



Dear Shareholders, Customers, Employees of Bank BGŻ,

on behalf of the Management Board of Bank BGŻ, I am presenting you with a stand-alone annual report for 2013. I consider myself highly privileged as this is the first time I am sharing this information with the market as the President of the Management Board of Bank BGŻ.

In 2013, especially in the first half of the year, Polish economy experienced a significant slowdown. The second half brought a visible rebound, however. It contributed to a considerable improvement of the economic trends, although only at the end of the year. Slowdown in the economy and fall of raw material prices were followed by a substantial inflation decrease, which gave the monetary authorities a basis for strong reduction of interest rates. It extensively changed the environment in which the banking sector operates and forced the sector to align accordingly. The year 2013 was full of challenges and significant changes for Bank BGŻ as well.

At the end of the year, Rabobank Group and BNP Paribas Group announced conclusion of agreement concerning takeover of a package of 98.5% shares in Bank BGŻ for PLN 4.2 billion (approx. EUR 1 billion). Finalisation of the transaction is conditionally upon regulatory approvals.

In the past year, works associated with merger of Rabobank's subsidiaries, Bank BGŻ and Rabobank Polska, were carried out within Rabobank's commitment to the Polish Financial Supervision Authority. In October the Management Boards of Bank BGŻ and Rabobank Polska agreed and signed a merger plan and at the end of the year the PFSA approved of the merger.

For more than two years the business activities of Bank BGŻ have been accompanied by the motto 'Bank BGŻ. Serves people well'. We want customers to perceive us as a friendly institution which is engaged in their matters. For many years we have consistently built a position of the local community bank. In spring 2013 we finalised the process of changing the sales network structure. To better serve our clients and be closer to them, we clearly split responsibilities between the Retail Banking and Corporate Banking Areas. We also continued actions aimed at costs optimisation, headcount restructuring included.

Throughout 2013 Bank BGŻ Group earned a net profit of PLN 162.4 million, which means a 21% growth against the previous year. The improvement was determined predominantly by reduction of the overhead costs and lower impairment allowances.

In 2014 we are focusing on further growth of business activity. We will be strengthening our position of the F&A leader and local communities partner. Also improvement in customer service quality and customer satisfaction still remain our goals.

On behalf of the Management Board, I thank all employees for effort, involvement and results achieved in 2013, the Supervisory Board for support and good cooperation, and the shareholders for trust.

Yours faithfully,

Józef Wancer
President of the Management Board
Bank BGŻ