

PKO Finance AB (Publ)

Annual accounts for the period 1 July 2007–31 December 2008

(Organisation registration number 556693-7461)

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ADMINISTRATION REPORT

The company is a wholly owned subsidiary of Powszechna Kasa Oszczednosci Bank Polski Spólka Akcyjna ('PKO Bank').

Business

The business of the company is to directly or indirectly own, manage and trade in securities and conduct other financial business that does not require a permit, including lending, and business compatible with this business.

Financial year

During the year the company has entered into a Programme for the Issuance of Loan Participation Notes. Under this Programme, the company can issue Loan Participation Notes in various series. The sole purpose of this borrowing is to finance lending to the parent company. The company will pledge its rights under the loans to the parent company to the holders of the Loan Participation Notes issued.

Expected future developments

The company's activity in the future depends on the development of the financial markets and the macroeconomic environment.

Proposed treatment of the profit for the year

The annual general meeting has to decide about the treatment of the profit for the year amounting to

SEK 242 203

The board of directors proposes that the accrued profit as shown above be treated in the following way

Carried over into a new account

SEK 242 203

The company's profit and position in other respects are shown in the following income statement and balance sheet and notes.

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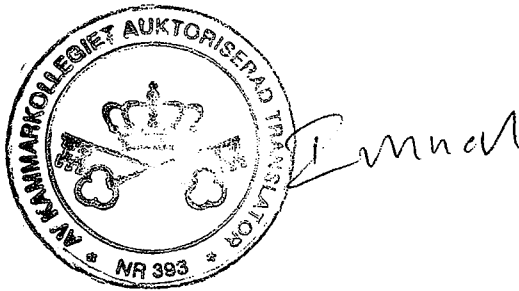
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INCOME STATEMENT	Note 1	1 July 2007– 31 December 2008	1 July 2006– 30 June 2007
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Amounts in SEK			
Compensation for administration from the parent company		604 233	-
Other external costs	Note 3	-272 381	-
Pre-tax profit		331 852	-
Tax cost for the year		-94 618	-
Profit for the year		237 234	0 [Initaled]

[Initaled] [Initaled]



BALANCE SHEET

Note 1

Amounts in SEK		31 December 2008	30 June 2007
Assets			
<i>Current assets</i>			
Receivables from parent company	Note 2	604 233	500 000
Accrued interest income			-
Pre-paid costs		125 000	-
Cash and bank balances		232 588	-
Total assets		961 821	500 000
Liabilities and equity			
Equity			
Notes 4,5			
<i>Restricted equity</i>			
Share capital (5000 shares with quotient value SEK 100)		500 000	500 000
<i>Unrestricted equity</i>			
Shareholder contributions received		4 969	-
Profit for the year		<u>237 234</u>	-
Total unrestricted equity		242 203	0
Total equity		742 203	500 000
<i>Current liabilities</i>			
Tax liability		94 618	-
Accrued costs		<u>125 000</u>	-
Total current liabilities		219 618	0
Total liabilities		219 618	0
Total liabilities and equity		961 821	500 000
Pledged assets		None	None
Contingent liabilities		None	None [Initialed]

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NOTES

Note 1 Accounting and valuation principles

Assets and liabilities are reported at cost and their nominal value respectively unless otherwise stated. The annual accounts have been drawn up in accordance with the Annual Accounts Act and the general advice issued by the Swedish Accounting Standards Board.

The income tax reported includes tax to be paid or received for the current year and adjustments concerning current tax for previous years. These tax liabilities/assets are valued at the amount to be paid to or received from the Swedish Tax Agency, in the judgment of the company.

Note 2 Receivables parent company

The amount was paid to the company on 30 January 2009.

Note 3 Other costs

The item *Other costs* includes costs of SEK 125 000 relating to the audit by Öhrlings PricewaterhouseCooper AB.

Note 4 Equity

	<i>Share capital</i>	<i>Profit brought forward</i>	<i>Profit for the year</i>	<i>Total equity</i>
Amount at start of financial year	500 000	-	-	500 000
Shareholder contribution		4 969		4 969
Profit for the year			237 234	237 234
Total	500 000	4 969	237 234	742 203 [Initialed]

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Note 5 Consolidated accounts

The company is a wholly owned subsidiary of Powszechna Kasa Oszczednosci Bank Polski Spólka Akcyjna (PKO Bank), Warsaw, Poland.

Stockholm, 3 April 2009.

[Signature]

Magnus Sundström
Managing Director

[Signature]

Artur Osytck
Chairman

[Signature]

Iwona Jankowska

Our audit report was presented on 14 April 2009

Öhrlings PricewaterhouseCooper AB

[Signature]

Susanne Sundvall

Authorised public accountant



Translated from Swedish by Ian MacArthur, translator authorised
by the Swedish Legal, Financial and Administrative Services Agency
for translation from Swedish to English (Stamp no 393).

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Stockholm, 24 March 2010