Poland
Full Rating Report

Bank Zachodni WBK S.A.

Ratings

Long-Term IDR	A+
Short-Term IDR	F1
Individual Rating	C
Support Rating	1
Sovereign Risk	
Long-Term Foreign-Currency IDR	A–
Long-Term Local-Currency IDR	A
Country Ceiling	AA–

Outlooks

Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Financial Data

Bank Zachodni WBK S.A.

	31 Mar 11	31 Dec 10
Total assets (USDm)	23,187.9	17,932.6
Total assets (PLNm)	65,457.0	53,154.0
Total equity (PLNm)	7,019.4	6,773.6
Operating profit (PLNm)	353.5	1,357.2
Published net income (PLNm)	285.0	1,040.6
Comprehensive income (PLNm)	245.4	1,047.5
Operating ROAA (%)	2.42	2.51
Operating ROAE (%)	20.79	21.21
Impaired loans (%)	6.96	6.82
Tier 1 ratio (%)	12.83	13.80
Fitch core capital ratio (%)	15.97	16.58

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Related Research

Applicable Criteria

- *Global Financial Institutions Rating Criteria (August 2010)*
- *Short-Term Ratings Criteria for Corporate Finance (November 2010)*

Other Research

- *Banco Santander (October 2010)*
- *EM Banking System Datawatch (June 2011)*
- *Poland (March 2011)*

Rating Rationale

- The Long- and Short-Term IDRs of Bank Zachodni WBK S.A. (BZ WBK) reflect the support the bank could receive if needed from its majority shareholder, Banco Santander (Santander; 'AA'/Stable/'F1+'). The ratings also reflect BZ WBK's early stage of integration into Santander and potential Polish country risks, given the sovereign Foreign-Currency Long-Term IDR of 'A–'/Stable.
- The Individual Rating reflects the strength of BZ WBK's franchise, as evidenced by its resilience to the deterioration in the operating environment during the current financial crisis. It also reflects BZ WBK's adequate capitalisation and internal capital generation, prudent risk management and better-than-market-average asset quality. Downside related to the bank's significant exposure to the vulnerable commercial property segment appears limited, given signs of recovery in the Polish property market.
- BZ WBK's financial performance improved in 2010 on the back of lower funding costs and somewhat lower impairment charges. Competitive pressures are expected to prevent margins from widening further despite margin-positive changes in market interest rates.
- The bank has reduced its exposure to the commercial real estate segment. However, it still accounted for a high 27% of total gross loans at end-Q111 and 42% of total impaired exposures. Exposure to FX-denominated private mortgages is low. Asset quality continued to deteriorate over 2010 and Q111, but at a slower pace.
- BZ WBK still enjoys better-than-market-average asset quality and maintains provision coverage at around market average levels. Impairment charges reduced to 112bp of average gross loans in Q111 and may fall further in 2011, but are likely to remain high.
- Liquidity is strong, with 90% of end-Q111 total non-equity funding sourced from customers, a loan/deposit ratio of around 83% and excess liquidity placed in cash, in government bonds and on the interbank market. The Fitch core capital ratio at end-Q111 was 15.97%, up 194bp on end-2009.

Support

- Fitch Ratings' view of potential support takes into account Santander's ability to provide support, as reflected in its own ratings, and the fact that following the BZ WBK acquisition, Santander's banking operations in Poland have gained critical mass and become strategically important.

Key Rating Drivers

- The Stable Outlook on BZ WBK's Long-Term IDR reflects Santander's Stable Outlook. Changes in BZ WBK's Individual Rating are unlikely.

Profile

BZ WBK is Poland's fifth-largest bank, with around 4.5% of sector assets at end-2010. It is 95.57%%-owned by Santander. Core activities are: retail and corporate banking, supported by leasing, asset management, and brokerage subsidiaries; stakes in Polish insurance companies controlled by Aviva, including two joint ventures; and a 10.0% participation in Poland's largest pension fund.

- Fifth-largest bank in Poland
- Majority stake sold by AIB to Santander in March 2011
- Range of financial services offered by subsidiaries
- No major changes in strategy expected

Profile

Both WBK and BZ were spun off from the National Bank of Poland in 1989 as regional banks. WBK was privatised in 1993; Allied Irish Banks (AIB) gained control of it in 1997. BZ was only privatised in 1999. The merger of the two banks took place in 2001. AIB agreed to sell its stake in BZ WBK to Santander in 2010. Santander completed a tender offer for all BZ WBK shares on 1 April 2011. As well as the entire stake held by AIB, Santander bought most of the shares in the free float. It now holds a 95.67% stake in BZ WBK.

Santander already had a consumer bank in Poland (Santander Consumer Bank). However, it has no intention of merging it with BZ WBK. According to publicly announced plans, BZ WBK will remain a separate universal bank, with different targeted retail customers. Some cost synergies between the two entities are expected to be realised in back-office functions.

BZ WBK operated 527 branches and had 9,163 full-time-equivalent staff at end-2010 (up 4% yoy). As well as its traditional branches, the bank operated a network of 100 franchise outlets branded BZ WBK Partner (primarily payment offices, which also offer mortgage and cash loans, credit cards, deposits and bank accounts). Its physical presence is supplemented by electronic sales channels (internet platform, call centre) and 1,051 ATMs. Large corporate customers are serviced by dedicated relationship managers located in three corporate business centres. Larger SME customers are serviced through 15 business banking centres.

The bank’s funding base is predominantly retail (61% of customer deposits and 56% of total funding at end-Q111), while lending is dominated by corporate exposures (67% of gross loans including leasing). The structure of the business is reflected in its market shares. While BZ WBK’s market shares in customer deposits are similar for retail and corporate deposits (6.0% and 5.3% respectively at end-2010), its market share in lending to retail customers was only 2.4% compared with a 6.6% market share in lending to corporate customers.

The bank provides some services via subsidiaries, including factoring (BZ WBK Faktor, 100%-owned), brokerage (Dom Maklerski BZ WBK, 99.99%-owned), leasing (BZ WBK Finanse & Leasing and BZ WBK Leasing, both 99.99%-held), and asset management and mutual fund subsidiaries (BZ WBK Asset Management, in which BZ WBK and Santander each have a 50% stake, and BZ WBK TFI, 100%-held by BZ WBK Asset Management). Bancassurance services are provided by two 50/50 joint ventures with Aviva: a non-life and a life insurance company, which serve the bank’s clients. BZ WBK’s investment banking division manages its equity stakes. These investments are dominated by a 10% stake in Aviva’s Polish pension fund (the largest in the country) and 10% stakes in its Polish life and non-life assurance subsidiaries. These provide a steady flow of dividends to the bank.

Corporate Governance

BZ WBK’s current supervisory board was elected after the takeover by Santander. It has seven members; four of them are independent, including the chairman of the board who formerly was an AIB representative. BZ WBK is in full compliance with Poland’s voluntary corporate governance code, which is based on OECD principles.

Presentation of Accounts

BZ WBK reports according to IFRS on a quarterly basis, with audited accounts presented semi-annually.

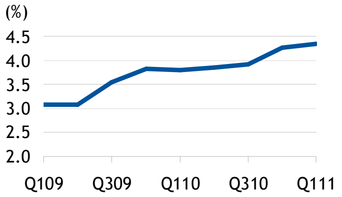
Performance

GDP growth in Poland picked up to 3.8% in 2010 (2009: 1.7%), and the overall negative impact of the global crisis was relatively mild due to robust domestic demand. Fitch expects GDP growth to remain robust at 3.9% in 2011 and 4.3% in

Figure 1

NIM Quarterly

Includes SWAP points



Source: BZ WBK

2012. However, Fitch sees a clear need to narrow the general government deficit (estimated by the agency at 7.9% in 2010) over the coming years to stem the rise in the gross debt ratio and prevent negative pressure from increasing on Poland's creditworthiness. The key policy interest rate was raised by 100bp YTD to end-June 2011 (to 4.50%), and further policy tightening is likely in 2011.

After the onset of the global financial crisis, the Polish banking sector's performance was hurt by the slowdown in the economy, high exchange rate volatility and rising funding costs. Credit-related impairment charges remained the key drag on the sector's performance in 2009. However, in 2010 the cost of risk stabilised (although it remained high), earnings improved and non-performing loans appear to have peaked. Fitch's outlook for the sector's performance in 2011 is positive, assuming no economic stress.

Fitch believes that mortgages will remain the key growth driver in the retail segment in 2011, as demand for housing continues to recover. On the supply side, banks are likely to continue selling mortgages to benefit from relatively low default rates on these products, lower capital requirements (under Basel II) compared with business loans and cross-selling opportunities.

Fitch expects a slow recovery in corporate loans this year, with potentially high competition in the SME segment. In 2010, business loans increased mainly in the public sector. However, municipalities are likely to be less active this year.

Lower funding costs were the main driver of BZ WBK's revenue increase in 2010. The net interest margin (NIM) improved steadily every quarter, and the average for 2010 (excluding swaps) amounted to 3.71% (2009: 3.15%). In Q111, the NIM improved further to 4.0%. Better margins more than compensated for shrinking lending volumes (net lending down 5% yoy in 2010) and resulted in a 13% increase in net interest income (NII) in 2010. Similar trends were visible for the market as a whole, with an NII increase of nearly 17%.

Many banks suffered deeper NIM contraction than BZ WBK in 2009 and therefore recorded a stronger rebound in 2010. The non-interest components of revenues were stable for BZ WBK, while the banking sector suffered around a 5% drop in this revenue stream.

The improved operating environment resulted in rising operating costs through higher payroll (salary increases and bonus accrual), marketing, advisory, and rental and maintenance costs. Impairment charges for BZ WBK were 12.5% lower yoy in 2010 (banking sector: 15.5% lower), but remained high at 120bp of average gross loans (2009: 133bp) and similar to the sector average of 136bp.

Prospects

Fitch believes that BZ WBK is going to benefit from a continued improvement in the operating environment. A higher interest rate environment should benefit deposit

Figure 2

Comparative Performance

	BZ WBK			Millennium		ING BSK		BRE Bank	
(%)	Q111	2010	2009	2010	2009	2010	2009	2010	2009
Total equity (USDm)	2,486.6	2,285.2	2,124.5	1,380.2	977.9	1,907.2	1,714.8	2,387.7	1,498.5
Equity/assets	10.72	12.74	11.20	8.71	6.21	8.76	8.16	7.86	5.27
Loans/assets	50.5	61.8	64.0	78.31	75.0	46.6	44.6	65.94	64.8
Net interest margin	4.00	3.71	3.15	2.15	1.40	2.80	2.28	2.24	2.35
Cost/income	50.00	49.90	50.0	64.2	71.5	59.3	60.6	54.8	56.7
Provisions/loans (avg.)	1.12	1.20	1.33	0.58	1.24	0.73	1.15	1.12	1.97
Operating ROE	20.79	21.21	20.95	10.97	0.07	17.63	16.28	14.80	5.07
Operating ROA	2.42	2.51	2.05	0.89	0.00	1.51	1.14	1.02	0.26

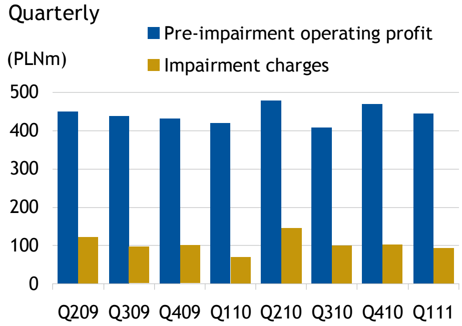
Source: Bank data adapted by Fitch

margins and mitigate the negative effect of a competitive squeeze on lending margins. The bank is well positioned to capture the recovery in corporate lending and at the same time benefit from Santander's expertise in retail lending and cross-selling. In Fitch's view, operating profitability should improve in 2011. The bottom line should benefit from lower risk costs, although a significant reduction is unlikely.

Figure 3

Impairment Charges

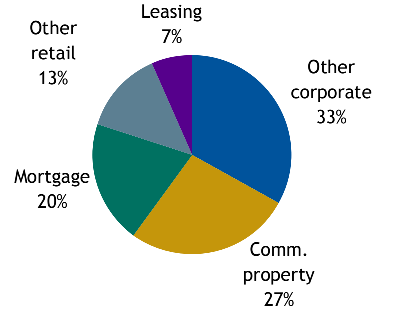
Quarterly



Source: Bank data, Fitch calculation

Figure 4

BZ WBK Group Loan Portfolio Q111



Source: BZ WBK

- Reduced, but still significant exposure to commercial real estate
- Low exposure to FX private mortgages
- Moderate single name concentrations
- NPL ratio likely to have peaked…
- Impairment charges likely to stay high

Risk Management

With tight market risk limits and sound liquidity, credit risk is the major component of the bank's risk profile. BZ WBK currently uses the standardised approach for credit and market risk and the basic indicator approach for operational risk to measure capital requirements under Basel II.

Credit Risk

Since the onset of the financial crisis, the risk profile of the BZ WBK loan portfolio has improved. The value of retail and SME exposures has increased, while exposures to large corporates and commercial real estate have reduced.

The bank has managed to reduce its exposure to commercial real estate by around 28% since end-2008, but it still accounts for a high 27% of total gross loans. Management is already willing to finance new projects, but wants to keep the share of commercial real estate lending unchanged or slightly decreasing due to faster expected growth of other loan book components.

The currency structure of the loan book is stable, with local-currency exposures accounting for around 67% of the total. Exposures in EUR (24% of the total) relate to investment loans in commercial real estate (where rents are also in EUR) or for exporters. Loans denominated in Swiss francs (CHF) are low at 7% of the total and mostly relate to mortgage loans. CHF mortgage loans were discontinued in Q109, and BZ WBK focuses on PLN-denominated mortgages. EUR-denominated mortgage loans are also available, but account for only 7% of new sales.

Single-name concentrations in the loan book are moderate and falling. At end-2010, the 20 largest on- and off-balance-sheet exposures accounted for 16.9% of total gross loans and 88% of Fitch eligible capital (end-2009: 18.6% and 114% respectively).

Other Assets

End-Q111 consolidated assets and liabilities were inflated by around PLN11.7bn of unsettled transactions of Dom Maklerski BZ WBK customers. These transactions relate to a tender offer for BZ WBK shares and were settled on 1 April 2011.

Asset Quality

Reported impaired exposures increased by a moderate 19% in 2010 (2009: 89%). However, if adjusted for PLN269m of impaired exposures sold in 2010, the growth would have been much higher at 33%.

A strong increase in the impaired loans ratio for the commercial real estate portfolio since end-2009 was driven both by shrinking exposure (down 20%) and by an increase in impaired loans (up 32%). Impaired exposures in this segment accounted for 42% of total impaired exposures at end-Q111.

Figure 5

Impaired Loans Ratios by Product

(%)	Q111	2009	2008
Corporate	8.3	6.4	3.2
Commercial real estate	10.8	6.8	2.3
Retail mortgages	1.1	0.8	0.8
Cash loans	9.8	7.0	4.3
Credit cards	12.3	10.4	5.4
Total	**7.0**	**5.5**	**2.9**

Source: BZ WBK

In Fitch's view, asset quality deterioration in other business lines reflects the lagged impact of the economic slowdown as well as natural seasoning of the portfolio (mortgage loans).

A large share of well-collateralised commercial real estate exposures in total impaired loans could result in relatively low provisioning coverage. In fact, specific provisions for impaired commercial real estate exposures are low at 26%. Management maintains a large incurred but not reported (IBNR) provision for this segment equal to 1.5% of the non-impaired portfolio. This results in total provisioning coverage (including IBNR provisions) of total impaired exposures (including commercial real estate) of 60.5% at end-Q111, which compares well with that for peers.

Market Risk

- Market risk conservatively managed through tight limits
- Interest rate risk the biggest source of market risk

BZ WBK's appetite for market risk is low. Market risk exposures are independently monitored and reviewed against limits set by the treasury risk department. The bank's exposure to interest rate risk is measured through value-at-risk (VaR) analysis, static bp value (BPV) and stress tests.

The interest rate VaR limit (based on a conservative three-year observation period, a 99% confidence interval and a one-month holding period) is EUR15m (around PLN60m), which represented only 0.9% of end-2010 equity, and was 52% on average with a maximum of 68% utilised in 2010. BPV analysis on wholesale treasury interest rate positions showed a PLN46m loss from a 100bp parallel increase in the yield curve at end-2010.

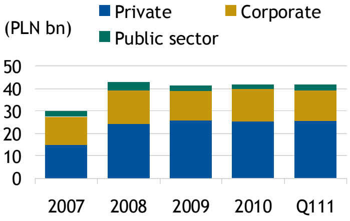
A separate portfolio is maintained to manage structural interest rate risk in the balance sheet. This portfolio's sensitivity to interest rate changes is higher at an estimated PLN270m, or 4% of end-2010 equity, loss from a 100bp parallel increase in the yield curve at end-2010.

The VaR limit for FX risk is EUR1.5m, or around PLN6.1m, and is based on a three-year observation period, a 99% confidence interval and a one-month holding period, which Fitch considers conservative.

The trading portfolio is relatively small (4% of end-2010 total assets) and includes FX and interest rate derivatives, government and central bank securities and a small position in listed equities. The investment securities portfolio is sizeable (25% of end-2010 assets) and consists mainly of debt instruments (95% of the total), with government and central bank securities representing almost 100% of this amount.

Figure 6

Customer Deposits



Source: BZ WBK

Operational Risk

The operational risk function is present in all branches and head office units. Self-assessments are performed semi-annually, and key risk indicators are evaluated quarterly. At end-2010, the capital requirement for operational risk amounted to PLN438m and constituted 13.8% of the total capital requirement

Funding and Liquidity

Customer deposits are the main component of BZ WBK's funding. They accounted for 90% of end-Q111 funding and are sourced primarily from retail customers (61% of the total at end-Q111). Customer deposits have proved relatively stable despite strong competitive pressures, problems facing AIB and finally a change in the ownership of the bank.

The bank enjoys a comfortable loans/deposits ratio, which stood at 83% at end-Q111. Management's strategy is to increase this somewhat, but to maintain the self-funding status of the bank, which is in line with Santander's strategy.

At end-2010, 86% of customer deposits had contractual maturities of less than three months, resulting in large negative liquidity gaps in time buckets up to three months. However, the adjusted liquidity gap up to one week was positive and equal to around 25% of customer deposits.

The local-currency liquidity position is strong, given large liquidity reserves invested in government and central bank securities, as well as a diversified deposits base. However, BZ WBK needs to manage short structural positions in EUR and CHF through derivatives. The bank has implemented a policy of lengthening the maturities of foreign-currency funding. According to this policy, 50% of foreign-currency funding has to be longer than one year, and no more than EUR500m equivalent can mature within the next 30 days.

Capital

- Fitch core capital above 16%
- EUR100m of subordinated debt issued to the EBRD
- 50% payout in line with Santander dividend policy

Capitalisation improved over 2010 through the retention of most of the 2009 profits and lower capital charges. The Fitch core capital ratio stood at 16.6% at end-2010. It fell to 15.97% at end-Q111, but a large part of this drop was temporary and resulted from higher capital requirements related to unsettled stock exchange transactions (see *Other Assets* above). According to management, this temporary increase in the capital charge was equivalent to around 75bp of Tier 1 regulatory capital and 85bp of the total regulatory CAR.

Regulatory capitalisation is supported by EUR100m of 10-year subordinated debt placed in August 2010 with the EBRD. The issue was aimed at reducing the structural short EUR position and also partly shielding regulatory capitalisation from possible negative movements in the PLN/EUR exchange rate.

The bank will pay out 56.2% of its 2010 consolidated profit in dividends (63.8% of unconsolidated profit). According to the bank, in line with Santander's dividend policy, dividend payouts in the future should be at least 50% of profits.

Bank Zachodni WBK S.A.

Income Statement

	31 Mar 2011			31 Dec 2010		31 Dec 2009		31 Dec 2008	
	3 Months - 1st Quarter USDm Unaudited	3 Months - 1st Quarter PLNm Unaudited	As % of Earning Assets	Year End PLNm Unqualified	As % of Earning Assets	Year End PLNm Unqualified	As % of Earning Assets	Year End PLNm Unqualified	As % of Earning Assets
1. Interest Income on Loans	205.8	581.0	4.61	2,314.5	4.70	2,416.4	4.84	2,407.5	4.57
2. Other Interest Income	75.6	213.4	1.69	815.8	1.66	809.7	1.62	824.6	1.56
3. Dividend Income	0.0	0.0	0.00	54.5	0.11	96.6	0.19	70.3	0.13
4. Gross Interest and Dividend Income	**281.4**	**794.4**	**6.31**	**3,184.8**	**6.47**	**3,322.7**	**6.65**	**3,302.4**	**6.26**
5. Interest Expense on Customer Deposits	102.4	289.1	2.30	1,254.3	2.55	1,577.6	3.16	1,406.5	2.67
6. Other Interest Expense	3.8	10.7	0.08	53.8	0.11	85.3	0.17	190.5	0.36
7. Total Interest Expense	**106.2**	**299.8**	**2.38**	**1,308.1**	**2.66**	**1,662.9**	**3.33**	**1,597.0**	**3.03**
8. Net Interest Income	**175.2**	**494.6**	**3.93**	**1,876.7**	**3.81**	**1,659.8**	**3.32**	**1,705.4**	**3.24**
9. Net Gains (Losses) on Trading and Derivatives	13.5	38.2	0.30	258.7	0.53	270.3	0.54	52.8	0.10
10. Net Gains (Losses) on Other Securities	0.2	0.5	0.00	12.4	0.03	-6.1	-0.01	58.2	0.11
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	120.2	339.2	2.69	1,344.7	2.73	1,315.5	2.63	1,373.8	2.61
14. Other Operating Income	6.3	17.9	0.14	47.3	0.10	49.7	0.10	68.1	0.13
15. Total Non-Interest Operating Income	**140.2**	**395.8**	**3.14**	**1,663.1**	**3.38**	**1,629.4**	**3.26**	**1,552.9**	**2.95**
16. Personnel Expenses	85.2	240.6	1.91	959.0	1.95	889.3	1.78	896.4	1.70
17. Other Operating Expenses	72.5	204.6	1.62	807.3	1.64	755.6	1.51	785.7	1.49
18. Total Non-Interest Expenses	**157.7**	**445.2**	**3.54**	**1,766.3**	**3.59**	**1,644.9**	**3.29**	**1,682.1**	**3.19**
19. Equity-accounted Profit/ Loss - Operating	1.1	3.2	0.03	4.5	0.01	-0.3	0.00	-0.8	0.00
20. Pre-Impairment Operating Profit	**158.8**	**448.4**	**3.56**	**1,778.0**	**3.61**	**1,644.0**	**3.29**	**1,575.4**	**2.99**
21. Loan Impairment Charge	33.6	94.9	0.75	420.8	0.86	481.0	0.96	364.6	0.69
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
23. Operating Profit	**125.2**	**353.5**	**2.81**	**1,357.2**	**2.76**	**1,163.0**	**2.33**	**1,210.8**	**2.30**
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	-0.2	0.00
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	**125.2**	**353.5**	**2.81**	**1,357.2**	**2.76**	**1,163.0**	**2.33**	**1,210.6**	**2.30**
30. Tax expense	24.3	68.5	0.54	316.6	0.64	222.8	0.45	256.3	0.49
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	**101.0**	**285.0**	**2.26**	**1,040.6**	**2.12**	**940.2**	**1.88**	**954.3**	**1.81**
33. Change in Value of AFS Investments	-9.4	-26.4	-0.21	24.3	0.05	69.8	0.14	25.0	0.05
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	-4.7	-13.2	-0.10	-17.4	-0.04	5.7	0.01	-52.3	-0.10
37. Fitch Comprehensive Income	**86.9**	**245.4**	**1.95**	**1,047.5**	**2.13**	**1,015.7**	**2.03**	**927.0**	**1.76**
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	66.3	0.13	54.0	0.11	98.8	0.19
39. Memo: Net Income after Allocation to Non-controlling Interests	101.0	285.0	2.26	974.3	1.98	886.2	1.77	855.5	1.62
40. Memo: Common Dividends Relating to the Period	0.0	0.0	0.00	584.6	1.19	292.3	0.59	0.0	0.00
41. Memo: Preferred Dividends Related to the Period	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Exchange rate	USD1 = PLN2.82290			USD1 = PLN2.96410		USD1 = PLN2.85030		USD1 = PLN2.96180	

Bank Zachodni WBK S.A.

Balance Sheet

	31 Mar 2011			31 Dec 2010		31 Dec 2009		31 Dec 2008		31 Dec 2007	
	3 Months - 1st Quarter	3 Months - 1st Quarter	As % of	Year End	As % of	Year End	As % of	Year End	As % of	Year End	As % of
	USDm	PLNm	Assets	PLNm	Assets	PLNm	Assets	PLNm	Assets	PLNm	Assets
Assets											
A. Loans											
1. Residential Mortgage Loans	2,440.8	6,890.2	10.53	6,926.6	13.03	6,062.5	11.21	5,450.5	9.49	3,644.9	8.82
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	1,630.8	4,603.5	7.03	4,510.9	8.49	4,569.9	8.45	3,789.1	6.60	2,464.9	5.97
4. Corporate & Commercial Loans	7,227.6	20,402.7	31.17	20,210.6	38.02	22,265.4	41.19	23,289.0	40.55	15,945.3	38.59
5. Other Loans	927.8	2,619.2	4.00	2,557.0	4.81	2,812.6	5.20	3,497.9	6.09	2,479.6	6.00
6. Less: Reserves for Impaired Loans/ NPLs	515.0	1,453.8	2.22	1,366.8	2.57	1,139.7	2.11	889.3	1.55	585.0	1.42
7. Net Loans	**11,712.0**	**33,061.8**	**50.51**	**32,838.3**	**61.78**	**34,570.7**	**63.95**	**35,137.2**	**61.18**	**23,949.7**	**57.96**
8. Gross Loans	**12,227.0**	**34,515.6**	**52.73**	**34,205.1**	**64.35**	**35,710.4**	**66.06**	**36,026.5**	**62.73**	**24,534.7**	**59.38**
9. Memo: Impaired Loans included above	851.5	2,403.8	3.67	2,332.8	4.39	1,957.5	3.62	1,037.2	1.81	691.0	1.67
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets											
1. Loans and Advances to Banks	544.5	1,537.0	2.35	619.7	1.17	663.0	1.23	1,364.5	2.38	2,576.8	6.24
2. Reverse Repos and Cash Collateral	8.3	23.4	0.04	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	826.7	2,333.8	3.57	1,774.5	3.34	634.8	1.17	871.2	1.52	286.1	0.69
4. Derivatives	148.2	418.3	0.64	479.3	0.90	718.6	1.33	2,354.0	4.10	1,001.5	2.42
5. Available for Sale Securities	2,754.0	7,774.4	11.88	7,645.9	14.38	6,623.0	12.25	6,527.8	11.37	9,763.7	23.63
6. Held to Maturity Securities	2,066.3	5,833.0	8.91	5,749.4	10.82	6,669.6	12.34	6,388.3	11.12	n.a.	-
7. At-equity Investments in Associates	32.3	91.1	0.14	87.4	0.16	81.9	0.15	72.2	0.13	13.4	0.03
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	**5,835.8**	**16,474.0**	**25.17**	**15,736.5**	**29.61**	**14,727.9**	**27.24**	**16,213.5**	**28.23**	**11,064.7**	**26.78**
10. Memo: Government Securities included Above	5,358.4	15,126.2	23.11	14,360.8	27.02	13,130.3	24.29	12,949.5	22.55	8,970.4	21.71
11. Memo: Total Securities Pledged	n.a.	n.a.	-	2,099.2	3.95	3,385.3	6.26	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	2.5	0.00	n.a.	-	2.5	0.01
15. Total Earning Assets	**18,092.3**	**51,072.8**	**78.02**	**49,194.5**	**92.55**	**49,964.1**	**92.43**	**52,715.2**	**91.79**	**37,593.7**	**90.98**
C. Non-Earning Assets											
1. Cash and Due From Banks	445.1	1,256.4	1.92	2,534.5	4.77	2,660.7	4.92	3,178.1	5.53	2,206.3	5.34
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	187.5	529.4	0.81	547.5	1.03	596.2	1.10	637.5	1.11	543.2	1.31
5. Goodwill	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
6. Other Intangibles	58.7	165.6	0.25	172.6	0.32	181.6	0.34	173.9	0.30	115.3	0.28
7. Current Tax Assets	n.a.	n.a.	-	0.0	0.00	43.4	0.08	n.a.	-	n.a.	-
8. Deferred Tax Assets	111.4	314.6	0.48	309.2	0.58	273.7	0.51	210.5	0.37	368.4	0.89
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	4,292.8	12,118.2	18.51	395.7	0.74	338.7	0.63	517.9	0.90	491.8	1.19
11. Total Assets	**23,187.9**	**65,457.0**	**100.00**	**53,154.0**	**100.00**	**54,058.4**	**100.00**	**57,433.1**	**100.00**	**41,318.7**	**100.00**
Liabilities and Equity											
D. Interest-Bearing Liabilities											
1. Customer Deposits - Current	6,372.4	17,988.6	27.48	18,525.3	34.85	17,441.7	32.26	16,721.9	29.12	15,487.8	37.48
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	8,307.3	23,450.6	35.83	23,445.2	44.11	23,781.2	43.99	26,088.8	45.42	14,277.9	34.56
4. Total Customer Deposits	**14,679.7**	**41,439.2**	**63.31**	**41,970.5**	**78.96**	**41,222.9**	**76.26**	**42,810.7**	**74.54**	**29,765.7**	**72.04**
5. Deposits from Banks	1,124.7	3,175.0	4.85	2,526.1	4.75	5,350.0	9.90	5,338.1	9.29	4,483.5	10.85
6. Repos and Cash Collateral	81.0	228.6	0.35	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Deposits and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Deposits, Money Market and Short-term Funding	**15,885.4**	**44,842.8**	**68.51**	**44,496.6**	**83.71**	**46,572.9**	**86.15**	**48,148.8**	**83.83**	**34,249.2**	**82.89**
9. Senior Debt Maturing after 1 Year	n.a.	n.a.	-	0.0	0.00	0.0	0.00	153.9	0.27	353.0	0.85
10. Subordinated Borrowing	141.8	400.3	0.61	395.2	0.74	n.a.	-	n.a.	-	n.a.	-
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	**141.8**	**400.3**	**0.61**	**395.2**	**0.74**	**0.0**	**0.00**	**153.9**	**0.27**	**353.0**	**0.85**
13. Derivatives	201.6	569.2	0.87	584.6	1.10	766.8	1.42	3,222.5	5.61	992.4	2.40
14. Trading Liabilities	10.6	30.0	0.05	10.5	0.02	0.0	0.00	n.a.	-	n.a.	-
15. Total Funding	**16,239.4**	**45,842.3**	**70.03**	**45,486.9**	**85.58**	**47,339.7**	**87.57**	**51,525.2**	**89.71**	**35,594.6**	**86.15**
E. Non-Interest Bearing Liabilities											
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	63.9	180.3	0.28	247.3	0.47	203.4	0.38	179.4	0.31	246.2	0.60
4. Current Tax Liabilities	5.0	14.2	0.02	82.9	0.16	0.0	0.00	13.6	0.02	49.1	0.12
5. Deferred Tax Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	202.8	0.49
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	4,392.9	12,400.8	18.94	563.3	1.06	459.7	0.85	502.5	0.87	649.3	1.57
10. Total Liabilities	**20,701.3**	**58,437.6**	**89.28**	**46,380.4**	**87.26**	**48,002.8**	**88.80**	**52,220.7**	**90.92**	**36,742.0**	**88.92**
F. Hybrid Capital											
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
G. Equity											
1. Common Equity	2,288.6	6,460.5	9.87	6,190.0	11.65	5,525.3	10.22	4,637.0	8.07	3,978.6	9.63
2. Non-controlling Interest	58.5	165.2	0.25	150.5	0.28	108.3	0.20	239.9	0.42	235.1	0.57
3. Securities Revaluation Reserves	139.5	393.7	0.60	433.1	0.81	422.0	0.78	335.5	0.58	363.0	0.88
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
6. Total Equity	**2,486.6**	**7,019.4**	**10.72**	**6,773.6**	**12.74**	**6,055.6**	**11.20**	**5,212.4**	**9.08**	**4,576.7**	**11.08**
7. Total Liabilities and Equity	**23,187.9**	**65,457.0**	**100.00**	**53,154.0**	**100.00**	**54,058.4**	**100.00**	**57,433.1**	**100.00**	**41,318.7**	**100.00**
8. Memo: Fitch Core Capital	2,415.6	6,818.9	10.42	6,568.5	12.36	5,842.7	10.81	5,006.4	8.72	4,460.6	10.80
9. Memo: Fitch Eligible Capital	2,415.6	6,818.9	10.42	6,568.5	12.36	5,842.7	10.81	5,006.4	8.72	4,460.6	10.80
Exchange rate		USD1 = PLN2.82290		USD1 = PLN2.96410		USD1 = PLN2.85030		USD1 = PLN2.96180		USD1 = PLN2.43500	

Bank Zachodni WBK S.A.

Summary Analytics

	31 Mar 2011	31 Dec 2010	31 Dec 2009	31 Dec 2008	31 Dec 2007
	3 Months - 1st Quarter	Year End	Year End	Year End	Year End
A. Interest Ratios					
1. Interest Income on Loans/ Average Gross Loans	6.76	6.60	6.67	8.00	7.13
2. Interest Expense on Customer Deposits/ Average Customer Deposits	2.81	3.06	3.78	3.95	3.01
3. Interest Income/ Average Earning Assets	6.43	6.29	6.31	7.36	6.51
4. Interest Expense/ Average Interest-bearing Liabilities	2.66	2.80	3.30	3.76	2.66
5. Net Interest Income/ Average Earning Assets	4.00	3.71	3.15	3.80	4.07
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	3.23	2.88	2.24	2.99	4.05
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	4.00	3.71	3.15	3.80	4.07
B. Other Operating Profitability Ratios					
1. Non-Interest Income / Gross Revenues	44.45	46.98	49.54	47.66	54.81
2. Non-Interest Expense/ Gross Revenues	50.00	49.90	50.01	51.63	53.39
3. Non-Interest Expense/ Average Assets	3.04	3.27	2.89	3.46	4.41
4. Pre-impairment Op. Profit/ Average Equity	26.37	27.79	29.62	31.84	32.55
5. Pre-impairment Op. Profit/ Average Total Assets	3.07	3.29	2.89	3.24	3.85
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	21.16	23.67	29.26	23.14	0.28
7. Operating Profit/ Average Equity	20.79	21.21	20.95	24.47	32.45
8. Operating Profit/ Average Total Assets	2.42	2.51	2.05	2.49	3.84
9. Taxes/ Pre-tax Profit	19.38	23.33	19.16	21.17	20.18
10. Pre-Impairment Operating Profit / Risk Weighted Assets	4.26	4.49	3.95	3.57	4.90
11. Operating Profit / Risk Weighted Assets	3.36	3.43	2.79	2.74	4.89
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	16.76	16.27	16.94	19.29	25.94
2. Net Income/ Average Total Assets	1.95	1.92	1.65	1.96	3.07
3. Fitch Comprehensive Income/ Average Total Equity	14.43	16.37	18.30	18.74	22.54
4. Fitch Comprehensive Income/ Average Total Assets	1.68	1.94	1.79	1.91	2.67
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	2.71	2.63	2.26	2.16	3.91
7. Fitch Comprehensive Income/ Risk Weighted Assets	2.33	2.64	2.44	2.10	3.40
D. Capitalization					
1. Fitch Core Capital/Weighted Risks	15.97	16.58	14.03	11.34	15.70
2. Fitch Eligible Capital/ Weighted Risks	15.97	16.58	14.03	11.34	15.70
3. Tangible Common Equity/ Tangible Assets	10.50	12.46	10.90	8.80	10.83
4. Tier 1 Regulatory Capital Ratio	12.83	13.80	12.30	10.10	11.73
5. Total Regulatory Capital Ratio	14.67	15.77	12.97	10.74	13.27
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	10.72	12.74	11.20	9.08	11.08
8. Cash Dividends Paid & Declared/ Net Income	0.00	56.18	31.09	0.00	19.71
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	0.00	55.81	28.78	0.00	22.68
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	16.47	6.73	10.70	18.31	19.49
E. Loan Quality					
1. Growth of Total Assets	23.15	-1.67	-5.88	39.00	25.24
2. Growth of Gross Loans	0.91	-4.22	-0.88	46.84	34.32
3. Impaired Loans(NPLs)/ Gross Loans	6.96	6.82	5.48	2.88	2.82
4. Reserves for Impaired Loans/ Gross loans	4.21	4.00	3.19	2.47	2.38
5. Reserves for Impaired Loans/ Impaired Loans	60.48	58.59	58.22	85.74	84.66
6. Impaired Loans less Reserves for Imp Loans/ Equity	13.53	14.26	13.50	2.84	2.32
7. Loan Impairment Charges/ Average Gross Loans	1.12	1.20	1.33	1.21	0.02
8. Net Charge-offs/ Average Gross Loans	0.11	0.53	0.64	0.18	0.31
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	6.96	6.82	5.48	2.88	2.82
F. Funding					
1. Loans/ Customer Deposits	83.29	81.50	86.63	84.15	82.43
2. Interbank Assets/ Interbank Liabilities	48.41	24.53	12.39	25.56	57.47
3. Customer Deposits/ Total Funding excl Derivatives	91.53	93.47	88.51	88.63	86.02

Bank Zachodni WBK S.A.

Reference Data

	31 Mar 2011			31 Dec 2010		31 Dec 2009		31 Dec 2008		31 Dec 2007	
	3 Months - 1st Quarter	3 Months - 1st Quarter	As % of	Year End	As % of	Year End	As % of	Year End	As % of	Year End	As % of
	USDm	PLNm	Assets	PLNm	Assets	PLNm	Assets	PLNm	Assets	PLNm	Assets
A. Off-Balance Sheet Items											
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	427.2	1,206.0	1.84	1,185.5	2.23	876.2	1.62	901.7	1.57	114.8	0.28
4. Acceptances and documentary credits reported off-balance sheet	14.3	40.4	0.06	55.1	0.10	29.2	0.05	60.0	0.10	n.a.	-
5. Committed Credit Lines	2,086.0	5,888.7	9.00	5,564.2	10.47	6,288.0	11.63	9,286.8	16.17	n.a.	-
6. Other Contingent Liabilities	2.2	6.3	0.01	4.4	0.01	27.9	0.05	182.0	0.32	717.4	1.74
7. Total Business Volume	25,717.7	72,598.4	110.91	59,963.2	112.81	61,279.7	113.36	67,863.6	118.16	42,150.9	102.01
8. Memo: Total Weighted Risks	15,121.4	42,686.3	65.21	39,617.3	74.53	41,655.6	77.06	44,161.2	76.89	28,414.0	68.77
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	15,121.4	42,686.3	65.21	39,617.3	74.53	41,655.6	77.06	44,161.2	76.89	28,414.0	68.77
B. Average Balance Sheet											
Average Loans	12,172.0	34,360.4	52.49	35,068.7	65.98	36,222.7	67.01	30,108.6	52.42	20,704.8	50.11
Average Earning Assets	17,759.6	50,133.7	76.59	50,602.5	95.20	52,670.9	97.43	44,859.3	78.11	33,241.0	80.45
Average Assets	21,008.7	59,305.5	90.60	54,070.4	101.72	56,844.4	105.15	48,613.5	84.64	36,205.3	87.62
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	16,176.5	45,664.6	69.76	46,756.6	87.96	50,332.7	93.11	42,519.3	74.03	30,587.5	74.03
Average Common equity	2,240.7	6,325.3	9.66	5,833.3	10.97	4,338.7	8.03	4,383.8	7.63	3,679.8	8.91
Average Equity	2,443.1	6,896.5	10.54	6,397.6	12.04	5,550.9	10.27	4,947.5	8.61	4,282.3	10.36
Average Customer Deposits	14,773.8	41,704.9	63.71	41,027.4	77.19	41,779.4	77.29	35,618.5	62.02	25,996.0	62.92
C. Maturities											
Asset Maturities:											
Loans & Advances < 3 months	n.a.	n.a.	-	5,487.4	10.32	4,725.1	8.74	4,392.1	7.65	2,666.9	6.45
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	6,987.6	13.15	8,203.5	15.18	7,818.8	13.61	5,706.9	13.81
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	13,314.2	25.05	14,243.2	26.35	14,445.6	25.15	9,808.9	23.74
Loans & Advances > 5 years	n.a.	n.a.	-	8,415.9	15.83	8,538.5	15.79	9,370.0	16.31	6,352.0	15.37
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	609.3	1.15	653.7	1.21	1,355.9	2.36	2,555.0	6.18
Interbank 3 - 12 Months	n.a.	n.a.	-	1.6	0.00	n.a.	-	n.a.	-	10.0	0.02
Interbank 1 - 5 Years	n.a.	n.a.	-	8.8	0.02	9.3	0.02	8.6	0.01	18.0	0.04
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:											
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	33,898.1	63.77	35,339.9	65.37	39,547.2	68.86	27,399.9	66.31
Other Deposits 3 - 12 Months	n.a.	n.a.	-	6,719.5	12.64	4,732.9	8.76	2,683.0	4.67	2,121.9	5.14
Other Deposits 1 - 5 Years	n.a.	n.a.	-	956.8	1.80	1,147.8	2.12	580.6	1.01	243.9	0.59
Other Deposits > 5 Years	n.a.	n.a.	-	396.0	0.75	2.3	0.00	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1- 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	3.2	0.01	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	392.0	0.74	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	141.8	400.3	0.61	395.2	0.74	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation											
1. Equity	2,486.6	7,019.4	10.72	6,773.6	12.74	6,055.6	11.20	5,212.4	9.08	4,576.7	11.08
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	2,486.6	7,019.4	10.72	n.a.	-	n.a.	-	n.a.	-	n.a.	-
E. Fitch Eligible Capital Reconciliation											
1. Total Equity as reported (including non-controlling interests)	2,486.6	7,019.4	10.72	6,773.6	12.74	6,055.6	11.20	5,212.4	9.08	4,576.7	11.08
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
5. Other intangibles	58.7	165.6	0.25	172.6	0.32	181.6	0.34	173.9	0.30	115.3	0.28
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	12.4	34.9	0.05	32.5	0.06	31.3	0.06	32.1	0.06	0.8	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	**2,415.6**	**6,818.9**	**10.42**	**6,568.5**	**12.36**	**5,842.7**	**10.81**	**5,006.4**	**8.72**	**4,460.6**	**10.80**
10. Eligible weighted Hybrid capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
11. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
12. Fitch Eligible Capital	**2,415.6**	**6,818.9**	**10.42**	**6,568.5**	**12.36**	**5,842.7**	**10.81**	**5,006.4**	**8.72**	**4,460.6**	**10.80**
13. Eligible Hybrid Capital Limit	1,035.2	2,922.4	4.46	2,815.1	5.30	2,504.0	4.63	2,145.6	3.74	1,911.7	4.63
Exchange Rate	USD1 = PLN2.82290			USD1 = PLN2.96410		USD1 = PLN2.85030		USD1 = PLN2.96180		USD1 = PLN2.43500	