

BANK BGŻ BNP PARIBAS S.A. GROUP

PRESENTATION OF FIRST QUARTER 2018 FINANCIAL RESULTS



Warsaw, 17 May 2018



BGŻ BNP PARIBAS

The bank for a changing world

I Essential facts & information

II Macroeconomic situation

III Financial results of the Group

IV Business segments performance

V Challenges for the next quarters

VI Appendices





ESSENTIAL FACTS & INFORMATION



BGZ BNP PARIBAS

The bank for a changing world

Gradual and constant improvement of financial performance

Improvement in Core Business offsets the impact of factoring deconsolidation and costs of securitisation



**Doubled
net profit**
compared to
1Q 2017 and 4Q 2017



**Stabilisation of
net banking income**
despite deconsolidation
of factoring and costs of
securitisation



**Operating costs
reduction**



**Lower
cost of risk**

Strengthening the Bank's capital and market position

Supporting further development

**Sale and deconsolidation
of BGŻ BNP Paribas
Faktoring Sp. z o.o.**

**Sale carried out in Q4 2017
(release of PLN 2.4 bn receivables
due from customers
as of 30 September 2017)**

**Share issue
of Bank BGŻ BNP Paribas S.A.**

**The planned GSM decision on
18 May 2018. The share issue
finalization by July 2018
(equity increase by approx.
PLN 800 m)**

**Transaction Agreement
regarding the acquisition
of the Core Bank Business of
Raiffeisen Bank Polska S.A.
executed on 10 April 2018**

**The agreement involves
a demerger of RBPL to be
effected through a transfer
(spin-off) of the RBPL Core
Bank Business to the Bank**



Bank transformation in customer offering

by new technologies, cooperation with business partners, competitive offer for Ukraine citizens



GOmobile
new functionality

BACKBASE



Cooperation with
key partners



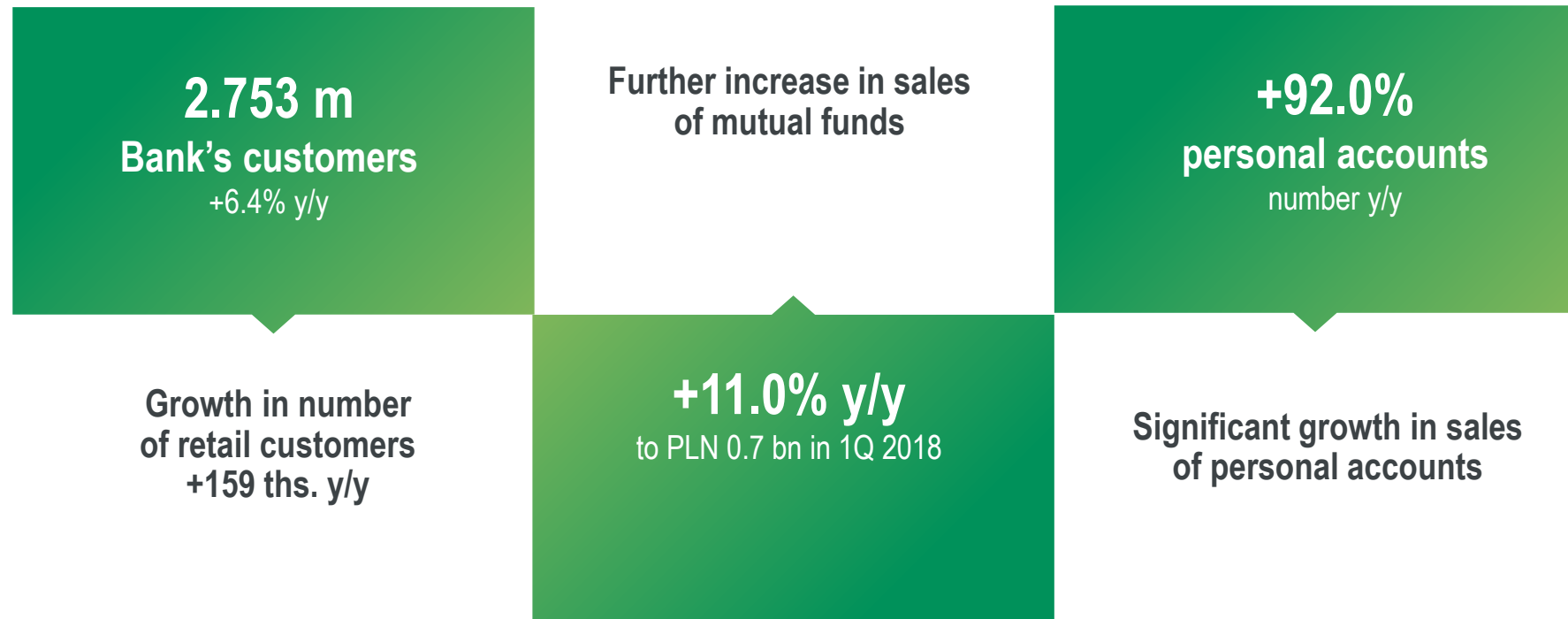
Banking services
for Ukraine citizens



Start-ups
innovative implementation

Upward trend in customer acquisition and sale of retail products

Changes in the offer bring positive results in the Retail Banking area



1Q 2018 – executive summary

Cost effectiveness improvement, cost of risk decrease and total assets stabilization

Financials

Net profit **PLN 85 m** **+116% y/y (+PLN 46 m)**

Net banking income **PLN 655 m** **+0% y/y (+PLN 0.2 m)**, including:
• *net interest income: PLN 450 m, -4% y/y*
• *net F&C income: PLN 121 m, -6% y/y*
• *net trading income: PLN 75 m, +15% y/y*

Costs **PLN 421 m** **-4% y/y (-PLN 16 m)**

C/I ratio **64.3%** **-2.5 p.p. y/y**

Net impairment losses **PLN 62 m** **-27% y/y (-PLN 24 m)**

Volumes

Assets **PLN 72 bln, +0.4% y/y**

Loans (gross) **PLN 56 bln, -5% y/y**

Customer deposits* **PLN 54 bln, -0.6% y/y**

* Customer deposits defined as liabilities due to customers excluding loans and advances received from other financial institutions

Capital & liquidity ratios

Total equity **PLN 6,334 m**

Total capital ratio **13.78%**

Tier 1 **10.82%**

Net loans to deposits **97.3%**



MACROECONOMIC SITUATION

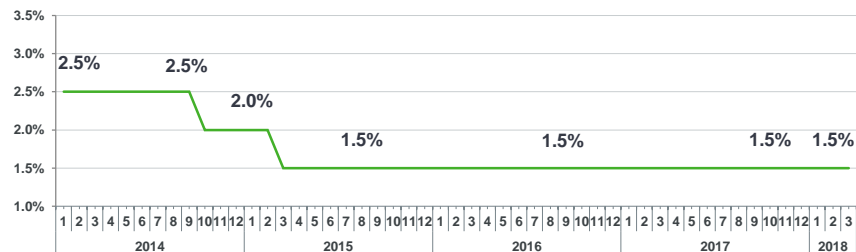


BGZ BNP PARIBAS
The bank for a changing world

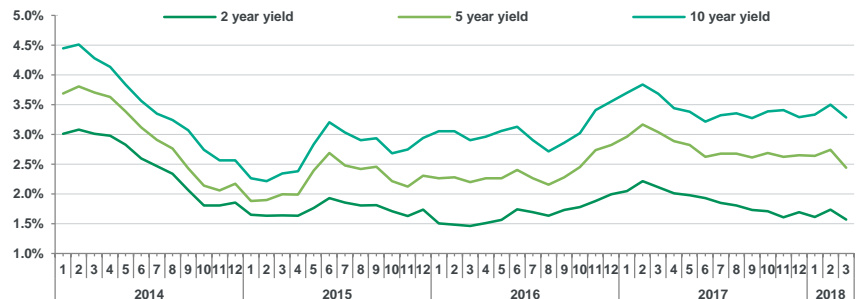
Financial markets

Stable interest rates and a strong zloty appreciation

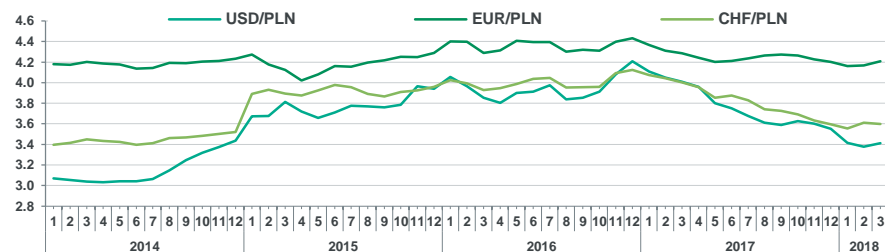
Central bank reference rate



Government bonds



Exchange rates



Interest rates and foreign exchange

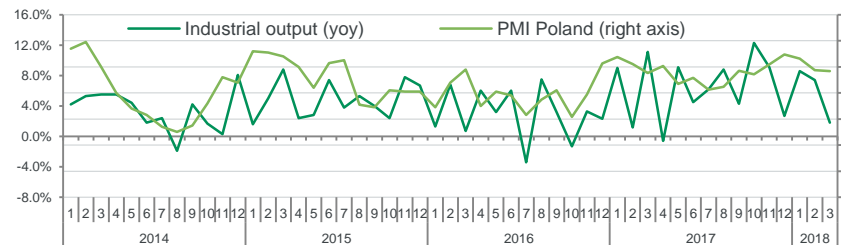
- We see official interest rates unchanged until late 2019 at least and inflation rising above the 2.5% target by mid-2019. Negative real interest rates may further slow the pace of deposit growth (especially of households) in the banking sector.
- BNP Paribas forecasts EUR/PLN at 4.20 by year-end. At the same time, an expected rise in the EUR/CHF rate should lead to some zloty appreciation vs. the Swiss franc. A relatively strong PLN points to a lower NPL ratio in the segment of FX-denominated loans.
- Tighter Fed and ECB policies as well as accelerating inflation in Poland suggest bond yields could rise over the coming months. A steeper yield curve, seen in the next coming months, is usually consistent with stronger financial results in the banking sector.

Source: NBP, Macrobond

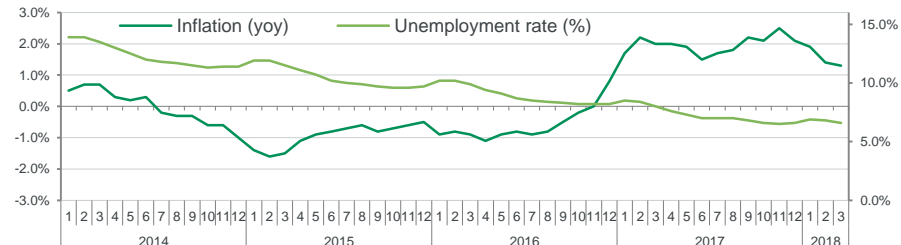
Favourable macroeconomic situation

GDP and inflation growth, unemployment decrease

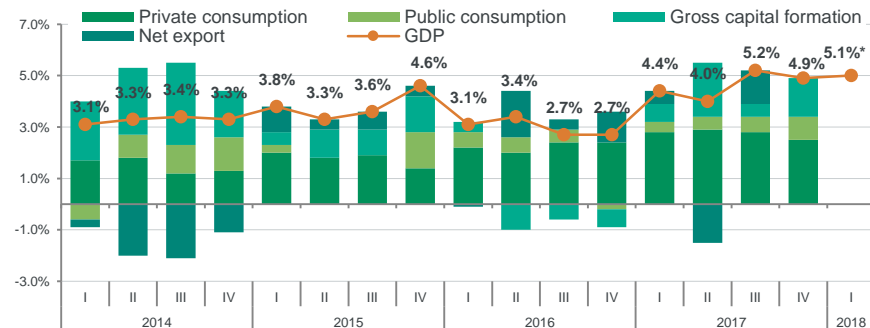
Economic sentiment



Inflation and unemployment



GDP growth



Source: GDP, unemployment – GUS, inflation – NBP
* GUS flash forecast

Polish economy in 1Q 2018

- The Polish economy rose by 4.6% in 2017; activity data point to about 5% GDP growth in Q1 2018. Despite a robust growth backdrop, the pace of credit growth remains sluggish. Note, some leading indicators suggest a growth slowdown in Poland could be underway.
- Private consumption rose in 2017 by 4.8% on stronger wage growth and social transfers, as well as lower unemployment. Investments rose by 3.4%, especially thanks to public sector capital spending, boosted by faster absorption of EU structural funds. Soft corporate investments explain weak credit growth in the segment of loans to non-financial corporations.
- CPI inflation slowed to 1.3% y/y in March 2018, reflecting major base effects on fuel and food prices, as well as strong PLN appreciation in the previous months. In the coming quarters inflation is seen accelerating, but it will reach the 2.5% target only by mid-2019, we expect.



FINANCIAL RESULTS OF THE GROUP



1Q 2018 – consolidated financial results

Integration completed, operating costs decrease and cost of risk under control boosted net profit by 116%

	3M 2018 PLN m	3M 2017 PLN m	Change y/y %
Net banking income	654.6	654.4	+0%
Total expenses	(421.0)	(436.8)	(4%)
Net impairment losses	(62.4)	(86.0)	(27%)
Banking tax	(50.0)	(52.1)	(4%)
Pre-tax profit	121.2	79.4	+53%
Net profit	85.5	39.6	+116%

Indicators			
ROE	5.3%	2.6%	+2.7 p.p.
Cost/Income (C/I)	64.3%	66.8%	(2.5 p.p.)
Total Capital Ratio	13.8%	14.3%	(0.5 p.p.)
Tier 1 Capital Ratio	10.8%	11.1%	(0.3 p.p.)

Improvement of y/y results:

▶ stabilization in revenues despite the occurrence of factors that negatively affected its level:

- factoring deconsolidation,
- costs of securitization,
- decrease in the interest rate on the NBP mandatory reserve,

partially offset by:

- higher net trading income (+14.9%),

▶ reduction in operating costs (lower by -3.6%):

- lack of integration costs in 1Q 2018,
- stabilization of operating costs excluding integration costs in 1Q 2017,

▶ decrease in cost of risk (lower by -27.5%).

Resulted in net profit increase (+116%).

Loan portfolio stabilization

Excluding the factoring deconsolidation, FX mortgages and changes in the presentation the loan portfolio would grow by 1.3% vs 4Q17 (PLN m)

Gross* loan portfolio reported value decrease by 4.9% y/y to the level of PLN 55.8 bn, caused by:

- deconsolidation of factoring receivables resulting from the sale of BGŻ BNP Paribas Faktoring Sp. z o.o. (as at 31 March 2017 the loan portfolio was equal to PLN 1.6 m),
- lower FX mortgage loan portfolio value resulting from PLN appreciation.

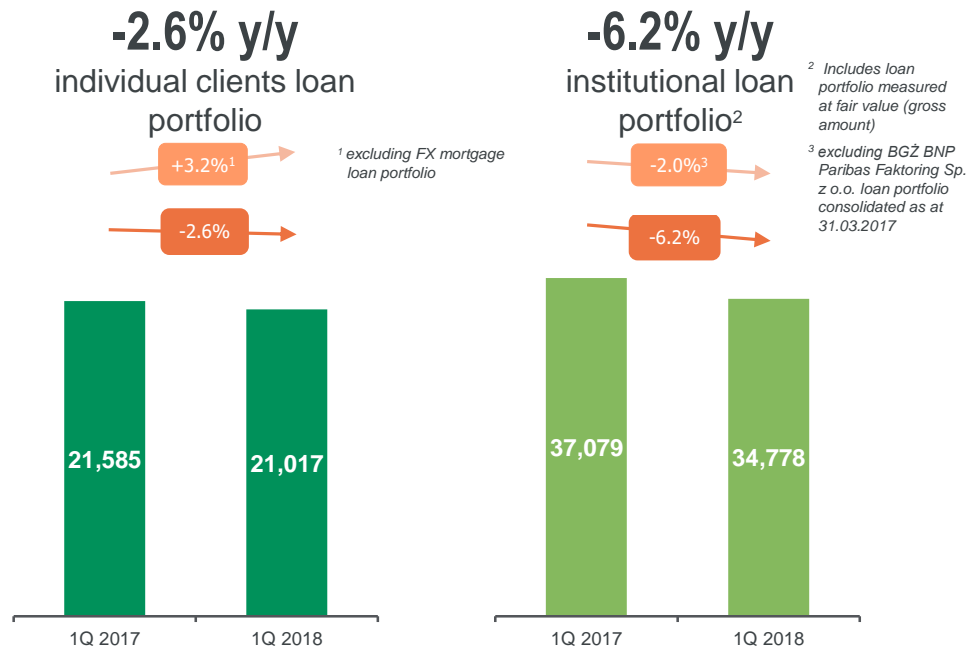
Excluding the above factors gross loan portfolio value decreased by 0.4% y/y

the increase in the loan portfolio of individual parallel to decrease in the institutional loan portfolio.

Gross loan portfolio reported value increase by 0.1% vs 2017

taking into account the reclassification of debt securities measured at amortised costs – so far presented in loan portfolio – the increase was equal to +1.0%.

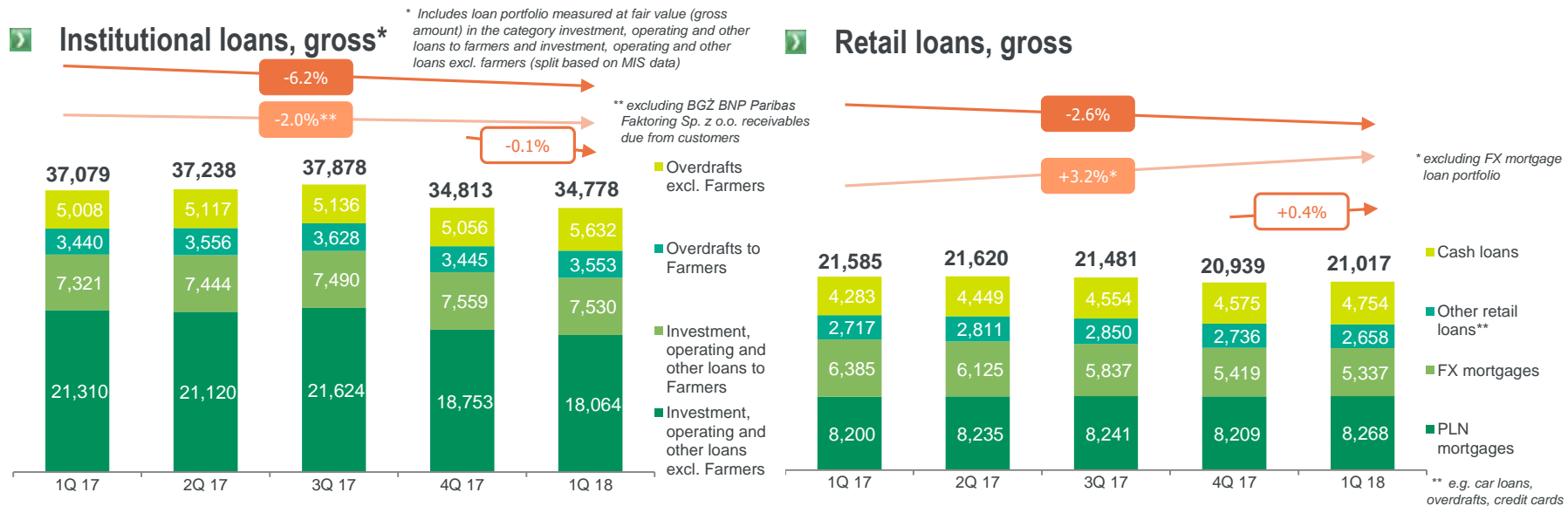
* including loan portfolio measured at fair value (gross amount)



Commercial volumes – loan portfolio

Growth in overdrafts and cash loans

(PLN m, end of quarter)



- Decrease in investment, operating and other loans excl. farmers (by 15.2% y/y) resulted from factoring deconsolidation (PLN 1.6 bn) and change of presentation (IFRS 9) of debt securities issued by non-financial entities so far included in loan portfolio (PLN 0.5 bn), partially offset by increase in overdrafts (by 12.5% y/y).
- The share of overdrafts in total institutional loan portfolio increased by 3.6 p.p. to 26.4%.

- Increase in cash loans by 11.0% y/y.
- The share of consumer loans in total retail loans grew by 2.8 p.p. to 35.3%.

Deposit base stabilization

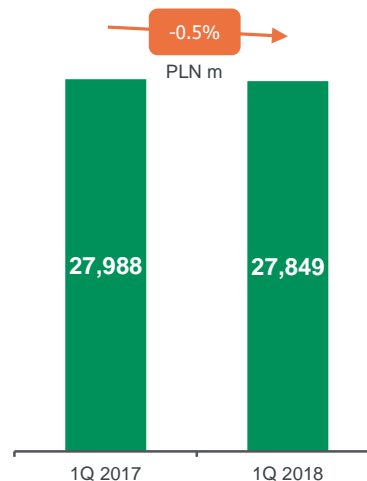
Slight decrease in deposits volume parallel to pricing optimisation

Stable level of deposits

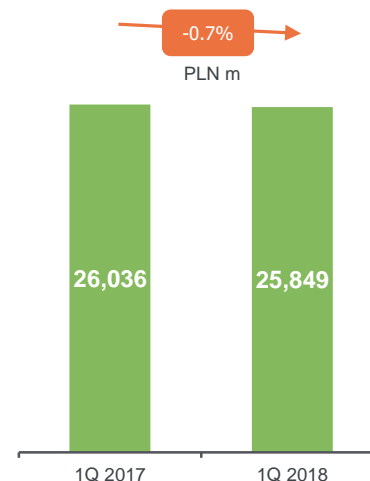
slight decline in retail (PLN -0.1 bn) and institutional deposits (PLN -0.2 bn) as a result of interest margin optimisation.



-0.5% y/y
retail deposits



-0.7% y/y
institutional deposits

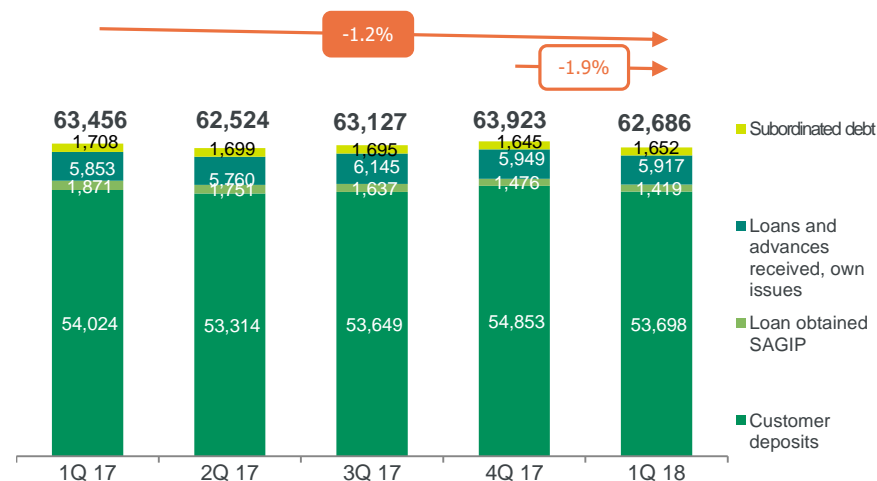


Commercial volumes – deposits and funding

Stabilization in the financing structure

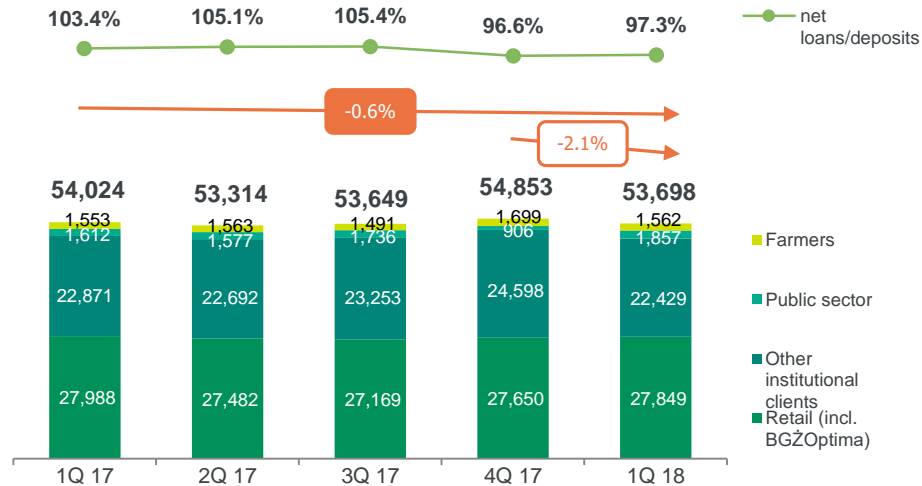
(PLN m, end of quarter)

Funding mix



- Increase in the customer deposits' share in the total funding mix y/y by 0.6 p.p. (to 85.7%) in parallel with a drop of share of loans and advances received from banks by 2.6 p.p. to the level of 6.0%.
- As a result of securitisation the Group gained funds in the form of bonds issued by SPV amounting to PLN 2.2 bn. It replaced funds acquired from banks in the form of loans and advances.

Customer deposits

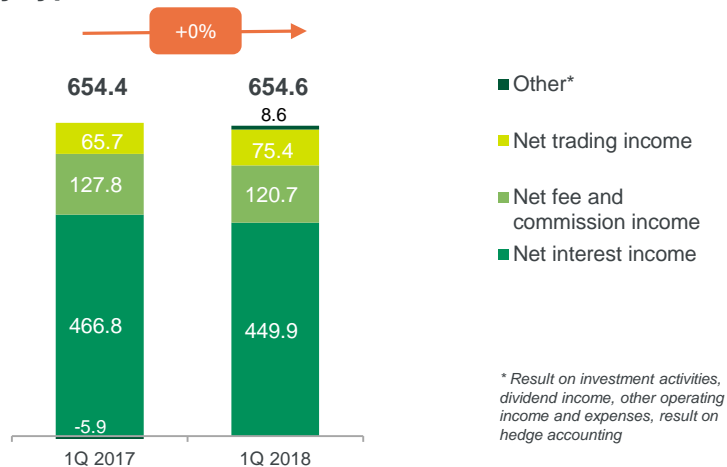


- The total deposit base drop by 0.6% y/y due to a decrease in nonbanking financial institutions' deposits (by PLN 0.5 bn) and retail deposits (by PLN 0.1 bn).

Net banking income

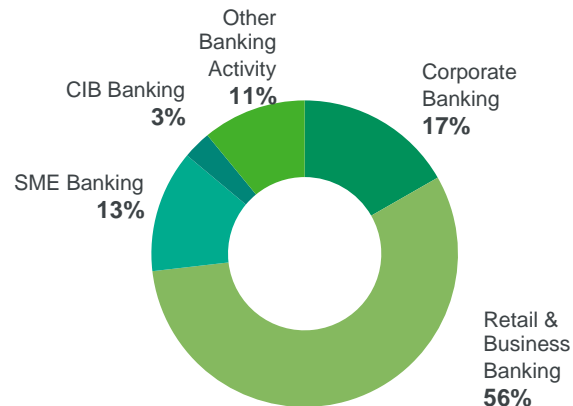
Stabilization of NBI despite the impact of factoring deconsolidation and costs of securitisation

Structure of net banking income by types (PLN m)



- Net banking income y/y stabilization (net trading income up by 14.9% as well as improvement in result on investing activities).
- Negative impact of deconsolidation of BGŻ BNP Paribas Faktoring Sp. z o.o. (excluding its 1Q 2017 result the increase would be to equal to +1.0% y/y).

Structure of net banking income by business segments – 31.03.2018

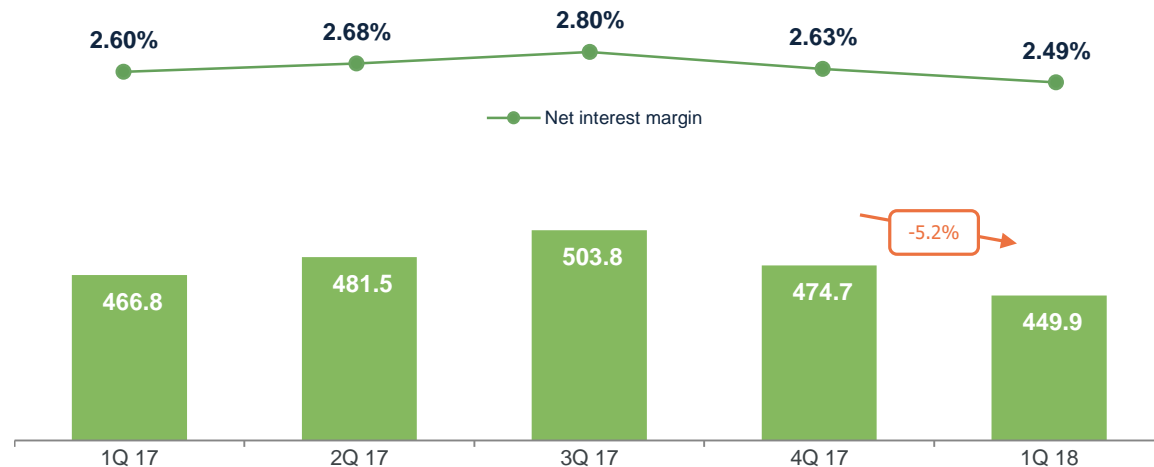


- Higher share of Retail Banking and Other Banking Activity (by 1.0 p.p. and 0.4 p.p. respectively) concurrent with lower share of Corporate Banking and SME Banking (by 1.3 p.p. and 0.2 p.p. respectively).

Net interest income

1Q 2018 net interest income distorted by one-off events

(PLN m)



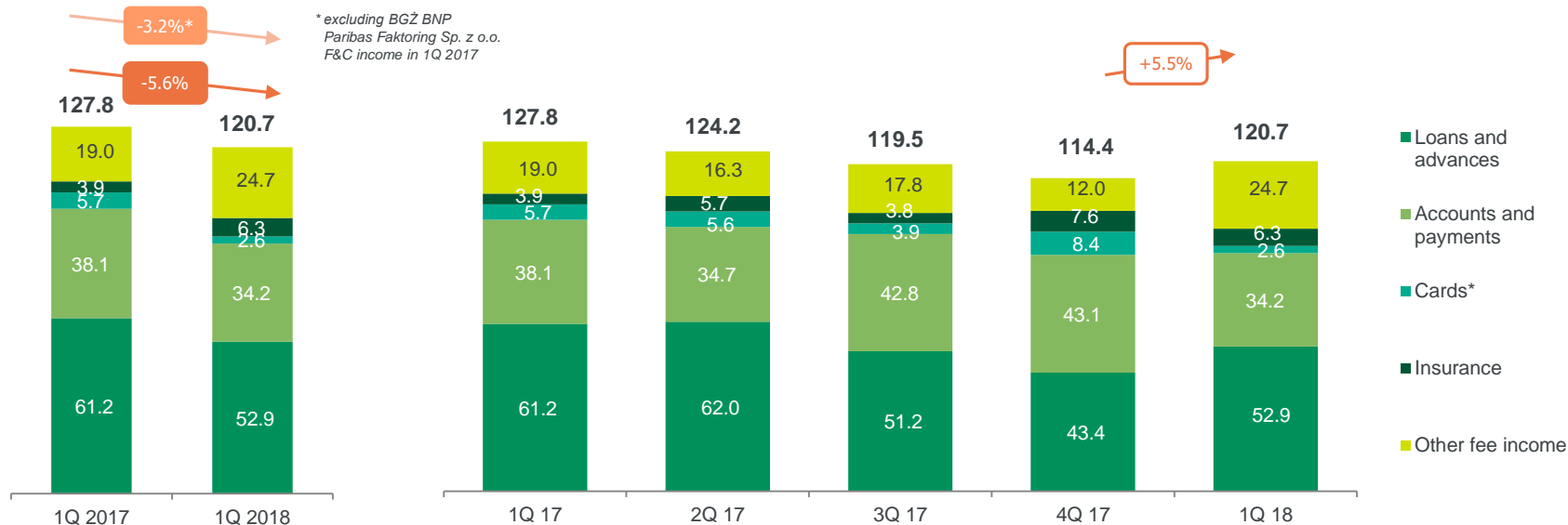
- Negative effect of BGŻ BNP Paribas Faktoring Sp. z o.o. deconsolidation (PLN 3.1m net interest income in 1Q 2017).
- Negative effect of lower NBP obligatory reserve interest rate (decrease in net interest income by PLN 3.8 m).

- Lower net interest income in 1Q 2018 in comparison with the previous quarter among others as a result of lower number of interest days (approx. PLN -10 m).
- Negative effect of lower NBP obligatory reserve interest rate (decrease by PLN 4.0 m vs 4Q 2017)
- Lower net interest income in 1Q 2018 in comparison with the previous quarter and 1Q 2017 because of the one-off adjustments to the calculation of the effective interest rate (PLN -7.8 m).
- Additionally net interest income in 1Q 2018 lower than in the previous quarter and 1Q 2017 as a result of net securitisation costs estimated in the range of approx. PLN 6-7 m.

Net fee and commission income – room for further improvement

Decrease in accounts and payments F&C largely compensated by increased card, asset management and brokerage fees

(PLN m)



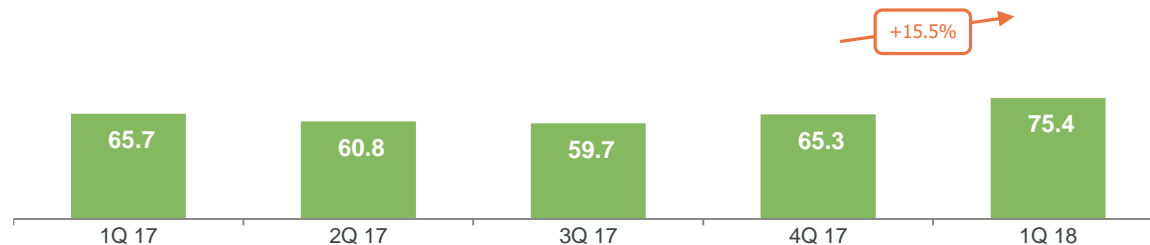
- Negative effect of BGŻ BNP Paribas Faktoring Sp. z o.o. sale and deconsolidation (in 1Q 2017 PLN 3.3m net F&C income).
- Y/Y decrease and volatility in net F&C income resulted mainly from change of the mapping and revenue recognition.
- Lower level of loans and advances F&C in 4Q 2017 resulted from deconsolidation of BGŻ BNP Paribas Faktoring Sp. z o.o. sold in 4th quarter 2017 (negative impact equal to PLN 10.9 m).
- Increased importance of brokerage operations and asset management fees included in other fees and commissions (+89.9% and +87.1% y/y respectively).

Net trading income and result on investment activities

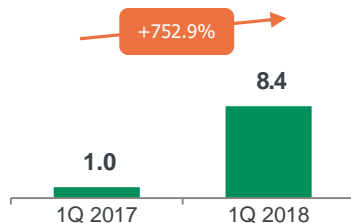
Positive trend in FX transactions

(PLN m)

Net trading income



Result on investment activities



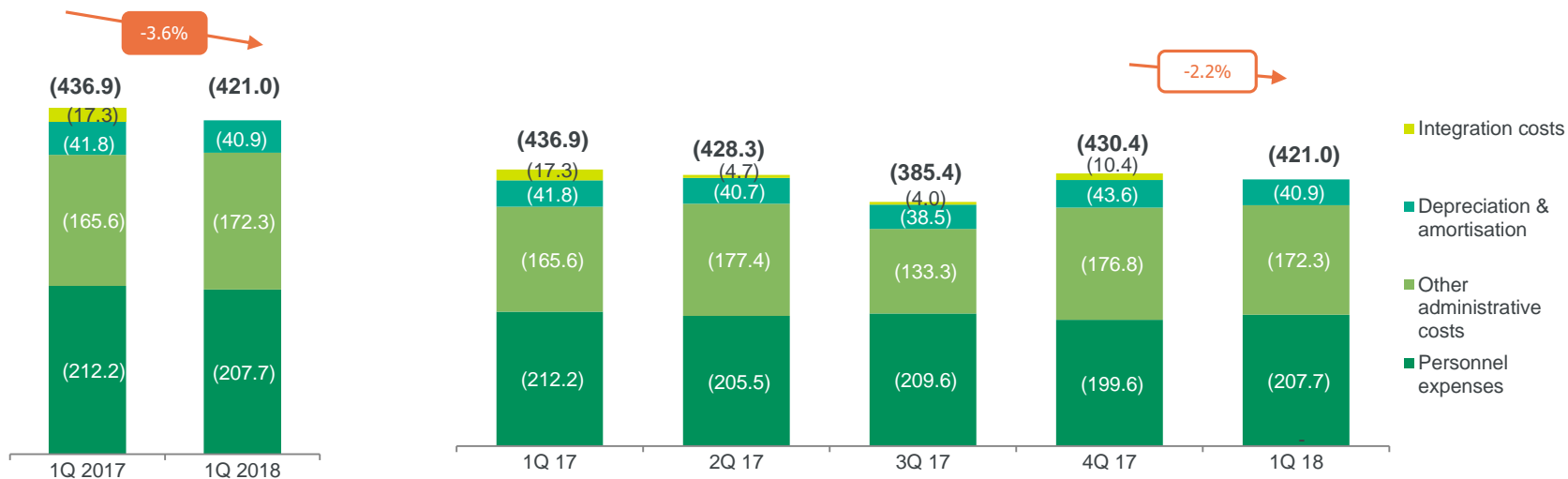
• Net trading income level is mainly related to the scale of FX transactions and derivative financial instruments evaluation.

• Result on investment activities in 1Q 2018 includes impact of loan portfolio measured to fair value (PLN +7.8 m).

General administrative expenses (incl. depreciation)

Consistent cost reduction

(PLN m)



- Excluding integration costs, the general administrative expenses in 1Q 2018 were higher by 0.3% y/y.
- Increase in other administrative costs resulted from higher marketing expenses (PLN +7.5 m).

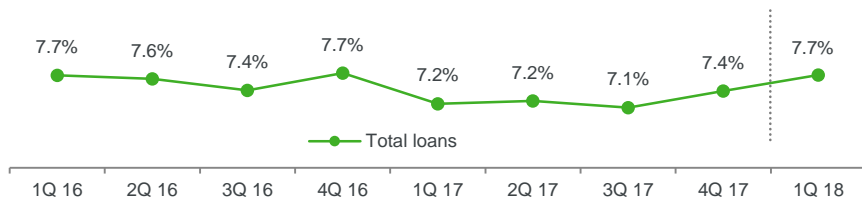
- Lower general administrative expenses in 1Q 2018 compared to 4Q 2017 due to the lack of integration costs.
- Decrease in other administrative costs in 1Q 2018 vs. 4Q 2017 related to marketing and IT expenses.
- BFG fees incurred in 1Q 2018 were equal to PLN 39.0 m and were higher by PLN 28.1 m compared to 4Q 2017 (in 1Q 2017 BFG fees were equal to PLN 41.4 m).
- Lower staff costs in 4Q 2017 resulted from factoring deconsolidation (PLN 7,4 m).

Loan portfolio quality

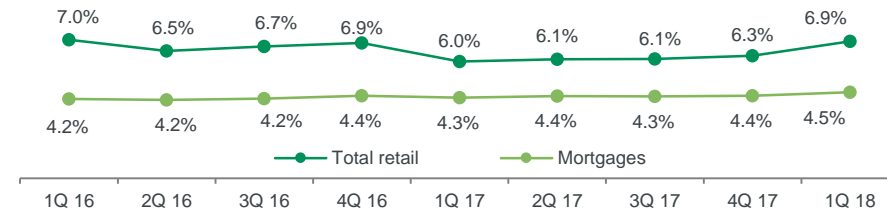
Calculation for loans and advances to customers measured at amortised cost portfolio

(end of quarter)

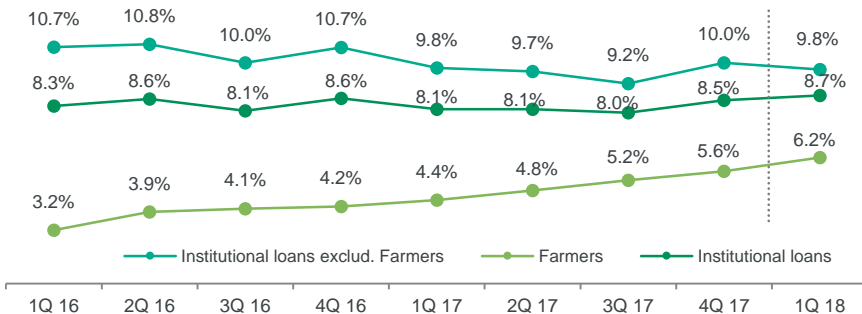
Total loans – NPL*



Retail loans – NPL

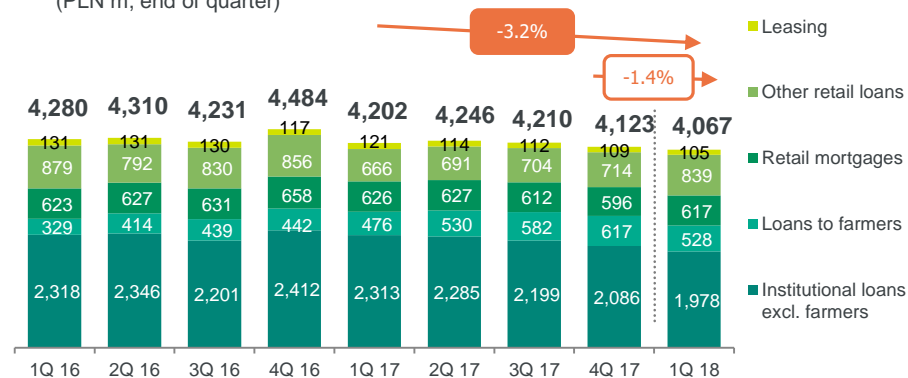


Institutional loans – NPL*



Impaired portfolio, gross*

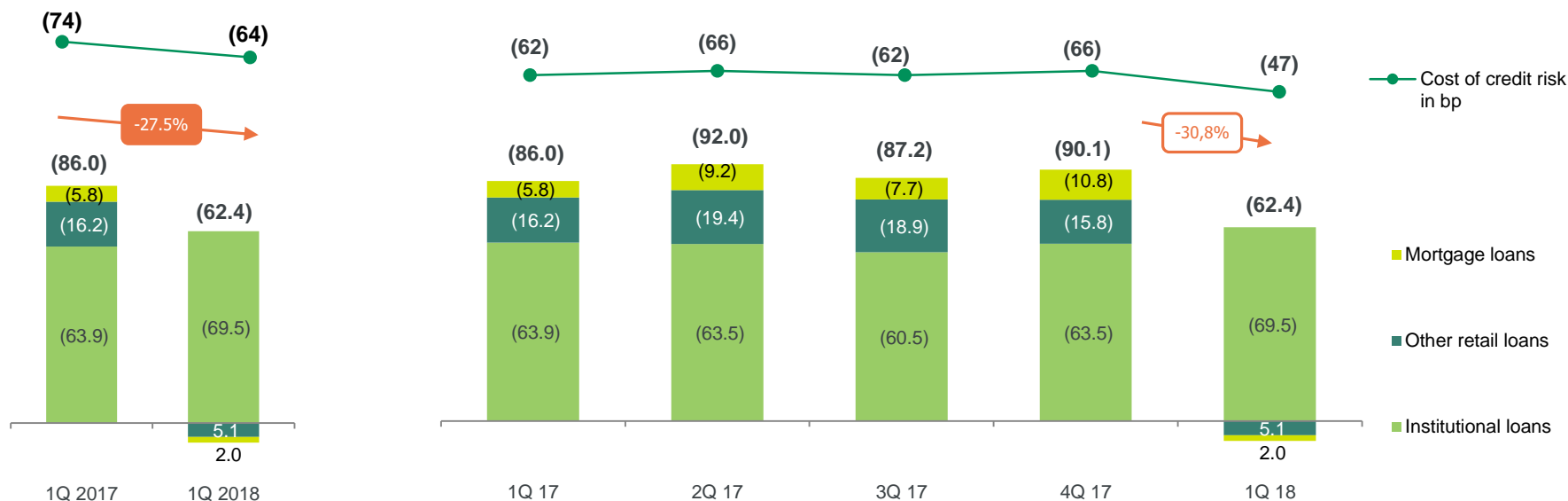
(PLN m, end of quarter)



Net impairment losses (main portfolios)

Continuous improvement in the cost of risk

(PLN m)

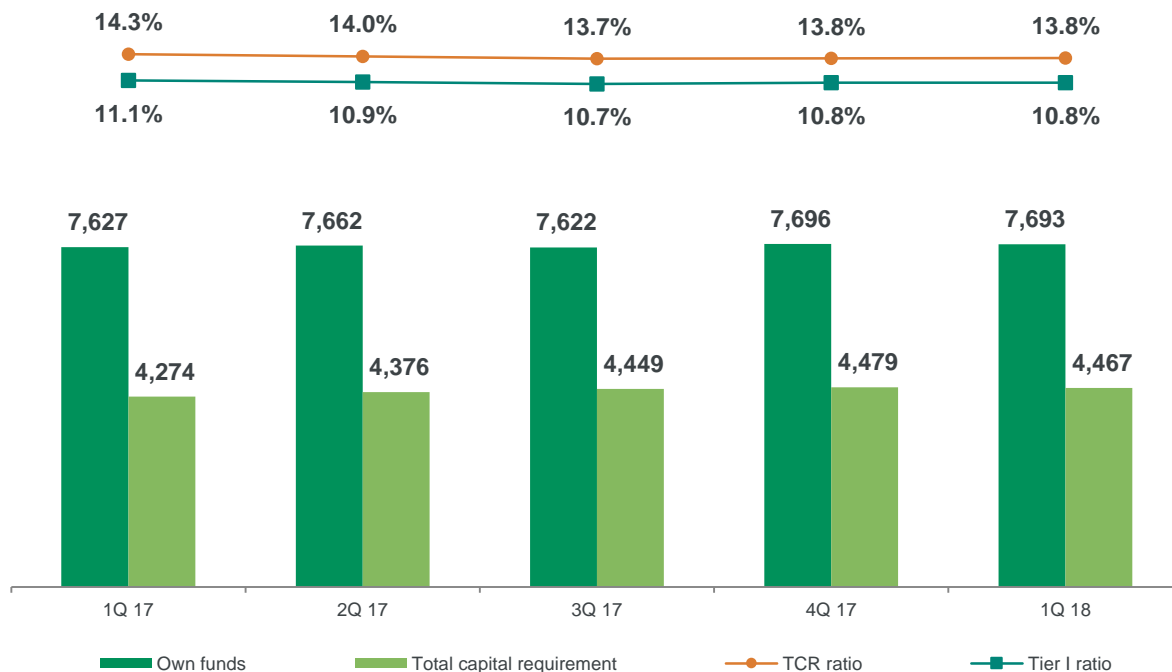


- Cost of risk in 1Q 2018 lower by 15 b.p. y/y.
- Stable and low cost of risk in respective quarters of 2017.
- Changes in the structure of net impairment losses observed in 1Q 2018 result mainly from updating of risk parameters related to IFRS 9 implementation, including the latest historical data which showed much better efficiency of the collection processes and in the end lower loss given defaults estimated for retail.

Capital adequacy

Capital ratios under pressure, increase in capital planned by July 2018

(PLN m, end of quarter)



- Consent of the Polish Financial Supervision Authority for recognition of 1H 2017 net profit as a part of the Bank's Common Equity Tier 1 capital (PLN 130 m) resulted in improvement in consolidated Tier 1 by 0.23 p.p. and TCR by 0.24 p.p. (calculation based on data as at September 30, 2017).
- Sale of BGŻ BNP Paribas Faktoring sp. z o.o. in 4Q 2017 improved consolidated Tier 1 by 0.47 p.p. and TCR by 0.61 p.p. (calculation based on data as at September 30, 2017).
- Securitization of the Bank's consumer loans completed in 4Q 2017 improved consolidated Tier 1 by 0.34 p.p. and TCR by 0.44 p.p. (calculation based on data as at September 30, 2017).
- As at March 31, 2018 consolidated Tier 1 was 10.8% and TCR was 13.8% i.e. by 0.8 p.p. below regulatory level and by 0.1 p.p. above regulatory level respectively.
- The Bank plans an increase of the share capital by PLN 800 m by issuing new shares (by July 2018).





IV

BUSINESS SEGMENTS PERFORMANCE



BGZ BNP PARIBAS
The bank for a changing world

Retail and Business Banking

Development of digital banking, positive trend in sales of current accounts and mutual funds

Business line
share in
Group NBI

56%

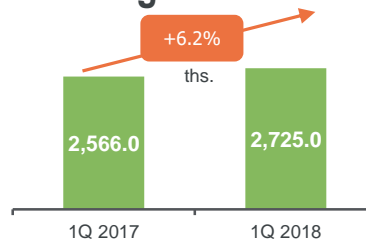
Offer development, new solutions

- March 2018 - new offer for startup Micro Companies - current account, loan for business development and additional functionalities (e.g. micro-factoring, accountancy, POS terminal)

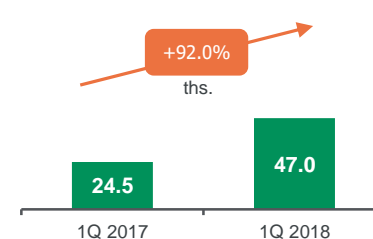
Sales results

- growth in current accounts sales +92% y/y, with a particular improvement in digital distribution (growth in the stock of internet opened current accounts: +145% y/y)
- increase in investment products sales: +11% y/y of mutual funds; sale of structured product IBV of PLN 131m in 1Q 2018 (vs. PLN 193m in 2017FY)
- increase in mortgage sales y/y +43% (PLN 294m in 1Q 2018), supported by a government programme called '*Housing for the Young*'
- 78,000 users of GOMobile application at the end of March 2018 (38,000 new downloads in 1Q 2018)

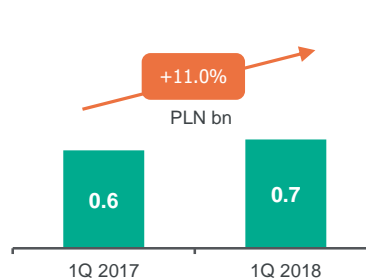
Number of customers growth



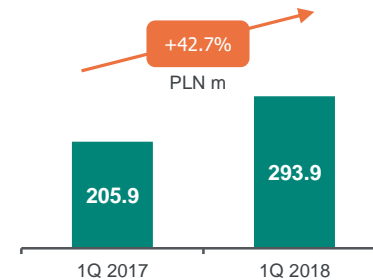
Sale of personal accounts



Sale of mutual funds



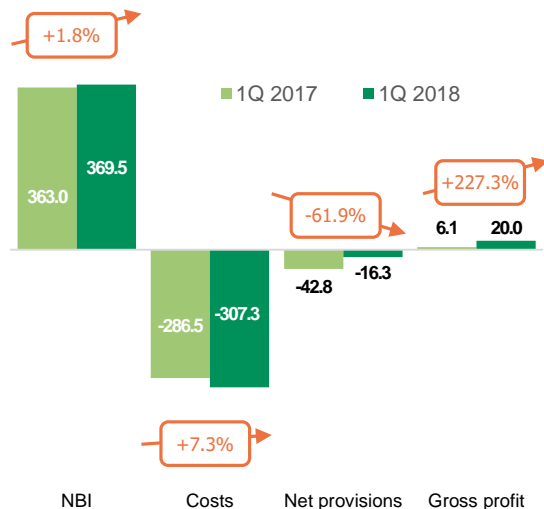
Sale of mortgages



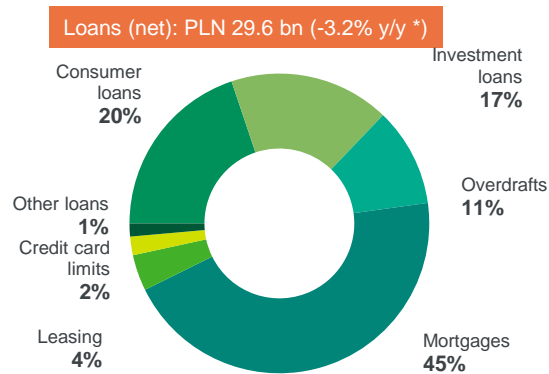
Retail and Business Banking

Results improvement and increase in the consumer finance portfolio

Profit before tax structure (PLN m)

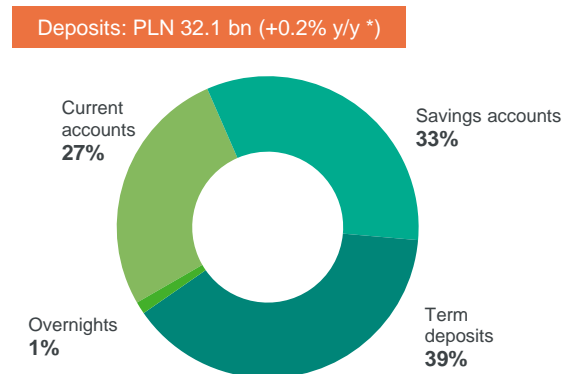


Loan structure as at 31 Mar 2018



- Decrease in net loan value y/y caused by PLN appreciation and FX mortgages portfolio revaluation.
- Excluding FX mortgages (CHF) net loan portfolio would grow by +0.4% (+ PLN 0.1 bn).
- The highest dynamics: leasing +162.7%, short term loans +64.1%.

Deposit structure as at 31 Mar 2018



- Growth in current account deposits volume +14.9% y/y concurrent with a decrease in savings accounts -3.1% y/y and term deposits -5.5% y/y.
- Current account share in total deposits went up by 3.4 p.p. (to 26.8%).

* Data comparable, after resegmentation 2018

Corporate Banking

Support program for exporters & facilitations in the BiznesPI@net

Business line
share in
Group NBI

17%

Foreign Trade Program supporting Polish exporters

- preparation of the spring edition related to Asian markets

New tranche of PLN 680 m from the European Investment Bank for granting loans for investment projects

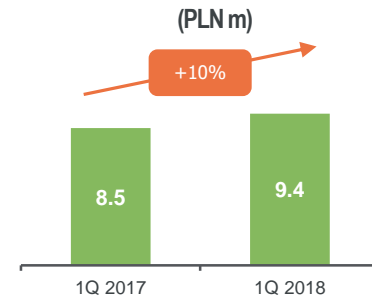
Improvement of product and service offer in the Global Markets and Trade Finance area

- new currencies in FX PI@net: RUB, JPY, HUF;
- change of product documentation, customer categorization and adequacy of products in accordance with MiFID requirements

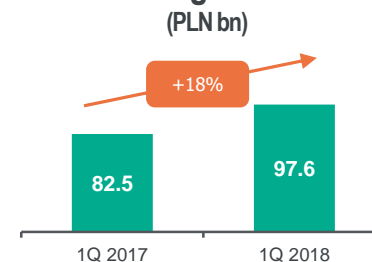
Further development of BiznesPI@net

- expanding „Self service zone” and implementation of functionalities allowing customer to modify user rights in a simple way

Growth in income on customer acquisition



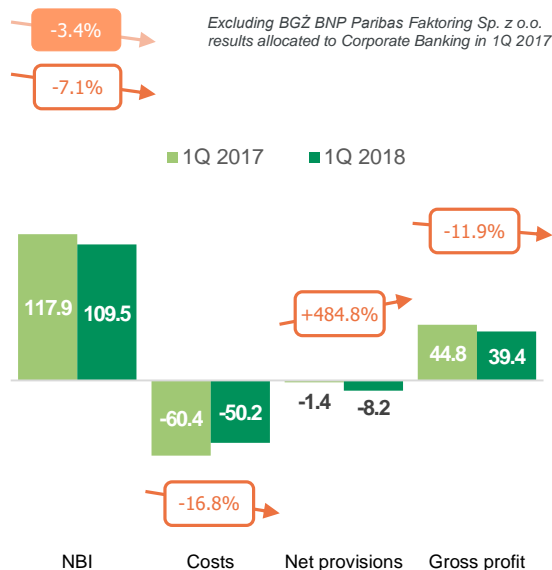
Growth in volume of incoming transfers



Corporate Banking

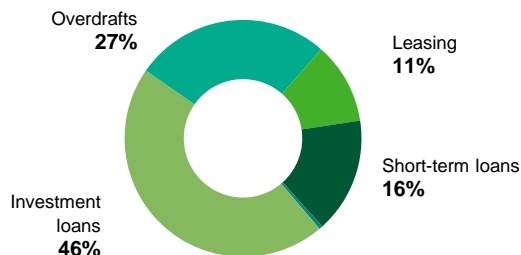
Cost savings and increased share of current accounts in deposit base

Profit before tax structure (PLN m)



Loan structure as at 31 Mar 2018

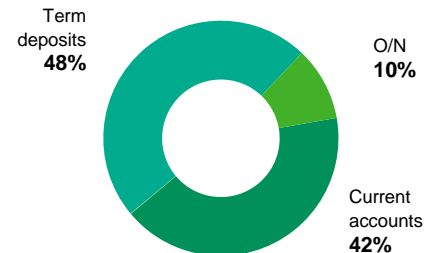
Loans (net): PLN 13.2 bn (-6.7% y/y *)



- Net loans decrease resulted from sale and deconsolidation of BGŻ BNP Paribas Faktoring Sp. z o.o. (as at 31 Mar 2017: PLN 1.2 bn in Corporate segment).
- Excluding factoring receivables growth in net loans by 1.8% (+PLN 0.2 bn).
- The highest dynamics: overdrafts +20.2%.

Deposit structure as at 31 Mar 2018

Deposits: PLN 14.7 bn (+1.7% y/y *)



- Growth in current account deposits volume +17.1% y/y concurrent with a decrease in term deposits -5.4% y/y and O/N -14.3% y/y.
- Current account deposits share increase by +5.5 p.p. (to the level of 41.7%), concurrent with term deposits and O/N drop by -3.6 p.p. and -1.9 p.p. respectively.

* Data comparable, after resegmentation 2018

SME

Focus on increasing sales activity & quality, new solutions within product offer

Business line
share in
Group NBI

13%

Initiatives to increase sales effectiveness, to be started in 2Q

- **Strategic change in loans sales** - working capital loans campaigns implemented
- **FX and cash management boost** - new intense campaigns prepared
- **Acquisition boost** - new operational sales mode, with more focus on non-agro companies
- **Re-segmentation of companies with full accountancy from Micro segment into SME and Individual Farmers from SME into Micro segment.** It allowed us to:
 - deliver better service by SME RM's for full accountancy companies, expertise and wider product offer (more effective x-sell of existing customers and acquisition of the new ones)
 - grow more in farmer segment due to better proximity offered by Retail network (acquisition of new customers)
 - adjust the offer for specific needs of each type of SME and Micro clients

more than 22,000
SME's clients



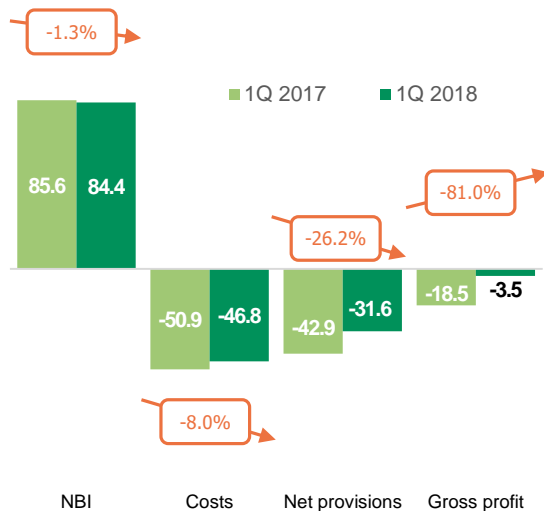
Products and solutions

Further process optimization of the opening current accounts for SME clients, owing to further changes in front-end application (OKL) supporting the process

SME

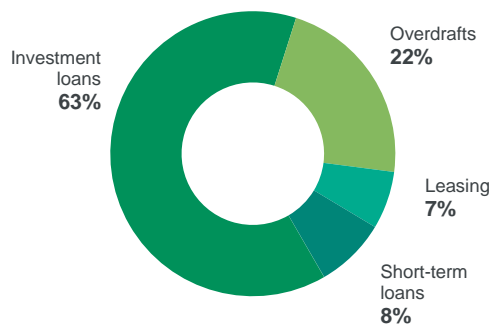
Focus on profitability, changing of the portfolio structure

Profit before tax structure (PLN m)



Loan structure as at 31 Mar 2018

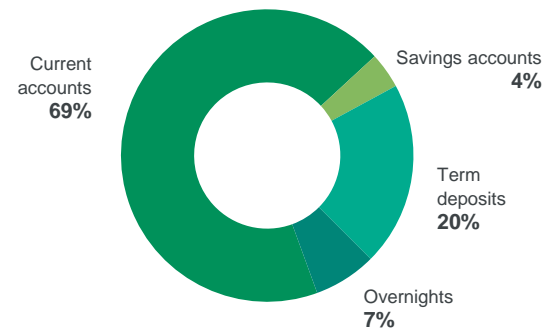
Loans (net): PLN 9.1 bn (-10.4% y/y *)



- Net loans decrease resulted among others from the sale and deconsolidation of BGŻ BNP Paribas Faktoring Sp. z o.o. (as at 31 Mar 2017: PLN 0.4 bn in SME segment). Excluding deconsolidation decrease by 6,6%.
- Decrease in short term loans by -30.3% and investment loans by -5.2%.

Deposit structure as at 31 Mar 2018

Deposits: PLN 7.0 bn (-3.7% y/y *)



- Growth in current account deposits volume by +3.7% y/y concurrent with a decrease in savings accounts by -28.2% y/y, term deposits by -10.1% y/y and O/N by -25.5%.
- Current accounts share in total deposits went up by 4.9 p.p. (to 68.7%) in parallel with drop in other categories.

* Data comparable, after resegmentation 2018

Agro Segment

Activities supporting sales and relations with customers

Business line
share in
Group NBI

20%

- **Agro Offensive** – sales campaign dedicated to individual farmers - the goal of the campaign is to attract new clients and increase sales of loan products for farmers.



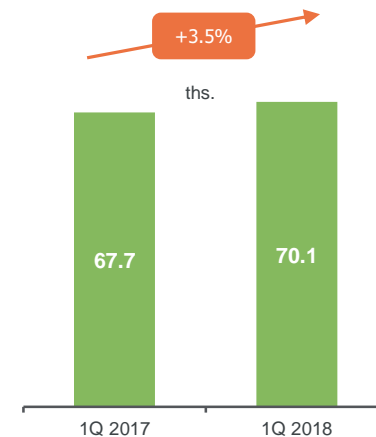
- **Meetings for SME Agro processors** – practical aspects of applying for co-financing of investments under "Support for investments in the processing, marketing or development of agricultural products" measure of the Rural Development Program for 2014-2020.



- **Agro Akademia – 3rd Edition**
A series of meetings for clients, with lectures carried out by invited experts. The subject of the current Agro Akademia edition is devoted mainly to innovations in the farm management, using sustainable agriculture.

- **AgroTech Kielce 2018**
24th International Fair of Agricultural Techniques

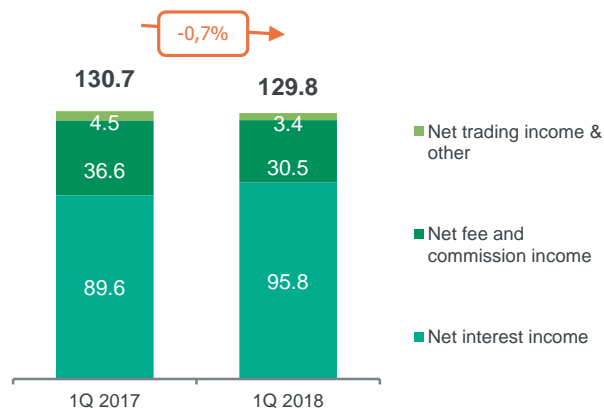
Number of customers grew by 3.5% y/y



Agro Segment

Focus on maintaining the current market position and profitability growth

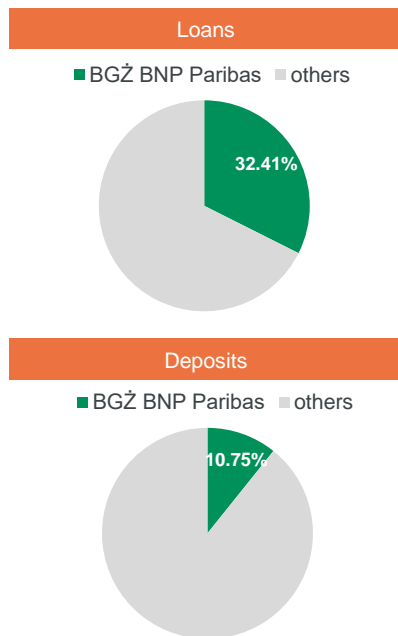
▶ NBI (PLN m)



- Increase in net interest income by PLN 6.2 m (+7.0%).

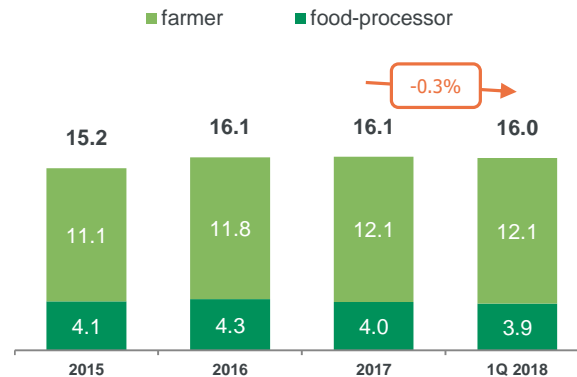
▶ Market shares

(31 March 2018)



▶ Agro loan portfolio*

(PLN bn)



- Growth in farmer loan share in total agro loan portfolio by 0.6 p.p. to 75.7% q/q.

* In 1Q 2017 a reclassification of AGRO segment caused an increase in entities belonging to AGRO. To make data comparable this reclassification was made for the whole 2016.



V

CHALLENGES FOR THE NEXT QUARTERS



BGZ BNP PARIBAS
The bank for a changing world

Further transformation of the Bank – a pillar of profitability growth



Digitalization



Processes optimization
and efficiency increase



Integration



Development of
the product offer



Organisational
culture change



A hand in a grey suit sleeve is pulling a green folder out of a white filing cabinet. The cabinet is filled with many other folders of various colors. The background is a bright, out-of-focus window.

VI

APPENDICIES

- INCOME STATEMENT
- ASSETS
- LIABILITIES AND EQUITY



BGZ BNP PARIBAS
The bank for a changing world

Income statement

(PLN thousands)

Consolidated income statement	31 March 2018	31 March 2017	1Q 2018	4Q 2017	3Q 2017	2Q 2017	1Q 2017
Interest income	635 030	652 353	635 030	653 841	693 817	665 207	652 353
Interest expense	(185 118)	(185 538)	(185 118)	(179 170)	(190 034)	(183 732)	(185 538)
Net interest income	449 912	466 815	449 912	474 671	503 783	481 475	466 815
Fee and commission income	149 714	151 883	149 714	143 973	154 314	162 070	151 883
Fee and commission expense	(29 040)	(24 058)	(29 040)	(29 558)	(34 789)	(37 856)	(24 058)
Net fee and commission income	120 674	127 825	120 674	114 415	119 525	124 214	127 825
Dividend income	25	23	25	5 667	-	4 670	23
Net trading income	75 412	65 661	75 412	65 296	59 654	60 797	65 661
Result on investing activities	8 393	984	8 393	2 855	4 448	20 111	984
Result on hedge accounting	1 516	821	1 516	(2 132)	3 793	822	821
Other operating income	38 683	23 797	38 683	28 963	36 603	41 919	23 797
Net impairment losses on financial assets and contingent liabilities	(62 354)	(85 999)	(62 354)	(90 112)	(87 164)	(92 024)	(85 999)
General administrative expenses	(380 088)	(388 959)	(380 088)	(386 876)	(346 838)	(384 193)	(388 959)
Depreciation and amortization	(40 933)	(47 891)	(40 933)	(43 564)	(38 516)	(44 093)	(47 891)
Other operating expenses	(40 011)	(31 547)	(40 011)	(39 478)	(36 921)	(33 549)	(31 547)
Operating result	171 229	131 530	171 229	129 705	218 367	180 149	131 530
Banking tax	(50 035)	(52 075)	(50 035)	(51 258)	(51 053)	(51 480)	(52 075)
Profit (loss) before income tax	121 194	79 455	121 194	78 447	167 314	128 669	79 455
Income tax	(35 736)	(39 892)	(35 736)	(29 309)	(57 524)	(47 453)	(39 892)
Net profit (loss) for the period	85 458	39 563	85 458	49 138	109 790	81 216	39 563



Assets

(PLN thousands)

Consolidated statement of financial position	31 Mar 2018	31 Dec 2017	30 Sept 2017	30 June 2017	31 Mar 2017	31 Dec 2016
ASSETS						
Cash and balances with the Central Bank	2 339 735	998 035	1 708 096	2 136 821	2 035 492	1 302 847
Loans and advances to banks	577 255	2 603 689	273 646	520 270	376 364	1 233 592
Derivative financial instruments	429 476	474 421	395 696	394 177	419 433	324 005
Differences from hedge accounting regarding the fair value of hedged items	53 459	32 730	20 230	9 682	29 062	18 671
Loans and advances to customers measured at amortised cost	49 500 358	52 967 568	56 546 787	56 040 582	55 884 822	55 075 871
Loans and advances to customers measured at fair value through profit or loss	2 750 954	-	-	-	-	-
Financial assets available for sale	-	13 922 540	11 218 587	11 098 211	11 018 172	12 497 855
Securities measured at amortised cost	9 478 262	-	-	-	-	-
Financial instruments measured at fair value through profit or loss	118 562	-	-	-	-	-
Securities measured at fair value through other comprehensive income	4 801 476	-	-	-	-	-
Investment property	54 435	54 435	54 466	54 466	54 466	54 466
Intangible assets	282 311	288 340	260 424	245 367	237 592	246 552
Property, plant and equipment	486 575	500 647	507 276	518 260	529 818	546 002
Deferred tax assets	612 851	512 045	518 139	504 291	499 021	529 824
Current tax assets	-	-	-	-	-	-
Other assets	434 965	394 809	396 832	453 344	514 273	475 314
TOTAL ASSETS	71 920 674	72 749 259	71 900 179	71 975 471	71 598 515	72 304 999



Liabilities and equity

(PLN thousands)

Consolidated statement of financial position	31 Mar 2018	31 Dec 2017	30 Sept 2017	30 June 2017	31 Mar 2017	31 Dec 2016
LIABILITIES						
Amounts due to banks	5 053 224	3 891 235	6 607 230	6 890 764	5 880 408	7 308 814
Repo transactions	-	-	-	-	-	-
Differences from hedge accounting regarding the fair value of hedged items	21 668	(2 992)	(9 895)	(2 455)	1 783	(4 080)
Derivative financial instruments	401 096	427 710	309 422	394 994	345 337	271 757
Amounts due to customers	55 116 570	56 328 897	55 285 977	55 064 772	55 894 690	55 155 014
Debt securities issued	2 181 931	2 471 966	386 516	387 914	394 153	398 059
Subordinated liabilities	1 652 130	1 645 102	1 695 470	1 698 941	1 708 282	1 768 458
Other liabilities	941 151	1 225 323	952 263	1 006 120	984 672	1 122 780
Current tax liabilities	93 620	117 699	104 171	59 276	8 147	8 313
Provision for deferred tax	8 003	8 003	8 022	8 064	8 063	8 022
Provisions	117 524	76 853	88 447	86 063	112 300	121 041
TOTAL LIABILITIES	65 586 917	66 189 796	65 427 623	65 594 453	65 337 835	66 158 178
EQUITY						
Share capital	84 238	84 238	84 238	84 238	84 238	84 238
Other supplementary capital	5 127 086	5 127 086	5 127 899	5 127 899	5 108 418	5 108 418
Other reserve capital	909 629	909 629	909 629	909 629	860 241	860 241
Revaluation reserve	148 852	141 988	94 669	112 921	73 799	(497)
Retained earnings	63 952	296 522	256 121	146 331	133 984	94 421
retained profit	(21 506)	16 815	25 552	25 552	94 421	17 561
net profit for the period	85 458	279 707	230 569	120 779	39 563	76 860
TOTAL EQUITY	6 333 757	6 559 463	6 472 556	6 381 018	6 260 680	6 146 821
TOTAL LIABILITIES AND EQUITY	71 920 674	72 749 259	71 900 179	71 975 471	71 598 515	72 304 999



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