

Results of mBank Group Q1-Q4 2013

Delivering on our promises



Management Board of mBank S.A.

Investor Presentation

February 6, 2014



Key highlights of 2013

Solid results despite earnings headwinds

- NII lower by only 2.4%, despite 175 bps base rate reduction
- NFC up by 6.1%, despite interchange cut

Further improving efficiency

- Cost/Income ratio at 45.7%

Profit & Loss

Capital ratios surpassing regulatory requirements

- CAR at 19.4%
- Core Tier 1 at 14.2%

Further diversification of funding base

Liquidity ahead of strategic target level: LtD ratio at 110.6%

Capital & Liquidity

Net Profit of PLN 1,206 M ...

Volumes

Sound volume growth

- Gross customer loans at PLN 70.6 B (+1.6% YoY)
- Customer deposits at PLN 61.7 B (+6.4% YoY)

Towards higher interest yielding products

- New NML* production at PLN 3.7 B (+9.9% YoY)

Business development

More customer benefits

- New retail banking platform
- Consolidated corporate and investment banking offer

Strong client acquisition

- 4.368 M retail clients (+0.23 M) and 16,333 corporate clients (+1,238)

... at the top end of management guidance

* Non-mortgage retail loans

2013/2014 – Strategic Agenda

Delivering the strategy

2013

"One Bank Strategy" on track:

- Launch of New mBank
- Group rebranding
- Balance sheet management
- Reorganisation of corporate and investment banking into an integrated "One" offering

2014

- mBank Hipoteczny to issue Poland's first residential mortgage backed covered bonds
- Migration of MultiBank clients onto New mBank platform
- Roll-out of new "One Network" concept (scheduled until 2018), and more...

Fortifying the balance sheet and growing dividend

- Continued focus on sourcing diversified, long-dated and attractively priced funding
- Improving return on assets through change of lending mix and phase-out of heritage FX ML portfolio
- A capital accretive business model with increasing book value per share
- Policy to gradually increase dividend payments subject to satisfactory regulatory assessment and business needs

Strengthening of business growth

- Retail: Enhancing client acquisition through New mBank, growing NML sales, ensuring a stable deposit base, transactional banking

- Corporate: Continued client gains across segments, acceleration of lending and integrated corporate & IB offer to small and medium enterprises, strengthening business with financial clients

Agenda

mBank Group in 2013

Summary of Q4/13

Analysis of Q4/13 Results

Macroeconomic Update & Outlook

Appendix

Additional Information: Selected Financial Data

Detailed Results of Business Lines

mBank Group in 2013

Summary of Key Financials

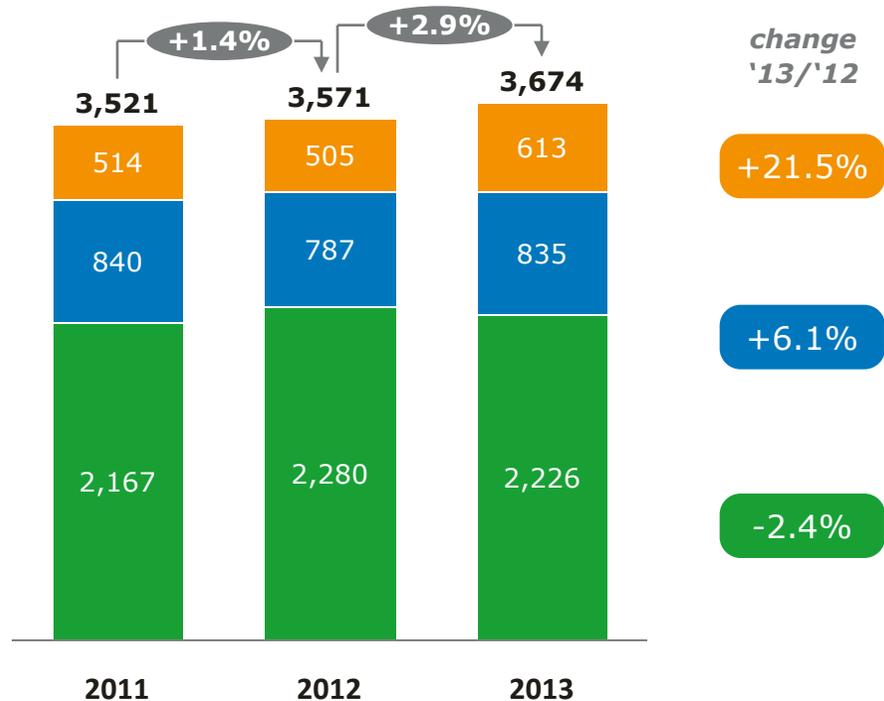
<i>in PLN M</i>	2011	2012	2013	Change '13/'12	
Net interest income	2,167	2,280	2,226		-2.4%
Net Fee & Commission income	840	787	835		+6.1%
Total income	3,521	3,571	3,674		+2.9%
Total costs	(1,680)	(1,661)	(1,678)		+1.0%
Loan Loss Provisions	(373)	(445)	(478)		+7.5%
Profit before tax	1,467	1,465	1,518		+3.6%
Net profit	1,135	1,197	1,206		+0.8%
Cost/Income ratio	47.7%	46.5%	45.7%		-0.8 p.p.
ROE net	16.4%	14.6%	13.1%		-1.5 p.p.
Core Tier 1	9.6%*	13.0%	14.2%		+1.2 p.p.
CAR	15.0%*	18.7%	19.4%		+0.7 p.p.

* Capital ratios calculated according to the standardized method. Since the end of 2012 the Bank has switched to AIRB method.
Note: 2012 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance.

mBank Group in 2013

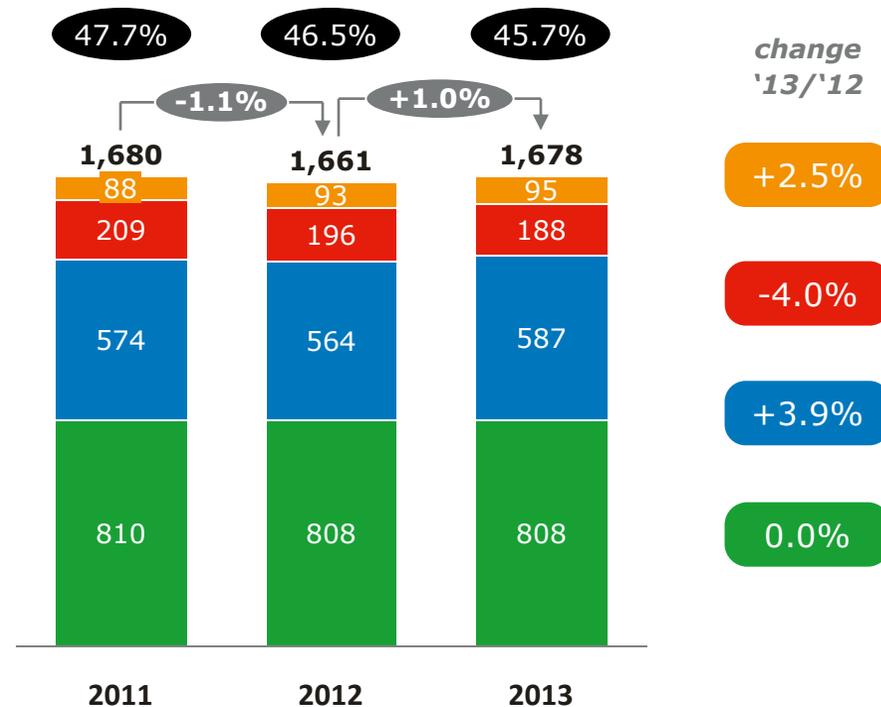
Development of Revenues and Costs

Development of Total Income
(PLN M)



- Net Interest Income
- Net Fee and Commission Income
- Trading and Other Income

Development of Total Costs
(PLN M)



- Personnel Costs
- Material Costs
- Depreciation & Amortization
- Other

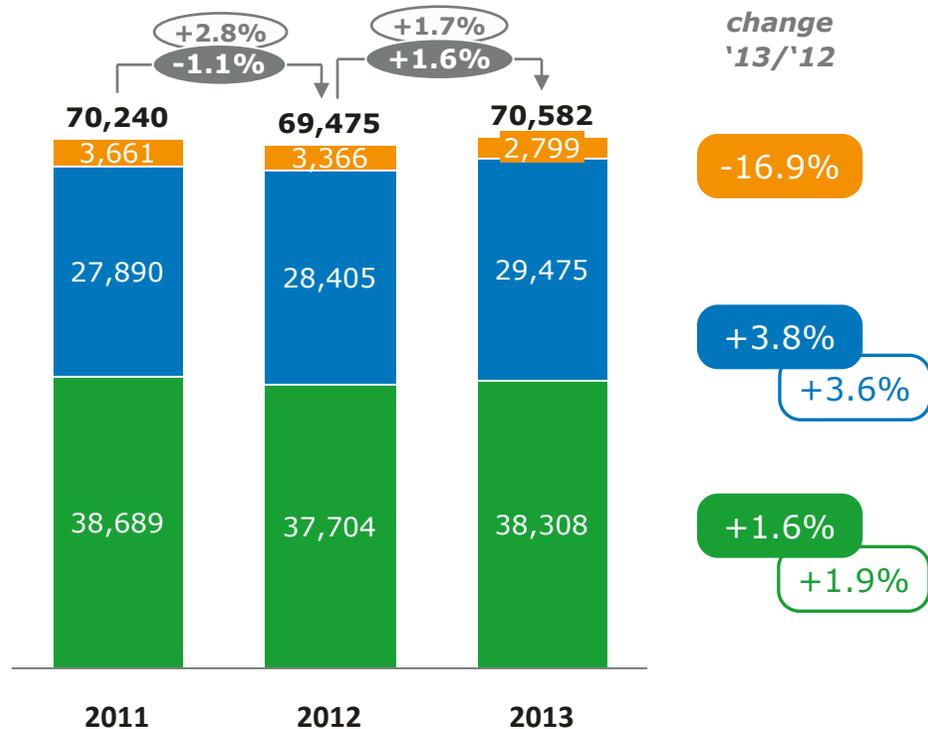
XX.X% Cost/Income ratio

Note: 2012 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance.

mBank Group in 2013

Development of Loans and Deposits

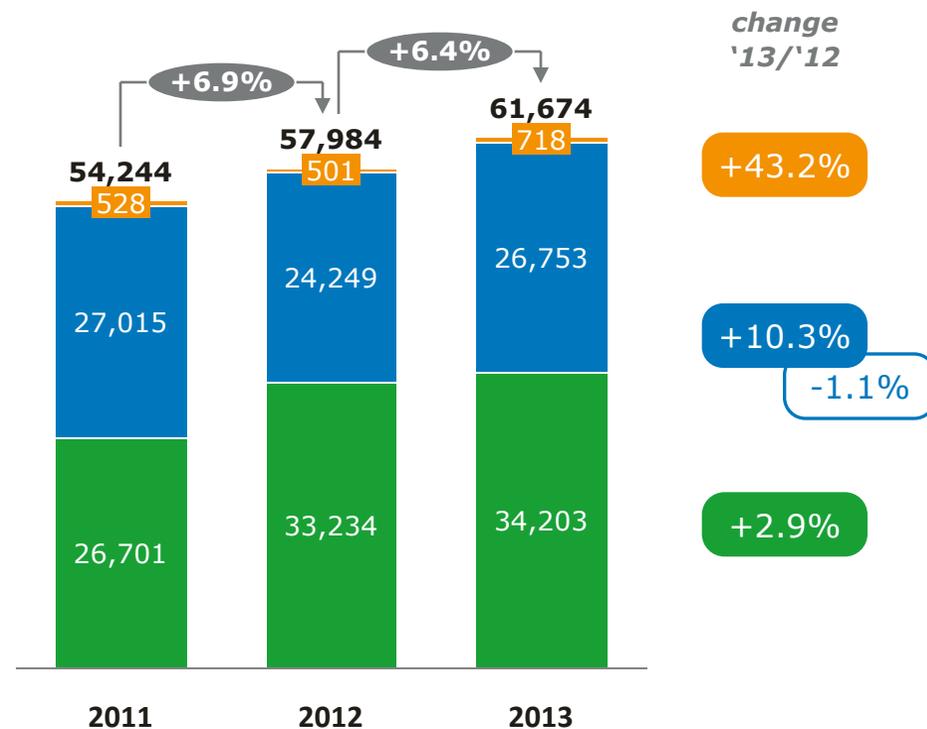
Development of Gross Loans
(PLN M)



- Individual clients
- Corporate clients
- Other (incl. Public sector)

+00.0% Excluding FX effect

Development of Deposits
(PLN M)



- Individual clients
- Corporate clients
- Public sector

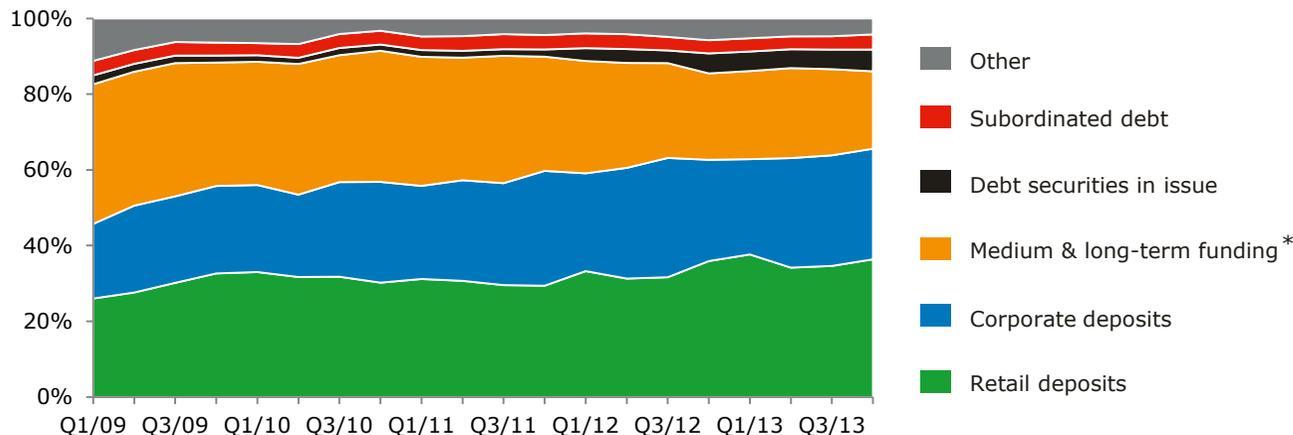
+00.0% Excluding Repo transactions

Note: 2012 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance.

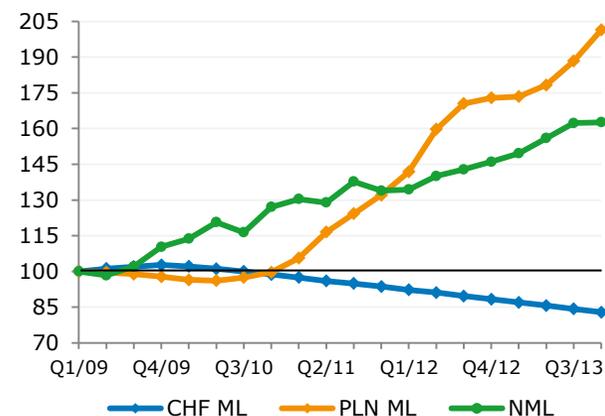
mBank Group in 2013

A more diversified funding base supporting a higher margin asset mix

Evolution of Funding mix



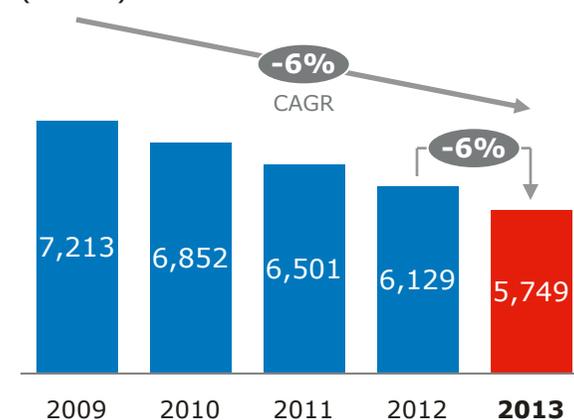
Development of Gross Loans by type (31.03.2009=100)



Selected transaction case studies

	Issue size	Issue date	Maturity date	Tenor	Coupon
Senior Unsecured Debt under EMTN programme	EUR 500 M	12-10-2012	12-10-2015	3.0 Y	2.75%
	CHF 200 M	08-10-2013	08-10-2018	5.0 Y	2.50%
	CZK 500 M	06-12-2013	06-12-2018	5.0 Y	2.32%
Issuance of subordinated debt (Tier II) by mBank	PLN 500 M	03-12-2013	20-12-2023	10.0 Y	WIBOR 6M + 225 bps
Mortgage covered bonds issued by mBank Hipoteczny	PLN 80 M	20-06-2013	21-06-2019	6.0 Y	WIBOR 6M + 100bps
	EUR 30 M	26-07-2013	28-07-2020	7.0 Y	2.75%
	EUR 50 M	22-11-2013	22-10-2018	4.9 Y	EURIBOR 3M + 113bps

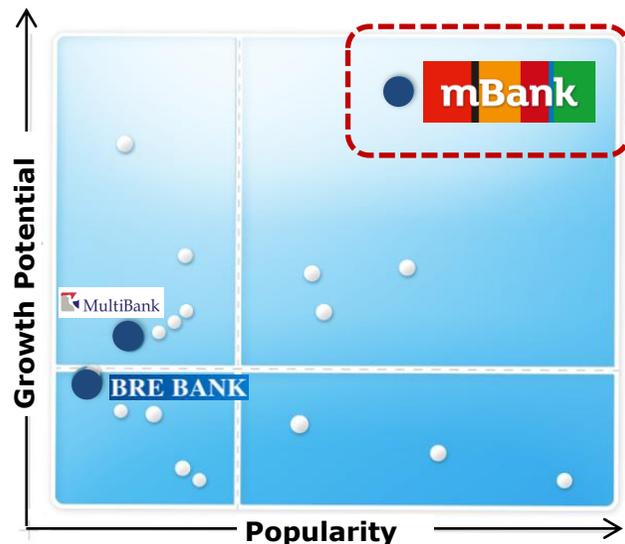
Gross CHF mortgage loans to Customers (CHF M)



* Mid-term and long-term loans granted by Commerzbank and other bilateral credit agreements

mBank Group in 2013

Rebranding



- **mBank** was the winner in the local classification of Value-D global ranking of brands by Millward Brown
 - **#1** among financials and ahead of popular brands like Tyskie (beer) or Play (telecom)
 - No other financial institution in any country topping the ranking

mBank 

 MultiBank

 BRE BANK SA

Has **set the standards** of state-of-the-art, comfortable and friendly **retail banking**

Award-winning platform **for demanding affluent clients** who appreciate high quality service and personal advisory

Full breath of highest-quality services for **corporate and private banking** clients

**Launched
Nov 25, 2013**

Now all in one place
under one brand

mBank

mBank Group in 2013

Launch of New mBank

Beginning – what built mBank's DNA?

2000

- **First-mover** — while broadband penetration was at 1% of households
- **"Young" team** — giving the chance to those who could imagine new banking
- **No branches** — while others were laying more bricks
- **No IT legacy** — creating new and great
- **Started from zero customers** — to hero among customers

Now – how are we reinventing ourselves?

Today

- **Fast decision-making** embedded culture
- **Flat structure** — IT project-based, deep business-IT collaboration
- **Innovators are rewarded** and recognised on Group level
- **"Best-in-class" branch distribution network** encompassing the former Multibank platform
- **Offering services beyond banking** that go in tandem with customer transaction experience

mBank Group in 2013

Awards & Distinctions

Awarded twice with "Best of Show" prize at FinovateEurope conference in London and FinovateFall in New York for the project of New mBank



#1 for the best institutions offering mobile banking;
#2 among traditional banks (for former MultiBank)



Recognized as "The Best Global and CEE Corporate/Institutional Internet Bank" offering "Best Online Treasury Services"



"The Best Foreign Exchange Provider in Poland"

"Best Private Banking in Poland"



Equity research analysts of bank's brokerage house among the leaders of the ranking



The best loyalty card of 2013 in Poland at the Polish Card Gala

New mBank – the most disruptive innovation in the world;
mBank – the best on-line and mobile bank, winning in the "Digital and Mobile Excellence" category

Bank's Private Banking with the highest service quality for the most affluent clients in Poland



#1 for "on-line financial report" and the prestigious "The Best of the Best" award for the best 2012 annual report, in the contest organised by the Tax and Accounting Institute

mBank Group in 2013

Share performance summary

mBank's index membership and weights*

WIG-30	WIG30	3.50%
WIG-20	WIG20	3.72%
WIG	WIG	2.19%
WIG-Banks	WIGbanki	7.02%
WIG-Poland	WIGPoland	2.21%
MSCI Emerging Markets		0.07%

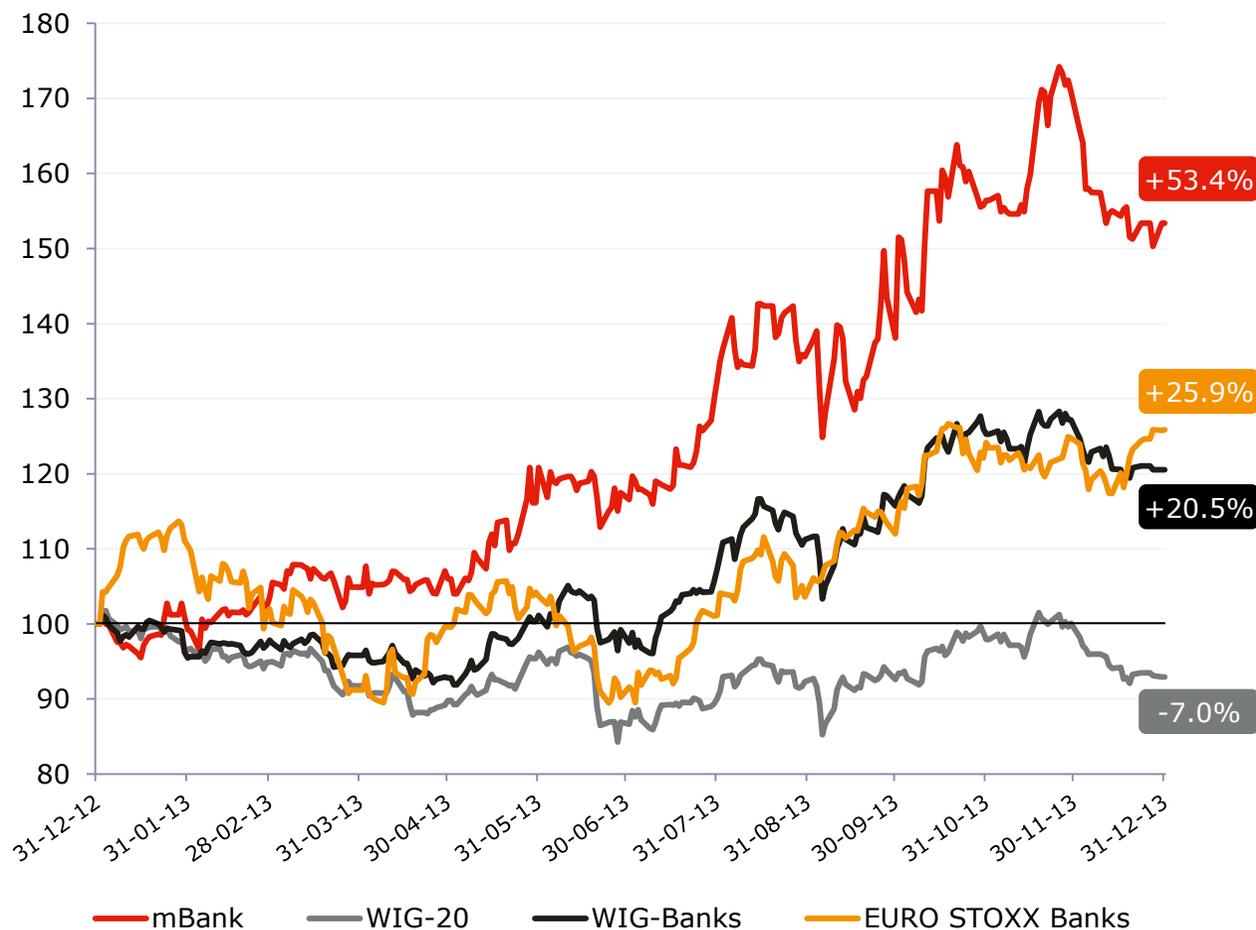
- Listed on the Warsaw Stock Exchange since October 1992
- The only share belonging to WIG-20 blue chip index since its inception in April 1994

2013 Total Shareholder Return (TSR):

+57.8%

* Share in index as of February 4, 2014
Source: WSE, MSCI, Bloomberg

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



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Summary of Q4/13 Results in mBank Group

Key Financials

<i>in PLN M</i>	Q4/13	Q3/13	<i>Change Q4/Q3</i>		Q4/12
Net interest income	588.1	570.0		+3.2%	569.0
Net Fee & Commission income	228.9	210.7		+8.6%	185.7
Total income	964.2	945.0		+2.0%	826.8
Total costs	(441.6)	(416.8)		+6.0%	(434.0)
Loan Loss Provisions	(117.1)	(173.6)		-32.6%	(89.0)
Profit before tax	405.5	354.6		+14.4%	303.9
Net profit	314.2	288.6		+8.9%	275.8
Cost/Income ratio	45.8%	44.1%		+1.7 p.p.	52.5%
ROE net YtD	13.1%	12.6%		+0.5 p.p.	14.6%
Core Tier 1	14.2%	14.0%		+0.2 p.p.	13.0%
CAR	19.4%	19.2%		+0.2 p.p.	18.7%

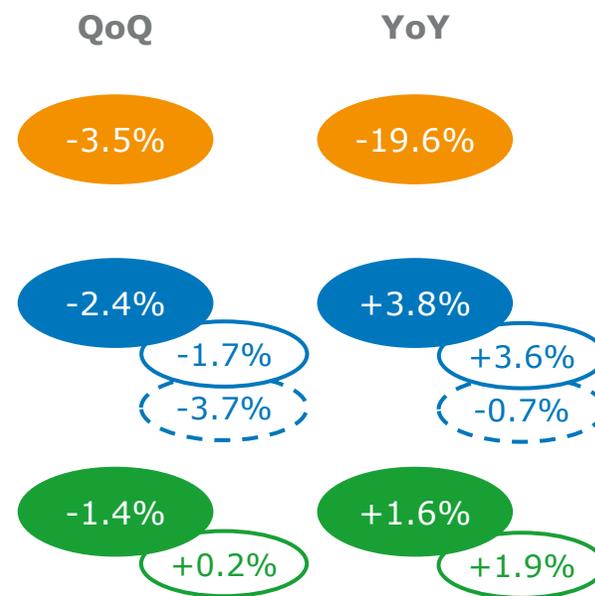
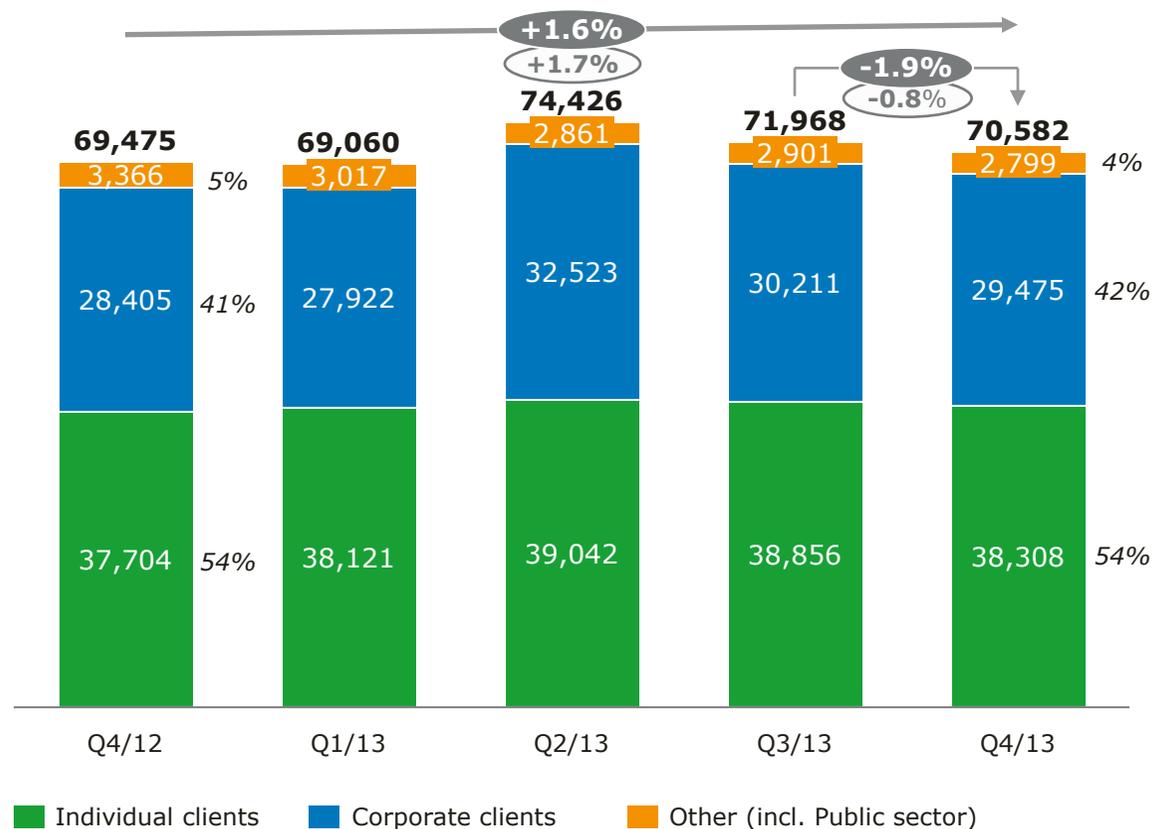
Note: 2012 and 2013 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance. For further details please refer to page 35 in the appendix.

Summary of Q4/13 in mBank Group

Development of Loans to Customers

A stable credit portfolio across products

Development of Gross Loans
(PLN M)



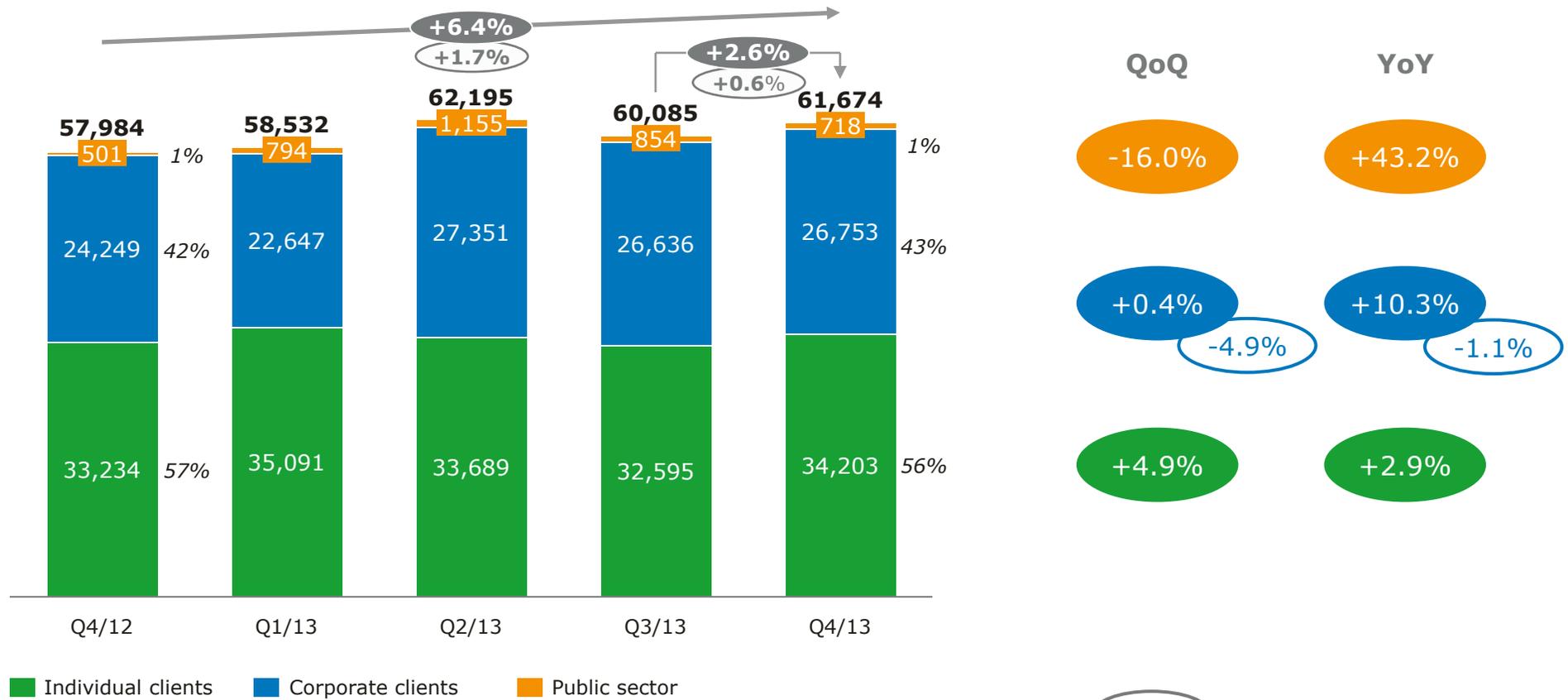
+X.X% Excluding FX effect
+X.X% Excluding Reverse repo / buy-sell-back transactions

Summary of Q4/13 in mBank Group

Development of Deposits

Expanding deposit base despite continued re-pricing

Development of Deposits
(PLN M)



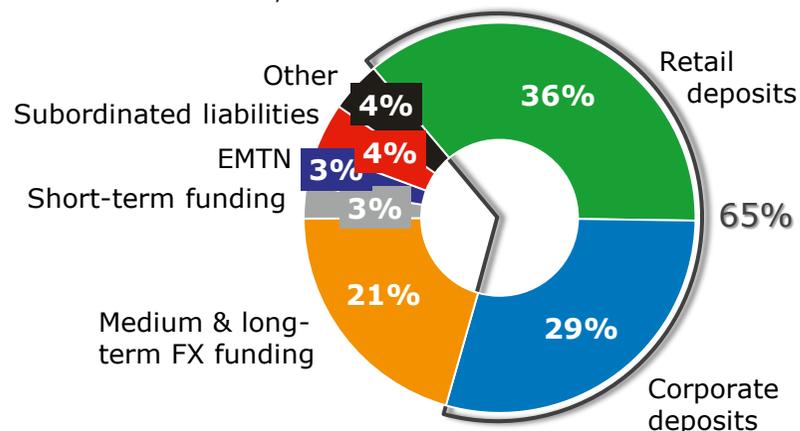
(+X.X%) Excluding Repo transactions

Summary of Q4/13 in mBank Group

Funding structure details

Further diversification continues

mBank Group's funding structure as of December 31, 2013



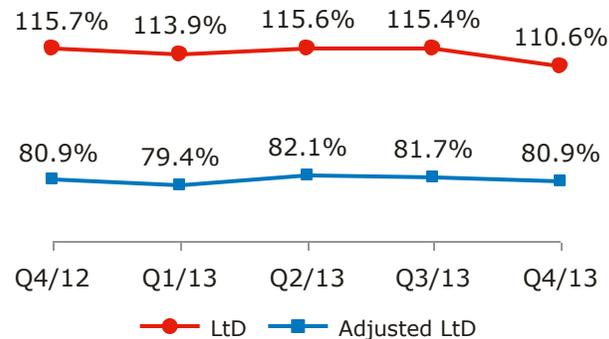
mBank's ratings

Fitch	
Long-term rating	A
Short-term rating	F1
Standard & Poor's	
Long-term credit rating	BBB+
Short-term credit rating	A-2

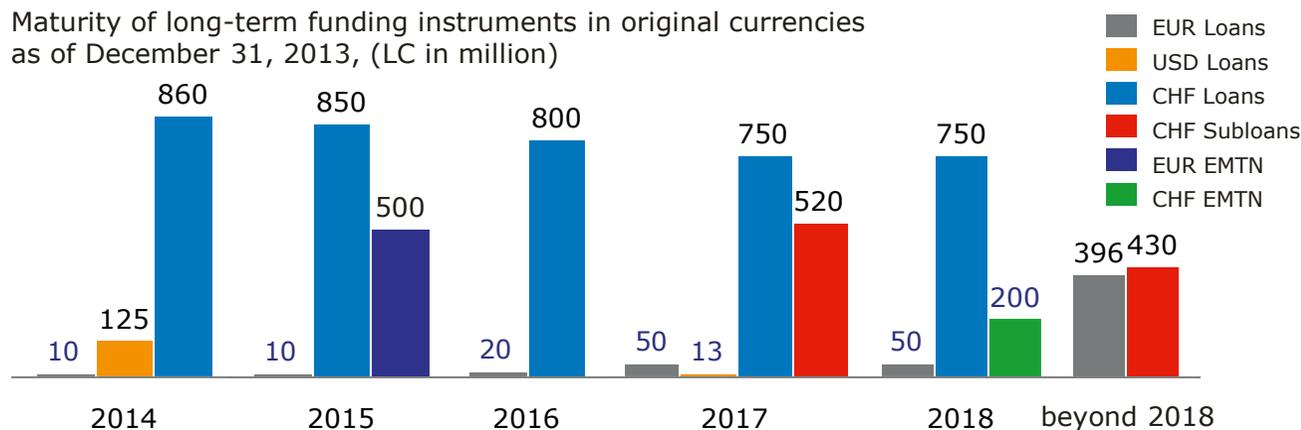
mBank Group's funding strategy

- Funding needs reduced by CHF loan book repayments (c. CHF 350-400 M per annum)
 - Actual 2013 reduction of CHF 380 M
- EUR 2 B EMTN programme in place:
 - Three tranches issued: EUR 500 M in 2012, CHF 200 M in October 2013 and CZK 500 M in December 2013
- Strengthening of deposit base in Poland and abroad

Loans to Deposits Ratio



Maturity of long-term funding instruments in original currencies as of December 31, 2013, (LC in million)

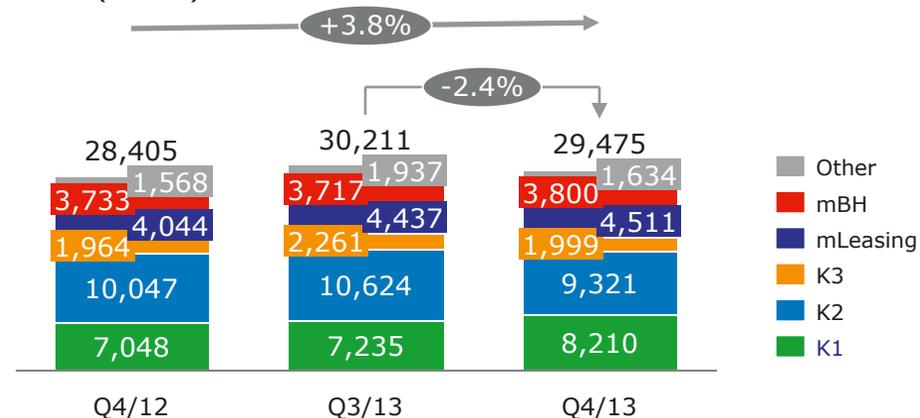


Summary of Q4/13 in mBank Group

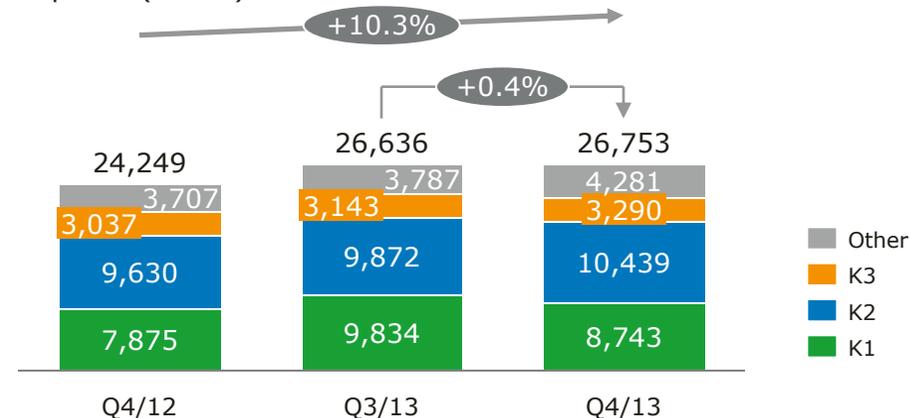
Business Development: Corporates & Financial Markets

Corporate lending yet to experience a meaningful acceleration

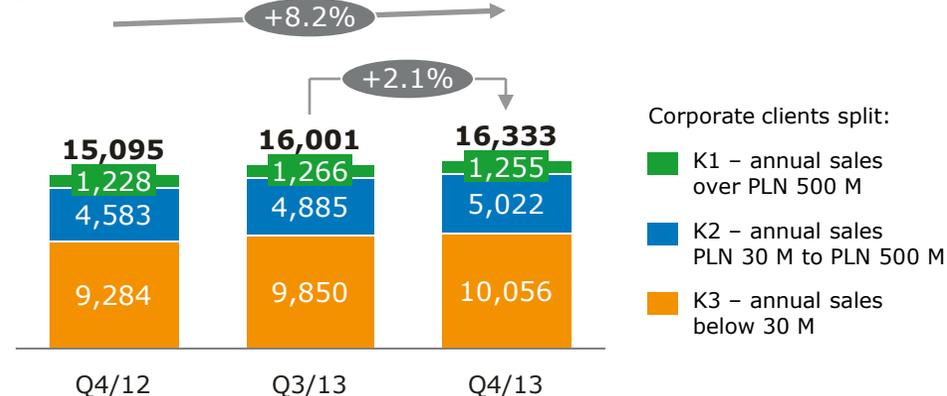
Loans (PLN M)



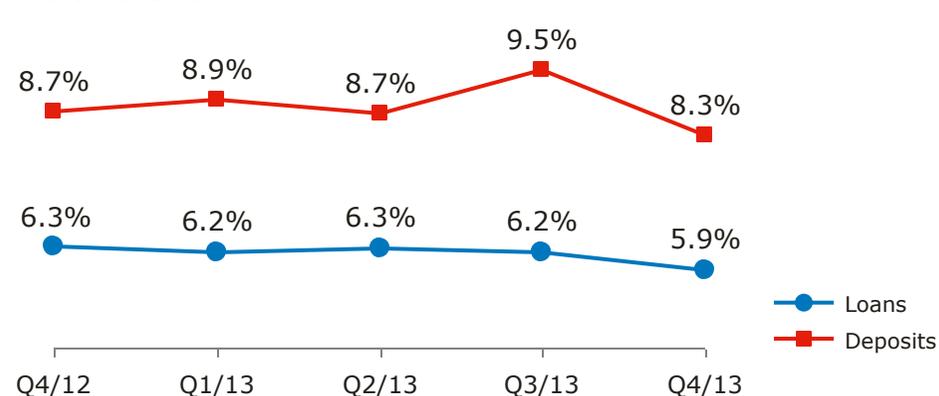
Deposits (PLN M)



Clients



Market shares

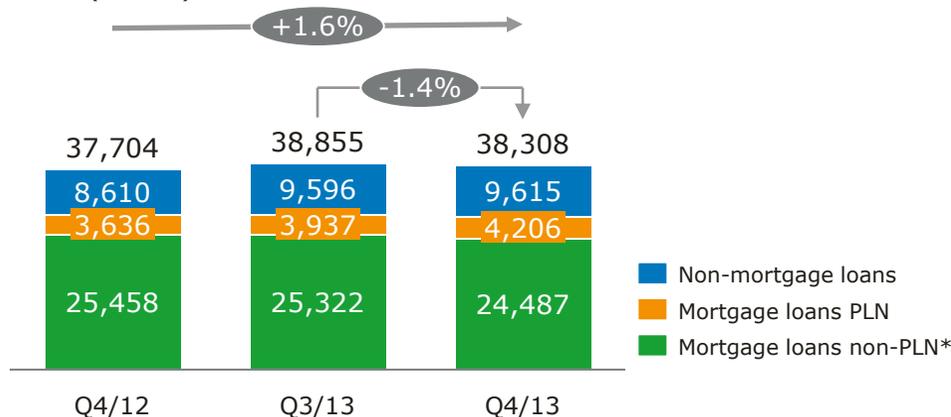


Summary of Q4/13 in mBank Group

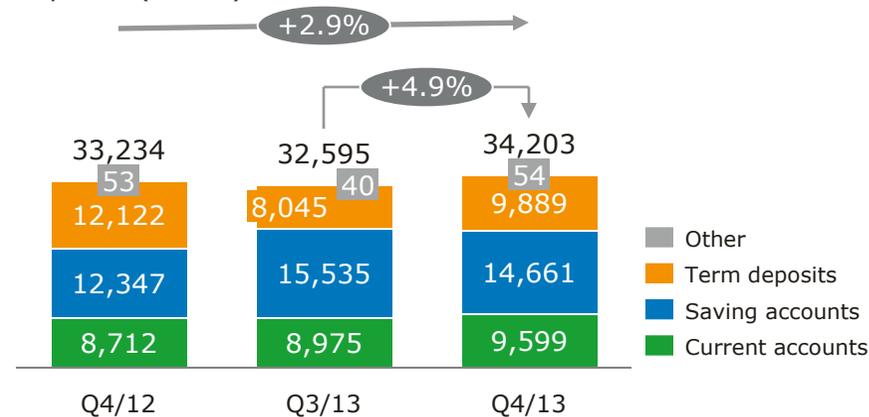
Business Development: Retail Banking

Business growth towards improving margins

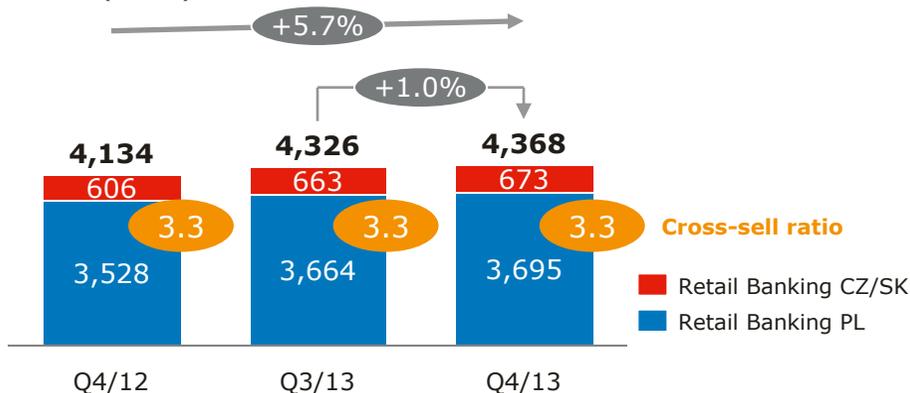
Loans (PLN M)



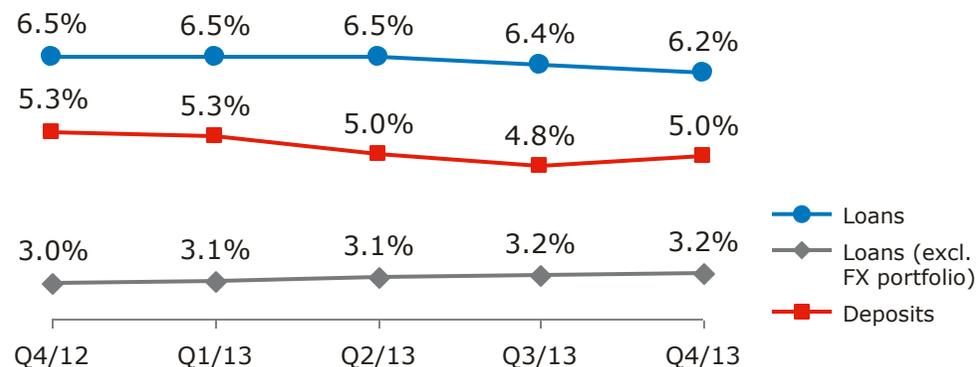
Deposits (PLN M)



Clients (thou.)



Market shares



* FX mortgages granted in Poland and local currency mortgages granted in Czech and Slovak Republic

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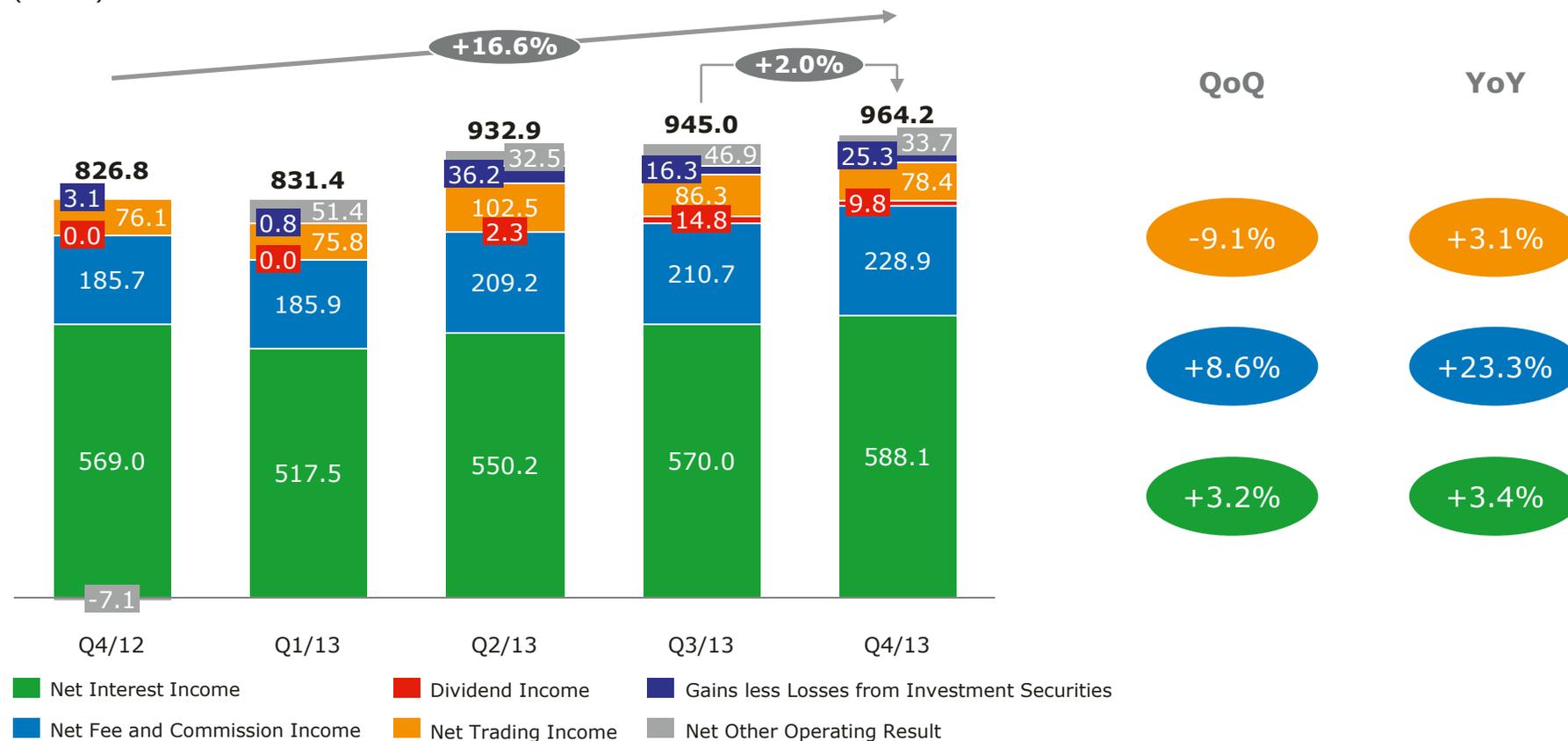
Detailed Results of Business Lines

Analysis of Q4/13 Results

Income of mBank Group

Outstanding revenue dynamics

Development of mBank Group's Income (PLN M)



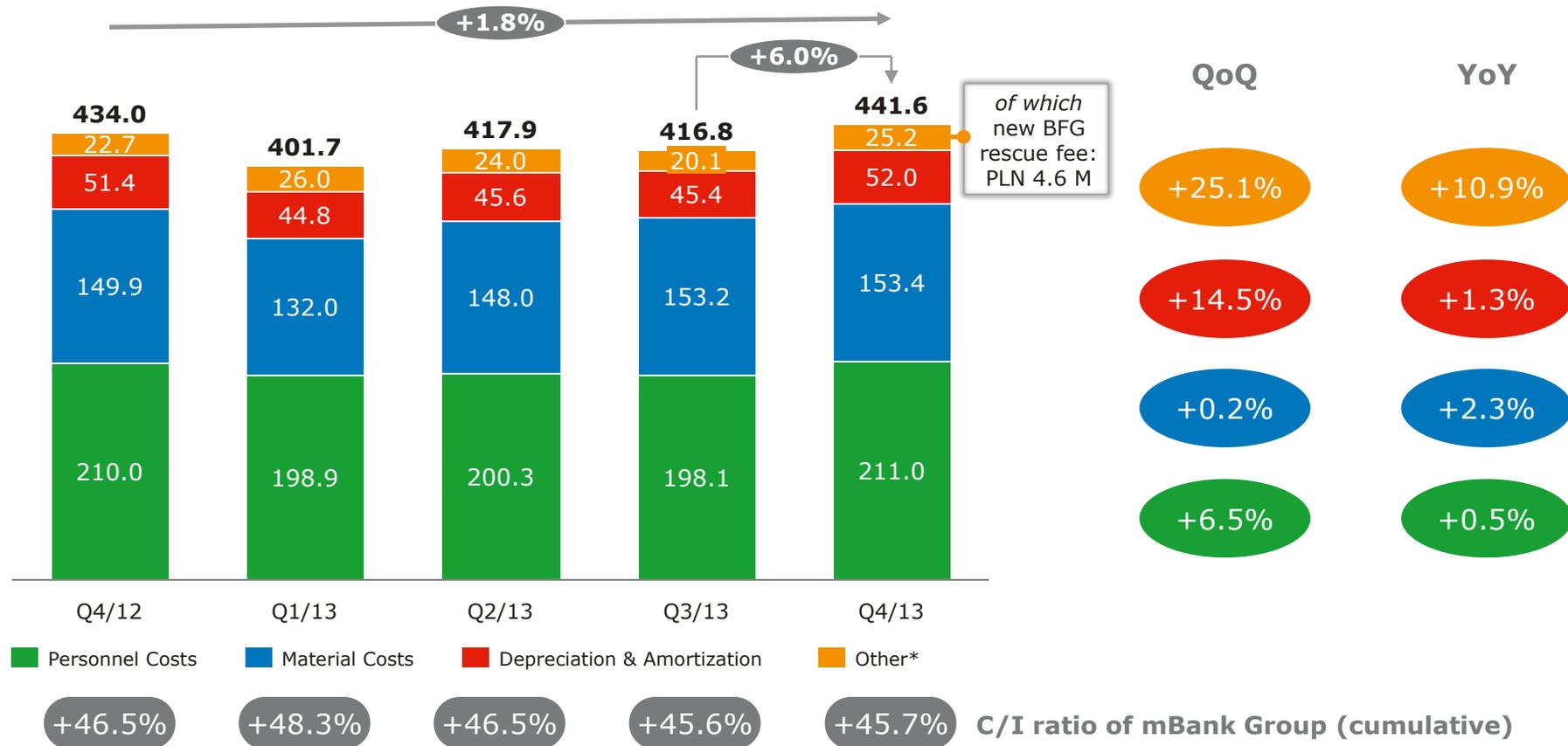
Note: 2012 and 2013 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance. For further details please refer to page 35 in the appendix.

Analysis of Q4/13 Results

Costs of mBank Group

Cost containment on track

Development of mBank Group's Costs (PLN M)



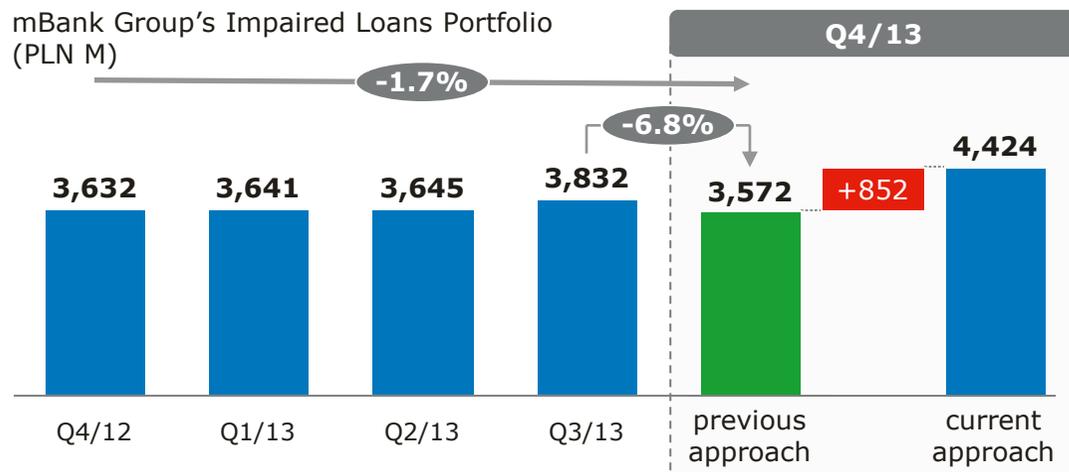
* incl. Taxes and fees, Contributions and transfers to the Bank Guarantee Fund, Contributions to the Social Benefits Fund

Analysis of Q4/13 Results

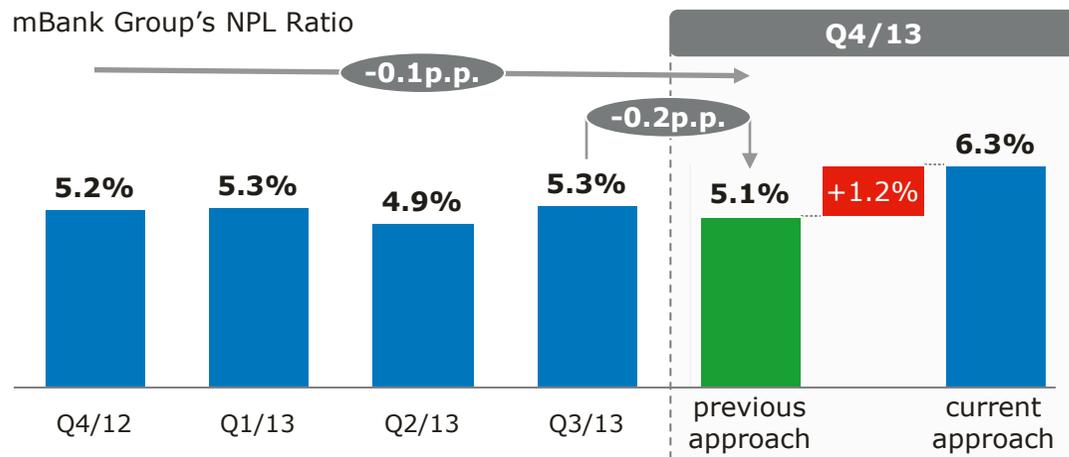
New Impaired Loan Definition in Retail segment

A change towards a more conservative NPL recognition

mBank Group's Impaired Loans Portfolio (PLN M)



mBank Group's NPL Ratio



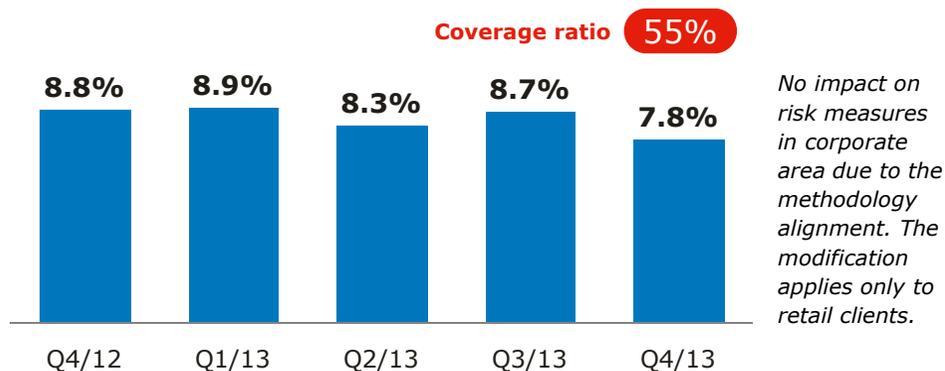
- In Q4/13 the Group modified its impairment credit risk parameters as part of its AIRB measurement methodology
- The modified approach introduces a 'client view' of recognizing default cases in lieu of a previously applied 'product view'
- As a result of the above changes a default on one of exposures by a single client leads to the same treatment of all other credit products of that client
- Consequently, a larger amount of impaired loans is reported on Group level at the same time benefiting from significantly higher probability of natural recovery
- The LLP impact of the methodology alignment is not material, leading to lower adjusted coverage ratio

Analysis of Q4/13 Results

Loan Portfolio Quality

Risk indicators influenced by methodological modifications

NPL Ratio and Coverage Ratio of Corporate Portfolio*



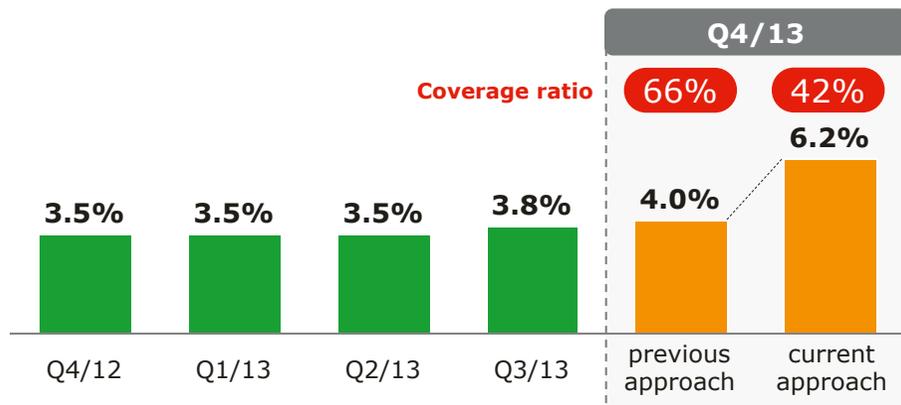
* excl. Reverse repo / buy-sell-back transactions

The increase in the NPL ratio and lowered coverage ratio results from a methodology change towards a more conservative client-oriented approach.

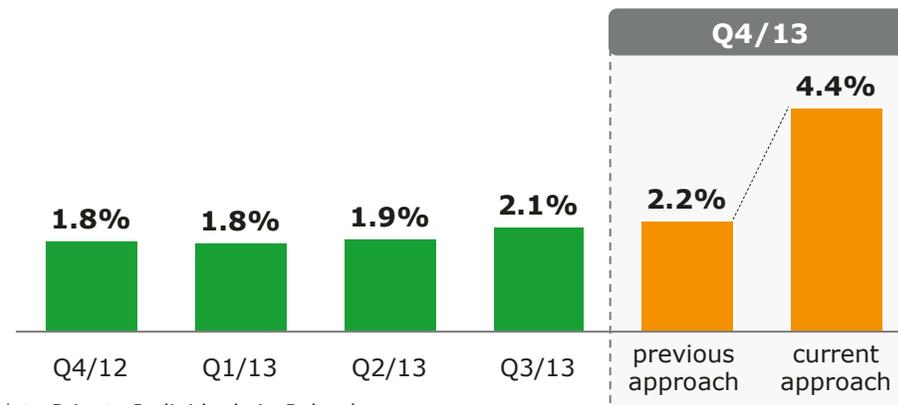
The growth of impaired loans volume in the retail segment was the effect of two adjustments:

- Inclusion into the impaired portfolio **all** client's exposures when **one** product is defaulted
- Cumulative treatment of delays on all client's products even if neither is classified as defaulted

NPL Ratio and Coverage Ratio of Retail Portfolio



NPL Ratio of Mortgage Loan Portfolio*



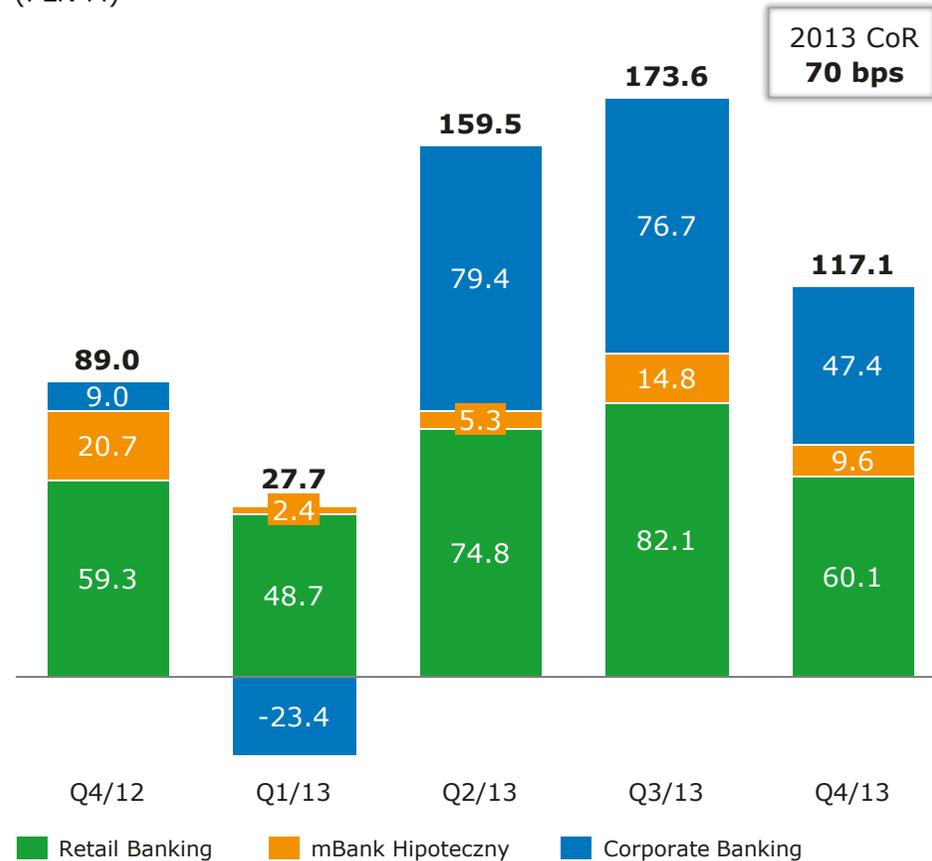
* to Private Individuals in Poland

Analysis of Q4/13 Results

Loan Loss Provisions & Risk Costs

Normalization of LLP levels

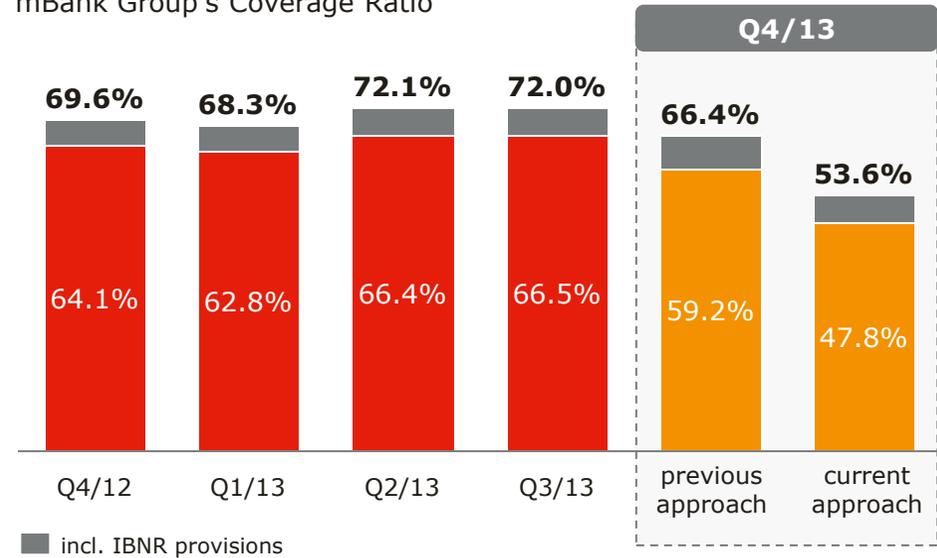
Net Impairment Losses on Loans and Advances
(PLN M)



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

CoR	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13
mBank Group	52	17	92	98	68
Retail Banking	87	55	85	103	75
Corporate Banking	11	-31	100	93	60

mBank Group's Coverage Ratio



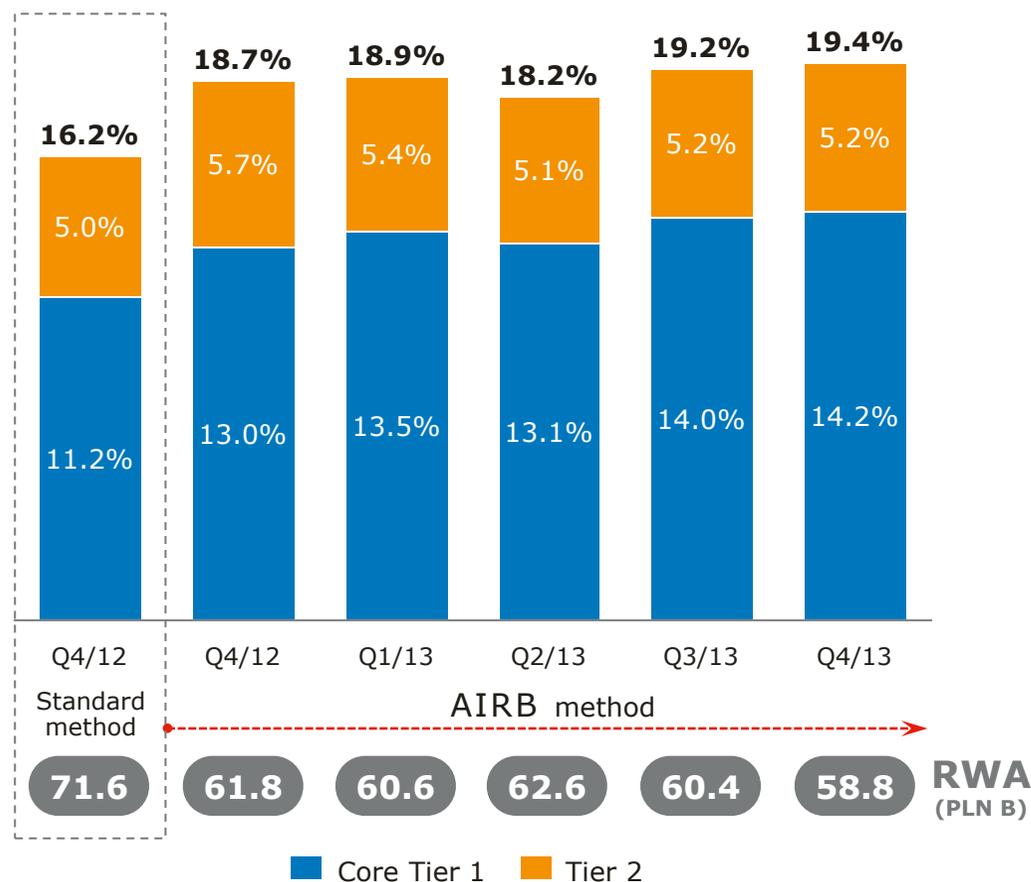
Note: Historical segmental data adjusted to reflect the shift of mBank Hipoteczny (mBH) from Corporates & Financial Markets to Retail Banking as of January 1, 2013.

Analysis of Q4/13 Results

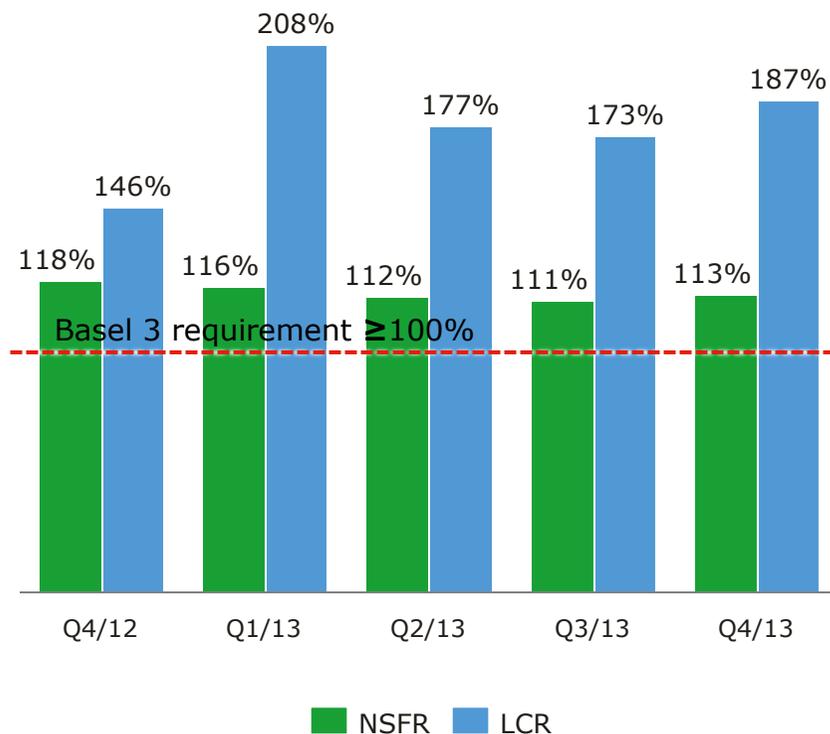
Key Regulatory Ratios

Safe levels of capital and liquidity

mBank Group's Capital Adequacy Ratio



mBank's LCR and NSFR

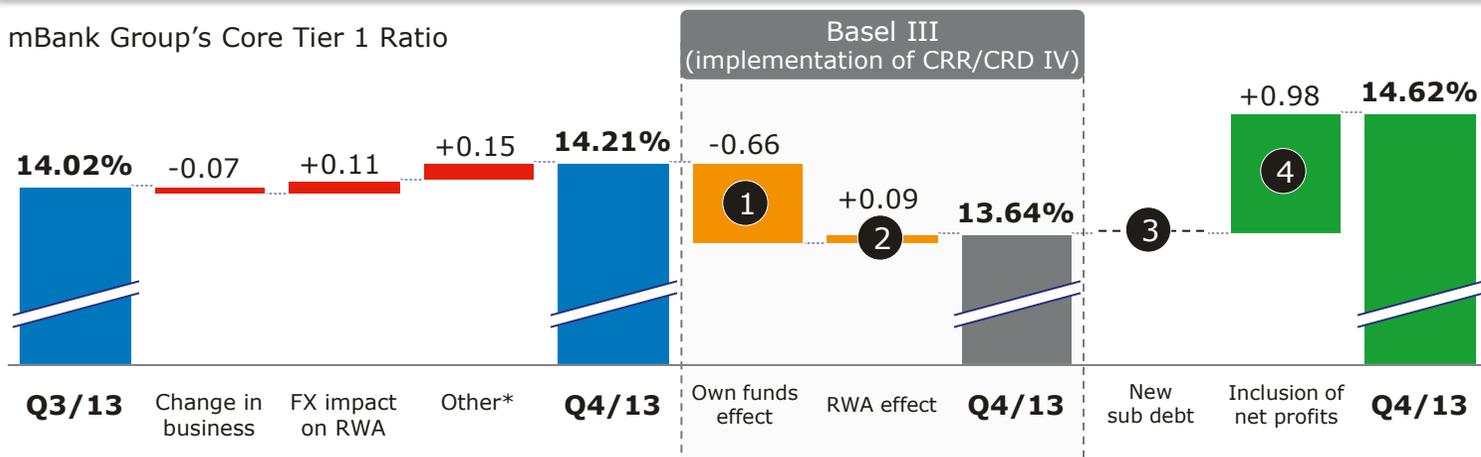


Analysis of Q4/13 Results

Detail Development of Core Tier 1 ratio and CAR

Capital ratios under Basel III significantly surpass regulatory requirements

mBank Group's Core Tier 1 Ratio



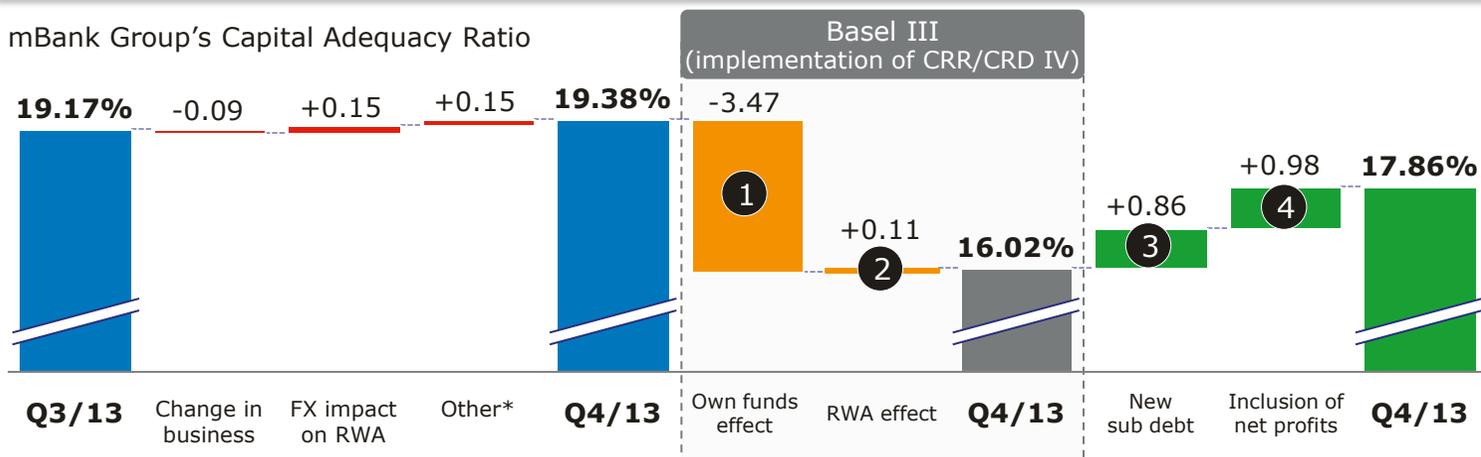
1 Application of the new criteria to own funds: current profits are removed from CET1 (under CRR banks need Polish FSA consent to include the position in T1), different treatment of provisions shortfall for IRB portfolio, linear amortization, derecognition of two T2 instruments, implementation of phase out limits to grandfathered subordinated debt

2 Total RWA effect - reduction of capital charge; including: application of supporting factor for SMEs, new extra CVA capital charge, DTA and significant capital investment in financial institutions in RWA calculation (RW=250%)

3 Inclusion of the new issuance of subordinated debt T2 with notional amount of PLN 500 M (applies to CAR calculation only)

4 Inclusion of 2013 net profits adjusted for planned dividend payment

mBank Group's Capital Adequacy Ratio



* incl. application of AIRB risk parameters to impairment process for defaulted retail mortgage backed exposures (to individual persons); regulatory amortisation of subordinated debt

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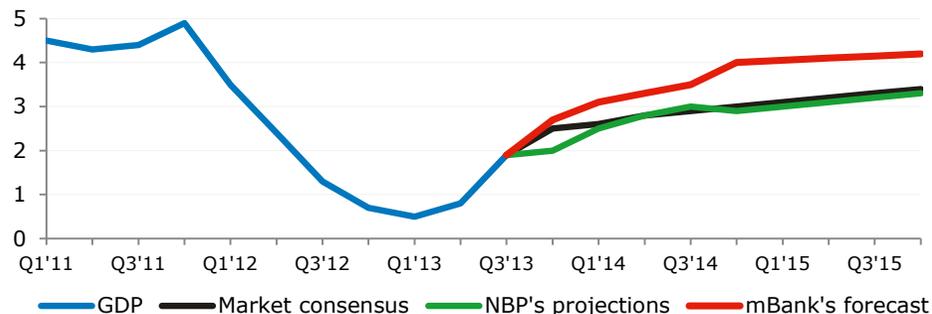
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Macroeconomic Update (1/2)

The recovery strengthens. Inflation nowhere in sight.

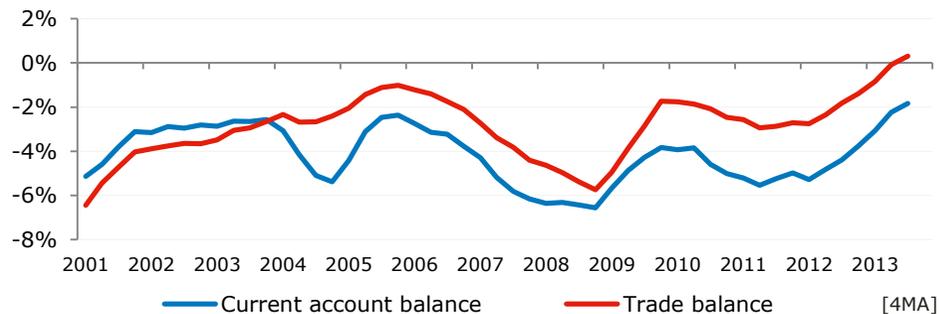
GDP forecast – mBank v. market consensus (% YoY)



- Growth probably accelerated further in Q4. The bank remain more bullish on 2014 than most analysts and sees some room for further upside surprises.

Source: GUS, NBP, Bloomberg

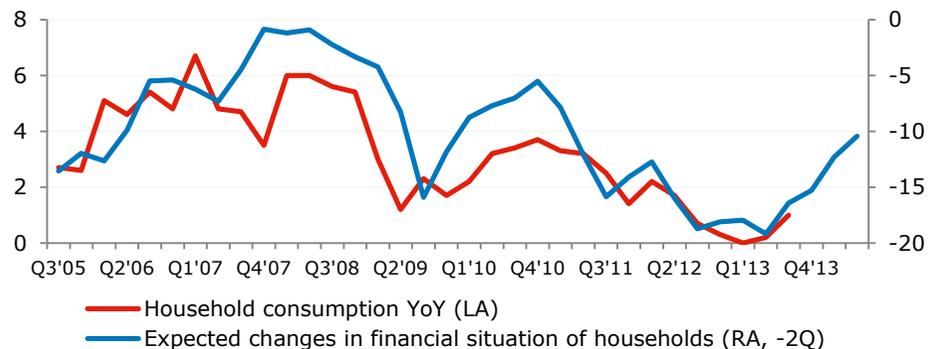
Trade balance and current account balance as % of GDP



- Owing to exceptionally good external balance (trade surplus, record low current account balance), Poland stands out among emerging economies.

Source: GUS, NBP

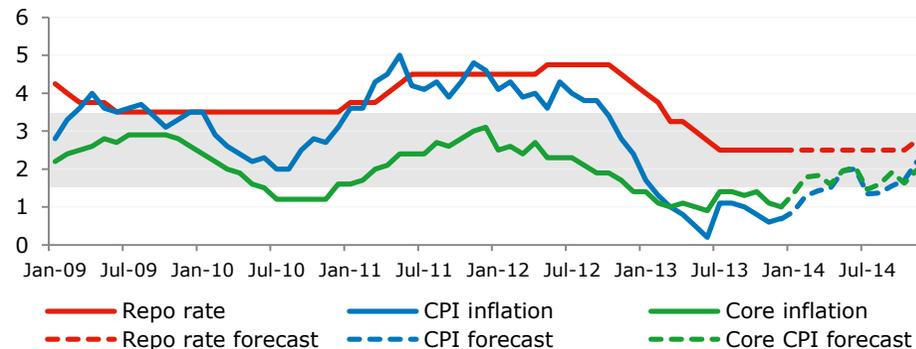
Domestic demand finally took off



- Domestic demand started to contribute to growth in a positive way. Consumption is supported by rising real incomes, stronger labour market and very good sentiment.

Source: GUS, NBP

Stable inflation and patient MPC mean stable rates for now



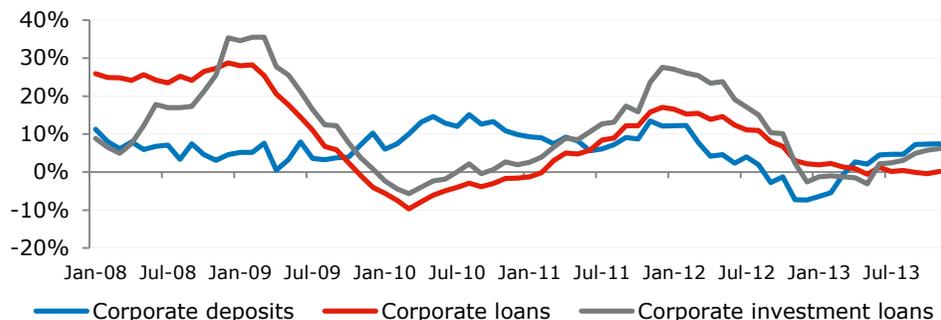
- Inflation remains low thanks to low food prices and one-off factors. Significant acceleration (on statistical base and stronger economy) in H2 2014 should lead to rate hikes by year end.

Source: GUS

Macroeconomic Update (2/2)

Green shoots in bank credit; cash flows boost retail and corporate deposits

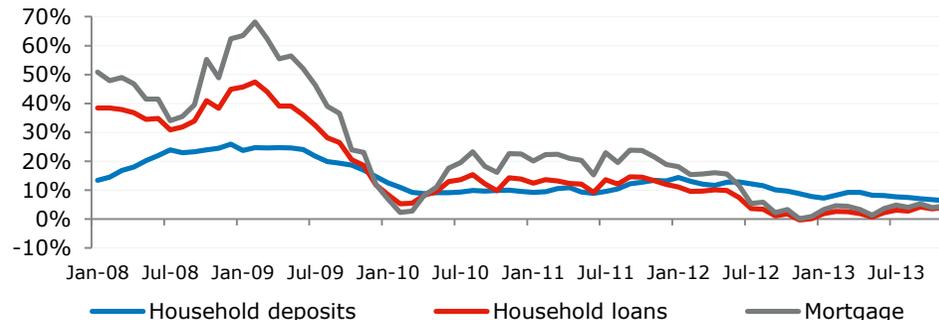
Corporate loans and deposits (% YoY)



- Corporate deposits have rebounded amid better cash flows (finally with better earnings). Except for investment loans, lending to corporates stays subdued, but the bank expects significant growth this year.

Source: NBP

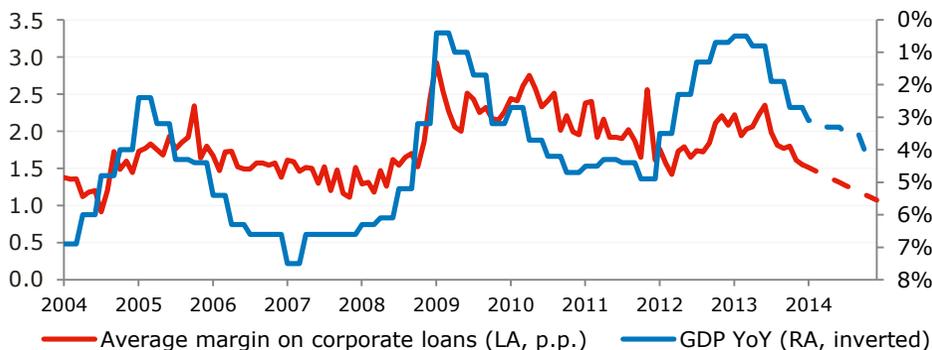
Household loans and deposits (% YoY)



- Household deposits grow at a slowest pace since 2004. Cautious borrowing on the households' side should ease in 2014 as mortgage lending accelerate (despite new LTV restrictions).

Source: NBP

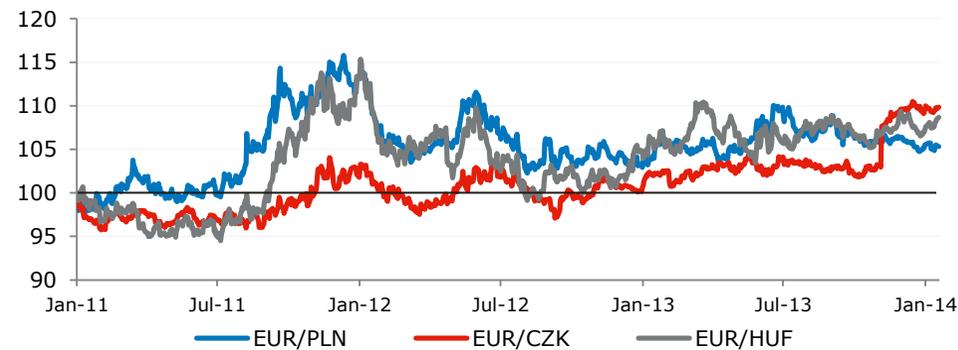
Corporate loan margins vs. GDP growth



- As the economy rebounds, credit risk declines. Thus, margins on corporate loans are being cut (and the process will continue in 2014).

Source: NBP, GUS

CEE currencies v. EUR, index 01.01.2011=100



- Slowly but surely, PLN grinds forward and remains the most stable and best-performing currency of the region. Cyclical factors point out to further strengthening.

Source: Bloomberg

2014 in forecasts and the impact on mBank Group

Macroeconomic environment and challenges for the banking sector

Key economic indicators

	2013	2014F
GDP growth (YoY)	1.6%	3.5%
Domestic demand (YoY)	-0.2%	4.4%
Private consumption (YoY)	0.8%	2.6%
Investment (YoY)	-0.4%	6.8%
Inflation (eop)	0.7%	2.1%
MPC rate (eop)	2.50	3.00
CHF/PLN (eop)	3.39	3.13
EUR/PLN (eop)	4.15	3.95

Banking sector – monetary aggregates YoY

	2013	2014F
Corporate loans	0.2%	7.8%
Mortgage loans	4.6%	3.0%
Non-mortgage loans	3.9%	7.2%
Corporate deposits	9.6%	10.2%
Retail deposits	6.4%	7.0%

Source: mBank's estimates as of January 31, 2014.

Impact on mBank

Net interest income & NIM (Mildly positive) 

- Continued change in asset mix supporting margins
- Limiting room for deposit re-pricing
- Rate increases towards Q4/14

Net Fee & Commission income (Mildly positive) 

- Negative impact of further interchange fees cuts, but:
 - Dynamic client acquisitions
 - Growth in transactional banking in both retail and corporates

Costs (Neutral) 

- Cost discipline enshrined in mBank's DNA
- Readiness to increase expenses supporting strategic investments

Loan Loss Provisions (Neutral) 

- Improving economy
- Asset mix moving towards riskier products

Agenda

mBank Group in 2013

Summary of Q4/13

Analysis of Q4/13 Results

Macroeconomic Update & Outlook

 Appendix

Additional Information: Selected Financial Data

Detailed Results of Business Lines

Appendix

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



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PLN thou., by quarter	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13
Net interest income	569,024	517,483	550,232	570,000	588,096
Net fee and commission income	185,710	185,889	209,256	210,689	258,904
Dividend income	49	26	2,283	14,768	9,779
Net trading income	76,079	75,798	102,460	86,282	78,438
<i>incl. FX result</i>	<i>80,928</i>	<i>68,978</i>	<i>74,482</i>	<i>71,698</i>	<i>67,387</i>
Gains less losses from investment securities	3,082	774	36,160	16,368	25,276
Net other operating income	-7,098	51,455	32,493	46,870	33,745
Total operating costs	-433,966	-401,702	-417,876	-416,829	-441,636
<i>Overhead costs</i>	<i>-382,591</i>	<i>-356,928</i>	<i>-372,216</i>	<i>-371,404</i>	<i>-389,605</i>
<i>Depreciation & Amortisation</i>	<i>-51,375</i>	<i>-44,774</i>	<i>-45,660</i>	<i>-45,425</i>	<i>-52,031</i>
Loan loss provisions	-88,987	-27,654	-159,459	-173,585	-117,080
Profit before tax	303,893	402,069	355,549	354,563	405,522
Net profit attributable to owners of mBank	275,803	325,736	277,853	288,586	314,200

Note: 2012 and 2013 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance. For further details please refer to page 35 in the appendix.

Appendix

Adjustments resulting from the changes in bancassurance treatment Details of restatement in Consolidated Profit & Loss Account

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in PLN thou.	Q4/12			Q1/13			Q2/13			Q3/13		
	previous	Δ	restated	previous	Δ	restated	previous	Δ	restated	previous	Δ	restated
Interest income	1 159 663	+13 897	1 173 560	1 034 266	+13 857	1 048 123	982 464	+15 070	997 534	945 404	+13 645	959 049
<i>From loans and advances</i>	811 228	+13 897	825 125	735 451	+13 857	749 308	701 880	+15 070	716 950	675 738	+13 645	689 383
Interest expense	-604 184	-352	-604 536	-530 640	-	-530 640	-447 302	-	-447 302	-389 049	-	-389 049
<i>Other</i>	-11 888	-352	-12 240	-4 822	-	-4 822	-14 963	-	-14 963	-26 605	-	-26 605
Net interest income	555 479	+13 545	569 024	503 626	+13 857	517 483	535 162	+15 070	550 232	556 355	+13 645	570 000
Fee and commission income	310 272	-10 688	299 584	308 896	-12 827	296 069	350 039	-18 794	331 245	339 418	-7 658	331 760
<i>Commissions from insurance activity</i>	40 172	-10 688	29 484	35 483	-12 827	22 656	50 891	-18 794	32 097	34 206	-7 658	26 548
Fee and commission expense	-114 925	+1 051	-113 874	-111 360	+1 180	-110 180	-128 576	+6 587	-121 989	-122 817	+1 746	-121 071
<i>Commissions paid to external entities for sale of the Bank's products</i>	-16 297	+1 051	-15 246	-17 726	+1 180	-16 546	-21 306	+6 587	-14 719	-18 420	+1 746	-16 674
Net fee and commission income	195 347	-9 637	185 710	197 536	-11 647	185 889	221 463	-12 207	209 256	216 601	-5 912	210 689
Other operating expenses	-97 453	-	-97 453	-41 574	-	-41 574	-53 727	+3 741	-49 986	-51 980	+4 020	-47 960
Overhead costs	-382 665	+74	-382 591	-356 928	-	-356 928	-372 216	-	-372 216	-371 404	-	-371 404
Profit before tax	299 911	+3 982	303 893	399 859	+2 210	402 069	348 945	+6 604	355 549	342 810	+11 753	354 563
Income tax expense	-26 774	-756	-27 530	-75 248	-420	-75 668	-75 987	-1 255	-77 242	-62 838	-2 233	-65 071
Net profit	272 577	+3 226	275 803	323 946	+1 790	325 736	272 504	+5 349	277 853	279 066	+9 520	288 586

Appendix

Additional Information: Selected Financial Data Consolidated Statement of Financial Position



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Assets (PLN thou.)	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13
Cash and balances with Central Bank	4 819 203	2 493 404	2 039 840	794 706	1 650 467
Loans and advances to banks	3 944 578	3 778 497	4 828 511	2 935 740	3 471 241
Trading securities	1 150 886	1 429 069	1 741 743	1 402 650	763 064
Derivative financial instruments	2 802 695	2 726 519	2 544 434	2 309 053	2 349 585
Loans and advances to customers	66 946 830	66 573 348	71 796 954	69 206 663	68 210 385
Investment securities	19 993 388	23 544 201	22 681 955	24 894 354	25 341 763
Intangible assets	436 123	419 014	415 428	421 170	455 345
Tangible fixed assets	773 904	746 056	736 680	723 088	709 552
Other assets	1 277 376	1 340 021	1 358 313	1 312 696	1 331 359
Total assets	102 144 983	103 050 129	108 143 858	104 000 120	104 282 761
Liabilities (PLN thou.)	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13
Amounts due to other banks	21 110 939	21 688 068	23 427 634	21 416 248	19 224 182
Derivative financial instruments	3 476 684	3 291 664	3 087 827	2 472 433	2 459 715
Amounts due to customers	57 983 600	58 531 953	62 195 198	60 085 074	61 673 527
Debt securities in issue	4 892 275	4 807 377	4 904 909	4 869 607	5 402 056
Subordinated liabilities	3 222 295	3 265 470	3 347 965	3 310 880	3 762 757
Other liabilities	1 840 269	1 576 569	1 576 210	1 955 860	1 504 086
Total liabilities	92 526 062	93 161 101	98 539 743	94 110 102	94 026 323
Total equity	9 618 921	9 889 028	9 604 115	9 890 018	10 256 438
Total equity and liabilities	102 144 983	103 050 129	108 143 858	104 000 120	104 282 761

Appendix

Additional Information: Selected Financial Data mBank Group's Ratios

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Financial Ratios	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13
Net Interest Margin YtD	2.43%	2.08%	2.14%	2.16%	2.20%
Net Interest Margin YtD (excl. CHF portfolio)	2.92%	2.52%	2.57%	2.59%	2.62%
Cost to Income Ratio (<i>quarterly</i>)	52.5%	48.3%	44.8%	44.1%	45.8%
Cost to Income Ratio YtD	46.5%	48.3%	46.5%	45.6%	45.7%
Cost of Risk (<i>quarterly</i>)	0.52%	0.17%	0.92%	0.98%	0.68%
Cost of Risk YtD	0.66%	0.17%	0.55%	0.70%	0.70%
ROE net YtD	14.59%	13.65%	12.79%	12.56%	13.15%
ROA net YtD	1.23%	1.27%	1.14%	1.11%	1.14%
Loans to Deposits	115.5%	113.7%	115.4%	115.2%	110.6%
Adjusted Loans to Deposits	80.9%	79.4%	82.1%	81.7%	80.9%
Capital Adequacy Ratio	18.73%	18.87%	18.18%	19.17%	19.38%
Core Tier 1 ratio	13.00%	13.51%	13.10%	14.02%	14.21%
Equity / Assets	9.4%	9.6%	8.9%	9.5%	9.8%
RWA / Assets	60.4%	58.8%	57.9%	58.1%	56.5%
NPL ratio	5.2%	5.3%	4.9%	5.3%	6.3%*
NPL coverage ratio	64.1%	62.8%	66.4%	66.5%	47.8%*
NPL coverage ratio incl. general provisions	69.6%	68.3%	72.1%	72.0%	53.6%*

* In Q4/13 the modified methodology of NPL recognition in retail area was implemented

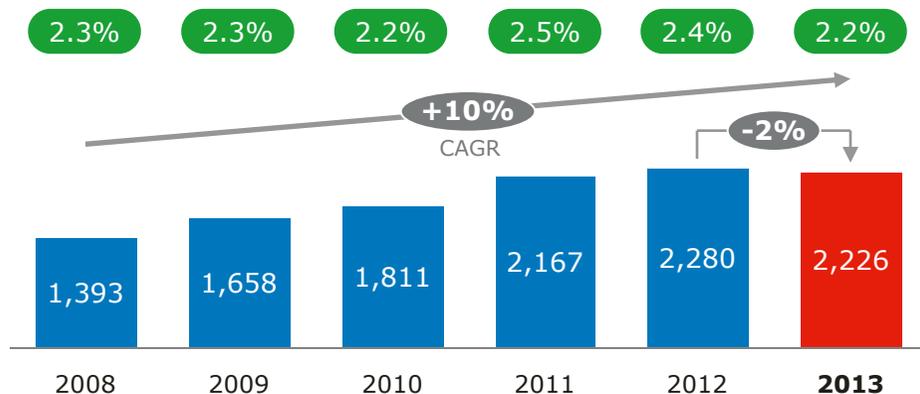
Appendix

mBank Group's historical performance (1/3)

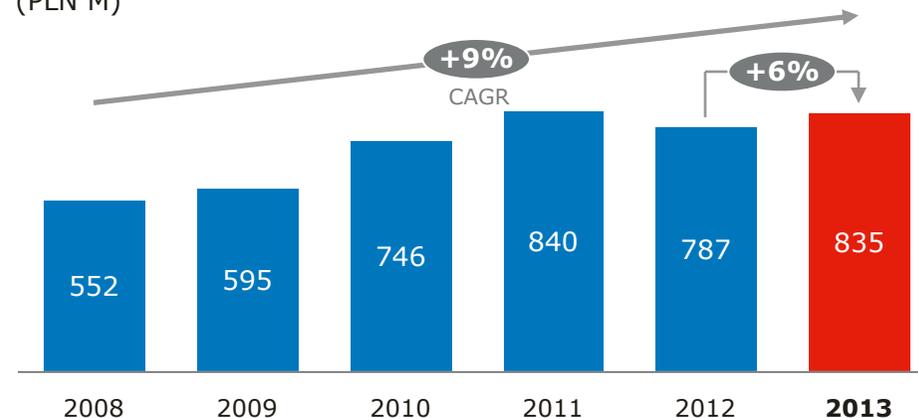


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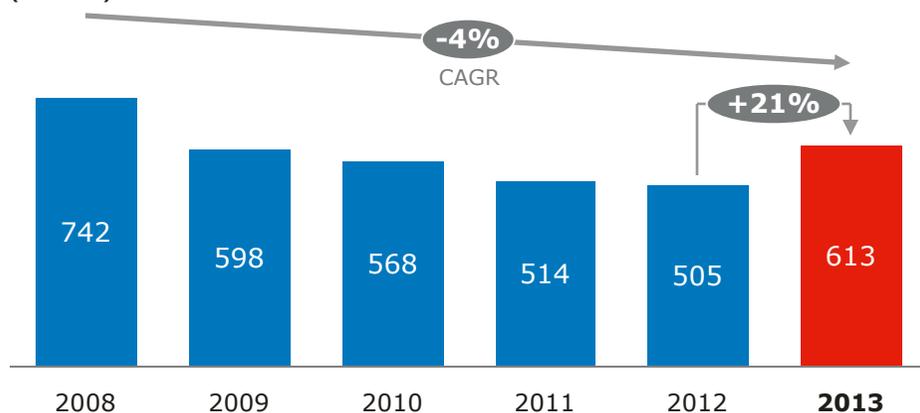
Net Interest Income & NIM (PLN M)



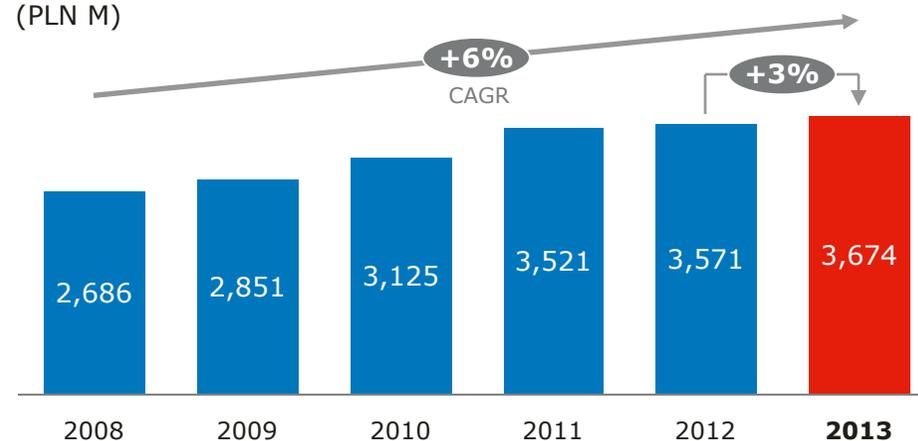
Net Fee and Commission Income (PLN M)



Trading and Other Income (PLN M)



Total Income (PLN M)



Note: 2012 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance.

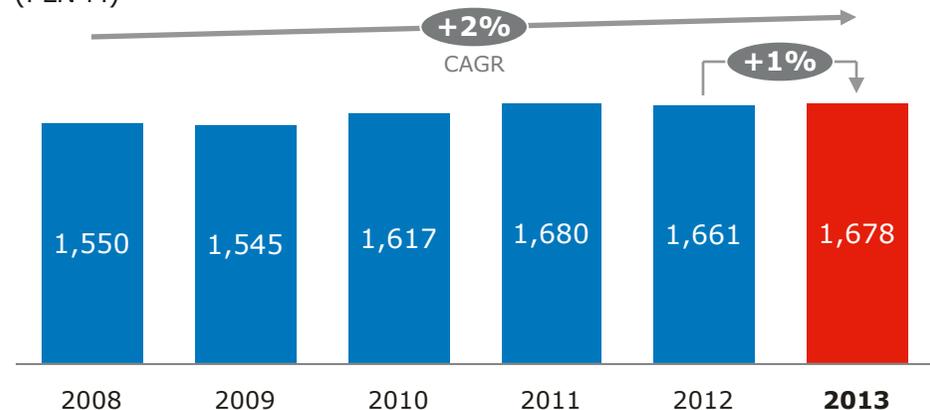
Appendix

mBank Group's historical performance (2/3)

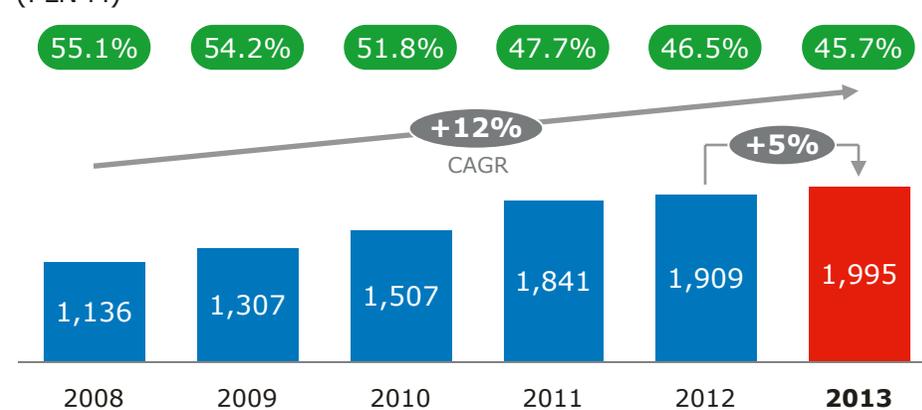


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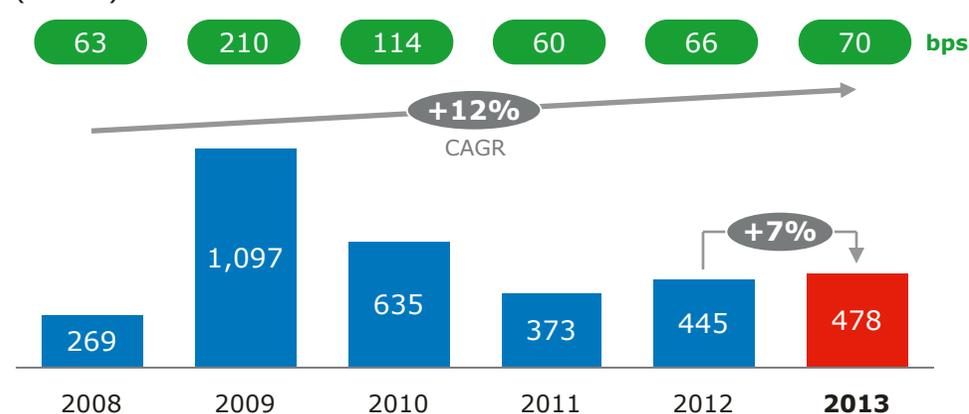
Operating Costs (PLN M)



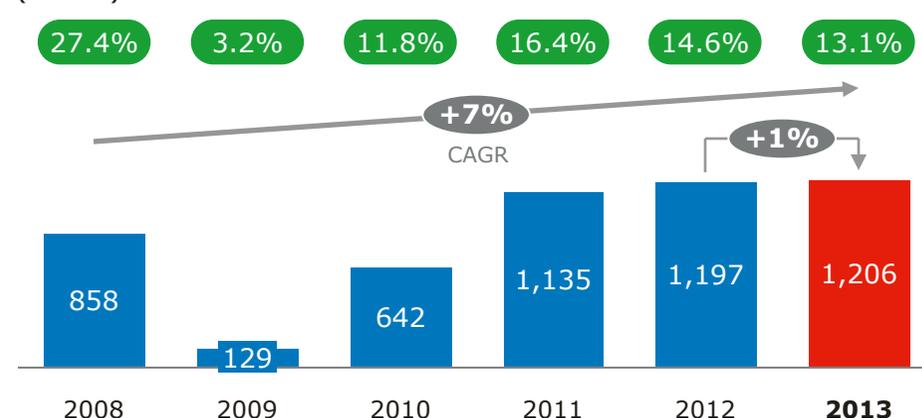
Pre-provision Income & C/I ratio (PLN M)



Loan Loss Provisions & Cost of Risk (PLN M)



Net Profit & Return on Equity (PLN M)



Note: 2012 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance.

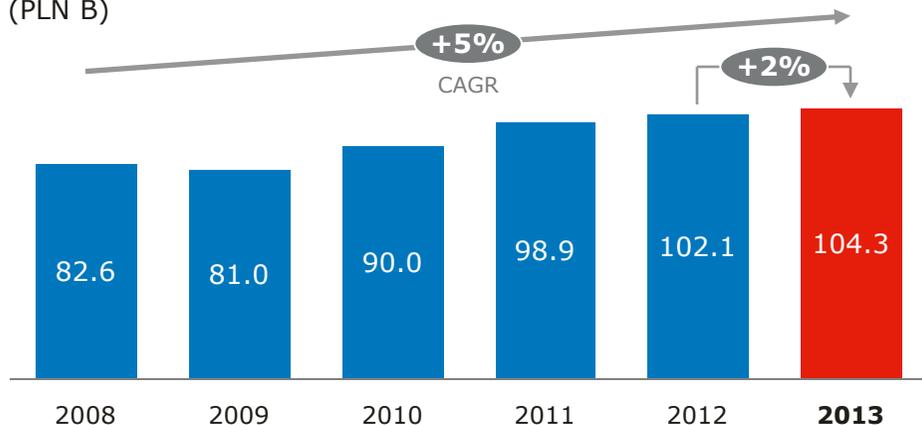
Appendix

mBank Group's historical performance (3/3)

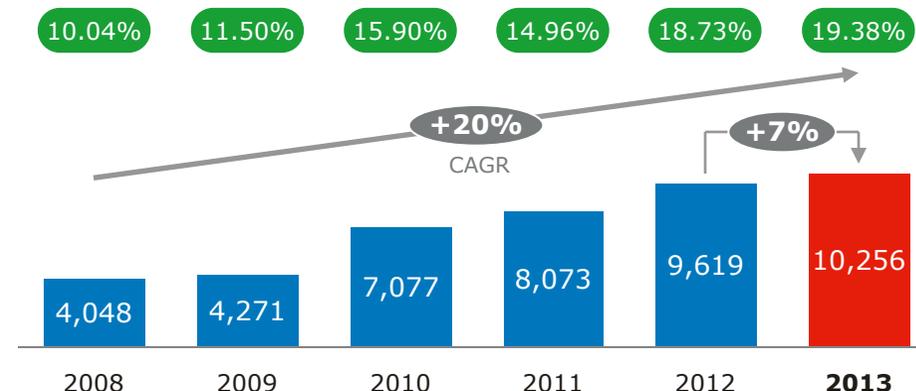


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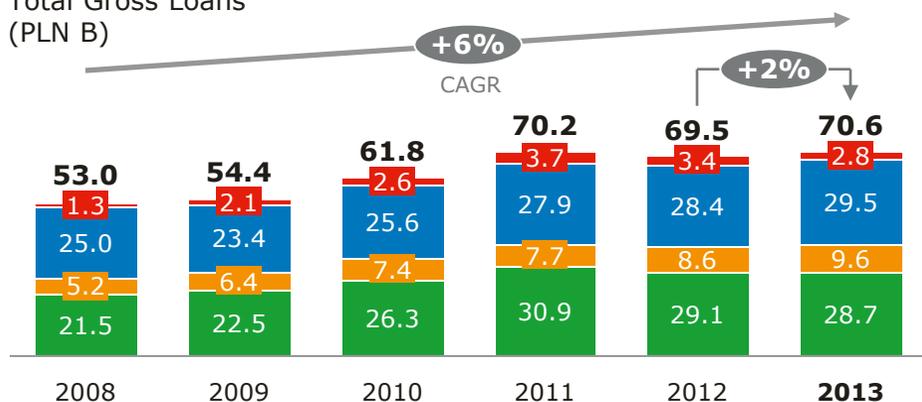
Total Assets
(PLN B)



Equity & CAR
(PLN M)

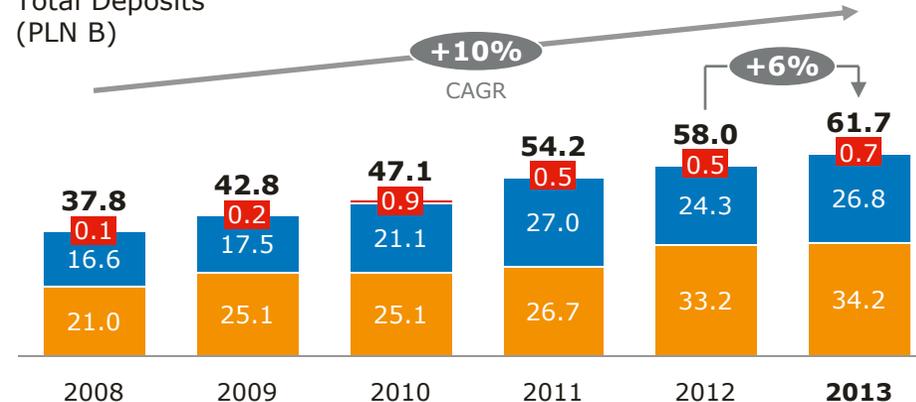


Total Gross Loans
(PLN B)



■ Mortgage loans ■ Corporate loans
■ Non-mortgage loans ■ Public sector and other

Total Deposits
(PLN B)



■ Individual clients ■ Corporate clients ■ Public sector

Note: 2012 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance.

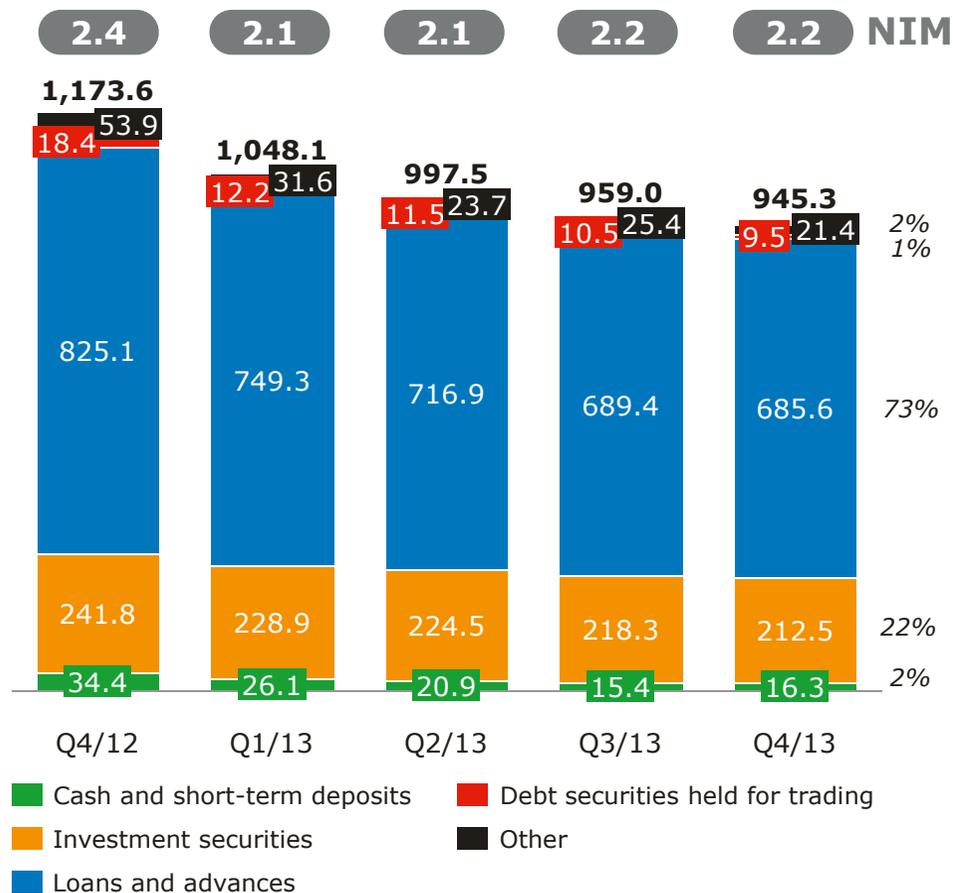
Appendix

Additional Information: Selected Financial Data Net Interest Income & Margin

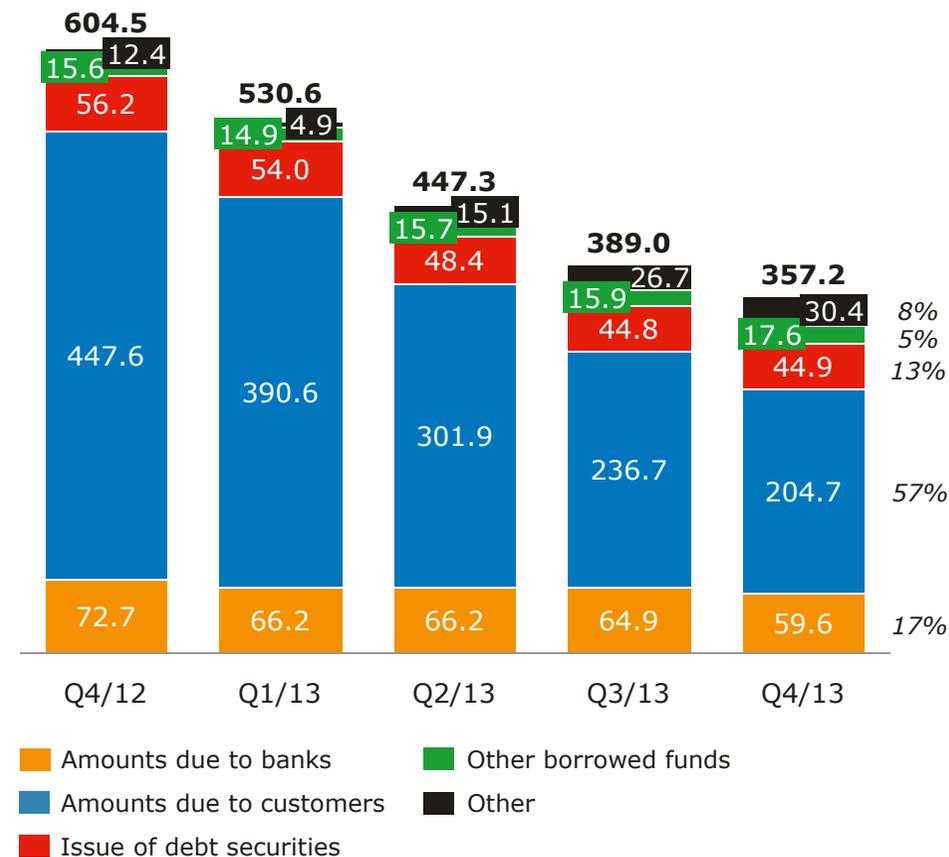


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Interest Income Structure
(PLN M)



Interest Expense Structure
(PLN M)



Note: 2012 and 2013 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance. For further details please refer to page 35 in the appendix.

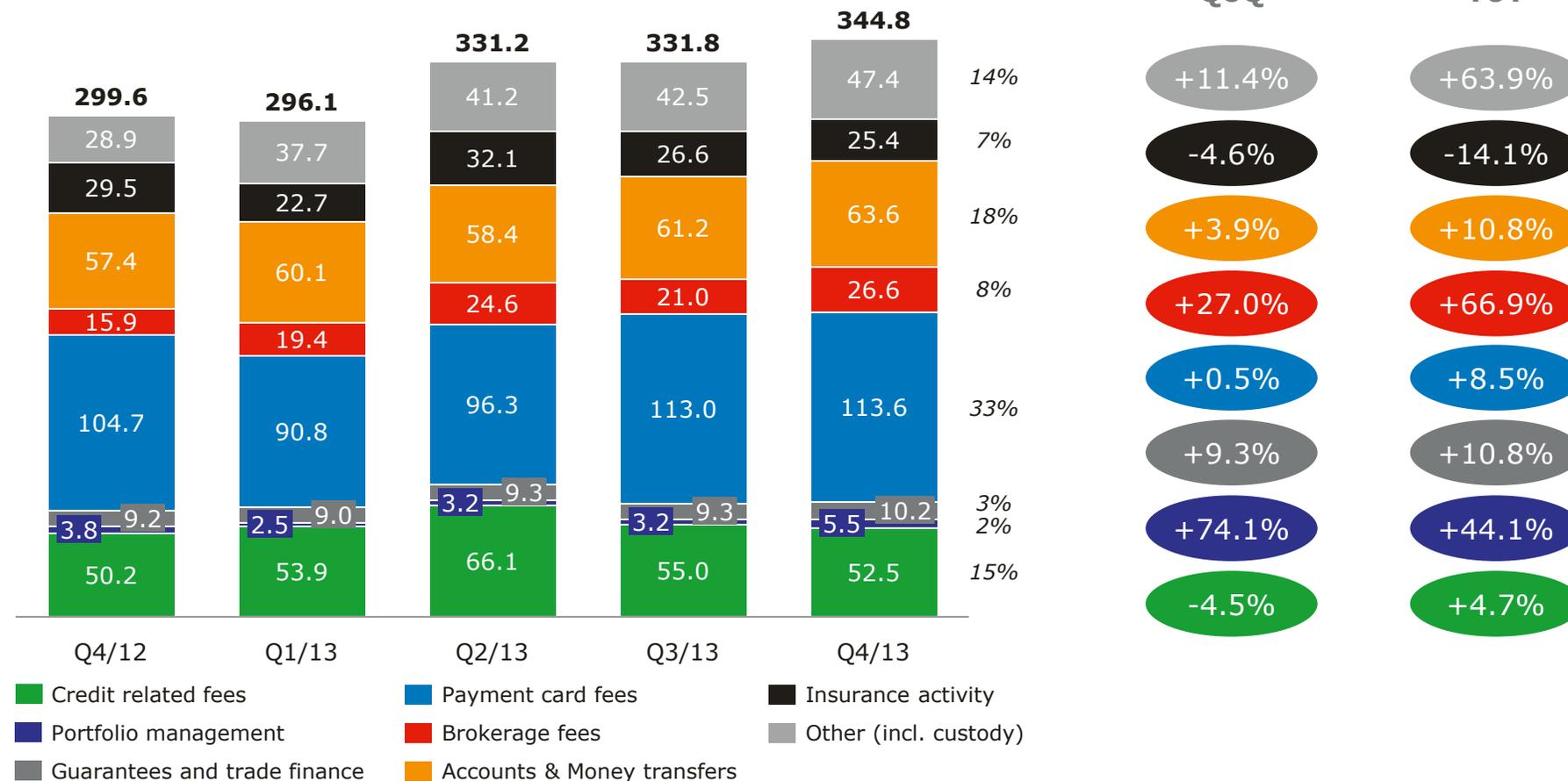
Appendix

Additional Information: Selected Financial Data Fee and Commission Income



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Fee and Commission Income Structure
(PLN M)



Note: 2012 and 2013 results were restated due to the adjustments in booking of bancassurance related income in line with KNF guidance. For further details please refer to page 35 in the appendix.

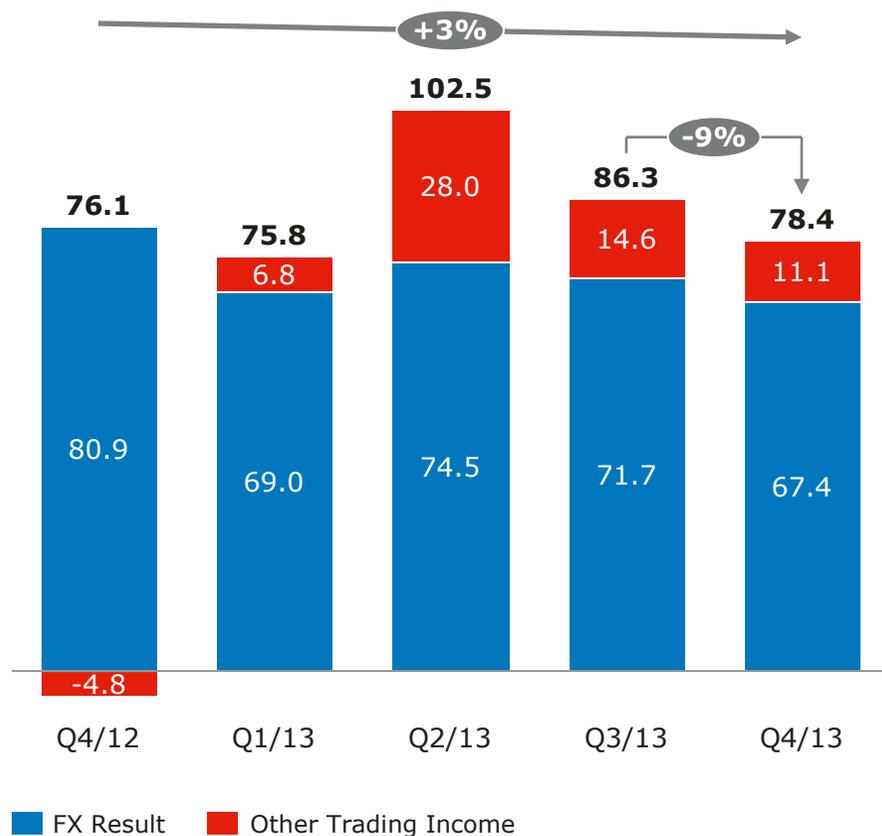
Appendix

Additional Information: Selected Financial Data Trading and Other Income

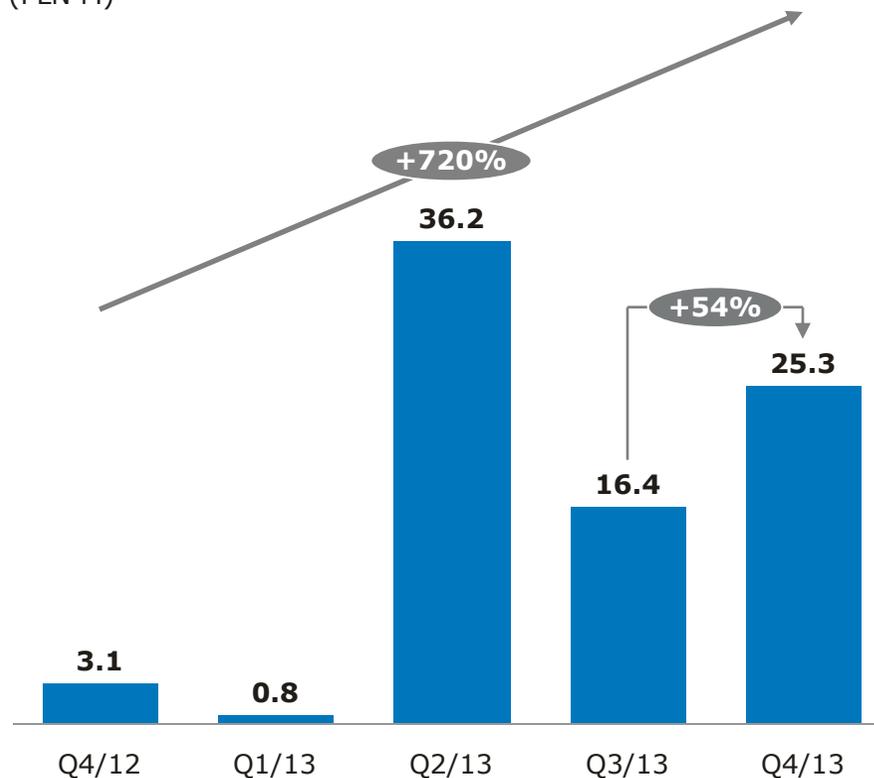


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Net Trading Income Structure
(PLN M)



Gains less Losses from Investment Securities
(PLN M)



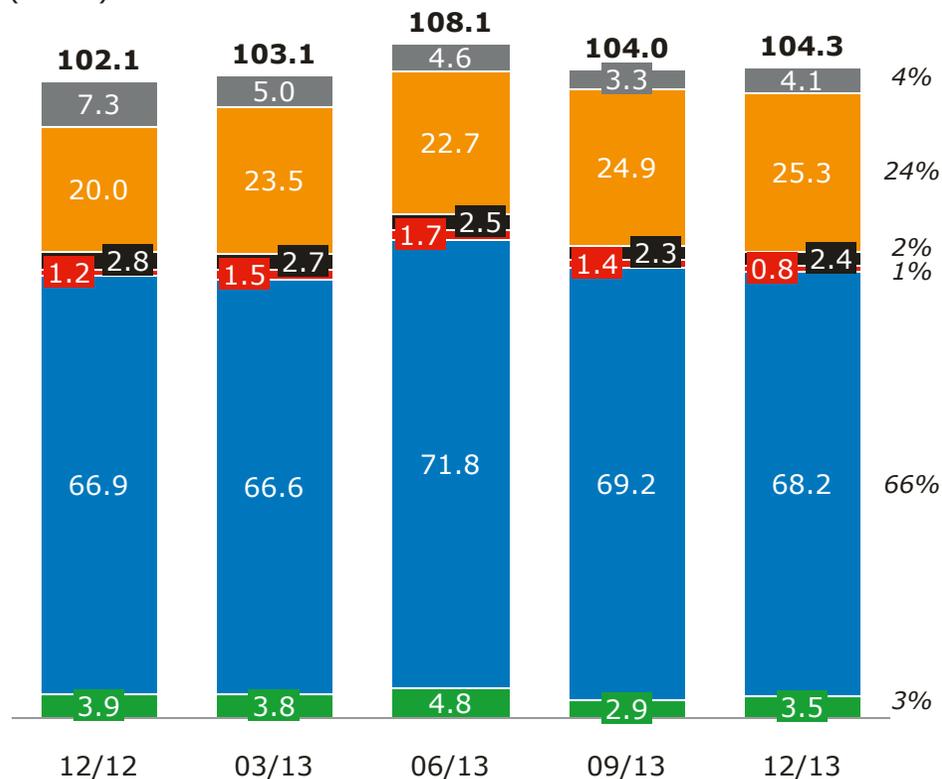
Appendix

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

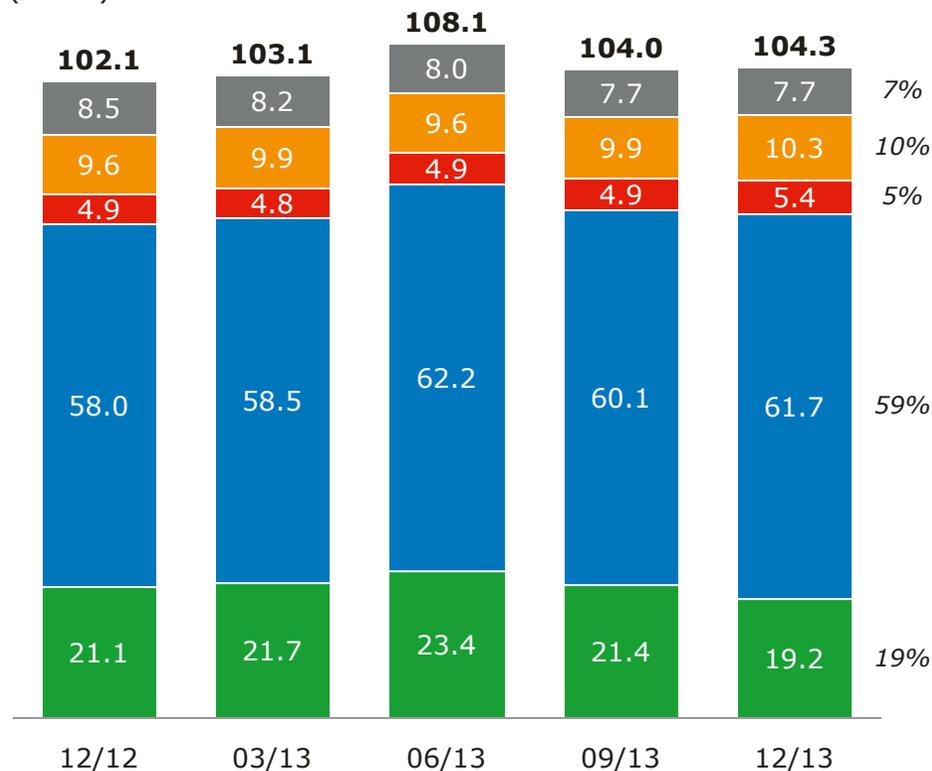


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Structure of Assets
(PLN B)



Structure of Liabilities
(PLN B)



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

- Liabilities to other banks
- Liabilities to customers
- Debt securities in issue
- Equity
- Other

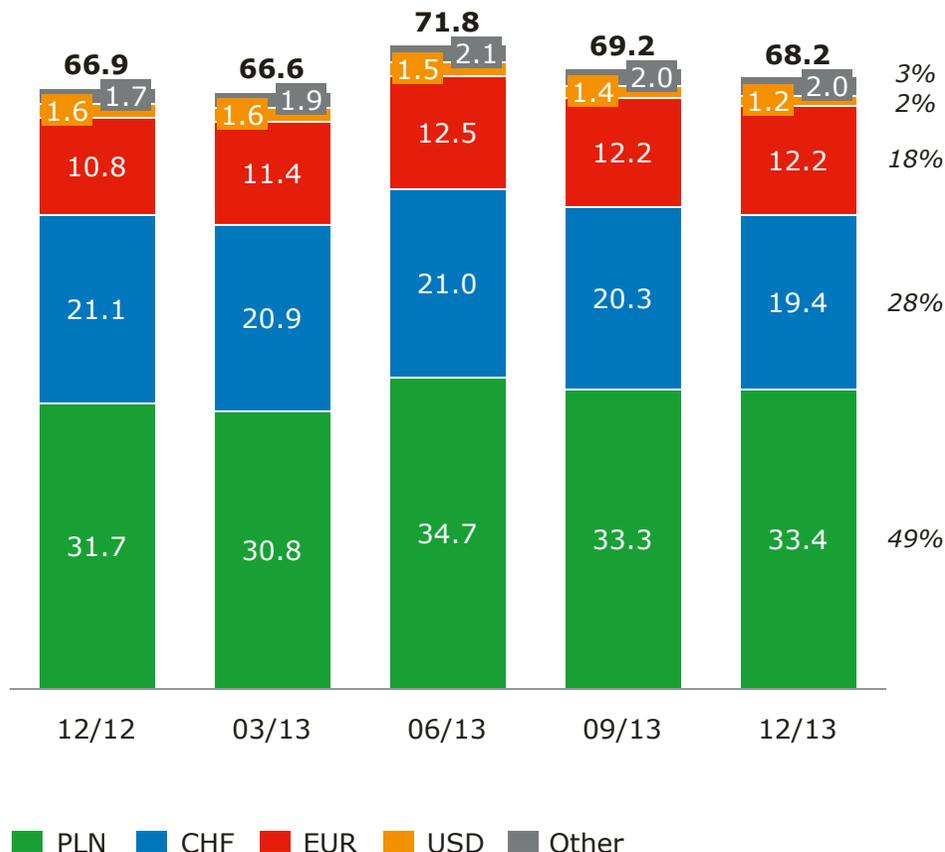
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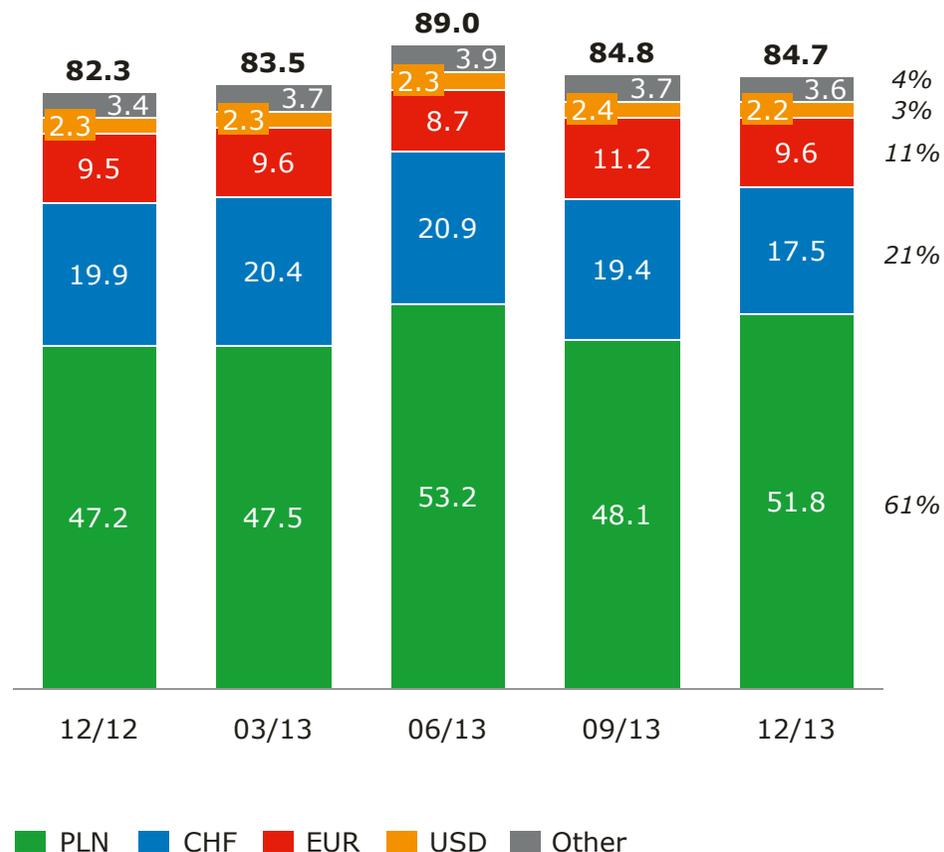
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Additional Information: Selected Financial Data Balance Sheet Analysis: Currency Structure

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



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



* incl. amounts due to other banks and customers and subordinated liabilities

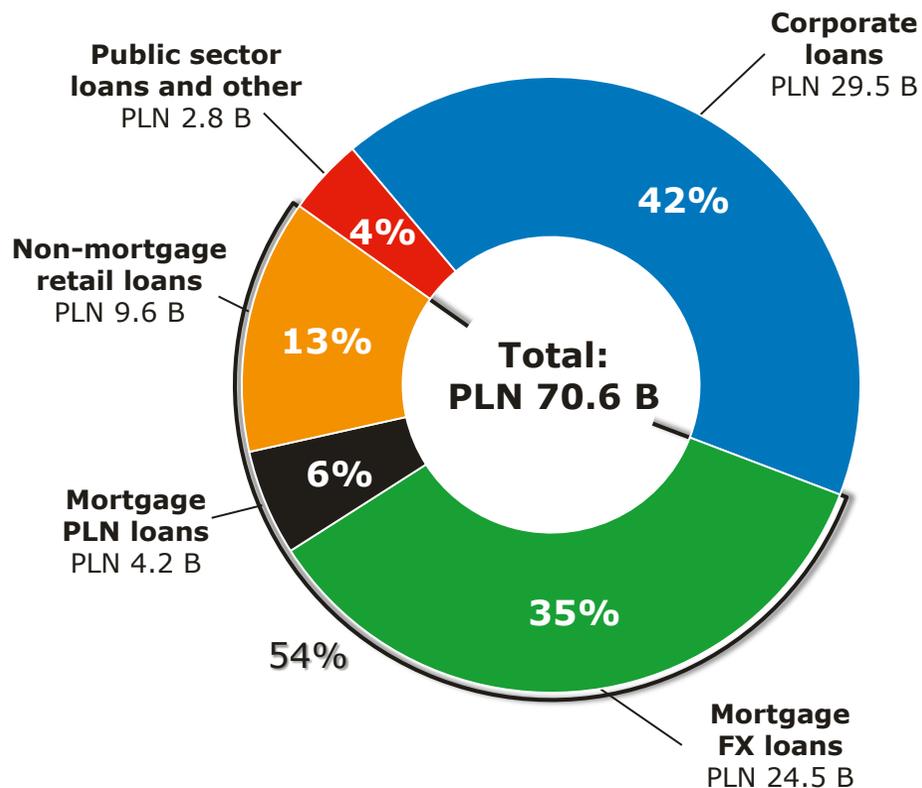
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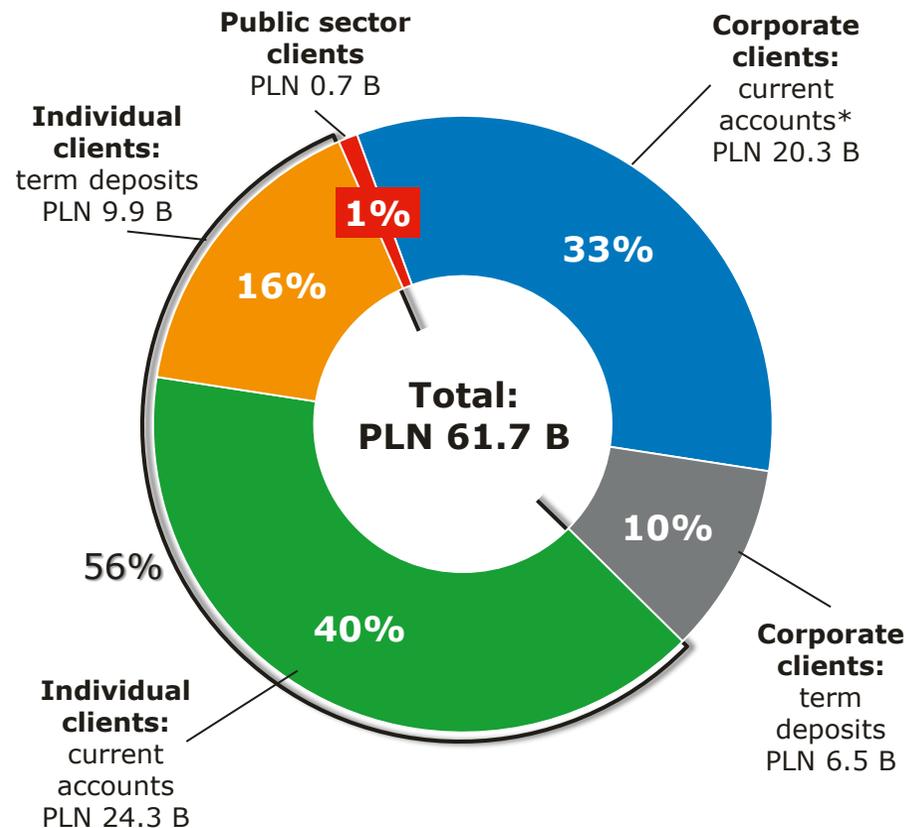
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Additional Information: Selected Financial Data Balance Sheet Analysis: Structure of Loans and Deposits

Structure of mBank Group's Gross Loans as of December 31, 2013



Structure of mBank Group's Deposits as of December 31, 2013

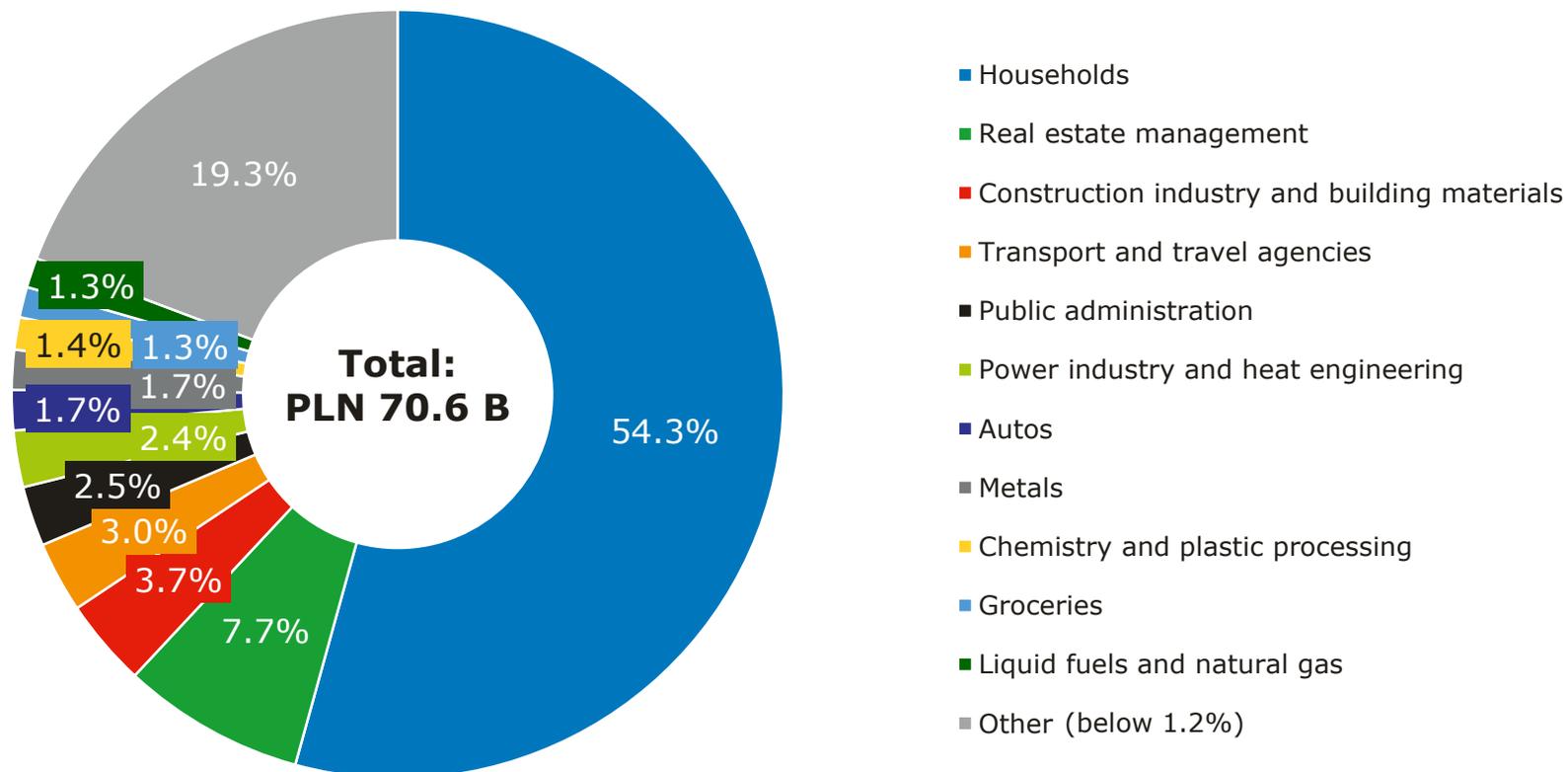


* incl. repo transactions, loans and advances received, other liabilities

Appendix

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

mBank Group's Sector Exposure by Industry
as of December 31, 2013



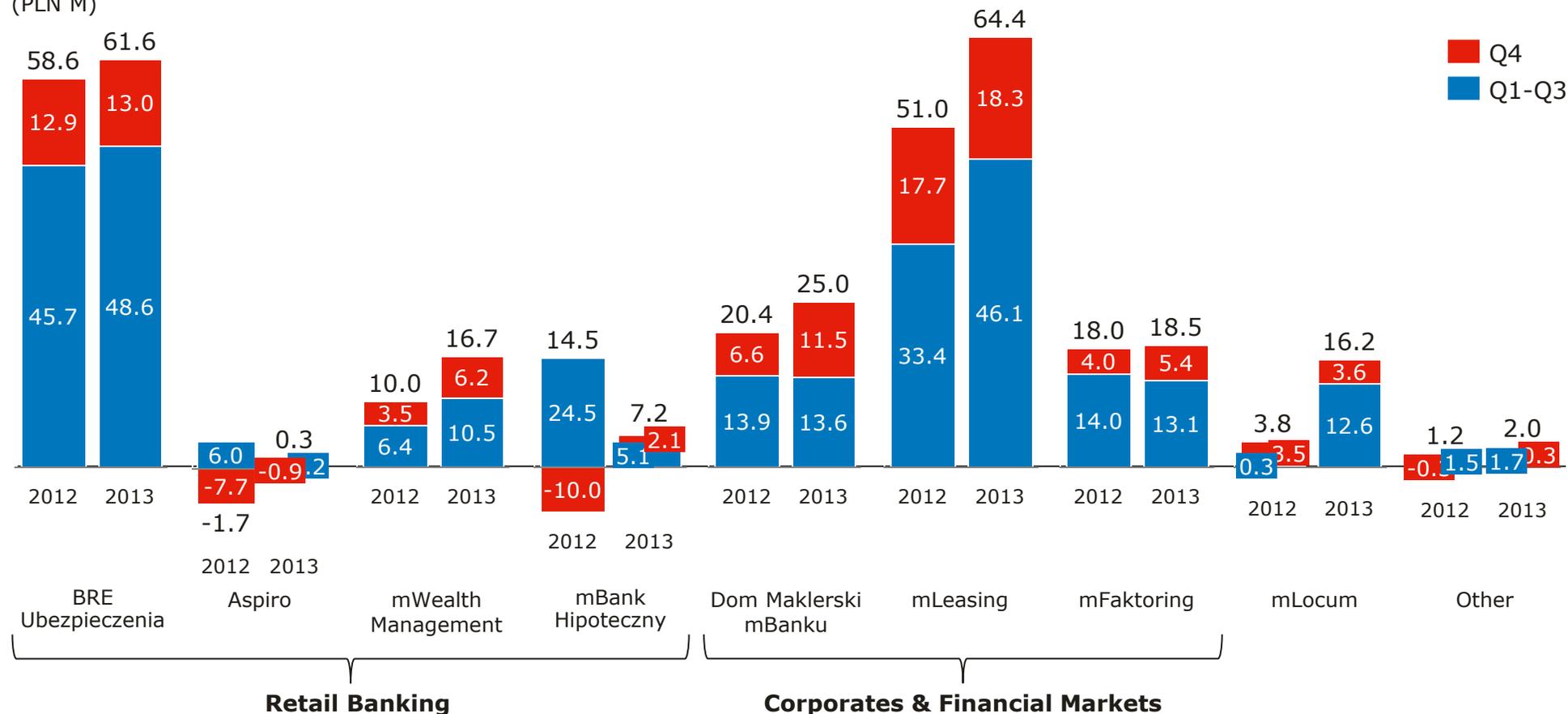
A well diversified loan portfolio with granular structure

Appendix

Additional Information: Selected Financial Data Results of Subsidiaries

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Profit before Tax of Consolidated Subsidiaries
(PLN M)



Profit before tax of consolidated subsidiaries at PLN 212 M in 2013 v. PLN 176 M in 2012 (+20.5%)

Detailed Results of the Business Lines Q4/13

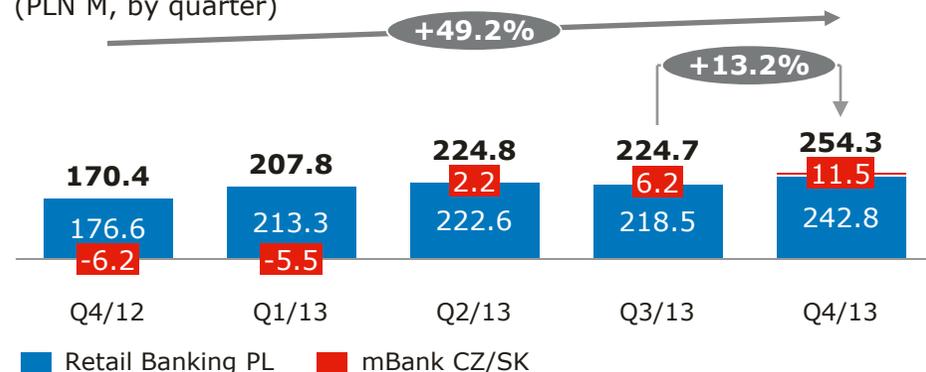
Retail Banking

Appendix

Retail Banking Summary of Q4/13: Financial Results

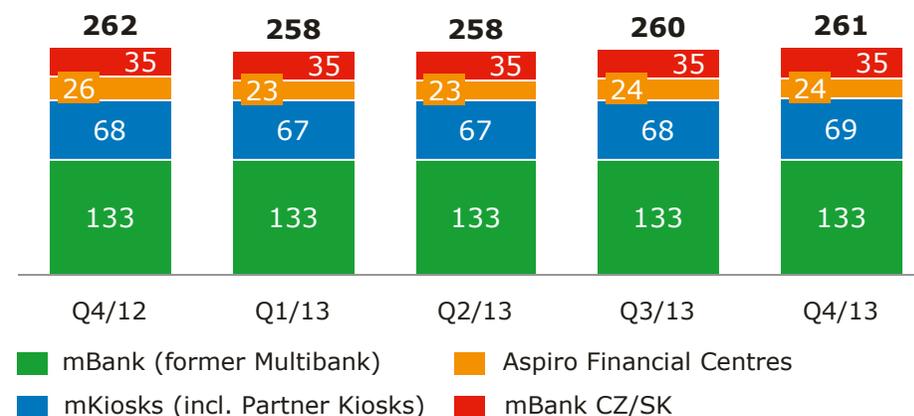
Summary
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Profit before Tax of Retail Banking Segment*
(PLN M, by quarter)

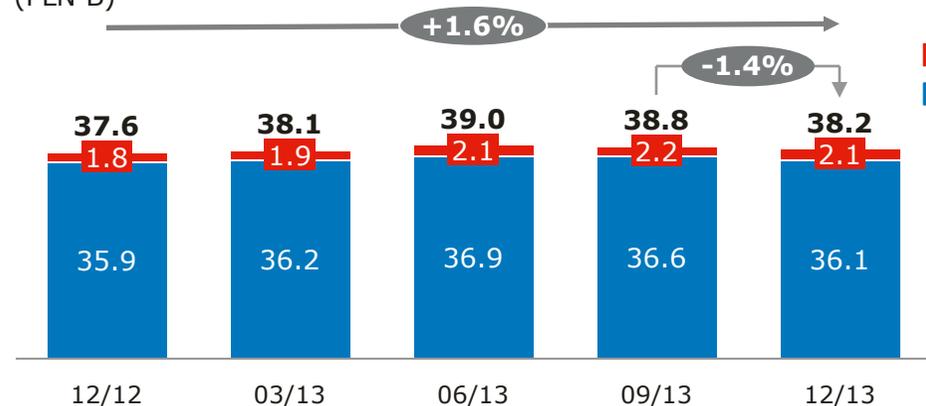


* incl. mWM, Aspiro, mBank Hipoteczny, BRE Ubezpieczenia and cons. adj.

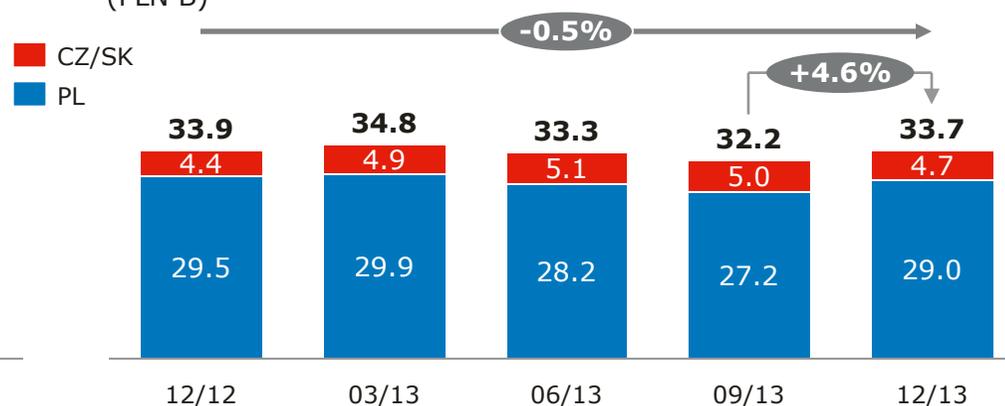
Number of Retail Outlets



Total Retail Gross Loans#
(PLN B)



Total Retail Deposits#
(PLN B)



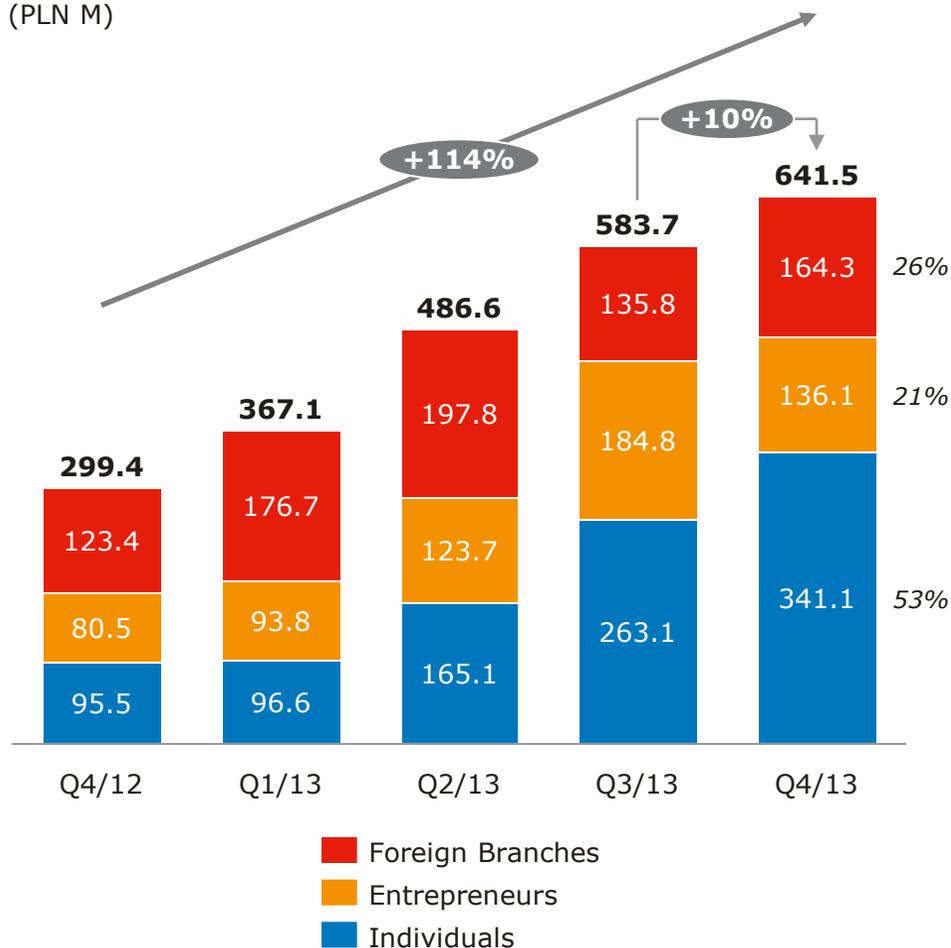
Based on management information

Appendix

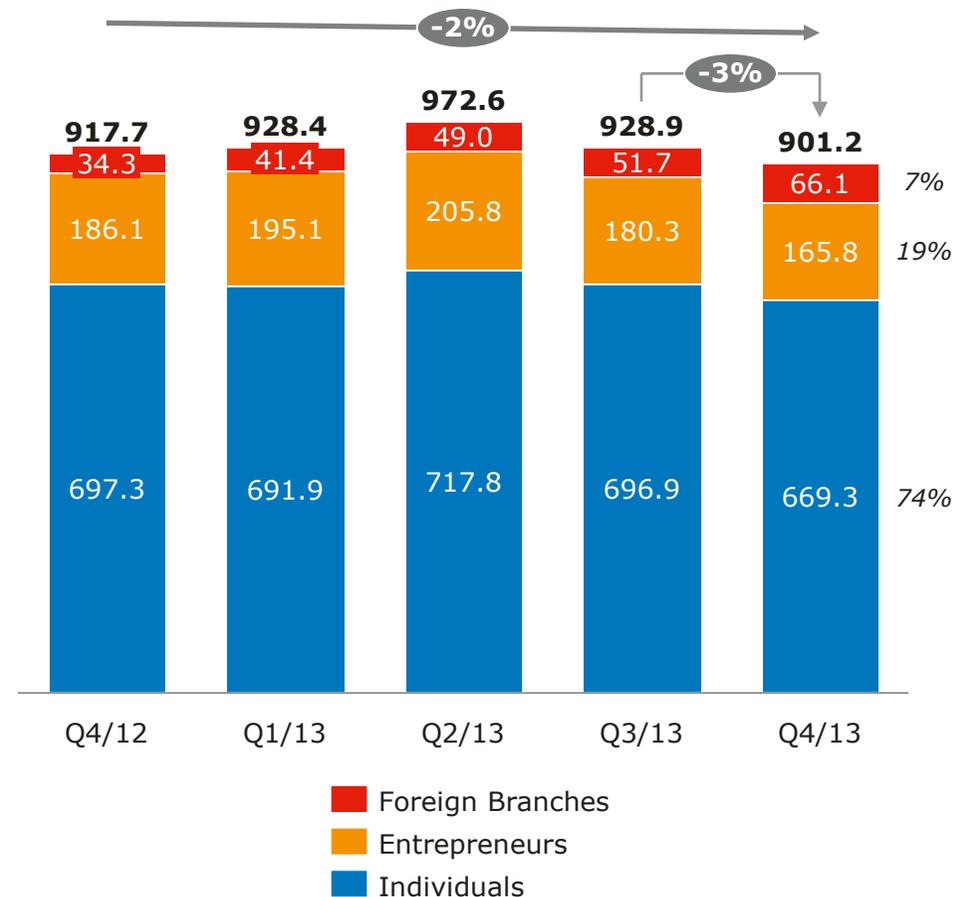
Retail Banking Sales of New Retail Loans

Summary
Historical view
Profit & Loss
Balance Sheet
Subsidiaries
Business Lines

Quarterly Sales of Mortgage Loans
(PLN M)



Quarterly Sales of Non-Mortgage Loans
(PLN M)



Appendix

Retail Banking

Mortgage and Non-mortgage Loans: Portfolio Structure and Key Parameters

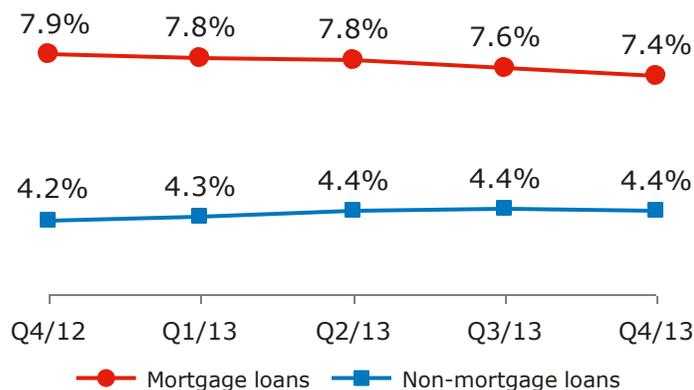
Summary
Historical view
Profit & Loss
Balance Sheet
Subsidiaries
Business Lines

mBank's Mortgage Loan Portfolio
(Loans to individuals of Retail Banking PL)

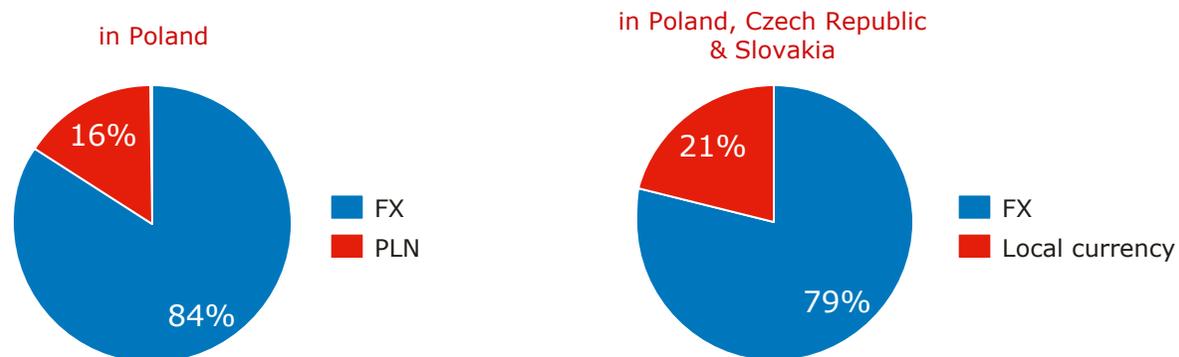
Balance-sheet value (PLN B)	26.5
Average contractual maturity (years)	20.8
Average value per loan (PLN thou.)	273.4
Average LTV (%)	78.4
NPL (%)	4.4*

As of 31.12.2013

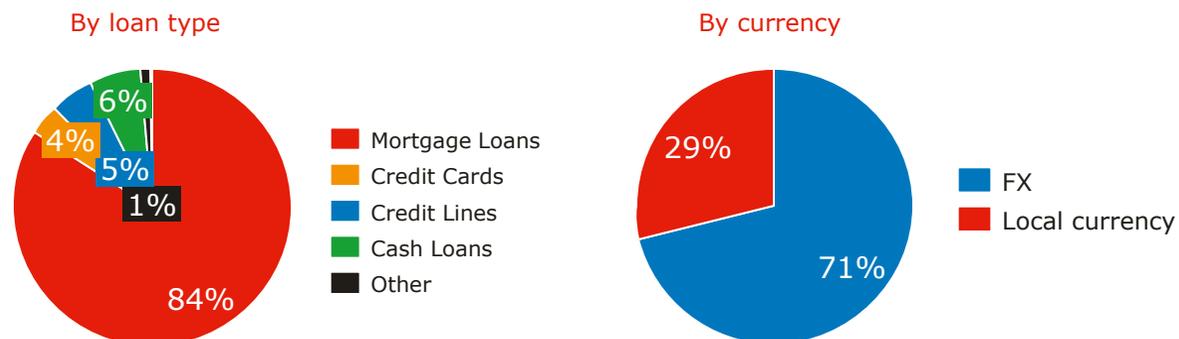
Market shares



Currency Structure of Retail Banking Mortgage Loan Portfolio
(Household Loans) at 31.12.2013



Structure of Retail Banking Loan Portfolio
(Household Loans, mBank PL only) at 31.12.2013

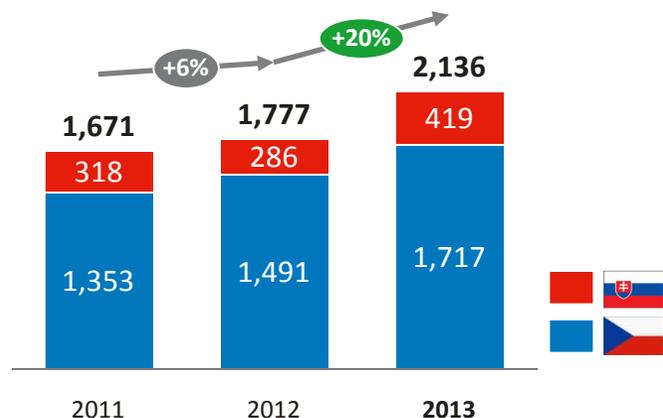


* In Q4/13 the modified methodology of NPL recognition in retail area was implemented. Under previous approach, NPL ratio amounted to 2.2% as of 31.12.2013.

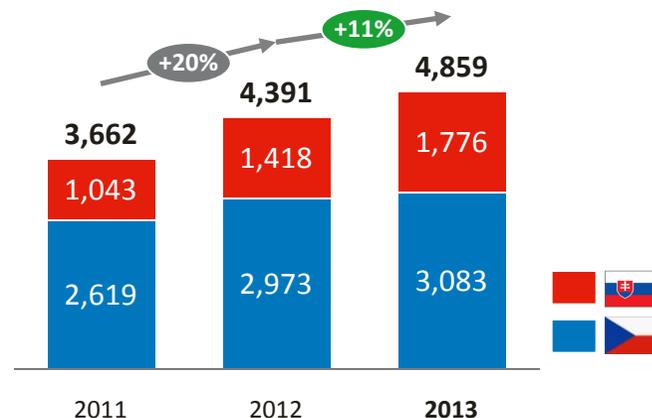
Appendix

Retail Banking mBank in the Czech Republic and Slovakia

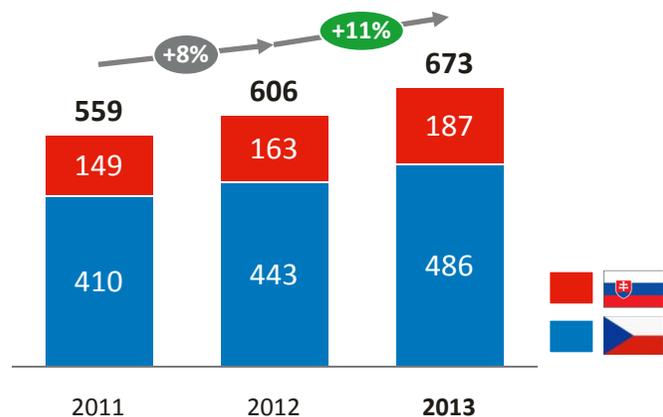
Gross Loans (PLN M)



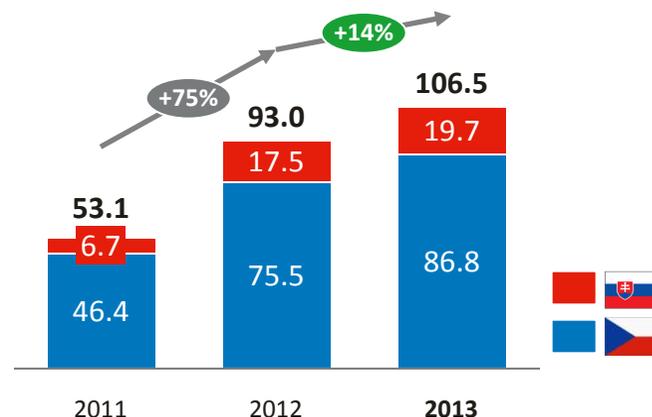
Deposits (PLN M)



Clients (thou.)



Total revenues (PLN M)



Business development and initiatives:

- Continuation of ambitious growth strategy derived from Polish success and focused on regional market specifics
- Strengthening local competence through the implementation of new risk scenarios, systematic process management, cost control measures, moving of call centre to Prague and expanding its services
- Active client acquisition and product cross-selling based on more impactful communication
- mBank CZ/SK also takes part in Group rebranding
- Full roll-out of New mBank on the Czech and Slovak market in Q1 2014

Number of sales points

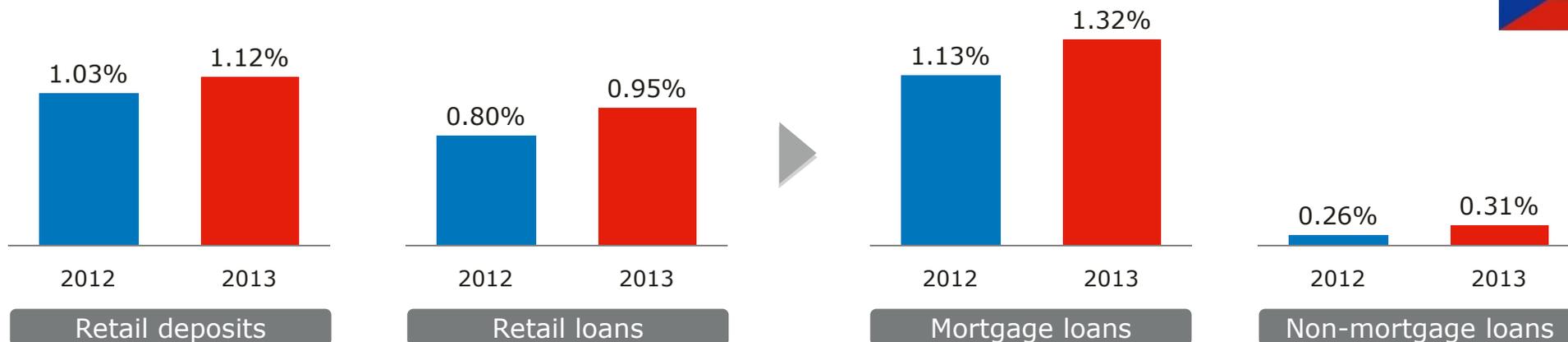


Appendix

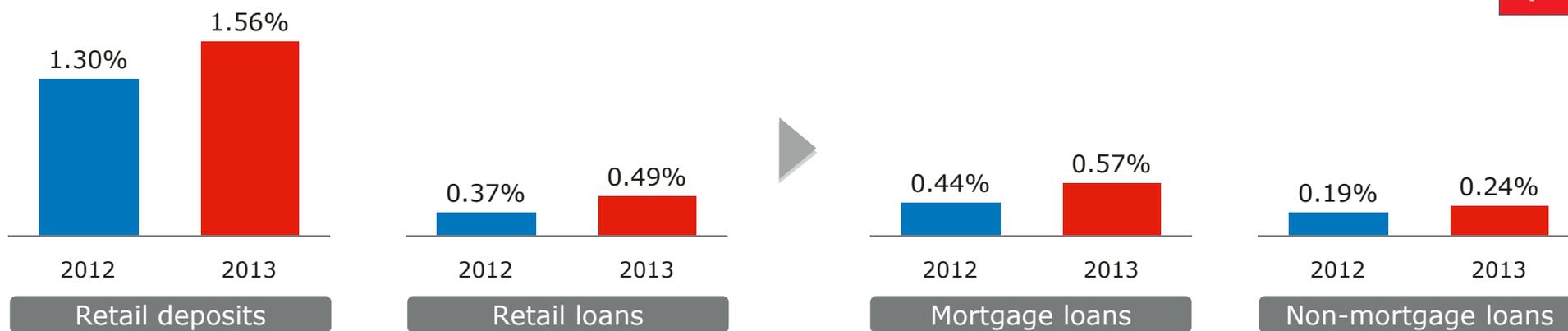
Retail Banking mBank in the Czech Republic and Slovakia

Summary
Historical view
Profit & Loss
Balance Sheet
Subsidiaries
Business Lines

Market shares – mBank CZ



Market shares – mBank SK



Source: internal calculation based on data from Czech National Bank (CNB) and Národná Banka Slovenska (NBS)

Appendix

mBank Retail Banking mBank Hipoteczny (mBH)

Summary
Historical view
Profit & Loss
Balance Sheet
Subsidiaries
Business Lines

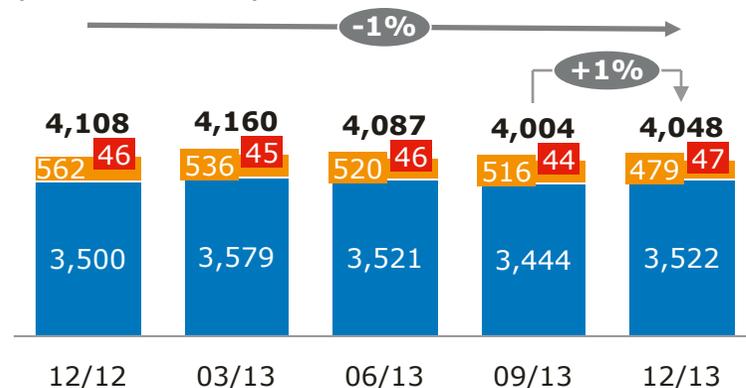
mBank Hipoteczny

established in 1999

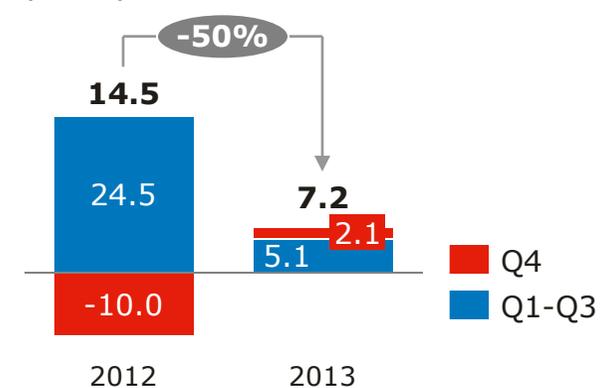
specialised mortgage bank and the largest issuer of covered bonds in the Polish market

- Housing loans (old portfolio)
- Local government loans
- Commercial loans

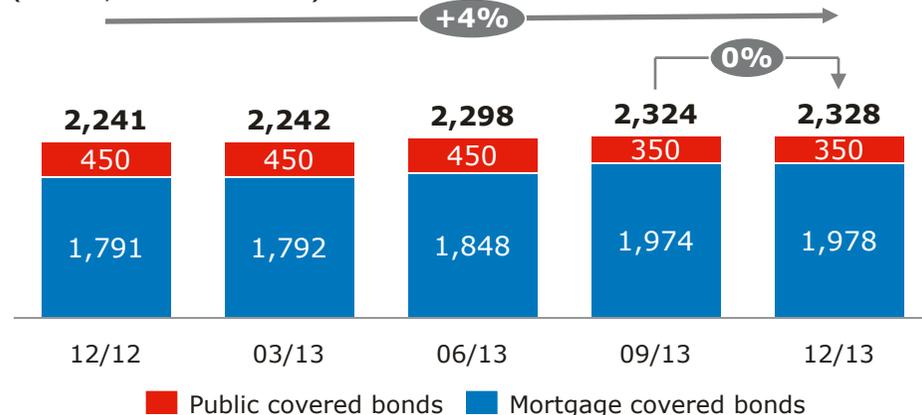
Loan Portfolio: Balance-sheet Exposure (PLN M, net value)



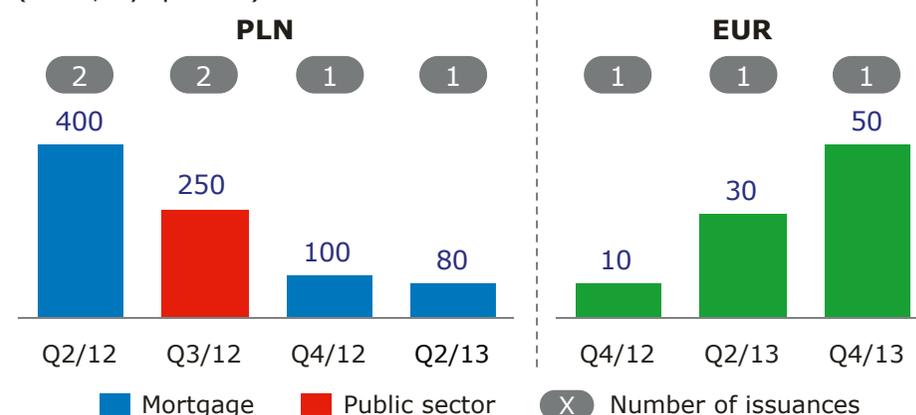
Profit before Tax (PLN M)



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



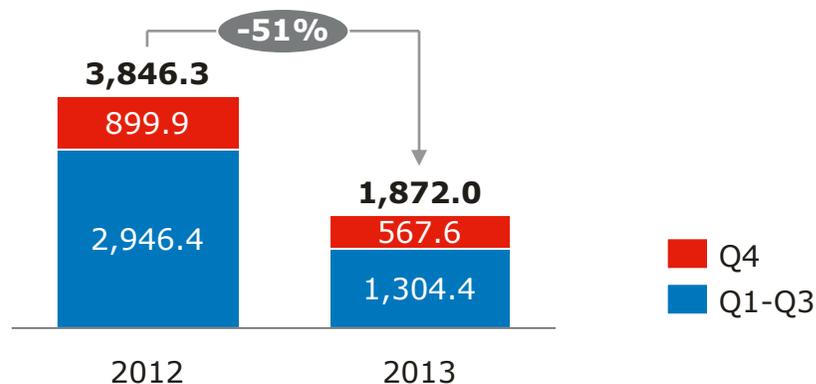
Issuance of Covered Bonds in original currencies (LC M, by quarter)



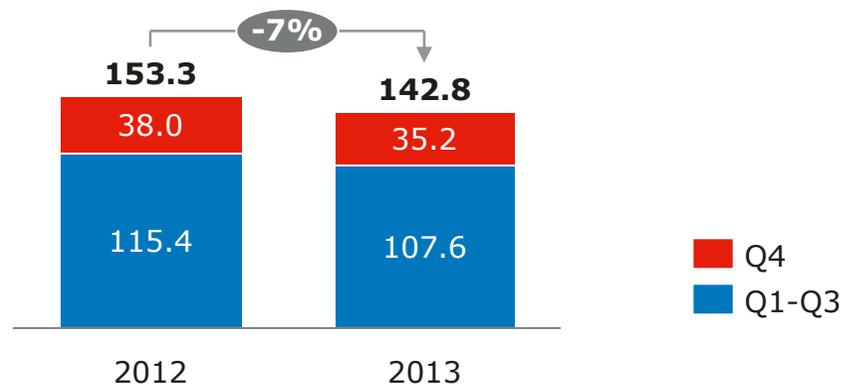
Appendix

mBank Retail Banking BRE Ubezpieczenia (BRE Insurance)

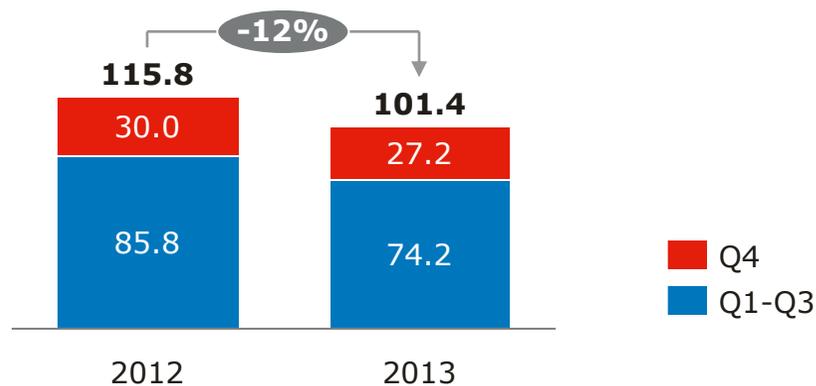
Bancassurance Retail
Gross Written Premiums (PLN M)



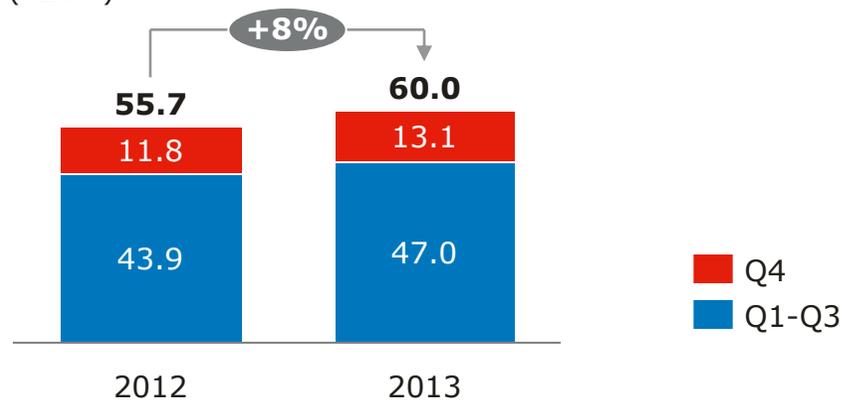
Direct Insurance (Internet platform)
Gross Written Premiums (PLN M)



Co-operation with mLeasing
Gross Written Premiums (PLN M)



Profit before Tax*
(PLN M)



* Gross profit of BRE Ubezpieczenia according to its statutory financial statements (including deferred acquisition costs)

Detailed Results of the Business Lines Q4/13

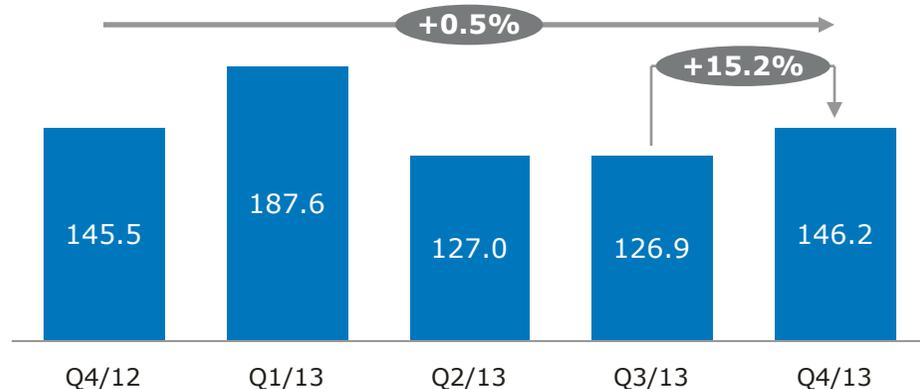
Corporates & Financial Markets

Appendix

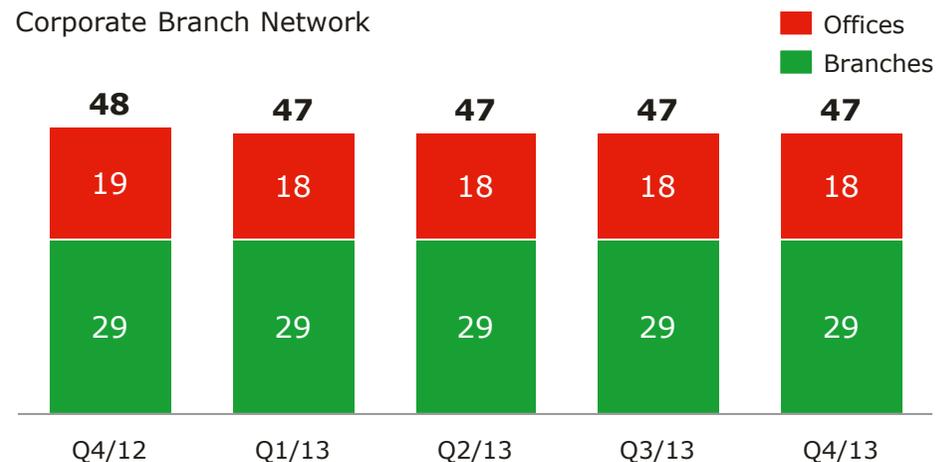
Corporates and Financial Markets Summary of Q4/13: Financial Results

Summary
Historical view
Profit & Loss
Balance Sheet
Subsidiaries
Business Lines

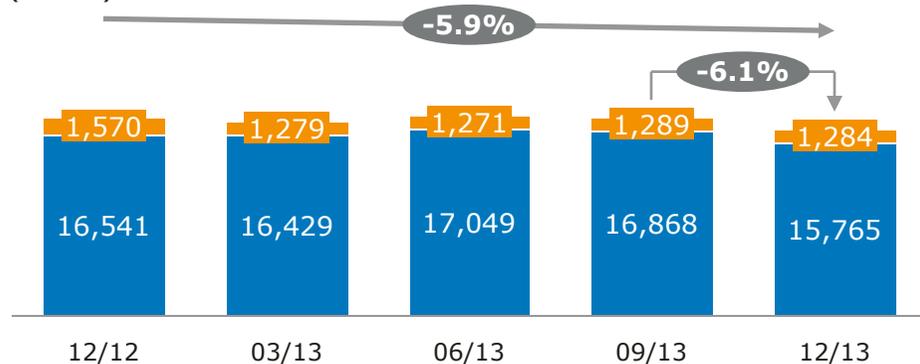
Profit before Tax of the Segment
(PLN M, by quarter)



Corporate Branch Network

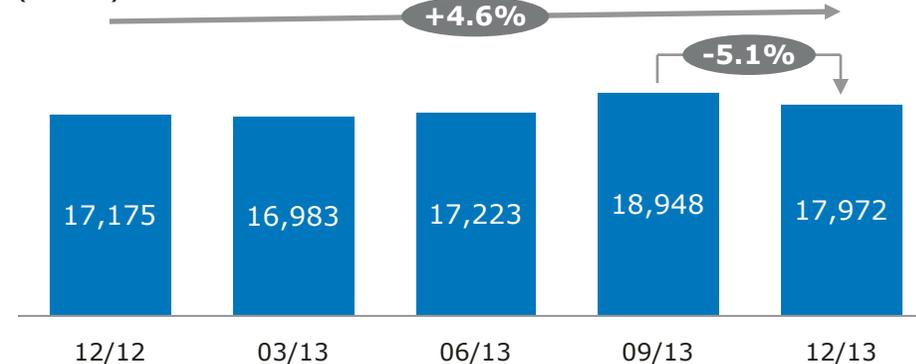


Loans to enterprises*
(PLN M)



■ loans classified as 'securities'

Deposits of enterprises*
(PLN M)



* Corporate loan and deposit volume according to current NBP rules

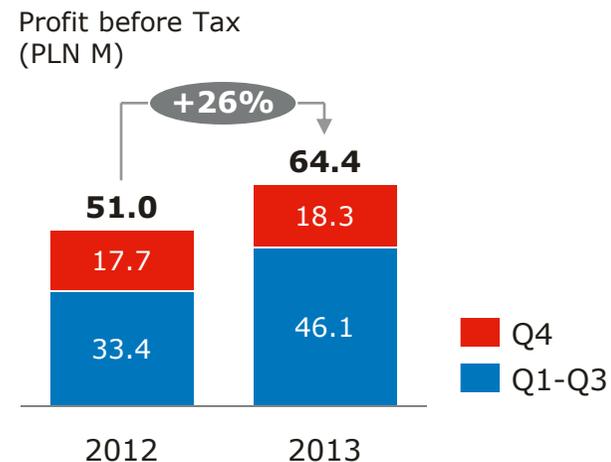
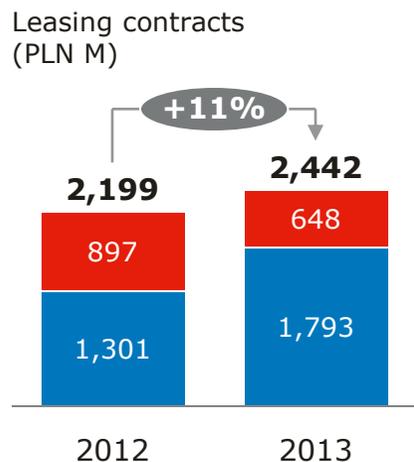
Appendix

Corporates and Institutions Leasing and Factoring (Poland)

m Leasing

established in 1991

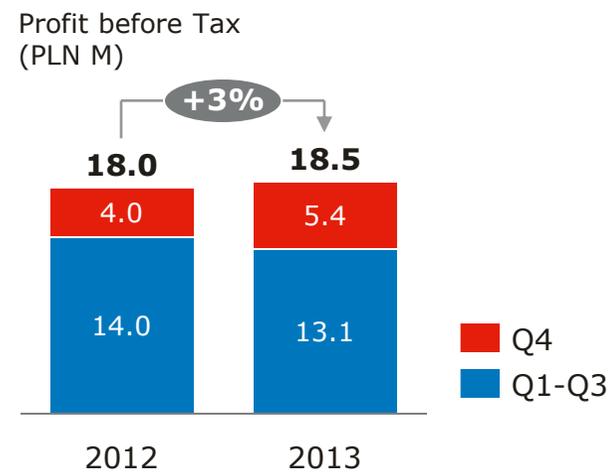
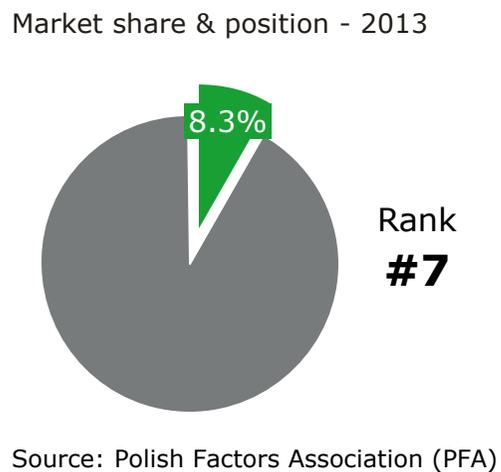
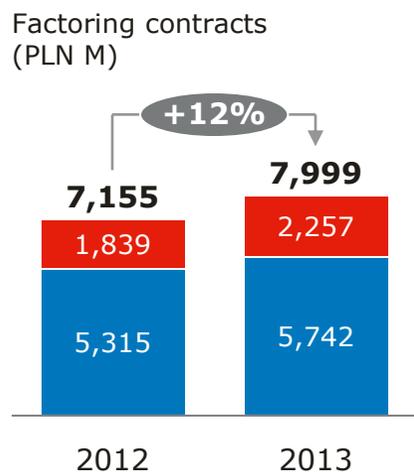
provides financial and operating leasing of cars, trucks, machinery and real estate



m Faktoring

established in 1995

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

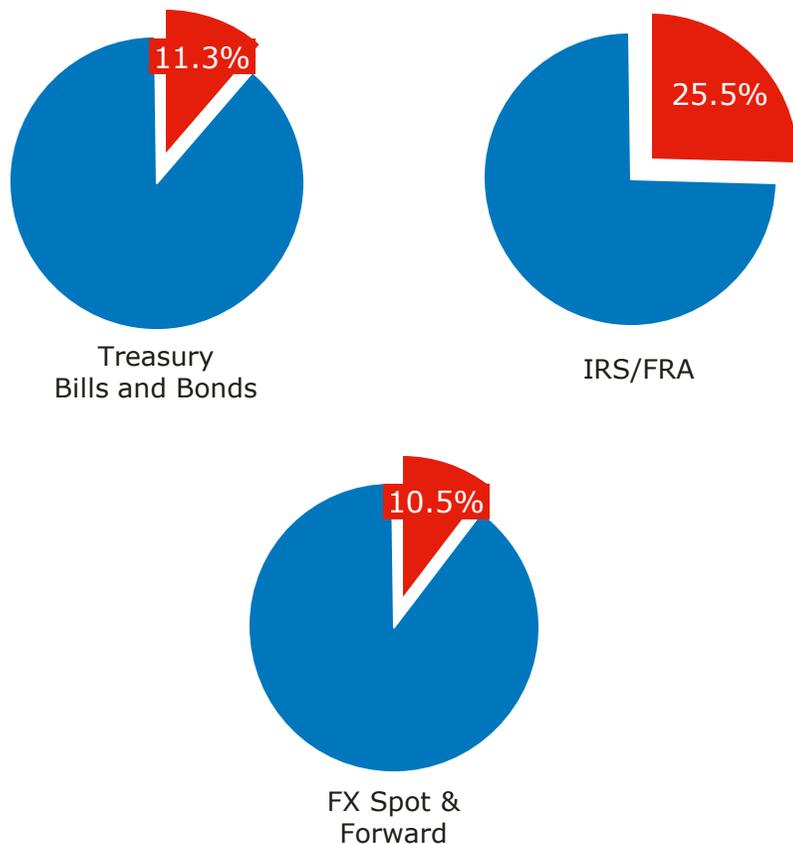


Appendix

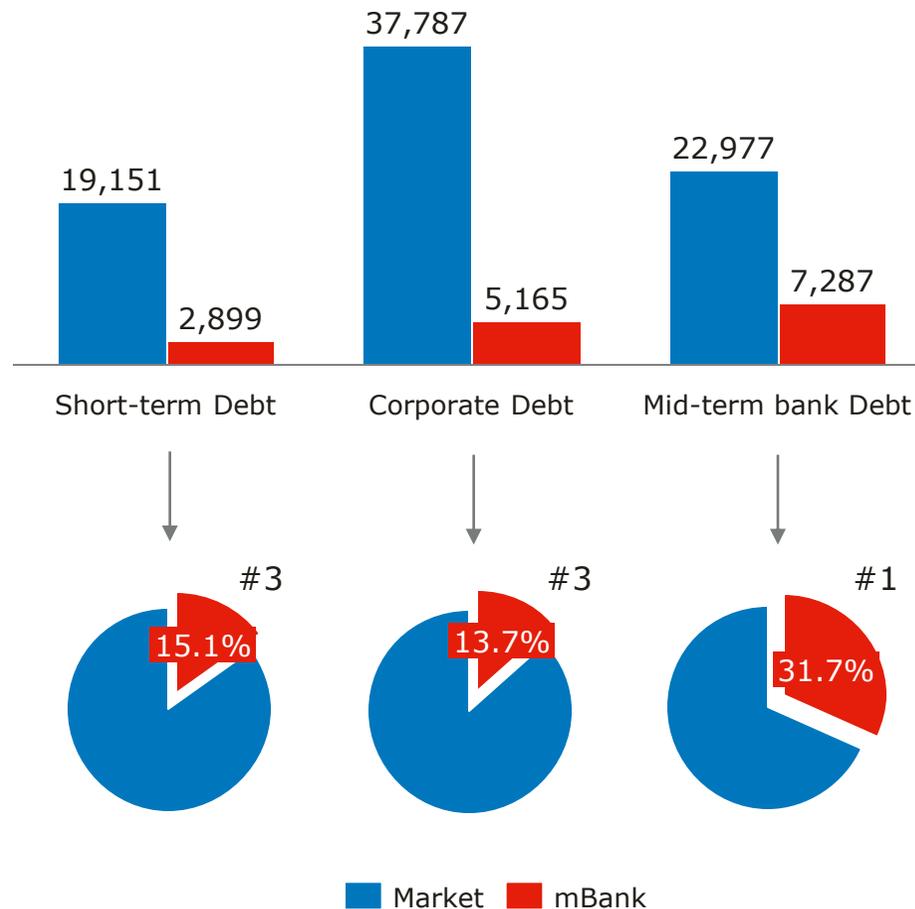
Trading and Investment Activity Market Shares

Summary
Historical view
Profit & Loss
Balance Sheet
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Business Lines

mBank's Market Shares in Investment Banking Services*



mBank in the Market for Non-Treasury Debt for Q4/13#
(PLN M)



* As of 31.12.2013; calculations based on own and NBP data

Based on Fitch Polska S.A., Rating & Rynek, 31.12.2013 and own calculations (excluding BGK road bonds)

Appendix

Trading and Investment Activity 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 Q4/13 (thou.)

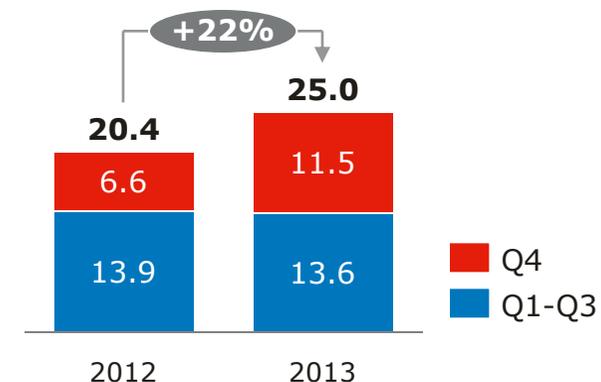
mDM accounts	53.2
Brokerage Service in mBank	242.3
TOTAL	295.5

Market Shares in Q4/13, by volume

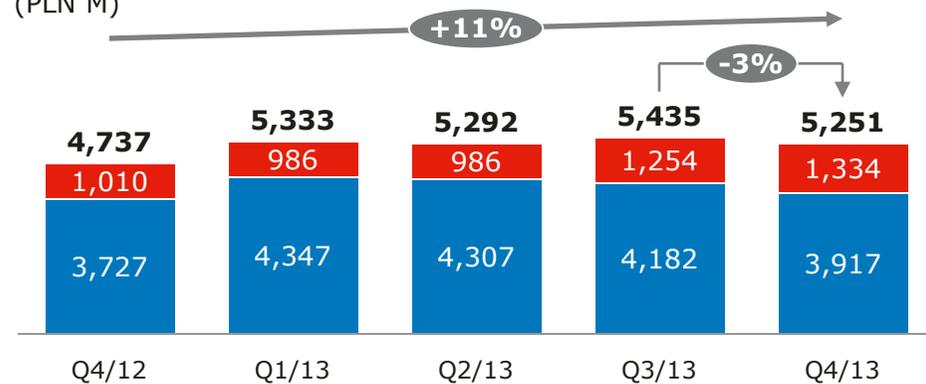
	incl. block transactions		Session transactions	
Equities	4.14%	#7	4.32%	#7
Bonds	1.81%	#11	1.93%	#11
Futures	16.06%	#2	16.33%	#2
Options	18.46%	#1	19.62%	#2

Source: own calculations based on WSE data.

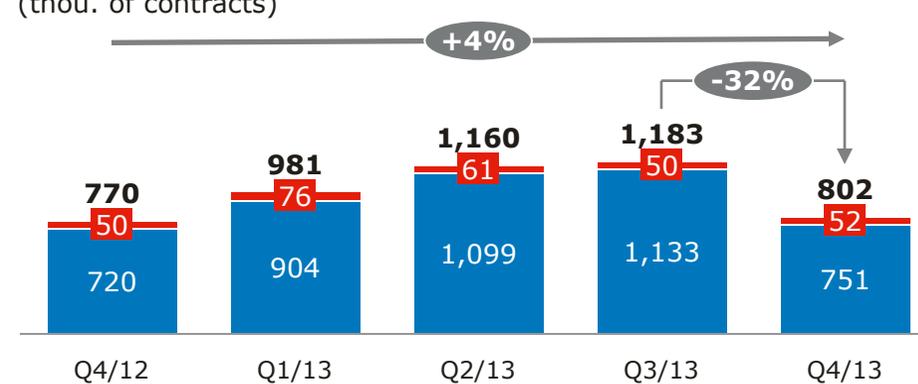
Profit before Tax (PLN M)



mDM Equities Trading WSE (PLN M)



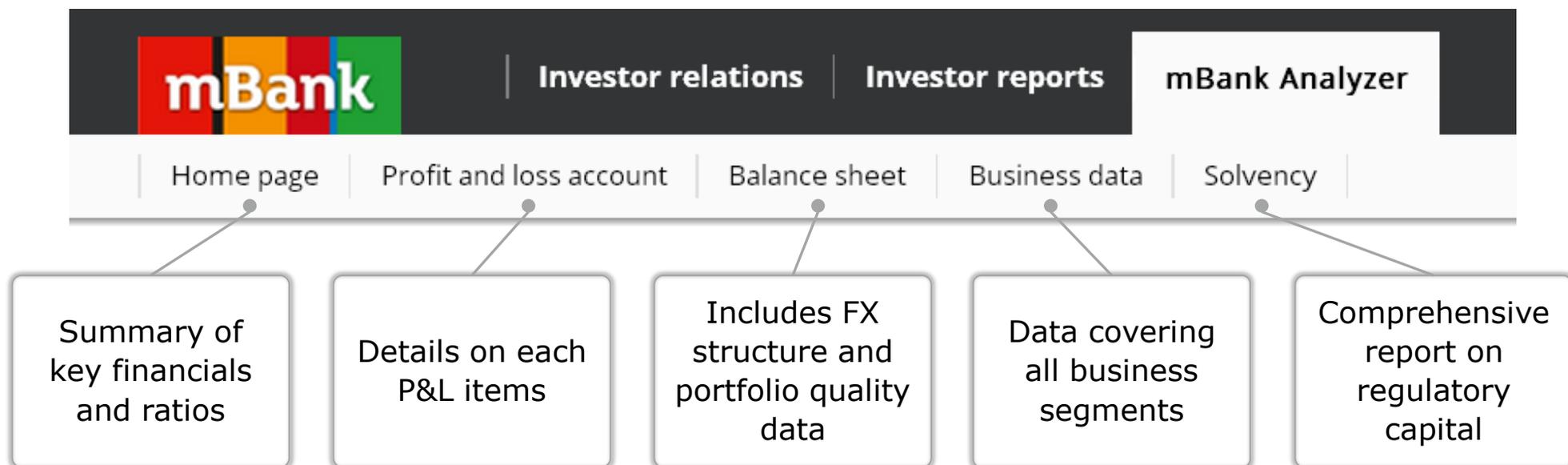
mDM Futures Trading WSE (thou. of contracts)



Trading via mBank's brokerage services (Red) | Direct trading via mDM (Blue)

Further enhancing our reporting standard

Analyse, customise, export and print selected data on mBank Group, covering all periods since Q1/06 in quarterly and annual series



▶ Clicking on  icon where available in the presentation provides direct access to specific data in **mBank Analyzer**

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