

Questions and answers at the Ordinary General Meeting of PKO Bank Polski S.A. convened for 20 June 2013

Question put by a representative of the Retail Investors Association:

The first question concerns the non-performing loan ratio: in the Management Board's report, one could read that in the banking sector this ratio has risen, both in terms of corporate loans and residential mortgages – how does this ratio look at PKO? Mr President, could you give specific figures, as is done with regard to the report on the entire sector? Three types were mentioned in the report, namely: corporate loans, residential mortgages, but in the banking sector there was a decrease in the third type of loan, i.e. consumer credit, in those three areas. Can we find out these ratios for PKO BP?

Reply by members of the Management Board of PKO Bank Polski S.A.:

PKO Bank Polski is in the bank average with regard to non-performing loans, whether in the field of consumer credit, SME or large corporations. With respect to loans from the period 2010 – 2012, we see that here there is still much room for improvement, as was presented in our strategy for the next three years, according to which we want to reduce the cost of risk to 120 basis points. Our Bank's strategic aim is to attain a level below 120 points and improved risk management. However, I would like to draw attention to the fact that the level of non-performing loans in the various segments is always not a present effect but that of previous years, and in our assessment this is connected with a certain form of credit boom, which our Bank experienced between 2007 – 2009.

If such information is not found in our financial statements, we present such global data at press conferences which we organise after publishing quarterly results.

You have this information, which has been disclosed and is in the public domain, in the reports, so I wouldn't want at this moment to show it in greater detail. But as we said at our conference after the close of the year, with regard to retail loans, a certain recovery can indeed be observed, both with respect to sales growth and an improvement in quality. I can confirm that as far as consumer credit is concerned, we can expect an improvement this year.

As regards the ratio for all non-performing loans, in our Bank this is 8.9 per cent and is higher in consumer credit, lower in residential mortgages, and a little higher in the SME segment.

Question put by a representative of the Retail Investors Association:

The second question is a somewhat connected to what I asked about earlier - namely, the ratio also shows that there is a big risk connected with the construction industry. My question is: what is PKO BP's loan portfolio like qualitatively in respect of the construction sector?

Reply by the President of the Management Board of PKO Bank Polski S.A., Mr Zbigniew Jagiełło:

The construction sector in Poland was under great pressure in 2012 and psychologically this is a great shock, especially for the public, connected with the fact that Poland is in the process of building large-scale infrastructure investments, and typically money is made on that. In Poland, large companies such as PBG, Polimex – Mostostal, Mostostal Warszawa have also come under great pressure, and we, being a bank that is involved in many sectors, also felt this kind of pressure on loans extended in 2012. But we don't see any particular problem specific to PKO Bank Polski, because our loan portfolio is not overweighted in the area of loans to construction companies. Both construction companies and property developers are feeling the great impact of a negative business trend, but we don't provide any detailed information on our Bank's involvement in individual entities on the market.

Question put by a representative of the Retail Investors Association:

I still have two short questions relating to the investor relations category. You mentioned the quarterly meetings with investors which I understand to include analysts – my question is whether these meetings are generally open to all, and whether each investor – also retail investors – can take part in those meetings?

Reply by the President of the Management Board of PKO Bank Polski S.A., Mr Zbigniew Jagiełło:

We organise meetings for business analysts who are a dedicated group that is professionally concerned with evaluating us. We invite journalists to our meetings with the media, and who are interested in financial matters and our Bank. We take part in many meetings, including those organised by the IIA earlier in Zakopane and now in Karpacz. If my memory doesn't fail me, our Bank was broadly represented in Karpacz, some ten people went along. So we're open to meetings and presentations concerning

our Bank. If you have a specific need to meet me or the Bank's management with respect to finance or risk, we are open to that, so please do get in touch.

Question put by a representative of the Retail Investors Association:

And the last question – actually connected with that issue as well – it was also stated in the report that about 120 roadshow meetings and five roadshow ventures were held. I'd like to ask how many of those meetings were addressed to retail investors?

Reply by the President of the Management Board of PKO Bank Polski S.A., Mr Zbigniew Jagiełło:

These meetings you mention are of course organised not only in Poland but also abroad. Usually after each quarter, when we present the results, we travel to a meeting with investors to Europe, i.e. mainly to London, and also to the United States. Apart from those meetings, we also have a group of our bondholders to whom we have addressed bond issues with a value of ten billion zlotys, and they too are served by us in this communication channel after the quarterly results. As I told you, if there are individual investors who would like to meet, and you represent them, we don't shy away from such meetings – we simply ask them to get in touch with us, we arrange a meeting which will be dedicated to such investors, and we can then present all the detailed results and answer your questions. So I'd welcome your proposals, and we can definitely meet.

According to paragraph 24 section 5 of the Regulations of the General Meeting, the Bank's Management Board responds to questions from shareholders in accordance with the provisions of this paragraph taking into account the fact that the Bank as a public company is subject to particularly strict information requirement and carries out its obligations regarding provision of information according to the law, and in providing a range of information must remain compliant with the provisions of the law.