

Warsaw, December 3, 2003

**Press Announcement**  
**from the Meeting of the Commission for Banking Supervision,**  
**held on December 3, 2003**

- I. The Commission for Banking Supervision, at its meeting held on December 3, 2003, considered the situation of the banking sector after the three quarters of 2003. The Commission stated that:
- the assets of the banking sector rose by 3.7% in the period from January to September. This resulted from an increase in the credit demand (by 7.1 % as compared with 5.5% in the corresponding period of 2002);
  - a decrease in deposits placed by the non-financial sector, which had been observed in the preceding periods, ceased. As at the end of September, the value of the deposits reached the level similar to that recorded in December 2002;
  - in the 3<sup>rd</sup> quarter of 2003, for the first time since the end of 1998, a decrease (by 1.1%) in bad debts of non-financial entities was observed. This, together with a simultaneous rise in the credit portfolio, resulted in a significant reduction (by 0.7 per cent points, i.e. to 21.3%) of the share of bad debts in debts total. The share of bad debts that require the establishment of reserves was 10.3% (as compared with 10.9% in December 2002).
  - the balance of reserves was lower by more than one half (51.6%), and consequently, the gross and net results of the sector were higher, by 10.7% and 7.2% respectively, than in the corresponding period of 2002.
  - as a result, most of the efficiency indices in banks improved: the ROE ratio rose by 0.5 percentage points (to 9.7%) and the ROA ratio by 0.1 percentage points (to 0.8%).
- II. The Commission for Banking Supervision heard representatives of governing bodies of Kredyt Bank S.A. of Warsaw and the chairman of the Management Board of KBC Bank N.V. of Brussels, being the strategic investor in Kredyt Bank S.A., who confirmed the previously declared commitments to ensure full financial safety of the bank.

- III. The Commission for Banking Supervision issued an approving opinion on the proposal of Regulation by the Minister of Finance on methods of establishment of reserves for banking risk.
- IV. The Commission for Banking Supervision, in consultation with the investor: Kulczyk Holding S.A., extended the period of receivership at Bank Przemysłowy S.A. of Łódź.
- V. The Commission for Banking Supervision approved the following appointments:
- Mr Kazimierz Wirkijowski to the position of Chairman of the Management Board of Powiatowy Bank Spółdzielczy in Police;
  - Mr Jerzy Konieczka to the position of Chairman of the Management Board of Bank Spółdzielczy in Wierzbinek;
  - Mr Stanisław Celiński to the position of Chairman of the Management Board of Powiatowy Bank Spółdzielczy in Sokołów Podlaski;
  - Ms Eugenia Janina Szala to the position of Chairman of the Management Board of Bank Spółdzielczy in Bydgoszcz;
  - Ms Maria Jolanta Górczyńska to the position of Chairman of the Management Board of Bank Spółdzielczy in Pleszew;
  - Mr Marian Kalicki to the position of Chairman of the Management Board of Bank Spółdzielczy in Suchożreby;
  - Ms Danuta Mazur to the position of Chairman of the Management Board of Bank Spółdzielczy in Iłowa;
  - Ms Barbara Olesińska to the position of Chairman of the Management Board of Bank Spółdzielczy in Strzelce;
  - Mr Aleksy Adamczewski to the position of Chairman of the Management Board of Bank Spółdzielczy in Śmigiel;
  - Mr Zygmunt Czerwiński to the position of Chairman of the Management Board of Bank Spółdzielczy in Tarnobrzeg;
  - Ms Anna Sztolcman to the position of Chairman of the Management Board of Bank Spółdzielczy in Popów with registered office in Zawady;
  - Mr Kazimierz Wasilewski to the position of Chairman of the Management Board of Bank Spółdzielczy in Zabłudów;
  - Mr Bogdan Jerzy Broniek to the position of Chairman of the Management Board of Bank Spółdzielczy in Sulęczyn;
  - Ms Bożenna Eulalia Gorzkowska to the position of Chairman of the Management Board of Bank Spółdzielczy in Załuski;

- Mr Wojciech Laska to the position of Chairman of the Management Board of Bank Spółdzielczy in Łobżenica;
- Mr Stanisław Kłapeć to the position of Chairman of the Management Board of Bank Spółdzielczy in Stalowa Wola;
- Ms Czesława Sagała to the position of Chairman of the Management Board of Bank Spółdzielczy in Ostrołęka;
- Mr Tadeusz Juraszek to the position of Chairman of the Management Board of Bank Spółdzielczy in Węgierska Górka;
- Mr Piotr Jonczyk to the position of Chairman of the Management Board of Bank Spółdzielczy in Tworóg;
- Ms Zofia Wiśniewska to the position of Chairman of the Management Board of Bank Spółdzielczy in Żabno;
- Ms Barbara Krystian to the position of Chairman of the Management Board of Bank Spółdzielczy in Kadzidło;
- Ms Wiktoria Kielusiak to the position of Chairman of the Management Board of Bank Spółdzielczy in Krynica Zdrój;
- Mr Wiktor Kaaz to the position of Chairman of the Management Board of Spółdzielczy Bank Ludowy in Zakrzewo.