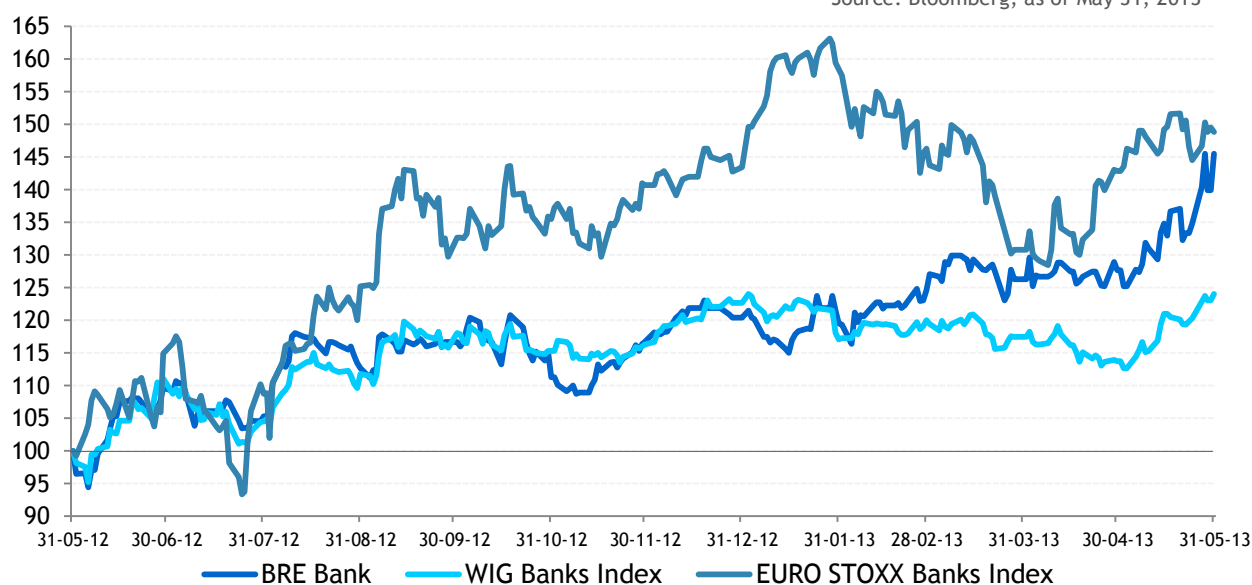




In May BRE Bank's share price increased by 13.99%, while the WIG Banks index increased by 9.00%. The EURO STOXX Banks Index increased by 4.15% in the same period.

Share price performance summary - last 12 months

Source: Bloomberg; as of May 31, 2013



change in the period	Q2'12	Q3'12	Q4'12	2012	Q1'13	YtD
BRE Bank	4.10%	6.37%	3.23%	32.52%	4.91%	20.84%
WIG Banks Index	2.15%	4.29%	5.87%	22.64%	-4.20%	1.14%
EURO STOXX Banks Index	-16.63%	12.84%	10.63%	11.98%	-8.81%	3.72%

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	2 133	-4.5%	2 272	+6.5%
F&C income	840	840	843	+0.3%	892	+5.8%
Total income	3 521	3 578	3 543	-1.0%	3 740	+5.6%
Costs	-1 680	-1 661	-1 718	+3.4%	-1 767	+2.8%
LLPs	-373	-445	-493	+10.8%	-493	+0.1%
Profit before tax	1 467	1 472	1 331	-9.6%	1 476	+10.9%
Net Income	1 135	1 203	1 057	-12.2%	1 174	+11.1%
Loans	67 852	67 059	69 953	+4.3%	73 703	+5.4%
Assets	98 876	102 266	104 351	+2.0%	108 813	+4.3%
Deposits	54 244	57 984	61 402	+5.9%	65 510	+6.7%

Contributing research (released after November 1, 2012) by: Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, Millennium DM, BoA Merrill Lynch, Raiffeisen, UniCredit, ING, KBC Securities, DM BZ WBK, Concorde, Ipopema, IDM SA, J.P. Morgan, 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 Q1'13			BRE Bank Group's P&L in Q4'12		
	Q1'13	QoQ change	Peers QoQ change	Q4'12	QoQ change	Peers QoQ change
Net interest income	503 626	-9.3%	-6.8%	555 479	-3.1%	-2.3%
Net fee & commission income	197 536	+1.1%	-2.5%	195 347	-4.3%	+3.3%
Total revenues	829 215	+0.8%	-4.7%	822 938	-10.3%	-0.8%
Total operating expense	(401 702)	-7.5%	-2.7%	(434 040)	+1.3%	+2.1%
Loan loss provisions	(27 654)	-68.9%	-16.3%	(88 987)	-34.0%	-5.7%
Profit before tax	399 859	+33.3%	-3.2%	299 911	-15.4%	-2.5%
Net profit	323 946	+18.8%	-3.0%	272 577	-2.7%	-2.4%

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

Key news regarding BRE Bank Group

According to BRE Bank's analysts a rate cut in July seems a done deal



April data still paints a quite gloomy picture of the Polish economy. All publications are far worse than forecasts, there is no sign of a solid turnaround in activity and hence no hope for inflationary pressures to emerge. What is more, current inflation is heading lower (in the summer we would not be surprised by CPI close to 0%), much below the latest NBP projection (from March).

Employment in the enterprise sector shed 11 thou. jobs in April. It means that the seasonally-driven turnaround in employment (pent-up demand for labour after longer winter) did not occur. As such, BRE Bank's forecast at -0.7% YoY was proven wrong with the actual number at -1.0%. The business climate in Poland is still gloomy and the labour market weakens in a gradual but persistent manner. Wages increased by 3.0% YoY. The most important message is, however, that wage bill grew both in nominal and real terms. Very low inflation continues to offer significant support for private consumption. However, as business climate surveys consistently indicate, relatively good situation of exporters is counteracted by ongoing weakness in domestic demand.

Retail sales decreased in April by 0.2% YoY. In real terms sales practically did not change as compared to the previous month. The counterweight that enabled headline to remain around zero was surprisingly high durable goods sales - motor vehicles (+5.8% YoY) and house appliances (+8.9% YoY). As a result core retail sales (with food and fuels excluded) increased by 4.4% YoY. The data do not indicate negative trend reversal yet, especially that consumer confidence indicators dropped further in April.

As the MPC decisions in the coming months will depend on the assessment of the incoming data with regards to probability of inflation remaining markedly below the NBP target in the medium term, it seems reasonable to conclude that even in May the Council was ready for further cuts, which has recently been confirmed by comments of individual members. BRE Bank's analysts think that the cut in June is a done deal, similarly to another one waiting in the pipeline for July. The risk of a 50bp cut in each of the meetings is relatively high. Therefore BRE Bank's experts see the target repo rate close to 2%.

BRE Bank's experts think that economy reached a trough in the first quarter

Q1 GDP growth was better than stipulated by the flash reading (+0.5% vs +0.4%) but still worse than the results for Q4 2012 when +0.7% was reached. Business activity worsened further but BRE Bank's economists think the trough has already been reached. Domestic consumption was stagnant in Q1, investment dropped by 2% (previously by 4.1%). As for other components, inventory formation subtracted only 0.5 pp. from growth and net exports added 1.4 pp. to GDP growth.

Next quarters are set to bring a turnaround in consumption (along with the increases in real disposable income) but this time investment is going to be slightly lagging the cycle as firms have to gain confidence in better economic activity. Full year GDP is going to be close to 1%, so less than in 2012, but GDP expansion path is set to be accelerating.

The structure of GDP growth confirms the weakness of domestic demand. Given the moods within the MPC, rate-setters are now prone to extending this weakness for the latter part of the year or even for years. Therefore cuts in June and July meetings look safe. However, the decision context will be changing in H2 2013. There will be some turnaround in GDP growth and inflation. Given expectations of QE tapering the Polish monetary policy will be more loose in relative terms. This, in turn, may make zloty more elastic with respect to rate disparity. In such circumstances the eagerness of MPC to further easing is going to fall to zero.

mOKAZJE - the third fastest growing application

mBank's discount platform mOKAZJE, which started just four weeks ago, is currently the third most commonly installed Facebook application in Poland. Only three weeks tuned out to be sufficient to more than 38 thou. people have found the simplicity of the operation of the latest mBank's discount program and installed the application mOKAZJE through social networking site Facebook.

The team responsible for the implementation of mBank's innovative discount program explains that the key to excite so much interest was to provide customers with something that gives them real value and at the same time is much easier to use compared to the alternative solutions. In Europe, there is no other program that gives the opportunity to save on shopping without coupons, passwords, codes or advocacy at the cash desk for a benefit. Customers also appreciate the amount of discounts and the brands working with us, that is components which make mBank's proposal more attractive than traditional, sponsored by banks, cashback programs.

The bank on behalf of customers negotiates discounts with the selected partners whose services are most commonly used by its customers, and based on the analysis of the group presents offers in accordance with the customer's profile. Discounts are obtained by paying for purchases with mBank's cards, no additional coupons or promotional codes are needed. Customers do not even remind the retailer about the rebate because the account will be augmented automatically. The total amount of discounts depends entirely on the client's activity.

mOKAZJE is a unique model on the market, in which not only bank's customers, but also business partners are the winners. The bank gives them the chance to communicate with the specially selected target group, what increases the probability of demand for the offer, and thus maximizing the efficiency of marketing expenses. Additionally, due to the preparation of a social scenario in which clients share their discount with friends, the partners have the opportunity to reach more people potentially interested in the proposal, also those not related to the bank. A settlement model is a further advantage as the partner does not have to expend resources in the beginning, but bears the cost of discount only when the customer actually purchases the product or service. The

application mOKAZJE was launched as the first element of new mBank, opening a promotional campaign of the project for the current and new customers.

BRE Bank implemented a system of BlueCash express transfers



BRE Bank launched the BlueCash express payment system. It allows customers for doing the instant transfers to 25 banks, and gives the bank an opportunity to build new services based on BlueCash. BRE Bank is the first bank in Poland which equipped corporate customers with two express transfer systems.

BlueCash payment system has been developed by the Sopot Blue Media company and is based on the first in Poland agreement of NBP president to conduct rapid transfer system. More than 3.2 million of immediate payments have just been processed through information systems, which are the BlueCash foundation, with 95% of transfers in less than 40 seconds.

BRE Bank decided to participate in the BlueCash payment system in view of the dynamic demand for immediate settlement among the companies. BlueCash is available to the users of the iBRE transaction system and allows for the recognition of the recipient's bank account within a maximum period of 15 minutes after the authorization of the payment order in the iBRE system, if BRE Bank and cooperating bank are simultaneously available.

⟨ Forthcoming corporate access events ⟩

- June 3-4th, 2013 - London roadshow

⟨ Forthcoming reporting events ⟩

- August 2nd, 2013: BRE Bank's Group Consolidated Financial Report for H1 2013
- October 31st, 2013: BRE Bank's Group Financial Report for Q3 2013

BRE Bank's share code:

ISIN: PLBRE0000012

Reuters: BREP.WA

Bloomberg: BRE PW

For any further information, please contact the IR team.

Wojciech Chmielewski - Head of Investor Relations

tel. +48 22 829 14 34

fax: +48 22 829 15 19

Wojciech.Chmielewski@brebank.pl

Paweł Lipiński

tel. +48 22 829 15 33

fax: +48 22 829 15 19

Pawel.Lipinski@brebank.pl

E-mail address: relacje.inwestorskie@brebank.pl



BRE Analyzer
Annual Report online

