

PRESENTATION OF FINANCIAL PERFORMANCE Q3 2020

BNP Paribas Bank Polska SA Group

Warsaw, 10 November 2020



BNP PARIBAS

AGENDA

01 KEY HIGHLIGHTS

02 MACROECONOMIC ENVIRONMENT

03 GROUP FINANCIAL RESULTS

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05 BUSINESS SEGMENTS PERFORMANCE

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01

KEY HIGHLIGHTS



EXECUTIVE SUMMARY

TEMPORARILY GETTING BACK TO „NORMAL“ IN THE THIRD QUARTER. UNCERTAINTY ABOUT THE DEVELOPMENT OF THE CORONAVIRUS PANDEMIC

„NEW NORMAL“ ADAPTATION MEASURES



Focus on maintaining the level of core revenues – reducing the cost of funding, repricing of loans, changing the fee and commission tariff

Credit moratoria – gradual expiration, return of customers to regular repayments as expected

Business continuity – availability of branches, remote work

BUSINESS ACTIVITY RECOVERY CONTINUATION



Retail banking sales – return to pre-pandemic levels

Continued high liquidity of enterprises, visible transfer of individual customers' funds towards investment products

Still low demand for credit from enterprises – impact of government programs and uncertain economic environment

FINANCIAL RESULTS GROWTH DESPITE THE PANDEMIC



Core revenues – negative impact of reduced interest rates partially mitigated by lower cost of funding, interest rates risk hedging and above-average net fee income

Maintaining the level of operating costs – consistent execution of synergies and savings initiatives, further transformation

Normalization of the cost of risk level – no deterioration of portfolio quality despite the economic slowdown

- We are on track, both in terms of the level of financial and business results – visible effects of the transformation and strategy execution
- Uncertainty about the development of the pandemic and its impact on the economic situation, customer activity and the level of credit risk

NEW "NORMAL"

GRADUAL ADAPTATION OF THE BUSINESS MODEL TO THE CHANGED MARKET ENVIRONMENT

ACTIVITY DURING THE PANDEMIC TIME

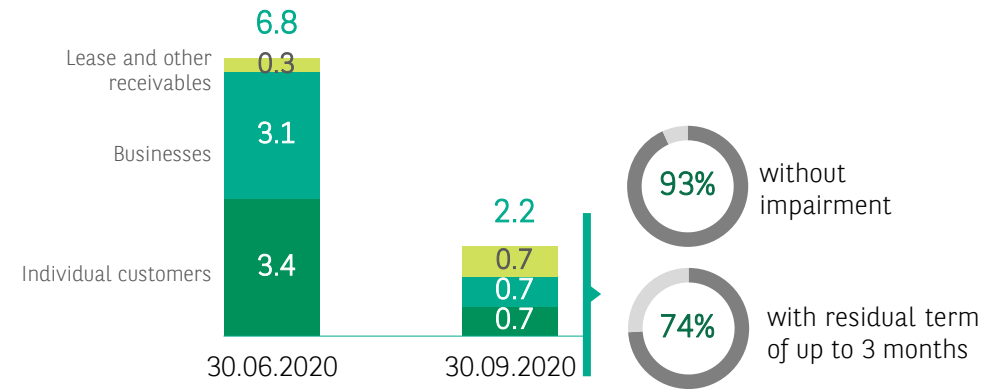
Maintaining **safety measures** in branches; continuance of remote work

Credit moratoria

- repayment deferral option from early April 2020 applied to balance sheet credit exposures of PLN 7.5 billion of which PLN 5.3 billion terminated (until 30 September)
- after 30 September, only government's moratoria are available that apply to balance sheet exposures of PLN 29.6 million
- high percentage of Bank's customers restarting repayments

96% customers
have restarted regular repayments after expiry of moratoria (% of balance sheet exposure)

Value of exposures under active credit moratoria* (PLN billion)



MAINTENANCE OF PROFITABILITY IN THE LOW INTEREST RATE ENVIRONMENT

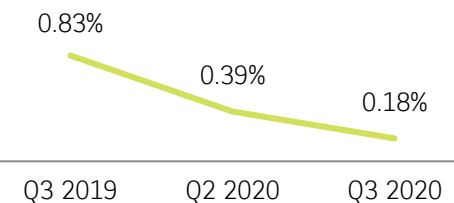
Repricing activities in all customer segments, on the assets and liabilities sides of the Bank's balance sheet – partial offset of the negative effect of interest rate reduction

Revision of fees and provisions in all customer segments

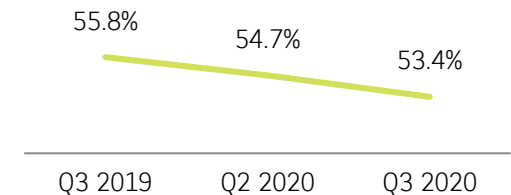
Cost discipline: synergy achievement is on track; additional cost saving initiatives

Focus on the **quality of loan portfolio**, standardization of the cost of risk

Deposit cost reduction



C/I** ratio improvement

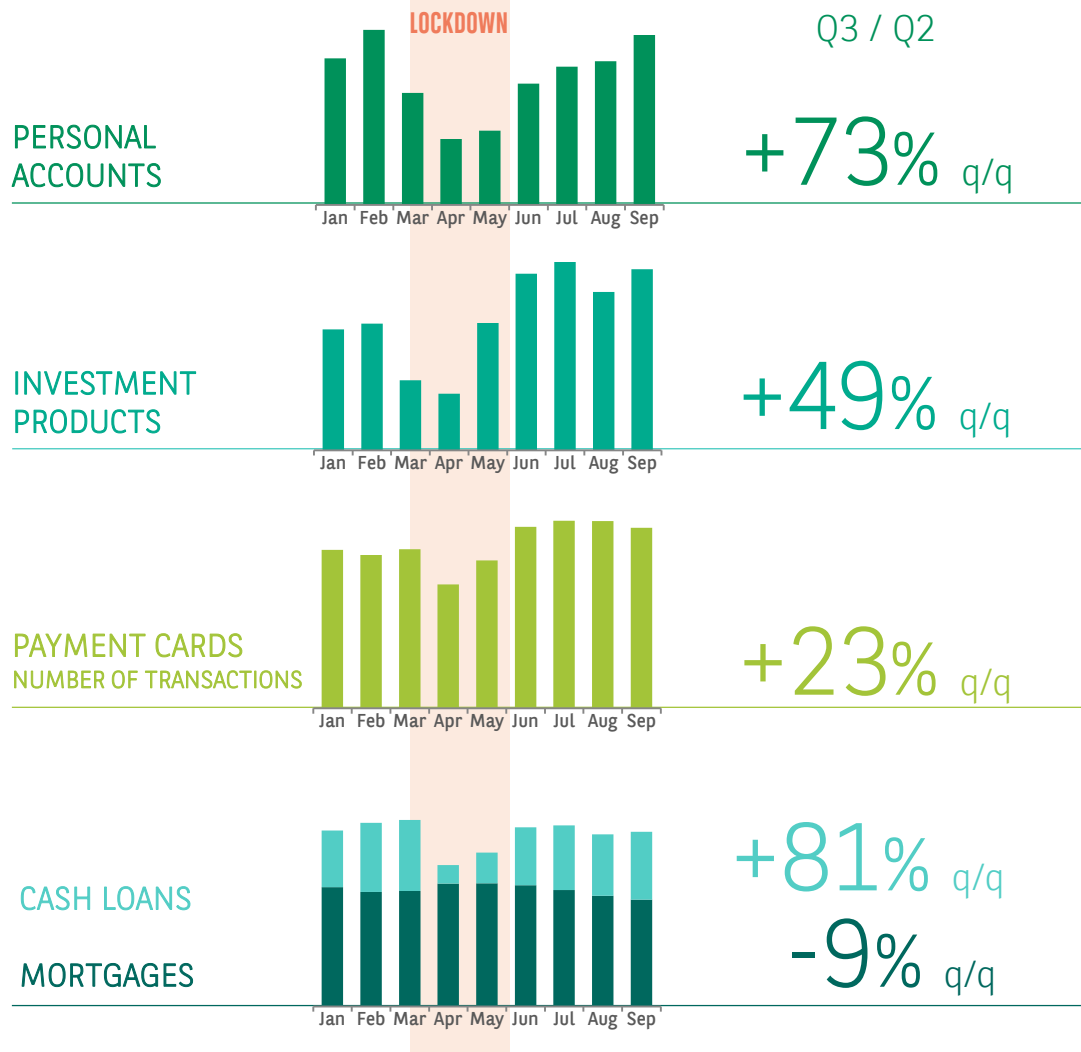


* consolidated data
** excluding integration costs; based on YTD figures

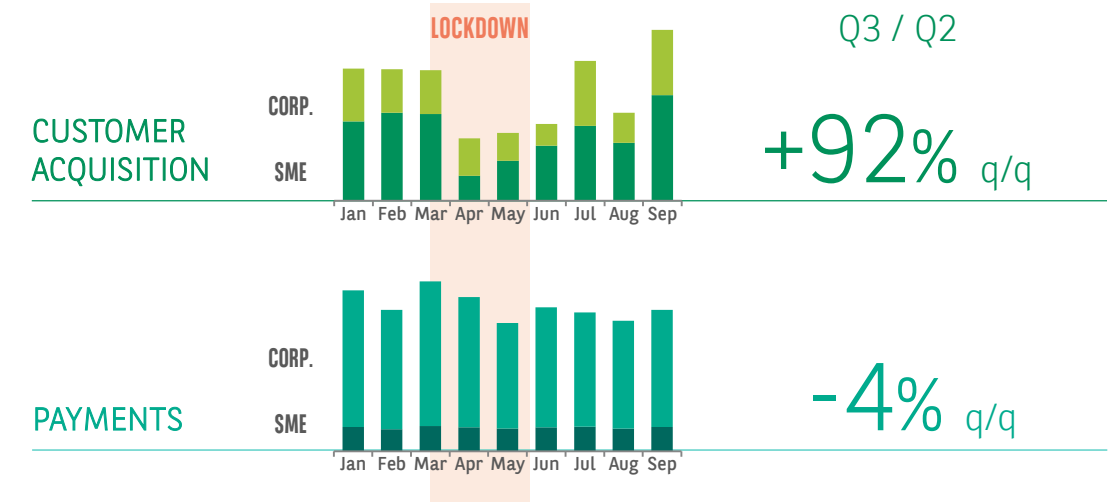
RETURN TO PRE-PANDEMIC BUSINESS ACTIVITY

REBOUND IN RETAIL BANKING SALES IN THE THIRD QUARTER. A GRADUAL RECOVERY IN CORPORATE BANKING

Retail Banking – sales & transactional volumes trends



Corporate Banking – sales & transactional volumes trends



Despite the general decline in demand for loans from institutional customers, we completed several significant corporate transactions in Q3

ORLEN

Capex financing including low-carbon energy projects

EUR 1,750 million

BNP PARIBAS
Mandated Lead Arranger
Bookrunner

July 2020

Gaz system

Baltic Pipe project financing

PLN 5,550 million

BNP PARIBAS
Mandated Lead Arranger
Bookrunner & Agent

July 2020

ATAL

Corporate bond issuance

PLN 200 million

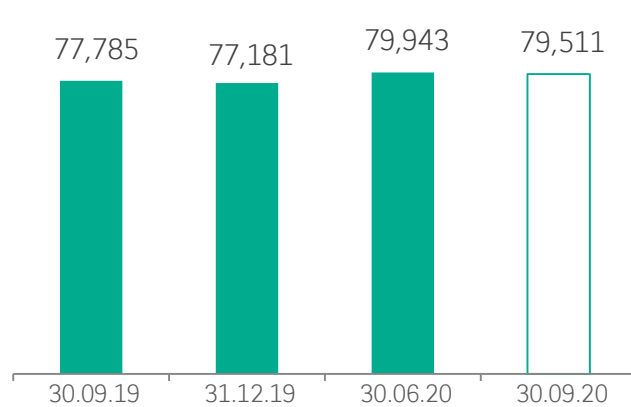
BNP PARIBAS
Sole Arranger &
Bookrunner

September 2020

COMMERCIAL VOLUMES - VISIBLE IMPACT OF MARKET UNCERTAINTY

MAINTAINING THE LOAN BALANCE BY ACCELERATING THE SALES OF LOANS TO RETAIL CUSTOMERS. STABILIZATION OF THE LEVEL OF DEPOSITS

Gross loans (in PLN million)

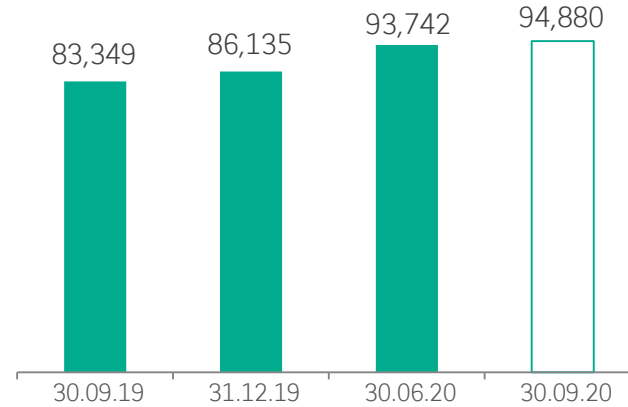


+3.0% q/q growth in individual customer loans
(+12.4% y/y)

+4.5% q/q growth in mortgages
(+21.3% y/y)

-2.9% q/q decrease in enterprise loans
(-3.9% y/y)

Customer deposits (in PLN million)

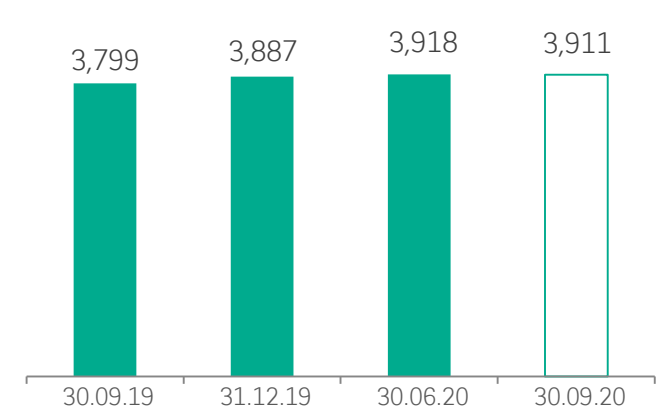


+2.9% q/q growth in enterprise deposits
(+32.2% y/y)

-0.8% q/q decrease in individual
customer deposits (-2.9% y/y)

+1.4% q/q growth in the number of micro
entrepreneurs current accounts (+6.7% y/y)

Number of customers (in thousands)



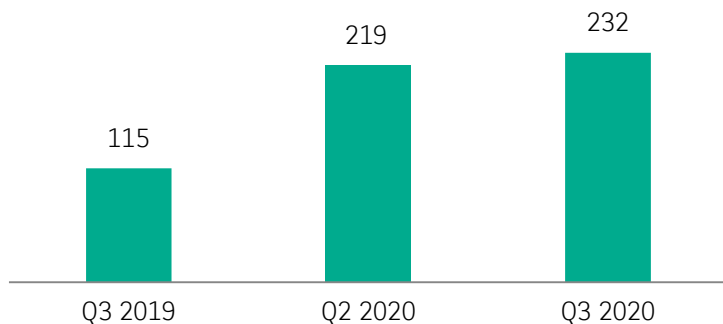
-0.3% q/q decrease in the number of
individual customers (+2.8% y/y) – clean-up of
the customer base partially neutralized by the
increase in acquisition

+1.6% q/q growth in the number of micro,
SME and corpo customers (+4.3% y/y)

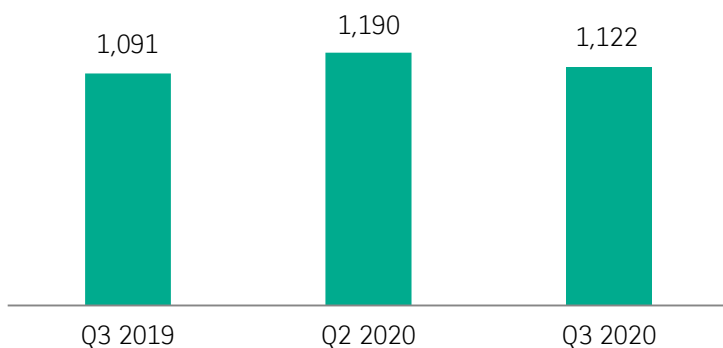
POSITIVE EFFECTS OF THE BANK'S ADAPTATION TO THE NEW ENVIRONMENT

SOLID CORE REVENUES, STABILIZATION OF OPERATING COSTS, COST OF RISK NORMALIZATION

Net profit (in PLN million)

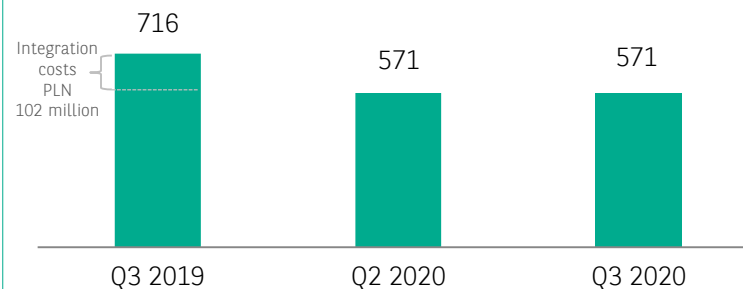


Net banking income (in PLN million)

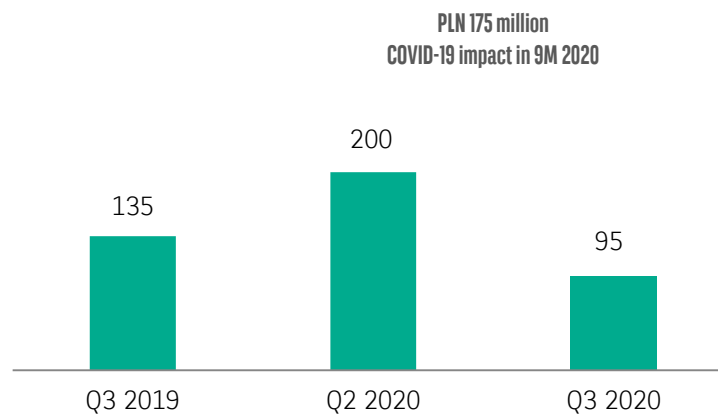


* in Q3 2020, the result from provisions for legal risk of CHF housing loans from the NBI was excluded. Changes were made in all periods.

Operating costs (in PLN million)



Cost of risk (in PLN million)



A moderate decrease in the quarterly level of core revenues (-5.7% q/q) as a result of the negative impact of interest rates cuts as well as other operating income and expenses (UOKiK penalty).

Lack of one-off events comparable to the previous quarter (BIK, KIR valuation), neutralized by an increase in net fee and commission income and cost of funding optimization.

Higher net profit (+5.7% q/q) thanks to maintaining low operating costs and lower cost of risk in comparison with the previous quarter.

CONSISTENT EXECUTION OF THE FAST FORWARD STRATEGY AND CSR POLICY

KEY ACHIEVEMENTS IN EACH STRATEGY PILLAR




growth


PLN 4.3 billion of **mortgage loans** sold – a growth of 45% y/y

Effective customer acquisition; more than 180,000 **personal accounts** sold

Allegro – over 360,000 customers (value of financed purchases: PLN 800 million); **Decathlon** – over 6,000 customers (value of purchases: PLN 9.1 million)


Start of cooperation with the **Media Markt** store chain


 **Green Mortgage** – an offering for customers applying for financing energy efficient properties


 The first **guarantee agreement with EBI** for investments in energy efficiency with the target value of PLN 742 million

simplicity

First in the market identity verification (KYC) **based on open banking** in remote cash loan applications

 Meeting booking service in the **Booksy** application in all branches

 **Extension of the Autenti platform**; e-signature used also internally, for product selling, contracts with contractors

 Improving **transparency and clarity of communication** to customers, in collaboration with Pracownia Prostej Polszczyzny [“Studio of Simple Polish Language”]

quality

World’s Best Bank for Financial Inclusion 2020 – title awarded to BNP Paribas Group by Euromoney Magazine for social engagement and increased availability approach in launching new products and services


IBM Trusteer Rapport application (protection from theft of data sent electronically) shared with all customers for free


The Bank is a winner in **e-Commerce Polska Awards 2020** for implementing Booksy for booking visits at outlets as the first bank in the world


1st place in the ranking of premium accounts made by Bankier.pl website for Moje Konto PREMIUM


104 branches of the Bank in the cashless format


enthusiasm

 Bank is included in the **WIG-ESG stock exchange index** of companies that meet environmental, social and governance criteria

 **Agreement with Respect Energy** – 100% of electric energy purchased directly by the Bank will come from hydroelectric power plants

 **“Women changing BNP Paribas”** – an initiative that promotes development of women and supports them within the organization


 **Corporate wellness: “Dobrze” (“Well”) Program** – to promote a healthy lifestyle – 3,500 employees

 **Good Kilometers campaign** – 70,000 km covered by employees

digitalization

New Premium Banking offering with the Cyber package to protect user’s security in the web (“darknet” monitoring and BIK alerts)

GOmobile: new functionalities, including internal FX transfers, more convenient push notifications

 **Elimination of paper forms** from the account opening procedure in branches and in cash deposit and withdrawal operations

 **EVA chatbot** – AI-based solution that supports the Central Procurement Department operations; winner of the **Lider Zakupów 2020 (“Procurement Leader 2020”)** award

CSR responsibility pillars



business



for the natural environment



at workplace



social



TRANSFORMATION PROGRAM CONTINUATION

DIGITAL PRIORITIES ALIGNED WITH NEW CHALLENGES AND MARKET SITUATION

H1 2020

Q3 2020

1 | Development of all front-end systems



- GOMobile: remote account opening with Video Verification
- New GOMobile Biznes application for SME and Corporate
- Customer Journey digitalization for Trade Finance customers

2 | Operating model enhancement



- Paperless on-boarding process for clients in the branches
- Improvement of credit processes for SME and corporate banking clients
- Cashless branch program (44 in the total network, 3rd place on the market)
- 29 robots / 87 processes robotized

3 | Transformation / adaptation to COVID-19



- Autenti e-signature implemented in the whole Bank and for clients (incl. leasing process, accounts, deposits)
- BNP Paribas Bank Polska as the first bank in the world to introduce Booksy for booking visits in selected branches

• Development of mobile and online applications:

- new features in Goonline including digital recertification, opening a brokerage account, 3D-Secure mobile authorization
- GOMobile version 2.4 enhanced with internal foreign currency payments, PDF statements, marketing consent management
- new mobile authorization of transactions in the BiznesPl@net online banking system via GOMobile Biznes

• The first solution within open banking - faster confirmation of the customer's identity in the online credit process

• Process automation: another 6 operational processes have been robotized; Eva chatbot - a self-learning program supporting internal purchasing processes in the Bank; automated KYC 1st level control

• Additional 60 cashless outlets in Q3, 104 branches in total (including 2 franchise outlets)

• Extension of the Booksy booking options across the entire branch network



#stayathome
digital statistics for Q3

✓ ~72 k
contracts signed
with Autenti
(+79% q/q)

✓ 1.3 m
clients using
digital
channels

✓ 599 k
GOMobile
users
(+12% q/q)

✓ 6.6 m
mobile
transactions
(+9% q/q)

✓ 2.3 m
BLIK
transactions
(+2% q/q)

✓ 210 k
cards in
digital wallets
(+17% q/q)

02

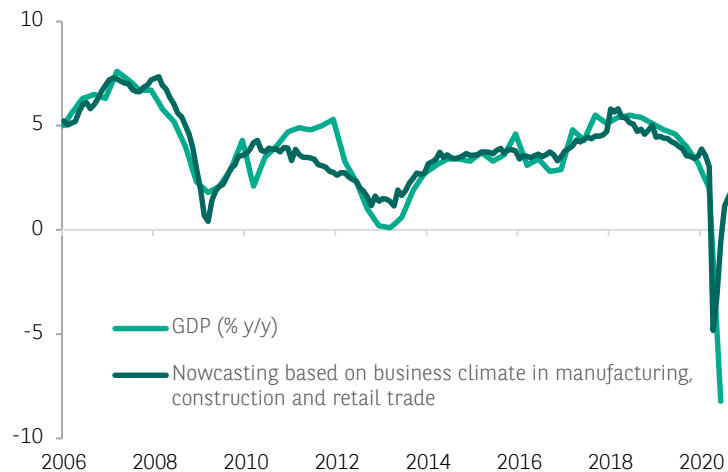
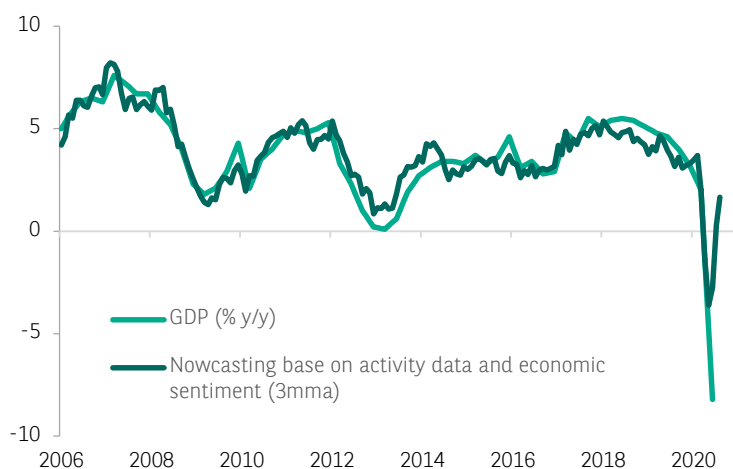
MACROECONOMIC ENVIRONMENT



MACROECONOMIC ENVIRONMENT - GDP & BUSINESS CLIMATE

STRONG Q3 WITH SIGHTS OF A SLOWDOWN AT THE END OF THE YEAR

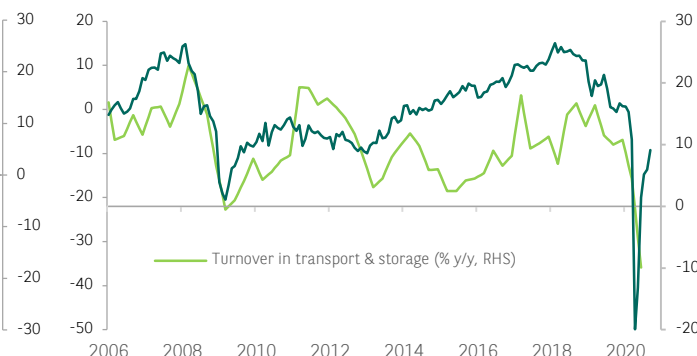
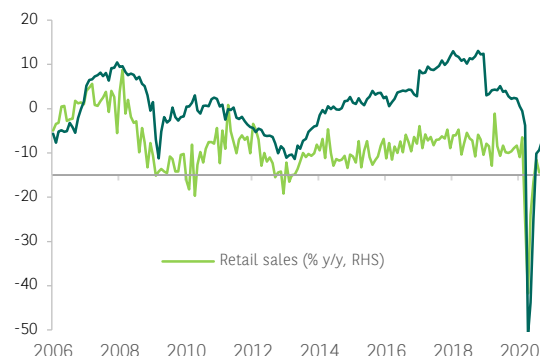
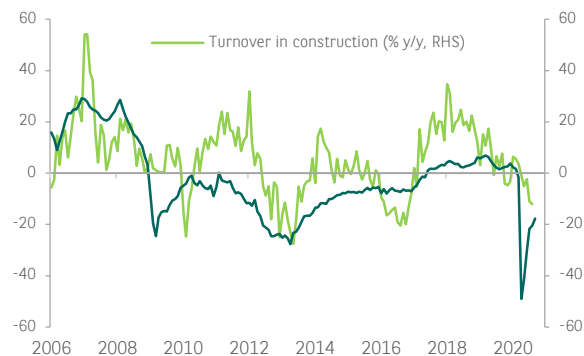
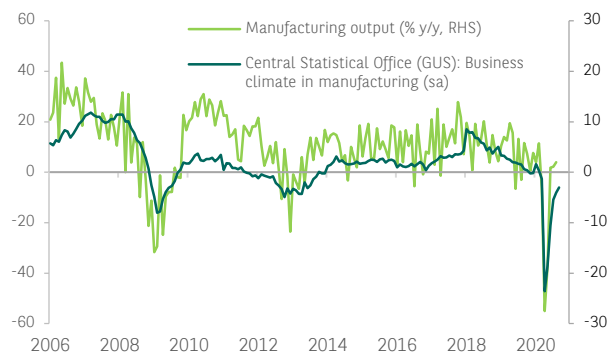
GDP growth (% y/y)



The final data on Polish GDP in Q2 revised a decrease to 8.4% y/y compared to the previous 2% increase. Economic activity data for the July-September period show a dynamic rebound in industrial production and retail sales.

This should ensure a significant rebound of quarterly GDP growth in the current quarter and reduce the rate of annual economic decline, as already available high-frequency data and surveys suggest.

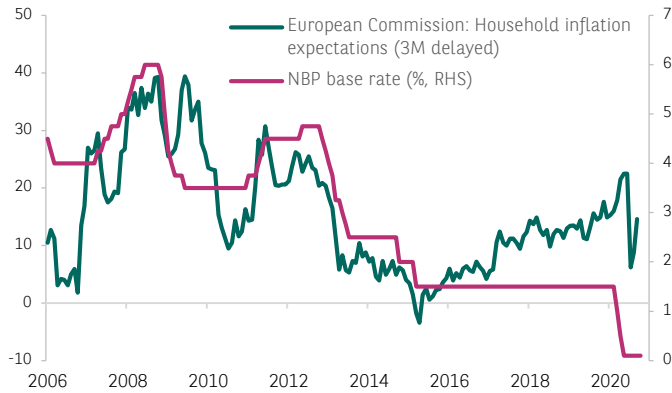
Business climate surveys



MACRO ENVIRONMENT – MONETARY POLICY & FX RATES

INTEREST RATES CLOSE TO ZERO. RISK AVERSION WEAKENS THE ZLOTY

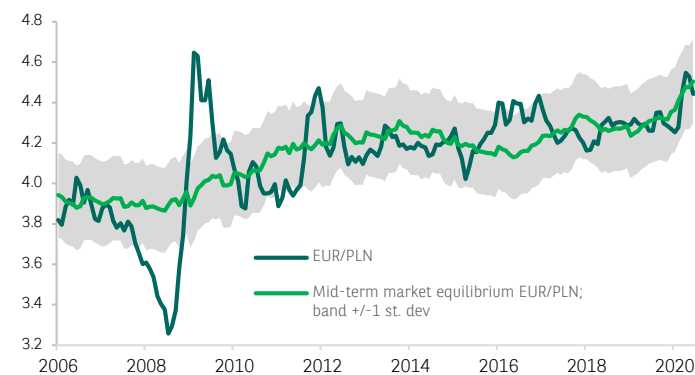
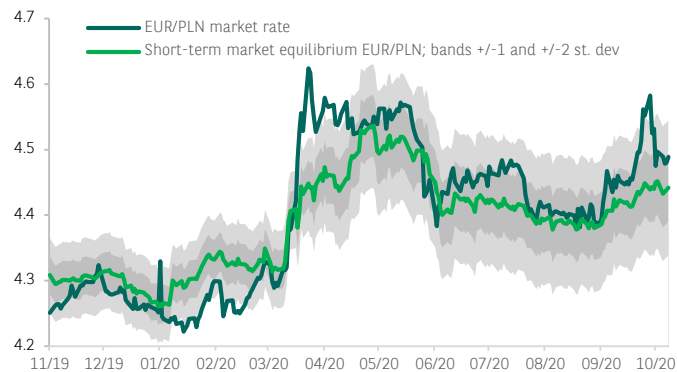
Monetary policy and money market rates



Starting from March, the Monetary Policy Council decided on making three cuts, by a total of 140 basis points. Currently the interest rate is 0.1%.

According to the Council members, the MPC has completed the interest rate loosening cycle.

EUR/PLN: Short- and medium-term equilibrium rates



The short-term EUR/PLN exchange rate rose to 4.45 as risk aversion in global markets increased.

The medium-term EUR/PLN exchange rate was in the range of 4.30-4.60.

In the short term, the zloty is slightly undervalued and may appreciate when pandemic risk decreases.

03

GROUP FINANCIAL RESULTS



KEY FINANCIAL DATA AFTER THREE QUARTERS OF 2020

GOOD FINANCIAL RESULTS, STABILIZATION IN OPERATING EXPENSES, DECREASE IN COST OF RISK, SAFE LIQUIDITY AND CAPITAL POSITION

Financial results

Net profit	PLN 566 million PLN 523 million*	+15% y/y (PLN +72 million) -28% y/y (PLN -206 million)*
Net banking income**	PLN 3,521 million PLN 3,464 million*	+3% y/y (PLN +107 million), of which: net interest income: PLN 2,313 million, -2.1% y/y net fee & commission income: PLN 658 million, +7.5% y/y net trading income: PLN 534 million, +6.5% y/y +1% y/y (PLN +23 million)*
Expenses	PLN 1,881 million PLN 1,877 million*	-13% y/y (PLN +290 million) -2% y/y (PLN +31 million)*
C/I Ratio	53.4%	-10.2 pp y/y (-1.3 pp y/y*)
Net provisions for legal risk of CHF loans	PLN 66 million	+7,017% y/y (PLN -65 million) gradual adjustment of CHF provision over 2020
Net impairment write-offs	PLN 493 million	+45% y/y (PLN -152 million) approx. PLN 175 million – COVID-19 impact in 9M 2020

Volumes

Assets	PLN 122 billion, +13.0% y/y
Loans (gross)	PLN 80 billion, +2.2% y/y
Customer deposits	PLN 95 billion, +13.8% y/y
Equity	PLN 11,820 million, +7.0% y/y

Indicators

Capital Adequacy Ratio	15.79%
Tier 1	13.44%
Net loans/deposits	79.7%
ROE	6.6%
LCR	173%

* in normalized terms, i.e. without integration costs: 9M 2020: positive value PLN 0.6 million (PLN 4.3 million in operating costs and positive value PLN 4.9 million in other operating expenses), 9M 2019: PLN 266.2 million (PLN 263.1 million in operating costs and PLN 3.0 million in other operating expenses) as well as without one-offs in 9M 2020: PLN 52.2 million (BIK and KIR valuation PLN 45.1 million, sale of Kasprzaka PLN 43.6 million, provision for UOKiK penalty related to spread clauses in credit agreements PLN -26.6 million, provision for option case PLN -9.8 million), in 9M 2019: PLN -24.0 million (provision for CJEU judgment on commission reimbursement in the event of early loan repayment PLN -48.8 million, provisions for option case and operating loss PLN -17.7 million and sale of factoring activities PLN 45 million).

** In Q3 2020, the result from provisions for legal risk of CHF housing loans was excluded from the category of other operating expenses. For the sake of comparability, the shift was made in all the presented periods.

LOAN PORTFOLIO

MORTGAGE LOANS BEING THE DRIVER OF GROWTH IN LOANS TO INDIVIDUAL CUSTOMERS; LOW DEMAND FOR CREDIT FROM ENTERPRISES

PLN m

Increase in the portfolio value by 2.2% y/y (-0.5% q/q).

Increase in the value of the individual customer loan portfolio (+12.4% y/y, +3.0% q/q)

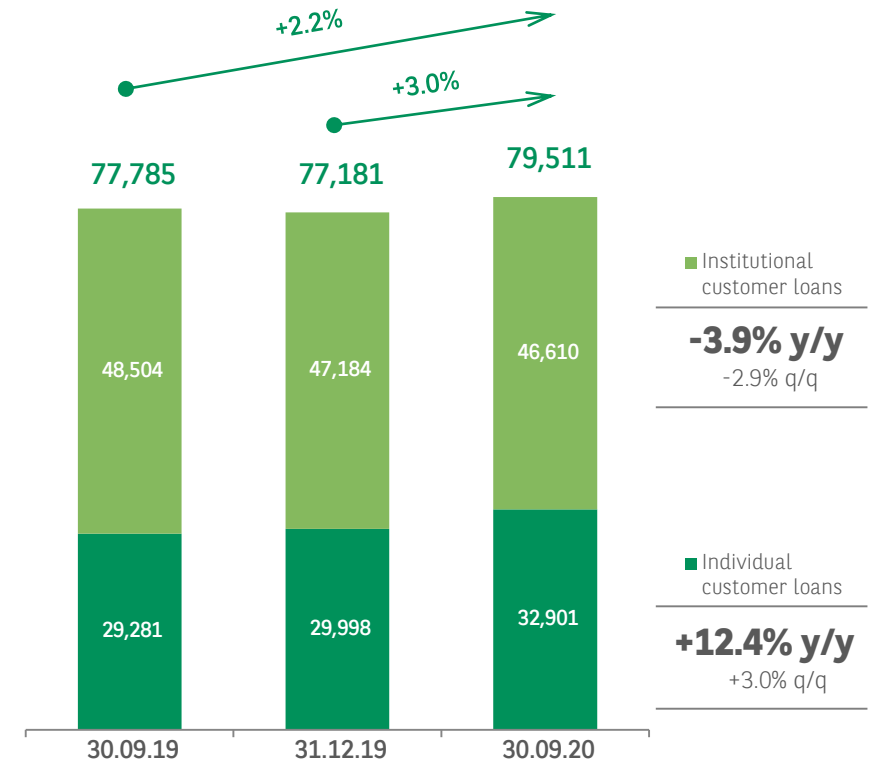
- further increase in the share of individual customers in the Bank's loan portfolio to 41.4% (+3.7 pp y/y),
- increase in the share of mortgages in the individual customer loan portfolio to 65.9% (+4.9 pp y/y).

Decrease in the institutional loan portfolio -3.9% y/y (-2.9% q/q)

- decrease in the share of current account loans in the enterprise loan portfolio to 47.4% (-1.5 pp q/q, -3.1 pp vs end of 2019).

Customer loans market share: 5.7%

Gross customer loans*



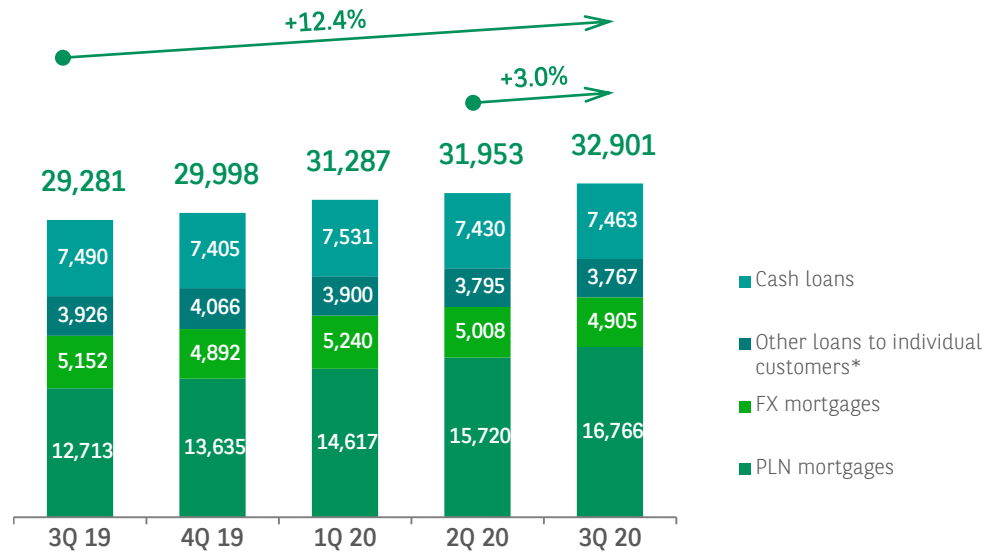
* including the portfolio measured at fair value

GROSS LOAN PORTFOLIO

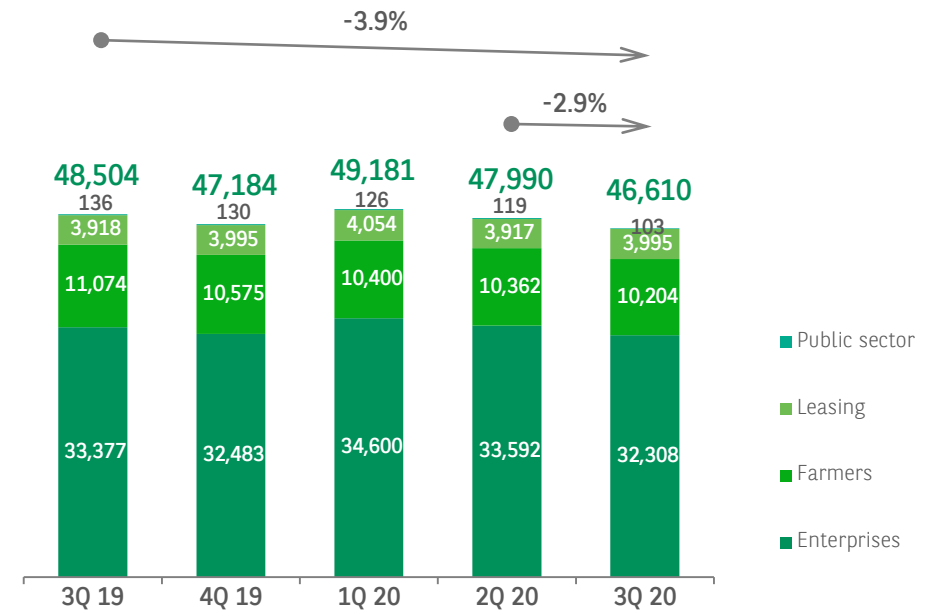
CONTINUATION OF THE INCREASE IN LOANS TO INDIVIDUAL CUSTOMERS (+3.0% Q/Q); DECREASE IN THE PORTFOLIO OF INSTITUTIONAL CUSTOMERS (-2.9% Q/Q)

PLN m, gross

Individual customer loans



Institutional customer loans**



- The increase results mainly from the growth in the portfolio of PLN mortgages (+6.7% q/q and +31.9% y/y) with a simultaneous decline in the portfolio of FX mortgages (-2.1% q/q and -4.8% y/y).
- Further growth in the share of mortgage loans in individual loans to 65.9% (+1.0 pp q/q and +4.9 pp y/y).
- Slight increase in cash loans + 0.4% q/q (-0.4% y/y - negative impact of the COVID-19 pandemic).

- Decrease in the total gross portfolio value by -2.9 q/q and -3.9% y/y. The observed decline in demand for loans from institutional customers as a result of the lockdown on business activities in Q2 2020 and increased uncertainty about the outlook for the economy.
- As at the end of Q3 2020, the share of loans to enterprises in loans to institutional customers slightly decreased to 69.3% (-0.7 pp q/q, +0.5 pp y/y), with an increase in the share of leasing to 8.6% (+0.4 pp q/q +0.5 pp y/y).

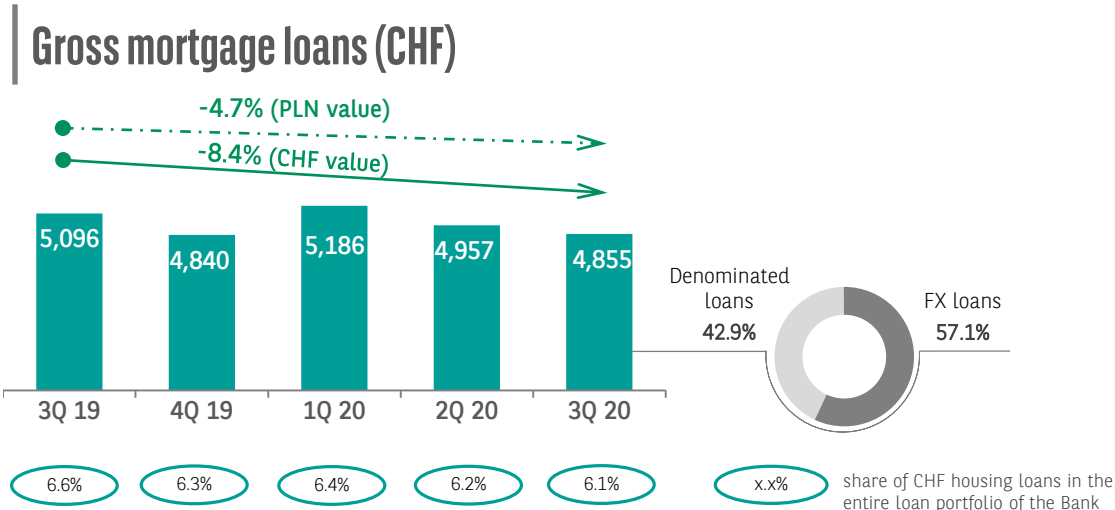
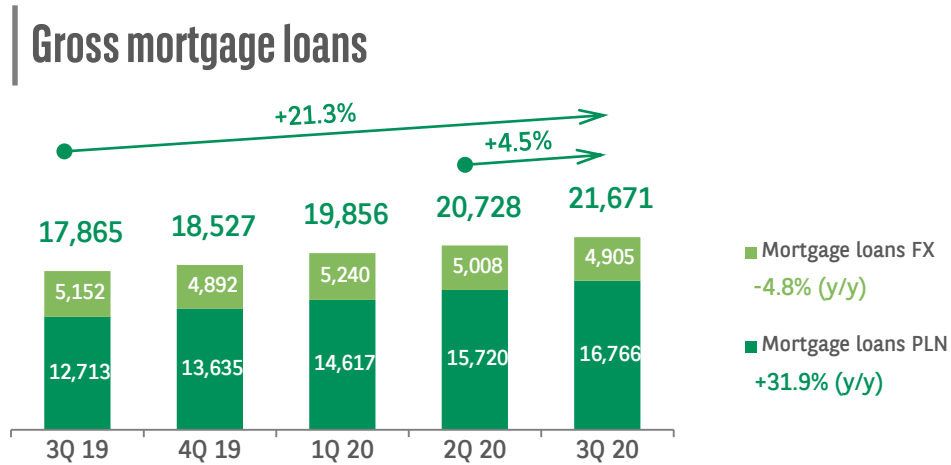
* e.g. car loans, instalment loans, overdraft facilities, credit cards

** including the portfolio measured at fair value for "Farmers" and "Enterprises" items (breakdown based on MIS data)

CHF MORTGAGE LOANS PORTFOLIO

LOW SHARE OF CHF LOANS. RISING BUT STILL RELATIVELY LOW NUMBER OF COURT CASES RESULTING IN FURTHER ADJUSTMENT OF THE PROVISION

PLN m, as of the end of the quarter

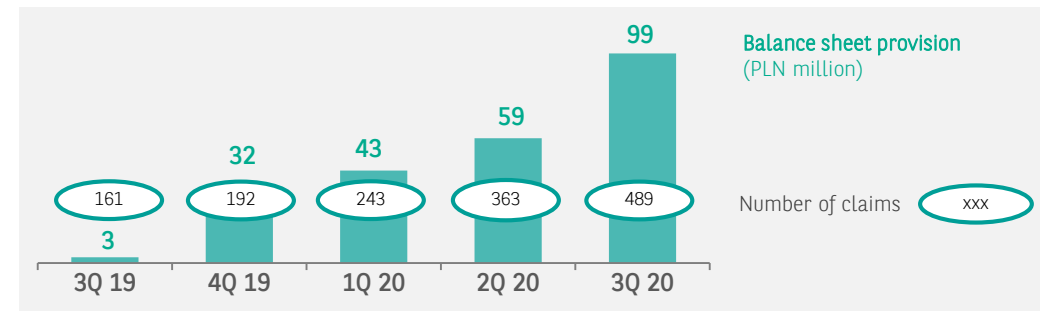


Legal risk

Customer court actions, as at 30.09.2020:

- Bank was sued in **489** court cases (increase by **131 q/q**) concerning mortgage loan agreements (no collective claims).
- The total value of claims sought is PLN 163.8 million.
- Relatively (as compared to peers) low ratio of the value of claims to the balance sheet exposure: ~3.4%.
- In 23 finally completed proceedings, 13 claims were dismissed; 2 cases were discontinued; 1 claim was rejected; 6 times, the invalidity of the contract was declared in the sentence justification, despite the dismissal; one time, the claim was recognised as valid only with regard to the insurance of low own contribution.

Balance sheet provisions and number of claims



CUSTOMER FUNDS

SOUND LIQUIDITY POSITION - INCREASE IN THE VOLUME OF DEPOSITS; RECOVERY IN VOLUME OF INVESTMENT PRODUCTS

PLN m

Higher balance of deposits y/y (+13.8%) and q/q (+1.2%)

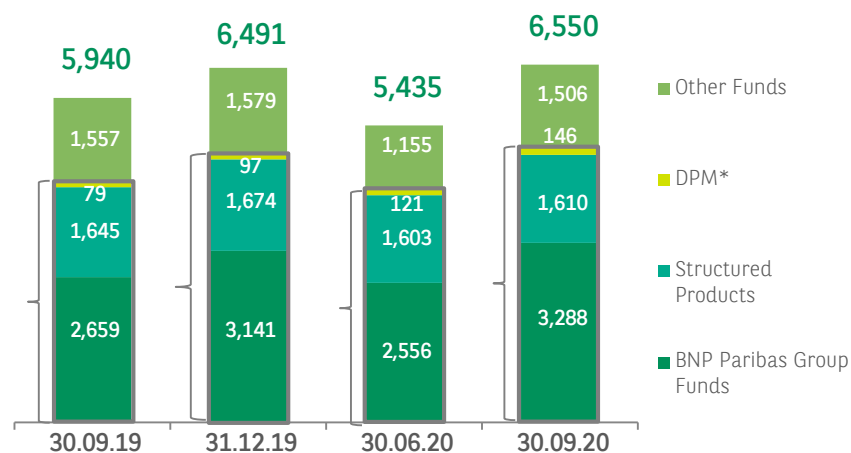
Further increase in the balance of institutional deposits; stabilization in case of individual customers.

Continuation of the increase in the share of current deposits in total customer deposits – to 85.0% (+18.3 pp y/y, +4.1 pp q/q).

Strong growth in the volume of investment products in Q3 (+20.5% q/q, +10.3% y/y)

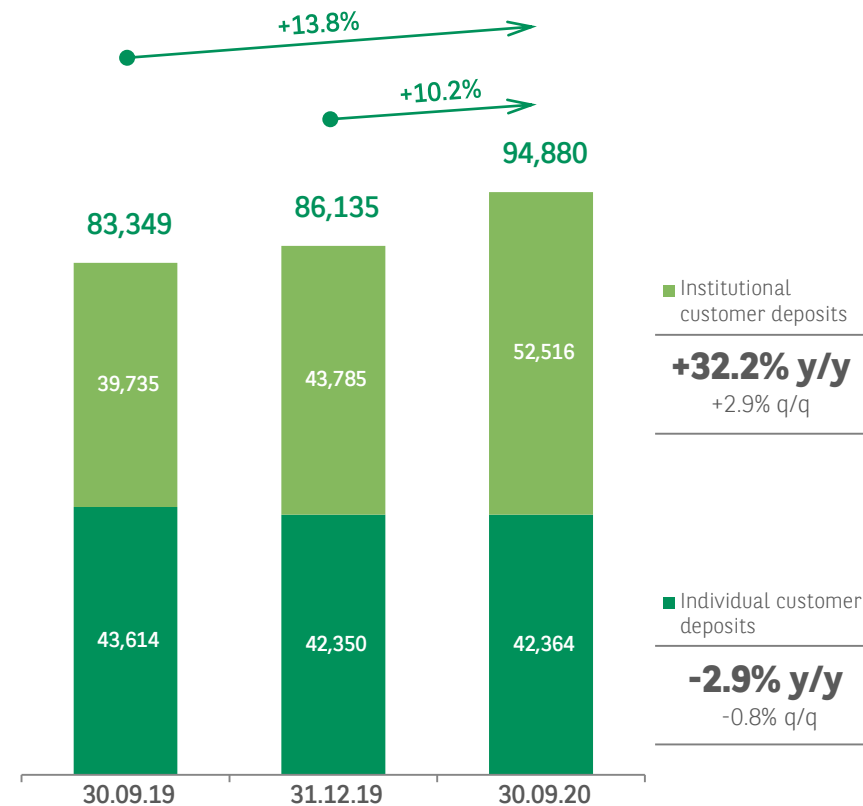
including the funds invested in BNP Paribas Group investment funds (+28.7% q/q, +23.7% y/y).

+17.9% q/q (+15.1% y/y)
assets under management



* Discretionary Portfolio Management

Customer deposits

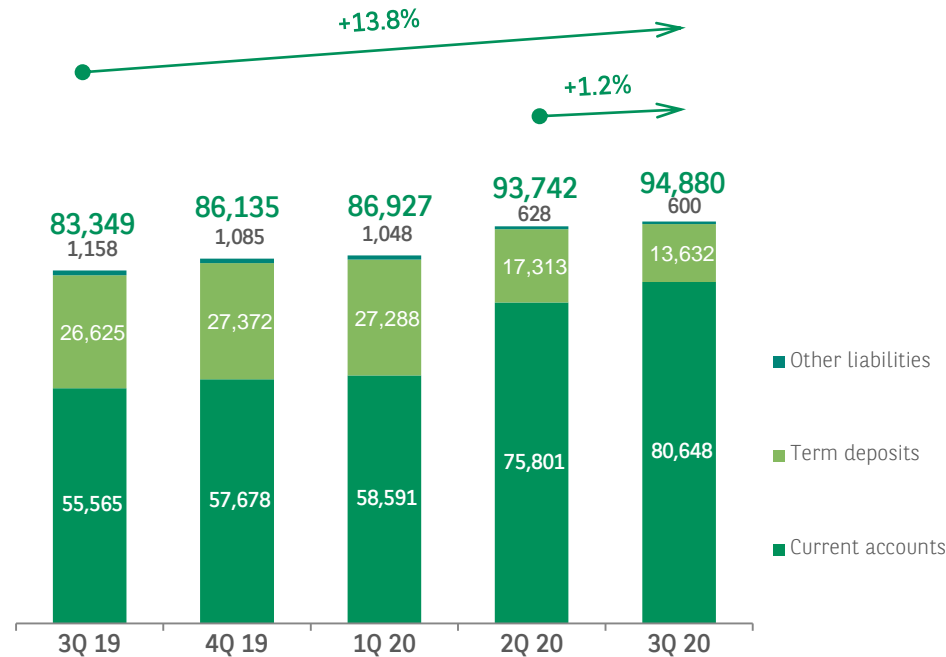


DEPOSIT BASE STRUCTURE

FURTHER INCREASE IN THE SHARE OF CURRENT ACCOUNTS. STABILIZATION OF DEPOSIT LEVEL DESPITE PRICING ADJUSTMENTS TO THE MARKET RATES

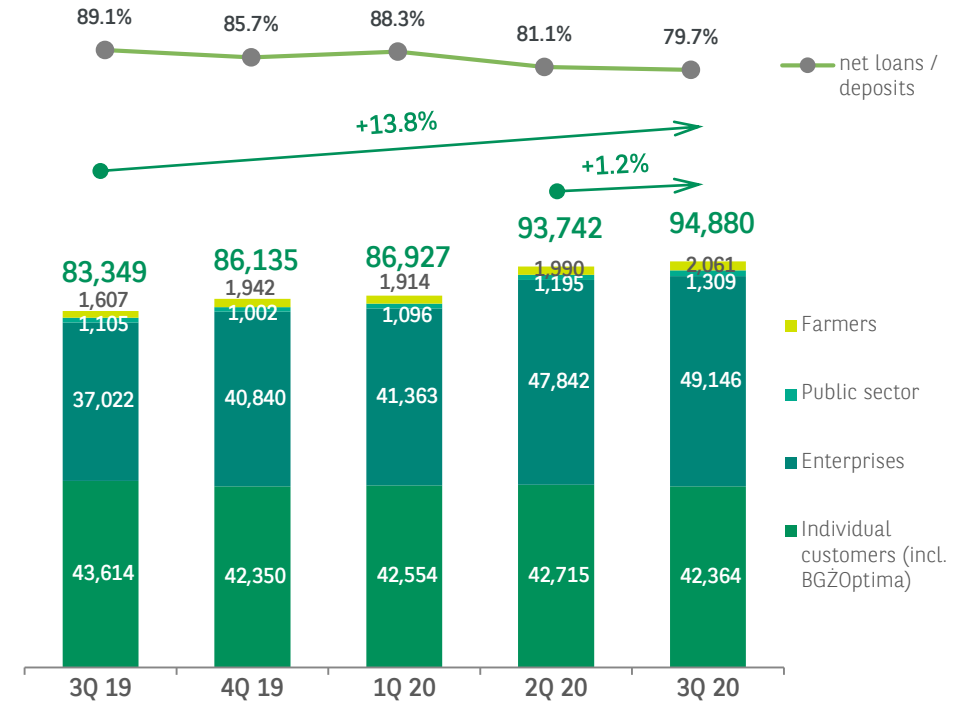
PLN m, as of the end of the quarter

Deposit term structure



- Further increase in the share of customer current accounts in total deposits: to 85.0% (+4.1 pp q/q and +18.3 pp y/y).
- The increase in Q3 2020 concerned both the volumes in current accounts of institutional customers (PLN +2,656 million, +5.9% q/q) and individual customers (PLN +2,191 million, +7.1% q/q).

Customer deposits

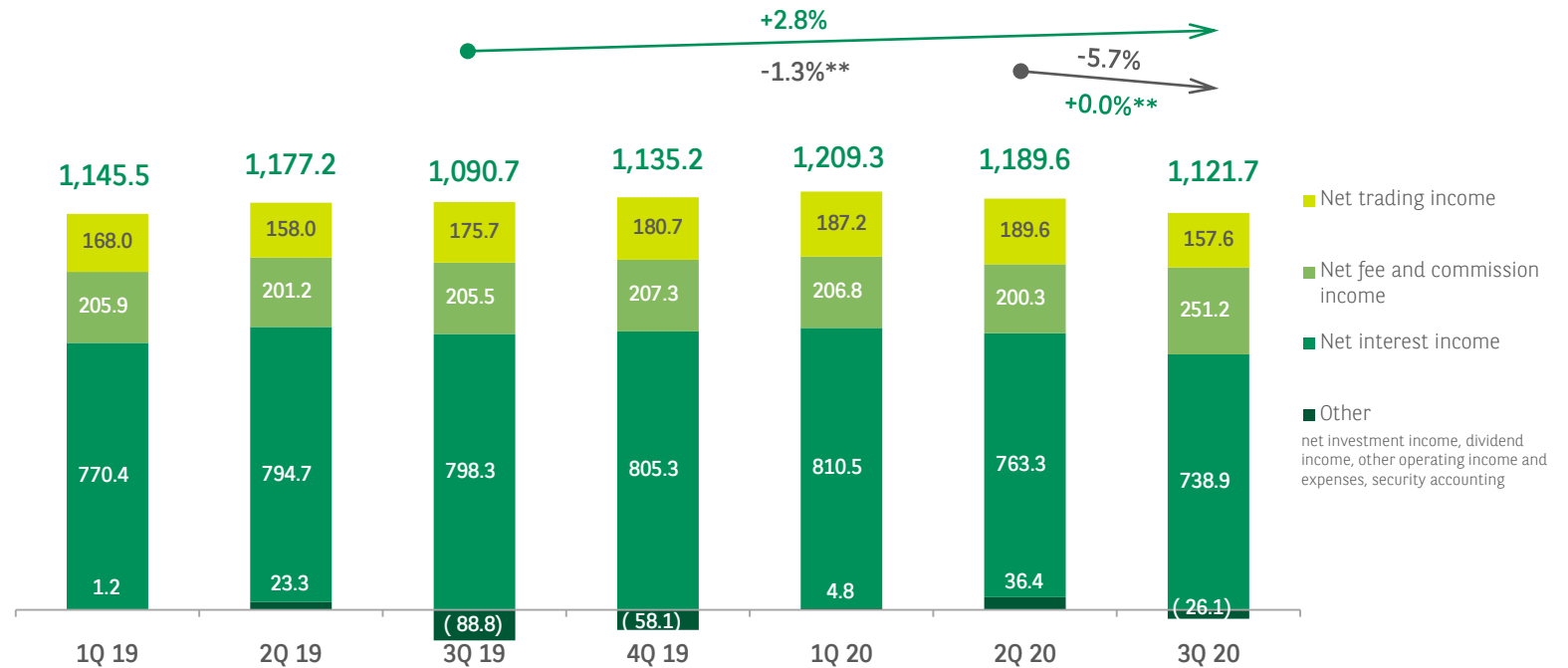
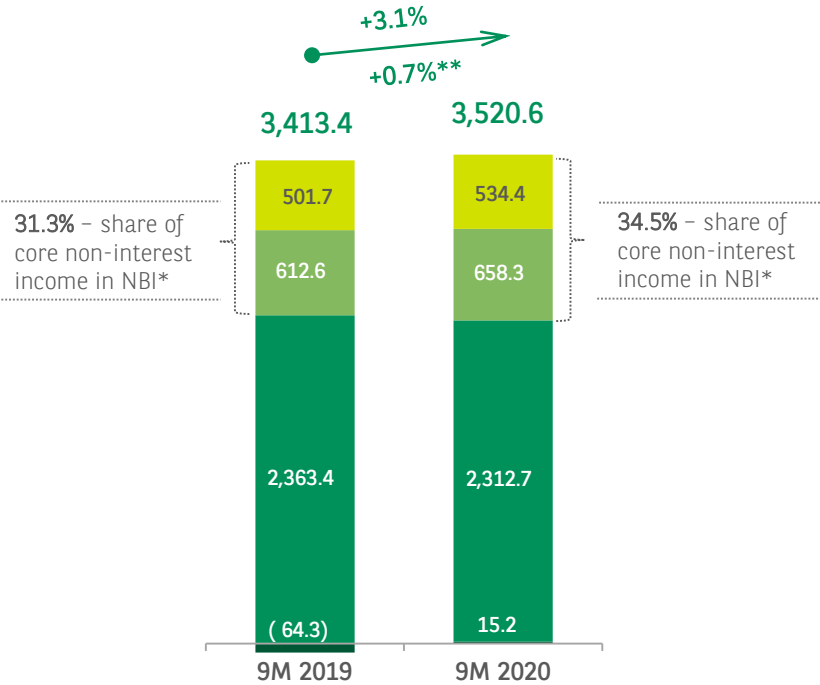


- Further decrease in costs of deposits in Q3 (-56 bp September 2020 vs December 2019).
- Increase of enterprise deposits: +2.7% q/q and +32.7% y/y and farmer deposits: +3.6% q/q and +28.2% y/y.
- Decrease in individual customer deposits by -0.8% q/q and -2.9% y/y including deposits acquired by BGŻOptima (down to PLN 3.2 billion, -10.9% q/q and -26.9% y/y).

NET BANKING INCOME

MAINTAINING THE CORE REVENUES LEVEL, THE IMPACT OF COVID-19 PARTIALLY MITIGATED BY THE ADAPTATION MEASURES TAKEN

PLN m



- A decrease in net interest income as a result of the negative impact of lowering interest rates (-2.1% y/y).
- Increase in the net fee and commission income (+7.5% y/y) thanks to, among others, adaptation measures undertaken in Q3 2020.
- Positive impact of the net trading income (+6.5% y/y), among others, thanks to the change in the valuation of shares in the first half of 2020 (VISA, Mastercard, BIK, KIR).
- Positive impact of the result on debt instruments (mainly sale of bonds) in the total amount of PLN 74.4 million.

- In Q2 and Q3 2020, the impact of lowering the NBP interest rates (from 1.5% to 0.1%) is visible. The decline in credit margins was partially mitigated by gradual lowering of costs of funding and an increase in interest on securities and derivative instruments as part of fair value hedge accounting.
- In Q3 2020 lack of one-offs comparable to the positive impact of changes in the valuation of stocks and shares (VISA, Mastercard, BIK and KIR) visible in Q2 2020 in the net trading income (in the total amount of PLN 57.0 million).
- "Other" item includes:
 - in Q3 2020: provision for a penalty imposed by the Office of Competition and Consumer Protection (UOKiK) in connection with the provisions specifying the rules for determining the currency spreads in loan agreements (PLN -26.6 million),
 - in Q2 2020 the amount of PLN 47.8 million of profit on the sale of bonds.

In Q3 2020, the result from provisions for legal risk of CHF housing loans was excluded from the category of other operating expenses. For the sake of comparability, the shift was made in all the presented periods.

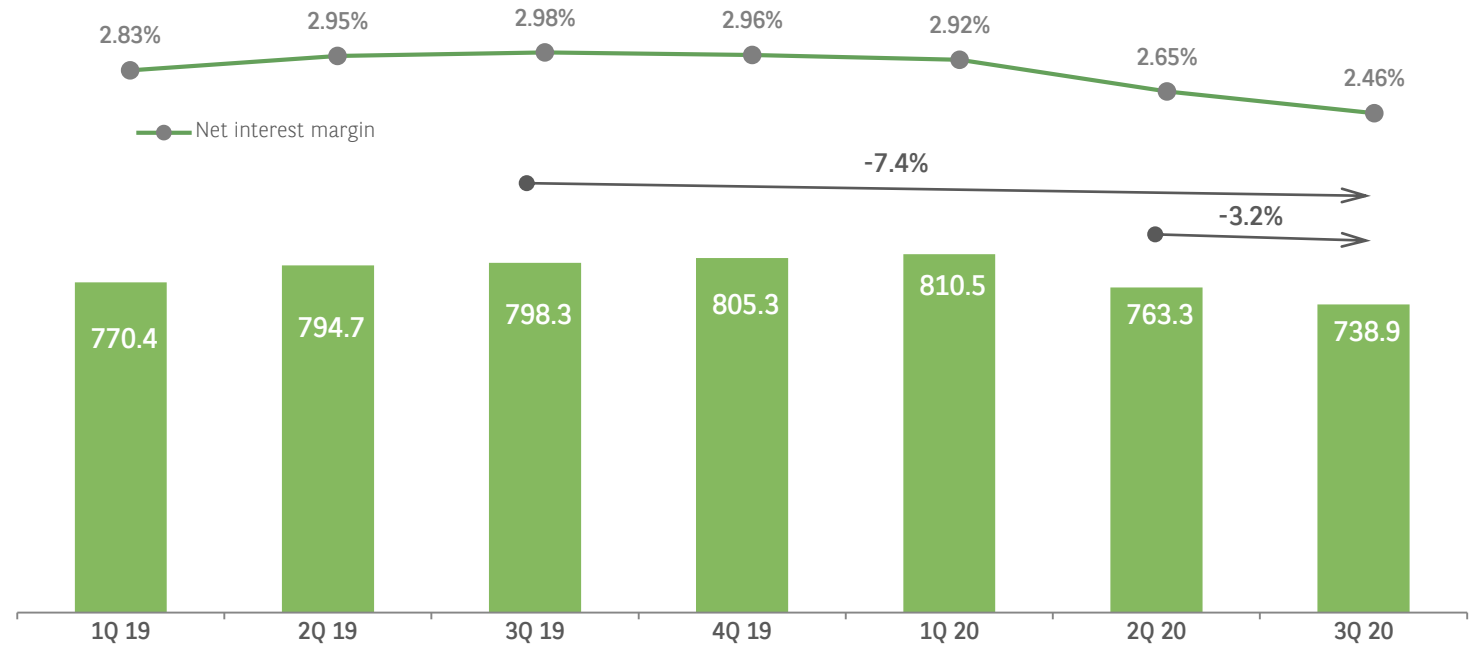
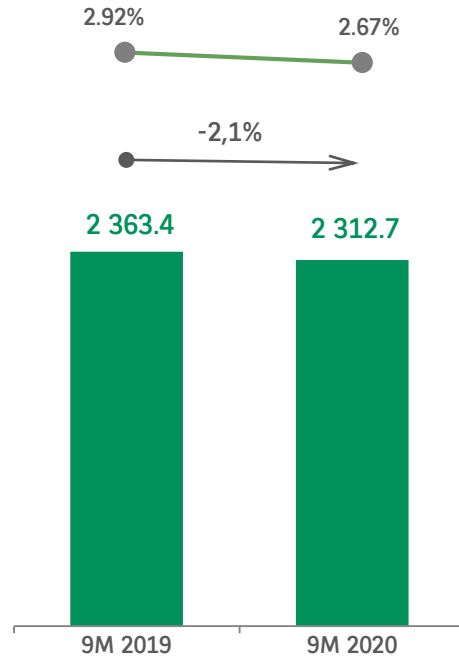
* NBI excluding the other operating income and expenses

** net banking income without integration costs and one-off events

NET INTEREST INCOME

THE NEGATIVE IMPACT OF INTEREST RATE CUTS PARTIALLY MITIGATED BY COST OF FUNDING REDUCTION AND INTEREST RATES RISK HEDGING

PLN m



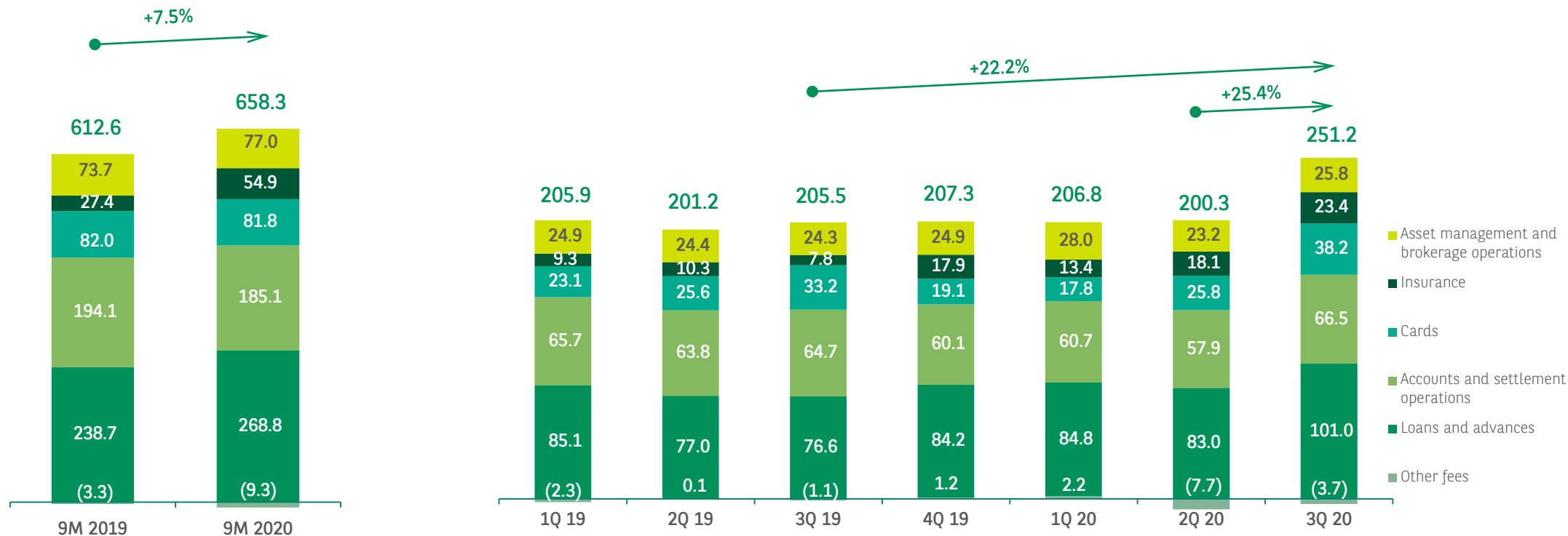
- Negative impact of the NBP interest rates cuts on the credit margins in Q2 and Q3 2020 partially neutralized by the cost of deposits reduction (-56 bp Sep 2020 vs Dec 2019).
- Impact of the settlement of the fair value adjustment for the loan portfolio, acquired as part of Core RBPL acquisition – (decrease in revenues by PLN 48.1 million y/y) as well as impact of commission reimbursement in the event of early loan repayment (NII lower by PLN 25.5 million y/y).
- Increase in the result on derivative instruments as part of fair value hedge accounting by PLN 23.1 million y/y.

- A clear negative impact of the interest rates cuts (NBP reference rate from 1.5% to 0.1%) on net interest margin and net interest income realized in Q2 2020, still visible in Q3 2020.
- Further decline in loan profitability in Q3 2020, partially offset by lower cost of deposits (-11 bps September 2020 vs June 2020), increase in the average value of securities portfolio and growth in the result on derivatives as part of fair value hedge accounting.
- The net interest income in Q3 2020 includes the settlement of the fair value adjustment for the loan portfolio, acquired as part of Core RBPL acquisition, in the amount of PLN 9.4 million (PLN 11.7 million in Q2 2020, PLN 13.4 million in Q1 2020, PLN 14.2 million in Q4 2019, PLN 22.0 million in Q3, PLN 28.4 million in Q2, PLN 32.3 million in Q1, PLN 18.0 million in Q4 2018).
- Negative impact on the interest income of Q3 2020 of commission returns on early client loan repayments made after 11 September 2019 (CIUE judgement) in the amount of PLN 4.9 million (PLN 12.2 million in Q2, PLN 11.8 million in Q1 2020, PLN 15.1 million in Q4 2019, PLN 3.5 million in Q3).

NET FEE AND COMMISSION INCOME

CONSISTENT IMPROVEMENT OF THE RECURRING RESULT. POSITIVE IMPACT OF ONE-OFF EVENTS

PLN m



- Increase in loan F&C (+12.6%) among others due to the settlement of commissions on large CIB transactions (PLN +15.1 million in Q3), higher commissions settled on a linear basis on overdraft facilities PLN +6.5 million and debit limits for Micro enterprises PLN +3.5 million.
- Higher F&C on insurances (+100.3% y/y) among others from life insurance offered with mortgage loans (PLN +10.8 million y/y) and from Cardif insurances (+ PLN 7.1 million y/y).
- Decrease in F&C on accounts and settlements (-4.7%) as a result of lower F&C on international transfers by approx. PLN 17.4 million y/y (incl. SEPA) and on cash handling (by approx. 6.4 PLN million) with a simultaneous increase in F&C on account maintenance (by about PLN 17.2 million).

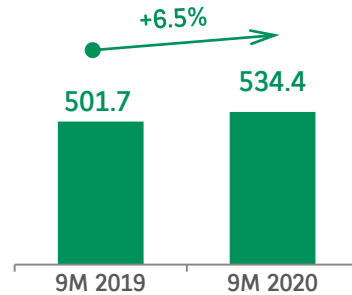
- Increase in loan F&C in Q3 2020 mainly due to the settlement of fees on large CIB segment transactions (PLN +15.1 million).
- Increase in cards F&C in Q3 2020 related mainly to the one-time annual remuneration from Mastercard in the amount of PLN 10.9 million.
- Increase in F&C on accounts and settlement operations in Q3 2020 as a result of changes in the pricing policy implemented in Q3 2020 (including PLN +7.2 million commission for maintaining corporate accounts, PLN +1.1 million for domestic transfers).
- Higher F&C from insurances, visible in Q3 2020, among others as a result of higher profit sharing revenues from Cardif insurances (+1.9 million PLN) and higher F&C on life insurance for mortgage loans (+1.4 million PLN q/q).
- Increase in F&C for asset management and brokerage operations related to the increase in sales of certificates of deposit (IBV).

NET TRADING AND INVESTMENT INCOME

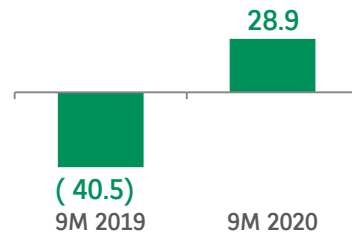
IMPROVEMENT IN THE VALUATION OF THE LOAN PORTFOLIO MEASURED AT FAIR VALUE. LACK OF ONE-OFFS COMPARABLE TO Q2 2020

PLN m

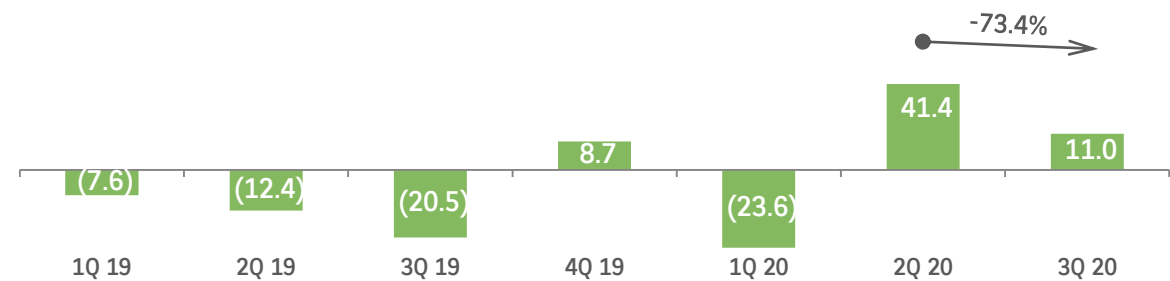
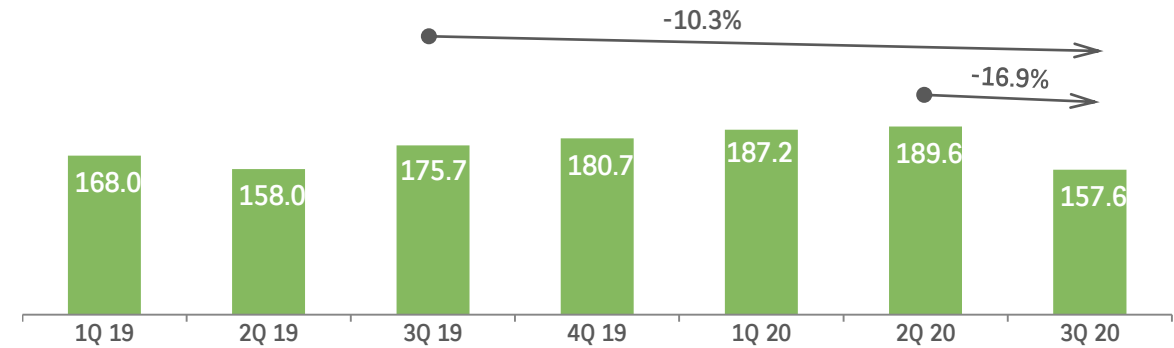
Net trading income



Net investment income



- Increase in the net trading income as a result of improvement in the valuation of stocks and shares in infrastructure companies (VISA, Mastercard, BIK, KIR) by PLN +56.7 million in 1H 2020.
- Increase in the net investment income due to the profit on debt instruments (mainly from the sale of bonds) in the total amount of PLN 74.4 million.
- Valuation of the loan portfolio measured at fair value (FV) after 9M 2020 at the level of PLN -45.5 million (PLN -41.2 million after 9M 2019), among others as a result of the decline in the yield curve caused by the NBP interest rates cuts.

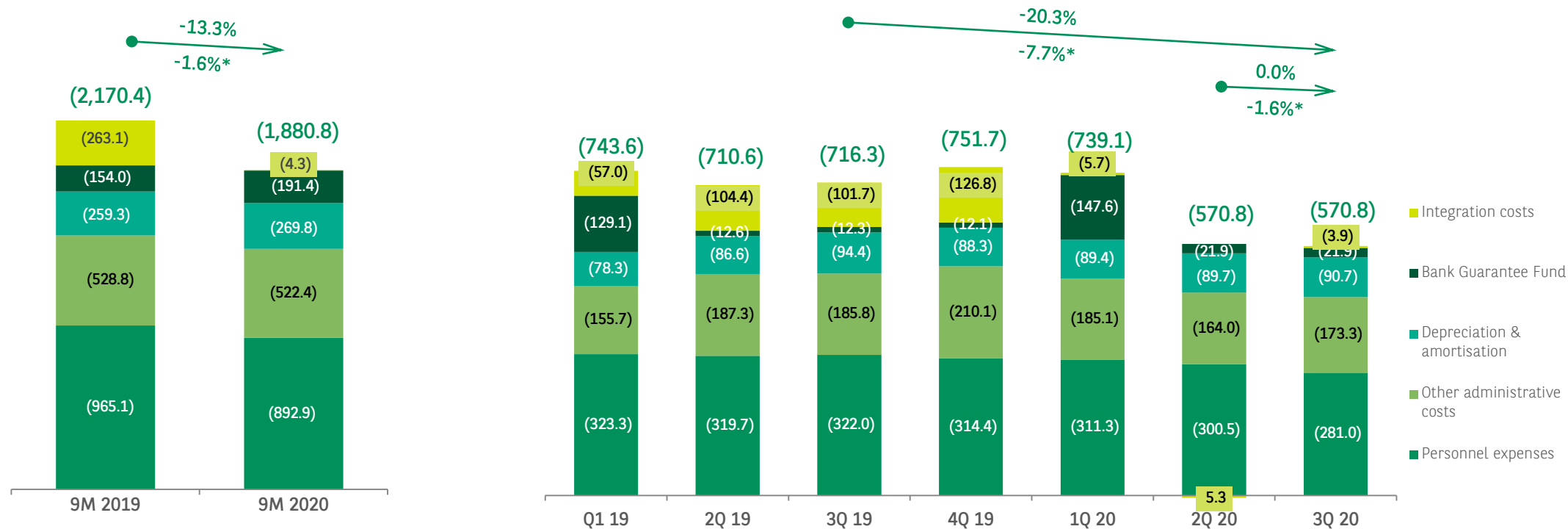


- Lack in Q3 2020 one-offs comparable to the improvement in valuation of stocks and shares (VISA, Mastercard, BIK, KIR) observed in Q2 2020 in net trading income (in the amount of PLN 57.0 million). The scale of customer operations still remains below that observed in Q1 2020, before the COVID-19 pandemic began.
- The valuation of the portfolio of customer loans and advances measured at fair value amounted to PLN 11.0 million in Q3 2020 (PLN -6.4 million in Q2 2020, PLN -50.2 million in Q1, PLN +5.5 million in Q4 2019, PLN -21.7 million in Q3 2019, PLN -12.5 million in Q2 2019, PLN -6.9 million in Q1 2019).

OPERATING EXPENSES, DEPRECIATION AND AMORTIZATION

STABILIZATION OF THE LEVEL OF OPERATING COSTS - SYNERGIES ON TRACK AS WELL AS THE EFFECTS OF ADDITIONAL SAVINGS MEASURES

PLN m



- Lower operating costs -13.3% y/y due to the lack of material integration costs in 9M 2020 (4.3 million vs 263.1 million in 9M 2019; -1.6% y/y excl. integration costs).
- Visible decrease in personnel expenses (by PLN 72.2 million, -7.5% y/y).
- An increase in the Bank Guarantee Fund (BFG) costs by +24.3% y/y (PLN 37.4 million) due to higher contributions to the bank resolution fund (as a result of including the Core RBPL acquisition in the calculation base) and to the guarantee fund. Operating costs excluding integration costs and BFG lower by 3.9% y/y (PLN 68.1 million).
- Other administrative costs include the increase in costs resulting from payments to the Borrowers Support Fund (by PLN 9.6 million y/y).
- Increase in amortization due to investments projects implemented in 2018-2019.

- Continued decline in personnel costs in Q3 2020 (PLN -19.5 million, -6.5% q/q).
- Costs of contribution to the bank restructuring fund incurred in full in Q1 2020 amounted to PLN 126.0 million; costs of contributions to the guarantee fund in Q3 2020: PLN 21.9 million, in Q2: PLN 21.9 million, Q1: PLN 21.7 million, Q4 2019: PLN -12.1 million).
- Increase in other administrative costs in Q3 2020 vs Q2 2020 related mainly to incurring higher advisory and legal services costs.
- Synergy effects – reduction of approx. 1.8 thousand FTEs, cost synergies realized mainly in HR, IT, consulting, real estate and marketing costs. Network optimization – closure of 221 branches since the merger (Oct. 2018), including 20 branches closed in Q3.

* excluding integration costs

COVID-19 IMPACT ON CREDIT RISK

OVERVIEW; KEY STATISTICS

SUPPORT PROGRAMS FOR CLIENTS

Loan repayment grace periods implemented at the beginning of April 2020 and until 30 September applied to PLN 7.0 bn of loan exposure (on balance). Since October Government moratoria are the only available moratoria, which as at 30.09.2020 amount of PLN 29.6 m (on-balance).

BGK Guarantees total limit of PLN 10 bn, of which: PLN 2 bn (available limit PLN 0.8 bn) *de minimis* guarantee from the beginning of April, PLN 8 bn (available limit PLN 7.5 bn) liquidity guarantee (starting from May), PLN 0.2 bn (available limit PLN 0.2 bn) Agricultural Guarantee Fund (since July).

PFR program - ended - the participation of the Bank in the funds' distribution to the clients - by 11 October 19.4 thousand positive decisions (excl. returns) in the amount of PLN 5.0 bn.

Moratoria as at 30.09.2020 (Bank's standalone data)	Retail (incl. Micro) clients	Corporate & SME clients	Total
Number of applications submitted / approved (thousand)	59.7/47.7	2.7/2.6	62.4/50.3
in which granted public moratoria	0,2	-	0.2
Credit moratorium total amount (PLN million, on balance exposure)	4,435.0	2,575.5	7,010.5
in which granted public moratoria	29.6	-	29.6
Back to regular repayment after exit from moratoria (% , on balance exposure)	94%	99%	96%

COVID-19 IMPACT REPORTING

A number of actions, including more frequent and detailed monitoring of the portfolio, were implemented:

- ad hoc, in-depth, case-by-case portfolio reviews were conducted – 8 thousand corporate & SME clients has been verified individually,
- weekly reporting on COVID-19 affected portfolio (sensitive sectors, highly COVID affected CTB & SME clients, actions undertaken),
- daily reporting on delays, loan repayment grace period weekly reporting.

COST OF RISK

The impact of COVID-19 on the cost of risk in Q1-Q3 of 2020 was PLN 175 million and is mainly due to the change in macroeconomic scenarios as a result of COVID-19 (forward looking PD and LGD determined based on smoothed macro forecasts) and the Bank's assessment of the expected future impact of the current economic situation on the risk parameters for selected types of clients.

FOCUS POINTS

Utilization of the BGK guarantee limit as high as possible

Proper actions taken towards the COVID-19 affected clients

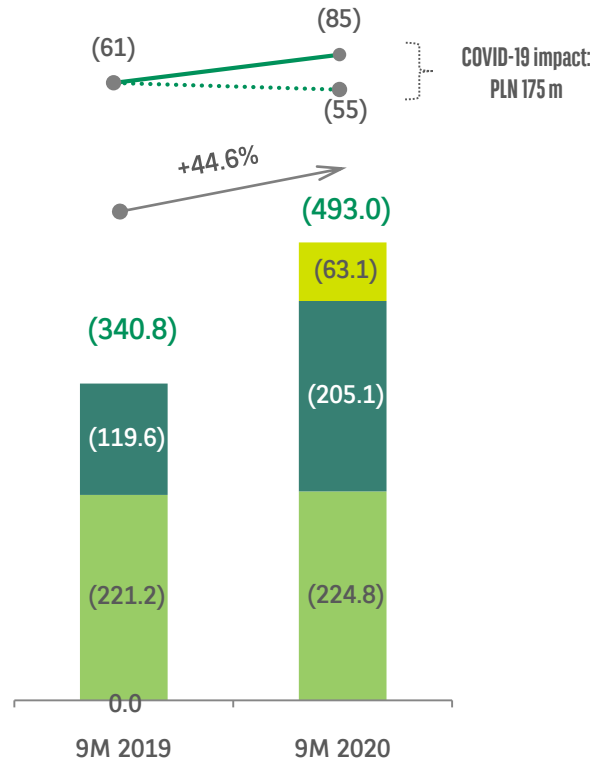
Limited exposure to sectors considered as sensitive

Sensitive sectors	% of balance
Aircraft	0.0%
Hotels, Tourism, Leisure	0.8%
Non-Food Retail	4.3%
Transport & Storage, excl. Shipping	3.1%
Oil & Gas	0.3%

NET IMPAIRMENT LOSSES

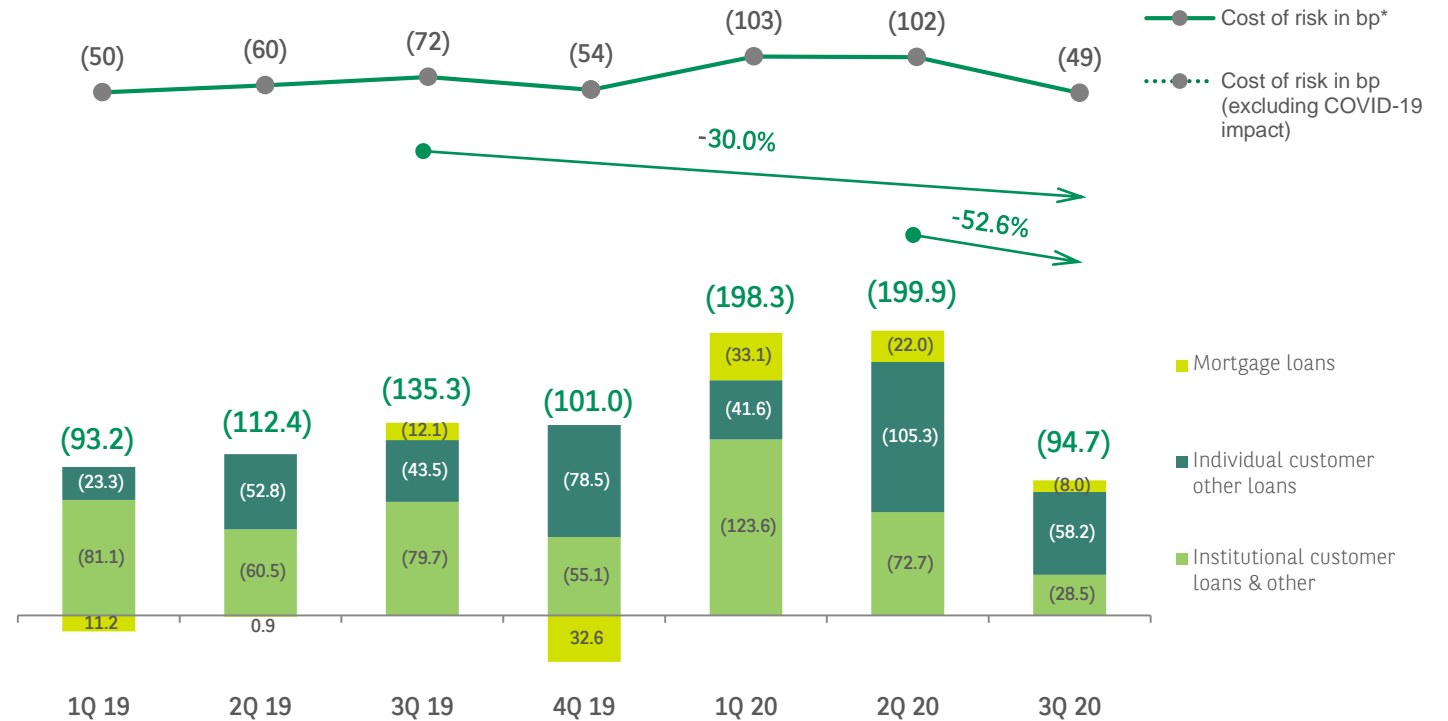
LOWER COVID-19 IMPACT ON THE COST OF RISK

PLN m



- The increase in the cost of risk in 2020 was mainly due to creation of PLN 175 million of additional provision resulting mainly from changes in macroeconomic scenarios as a result of COVID-19 pandemic (forward looking PD and LGD determined based on smoothed macro forecasts) and the Bank's assessment of the expected future impact of the current economic situation on risk parameters for selected types of customers.
- Overall good performance of the portfolio, especially in terms of timely repayment, partly compensating negative impact of COVID-19 related forward looking and post model adjustment.

* Cost of risk expressed as the ratio of the net impairment allowance to the average balance of gross loans and advances to customers valued at amortized cost (calculated based on quarter-end balances).



Cost of risk changes in Q3 2020 compared to Q2 2020 were mainly due to:

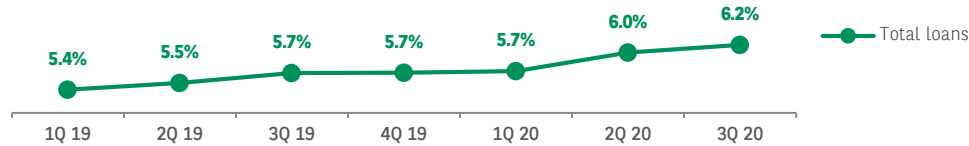
- less provisions created due to COVID post model adjustments than in Q2 2020:
 - in the individual customer portfolio: PLN 7m in Q3 2020 in relation to PLN 52m in Q2 2020,
 - in the institutional loans and other portfolios: PLN 12m in Q3 2020 in relation to PLN 55m in Q2 2020.
- overall good performance of the portfolio, especially in terms of timely repayment.

LOAN PORTFOLIO QUALITY

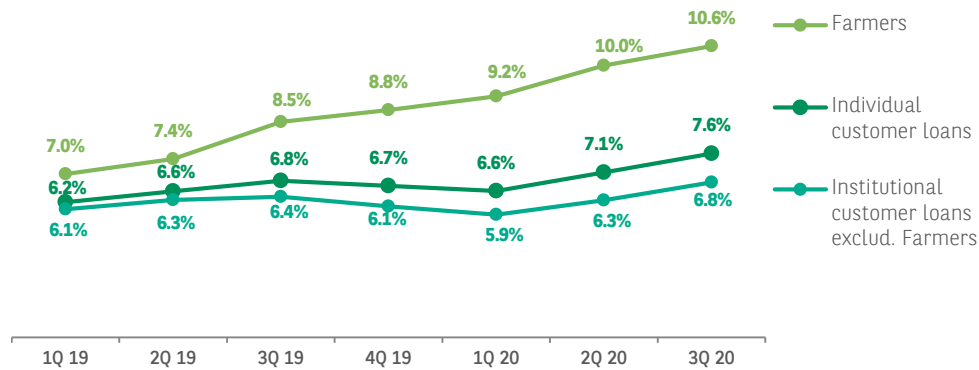
INCREASE IN THE NPL RATIO DUE TO THE LIMITED POSSIBILITIES OF ACTIVE MANAGEMENT OF THE NPL PORTFOLIO DURING THE COVID-19 PANDEMIC

Total loans - NPL*

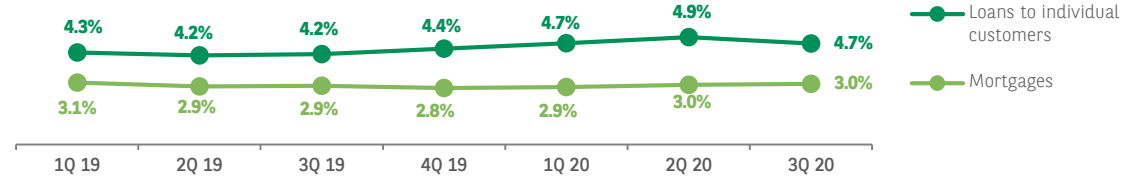
NPL for both loan portfolios in total (valued at fair value and at amortized cost) was **6.4%** at the end of Q3 2020



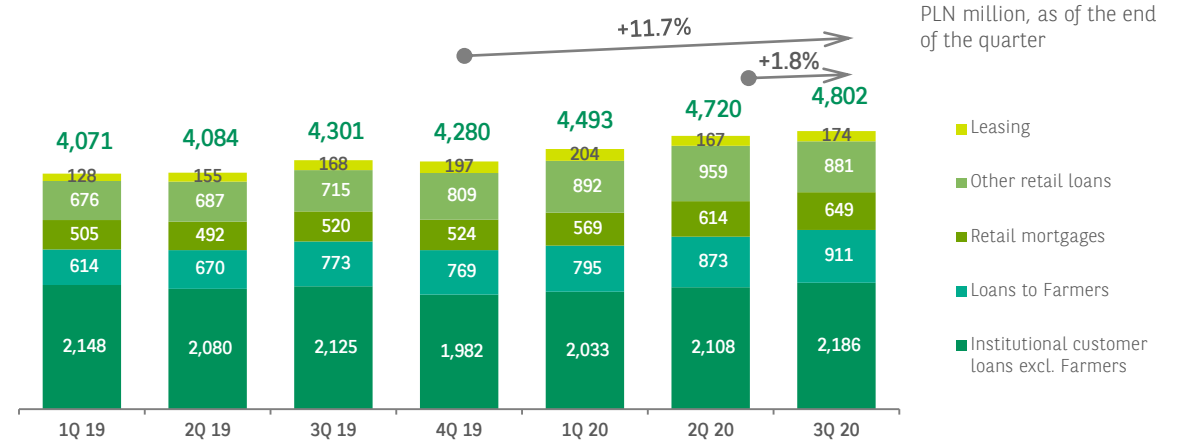
Institutional loans - NPL*



Retail loans - NPL*



Gross impaired portfolio**



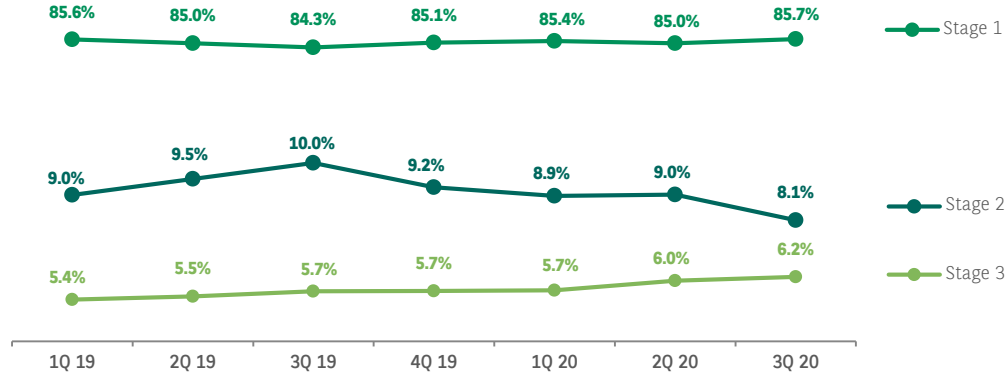
* NPL calculations are not inclusive of loans and advances valued at fair value, identified in accordance with IFRS 9

** impaired loan portfolios since 31 March 2018 are not inclusive of loans and advances valued at fair value, identified in accordance with IFRS 9

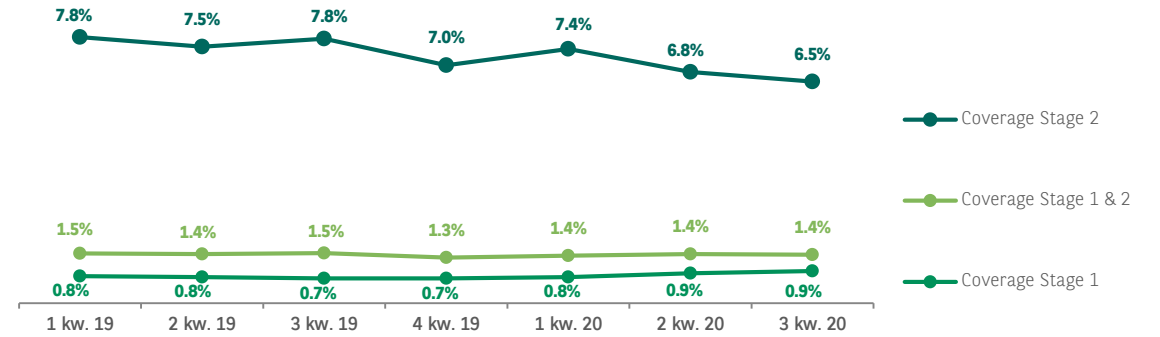
LOAN PORTFOLIO QUALITY

STABLE LOAN PORTFOLIO STRUCTURE

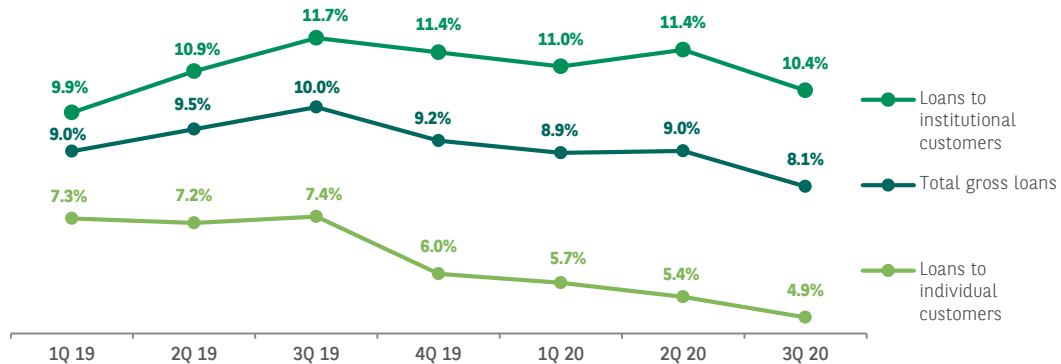
Share of each stage in gross loan portfolio



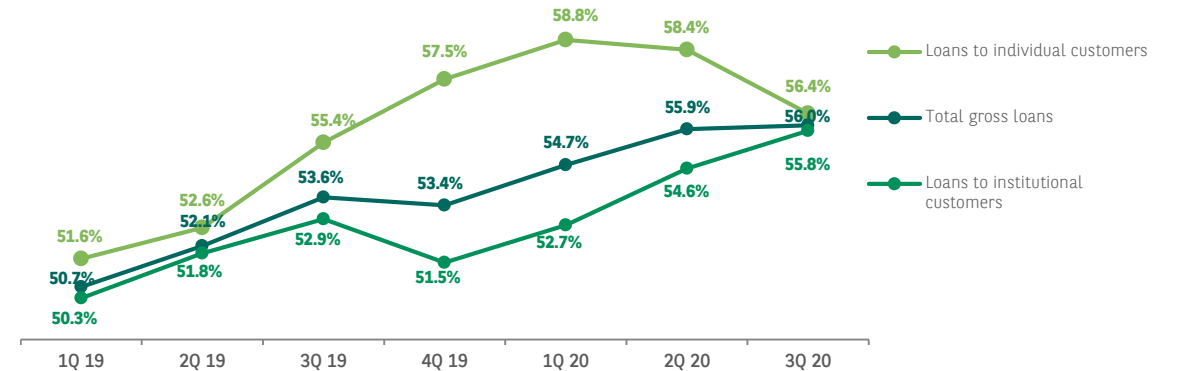
Provision coverage for gross loan portfolio – Stages 1 & 2



Share of Stage 2 in gross loan portfolio

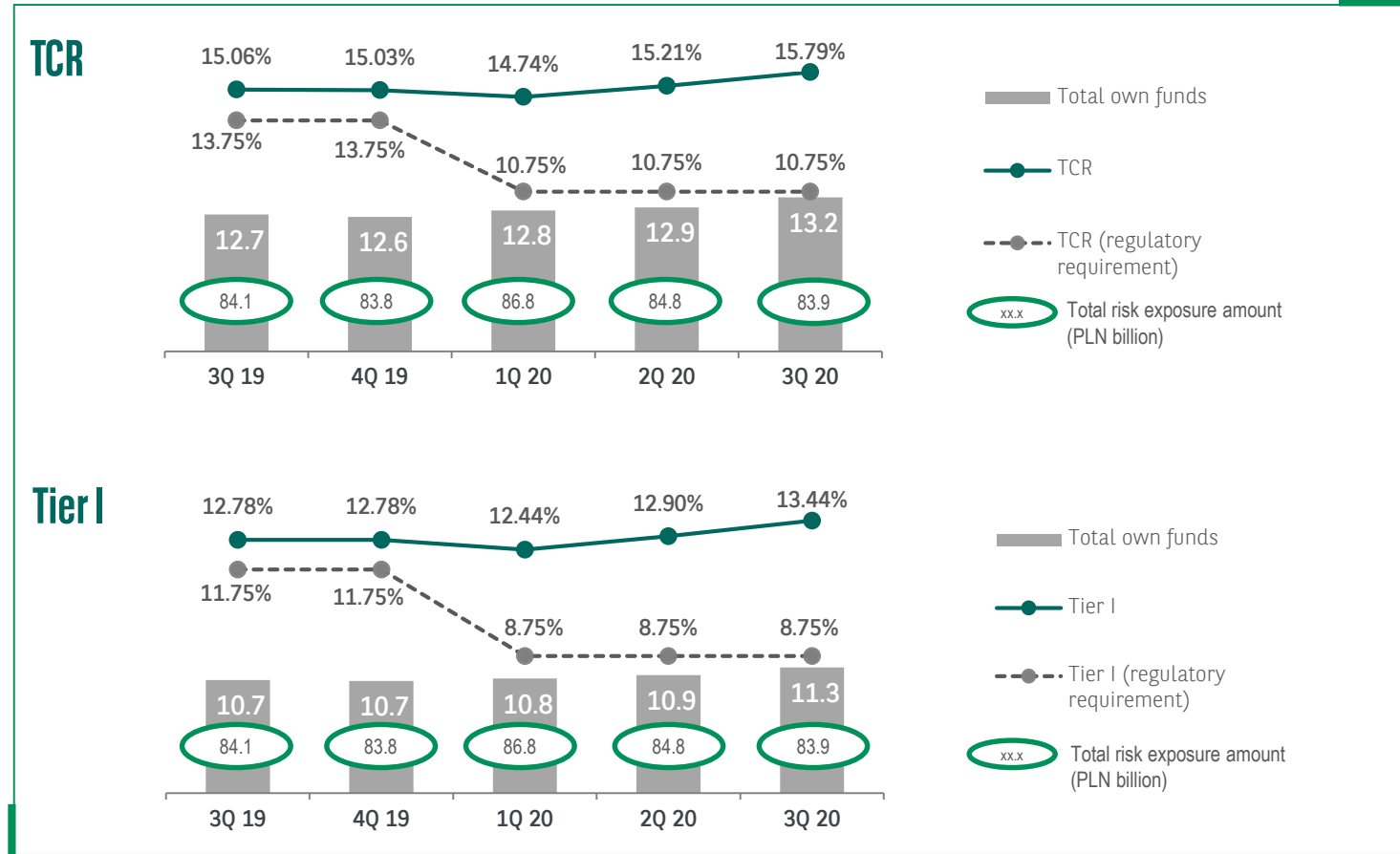


Provision coverage for gross loan portfolio – Stage 3



CAPITAL ADEQUACY

SAFE CAPITAL POSITION. GRADUAL IMPROVEMENT IN TCR AND TIER I



TCR and Tier I above the regulatory minimum: +5.0 pp and +4.7 pp, respectively

On 25 September 2020, the Bank received the consent of the Polish Financial Supervision Authority to include in its own funds the consolidated profit for the first half of 2020 in the amount of PLN 334.1 million.

Lower level of the total amount of risk exposure in Q3 2020 related mainly to the decrease in the requirement for credit risk.

Reduction of the systemic risk buffer from 19 March 2020 from 3% to 0%.

No capital requirement for FX loans for the Bank (since 9 July 2019).

OSII buffer at 0.25%.

04

OUTLOOK



PRIORITIES AND CHALLENGES FOR THE FOLLOWING QUARTERS

CLEAR BUSINESS PRIORITIES DESPITE UNCERTAIN FUTURE. CONTINUED ADAPTATION OF THE BANK'S BUSINESS MODEL TO THE CHANGING ENVIRONMENT



SMART GROWTH

- Focus on scaling up the business. Seek innovative customer acquisition methods
- Review and adaptation of pricing. Promote customers with a deep relationship with the Bank
- Allocate resources to profitable and sustainable growth areas
- Partnership relations with customers in difficult times, with prudent risk management



OPTIMAL PROCESSES & RESOURCES

- Develop a new model of working at the Bank with consideration of the possibilities offered by the new premises. A wide use of the agile methodology and remote work
- Further transformation of the Bank's operating model covering improvement and automation of processes. Cost savings combined with improved quality
- Further development of the mobile and online ecosystem (GOfamily). Focus on increasing the remote selling and product handling capacity

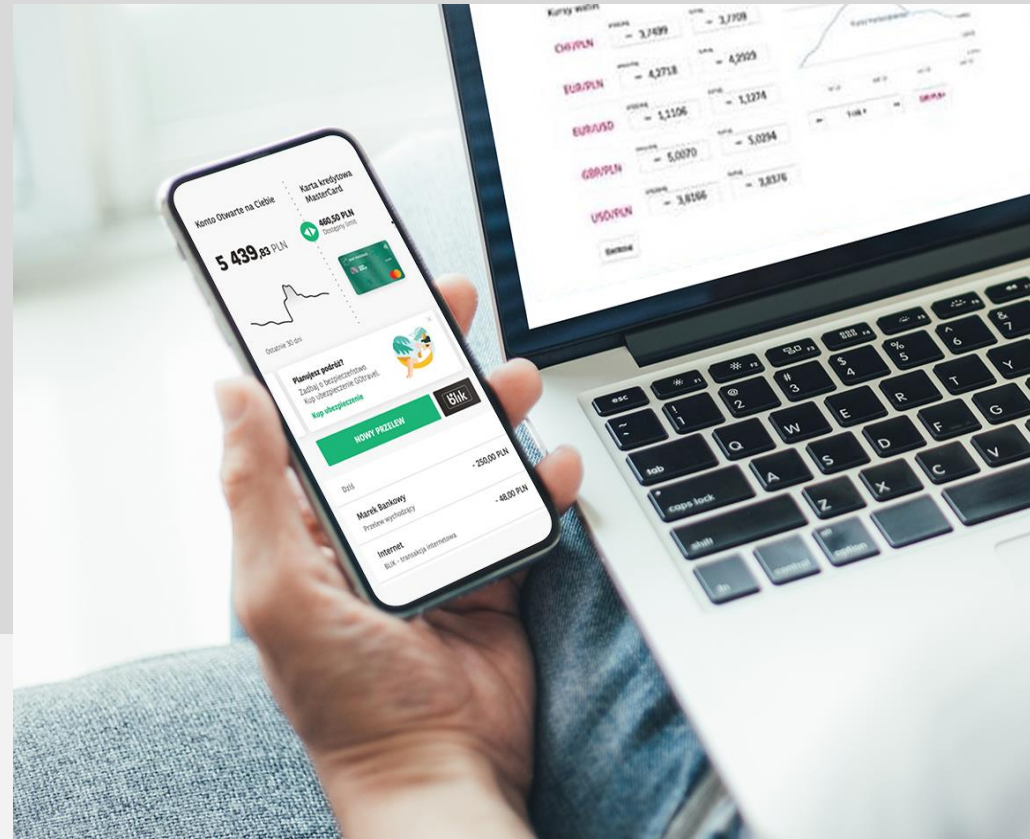


ATTRACTIVE AND POSITIVE BANK

- Full engagement in the European "New Green Deal" initiatives – the first choice bank for financing sustainability with particular emphasis on energy transformation
- Focus on customer satisfaction improvement
- Build a strong brand with the corporate social responsibility included in its values
- Support the development of women within the Bank's structures and promote diversity on all organizational levels

05

BUSINESS SEGMENTS PERFORMANCE



RETAIL AND BUSINESS BANKING & PERSONAL FINANCE

GROWTH IN SALES VOLUMES TO THE LEVELS FROM THE BEGINNING OF THE YEAR VISIBLE IN THE THIRD QUARTER


3.9 million retail customers

+112 thousand +3% y/y | -7 thousand -0.2% q/q

Growth

- **Current accounts** – sales growth of +73% q/q, +12% y/y
- **Micro entrepreneurs accounts** – sales growth of +36% q/q, +12% y/y
- **Mortgage loans** – sales growth of -9% q/q, +30 y/y
- **Micro financing** – sales growth of +11% q/q, -16% y/y
- **Significant growth** of the share of loans granted with the BGK guarantee – currently they represent 48% of all Micro loans (PLN 145m in Q3 vs PLN 10m in Q1)
- **Investment Funds** – sales growth of +100% q/q, +39% y/y
- **Consolidation loans** – record sales in Q3: PLN 257m (+234% q/q, +52% y/y)
- **Pre-accepted cash loans:** +37% q/q, +68% y/y
- **Repricing of fees & commissions**


- New offering for Premium Banking customers, including the modern **My Account Premium**
- New solutions in the mortgage offering:
 - as part of the “**Green Mortgage**” Positive Banking strategy – lower margin in financing energy efficient properties
 - **Online Mortgage** – a new portal for e.g. initial creditworthiness checking
- Banking starter at Shell fuel stations



Bankier.pl

Products and development

- **GOmobile** – new functionalities including card PIN setting directly in the app, internal FX transfers, opening of new deposit types in the app
- **Open banking** – fast and easy identity verification process for customers in the online loan application process
- Implementation of the **credit limit** increase request in remote channels
- **Cash loans** applications handled as a totally remote process (PLN 38.2 million in Q3, +32% q/q, +310% y/y)
- 145,000 customers acquired in B2B channels use GO tools (+27% q/q)
- **Booksy** – an application implemented in all branches and awarded in the **Best e-Banking Implementation** category



e-COMMERCE POLSKA awards

Digitalization and transformation

Customer satisfaction index
NPS survey

Bank
24 (+9) ↑



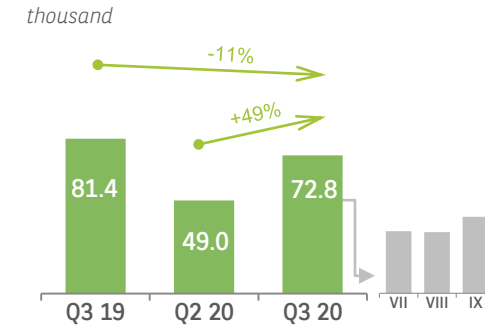
credit card
38 (+21) ↑



cash loan
45 (+1) ↑

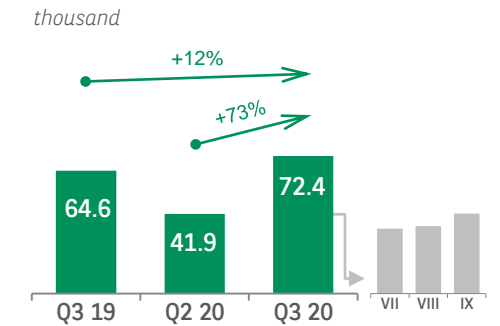


Acquisition of individual customers*

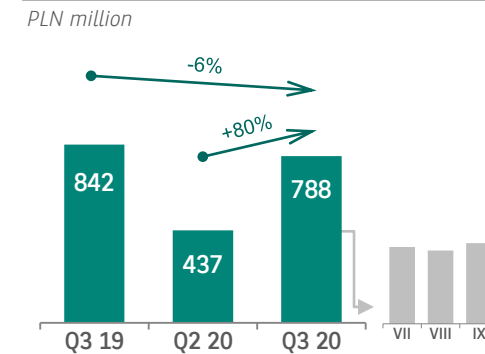


* excluding acquisition via Customer Service Points

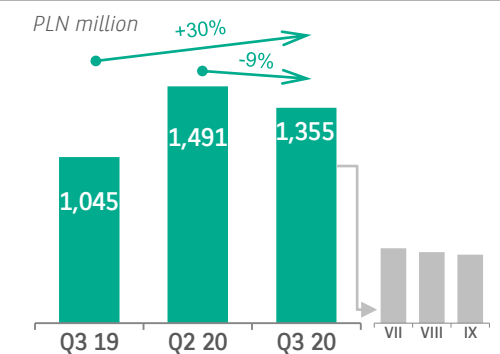
Sales of personal accounts



Sales of cash loans



Sales of mortgage loans

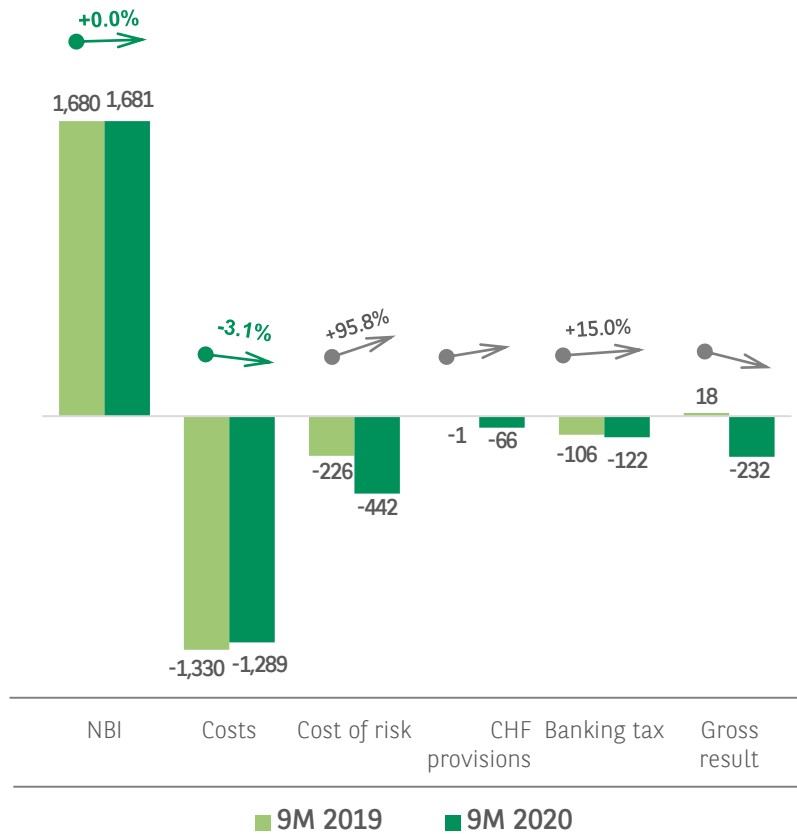


RETAIL AND BUSINESS BANKING

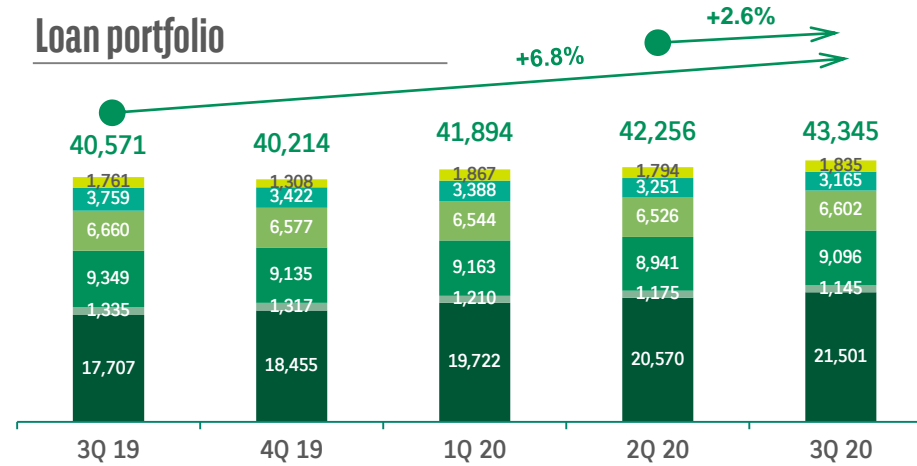
SOLID NET BANKING INCOME DESPITE THE INTEREST RATES CUTS. GROSS PROFIT UNDER PRESSURE FROM ADDITIONAL CREDIT AND LEGAL RISK PROVISIONS

PLN m

Gross result structure



Loan portfolio

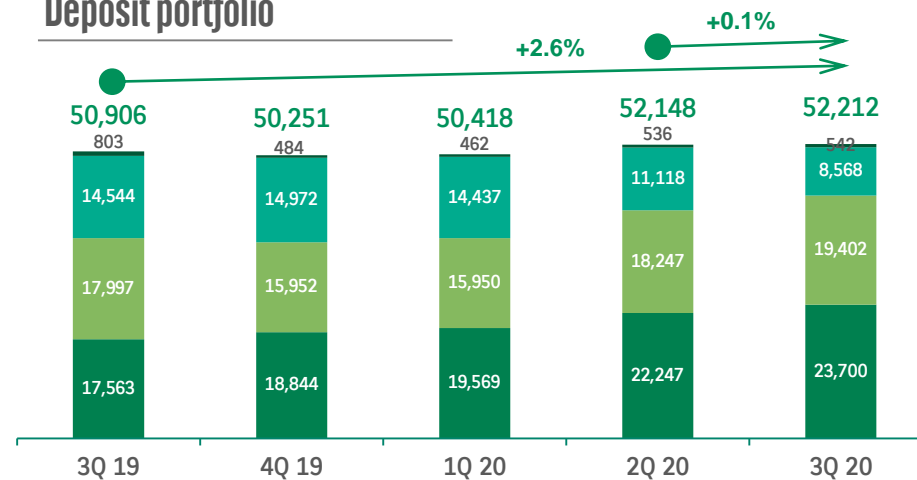


Segments' share in the Group's net banking income

48%

- Leasing
- Overdrafts
- Investment loans
- Consumer & other loans
- Credit cards
- Mortgages

Deposit portfolio

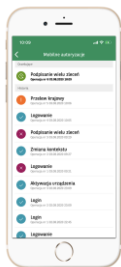


- Overnights
- Term deposits
- Savings accounts
- Current accounts

CORPORATE & SME BANKING

VISIBLE IMPROVEMENT OF Q3 RESULTS THANKS TO THE RECOVERY OF CUSTOMERS' BUSINESS ACTIVITY AFTER RE-OPENING OF THE ECONOMY

Transformation and digitalization



- **GOmobile Biznes** – more than double increase in the number of users, new authorization method
- Increase of usage of the **fully remote customer on-boarding** process (almost 70% of new customers use the tool)
- Further **digitization and automation of the on-boarding** process (including implementation of automatic archiving of digital documents)
- **Automation of the first after-sales processes** in the areas of accounts and cards, on the new Automated Workflow platform

Business development

- Active return to business along with the re-opening of the economy: **increased number of meetings** (including on-line) with clients, **recovery in loan sale** in Q3 2020
- **Successful quarter in terms of new clients acquisition**: in total, during the three quarters of 2020, 981 SME clients and 622 Corporate Banking clients were acquired
- Increase in net fee & commission income: +3.5% q/q in SME, + 9.2% q/q in Corporate Banking
- Strong **support for customers** in the area of distribution of funds from the PFR financial shield and the BGK guarantee line program
- Further increase in the **deposit volumes** with the simultaneous implementation of margin optimization measures
- Green energy - leasing of photovoltaic panels

Execution of several significant transactions despite difficult market conditions

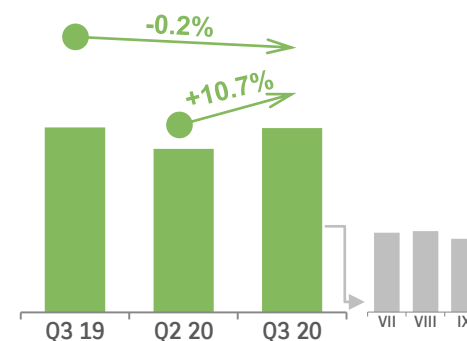
(selected transactions):

<p>Capex financing incl. low-carbon energy projects</p> <p>EUR 1,750 million</p> <p>BNP PARIBAS</p> <p>Mandated Lead Arranger Bookrunner</p> <p>July 2020</p>	<p>Baltic Pipe financing</p> <p>PLN 5,500 million</p> <p>BNP PARIBAS</p> <p>Mandated Lead Arranger/Bookrunner & Agent</p> <p>July 2020</p>	<p>Acquisition finance</p> <p>PLN 35 million</p> <p>BNP PARIBAS</p> <p>Arranger</p> <p>September 2020</p>	<p>Corporate bond issuance</p> <p>PLN 200 million</p> <p>BNP PARIBAS</p> <p>Sole Arranger & Bookrunner</p> <p>September 2020</p>
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Revenue increase resulting from recovery of customer activity

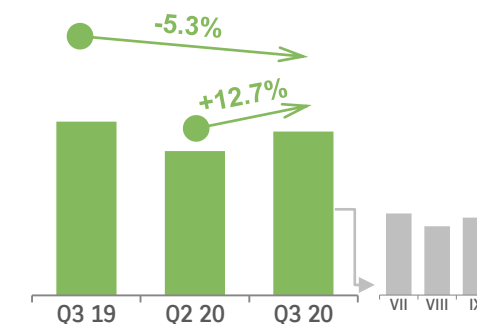
Cash management

Revenues



Currency exchange transactions

Revenues



Corporate banking customers

12.2 k

-0.7 k -5% y/y*
0.0 k 0% q/q*

SME customers

27.5 k

-4.1 k -13% y/y*
-0.3 k -1% q/q*

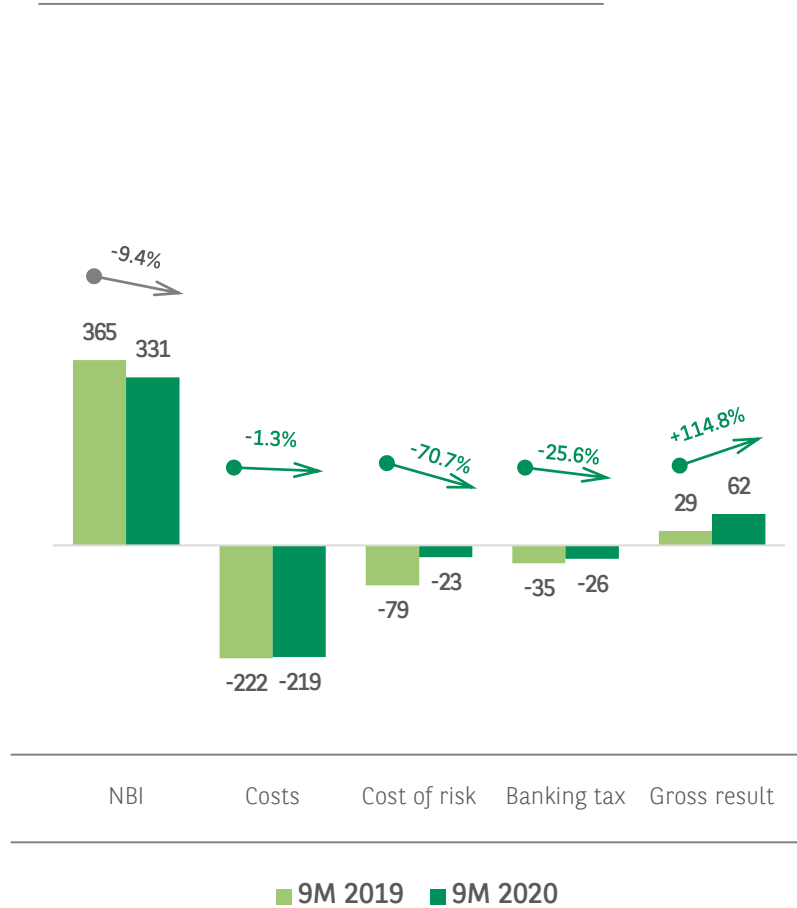
* the change includes the effect of the database standardization as a result of the operational merger conducted in November 2019 and resegmentation between SME and micro carried out in January 2020

SME BANKING

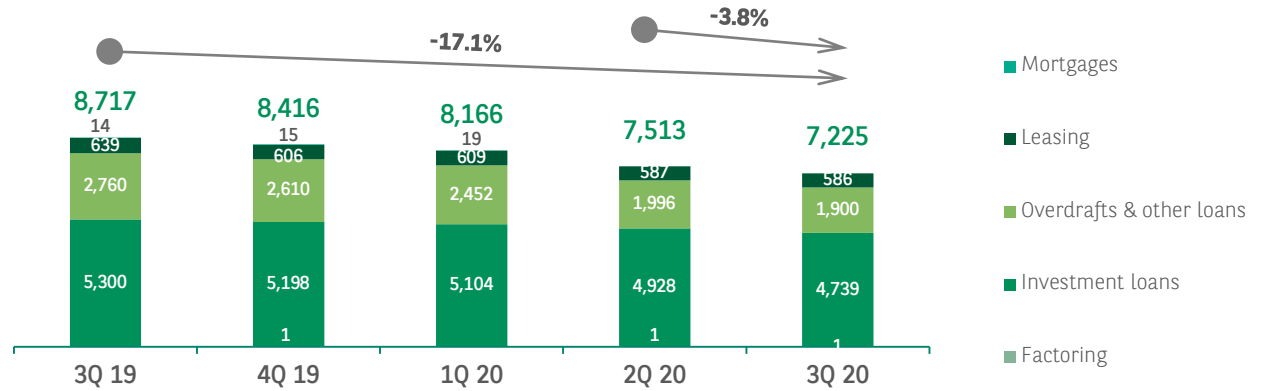
NET BANKING INCOME DECREASE RELATED TO LOWERING INTEREST RATES. IMPROVEMENT IN GROSS RESULT MAINLY DUE TO LOWER COST OF RISK

PLN m

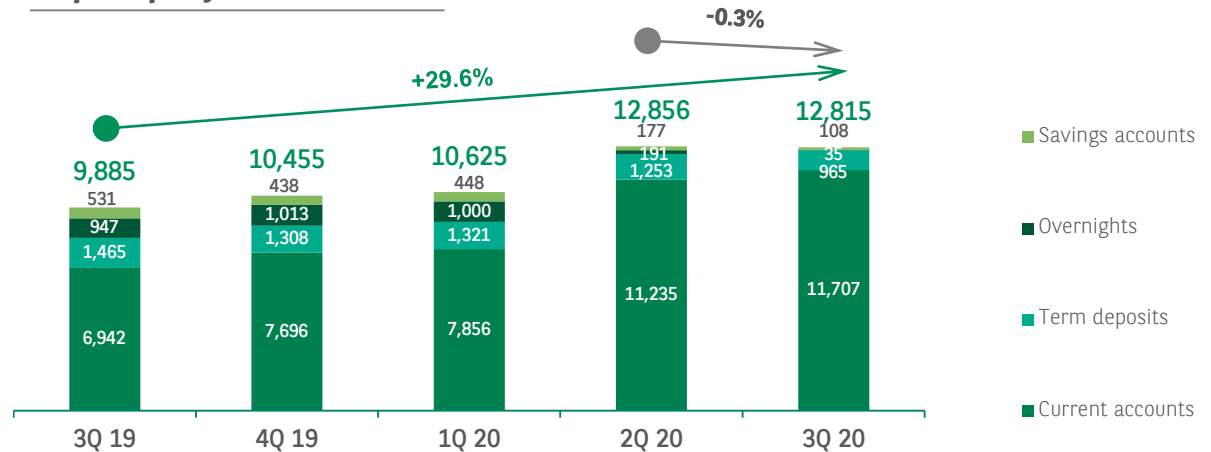
Gross result structure



Loan portfolio*



Deposit portfolio*



Segments' share in the Group's net banking income

9%

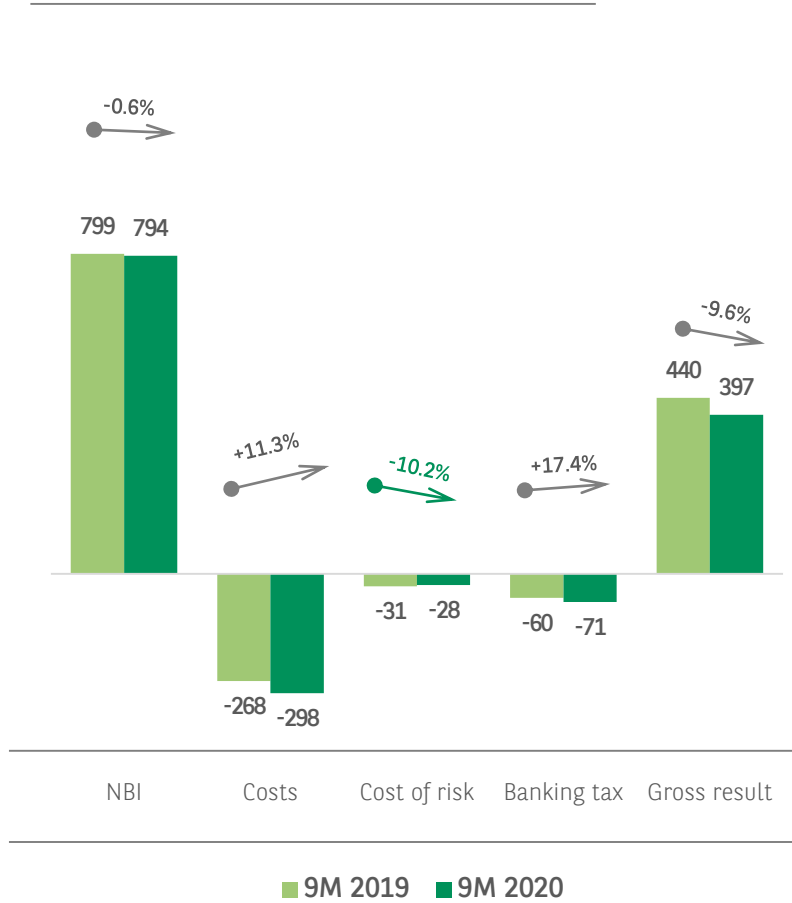
* in connection with the re-segmentation of SME, Corporate Banking and Micro clients, carried out in 2020; data for 2019 presented on a comparable basis

CORPORATE BANKING

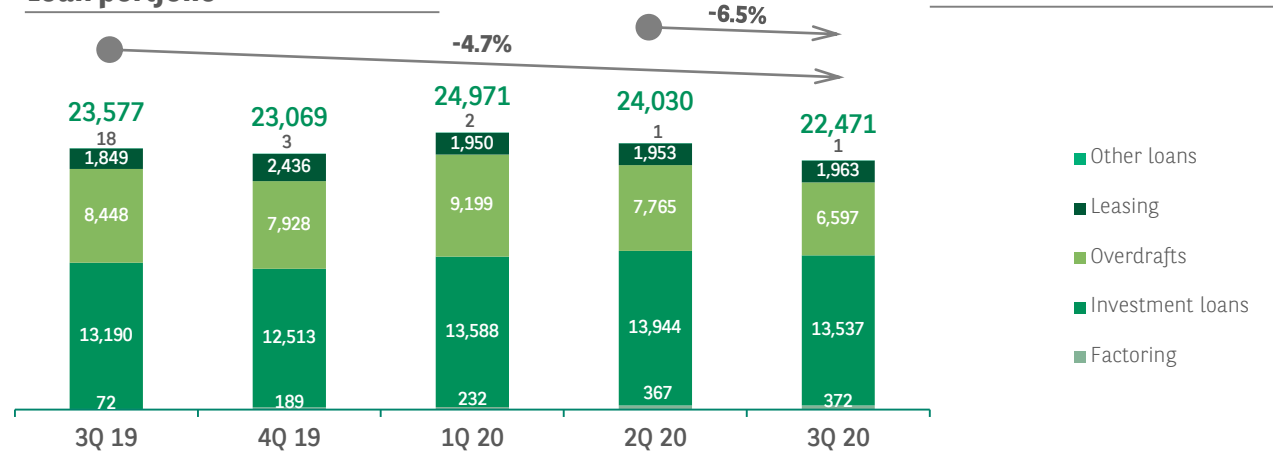
MAINTAINING THE NET BANKING INCOME DESPITE THE INTEREST RATES CUTS AND DISPOSAL OF FACTORING BUSINESS IN Q2 2019

PLN m

Gross result structure



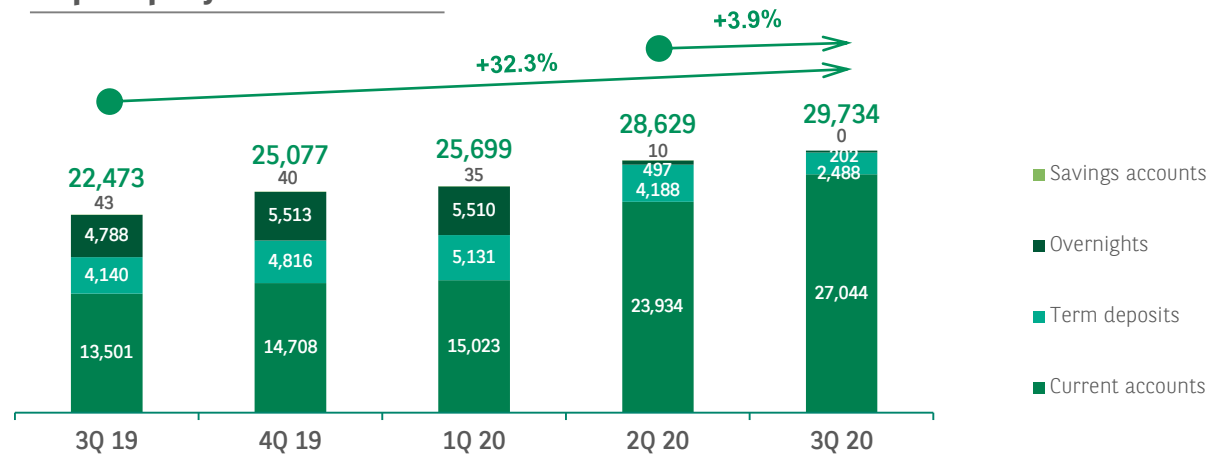
Loan portfolio*



Segments' share in the Group's net banking income

23%

Deposit portfolio*



* in connection with the re-segmentation of SME, Corporate Banking and Micro clients, carried out in 2020, data for 2019 are presented on a comparable basis

AGRO SEGMENT

FOCUS ON MAINTAINING MARKET POSITION. RESPONDING TO SEASONAL CLIENTS' NEEDS

75.8 thousand Agro clients

Business development

- Working capital loan secured by a guarantee of the Agricultural Guarantee Fund and with an interest rate subsidy made by Bank Gospodarstwa Krajowego – an offer launched for revolving and non-revolving working capital loans in credit account
- Agricultural crop insurance – sales as a part of the autumn campaign

Activities supporting sales and client relations

- marketing campaign – autumn crop insurance in partnership with Concordia Polska TU SA
- webinars:
 - "Photovoltaics – the benefits of solar energy for Agribusiness"
 - mini-webinars run by Agro Experts on solutions to facilitate farm management in terms of financing, management tools and insurance

agronomist

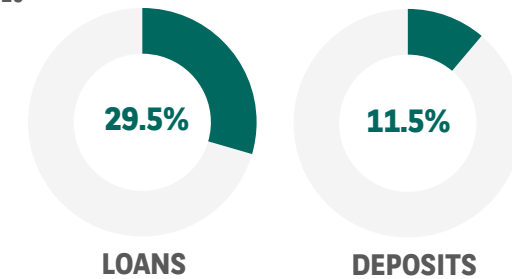
- over 3,000 registered users
- 1,000 users are the Bank customers
- 50% of users are women
- over 200,000 hits to the portal in 2020

- user interface adaptation to users needs
- focus sections development:
 - *Green changes* – dedicated to sustainable development
 - *Agro on Heels* – inspiring content for women active in the Food&Agro sector
- new markets in prices module: *oilseeds, poultry, pork*



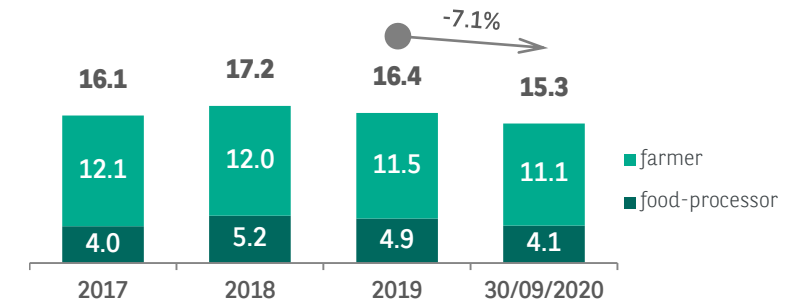
Market share

30.09.2020



Credit volume

gross, PLN billion



06

APPENDICES

Share price performance
2020 Q3 Financial Results of the Group
Profit and loss account
Assets, liabilities and equity

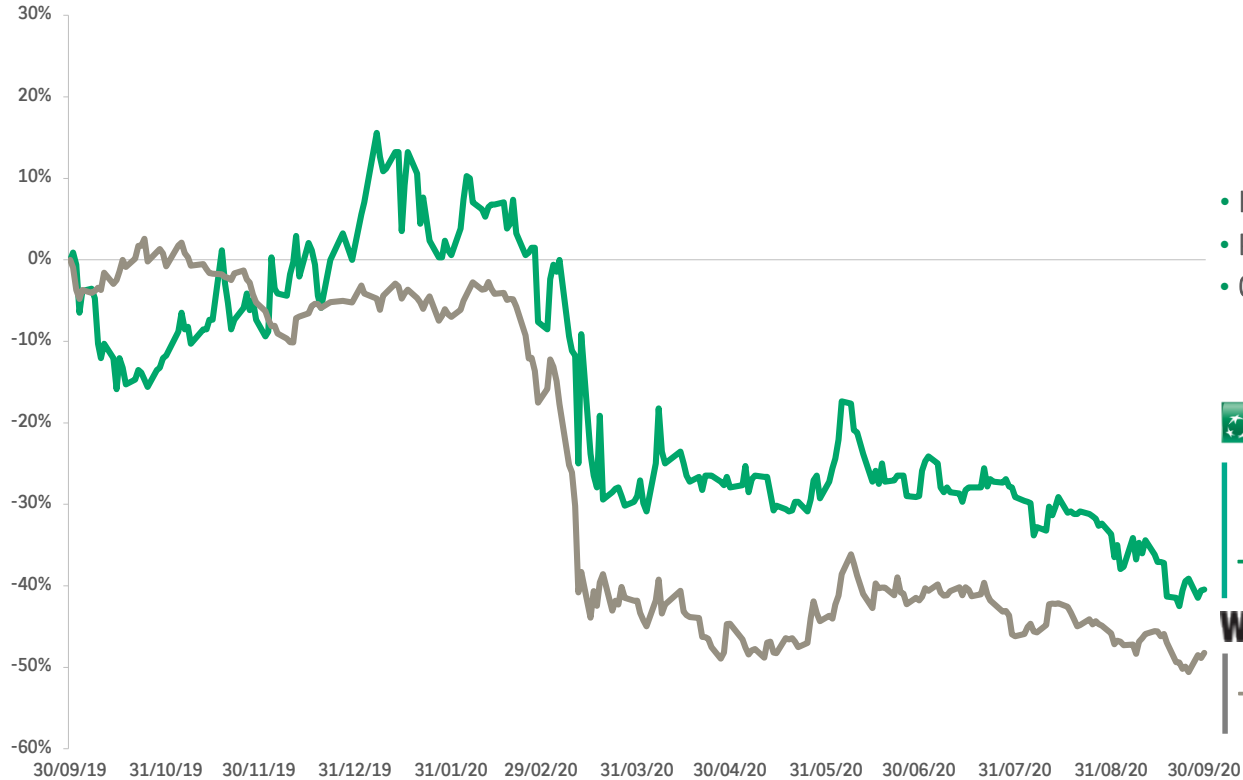


SHARES OF BNP PARIBAS BANK POLSKA SA

CONTINUATION OF THE DOWNWARD TREND IN THE SHARE PRICES OF BANKS LISTED ON THE WSE IN Q3 2020

Change in the share price

(30.09.2019 = 100%)

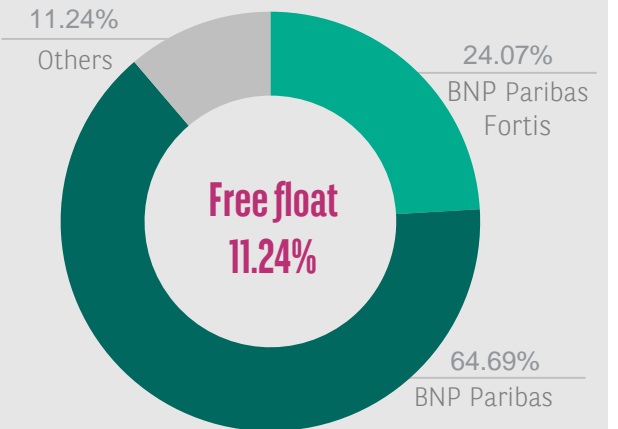


Moody's rating

rating outlook – Stable
 individual assessment/ adjusted – ba1/ baa3
 deposit ratings short-term/ long-term – Prime-2/ Baa1

Shareholder structure

(30.09.2020)



147 418 918

Total number of shares

| ISIN Code: PLBGZ0000010 | WSE Ticker: BNP | Index: mWIG40, WIG-ESG

9M 2020 FINANCIAL RESULTS OF THE GROUP

INCREASE IN NET BANKING INCOME BY 3.1% (Y/Y), COST OF RISK IMPACTED BY COVID-19 PANDEMIC, LOWER OPERATING EXPENSES

	9M 2020 PLN m	9M 2019 PLN m	Change y/y	Change* y/y change
Net banking income	3,520.6	3,412.5	+3.1%	+0.9%
Total costs	(1,880.8)	(2,170.4)	(13.3%)	(1.6%)
Net impairment losses	(493.0)	(340.8)	+44.6%	+44.6%
Provisions for legal risk of CHF loans	(66.5)	(0.9)	7,017.3%	7,017.3%
Banking tax	(234.4)	(210.8)	+11.2%	+11.2%
Gross profit	845.9	690.5	22.5%	(19.1%)
Net profit	565.6	493.4	14.6%	(28.2%)

	30.09.2020	30.09.2019	Change y/y	Change* y/y change
Return on equity (ROE)	6.6%	6.1%	+0.5 pp	-
Return on equity (ROE)*	6.1%	9.0%	-	(2.9 pp)
Cost / Income (C/I)	53.4%	63.6%	(10.2 pp)	-
Cost / Income (C/I)*	54.2%	55.4%	-	(1.3 pp)
Total Capital Adequacy Ratio	15.8%	15.1%	+0.7 pp	-
Tier 1 Capital Ratio	13.4%	12.8%	+0.6 pp	-

The comparability of results achieved in 9M 2020 and 9M 2019 was affected by:

- increase in cost of risk related to negative impact of coronavirus pandemic on the economy and financial situation of the Bank's credit customers. Net impairment losses amounted to PLN -493.0 m in comparison with PLN -340.8 m in 9M 2019 (increase of PLN 152.1 m, by 44.6%). The negative impact of COVID-19 was estimated at PLN 175 m in 9M 2020;
- increase in the cost of provisions for legal risk related to CHF loans by PLN 65.5 million;
- no integration costs in 2020 (positive impact of PLN 0.6 m), as opposed to PLN 266.2 m in 9M 2019;
- BFG costs higher by PLN 37.4 m y/y (as a result of an increase in the annual contribution to the bank restructuring fund and the guarantee fund for 2020), as well as costs related to the Borrower Support Fund higher by PLN 9.6 million;
- an increase in the banking tax by PLN 23.7 million y/y related to the Bank's assets increase.

Excluding impact of integration costs and one-offs, the 9M 2020 net profit would amount to PLN 522.9 million (-28.2% y/y)

In Q3 2020, the result from provisions for legal risk of CHF housing loans was excluded from the category of other operating expenses. For the sake of comparability, the shift was made in all the presented periods.

* One-offs and integration costs excluded

One-offs:

- 9M 2020: PLN 52.2 million (BIK and KIR valuation PLN 45.1 million, sale of Kasprzaka PLN 43.6 million, provision for penalty imposed by UOKiK PLN -26.6 million and provision for option case PLN -9.8 million)
- 9M 2019: PLN -24.0 million (provision for CJEU judgment on commission reimbursement in the event of early loan repayment PLN -48.8 million, provisions for option case and operating loss PLN -17.7 million and sale of factoring activities PLN 42.4 million)

9M 2020 integration costs PLN +0.6 million, of which:

- PLN -4.3 m - administrative expenses, depreciation and amortization
- PLN +4.9 m - other operating expenses (positive value)

9 2019 integration costs - PLN -266.2 million, of which:

- PLN -263.1 m - administrative expenses, depreciation and amortization
- PLN -3.0 m - other operating expenses



NET PROFIT

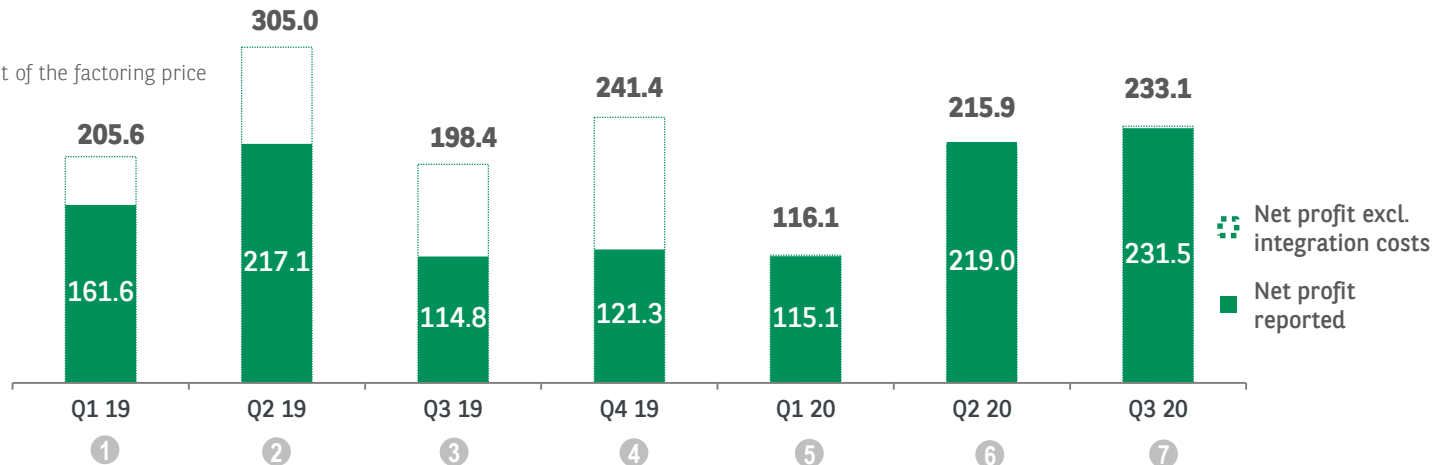
IMPACT OF MATERIAL EVENTS ON 2020 AND 2019 RESULTS

PLN m

Material events

- 1 Q1 2019
 - PLN -54.3 m integration costs
 - PLN -116.1 m contribution to the bank resolution fund BFG (PLN -129.1 m total BFG costs)
- 2 Q2 2019
 - PLN -108.5 m integration costs
 - PLN +45.0 m (net PLN +36.5 m) from the sales of factoring
- 3 Q3 2019
 - PLN -103.3 m integration costs
 - PLN -48.8 m of provision for commission reimbursement (CJEU)
 - PLN -11.3 m provision for option case, PLN -6.4 m operational loss, PLN -2.6 m adjustment of the factoring price
- 4 Q4 2019
 - PLN -148.4 m integration costs
 - PLN -29.5 m portfolio provision for CHF loans (CJEU)
 - PLN -20.8 m provision for commission reimbursement (CJEU)
- 5 Q1 2020
 - PLN +43.6 m sale of Kasprzaka real estate
 - PLN -11.3 m provision for CHF loans (CJEU)
 - PLN -9.8 m provision for legal risk – lost option case
 - PLN -126.0 contribution to the bank resolution fund BFG (PLN -147.6 m total BFG costs)
- 6 Q2 2020
 - PLN +45.1 m valuation of BIK and KIR
 - PLN -15.2 m provision for CHF loans (CJEU)
- 7 Q3 2020
 - PLN -26.6 provision for penalty imposed by UOKiK
 - PLN -39.9 m provision for CHF loans (CJEU)

Net profit



	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20
ROE as reported	6.1%	7.1%	6.1%	5.7%	4.1%	5.9%	6.6%
ROE excl. integration costs	7.7%	9.5%	8.8%	8.7%	4.1%	5.9%	6.6%

CONSOLIDATED P&L

PLN thousand

Profit and loss account	cumulatively		quarterly						
	30/09/2020	30/09/2019	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Interest income	2,779,436	3,147,967	832,568	919,168	1,027,700	1,040,116	1,053,372	1,059,509	1,035,086
Interest expenses	(466,752)	(784,520)	(93,657)	(155,887)	(217,208)	(234,504)	(255,064)	(264,812)	(264,644)
Net interest income	2,312,684	2,363,447	738,911	763,281	810,492	805,312	798,308	794,697	770,442
Fee and commission income	806,171	767,949	297,129	248,670	260,372	274,751	259,542	256,554	251,853
Fee and commission expenses	(147,876)	(155,339)	(45,893)	(48,371)	(53,612)	(67,424)	(54,019)	(55,350)	(45,970)
Net fee and commission income	658,295	612,610	251,236	200,299	206,760	207,327	205,523	201,204	205,883
Dividend income	8,250	6,007	5,811	460	1,979	-	4,451	1,348	208
Net trading income	534,398	501,728	157,593	189,619	187,186	180,687	175,696	158,035	167,997
Net investment income	28,885	(40,531)	11,015	41,439	(23,569)	8,695	(20,533)	(12,361)	(7,637)
Net income on collateral accounts	(12,689)	(4,642)	(2,992)	(869)	(8,828)	257	(3,559)	(3,009)	1,926
Other operating income	238,823	139,547	43,356	49,372	146,095	43,158	30,696	71,632	37,219
Result on impairment write-offs of financial assets and provisions for liabilities	(492,966)	(340,849)	(94,733)	(199,912)	(198,321)	(101,904)	(135,315)	(112,353)	(93,181)
Net provisions for CHF mortgages legal risk	(66,476)	(934)	(39,914)	(15,233)	(11,329)	(29,580)	(174)	(95)	(665)
General administrative expenses	(1,610,279)	(1,818,134)	(479,852)	(480,881)	(649,546)	(649,803)	(585,234)	(594,822)	(638,078)
Depreciation	(270,534)	(352,243)	(90,982)	(89,960)	(89,592)	(101,904)	(131,016)	(115,755)	(105,472)
Other operating expenses	(248,077)	(164,724)	(83,255)	(53,989)	(110,833)	(110,246)	(99,861)	(34,305)	(30,558)
Operating result	1,080,313	901,282	416,193	403,626	260,494	252,862	238,982	354,216	308,084
Banking tax	(234,448)	(210,784)	(83,625)	(80,182)	(70,641)	(70,405)	(69,457)	(70,982)	(70,345)
Gross profit (loss)	845,865	690,498	332,568	323,444	189,853	182,457	169,525	283,234	237,739
Income tax	(280,236)	(197,075)	(101,066)	(104,398)	(74,772)	(61,186)	(54,763)	(66,174)	(76,138)
NET PROFIT (LOSS)	565,629	493,423	231,502	219,046	115,081	121,271	114,762	217,060	161,601

In Q3 2020, the result from provisions for legal risk of CHF housing loans was excluded from the category of other operating expenses. For the sake of comparability, the shift was made in all the presented periods.

ASSETS

PLN thousand

Consolidated statements of financial position

	30/09/2020	30/06/2020	31/03/2020	31/12/2019	30/09/2019	30/06/2019	31/03/2019	31/12/2018
ASSETS								
Cash and balances with the Central Bank	2,923,598	4,524,539	3,225,246	4,658,171	2,432,745	2,350,499	2,715,459	2,897,123
Amounts due from banks	661,528	1,834,807	1,047,005	679,308	867,909	527,687	916,374	961,496
Derivative financial instruments	1,447,087	1,322,060	1,601,162	800,886	917,845	729,564	743,071	715,671
Adjustment of fair value of the hedging item	578,742	563,865	481,474	228,120	300,057	231,929	172,367	130,405
Loans and advances to customers valued at amortised cost	73,961,882	74,339,859	74,977,955	71,836,643	72,196,212	70,857,188	72,210,895	70,997,701
Loans and advances to customers valued at fair value through P&L	1,640,581	1,714,418	1,807,680	1,974,396	2,069,805	2,182,483	2,283,645	2,416,249
Financial assets for sale	-	-	-	-	-	-	-	-
Securities valued at amortised cost	21,832,298	19,905,356	18,204,480	17,916,645	17,009,661	15,977,152	16,079,051	11,939,238
Securities valued at fair value through P&L	363,874	340,468	279,141	241,754	219,470	211,283	206,202	204,421
Securities valued at fair value through the other total income	14,707,256	10,677,194	7,093,076	7,953,358	8,082,845	9,917,396	10,194,356	15,875,339
Investment property	56,577	56,577	56,577	56,577	55,868	55,868	55,868	55,868
Intangible assets	552,575	525,717	511,272	519,945	490,969	498,069	506,991	520,767
Property, plant and equipment	1,123,993	1,149,393	1,158,185	1,226,746	1,189,700	1,136,103	1,097,855	511,275
Deferred income tax assets	871,098	904,821	943,848	976,748	1,028,678	989,616	994,738	1,034,313
Current income tax assets	42,816	43,195	27,139	-	-	-	2,461	-
Other assets	810,344	804,879	629,701	884,845	693,855	879,264	665,890	872,115
TOTAL ASSETS	121,574,248	118,707,148	112,043,941	109,954,142	107,555,619	106,544,101	108,845,223	109,022,519

LIABILITIES AND EQUITY

PLN thousand

Consolidated statements of financial position

	30/09/2020	30/06/2020	31/03/2020	31/12/2019	30/09/2019	30/06/2019	31/03/2019	31/12/2018
LIABILITIES								
Amounts due to the Central Bank	106,994	-	-	-	-	-	-	-
Amounts due to other banks	6,625,208	4,891,630	4,910,888	4,485,264	4,727,260	4,803,636	4,371,236	3,976,469
Liabilities on sold securities	-	-	-	-	-	-	-	-
Adjustment of fair value of the hedging and hedged item	585,208	597,961	535,006	224,218	276,030	205,551	175,283	123,600
Derivative financial instruments	1,344,080	1,333,735	1,549,344	815,637	940,532	800,950	789,219	783,818
Amounts due to customers	94,880,015	93,742,118	86,927,106	86,134,984	83,348,683	82,641,868	85,922,946	87,191,708
Liabilities on debt securities issue	1,504,164	1,704,302	1,919,545	2,179,052	2,179,424	2,179,424	2,179,610	2,179,424
Subordinated liabilities	1,975,455	1,962,317	1,998,570	1,882,064	1,920,534	1,867,972	1,879,367	1,875,769
Leasing liabilities	629,323	637,185	638,211	602,192	616,475	599,594	593,097	-
Other liabilities	1,500,465	1,715,669	1,762,631	1,893,414	1,983,840	2,095,921	1,818,286	1,711,641
Current income tax liabilities	53,714	31,192	4,463	38,338	65,837	20,303	5,380	174,589
Deferred income tax provision	8,410	8,410	8,410	8,535	8,274	8,274	8,275	8,276
Provisions	540,925	522,029	507,410	531,061	442,054	396,922	416,521	437,412
TOTAL LIABILITIES	109,753,961	107,146,548	100,761,584	98,794,759	96,508,943	95,620,415	98,159,220	98,462,706
EQUITY								
Share capital	147,419	147,419	147,419	147,419	147,419	147,419	147,419	147,419
Supplementary capital	9,110,976	9,110,976	9,110,976	9,110,976	9,110,976	9,110,976	9,110,976	9,111,033
Other reserve capital	2,207,770	2,206,558	1,572,757	1,572,757	1,572,757	1,572,757	1,208,018	1,208,018
Revaluation reserve	214,271	187,298	133,205	125,251	133,423	125,763	105,100	141,179
Retained earnings	139,851	(91,651)	318,000	202,980	82,101	(33,229)	114,490	(47,836)
retained profit	(425,778)	(425,778)	202,919	(411,714)	(411,322)	(411,890)	(47 1,11)	(408,214)
net profit for the period	565,629	334,127	115,081	614,694	493,423	378,661	161,601	360,378
TOTAL EQUITY	11,820,287	11,560,600	11,282,357	11,159,383	11,046,676	10,923,686	10,686,003	10,559,813
TOTAL LIABILITIES AND EQUITY	121,574,248	118,707,148	112,043,941	109,954,142	107,555,619	106,544,101	108,845,223	109,022,519

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INVESTOR RELATIONS

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BNP Paribas Bank Polska Spółka Akcyjna with its seat in Warsaw at ul. Kasprzaka 10/16, 01-211 Warsaw, registered in the Register of Entrepreneurs of the National Court Register by the District Court for the capital city of Warsaw in Warsaw, XIII Business Division of the National Court Register under the number KRS 0000011571, with tax identification number (NIP): 526-10-08-546 and share capital of PLN 147 418 918 fully paid up.