Supplement dated 20 May 2010
to the Base Prospectus dated 23 April 2010

€3,000,000,000
Programme for the Issuance of Loan Participation Notes

to be issued by, but with limited recourse to,

PKO Finance AB (publ)

(incorporated with limited liability under the laws of the Kingdom of Sweden)

for the sole purpose of financing senior and subordinated loans to

Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna

(incorporated as a joint stock company in the Republic of Poland)

This supplement (the "**Supplement**") constitutes a first supplement and must be read in conjunction with the Base Prospectus dated 23 April 2010 (the "**Base Prospectus**") prepared by PKO Finance AB (publ) (the "**Issuer**") and Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna (the "**Borrower**", "**PKO BP**" or the "**Bank**") with respect to the programme for the issuance of loan participation notes referred to above (the "**Programme**").

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated in the Base Prospectus, the statements in this Supplement will prevail.

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in Luxembourg to approve this document as a Supplement.

This Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 13 of the Luxembourg Law on prospectuses for securities dated 10 July 2005 (the "**Luxembourg Law**") in connection with the release by the Borrower on 17 May 2010 of its consolidated quarterly financial statements for the three months ended 31 March 2010 (the "**Quarterly Financial Statements**") and for the purposes of incorporating by reference the Quarterly Financial Statements set out below. A copy of the Quarterly Financial Statements has been filed with the CSSF and is incorporated by reference into, and forms part of, this Supplement and, by virtue of this Supplement, is incorporated in, and forms part of, the Base Prospectus.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

In accordance with Article 16.2 of the Prospectus Directive and Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before the publication of this Supplement have the right, exercisable within a time limit of two working days after the publication of this Supplement, to withdraw their acceptances.

Each of the Issuer and the Borrower accepts responsibility for the information contained or incorporated by reference in this Supplement. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and contains no omission likely to affect its import.

Condensed interim consolidated financial statements of the PKO Bank Polski SA Group for the first quarter of 2010

Any information not listed above but included in the document incorporated by reference is given for information purposes only. Each of the Borrower and the Issuer accepts responsibility as to the accuracy and completeness of any translations into English set out in any documents incorporated by reference in this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained, free of charge, at the specified offices of Citibank, N.A., London Branch and Dexia Banque Internationale à Luxembourg, unless such documents have been modified or superseded. Such documents will also be available to view on the website of the Luxembourg Stock Exchange (www.bourse.lu).