



Conclusion of significant agreement with an affiliated entity – subordinated loans

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The Management Board of Bank BGŻ BNP Paribas S.A. (hereinafter: *the Bank*) hereby announces that on 29 December 2015 the Bank concluded with BNP Paribas S.A. based in Paris the following agreements:

- A fixed-term subordinated loan agreement under which the Bank will be granted PLN 440 million. The loan tenor is 10 years starting from the date of its disbursement. The interest rate will be equal to 3-month WIBOR plus margin. The agreement contains typical statements and declarations of the Bank. The contract does not contain provisions in respect of penalty fee. The terms of this agreement do not differ from market standards.
- A fixed-term subordinated loan agreement under which the Bank will be granted EUR 40 million, i.e. the equivalent of PLN 169.76 million at the average NBP exchange rate of 29 December 2015. The loan tenor is 10 years starting from the date of its disbursement. The interest rate will be equal to 3-month EURIBOR plus margin. The agreement contains typical statements and declarations of the Bank. The contract does not contain provisions in respect of penalty fee. The terms of this agreement do not differ from market standards.

Accounting of proceeds from the loans into the own funds of the Bank (supplementary) (Tier 2) requires approval of the Polish Financial Supervision Authority ("KNF").

The funds from the above mentioned loans will be disbursed within 5 working-days following the date of conclusion of the agreements, and further, the Bank will apply for a consent of the Polish Financial Supervision Authority for recognising the a/m loans being a subordinated debt – as the Bank's own (supplementary) capital (Tier 2).

The total amount of loan agreements concluded by the Bank or its subsidiaries with BNP Paribas S.A. over the last 12 months, including the above mentioned subordinated loan agreements, equalled above PLN 3.7 billion and exceeds 10% of the Bank's own capital. The biggest item being the Credit Agreement dated 2 May 2015 on granting a credit line for Sygma Bank Polska S.A. (since 1 December 2015 Bank's subsidiary) by BNP Paribas S.A. Poland Branch. The current amount of the credit limit under this Agreement equals to PLN 1,615 million. The contract does not contain provisions in respect of penalty fee. The Annex, which extended this contract and set the current credit limit has been concluded on 31 July 2015. The interest rate is equal to applicable WIBOR plus margin. The terms of this agreement do not differ from market standards.

The criterion for recognising the a/m agreements as significant is the fact that the total value of the agreements concluded within the Bank's capital group with BNP Paribas S.A. or its affiliated entities is in excess of 10% of the Bank's own capital.

The Bank is a part of the capital group of BNP PARIBAS, where BNP Paribas S.A. is the parent entity. The Bank is a subsidiary of BNP Paribas S.A.

Legal basis:

§5 Section 1 Item 3) and §9 in connection with §2 Section 1 Item 44 and Section 2 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and on conditions under which such information may be recognized as being equivalent to information required by the regulations of law of a state which is not a member state (consolidated text: Journal of Law of 2014, item 133).