

# Results of BRE Bank Group Q1 2012

A strong start to the year

Management Board of BRE Bank SA

Presentation for Investors and Analysts  
May 8, 2012



**BRE BANK SA**

Our people make the difference.

# Agenda

## » Summary of Q1/12

Analysis of Q1/12 Results

Macroeconomic Update & 2012 Outlook

Appendix

Additional Information: Selected Financial Data

Detailed Results of Business Lines

# Highlights of Q1/12 at BRE Bank Group

- 1 Record quarterly net profit of PLN 331.1 M**
  - Net profit up 16.2% QoQ and 44.1% YoY
  - Operating profit before LLPs up 15.0% QoQ and 23.9% YoY
- 2 Disciplined investment in business growth**
  - Significant improvement in efficiency: C/I at 42.8% vs. 47.7% in 2011
  - Total costs down 10.0% QoQ and 1.7% YoY
- 3 Strong organic growth continues**
  - 55 thousand new retail clients and 437 corporate clients added in Q1/12
  - New mBank project to add further strength to retail operations
- 4 Strong capital, liquidity and balance sheet supporting future growth**
  - CAR and Core Tier 1 at 16.9% and 11.6% respectively
  - LtD ratio softer than in Q4/11 driven by seasonal effects

# Summary of Results, Q1/12

## Key Financials

	Q1/12	Q4/11	Change Q1/Q4		Q1/11
Core income <sup>1)</sup>	761.6	774.1	-1.7%	↓	713.9
Total income <sup>2)</sup>	916.3	891.3	+2.8%	↑	821.8
Total cost	(392.1)	(435.5)	-10.0%	↓	(398.7)
Operating profit before LLPs	524.2	455.8	+15.0%	↑	423.1
Loan Loss Provisions	(111.8)	(89.5)	+24.9%	↑	(114.1)
Profit before tax	412.3	366.2	+12.6%	↑	309.0
Net profit <sup>3)</sup>	331.1	284.8	+16.2%	↑	229.7
ROE before tax	20.3%	21.0%	-0.7 p.p.	↓	18.0%
CAR	16.9%	15.0%	+198 bps	↑	16.2%

Note: 2011 results adjusted to reflect new presentation of SWAP points and operating leasing (see page 23 for more details)

<sup>1)</sup> Sum of Net interest income and Net fee & commission income; <sup>2)</sup> Including Net other operating income and cost;

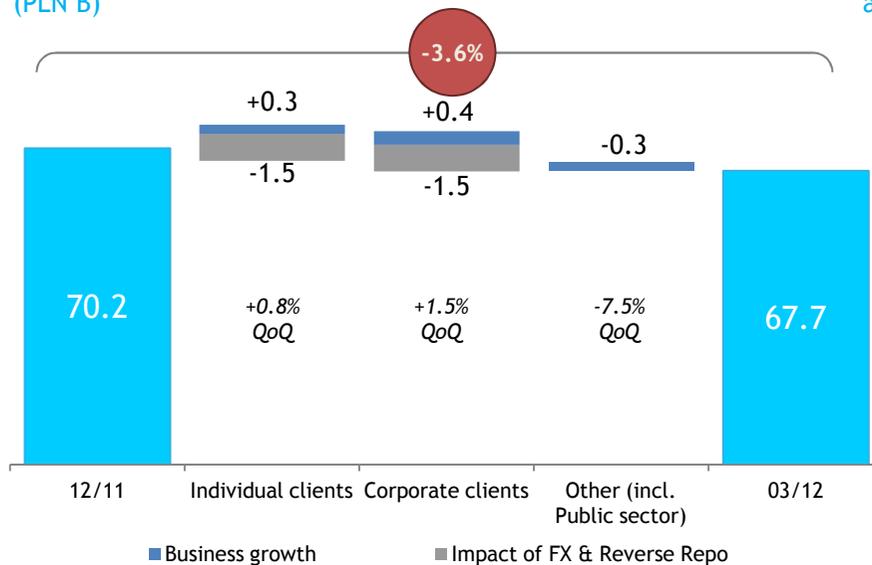
<sup>3)</sup> Net profit attributable to owners of BRE Bank

# Summary of Q1/12 in BRE Bank Group

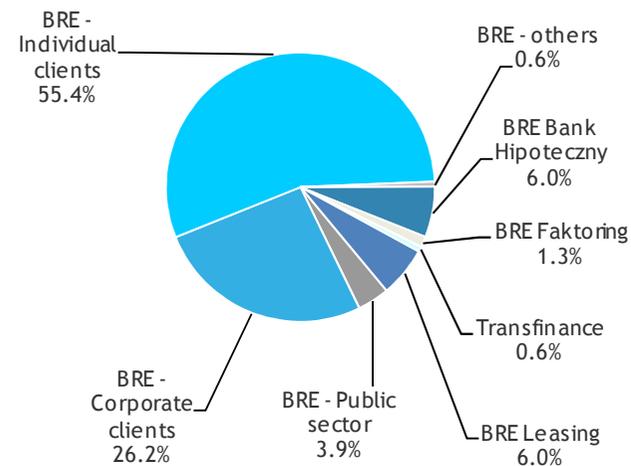
## Development of Loans to Clients

➔ **Loan portfolio growth impacted by PLN appreciation but new sales remain strong**

Development of Gross Loans (PLN B)



Structure of Gross Loan Portfolio as of 31 March 2012



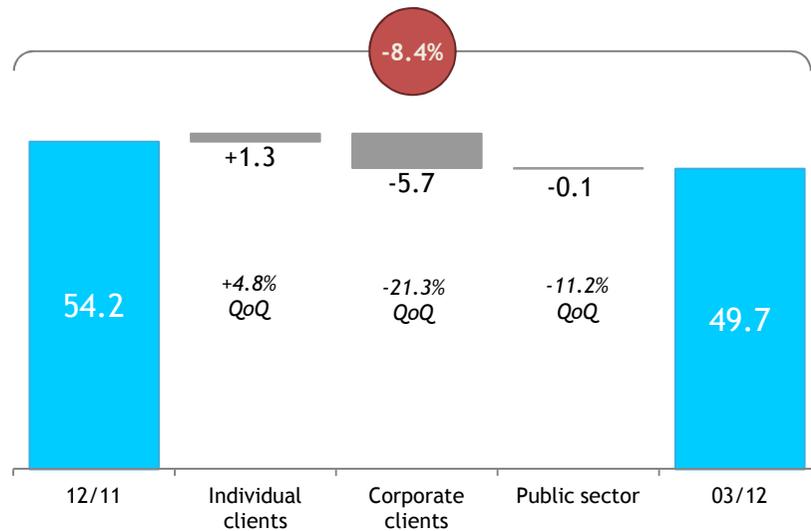
- **Corporate loans** excluding reverse repo transactions and FX effects up 1.5% QoQ
- **Retail loans** excluding FX effects up 0.8% QoQ (market: +0.4%)
- Sales of new retail and corporate loans at PLN 1.1 B and PLN 1.9 B respectively

# Summary of Q1/12 in BRE Bank Group

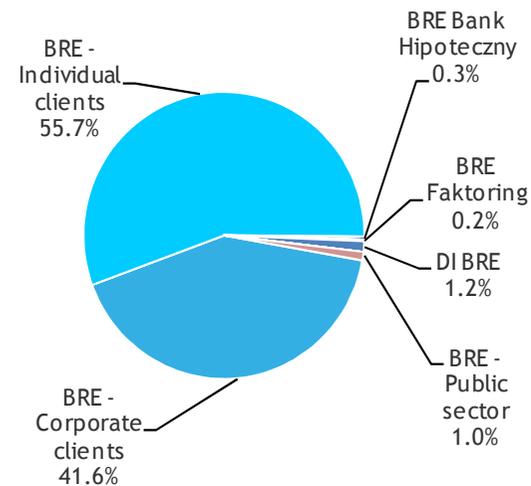
## Development of Deposits

➔ Ample liquidity with ‘real’ loan to deposit ratio at 87.7%

Development of Deposits (PLN B)



Structure of Deposits as of 31 March 2012

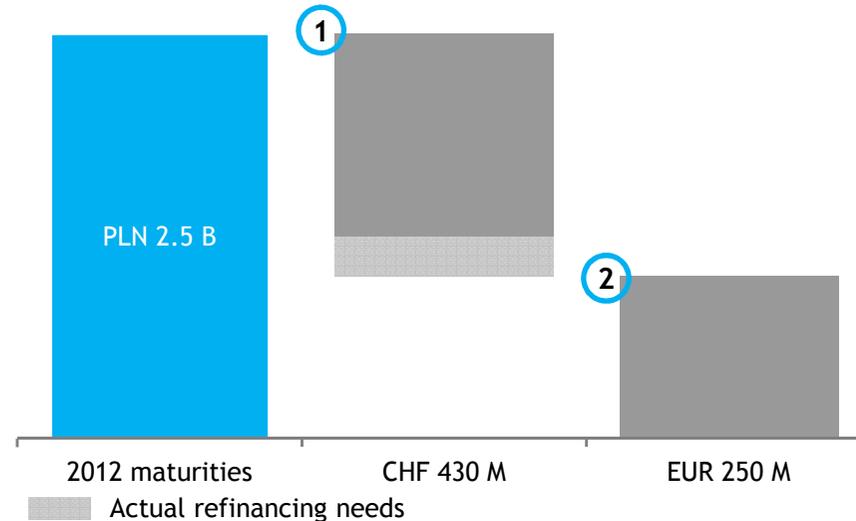


- Highly liquid balance sheet allowing a more selective strategy particularly in the corporate segment
- Seasonal dynamics in corporate deposits responsible for much of the outflows, annual dynamics remain positive at +4.8%
- Strong retail deposit inflows despite more aggressive pricing by some competitors

# Wholesale funding details

## BRE Bank wholesale FX funding profile details for 2012

Details of 2012 maturities



### FX funding strategy:

- ① No significant funding needs due to loan book repayments in CHF
- ② Funding mix to optimise costs and support lending:
  - Commerzbank mid-term funding plan
  - EMTN programme approved with maximum ceiling of EUR 2 B, usage of the programme only if market conditions are attractive
  - Usage of SWAP instruments
  - Strengthening of deposit base in Poland and Slovakia

### Domestic funding strategy:

- Domestic PLN deposit funding further diversified with a PLN 1 B certificates of deposit funding at attractive pricing

# Summary of Q1/12 in BRE Bank Group

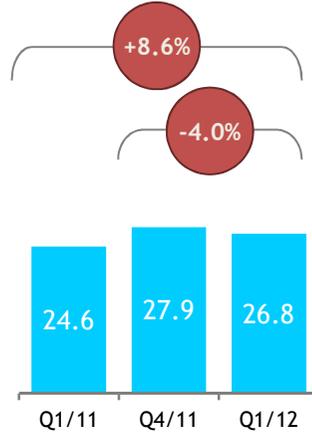
## Business Development: Corporates & Markets

### ➔ Resilient performance after record Q4/11

#### Clients



#### Loans (PLN B)



#### Deposits (PLN B)



#### Product innovations



#### Continued IB offer enhancement

- Detailed segmentation of IB clientele to better target IB product offering
- Leveraging on automatic product platforms
- Broadening of FX trading platform reach onto small corporates segment (K3)



#### Pre-paid cards on the National Stadium

- BRE Bank to deliver and service pre-paid cards on the National Stadium in Warsaw
- Stadium for 58,000 spectators

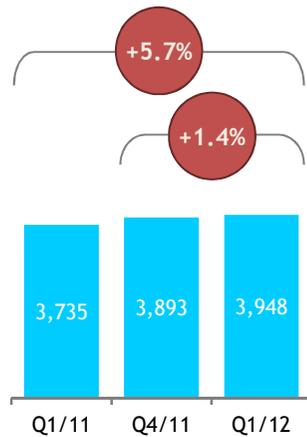
- Further growth of corporate client base: up by 437 companies in Q1/12 and 991 YoY reaching a record 14.4 thousand
- Sound annual growth dynamics despite seasonal quarterly deceleration and pricing adjustments

# Summary of Q1/12 in BRE Bank Group

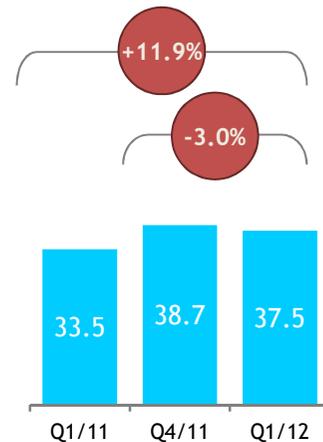
## Business Development: Retail Banking

### ➔ Expanding client base and accelerating sales of non-mortgage loans

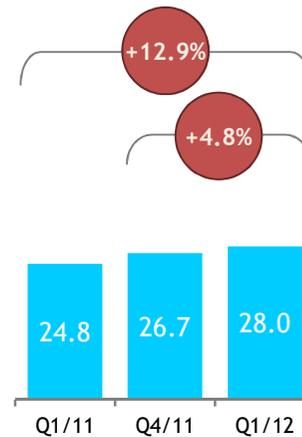
Clients (thou.)



Loans (PLN B)



Deposits (PLN B)



Product innovations



#### Aquarius Optimal Investing

- A unique objective and unbiased on-line investment advisory service for MultiBank's customers
- Developed to optimize investment allocation as a function of client's risk appetite
- Additional tool to enhance sales of investment products



- Mobile transfers to any recipient
- Introduced to all of mBank's mobile apps

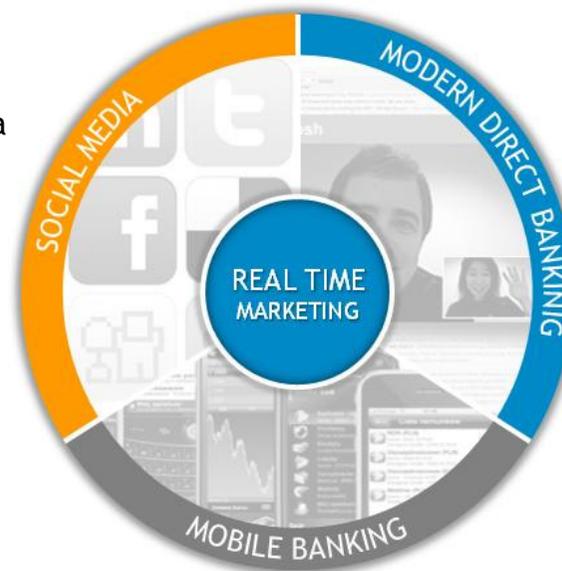
- 55 K new retail clients added in Q1/12
- Cross-selling ratio at 3.13 compared to 3.12 in Q4/11 and 2.90 in Q1/11
- Strong sales of non-mortgage loans in Q1/12 at PLN 617 M, up 17% QoQ and 31% YoY
- Foreign operations of mBank continuing to improve reaching break-even in Q1/12

# Innovations supporting organic growth

## New mBank

### ➔ A new value proposition adding to the strengths of Poland's most successful retail banking project

- Integration with social media
- Discount offers
- Games



- Modern, intuitive interface
- Personal finance management
- Video chat and advisory

- Full transactional banking on all devices
- Geolocation offers
- NFC payments

- **Anticipating evolving client needs:**
  - 40% of active users of new technologies are already mBank clients
  - Target clients actively using social media and mobile Internet in day-to-day life
- Potential to **further enhance client relationships and revenues** and to **redefine again the standards** in domestic retail banking

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» **Analysis of Q1/12 Results**

Macroeconomic Update & 2012 Outlook

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Additional Information: Selected Financial Data

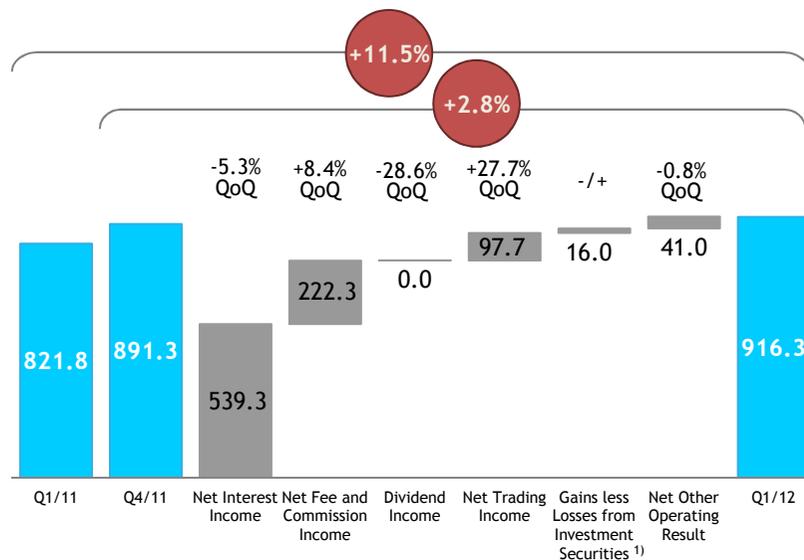
Detailed Results of Business Lines

# Analysis of Q1/12 Results

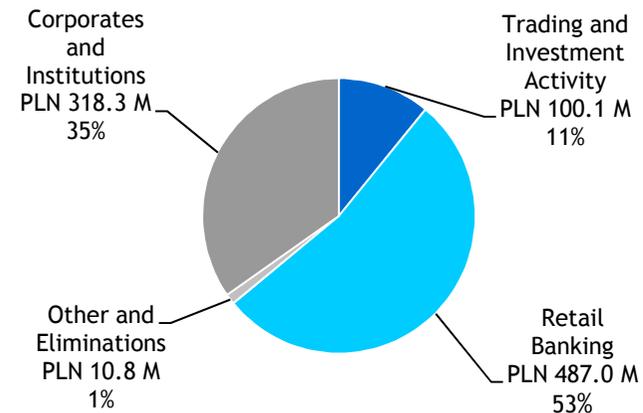
## Income of BRE Bank Group

### ➔ Record revenues breaching PLN 900 M treshold

BRE Bank Group Income QoQ & YoY (PLN M)



Income structure by Business Line in Q1/12



- Resilient interest income despite zloty strengthening and more restrictive balance sheet usage
- NFC growth reflecting a balanced and well positioned business model
- Resilient trading result supported by good market positioning in fixed income instruments

Note: 2011 results adjusted to reflect new presentation of SWAP points and operating leasing (see page 23 for more details)

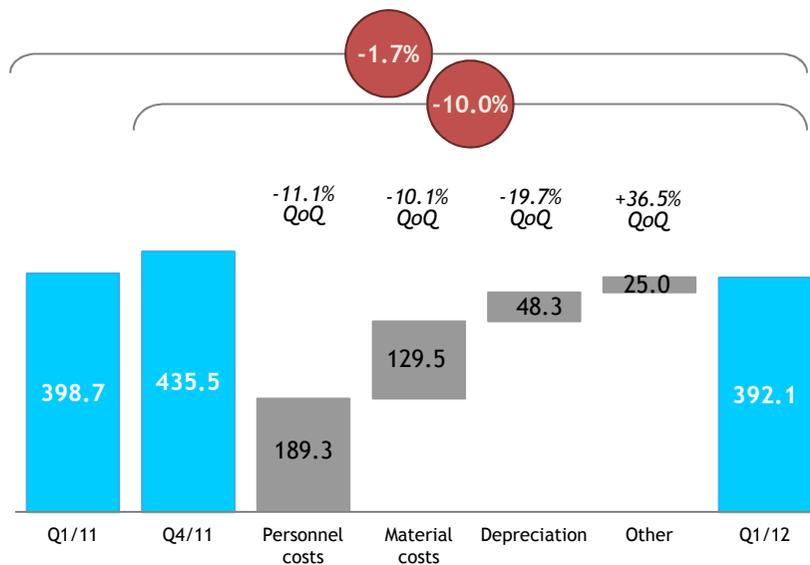
<sup>1)</sup> Gains less losses from investment securities including profit on the sale of CER International (formerly BRE Systems)

# Analysis of Q1/12 Results

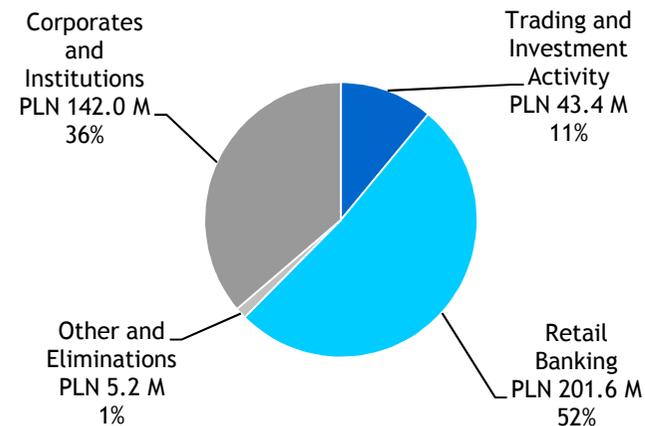
## Costs of BRE Bank Group

### ➔ Cost discipline bringing tangible results

Overhead Costs + Depreciation of BRE Bank Group QoQ & YoY (PLN M)



Cost Structure by Business Line in Q1/12



- Overhead costs down QoQ and YoY reflecting disciplined investment in business growth
- C/I ratio down to 42.8% compared to 47.7% in 2011 and 48.5% in Q1/11
- Strong QoQ decline in amortisation driven by one-off write-offs in IT systems made in Q4/11

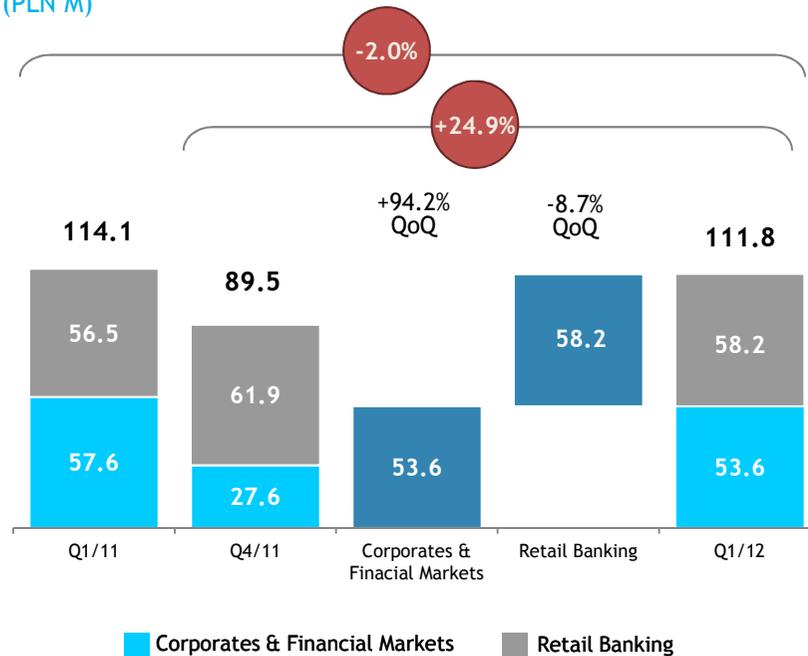
Note: 2011 results adjusted to reflect new presentation of SWAP points and operating leasing (see page 23 for more details)

# Analysis of Q1/12 Results

## Structure of Loan Loss Provisions

➔ **New NPL formation in line with 2011 trends, NPL ratio affected by PLN appreciation. LLP levels reflecting prudent risk management**

BRE Bank Group's Loan Loss Provisions (PLN M)



- **Trends in Q1/12:**
  - Stable financial standing of corporate and retail clients
  - Cost of risk at 67 bps in Q1/12
  - Mortgage portfolio continues to perform strongly; NPL ratio at a low 1.4%
  - Increase in C&M LLPs driven by significant releases recorded in Q4/11
- BRE Bank's NPL ratio at 5.2% (NBP rules)
- Impaired loans ratio of BRE Bank Group up to 5.0% as of 03/12 from 4.7% in 12/11
- NPL coverage ratio at a stable 66.1% as of 03/12 compared to 66.2% in 12/11

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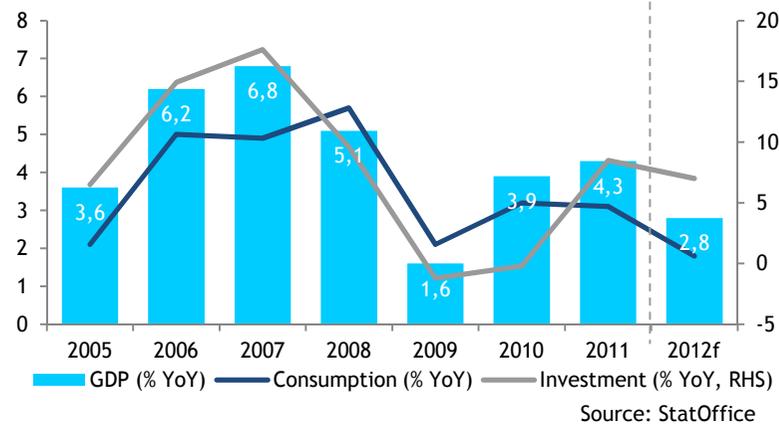
Detailed Results of Business Lines

# Macroeconomic Update (1/2)

## ➔ Polish economic growth set to moderate

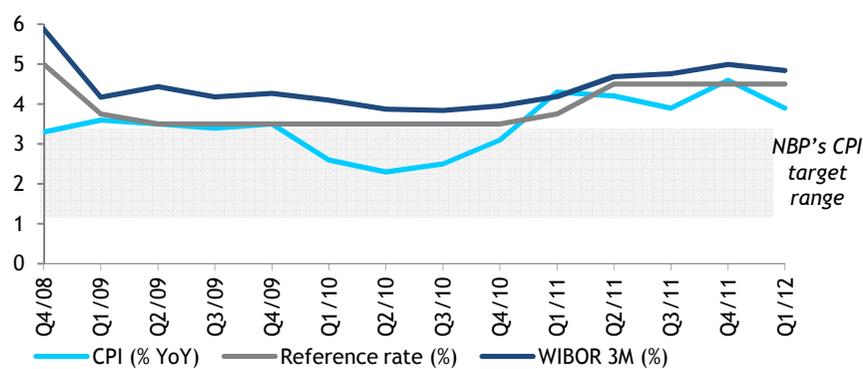
- Lower GDP growth than in Q4/11. Weaker consumption, maintenance of high investment growth rate, stronger zloty reduces net exports

GDP, investment and private consumption growth (% YoY)



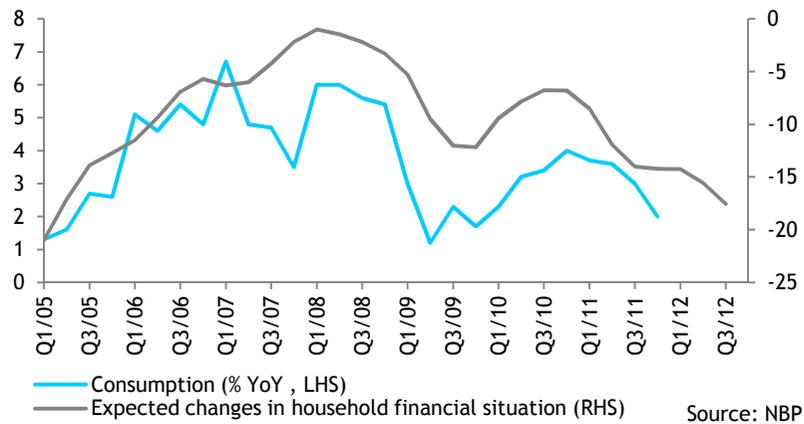
- At the end of Q1/12 inflation rate decreased to 3.9%, but MPC may hike rates already in May

CPI (% YoY), NBP reference rate (%)



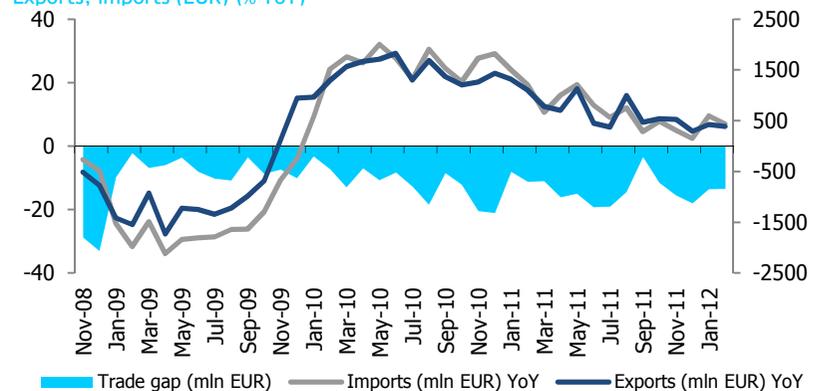
- Price shocks, record low savings rate, stagnation on labour market and attractive rates on deposits lead to weaker consumption in 2012

Consumption and expected changes in household financial situation (% YoY)



- Contribution of net exports lower in Q1/12. Exports weaker due to stronger zloty. Continuation of Polish economy external position rebalancing

Exports, imports (EUR) (% YoY)

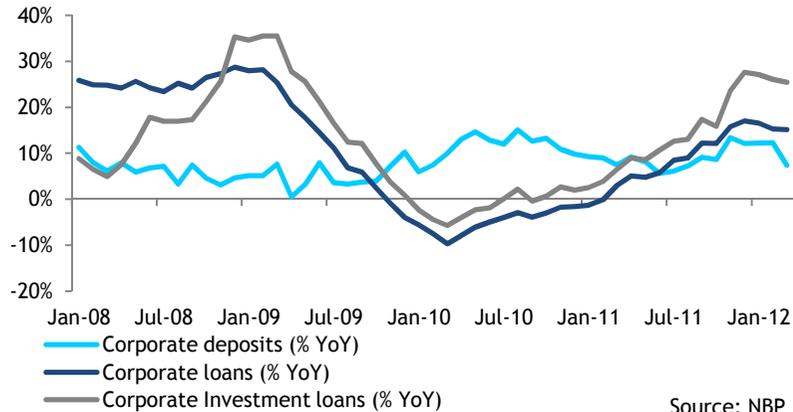


# Macroeconomic Update (2/2)

## ➔ Monetary aggregates stabilization

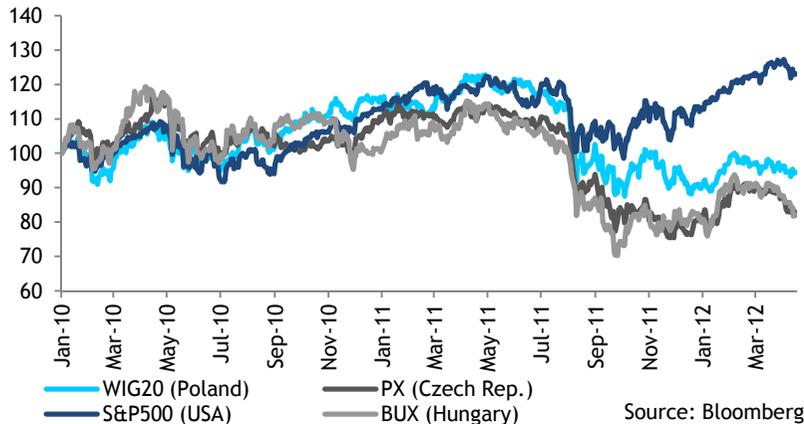
- Strong rebound of corporate loans. Corporate deposits growth lower in March distorted by Quadra transaction

Corporate loans and deposits (% YoY)



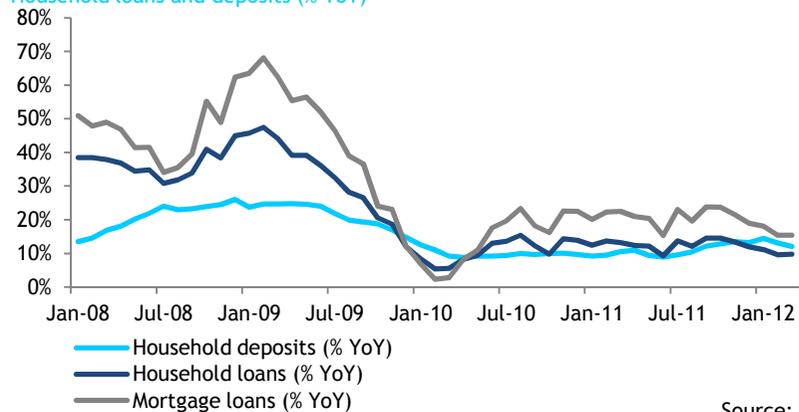
- After sentiment correction in the beginning of 2012 risk aversion came back and caused declines in Emerging Markets

Stock indices , index 01.01.2010=100



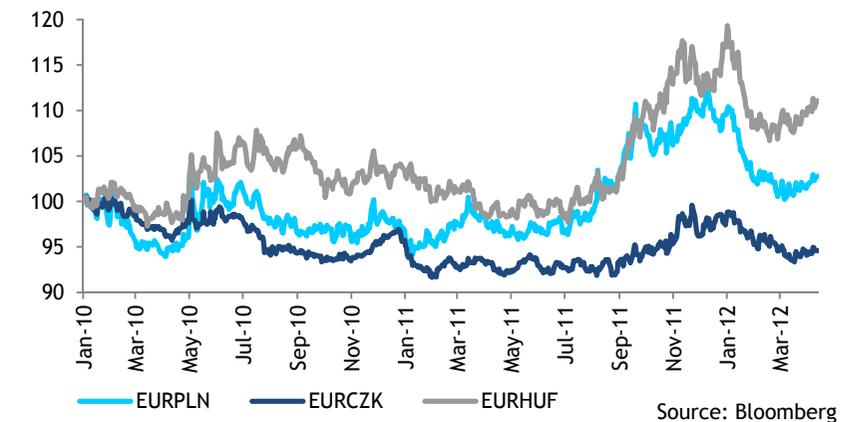
- Decelerating household credit growth. Rise of deposits inhibited by the end of tax avoidance window, which caused outflow of funds to mutual investment funds

Household loans and deposits (% YoY)



- EM currencies weaker. Euro zone debt crisis and Spain problems in the centre of attention

CEE currencies vs. EUR, index 01.01.2010=100



## 2012 Outlook - BRE Bank Group beyond Q1/12

- 1** Core revenue growth and cost discipline as key drivers of financial performance
- 2** Business resilience despite uncertain market environment; long-term performance dependant on broader European policy actions
- 3** Strong capital and ample liquidity underpinning the balance sheet

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# Appendix

## **Additional Information: Selected Financial Data**

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# Appendix

## Additional Information: Selected Financial Data Consolidated Profit and Loss Account under IFRS

PLN thou. By quarter	Q1/11	Q2/11	Q3/11	Q4/11	Q1/12
Net interest income	506,553	540,666	551,081	569,644	539,304
Net fee and commission income	207,388	208,208	219,297	205,079	222,268
Dividend income	9	2,652	12,424	28	20
Net trading income	82,497	94,158	93,519	76,502	97,681
Gains less losses from investment securities	(4,294)	(2,511)	20,040	(1,250)	16,026
Other operating income	62,277	75,386	66,525	113,167	75,776
Loan loss provisions	(114,110)	(58,620)	(111,191)	(89,549)	(111,811)
Overhead costs	(349,783)	(367,770)	(378,621)	(375,327)	(343,766)
Depreciation/Amortisation	(48,918)	(50,796)	(48,859)	(60,191)	(48,341)
Other operating costs	(32,638)	(34,338)	(39,349)	(71,858)	(34,816)
Profit before tax	308,981	407,035	384,866	366,245	412,341
Net profit attributable to owners of BRE Bank	229,708	313,171	307,260	284,833	331,072

Note: 2011 results adjusted to reflect new presentation of SWAP points and operating leasing (see page 23 for more details)

# Appendix

## Details of changes in reporting

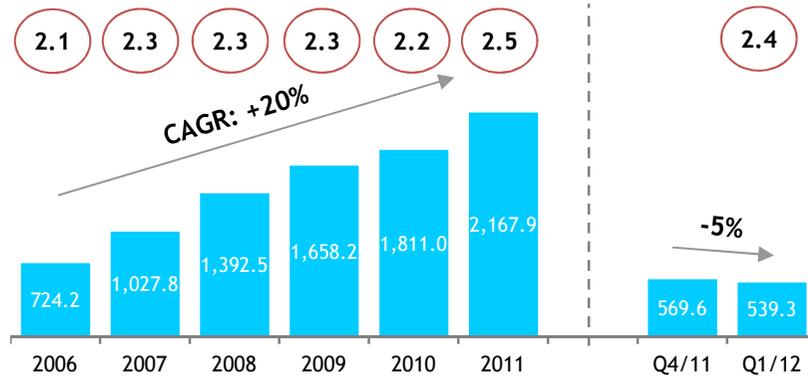
PLN thou.	Q4/11 new reporting	Q1/12 old reporting	Adjustments	Net adjustments	Q1/12 new reporting	QoQ change
Net interest income	569,644	517,310	① +39,130 ② -17,136	+21,994	539,304	-5.3%
Net trading income	76,502	136,811	① -39,130	-39,130	97,681	27.7%
Other operating income	113,167	71,100	② +17,136 ③ -12,460	+4,676	75,776	-33.0%
Depreciation	(60,191)	(60,801)	③ +12,460	+12,460	(48,341)	-19.7%

- ① Presentation of SWAP points in Net Interest Income - shift of PLN 39.1 M from Trading Income
- ② Presentation of operating leasing in Other Operating Income - shift of PLN 17.1 M from Net Interest Income
- ③ Presentation of operating leasing in Other Operating Income - shift of PLN 12.5 M from Depreciation

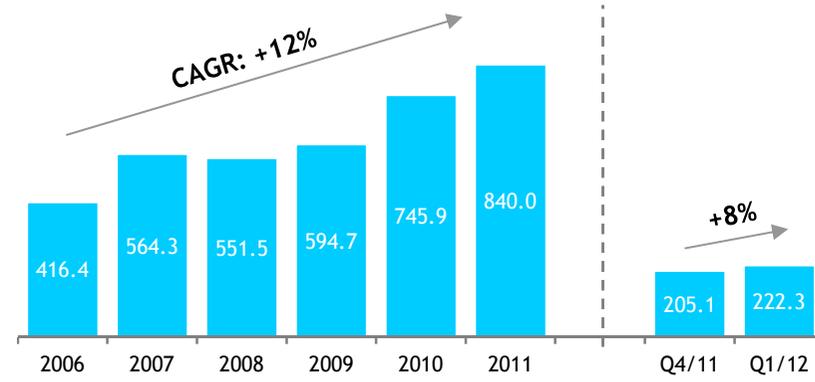
# Appendix

## BRE Bank Group's historical performance (1/3)

Net interest income (PLN M)

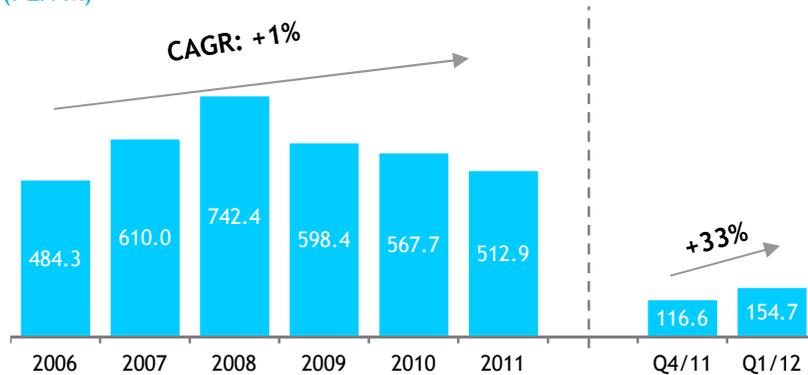


Net fee and commission income (PLN M)

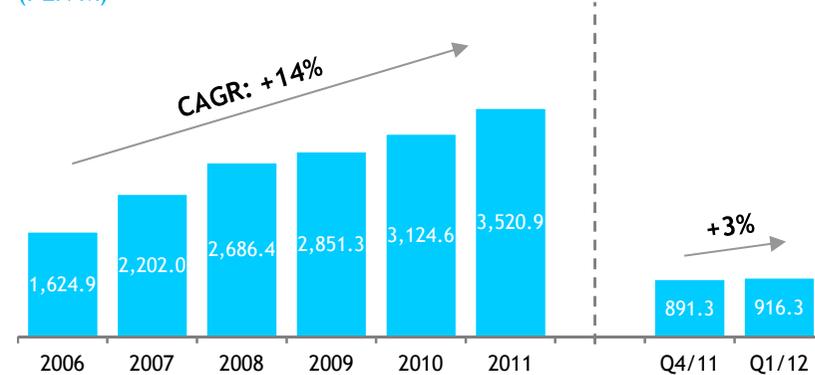


○ NIM

Trading and other income (PLN M)



Total income (PLN M)

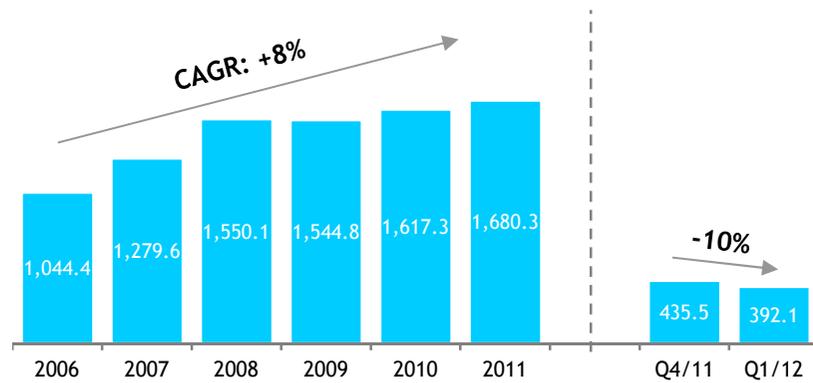


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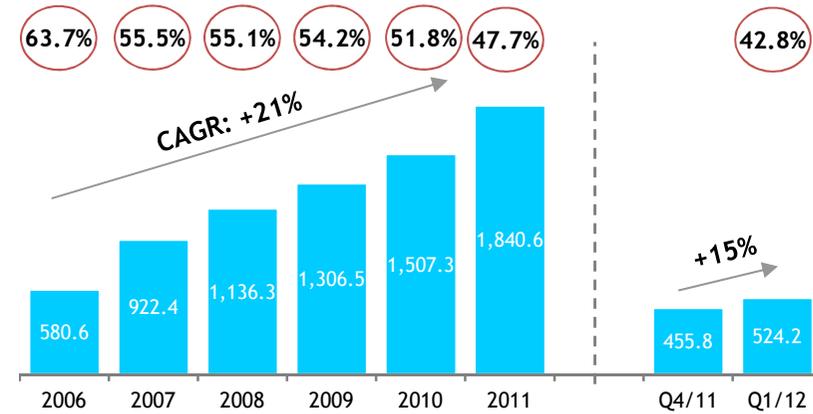
# Appendix

## BRE Bank Group's historical performance (2/3)

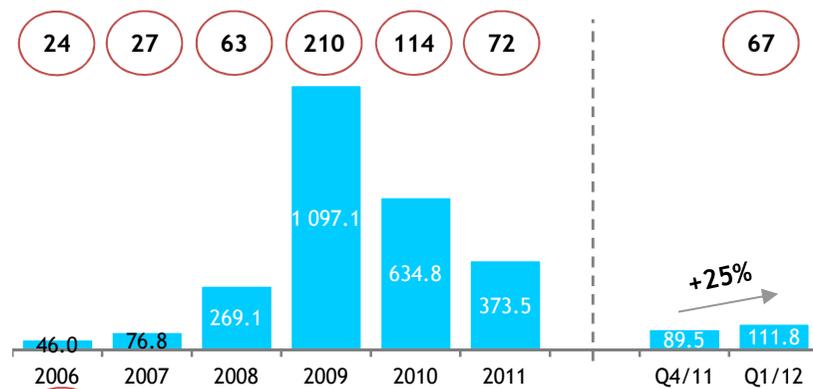
Operating costs  
(PLN M)



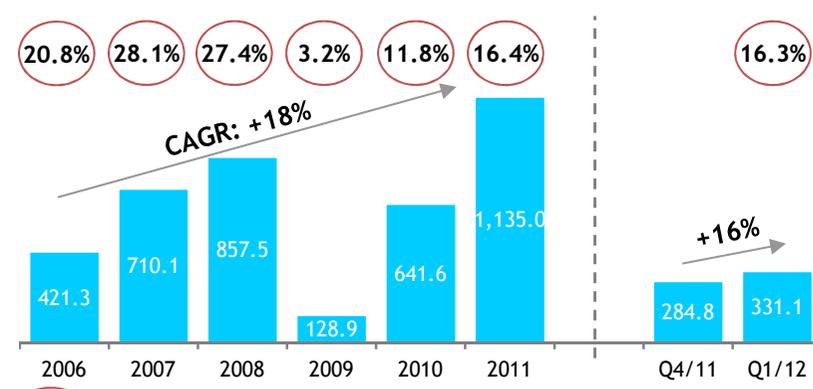
Pre-provision income  
(PLN M)



Loan Loss Provisions  
(PLN M)



Net profit  
(PLN M)

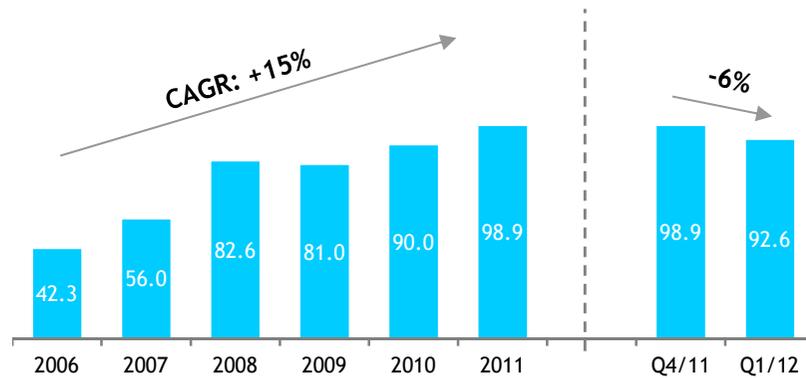


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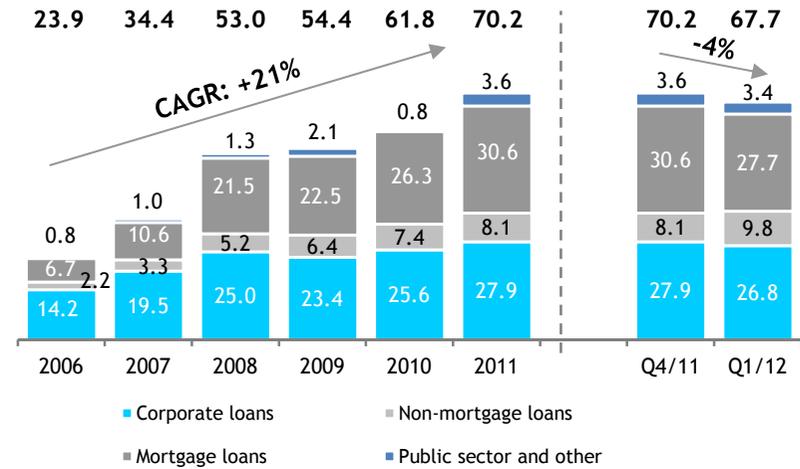
# Appendix

## BRE Bank Group's historical performance (3/3)

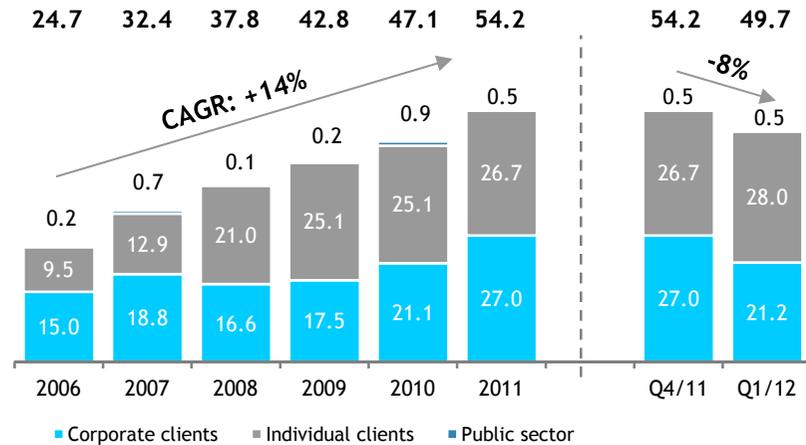
Total assets  
(PLN B)



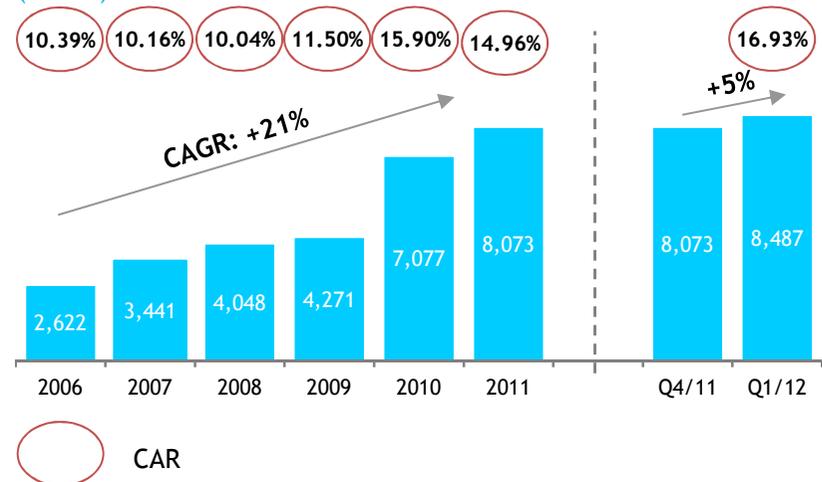
Total gross loans<sup>1)</sup>  
(PLN B)



Total deposits  
(PLN B)



Equity and CAR  
(PLN M)



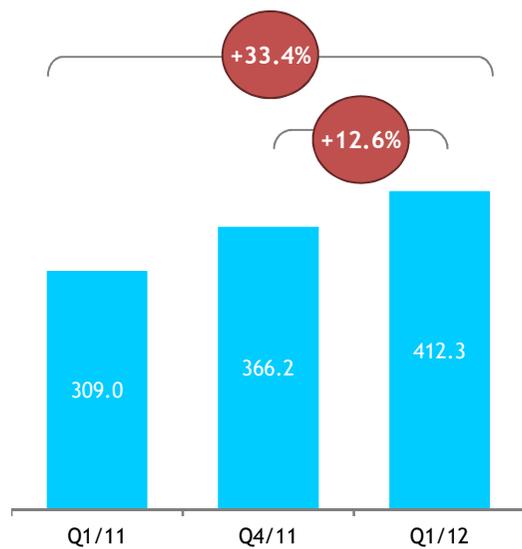
<sup>1)</sup> Mortgage loans on quarterly basis acc. to management data

# Appendix

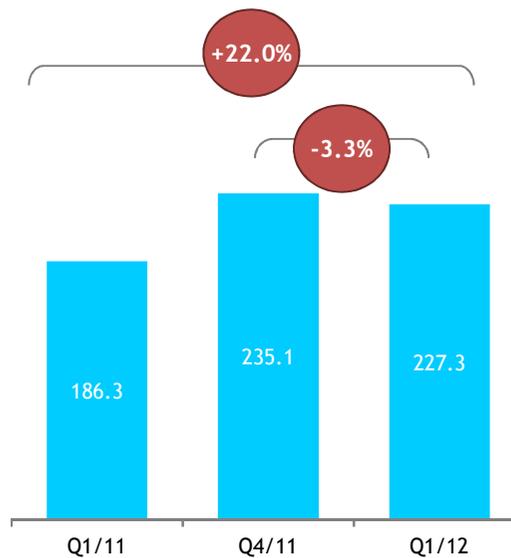
## Summary of Q1/2012 in BRE Bank Group: Profitability of the Business Segments

Quarterly Result before Tax by Business Segment  
(PLN M)

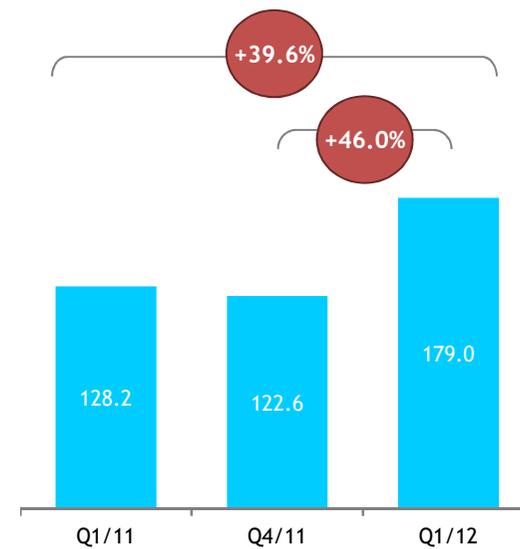
BRE Bank Group



Retail Banking



Corporates & Financial Markets



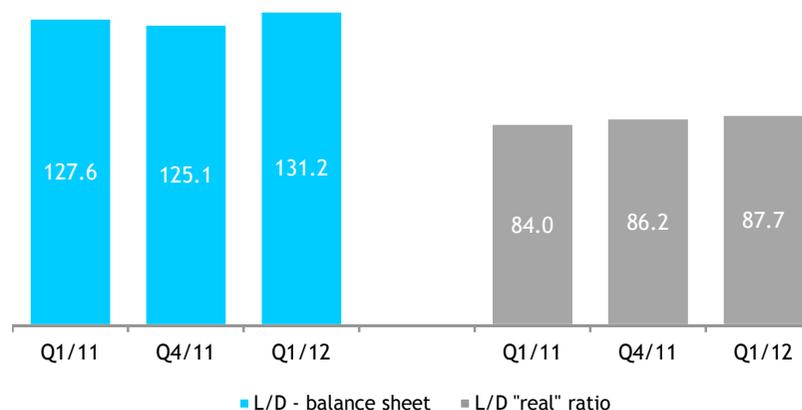
# Appendix

## Additional Information: Selected Financial Data Loan to Deposit Ratio

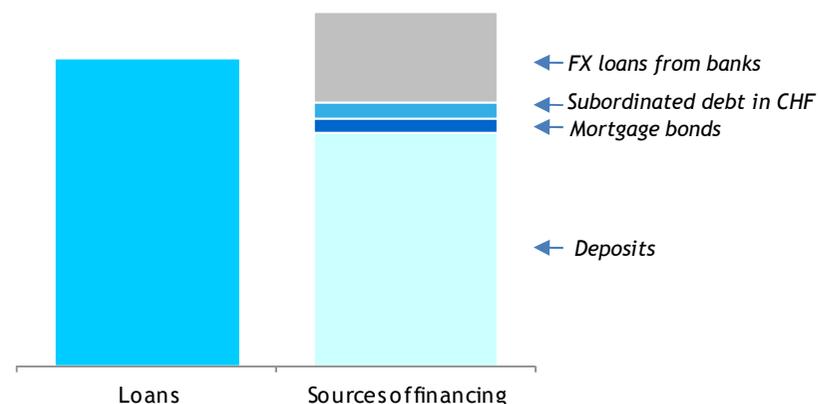
- The ratio of loans to deposits stood at 131.2% in Q1/12
- However, funding policy for FX risk mitigation is implemented
- BRE mid-term loans in FX fund FX-denominated mortgages, therefore...

...the 'real' loan to deposit ratio is **87.7%**

LtD Ratio in BRE Bank Group



Structure of Financing Loans of BRE Bank Group as of Q1/12 (PLN B)

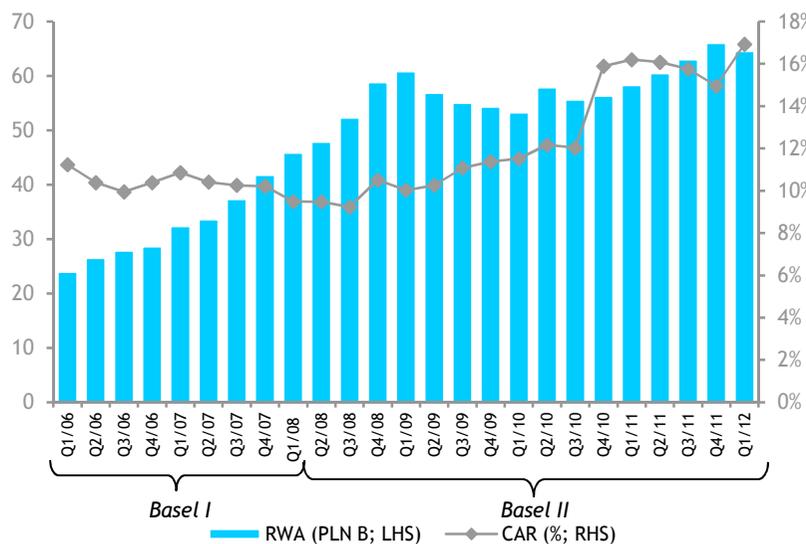


# Appendix

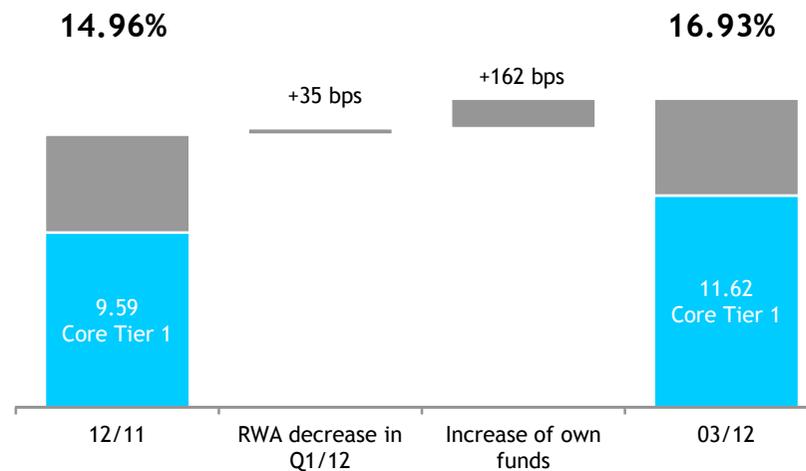
## Additional Information: Selected Financial Data BRE Bank Group's Capital Adequacy Ratio (CAR) in Q1/12

➔ CAR at solid level of 16.93%; Core Tier 1 Ratio at 11.62% in 03/12

Relation between Capital Adequacy Ratio (CAR) and Risk Weighted Assets (RWA)



Change of CAR under Basel II

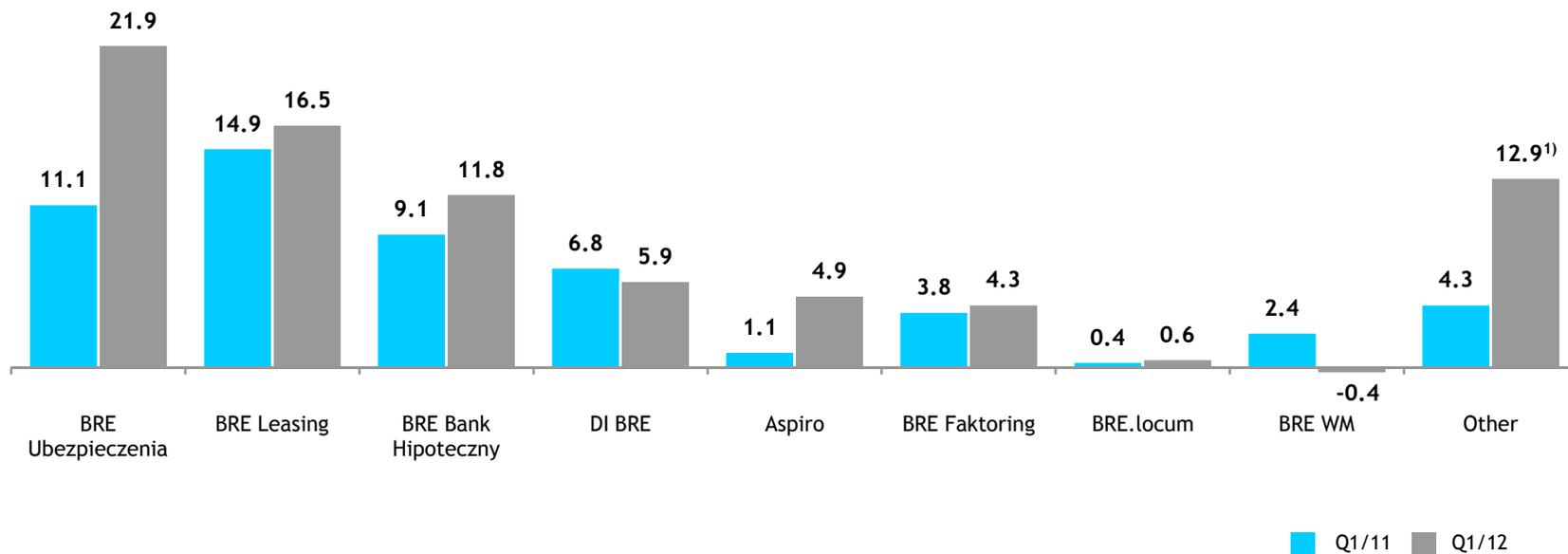


- CAR at 16.93% in 03/12 compared to 14.96% in 12/11 and 16.20% in 03/11
- Core Tier 1 ratio at 11.62% compared to 9.59% in 12/11 and 11.01% in 03/11
- RWA at PLN 64.6 B in 03/12 compared to PLN 66.0 B in 12/11 (-2.1%)

# Appendix

## Additional Information: Selected Financial Data Results of Subsidiaries

Profit before Tax of Consolidated Subsidiaries  
(PLN M)



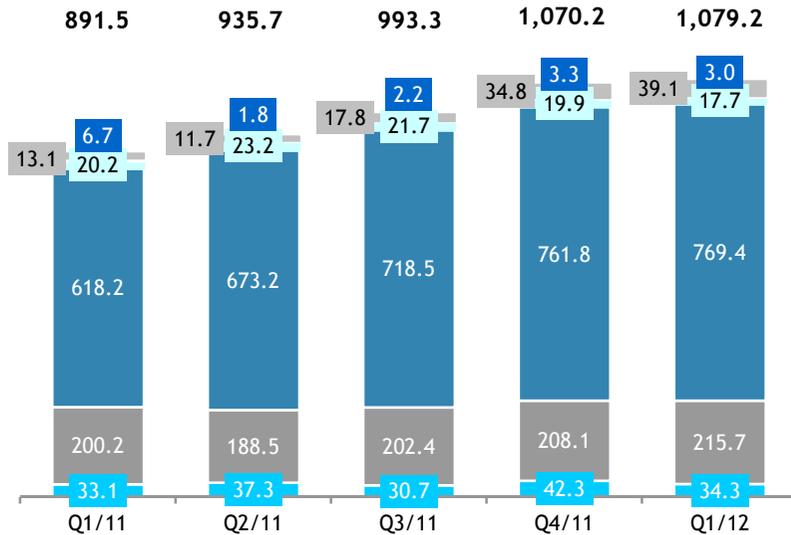
➔ **Q1/12 profit before tax of consolidated subsidiaries at PLN 78.4 M  
v. PLN 53.9 M in Q1/11 (+45.5% YoY)**

<sup>1)</sup> Incl. CERl profit before tax in the amount of PLN 11.4 M

# Appendix

## Additional Information: Selected Financial Data Net Interest Income & Margin

Interest Income Structure  
(PLN M)

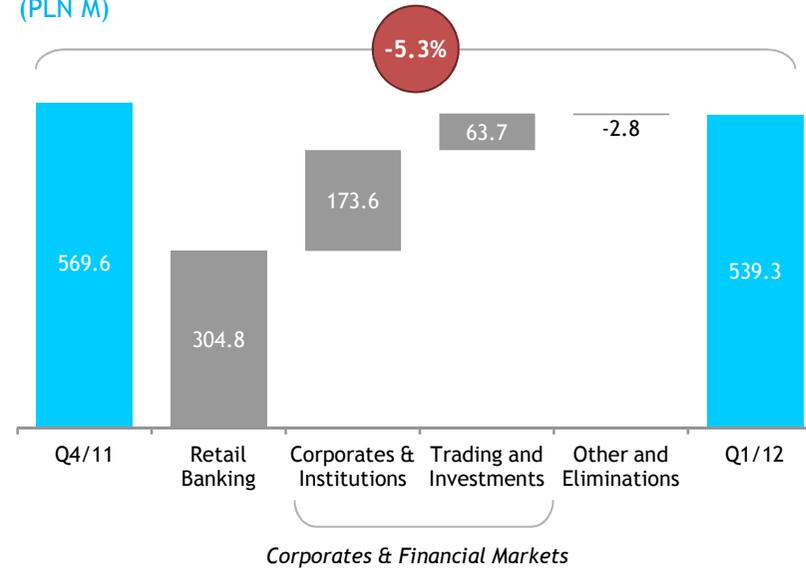


Interest Income Structure (%)

	Q1/11	Q2/11	Q3/11	Q4/11	Q1/12
Cash and short-term deposits	4%	4%	3%	4%	3%
Investment securities	22%	20%	21%	20%	20%
Loans and advances	69%	72%	72%	71%	71%
Debt securities held for trading	2%	3%	2%	2%	2%
Interest income on derivatives classified into banking book	2%	1%	2%	3%	4%
Other	1%	0%	0%	0%	0%

<sup>1)</sup> Margin calculated as net interest income to average income-earning assets

Net Interest Income, Q1/12 by Business Lines  
(PLN M)



Net Interest Margin (NIM at the end of period,%)<sup>1)</sup>

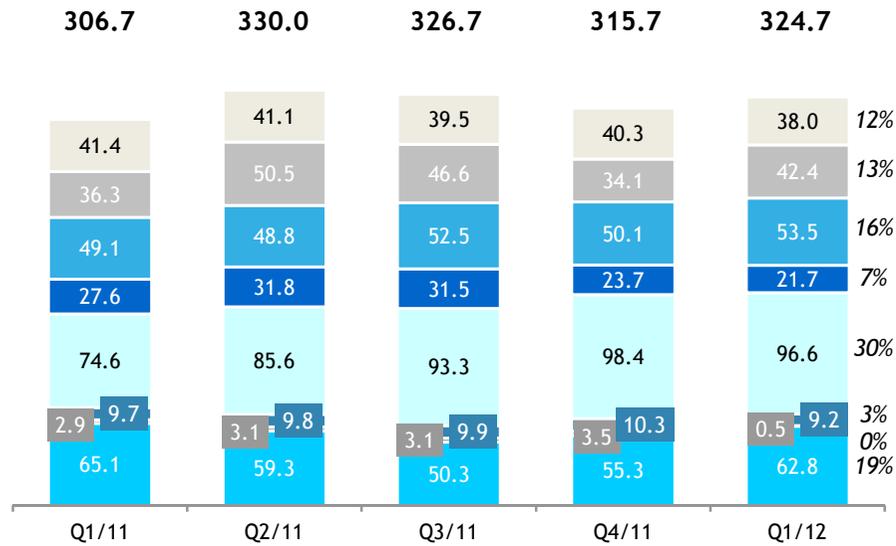
	3 m	6 m	9 m	12 m	3 m
NIM	2.4	2.5	2.5	2.5	2.4
	2011				2012

Note: 2011 results adjusted to reflect new presentation of SWAP points and operating leasing (see page 23 for more details)

# Appendix

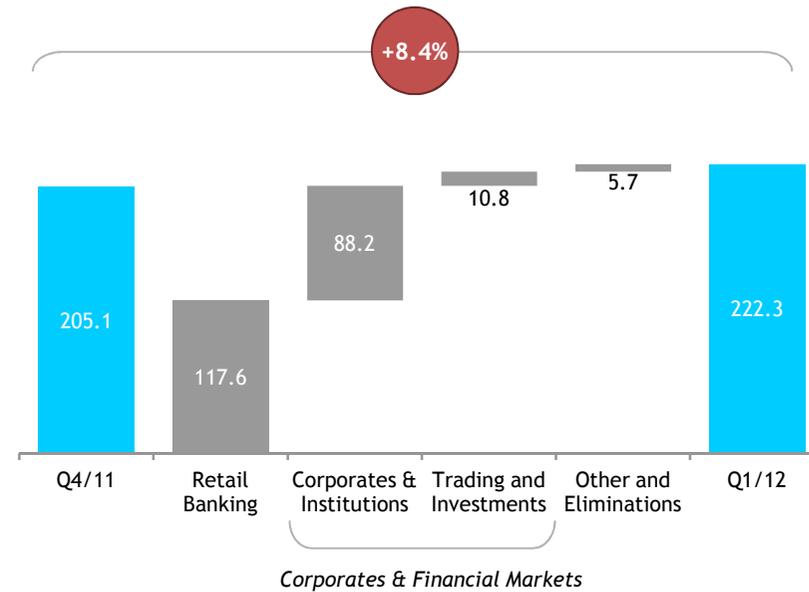
## Additional Information: Selected Financial Data Fee and Commission Income

Commission Income Structure  
(PLN M)



- Credit related
- Guarantees granted and trade finance
- Brokerage fees
- Insurance activity
- Portfolio management
- Payment cards
- Accounts & money transfers
- Other (incl. custody)

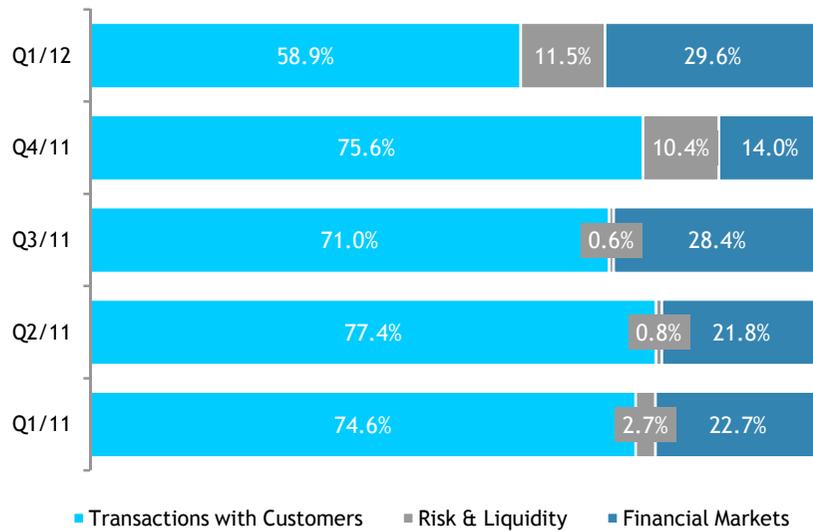
Net Fee and Commission Income, Q1/12 by Business Lines  
(PLN M)



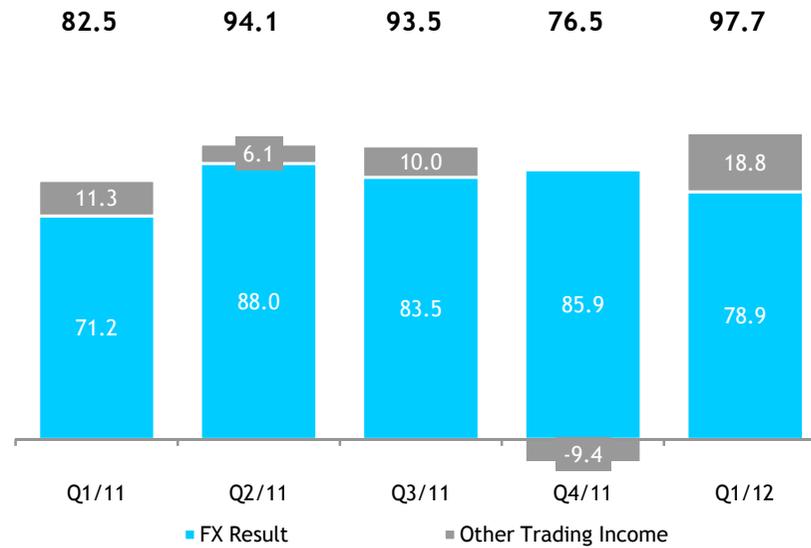
# Appendix

## Additional Information: Selected Financial Data Trading Income

Share of Client Driven Transactions in Net Trading Income (%)



Net Trading Income Structure (%)



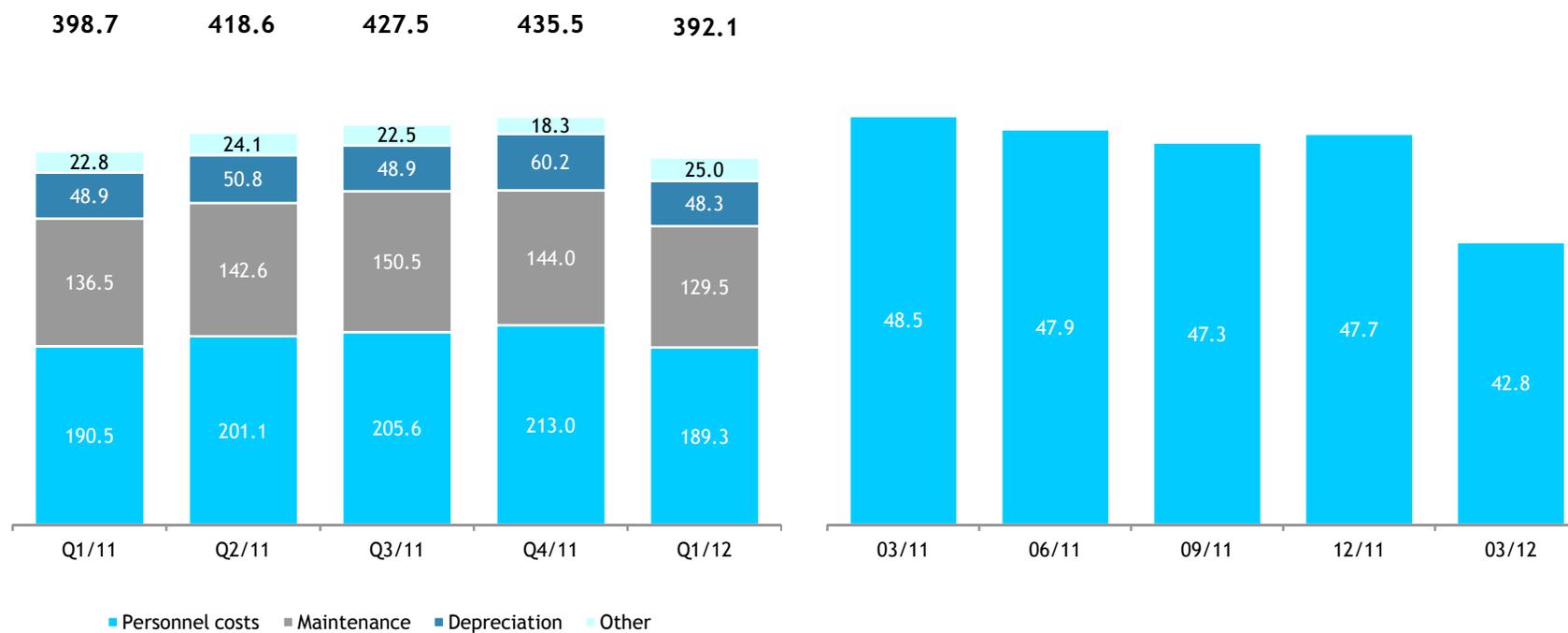
Note: 2011 results adjusted to reflect new presentation of SWAP points and operating leasing (see page 23 for more details)

# Appendix

## Additional Information: Selected Financial Data Administrative Expenses Structure

Overhead Costs and Depreciation  
(PLN M)

C/I Ratio of BRE Bank Group  
(%, as at the end of period)

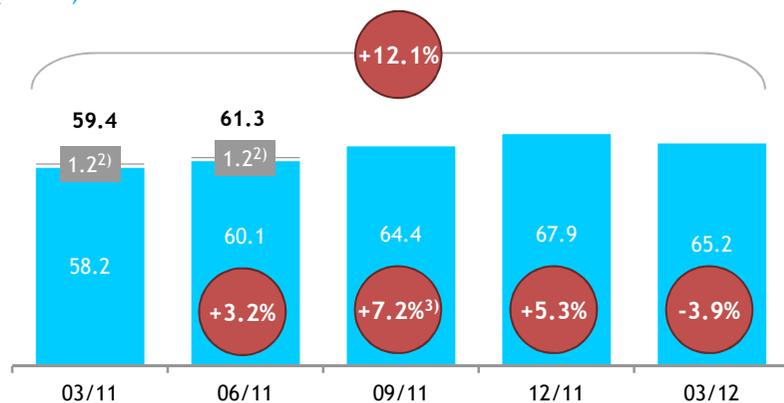


Note: 2011 results adjusted to reflect new presentation of operating leasing (see page 23 for more details)

# Appendix

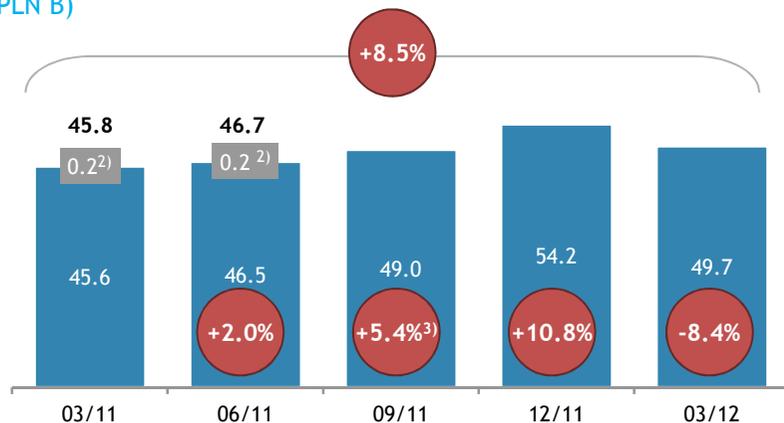
## Additional Information: Selected Financial Data Loans and Deposits

Net Loans  
(PLN B)



	BRE Bank <sup>1)</sup>		Market <sup>1)</sup>
QoQ	-3.6%	↓	-1.3% ↓
YoY	+11.5%	↑	+11.5% ↑

Deposits  
(PLN B)



	BRE Bank		Market
QoQ	-8.4%	↓	-1.7% ↓
YoY	+8.9%	↑	+10.8% ↑

<sup>1)</sup> Data based on gross loans

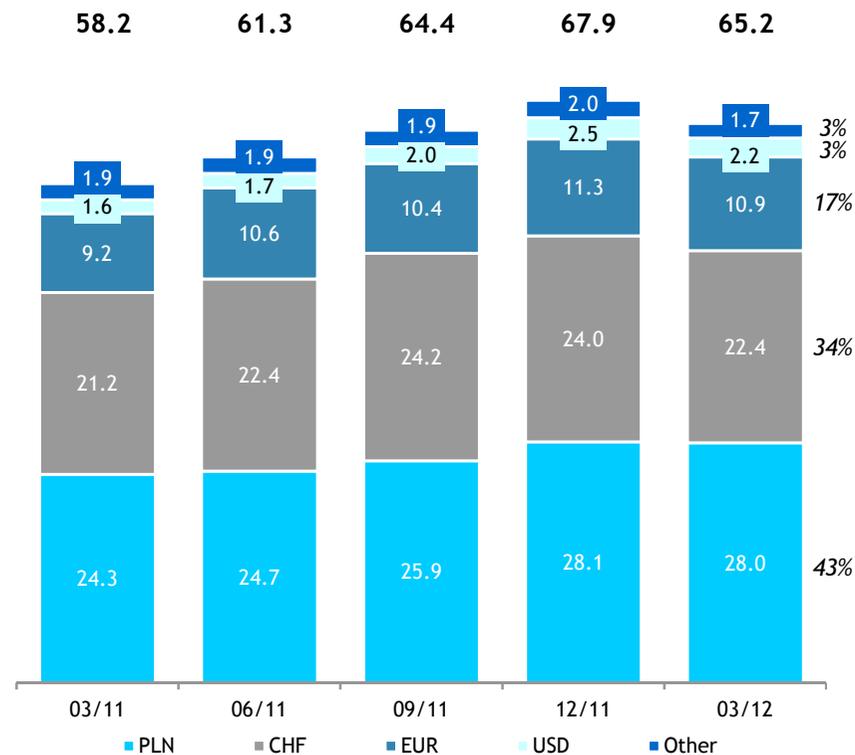
<sup>2)</sup> Intermarket Bank and Magyar Factor

<sup>3)</sup> QoQ growth excluding loans and deposits of Intermarket Bank and Magyar Factor in Q2/11

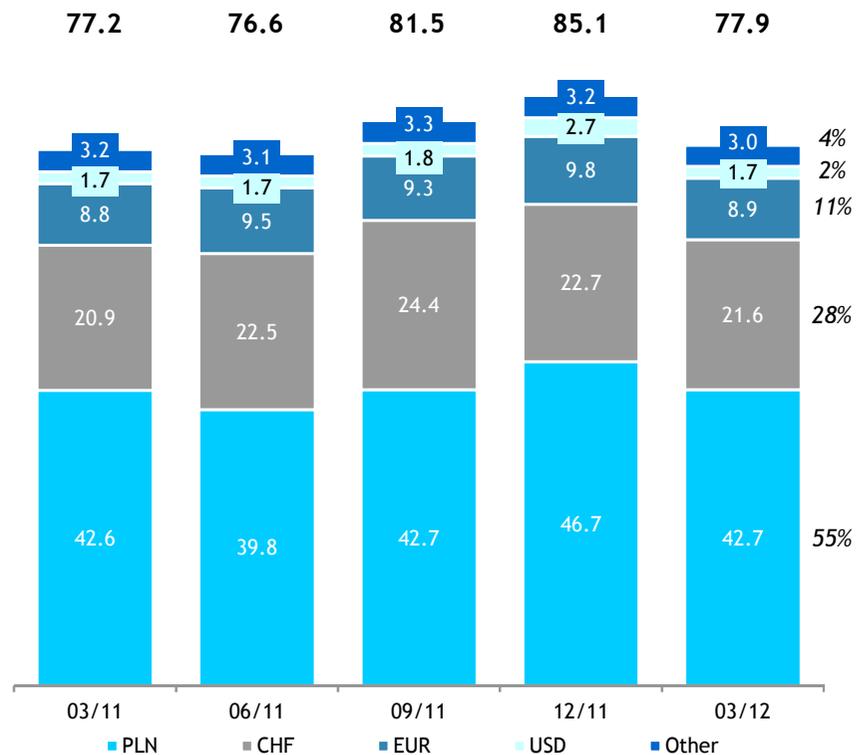
# Appendix

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

Currency Structure of Loans (net)  
(PLN B)



Currency Structure of Amounts due to banks and customers<sup>1)</sup>  
(PLN B)

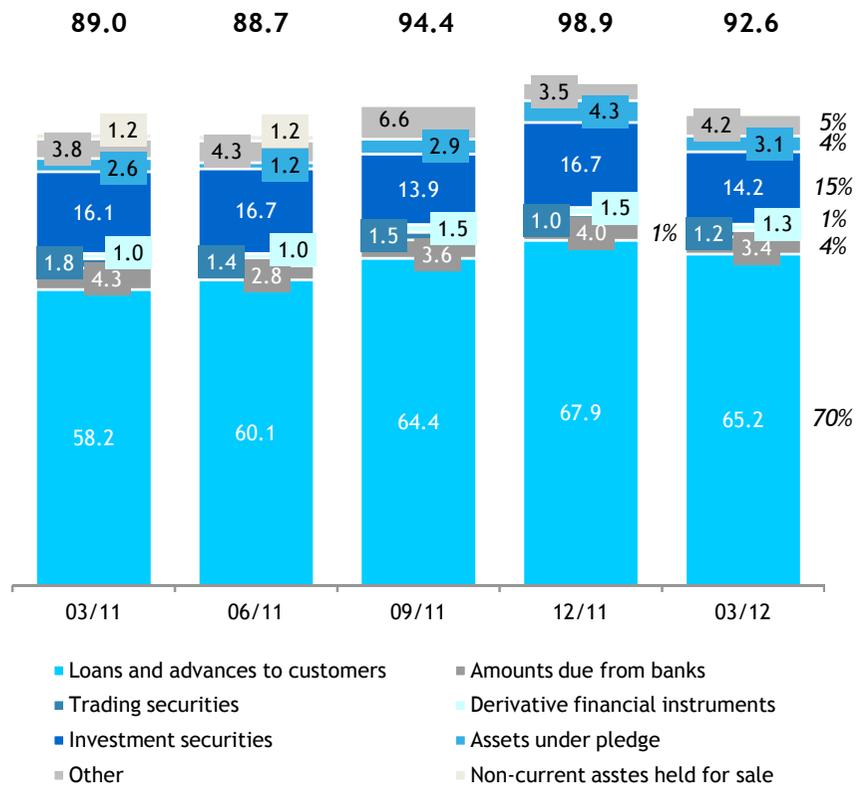


<sup>1)</sup> incl. amounts due to other banks and customers and subordinated liabilities

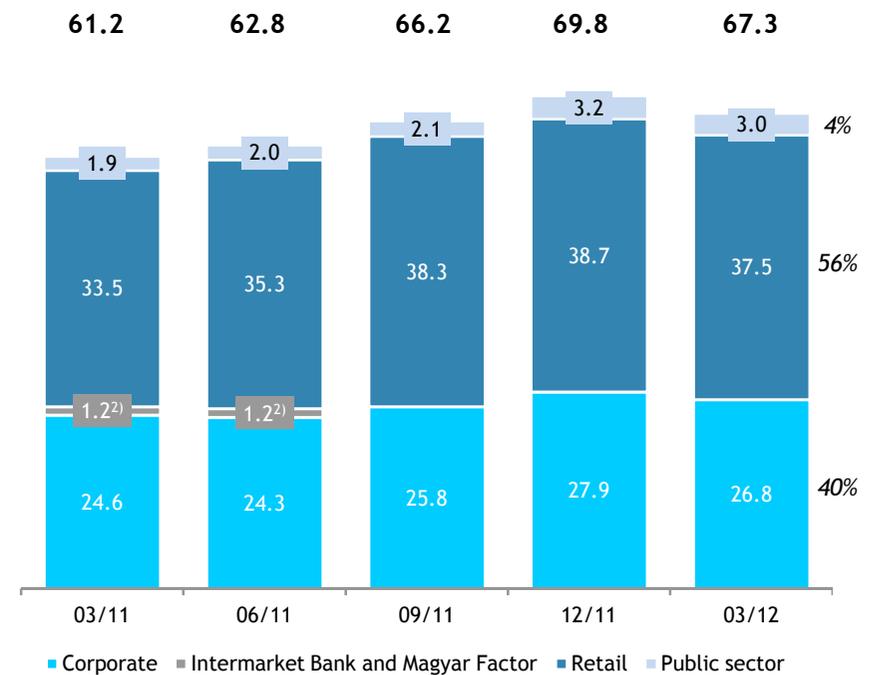
# Appendix

## Additional Information: Selected Financial Data Balance Sheet Analysis: Assets

Structure of Assets  
(PLN B)



Loans and Advances to Customers<sup>1)</sup>  
Portfolio by Customer Category (PLN B)



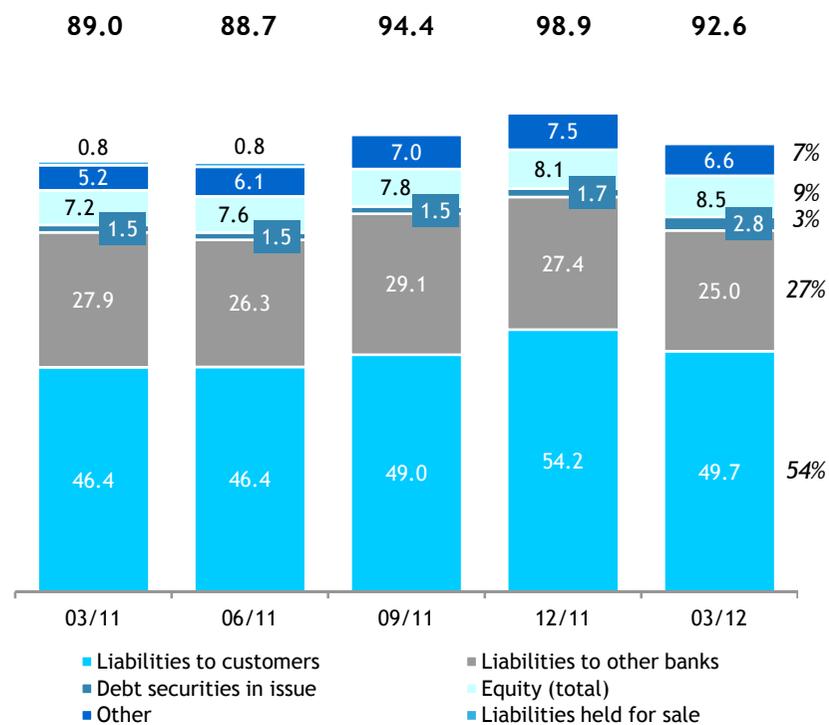
<sup>1)</sup> Gross loans and advances to customers (excl. 'other advances')

<sup>2)</sup> Intermarket Bank and Magyar Factor

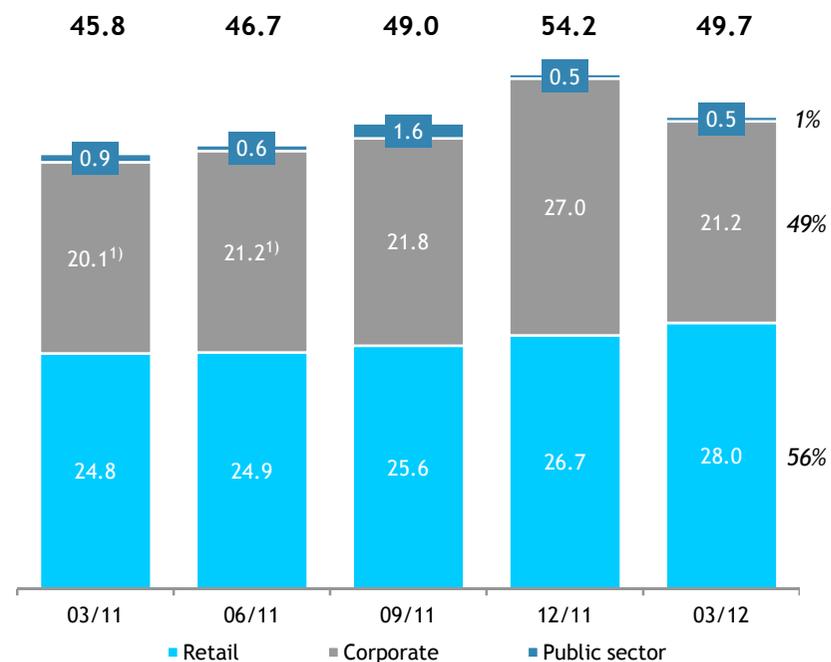
# Appendix

## Additional Information: Selected Financial Data Balance Sheet Analysis: Liabilities

Structure of Liabilities  
(PLN B)



Structure of Deposits  
(PLN B)

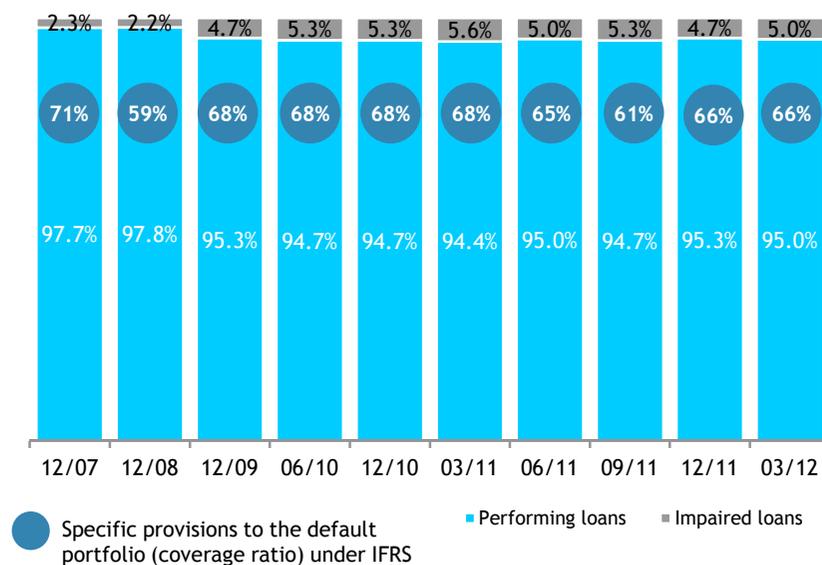


<sup>1)</sup> Incl. Intermarket Bank and Magyar Factor

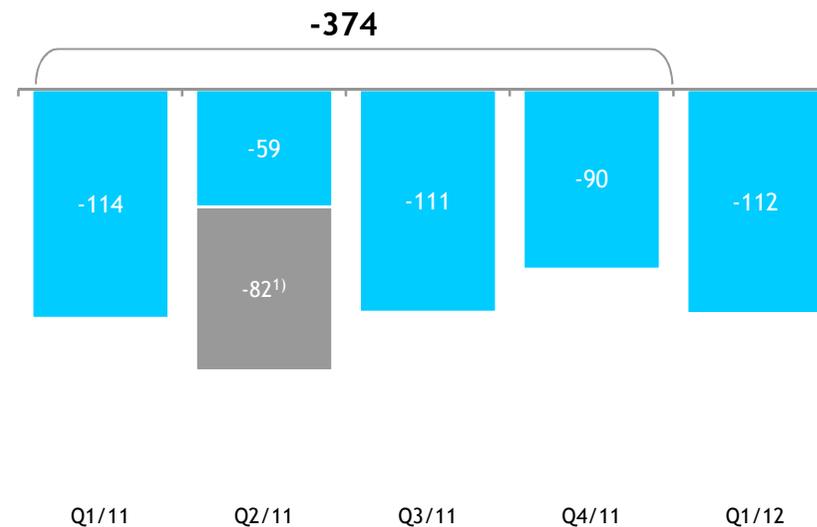
# Appendix

## Additional Information: Selected Financial Data Quality of BRE Bank Group's Loan Portfolio

Quality of the Loan Portfolio of BRE Bank Group



Impairment losses on loans and advances (consolidated data, PLN M)



NPL in Corporate and Retail Loan Portfolios (BRE Bank only, under NBP rules<sup>2)</sup>) (%)

	12/09	03/10	06/10	09/10	12/10	03/11	06/11	09/11	12/11	03/12
Corporate	8.7	9.8	11.2	11.9	11.8	11.4	10.8	10.9	9.6	10.0
Retail	2.4	2.8	2.9	3.2	3.3	3.6	2.3	2.3	2.6	2.7
<b>Total</b>	<b>4.6</b>	<b>5.2</b>	<b>5.5</b>	<b>5.9</b>	<b>5.9</b>	<b>6.1</b>	<b>5.0</b>	<b>4.9</b>	<b>4.9</b>	<b>5.2</b>

<sup>1)</sup> one-off effect of Retail NPL portfolio sale

<sup>2)</sup> NPLs under NBP rules (balance-sheet NPLs to total loans)

# Appendix

## Detailed Results of the Business Lines Q1/12

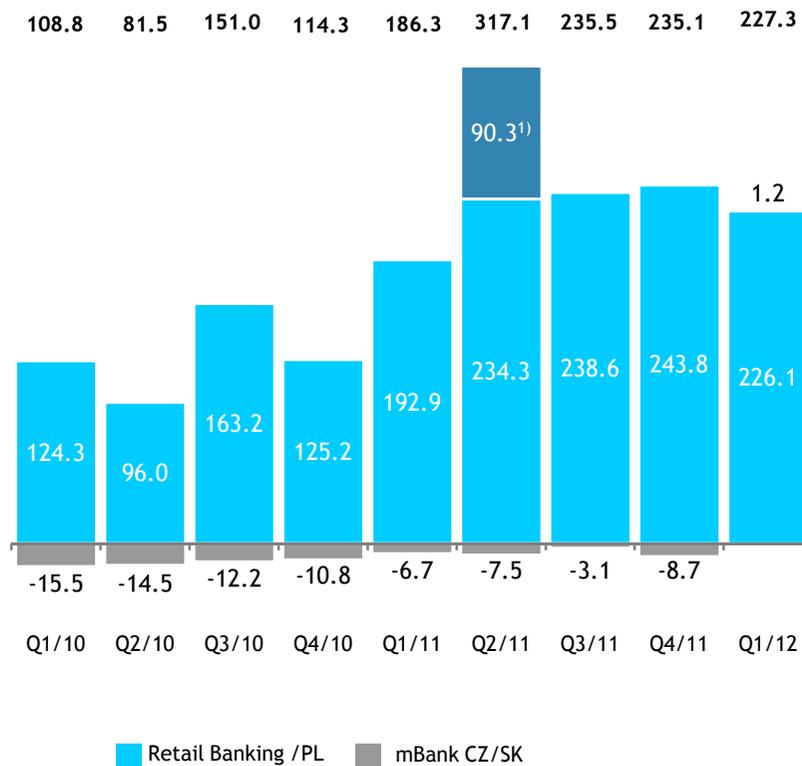
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Retail Banking

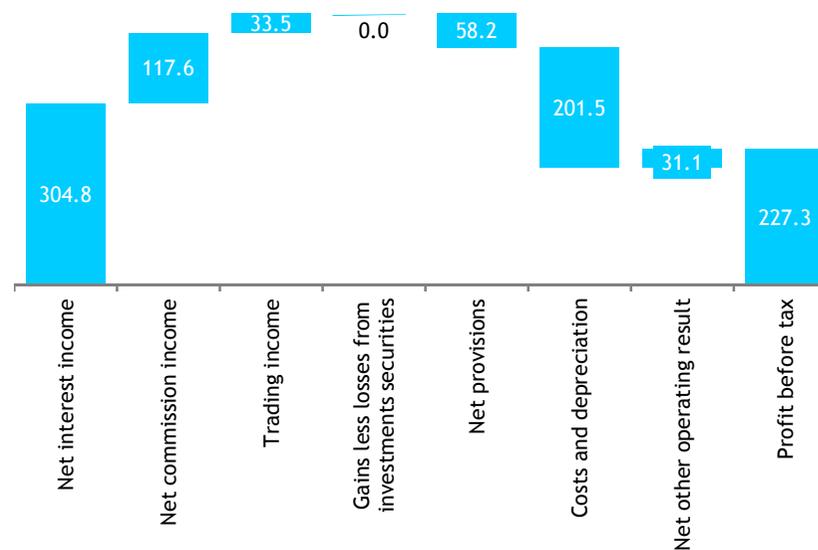
# Appendix

## BRE Bank Retail Banking Summary of Q1/12: Financial Results

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



Structure of the Profit before Tax of Retail Banking<sup>2)</sup> in Q1/12  
(PLN M)



<sup>1)</sup> Impact of the sale of the non-performing retail loan portfolio

<sup>2)</sup> Incl. BRE Ubezpieczenia, BRE Wealth Mgt., Aspiro and consolidation adjustments

# Appendix

## BRE Bank Retail Banking (Poland) Customer Acquisition and Volume Trends

Data as of 31.03.2012

End of 12/11

Change

End of 03/12



3.36 M	clients	+1.3%	3.40 M
4.7 M	accounts	+1.2%	4.7 M
21.2 B	deposits (PLN)	+8.8%	23.0 B
35.7 B	loans (PLN)	-3.0%	34.7 B
29.0 B	thereof: mortgages (PLN)	-4.4%	27.7 B

# Appendix

## BRE Bank Retail Banking foreign operations (CZ/SK) Customer Acquisition and Volume Trends

Data as of 31.03.2012



End of 12/11

Change

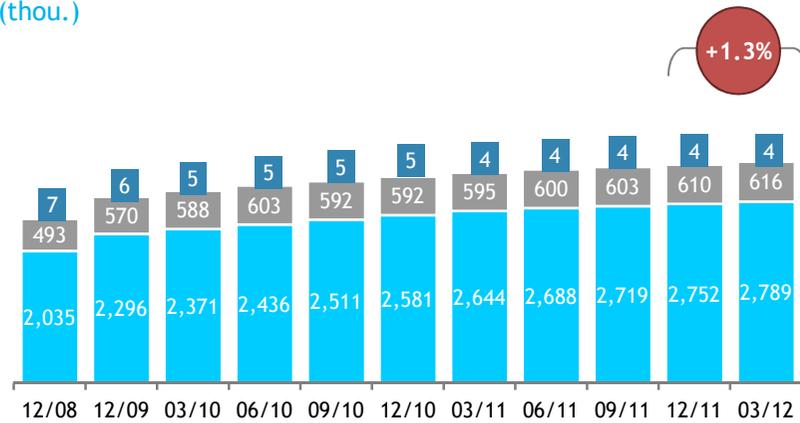
End of 03/12

527.0 thou.	customers	+2.2%	538.8 thou.
1,004.5 thou.	accounts	+2.3%	1,027.4 thou.
829.1 M	deposits (EUR)	+4.5%	866.1 M
376.2 M	loans (EUR)	+4.4%	392.8 M

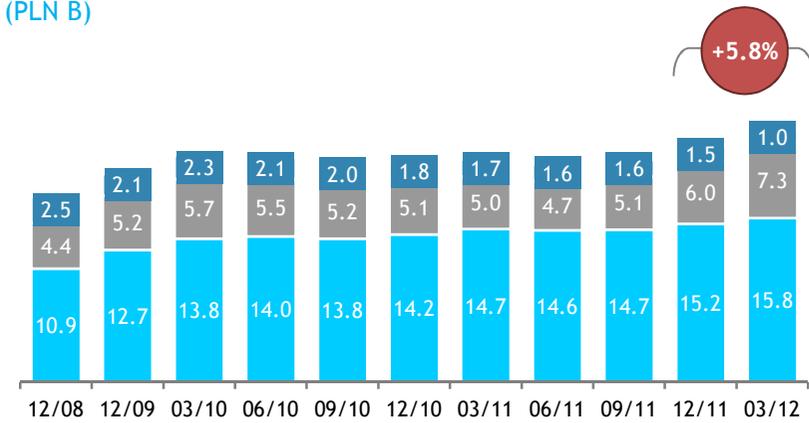
# Appendix

## BRE Bank Retail Banking (Poland) Clients & volumes

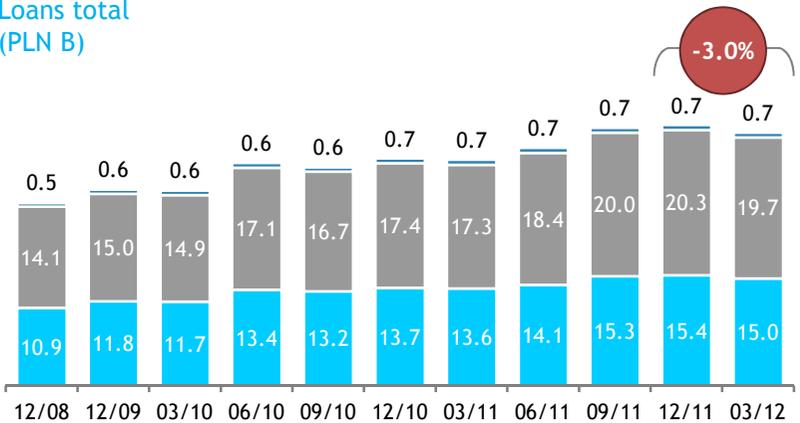
Clients  
(thou.)



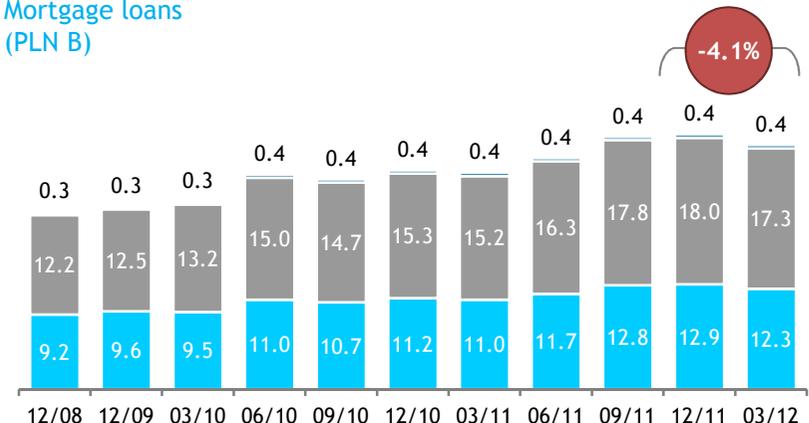
Deposits  
(PLN B)



Loans total  
(PLN B)



Mortgage loans  
(PLN B)

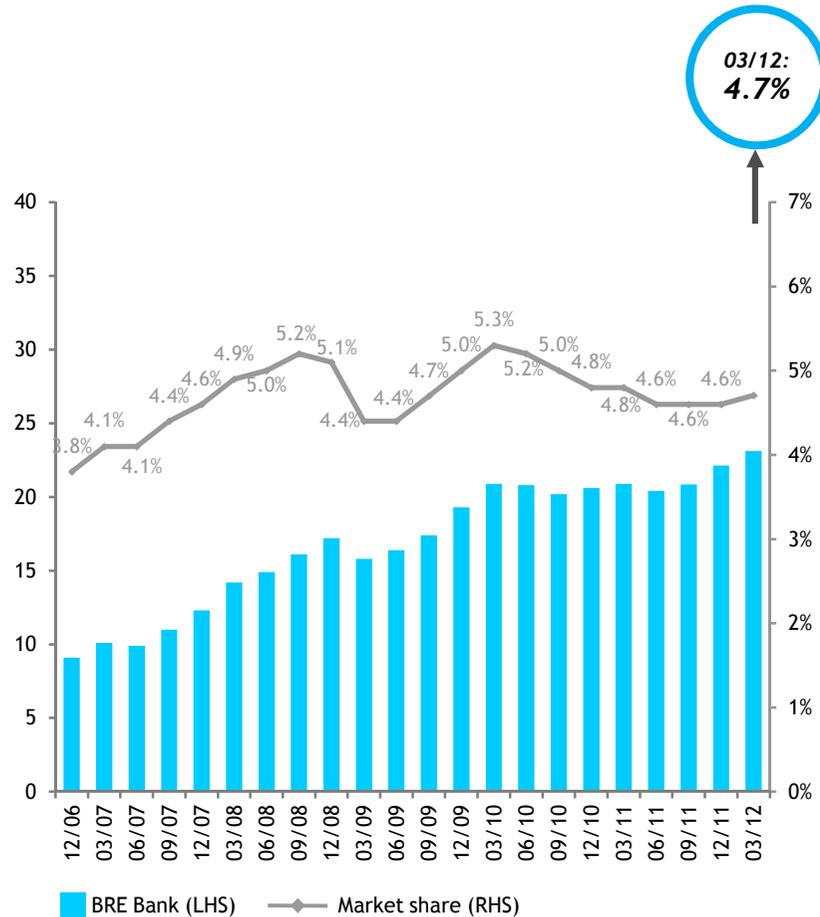


■ mBank/PL   ■ MultiBank   ■ Private Banking

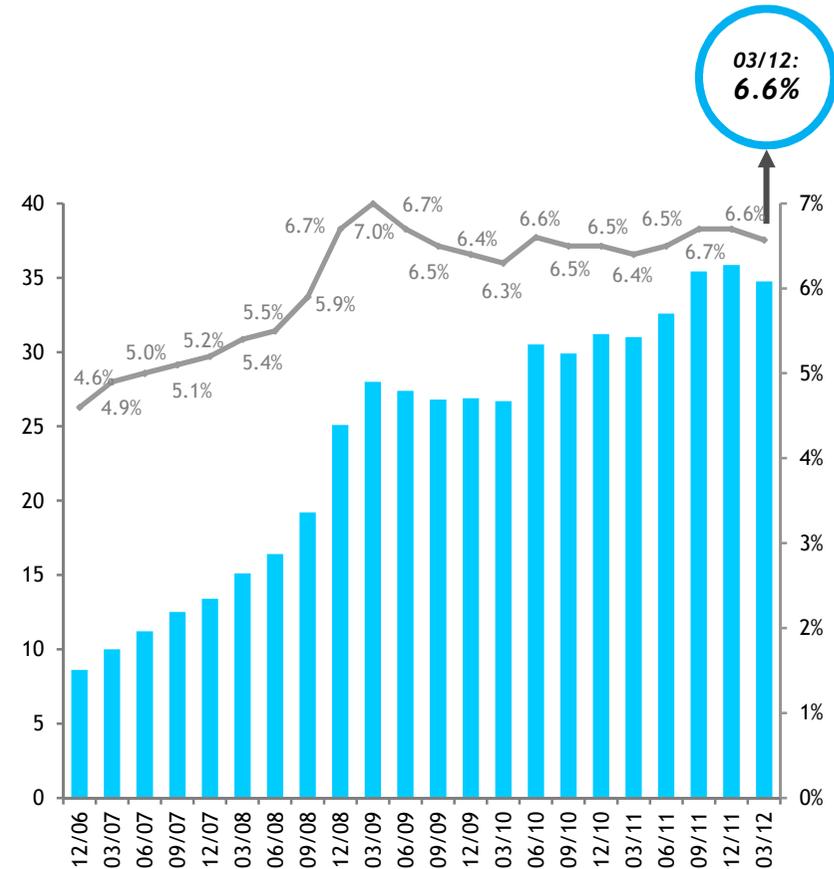
# Appendix

## BRE Bank Retail Banking Deposits & Loans: Market Shares

Household Deposits<sup>1)</sup>  
(PLN B)



Household Loans<sup>1)</sup>  
(PLN B)



<sup>1)</sup> Residents only. Household deposits and loan volumes do not include micro and small enterprises (classified as Retail customers in BRE Bank)  
Since 03/10 NBP changed data presentation, market shares recalculated in accordance with NBP methodology

# Appendix

## BRE Bank Retail Banking Mortgage Loans: Portfolio Structure and Quality

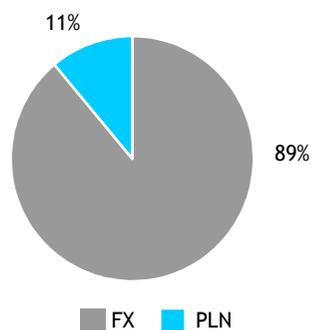
BRE Bank's Mortgage Loan Portfolio  
(Retail Banking<sup>1)</sup> loans to individuals)

Balance-sheet value (PLN B)	27.7
Average maturity (years)	22.1
Average value per loan (PLN thou.)	290.4
Average LTV (%)	82.1
NPL (%)	1.4

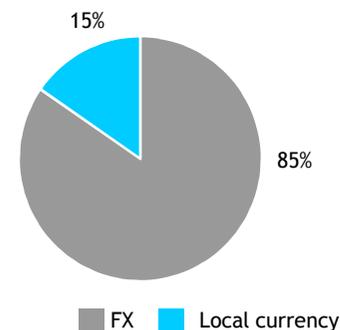
As of 31.03.2012

Currency Structure of Retail Banking Mortgage Loan Portfolio  
(Household Loans) at 31.03.2012

in Poland

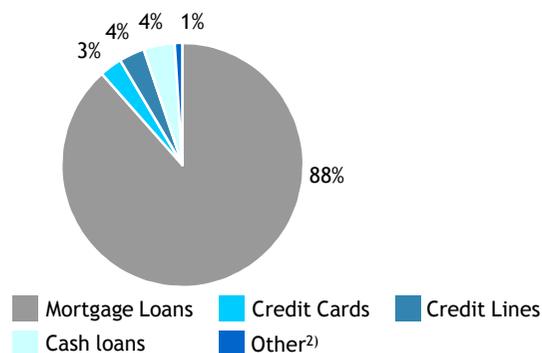


in Poland, Czech Republic & Slovakia

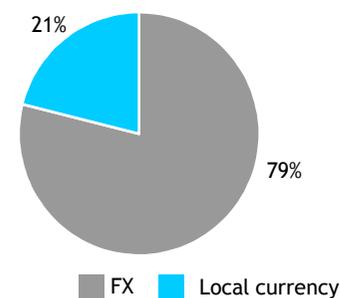


Structure of the Retail Banking<sup>1)</sup> Loan Portfolio  
(Household Loans) at 31.03.2012

By loan type



By currency



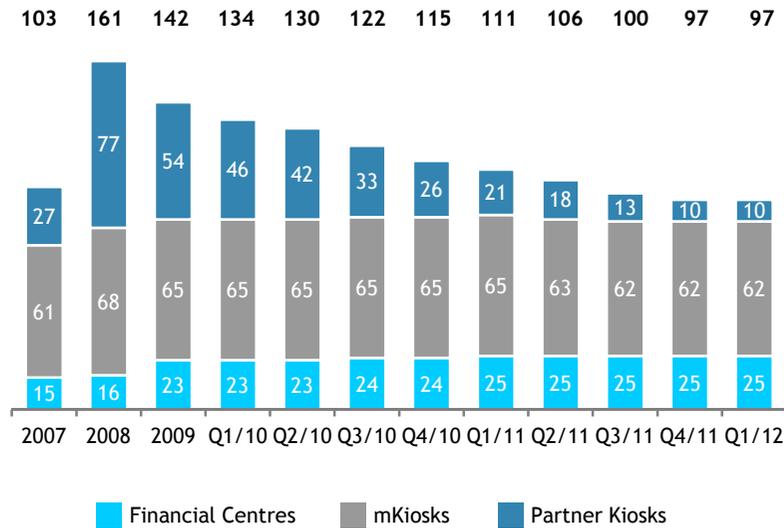
<sup>1)</sup> mBank/PL and MultiBank

<sup>2)</sup> 'Other' includes mainly car loans, loans for goods, services and stocks

# Appendix

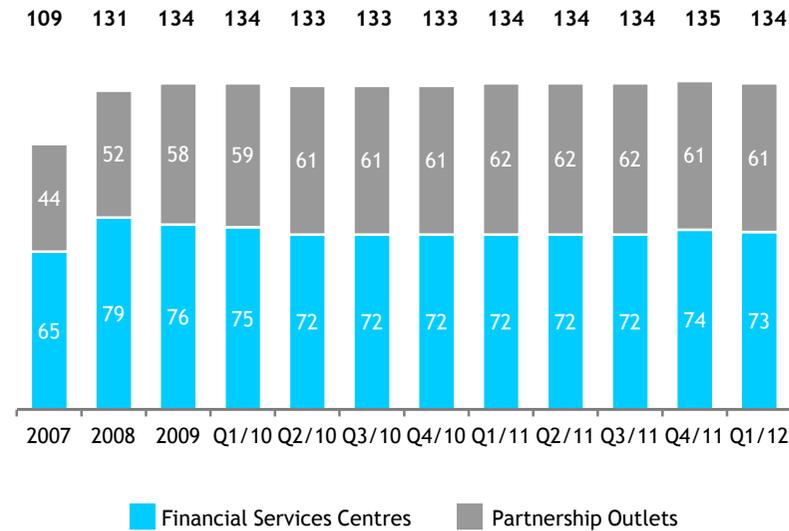
## BRE Bank Retail Banking Distribution Network

Aspiro Distribution Network (in Poland)



- Aspiro is a dedicated subsidiary managing mBank's distribution network
- Aspiro offers a wide range of financial products of BRE Bank Group and third parties
- As of 31 March 2012 the network comprises 97 locations across Poland as well as 30 Agent Service Points

MultiBank Branches (in Poland)

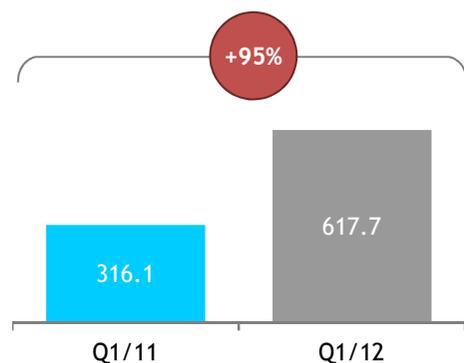


- MultiBank operated a network of 134 branches at the end of Q1/12

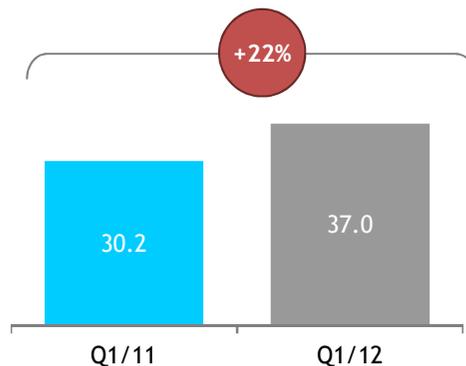
# Appendix

## BRE Bank Retail Banking BRE Ubezpieczenia (BRE Insurance)

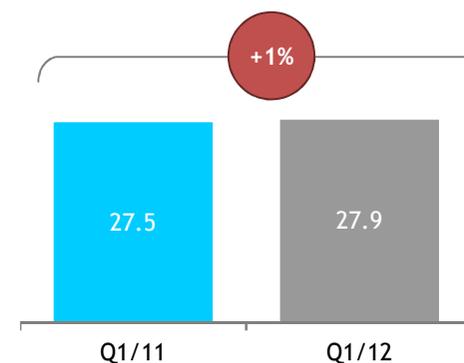
Bancassurance Retail  
Gross Written Premiums (PLN M)



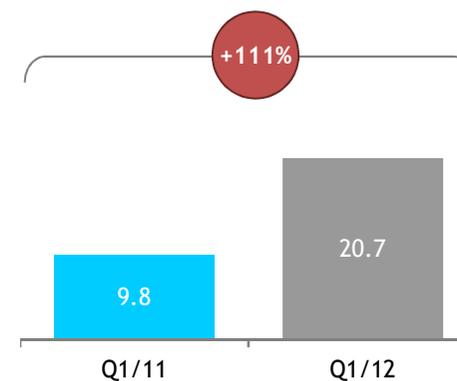
Direct Insurance (Internet platform)  
Gross Written Premiums (PLN M)



Co-operation with BRE Leasing  
Gross Written Premiums (PLN M)



Profit before Tax<sup>1)</sup> (PLN M)



- Positive results in all lines of business
- BRE Bank Retail Banking Internet Platform - key figures in Q1/12:
  - 80.6 thou. car insurance contracts
  - 12.1 thou. travel insurance contracts
  - PLN 37 M of gross premium written

<sup>1)</sup> Gross profit of BRE Ubezpieczenia according to its statutory financial statements (including deferred acquisition costs)

# Appendix

## Detailed Results of the Business Lines Q1/12

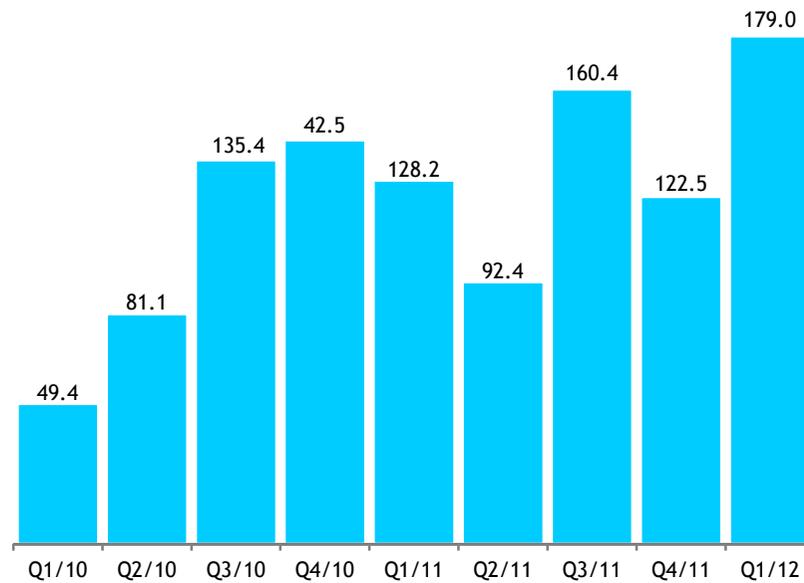
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### Corporates & Financial Markets

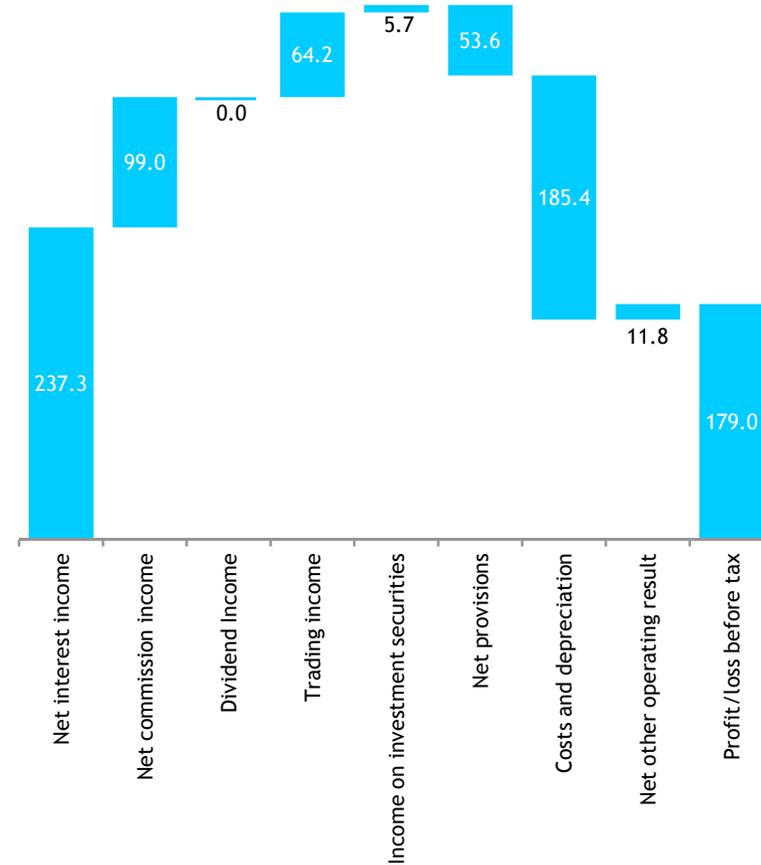
# Appendix

## Corporates and Financial Markets Summary of Q1/12: Financial Results

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

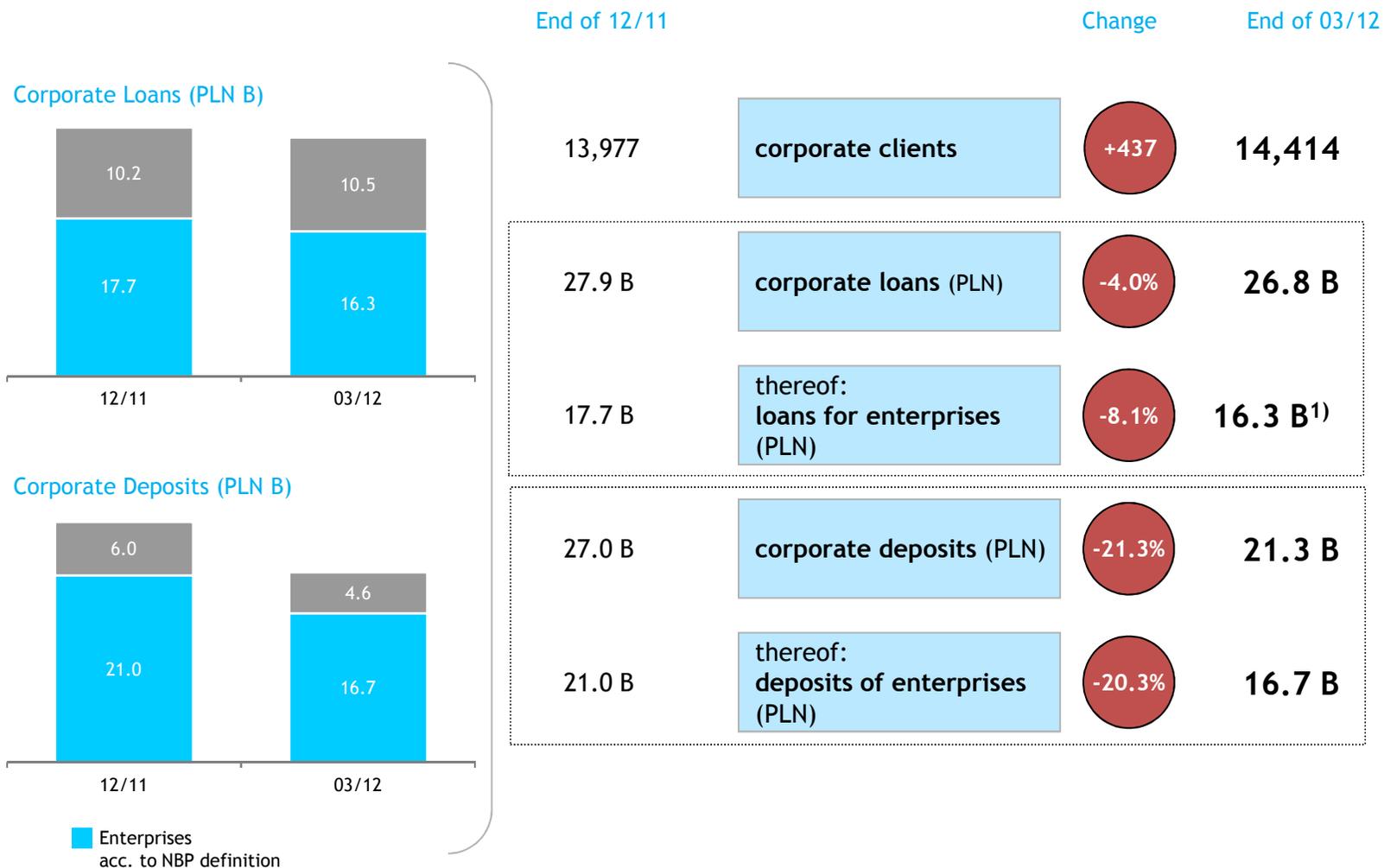


Structure of the Result before Tax of the Segment in Q1/12  
(PLN M)



# Appendix

## Corporates and Institutions Customer Acquisition and Volume Trends

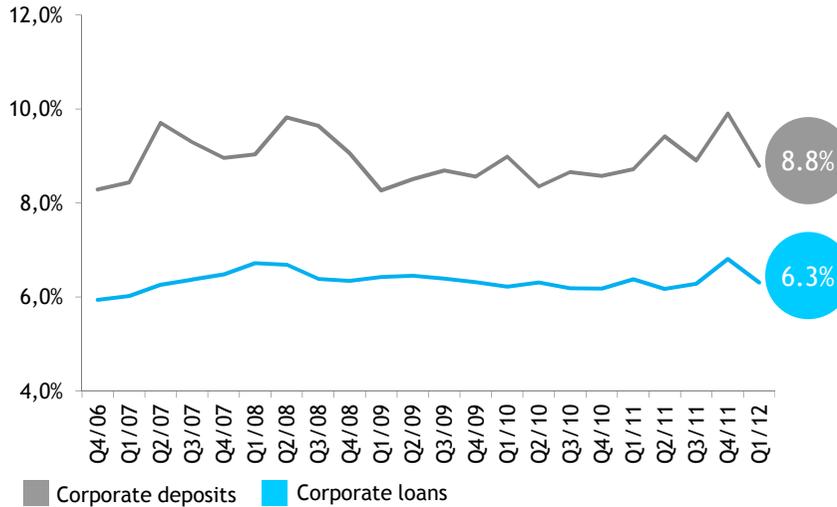


<sup>1)</sup> Taking into account that ca PLN 1.6 billion of securities previously presented under loans to enterprises were moved to “Securities” (changes in methodology of presentation of securities in the reporting system WEBIS), loan portfolio to enterprises at the end of March 2012 was higher by 1.1% compared to Q4/11

# Appendix

## Corporates and Institutions Loans & Deposits: Market Share<sup>1)</sup>

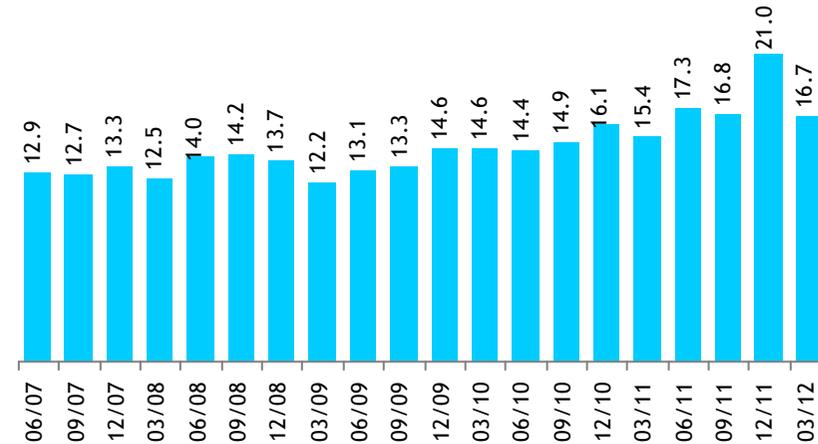
BRE Bank's Market Share in Corporate Loans and Deposits  
01/07 - 03/12



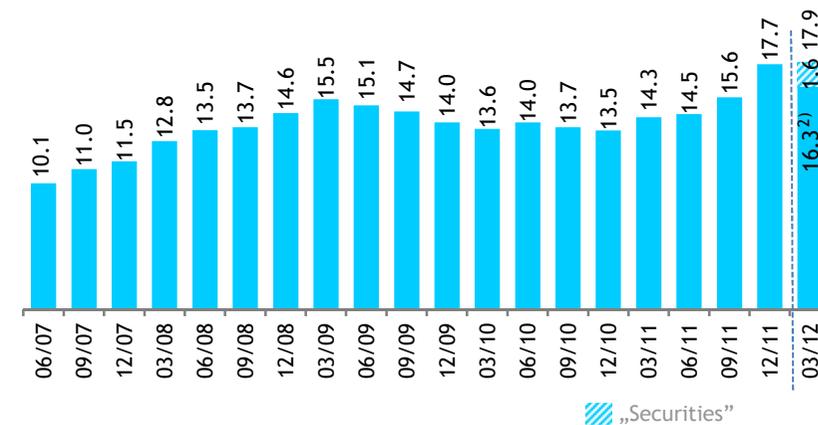
Note: market share based on the NBP reports

- **PLN 16.7 B of corporate deposits** in BRE Bank at the end of Q1/12 (down by 20.3% YtD and up by 8.8% QoQ)
- **PLN 16.3 B of corporate loans** in BRE Bank at the end of Q1/12 (down by 8.1% YtD and up by 13.7% QoQ), actual value of PLN 17.9 B under constant NBP methodology

Corporate<sup>1)</sup> Deposit Volume  
(BRE Bank only, PLN B)



Corporate<sup>1)</sup> Loan Volume  
(BRE Bank only, PLN B)



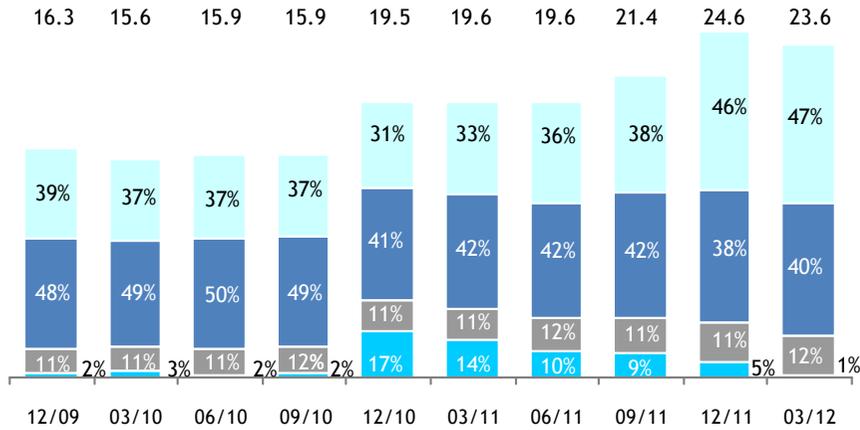
/// „Securities”

<sup>1)</sup> i.e. enterprises according to NBP (include only state, private and co-operative companies)  
<sup>2)</sup> Corporate loan volume according to current NBP rules

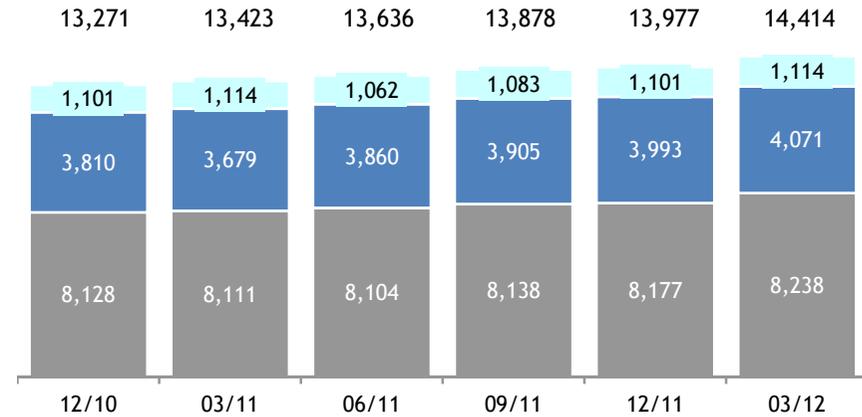
# Appendix

## Corporates and Institutions Client Base and Development of Loans and Deposits

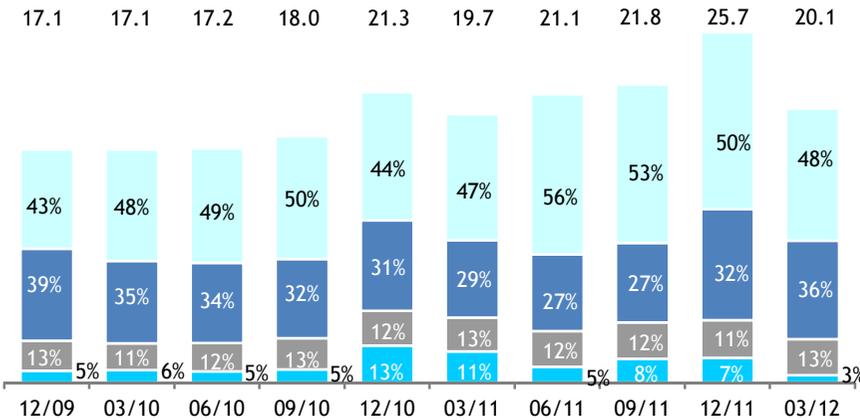
Corporate Clients' Loan Volume  
(BRE Bank, PLN B)



Corporate Clients:  
Number and Structure



Corporate Clients' Deposit Volume  
(BRE Bank, PLN B)



### Segments of corporate clients:

- K1 - is the segment of the largest corporations with annual sales over PLN 500 M
- K2 - is the segment of medium-sized corporations with annual sales between PLN 30 M and PLN 500 M
- K3 - is the segment of SMEs with annual sales between PLN 3 M and 30 M
- Reverse Repos & Repos

Customer segments K1, K2 and K3 include, besides enterprises, also public and non-bank financial institutions (leasing and insurance companies, pension funds etc.)

# Appendix

## Corporates and Institutions Leasing and Factoring

### Factoring Companies

#### BRE Faktoring (Poland)

- **PLN 4.3 M pre-tax profit in Q1/12 (-32.6% QoQ);**
- Sales at PLN 1.8 B in Q1/12 (-6.7% QoQ);
- **Ranked 5<sup>th</sup> in the Polish Factoring Association with a market share of 9.8% in Q1/12**

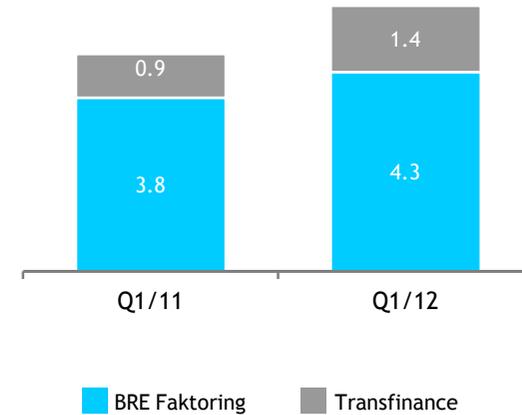
#### Transfinance (Czech Republic)

- **PLN 1.4 M pre-tax profit in Q1/12 (+55.7% QoQ);**
- Sales at PLN 0.8 B in Q1/12 (+6.9% QoQ);
- **Ranked 3<sup>rd</sup> in the Czech Association of Factoring Companies with a market share of 15.7% in Q1/12**

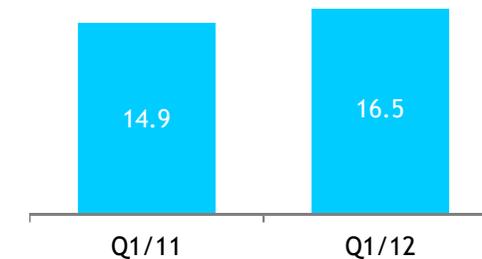
### BRE Leasing

- **PLN 16.5 M pre-tax profit in Q1/12 (+14.0% QoQ);**
- **Concluded leasing contracts:**
  - Total of PLN 458 M in Q1/12, -38.5% QoQ
- Increase of gross profit in Q1/12 due to reduction of administration costs;
- After Q1/12, BRE Leasing **ranked 3<sup>rd</sup> in the Polish market with 6.5% market share**

Profit before Tax (PLN M)



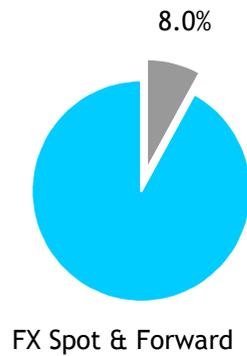
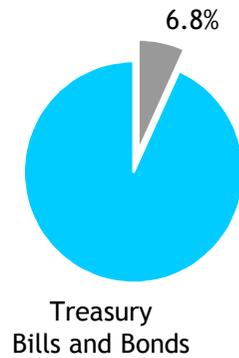
Profit before Tax (PLN M)



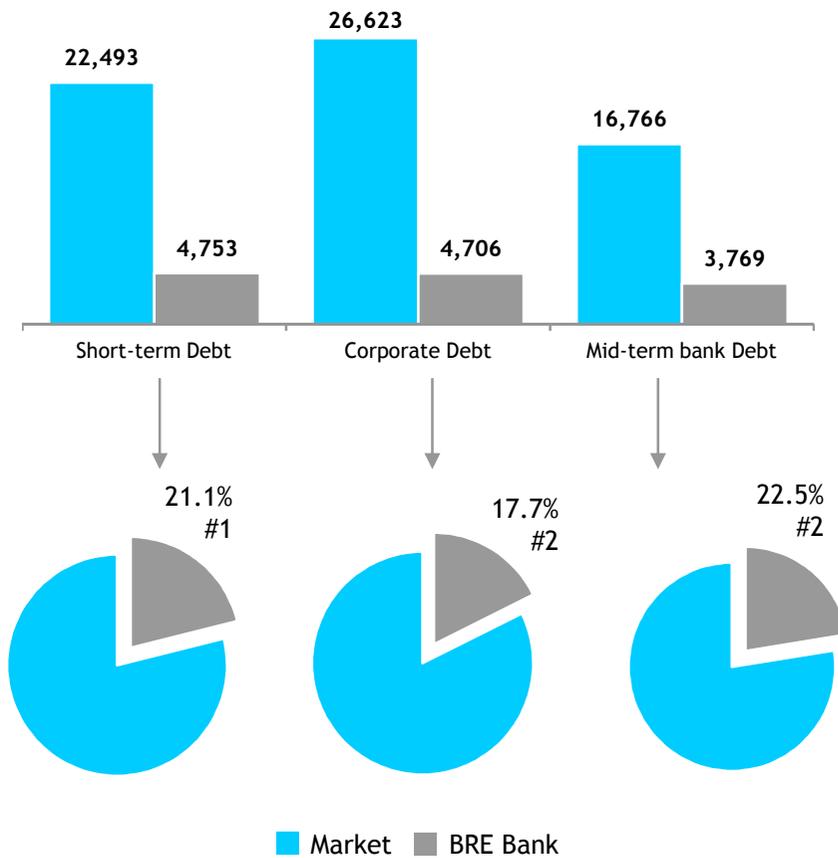
# Appendix

## Trading and Investment Activity Market Shares

BRE Bank's Market Share<sup>1)</sup>  
in Investment Banking Services



BRE Bank in the Market for Non-Treasury Debt<sup>2)</sup>  
for Q1/12 (PLN M)



<sup>1)</sup> As of 29.02.2012; calculations based on own and NBP data

<sup>2)</sup> After Fitch Polska S.A., Rating & Rynek, 31.03.2012 and own calculations (without BGK road bonds)

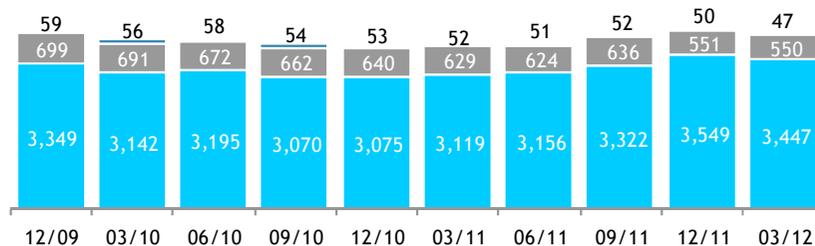
# Appendix

## Trading and Investment Activity BRE Bank Hipoteczny (BBH)

Loan Portfolio (PLN M)

Balance-sheet Exposure (net value)

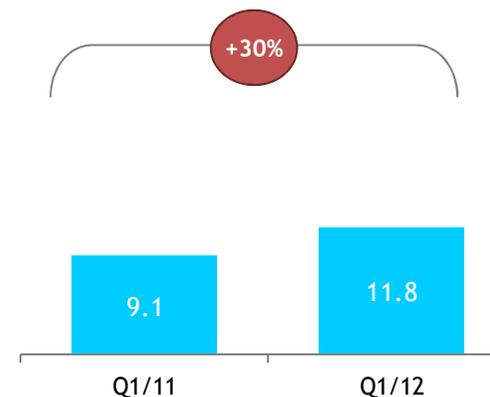
4,107 3,889 3,925 3,787 3,769 3,800 3,831 4,010 4,150 4,044



Commercial loans Local government loans Housing loans<sup>1)</sup>

- **BBH's total balance-sheet (net value) and off-balance-sheet loan portfolio at the end of Q1/12 stood at PLN 4.76 B, up by 6.9% YoY**
- **Housing developer loan portfolio at the end of Q1/12 at PLN 833.0 M (total net balance-sheet value and off-balance-sheet)**

Profit before Tax  
(PLN M)



- **PLN 11.8 M profit before tax in Q1/12, up by 30% YoY and up by 127% QoQ (PLN 5.2 M in Q4/11)**

<sup>1)</sup> In July 2004 BRE Bank Hipoteczny stopped granting loans to retail customers. The volume of housing loans represents the existing portfolio still managed by the Bank

# Appendix

## Trading and Investment Activity Dom Inwestycyjny BRE Banku (DI BRE)

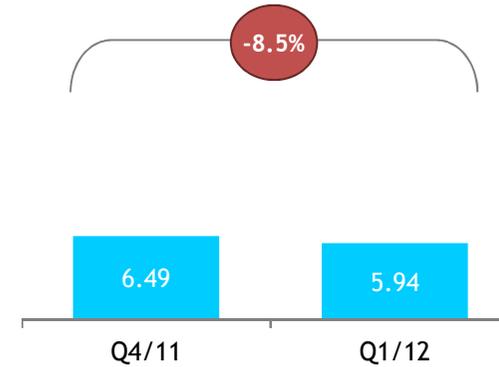
Number of Accounts with DI BRE  
Q1/12 (thou.)

DI BRE accounts	53.7
eBroker (mBank)	205.1
Brokerage Service (MultiBank)	35.8
<b>TOTAL</b>	<b>294.6</b>

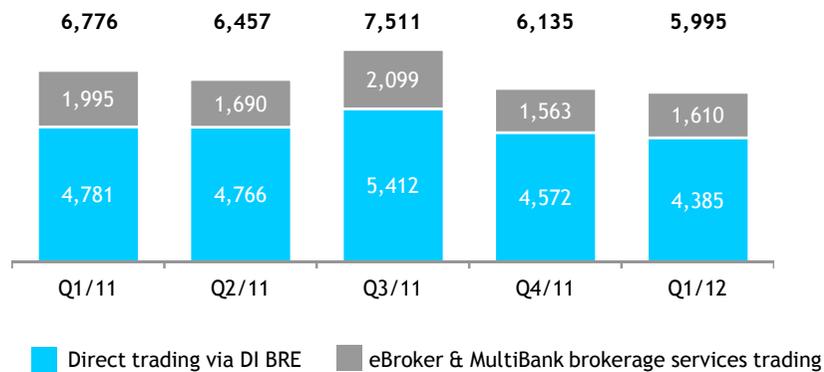
DI BRE Market Share in Q1/12, by volume<sup>1)</sup>

Equities	5.35 %	#7
Bonds	1.20 %	#9
Futures	14.90 %	#1
Options	5.65 %	#6

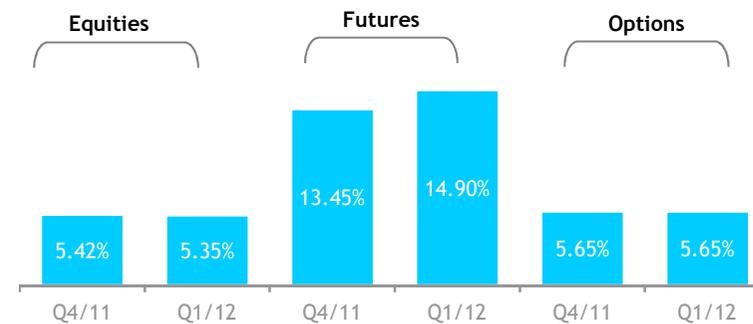
Profit before Tax  
(PLN M)



DI BRE Equities Trading  
(PLN M)



DI BRE Market Share in WSE Trading<sup>2)</sup>



<sup>1)</sup> Calculations based on WSE, DI data

<sup>2)</sup> Session trading

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