

PZU GROUP - CONSOLIDATED FINANCIAL DATA
FOR THE PERIOD ENDED 30 JUNE 2008
UNAUDITED DATA (in PLN THOUSAND)

CONSOLIDATED BALANCE SHEET	30.06.2008	30.06.2007
A S S E T S		
I. Intangibles, including:	82 487	117 660
- goodwill	-	-
II. Goodwill on consolidated subsidiaries and joint ventures	8 495	14 952
III. Investments	50 821 190	45 888 370
1. Real estate	1 079 666	1 086 647
2. Investments in subsidiaries, joint ventures and associates, including:	204 910	223 318
- entities accounted using the equity method	-	-
- subsidiaries and associates excluded from consolidation	164 965	150 082
3. Other financial investments	49 522 883	44 573 118
4. Deposits due from cedents	13 731	5 287
IV. Investments on behalf of policyholders	3 398 623	3 677 341
V. Receivables	1 458 404	1 891 175
1. Direct insurance receivables	1 202 227	1 120 681
1.1. From subsidiaries, joint ventures and associates	1 598	85
1.2. From other parties	1 200 629	1 120 596
2. Reinsurance receivables	20 559	42 318
2.1. From subsidiaries, joint ventures and associates	121	426
2.2. From other parties	20 438	41 892
3. Other receivables, including:	235 618	728 176
3.1. Receivables due from the State budget	352	44 403
3.2. Other receivables	235 266	683 773
a) From subsidiaries, joint ventures and associates	4 366	14 046
b) From other parties	230 900	669 727
VI. Other assets	680 802	605 424
1. Tangible assets	246 801	231 027
2. Cash and cash equivalents	430 418	371 292
3. Other	3 583	3 105
VII. Prepayments and accrued income	834 663	702 206
1. Deferred tax asset	9 003	8 750
2. Deferred acquisition costs	466 119	444 842
3. Accrued interest and rent income	50 767	11 930
4. Other	308 774	236 684
Total assets	57 284 664	52 897 128

EQUITY AND LIABILITIES		
I. Equity	17 919 270	16 030 877
1. Share capital	86 352	86 352
2. Unpaid share capital (negative)	-	-
3. Treasury shares (negative)	-	-
4. Reserve capital	14 488 478	13 058 310
5. Revaluation reserve	19 108	415 866
6. Other reserves	-	-
7. Currency gains (losses) on translation of subsidiaries, joint ventures and associates	(17 995)	(1 187)
7.1. gains	-	-
7.2. losses	(17 995)	(1 187)
8. Retained profits (losses)	2 015 246	(145 114)
9. Net profit (loss)	1 328 081	2 616 650
10. Interim dividends and other charges to net profit (negative)	-	-
II. Negative goodwill on subsidiaries, associates and joint ventures	-	-
III. Minority interest	119	151
IV. Subordinated debt	-	-
V. Technical provisions (gross)	37 574 080	34 184 981
VI. Reinsurers' share in technical provisions	(1 009 007)	(1 140 063)
VII. Estimated subrogations and recoveries (negative)	(50 609)	(33 462)
1. Estimated subrogations and recoveries (gross)	(51 366)	(33 820)
2. Estimated subrogations and recoveries (reinsurers' share)	757	358
VIII. Other provisions	560 260	785 421
1. Pension benefits and other obligatory employee benefits	290 026	306 048
2. Deferred tax liability	78 980	460 472
3. Other	191 254	18 901
IX. Deposits due to reinsurers	56	121
X. Other liabilities and special funds	1 633 145	2 528 813
1. Direct insurance liabilities	446 255	439 348
1.1. Due to subsidiaries, joint ventures and associates	1 213	1 083
1.2. Due to other parties	445 042	438 265
2. Reinsurance liabilities	50 597	65 887
2.1. Due to subsidiaries, joint ventures and associates	994	491
2.2. Due to other parties	49 603	65 396
3. Loans and own debt securities	-	-
4. Bank overdrafts and bank debt	10 081	45
5. Other liabilities, including:	862 675	1 795 428
5.1. Liabilities due to the State budget	113 483	308 304
5.2. Other liabilities	749 192	1 487 124
a) Due to subsidiaries, joint ventures and associates	168 104	16 465
b) Due to other parties	581 088	1 470 659
6. Special funds	263 537	228 105
XI. Accruals and deferred income	657 350	540 289
1. Accruals	460 794	425 402
2. Negative goodwill	-	-
3. Deferred income	196 556	114 887
Total equity and liabilities	57 284 664	52 897 128

Book value	17 919 270	16 030 877
Number of shares	86 352 300	86 352 300
Book value per share (in currency units)	207,51	185,65
Diluted number of shares	86 352 300	86 352 300
Diluted book value per share (in currency units)	207,51	185,65

OFF-BALANCE SHEET ITEMS	30.06.2008	30.06.2007
Own funds covering solvency margin in property and casualty insurance	15 660 205	14 430 036
Solvency margin in property and casualty insurance	1 316 220	1 253 889
Own funds in excess of (short of) solvency margin in property and casualty insurance	14 343 985	13 176 147
Technical provisions in property and casualty insurance	12 596 927	12 204 905
Assets covering technical provisions in property and casualty insurance	24 519 920	21 730 452
Assets in excess of (short of) technical provisions in property and casualty insurance	11 922 993	9 525 547

CONSOLIDATED PROPERTY AND CASUALTY TECHNICAL ACCOUNT	01.01.2008 - 30.06.2008	01.01.2007 - 30.06.2007
I. Net earned premiums (1-2-3+4)	4 056 121	3 818 071
1. Gross written premiums	4 534 443	4 314 431
2. Written premiums, reinsurers' share	85 244	109 510
3. Change in unearned premiums and unexpired risks provisions, gross	405 075	425 067
4. Change in unearned premiums and unexpired risks provisions, reinsurers' share	11 997	38 217
II. Investment income net of expenses transferred from non-technical account	107 235	106 935
III. Other technical income, net of reinsurers' share	25 013	40 988
IV. Net claims and movements in claims provisions (1+2)	2 414 052	2 302 489
1. Net claims paid	2 261 968	2 178 798
1.1. Gross claims paid	2 287 697	2 298 534
1.2. Reinsurers' share	25 729	119 736
2. Changes in claims provision, net of reinsurers' share	152 084	123 691
2.1. Changes in claims provision, gross	116 310	19 628
2.2. Reinsurers' share	(35 774)	(104 063)
V. Changes in other technical provisions, net of reinsurers' share	(61 906)	(148 177)
1. Changes in other technical provisions (including catastrophe reserve), gross	(61 906)	(148 177)
2. Reinsurers' share	-	-
VI. Bonuses and rebates net of reinsurers' share, including change in provisions	818	314
VII. Operating expenses	1 051 176	998 253
1. Acquisition costs, including:	611 006	550 539
- change in deferred acquisition costs	(18 941)	(42 630)
2. Administration expenses	456 102	495 973
3. Reinsurance commissions and share of reinsurers' profits	15 932	48 259
VIII. Other technical expenses, net of reinsurers' share	232 331	108 282
IX. Change in risk equalisation reserve	(392)	(434)
X. Technical result (property and casualty), including:	552 290	705 267
- Technical result (property and casualty) of subsidiaries, associates and joint ventures	(30 177)	15 954

CONSOLIDATED LIFE TECHNICAL ACCOUNT	01.01.2008 - 30.06.2008	01.01.2007 - 30.06.2007
I. Net earned premiums (1-2-3+4)	7 342 507	3 571 440
1. Gross written premiums	7 348 104	3 573 762
2. Written premiums, reinsurers' share	3 230	4 623
3. Change in unearned premiums and unexpired risks provisions, gross	2 367	(2 301)
4. Change in unearned premiums and unexpired risks provisions, reinsurers' share	-	-
II. Investment income	830 256	909 180
1. Income from real estate	175	192
2. Income for subsidiaries, joint ventures and associates	12 242	495
2.1. Equities	12 060	-
2.2. Loans and debt securities	182	495
2.3. Other	-	-
3. Income from other investments	679 101	596 108
3.1. Equities, other variable income securities, shares in open-ended investment funds and unit trusts	23 890	37 987
3.2. Debt securities and other fixed income securities	595 339	541 319
3.3. Term deposits with credit institutions	59 872	16 732
3.4. Other investments	-	70
4. Reversal of impairment losses on valuation of investments carried at cost	3 092	2 971
5. Realised investment gains	135 646	309 414
III. Unrealised gains on valuation of investments other than those referred to in II.4	16 376	585 120
IV. Other technical income, net of reinsurers' share	23 943	19 010
V. Net claims and movements in claims provisions (1+2)	2 841 273	2 402 832
1. Net claims paid	2 806 995	2 382 229
1.1. Gross claims paid	2 806 995	2 382 229
1.2. Reinsurers' share	-	-
2. Changes in claims provision, net of reinsurers' share	34 278	20 603
2.1. Changes in claims provision, gross	34 278	20 603
2.2. Reinsurers' share	-	-
VI. Changes in other technical provisions, net of reinsurers' share	3 049 555	292 531
1. Provisions for life policy liabilities, net of reinsurance	3 497 771	(209 486)
1.1. Gross	3 497 771	(209 486)
1.2. Reinsurers' share	-	-
2. Change in life technical provisions where the investment risk is borne by policyholders	(379 624)	515 691
1.1. Gross	(379 624)	515 691
1.2. Reinsurers' share	-	-
3. Changes in other technical provisions referred to in the Statute, net of reinsurers' share	(68 592)	(13 674)
1.1. Gross	(68 592)	(13 674)
1.2. Reinsurers' share	-	-
VII. Bonuses and rebates net of reinsurers' share, including change in provisions	1 309	957
VIII. Operating expenses	458 341	423 778
1. Acquisition costs, including:	167 327	161 224
- change in deferred acquisition costs	4 254	5 656
2. Administration expenses	291 014	262 554
3. Reinsurance commissions and share of reinsurers' profits	-	-
IX. Investment expenses	178 296	73 371
1. Real estate	820	732
2. Other investment expenses	10 116	12 931
3. Impairment losses on valuation of investments carried at cost	100	-
4. Realised investment losses	167 260	59 708
X. Losses on valuation of investments other than those referred to in IX.3	767 281	118 497
XI. Other technical expenses, net of reinsurers' share	32 820	30 206
XII. Investment income net of expenses reported in non-technical account	(183 717)	445 379
XIII. Technical result (life), including:	1 067 924	1 297 199
- Technical result (life) of subsidiaries, associates and joint ventures	1 067 924	1 297 199

CONSOLIDATED NON-TECHNICAL ACCOUNT	01.01.2008 - 30.06.2008	01.01.2007 - 30.06.2007
I. Technical result (property and casualty, life)	1 620 214	2 002 466
II. Investment income	589 717	780 643
1. Income from real estate	10 487	11 422
2. Income for subsidiaries, joint ventures and associates	-	-
2.1. Equities	-	-
2.2. Loans and debt securities	-	-
2.3. Other	-	-
3. Income from other investments	546 739	484 924
3.1. Equities, other variable income securities, shares in open-ended investment funds and unit trusts	15 474	27 533
3.2. Debt and other fixed income securities	515 784	423 809
3.3. Term deposits with credit institutions	(2 709)	12 424
3.4. Other	18 190	21 158
4. Reversal of impairment losses on valuation of investments carried at cost	148	-
5. Realised investment gains	32 343	284 297
III. Unrealised gains on valuation of investments other than those referred to in II.4	9 785	167 129
IV. Investment income net of expenses transferred from life technical account	(183 717)	445 379
V. Investment expenses	79 041	67 479
1. Real estate	6 349	7 083
2. Other investments	6 732	6 864
3. Impairment losses on valuation of investments carried at cost	8	65
4. Realised investment losses	65 952	53 467
VI. Unrealised losses on valuation of investments other than those referred to in V.3	239 899	57 109
VII. Investment income net of expenses reported in property and casualty technical account	107 235	106 935
VIII. Other operating income	167 605	160 828
IX. Other operating expenses	100 743	100 777
X. Profit (loss) from operations	1 676 686	3 224 145
XI. Extraordinary gains	-	86
XII. Extraordinary losses	37	5
XIII. Goodwill amortization related to consolidated subsidiaries and joint ventures	3 379	4 040
XIV. Negative goodwill amortization related to subsidiaries and joint ventures	-	-
XV. Gross profit (loss)	1 673 270	3 220 186
XVI. Tax	345 203	603 518
a) Current tax	380 298	511 420
b) Deferred tax	(35 095)	92 098
XVII. Other charges	-	-
XVIII. Share of net profits (losses) of entities accounted using the equity method	-	-
XIX. Minority interest	(14)	18
XX. Net profit (loss)	1 328 081	2 616 650
Net profit (loss), annualised earnings	2 670 756	5 276 670
Weighted average number of shares	86 352 300	86 352 300
Earnings per share (in currency units)	30,93	61,11
Weighted average diluted number of shares	86 352 300	86 352 300
Diluted earnings per share (in currency units)	30,93	61,11

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY	01.01.2008 - 30.06.2008	01.01.2007 - 30.06.2007
I. Equity (OB)	16 864 989	13 330 887
a) changes in accounting policies	-	-
b) fundamental errors	-	-
I. a. Equity (OB), after restatements	16 864 989	13 330 887
1. Share capital (OB)	86 352	86 352
1.1. Movements	-	-
a) increases	-	-
b) decreases	-	-
1.2. Share capital (CB)	86 352	86 352
2. Unpaid share capital (OB)	-	-
2.1. Movements	-	-
a) increases	-	-
b) decreases	-	-
2.2. Unpaid share capital (CB)	-	-
3. Treasury shares (OB)	-	-
3.1. Movements	-	-
a) increases	-	-
b) decreases	-	-
3.2 Treasury shares (CB)	-	-
4. Reserve capital (OB)	13 058 343	7 869 693
a) changes in accounting policies	-	-
b) fundamental errors	-	-
4.1. Reserve capital (OB), after restatements	13 058 343	7 869 693
4.2. Movements	1 430 135	5 188 617
a) increases (including)	1 430 135	5 188 617
- transferred from retained earnings (above statutory or law requirements)	1 430 088	5 188 250
- transferred from revaluation reserve	47	367
b) decreases	-	-
4.3. Reserve capital (CB)	14 488 478	13 058 310
5. Revaluation reserve (OB)	277 405	301 411
a) changes in accounting policies	-	-
b) fundamental errors	-	-
5.1. Revaluation reserve (OB), after restatements	277 405	301 411
5.2. Movements	(258 297)	114 455
a) increases (including)	118 215	337 807
- change in revaluation reserve	118 215	337 807
b) decreases (including)	376 512	223 352
- realization or liquidation of revalued fixed assets	47	367
- change in revaluation reserve	376 465	222 985
5.3. Revaluation reserve (CB)	19 108	415 866
6. Other reserves (OB)	-	-
6.1. Movements	-	-
a) increases	-	-
b) decreases	-	-
6.2. Other reserves (CB)	-	-
7. Currency gains (losses) on translation of subsidiaries, joint ventures and associates	(17 995)	(1 187)
8. Retained profits (losses), OB	3 455 334	5 073 286
a) changes in accounting policies	-	-
b) fundamental errors	-	-
8.1. Retained profits OB, after restatements	3 455 334	5 073 286
a) increases	-	-
b) decreases (including)	1 440 088	5 218 400
- dividends	-	-
- transferred to reserve capital	1 430 088	5 188 250
- other	10 000	30 150
8.2. Retained profits, CB	2 015 246	(145 114)
9. Net profit (loss)	1 328 081	2 616 650
a) net profit	1 328 081	2 616 650
b) net loss	-	-
c) interim dividends and other charges to net profit (negative)	-	-
II. Equity (CB)	17 919 270	16 030 877

CONSOLIDATED CASH FLOWS STATEMENT	01.01.2008 - 30.06.2008	01.01.2007 - 30.06.2007
A. Cash flows from operating activities		
I. Inflows	12 257 429	8 334 902
1. Inflows from direct insurance and reinsurance business	11 942 140	8 018 379
1.1. Gross premiums	11 845 171	7 922 492
1.2. From recoveries, subrogations and claim returns	66 066	67 363
1.3. Other	30 903	28 524
2. Inflows from reinsurers	56 758	90 850
2.1. Reinsurers' share of claims	51 640	73 936
2.2. Reinsurance commissions and share of reinsurers' profits	2 648	6 064
2.3. Other	2 470	10 850
3. Inflows from other operating activities	258 531	225 673
3.1. Inflows arising on claims adjusting on behalf of other insurance companies	71 850	38 656
3.2. Sale of intangibles and tangible assets other than those classified as investments	3 194	7 987
3.3. Other	183 487	179 030
II. Outflows	8 201 134	7 194 143
1. Outflows from direct insurance and reinsurance business	6 968 674	6 345 928
1.1. Gross premiums returned	69 537	61 875
1.2. Gross claims paid	4 806 402	4 420 602
1.3. Outflows on acquisition activities	614 902	583 759
1.4. Administration-related outflows	1 139 350	1 056 238
1.5. Claims handling and recoveries	175 851	138 953
1.6. Commissions and share of income in inward reinsurance	10 698	1 039
1.7. Other outflows from direct insurance and inward reinsurance	151 934	83 462
2. Outflows to reinsurers	78 551	96 620
2.1. Premiums paid to reinsurers	56 868	83 590
2.2. Other	21 683	13 030
3. Outflows from other operating activities	1 153 909	751 595
3.1. Outflows arising on claims adjusting by other insurance companies	118 211	34 587
3.2. Purchase of intangibles and tangible assets other than those classified as investments	59 320	41 258
3.3. Other	976 378	675 750
III. Net cash flows from operating activities (I-II)	4 056 295	1 140 759
B. Cash flows from investing activities		
I. Inflows	222 070 311	214 611 457
1. Disposal of real estate	47	2 150
2. Disposal of shares in subsidiaries, joint ventures and associates	73 833	752
3. Disposal of shares in other parties, shares in open-ended investment funds and unit trusts	1 658 756	3 040 950
4. Realisation of debt securities issued by subsidiaries, joint ventures and associates and repayment of loans from related parties	25 166	4 003
5. Realisation of debt securities issued by other parties	13 609 511	7 178 122
6. Withdrawal of term deposits with credit institutions	102 477 315	90 768 278
7. Realisation of other investments	103 760 273	113 117 788
8. Inflows from real estate	12 823	13 031
9. Interest received	409 365	414 670
10. Dividends received	42 740	60 901
11. Other	482	10 812
II. Outflows	226 160 645	215 742 356
1. Purchase of real property	1 021	5 140
2. Purchase of shares in subsidiaries, joint ventures and associates	3	5 733
3. Purchase of shares in other parties, shares in open-ended investment funds and unit trusts	2 147 617	2 806 267
4. Purchase of debt securities issued by subsidiaries, joint ventures and associates and granting loans to related parties	-	-
5. Purchase of debt securities issued by other parties	14 407 355	10 989 198
6. Term deposits placed with credit institutions	106 518 513	90 921 900
7. Purchase of other investments	103 035 481	110 950 518
8. Outflows related to real property	22 987	22 879
9. Other	27 668	40 721
III. Net cash flows from investing activities (I-II)	(4 090 334)	(1 130 899)

C. Cash flows from financing activities		
I. Inflows	467	2 258
1. Net inflows from issuance of shares and other capital	-	-
2. Bank loans, loans and issuance of own debt securities	467	2 258
3. Other	-	-
II. Outflows	508	2 376
1. Dividends paid	68	160
2. Other than dividends appropriations of profit	-	-
3. Purchase of treasury shares	-	-
4. Repayment of bank loans, loans and redemption of own debt securities	440	2 216
5. Interest paid on bank loans, loans and own debt securities	-	-
6. Other	-	-
III. Net cash flows from financing activities (I-II)	(41)	(118)
D. Net cash flows, total (A.III+/-B.III+/-C.III)	(34 080)	9 742
E. Change in cash and cash equivalents reported in balance sheet, including:	(34 687)	9 555
- change in cash and cash equivalents resulting from unrealised foreign exchange gains (losses)	(607)	(187)
F. Cash and cash equivalents (OB)	465 105	361 737
G. Cash and cash equivalents, CB (F+/-E), including:	430 418	371 292
- with limited control over distributions	162 468	138 412