

BANKING MARKET IN POLAND 2009-2011, CEE BANKING SERIES UPDATE 1H 2009



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**by Intelace Research
October 2009**

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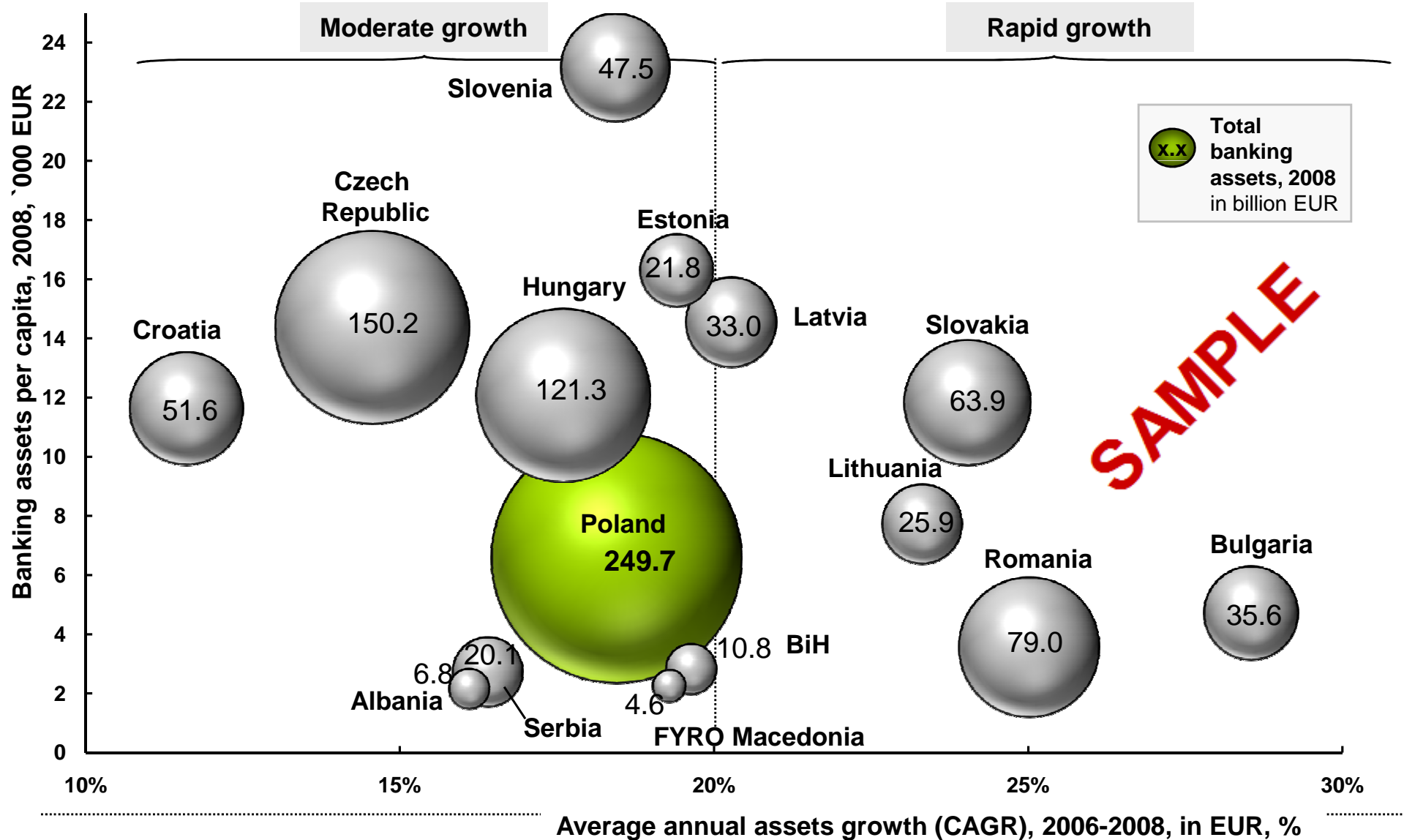
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POLAND HAS THE LARGEST BANKING MARKET IN THE CEE15* AREA

CEE15* banking markets - Size vs. growth matrix, 2006-2008



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Banking Market in Poland 2009-2011, Update 1H2009

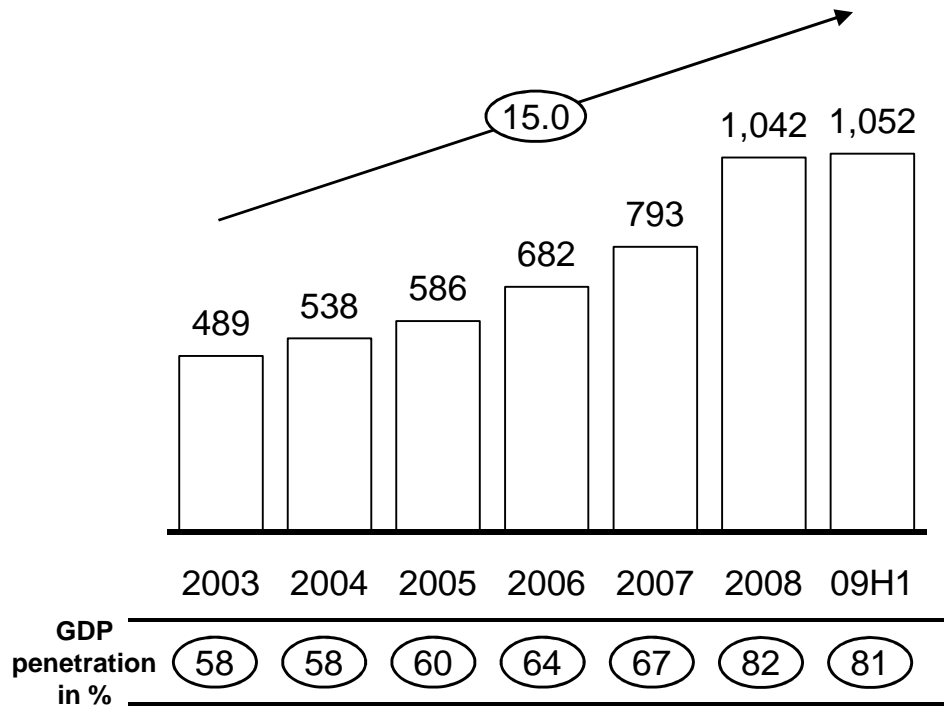
* Major 15 CEE countries. Russia, Ukraine and Belarus not included
 Source: Central banks, IMF, Intelace Research

BANKING ASSETS GROWTH DECELERATED IN 1H 2009

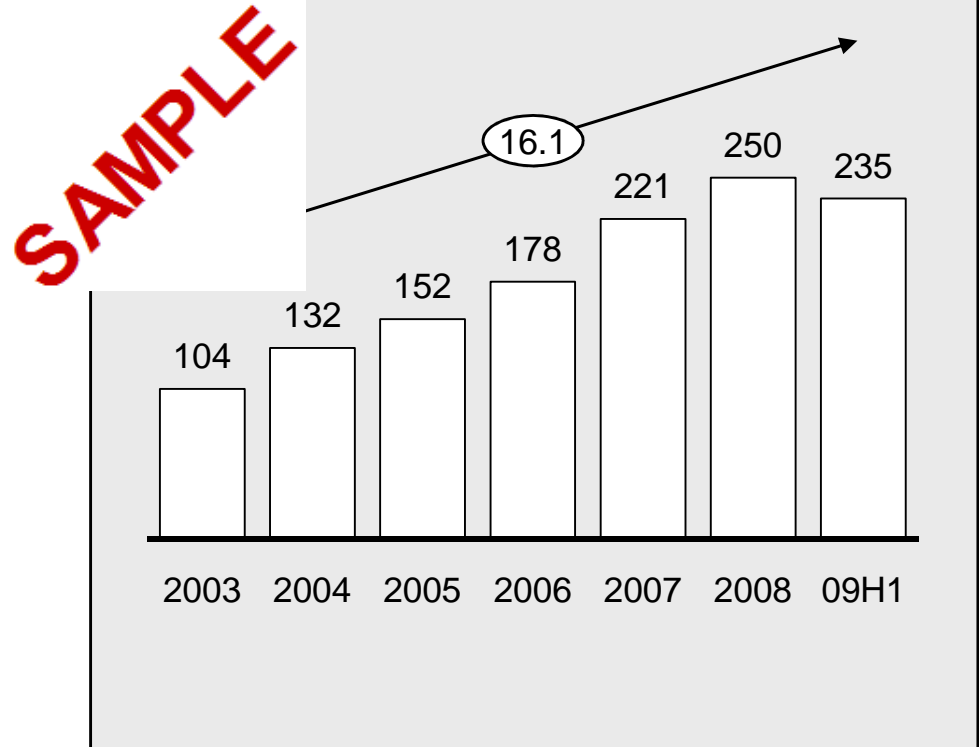
CAGR**

Total banking assets* evolution, 2003-1H2009

Nominal value in local currency
Billion PLN



Nominal value (in EUR) at current FX rate
Billion EUR



Banking Market in Poland 2009-2011, Update 1H2009

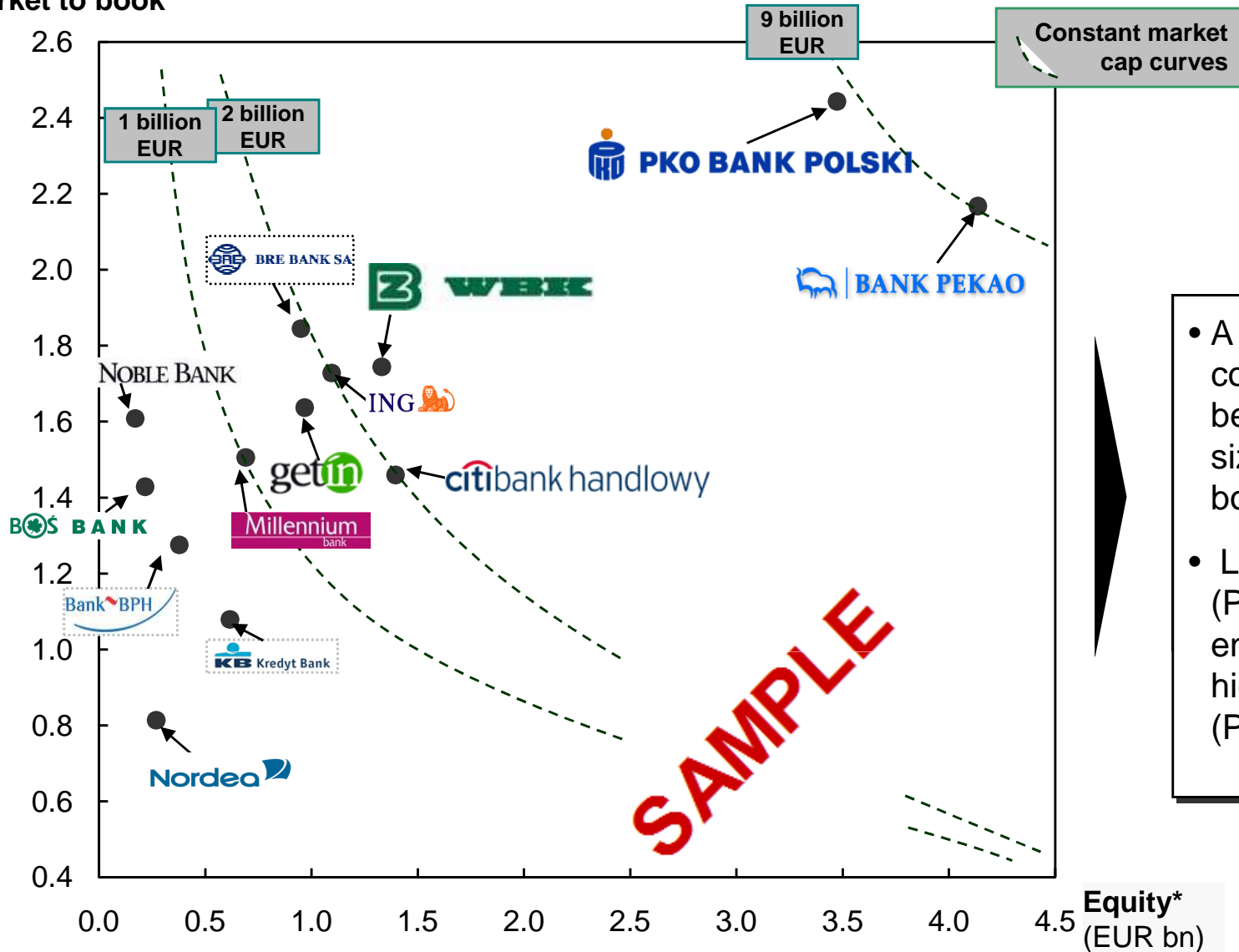
* Including commercial banks, cooperative banks and foreign bank branches

** Compound Annual Growth Rate

Source: NBP, GUS

STRATEGIC CONTROL MAP – MAJOR LISTED BANKS IN POLAND AS OF AUGUST 2009

Market to book*



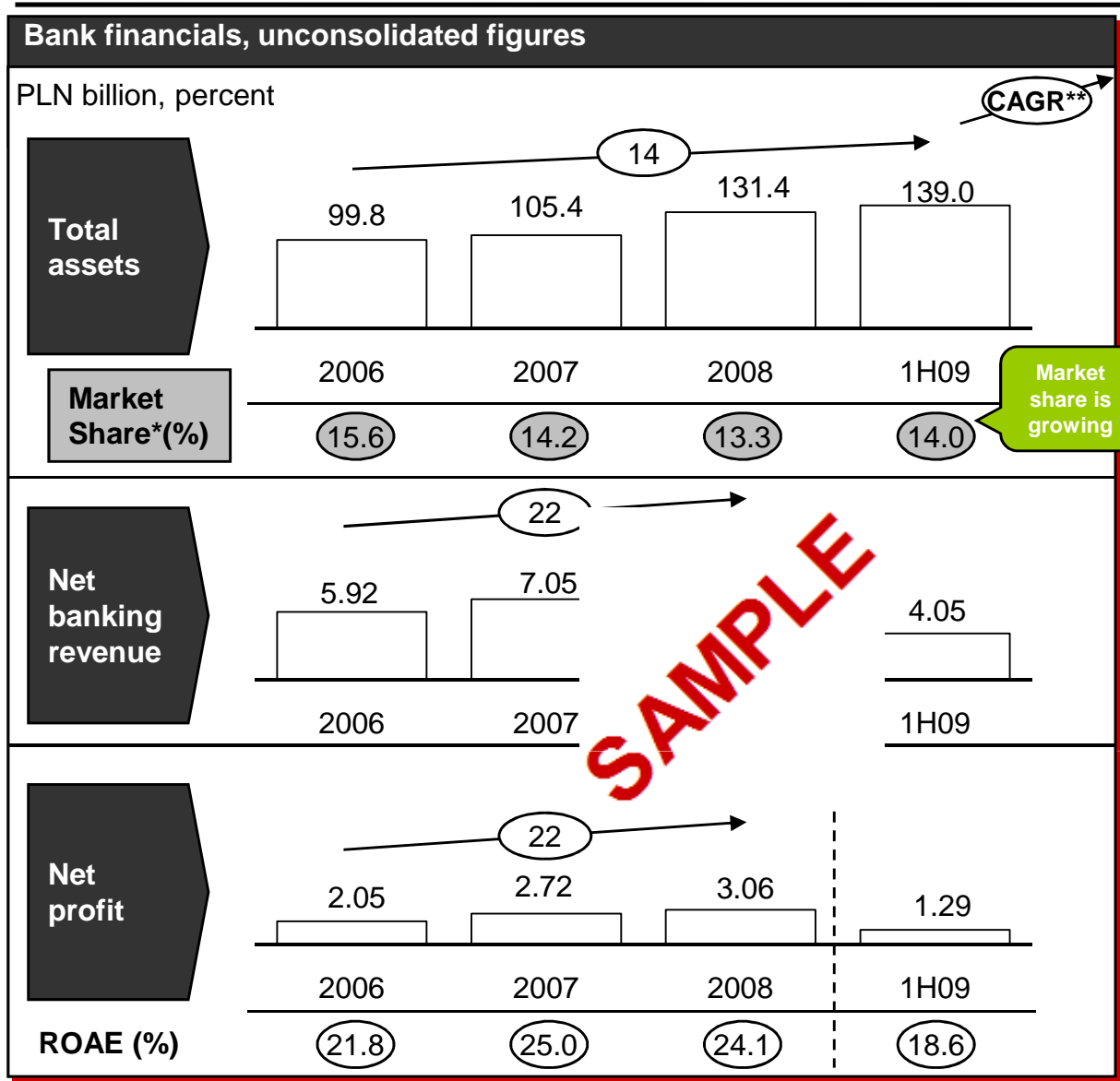
CONSOLIDATED ACCOUNTS

- A significant correlation between bank size and market to book can be found
- Largest banks (Pekao & PKO) enjoy relatively highest valuations (P/BV)

Banking Market in Poland 2009-2011, Update 1H2009

* Based on consolidated results for 1H 2009, ratios as of August 2009
 Source: banks, press, Intelce Research

BANK PROFILE - PKO BANK POLSKI (2/2)



- Recent Initiatives/events**
- In 2008 bank redesigned its deposit offering and introduced competitive term deposits, followed by high yield accounts. New products helped to increase attractiveness of deposit products offered to households and resulted in increasing of retail deposits by 22% y.o.y.
 - In 2008 PKO was negotiating acquisition of AIG Bank Polska, as well as it was considering entry options at other banks. PKO wants to consolidate the market and reinforce its market leadership
 - To finance upcoming acquisitions and enable further lending portfolio expansion, bank is raising new capital. The new shares issue is guaranteed (indirectly) by Treasury

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* Share in term of assets
 ** Compound Annual Growth Rate
 Source: Bank, NBP, Press, Intelce Research

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Bank Handlowy w Warszawie SA Citibank
ING Bank Śląski SA
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Santander Consumer Bank S.A.
Bank DnB NORD Polska SA
Cetelem Bank SA
Sygma Banque Societe Anonyme (SA) Oddział w Polsce
EFG Eurobank Ergasias S.A. SA Oddział w Polsce
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