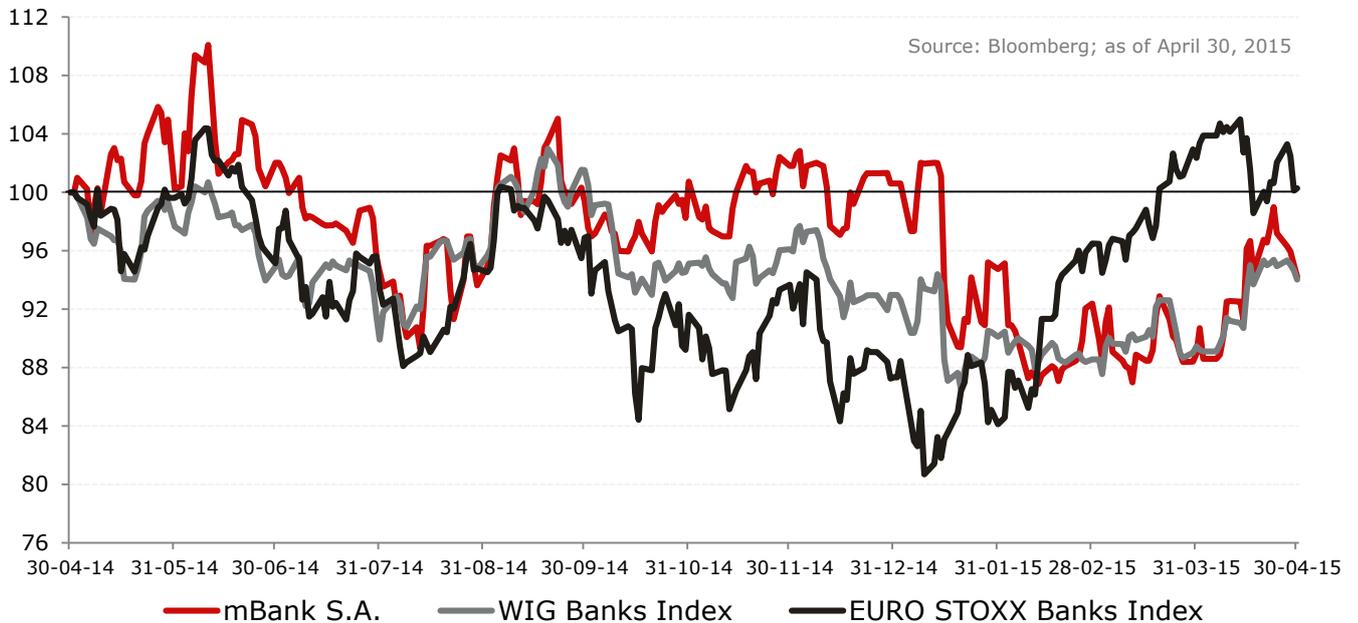


Share price performance summary

In April mBank's share price went up by 5.92%, while the WIG Banks index increased by 5.11%. The EURO STOXX Banks Index declined by 2.04% in the same period.

Last 12 months – chart



change in the period	Q2'14	Q3'14	Q4'14	2014	Q1'15	2015 YtD
mBank	-6.31%	-2.57%	+1.22%	-0.40%	-11.58%	-6.35%
WIG Banks Index	-7.13%	+6.99%	-8.43%	-0.66%	-3.78%	+1.14%
EURO STOXX Banks Index	-5.63%	+1.84%	-9.85%	-4.89%	+17.20%	+14.81%

Consensus estimates for mBank Group's results

P&L item (in PLN M)	2013	2014	2015E		2016E	
			estimate	Δ vs. 2014A	estimate	Δ vs. 2015E
Net interest income	2 226	2 491	2 502	+0.5%	2 727	+9.0%
Net F&C income	835	902	872	-3.2%	924	+5.9%
Total income	3 674	3 939	4 107	+4.3%	4 224	+2.8%
Costs	-1 678	-1 771	-1 867	+5.4%	-1 928	+3.3%
LLPs	-478	-516	-556	+7.7%	-581	+4.5%
Profit before tax	1 518	1 653	1 683	+1.9%	1 714	+1.8%
Net profit	1 206	1 287	1 339	+4.1%	1 362	+1.7%
Loans	68 210	74 582	80 090	+7.4%	84 973	+6.1%
Assets	104 283	117 986	123 810	+4.9%	129 607	+4.7%
Deposits	61 674	72 422	76 506	+5.6%	81 925	+7.1%

Contributing research by: Citi Research, Deutsche Bank, Millennium DM, ING Securities, BZ WBK Brokerage, Ipopema, Raiffeisen, Wood & Company, PKO Securities, Erste Group, BESI Research, DM Banku BPS, Goldman Sachs, BOŚ DM, BoA Merrill Lynch, J.P. Morgan, Trigon DM, KBW.

Special topic: Q1 2015 Bank Group's results compared to analysts' consensus

[in PLN M]	Market consensus				Actual Results	Difference to consensus
	MIN	Median	Average	MAX		
Net interest income	570.1	589.5	591.9	615.0	587.4	-0.8%
Net fee & commission income	198.4	212.2	212.3	226.0	214.9	+1.2%
Total operating income	1,077.5	1,125.5	1,123.5	1,170.0	1,139.1	+1.4%
Total costs	(582.0)	(568.0)	(568.6)	(554.0)	(555.2)	-2.4%
Result before provisions	510.5	552.0	554.9	590.0	584.0	+5.2%
Loan loss provisions	(140.0)	(124.5)	(123.4)	(105.0)	(100.0)	-19.0%
Profit before tax	370.5	434.0	431.6	458.0	484.0	+12.1%
Net profit	297.8	342.4	343.9	377.0	381.0	+10.8%

mBank's Investor Relations Research is based on estimates of 16 Analysts: ING Securities, Citi Research, Ipopema, Trigon DM, BESI Research, Wood & Company, BZ WBK Brokerage, Deutsche Bank, Erste Group, PKO Securities, Millennium DM, Raiffeisen, DM BOS, DM Banku BPS, Goldman Sachs, KBW.

Key news regarding mBank Group
Major developments of mBank Group in Q1 2015

In Q1 2015, mBank Group generated a profit before tax of PLN 484.0 million, which represents an increase of 22.1% QoQ. **Net profit attributable to owners of mBank increased by 19.2% QoQ and amounted to PLN 381.0 million.**

The main factors determining changes in the financial results were as follows:

- Increase of total income to PLN 1,139.1 million, up by 21.9% QoQ. Net interest income decreased by 7.1% to PLN 587.4 million, and net fee and commission income increased by 10.0% to PLN 214.9 million. Net trading income increased to PLN 102.6 million, up by 45.5%. In Q1 2015, mBank Group reported gains on the sale of BRE Ubezpieczenia TUIR and related agreements with AXA Group companies in the amount of PLN 194.3 million.
- Increase of operating expenses (including amortisation) compared to the previous quarter, amounting to PLN 555.2 million. In Q1 2015, mBank Group booked the entire annual fees paid to the Bank Guarantee Fund (BFG) at PLN 136.4 million. As a consequence, the cost/income ratio reached 48.7% in Q1 2015, compared to 45.5% in Q4 2014.
- Net impairment losses on loans and advances decreased to PLN 100.0 million and the overall asset quality improved. As a consequence, the cost of risk decreased to 52 basis points in Q1 2015, compared to 61 basis points a quarter earlier.
- Continued organic growth and business expansion as demonstrated by: increase in the retail customer base to 4,803 thou. (+114 thou. customers QoQ), and growth of the number of corporate customers to 18,133 clients (+346 customers QoQ).

As at the end of Q1 2015, net loans and advances stood at PLN 78,977.1 million and grew by 5.9% QoQ. The change was driven by an increase in the volume of both corporate and retail loans. The volume of gross loans granted to corporate clients and retail clients stood at PLN 35,340.0 million and PLN 43,787.5 million, respectively.

The volume of customer deposits was stable QoQ and stood at PLN 71,861.0 million. Retail deposits increased by 1.0% to PLN 39,693.2 million, while corporate deposits decreased by 4.4% to PLN 30,816.4 million.

mBank Group's capital ratios remained at safe levels. As at the end of March 2015, the total capital ratio stood at 16.0% and the Common Equity Tier 1 ratio at 12.7%. mBank issued PLN 750 million of subordinated debt, which was included in own funds in January 2015.

Deep deflation holds. Core inflation aiming zero. Rates unchanged.



Polish MPC did not change interest rates on its April meeting. Main reference rate still equals 1.50%. Inflation diagnosis is straight: there is absolutely no demand pressure (despite improving macroeconomic environment), both deflation and low inflation expectations hold. The rate cuts would be resumed only in face of substantial deterioration of economic situation.

In March inflation amounted to -1.5% YoY, so the rebound is only marginal (only 0.1 p.p. difference compared to February). Main reason for such sluggish "acceleration" are very low food prices (-0.1% MoM) and absolutely no pressure among base categories. If fuel prices had not risen (+3.7% MoM) inflation would have been even lower than month before. Core inflation fell to 0.2%, which is its all-time low.

After seasonal adjustments Polish industrial output grew by 0.8% and it might be considered as disappointing given the enormous contribution from mining. Nevertheless, the momentum in industry remains strong and Polish output has just completed its best quarter since 2011. mBank's macroeconomists expect GDP growth to hold steady at 3.3% YoY in Q1/15. Subsequent quarters should be even better, provided that the euro area continues its upswing and that infrastructure investment arrives on time.

After excluding seasonal and calendar factors construction output fell by 0.5% YoY and rose 0.6% MoM. This reading is solid and in the following months construction will benefit from both base effects and increase in demand as a result of infrastructure tenders schedule and confirmed by the latest NBP's economic sentiment survey. Nominal retail sales staged a turnaround towards 3% growth in March on three factors: (i) Easter sales, (ii) some statistical base effects on auto sales, and (iii) positive static effects of higher fuel prices.

In the European context (QE affecting more assets, interest rates in negative territory) it will be very challenging for an open economy like Poland not to share with others its success, driven significantly by price competitiveness, and higher economic growth will be offset by capital inflows and strengthening of zloty. In the end mBank's analysts are very sceptical that Poland will raise interest rates ahead of Eurozone.

mBank with a title of a Golden Bank for the fifth time



In the sixth edition of the Golden Banker plebiscite, mBank won four statuettes for the best personal account (38% of votes), the best account for businesses (28%) and the best mobile banking (44%). With the highest number of votes obtained in all categories of the contest, mBank also received the main prize of the competition - the statuette of the Golden Bank. The aim of the plebiscite, organized by financial portal Bankier.pl and the leader on the market of Internet payments PayU, is to select the best financial products on the Polish market. The verdict was derived from the votes of Internet users, who chose the winners through the dedicated website.

Forthcoming corporate access events

- May 8, 2015: Mini roadshow with OFE, TFI – Warsaw headquarter

Forthcoming reporting events

- July 30, 2015: mBank Group Consolidated Semi-annual Report for H1 2015
- October 29, 2015: mBank Group Financial Report for Q3 2015

mBank's shares:

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 210 157
Listed on WSE since	06.10.1992
Relevant WSE indices	WIG, WIG-30, WIG-20, WIG-Banks

**mBank Analyzer
Annual Report online**Newsletter archive – [click here](#)

For any further information, please contact the IR team.

E-mail address: investor.relations@mbank.plmBank S.A.
Investor Relations and Group Strategy
ul. Senatorska 18
00-950 Warszawa