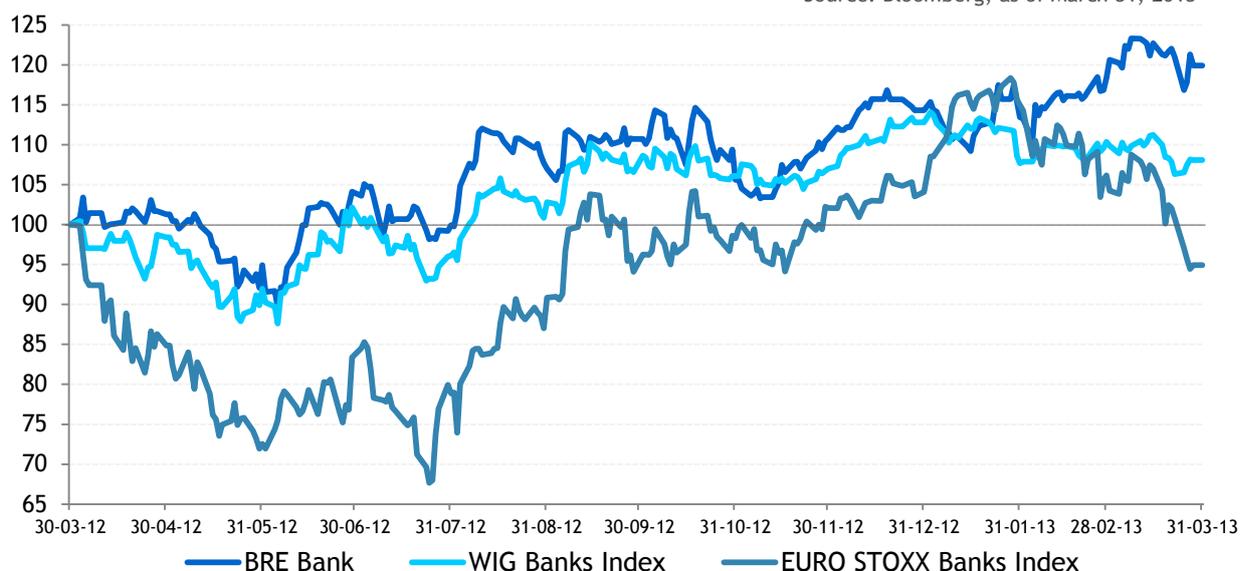




In March BRE Bank's share price increased by 1.33%, while the WIG Banks index decreased by 2.10%. The EURO STOXX Banks Index decreased by 10.58% in the same period.

Share price performance summary - last 12 months

Source: Bloomberg; as of March 31, 2013



change in the period	Q1'12	Q2'12	Q3'12	Q4'12	2012	YtD
BRE Bank	15.93%	4.10%	6.37%	3.23%	32.52%	4.91%
WIG Banks Index	8.73%	2.15%	4.29%	5.87%	22.64%	-4.20%
EURO STOXX Banks Index	7.58%	-16.63%	12.84%	10.63%	11.98%	-8.81%

Consensus estimates for BRE Bank Group's results

P&L item (in PLN M)	2011FY	2012FY	2013E		2014E	
			estimate	Δ vs. 2012A	estimate	Δ vs. 2013E
Net interest income	2 167	2 234	2 184	-2.2%	2 306	+5.6%
F&C income	840	840	842	+0.3%	890	+5.7%
Total income	3 521	3 578	3 603	+0.7%	3 781	+4.9%
Costs	-1 680	-1 661	-1 729	+4.1%	-1 782	+3.1%
LLPs	-373	-445	-558	+25.5%	-535	-4.1%
Profit before tax	1 467	1 472	1 314	-10.8%	1 459	+11.1%
Net Income	1 135	1 203	1 036	-13.9%	1 157	+11.7%
Loans	67 852	67 059	71 253	+6.3%	74 972	+5.2%
Assets	98 876	102 266	104 602	+2.3%	108 902	+4.1%
Deposits	54 244	57 984	61 899	+6.8%	66 203	+7.0%

Contributing research (released after November 1, 2012) by: Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, Millennium DM, BoA Merrill Lynch, Raiffeisen, UniCredit, ING, KBC, DM BZ WBK, Concorde, Ipopema, IDM SA, Wood & Company, Morgan Stanley, PKO DM, Espirito Santo.

Special topic: BRE Bank Group's results compared to the peer group

Item (in PLN thou.)	BRE Bank Group's P&L in Q4'12			BRE Bank Group's P&L in 2012		
	Q4'12	QoQ change	Peers QoQ change	2012	YoY change	Peers YoY change
Net interest income	555 479	-3.1%	-2.3%	2 233 632	+3.1%	+5.7%
Net fee & commission income	195 347	-4.3%	+3.3%	839 880	0.0%	-3.2%
Total revenues	822 938	-10.3%	-0.8%	3 578 143	+1.6%	+5.2%
Total operating expense	-434 040	+1.3%	+2.1%	-1 661 405	-1.1%	+2.0%
Loan loss provisions	-88 987	-34.0%	-5.7%	-444 635	+19.1%	+33.1%
Profit before tax	299 911	-15.4%	-2.5%	1 472 103	+0.3%	+3.1%
Net profit	272 577	-2.7%	-2.4%	1 203 230	+6.0%	+3.9%

Note: Changes for peers are weighted averages for PKO BP, Pekao SA, BZ WBK, ING BSK, Millennium and Citi Handlowy.

Key news regarding BRE Bank Group

BRE Bank Group after 2012 with 4.1 million clients and 1.2 billion profit



Net profit of BRE Bank Group exceeded PLN 1.2 billion, which represents a rise by 6% compared to an equally good 2011. At the same time, the number of serviced clients exceeded 4.1 million. Moreover, BRE Bank has been continuously enhancing its effectiveness. The cost to income ratio stood at 46.4% in 2012.

For the first time since 2001 BRE Bank recommended the payment of dividend. The decision was motivated by a very good capital standing of the Bank. At the end of 2012, the capital adequacy ratio stood at 18.7%. The Bank is ready to comply with the Basel III requirements.

The funding structure of BRE Bank has been improving and within the last two years, the value of loans advanced in Swiss francs was reduced by 10%. In addition, the funding structure was diversified due to the EUR 500 million eurobonds issue effected in H2 2012. Loan to deposit ratio decreased from 125% in 2011 to 116%.

Throughout 2012, BRE Bank launched numerous product innovations dedicated to corporate clients. An innovative iBRE News Platform, advanced information service for businesses, provides the clients logged into the transactional system with access to market information tailored to their specific needs. In November, the Bank added a range of improvements and new solutions to iBRE FX, the currency exchange platform. The number of companies serviced by BRE Bank was growing steadily to reach almost 15.1 thousand at the end of the year, which is by 8% more compared to 2011.

In Retail Banking, BRE Bank's results reflected the intensive deposit campaign. In the lending area, the falling sales of mortgage loans have been compensated for by continuously rising sales of non-mortgage loans. In 2012, the Bank advanced nearly PLN 3.3 billion of non-mortgage lending, which is by almost 1 billion more compared to 2011. Last year, BRE Bank's efforts were also focused on acquisition, which resulted in a 200 thousand rise in the number of retail clients. What is more, there are already 13.4 thousand holders of credit cards linked to the Miles&More programme, introduced in 2012, who have by now earned 89 thousand free miles thanks to the card transactions.

2013 will be another landmark in the history of BRE Bank Group. In the second quarter of the year the New mBank will be launched. It combines user-friendly electronic banking with cutting-edge technological solutions useful to the clients. By the end of 2013, the Group will operate under joint mBank brand.

mBank with the best information service in the Internet



mBank's information service was recognized as the best website of all services among Polish commercial banks. The competition was conducted by the Banking-Magazine and the jury appreciated the aesthetics, usability and ease of service. In the category for "The best website of the bank", the awards were granted by the jury consisting of professionals from the financial and IT industry, including those working in the Internet business and marketing as well as journalists and financial analysts.

The websites of 33 commercial banks and 371 cooperative banks were assessed. The evaluation criteria were not only the design of the service, but above all, its utility and clarity of communication. In addition, the feasibility to carry out the conversation with the consultant and the mobile versions of the service were taken into account.

BRE Bank's analysts comment the rate cut: MPC ends the cycle with a bang



The Monetary Policy Council surprised the market (which remained sceptical of any further cuts) with a 50 bps cut, thereby lowering the repo rate to 3.25%, the lowest level in history. Such a move is substantiated by the state of the economy: household consumption and internal demand in recession, inflation dropped well below the Central Bank's target.

The MPC quite unambiguously indicated that the current monetary easing cycle has come to an end. The March decision concludes the monetary easing cycle that started in November 2012. It was confirmed during the press conference when governor Marek Belka even used the phrase "wait and see". The decision was motivated by the results of latest inflation projection. Within the entire forecast horizon inflation is projected to remain below NBP's target, which - in light of MPC's mandate of price stability - provides enough room for rate cuts. Rebound in GDP growth is very slow and the 2013 forecast has been revised downwards from 1.5 to 1.3% YoY.

It appears unlikely that the Council will resume easing - it has been indicated during the press conference that actual macro figures would have to "substantially" deviate from projection's central path to force a change in the Council's mindset. The Council has already internalized inflation undershooting the target as well as a very flat growth path in the second part of the year. Reputational issues also make further cuts unlikely.

The end of the cycle should work in favour of steepening the yield curve. This tendency will be supported by global trends (upswing in the US) and a better (in our view) second half of the year. A total of 150 bps in rate cuts is enough to moderately boost consumption later this year and the same applies to private investment (credit demand curve is not vertical). One should also note that the MPC (through steepening the curve) made long-term papers more attractive and provided foreign investors with arguments against leaving the Polish bond market.

⟨ Forthcoming corporate access events ⟩

- April 22-23, 2013 - Morgan Stanley EMEA conference in New York

Please contact the IR Team if you are interested in meeting the Bank representatives at the above date.

⟨ Forthcoming reporting events ⟩

- April 30th, 2013: BRE Bank's Group Financial Report for Q1 2013
- August 2nd, 2013: BRE Bank's Group Consolidated Financial Report for 1H 2013

BRE Bank's share code:

ISIN: PLBRE0000012

Reuters: BREP.WA

Bloomberg: BRE PW

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