

MORTGAGE LENDING IN POLAND, 2016-2018



by Inteliace Research
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SAMPLE

TABLE OF CONTENTS

Executive summary

1. Residential real estate stock & prices

Slide 1: New dwellings completed , starts, permits, 2006-2015

Slide 2: New dwellings completed by regions, Q1-Q3 2015

Slide 3: Residential real estate prices in key cities, 2010-2015 Q3

2. Mortgage lending

Slide 4: Total lending to households by type of loan, 2008-2015

Slide 5: Mortgage loans to households, local vs. foreign currency, 2010-2015

Slide 6: Number of new mortgage loans, average loan size, value of new loans, 2010-2015

Slide 7: Distribution of new mortgage lending by top cities

Slide 8: Mortgage lending penetration benchmarks - International comparison, 2015 H1

Slide 9: New mortgage loans by size and LTV, 2011 Q1 - 2015 Q3

Slide 10: New mortgage loans by currency, 2011 Q1 - 2015 Q3

Slide 11: Top players (market share>5%) on the mortgage loans market, 2015 Q3

Slide 12: The role of financial intermediaries in mortgage loans distribution, 2010-2014

Slide 13: Reference rates: WIBOR3M & LIBOR CHF 6M, 2009-Dec.2015

Slide 14: Average lending margins evolution – PLN loans, 2010-2015

3. Regulatory issues, risk

Slide 15: The evolution of mortgage loan NPLs, Mar.2009-Sept.2015

Slide 16: Regulatory environment with regards to mortgage loans

Slide 17: CHF/PLN exchange rate, 2000-Dec.2015

4. Forecast

Slide 18: Mortgage loans – outstanding value forecast and GDP penetration, 2016-2018

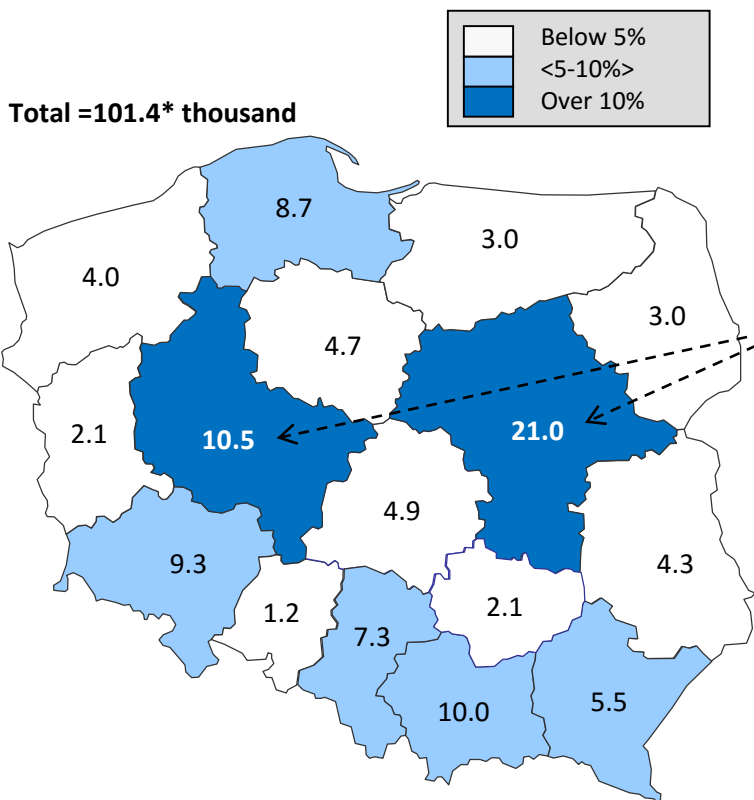
Methodological notes

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NEWLY COMPLETED DWELLINGS ARE HIGHLY CONCENTRATED AROUND MOST PROSPEROUS CITIES/REGIONS

Dwellings completed by region, Q1-Q3 2015 (nine months)

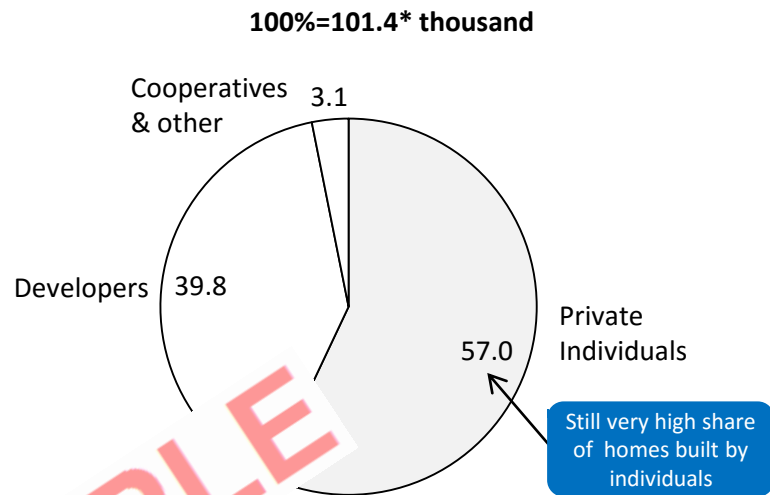
In thousand



Warsaw and Poznan regions are leading in terms of dwellings completed

Dwellings completed by type of investor, Q1-Q3 2015

in % of total



Still very high share of homes built by individuals

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of new dwellings completed

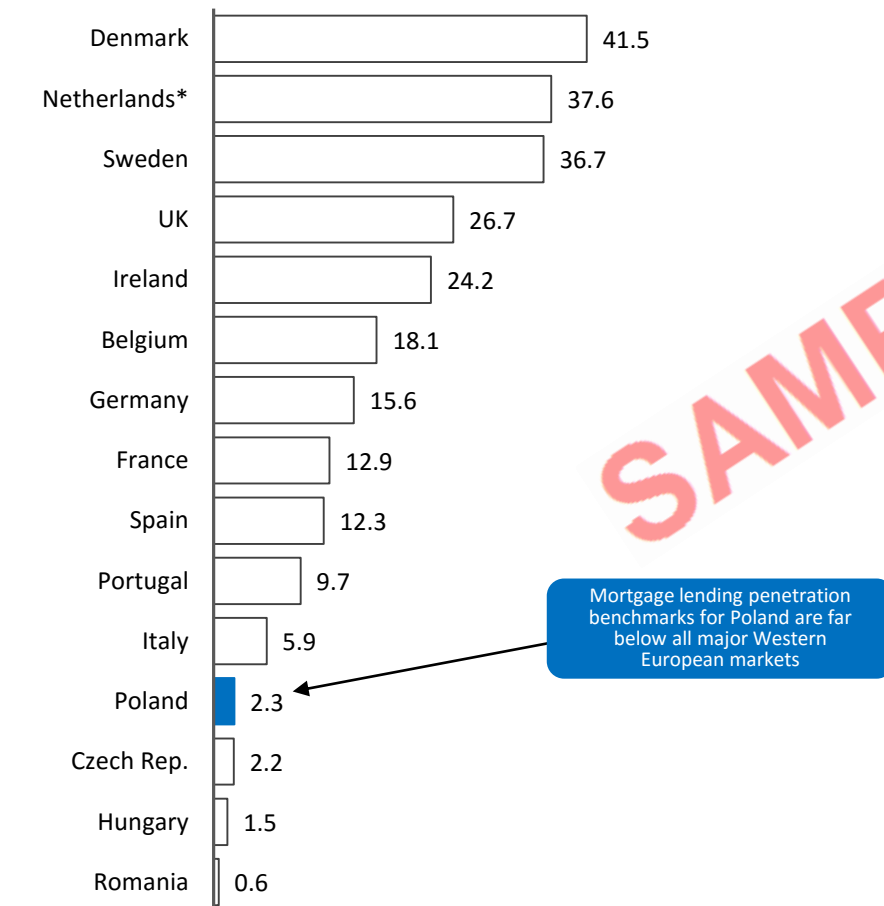
	Q1-Q3 2009	Q1-Q3 2015	Change 2009/2015
Average size of a new dwelling (m ²)	99.3	102.6	+3 %
Average number of rooms of a new dwelling	4.09	4.21	+3 %

Newly completed dwellings are bigger

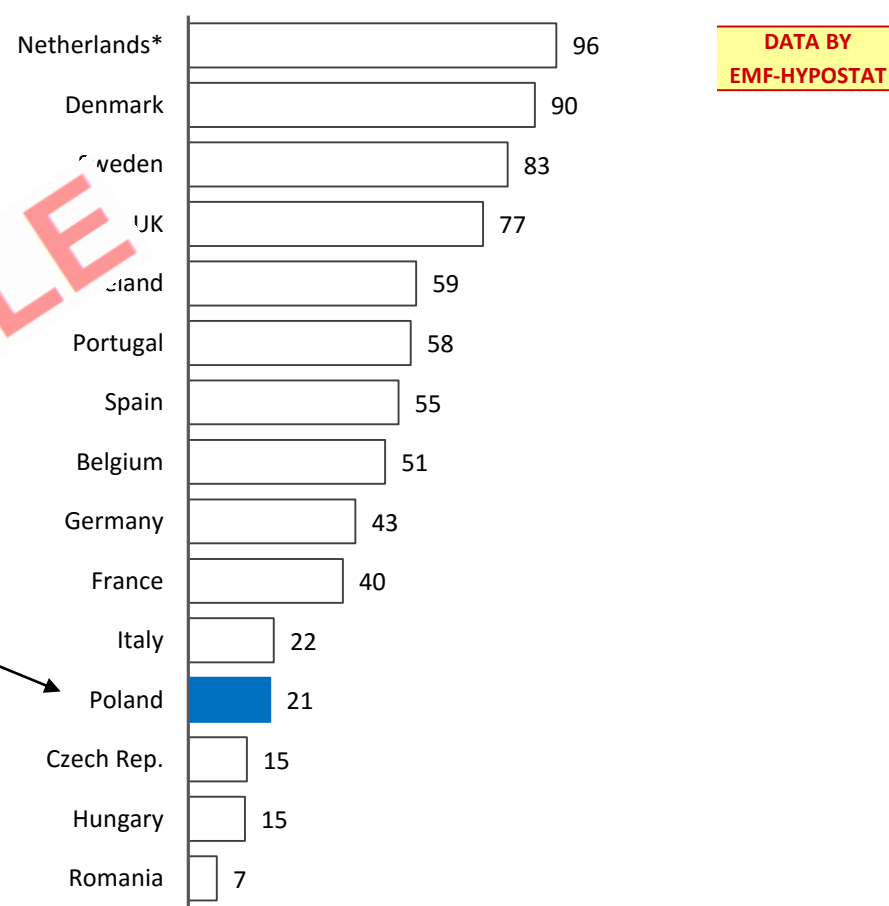
* Data for the first three quarters of 2015
Source: GUS, Inteliace Research

COMPARED TO OTHER EUROPEAN COUNTRIES, MORTGAGE LENDING PENETRATION BENCHMARKS FOR POLAND ARE STILL EXTREMELY LOW

Residential mortgage debt per capita, Q3 2015
In thousand EUR



Residential mortgage debt to GDP ratio, Q3 2015
In percent



DATA BY
EMF-HYPOSTAT

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Mortgage lending penetration benchmarks for Poland are far below all major Western European markets

Mortgage lending in Poland, 2016-2018

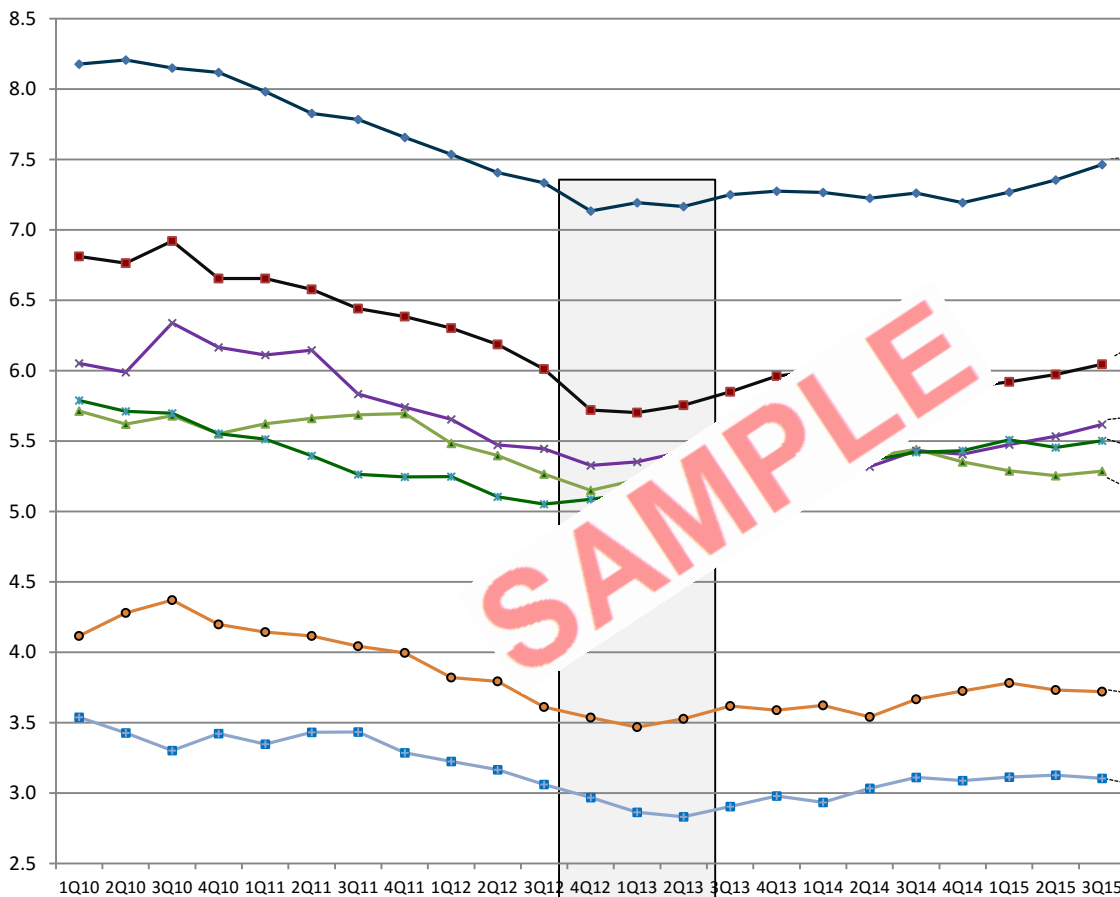
* Figure as of Q2 2015






Source: EMF- HYPOSTAT, Eurostat, Inteliace Research

HOME PRICES BOTTOMED OUT IN H1 2013 AND SINCE THEN THEY HAVE REMAINED IN A SLOWLY ADVANCING TREND

Average transaction prices of residential real estate (dwellings) in selected cities, 2010-Q3 2015

PLN '000 per square meter



City	Price change (per sq.m.) 1Q2010 to Q3 2015
Warszawa 	-9%
Kraków 	-11%
Wrocław 	-7%
Poznań 	-5%
Gdańsk 	-8%
Łódź 	-10%
Katowice (region) 	-12%

Price bottom reached in most cities in 2012/2013

Prices are still lower today than in Q1 2010 across all regions

Source: AMRON, Inteliace Research

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Inteliace Research is an independent and privately owned research firm based in the heart of Eastern Europe in Warsaw / Poland.

Our company is specializing in value-added research services and tailored business intelligence solutions.

Through our customized research services we help our clients to better understand their consumers, competitors and overall market dynamics.

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BANK OUTLETS DENSITY IN POLAND (1/3) GĘSTOŚĆ SIECI PLACÓWK BANKOWYCH W POLSCE (1/3)

Number of bank outlets per 1000 sq km, by region, 2011
Liczba placówek na 1000 km2 powierzchni wg. województw, 2011r.

Średnia / Average = 58

The Southern and Central Poland have the largest density of bank outlets
Południowa oraz centralna Polska są najgęściej pokryte siecią placówek bankowych na km2

BANK OUTLETS DENSITY IN POLAND (3/3) GĘSTOŚĆ SIECI PLACÓWK BANKOWYCH W POLSCE (3/3)

Number of outlets per 1 million inhabitants, by county, powiat*, 2011
Liczba placówek bankowych na 1 milion mieszkańców, wg. powiatów, 2011r.

Minimum: 126
Mediana / Median: 443
Maximum: 947

Number of bank outlets per 1 million inhabitants varies a lot on county level
Na poziomie powiatów gęstość placówek jest bardzo zróżnicowana

GE MONEY BANK – OVERVIEW

As of March 2006

History & Background

Timeline

- In 1995, GE group purchased a small regional bank, Goldenrod Chase ("GCB"). Bank was rebranded soon to GE Capital Bank.
- In 1998, GE group purchased another small bank (PAMBank) converted it to a mortgage specialist GE Bank Infrastructure.
- In 2000, GE group acquired POC lending specialist. Company with turnover of "1000 PLS".
- In 2004, a need for desktop network was created for GE Capital Bank, being the most advanced for car loans sales.
- In April, Jan 2005, all GE companies in Poland were consolidated under one roof: GE Capital Bank.

Channels

- GE money bank - 48 branches
- GE card - 100 card co-disalers
- Dobry Kredyt consumer finance - 12 outlets and 1000 POS
- Expander - 33 branches - financial products distributor*

Shareholders

- General Electric Company
- Other

Concept Description

Target Clients

- Affluent individuals and professionals looking for mortgage, valuing quick processing and flexibility, sometimes not fulfilling lending criteria set by other banks (for example pile contract or open bank levels)
- Mass market clients looking for simple and quick consumer loans

Products

Only lending products on offer:

- mortgage
- refinancing loans
- credit cards
- cash loans
- car loans

Partners: DobryKredyt, Expander, GE Bank, GE Finance

Results

Assets PLN billion

Year	2003	2004	2005
Assets	7.4	8.5	9.1

Market share (%)

Year	2003	2004	2005
Market share (%)	28	28	29

Loans PLN billion

Year	2003	2004	2005
Loans	5.6	7.6	8.6

Net Profit PLN billion

Year	2003	2004	2005
Net Profit	0.14	0.30	0.32

ROI (%)

Year	2003	2004	2005
ROI (%)	408	428	428

* Although Expander is distributing products from various banks, GE offer / for example mortgage is reported to be favoured
** Compound Annual Growth Rate
Source: Inteliace Research

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2014

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- May - Insurance agent commission survey '14
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- June - Insurance Market in Poland '14
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- October - Investment Funds and Asset Mgmt. '14
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