

BNP Paribas Bank Polska Group



Performance in Q2 and H1 2014

*“Delivering on
our Underlying Strategy”*

Warsaw, 29th August 2014



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Agenda



Financial Results

Business Development

Macroeconomic Situation



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H1 2014 Key Messages

Continued progress on strategy implementation across our three business pillars

Continuous growth in corporate loans and satisfactory level of consumer loans production

A slight NBI decrease affected chiefly by the one-off income in H1 2013 (PLN 19.1 million) and lower non-interest income with a solid interest margin maintained

The continued focus on strict cost control allowed the Group to invest in business development while avoiding any significant cost increase

Continuation of the prudent risk management policy;

High quality of the loan portfolio:

➔ *Non-performing loan ratio (NPL) is now below the banking sector level*

Good capital situation supported by the public share issue:

- free float on the stock exchange went up to 15%

- growth of the Bank's own funds by PLN 218.7 million (after factoring in the share issue costs)

*Significant improvement of Retail Banking profitability supported by very good performance in Personal Finance
Strong and profitable Corporate & Transaction Banking*

*Gross loans of PLN 18,880.4 million: +6.8% vs Dec 2013,
+3.8% vs June 2013
Gross performing loans of PLN 17 558.4 million: +8.4% vs Dec 2013,
+6.6% vs June 2013*

*Net banking income:
PLN 404.1 million in H1 2014: -1.5% vs H1 2013,
+3.3% excluding the material one-off item in H1 2013;
PLN 206.5 million in Q2 2014: +4.5% vs Q1 2014*

*Operating expenses⁽¹⁾:
PLN 283.7 million in H1 2014: -0.2% vs H1 2013;
PLN 141.5 million in Q2 2014: -0.5% vs Q1 2014*

*Cost of risk & net result on provisions:
PLN 50.1 million in H1 2014: -9.7% vs H1 2013;
PLN 28.9 million in Q2 2014: +36.2% vs Q1 2014*

NPL ratio: 7.0% vs 8.4% in Dec 2013 and 9.4% in June 2013

*Total capital adequacy ratio (BASEL 3): 12.6%
Tier 1 ratio: (BASEL 3): 10.2%*

Net profit of PLN 49.8 million in H1 2014 went down by 3.4% vs H1 2013, but excluding the one-off item it would be higher by 38.1%; Net profit of PLN 25.1 million in Q2 2014 rose by 2.0% vs Q1 2014 and 21.3% vs Q2 2013.

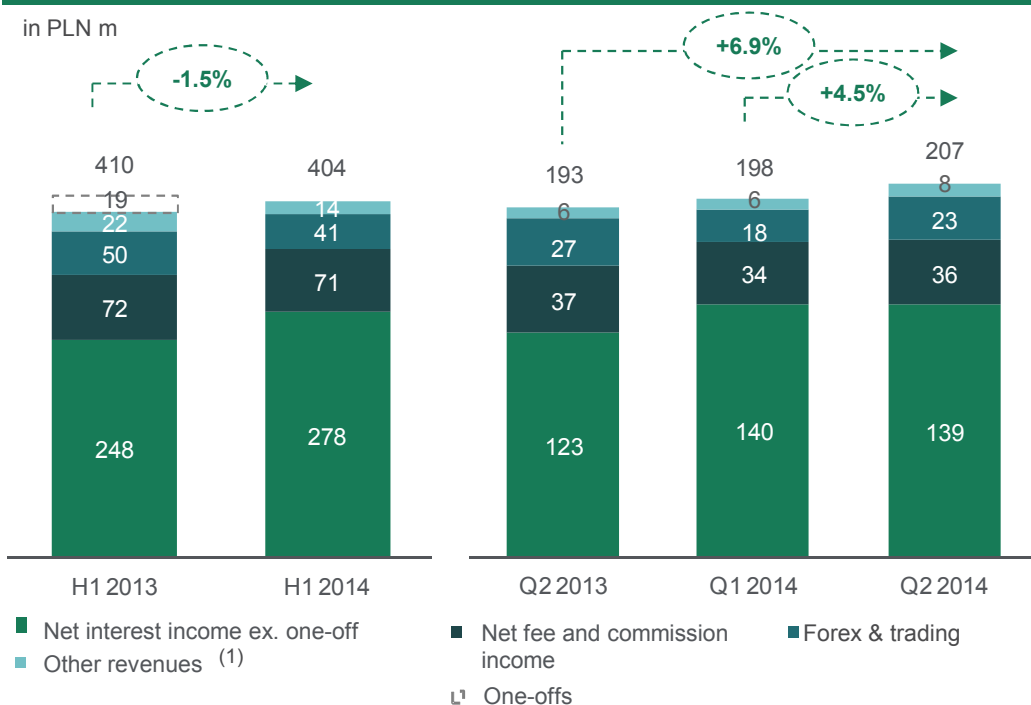


Financial Results: Net Banking Income

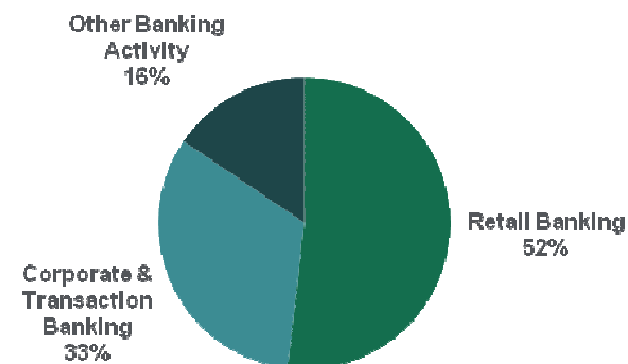
- Growth of income excluding the one-off income in H1 2013
- Solid interest margin

NBI breakdown

in PLN m



H1 2014 NBI breakdown by business segment



A minor decrease in the net banking income due to:

- one-off income of PLN 19.1 million which affected the net interest income in H1 2013
- lower non-interest income chiefly due to a drop in net trading income and decrease of net other operating income and expenses;

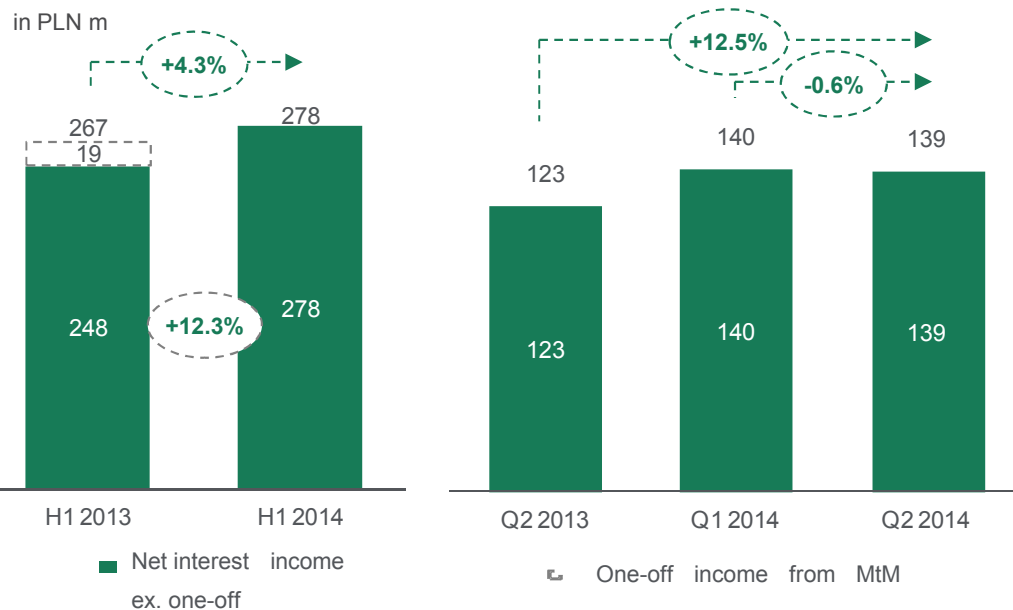
partly offset by an increase in the interest income



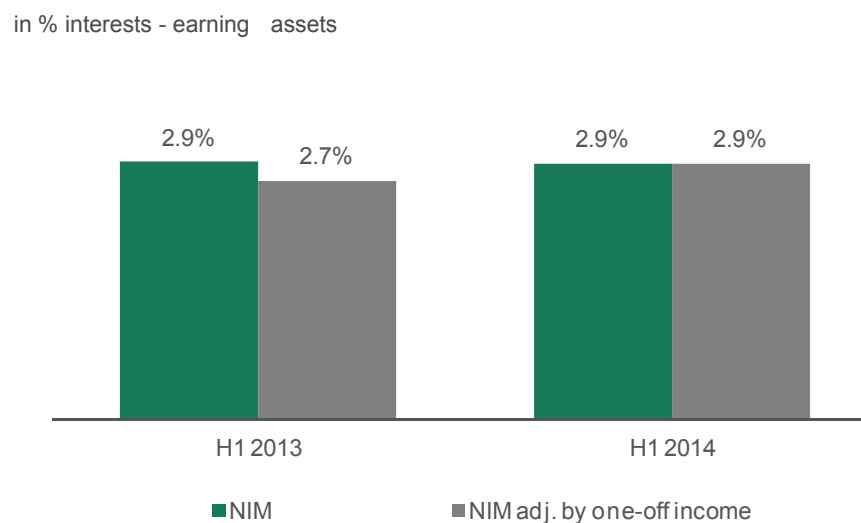
Financial Results: Net Interest Income

- Growth of the net interest income despite a substantial one-off income in H1 2013

Net interest income evolution



Net interest margin evolution



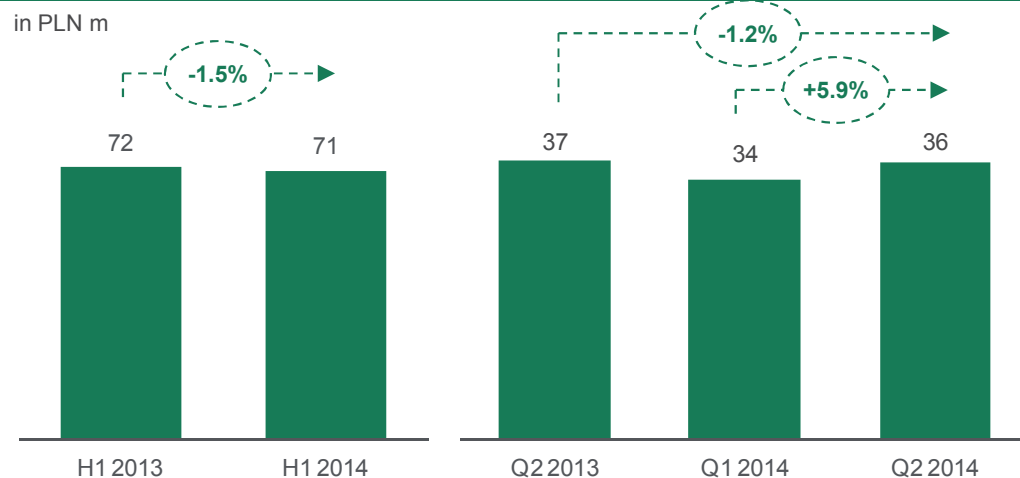
The net interest income, excluding the one-off income in H1 2013, grew by 12.3% vs H1 2013; The net interest income improvement was triggered by larger volumes of deposits and loans and higher margin. The contributing factor to the interest margin growth was the decrease in deposit interest rates and good production of consumer loans, coupled with growing margin for these loans



Financial Results: Non Interest Income

- Non-interest income went down by 12.3% vs H1 2013 but increased by 16.8% vs Q1 2014.

Net fee and commission income



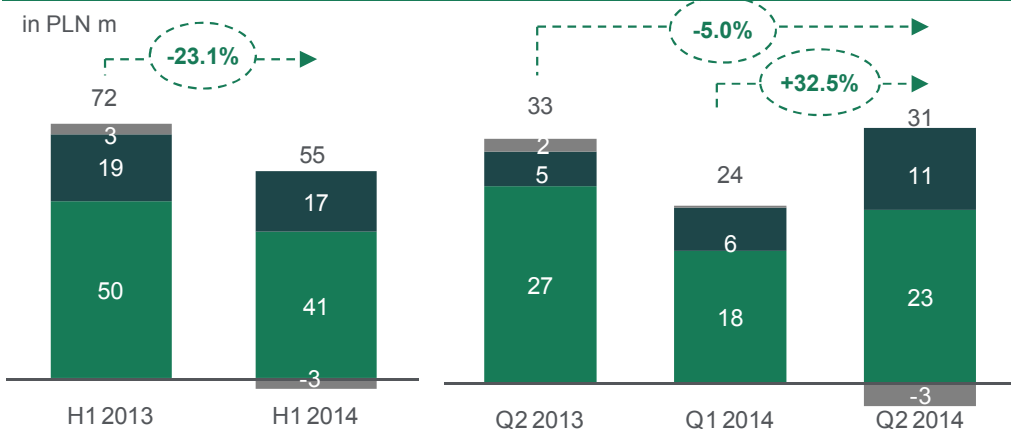
Key highlights

A slight drop of the net fee and commission income:

- lower insurance fees and commissions,
- lower fees and commissions for account maintenance, cash transactions and transfers,
- higher fees and commissions paid to franchisees and intermediaries,

partly offset by 14.4% growth of net loan origination fees and commissions

Other non interest income



■ Forex & trading ■ Available-for-sale financial assets ■ Other revenues

Key highlights

A decrease in other non-interest income mainly due to:

- lower **net trading income** resulting from a decrease in the margin realised on FX transactions with the Bank's customers, with a parallel increase in the average volume of those transactions,
- lower **net investment income** following lower earnings on the sale of securities,
- lower **other income** (for reasons including higher net costs of BGF mainly due to the prudential fee introduction)

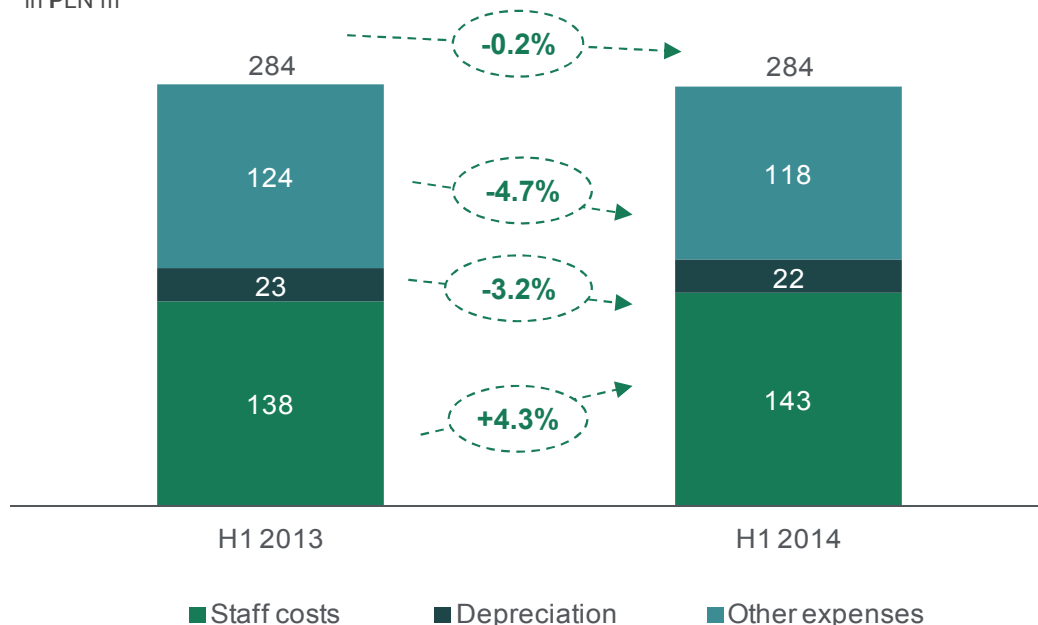


Financial Results: Operating Costs

- Continued focus on cost containment
- Improvement of the cost/income ratio excluding the one-off income in H1 2013

Operating expenses breakdown

in PLN m



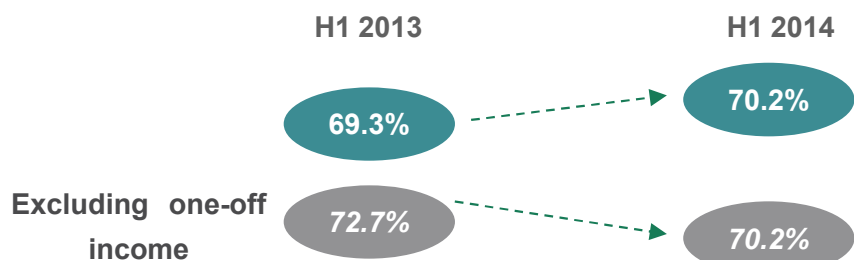
Key highlights

Total operating expenses fell by 0.2% vs H1 2013 – lower other general expenses and depreciation was counterbalanced by 4.3% growth of personnel expenses

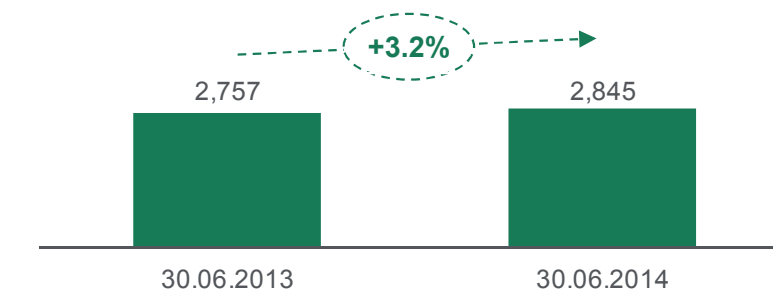
Triathlon Project - cost optimization program was successfully completed in 2013 and the Group participates in the BNP PARIBAS Group global savings program called **Simple & Efficient** (approx. PLN 26 million of annual cost savings to be achieved by the end of 2015)

*Combination of the Triathlon and Simple & Efficient will allow to **invest in business growth** while avoiding substantial cost increase*

Cost to income ratio evolution



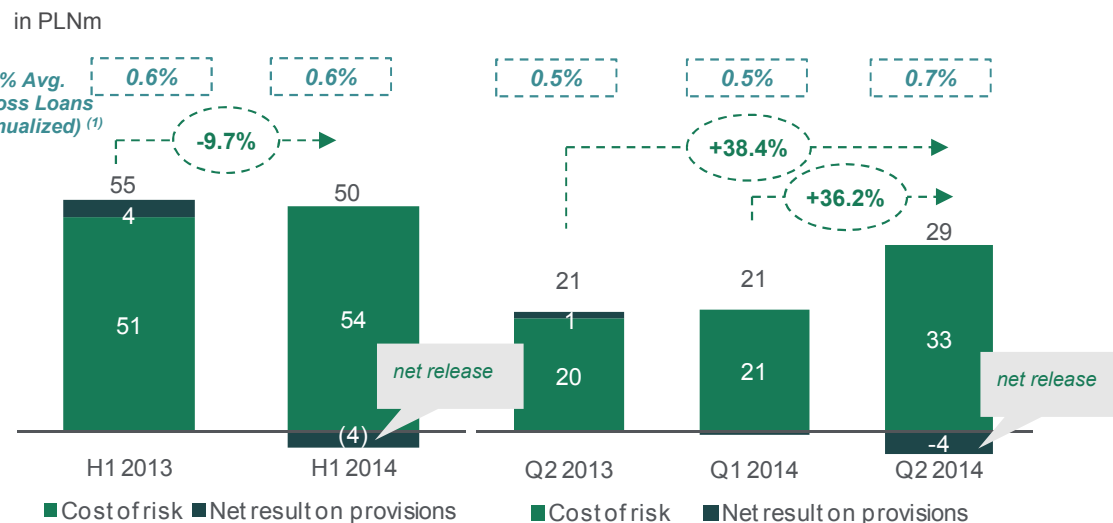
Full-time employees evolution (consolidated)



Financial Results: Cost of Risk & Net Result on Provisions

- Sound & further improving asset quality trending towards best in class
- Stable cost of risk ratio with the parallel improvement of the provision coverage ratio

Cost of risk and result on provisions evolution



Key highlights

Cost of risk

- The cost of risk ratio remained stable despite higher cost of risk, which was attributable to:
 - higher than last year cost of provisions for receivables due from corporate customers; in H1 2013, thanks to an effective debt restructuring and recovery in the segment of corporate customers a positive cost of risk was recorded,
 - higher provisions created for consumer loans of individual customers.

NPL ratio decrease from 9.4% as at 30 June 2013 to **7.0%** as at 30 June 2014, owing to:

- high quality of newly granted loans maintained,
- effective debt restructuring and recovery with respect to the non-performing portfolio,
- sale of a portion of the uncollectible receivables portfolio

Net result on provisions

- The net result on provisions at PLN 4.0 million (positive) vs the costs of creating a provision for legal risk at PLN 4.0 in H1 2013

Non performing loans ratio evolution

NPL Ratio (% Gross Loans)	31.06.2013	31.12.2013	30.06.2014
CTB	10,8%	9,0%	5,9%
SME & Micro*	14,2%	13,5%	12,9%
Consumer*	15,7%	13,2%	11,6%
Mortgages	2,6%	2,6%	2,9%
Total Loans	9,4%	8,4%	7,0%

* Consumer loans include cash, car and credit card loans including car loans for SME & Micro customers



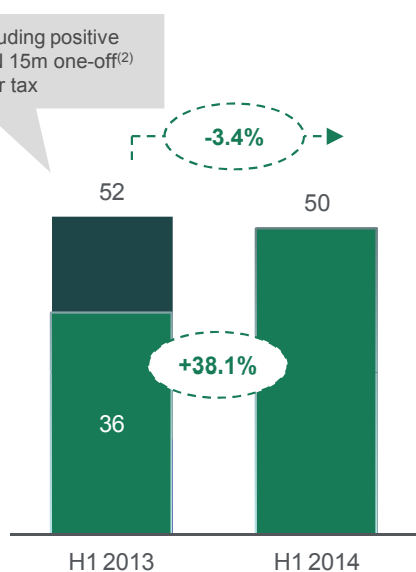
Financial Results: Net Profit

- Improving profitability excluding one-off thanks to consistent implementation of our strategy

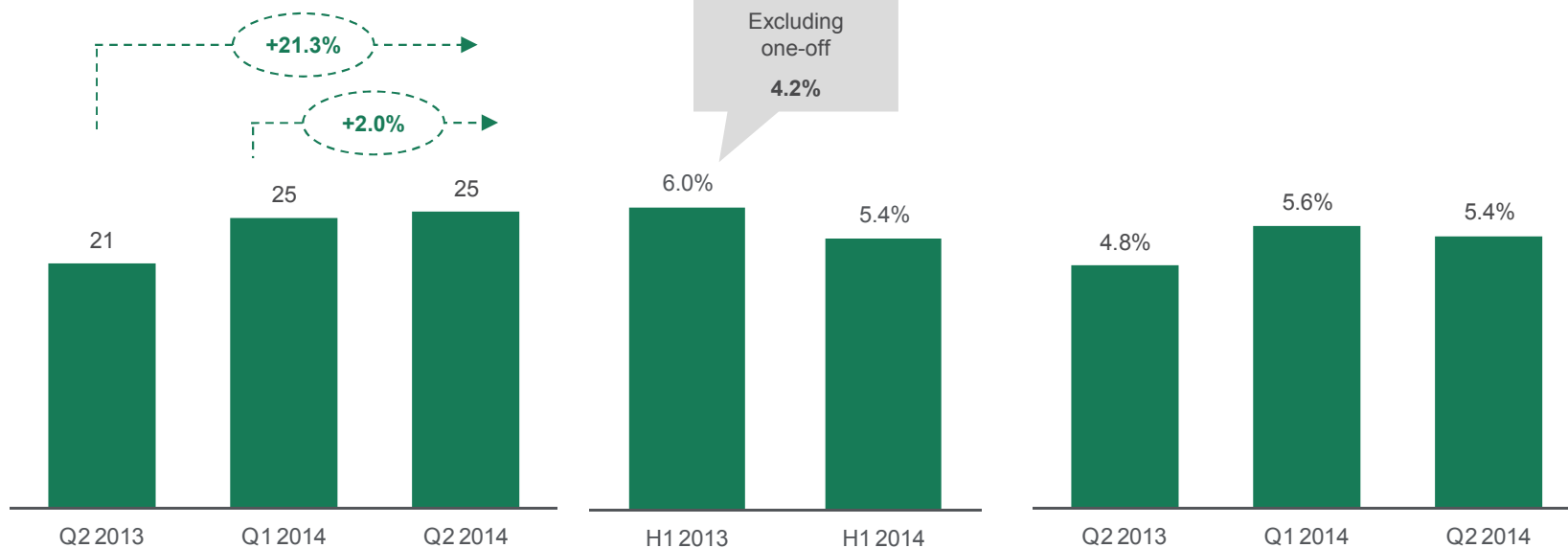
Net profit evolution

in PLN m

Including positive PLN 15m one-off⁽²⁾ after tax



ROE evolution (Return on Equity)⁽¹⁾



The after-tax profit at PLN 49.8 million in H1 2014 was lower by PLN 1.7 million vs H1 2013, but excluding the one-off income which significantly affected the H1 2013 performance, the after-tax profit would be higher by PLN 13.7 million than in H1 2013

The after-tax profit at PLN 25.1 million in Q2 2014 increased by PLN 0.5 million vs Q1 2014 and by PLN 4.4 million vs Q2 2013

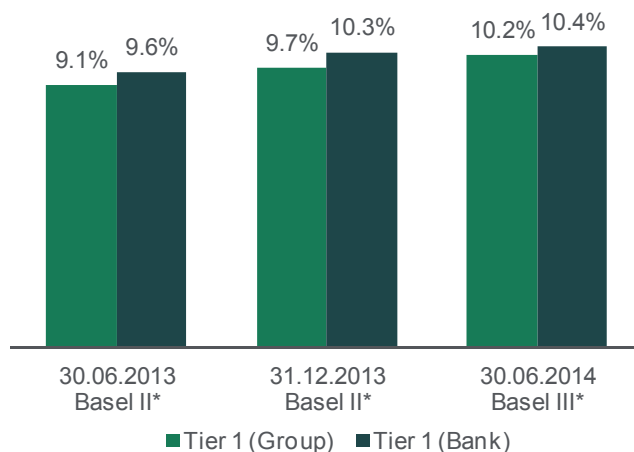


Capital Position

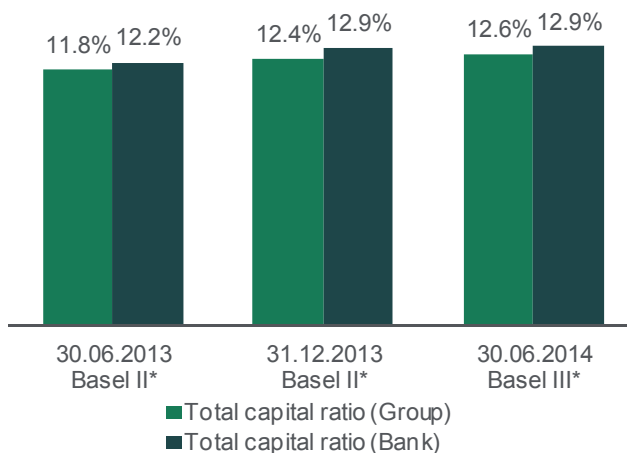
Good capital situation backed by finalisation of the public share issue project in May 2014:

- free float on the stock exchange increased to 15% - implementation of the commitment towards KNF
- growth of the Bank's own funds by PLN 218.7 million following the share issue (after factoring in the issue costs)

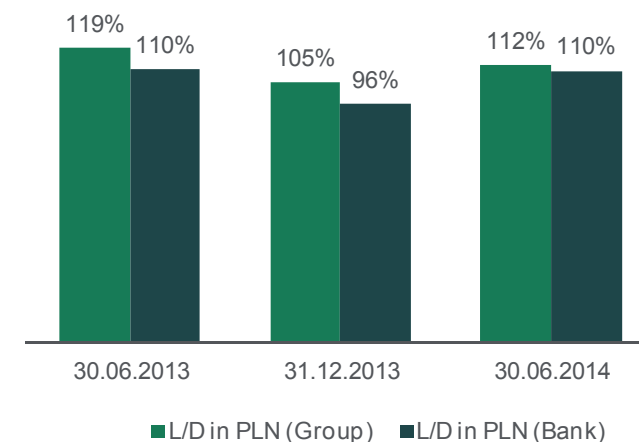
Tier 1 capital ratio



Total capital ratio



Loans-to-deposits in PLN



The total capital ratio stood at 12.6% (calculated according to Basel 3 rules) vs 12.4% as at 31 December 2013 (pursuant to Basel 2 rules)

* The capital adequacy ratio was calculated based on the following rules: In 2013, under resolution no. 76/2010 of the Polish Financial Supervision Authority ("KNF") dated 10 March 2010 regarding specific rules of determination of capital requirements on account of particular risk types (KNF Official Journal No. 2/2010 item 2 – rules based on **Basel 2**; as at the end of H1 2014, under Regulation of the European Parliament and of the Council (EU) no. 575/2013 on prudential requirements for credit institutions and investment firms, and amending Regulation (EU) No 648/2012, assuming a deduction of 100% of deferred tax assets from own funds and accounting for 80% of losses on the trading book in the own funds calculation – rules based on **Basel 3**



- Steady progress on strategy implementation

Solid H1 2014 results

- *NBI lower by 1.5% than in H1 last year but the comparison distorted by high one-off income earned in H1 2013*
- *Business lines NBI higher by 4.1% with a strong growth in Retail Banking (+7.1%)*
- *Operating expenses under strict control with further improvement expected under the Simple & Efficient project implementation*
- *Low cost of risk; very good NPL ratio - currently below the banking sector level*

With further upside

- *Solid revenue growth potential supported by current economic recovery*
- *Further initiatives planned for implementation to limit costs without hindering the future business development*
- *Maintenance of the “best in class” costs of risk*
- *On 6 May, BNP Paribas Bank Polska announced that it successfully completed its RE-IPO with total gross proceeds of PLN 231.2 million (equity growth due to the issue after factoring in the issue cost was PLN 218.7 million), which:*
 - *provides additional resources to support development*
 - *fulfils one of the Group's important commitments towards KNF to increase the free float of the Bank's shares listed on the WSE to 15%*



Agenda



Financial Results

Business Development

Macroeconomic Situation

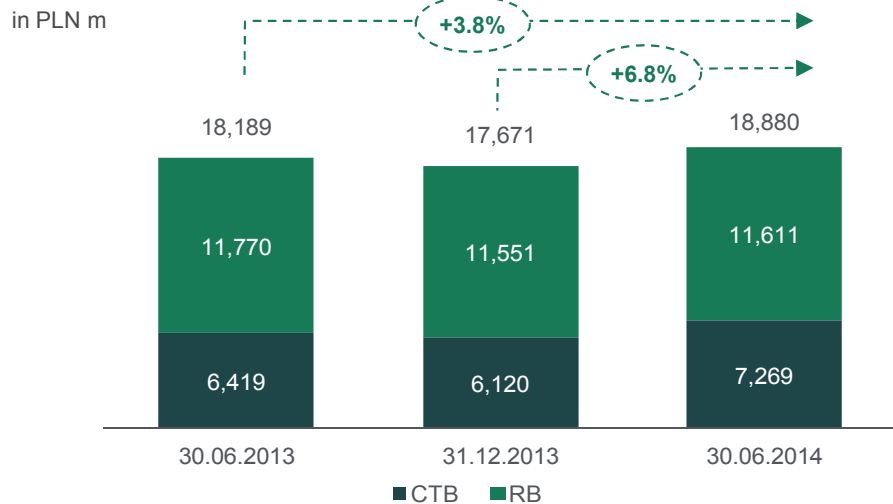


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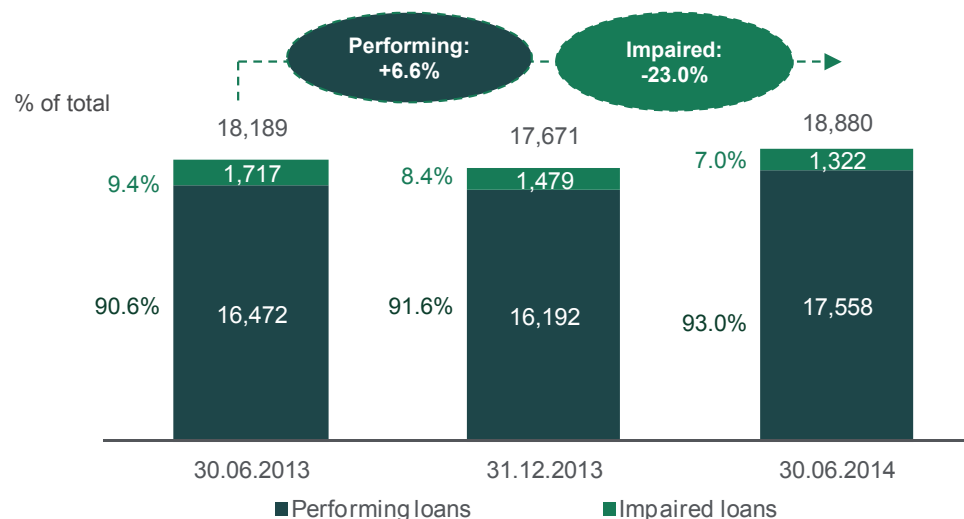
Business Development: Loans Evolution

- Increase of loan portfolio driven by Corporate & Transaction Banking and consumer loans production
- Significant decrease of impaired loans contributing to small overall growth of loan book

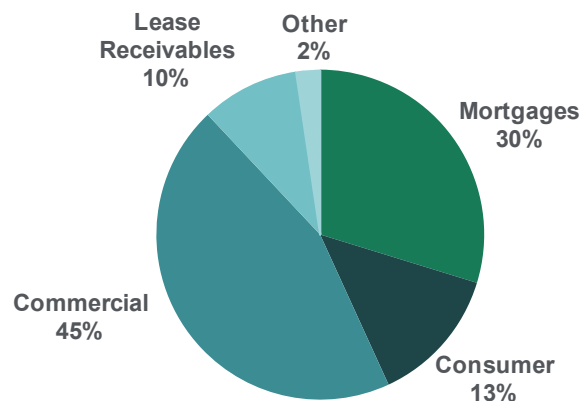
Gross loans evolution by business segment



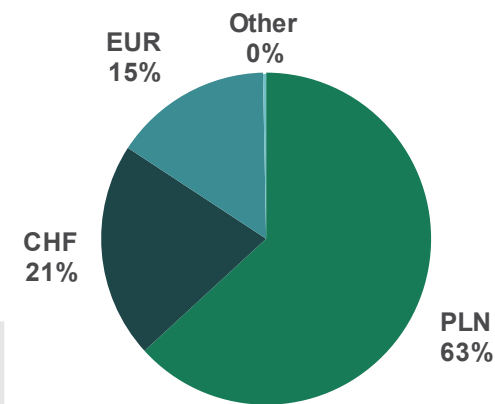
Gross loans evolution – performing vs impaired



Gross loans by product as at 30 June 2014



Gross loans by currency as at 30 June 2014



CHF loans book at PLN 4.0 bn (out of which PLN 3.8 bn of mortgage loans portfolio) - financed by intragroup debt from parent



Business Development: Focus on Personal Finance Loans Production

- Cash loans: ongoing growth despite stronger competition
- Car loans and leasing: solid increase of production, focus on maintaining strong market position

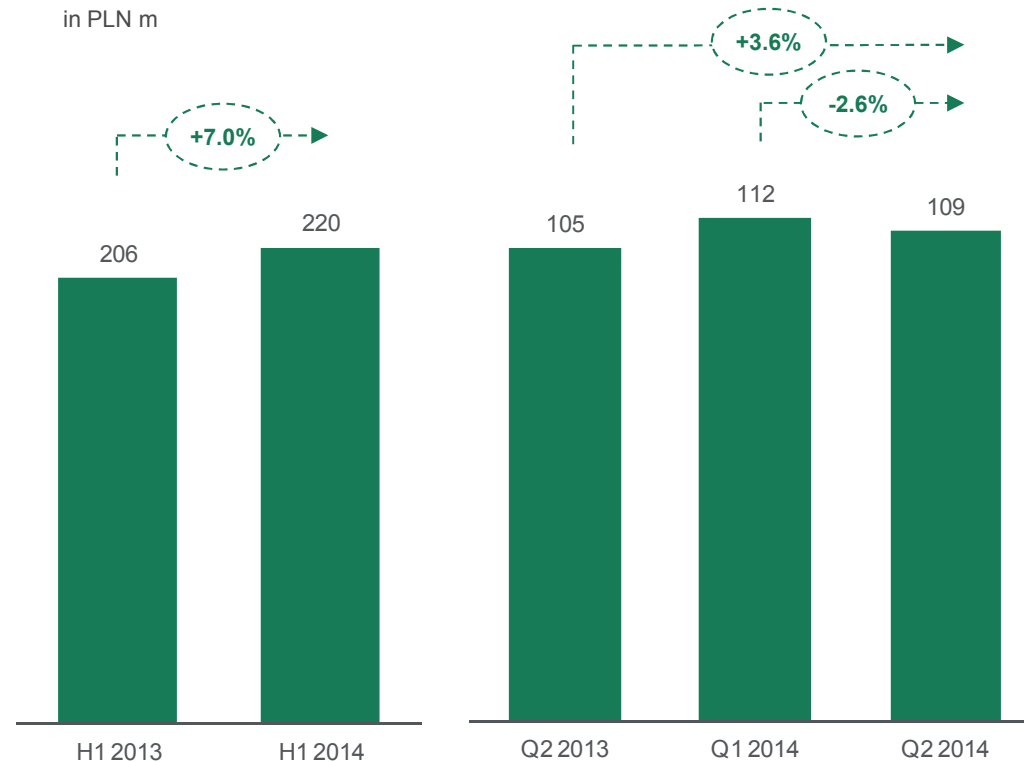
Cash loans production

in PLN m



Car loans and leasing production

in PLN m



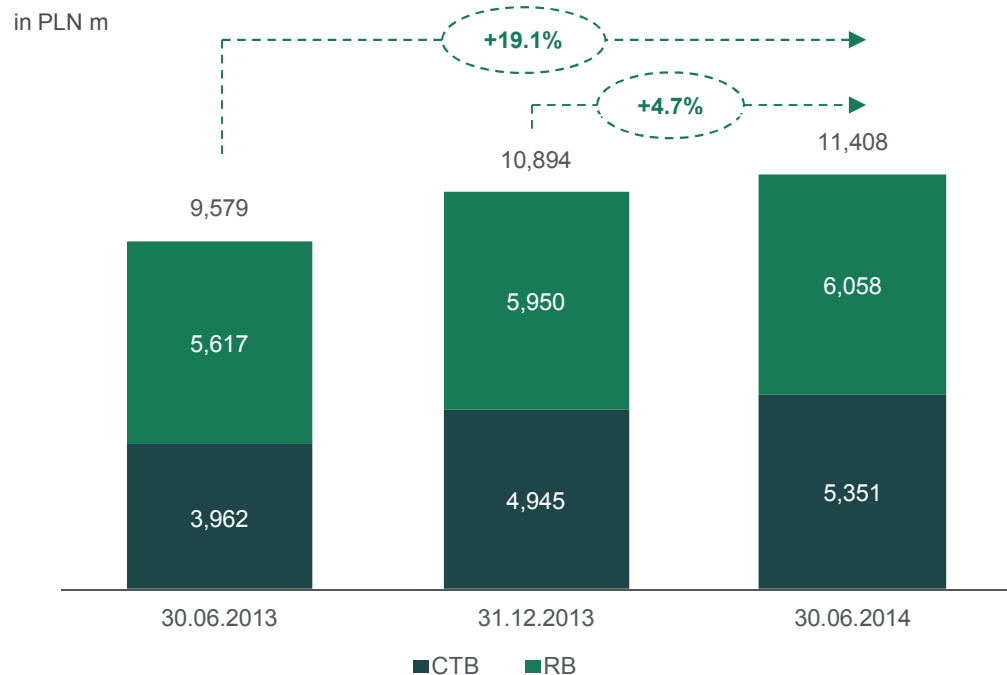
Additionally, in Q2 2014, Personal Finance BL concluded agreements with KIA and Hyundai brands, that establish a long-term cooperation under which the Bank will provide retail and wholesale financing



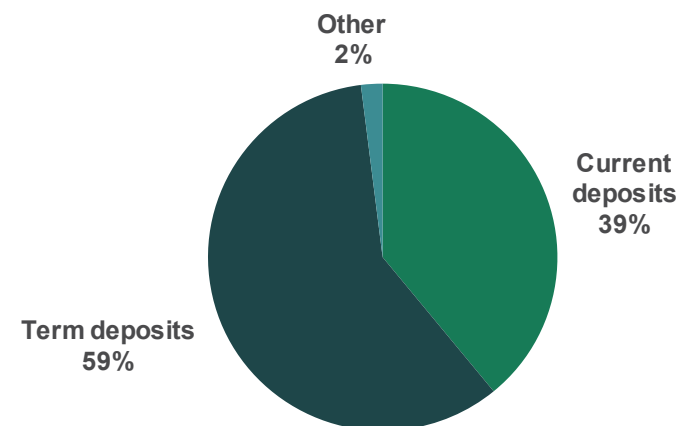
Business Development: Deposit Evolution

- Growth of customer deposits

Deposit evolution by business segment



Deposit breakdown by product (as at 30 June 2014)

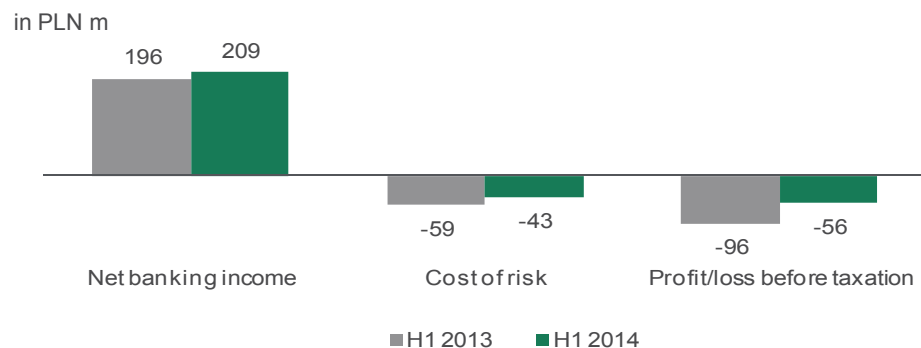


Customer deposits went up by 4.7% vs 31 Dec 2013 chiefly due to the increase of deposit balances held by large enterprises and individual customers



Key Results by Business Segment

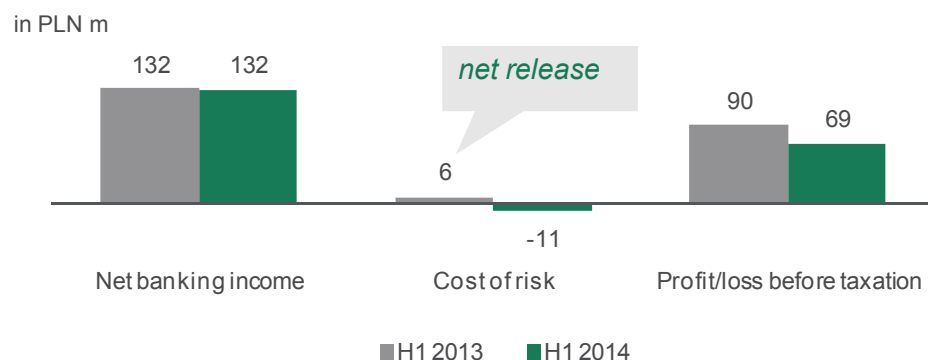
Retail Banking



Substantial profitability improvement backed by very good Personal Finance results

- NBI higher by 7.1%:
- Drop of the cost of risk by 26.8%

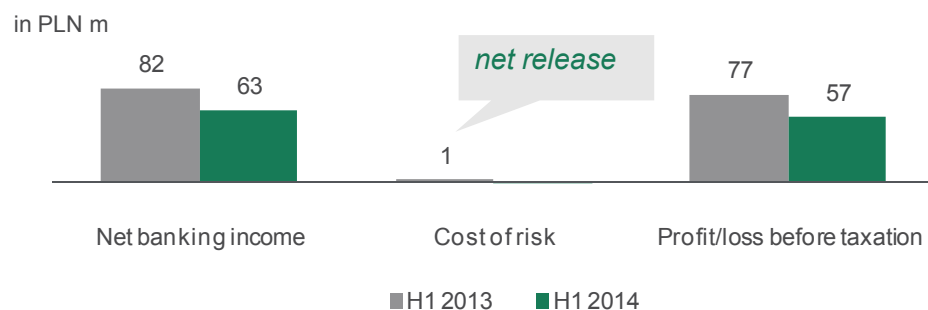
Corporate and Transaction Banking



Strong and profitable Corporate and Transaction Banking

- Pre-tax profit at PLN 68.9 million
- Stable net banking income
- Low cost of risk

Other Banking Activities



Weaker performance of the Other Banking Activity segment but comparison distorted by high one-off income in H1 2013



Business Development: Quality and Brand Awareness

- Implementation of new products, awards obtained

Products

Dobierz sobie
Konto Dobrze Dobrane

KREDYT W ROR 0%

KONTO OSOBISTE 0 ZŁ

PRZELEWY PRZEZ INTERNET 0 ZŁ

MONEY BACK AŻ 2%

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Porozmawiajmy o Twoich planach

BNP PARIBAS

iKonto
Finansowanie konta oszczędności

0 zł

CMZ - wnoszek w 3 ratach

3,6%
oszczędności

do 500 000 zł
do 3 lokat

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INWESTYCJE

**Global Partners
PL KBC Point Capped 4**

NADAJ PRZYSPIESZENIE SWOJĄ ZYSKAM
NAWET 25%

Fundusze kapitału CI się z ryzykiem i długim okresem inwestycji! Global Partners PL KBC Point Capped 4 to wyjątkowy subfundusz zagraniczny, którego strategią zakłada ochronę 85% kapitału na dzień zapadłości. Indywidualnie może zarobić na 20% w czasie 3,5 roku.

Porozmawiajmy o Twoich planach 801 322 322

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ROZWIJAJ SWOJĄ FIRMĘ
Z GWARANCJĄ DE MINIMIS

Porozmawiajmy o Twoich planach

801 322 322 www.bnpparibas.pl

Awards and image-building activities

BNP Paribas Bank

W gronie najlepszych pracodawców w Polsce



BNP PARIBAS

BIZNES AKADEMIA



European Bank
for Reconstruction and Development

**BNP PARIBAS
KATOWICE OPEN**



ITF

DAVIS CUP
THE WORLD CUP OF TENNIS

WE ARE TENNIS

VIP INVITATION

BNP Paribas Bank Polska SA
invites you to Davis Cup by BNP Paribas match

Poland - Croatia



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Business Development: Visible Marketing Campaigns

- Strong advertising campaigns to promote key products - TV, radio and the Internet as strategic advertising media

Cash loan campaign - no. 1 in the *Rzeczpospolita* ranking

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najtańszy kredyt gotówkowy

Nr 1
wg raportu
RZECZPOSPOLITA

Oprocentowanie już od **6,9%**

KREDYT GOTÓWKOWY

801 101 102

Najtańszy kredyt gotówkowy

Nr 1
wg raportu
RZECZPOSPOLITA

Oprocentowanie już od: **6,9%**

Sprawdź »

Cash loan campaign addressed to micro-companies

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WIEZ: **KREDYT DLA FIRM**
NIEMĄ KAŻDY PROJEKT SZYBKO SIĘ DROŻY

2,99%
MARZA DO
DECYZJA JUŻ W 24 GODZINY

OFERTA DLA FIRM

801 355 355

OTWARTE

Chcesz rozwinąć swój biznes? A może trudnia Ci się odpowiedzialna obsługa klientów? Nie czekaj! Wybierz szybki kredyt dla firm w Banku BNP Paribas. Dzięki nam zrealizujesz każdy projekt!

Tylko w Banku BNP Paribas:

- szybki proces – decyzja nawet w 24 godziny, gotówka na koncie już w 48 godzin
- do 400 tys. zł bez zabezpieczeń i zbędnych formalności
- niska marża już od **2,99%** przez cały okres kredytowania
- okres kredytowania aż do **60 miesięcy**
- środki możesz przeznaczyć **na dowolny cel** bez konieczności realizowania się z faktur.

Przyjdź i zapytaj doradcę o szczegółowe warunki promocji.

Consumer loan campaign “Každy plan się ziszcza” (Every plan comes true): car loan, cash loan and iGotówka

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szczęście

każdy plan się ziszcza

KĄŻDY PLAN SIĘ ZISZCZA Z KREDYTEM GOTÓWKOWYM

KREDYT GOTÓWKOWY

Gwarancja najniższego całkowitego kosztu kredytu

Małe plany, których nie chcesz oddawać? Wybierz kredyt z gwarancją najniższego całkowitego kosztu w Banku BNP Paribas. A już w drugim banku zapłaciłeś lepszą ofertę, przedłamy ją!

Porozmawiajmy o Twoich planach

801 101 102

PRZEBIEŻNY OBIĘT

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szczęście

każdy plan się ziszcza

KĄŻDY PLAN SIĘ ZISZCZA Z KREDYTEM SAMOCHODOWYM

KREDYT SAMOCHODOWY

Gwarancja najniższego całkowitego kosztu kredytu

Małe plany, których nie chcesz oddawać? Wybierz kredyt z gwarancją najniższego całkowitego kosztu w Banku BNP Paribas. A już w drugim banku zapłaciłeś lepszą ofertę, przedłamy ją!

Porozmawiajmy o Twoich planach

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szczęście

każdy plan się ziszcza

KĄŻDY PLAN SIĘ ZISZCZA Z IGotówką

iGotówka

Szybki kredyt internetowy

Małe plany, których nie chcesz oddawać? Wybierz kredyt, który szybko i wygodnie z banku BNP Paribas. Pierwsze pieniądze na koncie nawet w 30 minut, bez wychodzenia z domu.

Porozmawiajmy o Twoich planach

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PRZEBIEŻNY OBIĘT



Agenda



Financial Results

Business Development

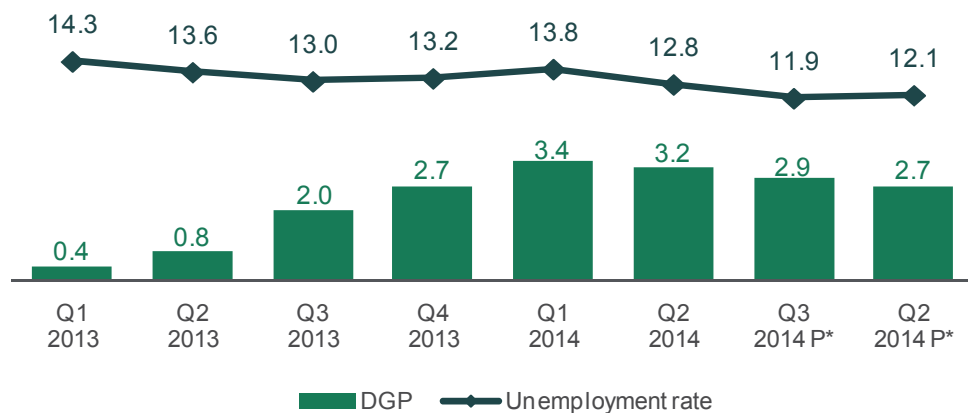
Macroeconomic Situation



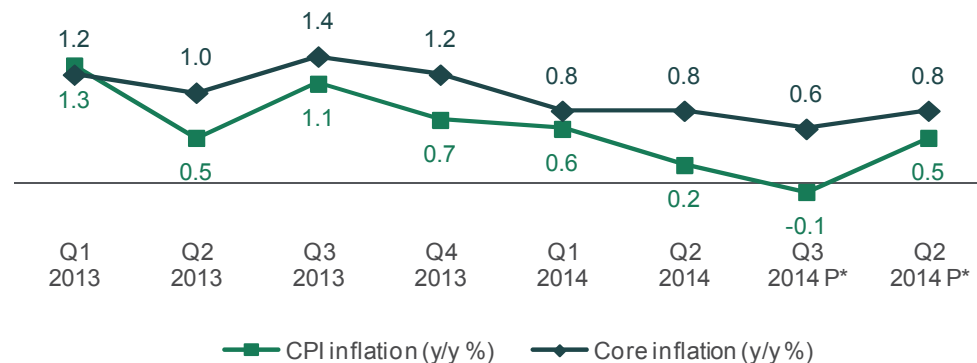
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Macroeconomic Situation

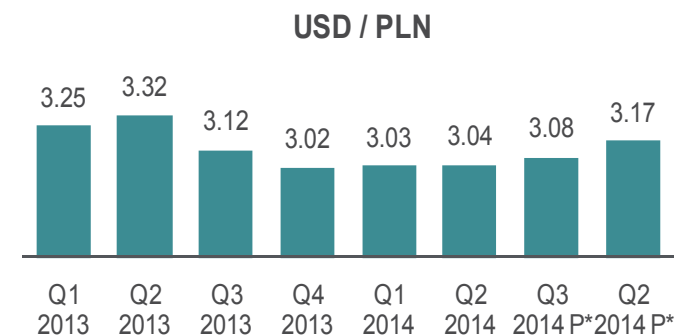
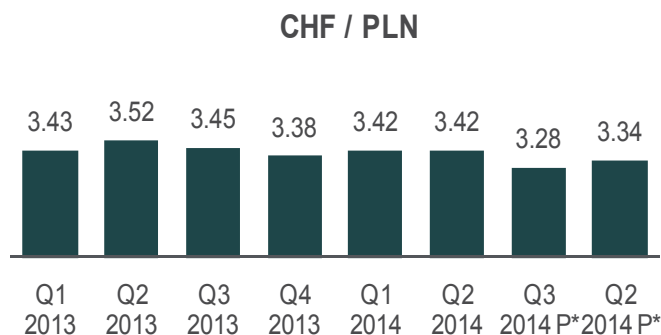
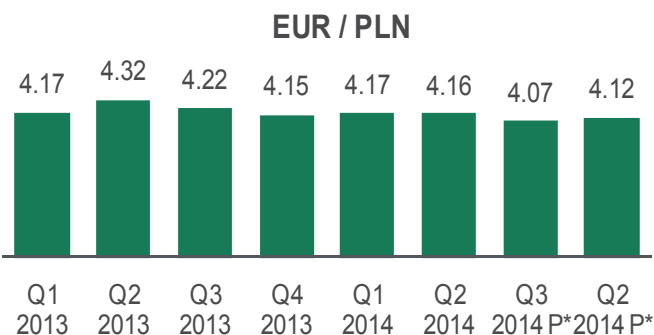
GDP growth and unemployment rate (%)



Inflation (CPI%)

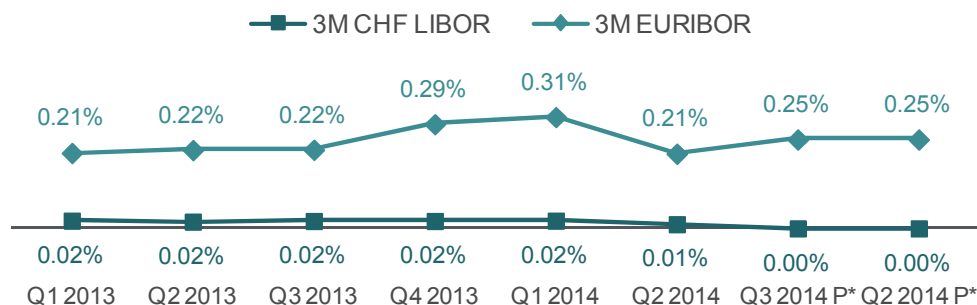
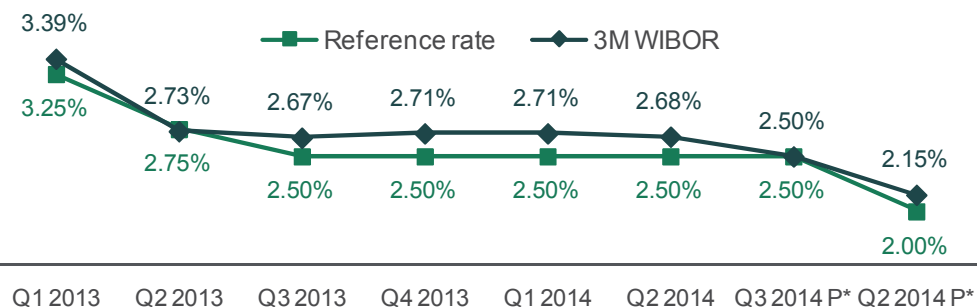


FX rate evolution

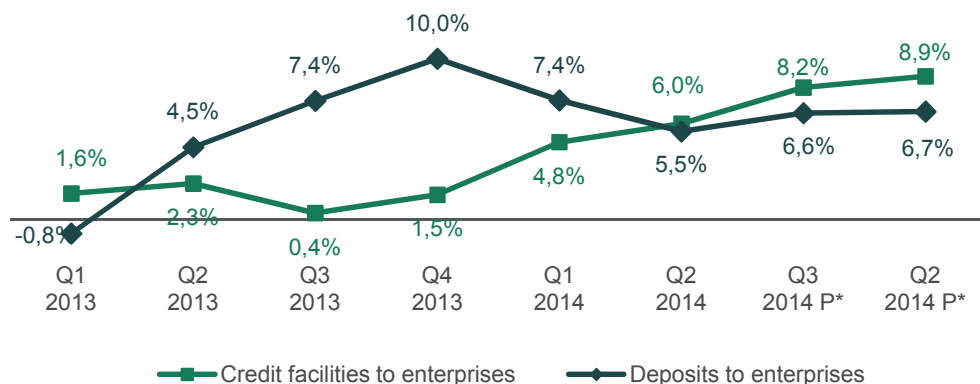


Macroeconomic Situation

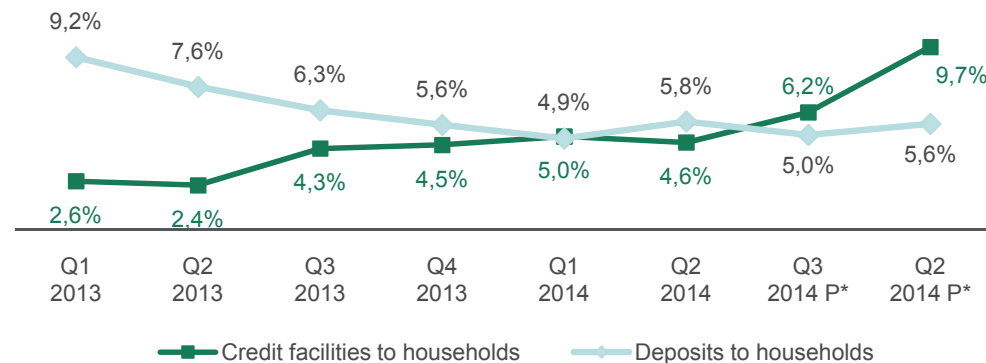
Interest rate evolution



Credit facilities and deposits to enterprises



Credit facilities and deposits to households



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Appendix



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Consolidated Balance Sheet

B/S (in PLN m)	30.06.2013	31.12.2013	31.03.2014	30.06.2014	30.06.2014/ 30.06.2013	30.06.2014/ 31.12.2013	30.06.2014/ 31.03.2014
Gross loans	18,189	17,671	18,361	18,880	3.8%	6.8%	2.8%
Gross performing loans	16,472	16,192	16,957	17,558	6.6%	8.4%	3.5%
Gross impaired loans	1,717	1,479	1,404	1,322	-23.0%	-10.6%	-5.9%
LLR	(1,127)	(1,089)	(1,071)	(1,010)	-10.4%	-7.2%	-5.7%
Net loans	17,062	16,583	17,290	17,870	4.7%	7.8%	3.4%
Investments available for sale	2,661	2,608	1,851	2,194	-17.5%	-15.9%	18.5%
Cash and cash equivalents	415	1,290	933	1,709	312.1%	32.5%	83.2%
Due from banks	126	79	73	52	-58.7%	-34.5%	-28.5%
Other assets	613	557	899	656	7.0%	17.7%	-27.0%
Total assets	20,876	21,117	21,045	22,481	7.7%	6.5%	6.8%
Customer deposits	9,579	10,894	10,157	11,408	19.1%	4.7%	12.3%
Loans and credit facilities received	7,227	7,051	6,998	7,276	0.7%	3.2%	4.0%
Subordinated debt	471	452	456	456	-3.2%	0.7%	-0.1%
Due to banks	1,415	424	1,019	699	-50.6%	64.8%	-31.4%
Other liabilities	440	491	592	577	30.9%	17.5%	-2.6%
Total liabilities	19,132	19,312	19,221	20,415	6.7%	5.7%	6.2%
Equity	1,745	1,805	1,824	2,066	18.4%	14.5%	13.3%
Total liabilities and equity	20,876	21,117	21,045	22,481	7.7%	6.5%	6.8%

Notes: (1) Other assets include financial assets held for trading, hedging instruments, PPE, intangible assets, non-current assets held for sale, settlements on account of income tax, DTAs, deferred tax assets recognised in the revaluation reserve and other assets (2) Other liabilities include financial liabilities held for trading, differences from the fair value hedge against interest rate risk falling on hedged items, income tax liabilities, deferred tax liabilities, provisions and other liabilities.



Consolidated P&L (cumulative)

Income statement (in PLN m)	H1 2013 ⁽¹⁾	H1 2014	H1 2014 / H1 2013
Interest income	455	437	-4.0%
Interest expense	-189	-159	-15.8%
Net interest income	267	278	4.3%
Fee and commission income	87	87	0.6%
Fee and commission expense	-15	-16	10.8%
Net fee and commission income	72	71	-1.5%
Net trading income	50	41	-17.7%
Net profit (loss) on hedging transactions	-2	1	-134.7%
Net profit/loss on the hedged item	2	-1	-134.7%
Net profit/loss on available-for-sale financial assets	19	17	-9.7%
Dividends	0	0	-45.5%
Other revenues	26	22	-18.1%
Other operating expenses	-23	-25	4.8%
Net banking income	410	404	-1.5%
General expenses	-262	-262	0.0%
Personnel expenses	-138	-143	4.3%
Other expenses	-124	-118	-4.7%
Depreciation	-23	-22	-3.2%
Gross operating profit/loss	126	120	-4.4%
Cost of risk	-51	-54	5.0%
Net result on provisions	-4	4	-200.7%
Cost of risk and net result on provisions	-55	-50	-9.7%
Net operating profit/loss	71	70	-0.2%
Net profit/loss from disposal of assets, shares and interest	0	-1	250.0%
Profit/loss before taxation	70	69	-1.2%
Income tax expense	-19	-20	4.7%
Profit/loss after taxation	52	50	-3.4%

Note: (1) H1 2013 including impact of the one-off item: net interest income includes PLN 19.1 million of one-off income related to the settlement of a prepayment of some credit lines granted by the BNP PARIBAS Group with a positive mark to market



Consolidated P&L (quarterly data)

Income statement (in PLN m)	Q2 2013	Q1 2014	Q2 2014	Q2 2014 / Q1 2014	Q2 2014 / Q2 2013
Interest income	222	215	222	2.9%	-0.1%
Interest expense	-99	-76	-83	9.3%	-15.9%
Net interest income	123	140	139	-0.6%	12.5%
Fee and commission income	44	43	44	4.0%	-0.1%
Fee and commission expense	-8	-8	-8	-3.7%	4.9%
Net fee and commission income	37	34	36	5.9%	-1.2%
Net trading income	27	18	23	31.1%	-12.2%
Net profit (loss) on hedging transactions	-2	1	0	-46.7%	-117.7%
Net profit/loss on the hedged item	2	-1	0	-46.7%	-117.7%
Net profit/loss on available-for-sale financial assets	5	6	11	94.1%	142.8%
Dividends	0	0	0	0.0%	-45.5%
Other revenues	14	13	9	-34.6%	-38.6%
Other operating expenses	-12	-13	-12	-10.0%	-3.8%
Net banking income	193	198	207	4.5%	6.9%
General expenses	-132	-132	-130	-1.5%	-1.7%
Personnel expenses	-69	-72	-72	0.7%	4.0%
Other expenses	-63	-60	-58	-4.1%	-8.0%
Depreciation	-11	-10	-12	12.2%	3.1%
Gross operating profit/loss	50	55	65	17.4%	30.5%
Cost of risk	-20	-21	-33	51.5%	62.6%
Net result on provisions	-1	0	4	1131.3%	-545.6%
Cost of risk and net result on provisions	-21	-21	-29	36.2%	38.4%
Net operating profit/loss	29	34	36	5.7%	24.8%
Net profit/loss from disposal of assets, shares and interest	0	-1	0	-85.0%	6.8%
Profit/loss before taxation	29	33	36	8.0%	24.8%
Income tax expense	-8	-9	-11	25.1%	33.7%
Profit/loss after taxation	21	25	25	2.0%	21.3%



Key Ratios

	H1 2013	2013	H1 2014
Profitability ratios			
Net interest margin (NIM) ⁽¹⁾	2.9%	2.8%	2.9%
Cost/Income ⁽²⁾	69.3%	69.2%	70.2%
ROA ⁽³⁾	0.5%	0.5%	0.5%
ROE ⁽⁴⁾	6.0%	5.8%	5.4%
Net fee and commission income / Net banking income	17.5%	18.2%	17.5%
Capital ratios*			
Consolidated Tier 1 ratio ⁽⁵⁾	9.1%	9.7%	10.2%
Consolidated total capital ratio	11.8%	12.4%	12.6%
Bank stand alone Tier 1 ratio ⁽⁵⁾	9.6%	10.3%	10.4%
Bank stand alone total capital ratio	12.2%	12.9%	12.9%
Loan portfolio quality			
NPL ratio ⁽⁶⁾	9.4%	8.4%	7.0%
Cost of risk ratio ⁽⁷⁾	0.6%	0.5%	0.6%
Coverage ratio ⁽⁸⁾	59.3%	65.9%	67.5%
Funding ratios			
Loan to deposit ratio ⁽⁹⁾	178.1%	152.2%	156.6%
PLN loan to PLN deposit ratio ⁽¹⁰⁾	119.1%	105.1%	112.2%
Bank stand alone PLN loan to PLN deposit ratio ⁽¹⁰⁾	110.3%	96.4%	109.9%

⁽¹⁾ Calculated by dividing net interest income by the average balance of total interest-earning assets (calculated as the arithmetical average of the sum of financial assets held for trading, due from banks, loans to customers, investments available -for -sale and hedging instruments at the end of four consecutive quarters).

⁽²⁾ Calculated by dividing the sum of general expenses and depreciation by net banking income.

⁽³⁾ Return on assets (ROA) calculated by dividing profit/loss after taxation by the average balance of total assets (calculated as the arithmetical average of total assets at the end of four consecutive quarters).

⁽⁴⁾ Return on equity (ROE) calculated by dividing profit/loss after taxation by the average balance of equity (calculated as the arithmetical average of total equity at the end of four consecutive quarters).

⁽⁵⁾ Calculated by dividing Tier 1 core capital by the total capital requirement multiplied by 12.5.

⁽⁶⁾ Calculated by dividing gross impaired loans to customers by total gross loans to customers.

⁽⁷⁾ Calculated by dividing cost of risk by the average balance of gross loans to customers (calculated as the arithmetical average of the gross loans to customers at the end of four consecutive quarters).

⁽⁸⁾ Calculated by dividing the balance of impairment provisions for incurred, reported losses at the end of the period by gross impaired loans to customers.

⁽⁹⁾ Calculated by dividing net loans to customers by the balance of liabilities due to customers.

⁽¹⁰⁾ Calculated by dividing net loans to customers in PLN by the balance of liabilities due to customers in PLN.

