

**RESOLUTION No. /2015
of the Annual General Meeting
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 25 June 2015**

on distribution of the profit earned by PKO Bank Polski S.A. in 2014 and unappropriated profit of previous years

Acting pursuant to Article 395 § 2 point 2 of the Commercial Companies Code, the Annual General Meeting hereby adopts the following:

§ 1.

Net profit of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna of the period from 1 January 2014 till 31 December 2014 in an amount of PLN 3 079 471k and unappropriated profit of previous years in an amount of PLN 132 793k, in the total amount of PLN 3 212 264k will be appropriated in the following way:

- | | |
|--|-------------|
| 1) reserve capital in an amount of PLN | 1 900 000k; |
| 2) other reserves in an amount of PLN | 62 264k. |

The remaining part of the profit in the amount of PLN 1 250 000k stays unappropriated.

§ 2.

The resolution shall come into force on the day of its adoption.

Rationale

to the draft resolution on distribution the profit earned by PKO Bank Polski S.A. in 2014 and unappropriated profit of previous years

In compliance with the provisions of the Commercial Companies Code, distribution of net profit is the prerogative of the Annual General Meeting. Following the recommendation of the Polish Financial Supervision Authority to withhold the entire net profit earned by the Bank in the year 2014 - until the supervision authority determines the additional capital requirement for the Bank, about which the Management Board of the Bank informed in the current report No. 15/2015, the net profit earned by the Bank in the period from 1 January 2014 till 31 December 2014 (in the amount of PLN 3 079 471k) and the unappropriated profit of previous years resulted from the merger of the Bank and Nordea Bank Polska S.A. (in the amount of PLN 132 793k) of the total amount of PLN 3 212 264k would be appropriated in a manner specified in the draft resolution of the Annual General Meeting.

1. In the case of **reserve capital**:

- 1) the proposed net profit amount to be allocated is **PLN 1 900 000k**, i.e. 59.15 per cent of the profit of the year 2014,
- 2) the high allocation to reserve capital is justified by the primary role of that capital fund whenever a balance sheet loss occurs.

At profit distribution, according to the project of the resolution of the Annual General Meeting reserve capital would increase from an amount of PLN 18 618 111k to **PLN 20 518 111k**.

1. In the case of **other reserves**:

The proposed net profit amount to be allocated is **PLN 62 264k**. Inclusion of this item in the annual profit allocation is necessary as the regulations of the Bank's Articles of Association require PKO Bank Polski S.A. to make contributions to other reserves out of profit of every respective financial year. In consideration of the fact that other reserves serve to cover potential balance sheet losses (§ 30 section 2 of the Articles of Association), the proposed allocation would represent 1.94 per cent

of net profit, because the value of other reserves of PKO Bank Polski S.A. is adequate from the standpoint of the purposes to which it can be appropriated.

At profit distribution, according to the project of the resolution of the Annual General Meeting, other reserves would increase from an amount of PLN 3 421 913k to **PLN 3 484 177k**.

2. The remaining part of the profit in the amount of PLN 1 250 000k is proposed to stay unappropriated.

The rationale not to appropriate the part of the profit is the recommendation of the Polish Financial Supervision Authority to withhold the entire net profit earned by the Bank in the year 2014 - until the supervision authority determines the additional capital requirement for the Bank. Because of this fact until the issue of the abovementioned determination the most favorable solution is to remain the part of the profit unappropriated.

The resolution has received the approval of the Supervisory Board.