

Unaudited Pro Forma Condensed Consolidated Financial Information

2012



WBK | Bank Zachodni WBK S.A.

Unaudited Pro Forma Condensed Consolidated Financial Information

The following unaudited pro forma condensed consolidated financial information, which comprises the unaudited pro forma condensed consolidated statement of financial position as of 31 December 2012 and the unaudited pro forma condensed consolidated income statement for the year ended 31 December 2012, has been prepared based on the assumptions described in the notes hereto and in compliance with the recognition and measurement principles of IFRS. On 4 January 2013 the business combination of Bank Zachodni WBK and Kredyt Bank was completed (the "Merger"). The Merger was settled through the issue and take-up of merger shares as described in note 3 of this Unaudited Pro Forma Condensed Consolidated Financial Information.

The unaudited pro forma condensed consolidated financial information has been prepared only and exclusively for illustrative purposes and in light of its hypothetical nature, it does not represent the actual asset and financial position, financial result, the balance sheet sum or the equity of BZ WBK. Also, it does not form the basis for any forecasts, comparisons or budgets. It is not intended to be indicative of future results. Unless otherwise indicated, all the financial information relating to the companies covered by the unaudited pro forma condensed consolidated financial information is based on the consolidated financial statements of BZ WBK Group and of Kredyt Bank Group for the year ended 31 December 2012, to which the adjustments were made as indicated in the Pro Forma Financial Information.

The unaudited pro forma condensed consolidated statement of financial position gives effect to the Merger as if it had occurred on 31 December 2012. The unaudited pro forma condensed consolidated income statement gives effect to the Merger as if it had occurred on 1 January 2012. The unaudited pro forma adjustments are described in the accompanying notes.

The unaudited pro forma condensed consolidated financial information has been prepared based on the following:

- The audited consolidated financial statements of BZ WBK Group for the year ended 31 December 2012, presented in thousands of PLN, which have been prepared in accordance with IFRS as approved by the EU;
- The audited consolidated financial statements of Kredyt Bank Group for the year ended 31 December 2012, presented in thousands of PLN, which have been prepared in accordance with IFRS as approved by the EU, for which the audit opinion expressed by their independent auditors contains the following qualification:

"As described in the note 4 of additional information to the attached consolidated financial statements Management Board of Bank Zachodni WBK S.A. after the merger with Kredyt Bank S.A. has performed the analysis of the credit risk relating to Kredyt Bank S.A. loan portfolio as at 31 December 2012. The analysis has been based on new assumptions towards collection scenarios weighted by their probabilities and significantly discounted collaterals for selected individual exposures as well as changed parameters for the calculation of the collective impairment. As a result of the above analysis the Bank has increased the level of loan impairment allowances in the attached consolidated financial statements by approx. PLN 319 million for the loans assessed individually and by approx. PLN 258 million for the loans assessed collectively. We have performed a review of the above analysis and based on such review we concluded that we have not been presented with sufficient evidence supporting approx. PLN 333 million of the above increases of impairment allowances. Therefore, we are not able to give our opinion on the reasonableness of such part of the additional loan impairment allowances as at 31 December 2012, and the corresponding impairment charge in the profit and loss for the year ended 31 December 2012 as well as approx. PLN 61 million of deferred tax asset, which has been recognised in relation to such additional loan impairment allowances and the corresponding tax credit in the profit and loss for 2012. Additionally, the amount of PLN 258 million out of the above increase in impairment allowances which relates to losses incurred but not recorded ('IBNR') and collective impairment was presented in line "Provisions" in the liabilities which is not compliant with the adopted accounting standards."

The unaudited pro forma condensed consolidated financial information should be read in conjunction with the relevant separately published financial statements.

The Merger is being accounted for using the acquisition method of accounting in accordance with IFRS 3 "Business combination" ("IFRS 3"). Under the acquisition method of accounting, the aggregate consideration paid is allocated to the tangible and identifiable intangible assets acquired and liabilities assumed on the basis of their fair values on the transaction date. Goodwill is measured as the excess, if any of, the sum of the consideration paid over the net amounts of identifiable assets acquired and liabilities assumed at the acquisition date. This unaudited pro forma condensed consolidated financial information has been prepared based on preliminary estimates of fair values. The final allocation of consideration paid to assets acquired and liabilities assumed may differ materially from the information presented in this unaudited pro forma condensed consolidated financial information. In accordance with IFRS 3, acquirer have up to twelve months following the acquisition to finalize the allocation of purchase price, which is expected to be completed by 31 December 2013. The preliminary estimates of the fair values of the assets acquired and liabilities assumed herein may be subject to change upon finalization of the valuation of assets acquired and liabilities assumed as of the

closing date as well as finalization of the audit that is in progress at the date of pro forma preparation of the underlying data of Kredyt Bank as of 4 January 2013 required for the valuation purposes.

The adjustments made in order to present these unaudited pro forma condensed consolidated financial statements have been made based upon available information and assumptions that our Management believes are reasonable, that are directly attributable to the Merger, and that are factually supportable. The unaudited pro forma financial statements have not been prepared, and shall not be construed as being prepared, in accordance with Regulation S-X under the US Securities Act. The unaudited pro forma condensed consolidated financial statements do not purport to present what our financial position or results of operations would actually have been if the Merger would have occurred on the dates described above, nor do they purport to represent our financial position or results of operations for any future period. No account has been taken within this unaudited pro forma condensed consolidated financial information of any future changes in accounting policies or any synergies (including cost savings), all of which may or may not occur as a result of the Merger.

Unaudited pro forma condensed consolidated statement of financial position as at 31 December 2012

as at 31.12.2012	BZWBK Group Historical data	Kredyt Bank Group Historical data	Inter- company transaction s 5.1	Purchase Price Allocation & Acquisition Adjustments	Note	IFRS Harmonization Adjustments	Note	Other Adjustments	Note	Pro Forma Balance Sheet
ASSETS										
Cash and balances with central banks	4 157 274	963 375		-		-		-		5 120 649
Loans and advances to banks	1 458 128	1 179 730	(2 314)	-		(899 047)	4.1	117 700	5.6	1 854 197
Reverse repo transactions	-	117 700				-		(117 700)	5.6	-
Financial assets at fair value through profit and loss	-	60 413				-		(60 413)	5.7	-
Financial assets held for trading	831 715	1 361 671	(5 123)	-		-		60 413	5.7	2 248 676
Hedging derivatives	253 553	118 610		-		-		-		372 163
Loans and advances to customers	39 867 554	28 229 316		(497 727)	3.6	(257 800)	4.3	-		67 341 343
Investment securities	11 716 133	7 976 365		155 040	3.2	899 047	4.1	-		20 746 585
Investments in associates and joint ventures	115 685	-		-		-		-		115 685
Intangible assets	127 338	94 816		139 394	3.5, 3.11	-		-		361 548
Goodwill				1 689 049	3.3	-		(533)	5.10	1 688 516
Property, plant and equipment	479 811	223 338		(31 910)	3.10	-		-		671 239
Current income tax assets	-	-		-		-		-		-
Net deferred tax assets	258 037	329 578		27 376		(1 380)	4.5	-		613 611
Investment property	-	16 137		-		-		-		16 137
Assets classified as held for sale	-	5 709		-		-		-		5 709
Other assets	753 949	84 477		(5 329)	3.9	-		-		833 097
Total assets	60 019 177	40 761 235	(7 437)	1 475 892		(259 180)		(533)		101 989 155

Unaudited pro forma condensed consolidated statement of financial position as at 31 December 2012 continued

	as at 31.12.2012	BZWBK Group Historical data	Kredyt Bank Group Historical data	Inter- company transaction s 5.1	Non-recurring transaction adjustments	Note	Changes in accounting policy and other	Note	Other Adjustments	Note	Pro Forma Balance Sheet
LIABILITIES											
Deposits from banks	1 351 050	4 283 078	(2 314)	(23 476)	3.7	-	94 937	5.6	5 703 275		
Repo transactions	-	94 937				-	(94 937)	5.6	-		
Hedging derivatives	321 950	62 366				-	-		384 316		
Financial liabilities held for trading	728 831	1 280 520	(5 123)			-	-		2 004 228		
Deposits from customers	47 077 094	30 392 630		(18 288)	3.7	-	-		77 451 436		
Subordinated liabilities	409 110	971 533				-	-		1 380 643		
Current income tax liabilities	154 916	7 238				-	-		162 154		
Net deferred tax liabilities	-	1 380				(1 380)	4.5	-	-		
Other liabilities	998 512	616 175		25 194	3.8, 3.12	(257 800)	4.3	(533)	5.10	1 381 548	
Total liabilities	51 041 463	37 709 857	(7 437)	(16 570)		(259 180)		(533)		88 467 600	
Equity											
Equity attributable to owners of BZ WBK S.A.	8 884 367	3 051 378	-	1 492 462						13 428 207	
Share capital	746 376	1 358 294		(1 169 219)	3.1, 3.4	-	-		935 451		
Other reserve funds	5 704 680	1 611 325		2 743 441	3.1, 3.4	-	-		10 059 446		
Revaluation reserve	872 400	212 298		(212 298)	3.4	-	-		872 400		
Retained earnings	127 064	25 914		(25 914)	3.4	-	-		127 064		
Profit of the current period	1 433 847	(156 453)		156 453	3.4	-	-		1 433 847		
Non-controlling interests in equity	93 347	-	-	-					93 347		
Total equity	8 977 714	3 051 378	-	1 492 462					13 521 554		
Total equity and liabilities	60 019 177	40 761 235	(7 437)	1 475 892		(259 180)		(533)	101 989 155		

Unaudited pro forma condensed consolidated income statement for the year ended at 31 December 2012

for reporting period: 01.01-31.12.2012	BZWBK Group Historical data	Kredyt Bank Group Historical data	Inter-company transactions 5.1	Purchase Price Allocation & Acquisition Adjustments	Note	IFRS Harmonization Adjustments	Note	Other Adjustments	Note	Pro Forma Profit and loss
Interest income	3 867 485	2 299 386	(2 558)	58 012	3.2, 3.6	-	-	-	-	6 222 326
Interest expense	(1 566 408)	(1 539 720)	2 558	(16 186)	3.7	-	-	-	-	(3 119 757)
Net interest income	2 301 077	759 666	-	41 826		-	-	-	-	3 102 569
Fee and commission income	1 596 038	419 906	-	-		229 115	4.2	-	-	2 245 059
Fee and commission expense	(211 052)	(78 511)	-	-		-	-	-	-	(289 563)
Net fee and commission income	1 384 986	341 395	-	-		229 115		-	-	1 955 496
Dividend income	55 748	1 791	-	-		-	-	-	-	57 539
Net gain (loss) on sale of subsidiaries and associates	400	-	-	-		-	-	17 138	5.3	17 538
Net trading income and revaluation	164 345	305 340	-	-		(229 115)	4.2	-	-	240 570
Net result on hedging activities	-	(4 115)	-	-		-	-	4 115	5.8	-
Gains (losses) from other financial securities	180 052	77 471	-	-		-	-	(21 253)	5.3, 5.8	236 270
Other operating income	49 672	93 590	-	-		-	-	1 177	5.5	144 439
Impairment losses on loans and advances	(501 793)	(736 395)	-	-		-	-	9 195	5.5	(1 228 993)
Operating expenses incl.:	(1 817 194)	(997 839)	-	(36 376)		36 192		16 778		(2 798 439)
<i>Bank's staff, operating expenses and management costs</i>	(1 653 112)	(959 400)	-	2 341	3.12	-		101 946	5.2, 5.5, 5.9	(2 508 225)
<i>Depreciation/amortisation</i>	(137 940)	-	-	(38 717)	3.5, 3.10	36 192	4.4	(70 833)	5.9	(211 299)
<i>Other operating expenses</i>	(26 142)	(38 439)	-	-		-		(14 335)	5.5.	(78 916)
Operating profit	1 817 293	(159 096)	-	5 450		36 192		27 150		1 726 989
Share in net profits (loss) of entities accounted for by the equity method	19 746	1 019	-	-		-		-		20 765
Profit before tax	1 837 039	(158 077)	-	5 450		36 192		27 150		1 747 754
Corporate income tax	(374 404)	1 624	-	(534)		(6 876)		(35 788)	5.2, 5.4	(415 978)
Profit for the period	1 462 635	(156 453)	-	4 915		29 315		(8 637)		1 331 775
of which:										
<i>attributable to owners of BZ WBK S.A.</i>	<i>1 433 847</i>	<i>(156 453)</i>	-	<i>4 915</i>		<i>29 315</i>		<i>(8 637)</i>		<i>1 302 987</i>
<i>attributable to non-controlling interests</i>	<i>28 788</i>	<i>-</i>	-	<i>-</i>		<i>-</i>		<i>-</i>		<i>28 788</i>

Notes to unaudited Pro Forma Condensed Consolidated Financial Information

1. **Amounts have been obtained from the historical audited consolidated financial statements of BZ WBK Group for the year ended 31 December 2012.**

2. **Amounts have been obtained from the historical audited consolidated financial statements of Kredyt Bank Group for the year ended 31 December 2012. The audit opinion of Kredyt Bank Group as of and for the year ended December 31, 2012 contained the following qualification from Kredyt Bank's independent auditors:**

"As described in the note 4 of additional information to the attached consolidated financial statements Management Board of Bank Zachodni WBK S.A. after the merger with Kredyt Bank S.A. has performed the analysis of the credit risk relating to Kredyt Bank S.A. loan portfolio as at 31 December 2012. The analysis has been based on new assumptions towards collection scenarios weighted by their probabilities and significantly discounted collaterals for selected individual exposures as well as changed parameters for the calculation of the collective impairment. As a result of the above analysis the Bank has increased the level of loan impairment allowances in the attached consolidated financial statements by approx. PLN 319 million for the loans assessed individually and by approx. PLN 258 million for the loans assessed collectively. We have performed a review of the above analysis and based on such review we concluded that we have not been presented with sufficient evidence supporting approx. PLN 333 million of the above increases of impairment allowances. Therefore, we are not able to give our opinion on the reasonableness of such part of the additional loan impairment allowances as at 31 December 2012, and the corresponding impairment charge in the profit and loss for the year ended 31 December 2012 as well as approx. PLN 61 million of deferred tax asset, which has been recognised in relation to such additional loan impairment allowances and the corresponding tax credit in the profit and loss for 2012. Additionally, the amount of PLN 258 million out of the above increase in impairment allowances which relates to losses incurred but not recorded ('IBNR') and collective impairment was presented in line "Provisions" in the liabilities which is not compliant with the adopted accounting standards."

3. Purchase Price Allocation & Acquisition Adjustments

The Merger is being accounted for using the acquisition method of accounting in accordance with IFRS 3 "Business combination". Under the acquisition method of accounting, the aggregate consideration paid is allocated to the tangible and identifiable intangible assets acquired and liabilities assumed on the basis of their fair values on the transaction date. Goodwill is measured as the excess, if any of, the sum of the consideration paid over the net amounts of identifiable assets acquired and liabilities assumed at the acquisition date. This unaudited pro forma condensed consolidated financial information has been prepared based on preliminary estimates of fair values. The final allocation of consideration paid to assets acquired and liabilities assumed may differ materially from the information presented in this unaudited pro forma condensed consolidated financial information. The preliminary estimates of the fair values of the assets acquired and liabilities indicated below may be subject to change based upon finalization of the valuation of the assets acquired and liabilities assumed as of the closing date as well as the effects, if any, of the resolution of the audit qualification noted by the independent auditors of Kredyt Bank Group in connection with their audit of the financial statements of Kredyt Bank Group as of and for the year ended December 31, 2012.

The rules of calculation of the number of the shares issued for the purpose of preparation of the unaudited pro forma condensed consolidated financial information was based on the exchange ratio of 100 Kredyt Bank shares for 6.96 of Merger Shares, i.e. 1 Kredyt Bank share exchanged for 0.0696 Bank Zachodni WBK share. As a result of the transaction, 18,907,458 merger shares have been issued, which multiplied by the Bank Zachodni WBK share price of PLN 240.32, yields the purchase price of PLN 4,543,840 thousand (consideration paid).

3.1 The following table set forth the total consideration paid:

Share capital	189 075
Share premium	4 354 765
Consideration paid	4 543 840

3.2 Investment securities held to maturity

Adjustment represents the excess of the fair value of financial instruments previously held at amortized cost over their carrying amounts at the Merger date of PLN 155,040 thousand, accompanied by a decrease in net deferred tax assets of PLN 29,458 thousand. At the same time, due to amortisation of the fair value adjustment, in the pro forma condensed consolidated income statement for the period from 1 January to 31 December 2012, the item "Interest income" and "Corporate income tax" were decreased by PLN 50,671 thousand and increased by PLN 9,627 thousand respectively.

3.3 Goodwill

On 4 January 2013 Bank Zachodni WBK completed the Merger through the issuance of 18,907,458 Merger Shares with a value of PLN 4,543,840 in exchange for the shares of Kredyt Bank. The value of consideration has been allocated to the identifiable assets acquired and liabilities assumed on the basis of preliminary estimates of fair value, which include PLN 196,586 thousand of net fair value adjustments. The underlying data of Kredyt Bank used for the purpose of purchase price allocation is in the process of audit and may change as a result of further reviews. The preliminary allocation of purchase price gives rise to goodwill of PLN 1,688,516 thousand as disclosed in the note 49 of Annual consolidated financial statements of Bank Zachodni WBK for the year ended 2012.

3.4 Elimination of Kredyt Bank Group's shareholders' equity

Adjustments represent the elimination of Kredyt Bank Group's 31 December 2012 share capital of PLN 1,358,294 thousand, other reserve funds of PLN 1,611,325 thousand, revaluation reserve of PLN 212,298 thousand and retained earnings (including profit of the current period) of PLN (130,539) thousand, adding up to a total equity elimination of PLN 3,051,378 thousand in merged BZ WBK Group.

3.5 Intangible assets

As a result of the Merger, Bank recognized PLN 207,756 thousand of additional assets that meet the conditions for recognition as intangible assets resulting from the revaluation of the acquired deposits of individual and business customers as well as customer relationships created in former Kredyt Bank. The increase was accompanied by a decrease in net deferred tax assets of PLN 39,474 thousand. These intangible assets were estimated to have a useful life of 10 years. As a result, due to amortisation of the intangible asset, in the unaudited pro forma condensed consolidated income statement for the period from 1 January to 31 December 2012, the item "Depreciation/Amortisation" and "Corporate income tax" was respectively increased by PLN 46,437 thousand and decreased by PLN 8,823 thousand.

3.6 Fair value of loans and advances to customers

Adjustment represents the decrease of carrying amount of acquired loans and advances to customers of PLN 497,727 thousand resulting from fair value of loan portfolio. This adjustment is recognized together with related increase in deferred tax asset of PLN 92,380 thousand. At the same time, due to amortisation of the purchase price adjustment, in the pro forma condensed consolidated income statement for the period from 1 January to 31 December 2012, the items "Interest income" and "Corporate income tax" were increased by PLN 97,333 thousand and by PLN 17,992 thousand respectively.

3.7 Fair value of acquired financing

Adjustments represent the decrease of carrying amounts of "Deposits from banks" and "Deposits from customers" of PLN 23,476 and PLN 18,288 thousand respectively, resulting from more favorable terms and conditions applicable for acquired financing as compared with current market conditions for similar financial instruments. Those adjustment are recognized together with related decrease in deferred tax asset of PLN 7,935 thousand. At the same time, due to amortisation of the purchase price adjustments, in the unaudited pro forma condensed consolidated income statement for the period from 1 January to 31 December 2012, the items "Interest expense" and "Corporate income tax" were increased by PLN 16,186 thousands and decreased by PLN 3,075 thousand, respectively.

3.8 Fair value of retirement provision

As a result of the preliminary purchase price allocation amounts included in the item "Other liabilities" of the pro forma condensed consolidated statement of financial position was increased by the value of the adjustment of PLN 13,758 thousand with the corresponding increase in deferred tax asset of PLN 2,614 thousand. to reflect the estimated fair value of certain acquired retirement programmes and related provisions of Kredyt Bank. The impact on the unaudited pro forma condensed consolidated income statement is not material.

3.9 Fair value of other assets

As a result of fair value calculation of consumables, an adjustment was made to the unaudited pro forma condensed consolidated statement of financial position by decreasing the item "Other assets" by PLN 5,329 thousand with a total positive impact on "Deferred tax assets" of PLN 1,013 thousand. The impact on the unaudited pro forma condensed consolidated income statement is not material.

3.10 Fair value of leasehold improvements

Adjustment represents the decrease of carrying amount of acquired "Property, plant and equipment" of PLN 31,910 thousand resulting from revised fair value adjustment on selected leasehold improvements. This adjustment is recognized together with related increase in deferred tax asset of PLN 6,063 thousand. Due to amortisation of this adjustment, in the unaudited pro forma condensed consolidated income statement for the period from 1 January to 31 December 2012, items "Depreciation and Amortisation" and "Corporate income tax" were decreased by PLN 7,720 thousand and increased by PLN 1,467 thousand, respectively.

3.11 Fair value of IT systems and advances

Adjustment represents the decrease of carrying amount of acquired "Intangible assets" of PLN 68,362 thousand resulting from fair value adjustments to the IT systems and advances. As tax deductibility of this adjustments is deemed to be determined on a case-by-case basis no deferred tax impact was proposed for the purpose of the unaudited pro forma condensed consolidated financial information.

3.12 Fair value of liabilities on rental contracts

Adjustments represent the increase of carrying amounts of "Other liabilities" of PLN 11,436 thousand, resulting from the unfavourable difference of terms and conditions for acquired rental contracts for branch network premises as compared to the current market conditions for similar rental agreements. This adjustment is recognized together with related increase in deferred tax asset of PLN 2,173 thousand. Due to amortisation of these adjustments, in the unaudited pro forma condensed consolidated income statement for the period from 1 January to 31 December 2012, the items "General and administrative expenses" and "Corporate income tax" were decreased by PLN 2,341 thousand and increased by PLN 445 thousand respectively.

4. IFRS Harmonization Adjustments

4.1 Investment securities

Adjustment PLN 899,047 thousand represents the reclassification of debt securities of Kredyt Bank which were historically accounted for using an amortized cost model, classified in the historical consolidated statement of financial position of Kredyt Bank Group as "Loans and advances to banks" to "Investment securities" to conform to the classification used for similar instruments in the historical statement of financial position of BZ WBK Group.

4.2 Fee and commission income from FX transaction

Adjustment of PLN 229,115 thousand represents the reclassification of the net fee and commission income from FX transactions, classified in the historical consolidated income statement of Kredyt Bank Group as "Net trading income and revaluation" to "Fee and commission income" to conform to the presentation and classification used in the historical income statement of BZ WBK Group.



4.3 Presentation of impairment losses on loans and advances to customers

Adjustments of PLN 257,800 thousand represents the reclassification of portfolio impairment losses, classified in the historical consolidated statement of financial position of Kredyt Bank Group as "Other liabilities", to "Loans and advances to customers" to conform to the presentation and classification used in the historical statement of financial position of BZ WBK Group.

4.4 Revised depreciation of acquired Property, plant and equipment and Intangible assets

Adjustments 3.9 and 3.10 together with implementation of new useful lives resulting from accounting policies of BZ WBK Group, have significant impact on the position "Depreciation and Amortisation" of Kredyt Bank. For the purposes of the unaudited pro forma condensed consolidated financial information bank has decreased "Depreciation and amortisation" by PLN 36,192 thousand which resulted from a difference between depreciation recognised in historical financial statements of Kredyt Bank and new amount of depreciation of PLN 34,641 thousand calculated based on revised values of tangible and intangible assets and under useful lives resulting from accounting policies of BZ WBK Group. As a result, the item "Corporate income tax" was increased by PLN 6,876 thousand.

4.5 Presentation of deferred tax liability

To conform to the presentation used in the historical statement of financial position of BZ WBK Group position "Deferred tax liability" was netted against "Deferred tax assets" by the amount of PLN 1,380 thousands.

5. Other Adjustments

5.1 Intercompany Transaction

For the purpose of this unaudited pro forma condensed financial information, any transactions between the merging banks have been eliminated from the unaudited pro forma condensed consolidated statement of financial position and the unaudited pro forma condensed consolidated income statement. As at the reporting date intercompany eliminations took into account interbank placements and unsettled derivative contracts.

5.2 Merger-related expenses

For the purpose of preparation of the unaudited pro forma condensed financial information, the cost of consultancy, advice and management and other non-recurring costs that are directly related to the merger transaction incurred during the 2012 and recognised in historical financial information have been excluded from unaudited pro forma condensed income statement as non-recurring events directly connected with the Merger. In the unaudited pro forma condensed consolidated income statement the item "General and administrative expenses" were therefore decreased by a total amount of PLN 27,150 thousand attributable to BZ WBK Group and Kredyt Bank Group, with a corresponding adjustment increasing the item "Corporate income tax" by PLN 5,159 thousand.

5.3 Gain on sale of KBC TFI

For presentation purposes, the profit of PLN 17,138 thousand on the sale of the shares in KBC TFI S.A. was reclassified by decreasing the item "Gains (losses) from other financial securities" and increasing the item "Net gain (loss) on sale of subsidiaries and associates".

5.4 Elimination of the impact of utilised tax loss

Historical consolidated income statement of Kredyt Bank included utilisation of tax loss of PLN 30,629 thousand. For the purpose of preparation of the unaudited pro forma condensed consolidated income statement, the impact of utilisation was reversed, which resulted in the increase of Tax charge by the above-mentioned figure.

5.5 Presentation of provision charge

For the purpose of preparation of the unaudited pro forma condensed consolidated financial information, the presentation of write-offs and releases of provision for liabilities, termination benefits, assets for disposal and non-financial assets has been harmonised by decreasing the item "Impairment losses on loans and advances" by PLN 9,195 thousand, and making a corresponding adjustment to "Other operating income", "Employee costs" and "Other operating expenses".

5.6 Presentation of reverse repo and repo transactions

For the purpose of preparation of the Unaudited Pro Forma Condensed Consolidated Financial Information, the presentation of reverse repo and repo transactions has been harmonised by decreasing the items by PLN 117,700 and PLN 94,937 thousand respectively and making a corresponding adjustment to “Loans and receivables from bank” and “Deposits from banks”.

5.7 Presentation of financial assets through profit and loss

For the purpose of preparation of the unaudited pro forma condensed consolidated financial information, of the financial assets at fair value through profit and loss has been harmonised by decreasing the item by PLN 60,413 thousand and making a corresponding adjustment to “Financial assets held for trading”.

5.8 Presentation of net result on hedging activities

For the purpose of preparation of the unaudited pro forma condensed consolidated income statement, of the profit/loss on hedging and hedged instruments has been harmonised by increasing the item by PLN 4,115 thousand and making a corresponding adjustment to “Gains (losses) from other financial securities”.

5.9 Presentation of depreciation and amortisation

For the purpose of preparation of the unaudited pro forma condensed consolidated financial information, presentation of depreciation and amortization has been harmonized splitting between lines “Bank's staff, operating expenses and management costs” and Depreciation and amortization. The adjustment amounted to PLN 70,833 thousand.

5.10 Change in net equity of Kredyt Bank

Impact in amount of PLN 533 thousand on goodwill calculated on assets and liabilities position due to change in net equity of Kredyt Bank between December 31, 2012 and purchase price allocation dated January 4, 2013.