

Quarterly report for the 1st quarter of 2003

SAB - Q I/2003 Form (for banks)

Pursuant to §1, item 2 and §57, item 1, point 1 of the Council of Ministers Ordinance dated October 16, 2001 (Official Journal No. 139/2001, item 1569 and No. 31/2002, item 280)

The Board of Executives of Fortis Bank Polska SA
hereby releases the quarterly report for the first quarter of 2003

May 05, 2003
(date of submission)

SELECTED FINANCIAL DATA (current year)	PLN '000		EUR '000	
	1st quarter YTD from Jan. 1, 2003 to March 31, 2003	1st quarter YTD from Jan. 1, 2002 to March 31, 2002	1st quarter YTD from Jan. 1, 2003 to March 31, 2003	1st quarter YTD from Jan. 1, 2002 to March 31, 2002
I. Interest income	55 678	83 562	13 109	23 131
II. Fee and commission income	17 577	18 381	4 138	5 088
III. Result on banking activity	54 237	64 113	12 770	17 748
IV. Net operating result	10 424	10 850	2 454	3 003
V. Gross profit (loss)	10 424	10 850	2 454	3 003
VI. Net profit (loss)	7 020	6 176	1 653	1 710
VII. Net cash flow from operating activity	(36 550)	(132 481)	(8 605)	(36 673)
VIII. Net cash flow from investing activity	171 903	(340 505)	40 473	(94 257)
IX. Net cash flow from financial activity	10 360	(19 179)	2 439	(5 309)
X. Net cash flow	145 713	(492 165)	34 307	(136 239)
XI. Total assets	4 011 594	3 967 750	910 650	1 101 052
XII. Due to the Central Bank				
XIII. Due to other financial institutions	1 138 671	858 249	258 483	238 164
XIV. Due to customers and budget sector	2 135 305	2 445 058	484 724	678 504
XV. Own equity	526 358	496 443	119 486	137 763
XVI. Share capital	30 155	30 155	6 845	8 368
XVII. Number of shares	15 077 700	15 077 700	15 077 700	15 077 700
XVIII. Book value per share (in PLN/EUR)	34.91	32.93	7.92	9.14
XIX. Diluted book value per share (in PLN/EUR)				
XX. Capital adequacy ratio	19.64	19.60	19.64	19.60
XXI. Profit (loss) per ordinary share (in PLN/EUR)	2.14	1.10	0.50	0.30
XXII. Diluted profit (loss) per ordinary share (in PLN/EUR)				
XXIII. Declared or paid-out dividend per ordinary share (in PLN/EUR)	2.00		0.47	

BALANCE-SHEET (PLN'000)	31.03.2003 end of the quarter (current year)	31.12.2002 end of the prior quarter (current year)	31.03.2002 end of the quarter (previous year)	31.12.2001 end of the prior quarter (previous year)
ASSETS				
I. Cash and due from the Central Bank	175 503	248 987	134 376	407 644
II. Treasury bills and other bills eligible for refinancing with the Central Bank				
III. Due from other financial institutions	881 516	496 338	682 714	992 170
1. A`vista	461 516	242 319	130 219	349 116
2. Term	420 000	254 019	552 495	643 054
IV. Due from customers	2 388 022	2 172 196	2 286 839	2 113 725
1. A`vista	478 494	418 610	476 481	383 079
2. Term	1 909 528	1 753 586	1 810 358	1 730 646
V. Due from budget sector	1 181	1 308	7	16
1. A`vista			7	16
2. Term	1 181	1 308		
VI. Securities purchased under resale agreements				
VII. Debt securities	415 262	679 744	643 779	265 471
VIII. Shares and investments in subsidiaries	6 653	6 572	9 242	10 196
IX. Shares and investments in sister companies				
X. Shares and investments in associated entities				
XI. Minority investments	49	45	40	39
XII. Other securities and other financial assets		3 416	43 474	74 774
XIII. Intangible fixed assets, incl. - goodwill	13 107	14 459	17 139	18 691

XIV. Tangible fixed assets	58 478	64 411	70 210	72 712
XV. Other assets	28 754	15 022	35 106	93 976
1. Seized assets for sale				
2. Others	28 754	15 022	35 106	93 976
XVI. Prepayments and accrued income	43 069	42 665	44 824	44 811
1. Deferred income tax	36 813	37 050	33 138	31 666
2. Other prepayments and accrued income	6 256	5 615	11 686	13 145
Total assets	4 011 594	3 745 163	3 967 750	4 094 225
LIABILITIES				
I. Due to the Central Bank				
II. Due to other financial institutions	1 138 671	759 946	858 249	912 238
1. A'vista	281 926	13 981	137 759	64 814
2. Term	856 745	745 965	720 490	847 424
III. Due to customers	2 100 380	2 280 289	2 419 024	2 479 932
1. Savings:	314 617	256 670	260 118	228 721
a) A'vista	314 617	256 670	260 118	228 721
b) Term				
2. Others:	1 785 763	2 023 619	2 158 906	2 251 211
a) A'vista	527 763	667 276	441 736	580 939
b) Term	1 258 000	1 356 343	1 717 170	1 670 272
IV. Due to budget sector	34 925	26 913	26 034	25 173
a) A'vista	5 589	10 850	3 939	6 245
b) Term	29 336	16 063	22 095	18 928
V. Securities sold under repurchase agreements				
VI. Debt securities issued				
1. Short-term				
2. Long-term				
VII. Other liabilities in respect of financial instruments	1 401		379	4 800
VIII. Special funds and other liabilities	105 547	62 072	77 988	101 823
IX. Accruals and deferred income	95 346	84 943	72 266	62 341
1. Settlement of accrued expenses	9 694	7 648	8 112	5 768
2. Negative goodwill				
3. Other accruals and deferred income	85 652	77 295	64 154	56 573
X. Provisions	8 966	11 348	17 367	17 651
1. Income tax liability	7 438	8 505	16 388	16 635
2. Other provisions	1 528	2 843	979	1 016
a. Short-term				
b. Long-term	1 528	2 843	979	1 016
XI. Subordinated debt				
XII. Share capital	30 155	30 155	30 155	30 155
XIII. Unpaid contribution to share capital (negative value)				
XIV. Own shares (negative value)				
XV. Reserve capital	352 244	352 244	352 220	352 220
XVI. Revaluation reserve	1 697	2 011	4 025	4 025
XVII. Other reserve capital	96 062	96 062	96 062	96 062
XVIII. Undistributed profit (uncovered loss) from prior years	39 180	7 805	7 805	(2 716)
XIX. Net profit (loss)	7 020	31 375	6 176	10 521
Total liabilities	4 011 594	3 745 163	3 967 750	4 094 225
Capital Adequacy Ratio	19.64	20.70	19.60	19.29
Net book value	526 358	519 652	496 443	490 267
Number of shares	15 077 700	15 077 700	15 077 700	15 077 700
Net book value per share (in PLN)	34.91	34.46	32.93	32.52
Expected number of shares				
Diluted book value per share (in PLN)				

OFF - BALANCE SHEET ITEMS	31.03.2003	31.12.2002 end	31.03.2002	31.12.2001 end
	end of the quarter	of the prior quarter	end of the quarter	of the prior quarter
	(current year)	(current year)	(previous year)	(previous year)
I. Contingent liabilities and assets:	1 368 998	1 350 573	1 472 958	1 625 515
1. Contingent liabilities granted:	1 003 900	891 105	845 211	1 359 992
a) lending commitments	846 351	769 491	707 891	1 231 137
b) guarantees	157 549	121 614	137 320	128 855
2. Contingent assets received:	365 098	459 468	627 747	265 523
a) lending commitments	241 075	335 889	549 347	223 526
b) guarantees	124 023	123 579	78 400	41 997
II. Commitments resulting from sale/purchase transactions	2 580 645	2 101 956	3 490 608	3 069 940
III. Others, including:				74 520
- liabilities due to FX deposit transactions				74 520
TOTAL	3 949 643	3 452 529	4 963 566	4 769 975

PROFIT AND LOSS STATEMENT	1st quarter YTD	1st quarter YTD
	(current year)	(previous year)
	from Jan. 1, 2003 to March 31, 2003	from Jan. 1, 2002 to March 31, 2002
I. Interest income	55 678	83 562
II. Interest expense	27 099	52 375
III. Net interest income(I-II)	28 579	31 187
IV. Fee and commission income	17 577	18 381
V. Fee and commission expense	2 566	2 148
VI. Net fee and commission income (IV-V)	15 011	16 233
VII. Income on shares, securities and other financial instruments with variable yield		(2 655)
1. From subsidiaries		
2. From sister companies		
3. From associated entities		
4. From other entities		(2 655)
VIII. Net result on financial transactions	228	3 938
IX. Net result on FX differences	10 419	15 410
X. Result on banking activity	54 237	64 113
XI. Other operating income	1 469	2 030
XII. Other operating expenses	1 908	515
XIII. General expenses	33 552	34 392
XIV. Depreciation of tangible&intangible fixed assets	7 164	7 074
XV. Charges to provisions and revaluation	10 607	18 723
1. Specific provisions and general risk reserve	10 607	18 723
2. Revaluation of financial assets		
XVI. Release of provisions and other decreases in respect of revaluation	7 949	5 411
1. Release of specific provisions and general risk reserve	7 949	5 411
2. Revaluation of financial assets		
XVII. Net charges to/release of provisions and revaluation (XV- XVI)	(2 658)	(13 312)
XVIII. Operating profit	10 424	10 850
XIX. Extraordinary gains/losses, net		
1. Extraordinary gains		
2. Extraordinary losses		
XX. Profit (loss) before taxation	10 424	10 850
XXI. Corporate income tax	3 463	3 720
1. current	4 198	5 440
2. deferred	(735)	(1 720)
XXII. Other mandatory charges to profit (loss)		
XXIII. Share in net profit (loss) of subsidiaries estimated by ownership rights	59	(954)
XXIV. Net profit (loss)	7 020	6 176
Net profit (loss) (for 12 months)	32 219	16 612
Weighted average number of ordinary shares	15 077 700	15 077 700
Net profit (loss) per ordinary share (in PLN)	2.14	1.10
Weighted average of estimated number of ordinary shares		
Diluted net profit (loss) per ordinary share (in PLN)		

MOVEMENTS IN OWN EQUITY	1st quarter YTD (current year) from Jan. 1, 2003 to March 31, 2003	1st quarter YTD (previous year) from Jan. 1, 2002 to March 31, 2002
I. Opening balance of own equity	519 652	490 267
a) Changes in adopted accounting principles (policy)		
b) Correction of material errors		
I.a. Opening balance of own equity after reclassification to confirm with current year presentation	519 652	490 267
1. Opening balance of share capital	30 155	30 155
1.1. Movements in share capital		
a) increases (in respect of)		
- issue of shares		
b) decreases (in respect of)		
- redemption of shares		
1.2. Closing balance of share capital	30 155	30 155
2. Opening balance of unpaid contribution to share capital		
2.1. Movements in unpaid contributions to share capital		
a) increases		
b) decreases		
2.2. Closing balance of unpaid contribution to share capital		
3. Opening balance of own shares		
a) increases		
b) decreases		
3. Closing balance of own shares		
4. Opening balance of reserve capital	352 244	352 220
4.1. Movements in reserve capital		
a) increases (in respect of)		
- issuance of shares above their par value		
- profit distribution (mandatory)		
- distribution of profit (voluntary)		
- sale and liquidation of fixed assets		
b) decreases (in respect of)		
- sale and liquidation of fixed assets		
4.2. Closing balance of reserve capital	352 244	352 220
5. Opening balance of revaluation reserve	2 011	4 025
5.1. Movements in revaluation reserve	(314)	
a) increases (in respect of)	62	
- valuation of securities available for sale	62	
b) decreases (in respect of)	(376)	
- sale of fixed assets		
- liquidation of fixed assets		
- valuation of securities available for sale	(376)	
5.2. Closing balance of revaluation reserve	1 697	4 025
6. Opening balance of General Risk Fund	79 044	79 044
6.1. Movements in General Risk Fund		
a) increases (in respect of)		
- profit distribution		
b) decreases (in respect of)		
6.2. Closing balance of General Risk Fund	79 044	79 044
7. Opening balance of other reserve capital	17 018	17 018
7.1. Movements in other reserve capital		
a) increases (in respect of)		
b) decreases (in respect of)		
7.2. Closing balance of other reserve capital	17 018	17 018
8. Opening balance of undistributed profit (uncovered loss) from prior year		
	39 180	7 805
8.1. Opening balance of undistributed profit from prior years	41 896	10 521
a) changes in adopted accounting principles (policy)		
b) corrections of material errors		
8.2. Opening balance of undistributed profit from prior year after reclassification to confirm with current year presentation	41 896	10 521

8.3. Movements in undistributed profit from prior years		
a) increases (in respect of)		
- profit distribution		
b) decreases (in respect of)		
- profit distribution		
8.4. Closing balance of undistributed profit from prior years	41 896	10 521
8.5. Opening balance of uncovered loss from prior years	(2 716)	(2 716)
a) changes in adopted accounting principles (policy)		
b) corrections of material errors		
8.6. Opening balance of uncovered loss from prior years, after reclassification to confirm with current year presentation	(2 716)	(2 716)
8.7. Movements in uncovered loss from prior years		
a) increases (in respect of)		
- loss for covering		
b) decreases (in respect of)		
8.8. Closing balance of uncovered loss from prior years	(2 716)	(2 716)
8.9. Closing balance of undistributed profit or uncovered loss from prior years	39 180	7 805
9. Net income	7 020	6 176
a) net profit	7 020	6 176
b) net loss		
II. Closing balance of own equity	526 358	496 443
III. Closing balance of own equity, including the proposed profit distribution (loss covering)	496 158	496 443

CASH FLOW STATEMENT	Ist quarter YTD (current year)	Ist quarter YTD (previous year)
	from Jan. 1, 2003 to March 31, 2003	from Jan. 1, 2002 to March 31, 2002
A. CASH FLOW FROM OPERATING ACTIVITY (I +/- II) - indirect method	(36 550)	(132 481)
I. Net profit (loss)	7 020	6 176
II. Adjustments for:	(43 570)	(138 657)
1. Share in net profit (loss) of subsidiaries estimated by ownership rights	(59)	954
2. Depreciation	7 164	7 074
3. Foreign exchange gains/(losses)	56 474	
4. Interest and dividends received and paid	(1 616)	(625)
5. Profit (loss) on investments	(4 154)	(219)
6. Change in other reserves	(9 280)	(37)
7. Change in debt securities held	100 301	(3 533)
8. Change in amounts due from financial sector	(166 006)	90 559
9. Change in amounts due from customers and budget sector	(208 776)	(173 105)
10. Change in securities purchased under resale agreements		
11. Change in shares, securities and other financial instruments with variable yield	3 416	257
12. Change in amounts due to financial sector	311 878	(34 810)
13. Change in amounts due to customers and budget sector	(171 897)	(60 047)
14. Change in securities sold under repurchase agreements		
15. Change in securities issued		
16. Change in other liabilities	42 943	(25 696)
17. Change in interperiod settlements	1 620	(2 528)
18. Change in deferred income	8 357	7 581
19. Other items	(13 935)	55 518
III. Net cash flow from operating activity (I +/- II)	(36 550)	(132 481)
B. CASH FLOW FROM INVESTING ACTIVITY (I-II)		
I. Cash inflows from investing activity	811 476	435 887
1. Sale of shares in subsidiaries		
2. Sale of shares in sister companies		
3. Sale of shares in associated entities		
4. Sale of other shares, securities and financial assets	797 555	429 164
5. Sale of tangible and intangible fixed assets	83	131
6. Sale of investments in real estates and intangible assets		
7. Other inflows	13 838	6 592
II. Cash outflows from investing activity	(639 573)	(776 392)
1. Purchase of shares in subsidiaries		
2. Purchase of shares in sister companies		
3. Purchase of shares in associates		

4. Purchase of other shares, securities and financial assets	(639 043)	(773 477)
5. Purchase of tangible and intangible fixed assets	(516)	(2 915)
6. Investments in real estates and intangible assets	(14)	
7. Other outflows		
III. Net cash flow from investing activity (I +/- II)	171 903	(340 505)
C. CASH FLOW FROM FINANCIAL ACTIVITY (I-II)		
I. Cash inflows from financial activity	10 373	
1. Long-term loans from other banks	10 373	
2. Long-term loans from other financial institution		
3. Issue of debt securities		
4. Increase in subordinated debt		
5. Net inflows from issuance of own shares and additional payments to share capital		
6. Other inflows		
II. Cash outflows from financial activity	(13)	(19 179)
1. Repayment of long-term loans contracted from other banks		(19 179)
2. Repayment of long-term loans contracted from non-bank financial institutions		
3. Redemption of debt securities		
4. Other financial liabilities		
5. Payment of liabilities under financial lease agreements		
6. Decrease in subordinated debt		
7. Payment of dividends and other payments to owners		
8. Other payments (not to owners) related to profit distribution		
9. Purchase of own shares		
10. Other outflows	(13)	
III. Net cash flow from financial activity (I +/- II)	10 360	(19 179)
D. NET CASH FLOW (AIII+/-BIII+/-CIII)	145 713	(492 165)
E. CHANGE IN CASH IN BALANCE-SHEET	145 713	(492 165)
- including changes in cash arising from exchange rate differences	6 334	1 690
F. CASH AT THE BEGINNING OF THE REPORTING PERIOD	491 306	756 760
G. CASH AT THE END OF THE REPORTING PERIOD (F+/- D)	637 019	264 595
- including cash with restricted option of use		