



BANK PEKAO SA

Strong Balance Sheet, sustainable growth business model

Luigi Lovaglio, CEO

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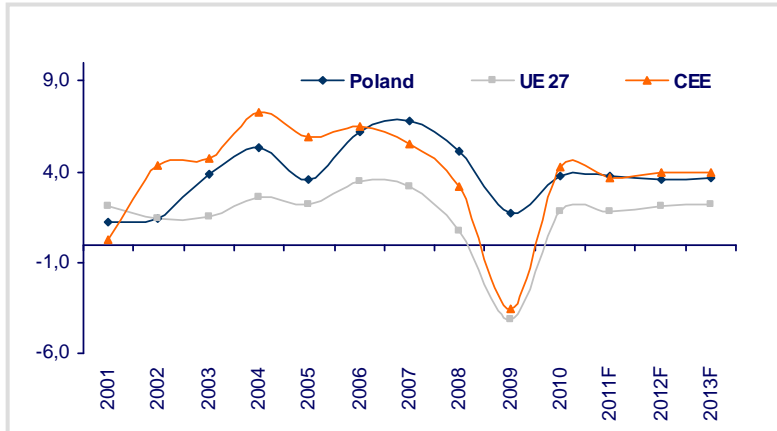
Agenda

- Polish macroeconomic environment

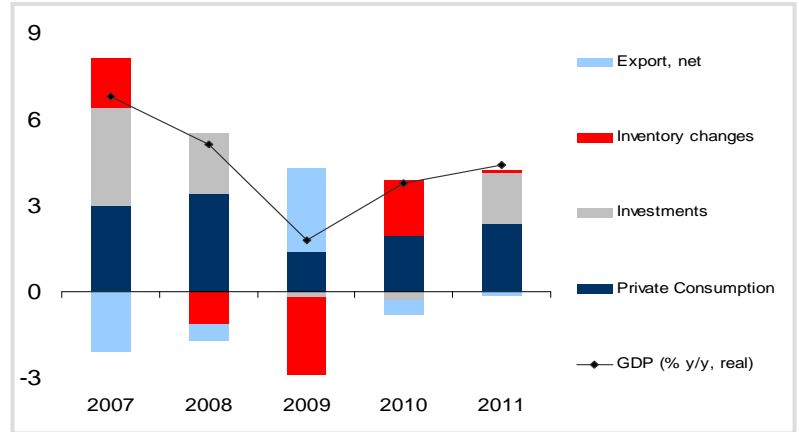
- Pekao profile
- Performance highlights
- Current challenges and opportunities

Poland resilient growth thanks to well balanced GDP structure and limited dependence on EU growth

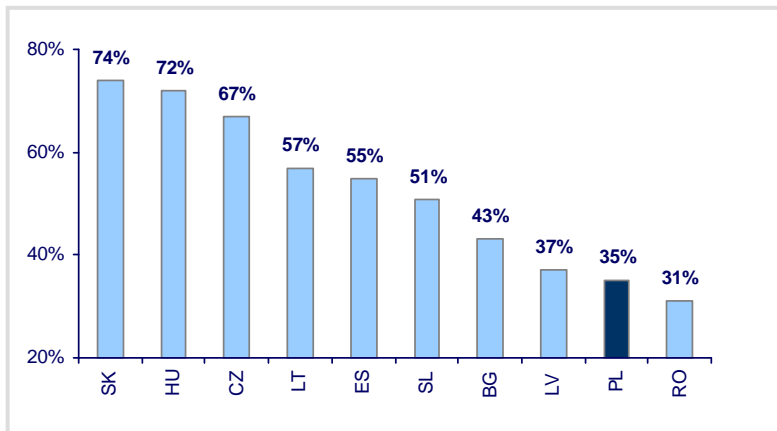
GDP growth (%) *



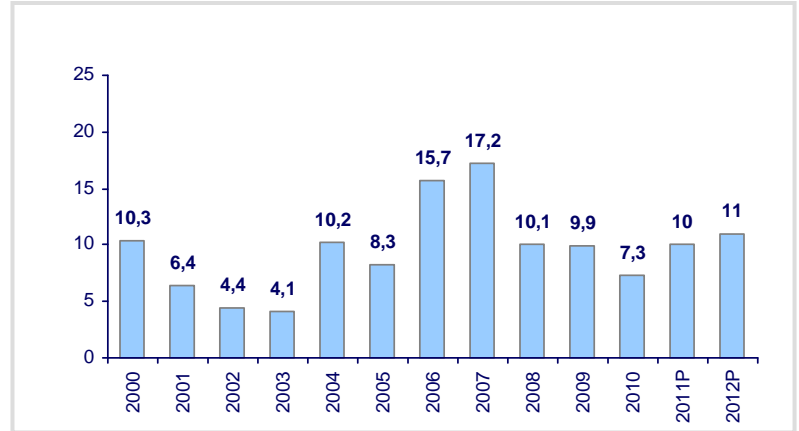
Contribution to GDP growth (%)



Export / GDP (%) **



Foreign direct investments (EUR bn.)



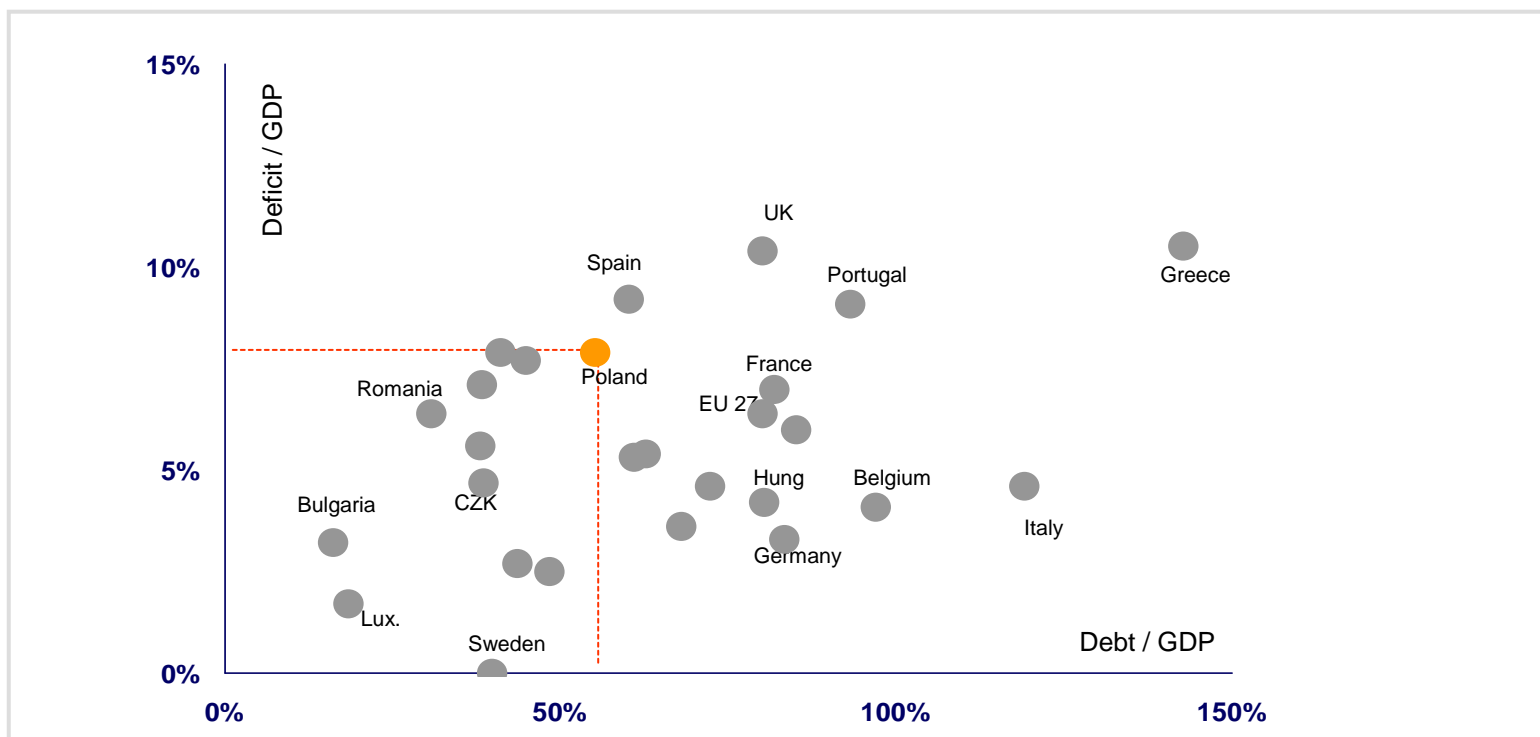
- Good GDP mix: big domestic market and Germany lead export
- One of the lowest shares of export/GDP in the region
- Competitive in EU with still cheap labour costs (average salary at 35% of Germany)

* 2011-2013: IMF Forecasts

** Slovakia, Hungary, Czech Republic, Lithuania, Estonia, Slovenia, Bulgaria, Latvia, Poland, Romania

Relatively low public debt and budget deficit in line with EU average

Public Debt to GDP and Public Deficit to GDP (2010)*

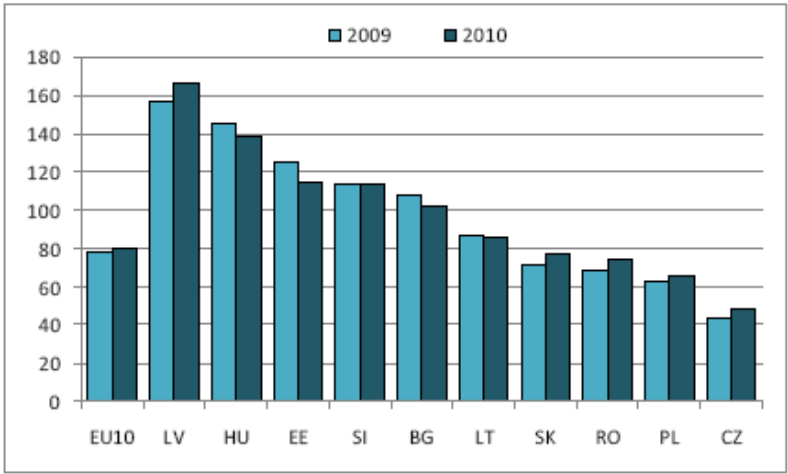


- Polish public debt to GDP and budget deficit mix close to EU average
- Public debt strongly impacted by 1999 pension fund reform, which increased the ratio by 14 p.p.
- The path of deficit reduction will be clear after October parliamentary elections

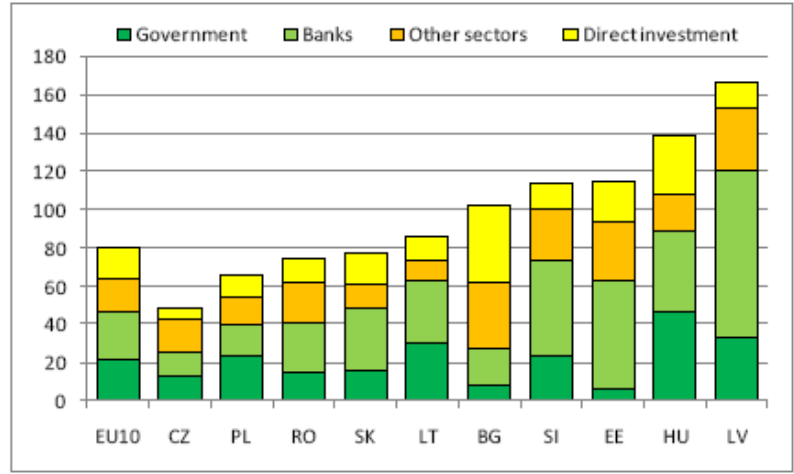
* Source: Eurostat

Relatively low external funding

Gross external debt to GDP ratio in EU10 in 2009 and 2010 (%) *



Structure of gross external debt to GDP ratio in 2010 (%)



- Relatively low dependence on external funding
- Significant share of external funding in the form of loans within international capital groups

* Source: Central Banks, World Bank staff calculations

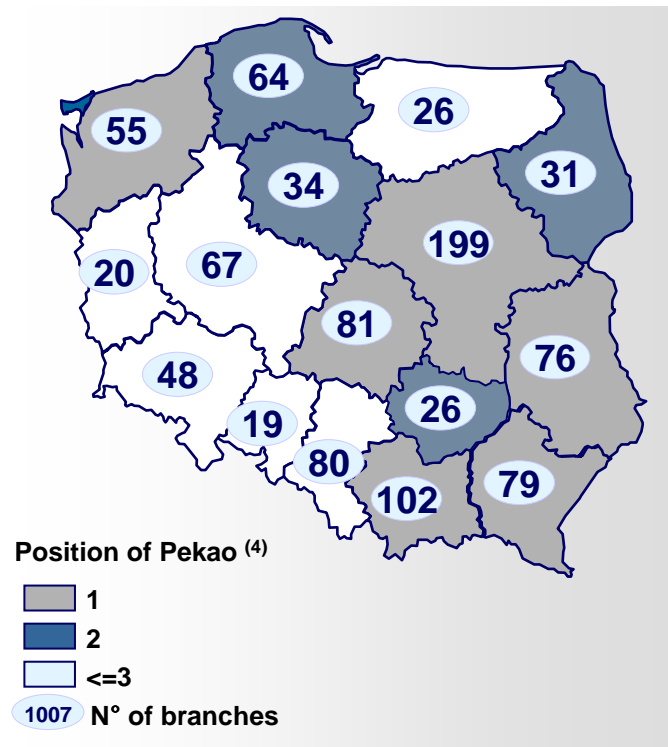
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- **Pekao profile**
- Performance highlights
- Current challenges and opportunities



Who we are

EUR ⁽¹⁾	IH '11	Ranking
RETAIL CLIENTS	4.5m	2
CORPORATE & SME CLIENTS	270ths.	1
<hr/>		
ASSETS	32.9 bl	2
LOANS ⁽²⁾	21.8 bl	2
Retail PLN loans ⁽⁵⁾	6.1 bl	2
Corporate loans	13.3 bl	1
DEPOSITS ⁽²⁾	24.4 bl	2
Retail deposits	11.5 bl	2
Corporate deposits	12.9 bl	1
<hr/>		
IMPORT / EXPORT	21%/26%	1
MUTUAL FUNDS	4.4 bl	1
<hr/>		
SHARE OF BANKING PROFIT ⁽⁶⁾	18.3%	2



ROE	13.1%
ROE @ 10% CAR	19.1%
Core Tier I	18.4%
C/I	48.4%

(1) 1Euro = 3,9866 PLN, NBP avg. as at 30/06/11

(2) Excluding Ukraine loan exposure following reclassification of assets for disposal

(3) As at June 29th, 2011

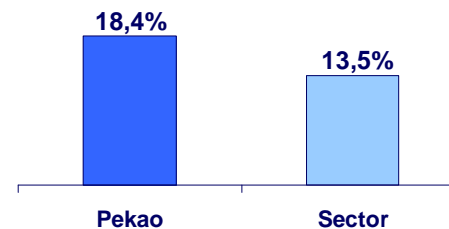
(4) As at June 30, 2011. Commercial banks only excluding agencies

(5) Mortgage PLN, Cash

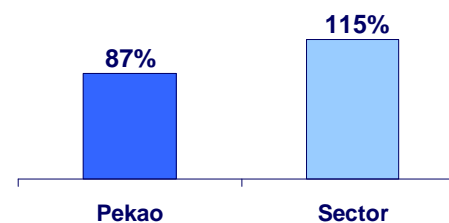
(6) Non-consolidated numbers

Funding and capital base stronger than Sector's

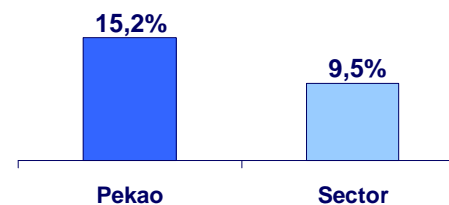
CAPITAL ADEQUACY RATIO



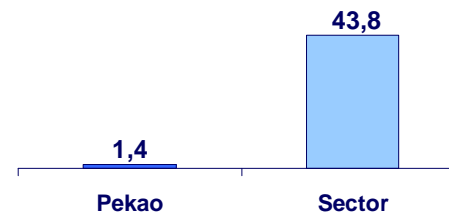
L/D RATIO



EQUITY / TOTAL ASSET

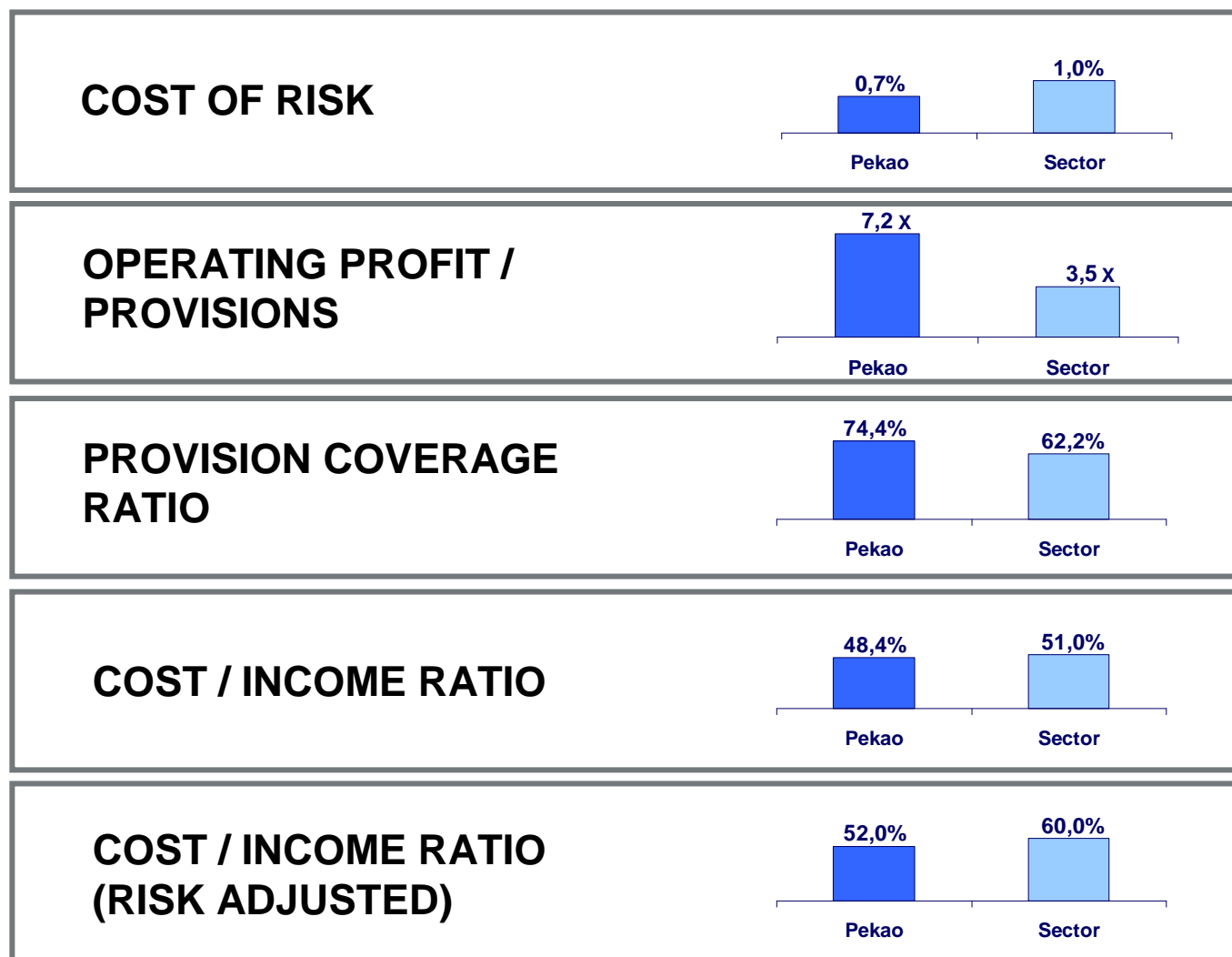


FX MORTGAGES (EUR bn.)



Data for June 2011 or IH 2011
Sector data based on KNF data, L/D ratio based on NBP data

Strong cost efficiency and risk management performance vs. Sector

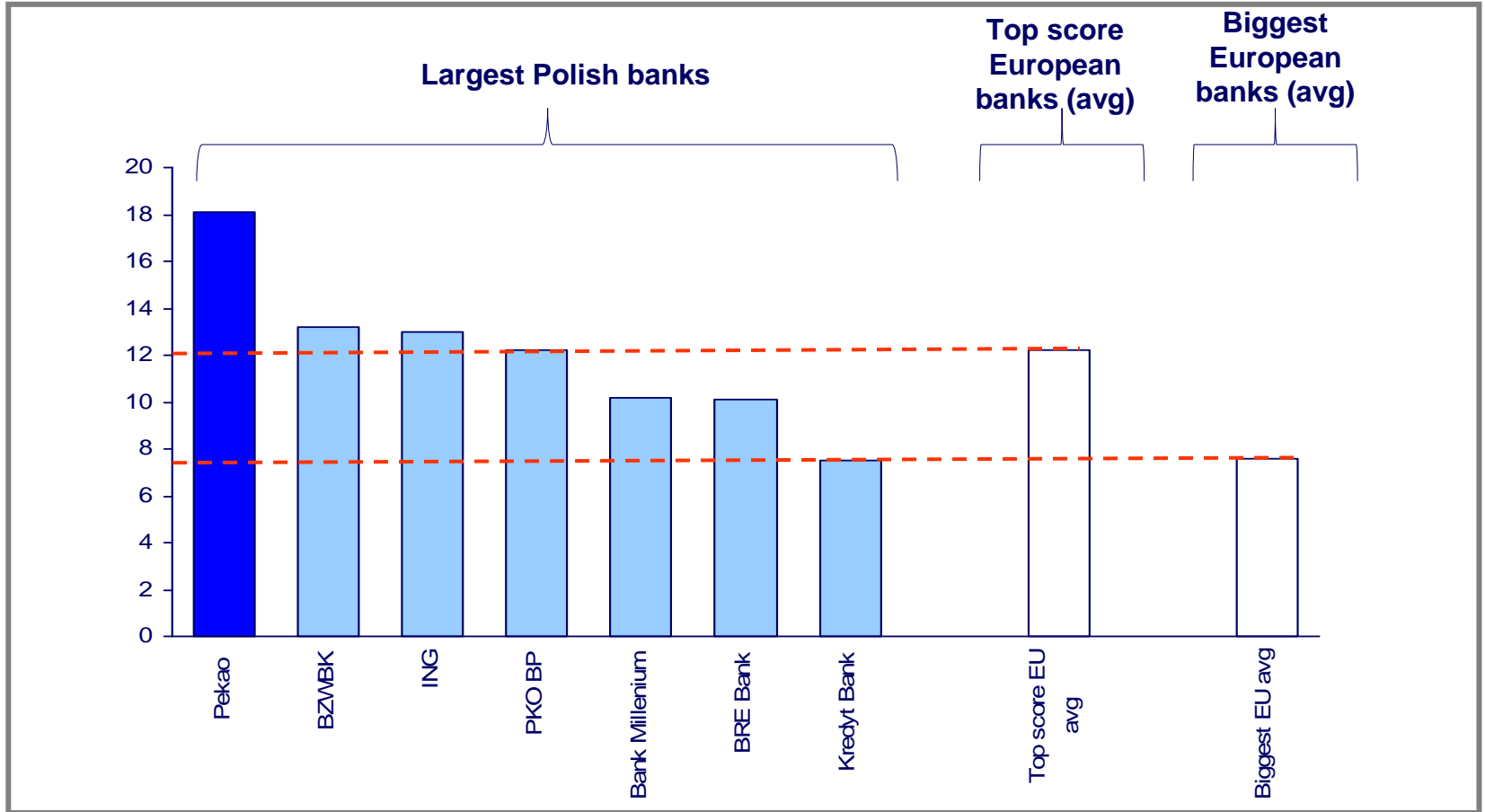


Data for June 2011 or IH 2011

Source: Sector data based on KNF data, provisions data for the sector based on NBP, coverage ratio for the sector based on Pekao peers

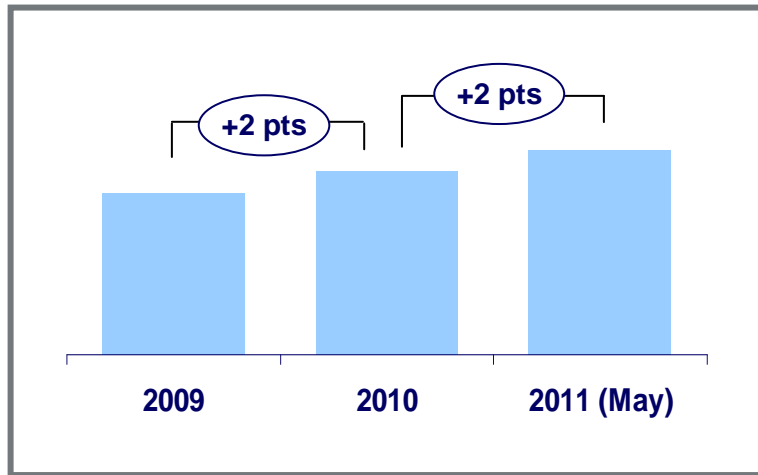
Consistency in strategy resulted in strength recognized at Pan-European level ...

STRESS TEST CORE TIER 1 (%)

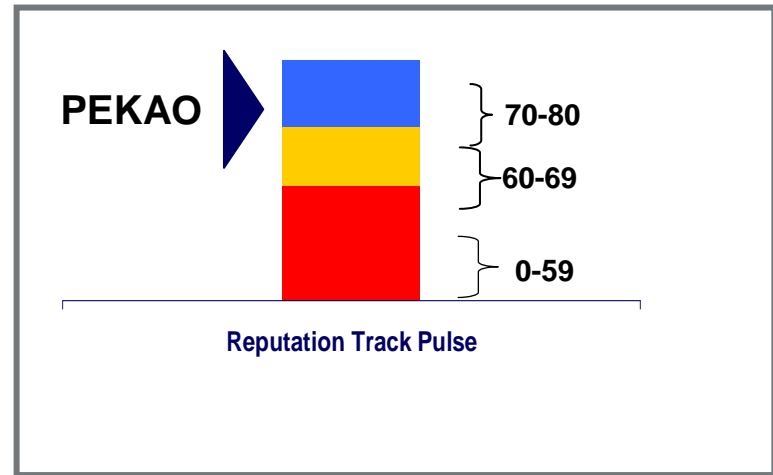


... keeping strong commitment toward all stakeholders resulting in Leadership in reputation ...

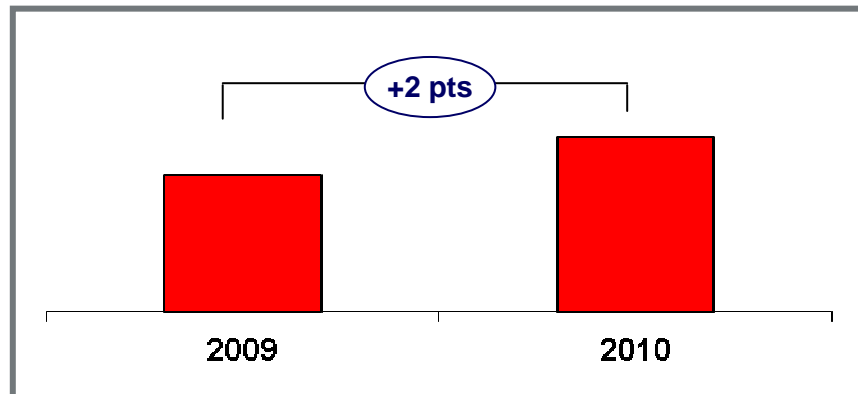
CUSTOMERS SATISFACTION (TRIM*M INDEX)



REPUTATION INDEX



ENGAGEMENT INDEX - PEOPLE SURVEY

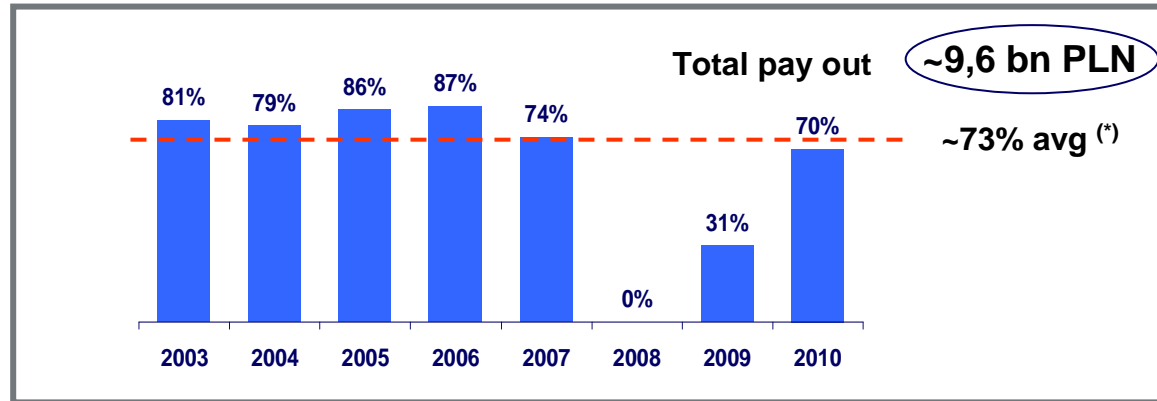


Rep Track Pulse scale

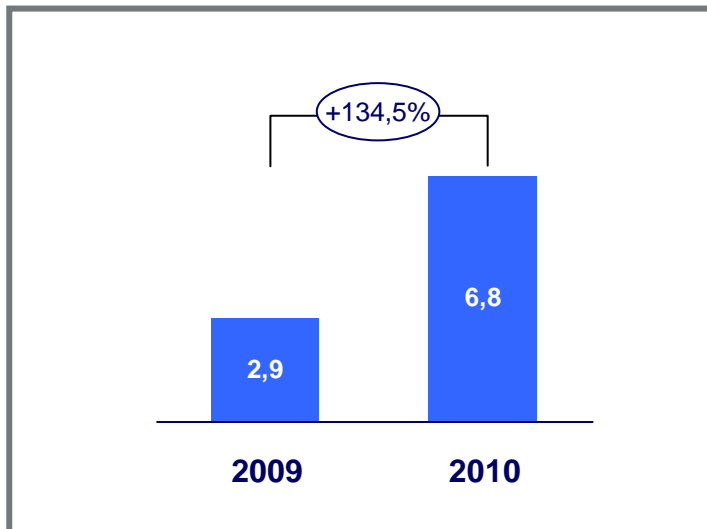
- Excellent/Top Tier (above 80)
- Strong/Robust (70 – 79)
- Average/Moderate (60 – 69)
- Weak/Vulnerable (40 – 59)
- Poor/Lowest Tier (below 40)

... and consistent high dividend policy

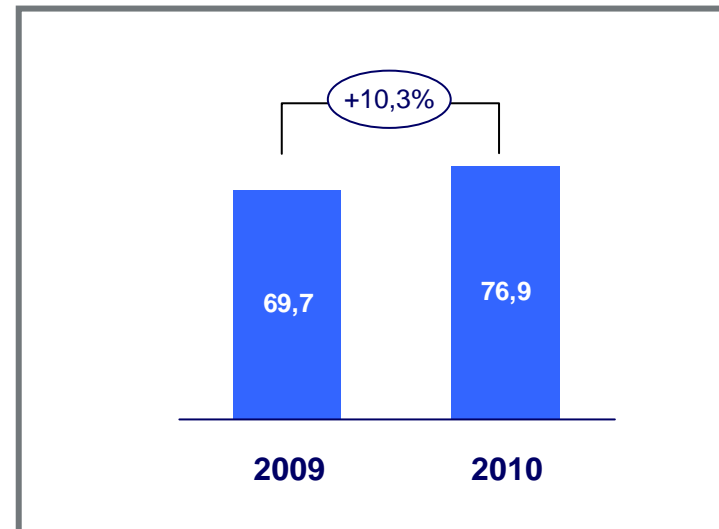
DIVIDEND PAY OUT (%)



INCREASE DIVIDENDS PER SHARE (PLN)



INCREASE BOOK VALUE PER SHARE (PLN)



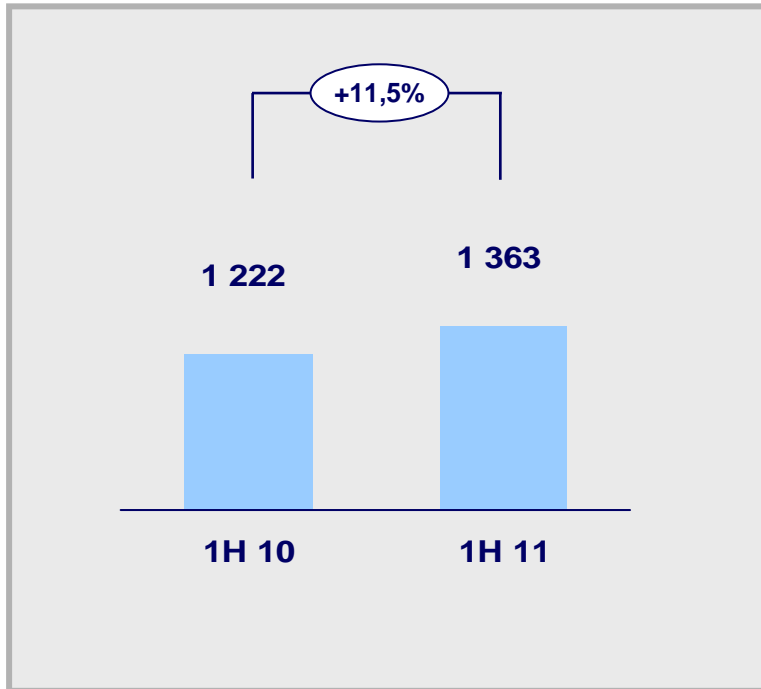
* Excluding 2008

Agenda

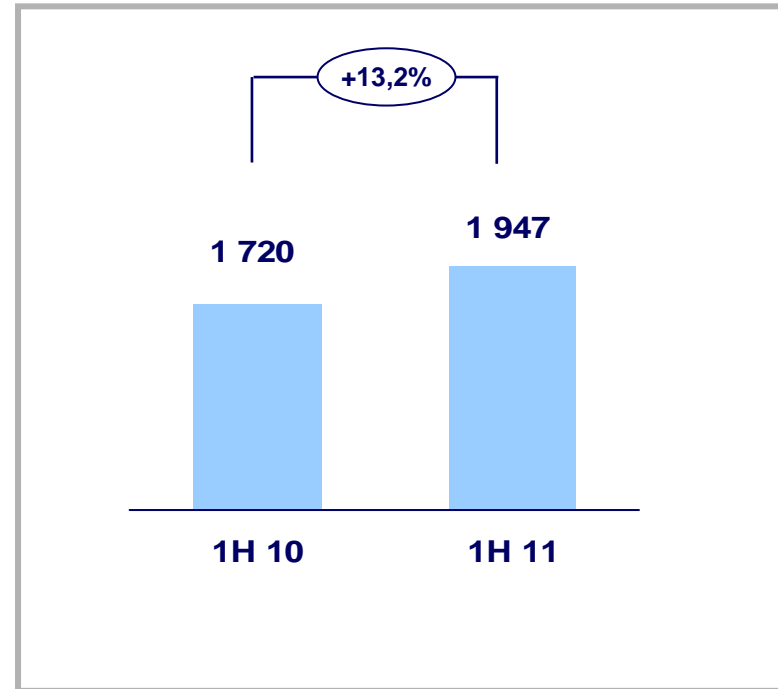
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- Current challenges and opportunities

Double digit growth in 2011

NET PROFIT (PLN mil.)

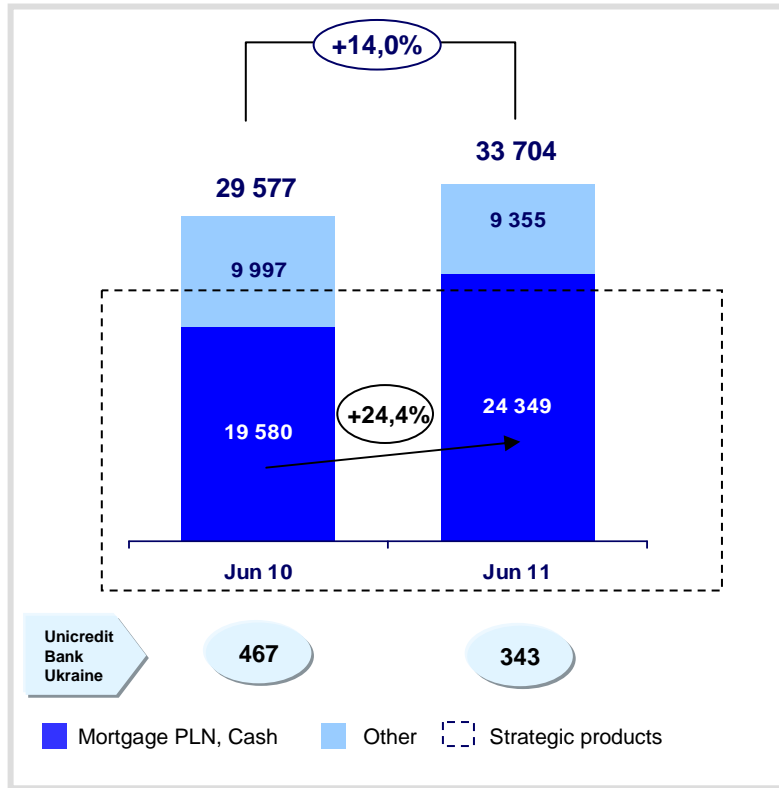


OPERATING PROFIT (PLN mil.)

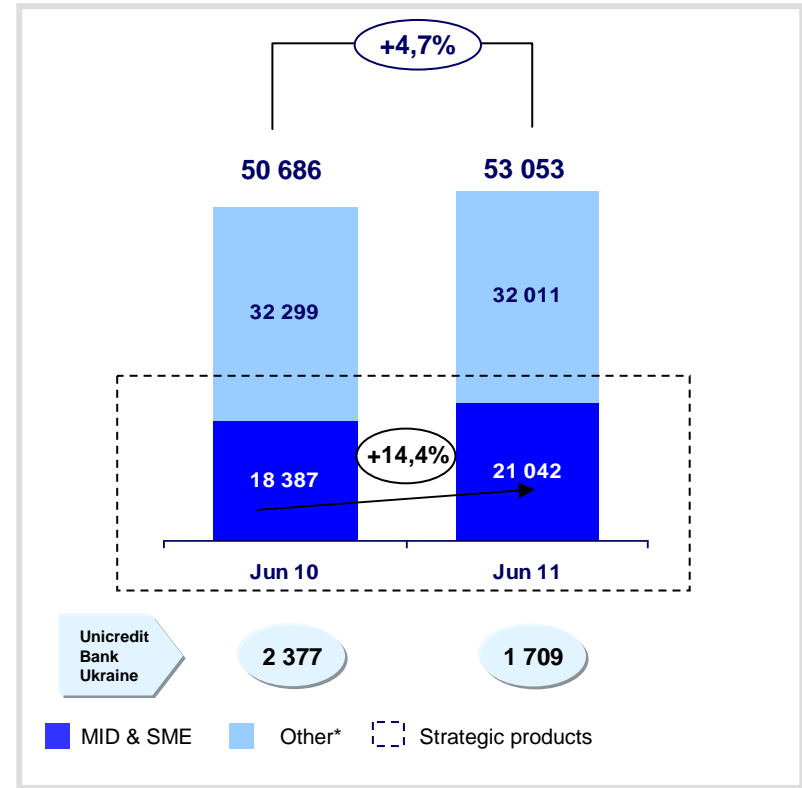


Double digit growth in key Retail and Corporate lending ...

RETAIL (PLN mil.)



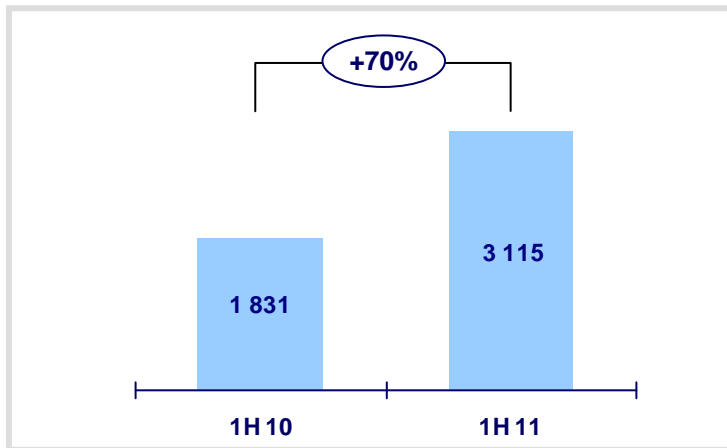
CORPORATE (PLN mil.)



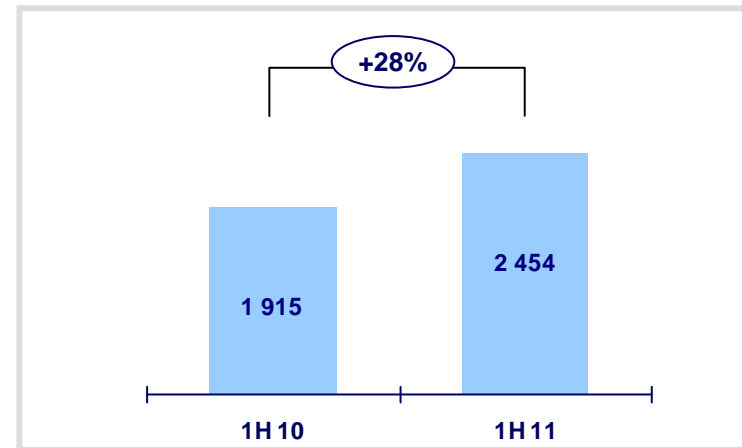
(1) Including non quoted debt securities and securities issued by local governments classified as AFS

... supported by very strong sales of consumer loans and mortgages in PLN ...

PLN MORTGAGE LOANS SALE (PLN mil.)

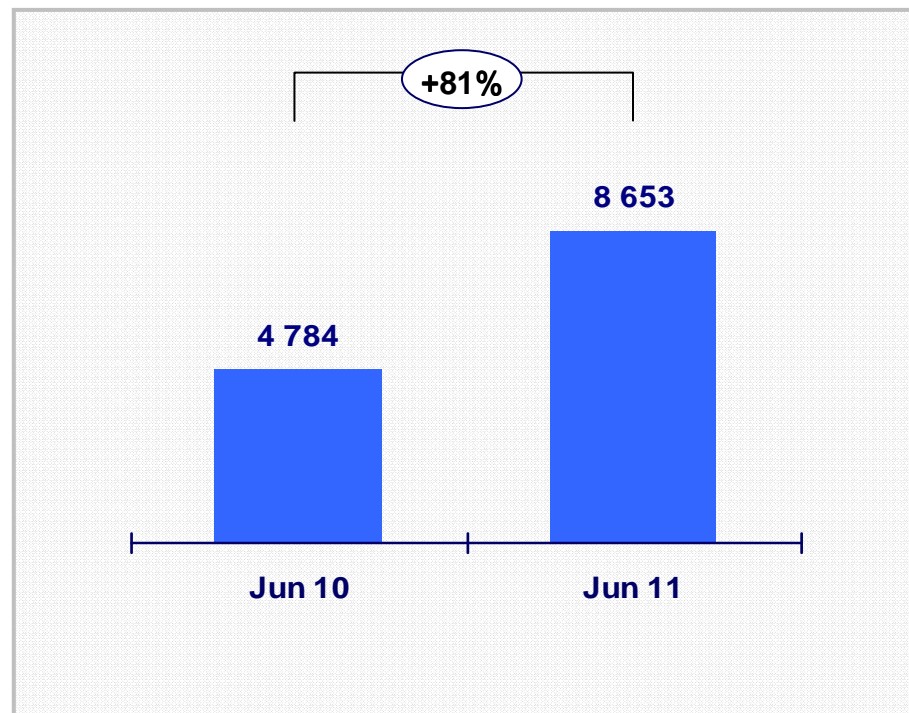


CASH LOANS SALE (PLN mil.)



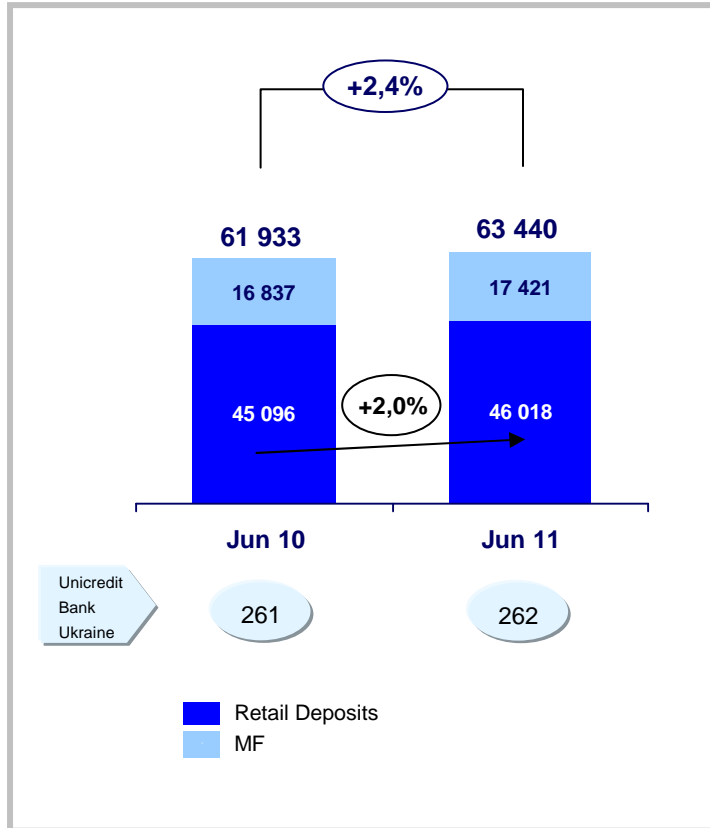
... with positive contribution coming from Public Sector

PUBLIC SECTOR FINANCING, (PLN mil.)

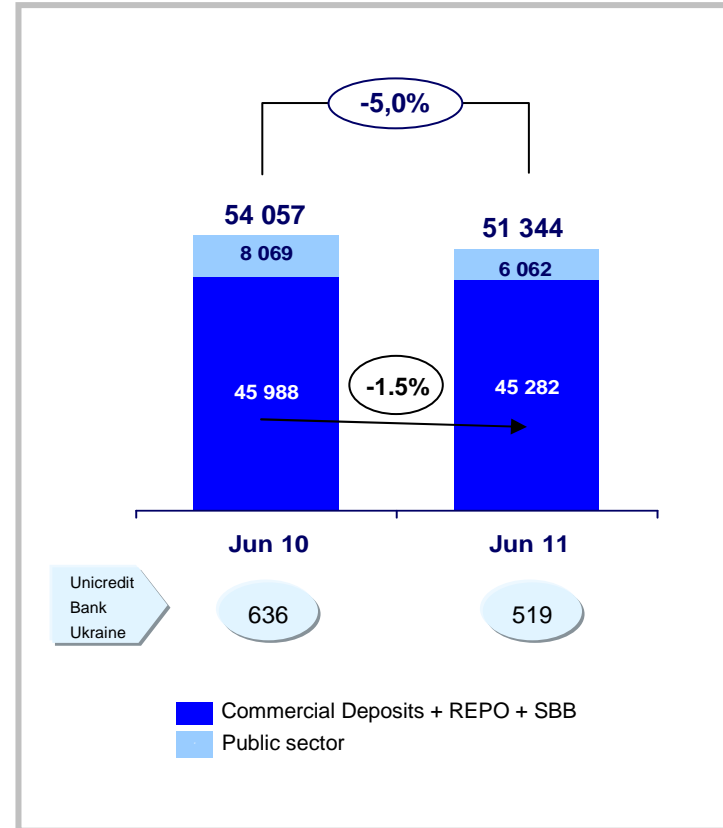


Positive development on Retail savings, with Corporate deposits kept at a very high level

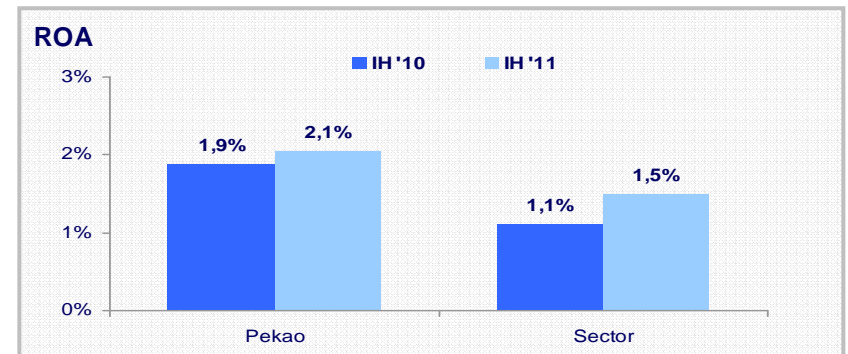
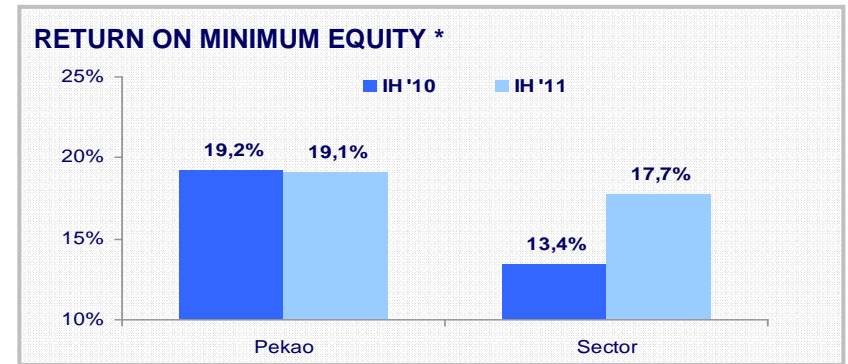
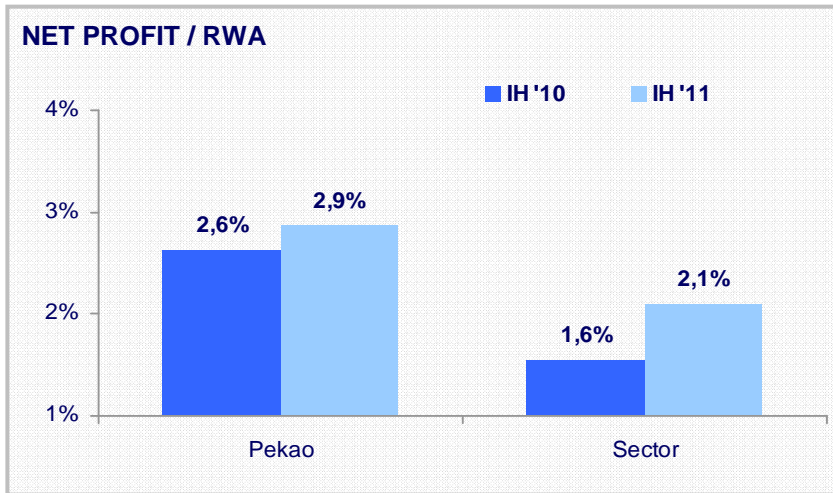
RETAIL (PLN mil.)



CORPORATE (PLN mil.)



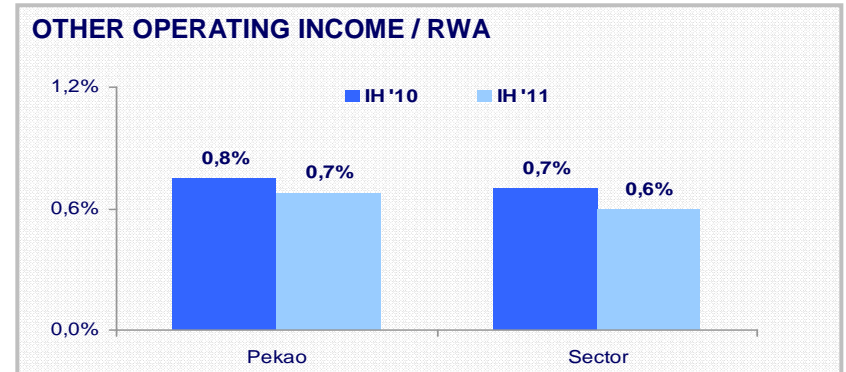
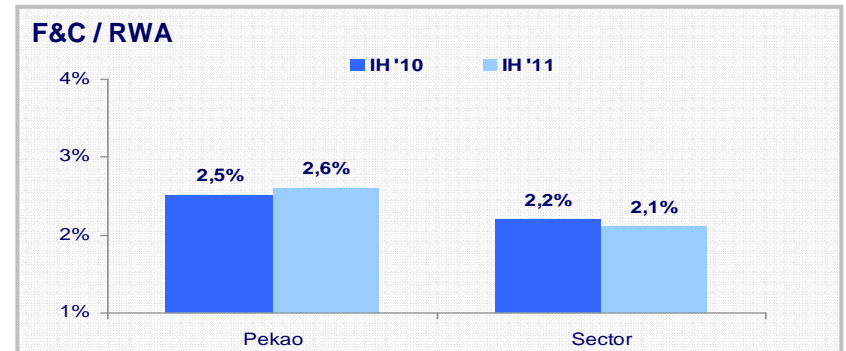
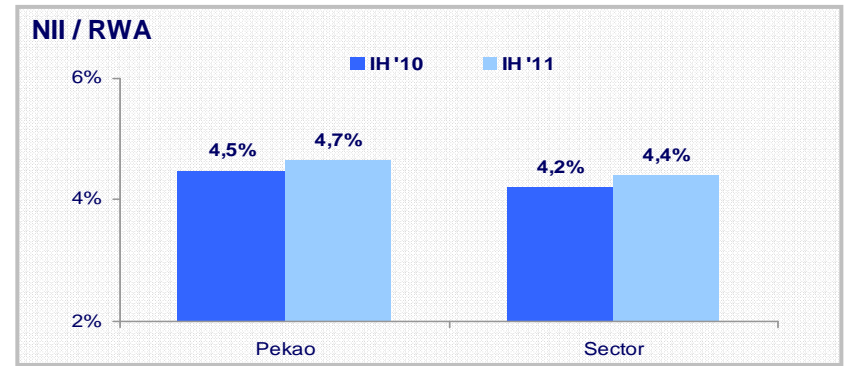
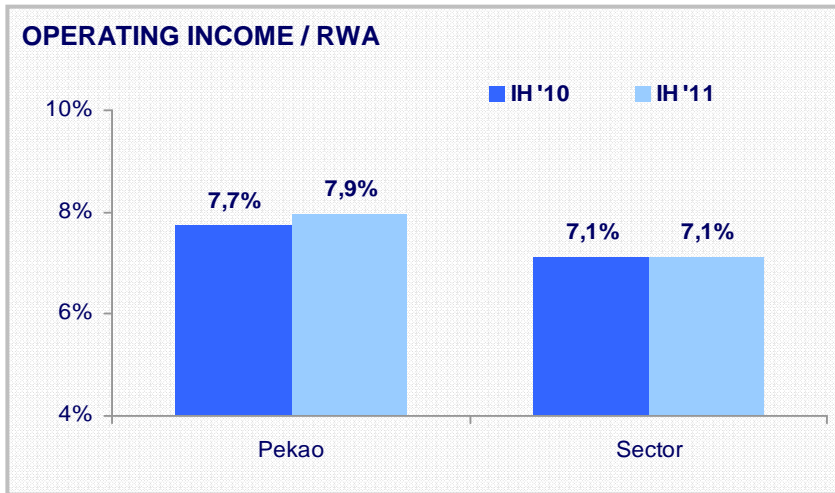
Profitability leader in the market



Sector: 9 biggest listed Polish bank excluding Pekao

* Assuming CAR = 10%

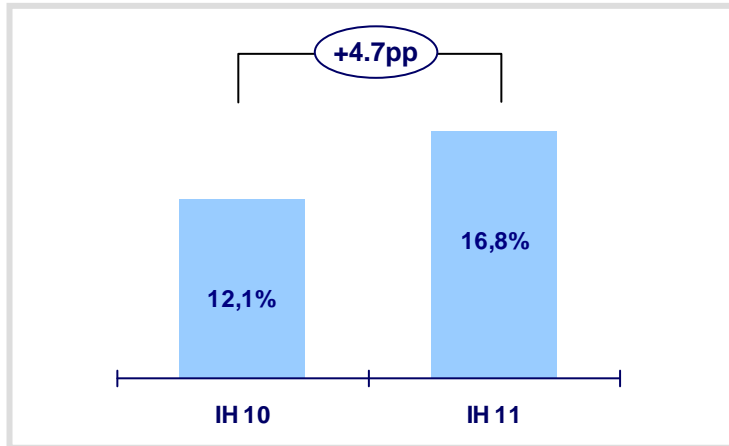
Sustainable, high quality revenues on core business



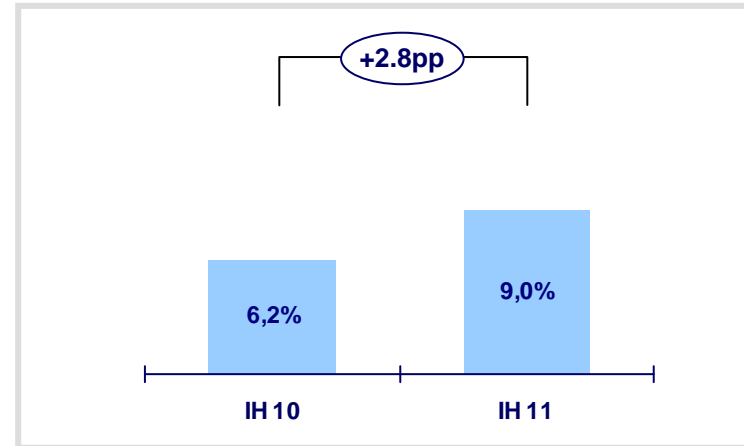
Sector: 9 biggest listed Polish banks excluding Pekao

Accelerating compared with the market

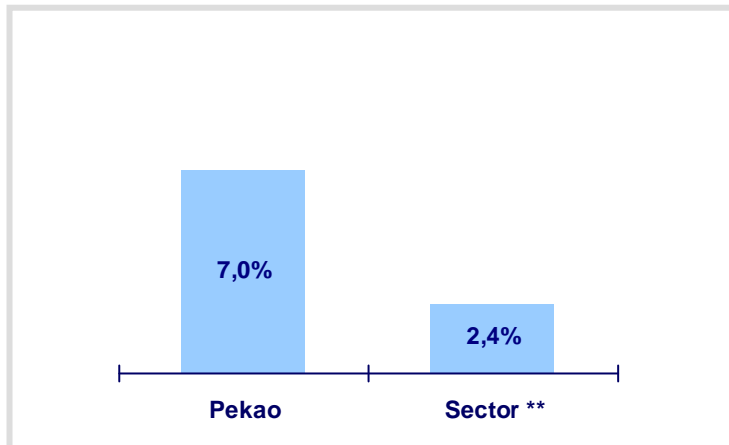
PLN MORTGAGE LOANS SALE (market share)



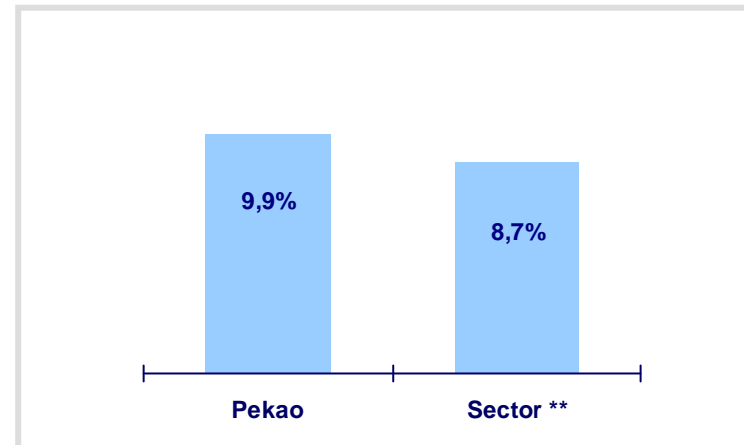
CASH LOANS SALE (market share) *



F&C (IH 2011 Y/Y)



GROSS OPERATING PROFIT (IH 2011 Y/Y)



* Based on BIK and press data

** Sector: 9 biggest listed Polish banks excluding Pekao

Agenda

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- **Current challenges and opportunities**

Going forward

CURRENT CHALLENGES

- Decreasing loans spread
- On-going deposit war
- „Zero” commissions trend
- Regulatory capital and liquidity requirements

PEKAO APPROACH

- Keep faster-than-market delivering in core areas („Business as usual”, no CHF „issue”)
- Leveraging on past years „early mover” in Corporate positioning
- Scale, strong Retail customer base and advisory-based business model
- Comfort to mid / long term planning