

## 16. Other comprehensive income

Disclosure of tax effects relating to each component of other comprehensive income	Year ended 31 December 2017			Year ended 31 December 2016		
	Before-tax amount	Tax (expense) benefit	Net amount	Before-tax amount	Tax (expense) benefit	Net amount
<b>Items that may be reclassified subsequently to the the income statement</b>	<b>220 732</b>	<b>(52 447)</b>	<b>168 285</b>	<b>(550 177)</b>	<b>102 773</b>	<b>(447 404)</b>
Exchange differences on translation of foreign operations	477	-	477	422	-	422
Available for sale financial assets	224 766	(53 305)	171 461	(547 631)	102 209	(445 422)
Cash flow hedges	(4 511)	858	(3 653)	(2 968)	564	(2 404)
<b>Items that will not be reclassified to the income statement</b>	<b>(3 786)</b>	<b>720</b>	<b>(3 066)</b>	<b>344</b>	<b>(65)</b>	<b>279</b>
Actuarial gains and losses relating to post-employment benefits	(3 786)	720	(3 066)	344	(65)	279
<b>Total other comprehensive income</b>	<b>216 946</b>	<b>(51 727)</b>	<b>165 219</b>	<b>(549 833)</b>	<b>102 708</b>	<b>(447 125)</b>

The table below presents detailed information concerning other comprehensive income for the years 2017 and 2016.

	Year ended 31 December	
	2017	2016
<b>Items that may be reclassified subsequently to the the income statement, including:</b>	<b>168 285</b>	<b>(447 404)</b>
<b>Exchange differences on translating foreign operations</b>	<b>477</b>	<b>422</b>
Unrealised gains (positive differences) arising during the year (net)	1 221	3 151
Unrealised losses (negative differences) arising during the year (net)	(744)	(2 729)
<b>Available-for-sale financial assets</b>	<b>171 461</b>	<b>(445 422)</b>
Unrealised gains on debt instruments arising during the year (net)	224 243	3 686
Unrealised losses on debt instruments arising during the year (net)	(46 772)	(299 734)
Reclassification adjustments of gains (losses) on debt instruments to the income statement (net)	(17 832)	(14 292)
Unrealised gains on equity instruments arising during the year (net)	12 287	204 247
Unrealised losses on equity instruments arising during the year (net)	(44)	(135 464)
Reclassification adjustments of gains (losses) on equity instruments to the income statement (net)	(421)	(203 865)
<b>Cash flow hedges</b>	<b>(3 653)</b>	<b>(2 404)</b>
Unrealized gains arising during the year (net)	1 468	3
Unrealized losses arising during the year (net)	(5 121)	(2 407)
<b>Items that will not be reclassified to the income statement, including:</b>	<b>(3 066)</b>	<b>279</b>
<b>Actuarial gains and losses relating to post-employment benefits</b>	<b>(3 066)</b>	<b>279</b>
Actuarial gains	51	331
Actuarial losses	(3 117)	(52)
<b>Total other comprehensive income (net)</b>	<b>165 219</b>	<b>(447 125)</b>

In 2017, unrealized gains on debt instruments arising during the year in the amount of PLN 224 243 thousand relate mainly to positive valuation of debt securities of the banking book, caused by a decrease in interest rates in the first half of 2017, resulting from interest rate drops in global markets.

In 2016, unrealized gains on equity instruments arising during the year in the amount of PLN 204 247 thousand and reclassification of gains on equity instruments to the income statement in the amount of PLN 203 865 thousand relate mainly to takeover transaction of Visa Europe Limited by Visa Inc. Detailed information regarding this transaction has been described under Note 23.