

Results of mBank Group

Q1 2016

Solid start to the year despite market headwinds

Management Board of mBank S.A.

Investor Presentation

April 28, 2016



Key highlights of Q1 2016

Total revenues exceeded PLN 1.0 B

Core revenues of PLN 888.2 M remained at high levels

- NII at PLN 676.4 M (+15.1% YoY), as margin rebound continued
- NFC at PLN 211.7 M (+9.2% YoY), despite new lending slowdown

Solid efficiency maintained

- Cost/Income ratio at 47.7%

Profit & Loss

Excess deposit funding

- Loan-to-Deposit ratio at 96.1%

Capital ratios well above regulatory requirements

- CET 1 Ratio at 16.2%/19.3%²
- Total Capital Ratio at 19.0%/22.6%²

Issues of covered bonds add to long-term financing sources

Capital & Liquidity

Business development

Sound volume development

- Gross loans at PLN 80.9 B (+0.7% QoQ, +6.1% YoY)¹
- Customer deposits at PLN 81.1 B (+0.3% QoQ, +20.2% YoY)¹

Focus on higher margin lending

- Mortgage loan sales at PLN 0.7 B in Q1/16 (-14% YoY); non-mortgage loan sales at PLN 1.3 B (+11% YoY)

Accelerating client acquisition

- 5,037 thou. retail clients (+373 thou. YoY) and 19,992 corporate clients (+1,859 YoY)

Strengthening the position as mobile and transactional bank

- Rising number of non-cash card payments
- Cooperation with strategic partners

Net Profit of PLN 307.8 M, -0.6% compared to Q4/15

¹ Volume dynamics presented excl. reverse repo / buy-sell-back transactions and repo transactions, respectively; ² Stand-alone capital ratios

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Summary of Q1/16 in mBank Group

Key Financials

Client acquisition and Market shares

Development of retail and corporate business

Analysis of Q1/16 Results

Development of Loans and Deposits

Development of Income and Costs

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Capital and Liquidity Ratios

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Additional Information: Selected Financial Data

Detailed Results of Business Lines

Summary of Q1/16 Results in mBank Group

Key Financials: Profit and Loss Account

<i>in PLN million</i>	Q1/16	Q1/15	<i>Change YoY</i>	Q4/15
Net interest income	676.4	587.4	+15.1%	676.6
Net Fee & Commission income	211.7	193.9	+9.2%	237.4
Total income	1,008.9	1,118.1	-9.8%	1,110.5
Total costs	(480.8)	(451.9)	+6.4%	(457.2)
One-off regulatory costs ¹	–	–	–	(193.8)
Loan Loss Provisions	(68.5)	(100.0)	-31.5%	(102.6)
Operating profit	459.6	566.2	-18.8%	356.9
Taxes on bank balance sheet items	(57.3)	(0.9)	–	(0.9)
Profit before income tax	402.3	565.3	-28.8%	356.0
Net profit	307.8	450.9	-31.7%	309.5
Net Interest Margin (NIM)	2.29%	2.06%	+0.23 p.p.	2.22%
NIM excl. CHF portfolio	2.66%	2.38%	+0.28 p.p.	2.58%
Cost/Income ratio	47.7%	40.4%	+7.3 p.p.	58.6%
Cost of Risk	0.35%	0.52%	-0.17 p.p.	0.52%
Return on Equity (ROE)	10.1%	16.4%	-6.3 p.p.	11.2%
Return on Assets (ROA)	0.99%	1.48%	-0.49 p.p.	0.97%

¹ Including contribution to the Bank Guarantee Fund of PLN 141.7 million to cover the cost of payments to deposit holders of bankrupt Cooperative Bank in Wołomin and contribution to the support fund for distressed mortgage borrowers of PLN 52.1 million

Summary of Q1/16 Results in mBank Group

Key Financials: Balance Sheet

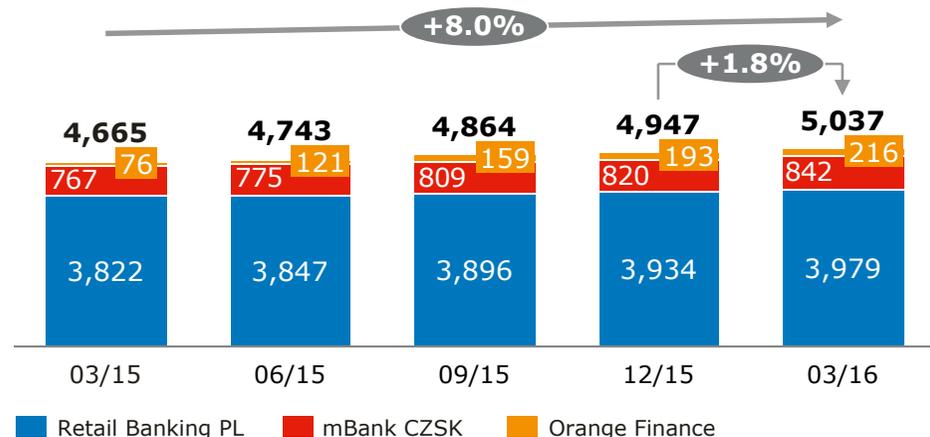
<i>in PLN million</i>	Q1/16	Q1/15	<i>Change YoY</i>	Q4/15
Gross loans to customers	80,925	81,883	 -1.2%	81,409
Retail client loans	46,511	43,788	 +6.2%	46,259
Core corporate client loans ¹	32,801	29,728	 +10.3%	32,416
Amounts due to customers	81,134	71,861	 +12.9%	81,141
Retail client deposits	47,835	39,693	 +20.5%	46,117
Core corporate client deposits ¹	31,771	25,743	 +23.4%	33,330
Loan to Deposit ratio	96.1%	109.9%	 -13.8 p.p.	96.7%
NPL ratio	5.8%	6.1%	 -0.3 p.p.	5.7%
Coverage ratio	58.6%	53.7%	 +4.9 p.p.	58.9%
Common Equity Tier 1 Ratio	16.2%	12.9%	 +3.3 p.p.	14.3%
Total Capital Ratio	19.0%	16.3%	 +2.7 p.p.	17.3%

¹ Excl. reverse repo / buy-sell-back transactions for loans and repo transactions for deposits

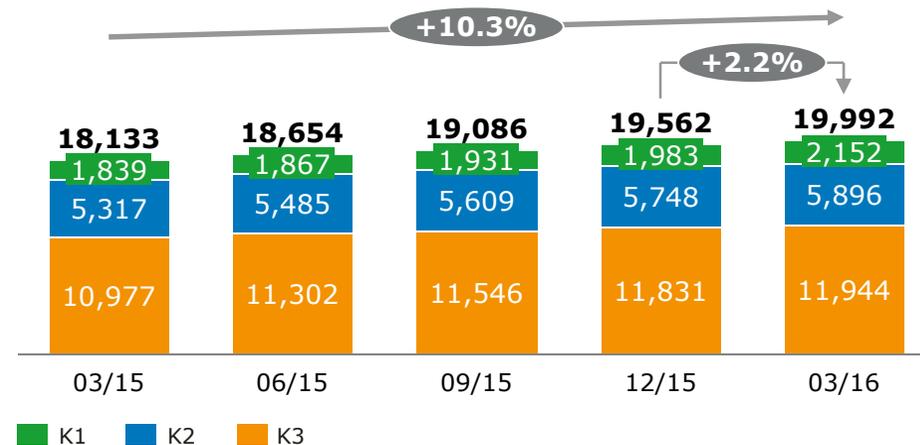
Summary of Q1/16 in mBank Group

Business Development: Client acquisition and Market shares

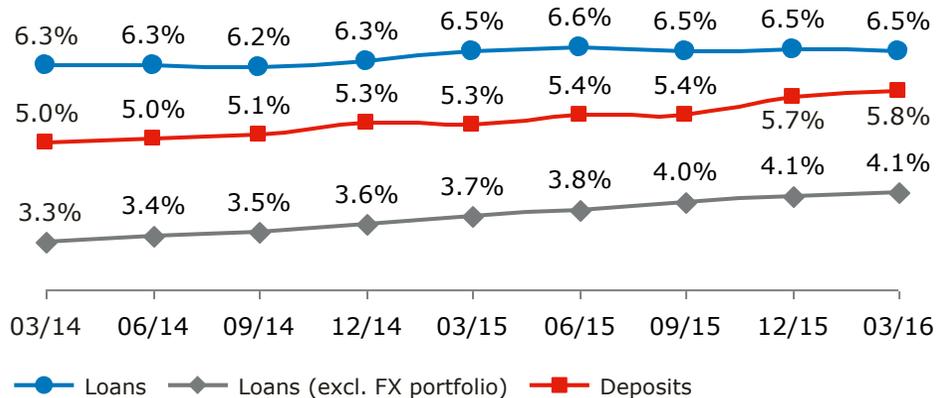
Number of Retail Clients (thou.)



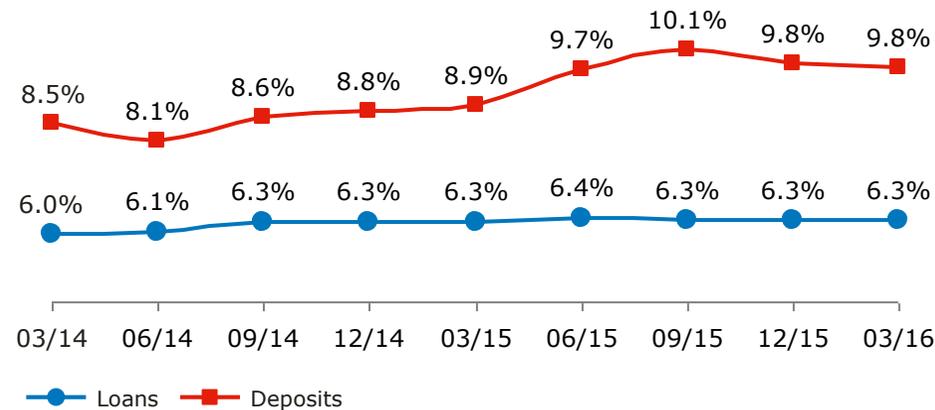
Number of Corporate Clients



Market shares in Retail Banking segment



Market shares in Corporate Banking segment

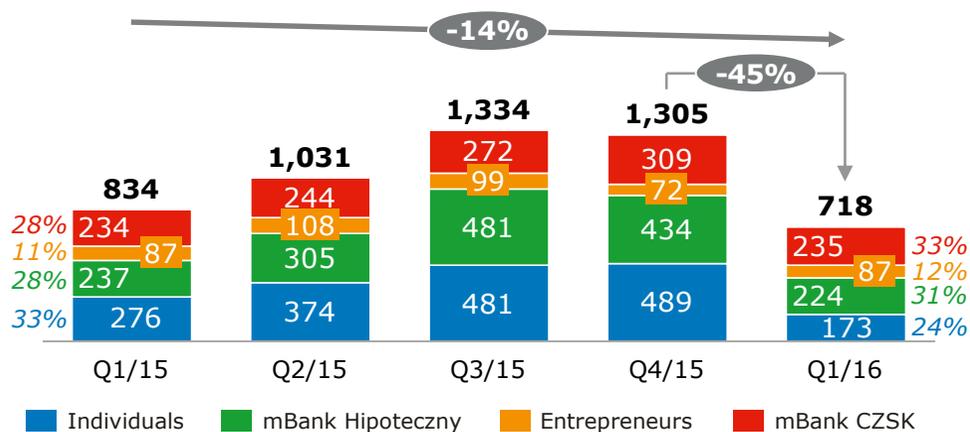


Note: Corporate clients split: K1 – annual sales over PLN 500 M and non-banking financial institutions; K2 – annual sales PLN 30 M to PLN 500 M; K3 – annual sales below 30 M.

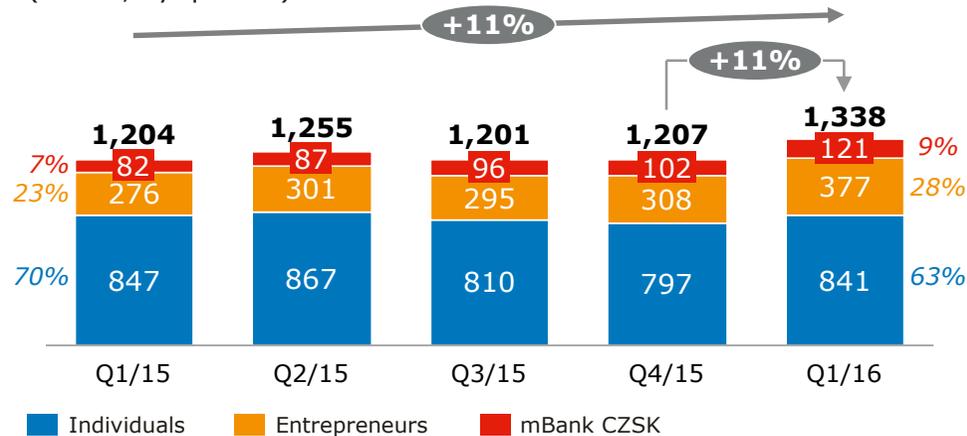
Summary of Q1/16 in mBank Group

Development of Retail and Corporate business

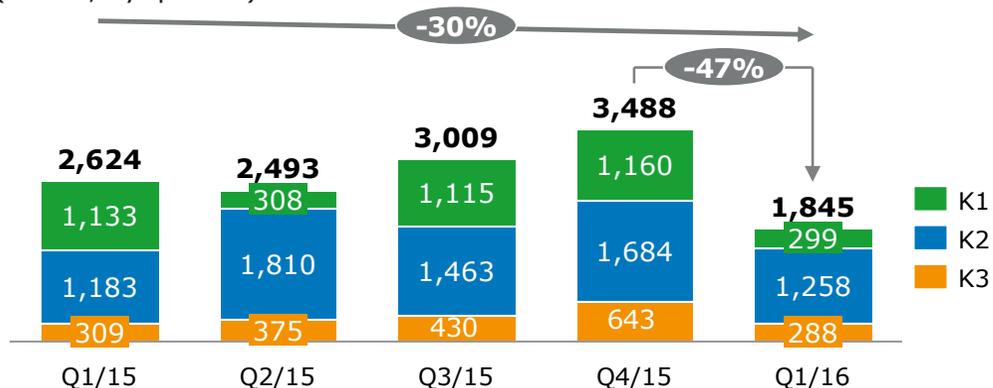
Sales of mortgage loans
(PLN M, by quarter)



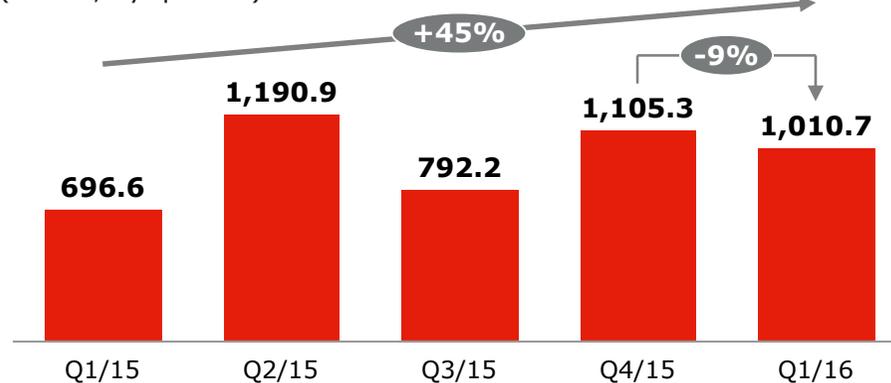
Sales of non-mortgage loans
(PLN M, by quarter)



Sales of corporate loans
(PLN M, by quarter)



New leasing contracts
(PLN M, by quarter)



Note: Corporate clients split: K1 – annual sales over PLN 500 M and non-banking financial institutions; K2 – annual sales PLN 30 M to PLN 500 M; K3 – annual sales below 30 M.

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Development of retail and corporate business



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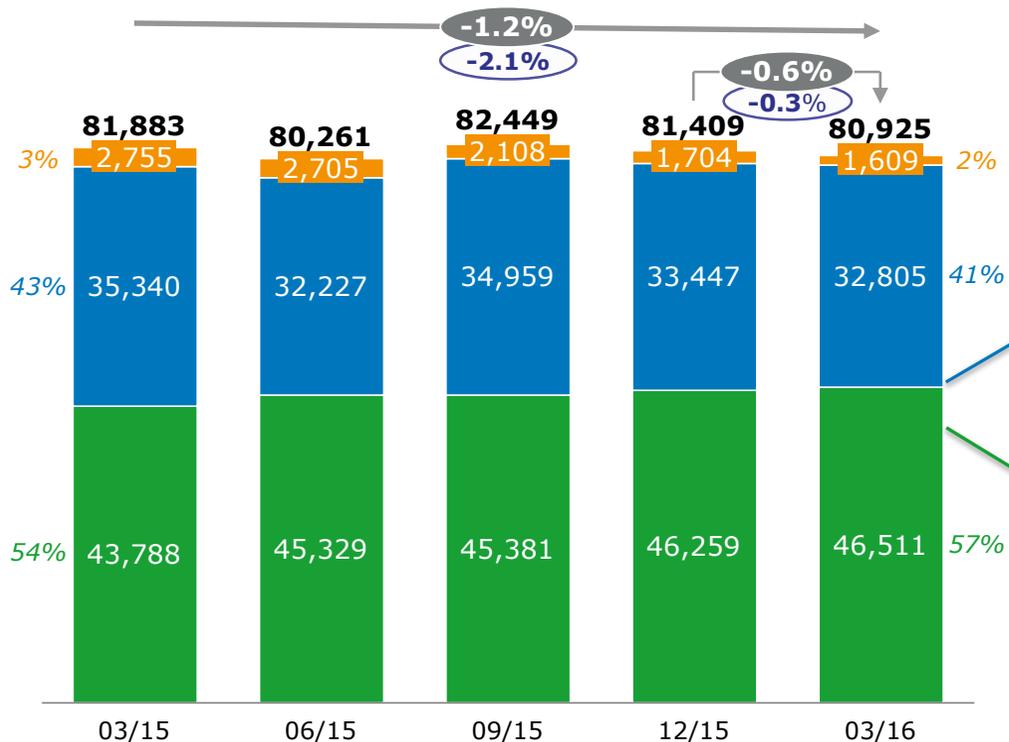
Detailed Results of Business Lines

Analysis of Q1/16 in mBank Group

Development of Loans to Customers

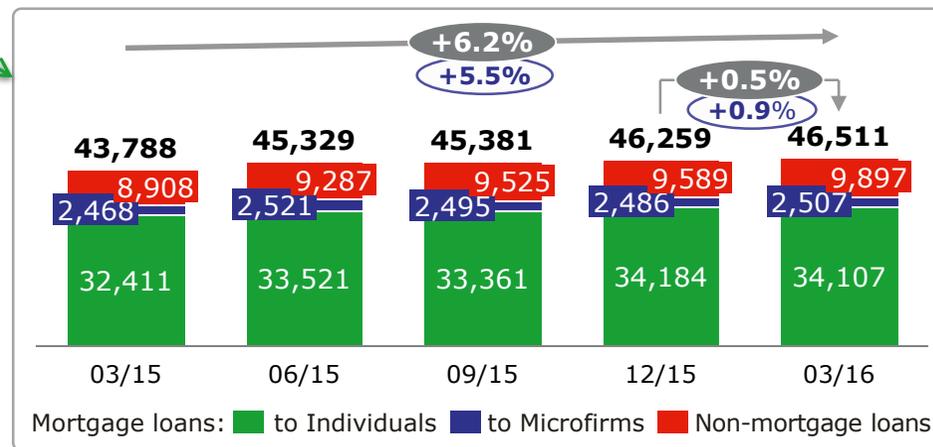
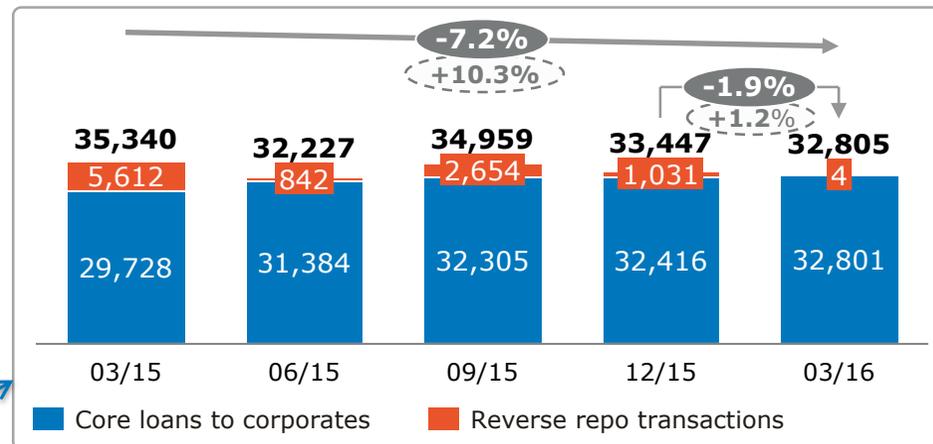
Core lending remains stable across segments

Development of Gross Loans and Advances to Customers (PLN M)



■ Individual clients
■ Corporate clients
■ Public sector & Other receivables

+X.X% Excluding FX effect
+X.X% Excluding Reverse repo / buy-sell-back transactions

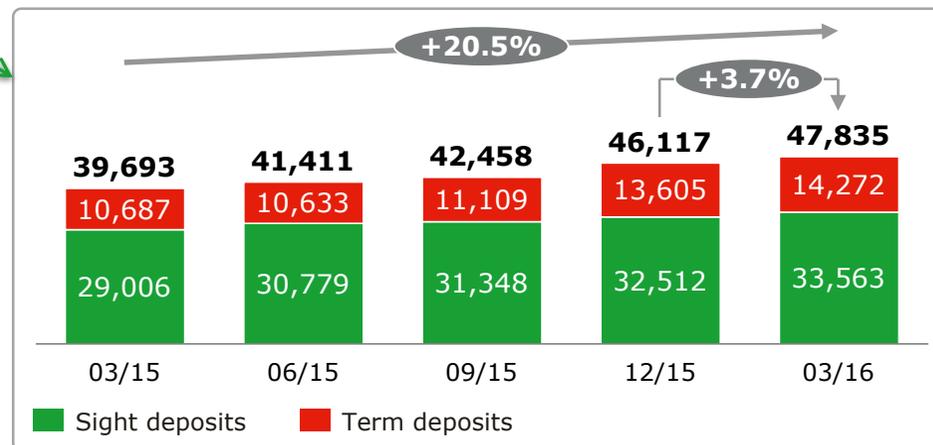
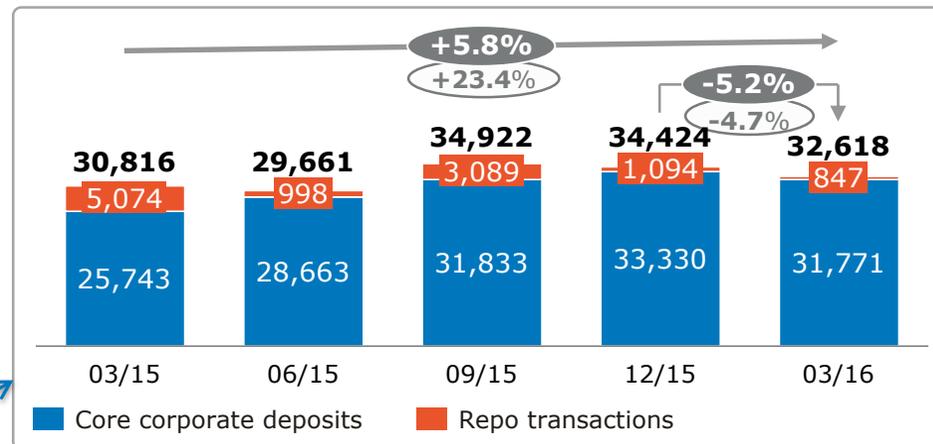
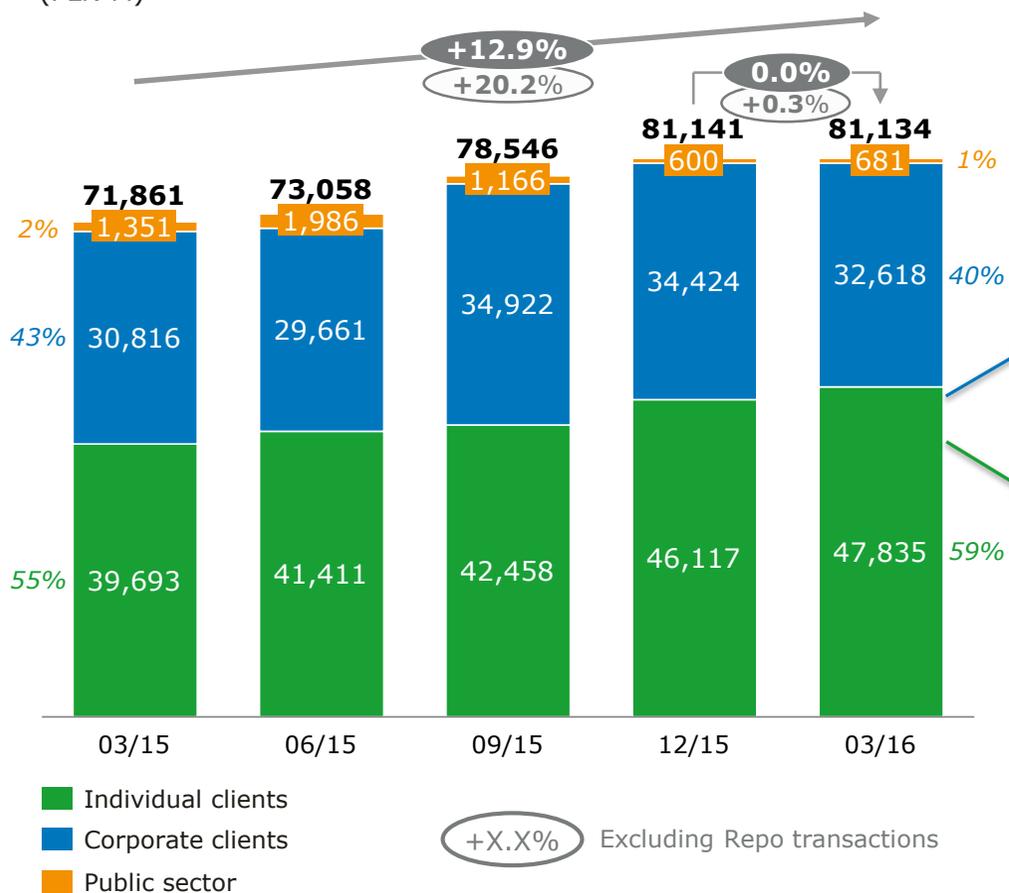


Analysis of Q1/16 in mBank Group

Development of Deposits

Dynamic annual deposit growth in both retail and corporate segment

Development of Amounts due to Customers
(PLN M)

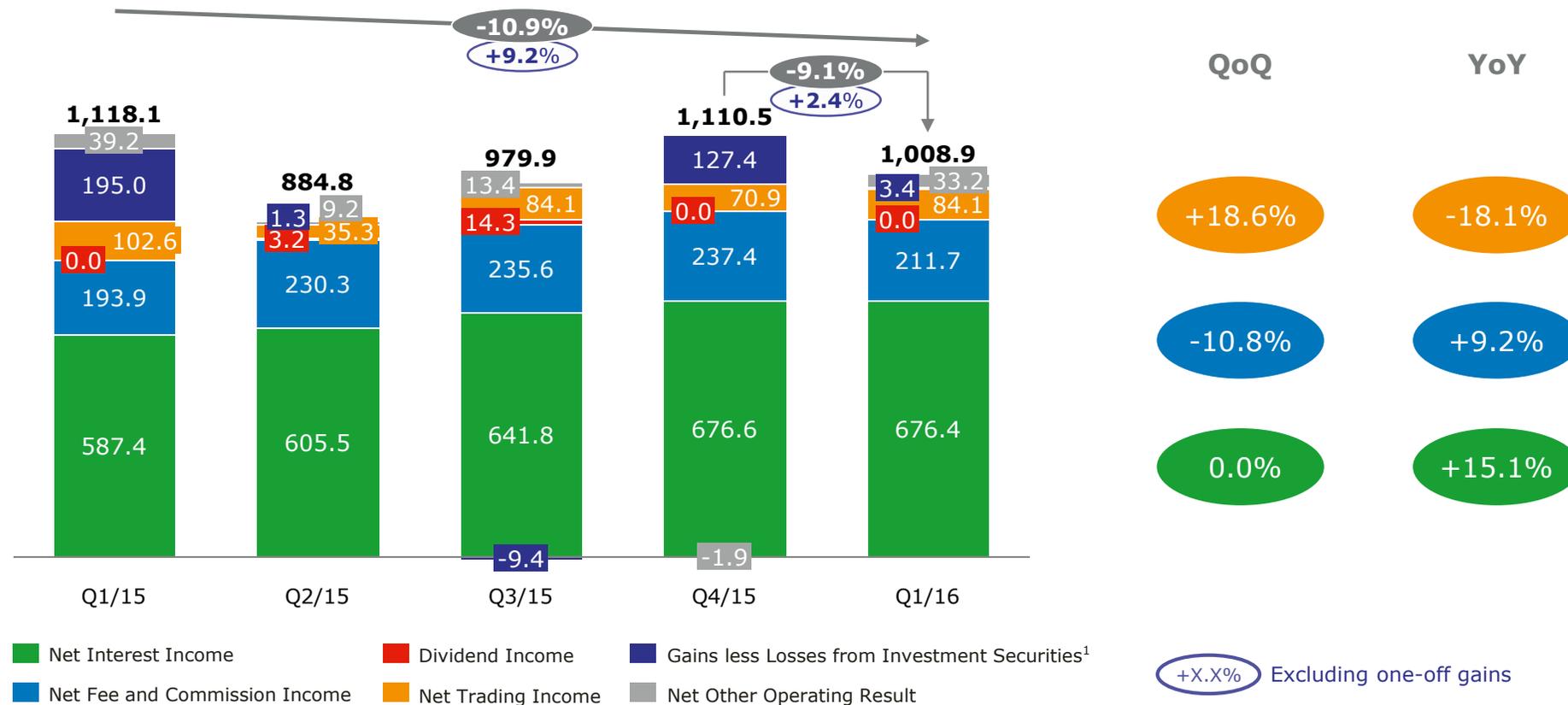


Analysis of Q1/16 in mBank Group

Income of mBank Group

Core revenues remained at high levels

Development of mBank Group's Income (PLN M)



¹ Including one-off gains on the sale of BRE Ubezpieczenia TUiR (PLN 194.3 M) in Q1/15 and on the sale of PZU shares (PLN 125.0 M) in Q4/15

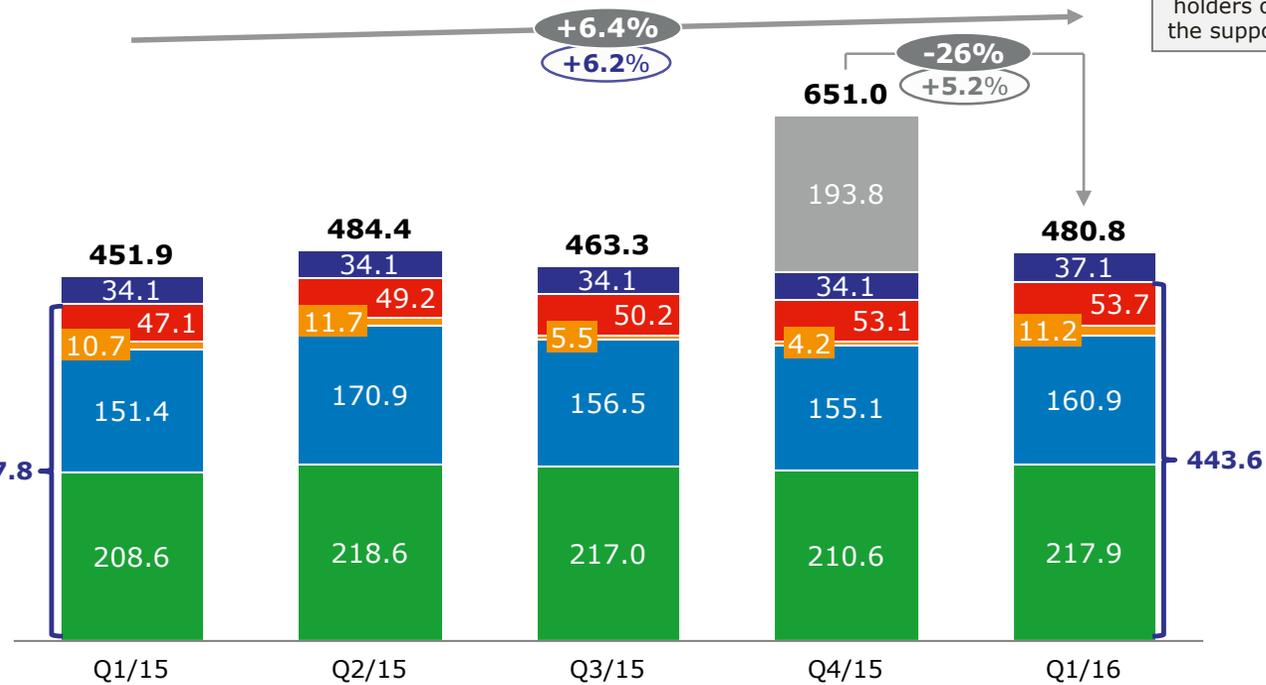
Analysis of Q1/16 in mBank Group

Costs of mBank Group

Solid efficiency maintained despite investments in strategic areas

Development of mBank Group's Costs (PLN M)

In Q4/15 mBank Group paid a contribution to the Bank Guarantee Fund of PLN 141.7 million to cover the cost of payments to deposit holders of bankrupt Cooperative Bank in Wołomin and contribution for the support fund for distressed mortgage borrowers of PLN 52.1 million



- Personnel Costs
- Material Costs
- Other Costs¹
- Amortization
- Contributions to the BFG



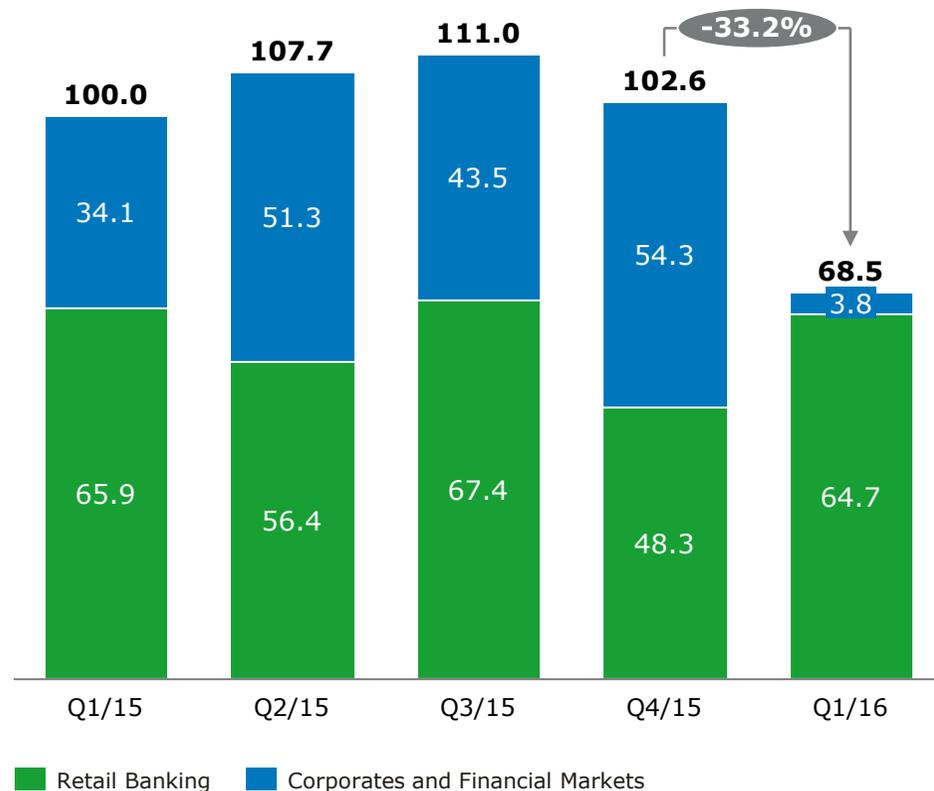
¹ Including taxes and fees, contributions to the Social Benefits Fund

Analysis of Q1/16 in mBank Group

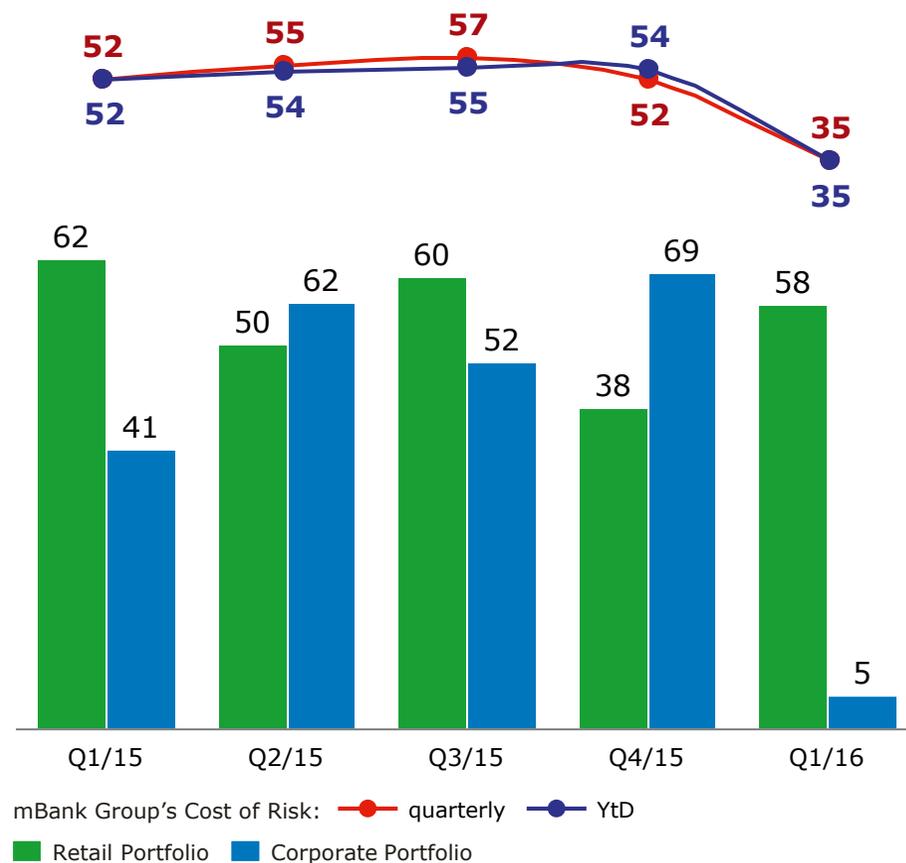
Loan Loss Provisions and Risk Costs

Cost of risk influenced by provision releases in the corporate segment

Net Impairment Losses on Loans and Advances
(PLN M)



mBank Group's Cost of Risk by Segment
(bps)

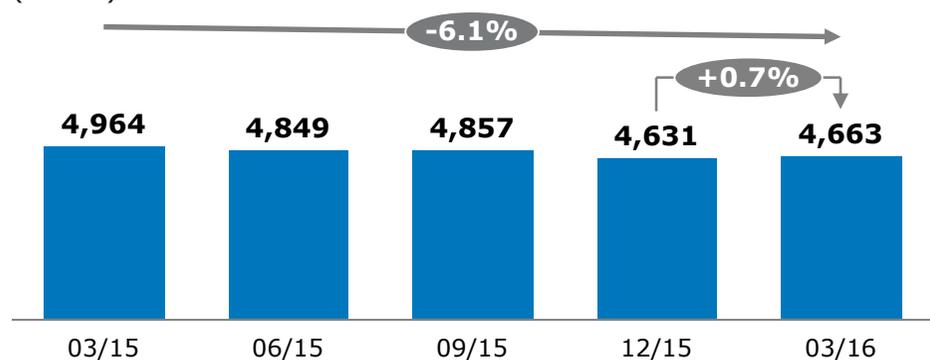


Analysis of Q1/16 in mBank Group

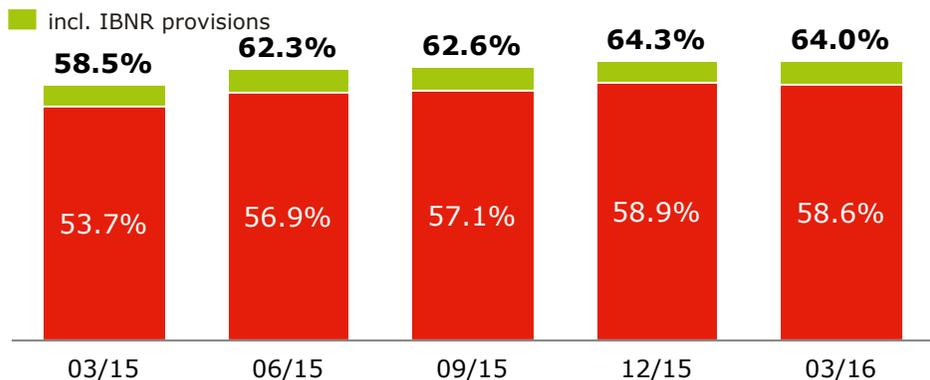
Loan Portfolio Quality

Resilient portfolio quality and stable risk indicators

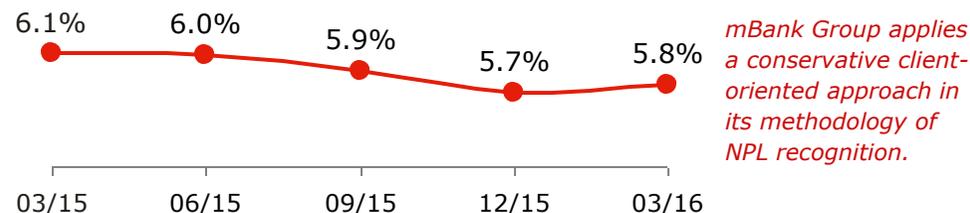
mBank Group's Impaired Loans Portfolio (PLN M)



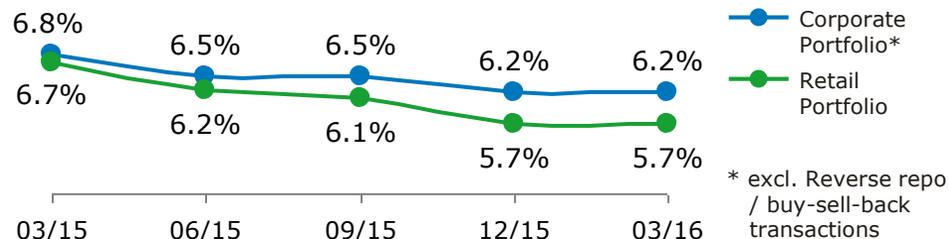
mBank Group's Coverage Ratio



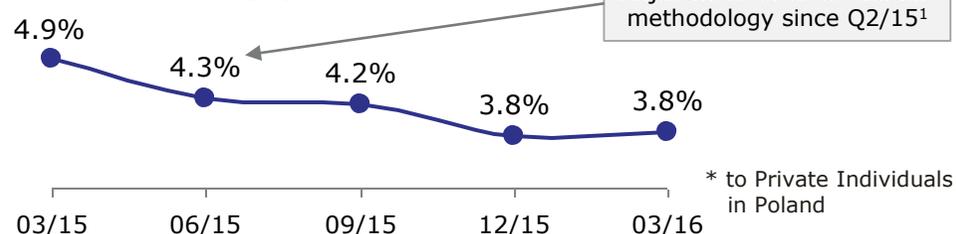
mBank Group's NPL Ratio



mBank Group's NPL Ratio by segment



NPL Ratio of Mortgage Loan Portfolio*



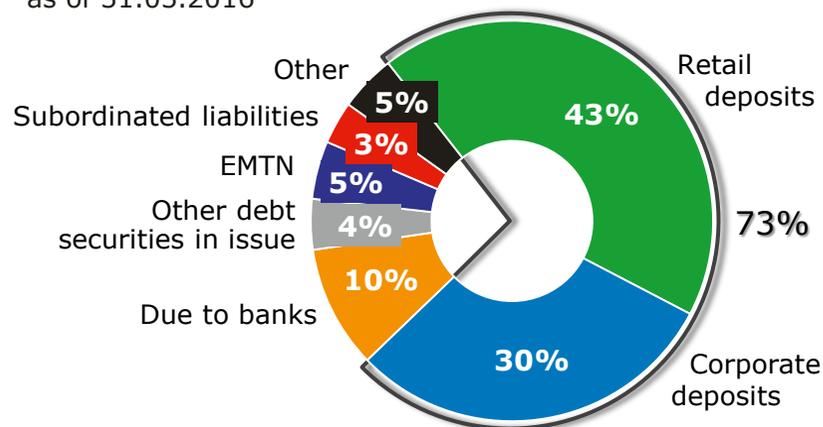
¹ Starting from Q2/15 overdue fees on current accounts and payment cards are excluded from cross-default conditions due to lack of relevance for ML servicing capacity by borrowers

Analysis of Q1/16 in mBank Group

Funding Structure Details

A well diversified funding profile and safe liquidity levels

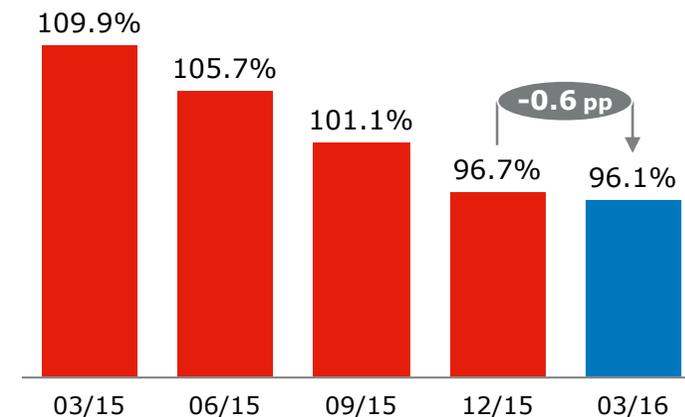
mBank Group's funding structure as of 31.03.2016



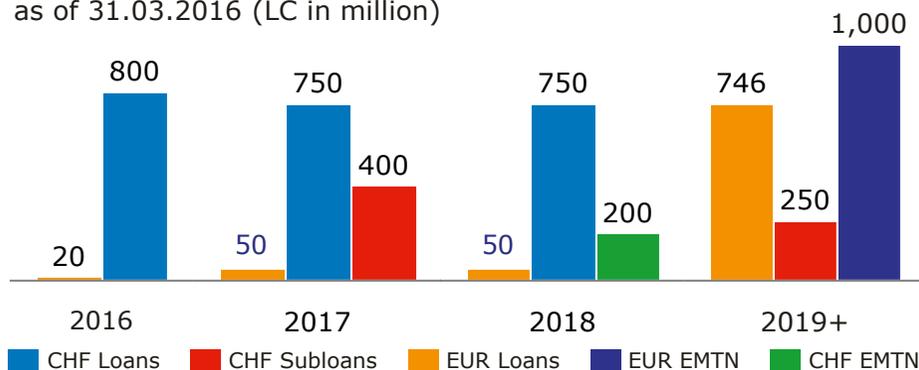
mBank's ratings

Fitch	
Long-term rating	BBB
Short-term rating	F2
Standard & Poor's	
Long-term credit rating	BBB
Short-term credit rating	A-2

Loan-to-Deposit Ratio



Maturity of long-term funding instruments in original currencies as of 31.03.2016 (LC in million)



Summary of Issues under Euro Medium Term Note (EMTN) Programme

Issue size	Issue date	Maturity date	Tenor	Coupon
EUR 500 M	12-10-2012	12-10-2015 ¹	3.0 Y	2.750%
CHF 200 M	08-10-2013	08-10-2018	5.0 Y	2.500%
EUR 500 M	01-04-2014	01-04-2019	5.0 Y	2.375%
EUR 500 M	26-11-2014	26-11-2021	7.0 Y	2.000%

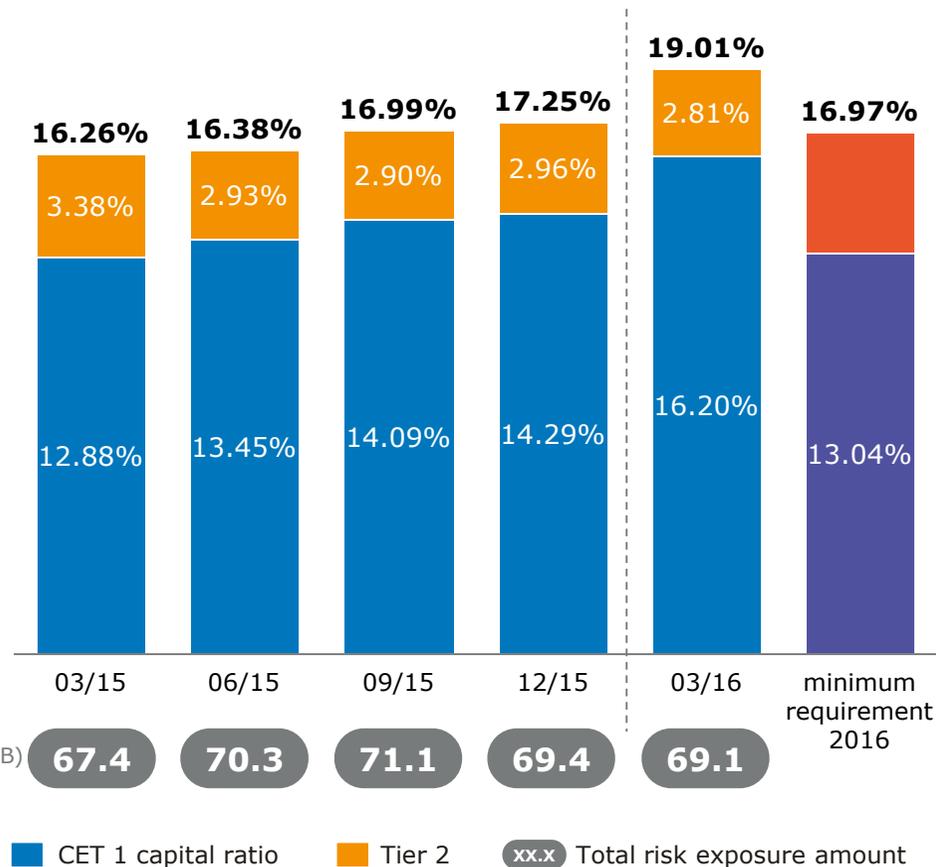
¹ redeemed at maturity

Analysis of Q1/16 in mBank Group

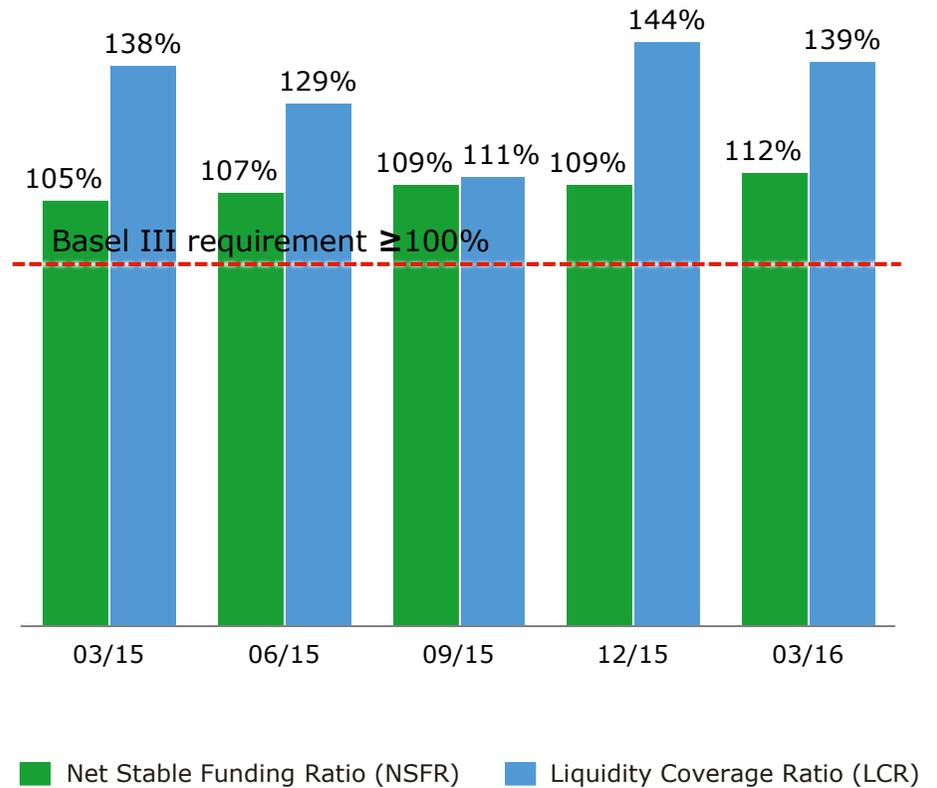
Key Regulatory Ratios

Strong capital position and liquidity above regulatory requirements

mBank Group's Total Capital Ratio



mBank's NSFR and LCR



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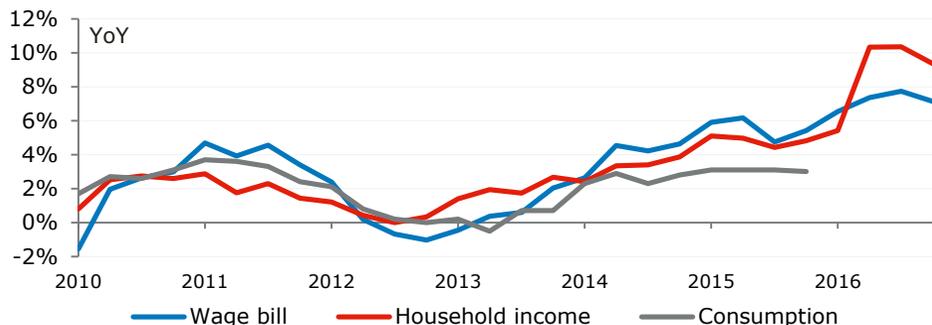
Additional Information: Selected Financial Data

Detailed Results of Business Lines

Macroeconomic Update (1/2)

High growth, economic centre of gravity shifts from investment to consumption

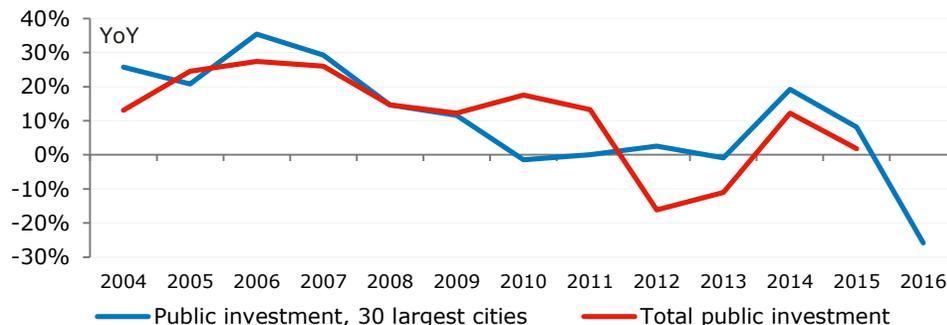
Massive boost to consumer income from wages and benefits



- 2016 is the year of the consumer spending boosted by rising wages, very low inflation and the new child subsidy programme. The bank expects 4% consumption growth this year.

Source: GUS, NBP

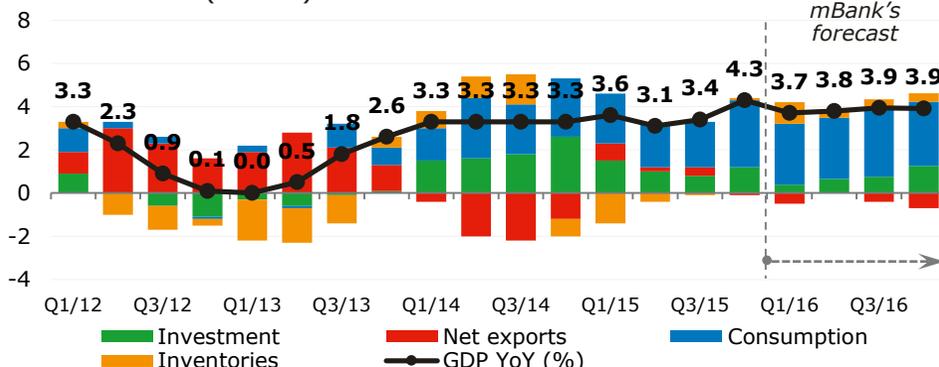
On the other hand, public investment is set to decline in 2016



- Because of a hiatus in EU spending and the lack of projects, most categories of public investment will decline: local governments and railways in particular. Private investment will not compensate.

Source: GUS, NBP

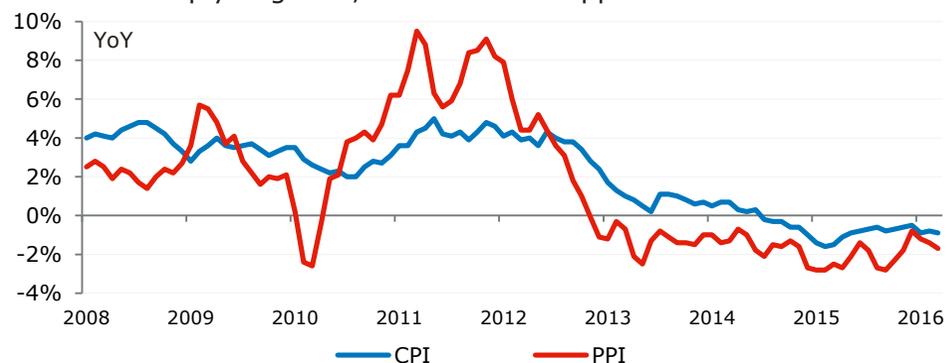
GDP forecast (% YoY)



- Economic growth will accelerate slightly in 2016 but its composition is set to change: more consumption (wages and social spending), less investment (local government austerity, decline in railway investment).

Source: GUS, NBP

Inflation deeply negative, environment supportive for lower rates



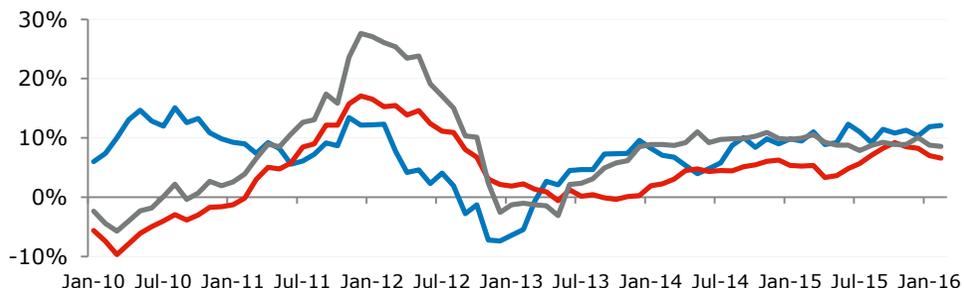
- Inflation is running below zero with more pass through to core measures what makes current interest rates level problematic. There are chances for further easing, along the way paved by other central banks.

Source: GUS

Macroeconomic Update (2/2)

Strong growth in corporate loans, cautious borrowing by households

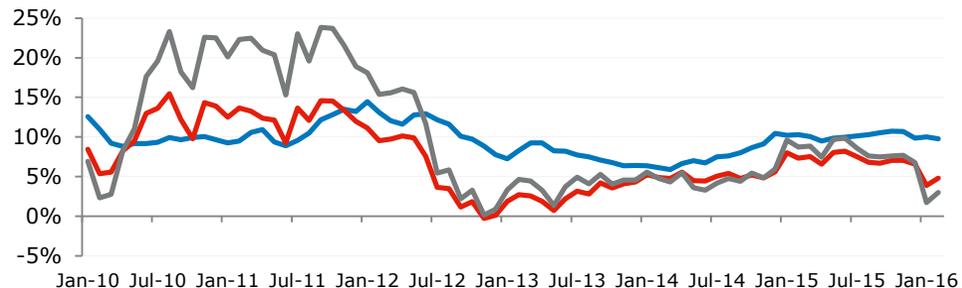
Corporate loans and deposits (% YoY)



■ Corporate deposits growing fast thanks to low expenditure growth and stronger sales. Growth of corporate loans driven by all categories. Corporate lending mildly affected by the bank tax.

Source: NBP

Household loans and deposits (% YoY)



■ Household deposits growing robustly and will continue to do so as other investment alternatives are not so attractive. Mortgage loans to be negatively impacted by bank tax and LTV limits.

Source: NBP

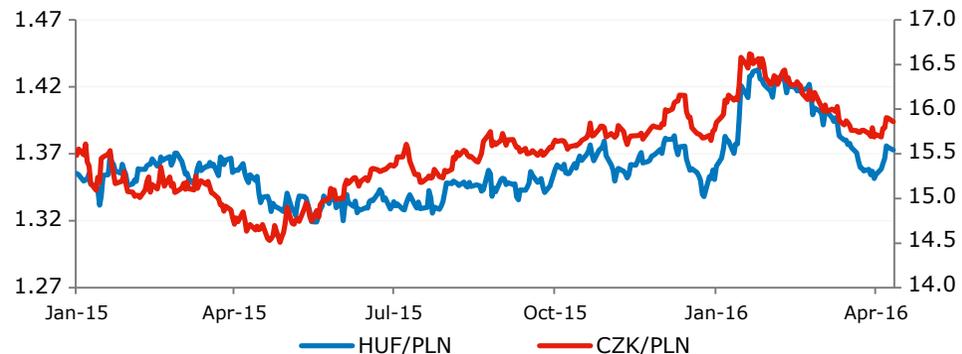
Polish 10Y rates above Hungarian yields for the first time in 14 years



■ Polish yield curve is very steep. In addition, diverging monetary policy stances caused Hungarian yields to drop further. The bank expects the NBP to adopt similar tools eventually.

Source: Bloomberg

PLN remains weak vis-a-vis regional peers



■ Favourable global trends and deescalation of local risks pushed PLN higher in February and March. Current levels to be close to fair value for the PLN – there are still risks and weak PLN is helpful for the economy.

Source: Bloomberg

2016 in forecasts and the impact on mBank Group

Macroeconomic environment and challenges for the banking sector

Key economic indicators

	2014	2015	2016F
GDP growth (YoY)	3.3%	3.6%	3.8%
Domestic demand (YoY)	4.9%	3.2%	4.2%
Private consumption (YoY)	2.6%	3.1%	3.9%
Investment (YoY)	9.8%	6.1%	3.8%
Inflation (eop)	-1.0%	-0.5%	1.4%
MPC rate (eop)	2.00	1.50	1.25
CHF/PLN (eop)	3.57	3.92	3.82
EUR/PLN (eop)	4.29	4.26	4.20

Banking sector – monetary aggregates YoY

	2014	2015	2016F
Corporate loans	6.3%	8.3%	8.7%
Mortgage loans	6.0%	6.8%	0.8%
Non-mortgage loans	5.0%	6.2%	6.5%
Corporate deposits	9.0%	10.3%	11.4%
Retail deposits	10.4%	9.8%	7.6%

Source: mBank's estimates as of April 1, 2016.

Impact on mBank

Net interest income & NIM (Slightly positive) 

- MPC decision on reduction of interest rates less likely
- Limited room for deposit re-pricing

Net Fee & Commission income (Positive) 

- Constantly rising client transactionality and strong acquisition in both retail and corporate segment
- Increase in selected fees to narrow earnings gap

Total costs (Negative) 

- Introduction of banking tax with the monthly rate of 0.0366% collected since February 2016
- Business-driven costs to remain well-contained

Loan Loss Provisions (Neutral) 

- Solid macroeconomic situation and low unemployment
- Small downside risk due to changing loan book mix

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Additional Information: Selected Financial Data Consolidated Profit and Loss Account

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Profit & Loss
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Business Lines
Subsidiaries

Quarterly results (PLN thou.)	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16
Net interest income	587,439	605,548	641,753	676,633	676,418
Net fee and commission income	193,857	230,336	235,583	237,400	211,745
Dividend income	31	3,158	14,345	6	0
Net trading income	102,618	35,312	84,105	70,900	84,087
<i>incl. FX result</i>	<i>78,687</i>	<i>66,000</i>	<i>67,825</i>	<i>75,227</i>	<i>71,817</i>
Gains less losses from investment securities	195,008	1,342	(9,372)	127,430	3,427
Net other operating income ¹	39,175	9,153	13,449	(1,886)	33,226
Total income	1,118,128	884,849	979,863	1,110,483	1,008,903
Total operating costs	(451,932)	(484,412)	(463,298)	(650,955)	(480,772)
<i>Overhead costs</i>	<i>(404,801)</i>	<i>(435,245)</i>	<i>(413,085)</i>	<i>(597,816)</i>	<i>(427,045)</i>
<i>Amortisation</i>	<i>(47,131)</i>	<i>(49,167)</i>	<i>(50,213)</i>	<i>(53,139)</i>	<i>(53,727)</i>
Loan loss provisions	(99,971)	(107,666)	(110,956)	(102,629)	(68,520)
Operating profit	566,225	292,771	405,609	356,899	459,611
Taxes on bank balance sheet items	(907)	(888)	(921)	(933)	(57,302)
Profit before income tax	565,318	291,883	404,688	355,966	402,309
Net profit attributable to owners of mBank	450,936	221,323	319,501	309,486	307,782

¹ Including the share in the profits (losses) of joint ventures

Appendix

Additional Information: Selected Financial Data Consolidated Statement of Financial Position

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Assets (PLN thou.)	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16
Cash and balances with Central Bank	2 406 938	3 187 463	4 630 886	5 938 133	4 042 760
Loans and advances to banks	4 052 272	2 071 953	2 793 756	1 897 334	1 120 253
Trading securities	2 043 083	2 597 284	2 561 125	557 541	2 849 810
Derivative financial instruments	4 824 571	3 345 943	3 737 662	3 349 328	2 799 170
Loans and advances to customers	78 977 052	77 241 598	79 407 211	78 433 546	77 940 778
Investment securities	28 442 073	29 515 812	30 026 139	30 736 949	31 618 471
Intangible assets	458 185	469 853	477 160	519 049	512 481
Tangible fixed assets	706 458	691 833	692 640	744 522	722 279
Other assets	1 383 256	1 482 376	1 423 564	1 346 619	1 662 378
Total assets	123 293 888	120 604 115	125 750 143	123 523 021	123 268 380
Liabilities (PLN thou.)	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16
Amounts due to other banks	17 839 429	15 675 919	14 783 139	12 019 331	10 972 446
Derivative financial instruments	4 838 248	3 302 248	3 380 521	3 173 638	2 355 838
Amounts due to customers	71 861 014	73 058 259	78 545 901	81 140 866	81 133 851
Debt securities in issue	10 382 134	11 013 855	11 280 897	8 946 195	9 697 975
Subordinated liabilities	4 436 572	3 896 612	3 785 284	3 827 315	3 801 673
Other liabilities	2 336 627	2 109 689	2 051 324	2 140 712	2 679 200
Total liabilities	111 694 024	109 056 582	113 827 066	111 248 057	110 640 983
Total equity	11 599 864	11 547 533	11 923 077	12 274 964	12 627 397
Total liabilities and equity	123 293 888	120 604 115	125 750 143	123 523 021	123 268 380

Appendix

Additional Information: Selected Financial Data mBank Group's Ratios

Summary
Historical view
Profit & Loss
Balance Sheet
Business Lines
Subsidiaries

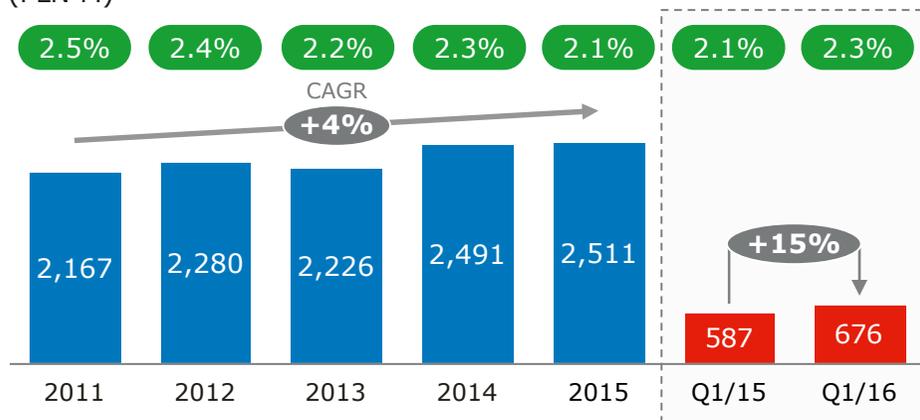
Financial Ratios	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16
Net Interest Margin (<i>quarterly</i>)	2.06%	2.11%	2.12%	2.22%	2.29%
Net Interest Margin YtD	2.06%	2.08%	2.10%	2.13%	2.29%
Net Interest Margin YtD (excl. CHF portfolio)	2.38%	2.43%	2.45%	2.48%	2.66%
Cost to Income Ratio (<i>quarterly</i>)	40.4%	54.7%	47.3%	58.6%	47.7%
Cost to Income Ratio YtD	40.4%	46.7%	46.9%	50.1%	47.7%
Cost of Risk (<i>quarterly</i>)	0.52%	0.55%	0.57%	0.52%	0.35%
Cost of Risk YtD	0.52%	0.54%	0.55%	0.54%	0.35%
ROE net (<i>quarterly</i>)	16.40%	8.12%	11.62%	11.20%	10.08%
ROE net YtD	16.40%	12.28%	12.06%	11.84%	10.08%
ROA net (<i>quarterly</i>)	1.48%	0.73%	1.00%	0.97%	0.99%
ROA net YtD	1.48%	1.10%	1.07%	1.04%	0.99%
Loans to Deposits	109.9%	105.7%	101.1%	96.7%	96.1%
Total Capital Ratio	16.26%	16.38%	16.99%	17.25%	19.01%
Common Equity Tier 1 Ratio	12.88%	13.45%	14.09%	14.29%	16.20%
Equity / Assets	9.4%	9.6%	9.5%	9.9%	10.2%
TREA / Assets	54.7%	58.3%	56.5%	56.2%	56.1%
NPL ratio	6.1%	6.0%	5.9%	5.7%	5.8%
NPL coverage ratio	53.7%	56.9%	57.1%	58.9%	58.6%
NPL coverage ratio incl. general provisions	58.5%	62.3%	62.6%	64.3%	64.0%

Appendix

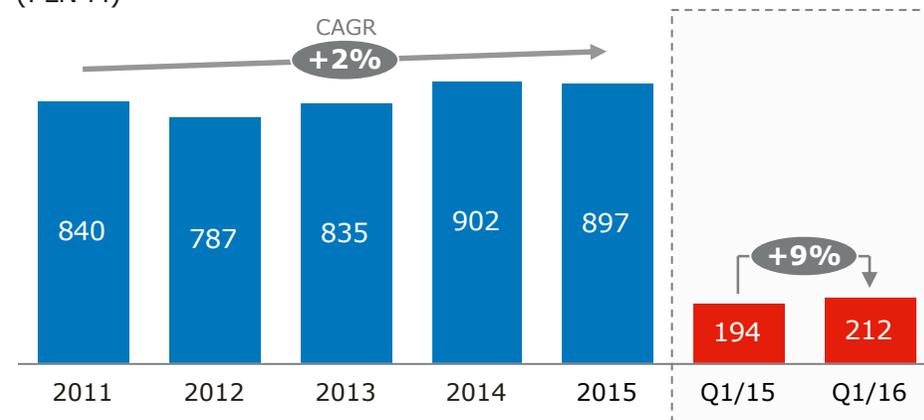
mBank Group's historical performance (1/3)

Summary
Historical view
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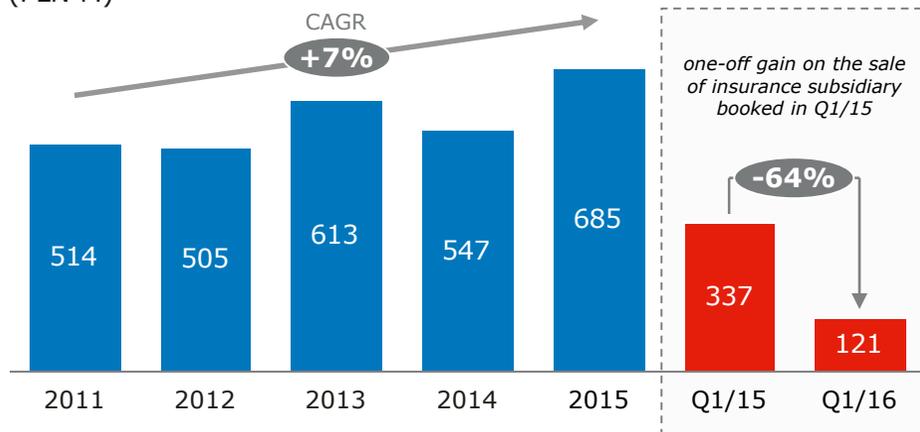
Net Interest Income & NIM
(PLN M)



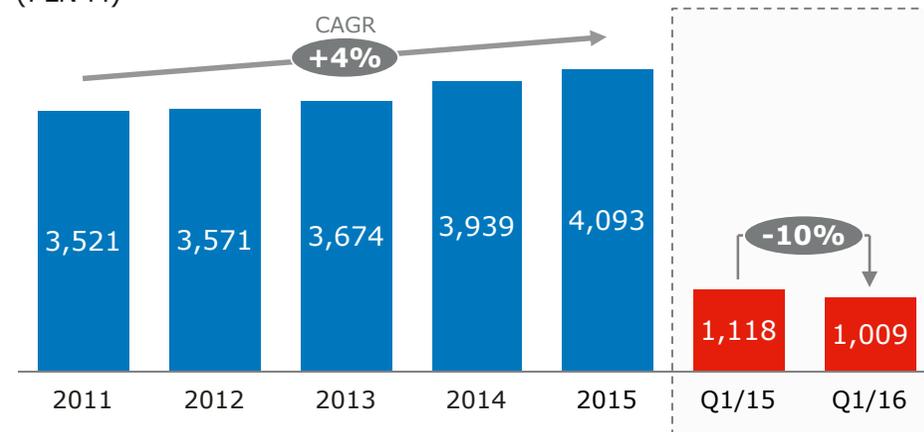
Net Fee and Commission Income
(PLN M)



Trading and Other Income
(PLN M)



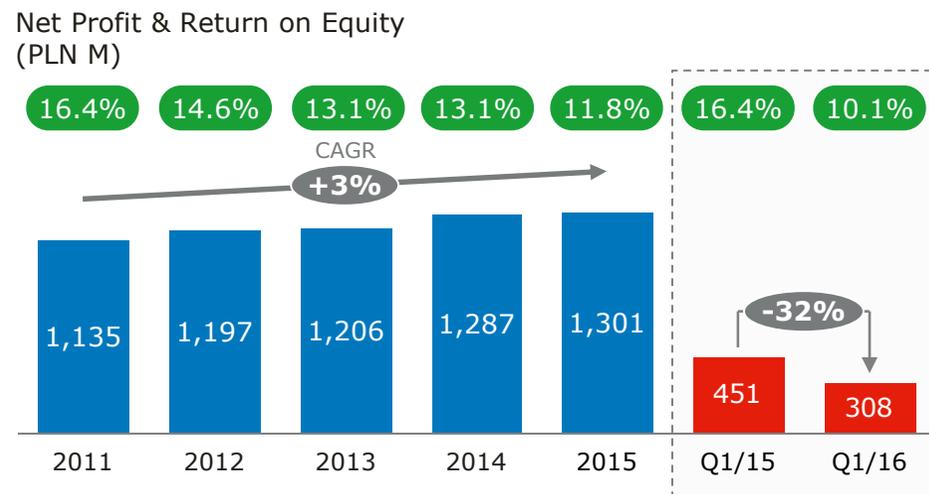
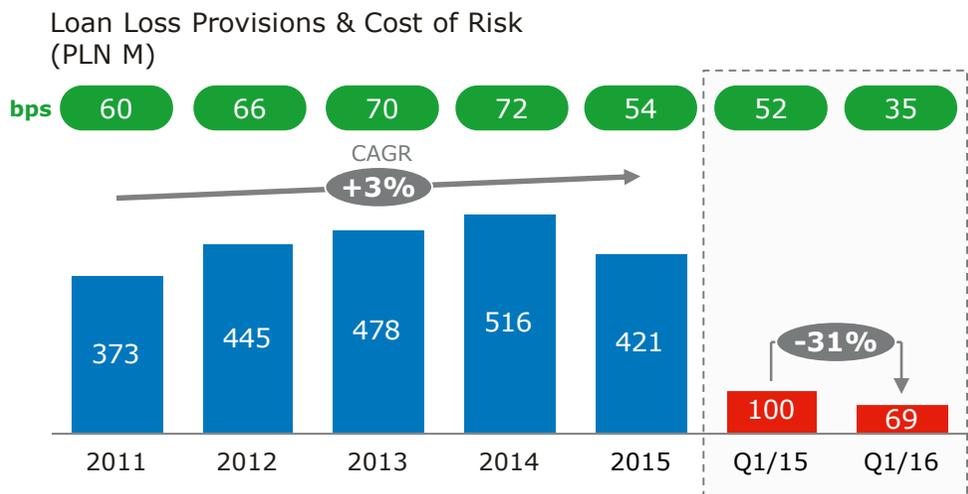
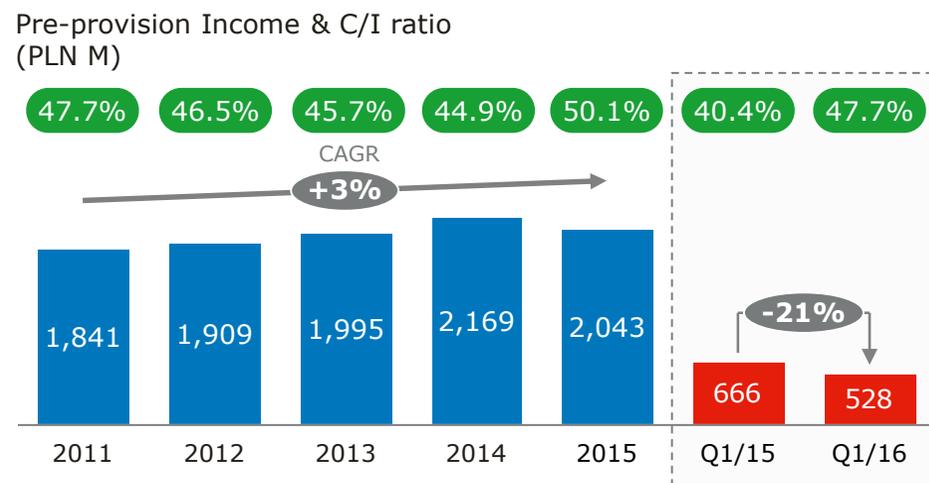
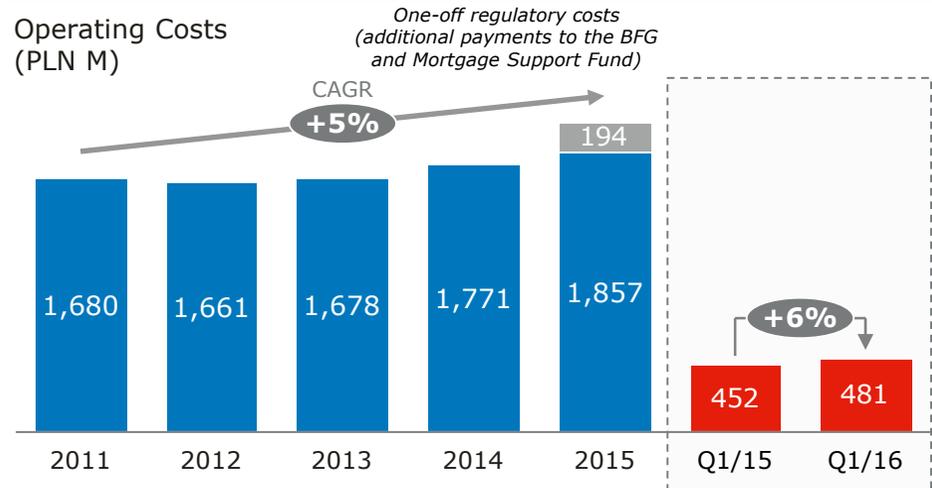
Total Income
(PLN M)



Appendix

mBank Group's historical performance (2/3)

Summary
Historical view
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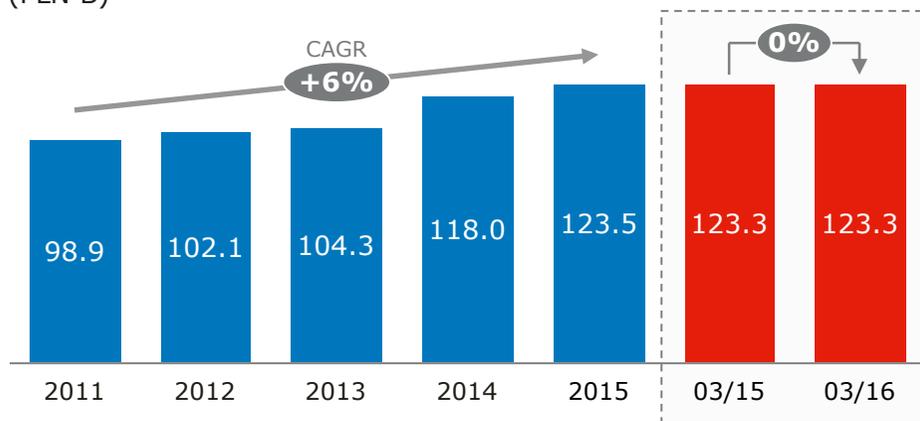


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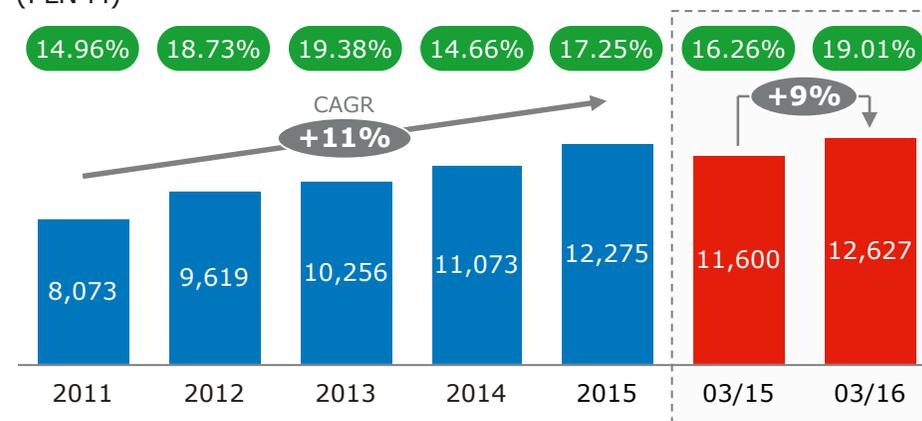
mBank Group's historical performance (3/3)

Summary
Historical view
Profit & Loss
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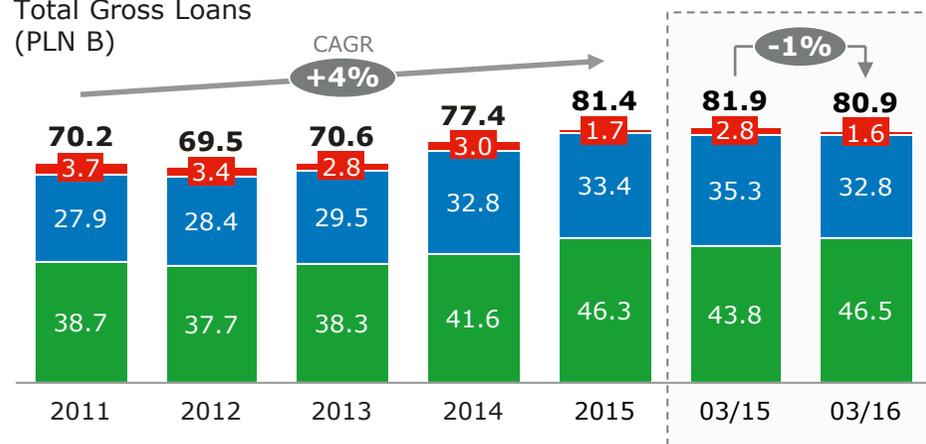
Total Assets
(PLN B)



Equity & Total Capital Ratio
(PLN M)

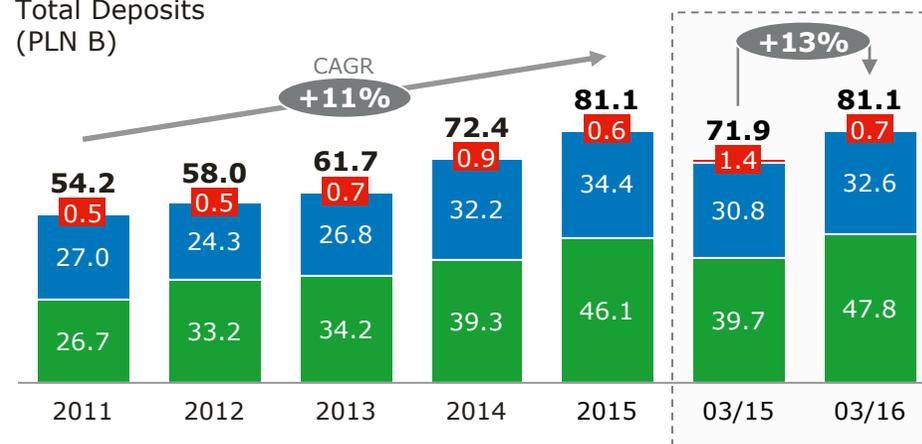


Total Gross Loans
(PLN B)



Individual clients Corporate clients Public sector and other

Total Deposits
(PLN B)



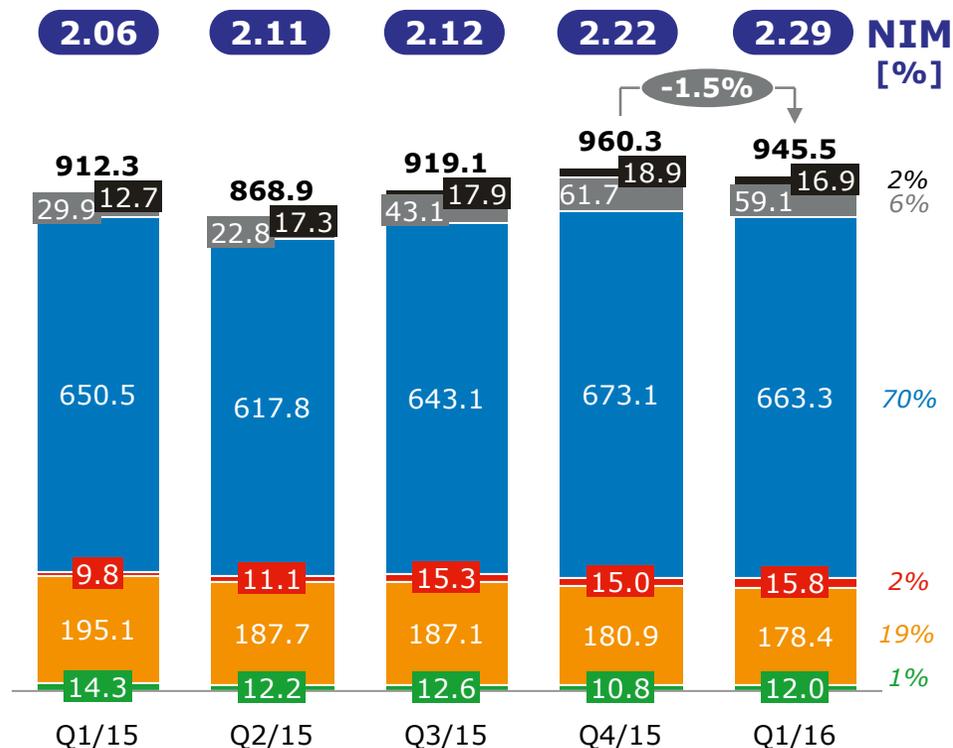
Individual clients Corporate clients Public sector

Appendix

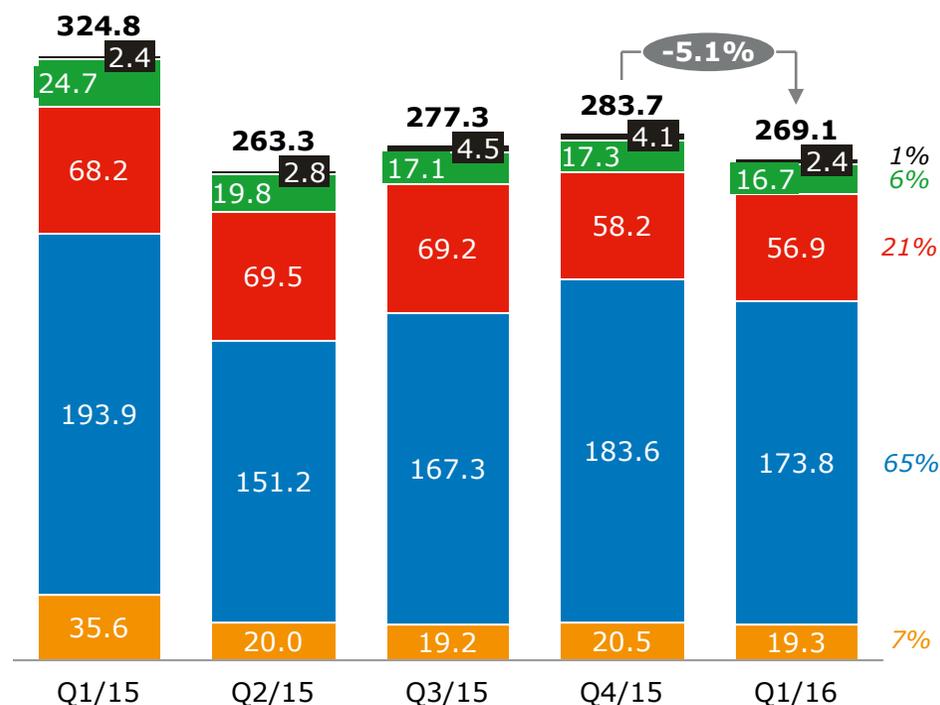
Additional Information: Selected Financial Data Net Interest Income & Margin

Summary
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Interest Income Structure
(PLN M)



Interest Expense Structure
(PLN M)



- Cash and short-term deposits
- Loans and advances
- Investment securities
- Derivatives classified into banking book
- Debt securities held for trading
- Other

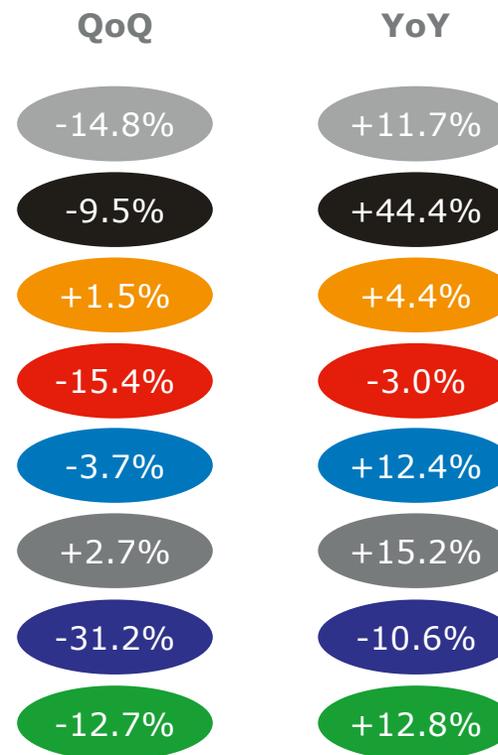
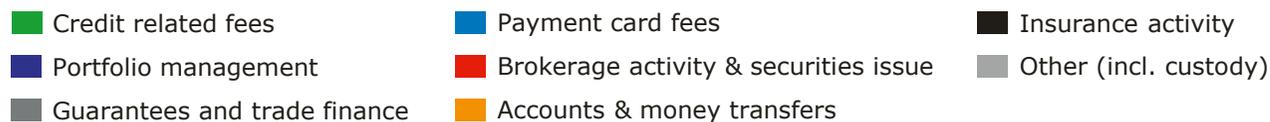
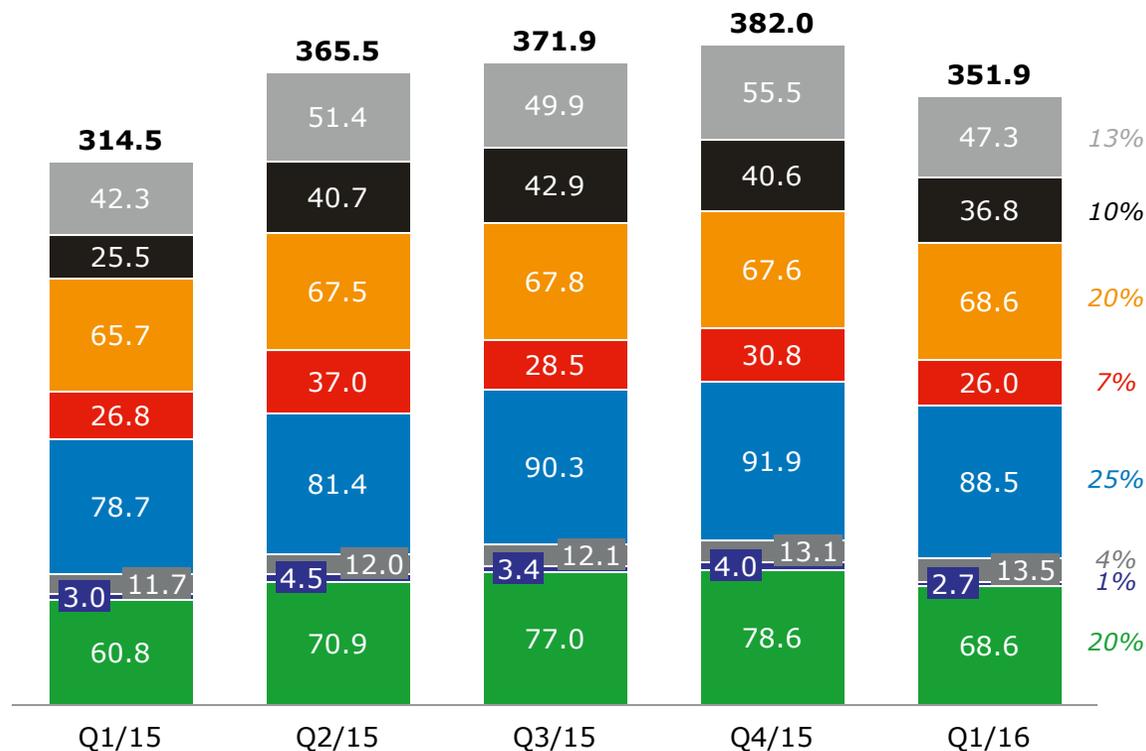
- Amounts due to banks
- Subordinated liabilities
- Amounts due to customers
- Other
- Issue of debt securities

Appendix

Additional Information: Selected Financial Data Fee and Commission Income

Summary
Historical view
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Fee and Commission Income Structure
(PLN M)

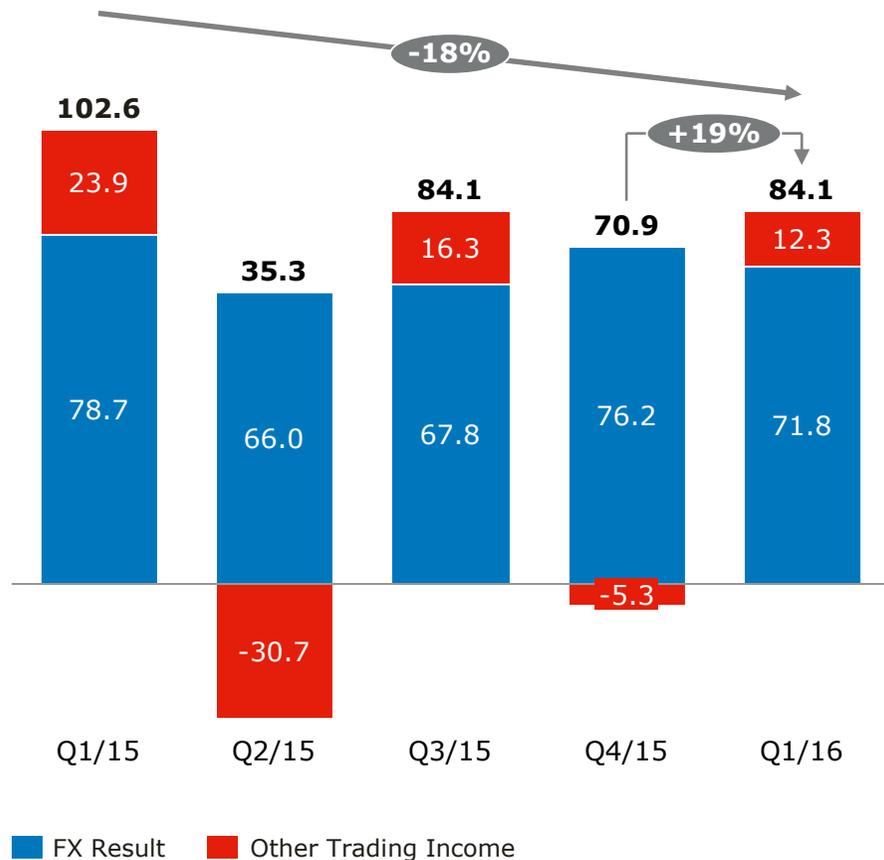


Appendix

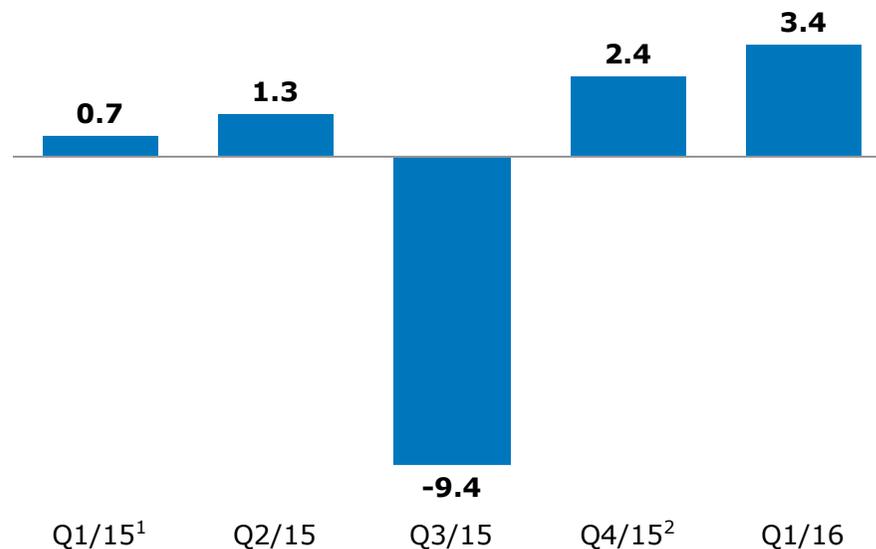
Additional Information: Selected Financial Data Trading and Other Income

Summary
Historical view
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Net Trading Income Structure
(PLN M)



Gains less Losses from Investment Securities
(PLN M)



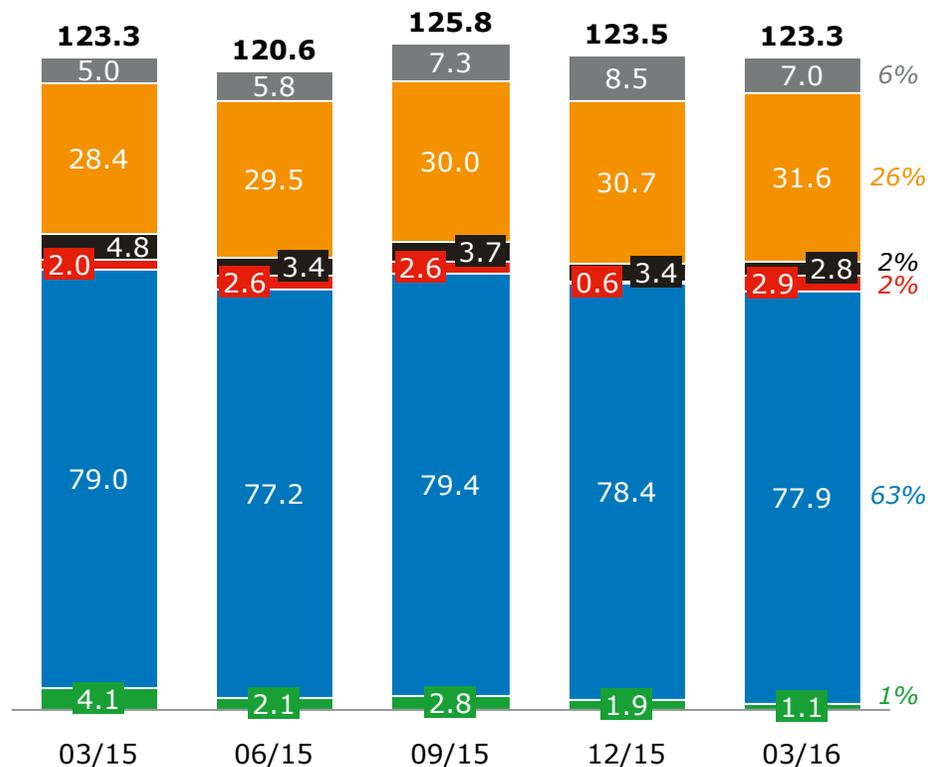
¹ Excl. one-off gain on the sale of BRE Ubezpieczenia TUiR (PLN 194.3 M); ² Excl. one-off gain on the sale of PZU shares (PLN 125.0 M)

Appendix

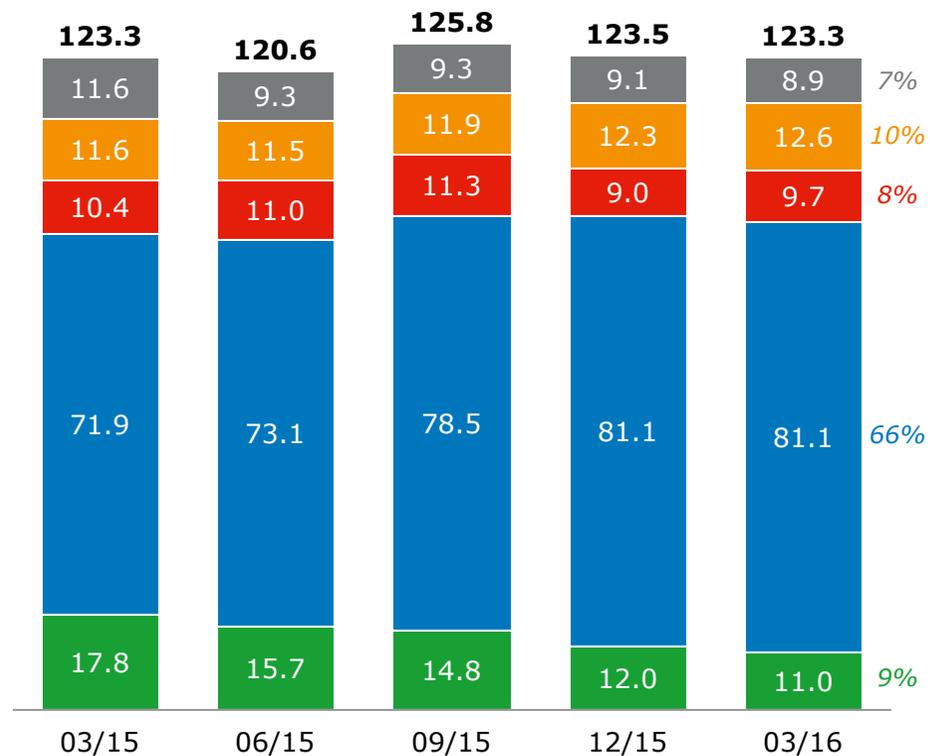
Additional Information: Selected Financial Data Balance Sheet Analysis: Assets & Liabilities

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Structure of Assets
(PLN B)



Structure of Liabilities and Equity
(PLN B)



- Amounts due from banks
- Loans and advances to customers
- Trading securities
- Derivative financial instruments
- Investment securities
- Other

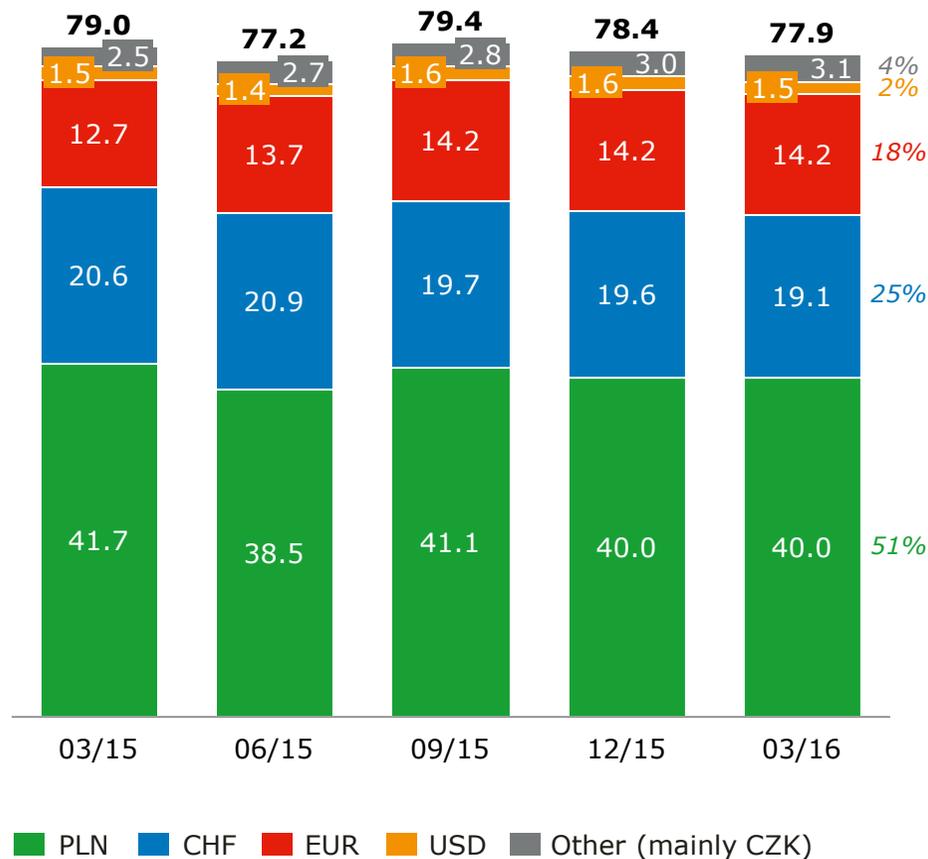
- Amounts due to other banks
- Amounts due to customers
- Debt securities in issue
- Equity
- Other

Appendix

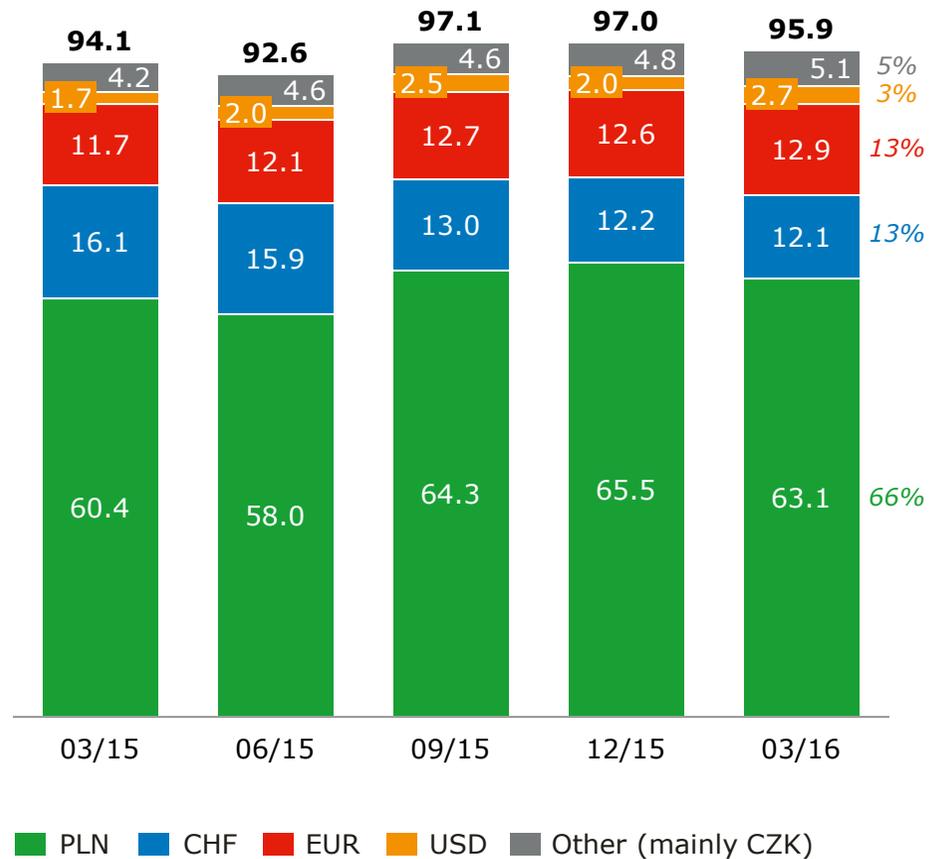
Additional Information: Selected Financial Data Balance Sheet Analysis: Currency Structure

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Currency Structure of Loans to Customers (net)
(PLN B)



Currency Structure of Amounts due to Banks and Customers¹
(PLN B)



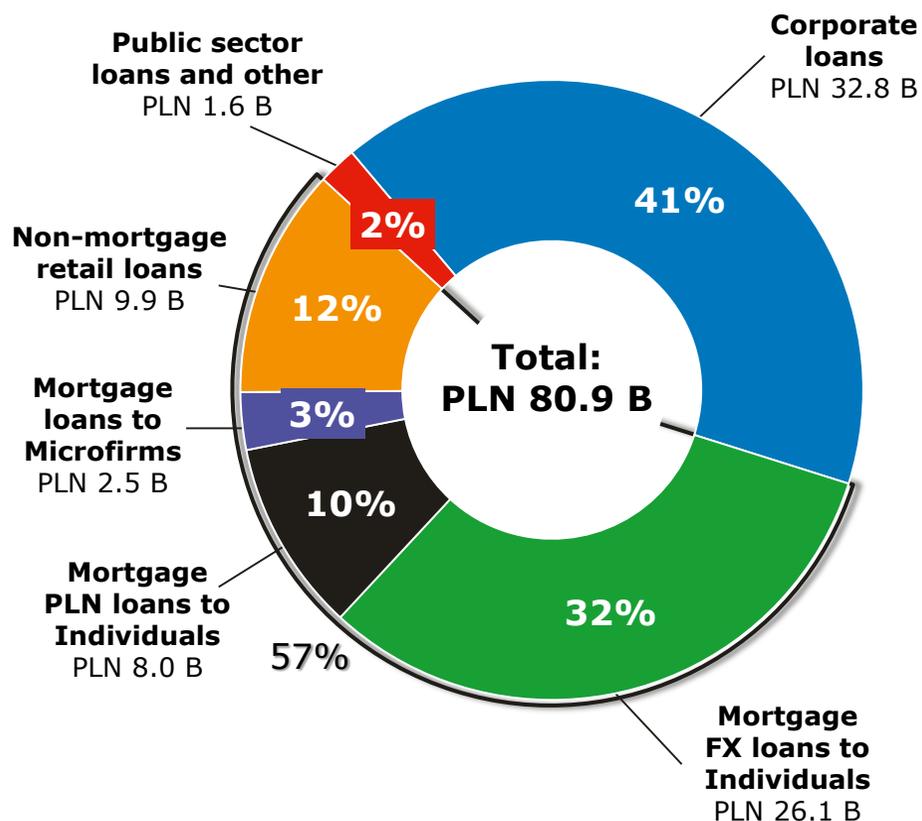
¹ Incl. amounts due to other banks and customers and subordinated liabilities

Appendix

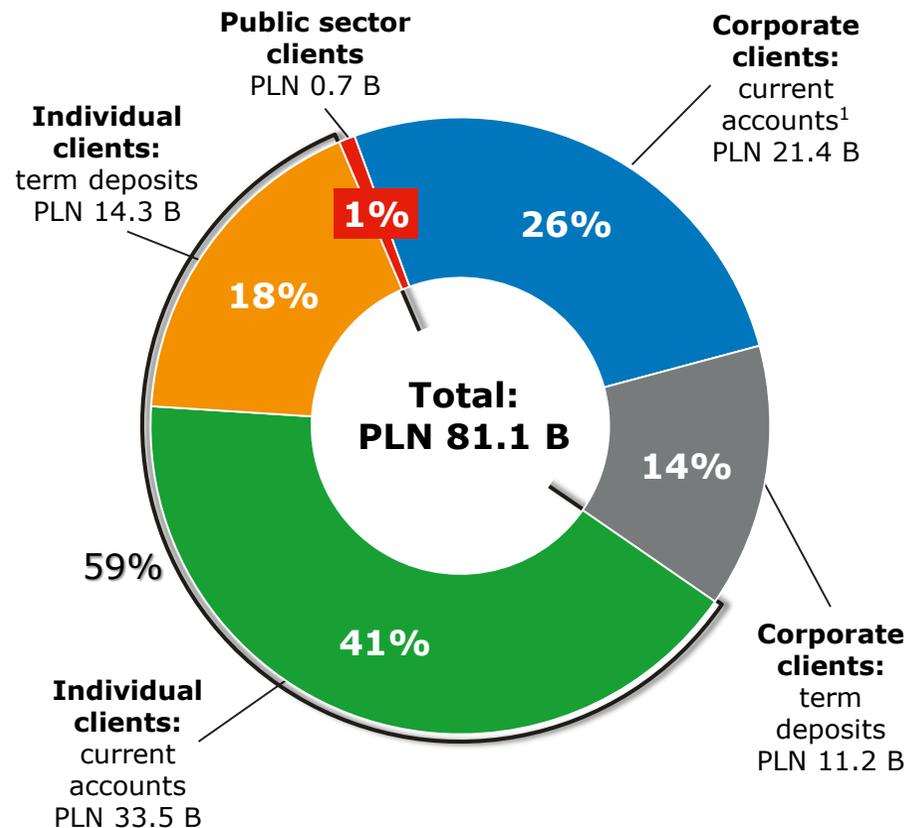
Summary
Historical view
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Additional Information: Selected Financial Data Balance Sheet Analysis: Structure of Loans and Deposits

Structure of mBank Group's Gross Loans as of 31.03.2016



Structure of mBank Group's Deposits as of 31.03.2016



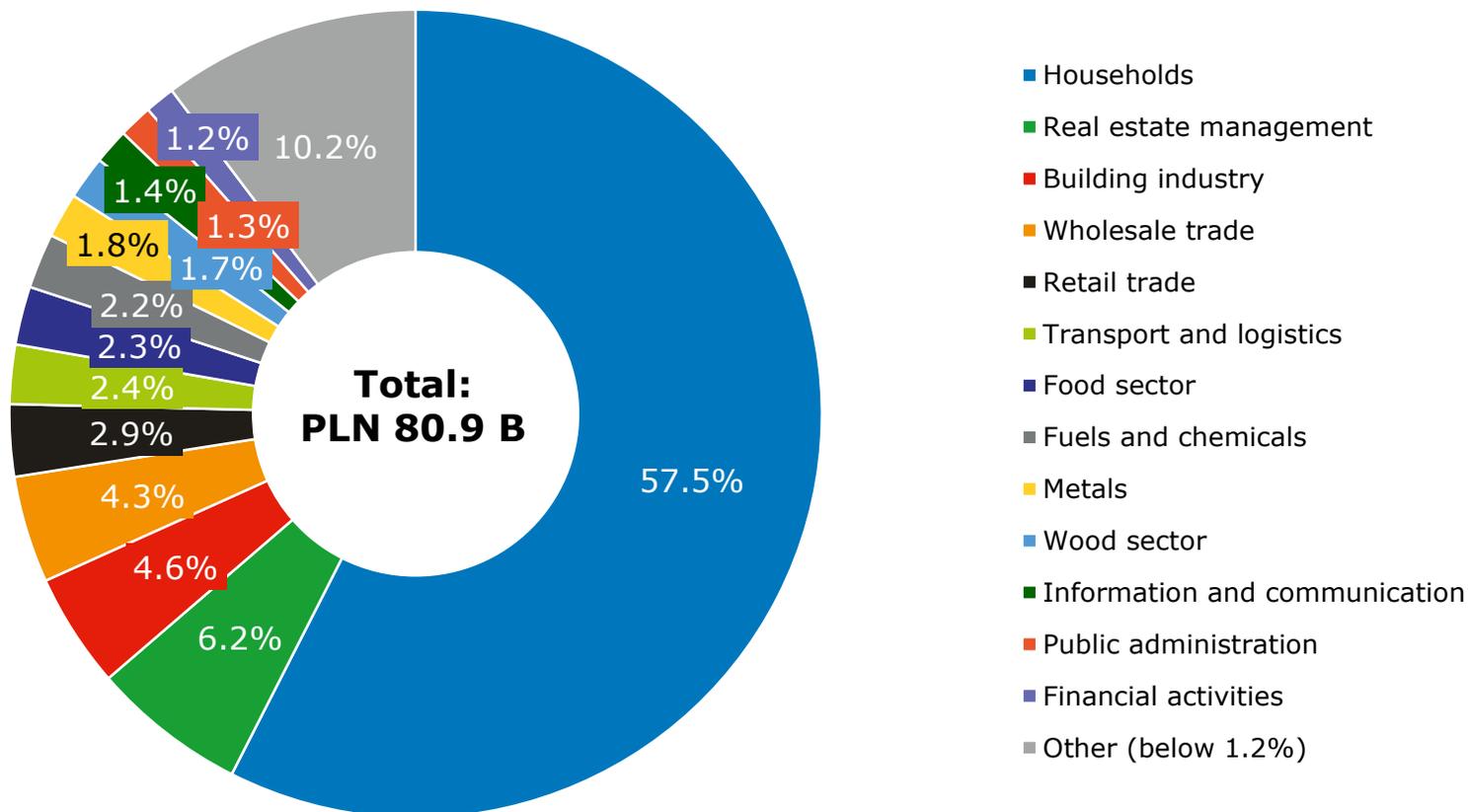
¹ incl. repo transactions, loans and advances received, other liabilities

Appendix

Additional Information: Selected Financial Data Balance Sheet Analysis: Loan Portfolio Structure

Summary
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mBank Group's Sector Exposure by Industry
as of 31.03.2016



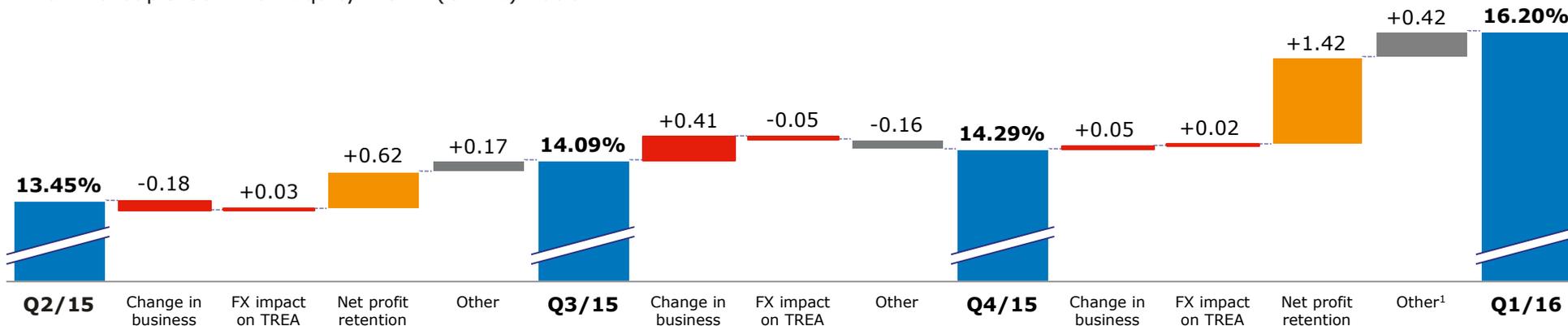
A well diversified loan portfolio with granular structure

Appendix

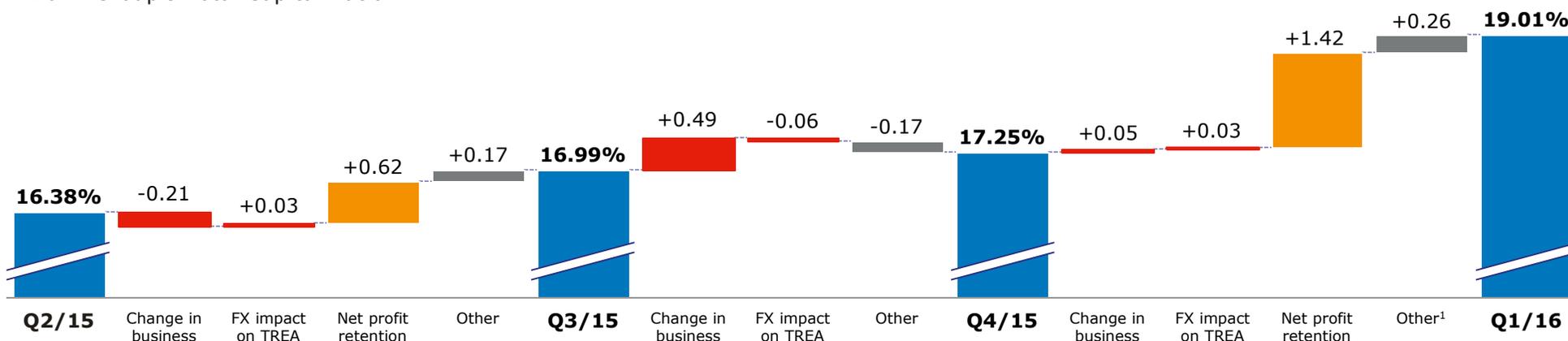
Additional Information: Selected Financial Data Balance Sheet Analysis: Detailed Development of Capital Ratios

Summary
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mBank Group's Common Equity Tier 1 (CET 1) Ratio



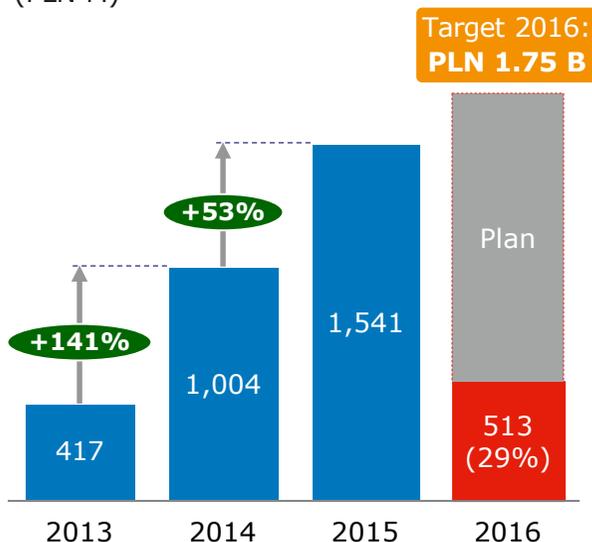
mBank Group's Total Capital Ratio



¹ due to lower deductions of own funds (mostly decrease of loan loss provisions after 2015 profit retention)

Issuance Activity on the Covered Bonds Market Residential mortgage loans are rising in cover pool

Covered Bonds Issuance
(PLN M)



- mBank Hipoteczny issued more than planned PLN 1.5 billion of covered bonds in 2015 and its target for 2016 amounts to PLN 1.75 billion
- Covered bond issuance to become the dominant long-term financing source for the Group's mortgage lending and a competitive advantage in a tightening regulatory environment

Summary of Mortgage Covered Bonds issued in 2014-2016

Amount	Currency	Issue date	Maturity date	Tenor (years)	Coupon
7.5 M	EUR	17-02-2014	15-02-2018	4.0	EURIBOR 6M + 80bps
8.0 M	EUR	28-02-2014	28-02-2029	15.0	Fixed (3.50%)
15.0 M	EUR	17-03-2014	15-03-2029	15.0	Fixed (3.50%)
20.0 M	EUR	30-05-2014	30-05-2029	15.0	Fixed (3.20%)
300.0 M	PLN	28-07-2014	28-07-2022	8.0	WIBOR 6M + 93bps
200.0 M	PLN	04-08-2014	20-02-2023	8.5	WIBOR 6M + 93bps
20.0 M	EUR	22-10-2014	22-10-2018	4.0	Fixed (1.115%)
50.0 M	EUR	28-11-2014	15-10-2019	4.9	EURIBOR 3M + 87bps
200.0 M	PLN	20-02-2015	28-04-2022	7.2	WIBOR 6M + 78bps
20.0 M	EUR	25-02-2015	25-02-2022	7.0	Fixed (1.135%)
250.0 M	PLN	15-04-2015	16-10-2023	8.5	WIBOR 6M + 87bps
11.0 M	EUR	24-04-2015	24-04-2025	10.0	Fixed (1.285%)
50.0 M	EUR	24-06-2015	24-06-2020	5.0	EURIBOR 3M + 69bps
500.0 M	PLN	17-09-2015	10-09-2020	5.0	WIBOR 3M + 110bps
255.0 M	PLN	02-12-2015	20-09-2021	5.8	WIBOR 3M + 115bps
300.0 M	PLN	09-03-2016	05-03-2021	5.0	WIBOR 3M + 120bps
50.0 M	EUR	23-03-2016	21-06-2021	5.2	EURIBOR 3M + 87bps

Detailed Results of the Business Lines in Q1/16

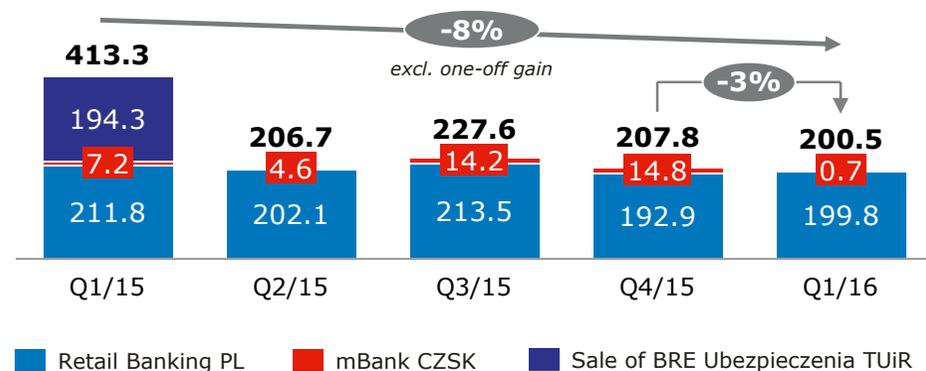
Retail Banking

Appendix

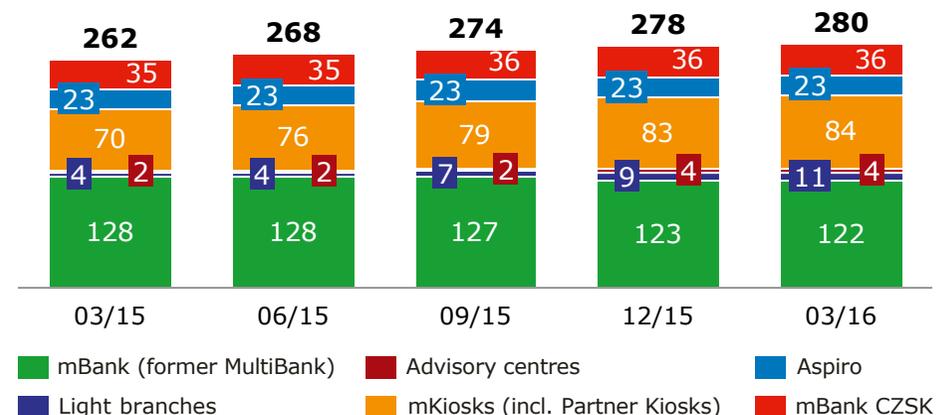
Retail Banking Summary of Q1/16: Financial Results

Summary
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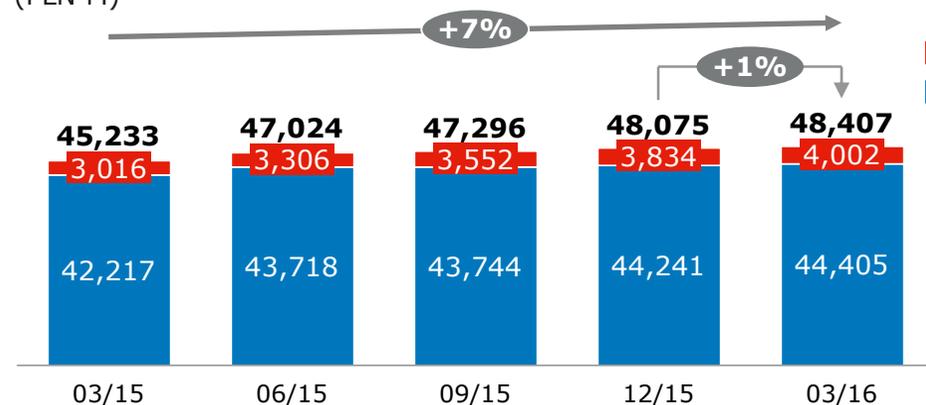
Profit before Tax of the Segment
(PLN M, by quarter)



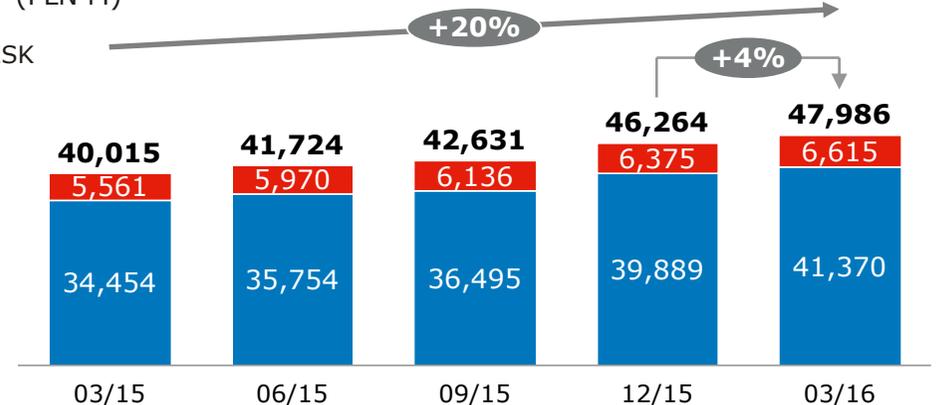
Number of Retail Service Locations



Total Retail Gross Loans¹
(PLN M)



Total Retail Deposits¹
(PLN M)



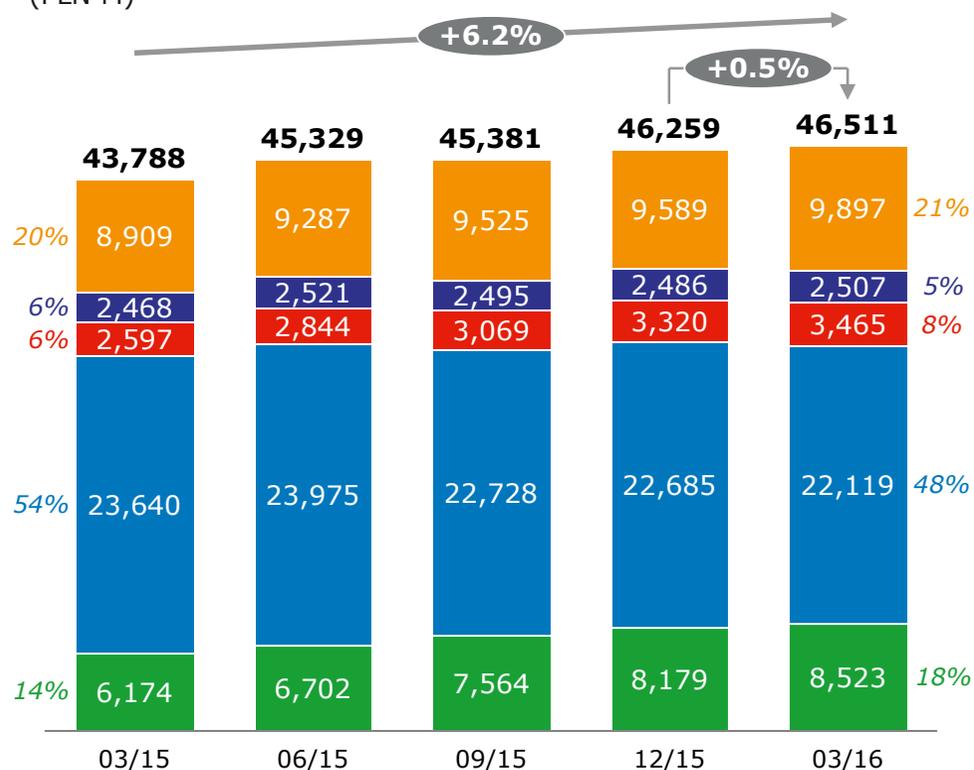
¹ Based on management information

Appendix

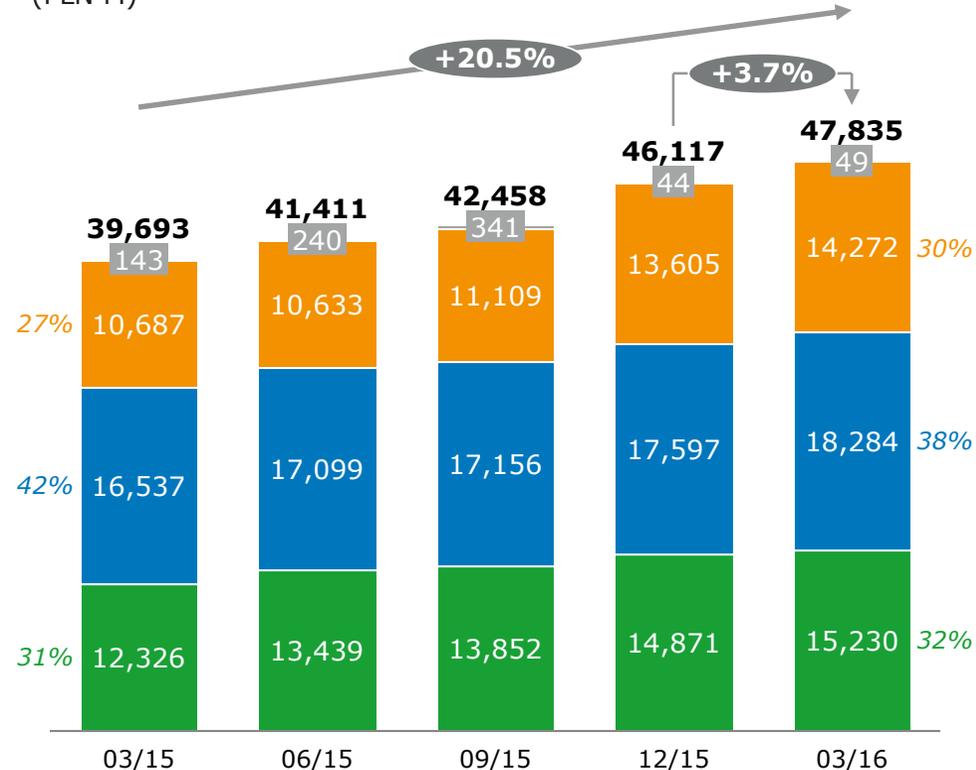
Retail Banking Summary of Q1/16: Loans and Deposits

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Gross Loans to Retail Banking Clients¹
(PLN M)



Deposits from Retail Banking Clients
(PLN M)



- PLN mortgage loans to Individuals
- FX mortgage loans to Individuals granted in PL
- Mortgage loans granted in CZSK
- Mortgage loans to Microfirms
- Non-mortgage loans

- Current accounts
- Saving accounts
- Term deposits
- Other

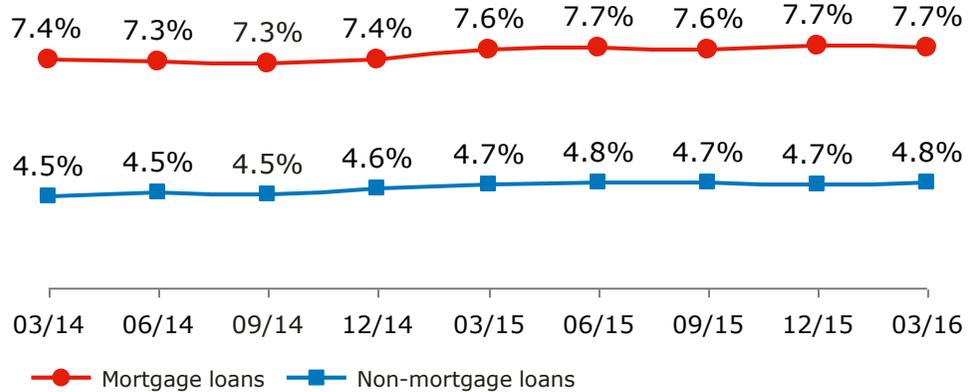
¹ Currency and geographical breakdown based on management information

Appendix

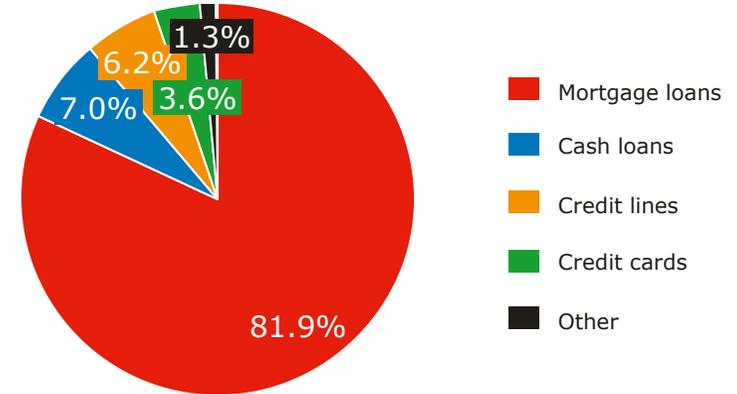
Retail Banking Loan Portfolio Structure of mBank Group in Poland

Summary
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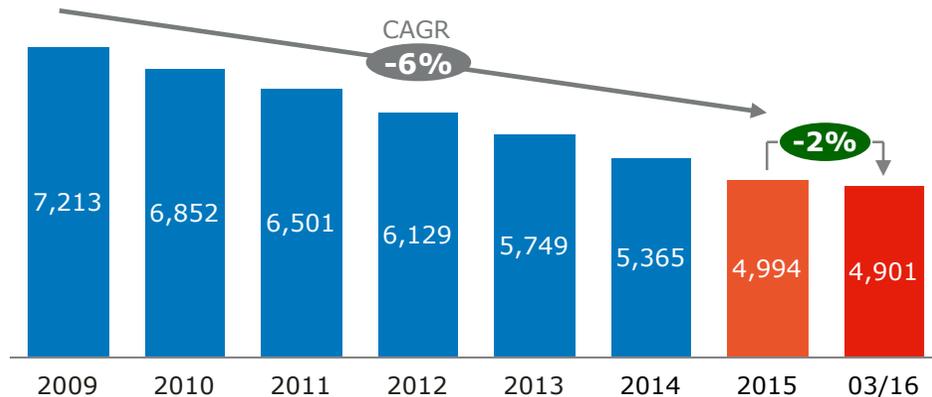
Market Shares in Household Loans in Poland



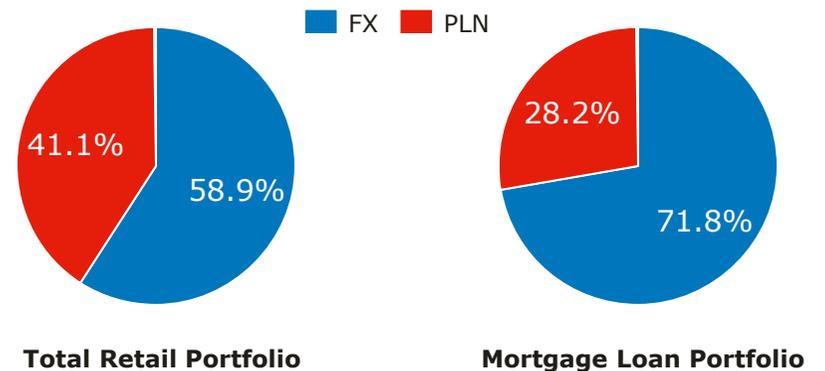
Product Structure of Retail Banking Loan Portfolio in Poland as of 31.03.2016



mBank's Gross CHF Loan Portfolio to Retail Clients (CHF M)



Currency Structure of Retail Banking Loan Portfolio in Poland as of 31.03.2016

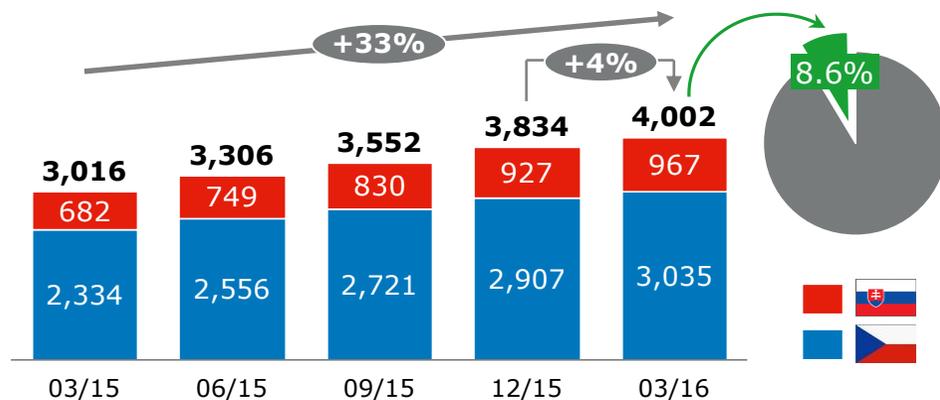


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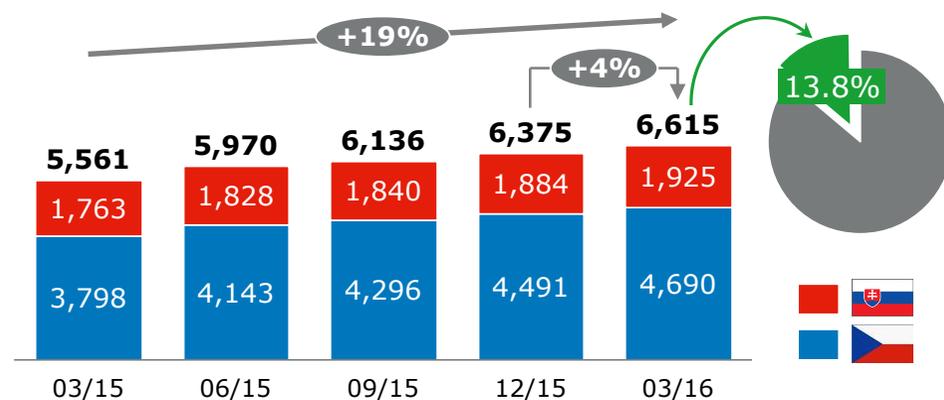
Retail Banking mBank in the Czech Republic and Slovakia

Summary
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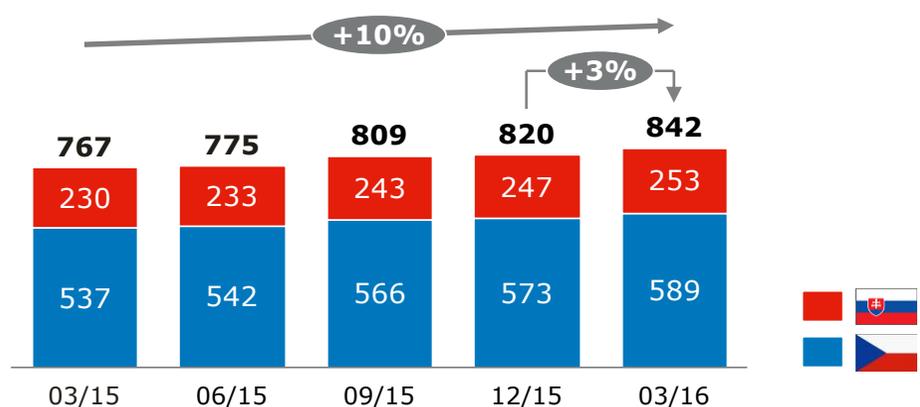
Gross Loans (PLN M) and Share in Total mBank's retail volume



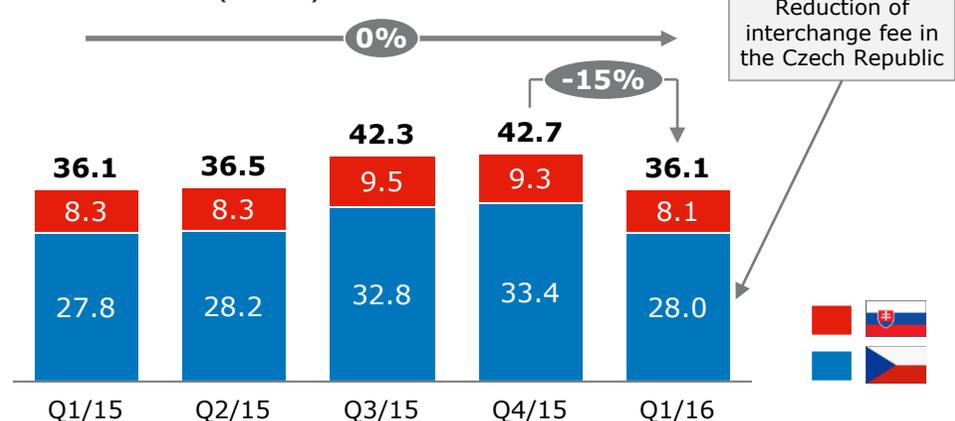
Deposits (PLN M) and Share in Total mBank's retail volume



Number of clients (thou.)



Total revenues (PLN M)



Note: Volumes based on management information.

Appendix

Retail Banking mBank in the Czech Republic and Slovakia

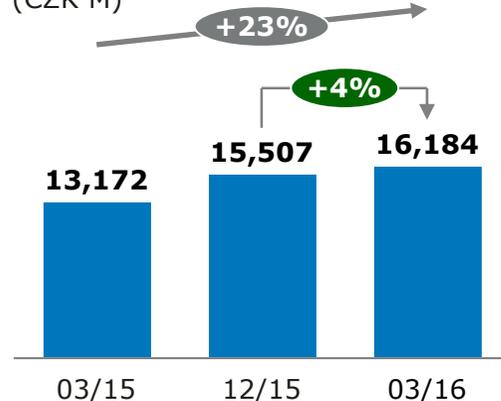


Czech Republic

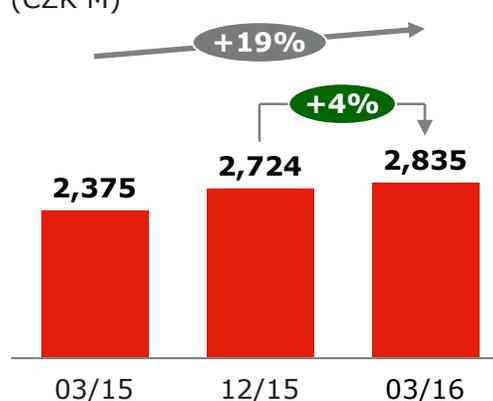
Clients:
588.8 thou.

9 financial centres &
17 mKiosks

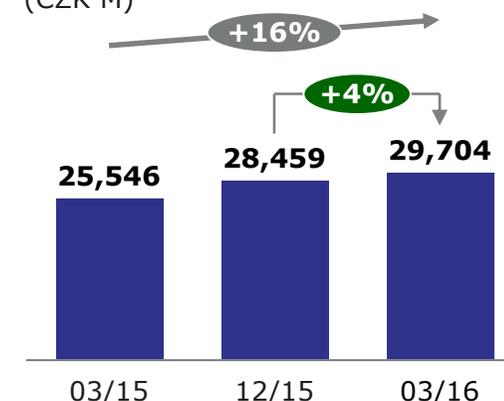
Mortgage Loans
(CZK M)



Non-mortgage Loans
(CZK M)



Customer deposits
(CZK M)

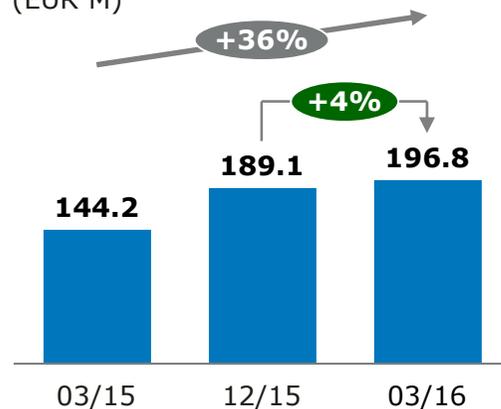


Slovakia

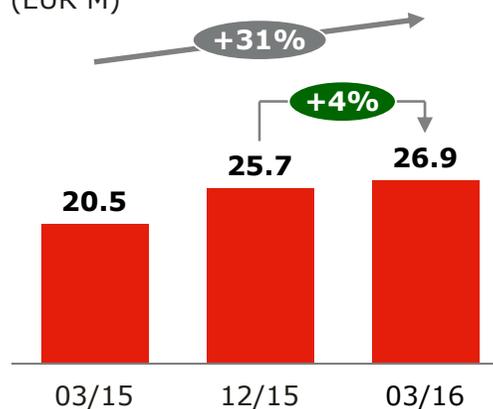
Clients:
253.1 thou.

1 light branch,
4 financial centres &
5 mKiosks

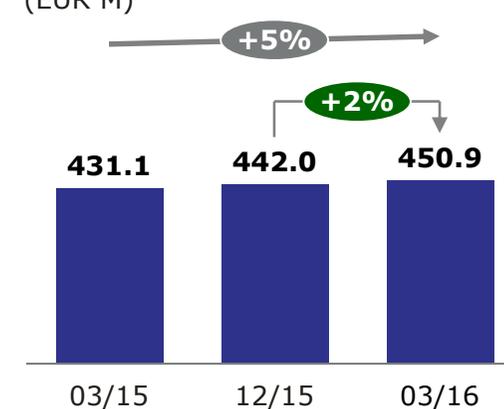
Mortgage Loans
(EUR M)



Non-mortgage Loans
(EUR M)



Customer deposits
(EUR M)



Note: Volumes based on management information.

Detailed Results of the Business Lines in Q1/16

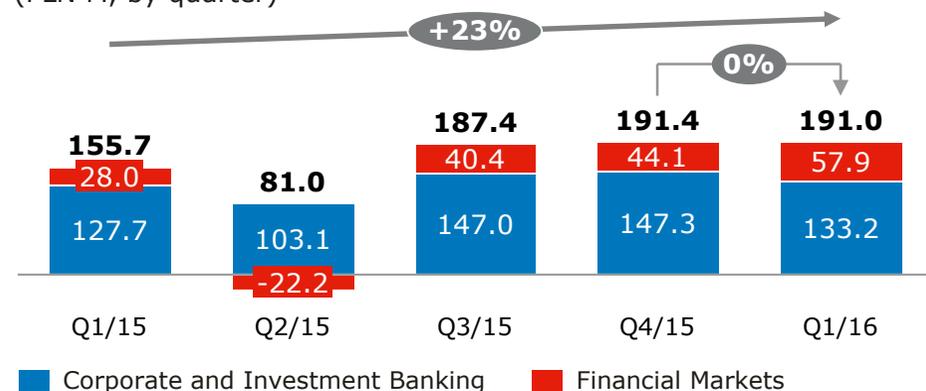
Corporates & Financial Markets

Appendix

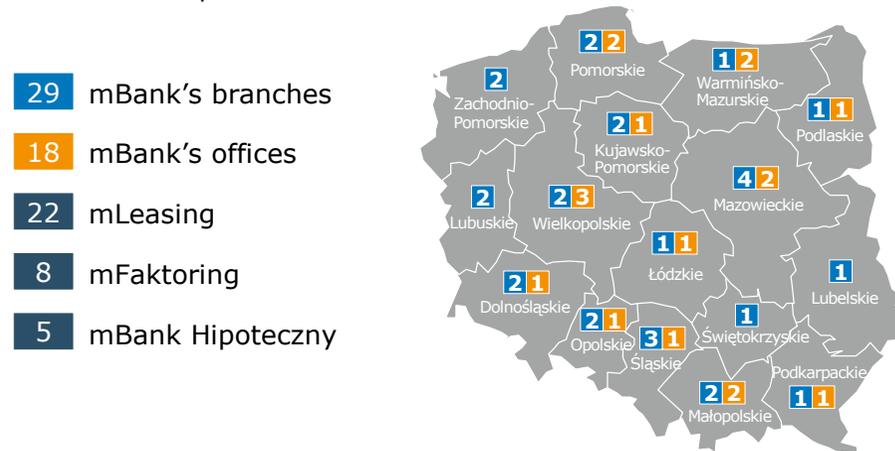
Corporates and Financial Markets Summary of Q1/16: Financial Results

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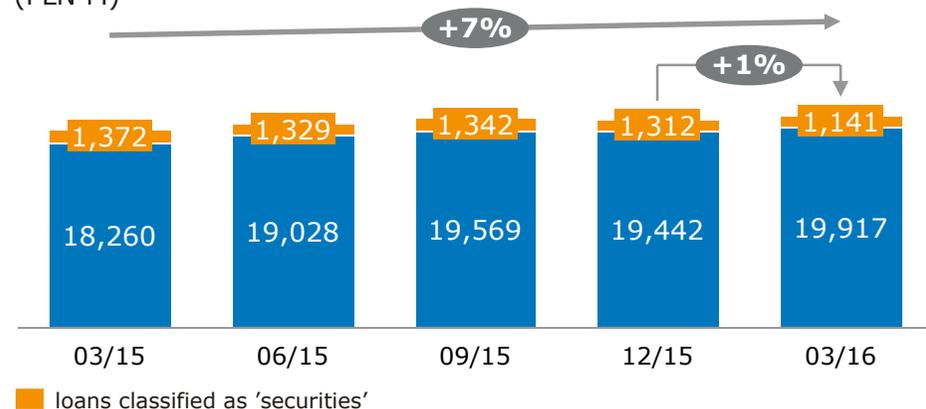
Profit before Tax of the Segment
(PLN M, by quarter)



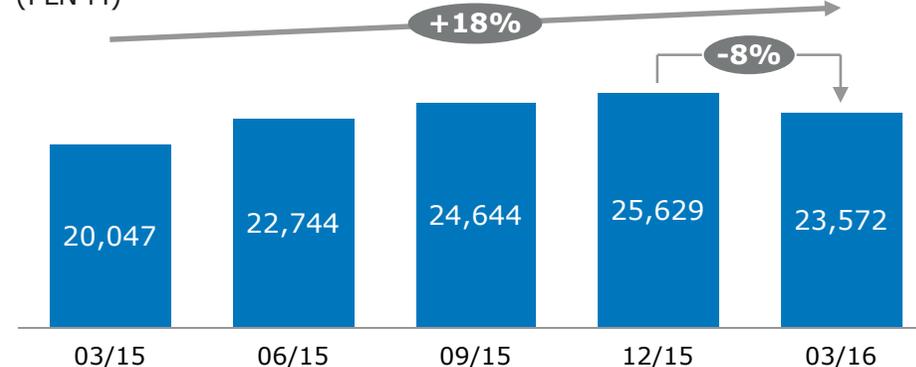
Number of Corporate Service Locations



Loans to enterprises¹
(PLN M)



Deposits of enterprises¹
(PLN M)



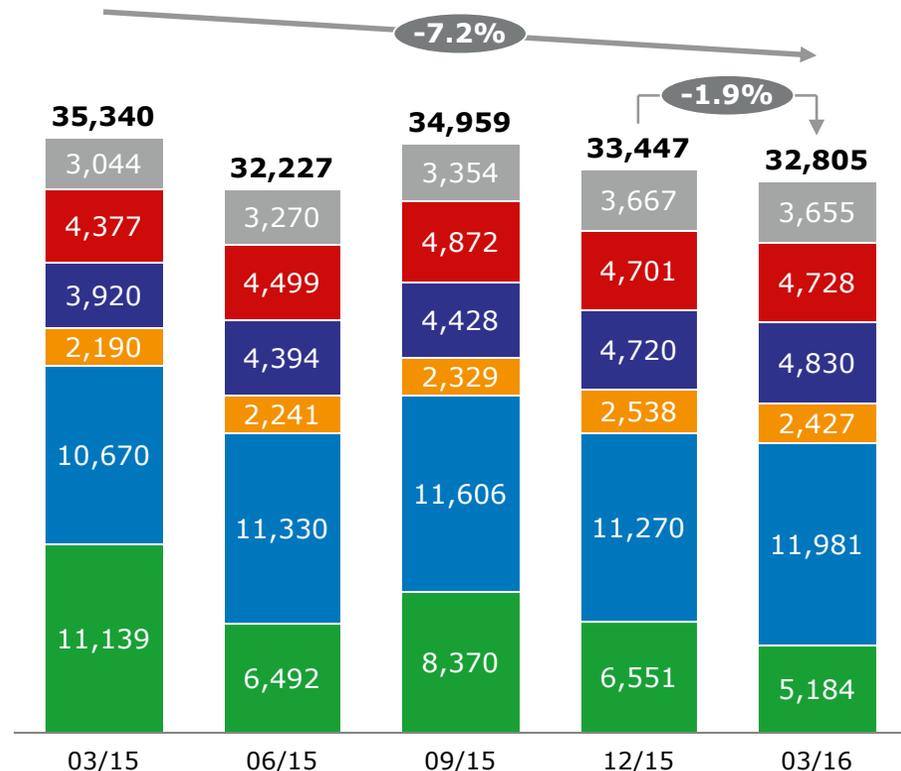
¹ Corporate loan and deposit volumes according to current NBP rules

Appendix

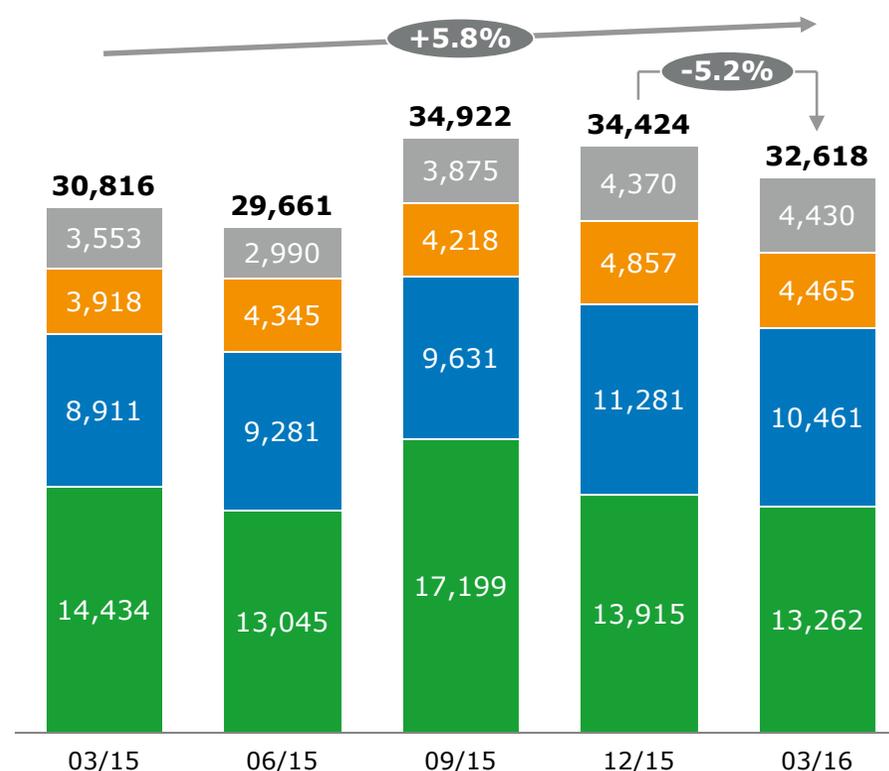
Corporates and Financial Markets Summary of Q1/16: Loans and Deposits

Summary
Historical view
Profit & Loss
Balance Sheet
Business Lines
Subsidiaries

Gross Loans to Corporate Entities
(PLN M)



Deposits from Corporate Customers
(PLN M)



■ K1
 ■ K2
 ■ K3
 ■ mLeasing
 ■ mBank Hipoteczny
 ■ Other

■ K1
 ■ K2
 ■ K3
 ■ Other

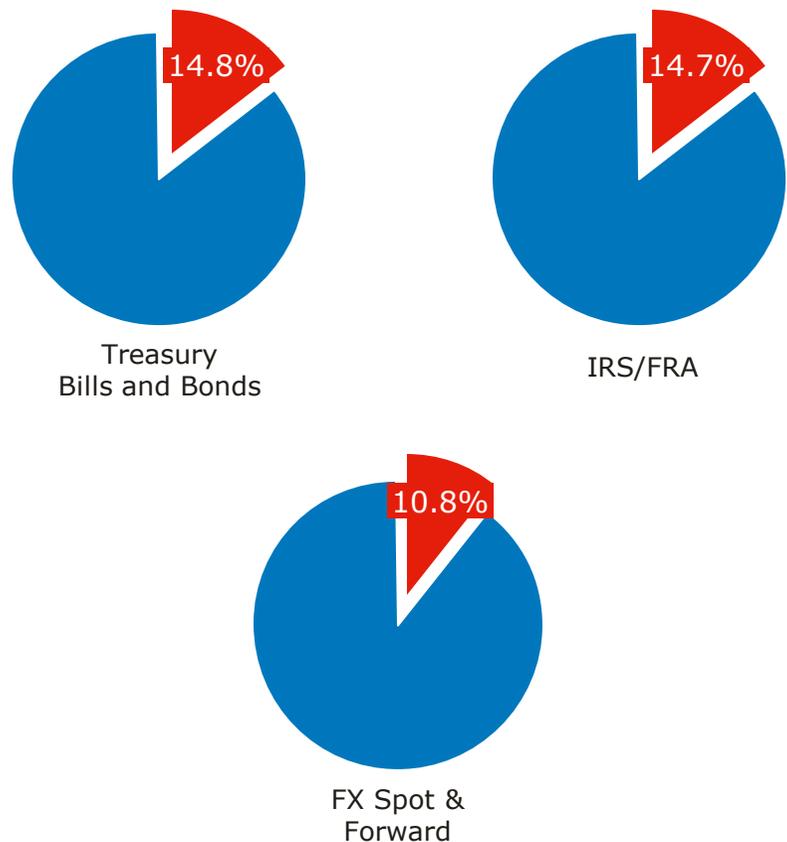
Note: Corporate clients split: K1 – annual sales over PLN 500 M and non-banking financial institutions; K2 – annual sales PLN 30 M to PLN 500 M; K3 – annual sales below 30 M.

Appendix

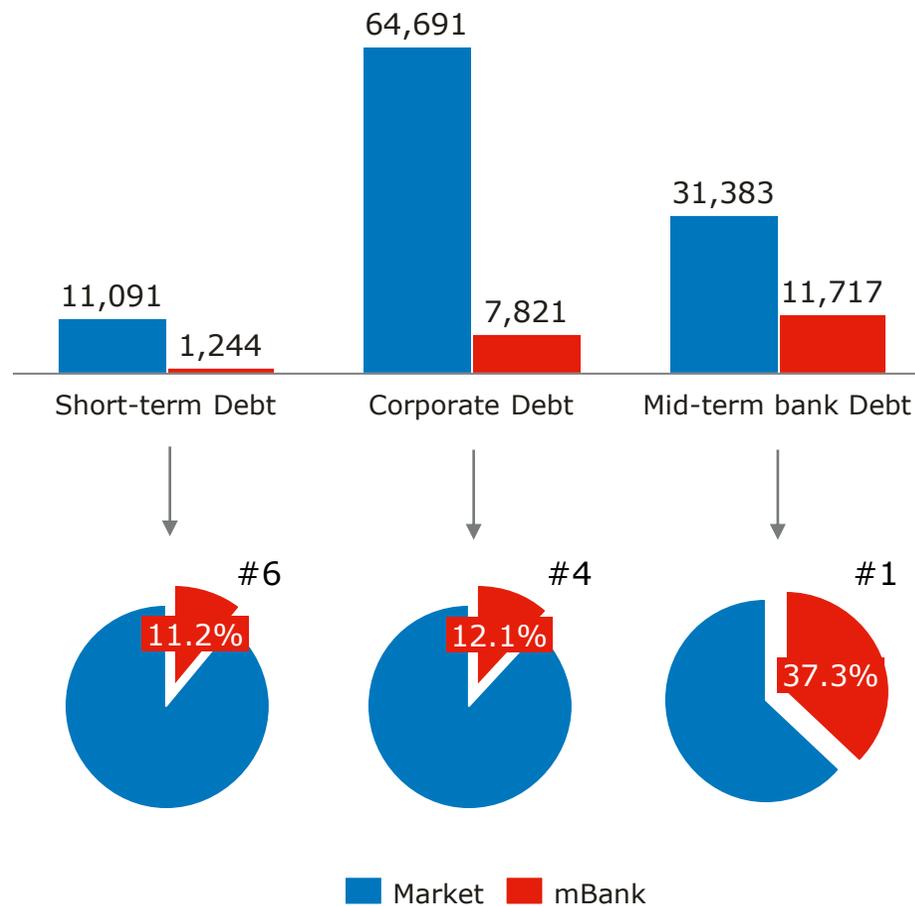
Corporates and Financial Markets Market Shares

Summary
Historical view
Profit & Loss
Balance Sheet
Business Lines
Subsidiaries

mBank's Market Shares in Investment Banking Services¹



mBank in the Market for Non-Treasury Debt²
as of 31.03.2016 (PLN M)



¹ As of 29.02.2016; mBank calculations based on NBP data

² Based on Fitch Polska S.A., Rating & Rynek, 31.03.2016 (excluding BGK road bonds)

Detailed Results of the mBank Group's companies in Q1/16

Subsidiaries

Appendix

mBank Group's Subsidiaries

Development of Profit before Tax of Consolidated Companies

PLN thou.	Q1/15	Q1/16	Change YoY	2014	2015	Change YoY
mBank Hipoteczny	14,624	11,819	-19.2%	29,475	26,797	-9.1%
mLeasing	15,626	20,462	+30.9%	45,926	57,221	+24.6%
mFactoring	4,883	6,210	+27.2%	20,031	-22,242	+/-
Dom Maklerski mBanku	2,424	3,234	+33.4%	19,534	28,248	+44.6%
mWealth Management	4,947	5,516	+11.5%	18,472	27,367	+48.2%
Aspiro ¹	569	36,370	+6292%	16,364	170,068	+939%
mLocum	8,710	10,745	+23.4%	16,711	17,900	+7.1%
BRE Ubezpieczenia ²	7,069	-	-100.0%	53,498	7,069	-86.8%
Other ³	-881	-1,758	+99.6%	-32,877	-7,025	-78.6%
Total	57,971	92,597	+59.7%	187,134	305,404	+63.2%

¹ Excluding one-off gain on the sale of shares of BRE Ubezpieczenia TUIR in Q1/15

² The company was sold to AXA Group at the end of Q1/15

³ Other subsidiaries include mFinance France, MLV-45, mCentrum Operacji, BDH Development, Garbary and Transfinance in 2014; Tele-Tech Investment has been consolidated since Q3/15

Appendix

mBank Group's Subsidiaries mBank Hipoteczny (mBH)

Summary
Historical view
Profit & Loss
Balance Sheet
Business Lines
Subsidiaries

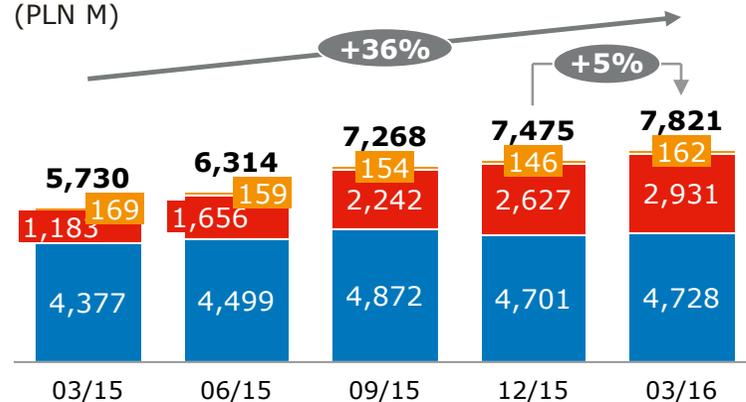
Bank Hipoteczny

established in 1999

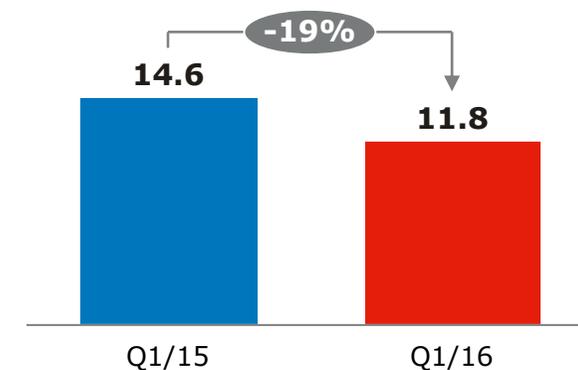
specialised mortgage bank and the largest issuer of covered bonds in the Polish market

- Public sector loans and other receivables
- Housing loans to individual customers (incl. new sales and pooling transactions)
- Commercial loans

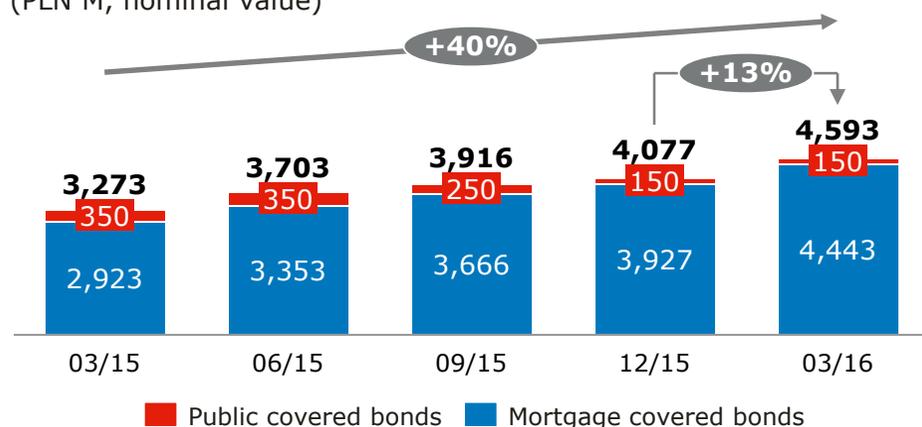
Gross loans and advances to customers (PLN M)



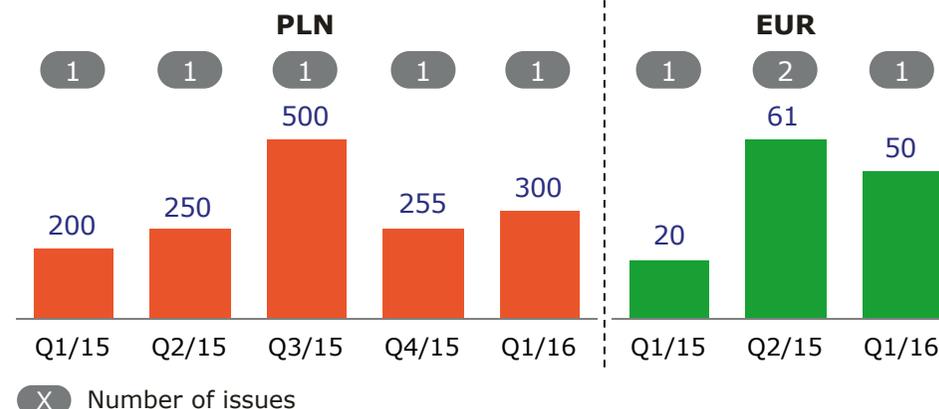
Profit before Tax (PLN M)



Outstanding amount of Covered Bonds issued (PLN M, nominal value)



Issuance of Covered Bonds in original currencies (LC M, by quarter)



Appendix

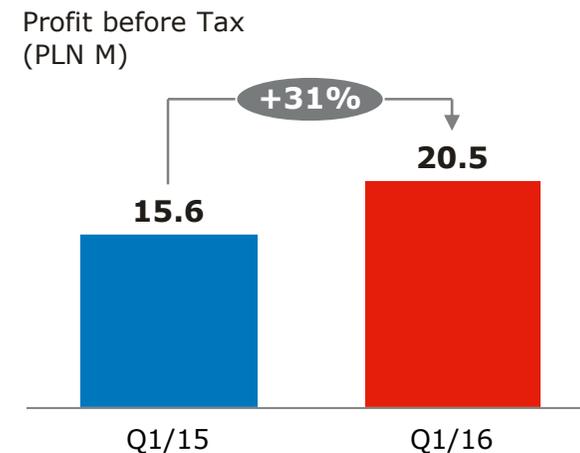
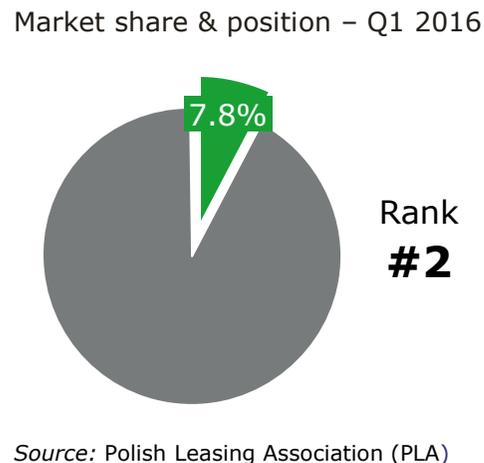
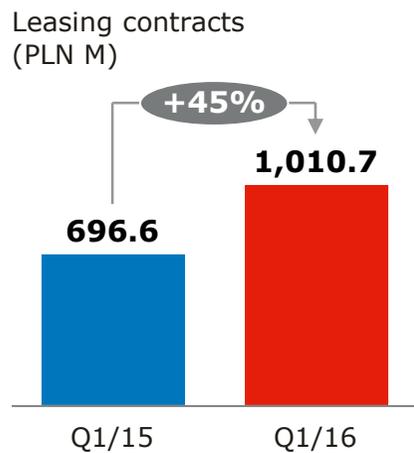
mBank Group's Subsidiaries Leasing and Factoring

Summary
Historical view
Profit & Loss
Balance Sheet
Business Lines
Subsidiaries

m Leasing

established in 1991

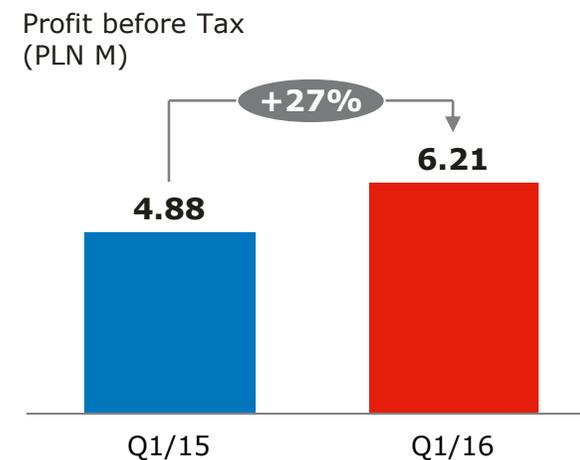
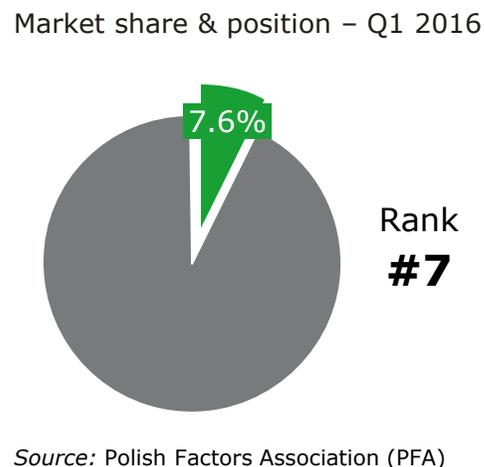
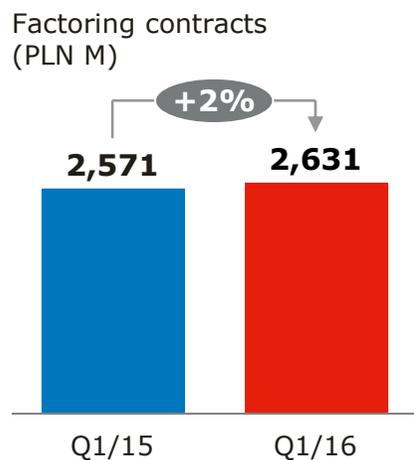
provides financial and operating leasing of cars, trucks, machinery and real estate



m Faktoring

established in 1995

offers factoring services, incl. domestic and export recourse and non-recourse factoring and import guarantees



Appendix

mBank Group's Subsidiaries Dom Maklerski mBanku (mDM)



Dom Maklerski
established in 1991
providing a full range of services and products to institutional and retail investors as well as issuers

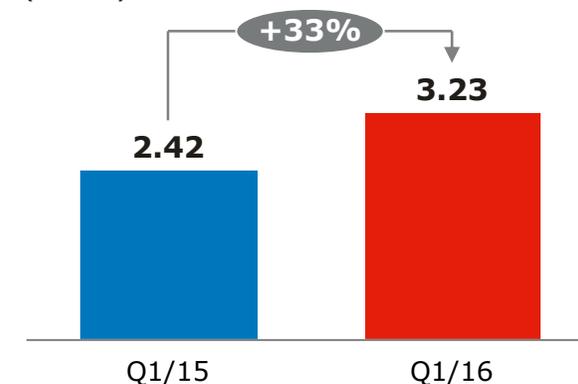
Number of Accounts in Q1/16 (thou.)	
mDM accounts	47.5
Brokerage Service in mBank	247.2
TOTAL	294.7

Market Shares in Q1/16, by volume

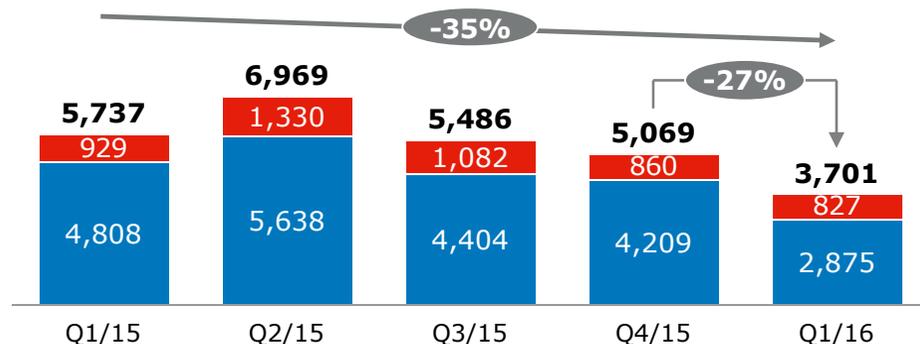
	incl. block transactions		Session transactions	
Equities	4.00%	#9	4.06%	#9
Bonds	8.23%	#4	8.83%	#4
Futures	13.47%	#2	13.63%	#2
Options	10.95%	#4	11.11%	#4

Source: mBank calculations based on WSE data

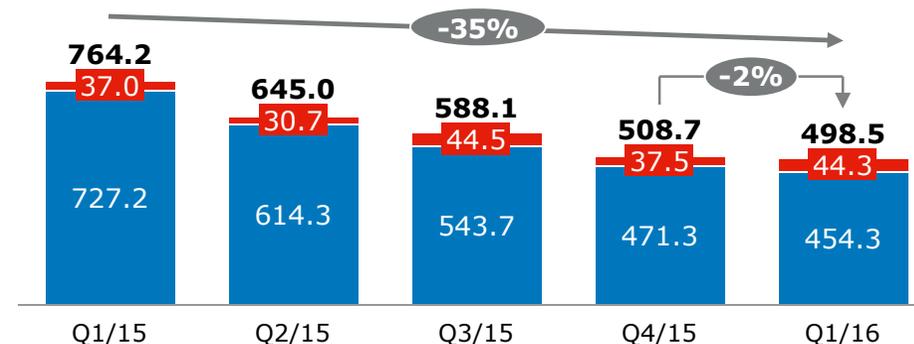
Profit before Tax (PLN M)



mDM Equities Trading WSE (PLN M)



mDM Futures Trading WSE (thou. of contracts)



■ Trading via mBank's brokerage services ■ Direct trading via mDM

mBank's share price performance in Q1/16

Banking stocks have recovered slightly this year, but sentiment remains negative

mBank's index membership and weights*

WIG-30	WIG30	2.473%
WIG-20	WIG20	2.585%
WIG	WIG	1.707%
WIG-Banks	WIGbanki	5.987%
WIG-Poland	WIGPoland	1.752%

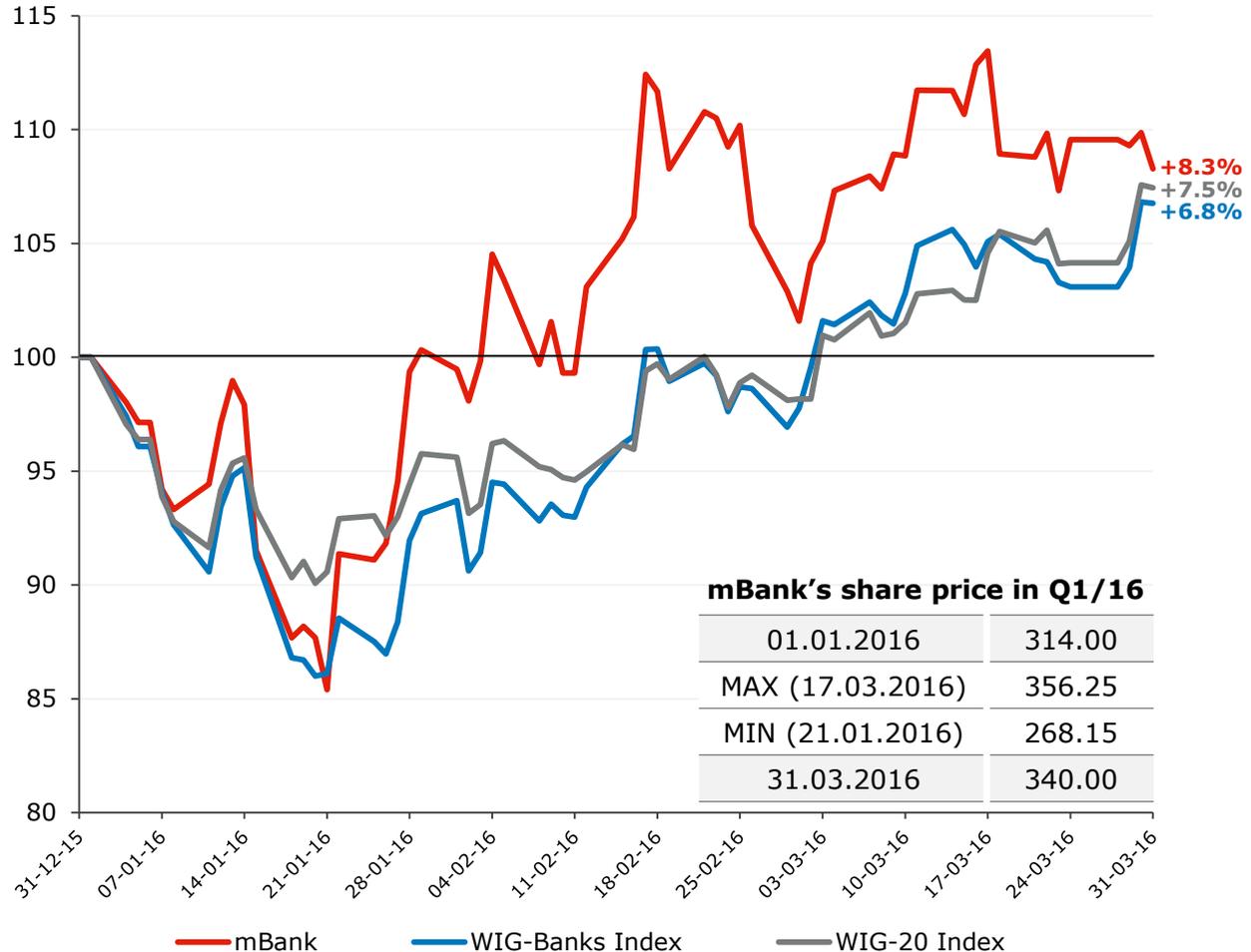
* Share in index as of April 4, 2016

- Listed on the Warsaw Stock Exchange since October 1992
- The only share belonging to WIG-20 blue chip index since its inception in April 1994
- A strategic shareholder, Germany's Commerzbank, owns 69.5% of shares

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 238 924

Source: Bloomberg, WSE.

mBank's share performance v. main indices (rebased to 100)



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