BANKING MARKET IN POLAND 2014-2016, CEE BANKING SERIES

by Inteliace Research
May 2014

Version: 2014/I/5

TABLE OF CONTENTS (1/4)

TABLE OF CONTENTS (2/4)

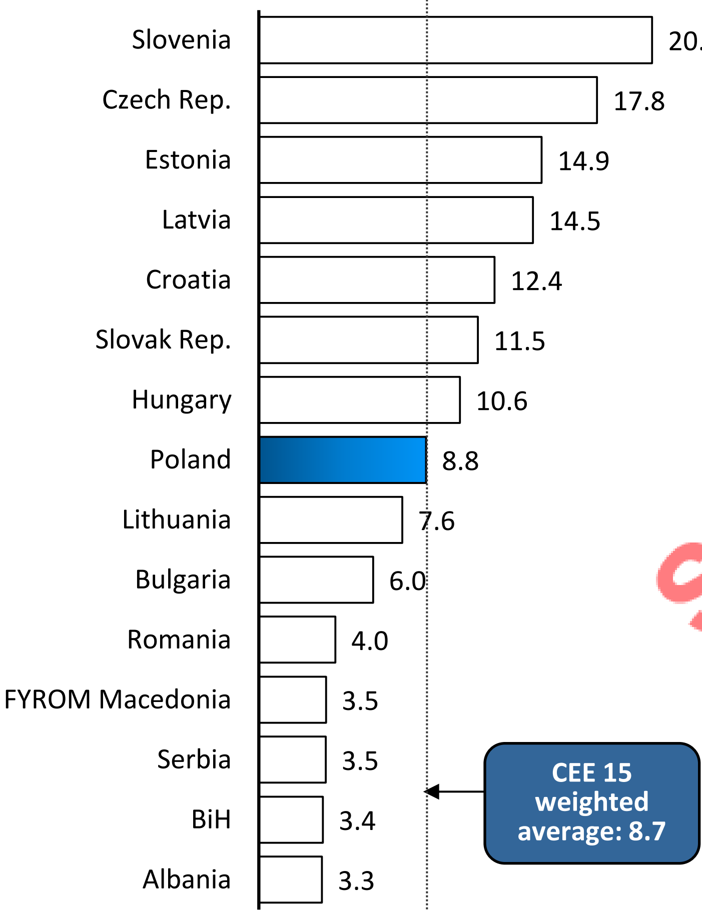
TABLE OF CONTENTS (3/4)

TABLE OF CONTENTS (4/4)

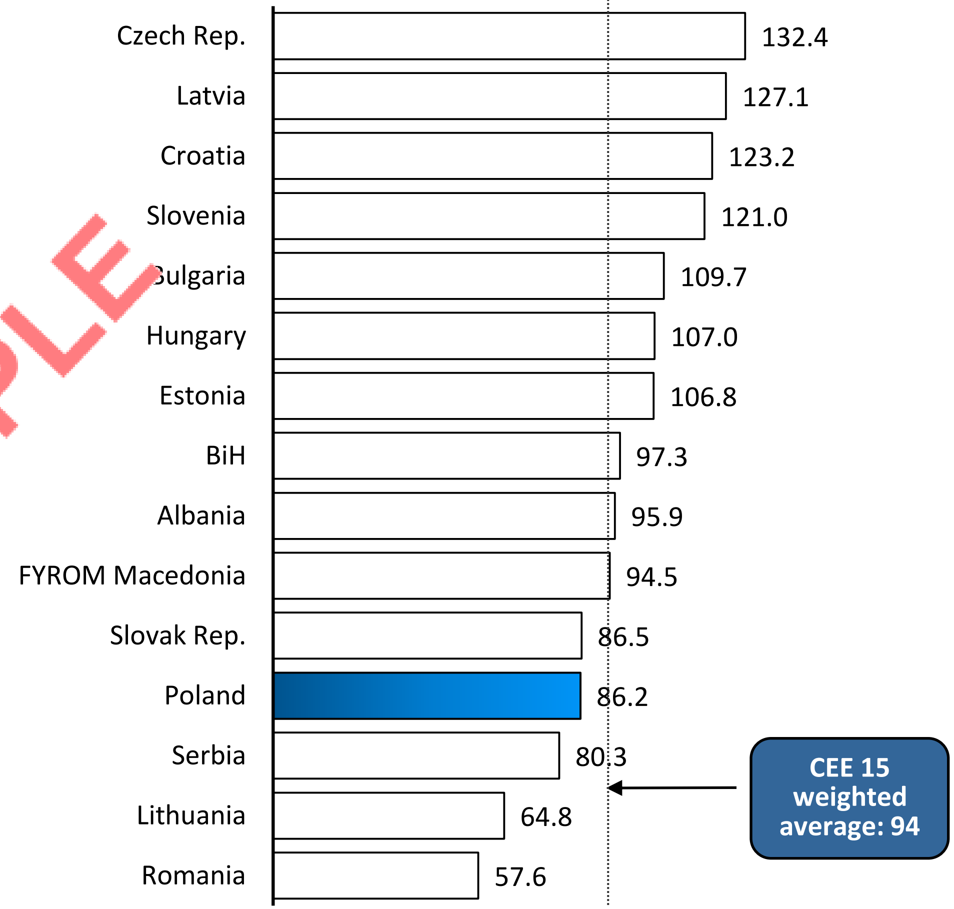
ASSET PENETRATION IN POLAND IS STILL LOW IF COMPARED TO OTHER CEE COUNTRIES

BASED ON PRELIMINARY 2013 DATA

Banking assets/capita, 2013
EUR `000



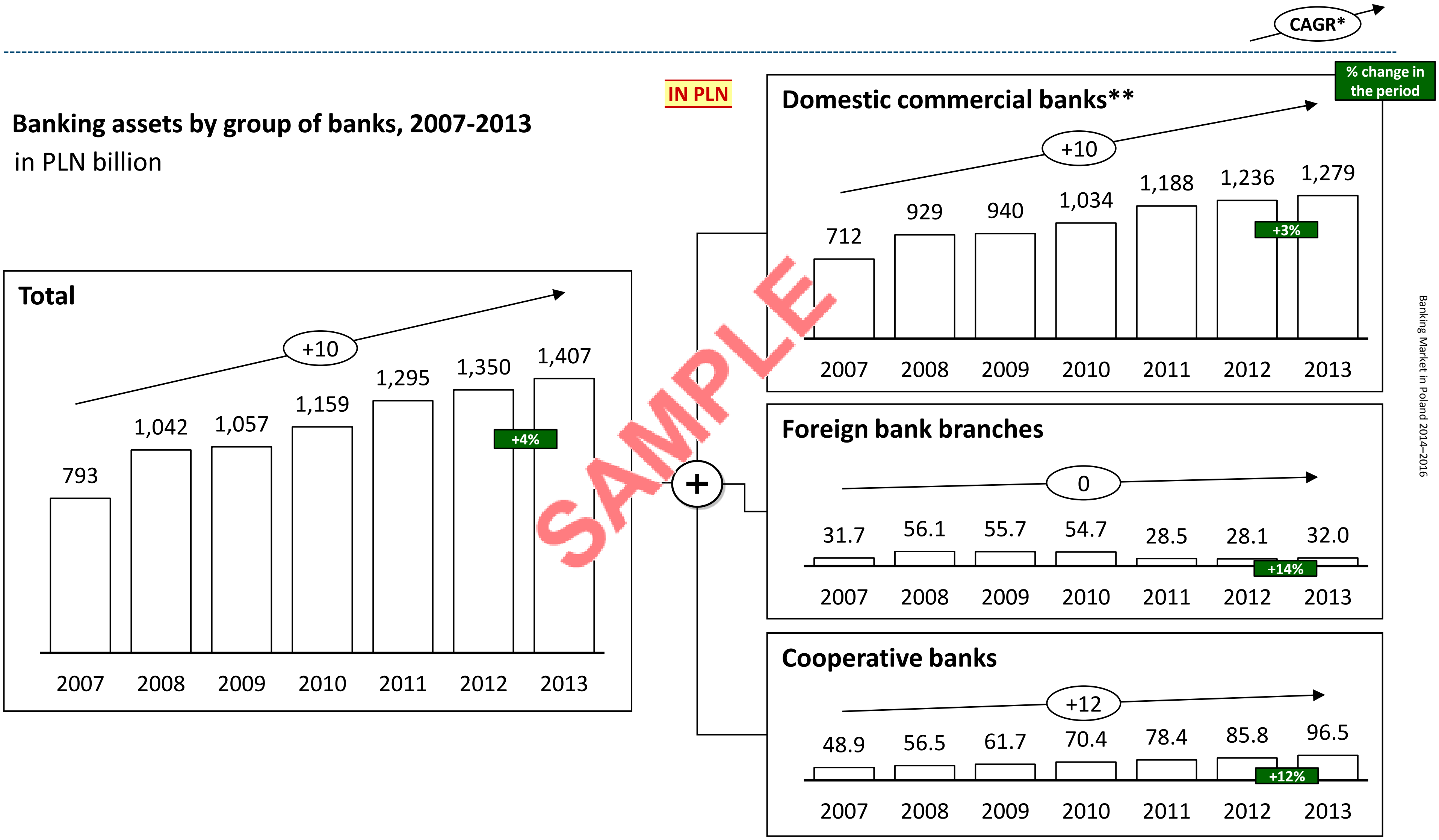
Banking assets/GDP, 2013
percent



Source: Central banks, IMF, National Statistical Offices

BANKING ASSETS KEEP GROWING ACROSS ALL GROUPS OF BANKS

Banking assets by group of banks, 2007-2013
in PLN billion

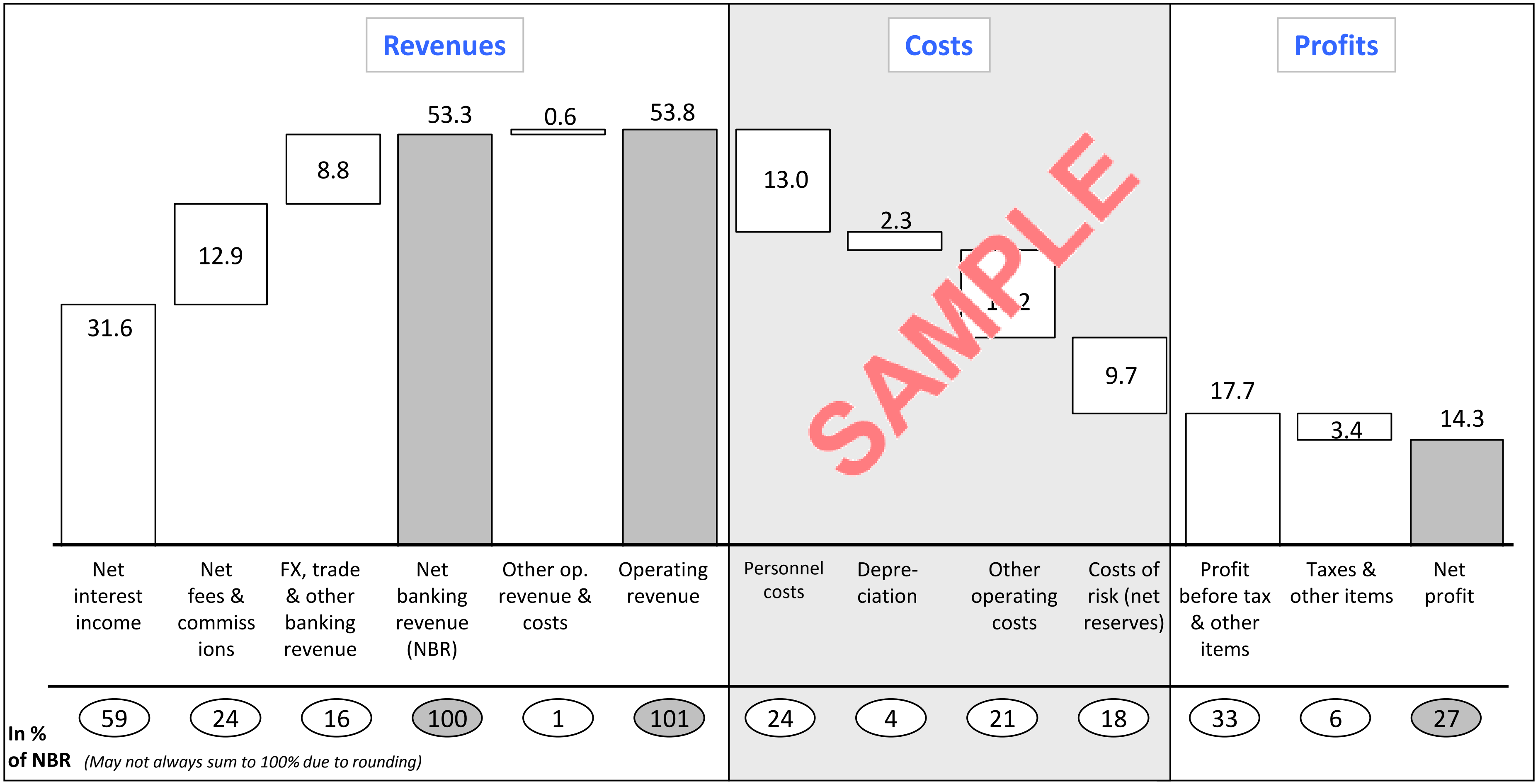


* Compound Annual Growth Rate
** Bank registered in Poland
Source: NBP, Inteliace Research

IN 2012, BANKS RECORDED ALMOST 54 BILLION PLN IN TOTAL REVENUES AND EARNED 14.3 BILLION PLN (3.4 BILLION EUR) IN NET PROFITS

Commercial banks - Profit and loss accounts, 2012
PLN billion

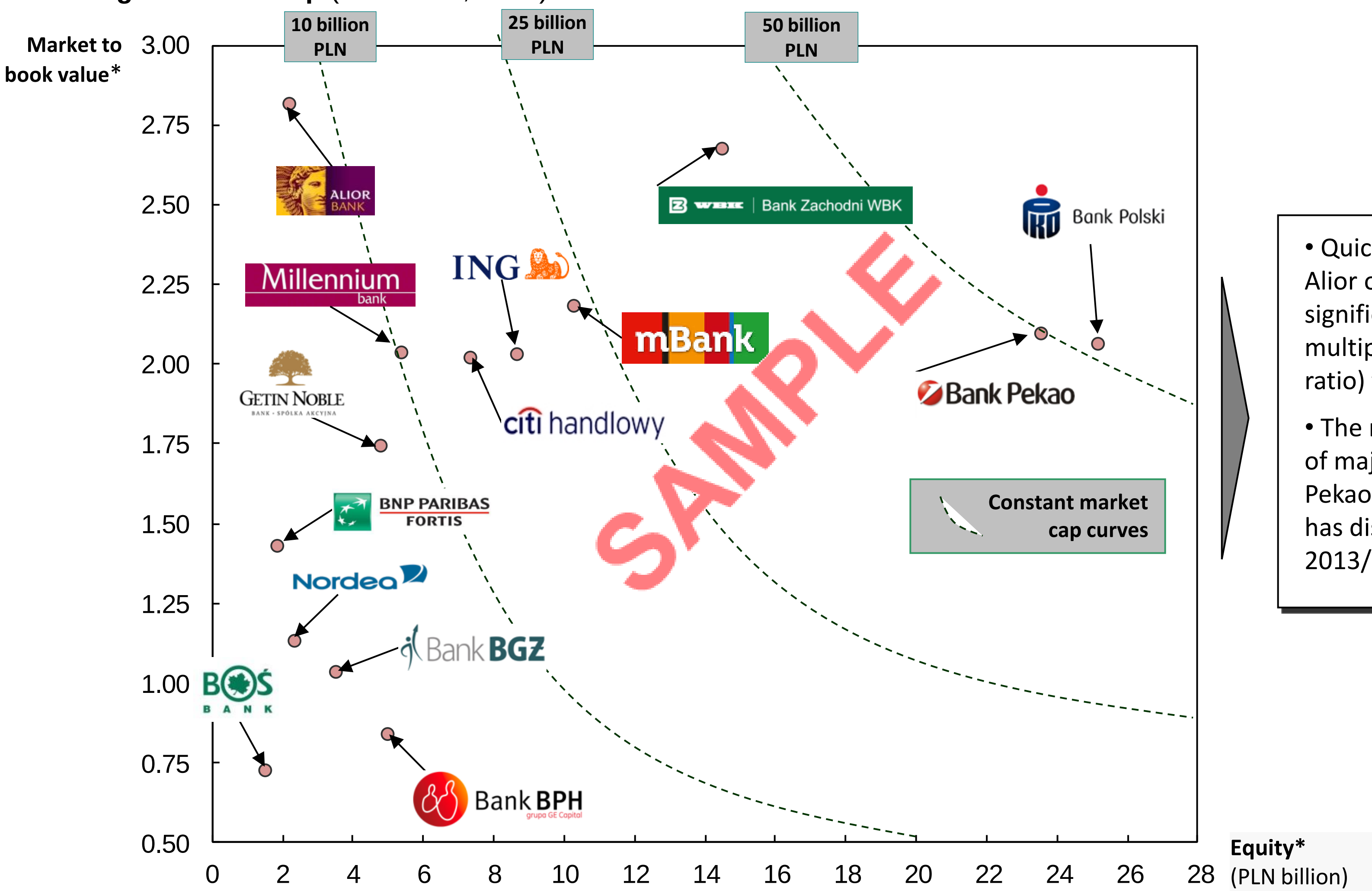
2012 | COMMERCIAL BANKS*



* Excluding foreign bank branches operating in Poland
Source: NBP, KNF, GUS, Inteliace Research

THE VALUATION PREMIUM OF MAJOR BANKS VERSUS SMALLER PLAYERS HAS DISAPPEARED IN 2013/2014

Strategic control map (March 27, 2014)



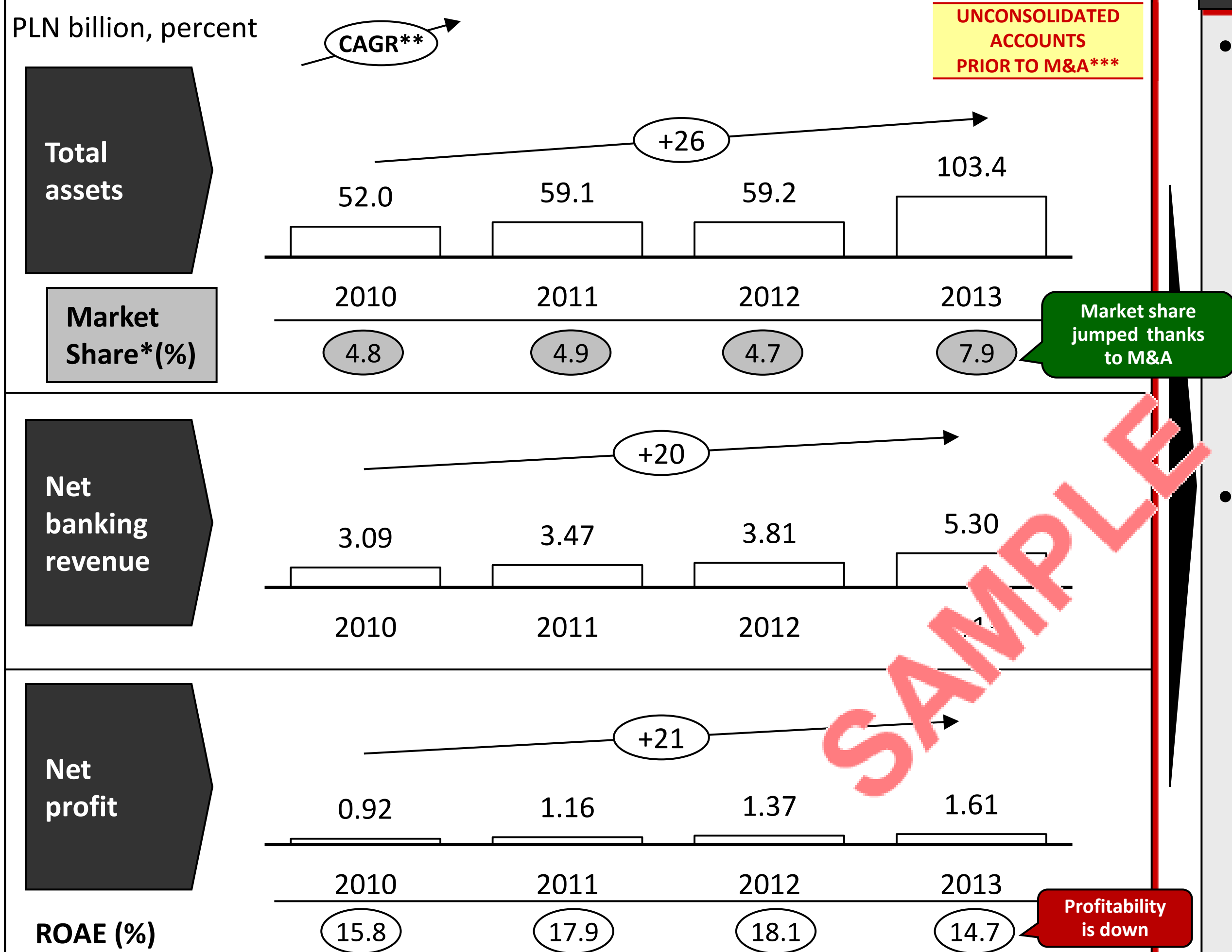
CONSOLIDATED ACCOUNTS

- Quickly growing banks like Alior or BZ WBK enjoy significantly higher valuation multiples (price-to-book ratio) than their peers.
- The relative overvaluation of major banks (PKO and Pekao) vs. the other banks has disappeared in 2013/2014.

* Based on consolidated results for 2013, ratios as of March 2014
Source: banks, press, Inteliace Research

BANK PROFILE – BZ WBK (2/2)

Bank financials, unconsolidated figures



Recent facts/events

- In late 2012, BZ WBK announced a business plan for the merged bank for the years 2012-2014. Among other, bank wanted to retain its number-three position in the market and increase substantially its profitability by 15-20% p.a. over the next four years. Significant synergies both on cost and revenue side were expected.
- Since 2013, BZ WBK has intensified improvements to its flagship retail account offer including a generous reward scheme. Bank also introduced further functionality improvements to its award-winning mobile banking interfaces and intensified sales of card based products, including prepaid.

* Share in term of assets
** Compound Annual Growth Rate
*** All financials prior to the merger with Kredyt Bank
Source: Bank, NBP, Press, Inteliace Research

About this report

This report has been prepared using Inteliace Research proprietary research and publicly available sources, including: financial reports, press publications, industry magazines, directories, financial databases and expert opinions.

Views presented in this report reflect solely the independent and unbiased opinion of Inteliace Research and authors.

All due care has been taken in the production of this report. However, Inteliace Research does not accept any responsibility or liability for any omissions or inaccuracies of the information contained in this publication.

About Inteliace Research

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

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

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

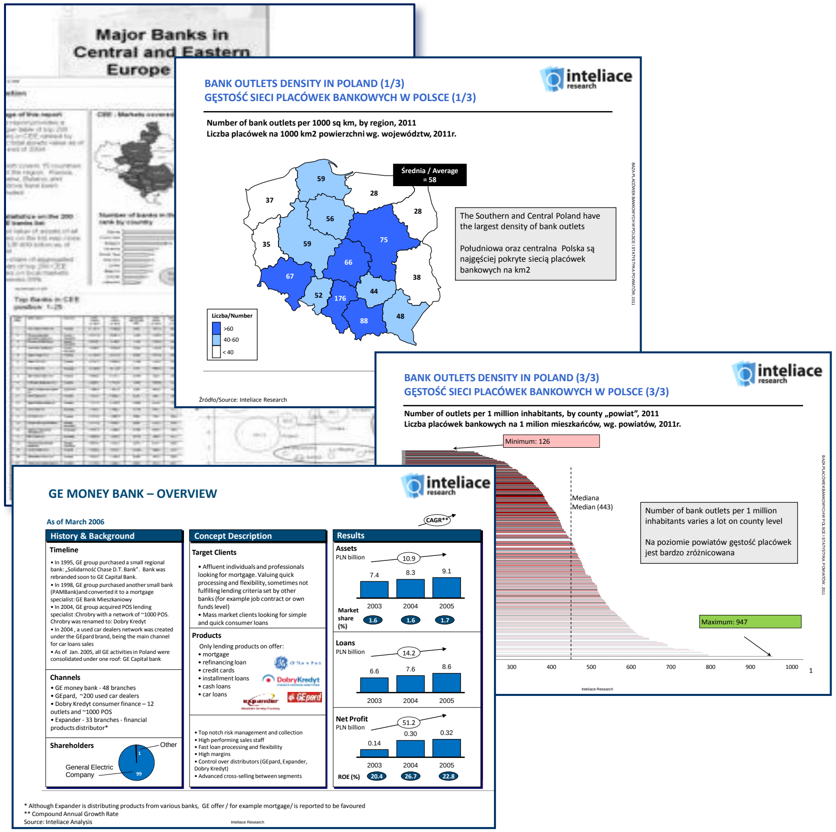
The lead researcher and founder of Inteliace Research is Marcin Mazurek.

Our contact details:
Inteliace Research
Foksal 17B / 31,
00-372 Warszawa, Poland

Tel. +48 22 408 66 20, Tel. +48 502 512 178
Fax. +48 22 349 21 40

mail: info@Inteliace.com
http://www.inteliace.com/en/publications.php

RECENT PUBLICATIONS BY INTELIACE RESEARCH



<u>Recent Reports:</u>

<u>2013</u>

- February - Mortgage Lending in Poland ’13
- May - Banking Market in Poland ’13
- May - Bank outlets database ’13
- June - Insurance Market in Poland ’13
- September - Top 200 CEE banks ’13
- December - Investment Funds and Asset Mgmt. ’13

<u>2014</u>

- February - Mortgage Lending in Poland ’14
- May - Bank outlets database ’14
- May - Insurance agent commission survey ’14
- May - Banking Market in Poland ’14

upcoming

- June - Insurance Market in Poland ’14
- September - Top 200 CEE banks ’14
- December - Investment Funds and Asset Mgmt. ’14

and many other ...

Visit http://www.inteliace.com for more details