customers	_1_	49,119.3	48,985.3	48,490.6	47,795.9
- Investment properties	_3_	120.9	120.9	118.7	118.7
- Property, plant and equipment	_3_	573.3	600.0	579.5	573.7
- Intangible assets	_3_	353.6	361.6	358.8	360.4
- Non-current assets held for sale	_3_	44.3	33.0	37.3	38.9
- Current tax assets	_4_	1.0	0.3	0.2	91.3
- Deferred tax assets	_4_	55.1	38.3	139.2	69.7
E Q U I T Y A N D L I A B I L I T I E S					
- Liabilities due to customers	_2_	58,049.7	57,857.5	54,157.0	52,439.9
- Current tax liabilities	_5_	95.2	74.0	25.2	2.2
- Deferred tax liability	_5_	2.5	29.0	1.8	1.5

Table 2

	change	as at 31.03.2013	as at 31.12.2012	as at 30.06.2012	as at 31.03.2012
A S S E T S					
- Loans and receivables to customers	_1_	49,119.3	48,985.3	48,490.6	47,717.3
- Receivables from customers due to repo transactions	_1_	0.0	0.0	0.0	78.6
- Non-financial assets	_3_	1,092.1	1,115.5	1,094.3	1,091.7
- Tax assets	_4_	56.1	38.6	139.4	161.0
E Q U I T Y A N D L I A B I L I T I E S					
- Liabilities due to customers	_2_	58,049.7	57,857.5	54,153.4	52,395.9
- Liabilities due to customers under repo transactions	_2_	0.0	0.0	3.6	44.0
- Tax liabilities	_5_	97.7	103.0	27.0	3.7

Interim condensed consolidated financial statements (PLN million)

7. Notes to interim condensed consolidated financial statements

7.1. Net interest income

	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013	2Q 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012
Interest income				
- interest on loans and receivables to banks	25.3	53.1	31.0	57.9
- interest on loans and receivables to customers, of which:	668.8	1 354.1	733.0	1 440.7
- interest on leasing agreements	*37.8*	*78.0*	*42.8*	*84.9*
- interest on factoring agreements	*20.3*	*42.3*	*25.8*	*49.7*
- interest on repo transactions	8.7	8.7	0.0	0.0
- interest on available-for-sale debt securities	190.5	381.5	116.4	234.9
- interest on debt securities held for trading	7.1	12.5	3.1	7.7
- interest on held-to-maturity debt securities	0.0	0.0	56.8	129.4
- interest on debt securities designated as fair value at initial recognition	0.0	0.0	2.7	6.3
- interest result on derivatives	2.4	18.0	2.2	13.5
Total interest income	**902.8**	**1 827.9**	**945.2**	**1 890.4**
Interest expense				
- interest on deposits from banks	24.5	50.8	31.4	71.2
- interest on deposits from customers	368.7	784.3	399.7	791.6
- interest on repo transactions	7.0	7.0	0.0	0.0
- interest on issue of debt securities	6.8	14.2	0.0	0.0
- interest on financial liabilities held for trading	0.5	0.5	0.0	0.0
Total interest expense	**407.5**	**856.8**	**431.1**	**862.8**
Net interest income	**495.3**	**971.1**	**514.1**	**1 027.6**

Interim condensed consolidated financial statements (PLN million)

7.2. Net commission income

Commission income	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013	2Q 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012
- the transaction margin on currency exchange transactions	75.1	139.4	66.2	131.7
- commission related to keeping accounts	64.6	128.2	63.6	125.3
- commission related to loans	51.6	100.6	45.1	89.0
- commission related to payment and credit cards	46.3	88.8	51.1	100.7
- commission related to distribution of participation units	17.8	34.1	14.8	30.0
- commission related to brokerage activity	14.3	25.2	12.3	31.4
- fiduciary and custodian fees	7.6	15.4	7.1	13.6
- commission related to factoring and lease agreements	6.8	13.2	5.9	11.8
- foreign commercial business	3.9	7.8	3.5	6.8
- commission related to insurance product offering	3.1	5.7	8.5	14.0
- commission related to subscription of structured products	0.0	0.0	0.0	1.1
- other	2.6	6.6	7.3	10.7
Total comission income	**293.7**	**565.0**	**285.4**	**566.1**
Commission expense	**33.8**	**65.3**	**35.0**	**68.7**
- of which costs of the Bank Guarantee Fund (BFG)	11.4	22.7	11.0	22.0
Net commission income	**259.9**	**499.7**	**250.4**	**497.4**

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

	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013	2Q 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012
Net income on financial assets and liabilities held for trading, of which:	**65.9**	**-8.4**	**-209.0**	**-291.6**
- Net income on debt instruments	11.4	17.8	3.1	14.7
- Net income on derivatives, of which:	54.5	-26.2	-212.1	-306.3
- currency derivatives	*37.8*	*-40.7*	*-213.9*	*-314.9*
- interest rate derivatives	*16.0*	*13.1*	*1.2*	*7.5*
- securities derivatives	*0.7*	*1.4*	*0.6*	*1.1*
Net income on financial assets and liabilities measured at fair value upon initial recognition, of which:	**0.0**	**0.0**	**-1.2**	**-0.6**
- Net income on debt instruments	0.0	0.0	-1.2	-0.6
FX-result	**-41.9**	**49.5**	**222.5**	**358.2**
Net income on financial instruments measured at fair value through profit or loss and FX result	**24.0**	**41.1**	**12.3**	**66.0**

Interim condensed consolidated financial statements (PLN million)

7.4. Net income on investments

	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013	2Q 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012
Net income on debt instruments available-for-sale	-3.7	116.6	2.5	14.8
Net income on equity instruments available-for-sale	0.0	0.0	0.0	6.8
Dividend income	3.4	3.4	4.1	4.1
Impairment losses	0.0	0.1	0.0	0.0
Net income on investments	**-0.3**	**120.1**	**6.6**	**25.7**

7.5. Net income on hedge accounting

	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013	2Q 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012
Fair value hedge accounting for securities	**11.7**	**-8.0**	**-5.6**	**-3.2**
- valuation of the hedged transaction	-123.2	-189.8	57.8	91.6
- valuation of the hedging transaction	134.9	181.8	-63.4	-94.8
Cash flow hedge accounting	**-0.2**	**0.5**	**0.4**	**-0.3**
- ineffectiveness that arises from cash flow hedges	-0.2	0.5	0.4	-0.3
Net income on hedge accounting	**11.5**	**-7.5**	**-5.2**	**-3.5**

7.6. General and administrative expenses

	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013	2Q 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012
Personnel expenses	226.3	453.0	213.1	441.1
Cost of marketing and promotion	28.8	53.4	23.4	43.7
Amortization	40.7	80.6	34.7	68.3
Other general and administrative expenses	169.1	348.0	185.1	368.1
General and administrative expenses	**464.9**	**935.0**	**456.3**	**921.2**

Interim condensed consolidated financial statements (PLN million)

7.6.1. Headcount

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
FTEs	8 535.5	8 504.8	8 519.2	8 557.0	8 513.5
Individuals	8 654	8 670	8 687	8 712	8 665

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
FTEs	8 099.3	8 074.4	8 081.9	8 140.4	8 112.6
Individuals	8 211	8 233	8 244	8 290	8 260

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

	2Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	**1 HY 2013** the period from 01 Jan 2013 to 30 Jun 2013	**2Q 2012** the period from 01 Apr 2012 to 30 Jun 2012	**1 HY 2012** the period from 01 Jan 2012 to 30 Jun 2012
Impairment losses	133.3	294.4	253.9	416.2
Release of impairment write-offs	-64.2	-167.3	-122.7	-220.7
Net impairment losses and provisions for off-balance sheet liabilities	**69.1**	**127.1**	**131.2**	**195.5**

7.8. Loans and receivables to other banks

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Current accounts	956.6	1 005.6	977.2	978.3	758.8
Interbank deposits	515.1	106.8	25.3	435.1	508.2
Loans and advances	75.3	113.8	139.0	148.9	143.8
Factoring receivables	145.6	144.9	158.3	23.6	11.2
Reverse repo transactions	323.2	207.8	66.0	0.0	0.0
Other receivables	28.6	22.0	11.8	19.8	56.5
Total (gross)	**2 044.4**	**1 600.9**	**1 377.6**	**1 605.7**	**1 478.5**
Impairment losses, of which:	-0.6	-0.6	-0.5	-0.4	-0.1
- concerning loans and advances	*0.0*	*-0.1*	*0.0*	*-0.1*	*-0.1*
- concerning factoring receivables	*-0.6*	*-0.5*	*-0.5*	*-0.3*	*0.0*
Total (net)	**2 043.8**	**1 600.3**	**1 377.1**	**1 605.3**	**1 478.4**

Interim condensed consolidated financial statements (PLN million)

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Financial assets held for trading, of which:	2 057.4	1 034.7	507.6	412.4	853.7
- debt instruments	*1 405.7*	*1 034.7*	*507.6*	*412.4*	*853.7*
- repo transactions	*651.7*	*0.0*	*0.0*	*0.0*	*0.0*
Financial assets designated as at fair value upon initial recognition, of which:	0.0	377.4	1 047.0	379.1	572.0
- repo transactions	*0.0*	*377.4*	*1 047.0*	*379.1*	*157.5*
- debt instruments	*0.0*	*0.0*	*0.0*	*0.0*	*414.5*
Total	**2 057.4**	**1 412.1**	**1 554.6**	**791.5**	**1 425.7**

7.10. Investments

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Available-for-sale financial assets, of which:	20 256.7	18 003.9	17 881.1	10 299.0	11 765.1
- debt instruments, including:	*20 230.6*	*17 983.1*	*17 863.8*	*10 278.2*	*11 736.1*
- hedged items in fair value hedging	*2 552.3*	*790.7*	*1 042.3*	*1 007.1*	*1 031.8*
- equity instruments	*26.1*	*20.8*	*17.3*	*20.8*	*29.0*
Held-to-maturity financial assets, of which:	0.0	0.0	0.0	3 518.5	5 054.7
- debt instruments	*0.0*	*0.0*	*0.0*	*3 518.5*	*5 054.7*
Total	**20 256.7**	**18 003.9**	**17 881.1**	**13 817.5**	**16 819.8**

Interim condensed consolidated financial statements (PLN million)

7.11. Loans and receivables to customers

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Loans and advances	40 531.4	39 620.3	38 898.3	38 680.3	37 990.0
Leasing receivables	3 382.4	3 251.8	3 233.9	3 146.2	3 108.3
Factoring receivables	2 231.6	1 966.5	2 212.1	2 100.3	1 860.1
Debt securities, of which:	5 785.5	5 649.3	5 945.1	5 738.9	5 828.2
- T-eurobonds	*3 794.3*	*3 817.7*	*3 779.7*	*3 758.2*	*3 680.7*
- corporate and municipal bonds	*1 991.2*	*1 831.6*	*2 165.4*	*1 980.7*	*2 147.5*
Other receivables	116.3	105.6	125.1	116.7	127.4
Total loans and receivables to customers (gross)	**52 047.2**	**50 593.5**	**50 414.5**	**49 782.4**	**48 914.0**
Impairment losses, of which:	-1 574.7	-1 474.2	-1 429.2	-1 291.8	-1 196.7
- concerning loans and advances	*-1 437.1*	*-1 338.4*	*-1 287.4*	*-1 186.4*	*-1 121.1*
- concerning leasing receivables	*-60.0*	*-63.4*	*-69.4*	*-61.8*	*-62.7*
- concerning factoring receivables	*-8.6*	*-8.2*	*-9.4*	*-6.1*	*-7.6*
- concerning debt securities	*-63.8*	*-59.0*	*-57.8*	*-32.3*	*-0.2*
- concerning other receivables	*-5.2*	*-5.2*	*-5.2*	*-5.2*	*-5.1*
Total loans and receivables to customers (net), of which:	**50 472.5**	**49 119.3**	**48 985.3**	**48 490.6**	**47 717.3**
- to entities from the financial sector other than banks	*1 421.8*	*1 405.9*	*1 645.4*	*1 377.1*	*1 248.9*
- to entities from the non-financial sector	*41 569.4*	*40 060.0*	*39 645.0*	*39 331.9*	*38 737.6*
- to entities from the government and self-government institutions' sector	*7 481.3*	*7 653.4*	*7 694.9*	*7 781.6*	*7 730.8*

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Loans and advances, of which:	1 334.3	1 310.4	1 533.8	1 276.1	1 140.5
- in the current account	*32.0*	*40.8*	*127.9*	*32.7*	*18.7*
- term ones	*1 302.3*	*1 269.6*	*1 405.9*	*1 243.4*	*1 121.8*
Leasing receivables	0.6	0.4	0.6	0.0	0.1
Factoring receivables	0.0	4.5	0.0	0.0	0.0
Other receivables	87.2	90.8	111.6	101.7	108.7
Total (gross)	**1 422.1**	**1 406.1**	**1 646.0**	**1 377.8**	**1 249.3**
Impairment losses, of which	-0.3	-0.2	-0.6	-0.7	-0.4
- concerning loans and advances	*-0.3*	*-0.2*	*-0.6*	*-0.7*	*-0.4*
Total (net)	**1 421.8**	**1 405.9**	**1 645.4**	**1 377.1**	**1 248.9**

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Loans and advances granted to business entities, of which:	18 288.4	18 067.6	17 364.0	18 113.1	18 068.3
- in the current account	_5 223.0_	_5 169.5_	_4 978.3_	_5 409.3_	_5 179.3_
- term ones	_13 065.4_	_12 898.1_	_12 385.7_	_12 703.8_	_12 889.0_
Loans and advances granted to households, of which:	17 985.4	17 219.0	16 910.1	16 148.6	15 567.4
- in the current account	_1 414.4_	_1 380.6_	_1 379.0_	_1 410.4_	_1 367.8_
- term ones	_16 571.0_	_15 838.4_	_15 531.1_	_14 738.2_	_14 199.6_
Leasing receivables	3 381.8	3 239.5	3 220.7	2 973.6	2 930.7
Factoring receivables	2 220.1	1 950.2	2 188.8	2 081.4	1 854.4
Debt securities	1 238.5	1 042.3	1 376.0	1 289.9	1 493.0
Other receivables	29.0	14.6	13.2	14.9	18.7
Total (gross)	**43 143.2**	**41 533.2**	**41 072.8**	**40 621.5**	**39 932.5**
Impairment losses, of which:	-1 573.8	-1 473.2	-1 427.8	-1 289.6	-1 194.9
- concerning loans and advances to business entities	_-872.5_	_-834.8_	_-820.2_	_-761.4_	_-725.3_
- concerning loans and advances to households	_-563.7_	_-502.6_	_-465.8_	_-422.8_	_-394.0_
- concerning leasing receivables	_-60.0_	_-63.4_	_-69.4_	_-61.8_	_-62.7_
- concerning factoring receivables	_-8.6_	_-8.2_	_-9.4_	_-6.1_	_-7.6_
- concerning debt securities	_-63.8_	_-59.0_	_-57.8_	_-32.3_	_-0.2_
- concerning other receivables	_-5.2_	_-5.2_	_-5.2_	_-5.2_	_-5.1_
Total (net)	**41 569.4**	**40 060.0**	**39 645.0**	**39 331.9**	**38 737.6**

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Loans and advances, of which:	2 923.3	3 023.3	3 090.4	3 142.5	3 213.8
- in the current account	_100.4_	_64.0_	_9.5_	_114.5_	_105.3_
- term ones	_2 822.9_	_2 959.3_	_3 080.9_	_3 028.0_	_3 108.5_
Leasing receivables	0.0	11.9	12.6	172.6	177.5
Factoring receivables	11.5	11.8	23.3	18.9	5.7
Debt securities, of which:	4 547.0	4 607.0	4 569.1	4 449.0	4 335.2
- hedged items in fair value hedging	_3 794.3_	_3 817.7_	_3 779.7_	_3 758.2_	_3 680.7_
Other receivables	0.1	0.2	0.3	0.1	0.0
Total (gross)	**7 481.9**	**7 654.2**	**7 695.7**	**7 783.1**	**7 732.2**
Impairment losses, of which:	-0.6	-0.8	-0.8	-1.5	-1.4
- concerning loans and advances	_-0.6_	_-0.8_	_-0.8_	_-1.5_	_-1.4_
Total (net)	**7 481.3**	**7 653.4**	**7 694.9**	**7 781.6**	**7 730.8**

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Portfolio of loans and receivables by client segment

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Gross value, of which:	**48 136.6**	**46 670.2**	**46 509.7**	**45 907.5**	**45 105.9**
Corporate banking segment, of which:	30 426.2	29 710.2	29 877.7	30 072.3	29 827.4
- loans and advances	*22 926.6*	*22 748.6*	*22 354.6*	*22 897.5*	*22 744.8*
- leasing receivables	*3 277.0*	*3 163.7*	*3 145.9*	*3 094.7*	*3 075.9*
- factoring receivables	*2 231.4*	*1 966.3*	*2 211.8*	*2 099.4*	*1 859.2*
- corporate and municipal bonds	*1 991.2*	*1 831.6*	*2 165.4*	*1 980.7*	*2 147.5*
Retail banking segment, of which:	17 710.4	16 960.0	16 632.0	15 835.2	15 278.5
- mortgages	*13 357.5*	*12 842.0*	*12 602.3*	*11 699.4*	*11 463.2*
- other loans and advances	*4 352.9*	*4 118.0*	*4 029.7*	*4 135.8*	*3 815.3*
Impairment losses, of which:	**-1 569.5**	**-1 469.0**	**-1 424.0**	**-1 286.6**	**-1 191.6**
Corporate banking segment, of which:	-1 000.1	-962.4	-953.5	-859.9	-790.7
- loans and advances	*-866.5*	*-832.3*	*-817.7*	*-760.8*	*-721.3*
- leasing receivables	*-61.4*	*-63.3*	*-69.1*	*-61.6*	*-62.5*
- factoring receivables	*-8.4*	*-7.8*	*-8.9*	*-5.2*	*-6.7*
- corporate and municipal bonds	*-63.8*	*-59.0*	*-57.8*	*-32.3*	*-0.2*
Retail banking segment, of which:	-569.4	-506.6	-470.5	-426.7	-400.9
- mortgages	*-113.9*	*-95.8*	*-87.8*	*-78.5*	*-77.7*
- other loans and advances	*-455.5*	*-410.8*	*-382.7*	*-348.2*	*-323.2*
Net value, of which:	**46 567.1**	**45 201.2**	**45 085.7**	**44 620.9**	**43 914.3**
Corporate banking segment, of which:	29 426.1	28 747.8	28 924.2	29 212.4	29 036.7
- loans and advances	*22 060.1*	*21 916.3*	*21 536.9*	*22 136.7*	*22 023.5*
- leasing receivables	*3 215.6*	*3 100.4*	*3 076.8*	*3 033.1*	*3 013.4*
- factoring receivables	*2 223.0*	*1 958.5*	*2 202.9*	*2 094.2*	*1 852.5*
- corporate and municipal bonds	*1 927.4*	*1 772.6*	*2 107.6*	*1 948.4*	*2 147.3*
Retail banking segment, of which:	17 141.0	16 453.4	16 161.5	15 408.5	14 877.6
- mortgages	*13 243.6*	*12 746.2*	*12 514.5*	*11 620.9*	*11 385.5*
- other loans and advances	*3 897.4*	*3 707.2*	*3 647.0*	*3 787.6*	*3 492.1*

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7.12. Quality of portfolio of loans and advances

Quality of loans and advances to customers portfolio

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Corporate activity					
Exposure	**30 426.2**	**29 710.2**	**29 877.7**	**30 072.3**	**29 827.4**
- unimpaired (IBNR)	28 757.2	28 213.1	28 500.4	28 547.8	28 645.9
- impaired	1 669.0	1 497.1	1 377.3	1 524.5	1 181.5
Impairment losses and provisions	**1 027.3**	**985.9**	**975.8**	**877.5**	**805.6**
- related to unimpaired portfolio	54.4	56.8	58.0	86.4	79.4
- related to impaired portfolio	945.7	905.6	895.5	773.5	711.3
- provisions for off-balance sheet liabilities	27.2	23.5	22.3	17.6	14.9
Share of the impaired portfolio	5.5%	5.0%	4.6%	5.1%	4.0%
Impaired portfolio coverage ratio (%)	56.7%	60.5%	65.2%	50.7%	60.2%
Retail activity					
Exposure	**17 710.4**	**16 960.0**	**16 632.0**	**15 835.2**	**15 278.5**
- unimpaired (IBNR)	17 092.2	16 421.8	16 114.3	15 370.2	14 837.9
- impaired	618.2	538.2	517.7	465.0	440.6
Impairment losses	**569.4**	**506.6**	**470.5**	**426.7**	**400.9**
- related to unimpaired portfolio	91.3	86.5	70.4	96.9	95.9
- related to impaired portfolio	478.1	420.1	400.1	329.8	305.0
Share of the impaired portfolio	3.5%	3.2%	3.1%	2.9%	2.9%
Impaired portfolio coverage ratio (%)	77.3%	78.1%	77.3%	70.9%	69.2%
Total exposure	**48 136.6**	**46 670.2**	**46 509.7**	**45 907.5**	**45 105.9**
Impairment losses and total provisions, of which:	**1 596.7**	**1 492.5**	**1 446.3**	**1 304.2**	**1 206.5**
- impairment losses	1 569.5	1 469.0	1 424.0	1 286.6	1 191.6
- provisions for off-balance sheet liabilities	27.2	23.5	22.3	17.6	14.9
Total portfolio coverage ratio	3.3%	3.2%	3.1%	2.8%	2.7%
Share of the impaired portfolio	4.8%	4.4%	4.1%	4.3%	3.6%
Impaired portfolio coverage ratio (%)	**62.3%**	**65.1%**	**68.5%**	**55.5%**	**62.7%**

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Changes in impairment losses

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

2 Q 2013 the period from 01 Apr 2013 to 30 Jun 2013	Charges for loans and advances and off-balance sheet exposure	*including charges for loans and advances to other banks*	Charges for receivables related to transactions on derivatives	**TOTAL**
Opening balance of impairment losses	**1 285.3**	***0.6***	**207.8**	**1 493.1**
Changes in the period (due to):	**111.9**	***0.0***	**-7.7**	**104.2**
- changes in income statement	*71.9*	*0.0*	*-2.9*	***69.0***
- depreciation	*-3.9*	*0.0*	*0.0*	***-3.9***
- restructuring and forgiveness of the debts related to transactions on derivatives	*0.0*	*0.0*	*-4.8*	***-4.8***
- transfer of provisions from off-balance sheet after their repayment	*2.1*	*0.0*	*0.0*	***2.1***
- other (inclusive FX differences, adjustment of interest income on impaired loans)	*41.8*	*0.0*	*0.0*	***41.8***
Closing balance of impairment losses	**1 397.2**	***0.6***	**200.1**	**1 597.3**

1 HY 2013 the period from 01 Jan 2013 to 30 Jun 2013				
Opening balance of impairment losses	**1 237.5**	***0.5***	**209.3**	**1 446.8**
Changes in the period (due to):	**159.7**	***0.1***	**-9.2**	**150.5**
- changes in income statement	*129.0*	*0.1*	*-2.0*	***127.0***
- depreciation	*-12.1*	*0.0*	*0.0*	***-12.1***
- restructuring and forgiveness of the debts related to transactions on derivatives	*0.0*	*0.0*	*-7.2*	***-7.2***
- transfer of provisions from off-balance sheet after their repayment	*4.1*	*0.0*	*0.0*	***4.1***
- other (inclusive FX differences, adjustment of interest income on impaired loans)	*38.7*	*0.0*	*0.0*	***38.7***
Closing balance of impairment losses	**1 397.2**	***0.6***	**200.1**	**1 597.3**

2 Q 2012 the period from 01 Apr 2012 to 30 Jun 2012				
Opening balance of impairment losses	**985.8**	***0.1***	**220.8**	**1 206.6**
Changes in the period (due to):	**108.9**	***0.3***	**-10.9**	**98.0**
- changes in income statement	*128.1*	*0.3*	*3.1*	***131.2***
- depreciation	*-28.4*	*0.0*	*0.0*	***-28.4***
- restructuring and forgiveness of the debts related to transactions on derivatives	*0.0*	*0.0*	*-14.0*	***-14.0***
- purchase of subsidiaries	*0.0*	*0.0*	*0.0*	***0.0***
- transfer of provisions from off-balance sheet after their repayment	*4.8*	*0.0*	*0.0*	***4.8***
- other (inclusive FX differences, adjustment of interest income on impaired loans)	*4.4*	*0.0*	*0.0*	***4.4***
Closing balance of impairment losses	**1 094.7**	***0.4***	**209.9**	**1 304.6**

1 HY 2012 the period from 01 Jan 2012 to 30 Jun 2012				
Opening balance of impairment losses	**862.8**	***0.2***	**256.8**	**1 119.6**
Changes in the period (due to):	**231.9**	***0.2***	**-46.9**	**185.0**
- changes in income statement	*187.2*	*0.2*	*8.3*	***195.5***
- depreciation	*-38.1*	*0.0*	*0.0*	***-38.1***
- restructuring and forgiveness of the debts related to transactions on derivatives	*0.0*	*0.0*	*-55.2*	***-55.2***
- purchase of subsidiaries	*82.8*	*0.0*	*0.0*	***82.8***
- transfer of provisions from off-balance sheet after their repayment	*7.1*	*0.0*	*0.0*	***7.1***
- other (inclusive FX differences, adjustment of interest income on impaired loans)	*-7.1*	*0.0*	*0.0*	***-7.1***
Closing balance of impairment losses	**1 094.7**	***0.4***	**209.9**	**1 304.6**

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7.13. Non-financial assets

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Investment real estates	120.9	120.9	120.9	118.7	118.7
Property, plant and equipment	554.1	573.3	600.0	579.5	573.7
Intangible assets	353.1	353.6	361.6	358.8	360.4
Property, plant and equipment held for sale	49.6	44.3	33.0	37.3	38.9
Total	**1 077.7**	**1 092.1**	**1 115.5**	**1 094.3**	**1 091.7**

7.14. Liabilities due to other banks

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Current accounts	997.3	933.6	896.4	331.0	494.8
Interbank deposits	547.9	654.1	781.6	493.0	1 887.1
Repo transactions	109.8	547.2	176.2	527.9	256.1
Loans received*	2 726.0	2 686.8	2 664.0	2 738.2	2 753.1
Other liabilities	30.5	28.7	36.4	18.2	15.9
Total	**4 411.5**	**4 850.4**	**4 554.6**	**4 108.3**	**5 407.0**

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

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Financial liabilities held for trading, of which:	665.4	0.0	0.0	0.0	0.0
- repo transactions	*665.4*	*0.0*	*0.0*	*0.0*	*0.0*
Financial liabilities designated as at fair value upon initial recognition, of which:	0.0	1 663.9	2 067.5	1 276.8	4 085.9
- repo transactions	*0.0*	*1 663.9*	*2 067.5*	*1 276.8*	*4 085.9*
Book short position in trading securities	237.4	459.4	935.9	402.2	309.1
Total	**902.8**	**2 123.3**	**3 003.4**	**1 679.0**	**4 395.0**

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7.16. Liabilities due to customers

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Deposits	60 855.7	56 957.1	56 793.8	53 224.6	51 532.3
Other liabilities	1 093.0	1 092.6	1 063.7	928.8	863.6
Total liabilities due to customers, of which:	**61 948.7**	**58 049.7**	**57 857.5**	**54 153.4**	**52 395.9**
- due to entities from the financial sector other than banks	*2 491.1*	*2 363.6*	*3 503.8*	*3 690.4*	*3 079.1*
- due to entities from the non-financial sector	*57 471.8*	*53 749.5*	*52 251.1*	*48 818.4*	*47 634.9*
- due to entities from the government and self-government institutions' sector	*1 985.8*	*1 936.6*	*2 102.6*	*1 644.6*	*1 681.9*

Liabilities due to entities from the financial sector other than banks

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Deposits, of which:	2 387.4	2 246.0	3 327.2	3 574.0	2 952.2
- current accounts	*1 467.0*	*1 440.4*	*2 292.6*	*2 449.9*	*1 709.6*
- term deposit	*920.4*	*805.6*	*1 034.6*	*1 124.1*	*1 242.6*
Other liabilities	103.7	117.6	176.6	116.4	126.9
Total	**2 491.1**	**2 363.6**	**3 503.8**	**3 690.4**	**3 079.1**

Liabilities due to entities from the non-financial sector

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Business entities' deposits, of which:	15 738.6	13 459.1	13 739.9	12 810.1	13 203.2
- current accounts	*12 914.6*	*10 692.0*	*11 395.0*	*9 329.2*	*8 976.9*
- term deposit	*2 824.0*	*2 767.1*	*2 344.9*	*3 480.9*	*4 226.3*
Households' deposits, of which:	40 795.8	39 370.3	37 627.7	35 197.3	33 696.9
- current accounts	*5 815.2*	*5 464.8*	*7 520.3*	*5 215.4*	*4 983.6*
- saving accounts and term deposits	*34 980.6*	*33 905.5*	*30 107.4*	*29 981.9*	*28 713.3*
Other liabilities	937.4	920.1	883.5	811.0	734.8
Total	**57 471.8**	**53 749.5**	**52 251.1**	**48 818.4**	**47 634.9**

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

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Deposits, of which:	1 933.9	1 881.7	2 099.0	1 643.2	1 680.0
- current accounts	*1 501.7*	*1 446.1*	*1 982.1*	*1 254.5*	*1 216.3*
- term deposit	*432.2*	*435.6*	*116.9*	*388.7*	*463.7*
Other liabilities	51.9	54.9	3.6	1.4	1.9
Total	**1 985.8**	**1 936.6**	**2 102.6**	**1 644.6**	**1 681.9**

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7.17. Provisions

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Provision for issues in dispute	20.5	20.6	20.6	20.4	23.3
Provisions for off-balance sheet liabilities	27.2	23.5	22.3	17.6	14.9
Provision for retirement benefits	20.7	20.3	20.3	17.5	17.5
Provision for unused holidays	9.1	9.4	9.5	8.5	8.4
Provision for employment restructuring	0.1	0.1	0.1	0.2	0.5
Total	**77.6**	**73.9**	**72.8**	**64.2**	**64.6**

7.18. Fair values

Fair value of financial assets and liabilities

Based on the employed methods of determining the fair value, financial assets/liabilities are classified to the following categories:

- Level I: financial assets/liabilities measured directly on the basis of prices quoted in the active market or measurement techniques based solely on market data.
- Level II: financial assets/liabilities measured on the basis of measurement techniques based on assumptions using data from an active market or market observations.
- Level III: financial assets/liabilities measured on the basis of measurement techniques commonly used by the market players, the assumptions of which are not based on data from an active market.

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

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as of 30 Jun 2013

	Level I	Level II	Level III	Total
Financial assets, of which:	**18 159.7**	**6 661.6**	**2.8**	**24 824.1**
- Financial assets held for trading, of which:	904.4	1 153.0	0.0	2 057.4
- repo transactions	*0.0*	*651.7*	*0.0*	*651.7*
- treasury bonds	*904.4*	*0.0*	*0.0*	*904.4*
- NBP bills	*0.0*	*499.7*	*0.0*	*499.7*
- treasury bills	*0.0*	*1.6*	*0.0*	*1.6*
- Valuation of derivatives	0.0	1 519.3	0.0	1 519.3
- Financial assets available-for sale, of which:	17 255.3	2 998.6	2.8	20 256.7
- treasury bonds	*15 282.4*	*0.0*	*0.0*	*15 282.4*
- NBP bills	*0.0*	*2 998.6*	*0.0*	*2 998.6*
- BGK bonds	*1 949.6*	*0.0*	*0.0*	*1 949.6*
- equity instruments	*23.3*	*0.0*	*2.8*	*26.1*
- Derivative hedge instruments	0.0	990.7	0.0	990.7
Financial liabilities, of which:	**237.4**	**3 354.4**	**0,0**	**3 591.8**
- Financial liabilities held for trading, of which:	0.0	665.4	0.0	665.4
- repo transactions	*0.0*	*665.4*	*0.0*	*665.4*
- Book short position in trading securities	237.4	0.0	0.0	237.4
- Valuation of derivatives	0.0	1 606.7	0.0	1 606.7
- Derivative hedge instruments	0.0	1 082.3	0.0	1 082.3

as of 31 Dec 2012

	Level I	Level II	Level III	Total
Financial assets, of which:	**16 914.0**	**5 440.3**	**16.1**	**22 370.4**
- Financial assets held for trading, of which:	506.6	1.0	0.0	507.6
- treasury bonds	*506.6*	*0.0*	*0.0*	*506.6*
- treasury bills	*0.0*	*1.0*	*0.0*	*1.0*
- Financial assets designated as fair value at initial recognition, of which:	1 042.0	5.0	0.0	1 047.0
- repo transactions	*1 042.0*	*5.0*	*0.0*	*1 047.0*
- Valuation of derivatives	0.0	1 822.1	0.0	1 822.1
- Financial assets available-for sale, of which:	15 365.4	2 499.6	16.1	17 881.1
- treasury bonds	*13 628.9*	*0.0*	*0.0*	*13 628.9*
- NBP bills	*0.0*	*2 498.8*	*0.0*	*2 498.8*
- BGK bonds	*1 736.1*	*0.0*	*0.0*	*1 736.1*
- equity instruments	*0.4*	*0.8*	*16.1*	*17.3*
- Derivative hedge instruments	0.0	1 112.6	0.0	1 112.6
Financial liabilities, of which:	**3 003.4**	**3 142.1**	**0.0**	**6 145.5**
- Financial liabilities measured at fair value upon initial recognition, of which:	2 067.5	0.0	0.0	2 067.5
- repo transactions	*2 067.5*	*0.0*	*0.0*	*2 067.5*
- Book short position in trading securities	935.9	0.0	0.0	935.9
- Valuation of derivatives	0.0	1 778.1	0.0	1 778.1
- Derivative hedge instruments	0.0	1 364.0	0.0	1 364.0

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as of 30 Jun 2012

	Level I	Level II	Level III	Total
Financial assets, of which:	**10 462.3**	**2 263.9**	**19.4**	**12 745.6**
- Financial assets held for trading, of which:	382.3	30.1	0.0	412.4
- treasury bonds	*382.3*	*0.0*	*0.0*	*382.3*
- treasury bills	*0.0*	*30.1*	*0.0*	*30.1*
- Financial assets designated as fair value at initial recognition, of which:	351.0	28.1	0.0	379.1
- repo transactions	*351.0*	*28.1*	*0.0*	*379.1*
- Valuation of derivatives	0.0	1 235.1	0.0	1 235.1
- Financial assets available-for sale, of which:	9 729.0	550.6	19.4	10 299.0
- treasury bonds	*8 073.6*	*0.0*	*0.0*	*8 073.6*
- NBP bills	*0.0*	*549.8*	*0.0*	*549.8*
- BGK bonds	*1 654.8*	*0.0*	*0.0*	*1 654.8*
- equity instruments	*0.6*	*0.8*	*19.4*	*20.8*
- Derivative hedge instruments	0.0	420.0	0.0	420.0
Financial liabilities, of which:	**1 679.0**	**2 159.1**	**0.0**	**3 838.1**
- Financial liabilities measured at fair value upon initial recognition, of which:	1 276.8	0.0	0.0	1 276.8
- repo transactions	*1 276.8*	*0.0*	*0.0*	*1 276.8*
- Book short position in trading securities	402.2	0.0	0.0	402.2
- Valuation of derivatives	0.0	1 287.4	0.0	1 287.4
- Derivative hedge instruments	0.0	871.7	0.0	871.7

Movements between valuation levels

In 2013, there were movements in terms of valuation levels:

- The movement of the repo transactions from the 1st level to the 2nd level due to a change of approach with respect to fair value measurement.. Previously all repo transactions were valued based on the market prices of the underlying securities. Presently, the valuation is based on the profitability curve with respect to cash instruments.
- Shares of one of the companies moved from the 2nd to the 1st valuation level as they were converted from registered privileged shares into ordinary bearer shares. The shares are quoted in the active market and at present directly valuated on quotations. Fair value of the said shares totalled PLN 0.8 million as at 30 June 2013 and PLN 0.8 million as at 31 December 2012.
- Shares of two companies moved from the 3rd to the 1st valuation level; the said companies were taken over by the Bank by means of debt restructuring and the Bank used the valuation model to valuate them due to the initial restrictions as regards their trading. The shares of both companies are quoted in the active market and at present directly valuated on quotations. Fair value of the said shares totalled PLN 22.5 million as at 30 June 2013 and PLN 13.4 million as at 31 December 2012.

Valuation of financial instruments classified to the 2nd level

The Group classifies derivatives, cash bills of the National Bank of Poland and repo transactions into the 2nd level of valuation.

Derivatives

The following models are applied for non-linear transactions (FX options), depending on the product type:

- the European vanilla option – the Garman-Kohlhagen model,
- the European digital option - the Garman-Kohlhagen model adjusted by the call spread,
- the touch option – the Murex Skew Model,
- the (American) barrier option – the Murex Skew Model,
- the (European) barrier option – the Garman-Kohlhagen model
- Cap/Floor (back-to-back transactions) – the Black model.

The following are the input data for the models:

- the foreign exchange rate – obtained by the parties from the National Bank of Poland website,
- implied volatilities – obtained from Bloomberg BGN or Bloomberg Synthetic for the currency pair with lower liquidity
- profitability curves similar to those for linear derivatives.

The Bank takes account of the volatility smile in its valuation calculations.

Fair value for linear instruments (other derivatives) is determined based on discounted future cash flows at the transaction levels. The fair value determined in that manner is the PV of those cash flows.

All input data used for the creation of the revaluation curves are observed on the market, and include: deposit market rates, forward points, FRA rates, IRS rates, OIS rates, FX basis points, basis points among the index for variable rate, and FX-rates. The data come from the Reuters system and come mainly from brokers. The quality of those data as well as the data from other sources used in the revaluation process is verified on an annual basis or adjusted ad hoc.

All derivatives except for interest rate derivatives in PLN are valued according to the OIS curve concept on the assumption that there is a hedge of the transaction valuation in the form of a deposit at EONIA rate.

Due to the specific nature of the Polish market, single-currency derivatives in PLN are valued according to one curve for identification of future interest flows and for discount purposes. Similar to linear derivatives in other currencies, the curves taken account of the type of the underlying index.

Cash bills of the National Bank of Poland

Flat profitability curve set at the level of the NBP reference rate is applied for the valuation of NBP cash bills.

T-bills

Profitability curve for T-bills is obtained based on the observation of broker websites.

Repo transactions

Fair value for repo transactions is determined based on future payment flows discounted according to the profitability curve for the so called cash instruments.

Valuation of financial instruments classified to the 3rd level

Shares and participations of several companies for which It is difficult or impossible to determine the fair value due to absence of active market for those instruments are classified into the 3rd valuation level. The Group is of the opinion that the purchase price less the impairment charge (if any) is the best indicator of their value.

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7.19. Capital adequacy ratio

Own funds	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
A. Own equity in the statement of financial position, of which:	**8 133.5**	**8 238.8**	**8 136.1**	**6 981.1**	**6 753.4**
A.I. Own equity included in tier 1 capital, of which:	**7 044.0**	**7 093.0**	**6 699.9**	**6 528.3**	**6 259.9**
- share capital	*130.1*	*130.1*	*130.1*	*130.1*	*130.1*
- supplementary capital - agio	*956.3*	*956.3*	*956.3*	*956.3*	*956.3*
- supplementary capital - other	*136.8*	*96.7*	*96.7*	*96.4*	*75.4*
- reserve capital	*4 715.1*	*4 004.4*	*4 004.4*	*4 004.4*	*3 139.8*
- general risk fund	*1 010.2*	*960.2*	*960.2*	*960.2*	*910.2*
- retained profit of past years and profit during the approval	*144.8*	*945.1*	*112.8*	*112.6*	*1 047.1*
- net profit of current period in audited part	*0.0*	*0.0*	*439.1*	*271.5*	*0.0*
- non-controlling interests	*2.3*	*2.3*	*2.3*	*2.3*	*2.3*
- revaluation reserve from measurement of available-for-sale financial assets (unrealised losses)	*-51.6*	*-2.1*	*-2.0*	*-5.5*	*-1.3*
A.II. Own equity included in tier 2 capital, of which:	**295.2**	**418.8**	**585.4**	**127.3**	**100.0**
- revaluation reserve from measurement of available-for-sale financial assets (unrealised gains)	*295.2*	*418.8*	*585.4*	*127.3*	*100.0*
A.III. Own equity excluded from own funds calculation, of which:	***794.3***	***727.0***	***850.8***	***325.5***	***393.5***
- revaluation reserve from measurement of available-for-sale financial assets	*3.6*	*5.2*	*7.3*	*1.6*	*0.8*
- revaluation reserve from measurement of property, plant and equipment	*41.6*	*42.0*	*42.0*	*38.1*	*38.6*
- revaluation reserve from measurement of cash flow hedging instruments	*227.6*	*375.8*	*367.0*	*82.7*	*49.0*
- revaluation of share-based payment	*44.9*	*44.3*	*41.3*	*35.5*	*33.6*
- net profit of current period in unaudited part	*476.6*	*259.7*	*393.2*	*167.6*	*271.5*
B. Other elements of own funds (decreases and increases), of which:	**-486.0**	**-494.9**	**-488.1**	**-498.1**	**-514.2**
B.I. Other elements of tier 1 capital:	**-445.2**	**-443.1**	**-447.1**	**-449.5**	**-458.1**
- intangible assets	*-353.1*	*-353.6*	*-361.6*	*-358.8*	*-360.4*
- capital commitments in financial institutions (50%)	*-20.0*	*-20.0*	*-20.0*	*-20.0*	*-20.0*
- amount of expected losses (50%)	*-72.1*	*-69.5*	*-65.5*	*-70.7*	*-77.7*
B.II. Other elements of tier 2 capital:	**-92.2**	**-89.4**	**-85.4**	**-90.7**	**-97.7**
- capital commitments in financial institutions (50%)	*-20.0*	*-20.0*	*-20.0*	*-20.0*	*-20.0*
- amount of expected losses (50%)	*-72.2*	*-69.4*	*-65.4*	*-70.7*	*-77.7*
B.III. Short-term capital	**51.4**	**37.6**	**44.4**	**42.1**	**41.6**
Own funds taken into account in solvency ratio calculation (A.I. + A.II. + B.I. + B.II. + B.III.), of which:	**6 853.2**	**7 016.9**	**6 797.2**	**6 157.5**	**5 845.7**
- Tier 1 capital (A.I. + B.I.)	6 598.8	6 649.9	6 252.8	6 078.8	5 801.8
- Tier 2 capital (A.II. + B.II.)	203.0	329.4	500.0	36.6	2.3
- Short-term capital (B.III.)	51.4	37.6	44.4	42.1	41.6

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Capital requirements	**as of 30 Jun 2013**	**as of 31 Mar 2013**	**as of 31 Dec 2012**	**as of 30 Jun 2012**	**as of 31 Mar 2012**
- Capital requirements for credit risk, credit counterparty, dilution and delivery of instruments for future settlement	2 974.8	3 229.5	3 285.8	3 345.7	3 414.8
- Capital requirements for the risk of settlement - delivery	14.2	13.6	13.0	9.4	8.7
- Capital requirements for the risk of equity securities prices, debt securities prices, currency risk and commodity prices	0.0	0.0	0.0	11.0	0.0
- Capital requirements for operational risk	437.6	437.6	405.9	405.9	405.9
- Capital requirements for general interest rate risk	36.6	24.0	31.4	21.7	32.9
- Capital requirement due to exposure concentration limit overrun	0.7	0.0	0.0	0.0	0.0
Total capital requirement	**3 463.9**	**3 704.7**	**3 736.1**	**3 793.7**	**3 862.3**
Capital adequacy ratio *	**15.83%**	**15.15%**	**14.55%**	**12.98%**	**12.11%**

*) Starting from the report as at 30 June 2013, ING Bank Śląski S.A. reports capital requirement for credit risk on the basis of the AIRB approach. The Bank applies such presentation method pursuant to the letter of De Nederlandsche Bank (DNB) dated 4 July 2013, wherein DNB together with the Polish Financial Supervision Authority give the Bank permission to apply the full AIRB approach for the exposure classes under *institutions* and *entrepreneurs*.

In the prior periods, the Bank was allowed to calculate capital requirement for credit risk according to the AIRB approach, however, the Bank was obliged to include the so called supervisory floor in its calculations. Where the capital requirement for credit risk computed with the AIRB approach was lower than the capital requirement for credit risk computed under standard approach, it was necessary to supplement it up to the level of the capital requirement calculated according to the standard approach.

Irrespective of the above mentioned consent, pursuant to PFSA Resolution no. 76/2010, when determining the total capital requirement the Bank takes account of the so called regulatory floor which amounts to 80% of the total comparable capital requirement (it is the sum of capital requirements for individual risk types computed by means of the standard approach). Should the total capital requirement be lower than 80% of the total comparable capital requirement, the Bank will include the difference as “a supplement to the overall level of capital requirements”.

8. Off-balance sheet items

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Contingent liabilities granted	17 954.5	17 675.7	16 559.9	16 278.4	16 429.9
Contingent liabilities received	30 895.2	40 157.7	38 516.1	41 646.8	37 981.2
Off-balance sheet financial instruments	225 659.6	156 263.4	133 546.7	135 716.9	128 232.3
Total off-balance sheet items	**274 509.3**	**214 096.8**	**188 622.7**	**193 642.1**	**182 643.4**

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

None.

10. Dividends paid

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

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

11. Settlements due to disputable cases

ING Bank Śląski maintains detailed records of court cases and other liabilities being legal claims. The Bank establishes reserves for the cases, which in the opinion of the legal staff and/or management staff are encumbered with a high risk of losing the case or it is impossible to recover the lost assets. Possible future settlements are made against the reserves established.

Changes to the litigation reserves (in PLN million)

	2 quarter 2013 the period from 1 Apr 2013 to 30 Jun 2013	**I half 2013** the period from 1 Jan 2013 to 30 Jun 2013	**2 quarter 2012** the period from 1 Apr 2012 to 30 Jun 2012	**I half 2012** the period from 1 Jan 2012 to 30 Jun 2012
Status at the period beginning:	**20.6**	**20.6**	**23.3**	**21.0**
Establishment of provisions	0.2	0.2	0.0	0.1
Release of provisions	-0.2	-0.2	-2.9	-3.0
Utilisation of provision	-0.1	-0.1	0.0	0.0
Acquisition of subsidiaries	0.0	0.0	0.0	2.3
Status as at the period end	**20.5**	**20.5**	**20.4**	**20.4**

Either in 6 months 2013 or in 6 months 2012, no proceedings concerning liabilities or debts whose total value would amount to 10% of the Bank's equity were initiated before courts or administrative bodies against the Capital Group of ING Bank Śląski.

12. Seasonality or cyclicity of activity

Activity of ING Bank Śląski Group is not subject to seasonality or cyclicity within the meaning of §21 of IAS 34.

13. Transactions with related entities

ING Bank Śląski subsidiaries and affiliated entities (their list has been presented in Chapter II. *Supplementary information* in item 1.4. *ING Bank Śląski S.A. Capital Group)* as part of their business hold current accounts at ING Bank Śląski, via which they perform standard clearing operations and also invest cash funds using term deposits. Similarly, ING Bank Śląski maintains bank accounts of other members of ING Group. The transactions with the above entities are performed on an arm's length basis.

ING Bank Śląski performs operations with ING Bank NV and its subsidiaries on the inter-bank market. These are both short-term deposits and loans, as well as operations in derivatives. The abovementioned transactions are carried out on an arm's length basis.

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

In the period from 1 January 2013 to 30 June 2013 the following transactions were made of the total value exceeding EURO 500.000:

- transactions with ING Bank NV – under execution of the agreements (among other Cooperation Agreement and Agreement on Provision of Data Processing and Financial Information Analysis Services), the fee for services rendered under financial advisory, the fee for using data processing and financial information analysis services by ING Bank Śląski and the fee for services rendered under business operations and product development advisory in the PCM area for 6 months of 2013 amounted to PLN 39.0 million versus PLN 40.9 million in the same period last year (net amounts).
- transactions with ING Services Polska – the company renders hardware lease services for ING Bank Śląski. Services' costs amounted to PLN 23.4 million versus PLN 21.9 million in the analogous period of the previous year (gross amounts).

Transactions with related entities (in PLN million)

I half 2013

	ING Bank NV	Other ING Group	Associated undertakings*
Receivables			
Nostro accounts	12.4	40.0	-
Loans	-	2.4	-
Positive valuation of derivatives	273.4	234.7	-
Other receivables	4.0	1.2	-
Liabilities			
Deposits received	186.6	1 078.3	133.0
Loans received	2 551.7	-	-
Loro accounts	44.5	7.4	-
Negative valuation of derivatives	301.5	282.9	-
Repo	96.5	-	-
Other liabilities	3.8	-	-
Off-balance-sheet operations			
Contingent liabilities	1 374.5	47.5	-
FX transactions	6 378.3	59.0	-
Forward transactions	18.0	161.1	-
IRS	9 258.3	4 359.5	-
FRA	1 082.3	-	-
Options	1 250.0	1 753.7	-
Revenue and costs**			
Revenue	-24.8	-3.6	-1.6
Costs	40.6	19.8	-

2012

	ING Bank NV	Other ING Group	Associated undertakings*
Receivables			
Nostro accounts	29.6	27.1	-
Loans	-	3.1	-
Positive valuation of derivatives	379.7	347.6	-
Repo	66.0	-	-
Other receivables	4.8	0.7	-
Liabilities			
Deposits received	420.1	1 058.5	56.7
Loans received	2 489.5	-	-
Loro accounts	20.4	14.8	-
Negative valuation of derivatives	363.1	371.2	-
Repo	89.1	-	-
Other liabilities	3.6	-	-
Off-balance-sheet operations			
Contingent liabilities	1 218.3	41.0	-
FX transactions	1 017.5	57.0	-
Forward transactions	57.9	2.5	-
IRS	7 863.4	5 723.6	-
Options	722.9	1 770.0	-
Revenue and costs**			
Revenue	-66.6	-15.7	-2.8
Costs	81.0	39.8	-

*/ Includes transactions between ING Bank Śląski S.A. affiliates of ING Bank Śląski S.A. Group
**/ Income and expenses are shown as in the financial statements. *Income* includes the items of *Net income on core operations. Expenses* includes amounts shown under *Operating expenses* in the income statement.

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I half 2012

	ING Bank NV	Other ING Group entities	Associated undertakings*
Receivables			
Deposits placed	-	23.0	-
Nostro accounts	19.0	3.1	-
Loans	-	4.2	-
Positive valuation of derivatives	239.9	330.3	-
Other receivables	8.1	0.3	-
Liabilities			
Deposits received	112.5	344.8	214.6
Loans received	2 639.7	-	-
Loro accounts	8.2	8.5	-
Negative valuation of derivatives	322.5	408.5	-
Repo	527.9	-	-
Other liabilities	8.9	-	-
Off-balance-sheet operations			
Contingent liabilities	1 355.4	30.7	-
FX transactions	6 654.7	309.4	-
Forward transactions	-	2.5	-
IRS	8 910.3	6 316.9	-
Options	713.4	2 095.8	-
Revenue and costs**			
Revenue	-80.6	-10.4	-1.0
Costs	38.2	17.9	-

*/ Includes transactions between ING Bank Śląski S.A. affiliates of ING Bank Śląski S.A. Group
**/ Income and expenses are shown as in the financial statements. *Income* includes the items of *Net income on core operations. Expenses* includes amounts shown under *Operating expenses* in the income statement.

14. Segment reporting

14.1. Segments of operation

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

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

- retail banking segment,
- corporate banking segment.

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

14.1.1. Retail banking segment

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

This activity is analysed by the leading products, including i.e.: credit products (overdraft on the savings and settlement account - ROR, loans related to cards, hire purchase loans, housing loans, mortgage loans, contract loans granted by the Building Society), deposit products (current accounts, term deposits, savings accounts), structured product, ING fund units, brokerage services provided by ING Securities SA and bank cards.

14.1.2. Corporate banking segment

Corporate banking area encompasses as follows:

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

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

Financial Markets products encompass operations performed in money and capital markets, conducted both on the proprietary basis as well as for the customers' benefit. Within the framework of this activity, currency, money and derivative instrument market products and securities operations (treasury securities, shares and notes) are specified.

14.1.3. Measurement

The measurement of the segment's assets and liabilities, segment's revenue and costs is based on the accounting standards applied by the Bank, included in notes describing applied accounting standards. In particular, the internal and external interest revenue and costs for individual segments shall be established with the use of the transfer pricing system. Transfer prices are defined based on the yield curve for a given currency that is common for assets and liabilities. The transfer price that is determined for the products being assets and liabilities with the same position on the yield curve is identical. The original transfer price – coming from the product measurement regarding the yield curve can be modified and the factors adjusting the transfer price can be the following: a premium for obtainment of long-term liquidity, matching of the Bank's position, a hedging cost for sophisticated products and the pricing policy. Thereafter, based on quotation rates available at news services, yield curves are developed using mathematical equations.

Revenue, costs, results, assets and liabilities for a given segment account for elements that are directly attributable to the segment in question, as well as element that may be attributed to that segment based on reasonable premises.

The Bank presents segment's interest income reduced by the cost of the interest. This results from the fact that while evaluating the segment's results and assigning assets to the segment, the Management Board relies mainly on net interest income.

In 1 half 2013, the Bank did not change the reporting for its operating segments against the annual consolidated financial statements of the ING Bank Śląski S.A. Group for the period from 1 January 2012 to 31 December 2012.

14.2. Geographical segments

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

PLN million	**I half 2013** the period from 01 Jan 2013 to 30 Jun 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total*	**794.3**	**861.3**	**1 655.6**
Net interest income	476.3	494.8	971.1
external	*132.3*	*838.8*	*971.1*
internal	*344.0*	*-344.0*	*0.0*
Net commission income	211.2	288.5	499.7
Other income/expenses	90.0	78.0	168.0
Share in net profit (loss) of associated entities recognised under the equity method	16.8	0.0	16.8
Expenses total	**577.8**	**358.7**	**936.5**
Result before risk	**216.5**	**502.6**	**719.1**
Impairment losses	78.4	48.7	127.1
Result after impairment losses (profit before tax)	**138.1**	**453.9**	**592.0**
Income tax	-	-	115.4
Result after tax	-	-	**476.6**
- attributable to shareholders of ING Bank Śląski S.A.	-	-	**476.6**

PLN million	**II quarter 2013** the period from 01 Apr 2013 to 30 Jun 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total*	**382.2**	**420.5**	**802.7**
Net interest income	247.4	247.9	495.3
external	*82.0*	*413.3*	*495.3*
internal	*165.4*	*-165.4*	*0.0*
Net commission income	107.8	152.1	259.9
income/expenses	19.2	20.5	39.7
Share in net profit (loss) of associated entities recognised under the equity method	7.8	0.0	7.8
Expenses total	**286.3**	**179.3**	**465.6**
Result before risk	**95.9**	**241.2**	**337.1**
Impairment losses	40.4	28.7	69.1
Result after impairment losses (profit before tax)	**55.5**	**212.5**	**268.0**
Income tax	-	-	51.1
Result after tax	-	-	**216.9**
- attributable to shareholders of ING Bank Śląski S.A.	-	-	**216.9**

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

PLN million	I half 2012 the period from 01 Jan 2012 to 30 Jun 2012		
	Retail banking segment	Corporate banking segment	TOTAL
Revenue total*	**784.5**	**853.8**	**1 638.3**
Net interest income	499.2	528.4	1 027.6
external	*107.3*	*920.3*	*1 027.6*
internal	*391.9*	*-391.9*	*0.0*
Net commission income	226.5	270.9	497.4
Other income/expenses	40.8	54.5	95.3
Share in net profit (loss) of associated entities recognised under the equity method	18.0	0.0	18.0
Expenses total	**559.9**	**358.0**	**917.9**
Result before risk	**224.6**	**495.8**	**720.4**
Impairment losses	44.5	151.0	195.5
Result after impairment losses (profit before tax)	**180.1**	**344.8**	**524.9**
Income tax	-	-	85.8
Result after tax	-	-	**439.1**
- attributable to shareholders of ING Bank Śląski S.A.	-	-	**439.1**

PLN million	II quarter 2012 the period from 01 Apr 2012 to 30 Jun 2012		
	Retail banking segment	Corporate banking segment	TOTAL
Revenue total*	**389,3**	**403,2**	**792,5**
Net interest income	255,1	259,0	514,1
external	*57,9*	*456,2*	*514,1*
internal	*197,2*	*-197,2*	*0,0*
Net commission income	112,3	138,1	250,4
income/expenses	10,7	6,1	16,8
Share in net profit (loss) of associated entities recognised under the equity method	11,2	0,0	11,2
Expenses total	**278,6**	**175,4**	**454,0**
Result before risk	**110,7**	**227,8**	**338,5**
Impairment losses	25,2	106,0	131,2
Result after impairment losses (profit before tax)	**85,5**	**121,8**	**207,3**
Income tax	-	-	39,7
Result after tax	-	-	**167,6**
- attributable to shareholders of ING Bank Śląski S.A.	-	-	**167,6**

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

as of 30 Jun 2013

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	17 188.6	63 338.9	80 527.5
Segment investments in controlled entities recognized under the equity method	115.1	0.0	115.1
Other assets (not allocated to segments)	0.0	0.0	1 148.0
Total assets	**17 303.7**	**63 338.9**	**81 790.6**
Segment liabilities	41 837.8	30 619.1	72 456.9
Other liabilities (not allocated to segment)	0.0	0.0	1 200.2
Equity	0.0	0.0	8 133.5
Total equity and liabilities	**41 837.8**	**30 619.1**	**81 790.6**

as of 31 Mar 2013

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	16 517.4	60 015.4	76 532.8
Segment investments in controlled entities recognized under the equity method	123.3	0.0	123.3
Other assets (not allocated to segments)	0.0	0.0	1 097.7
Total assets	**16 640.7**	**60 015.4**	**77 753.8**
Segment liabilities	40 377.2	28 154.1	68 531.3
Other liabilities (not allocated to segment)	0.0	0.0	983.7
Equity	0.0	0.0	8 238.8
Total equity and liabilities	**40 377.2**	**28 154.1**	**77 753.8**

as of 31 Dec 2012

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	16 211.4	60 816.8	77 028.2
Segment investments in controlled entities recognized under the equity method	114.4	0.0	114.4
Other assets (not allocated to segments)	0.0	0.0	1 124.2
Total assets	**16 325.8**	**60 816.8**	**78 266.8**
Segment liabilities	39 029.3	30 095.4	69 124.7
Other liabilities (not allocated to segment)	0.0	0.0	1 006.0
Equity	0.0	0.0	8 136.1
Total equity and liabilities	**39 029.3**	**30 095.4**	**78 266.8**

as of 30 Jun 2012

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	15 661.2	53 243.8	68 905.0
Segment investments in controlled entities recognized under the equity method	96.8	0.0	96.8
Other assets (not allocated to segments)	0.0	0.0	1 258.3
Total assets	**15 758.0**	**53 243.8**	**70 260.1**
Segment liabilities	36 742.7	25 360.7	62 103.4
Other liabilities (not allocated to segment)	0.0	0.0	1 175.6
Equity	0.0	0.0	6 981.1
Total equity and liabilities	**36 742.7**	**25 360.7**	**70 260.1**

as of 31 Mar 2012

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	15 102.7	55 842.1	70 944.8
Segment investments in controlled entities recognized under the equity method	111.8	0.0	111.8
Other assets (not allocated to segments)	0.0	0.0	1 206.5
Total assets	**15 214.5**	**55 842.1**	**72 263.1**
Segment liabilities	35 197.9	29 121.8	64 319.7
Other liabilities (not allocated to segment)	0.0	0.0	1 190.0
Equity	0.0	0.0	6 753.4
Total equity and liabilities	**35 197.9**	**29 121.8**	**72 263.1**

15. Risk management

The changes to the credit risk and operational risk management approach made in H1 2013 are described hereinbelow. There were no material changes to the approach to the remaining risks whereto the Group is exposed, such as: market risk, liquidity risk and FX risk.

Credit Risk

<u>*Lending policy*</u>

In H1 2013, the Group modified the Lending Policy regarding corporate credit exposures. The modifications took account of Poland's overall economic situation as well as the financial standing of individual groups of borrowers. The said modifications were oriented at the following in particular:

- making the lending process more effective while ensuring adequate credit risk identification and measurement mechanisms,
- maintaining the Bank's credit risk at an acceptable level.

The main modifications of the Group's Credit Policy for corporate clients were the following:

- updating the requirements and criteria for credit risk appetitefor client credit exposures portfolio,
- updating the guidelines as regards credit portfolio management (the matter of portfolio diversification, sector preferences),
- making changes to the risk assessment as regards financing Local Government Units in Poland,
- making changes to the manner and frequency of making periodical review of strategic clients' financial standing,
- modification of the ongoing monitoring idea,
- making the provisions concerning impairment condition identification in the process of monitoring of the corporate and strategic clients' exposures more precise (as the consequence whereof a portfolio of the clients with risk class from 17 to 19 was reviewed),
- revising the methodology on forming impairment losses (provisions) on

account of impaired credit exposures under IFRS,

- revising the general governance rules for credit risk management in subsidiaries incorporated into the Bank Capital Group (that is ING Lease (Polska) Sp. z o.o. and ING Commercial Finance Polska S.A.).

The main modifications of the Bank's lending policy for retail clients were as follows:

- making credit offer more attractive and competitive (prolonging the tenors, increasing the amounts of granted loans and changing the principles for creditworthiness' assessment and increasing sales opportunities under cross-sell offers),
- implementing new solutions as regards assessing employment stability,
- making the principles for taking into account income on money capitals for the purpose of credit capacity assessment more objective,
- implementing the rules whereunder results of the statistical models of risk assessment are taken into consideration when determining the credit margin and monitoring of the level of the standard risk costs for the granted loans,
- working on expanding the scope of applying the preferential risk weight of 35% for mortgage loans, including the expansion of real-estate databases and cooperation under International Database System AMRON,
- diversifying the risk by introducing a new insurer for mortgage products' bridging insurance.

The retail portfolio monitoring and restructuring saw changes to improve effectiveness of the said processes, both at the monitoring and debt collection stages. They concerned in particular:

- new strategies as regards contractual conditions and prepaid cards monitoring,
- introducing new rules for monitoring and managing the external enforcement seizures concerning the held collaterals,
- implementing new methodology as regards quality control of phone-calls made and the new way of knowledge sharing,
- improvement of management quality as regards co-operation with external companies, more extensive use of direct debt recovery at the "credit pre-termination" stage,

<u>*Credit Risk Measurement and Monitoring Tools*</u>

In H1 2013, ING Bank Śląski S.A. continued the process of being constantly compliant with requirements of the advanced internal rating-based approach (AIRB) under PFSA Resolution 76/2010. As part of those actions, among other things:

- the internal policy of changes and monitoring of internal rating base was updated following the relevant PFSA's guidelines,
- upon cooperation with ING Group a new credit risk models for commercial properties financing were implemented and the parameters of LGD model for

large corporates,

- It systems supporting the rating process were prepared to accommodate new credit risk models dedicated to small and medium enterprises,
- the manner of corporate portfolio's credit risk reporting was modified with, in particular, taking into consideration changes to the level of risk-weighted assets (RWA) and identification of risk parameters impacting the said changes,
- the scenarios concerning macroeconomic situation changes used for the purpose of stress testing for credit risk were modified,
- the scope of Fast Track was expanded for the corporate.

The Bank adjusted the tools and instruments used to measure and monitor corporate client credit risk to the revised lending policy:

- a sector portal where all expertise available at the Bank on selected industries, their trends and macroeconomic environment is collected was launched. Moreover, the latest external information and studies on industries and other auxiliary materials e.g. IBnGR analysis,
- Industry Comparison Tool was developed which is intended to support the client's situation in relation to main trends in the sector and Bank's portfolio was developed,
- the scope and number of reports supporting the ongoing monitoring process were verified and optimised, including the monitoring of repayment promptness.

Operational Risk

In H1 2013, caring about the safety of funds entrusted by clients and maintenance of acceptable operational risk, the Bank continued its efforts to implementation new regulatory requirements fully and to enhance the risk management system. The most important activities in that regard are as follows:

- introducing to Bank's practice the requirements arising from amended PFSA M Recommendation – concerning the risk management,
- conducting a full analysis of new tasks of the Bank arising from D Recommendation – concerning the management of risks inherent to IT and telecommunication systems used by the banks and drafting a detailed plan of undertakings ensuring compliance with the said regulation within the deadline established by PFSA being 31 December 2014,
- defining by the Management Board, upon consultation with the Bank's Supervisory Board in the non-financial risk appetite statement in 2013 the amount limits for the losses that may arise should the risk in the given area materialise. The limit utilisation level is monitored and presented to the Bank Management Board and Supervisory Board on a quarterly basis.
- ensuring effective forms of counteracting crimes related to payment transactions and identity theft or funds theft with the use of electronic tools,
- more detailed analysis of applications' vulnerability and increased monitoring

of the electronic banking systems, which ensured successful fraud prevention and safety of the transactions effected by the Clients,

- performing dozen or so scenario analysis covering all key process at the Bank,
- enhancing the mechanisms ensuring business continuity of key processes taking into account the activities commissioned to external companies, locations and background environment for IT systems and crisis management systems,
- raising employees awareness as regards operational threats and the risk resulting from breaching the Business Ethics Standards by introducing new topics of training courses, which were mandatory to all people employed at the Bank.

Interim condensed consolidated financial statements (PLN million)

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

2013-08-06	**Małgorzata Kołakowska**	President	*(signed on the Polish original)*
2013-08-06	**Mirosław Boda**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Michał Bolesławski**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Joanna Erdman**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Justyna Kesler**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Oscar Edward Swan**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Ignacio Juliá Vilar**	Vice-President	*(signed on the Polish original)*

SIGNATURE OF THE PERSON RESPONSIBLE FOR ACCOUNTS

2013-08-06	**Tomasz Biłous**	Director of Accounting Department Chief Accountant	*(signed on the Polish original)*

Interim condensed standalone financial statements (PLN million)

III. Interim condensed standalone financial statement of the Bank

INTERIM CONDENSED STANDALONE INCOME STATEMENT

	2 quarter 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 half year 2013 the period from 01 Jan 2013 to 30 Jun 2013	2 quarter 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 half year 2012 the period from 01 Jan 2012 to 30 Jun 2012
- Interest income	866.6	1 755.9	904.8	1 808.3
- Interest expenses	399.9	842.2	420.5	839.9
Net interest income	**466.7**	**913.7**	**484.3**	**968.4**
- Commission income	272.9	527.0	265.7	520.0
- Commission expenses	30.1	58.3	30.8	59.2
Net commission income	**242.8**	**468.7**	**234.9**	**460.8**
Net income on financial instruments measured at fair value through profit or loss and FX result	23.4	38.7	12.0	65.0
Net income on investments	36.9	157.3	43.7	62.8
Net income on hedge accounting	11.5	-7.5	-5.2	-3.5
Net income on other basic activities	-0.2	3.4	0.1	-0.1
Result on basic activities	**781.1**	**1 574.3**	**769.8**	**1 553.4**
General and administrative expenses	436.5	881.5	428.6	865.7
Result on other operating income and expenses	-0.6	-1.5	2.7	3.4
Impairment losses and provisions for off-balance sheet liabilities	65.3	124.3	125.4	193.6
Profit (loss) before tax	**278.7**	**567.0**	**218.5**	**497.5**
Income tax	47.2	106.0	36.4	93.0
Net result for the current period	**231.5**	**461.0**	**182.1**	**404.5**

Net profit (loss)	**231.5**	**461.0**	**182.1**	**404.5**
Weighted average number of ordinary shares	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**
Earnings per ordinary share (PLN)	**1.78**	**3.54**	**1.40**	**3.11**

Diluted earnings per share agrees with earnings per ordinary share

INTERIM CONDENSED STANDALONE STATEMENT OF COMPREHENSIVE INCOME

	2 quarter 2013 the period from 01 Apr 2013 to 30 Jun 2013	1 half year 2013 the period from 01 Jan 2013 to 30 Jun 2013	2 quarter 2012 the period from 01 Apr 2012 to 30 Jun 2012	1 half year 2012 the period from 01 Jan 2012 to 30 Jun 2012
Net result for the period	**231.5**	**461.0**	**182.1**	**404.5**
Other comprehensive income, of which:	**-322.8**	**-482.8**	**58.2**	**127.1**
- items which can be reclassified to income statement	-322.9	-482.9	57.6	127.1
- items which will not be reclassified to income statement	0.1	0.1	0.6	0.0
Total comprehensive income for the period	**-91.3**	**-21.8**	**240.3**	**531.6**

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SIGNATURE OF THE PERSON ENTRUSTED WITH KEEPING THE ACCOUNTING BOOKS

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

Katowice, 06-08-2013

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

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF FINANCIAL POSITION

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
A S S E T S					
- Cash in hand and balances with the Central Bank	1 673.5	3 534.4	4 071.6	2 321.2	1 558.1
- Loans and receivables to other banks	2 015.2	1 578.3	1 365.3	1 585.5	1 421.9
- Financial assets measured at fair value through profit and loss	2 057.4	1 412.1	1 554.6	791.5	1 425.7
- Valuation of derivatives	1 519.8	1 572.6	1 822.7	1 235.5	1 294.4
- Investments	20 256.1	18 003.3	17 880.5	13 816.9	16 819.1
- available-for-sale	*20 256.1*	*18 003.3*	*17 880.5*	*10 298.4*	*11 764.4*
- held-to-maturity	*0.0*	*0.0*	*0.0*	*3 518.5*	*5 054.7*
- Derivative hedge instruments	990.7	1 066.9	1 112.6	420.0	349.2
- Loans and receivables to customers	47 183.8	45 967.0	45 764.0	45 171.6	44 383.9
- Receivables from customers due to repo transactions	1 284.2	0.0	0.0	0.0	78.6
- Investments in controlled entities recognised under the equity method	454.4	454.4	454.4	454.4	454.4
- Non-financial assets	926.6	941.8	965.2	946.5	943.6
- Tax assets	27.0	13.8	0.0	104.7	130.5
- Other assets	164.8	153.9	168.3	208.3	165.8
T o t a l a s s e t s	**78 553.5**	**74 698.5**	**75 159.2**	**67 056.1**	**69 025.2**
E Q U I T Y A N D L I A B I L I T I E S					
LIABILITIES					
- Liabilities due to other banks	1 673.3	2 151.4	1 870.0	1 369.9	2 653.9
- Financial liabilities measured at fair value through profit and loss	902.8	2 123.3	3 003.4	1 679.0	4 395.0
- Valuation of derivatives	1 607.1	1 665.8	1 778.3	1 288.1	1 227.5
- Derivative hedge instruments	1 082.3	1 267.9	1 364.0	871.7	851.5
- Liabilities due to customers	61 796.9	58 040.8	57 782.6	53 993.1	52 270.3
- Liabilities due to customers under repo transactions	1 938.5	0.0	0.0	3.6	44.0
- Liabilities under issue of debt securities	566.4	574.5	567.1	0.0	0.0
- Provisions	74.2	70.1	68.9	59.7	60.2
- Tax liabilities	14.2	91.1	97.3	23.2	0.0
- Other liabilities	1 037.1	762.2	748.8	1 000.0	997.2
T o t a l l i a b i l i t i e s	**70 692.8**	**66 747.1**	**67 280.4**	**60 288.3**	**62 499.6**
EQUITY					
- Share capital	130.1	130.1	130.1	130.1	130.1
- Supplementary capital - issuance of shares over nominal value	956.3	956.3	956.3	956.3	956.3
- Revaluation reserve	507.4	830.7	990.7	239.3	182.2
- Revaluation of share-based payment	44.9	44.3	41.3	35.5	33.6
- Retained earnings	6 222.0	5 990.0	5 760.4	5 406.6	5 223.4
T o t a l e q u i t y	**7 860.7**	**7 951.4**	**7 878.8**	**6 767.8**	**6 525.6**
T o t a l e q u i t y a n d l i a b i l i t i e s	**78 553.5**	**74 698.5**	**75 159.2**	**67 056.1**	**69 025.2**

Net book value	**7 860.7**	**7 951.4**	**7 878.8**	**6 767.8**	**6 525.6**
Number of shares	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**	**130 100 000**
Net book value per share (PLN)	**60.42**	**61.12**	**60.56**	**52.02**	**50.16**

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

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Katowice, 06-08-2013

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

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY

1 half year 2013
the period from 01 Jan 2013 to 30 Jun 2013

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Total equity
Opening balance of equity	**130.1**	**956.3**	**590.3**	**33.4**	**367.0**	**41.3**	**5 760.5**	**7 878.9**
Net result for the current period	-	-	-	-	-	-	461.0	**461.0**
Other comprehensive income, of which:	**0.0**	**0.0**	**-343.5**	**-0.4**	**-139.4**	**0.0**	**0.5**	**-482.8**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*-260.5*	-	-	-	-	*-260.5*
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-83.0*	-	-	-	-	*-83.0*
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*-139.4*	-	-	*-139.4*
- disposal of property, plant and equipment	-	-	-	*-0.4*	-	-	*0.5*	*0.1*
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**3.6**	**0.0**	**3.6**
- revaluation of share-based payment	-	-	-	-	-	*3.6*	-	*3.6*
Closing balance of equity	**130.1**	**956.3**	**246.8**	**33.0**	**227.6**	**44.9**	**6 222.0**	**7 860.7**

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

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

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

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Katowice, 06-08-2013

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

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY - continued

1 half year 2012
the period from 01 Jan 2012 to 30 Jun 2012

	Share capital	Supplementary capital - issuance of shares over nominal value	Revaluation reserve from measurement of available-for-sale financial assets	Revaluation reserve from measurement of property, plant and equipment	Revaluation reserve from measurement of cash flow hedging instruments	Revaluation of share-based payment	Retained earnings	Total equity
Opening balance of equity	**130.1**	**956.3**	**20.4**	**34.8**	**58.2**	**30.8**	**5 000.9**	**6 231.5**
Net result for the current period	-	-	-	-	-	-	404.5	**404.5**
Other comprehensive income, of which:	**0.0**	**0.0**	**102.6**	**-1.2**	**24.5**	**0.0**	**1.2**	**127.1**
- gains/losses on remeasurement of available-for-sale financial assets charged to equity	-	-	*120.3*	-	-	-	-	*120.3*
- reclassification to the financial result as a result of sale of available-for-sale financial assets	-	-	*-17.5*	-	-	-	-	*-17.5*
- amortisation of gains or losses previously recognised in equity concerning securities re-classified from the available-for-sale portfolio to the portfolio of loans and receivables	-	-	*-0.2*	-	-	-	-	*-0.2*
- remeasurement of property, plant and equipment	-	-	-	*-0.6*	-	-	-	*-0.6*
- effective part of cash flow hedging instruments revaluation	-	-	-	-	*24.5*	-	-	*24.5*
- disposal of property, plant and equipment	-	-	-	*-0.6*	-	-	*1.2*	*0.6*
Transactions with owners, of which:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**4.7**	**0.0**	**4.7**
- revaluation of share-based payment	-	-	-	-	-	*4.7*	-	*4.7*
Closing balance of equity	**130.1**	**956.3**	**123.0**	**33.6**	**82.7**	**35.5**	**5 406.6**	**6 767.8**

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

Małgorzata Kołakowska
President
Signed on the Polish original

Mirosław Boda
Vice President
Signed on the Polish original

Michał Bolesławski
Vice President
Signed on the Polish original

Joanna Erdman
Vice President
Signed on the Polish original

Justyna Kesler
Vice President
Signed on the Polish original

Oscar Edward Swan
Vice President
Signed on the Polish original

Ignacio Juliá Vilar
Vice President
Signed on the Polish original

SIGNATURE OF THE PERSON ENTRUSTED WITH KEEPING THE ACCOUNTING BOOKS

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

Katowice, 06-08-2013

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

Interim condensed standalone financial statements (PLN million)

INTERIM CONDENSED STANDALONE CASH FLOW STATEMENT

	1 half year 2013 the period from 01 Jan 2013 to 30 Jun 2013	1 half year 2012 the period from 01 Jan 2012 to 30 Jun 2012
OPERATING ACTIVITIES		
Net profit (loss)	**461.0**	**404.5**
Adjustments	**-2 859.5**	**-296.8**
- Depreciation and amortisation	79.3	67.1
- Interest accrued (from the profit and loss account)	913.7	968.4
- Interest paid	718.5	794.1
- Interest received	-1 955.5	-1 974.6
- Dividends received	-22.4	-12.4
- Gains (losses) on investment activities	0.1	-3.9
- Income tax (from the profit and loss account)	106.0	93.0
- Income tax paid	-216.1	-12.6
- Change in provisions	5.3	3.1
- Change in loans and other receivables to other banks	-668.5	-17.5
- Change in financial assets at fair value through profit or loss	-500.3	-152.1
- Change in available-for-sale financial assets	-2 643.6	5 275.3
- Change in valuation of derivatives	131.7	216.9
- Change in derivative hedge instruments	-299.2	9.0
- Change in other receivables to customers	-2 584.7	-2 858.1
- Change in other assets	4.9	-47.0
- Change in liabilities due to other banks	-195.8	-3 582.6
- Change in liabilities at fair value through profit or loss	-2 100.6	-135.7
- Change in liabilities due to customers	6 075.6	998.8
- Change in other liabilities	292.1	74.0
Net cash flow from operating activities	**-2 398.5**	**107.7**
INVESTMENT ACTIVITIES		
- Purchase of property plant and equipment	-15.8	-51.7
- Disposal of property, plant and equipment	0.1	0.4
- Purchase of intangible assets	-26.8	-21.8
- Purchase of investments in subordinated entities	0.0	-216.1
- Disposal of fixed assets held for sale	0.4	4.8
- Redemption / sale of held-to-maturity financial assets	0.0	1 444.9
- Interest received from held-to-maturity financial assets	0.0	148.3
- Dividends received	22.4	12.4
Net cash flow from investment activities	**-19.7**	**1 321.2**
FINANCIAL ACTIVITIES		
- Interest on debt securities issued	-0.7	0.0
Net cash flow from financial activities	**-0.7**	**0.0**
Effect of exchange rate changes on cash and cash equivalents	***55.9***	***-48.7***
Net increase/decrease in cash and cash equivalents	**-2 418.9**	**1 428.9**
Opening balance of cash and cash equivalents	**5 048.8**	**2 305.7**
Closing balance of cash and cash equivalents	**2 629.9**	**3 734.6**

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

Małgorzata Kołakowska
President
Signed on the Polish original

Mirosław Boda
Vice President
Signed on the Polish original

Michał Bolesławski
Vice President
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Vice President
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SIGNATURE OF THE PERSON ENTRUSTED WITH KEEPING THE ACCOUNTING BOOKS

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

Katowice, 06-08-2013

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

1. Introduction

1.1. Going-concern

These interim condensed standalone financial statements of the ING Bank Śląski S.A. for the period of 6 months ending on 30 June 2013 were prepared on a going-concern basis as regards the foreseeable future, namely as regards the period of minimum 12 months from the balance sheet date. As of the date of approving this statement, the Bank Management Board has not identified any events that could indicate that the continuation of the operations by the Bank is endangered.

1.2. Discontinued operations

No operations were discontinued during I half 2013 and I half 2012.

1.3. Compliance with International Financial Reporting Standards

These interim condensed standalone financial statements of the ING Bank Śląski S.A. for the period of 6 months ending on 30 June 2013 were prepared under the IAS 34 *Interim Financial Reporting* (International Accounting Standards) in a version approved by the European Commission effective as at the reporting date, that is 30 June 2013 as well as in accordance with the Ordinance of Finance Minister of 19 February 2009 on current and interim information submitted by issuers of securities (Journal of Laws of 2009, no. 33, item 259) with subsequent amendments.

Presented financial statements have been prepared in a condensed version. The interim condensed financial statements do not provide all data or disclosures required in the annual financial statements and should be interpreted together with the interim condensed consolidated financial statements for the half year 2013 and the Bank's financial statements for the year ended 31 December 2012 approved by the Bank Management Board on 5 March 2013.

Interim condensed standalone income statement, interim condensed standalone statement of comprehensive income, interim condensed standalone statement of changes in equity, and interim condensed standalone cash flow statement for the period from 1 January 2013 to 30 June 2013, and interim condensed standalone statement of financial position as at 30 June 2013 together with comparable data were prepared according to the same principles of accounting for each period.

1.4. Comparative data and verification by the chartered auditor

The comparative data cover the period from 1 January 2012 to 30 June 2012 for the interim condensed standalone income statement; the interim condensed standalone statement of comprehensive income and the interim condensed standalone cash flow statement, additionally for the period from 1 January 2012 to 31 December 2012 for the interim condensed standalone statement of changes in equity; and in the case of the interim condensed standalone statement of financial position data as of 31 March 2013, 31 December 2012, 30 June 2012 and 31 March 2012. Interim condensed standalone income statements, interim condensed standalone statement of comprehensive income and notes to the interim condensed standalone income statements include data for the Q2 2013 (period from 01 April 2013 to 30 June 2013) as well as comparative data for the Q2 2012 (period from 01 April 2012 to 30 June 2012).

The following financial data presented quarterly:

- for the period from 1 January 2013 to 31 March 2013,

- for the period from 1 April 2013 to 30 June 2013,
- for the period from 1 April 2012 to 30 June 2012 and
- as at 31 March 2013

were neither reviewed separately nor audited by the chartered auditor.

1.5. Financial statements scope and currency

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

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

1.6. Changes to accounting standards

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

1.7. Approval of financial statements

These interim condensed standalone financial statements have been approved by the Bank Management Board on 6 August 2013.

2. Significant accounting policies

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

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

2.1. Investment in subsidiaries and associates

2.1.1. Subsidiaries

Subsidiaries are the entities over which the Bank has direct or indirect control. Control is the ability to manage financial and operating policies in order to gain economic profits. Control basically is involved with larger number of votes in governing bodies. Control usually is implicated with the possession of the majority of votes in governing bodies.

2.1.2. Associates

Associated entities are entities over which the Bank has significant influence and are not subsidiaries. The Bank usually determines significant influence by possession of 20 % to 50 % of the total number of votes in governing bodies.

2.1.3. Recognition and valuation

Investments in subsidiaries and associates are recorded at cost of purchase less impairment if any. The carrying value is subject to tests for impairment in accordance with IAS 36. Any impairment is recognized in the profit and loss account as *Impairment losses and provisions for off-balance sheet liabilities*. Dividends are recognized in the profit and loss account when the Bank obtains legal rights to receive them.

3. Accounting estimates

The most significant accounting estimates made by the Bank are described in the in annual financial statements of ING Bank Śląski S.A. for the period from 1 January 2012 to 31 December 2012 published on 7 March 2013 that is available on the Internet site of ING Bank Śląski S.A. (www.ingbank.pl).

Modifications to estimates were presented in the interim condensed consolidated financial statements in Chapter II. *Supplementary information* in item *5.1. Amendments arising from implementation of the requirements arising from new standards as well as update or specification of approach to estimates*

4. Comparability of financial data

In the interim condensed standalone financial statements for the period from 1 January 2013 to 30 June 2013, the Bank made a few presentation changes to the statement of financial position, compared to the interim condensed standalone financial statements for previous periods, the fact which was described in Chapter II. of the interim condensed consolidated financial statements. *Supplementary information* in item *6. Comparability of financial data.*

5. Significant events in I half 2013

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

6. Seasonality or cyclicity of activity

Activity of ING Bank Śląski Group is not subject to seasonality or cyclicity within the meaning of §21 of IAS 34.

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

None.

8. Dividends paid

On 19 April 2013, the General Meeting resolved not to pass a resolution on dividend payout for 2012 and approved earmarking the entire 2011 net profit of the Bank for equity.

On 19 April 2012, the General Meeting resolved not to pass a resolution on dividend payout for 2011 and approved earmarking the entire 2011 net profit of the Bank for equity.

Interim condensed standalone financial statements (PLN million)

9. Acquisitions

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

10. Off-balance sheet items

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Contingent liabilities granted	16 806.0	16 752.7	15 803.1	16 167.7	16 537.2
Contingent liabilities received	29 549.2	38 909.6	37 324.3	40 449.5	36 890.2
Off-balance sheet financial instruments	225 725.0	156 327.7	133 610.6	135 793.1	128 312.5
Total off-balance sheet items	**272 080.2**	**211 990.0**	**186 738.0**	**192 410.3**	**181 739.9**

11. Significant events after the balance sheet date

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

12. Transactions with related entities

ING Bank Śląski subsidiaries and affiliated entities (their list has been presented in Chapter II. *Supplementary information* in item 1.4. *ING Bank Śląski S.A. Capital Group)* as part of their business hold current accounts at ING Bank Śląski, via which they perform standard clearing operations and also invest cash funds using term deposits. Similarly, ING Bank Śląski maintains bank accounts of other members of ING Group. The transactions with the above entities are performed on an arm's length basis.

ING Bank Śląski performs operations with ING Bank NV and its subsidiaries on the inter-bank market. These are both short-term deposits and loans, as well as operations in derivatives. The abovementioned transactions are carried out on an arm's length basis.

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

In the period from 1 January 2013 to 30 June 2013 the following transactions were made of the total value exceeding EURO 500.000:

- transactions with ING Bank NV – under execution of the agreements (among other Cooperation Agreement and Agreement on Provision of Data Processing and Financial Information Analysis Services), the fee for services rendered under financial advisory, the fee for using data processing and financial information analysis services by ING Bank Śląski and the fee for services rendered under business operations and product development advisory in the PCM area for 6 months of 2013 amounted to PLN 39.0 million versus PLN 40.9 million in the same period last year (net amounts).
- transactions with ING Services Polska – the company renders hardware lease services for ING Bank Śląski. Services' costs amounted to PLN 23.4 million versus PLN 21.9 million in the analogous period of the previous year (gross amounts).

Transactions with related entities (in PLN million)

I half 2013

	ING Bank NV	Other ING Group	Subsidiary undertakings *	Associated undertakings*
Receivables				
Nostro accounts	12.4	40.0	-	-
Loans	-	2.4	3 249.8	-
Positive valuation of derivatives	273.4	234.7	-	-
Other receivables	4.0	1.2	0.5	-
Liabilities				
Deposits received	186.6	1 078.3	397.9	133.0
Loro accounts	44.5	7.4	-	-
Negative valuation of derivatives	301.5	282.9	0.4	-
Repo	96.5	-	-	-
Other liabilities	3.8	-	0.6	-
Off-balance-sheet operations				
Contingent liabilities	28.5	47.5	833.6	-
FX transactions	6 378.3	59.0	-	-
Forward transactions	18.0	161.1	-	-
IRS	9 258.3	4 359.5	10.5	-
FRA	1 082.3	-	-	-
Options	1 250.0	1 753.7	54.9	-
Revenue and costs**				
Revenue	-24.8	-3.6	54.9	-1.6
Costs	40.6	19.8	10.2	-

2012

	ING Bank NV	Other ING Group	Subsidiary undertakings *	Associated undertakings*
Receivables				
Nostro accounts	29.6	27.1	-	-
Loans	-	3.1	3 138.3	-
Positive valuation of derivatives	379.7	347.6	0.6	-
Repo	66.0	-	-	-
Other receivables i	4.8	0.7	-	-
Liabilities				
Deposits received	420.1	1 058.5	515.2	56.7
Loro accounts	20.4	14.8	-	-
Negative valuation of derivatives	363.1	371.2	0.2	-
Repo	89.1	-	-	-
Other liabilities	3.6	-	0.3	-
Off-balance-sheet operations				
Contingent liabilities	27.0	41.0	945.6	-
FX transactions	1 017.5	57.0	-	-
Forward transactions	57.9	2.5	-	-
IRS	7 863.4	5 723.6	11.5	-
Options	722.9	1 770.0	52.4	-
Revenue and costs**				
Revenue	-66.6	-15.7	132.0	-2.8
Costs	81.0	39.8	16.7	-

*/ Includes transactions between ING Bank Śląski S.A. affiliates of ING Bank Śląski S.A. Group
**/ Income and expenses are shown as in the financial statements. _Income_ includes the items of _Net income on core operations. Expenses_ includes amounts shown under _Operating expenses_ in the income statement.

Interim condensed standalone financial statements (PLN million)

I half 2013

	ING Bank NV	Other ING Group	Subsidiary undertakings *	Associated undertakings*
Receivables				
Deposits placed	-	23.0	-	-
Nostro accounts	19.0	3.1	-	-
Loans	-	4.2	2 969.1	-
Positive valuation of derivatives	239.9	330.3	-	-
Other receivables	8.1	0.3	0.6	-
Liabilities				
Deposits received	112.5	344.8	386.1	214.6
Loro accounts	8.2	8.5	-	-
Negative valuation of derivatives	322.5	408.5	-	-
Repo	527.9	-	-	-
Other liabilities	8.9	-	0.9	-
Off-balance-sheet operations				
Contingent liabilities	157.9	30.7	1 114.7	-
FX transactions	6 654.7	309.4	-	-
Forward transactions	-	2.5	-	-
IRS	8 910.3	6 316.9	-	-
Options	713.4	2 095.8	-	-
Revenue and costs**				
Revenue	-80.6	-10.4	62.4	-1.0
Costs	38.2	17.9	10.1	-

*/ Includes transactions between ING Bank Śląski S.A. affiliates of ING Bank Śląski S.A. Group
**/ Income and expenses are shown as in the financial statements. *Income* includes the items of *Net income on core operations. Expenses* includes amounts shown under *Operating expenses* in the income statement.

13. Segment reporting

13.1. Segments of operation

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

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

- retail banking segment,
- corporate banking segment.

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

13.1.1. Retail banking segment

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

This activity is analysed by the leading products, including i.e.: credit products (overdraft on the savings and settlement account - ROR, loans related to cards, hire purchase loans, housing loans, mortgage loans, contract loans granted by the Building Society), deposit products (current accounts, term deposits, savings accounts), structured product, ING fund units and bank cards.

13.1.2. Corporate banking segment

Corporate banking area encompasses as follows:

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

Services to institutional clients encompasses strategic clients, large corporate entities and mid-sized companies. For corporate activity, the Bank provides reporting broken down by leading products covering i.e. loan products (working loans, investment loans), deposit products (current accounts, term deposits and negotiated deposits, savings accounts), financial markets products, trust services, capital market operations conducted by the parent entity.

Financial Markets products encompass operations performed in money and capital markets, conducted both on the proprietary basis as well as for the customers' benefit. Within the framework of this activity, currency, money and derivative instrument market products and securities operations (treasury securities, shares and notes) are specified.

13.1.3. Measurement

The measurement of the segment's assets and liabilities, segment's revenue and costs is based on the accounting standards applied by the Bank, included in notes describing applied accounting standards. In particular, the internal and external interest revenue and costs for individual segments shall be established with the use of the transfer pricing system. Transfer prices are defined based on the yield curve for a given currency that is common for assets and liabilities. The transfer price that is determined for the products being assets and liabilities with the same position on the yield curve is identical. The original transfer price – coming from the product measurement regarding the yield curve can be modified and the factors adjusting the transfer price can be the following: a premium for obtainment of long-term liquidity, matching of the Bank's position, a hedging cost for sophisticated products and the pricing policy. Thereafter, based on quotation rates available at news services, yield curves are developed using mathematical equations.

Revenue, costs, results, assets and liabilities for a given segment account for elements that are directly attributable to the segment in question, as well as element that may be attributed to that segment based on reasonable premises.

The Bank presents segment's interest income reduced by the cost of the interest. This results from the fact that while evaluating the segment's results and assigning assets to the segment, the Management Board relies mainly on net interest income.

In 1 half 2013, the Bank did not change the reporting for its operating segments against the annual financial statements of the ING Bank Śląski S.A. for the period from 1 January 2012 to 31 December 2012.

13.2. Geographical segments

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

PLN million	**I half 2013** the period from 01 Jan 2013 to 30 Jun 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total	**779.4**	**794.9**	**1 574.3**
Net interest income	469.9	443.8	913.7
external	*149.0*	*764.7*	*913.7*
internal	*320.9*	*-320.9*	*0.0*
Net commission income	204.0	264.7	468.7
Other income/expenses	105.5	86.4	191.9
Expenses total	**568.0**	**315.0**	**883.0**
Result before risk	**211.4**	**479.9**	**691.3**
Impairment losses	78.4	45.9	124.3
Result after impairment losses (profit before tax)	**133.0**	**434.0**	**567.0**
Income tax	-	-	106.0
Result after tax	-	-	**461.0**

PLN million	**II quarter 2013** the period from 01 Apr 2013 to 30 Jun 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total	**383.5**	**397.6**	**781.1**
Net interest income	243.8	222.9	466.7
external	*88.3*	*378.4*	*466.7*
internal	*155.5*	*-155.5*	*0.0*
Net commission income	102.3	140.5	242.8
Other income/expenses	37.4	34.2	71.6
Expenses total	**280.7**	**156.4**	**437.1**
Result before risk	**102.8**	**241.2**	**344.0**
Impairment losses	40.4	24.9	65.3
Result after impairment losses (profit before tax)	**62.4**	**216.3**	**278.7**
Income tax	-	-	47.2
Result after tax	-	-	**231.5**

PLN million	**I half 2013** the period from 01 Jan 2013 to 30 Jun 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total	**721,4**	**832,0**	**1 553,4**
Net interest income	440,2	528,2	968,4
external	*50,9*	*917,5*	*968,4*
internal	*389,3*	*-389,3*	*0,0*
Net commission income	203,1	257,7	460,8
Other income/expenses	78,1	46,1	124,2
Expenses total	**546,1**	**316,2**	**862,3**
Result before risk	**175,3**	**515,8**	**691,1**
Impairment losses	44,5	149,1	193,6
Result after impairment losses (profit before tax)	**130,8**	**366,7**	**497,5**
Income tax	-	-	93,0
Result after tax	-	-	**404,5**

PLN million	**II quarter 2013** the period from 01 Apr 2013 to 30 Jun 2013		
	Retail banking segment	**Corporate banking segment**	**TOTAL**
Revenue total	**376.5**	**393.3**	**769.8**
Net interest income	222.4	261.9	484.3
external	*28.3*	*456.0*	*484.3*
internal	*194.1*	*-194.1*	*0.0*
Net commission income	102.3	132.6	234.9
Other income/expenses	51.8	-1.2	50.6
Expenses total	**270.9**	**155.0**	**425.9**
Result before risk	**105.6**	**238.3**	**343.9**
Impairment losses	25.2	100.2	125.4
Result after impairment losses (profit before tax)	**80.4**	**138.1**	**218.5**
Income tax	-	-	36.4
Result after tax	-	-	**182.1**

as of 30 Jun2013

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	17 188.6	60 021.5	77 210.1
Segment investments in subordinates	152.5	301.9	454.4
Other assets (not allocated to segments)	0.0	0.0	889.0
Total assets	**17 341.1**	**60 323.4**	**78 553.5**
Segment liabilities	41 837.8	27 729.5	69 567.3
Other liabilities (not allocated to segment)	0.0	0.0	1 125.5
Equity	0.0	0.0	7 860.7
Total equity and liabilities	**41 837.8**	**27 729.5**	**78 553.5**

as of 31 Mar 2013

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	16 517.4	56 841.0	73 358.4
Segment investments in subordinates	152.5	301.9	454.4
Other assets (not allocated to segments)	0.0	0.0	885.7
Total assets	**16 669.9**	**57 142.9**	**74 698.5**
Segment liabilities	40 377.2	25 446.5	65 823.7
Other liabilities (not allocated to segment)	0.0	0.0	923.4
Equity	0.0	0.0	7 951.4
Total equity and liabilities	**40 377.2**	**25 446.5**	**74 698.5**

as of 31 Dec 2012

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	16 211.4	57 583.2	73 794.6
Segment investments in subordinates	156.6	297.8	454.4
Other assets (not allocated to segments)	0.0	0.0	910.2
Total assets	**16 368.0**	**57 881.0**	**75 159.2**
Segment liabilities	39 029.3	27 336.1	66 365.4
Other liabilities (not allocated to segment)	0.0	0.0	915.0
Equity	0.0	0.0	7 878.8
Total equity and liabilities	**39 029.3**	**27 336.1**	**75 159.2**

as of 30 Jun 2012

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	15 661.2	49 904.8	65 566.0
Segment investments in subordinates	152.5	301.9	454.4
Other assets (not allocated to segments)	0.0	0.0	1 035.7
Total assets	**15 813.7**	**50 206.7**	**67 056.1**
Segment liabilities	36 742.7	22 462.7	59 205.4
Other liabilities (not allocated to segment)	0.0	0.0	1 082.9
Equity	0.0	0.0	6 767.8
Total equity and liabilities	**36 742.7**	**22 462.7**	**67 056.1**

as of 31 Mar 2012

PLN million	Retail banking segment	Corporate banking segment	TOTAL
Assets of the segment	15 102.7	52 452.0	67 554.7
Segment investments in subordinates	152.5	301.9	454.4
Other assets (not allocated to segments)	0.0	0.0	1 016.1
Total assets	**15 255.2**	**52 753.9**	**69 025.2**
Segment liabilities	35 197.9	26 244.3	61 442.2
Other liabilities (not allocated to segment)	0.0	0.0	1 057.4
Equity	0.0	0.0	6 525.6
Total equity and liabilities	**35 197.9**	**26 244.3**	**69 025.2**

14. Solvency ratio

	as of 30 Jun 2013	as of 31 Mar 2013	as of 31 Dec 2012	as of 30 Jun 2012	as of 31 Mar 2012
Solvency ratio *	15.25%	14.41%	14.00%	12.40%	11.57%

*/ Starting from the report as at 30 June 2013, ING Bank Śląski S.A. reports capital requirement for credit risk on the basis of AIRB approach. The Bank applies such presentation under the letter of De Nederlandsche Bank (DNB) dated 04 July 2013, in which DNB along with the Polish Financial Supervision Authority consent to using AIRB approach for *institutions* and *entrepreneurs* exposure classes.

Previously the Bank was granted a consent for computing capital requirement for credit risk according to AIRB approach, however it was obliged to include the so called supervisory floor into the computation. Therefore, it was necessary to supplement the capital requirement for credit risk to the requirement computed using the standard approach (SA) in case when capital requirement for credit risk computed with AIRB was lower than the requirement computed under standard approach.

Interim condensed standalone financial statements (PLN million)

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

2013-08-06	**Małgorzata Kołakowska**	President	*(signed on the Polish original)*
2013-08-06	**Mirosław Boda**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Michał Bolesławski**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Joanna Erdman**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Justyna Kesler**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Oscar Edward Swan**	Vice-President	*(signed on the Polish original)*
2013-08-06	**Ignacio Juliá Vilar**	Vice-President	*(signed on the Polish original)*

SIGNATURE OF THE PERSON RESPONSIBLE FOR ACCOUNTS

2013-08-06	**Tomasz Biłous**	Director of Accounting Department Chief Accountant	*(signed on the Polish original)*