

# SITUATION OF BANKING SECTOR\*

## MONTHLY INFORMATION

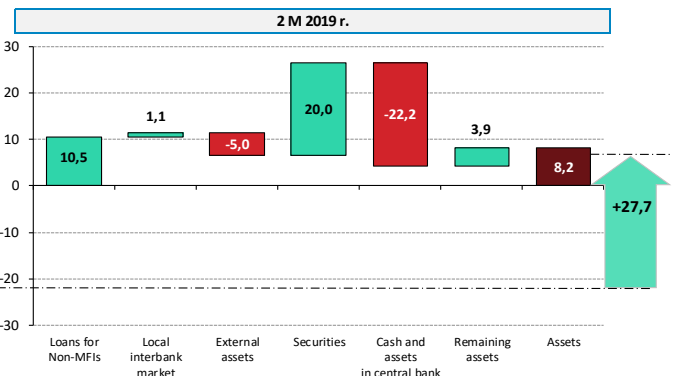
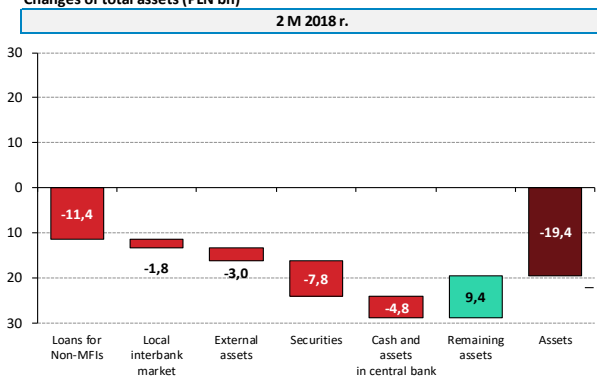
February 2019

\* Banking sector - domestic banks under art. 4.1 of The Banking Act of September 10, 1997 excl. BGK

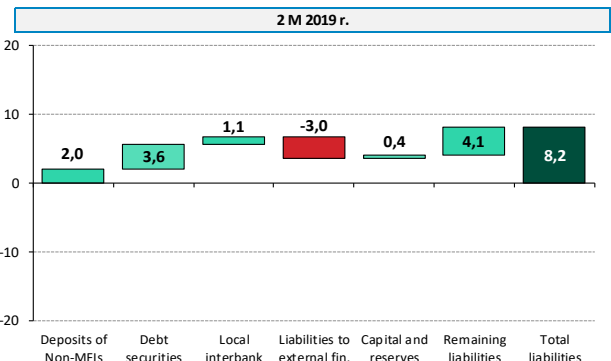
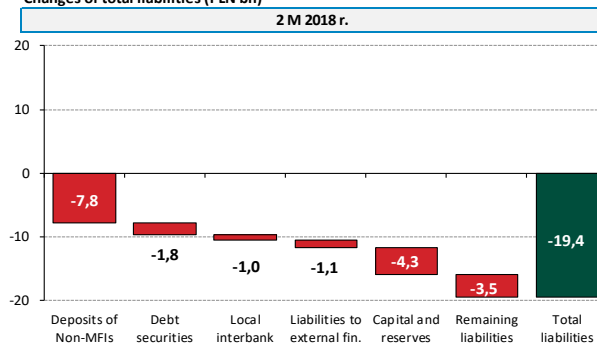
# 1. Balance sheet

| BALANCE SHEET                       |               |               |               |               |               |              |             |               |               |               |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|-------------|---------------|---------------|---------------|
| Stocks (PLN bn)                     | 2017.12       | 2018.02       | 2018.12       | 2019.01       | 2019.02       | Change y/y   |             | Structure     |               |               |
|                                     |               |               |               |               |               | PLN bn       | %           | 2017.12       | 2018.12       | 2019.02       |
| <b>BALANCE SHEET</b>                |               |               |               |               |               |              |             |               |               |               |
| <b>Banking sector</b>               | <b>1598,5</b> | <b>1579,1</b> | <b>1682,9</b> | <b>1677,7</b> | <b>1691,1</b> | <b>112,0</b> | <b>7,1%</b> | <b>100,0%</b> | <b>100,0%</b> | <b>100,0%</b> |
| commercial banks                    | 1468,3        | 1447,9        | 1544,5        | 1539,6        | 1550,2        | 102,2        | 7,1%        | 91,9%         | 91,8%         | 91,7%         |
| cooperative banks                   | 130,2         | 131,1         | 138,3         | 138,0         | 140,9         | 9,8          | 7,4%        | 8,1%          | 8,2%          | 8,3%          |
| <b>Assets</b>                       |               |               |               |               |               |              |             |               |               |               |
| Loans for Non-MFIs                  | 1033,1        | 1021,7        | 1068,7        | 1070,3        | 1079,1        | 57,4         | 5,6%        | 64,6%         | 63,5%         | 63,8%         |
| Local interbank market              | 35,6          | 33,8          | 34,6          | 33,7          | 35,7          | 2,0          | 5,8%        | 2,2%          | 2,1%          | 2,1%          |
| External assets                     | 15,8          | 12,8          | 17,1          | 12,7          | 12,1          | -0,7         | -5,6%       | 1,0%          | 1,0%          | 0,7%          |
| Securities                          | 377,4         | 369,6         | 386,5         | 404,1         | 406,5         | 36,8         | 10,0%       | 23,6%         | 23,0%         | 24,0%         |
| Remaining assets                    | 136,6         | 141,2         | 175,9         | 156,8         | 157,7         | 16,5         | 11,7%       | 8,5%          | 10,5%         | 9,3%          |
| <b>Total liabilities</b>            |               |               |               |               |               |              |             |               |               |               |
| Deposits of Non-MFIs                | 1143,8        | 1136,0        | 1230,8        | 1216,8        | 1232,8        | 96,7         | 8,5%        | 71,6%         | 73,1%         | 72,9%         |
| Debt securities issued              | 53,1          | 51,2          | 62,3          | 65,6          | 65,9          | 14,7         | 28,7%       | 3,3%          | 3,7%          | 3,9%          |
| Local interbank market              | 39,6          | 38,6          | 39,1          | 38,1          | 40,2          | 1,6          | 4,2%        | 2,5%          | 2,3%          | 2,4%          |
| Liabilities to external fin. sector | 76,7          | 75,6          | 57,9          | 58,7          | 54,9          | -20,7        | -27,4%      | 4,8%          | 3,4%          | 3,2%          |
| Capital and reserves                | 206,5         | 202,2         | 209,2         | 209,5         | 209,6         | 7,4          | 3,7%        | 12,9%         | 12,4%         | 12,4%         |
| Remaining                           | 78,8          | 75,4          | 83,4          | 88,9          | 87,6          | 12,2         | 16,2%       | 4,9%          | 5,0%          | 5,2%          |

Changes of total assets (PLN bn)

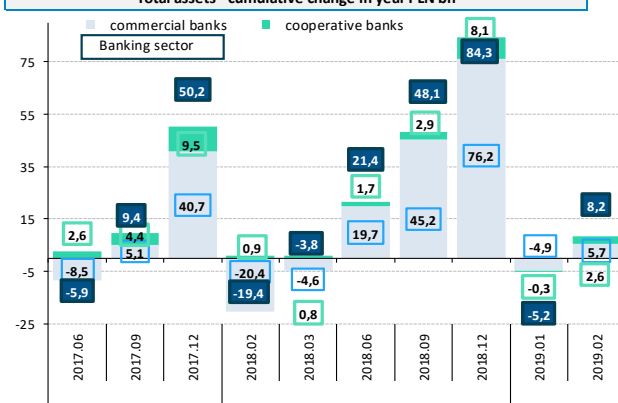


Changes of total liabilities (PLN bn)

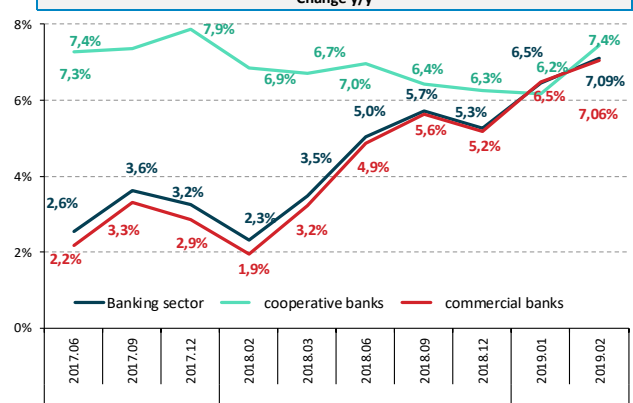


| % GDP (2017) | BALANCE SHEET | Loans for Non-MFIs | Deposits of Non-MFIs |
|--------------|---------------|--------------------|----------------------|
|              | 85,3%         | 54,4%              | 62,2%                |

Total assets - cumulative change in year PLN bn



Change y/y



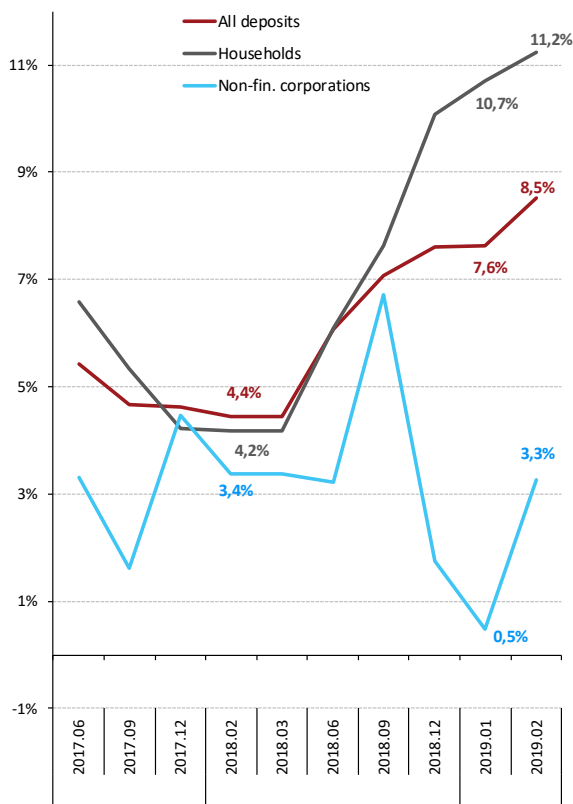
## 2. Deposits of non-MFIs

|  | Stocks (PLN bn) |               |               |               |               |
|--|-----------------|---------------|---------------|---------------|---------------|
|  | 2017.12         | 2018.02       | 2018.12       | 2019.01       | 2019.02       |
| <b>All deposits, including</b>                         | <b>1143,8</b>   | <b>1136,0</b> | <b>1230,8</b> | <b>1216,8</b> | <b>1232,8</b> |
| commercial banks                                       | 1028,8          | 1020,2        | 1107,7        | 1094,3        | 1107,4        |
| cooperative banks                                      | 115,0           | 115,8         | 123,1         | 122,5         | 125,4         |
| Households   | 752,3           | 760,3         | 828,1         | 832,6         | 845,7         |
| Non-fin. corporations                                  | 264,0           | 247,7         | 268,6         | 256,0         | 255,8         |
| General government, including<br>Local government unit | 51,1            | 51,6          | 54,1          | 49,7          | 53,6          |
| Non-profit inst.                                       | 30,0            | 34,1          | 29,5          | 27,7          | 32,3          |
| Insurance corp.  | 23,8            | 25,3          | 25,9          | 26,3          | 26,5          |
| Other non-monetary fin. inst.                          | 10,0            | 9,0           | 9,1           | 9,3           | 9,2           |
|  | 42,6            | 42,1          | 45,0          | 42,9          | 42,0          |

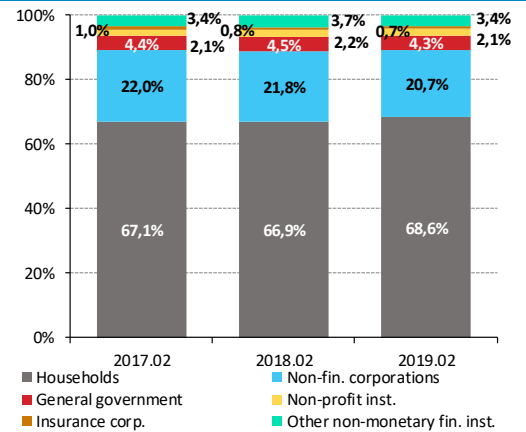
| Covered deposits (PLN bn)      |              |
|--------------------------------|--------------|
| <b>All deposits, including</b> | <b>805,7</b> |
| commercial banks               | 705,2        |
| cooperative banks              | 100,5        |

| Changes (PLN bn and %) |         |          |       |        |       |
|------------------------|---------|----------|-------|--------|-------|
| MONTHLY                |         | 2 MONTHS |       | ANNUAL |       |
| 2018.02                | 2019.02 | 2018     | 2019  | 2019   |       |
| 5,4                    | 16,0    | -7,8     | 2,0   | 96,7   | 8,5%  |
| 4,3                    | 13,1    | -8,6     | -0,3  | 87,2   | 8,6%  |
| 1,1                    | 2,9     | 0,8      | 2,3   | 9,5    | 8,2%  |
| 8,3                    | 13,1    | 8,0      | 17,6  | 85,4   | 11,2% |
| -7,0                   | -0,2    | -16,4    | -12,9 | 8,1    | 3,3%  |
| 3,6                    | 3,8     | 0,5      | -0,5  | 1,9    | 3,8%  |
| 4,6                    | 4,6     | 4,0      | 2,8   | -1,8   | -5,2% |
| 0,9                    | 0,2     | 1,5      | 0,6   | 1,2    | 4,7%  |
| -0,7                   | -0,1    | -1,1     | 0,1   | 0,2    | 2,2%  |
| 0,4                    | -0,9    | -0,4     | -3,0  | -0,1   | -0,2% |

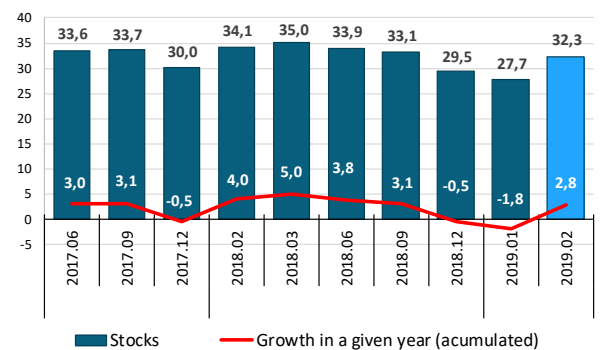
Change y/y (nominal terms)



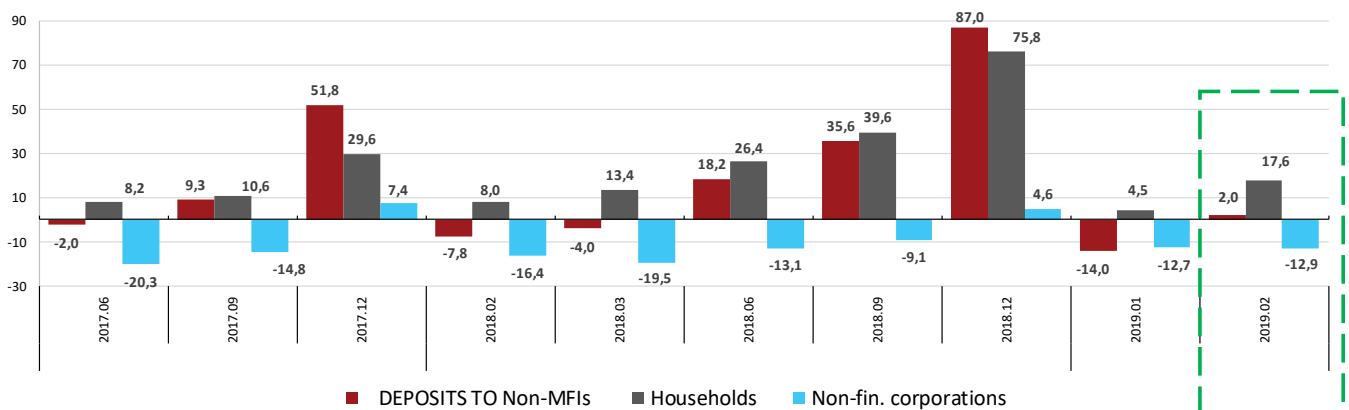
Deposits structure



Local government unit deposits (PLN bn)



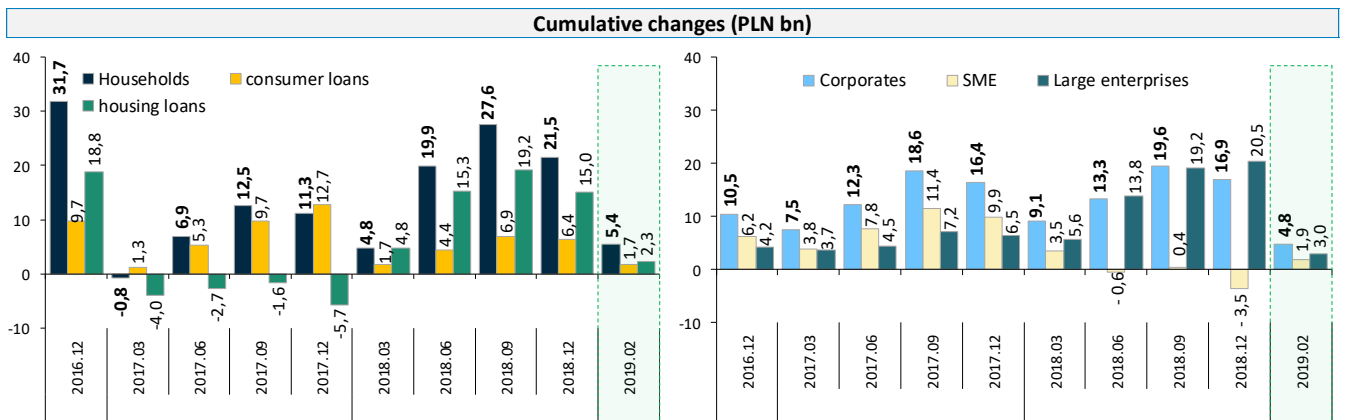
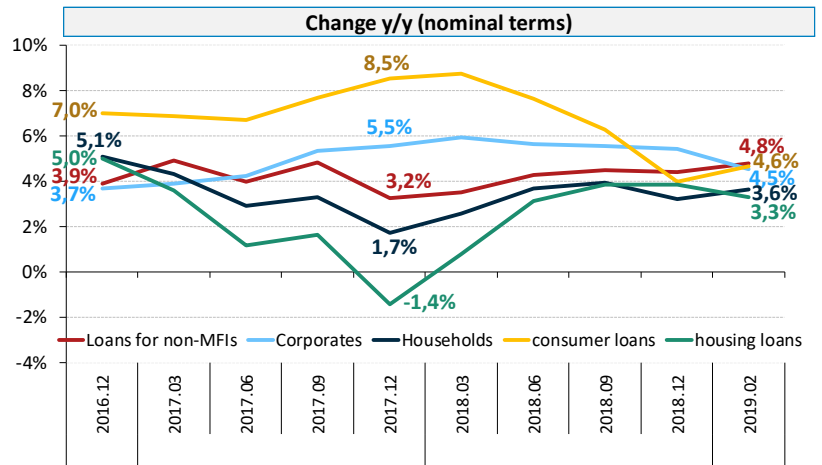
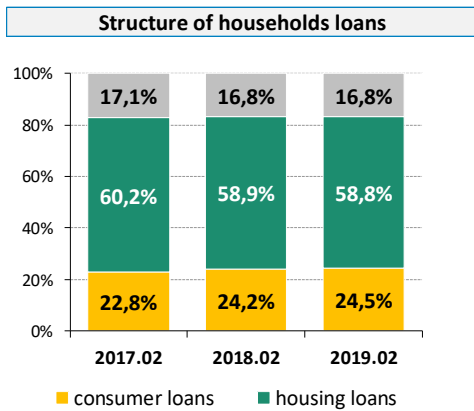
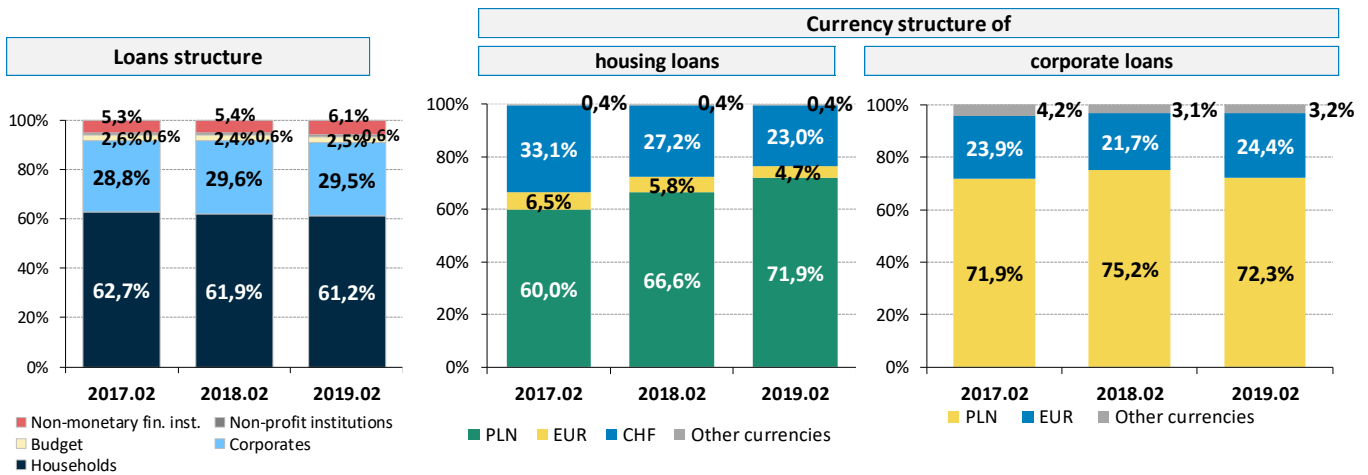
Change of deposits in a given year (accumulated) (PLN bn)



### 3. Loans for non-MFIs

|                                | Stocks (PLN bn) |               |               |               |               |
|--------------------------------|-----------------|---------------|---------------|---------------|---------------|
|                                | 2017.12         | 2018.02       | 2018.12       | 2019.01       | 2019.02       |
| <b>Total loans</b>             | <b>1072,4</b>   | <b>1079,5</b> | <b>1119,5</b> | <b>1121,6</b> | <b>1131,0</b> |
| commercial banks               | 1000,8          | 1007,4        | 1043,9        | 1045,8        | 1055,1        |
| cooperative banks              | 71,6            | 72,1          | 75,6          | 75,8          | 75,9          |
| <b>Households</b>              | <b>665,8</b>    | <b>668,5</b>  | <b>687,2</b>  | <b>688,2</b>  | <b>692,6</b>  |
| consumer loans                 | 161,3           | 161,9         | 167,7         | 168,6         | 169,4         |
| housing loans                  | 389,7           | 394,1         | 404,8         | 404,4         | 407,0         |
| PLN                            | 258,2           | 262,4         | 288,4         | 290,6         | 292,5         |
| foreign currency               | 131,5           | 131,7         | 116,4         | 113,9         | 114,5         |
| <b>Corporates</b>              | <b>312,3</b>    | <b>319,6</b>  | <b>329,2</b>  | <b>331,5</b>  | <b>334,1</b>  |
| Budget                         | 27,1            | 26,2          | 28,4          | 28,4          | 28,2          |
| <b>Non-profit institutions</b> | <b>6,8</b>      | <b>6,9</b>    | <b>7,3</b>    | <b>7,3</b>    | <b>7,3</b>    |
| <b>Non-monetary fin. inst.</b> | <b>60,5</b>     | <b>58,3</b>   | <b>67,4</b>   | <b>66,2</b>   | <b>68,8</b>   |

| Change (PLN bn and %) |         |          |      |         |        |
|-----------------------|---------|----------|------|---------|--------|
| Monthly               |         | 2 months |      | Annual  |        |
| 2018.02               | 2019.02 | 2018     | 2019 | 2019.02 |        |
| 8,1                   | 9,4     | 7,1      | 11,5 | 51,5    | 4,8%   |
| 7,8                   | 9,3     | 6,6      | 11,2 | 47,7    | 4,7%   |
| 0,2                   | 0,1     | 0,5      | 0,3  | 3,8     | 5,3%   |
| 5,0                   | 4,5     | 2,7      | 5,4  | 24,2    | 3,6%   |
| 0,7                   | 0,8     | 0,5      | 1,7  | 7,5     | 4,6%   |
| 3,9                   | 2,6     | 4,3      | 2,3  | 13,0    | 3,3%   |
| 2,8                   | 2,0     | 4,2      | 4,1  | 30,1    | 11,5%  |
| 1,1                   | 0,6     | 0,2      | -1,8 | -17,2   | -13,0% |
| 2,9                   | 2,6     | 7,4      | 4,8  | 14,4    | 4,5%   |
| -0,5                  | -0,2    | -0,9     | -0,3 | 2,0     | 7,6%   |
| 0,1                   | 0,0     | 0,1      | 0,0  | 0,4     | 5,6%   |
| 0,6                   | 2,6     | -2,2     | 1,5  | 10,5    | 18,1%  |

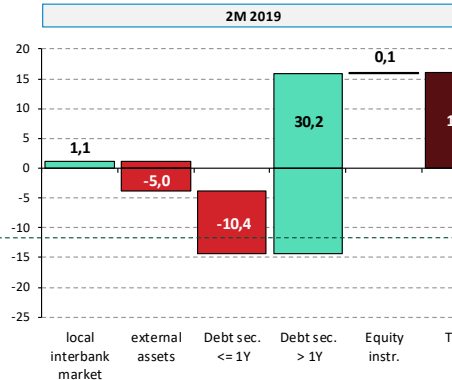
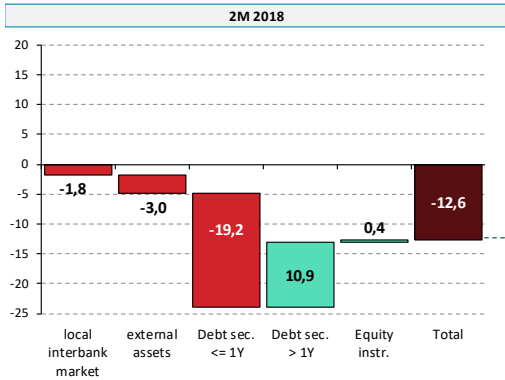


## 4. Financial assets

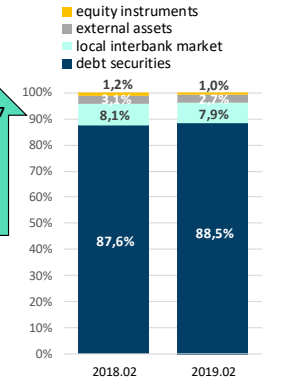
|                                     | Stocks (PLN bn) |              |              |              |              |
|-------------------------------------|-----------------|--------------|--------------|--------------|--------------|
|                                     | 2017.12         | 2018.02      | 2018.12      | 2019.01      | 2019.02      |
| <b>Total fin. assets, including</b> | <b>428,8</b>    | <b>416,2</b> | <b>438,2</b> | <b>450,5</b> | <b>454,3</b> |
| local interbank market              | 35,6            | 33,8         | 34,6         | 33,7         | 35,7         |
| external assets                     | 15,8            | 12,8         | 17,1         | 12,7         | 12,1         |
| securities                          | 377,4           | 369,6        | 386,5        | 404,1        | 406,5        |
| debt securities                     | 372,9           | 364,7        | 382,1        | 399,6        | 402,0        |
| up to 1 year                        | 66,5            | 47,3         | 57,7         | 65,6         | 47,4         |
| financial s.                        | 65,2            | 46,5         | 46,5         | 53,6         | 44,3         |
| non-financial s.                    | 1,2             | 0,6          | 1,7          | 1,2          | 1,4          |
| general gov.                        | 0,1             | 0,2          | 9,5          | 10,8         | 1,7          |
| over 1 year                         | 306,5           | 317,4        | 324,4        | 334,1        | 354,6        |
| financial s.                        | 15,3            | 15,1         | 19,3         | 19,1         | 19,6         |
| non-financial s.                    | 16,8            | 16,4         | 14,0         | 13,7         | 13,5         |
| general gov.                        | 274,3           | 285,8        | 291,1        | 301,3        | 321,5        |
| equity instruments                  | 4,5             | 4,9          | 4,4          | 4,5          | 4,5          |

| Changes (PLN bn and %) |         |          |       |        |        |
|------------------------|---------|----------|-------|--------|--------|
| MONTHLY                |         | 2 MONTHS |       | ANNUAL |        |
| 2018.02                | 2019.02 | 2018     | 2019  | 2019   |        |
| 4,4                    | 3,8     | -12,6    | 16,1  | 38,1   | 9,1%   |
| -0,6                   | 2,0     | -1,8     | 1,1   | 2,0    | 5,8%   |
| -2,1                   | -0,6    | -3,0     | -5,0  | -0,7   | -5,6%  |
| 7,0                    | 2,4     | -7,8     | 20,0  | 36,8   | 10,0%  |
| 7,1                    | 2,3     | -8,2     | 19,9  | 37,3   | 10,2%  |
| 0,9                    | -18,2   | -19,2    | -10,4 | 0,1    | 0,1%   |
| 1,2                    | -9,3    | -18,7    | -2,3  | -2,2   | -4,7%  |
| -0,4                   | 0,2     | -0,5     | -0,3  | 0,7    | 111,5% |
| 0,04                   | -9,1    | 0,1      | -7,8  | 1,5    | 799,1% |
| 6,2                    | 20,5    | 10,9     | 30,2  | 37,2   | 11,7%  |
| 0,1                    | 0,5     | -0,1     | 0,3   | 4,5    | 29,4%  |
| -0,3                   | -0,2    | -0,4     | -0,5  | -2,9   | -17,9% |
| 6,5                    | 20,2    | 11,5     | 30,4  | 35,7   | 12,5%  |
| -0,04                  | 0,04    | 0,4      | 0,1   | -0,4   | -8,2%  |

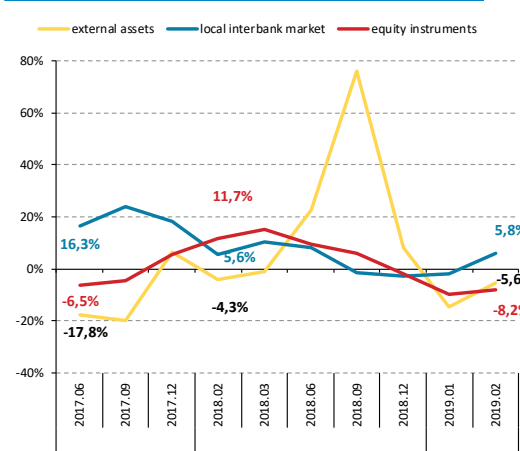
Comparison of changes of fin. assets (nominal terms - PLN bn)



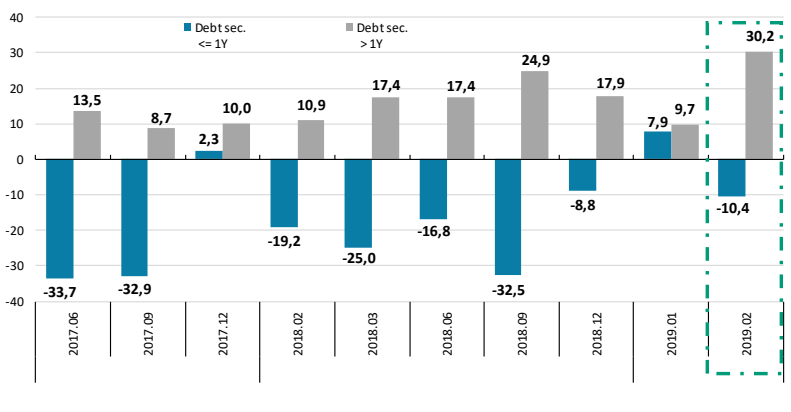
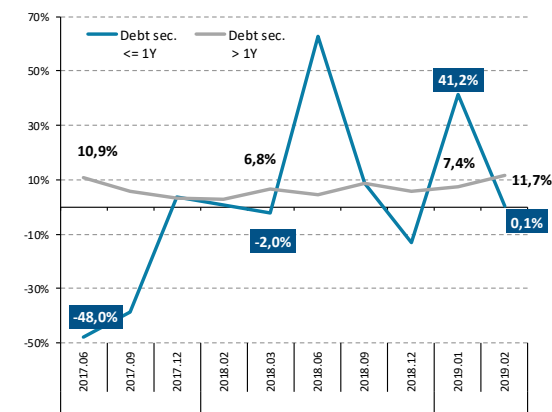
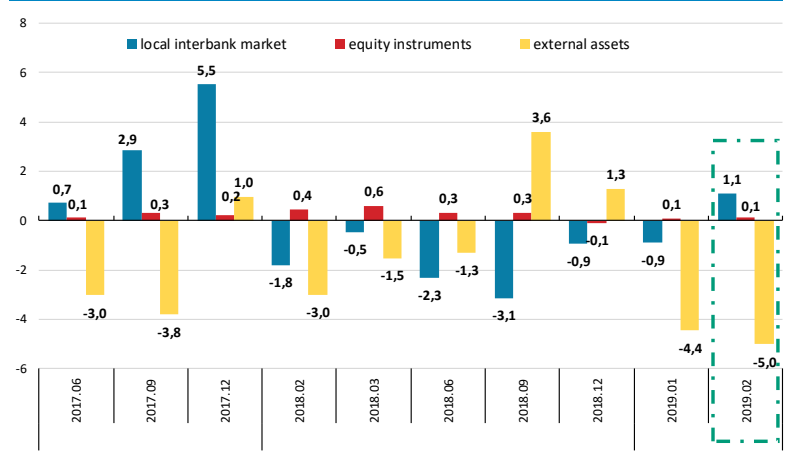
Percentage structure



Change y/y (nominal terms)



Change in a given year (acumulated) (PLN bn)

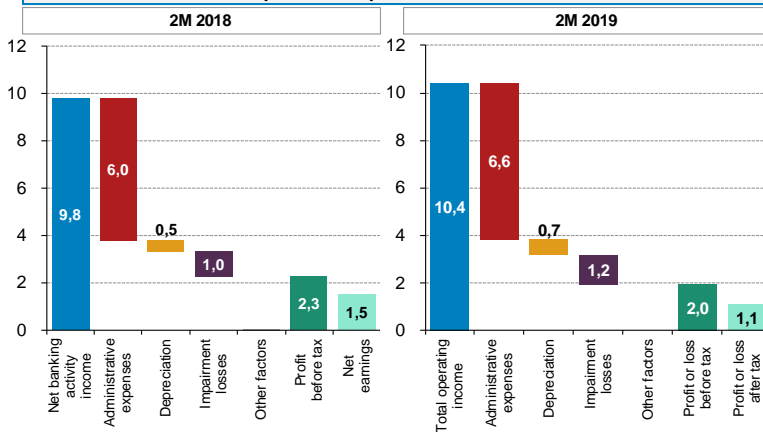


## 5. Profit and loss account

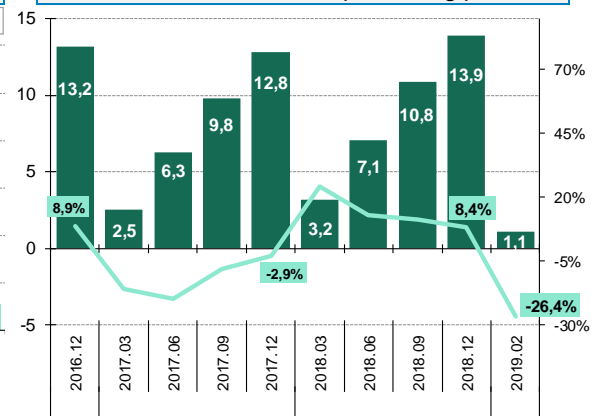
|   | Cumulative (PLN bn) |            |             |            |             |
|---|---------------------|------------|-------------|------------|-------------|
|   | 2017.12             | 2018.02    | 2018.12     | 2019.01    | 2019.02     |
| <b>Total operating income</b>             | <b>60,0</b>         | <b>9,8</b> | <b>60,9</b> | <b>5,4</b> | <b>10,4</b> |
| Net interest income                       | 41,4                | 7,0        | 43,4        | 4,0        | 7,7         |
| Net fees and commissions income           | 13,3                | 2,1        | 11,8        | 1,0        | 2,0         |
| Net FX income and gain/loss on fin. inst. | 4,2                 | 0,4        | 2,7         | 0,2        | 0,5         |
| Other factors                             | 1,2                 | 0,2        | 3,0         | 0,1        | 0,2         |
| Administrative expenses                   | 30,7                | 6,0        | 30,8        | 3,8        | 6,6         |
| Amortisation and depreciation             | 2,9                 | 0,5        | 5,6         | 0,3        | 0,7         |
| Net provision and valuation allowances    | 8,2                 | 1,0        | 8,3         | 0,5        | 1,2         |
| Profit or loss before tax                 | 17,3                | 2,3        | 18,4        | 0,7        | 2,0         |
| <b>Profit or loss after tax</b>           | <b>12,8</b>         | <b>1,5</b> | <b>13,9</b> | <b>0,2</b> | <b>1,1</b>  |

| Change (PLN bn and %)                     |            |               |            |               |             |               |
|---|------------|---------------|------------|---------------|-------------|---------------|
|   | Monthly    |               | Annual     |               |             |               |
|   | 2018.02    | 2019.02       | 2019.02    |               |             |               |
| <b>Total operating income</b>             | <b>4,6</b> | <b>-10,2%</b> | <b>5,1</b> | <b>-5,1%</b>  | <b>0,7</b>  | <b>6,7%</b>   |
| Net interest income                       | 3,4        | -8,9%         | 3,7        | -6,0%         | 0,7         | 9,3%          |
| Net fees and commissions income           | 1,0        | -10,1%        | 0,9        | -10,8%        | -0,1        | -4,7%         |
| Net FX income and gain/loss on fin. inst. | 0,2        | -23,2%        | 0,3        | 15,8%         | 0,1         | 18,1%         |
| Other factors                             | 0,1        | -22,9%        | 0,1        | 37,8%         | 0,0         | 7,2%          |
| Administrative expenses                   | 2,5        | -27,6%        | 2,8        | -26,6%        | 0,6         | 10,2%         |
| Amortisation and depreciation             | 0,2        | -2,3%         | 0,3        | 5,8%          | 0,2         | 38,2%         |
| Net provision and valuation allowances    | 0,5        | -2,3%         | 0,7        | 22,8%         | 0,2         | 16,9%         |
| Profit or loss before tax                 | 1,4        | 49,3%         | 1,3        | 89,0%         | -0,3        | -14,7%        |
| <b>Profit or loss after tax</b>           | <b>1,0</b> | <b>111,9%</b> | <b>0,9</b> | <b>315,3%</b> | <b>-0,4</b> | <b>-26,4%</b> |

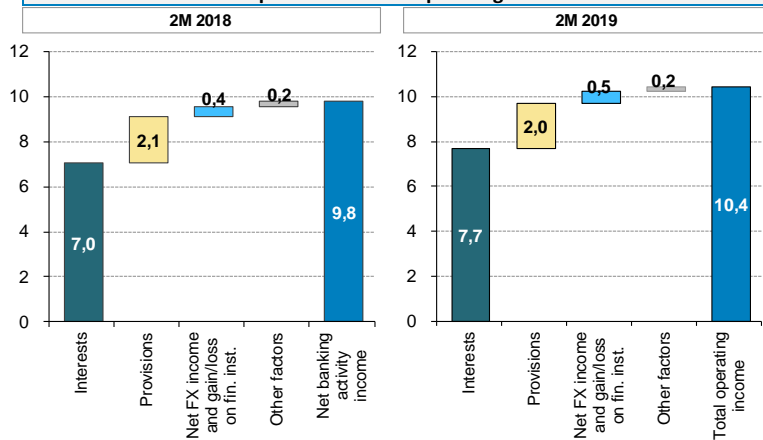
Components of profit or loss after tax



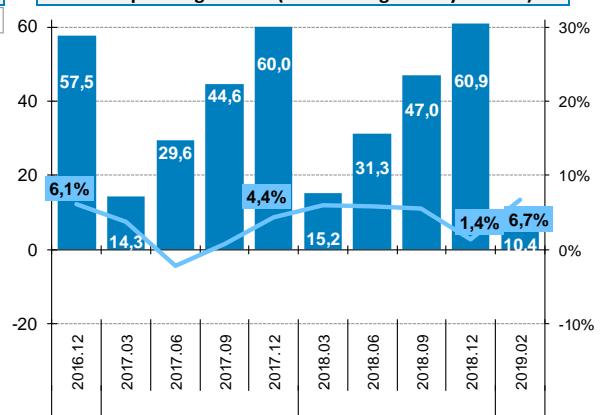
Profit or loss after tax (Net earnings)



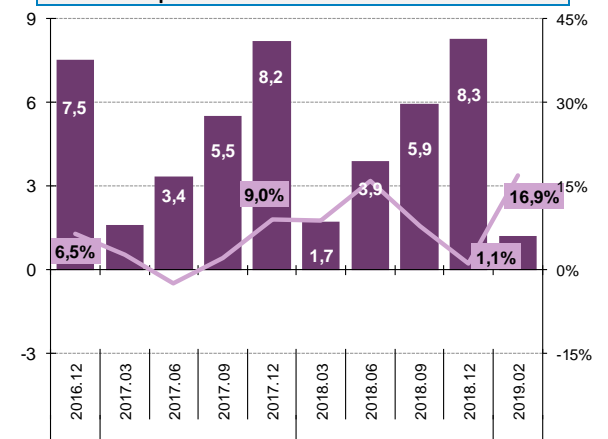
Components of total operating income



Total operating income (Net banking activity income)



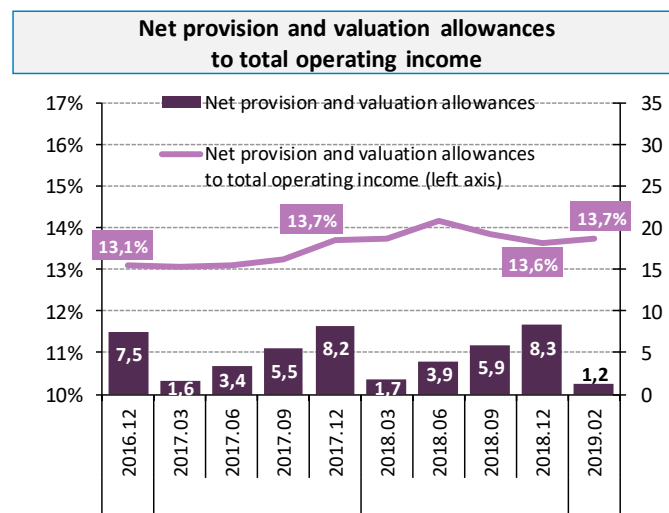
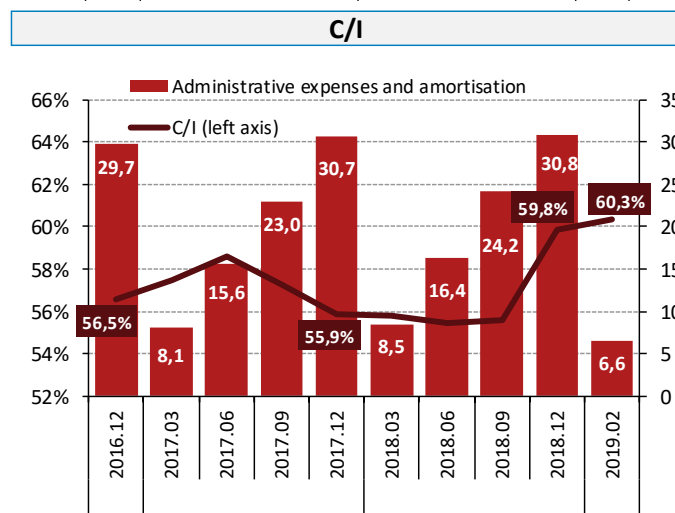
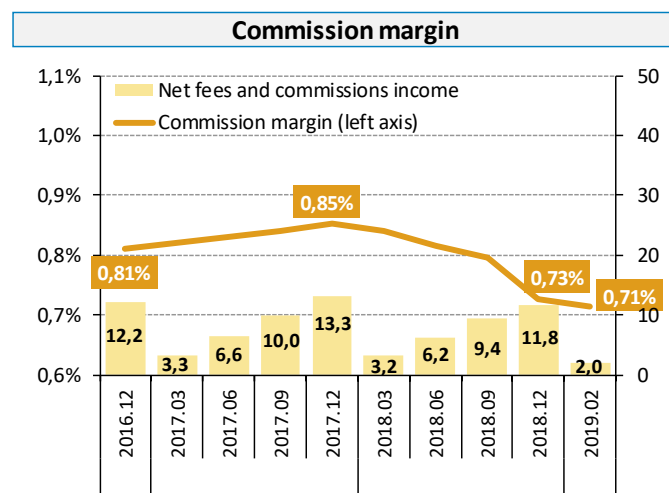
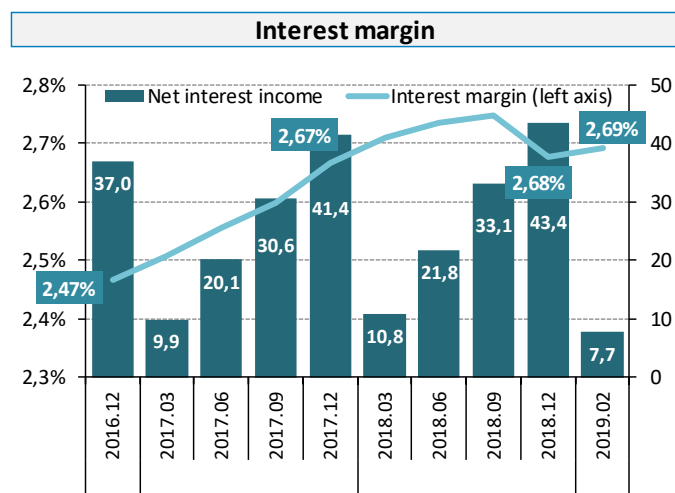
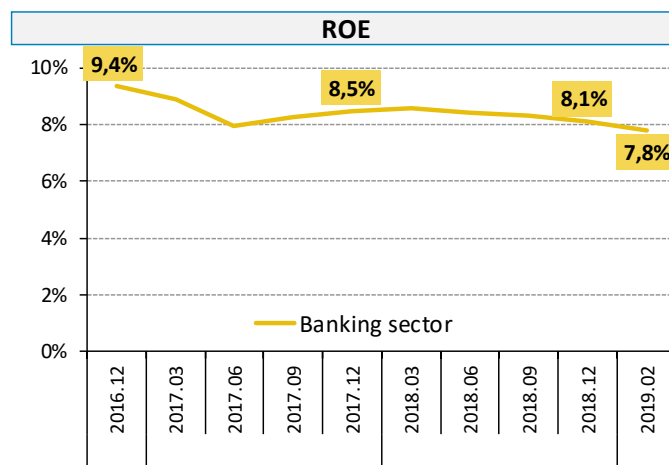
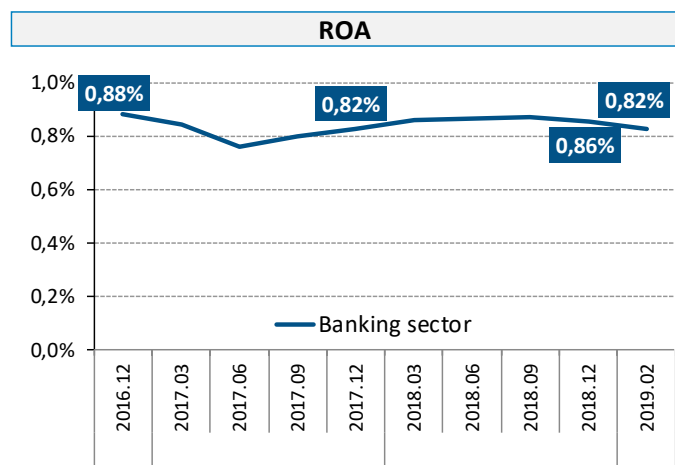
Net provision and valuation allowances



## 6. Efficiency ratios

|  | Indicator status (%) |         |         |         |         |
|--|----------------------|---------|---------|---------|---------|
|  | 2017.12              | 2018.02 | 2018.12 | 2019.01 | 2019.02 |
| ROA  | 0,82                 | 0,82    | 0,86    | 0,84    | 0,82    |
| ROE  | 8,46                 | 8,27    | 8,10    | 7,89    | 7,79    |
| Interest margin  | 2,67                 | 2,69    | 2,68    | 2,68    | 2,69    |
| Commission margin  | 0,85                 | 0,86    | 0,73    | 0,72    | 0,71    |
| C/I  | 55,90                | 56,52   | 59,83   | 60,17   | 60,35   |
| Net provision and valuation allowances to total operating income | 13,68                | 13,45   | 13,64   | 13,59   | 13,75   |

|  | Change y/y (p.p.) |         |         |
|--|-------------------|---------|---------|
|  | 2017.02           | 2018.02 | 2019.02 |
| ROA  | 0,06              | -0,03   | 0,00    |
| ROE  | 0,40              | -0,76   | -0,48   |
| Interest margin  | 0,11              | 0,20    | 0,00    |
| Commission margin  | -0,07             | 0,05    | -0,14   |
| C/I  | -2,98             | -0,67   | 3,83    |
| Net provision and valuation allowances to total operating income | 0,26              | 0,19    | 0,30    |

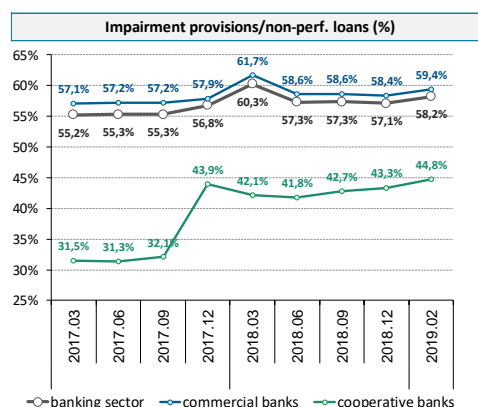
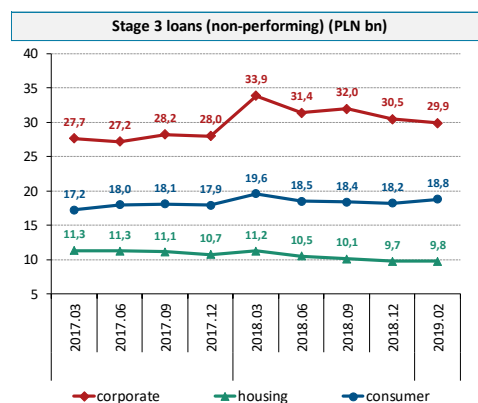
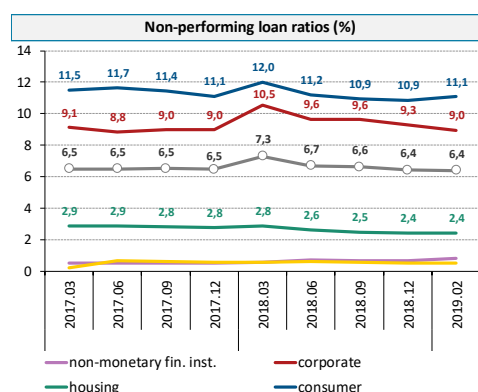


## 7. The quality of banks' loan portfolio for non-MFIs

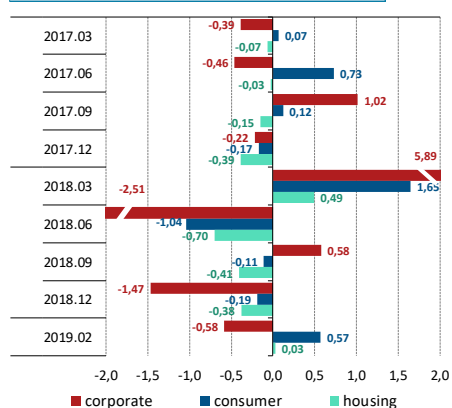
|  | 2017.12                        | 2018.02    | 2018.06    | 2018.12    | 2019.02    | Change (p.p.) |              |              |
|--|--------------------------------|------------|------------|------------|------------|---------------|--------------|--------------|
|  | Non-performing loan ratios (%) |            |            |            |            | 1m            | 2m           | y/y          |
| <b>total</b>                           | <b>6,5</b>                     | <b>7,3</b> | <b>6,7</b> | <b>6,4</b> | <b>6,4</b> | <b>-0,02</b>  | <b>-0,03</b> | <b>-0,96</b> |
| commercial banks                       | 6,4                            | 7,3        | 6,6        | 6,3        | 6,3        | -0,02         | -0,03        | -1,04        |
| cooperative banks                      | 7,7                            | 7,7        | 8,0        | 7,9        | 7,8        | 0,00          | -0,04        | 0,16         |
| <i>PLN</i>                             | 7,0                            | 8,0        | 7,3        | 6,9        | 6,9        | -0,01         | -0,03        | -1,08        |
| <i>foreign currency</i>                | 4,5                            | 5,0        | 4,5        | 4,4        | 4,3        | -0,03         | -0,03        | -0,66        |
| <b>non-financial sector, including</b> | <b>7,0</b>                     | <b>7,9</b> | <b>7,2</b> | <b>7,0</b> | <b>6,9</b> | <b>-0,01</b>  | <b>-0,04</b> | <b>-1,00</b> |
| corporate                              | 9,0                            | 10,6       | 9,6        | 9,3        | 9,0        | -0,12         | -0,31        | -1,62        |
| consumer                               | 11,1                           | 12,2       | 11,2       | 10,9       | 11,1       | 0,11          | 0,23         | -1,12        |
| housing, including                     | 2,8                            | 2,9        | 2,6        | 2,4        | 2,4        | 0,00          | -0,01        | -0,48        |
| <i>PLN</i>                             | 2,5                            | 2,6        | 2,4        | 2,1        | 2,1        | -0,01         | 0,00         | -0,48        |
| <i>foreign currency</i>                | 3,3                            | 3,5        | 3,1        | 3,2        | 3,2        | 0,00          | 0,01         | -0,30        |
| <b>non-monetary fin. inst.</b>         | <b>0,5</b>                     | <b>0,6</b> | <b>0,7</b> | <b>0,7</b> | <b>0,8</b> | <b>0,00</b>   | <b>0,12</b>  | <b>0,19</b>  |
| <b>gov. sector and local gov.</b>      | <b>0,5</b>                     | <b>0,6</b> | <b>0,6</b> | <b>0,5</b> | <b>0,5</b> | <b>0,00</b>   | <b>0,00</b>  | <b>-0,06</b> |

|  | Stage 3 loans (Non-performing) (PLN bn) |             |             |             |             | (PLN bn)   |            | Structure   |              |
|--|---|-------------|-------------|-------------|-------------|------------|------------|-------------|--------------|
|  | 2017.12                                 | 2018.02     | 2018.06     | 2018.12     | 2019.02     | 1m         | 2m         |             |              |
| <b>total</b>                           | <b>69,2</b>                             | <b>79,3</b> | <b>74,0</b> | <b>71,8</b> | <b>72,2</b> | <b>0,4</b> | <b>0,4</b> | <b>-7,1</b> | <b>100,0</b> |
| commercial banks                       | 63,7                                    | 73,7        | 68,1        | 65,8        | 66,2        | 0,4        | 0,4        | -7,5        | 91,8         |
| cooperative banks                      | 5,5                                     | 5,5         | 5,8         | 6,0         | 6,0         | 0,0        | 0,0        | 0,4         | 8,2          |
| <i>PLN</i>                             | 58,9                                    | 67,8        | 63,3        | 61,9        | 62,4        | 0,3        | 0,5        | -5,4        | 86,4         |
| <i>foreign currency</i>                | 10,3                                    | 11,5        | 10,7        | 9,9         | 9,8         | 0,1        | -0,1       | -1,7        | 13,6         |
| <b>non-financial sector, including</b> | <b>68,8</b>                             | <b>78,8</b> | <b>73,4</b> | <b>71,2</b> | <b>71,5</b> | <b>0,4</b> | <b>0,3</b> | <b>-7,2</b> | <b>99,0</b>  |
| corporate                              | 28,0                                    | 33,8        | 31,4        | 30,5        | 29,9        | -0,2       | -0,6       | -3,9        | 41,4         |
| consumer                               | 17,9                                    | 19,8        | 18,5        | 18,2        | 18,8        | 0,3        | 0,6        | -1,0        | 26,0         |
| housing, including                     | 10,7                                    | 11,3        | 10,5        | 9,7         | 9,8         | 0,0        | 0,0        | -1,6        | 13,5         |
| <i>PLN</i>                             | 6,4                                     | 6,7         | 6,5         | 6,0         | 6,1         | 0,0        | 0,1        | -0,6        | 8,4          |
| <i>foreign currency</i>                | 4,4                                     | 4,6         | 4,1         | 3,7         | 3,7         | 0,0        | 0,0        | -0,9        | 5,1          |
| <b>non-monetary fin. inst.</b>         | <b>0,3</b>                              | <b>0,3</b>  | <b>0,4</b>  | <b>0,4</b>  | <b>0,5</b>  | <b>0,0</b> | <b>0,1</b> | <b>0,2</b>  | <b>0,7</b>   |
| <b>gov. sector and local gov.</b>      | <b>0,1</b>                              | <b>0,2</b>  | <b>0,2</b>  | <b>0,1</b>  | <b>0,1</b>  | <b>0,0</b> | <b>0,0</b> | <b>0,0</b>  | <b>0,2</b>   |

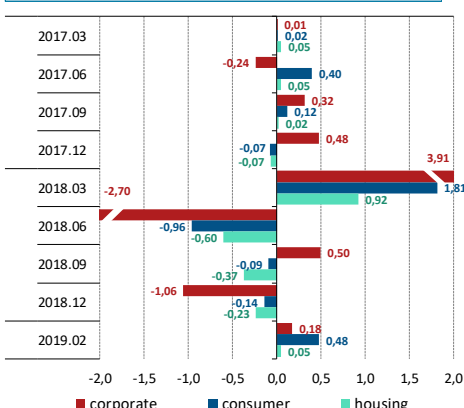
|  | Stage 3 provisions (PLN bn) |             |             |             |             | (PLN bn)   |            | Structure   |              |
|--|-----------------------------|-------------|-------------|-------------|-------------|------------|------------|-------------|--------------|
|  | 2017.12                     | 2018.02     | 2018.06     | 2018.12     | 2019.02     | 1m         | 2m         |             |              |
| <b>total</b>                           | <b>39,3</b>                 | <b>47,9</b> | <b>42,4</b> | <b>41,0</b> | <b>42,0</b> | <b>0,6</b> | <b>1,0</b> | <b>-5,9</b> | <b>100,0</b> |
| commercial banks                       | 36,8                        | 45,5        | 39,9        | 38,4        | 39,3        | 0,5        | 0,9        | -6,2        | 93,7         |
| cooperative banks                      | 2,4                         | 2,3         | 2,4         | 2,6         | 2,7         | 0,1        | 0,1        | 0,3         | 6,3          |
| <i>PLN</i>                             | 34,5                        | 42,3        | 37,5        | 36,8        | 37,8        | 0,5        | 1,0        | -4,5        | 90,0         |
| <i>foreign currency</i>                | 4,7                         | 5,5         | 4,9         | 4,2         | 4,2         | 0,1        | 0,0        | -1,3        | 10,0         |
| <b>non-financial sector, including</b> | <b>38,9</b>                 | <b>47,4</b> | <b>42,0</b> | <b>40,6</b> | <b>41,6</b> | <b>0,6</b> | <b>1,0</b> | <b>-5,9</b> | <b>99,0</b>  |
| corporate                              | 14,5                        | 18,4        | 15,7        | 15,1        | 15,3        | 0,1        | 0,2        | -3,1        | 36,5         |
| consumer                               | 12,0                        | 14,0        | 12,9        | 12,6        | 13,1        | 0,2        | 0,5        | -0,9        | 31,2         |
| housing, including                     | 5,5                         | 6,5         | 5,8         | 5,2         | 5,3         | 0,0        | 0,1        | -1,2        | 12,6         |
| <i>PLN</i>                             | 3,5                         | 4,1         | 3,7         | 3,3         | 3,4         | 0,0        | 0,1        | -0,7        | 8,1          |
| <i>foreign currency</i>                | 2,1                         | 2,4         | 2,1         | 1,9         | 1,9         | 0,0        | 0,0        | -0,5        | 4,5          |
| <b>non-monetary fin. inst.</b>         | <b>0,2</b>                  | <b>0,3</b>  | <b>0,3</b>  | <b>0,3</b>  | <b>0,3</b>  | <b>0,0</b> | <b>0,0</b> | <b>0,0</b>  | <b>0,7</b>   |
| <b>gov. sector and local gov.</b>      | <b>0,1</b>                  | <b>0,1</b>  | <b>0,1</b>  | <b>0,1</b>  | <b>0,1</b>  | <b>0,0</b> | <b>0,0</b> | <b>0,0</b>  | <b>0,3</b>   |



Changes of non-performing loans (PLN bn)



Changes of impairment provisions (PLN bn)





## Structure of loans for non-MFIs (%)

|  | 2018.02       | 2018.03       | 2018.06       | 2018.09       | 2018.12       | 2019.02       | Change (PLN bn) |             |             |
|--|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|-------------|-------------|
|  |               |               |               |               |               |               | 1m              | 2m          | r/r         |
| <b>banking sector</b>                  |               |               |               |               |               |               |                 |             |             |
| <b>Loans for non-MFIs (PLN bn)</b>     | <b>1079,5</b> | <b>1083,7</b> | <b>1105,3</b> | <b>1122,2</b> | <b>1119,5</b> | <b>1131,0</b> | <b>9,4</b>      | <b>11,5</b> | <b>47,3</b> |
| Performing loans                       | 1000,3        | 1004,8        | 1031,3        | 1048,0        | 1047,7        | 1058,8        | 9,0             | 11,1        | 54,0        |
| Stage 1 loans                          | 903,9         | 910,4         | 934,6         | 953,6         | 953,5         | 964,6         | 8,4             | 11,1        | 54,1        |
| Stage 2 loans                          | 96,4          | 94,4          | 96,7          | 94,3          | 94,3          | 94,2          | 0,6             | 0,0         | -0,1        |
| Stage 3 loans (non-performing)         | 79,3          | 78,9          | 74,0          | 74,2          | 71,8          | 72,2          | 0,4             | 0,4         | -6,7        |
| <b>Provisions (total) (PLN bn)</b>     | <b>57,8</b>   | <b>57,3</b>   | <b>52,3</b>   | <b>52,5</b>   | <b>50,8</b>   | <b>51,9</b>   | <b>0,6</b>      | <b>1,1</b>  | <b>-5,5</b> |
| Stage 1 provisions                     | 3,8           | 3,8           | 3,8           | 3,9           | 3,9           | 3,9           | 0,0             | 0,0         | 0,2         |
| Stage 2 provisions                     | 6,1           | 6,0           | 6,2           | 6,0           | 5,9           | 6,0           | 0,0             | 0,1         | 0,0         |
| Stage 3 provisions                     | 47,9          | 47,6          | 42,4          | 42,6          | 41,0          | 42,0          | 0,6             | 1,0         | -5,6        |
| <b>Loan structure (%)</b>              |               |               |               |               |               |               |                 |             | p.p.        |
| Stage 1 loans / Total loans            | 83,7          | 84,0          | 84,6          | 85,0          | 85,2          | 85,3          | 0,0             | 0,1         | 1,3         |
| Stage 2 loans / Total loans            | 8,9           | 8,7           | 8,7           | 8,4           | 8,4           | 8,3           | 0,0             | -0,1        | -0,4        |
| Stage 3 loans / Total loans            | 7,3           | 7,3           | 6,7           | 6,6           | 6,4           | 6,4           | 0,0             | 0,0         | -0,9        |
| <b>Provisions coverage</b>             |               |               |               |               |               |               |                 |             | p.p.        |
| Total provisions / Total loans         | 5,4           | 5,3           | 4,7           | 4,7           | 4,5           | 4,6           | 0,0             | 0,0         | -0,7        |
| Provisions (Stage 1) / Loans (Stage 1) | 0,4           | 0,4           | 0,4           | 0,4           | 0,4           | 0,4           | 0,0             | 0,0         | 0,0         |
| Provisions (Stage 2) / Loans (Stage 2) | 6,3           | 6,4           | 6,4           | 6,4           | 6,3           | 6,3           | 0,0             | 0,1         | 0,0         |
| Provisions (Stage 3) / Loans (Stage 3) | 60,4          | 60,3          | 57,3          | 57,3          | 57,1          | 58,2          | -2,2            | 1,0         | 0,5         |

|  |                         |               |               |               |               |               | (PLN bn)   |             |             |
|--|-------------------------|---------------|---------------|---------------|---------------|---------------|------------|-------------|-------------|
|  | <b>commercial banks</b> |               |               |               |               |               |            |             |             |
| <b>Loans for non-MFIs (PLN bn)</b>     | <b>1007,4</b>           | <b>1011,5</b> | <b>1032,0</b> | <b>1047,8</b> | <b>1043,9</b> | <b>1055,1</b> | <b>9,3</b> | <b>11,2</b> | <b>43,6</b> |
| Performing loans                       | 933,7                   | 938,1         | 963,8         | 979,5         | 978,1         | 988,9         | 8,9        | 10,8        | 50,7        |
| Stage 1 loans                          | 840,0                   | 846,4         | 869,8         | 887,8         | 886,5         | 897,3         | 8,3        | 10,8        | 50,9        |
| Stage 2 loans                          | 93,7                    | 91,7          | 94,0          | 91,7          | 91,6          | 91,6          | 0,6        | 0,0         | -0,2        |
| Stage 3 loans (non-performing)         | 73,7                    | 73,3          | 68,1          | 68,3          | 65,8          | 66,2          | 0,4        | 0,4         | -7,1        |
| <b>Provisions (total) (PLN bn)</b>     | <b>55,4</b>             | <b>54,9</b>   | <b>49,8</b>   | <b>49,9</b>   | <b>48,1</b>   | <b>49,1</b>   | <b>0,6</b> | <b>1,0</b>  | <b>-5,8</b> |
| Stage 1 provisions                     | 3,8                     | 3,7           | 3,7           | 3,8           | 3,8           | 3,9           | 0,0        | 0,0         | 0,2         |
| Stage 2 provisions                     | 6,1                     | 6,0           | 6,2           | 6,0           | 5,9           | 5,9           | 0,0        | 0,1         | 0,0         |
| Stage 3 provisions                     | 45,5                    | 45,2          | 39,9          | 40,0          | 38,4          | 39,3          | 0,5        | 0,9         | -5,9        |
| <b>Loan structure (%)</b>              |                         |               |               |               |               |               |            |             | p.p.        |
| Stage 1 loans / Total loans            | 83,4                    | 83,7          | 84,3          | 84,7          | 84,9          | 85,0          | 0,0        | 0,1         | 1,4         |
| Stage 2 loans / Total loans            | 9,3                     | 9,1           | 9,1           | 8,7           | 8,8           | 8,7           | 0,0        | -0,1        | -0,4        |
| Stage 3 loans / Total loans            | 7,3                     | 7,2           | 6,6           | 6,5           | 6,3           | 6,3           | 0,0        | 0,0         | -1,0        |
| <b>Provisions coverage</b>             |                         |               |               |               |               |               |            |             | p.p.        |
| Total provisions / Total loans         | 5,5                     | 5,4           | 4,8           | 4,8           | 4,6           | 4,7           | 0,0        | 0,0         | -0,8        |
| Provisions (Stage 1) / Loans (Stage 1) | 0,4                     | 0,4           | 0,4           | 0,4           | 0,4           | 0,4           | 0,0        | 0,0         | 0,0         |
| Provisions (Stage 2) / Loans (Stage 2) | 6,5                     | 6,5           | 6,5           | 6,5           | 6,4           | 6,5           | 0,0        | 0,1         | 0,0         |
| Provisions (Stage 3) / Loans (Stage 3) | 61,7                    | 61,7          | 58,6          | 58,6          | 58,4          | 59,4          | -2,4       | 1,0         | 0,5         |

|  |                          |             |             |             |             |             | (PLN bn)   |            |            |
|--|--------------------------|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|
|  | <b>cooperative banks</b> |             |             |             |             |             |            |            |            |
| <b>Loans for non-MFIs (PLN bn)</b>     | <b>72,1</b>              | <b>72,3</b> | <b>73,3</b> | <b>74,4</b> | <b>75,6</b> | <b>75,9</b> | <b>0,1</b> | <b>0,3</b> | <b>3,6</b> |
| Performing loans                       | 66,5                     | 66,6        | 67,5        | 68,5        | 69,6        | 69,9        | 0,1        | 0,3        | 3,3        |
| Stage 1 loans                          | 63,8                     | 64,0        | 64,8        | 65,8        | 67,0        | 67,3        | 0,1        | 0,3        | 3,3        |
| Stage 2 loans                          | 2,7                      | 2,6         | 2,6         | 2,7         | 2,7         | 2,7         | 0,0        | 0,0        | 0,1        |
| Stage 3 loans (non-performing)         | 5,5                      | 5,6         | 5,8         | 5,9         | 6,0         | 6,0         | 0,0        | 0,0        | 0,3        |
| <b>Provisions (total) (PLN bn)</b>     | <b>2,4</b>               | <b>2,5</b>  | <b>2,5</b>  | <b>2,6</b>  | <b>2,7</b>  | <b>2,8</b>  | <b>0,1</b> | <b>0,1</b> | <b>0,3</b> |
| Stage 1 provisions                     | 0,1                      | 0,1         | 0,1         | 0,1         | 0,1         | 0,1         | 0,0        | 0,0        | 0,0        |
| Stage 2 provisions                     | 0,0                      | 0,0         | 0,0         | 0,0         | 0,0         | 0,0         | 0,0        | 0,0        | 0,0        |
| Stage 3 provisions                     | 2,3                      | 2,4         | 2,4         | 2,5         | 2,6         | 2,7         | 0,1        | 0,1        | 0,3        |
| <b>Loan structure (%)</b>              |                          |             |             |             |             |             |            |            | p.p.       |
| Stage 1 loans / Total loans            | 88,6                     | 88,6        | 88,4        | 88,4        | 88,6        | 88,6        | 0,0        | 0,0        | 0,0        |
| Stage 2 loans / Total loans            | 3,7                      | 3,6         | 3,6         | 3,6         | 3,5         | 3,5         | 0,0        | 0,0        | -0,1       |
| Stage 3 loans / Total loans            | 7,7                      | 7,8         | 8,0         | 8,0         | 7,9         | 7,8         | 0,0        | 0,0        | 0,1        |
| <b>Provisions coverage</b>             |                          |             |             |             |             |             |            |            | p.p.       |
| Total provisions / Total loans         | 3,4                      | 3,4         | 3,4         | 3,5         | 3,5         | 3,6         | 0,1        | 0,1        | 0,2        |
| Provisions (Stage 1) / Loans (Stage 1) | 0,1                      | 0,1         | 0,1         | 0,1         | 0,1         | 0,1         | 0,0        | 0,0        | 0,0        |
| Provisions (Stage 2) / Loans (Stage 2) | 1,0                      | 0,7         | 0,7         | 0,7         | 0,7         | 0,7         | 0,0        | 0,0        | 0,1        |
| Provisions (Stage 3) / Loans (Stage 3) | 42,3                     | 42,1        | 41,8        | 42,7        | 43,3        | 44,8        | 2,5        | 1,4        | 0,8        |

