



**Interim condensed financial statements for the periods  
from 1 January 2015 to 30 June 2015  
and from 1 January 2014 to 30 June 2014  
RAIFFEISEN BANK POLSKA S.A.**

**The Management Board presents the interim condensed  
financial statements of Raiffeisen Bank Polska S.A.  
for the periods from 1 January 2015 to 30 June 2015  
and from 1 January 2014 to 30 June 2014**

Piotr Czarnecki	President of the Management Board	signed on the Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>
Maciej Bardan	First Vice-President of the Management Board	signed on the Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>
Jan Czeremcha	Vice-President of the Management Board	signed on Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>
Ryszard Drużyński	Vice-President of the Management Board	signed on Polish original .....
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Łukasz Januszewski	Member of the Management Board	signed on the Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>
Marek Patuła	Member of the Management Board	signed on the Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>
Piotr Konieczny	Member of the Management Board	signed on the Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>
Patrycja Zenik-Rychlik	Director of Finance Accounting and Tax Department	signed on the Polish original .....
<i>name and surname</i>	<i>position/function</i>	<i>signature</i>

Warsaw, 17 August 2015



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## Statement of profit or loss

	<i>Note</i>	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014
Interest income		820 517	931 129
Interest expense		-352 135	-377 302
<b>Net interest income</b>		<b>468 382</b>	<b>553 827</b>
Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items	4	-99 877	-159 515
Fee and commission income		313 570	334 015
Fee and commission expense		-46 646	-44 228
<b>Net fee and commission income</b>		<b>266 924</b>	<b>289 787</b>
Net income from financial instruments measured at fair value and net foreign exchange result		22 658	41 574
Dividend income		40 928	42 976
General administrative expenses		-568 432	-643 177
Other operating income		15 635	7 391
Other operating expenses		-8 346	-14 325
<b>Profit before tax</b>		<b>137 872</b>	<b>118 538</b>
Income tax expense		-30 788	-26 492
<b>Net profit</b>		<b>107 084</b>	<b>92 046</b>
Weighted average number of ordinary shares (in units)		248 260	242 845
Profit attributable to the Bank's equity holders per one ordinary share (in PLN)		431	379
Weighted average number of diluted shares (in units)		248 260	242 845
Profit attributable to the Bank's equity holders per one diluted share (in PLN)		431	379

Notes presented on pages 11- 44 are an integral part of the interim condensed financial statements.

## Statement of comprehensive income

	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014
<b>Net profit</b>	<b>107 084</b>	<b>92 046</b>
<b>Other taxable income that may be reclassified to profit or loss, including:</b>	<b>6 306</b>	<b>-7 588</b>
Valuation of cash-flow hedge derivatives, gross	7 002	-9 257
Income tax on cash-flow hedge derivatives	-1 330	1 759
Valuation of available for sale financial assets, gross	783	-111
Income tax on available for sale financial assets	-149	21
<b>Total comprehensive income for the period</b>	<b>113 390</b>	<b>84 458</b>

## Statement of financial position

Assets	Note	As at	As at	As at
		30 June 2015	31 December 2014	30 June 2014
Cash and balances with Central Bank		1 997 433	2 683 875	1 968 277
Amounts due from banks	5	1 682 255	628 385	552 311
Financial assets held for trading		8 845 666	361 623	8 986 726
Derivative financial instruments		566 920	900 213	416 845
Investment securities		2 970 182	12 514 086	2 236 056
Loans and advances to customers	6	35 650 478	34 716 952	34 582 814
Investments in subsidiaries		526 708	521 208	141 208
Intangible assets		549 523	572 218	595 597
Tangible fixed assets		132 319	156 274	174 755
Deferred income tax assets		182 960	213 859	319 028
Current income tax receivables		1 851	27 937	0
Other assets		409 454	224 373	312 432
<b>Total assets</b>		<b>53 515 749</b>	<b>53 521 003</b>	<b>50 286 049</b>
Liabilities and equity	Note	As at	As at	As at
		30 June 2015	31 December 2014	30 June 2014
Amounts due to banks and other monetary institutions	7	8 811 465	11 242 801	12 288 877
Derivative financial instruments		1 783 256	1 124 388	371 149
Amounts due to customers	8	35 300 060	33 764 529	30 920 705
Subordinated liabilities		314 862	320 006	312 388
Liabilities from debt securities issued		501 785	501 960	0
Other liabilities		468 663	329 416	475 929
Current tax liabilities		0	0	34 945
Provisions		186 172	201 807	161 372
<b>Total liabilities</b>		<b>47 366 263</b>	<b>47 484 907</b>	<b>44 565 365</b>
Equity				
Share capital		2 256 683	2 256 683	2 207 461
Supplementary capital		2 287 790	2 287 790	2 214 016
Other capital and reserves		973 592	947 287	976 962
Retained earnings		631 421	544 336	322 245
<b>Total equity</b>		<b>6 149 486</b>	<b>6 036 096</b>	<b>5 720 684</b>
<b>Total liabilities and equity</b>		<b>53 515 749</b>	<b>53 521 003</b>	<b>50 286 049</b>

Notes presented on pages 11- 44 are an integral part of the interim condensed financial statements.

## Statement of changes in equity

	Retained earnings					
	Share capital	Supplementary capital	Other capital and reserves	Prior years result	Net profit/(loss) for the period	Total
<b>As at 1 January 2015</b>	<b>2 256 683</b>	<b>2 287 790</b>	<b>947 286</b>	<b>230 199</b>	<b>314 138</b>	<b>6 036 096</b>
Valuation of available for sale financial assets, net	0	0	634	0	0	634
Valuation of cash-flow hedge derivatives, net	0	0	5 672	0	0	5 672
Net profit for the current period	0	0	0	0	107 084	107 084
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>6 306</b>	<b>0</b>	<b>107 084</b>	<b>113 390</b>
Transfer of net result to retained earnings	0	0	0	314 138	-314 138	0
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>20 000</b>	<b>-20 000</b>	<b>0</b>	<b>0</b>
Transfer of net result to general banking risk reserve	0	0	20 000	-20 000	0	0
<b>As at 30 June 2015</b>	<b>2 256 683</b>	<b>2 287 790</b>	<b>973 592</b>	<b>524 337</b>	<b>107 084</b>	<b>6 149 486</b>

Notes presented on pages 11- 44 are an integral part of the interim condensed financial statements.

## Statement of changes in equity (cont.)

	Share capital	Supplementary capital	Other capital and reserves	Retained earnings		Total
				Prior years result	Net profit/(loss) for the period	
<b>As at 1 January 2014</b>	<b>2 207 461</b>	<b>2 214 016</b>	<b>944 550</b>	<b>140 851</b>	<b>129 348</b>	<b>5 636 226</b>
Valuation of available for sale financial assets, net	0	0	-90	0	0	-90
Valuation of cash-flow hedge derivatives, net	0	0	-7 498	0	0	-7 498
Net profit for the current period	0	0	0	0	92 046	92 046
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-7 588</b>	<b>0</b>	<b>92 046</b>	<b>84 458</b>
Transfer of net result to retained earnings	0	0	0	129 348	-129 348	0
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>40 000</b>	<b>-40 000</b>	<b>0</b>	<b>0</b>
Transfer of net result to general banking risk reserve	0	0	40 000	-40 000	0	0
<b>As at 30 June 2014</b>	<b>2 207 461</b>	<b>2 214 016</b>	<b>976 962</b>	<b>230 199</b>	<b>92 046</b>	<b>5 720 684</b>

Notes presented on pages 11- 44 are an integral part of the interim condensed financial statements.



## Statement of cash flows

	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014
<b>Operating activities</b>		
<b>Profit before tax</b>	<b>137 872</b>	<b>118 538</b>
<b>Adjustments:</b>	<b>257 012</b>	<b>96 531</b>
Depreciation and amortization	56 011	67 097
Impairment of investments in subsidiaries	0	14 677
Unrealized foreign exchange differences	228 228	-32 492
(Gains)/Loss on sale of investments and fixed assets	-7 672	-594
Transfer of interest and dividend from investing and financing activities	-19 555	47 843
<b>Changes in assets and liabilities</b>	<b>-8 852 627</b>	<b>-27 012</b>
Interbank placements, loans and advances to other banks	-1 126 076	-102 510
Financial assets held for trading	-8 568 246	-344 483
Investment securities	0	-35 673
Derivative financial instruments	906 760	11 368
Loans and advances to customers	-1 501 577	-2 136 447
Other assets	-155 872	-83 980
Amounts due to banks and other monetary institutions	-534 499	1 098 131
Amounts due to customers	1 823 504	763 024
Other liabilities	139 247	130 456
Provisions	-15 635	-40 079
Dividends received	40 928	42 976
Income tax paid/received	-1 535	61 800
Interest received	766 548	937 540
Interests paid	-626 174	-329 134
<b>Net cash flow from operating activities</b>	<b>-8 457 743</b>	<b>188 057</b>

## Statement of cash flows (cont.)

Investing activities	Note	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014
Proceeds from sale of investment securities		11 306 858	1 372 000
Proceeds from sale of fixed assets		9 823	1 257
Purchase of investment securities		-1 728 380	-1 853 046
Purchase of investments in subsidiaries		-5 500	0
Purchase of fixed assets		-14 469	-29 694
<b>Net cash flow from investing activities</b>		<b>9 568 332</b>	<b>-509 483</b>
<b>Financing activities</b>			
Inflow s from subordinated liabilities and long-term bank loans		4 089	208 565
Outflow s from repayment of subordinated liabilities and long-term bank loans		-1 845 719	-229 370
Outflow s from payment of interest on debt securities issued		-8 255	0
<b>Net cash flow from financing activities</b>		<b>-1 849 885</b>	<b>-20 805</b>
<b>Net decrease in cash and cash equivalents</b>	<i>10</i>	<b>-739 296</b>	<b>-342 230</b>
Cash and cash equivalents at the beginning of the period		2 787 621	2 557 428
<b>Cash and cash equivalents at the end of the period</b>		<b>2 048 325</b>	<b>2 215 198</b>

## Notes to the interim condensed financial statements

### 1. General information

The financial statements have been prepared by **Raiffeisen Bank Polska S.A.** with its registered office in Warsaw, 00-549, Piękna 20 Street, registered in the National Court Register as a joint-stock company under the reference number KRS 0000014540. The Bank has been established for an indefinite period of time.

The Bank operates in retail banking, corporate banking and investment banking as well as in factoring area in Poland and employed 5 605 people as at 30 June 2015 (5 569 people as at the end of 2014 and 5 964 people as at 30 June 2014).

These interim condensed financial statements should be read in conjunction with the interim condensed consolidated financial statements of the Group for the periods from 1 January 2015 to 30 June 2015 and from 1 January 2014 to 30 June 2014 in order to obtain complete information on the financial standing, results and cash flows of the Group as a whole.

#### Approval of these interim condensed financial statements

The Bank's Management Board approved these interim condensed financial statements on 17 August 2015.

#### As at 30 June 2015 the Bank's Management Board consisted of:

Piotr Czarnecki	– President of the Management Board
Maciej Bardan	– First Vice-President of the Management Board
Jan Czeremcha	– Vice-President of the Management Board
Ryszard Drużyński	– Vice-President of the Management Board
Łukasz Januszewski	– Member of the Management Board
Piotr Konieczny	– Member of the Management Board
Marek Patuła	– Member of the Management Board

#### As at 30 June 2015, the Bank's Supervisory Board consisted of:

Karl Sevelda	– Chairman of the Supervisory Board
Martin Grüll	– Deputy Chairman of the Supervisory Board
Herbert Stepic	– Member of the Supervisory Board
Johann Strobl	– Member of the Supervisory Board
Klemens Breuer	– Member of the Supervisory Board
Peter Lennkh	– Member of the Supervisory Board
Władysław Gołębiowski	– Member of the Supervisory Board
Selcuk Sari	– Member of the Supervisory Board

## Notes to the interim condensed financial statements (cont.)

Changes in the Management and Supervisory Boards in the period from 1 January 2014 till 30 June 2014:

- On 20 May 2014 the Supervisory Board accepted Mr Kazimierz Stańczak decision to resign from the position of the First Deputy Chairman of the Management Board. Simultaneously on 1 June 2014 the Supervisory Board appointed Mr Maciej Bardan in his place,
- On 25 April 2014 Mr Karl Sevelde was appointed on the position of Supervisory Board Chairman, after Mr Herbert Stepic had resigned from the position,
- Mr Klemens Haller and Kurt Bruckner's mandates expired and they were not appointed on the following 5-year's term of office in the Supervisory Board,
- On 4 April 2014 Mr Johann Strobl and Peter Lennkh were appointed on the following term of office in the Supervisory Board.

## 2. Significant accounting policies

### 2.1. Basis of preparation of the interim condensed financial statements

The interim condensed financial statements have been prepared for the periods from 1 January 2015 to 30 June 2015 and from 1 January 2014 to 30 June 2014.

The interim condensed financial statements have been prepared in Polish zloty (PLN), and all amounts are presented in PLN thousand, unless indicated otherwise.

The interim condensed financial statements have been prepared on a going concern basis using the assumption that the Bank will continue its business operations substantially unchanged in scope for a period of at least one year from the reporting date.

Financial data presented in the interim condensed financial statements of the Bank were prepared assuring its comparability.

During the period covered by the interim condensed financial statements the Bank did not introduce significant changes in the accounting policy concerning valuation of assets and liabilities and profit measurement in comparison with previous period, and accounting policies used for the preparation of these interim condensed financial statements are consistent with policies used for the preparation of Raiffeisen Bank Polska S.A. Financial Statements for the year ended 31 December 2014.

### 2.2. Statement of compliance

The interim condensed financial statements of the Bank have been prepared in accordance with International Accounting Standard 34 "Interim financial reporting" (IAS 34) as adopted by the European Union and respective regulations.

These statements do not include all disclosures required for annual financial statements. However they contain chosen notes crucial to explain significant events and transactions necessary to understand financial

## Notes to the interim condensed financial statements (cont.)

situation and results of Raiffeisen Bank Polska, that have arisen after the date of the last annual stand alone financial statements of the Bank for the date and the year ended 31 December 2014.

Raiffeisen Bank Polska S.A. Financial Statements for the year ended 31 December 2014 are available at District Court for Capital City Warsaw, XII Commercial Department of the National Court Register, Warsaw, 100 Czerniakowska Street or Bank's web site [www.raiffeisenpolbank.com](http://www.raiffeisenpolbank.com).

### 2.3. New standards, interpretations and revisions to published standards

New standards, interpretations and revisions to published standards were presented in the interim condensed consolidated financial statements of Raiffeisen Bank Polska S.A. Capital Group included in this consolidated half year report for the periods from 1 January 2015 to 30 June 2015 and from 1 January 2014 to 30 June 2014 ("interim condensed consolidated financial statements") in note 2.3.

## 3. Changes in financial statements presentation

In these interim condensed financial statements for the period from 1 January 2014 to 30 June 2014 the following presentation change was included in the statement of financial position, compared to information presented in the Bank's financial statements for the period from 1 January 2014 to 30 June 2014:

- provisions for the employee benefits, including unused holiday and bonuses were presented in Provisions, before the change they were presented in Other liabilities, as of 30 June 2014 this amounted to PLN 77 222 thousand.

The presentation change was included in order to align presentation of data as of 30 June 2014 to presentation rules adopted for the preparation of Raiffeisen Bank Polska S.A. Financial statements for the year ended 31 December 2014.

## Notes to the statement of profit or loss

### 4. Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items

For the period from 1 January 2015 to 30 June 2015	Impairment allowances and provisions at the beginning of the period	Increases			Decreases			Impairment allowances and provisions at the end of the period	Proceeds from sale of Bank's receivables	Impact on the result for the period
		Impairment allowance recorded during the period	Foreign exchange differences	Impairment allowance reversal	Write-off of assets	Reclassification	Foreign exchange differences			
<b>Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items valued with individual method</b>										
Amounts due from individuals	14 408	31 922	3 452	-18 881	0	0	0	30 901	953	-12 088
Amounts due from micro customers	13 071	24 346	3 781	-17 587	0	0	0	23 611	0	-6 759
Amounts due from large enterprises	738 616	158 245	5 084	-101 885	-27 453	0	0	772 607	1 976	-54 384
Amounts due from SME	60 750	6 613	0	-2 811	-4 766	0	-44	59 742	318	-3 484
Off-balance sheet items	26 631	22 038	0	-15 348	0	0	-8	33 313	0	-6 690
Shares in subsidiaries	16 826	0	0	0	0	0	0	16 826	0	0
<b>Total</b>	<b>870 302</b>	<b>243 164</b>	<b>12 317</b>	<b>-156 512</b>	<b>-32 219</b>	<b>0</b>	<b>-52</b>	<b>937 000</b>	<b>3 247</b>	<b>-83 405</b>
<b>Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items valued with group method (including IBNR)</b>										
Amounts due from banks	302	298	0	-113	0	0	-1	485	0	-184
Amounts due from individuals	607 093	236 587	37 115	-227 202	0	15	0	653 608	0	-9 385
Amounts due from micro customers	318 764	67 284	4 707	-75 063	0	-15	0	315 676	0	7 779
Amounts due from large enterprises	60 545	35 854	0	-22 216	0	0	-92	74 091	0	-13 638
Amounts due from SME	3 633	3 210	0	-1 620	0	0	0	5 223	0	-1 590
Amounts due from the public sector	135	35	0	-36	0	0	0	134	0	1
Off-balance sheet items	7 408	3 348	0	-3 893	0	0	-11	6 852	0	545
<b>Total</b>	<b>997 879</b>	<b>346 615</b>	<b>41 822</b>	<b>-330 143</b>	<b>0</b>	<b>0</b>	<b>-104</b>	<b>1 056 069</b>	<b>0</b>	<b>-16 472</b>
<b>Total allowances and provisions</b>	<b>1 868 181</b>	<b>589 779</b>	<b>54 139</b>	<b>-486 655</b>	<b>-32 219</b>	<b>0</b>	<b>-156</b>	<b>1 993 068</b>	<b>3 247</b>	<b>-99 877</b>

## Notes to the statement of profit or loss (cont.)

For the period from 1 January 2014 to 30 June 2014	Impairment allowances and provisions at the beginning of the period	Increases			Decreases			Impairment allowances and provisions at the end of the period	Proceeds from sale of Bank's receivables	Impact on the result for the period
		Impairment allowance recorded during the period	Foreign exchange differences	Impairment allowance reversal	Write-off of assets	Reclassification	Foreign exchange differences			
<b>Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items valued with individual method</b>										
Amounts due from individuals	6 825	3 357	74	-3 083	0	0	0	7 173	0	-275
Amounts due from micro customers	3 511	11 941	0	-4 398	0	0	0	11 054	0	-7 543
Amounts due from large enterprises	672 247	120 076	2 927	-71 067	-12 237	0	0	711 946	0	-49 009
Amounts due from SME	66 473	8 400	33	-5 772	-339	0	0	68 796	0	-2 629
Off-balance sheet items	14 306	14 935	63	-14 767	0	0	0	14 536	0	-167
Shares in subsidiaries	2 149	14 677	0	0	0	0	0	16 826	0	-14 677
<b>Total</b>	<b>765 510</b>	<b>173 387</b>	<b>3 097</b>	<b>-99 087</b>	<b>-12 576</b>	<b>0</b>	<b>0</b>	<b>830 331</b>	<b>0</b>	<b>-74 300</b>
<b>Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items valued with group method (including IBNR)</b>										
Amounts due from banks	205	126	0	-142	0	0	0	190	0	16
Amounts due from individuals	1 299 291	286 030	558	-224 701	-38 964	465	0	1 322 679	0	-61 329
Amounts due from micro customers	582 245	98 921	8	-69 215	-529	-439	0	610 990	0	-29 706
Amounts due from large enterprises	48 956	12 192	87	-12 516	0	0	0	48 719	0	324
Amounts due from SME	4 447	1 518	1	-3 253	0	-26	0	2 687	0	1 735
Amounts due from the public sector	133	1	0	-28	0	0	0	106	0	27
Off-balance sheet items	8 535	2 256	10	-5 973	0	0	0	4 828	0	3 717
<b>Total</b>	<b>1 943 813</b>	<b>401 044</b>	<b>663</b>	<b>-315 829</b>	<b>-39 493</b>	<b>0</b>	<b>0</b>	<b>1 990 199</b>	<b>0</b>	<b>-85 215</b>
<b>Total allowances and provisions</b>	<b>2 709 324</b>	<b>574 431</b>	<b>3 760</b>	<b>-414 916</b>	<b>-52 069</b>	<b>0</b>	<b>0</b>	<b>2 820 530</b>	<b>0</b>	<b>-159 515</b>

## Notes to the statement of financial position

### 5. Amounts due from banks

	30 June 2015	31 December 2014	30 June 2014
Collateral deposits	1 342 436	496 249	79 089
Cash on current accounts	27 905	15 090	37 889
Loans and advances to banks	259 412	28 692	221 491
Deposits with other banks	52 987	88 656	214 032
<b>Gross amounts due from banks:</b>	<b>1 682 740</b>	<b>628 687</b>	<b>552 501</b>
Impairment allowance	-485	-302	-190
<b>Net amounts due from banks:</b>	<b>1 682 255</b>	<b>628 385</b>	<b>552 311</b>

### 6. Loans and advances to customers

Loans and advances to customers by borrower segment	30 June 2015			31 December 2014			30 June 2014		
	Gross amount	Impairment allowance	Net amount	Gross amount	Impairment allowance	Net amount	Gross amount	Impairment allowance	Net amount
Individual customers	20 054 885	684 508	19 370 377	18 679 544	621 500	18 058 044	19 418 628	1 329 852	18 088 776
Micro customers	2 760 981	339 288	2 421 693	2 658 670	331 835	2 326 835	3 075 842	622 044	2 453 798
Large enterprises	13 471 714	846 698	12 625 016	14 040 337	799 161	13 241 176	13 801 730	760 665	13 041 065
<i>including buy-sell- back transactions</i>	547 717	0	547 717	1 651 297	0	1 651 297	0	0	0
SME	1 274 864	64 965	1 209 899	1 125 636	64 383	1 061 253	1 038 350	71 483	966 867
Public sector	23 627	134	23 493	29 779	135	29 644	32 414	106	32 308
<b>Total</b>	<b>37 586 071</b>	<b>1 935 593</b>	<b>35 650 478</b>	<b>36 533 966</b>	<b>1 817 014</b>	<b>34 716 952</b>	<b>37 366 964</b>	<b>2 784 150</b>	<b>34 582 814</b>



## Notes to the statement of financial position (cont.)

### Loans and advances to customers by quality

30 June 2015

	Loans and advances to customers -without impairment trigger and not impaired	Group impairment allowance IBNR	Loans and advances to customers -with impairment trigger but not impaired	Group impairment allowance IBNR	Impaired loans and advances valued with individual method	Individual impairment allowance	Impaired loans and advances to customers valued with group method	Group impairment allowance	Net amount
Individual customers	19 039 826	64 848	0	0	58 429	30 900	956 630	588 760	19 370 377
Micro customers	2 055 574	15 268	0	0	56 331	23 615	649 076	300 405	2 421 693
Large enterprises	11 268 371	55 340	786 329	18 733	1 417 014	772 625	0	0	12 625 016
<i>including buy-sell-back transactions</i>	547 717	0	0	0	0	0	0	0	547 717
SME	1 177 801	3 543	26 089	1 701	70 974	59 721	0	0	1 209 899
Public sector	23 627	134	0	0	0	0	0	0	23 493
<b>Total</b>	<b>33 565 199</b>	<b>139 133</b>	<b>812 418</b>	<b>20 434</b>	<b>1 602 748</b>	<b>886 861</b>	<b>1 605 706</b>	<b>889 165</b>	<b>35 650 478</b>

### Loans and advances to customers by quality

31 December 2014

	Loans and advances to customers -without impairment trigger and not impaired	Group impairment allowance IBNR	Loans and advances to customers -with impairment trigger but not impaired	Group impairment allowance IBNR	Impaired loans and advances valued with individual method	Individual impairment allowance	Impaired loans and advances to customers valued with group method	Group impairment allowance	Net amount
Individual customers	17 790 950	83 662	0	0	32 818	14 407	855 776	523 431	18 058 044
Micro customers	1 994 286	32 811	0	0	35 743	13 072	628 641	285 952	2 326 835
Large enterprises	12 285 840	39 866	496 215	20 679	1 258 282	738 616	0	0	13 241 176
<i>including buy-sell-back transactions</i>	1 651 297	0	0	0	0	0	0	0	1 651 297
SME	1 028 124	2 337	19 890	1 297	77 622	60 749	0	0	1 061 253
Public sector	29 779	135	0	0	0	0	0	0	29 644
<b>Total</b>	<b>33 128 979</b>	<b>158 811</b>	<b>516 105</b>	<b>21 976</b>	<b>1 404 465</b>	<b>826 844</b>	<b>1 484 417</b>	<b>809 383</b>	<b>34 716 952</b>

## Notes to the statement of financial position (cont.)

### Loans and advances to customers by quality

30 June 2014

	Loans and advances to customers -without impairment trigger and not impaired	Group impairment allowance IBNR	Loans and advances to customers -with impairment trigger but not impaired	Group impairment allowance IBNR	Impaired loans and advances valued with individual method	Individual impairment allowance	Impaired loans and advances to customers valued with group method	Group impairment allowance	Net amount
Individual customers	17 817 416	63 469	1 849	0	14 391	7 173	1 584 972	1 259 210	<b>18 088 776</b>
Micro customers	2 109 633	26 318	0	0	26 816	11 054	939 393	584 672	<b>2 453 798</b>
Large enterprises	12 045 944	39 853	467 915	8 866	1 287 871	711 946	0	0	<b>13 041 065</b>
SME	917 638	1 958	38 487	729	82 225	68 796	0	0	<b>966 867</b>
Public sector	32 414	106	0	0	0	0	0	0	<b>32 308</b>
<b>Total</b>	<b>32 923 045</b>	<b>131 704</b>	<b>508 251</b>	<b>9 595</b>	<b>1 411 303</b>	<b>798 969</b>	<b>2 524 365</b>	<b>1 843 882</b>	<b>34 582 814</b>

## Notes to the statement of financial position (cont.)

### 7. Amounts due to banks and other monetary institutions

	30 June 2015	31 December 2014	30 June 2014
Current accounts	375 527	958 165	524 715
Term deposits	1 023 657	858 558	905 759
Loans received	6 610 427	8 012 111	10 369 486
Repo transactions	801 854	1 413 968	488 917
<b>Total</b>	<b>8 811 465</b>	<b>11 242 801</b>	<b>12 288 877</b>

### 8. Amounts due to customers

	30 June 2015	31 December 2014	30 June 2014
Amounts due to individuals	16 622 921	14 011 515	13 594 585
Amounts due to micro customers	1 594 618	1 733 592	2 104 855
Amounts due to large enterprises	14 247 449	15 194 626	11 598 695
Amounts due to SME	2 835 072	2 824 797	2 858 717
Amounts due to the public sector	0	0	763 853
<b>Total</b>	<b>35 300 060</b>	<b>33 764 529</b>	<b>30 920 705</b>

## Other explanatory notes

### 9. Contingent liabilities

The table below presents contingent liabilities arising from the concluded contracts:

	30 June 2015	31 December 2014	30 June 2014
<b>Guarantees issued</b>			
Bank guarantees	1 660 671	1 766 164	1 538 448
Letters of credit and bank acceptances	225 595	253 759	285 186
<b>Total guarantees issued</b>	<b>1 886 265</b>	<b>2 019 923</b>	<b>1 823 634</b>
<b>Financial liabilities granted</b>			
Granted loan commitments:			
<i>With initial maturity up to 1 year</i>	7 745 237	4 454 747	4 051 300
<i>With initial maturity above 1 year</i>	3 738 545	1 970 057	2 047 376
<i>With initial maturity above 1 year</i>	4 006 692	2 484 690	2 003 924
<b>Total financial liabilities granted</b>	<b>7 745 237</b>	<b>4 454 747</b>	<b>4 051 300</b>
<b>Total</b>	<b>9 631 502</b>	<b>6 474 670</b>	<b>5 874 934</b>
	<b>30 June 2015</b>	<b>31 December 2014</b>	<b>30 June 2014</b>
<b>Guarantees received</b>	5 660 820	5 888 622	5 124 148
<b>Total</b>	<b>5 660 820</b>	<b>5 888 622</b>	<b>5 124 148</b>

### 10. Supplementary information to statement of cash flows

	30 June 2015	31 December 2014	30 June 2014
<b>Cash and cash equivalents</b>			
Cash in hand at the Bank	651 698	1 757 367	809 213
Cash on the current account with the Central Bank	1 345 735	926 508	1 159 064
Cash on Nostro accounts in other banks	27 905	15 090	37 889
Deposits in other banks (due within 3 months)	22 987	88 656	209 032
<b>Cash and cash equivalents presented in the cash flow statement</b>	<b>2 048 325</b>	<b>2 787 621</b>	<b>2 215 198</b>

### 11. Fair value of assets and liabilities

The main assumptions and methods used by the Bank to measure the fair value of financial instruments are presented below:

- fair value of loans and advances to banks, granted on the interbank market to manage Bank's liquidity, was estimated as the present value of future cash flows discounted with current interbank interest rate for currency in which the loan had been granted.
- fair value of loans to customers was estimated with a model based on present value of future cash flows discounted with current interest rate including risk margin and adjusted repayment dates resulting from loan agreements. The margins were selected depending on both currency and major product groups, i.e. fixed term loans, consumer loans and mortgage loans.

## Other explanatory notes (cont.)

- securities held to maturity – fair value of securities, for which there is an active market, was determined based on public quotations from the active market (market quotations as at the reporting date).
- fair value of amounts due to customers was estimated based on current market interest rates without any margins, which reflected an average interest rate of deposits offered by the Bank.
- fair value of amounts due to banks and other monetary institutions, taken on the interbank market to manage Bank's liquidity, was estimated based on the present value of future cash flows discounted with current interbank interest rate for currency in which the loan or deposit had been taken.

The methods for determining the fair value of the individual financial assets and liabilities measured at the fair value, together with the valuation models assigned to them, can be classified into three main levels in the fair value hierarchy:

- *Level I* – financial assets and liabilities measured directly on the basis of prices quoted on an active market or with the use of valuation techniques based solely on market information. The mark-to-market valuation is used mainly with respect to listed securities.
- *Level II* – financial assets and liabilities measured with the use of valuation techniques based on assumptions developed on the basis of market observations or information from an active market. The mark-to-model valuation uses parameterization of models solely on the basis of quotations from an active market for a given type of instrument. Most derivative instruments, including forward transactions in securities, non-liquid treasury securities or securities issued by a central bank, as well as unlisted corporate debt securities and municipal securities, for the valuation of which data is collected from an active market are valued using this type of models.
- *Level III* – financial assets and liabilities measured on the basis of valuation techniques commonly used by market participants, whose assumptions are not based on information obtained from an active market. The mark-to-model valuation uses partial model parameterization based on estimated risk factors. This method is applicable to non-linear derivatives concluded on an inactive market, unlisted corporate debt securities, which do not meet the criteria for being classified as Level II, as well as derivatives whose fair value was adjusted for write-downs in respect of credit risk.

A transfer between categories occurs, when a change in valuation model of an asset or a liability requires a reclassification to a different category. The Bank assesses the valuation models at the end of the reporting period.

## Other explanatory notes (cont.)

The effect of estimated parameters on fair value calculation of financial instruments within Level III as at 30 June 2015 and 30 June 2014 was negligible. For debt securities being exposed to credit spread risk the estimated exposure vulnerability to credit spread fluctuation of +/- 100 bps amounted to PLN +314 / -324 thousand impact on financial result from profit and loss account (PLN +/-160 thousand of 30 June 2014) and PLN +1 354/ -1 329 thousand impact on equity (PLN +/-119 thousand as of 30 June 2014). For derivative financial instruments being subject to credit risk the estimated exposure vulnerability to probability of default fluctuation of +/- 100 bps amounted to PLN +/- 8 thousand change in profit or loss (PLN +/-14 thousand as of 30 June 2014). No impact on equity.

The table below presents fair values and book values of assets and liabilities split between levels of fair value hierarchy.

## Other explanatory notes (cont.)

Position description	30 June 2015					31 December 2014				
	Book value	Fair value	Level I	Level II	Level III	Book value	Fair value	Level I	Level II	Level III
<b>Financial Assets</b>										
Cash and balances with Central Bank	1 997 433	1 997 433	0	0	1 997 433	2 683 875	2 683 875	0	0	2 683 875
Amounts due from banks	1 682 255	1 682 740	0	0	1 682 740	628 385	628 720	0	0	628 720
Financial assets held for trading	8 845 666	8 845 666	496 605	8 197 279	151 783	361 623	361 623	196 366	0	165 257
Derivative financial instruments:	566 920	566 920	0	549 553	17 367	900 213	900 213	0	900 001	212
Derivative financial instruments held for trading	558 571	558 571	0	541 204	17 367	898 892	898 892	0	898 680	212
Derivative financial instruments in cash flow hedges	8 349	8 349	0	8 349	0	1 320	1 320	0	1 320	0
Investment securities:	2 970 182	2 961 529	2 416 810	201 982	342 738	12 514 086	12 513 604	2 435 627	9 699 462	378 516
Investment securities held to maturity	1 964 983	1 956 330	1 956 330	0	0	11 451 014	11 450 532	1 751 071	9 699 462	0
Investment securities available for sale, including:	1 005 199	1 005 199	460 479	201 982	342 738	1 063 072	1 063 072	684 556	0	378 516
Equity interests	27 077	27 077	0	0	27 077	27 081	27 081	0	0	27 081
Debt securities	978 122	978 122	460 479	201 982	315 661	1 035 991	1 035 991	684 556	0	351 435
Loans and advances to customers, including:	35 650 478	33 392 469	0	0	33 392 469	34 716 952	32 216 652	0	0	32 216 652
Loans and advances granted to individuals	19 370 377	17 009 977	0	0	17 009 977	18 058 044	15 598 486	0	0	15 598 486
Loans and advances granted to micro customers	2 421 693	2 275 541	0	0	2 275 541	2 326 835	2 163 137	0	0	2 163 137
Loans and advances granted to large enterprises	12 625 016	12 867 416	0	0	12 867 416	13 241 176	13 365 164	0	0	13 365 164
Loans and advances granted to small and medium enterprises	1 209 899	1 215 817	0	0	1 215 817	1 061 253	1 060 327	0	0	1 060 327
Loans and advances granted to public sector entities	23 493	23 719	0	0	23 719	29 644	29 538	0	0	29 538
Other financial assets	257 612	257 612	0	0	257 612	128 502	128 502	0	0	128 502
<b>Total financial assets</b>	<b>51 970 546</b>	<b>49 704 370</b>	<b>2 913 414</b>	<b>8 948 814</b>	<b>37 842 142</b>	<b>51 933 636</b>	<b>49 433 189</b>	<b>2 631 993</b>	<b>10 599 462</b>	<b>36 201 735</b>

## Other explanatory notes (cont.)

Position description	30 June 2015					31 December 2014				
	Book value	Fair value	Level I	Level II	Level III	Book value	Fair value	Level I	Level II	Level III
<b>Financial liabilities</b>										
Amounts due to banks and other monetary institutions	8 811 465	8 668 470	0	0	8 668 470	11 242 801	11 017 449	0	0	11 017 449
Derivative financial instruments:	1 783 256	1 783 256	0	1 783 086	170	1 124 388	1 124 388	0	1 124 292	96
Derivative financial instruments held for trading	546 646	546 646	0	546 477	170	823 807	823 807	0	823 711	96
Derivative financial instruments in cash flow hedges	1 216 055	1 216 055	0	1 216 055	0	276 005	276 005	0	276 005	0
Derivative financial instruments in fair value hedges	20 555	20 555	0	20 555	0	24 576	24 576	0	24 576	0
Amounts due to customers, including:	35 300 060	35 597 511	0	0	35 597 511	33 764 529	33 581 191	0	0	33 581 191
Amounts due to individuals	16 622 921	16 759 674	0	0	16 759 674	14 011 515	13 942 773	0	0	13 942 773
Amounts due to micro customers	1 594 618	1 598 213	0	0	1 598 213	1 733 592	1 729 937	0	0	1 729 937
Amounts due to large enterprises	14 247 449	14 389 384	0	0	14 389 384	15 194 626	15 093 148	0	0	15 093 148
Amounts due to small and medium enterprises	2 835 072	2 850 240	0	0	2 850 240	2 824 797	2 815 333	0	0	2 815 333
Subordinated liabilities	314 862	305 019	0	0	305 019	320 006	308 651	0	0	308 651
Liabilities from debt securities issued	501 785	501 785	0	0	501 785	501 960	501 960	0	0	501 960
Other financial liabilities	357 721	357 721	0	0	357 721	241 008	241 008	0	0	241 008
<b>Total financial liabilities</b>	<b>47 069 149</b>	<b>47 213 763</b>	<b>0</b>	<b>1 783 086</b>	<b>45 430 677</b>	<b>47 194 692</b>	<b>46 774 646</b>	<b>0</b>	<b>1 124 292</b>	<b>45 650 354</b>



## Other explanatory notes (cont.)

Position description	30 June 2014				
	Book value	Fair value	Level I	Level II	Level III
<b>Financial Assets</b>					
Cash and balances with Central Bank	1 968 277	1 968 277	0	0	1 968 277
Amounts due from banks	552 311	552 310	0	0	552 310
Financial assets held for trading	8 986 726	8 986 726	229 940	8 648 227	108 559
Derivative financial instruments:	416 845	416 845	0	401 919	14 926
Derivative financial instruments held for trading	363 456	363 456	0	348 529	14 926
Derivative financial instruments in cash flow hedges	53 389	53 389	0	53 389	0
Investment securities:	2 236 056	2 238 857	2 161 914	0	76 943
Investment securities held to maturity	1 249 199	1 252 000	1 252 000	0	0
Investment securities available for sale, including:	986 857	986 857	909 914	0	76 943
Equity interests	29 423	29 423	0	0	29 423
Debt securities	957 434	957 434	909 914	0	47 520
Loans and advances to customers, including:	34 582 814	32 850 935	0	0	32 850 935
Loans and advances granted to individuals	18 088 776	15 796 492	0	0	15 796 492
Loans and advances granted to micro customers	2 453 798	2 789 842	0	0	2 789 842
Loans and advances granted to large enterprises	13 041 065	13 256 390	0	0	13 256 390
Loans and advances granted to small and medium enterprises	966 867	975 397	0	0	975 397
Loans and advances granted to public sector entities	32 308	32 815	0	0	32 815
Other financial assets	147 301	147 301	0	0	147 301
<b>Total financial assets</b>	<b>48 890 330</b>	<b>47 161 250</b>	<b>4 360 131</b>	<b>9 050 145</b>	<b>33 750 974</b>

Position description	30 June 2014				
	Book value	Fair value	Level I	Level II	Level III
<b>Financial liabilities</b>					
Amounts due to banks and other monetary institutions	12 288 877	11 939 670	0	0	11 939 670
Derivative financial instruments:	371 149	371 149	0	370 667	482
Derivative financial instruments held for trading	300 747	300 747	0	300 265	482
Derivative financial instruments in cash flow hedges	48 362	48 362	0	48 362	0
Derivative financial instruments in fair value hedges	22 040	22 040	0	22 040	0
Amounts due to customers, including:	30 920 705	30 976 941	0	0	30 976 941
Amounts due to individuals	13 594 585	13 622 647	0	0	13 622 647
Amounts due to micro customers	2 104 855	2 105 922	0	0	2 105 922
Amounts due to large enterprises	11 598 695	11 619 516	0	0	11 619 516
Amounts due to small and medium enterprises	2 858 717	2 862 475	0	0	2 862 475
Amounts due to the public sector	763 853	766 381	0	0	766 381
Subordinated liabilities	312 388	287 640	0	0	287 640
Other financial liabilities	369 942	369 942	0	0	369 942
<b>Total financial liabilities</b>	<b>44 263 061</b>	<b>43 945 341</b>	<b>0</b>	<b>370 667</b>	<b>43 574 674</b>

## Other explanatory notes (cont.)

The below table presents changes in fair value for financial instruments measured by the Bank according to Level III principles.

Changes during the period from 1 January 2015 to 30 June 2015	Financial assets held for trading	Derivative financial instruments - assets	Investment securities available for sale - debt securities	Derivative financial instruments - liabilities
<b>Balance at the beginning of the period</b>	<b>165 257</b>	<b>212</b>	<b>351 436</b>	<b>96</b>
Increases, including:	77 913	17 190	68 220	150
Purchase	77 655	0	43 092	0
Derivatives opened during period	0	7 878	0	151
Income from financial instruments, included in:	257	4	25 128	0
Net interest income	0	0	362	0
Net income from financial instruments measured at fair value	257	4	0	0
Revaluation reserves	0	0	24 766	0
Reclassification	0	9 308	0	0
Decreases, including:	-91 386	-35	-103 995	-76
Settlement/redemption	0	-4	0	-79
Sale	-73 628	0	-47 434	0
Loss from financial instruments, included in:	-17 758	-31	-56 561	2
Net interest income	-80	0	-606	0
Net income from financial instruments measured at fair value	-17 678	-30	0	2
Revaluation reserves	0	0	-55 955	0
<b>Balance at the period end</b>	<b>151 783</b>	<b>17 367</b>	<b>315 661</b>	<b>170</b>
<b>Unrealized result on financial instruments held in the portfolio at the end of the period, included in statement of comprehensive income in:</b>	<b>-16 893</b>	<b>17 155</b>	<b>-28 553</b>	<b>74</b>
Net interest income	528	0	2 637	0
Net income from financial instruments measured at fair value	-17 421	17 155	0	74
Revaluation reserves	0	0	-31 189	0

## Other explanatory notes (cont.)

Changes during the period from 1 January 2014 to 30 June 2014	Financial assets held for trading	Derivative financial instruments - assets	Investment securities available for sale - debt securities	Derivative financial instruments - liabilities
<b>Balance at the beginning of the period</b>	<b>67 995</b>	<b>13 713</b>	<b>48 300</b>	<b>37</b>
Increases, including:	40 826	6 231	1	463
Purchase	40 826	0	0	0
Derivatives opened during period	0	697	0	157
Income from financial instruments, included in:	0	276	1	0
Net income from financial instruments measured at fair value	0	276	0	0
Revaluation reserves	0	0	1	0
Reclassification	0	5 258	0	306
Decreases, including:	-262	-5 017	-781	-18
Loss from financial instruments, included in:	-262	-1 018	-781	-2
Net interest income	0	-1	-18	0
Net income from financial instruments measured at fair value	-262	-1 017	0	-2
Revaluation reserves	0	0	-764	0
Reclassification	0	-3 999	0	-15
<b>Balance at the period end</b>	<b>108 559</b>	<b>14 926</b>	<b>47 520</b>	<b>482</b>
<b>Unrealized result on financial instruments held in the portfolio at the end of the period, included in statement of comprehensive income in:</b>	<b>-262</b>	<b>1 214</b>	<b>44</b>	<b>445</b>
Net interest income	0	259	806	65
Net income from financial instruments measured at fair value	-262	955	0	380
Revaluation reserves	0	0	-762	0

## Other explanatory notes (cont.)

### 12. Transactions with related parties

The Bank identifies the following related entities:

- Parent entities:
  - ultimate parent entity – Raiffeisen Zentralbank Österreich AG (RZB).
  - parent entity – Raiffeisen Bank International AG (RBI).
- The Bank's subsidiaries consolidated – Raiffeisen-Leasing Polska S.A., Raiffeisen Insurance Agency Sp. z o.o., Raiffeisen-Leasing Service Sp. z o.o., Raiffeisen Financial Services Polska Sp. z o.o., Raiffeisen Solutions Sp z o.o, Raiffeisen-Leasing Real Estate Sp z o.o, Raiffeisen Investment Polska Sp. z o.o.;
- the Bank's subsidiaries not consolidated - RI Inwestycje Sp. z o.o. (under liquidation), Leasing Poland Sp. z o.o.,
- Members of the Bank's key personnel,
- Other entities - other related entities – entities controlled by the parent companies and subsidiaries, as well as entities having significant influence on Raiffeisen Zentralbank Österreich AG,
- Special purpose entities Compass Variety Funding Ltd. And ROOF Poland 2014 Ltd.

As a part of ordinary operations, a number of transactions was concluded with members of the Bank's key personnel. The Bank's key personnel includes members of Bank's Management Board and members of the Bank's Supervisory Board, listed in Note 1 to the interim condensed financial statements. Transactions with members of the Bank's key personnel can comprise mainly loans, deposits and foreign currency transactions.

## Other explanatory notes (cont.)

Statement of financial position items	Parent Company		Consolidated Subsidiaries		Members of the Bank's and the Parent Entities' key personnel		Other related entities	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Amounts due from banks	1 306 461	476 186	0	0	0	0	11 326	59 203
Derivative financial instruments (assets)	284 541	586 962	2 473	16	0	0	404	166
Loans and advances to customers	0	0	306 116	1 979	2 353	3 253	0	0
Other assets	0	101	579	15	0	0	251	6
Amounts due to banks and other monetary institutions	5 699 103	7 777 628	0	0	0	0	764 446	805 812
Derivative financial instruments (liabilities)	1 623 551	976 123	44	89	0	0	137	471
Amounts due to clients	0	0	170 780	913 429	6 358	7 312	417	6 019
Subordinated liabilities	314 862	320 006	0	0	0	0	0	0
Other liabilities	7 273	16 432	476	84	0	0	439	0

Statement of profit and loss items	Parent Company		Consolidated Subsidiaries		Members of the Bank's and the Parent Entities' key personnel		Other related entities	
	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014	For the period from 1 January 2015 to 30 June 2015	For the period from 1 January 2014 to 30 June 2014
Interest income	96 363	54 110	1 130	3	26	57	549	542
Interest expenses	-42 731	-74 952	-4 870	-2 501	-56	-61	-8 636	-2 521
Net provisioning for impairment losses on financial assets and provisions for off-balance sheet items	0	0	0	-14 677	0	0	0	0
Commission income	796	939	183	61	1	1	1 305	254
Commission expenses	-703	-663	-224	0	0	0	-511	-43
Net income from financial instruments measured at fair value and net foreign exchange result	-19 370	27 269	2 455	0	2	4	-452	4
Income from dividend	0	0	40 900	42 956	0	0	0	0
General administrative expenses	-7 754	-13 506	-7 318	-1 631	0	0	-4 398	-5 248
Other operating income	116	5 948	1 038	502	0	0	0	0

## Other explanatory notes (cont.)

Off-balance sheet commitments	Parent Company		Consolidated Subsidiaries		Members of the Bank's and the Parent Entities' key personnel		Other related entities	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Guarantees and letters of credit	165 000	179 288	1 435	2 567	0	0	13 132	20 373
Financial liabilities granted	0	0	59 167	986	0	0	22 378	0
Guarantees received	174 696	196 808	33 000	0	0	0	67 537	54 461

Statement of financial position items	Parent Company	Consolidated Subsidiaries	Members of the Bank's and the Parent Entities' key personnel	Other related entities		
	30 June 2014	30 June 2014	30 June 2014	30 June 2014		
Amounts due from banks			191 690	0	0	8 753
Derivative financial instruments (assets)			209 693	0	0	8
Loans and advances to customers			0	688	1 894	0
Other assets			6	3	0	0
Amounts due to banks and other monetary institutions			10 320 590	0	0	168 554
Derivative financial instruments (liabilities)			236 535	2	0	0
Amounts due to clients			0	133 244	3 539	5 393
Subordinated liabilities			312 388	0	0	0
Other liabilities			25 253	4 355	0	3 566

## Other explanatory notes (cont.)

Transactions with the Bank's Parent Entity comprised transactions aimed at providing financing for the Bank's operations (mainly interbank deposits, loans received and subordinated loans) and closing of open positions resulting from derivative transactions.

As a result interest income and expense, net income from financial instruments and general administrative expenses were recognized in the statement of profit or loss.

### 13. Seasonality or cyclicity of interim operations

No significant events of a seasonal or cyclical character were observed within operations of the Bank.

### 14. Events after 30 June 2015

On 5 August 2015 Sejm of Poland adopted an act ('the Act') on detailed rules for foreign currency mortgage loans restructuring in relation to change of foreign currency exchange rates and on amendment of certain resolutions. The Act, designed to help borrowers with debts in foreign currency, assumes that by 30 June 2020, upon request of borrowers and after fulfilment by them of certain conditions defined in the Act, bank would be obliged to restructure loans. Restructuring of the loan would include conversion of the loan into Polish zloty and calculation of the difference between converted amount and debt amount, assuming loan was originally granted in Polish zloty, 90% of the calculated difference would be redeemed by the bank. Coming into force of the Act is dependent on its adoption by Senate and approval by President of Poland.

The assessment of the impact of the Act on the financial statements of the Bank in future periods requires among others the knowledge regarding the final solutions defined in the Act, which cannot be done before legislation process is finalized. Assessment of the willingness of borrowers to take advantage of the proposed solutions as well as the collection of the necessary data regarding borrowers, in particular the number of possessed real estate used for personal housing purposes and number of children reared by the borrower. Due to the lack of the above information as of the date of publication of the interim condensed financial statements it is not possible to complete the assessment of the impact of the Act on the financial statements of the Bank.

No other events having significant influence on the Raiffeisen Bank Polska S.A. interim condensed financial statements have occurred after the reporting date.

## Risk management

### 15. The nature and scope of risk associated with financial instruments

In its activity, the Bank follows an active approach to the risk management, involving its identification, measurement, monitoring and mitigating. The Bank follows the principle that an effective risk management and control system is based on three well-adjusted elements:

- the organizational structure, comprising a segregation of duties and competences, including a clear indication of functions performed by specific organizational units in the risk management and control process,
- the methods for monitoring, measurement and estimation of risk, which are necessary for the Bank to correctly identify the risks undertaken,
- actions focused on using modern techniques for hedging and transferring risks in order to adjust the type and profile of the risks undertaken by the Bank to the risk appetite described in the adopted strategic plans.

Risk management procedures were consistent with procedures described in the financial statements for the year ended 31 December 2014.

#### Capital management process

The main objective of capital management process is to maintain stable capital adequacy in the long term by ensuring a proper process of identification, measurement, monitoring, mitigation and capital risk reporting.

The amounts of regulatory capital and capital requirement determined for the purposes of calculating the total capital ratio were as follows:

	Method of calculating the requirement	30 June 2015	31 December 2014	30 June 2014
Credit and counterparty risk	Standard	2 855 925	2 746 648	2 640 371
Market risk	Standard	49 513	65 128	46 958
Operational risk	Standard	289 818	302 798	302 798
<b>Regulatory capital</b>		<b>3 195 255</b>	<b>3 114 574</b>	<b>2 990 126</b>
<b>Own funds</b>		<b>5 716 181</b>	<b>5 424 071</b>	<b>5 115 878</b>
<b>Total capital ratio (%)</b>		<b>14,31</b>	<b>13,93</b>	<b>13,69</b>

In the period covered by these interim condensed financial statements the Bank complied with the regulatory requirements in respect of the total capital ratio.



## **Risk management (cont.)**

### **16. Credit risk**

Credit risk is the possibility to incur a loss due to debtor not meeting the terms of the agreement with the Bank.

The aim of credit risk management is to increase the safety of the Bank's lending activity by ensuring the highest quality of credit risk assessments and effectiveness of the decision-making process, as well as an effective credit exposure monitoring with regard to the individual customers and the Bank's loan portfolio.

The Bank's exposure to credit risk arises mainly from its lending activity and, to a lesser extent, from the sales and operations on the trading portfolio, derivative instruments and participation in payment transactions and settlements of securities on Bank's own account and its customers' accounts.

In the periods covered by these interim condensed financial statements no significant changes in the credit risk management were introduced.

## Risk management (cont.)

As at 30 June 2015	Financial assets presented in the statement of financial position							Total
	amounts due from banks	cash and balances with the Central Bank	trading assets	derivatives	investment securities	loans and advances	other	
<b>Classes of exposure with instrument types assigned to them</b>								
<b>Cash and cash equivalents</b>	0	651 698	0	0	0	0	0	651 698
<b>Exposures to governments and central banks</b>	0	1 345 735	8 693 833	0	2 629 041	0	0	12 668 609
Balances with the Central Bank	0	1 345 735	0	0	0	0	0	1 345 735
Treasury bonds and bills	0	0	496 517	0	2 629 041	0	0	3 125 558
NBP bills	0	0	8 197 316	0	0	0	0	8 197 316
<b>Exposures to banks</b>	1 682 255	0	74 245	380 705	0	0	0	2 137 205
Cash on current and term accounts with other banks	1 423 328	0	0	0	0	0	0	1 423 328
Loans and advances granted to other banks	258 927	0	0	0	0	0	0	258 927
Derivative financial instruments	0	0	0	380 705	0	0	0	380 705
Corporate bonds	0	0	48 131	0	0	0	0	48 131
Mortgage backed securities	0	0	26 114	0	0	0	0	26 114
<b>Exposures to customers</b>	0	0	77 588	186 215	341 141	35 650 478	0	36 255 422
Loans and advances granted to individuals	0	0	0	0	0	19 370 377	0	19 370 377
Loans and advances granted to micro customers	0	0	0	0	0	2 421 693	0	2 421 693
Loans and advances granted to large enterprises	0	0	0	0	0	12 625 016	0	12 625 016
Loans and advances granted to small and medium enterprises	0	0	0	0	0	1 209 899	0	1 209 899
Loans and advances granted to public sector entities	0	0	0	0	0	23 493	0	23 493
Equity investments	0	0	0	0	27 077	0	0	27 077
Derivative financial instruments	0	0	0	186 215	0	0	0	186 215
Corporate bonds	0	0	14 797	0	314 064	0	0	328 861
Bonds convertible to shares	0	0	62 791	0	0	0	0	62 791
<b>Other financial assets</b>	0	0	0	0	0	0	257 612	257 612
<b>Total</b>	1 682 255	1 997 433	8 845 666	566 920	2 970 182	35 650 478	257 612	51 970 545

## Risk management (cont.)

As at 31 December 2014		Financial assets presented in the statement of financial position							
Classes of exposure with instrument types assigned to them	amounts due from banks	cash and balances with the Central Bank	trading assets	derivatives	investment securities	loans and advances	other	Total	
<b>Cash and cash equivalents</b>	<b>0</b>	<b>1 757 367</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 757 367</b>	
<b>Exposures to governments and central banks</b>	<b>0</b>	<b>926 508</b>	<b>196 511</b>	<b>0</b>	<b>12 135 652</b>	<b>0</b>	<b>0</b>	<b>13 258 671</b>	
Balances with the Central Bank	0	926 508	0	0	0	0	0	926 508	
Treasury bonds and bills	0	0	196 511	0	2 436 191	0	0	2 632 702	
NBP bills	0	0	0	0	9 699 462	0	0	9 699 462	
<b>Exposures to banks</b>	<b>628 385</b>	<b>0</b>	<b>69 411</b>	<b>708 231</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 406 028</b>	
Cash on current and term accounts with other banks	599 995	0	0	0	0	0	0	599 995	
Loans and advances granted to other banks	28 390	0	0	0	0	0	0	28 390	
Derivative financial instruments	0	0	0	708 231	0	0	0	708 231	
Corporate bonds	0	0	47 069	0	0	0	0	47 069	
Mortgage backed securities	0	0	22 343	0	0	0	0	22 343	
<b>Exposures to customers</b>	<b>0</b>	<b>0</b>	<b>95 700</b>	<b>191 982</b>	<b>378 434</b>	<b>34 716 952</b>	<b>0</b>	<b>35 383 068</b>	
Loans and advances granted to individuals	0	0	0	0	0	18 058 044	0	18 058 044	
Loans and advances granted to micro customers	0	0	0	0	0	2 326 835	0	2 326 835	
Loans and advances granted to large enterprises	0	0	0	0	0	13 241 176	0	13 241 176	
Loans and advances granted to small and medium enterprises	0	0	0	0	0	1 061 253	0	1 061 253	
Loans and advances granted to public sector entities	0	0	0	0	0	29 644	0	29 644	
Equity investments	0	0	0	0	27 081	0	0	27 081	
Derivative financial instruments	0	0	0	191 982	0	0	0	191 982	
Corporate bonds	0	0	31 893	0	351 353	0	0	383 246	
Bonds convertible to shares	0	0	63 808	0	0	0	0	63 808	
<b>Other financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>128 502</b>	<b>128 502</b>	
<b>Total</b>	<b>628 385</b>	<b>2 683 875</b>	<b>361 623</b>	<b>900 213</b>	<b>12 514 086</b>	<b>34 716 952</b>	<b>128 502</b>	<b>51 933 636</b>	

## Risk management (cont.)

As at 30 June 2014	Financial assets presented in the statement of financial position							Total
	amounts due from banks	cash and balances with the Central Bank	trading assets	derivatives	investment securities	loans and advances	other	
<b>Classes of exposure with instrument types assigned to them</b>								
<b>Cash and cash equivalents</b>	0	809 213	0	0	0	0	0	809 213
<b>Exposures to governments and central banks</b>	0	1 159 064	8 918 993	0	1 927 979	0	0	12 006 036
Balances with the Central Bank	0	1 159 064	0	0	0	0	0	1 159 064
Treasury bonds and bills	0	0	229 929	0	1 927 979	0	0	2 157 908
NBP bills	0	0	8 689 064	0	0	0	0	8 689 064
<b>Exposures to banks</b>	552 311	0	0	275 743	0	0	0	828 054
Cash on current and term accounts with other banks	331 010	0	0	0	0	0	0	331 010
Loans and advances granted to other banks	221 301	0	0	0	0	0	0	221 301
Derivative financial instruments	0	0	0	275 743	0	0	0	275 743
<b>Exposures to customers</b>	0	0	67 733	141 102	308 077	34 582 814	0	35 099 726
Loans and advances granted to individuals	0	0	0	0	0	18 088 776	0	18 088 776
Loans and advances granted to micro customers	0	0	0	0	0	2 453 798	0	2 453 798
Loans and advances granted to large enterprises	0	0	0	0	0	13 041 065	0	13 041 065
Loans and advances granted to small and medium enterprises	0	0	0	0	0	966 867	0	966 867
Loans and advances granted to public sector entities	0	0	0	0	0	32 308	0	32 308
Equity investments	0	0	0	0	29 423	0	0	29 423
Derivative financial instruments	0	0	0	141 102	0	0	0	141 102
Corporate bonds	0	0	0	0	278 654	0	0	278 654
Bonds convertible to shares	0	0	67 733	0	0	0	0	67 733
<b>Other financial assets</b>	0	0	0	0	0	0	147 301	147 301
<b>Total</b>	552 311	1 968 277	8 986 726	416 845	2 236 056	34 582 814	147 301	48 890 330

Maximum exposure to credit risk for off-balance sheet amounted to:	30 June 2015	31 December 2014	30 June 2014
Guarantees	1 886 265	2 019 923	1 823 634
Off balance liabilities of a financial nature	7 745 237	4 454 747	4 051 300
<b>Total</b>	<b>9 631 502</b>	<b>6 474 670</b>	<b>5 874 934</b>

## Risk management (cont.)

All categories of financial assets presented in the statement of financial position are regularly tested for impairment (on an individual or group basis). For the purpose of disclosure they are classified to one of the three categories of receivables: unimpaired not-overdue, unimpaired overdue and impaired. The above mentioned assets are presented in the following table by the gross value and by the customer group:

30 June 2015	Exposure amount			Value of collateral reducing the maximum exposure to credit risk
	analysed on an individual basis	analysed on a group basis	Total	
<b>Not overdue receivables without identified impairment</b>	<b>257 612</b>	<b>35 574 457</b>	<b>35 832 069</b>	<b>15 188 164</b>
Amounts due from Central Bank and other banks	0	3 028 475	3 028 475	19 954
Individual customers	0	17 563 293	17 563 293	9 321 735
Micro customers	0	1 859 870	1 859 870	1 047 199
Large enterprises	0	11 909 557	11 909 557	4 329 920
Small and medium enterprises	0	1 189 635	1 189 635	469 356
Public sector	0	23 627	23 627	0
Other financial assets	257 612	0	257 612	0
<b>Overdue receivables without identified impairment</b>	<b>0</b>	<b>1 831 635</b>	<b>1 831 635</b>	<b>918 500</b>
Individual customers	0	1 476 533	1 476 533	685 587
Micro customers	0	195 704	195 704	106 591
Large enterprises	0	145 143	145 143	116 665
Small and medium enterprises	0	14 255	14 255	9 657
<b>Receivables with identified impairment</b>	<b>1 605 553</b>	<b>1 605 706</b>	<b>3 211 259</b>	<b>1 348 879</b>
Individual customers	58 429	956 630	1 015 059	361 413
Micro customers	56 331	649 076	705 407	360 164
Large enterprises	1 417 014	0	1 417 014	616 049
Small and medium enterprises	70 974	0	70 974	11 253
Other financial assets	2 805	0	2 805	0
<b>Total other financial assets, gross</b>	<b>1 863 165</b>	<b>39 011 798</b>	<b>40 874 963</b>	<b>17 455 543</b>
<b>Impairment allowances on amounts due from Central Bank and other banks</b>	<b>0</b>	<b>485</b>	<b>485</b>	<b>0</b>
<b>Impairment allowances on loans and advances</b>	<b>886 860</b>	<b>1 048 733</b>	<b>1 935 593</b>	<b>0</b>
<b>Impairment allowances on other financial assets</b>	<b>2 805</b>	<b>0</b>	<b>2 805</b>	<b>0</b>
<b>Total other financial assets, net</b>	<b>973 500</b>	<b>37 962 580</b>	<b>38 936 080</b>	<b>17 455 543</b>

## Risk management (cont.)

31 December 2014	Exposure amount			Value of security reducing the maximum exposure to credit risk
	analysed on an individual basis	analysed on a group basis	Total	
<b>Not overdue receivables without identified impairment</b>	<b>128 502</b>	<b>33 155 631</b>	<b>33 284 133</b>	<b>14 583 405</b>
Amounts due from Central Bank and other banks	0	1 555 195	1 555 195	16 123
Individual customers	0	16 128 215	16 128 215	8 962 412
Micro customers	0	1 774 576	1 774 576	1 007 087
Large enterprises	0	12 642 233	12 642 233	4 151 674
Small and medium enterprises	0	1 031 373	1 031 373	446 109
Public sector	0	24 039	24 039	0
Other financial assets	128 502	0	128 502	0
<b>Overdue receivables without identified impairment</b>	<b>0</b>	<b>2 044 648</b>	<b>2 044 648</b>	<b>1 048 033</b>
Individual customers	0	1 662 735	1 662 735	785 517
Micro customers	0	219 710	219 710	117 265
Large enterprises	0	139 822	139 822	136 100
Small and medium enterprises	0	16 641	16 641	9 151
Public sector	0	5 740	5 740	0
<b>Receivables with identified impairment</b>	<b>1 406 726</b>	<b>1 484 417</b>	<b>2 891 143</b>	<b>1 210 645</b>
Individual customers	32 818	855 776	888 594	326 663
Micro customers	35 743	628 641	664 384	347 444
Large enterprises	1 258 282	0	1 258 282	519 665
Small and medium enterprises	77 622	0	77 622	16 873
Other financial assets	2 261	0	2 261	0
<b>Total other financial assets, gross</b>	<b>1 535 228</b>	<b>36 684 696</b>	<b>38 219 924</b>	<b>16 842 083</b>
<b>Impairment allowances on amounts due from Central Bank and other banks</b>	<b>0</b>	<b>302</b>	<b>302</b>	<b>0</b>
<b>Impairment allowances on loans and advances</b>	<b>826 845</b>	<b>990 169</b>	<b>1 817 014</b>	<b>0</b>
<b>Impairment allowances on other financial assets</b>	<b>2 261</b>	<b>0</b>	<b>2 261</b>	<b>0</b>
<b>Total other financial assets, net</b>	<b>706 122</b>	<b>35 694 225</b>	<b>36 400 347</b>	<b>16 842 083</b>

## Risk management (cont.)

30 June 2014	Exposure amount			Value of security reducing the maximum exposure to credit risk
	analysed on an individual basis	analysed on a group basis	Total	
<b>Not overdue receivables without identified impairment</b>	<b>147 301</b>	<b>33 035 881</b>	<b>33 183 182</b>	<b>14 257 624</b>
Amounts due from Central Bank and other banks	0	1 711 565	1 711 565	18 806
Individual customers	0	16 219 357	16 219 357	9 031 545
Micro customers	0	1 845 070	1 845 070	987 146
Large enterprises	0	12 289 855	12 289 855	3 792 848
Small and medium enterprises	0	937 620	937 620	427 279
Public sector	0	32 414	32 414	0
Other financial assets	147 301	0	147 301	0
<b>Overdue receivables without identified impairment</b>	<b>0</b>	<b>2 106 980</b>	<b>2 106 980</b>	<b>1 104 841</b>
Individual customers	0	1 599 908	1 599 908	776 129
Micro customers	0	264 563	264 563	133 572
Large enterprises	0	224 004	224 004	181 907
Small and medium enterprises	0	18 505	18 505	13 233
<b>Receivables with identified impairment</b>	<b>1 418 505</b>	<b>2 524 365</b>	<b>3 942 870</b>	<b>1 232 271</b>
Individual customers	14 391	1 584 972	1 599 363	310 258
Micro customers	26 816	939 393	966 209	332 659
Large enterprises	1 287 871	0	1 287 871	575 925
Small and medium enterprises	82 225	0	82 225	13 429
Other financial assets	7 202	0	7 202	0
<b>Total other financial assets, gross</b>	<b>1 565 806</b>	<b>37 667 226</b>	<b>39 233 032</b>	<b>16 594 736</b>
<b>Impairment allowances on amounts due from Central Bank and other banks</b>	<b>0</b>	<b>190</b>	<b>190</b>	<b>0</b>
<b>Impairment allowances on loans and advances</b>	<b>798 969</b>	<b>1 985 181</b>	<b>2 784 150</b>	<b>0</b>
<b>Impairment allowances on other financial assets</b>	<b>7 202</b>	<b>0</b>	<b>7 202</b>	<b>0</b>
<b>Total other financial assets, net</b>	<b>759 635</b>	<b>35 681 855</b>	<b>36 441 490</b>	<b>16 594 736</b>

The ageing analysis of overdue assets without identified impairment is presented in the following table.

As at 30 June 2015	Past due for					Total
	Less than 30 day s	Between 30 and 90 day s	Between 90 and 180 day s	Between 180 day s and 1 year	More than 1 y ear	
<b>Gross loans and advances - overdue but not impaired</b>	<b>1 294 969</b>	<b>466 683</b>	<b>4 500</b>	<b>15 748</b>	<b>49 735</b>	<b>1 831 635</b>
Individual customers	1 147 826	321 315	3 774	3 038	580	1 476 533
Micro customers	120 557	74 988	38	98	23	195 704
Large enterprises	23 344	65 576	349	12 139	43 735	145 143
Small and medium enterprises	3 242	4 804	339	473	5 397	14 255
<b>Total</b>	<b>1 294 969</b>	<b>466 683</b>	<b>4 500</b>	<b>15 748</b>	<b>49 735</b>	<b>1 831 635</b>

## Risk management (cont.)

As at 31 December 2014

	Past due for					Total
	Less than 30 days	Between 30 and 90 days	Between 90 and 180 days	Between 180 days and 1 year	More than 1 year	
<b>Gross loans and advances - overdue but not impaired</b>	<b>1 538 647</b>	<b>387 670</b>	<b>18 957</b>	<b>21 687</b>	<b>77 687</b>	<b>2 044 648</b>
Individual customers	1 363 099	294 804	2 963	1 800	69	1 662 735
Micro customers	135 774	83 859	7	35	35	219 710
Large enterprises	32 102	1 387	14 507	19 091	72 735	139 822
Small and medium enterprises	7 672	1 880	1 480	761	4 848	16 641
Public sector	0	5 740	0	0	0	5 740
<b>Total</b>	<b>1 538 647</b>	<b>387 670</b>	<b>18 957</b>	<b>21 687</b>	<b>77 687</b>	<b>2 044 648</b>

As at 30 June 2014

	Past due for					Total
	Less than 30 days	Between 30 and 90 days	Between 90 and 180 days	Between 180 days and 1 year	More than 1 year	
<b>Gross loans and advances - overdue but not impaired</b>	<b>1 452 717</b>	<b>514 464</b>	<b>16 111</b>	<b>6 752</b>	<b>116 936</b>	<b>2 106 980</b>
Individual customers	1 231 637	366 627	1 401	38	205	1 599 908
Micro customers	167 515	97 016	6	21	5	264 563
Large enterprises	49 735	45 699	12 685	5 318	110 567	224 004
Small and medium enterprises	3 830	5 122	2 019	1 375	6 159	18 505
<b>Total</b>	<b>1 452 717</b>	<b>514 464</b>	<b>16 111</b>	<b>6 752</b>	<b>116 936</b>	<b>2 106 980</b>

In order to control credit portfolio risk in terms of expected and unexpected loss (capital and impairment allowance), the Bank sets for the purpose of internal control concentration limits as well as manages the exposure within those limits through regular monitoring.

In the periods covered by these interim condensed financial statements the Bank had no exposures exceeding any of the relevant concentration limit.

### Loans portfolio in CHF

Following decision of the Central Bank of Switzerland not to hold the Swiss frank (CHF) at a fixed exchange rate with euro (EUR), Polish zloty weakened roughly with relation to CHF (in the daytime of SNB decision by about 16-17%). The Bank's Management Board assessed that the strong appreciation of CHF against the PLN did not result in the breach of any of the regulatory ratios (CAD, LCR, Polish liquidity regulatory ratios) which remained on safe level, well above the required regulatory minimum.

From credit risk perspective no significant one off risk charges were identified or are expected to arise. One of the factors which caused the current situation is depreciating exchange rate PLN/CHF from January. Additionally, in cooperation with The Polish Bank Association, Bank introduced the action plan to strengthen monitoring of receivables quality, early warning and customer information processes. Bank activated also additional tools for repayment facilities for clients who have mortgages in CHF.



## Risk management (cont.)

In the table below loans and advances to customers of Bank in CHF are presented by gross value, impairment loss and net value as at 30 June 2015:

	Gross amount	Impairment allowance	Net amount
Individuals customers	12 547 764	185 965	12 361 799
Micro customers	634 443	20 110	614 333
Large enterprises	266 644	52 704	213 940
Small and medium enterprises	2 287	1	2 286
<b>Total</b>	<b>13 451 138</b>	<b>258 780</b>	<b>13 192 358</b>

The systemic solutions for FX risk associated with portfolios denominated in foreign currencies proposed by various state and supervisory bodies may have negative impact on Bank's financial results or capital.

## 17. Liquidity risk

The main purpose of the liquidity risk management process is to develop a structure of financial statement positions in Bank that allows the Bank to achieve profit targets defined in the financial plan and, at the same time, maintain Bank's ability to timely settle its liabilities and comply with the both internal and external (regulatory) liquidity risk limits.

In the periods covered by these interim condensed financial statements there were no significant changes in the liquidity risk management.

The following table presents an ageing analysis of financial liabilities in the form of undiscounted cash flows.

30 June 2015	Contractual cash flows						
	Nominal amount	Carrying amount	within 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years	Total
<b>Liabilities in respect of derivative financial instruments</b>		<b>1 783 256</b>	<b>335 722</b>	<b>316 052</b>	<b>945 200</b>	<b>214 271</b>	<b>1 811 245</b>
inflows	26 453 798	0	13 208 718	6 989 123	5 049 651	1 329 332	26 576 824
outflows	28 097 597	0	13 544 440	7 305 175	5 994 851	1 543 603	28 388 069
<b>Financial liabilities</b>	<b>45 217 311</b>	<b>45 285 894</b>	<b>32 589 206</b>	<b>7 633 674</b>	<b>5 204 638</b>	<b>612 202</b>	<b>46 039 720</b>
<i>Amounts due to banks and other monetary institutions</i>	8 808 759	8 811 465	2 223 535	2 280 778	4 465 326	358 693	9 328 332
<i>including received loans</i>	6 608 114	6 610 427	0	2 270 122	4 420 868	358 693	7 049 683
<i>Amounts due to customers</i>	35 236 251	35 300 060	30 237 494	5 151 398	5 965	613	35 395 470
<i>Subordinated liabilities</i>	314 580	314 862	3 695	11 086	153 356	252 184	420 321
<i>Liabilities from issuance of debt securities</i>	500 000	501 785	0	15 150	522 725	0	537 875
<i>Other financial liabilities</i>	357 722	357 722	124 482	175 263	57 265	712	357 722
<b>Guarantee liabilities granted</b>	<b>1 886 265</b>	<b>0</b>	<b>0</b>	<b>1 886 265</b>	<b>0</b>	<b>0</b>	<b>1 886 265</b>
<b>Financial liabilities granted</b>	<b>7 745 237</b>	<b>0</b>	<b>0</b>	<b>3 738 545</b>	<b>4 006 692</b>	<b>0</b>	<b>7 745 237</b>

## Risk management (cont.)

31 December 2014							
Type of liability	Nominal amount	Carrying amount	Contractual cash flows				Total
			within 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years	
<b>Liabilities in respect of derivative financial instruments</b>		<b>1 124 388</b>	<b>509 601</b>	<b>340 428</b>	<b>202 052</b>	<b>114 435</b>	<b>1 166 516</b>
inflows	27 312 088	0	17 540 262	4 093 644	3 699 251	2 039 408	27 372 564
outflows	28 265 632	0	18 049 863	4 434 072	3 901 303	2 153 842	28 539 080
<b>Financial liabilities</b>	<b>45 985 374</b>	<b>46 070 304</b>	<b>33 482 826</b>	<b>9 468 309</b>	<b>2 565 426</b>	<b>1 144 976</b>	<b>46 661 537</b>
<i>Amounts due to banks and other monetary institutions</i>	11 234 887	11 242 801	3 102 045	5 520 592	1 951 060	774 105	11 347 802
<i>including received loans</i>	8 010 204	8 012 111	1 286 949	4 030 661	1 861 442	863 723	8 042 775
<i>Amounts due to customers</i>	33 689 806	33 764 529	30 181 117	3 904 316	1 630	1 186	34 088 249
<i>Subordinated liabilities</i>	319 673	320 006	3 755	11 265	68 169	351 487	434 677
<i>Liabilities from issuance of debt securities</i>	500 000	501 960	0	16 500	533 300	0	549 800
<i>Other financial liabilities</i>	241 008	241 008	195 909	15 636	11 266	18 197	241 008
<b>Guarantee liabilities granted</b>	<b>2 019 923</b>	<b>0</b>	<b>0</b>	<b>2 019 923</b>	<b>0</b>	<b>0</b>	<b>2 019 923</b>
<b>Financial liabilities granted</b>	<b>4 454 747</b>	<b>0</b>	<b>0</b>	<b>1 970 057</b>	<b>2 484 690</b>	<b>0</b>	<b>4 454 747</b>

30 June 2014							
Type of liability	Nominal amount	Carrying amount	Contractual cash flows				Total
			within 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years	
<b>Liabilities in respect of derivative financial instruments</b>		<b>371 149</b>	<b>118 188</b>	<b>108 687</b>	<b>135 926</b>	<b>21 408</b>	<b>384 209</b>
inflows	15 926 640	0	9 314 196	4 752 093	1 572 062	408 890	16 047 242
outflows	16 161 155	0	9 432 384	4 860 780	1 707 988	430 298	16 431 451
<b>Financial liabilities</b>	<b>43 700 142</b>	<b>43 898 312</b>	<b>30 041 186</b>	<b>7 614 621</b>	<b>5 922 615</b>	<b>606 814</b>	<b>44 185 236</b>
<i>Amounts due to banks and other monetary institutions</i>	12 273 758	12 288 877	2 404 449	3 980 892	5 574 273	302 252	12 261 866
<i>including received loans</i>	10 359 182	10 369 486	973 896	3 879 564	5 547 551	0	10 401 011
<i>Amounts due to customers</i>	30 842 587	30 920 705	27 632 963	3 402 316	75 010	1 364	31 111 652
<i>Subordinated liabilities</i>	312 068	312 388	3 775	11 324	117 079	303 199	435 376
<i>Other financial liabilities</i>	271 729	376 342	0	220 089	156 253	0	376 342
<b>Guarantee liabilities granted</b>	<b>1 823 634</b>	<b>0</b>	<b>0</b>	<b>1 143 088</b>	<b>680 546</b>	<b>0</b>	<b>1 823 634</b>
<b>Financial liabilities granted</b>	<b>4 051 300</b>	<b>0</b>	<b>0</b>	<b>2 047 376</b>	<b>2 003 924</b>	<b>0</b>	<b>4 051 300</b>

## Risk management (cont.)

### 18. Other market risks

#### 18.1. Market risk

Market risk is a risk of changes in market value of financial instruments related to changing market factors such as interest rate and exchange rates.

For the purpose of market risk management Bank identifies, measures and monitors this risk and determines level of maximum risk appetite. To ensure this limit would not be exceeded, the Bank implemented limits system including limit for maximum loss limit (stop-loss), limit of maximum opex foreign exchange position, sensitivity limit for the change of interest rate curves and VaR limits.

The market risk management process is subject to continuous assessment and evolution in order to adjust it to the changing market conditions.

In the periods covered by these interim condensed financial statements there were no significant changes in the Bank's market risk management.

#### 18.2. Currency risk

Currency risk is a risk of changes in value of individual financial instruments due to fluctuations in foreign exchange rates. In connection with its activity, the Bank is exposed to the effect of fluctuations in foreign exchange rates on its financial position and cash flows.

The main purpose of currency risk management is to identify areas prone to currency risk and take actions aimed at reducing the risk an acceptable level.

In the periods covered by these interim condensed financial statements there were no significant changes in currency risk management.

The following table presents the Bank's balance sheet and off-balance items by currency.

Assets, liabilities and off-balance items in foreign currencies and the Bank's foreign exchange position					
30 June 2015	EUR	USD	CHF	Other	Total
Balance sheet components of foreign exchange position – assets	10 083 778	566 903	13 054 444	169 732	23 874 857
Balance sheet components of foreign exchange position – liabilities	8 514 020	2 128 287	3 240 034	298 484	14 180 825
Off-balance components of foreign exchange position – amounts receivable	11 559 284	15 032 379	466 649	651 603	27 709 915
Off-balance components of foreign exchange position – amounts payable	13 110 179	13 480 540	10 297 931	521 875	37 410 525
<b>Net long foreign exchange position (+)</b>	<b>18 864</b>	<b>-</b>	<b>-</b>	<b>975</b>	<b>19 839</b>
<b>Net short foreign exchange position (-)</b>	<b>-</b>	<b>9 545</b>	<b>16 872</b>	<b>-</b>	<b>26 417</b>

## Risk management (cont.)

Assets, liabilities and off-balance items in foreign currencies and the Bank's foreign exchange position					
31 December 2014	EUR	USD	CHF	Other	Total
Balance sheet components of foreign exchange position – assets	10 293 433	832 779	11 757 624	364 022	23 247 858
Balance sheet components of foreign exchange position – liabilities	9 520 965	1 899 444	3 854 876	337 390	15 612 675
Off-balance components of foreign exchange position – amounts receivable	11 662 245	14 274 956	2 023 889	423 291	28 384 382
Off-balance components of foreign exchange position – amounts payable	12 427 474	13 221 639	9 921 069	447 940	36 018 121
<b>Net long foreign exchange position (+)</b>	<b>7 239</b>	<b>-</b>	<b>5 568</b>	<b>1 983</b>	<b>14 791</b>
<b>Net short foreign exchange position (-)</b>	<b>-</b>	<b>13 347</b>	<b>-</b>	<b>-</b>	<b>13 347</b>

  

Assets, liabilities and off-balance items in foreign currencies and the Bank's foreign exchange position					
30 June 2014	EUR	USD	CHF	Other	Total
Balance sheet components of foreign exchange position – assets	8 761 078	660 474	11 694 682	170 883	21 287 117
Balance sheet components of foreign exchange position – liabilities	10 880 529	1 641 981	4 510 878	262 325	17 295 714
Off-balance components of foreign exchange position – amounts receivable	13 746 252	11 492 438	1 264 417	436 157	26 939 265
Off-balance components of foreign exchange position – amounts payable	11 618 677	10 514 955	8 448 197	343 667	30 925 497
<b>Net long foreign exchange position (+)</b>	<b>8 123</b>	<b>-</b>	<b>24</b>	<b>1 047</b>	<b>9 194</b>
<b>Net short foreign exchange position (-)</b>	<b>-</b>	<b>4 024</b>	<b>-</b>	<b>-</b>	<b>4 024</b>