

Year 2004

***Record Performance
of BZWBK Group***

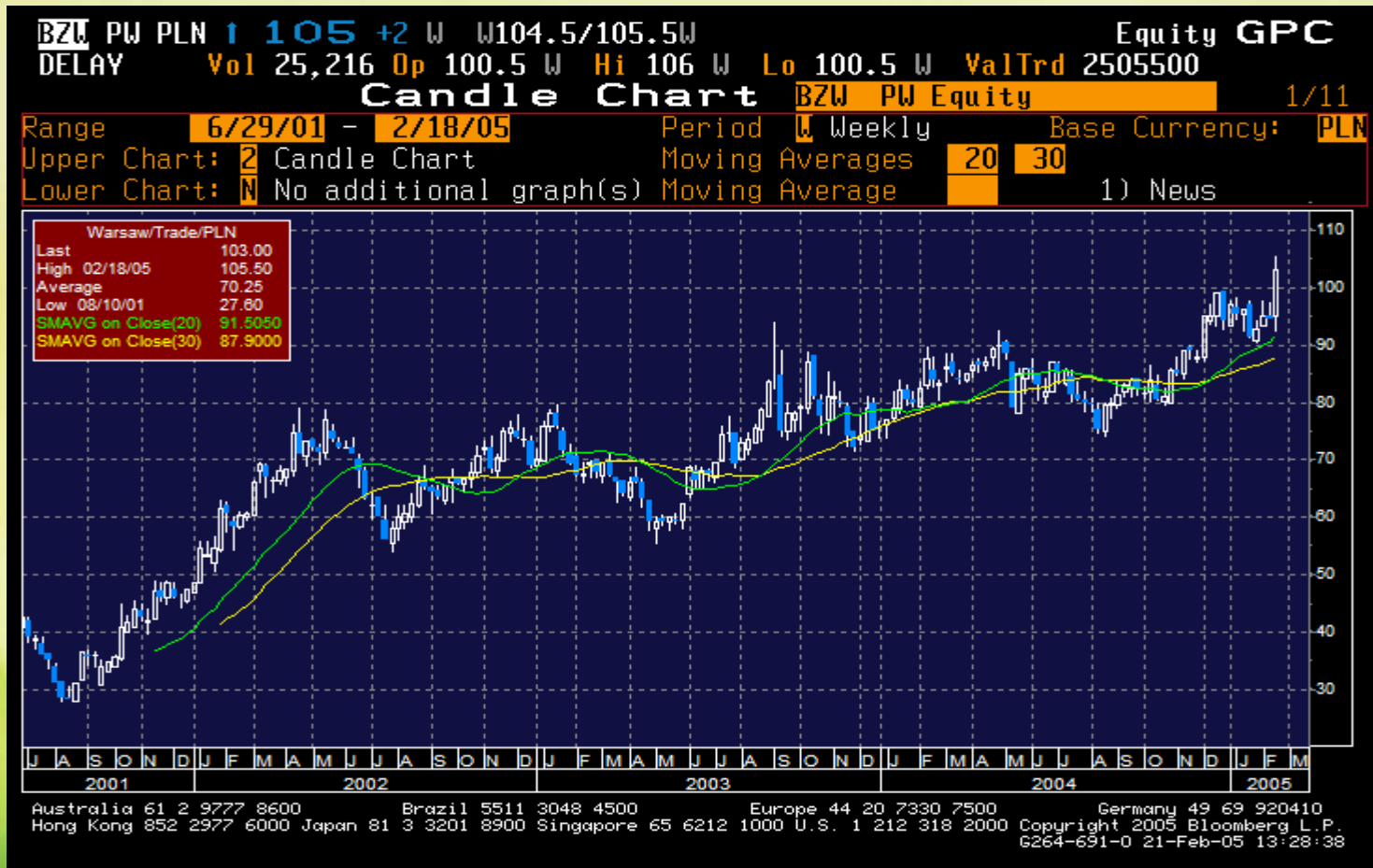
22 February 2005

B WBK | Bank Zachodni WBK S.A.

WARTO BYĆ RAZEM

BZWBK share price

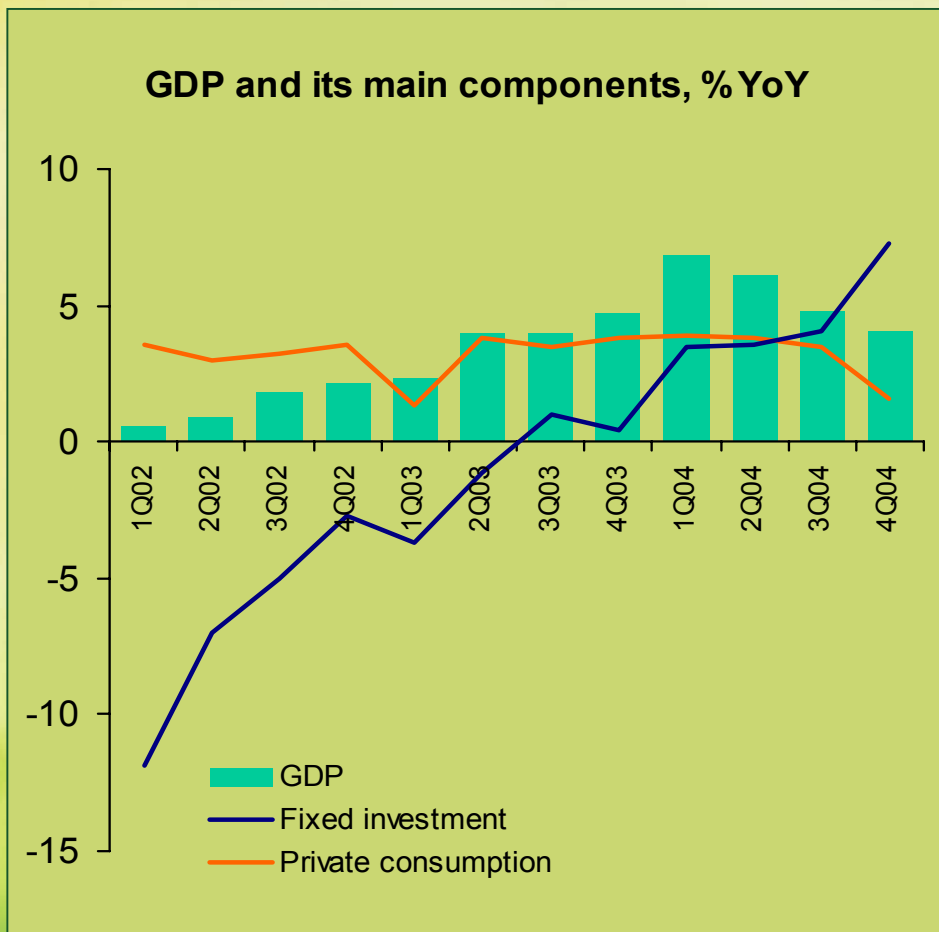
BZWBK is one of WIG20 companies.



BWBK | Bank Zachodni WBK S.A.

WARTO BYĆ RAZEM

Economic expansion... to be continued



- After an impressive GDP growth of over 6% in H1 2004, boosted by pre-accession surge in economic activity, the second half saw some weakening in economic growth
- ... however average GDP growth in the entire 2004 reached a healthy 5.4%
- Structure of GDP growth was gradually changing in 2004 - domestic demand was gaining importance at the expense of net exports
- Rebound in investment activity, that had been delaying in 2004, finally appeared at the turn of the year and should strengthen in 2005
- GDP and consumption growth in H1 2005 would be subdued due to high base effect, however H2 should see an upturn, and GDP growth in 2005 should be around 5%

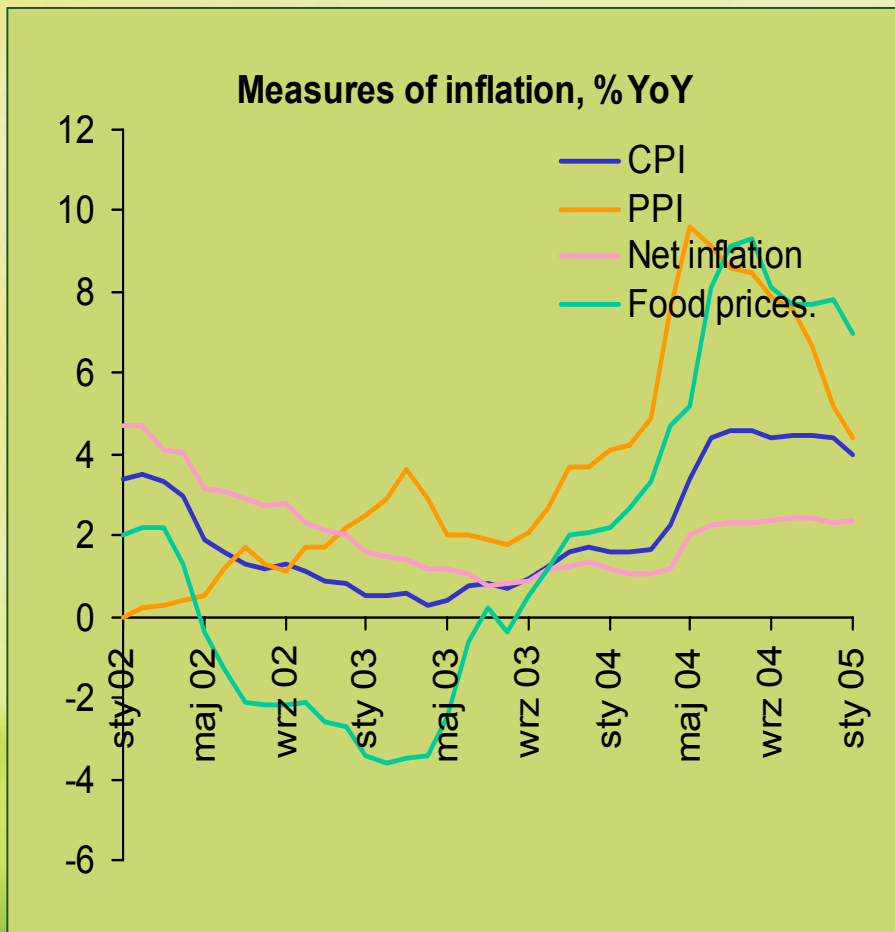


WBK

Bank Zachodni WBK S.A.

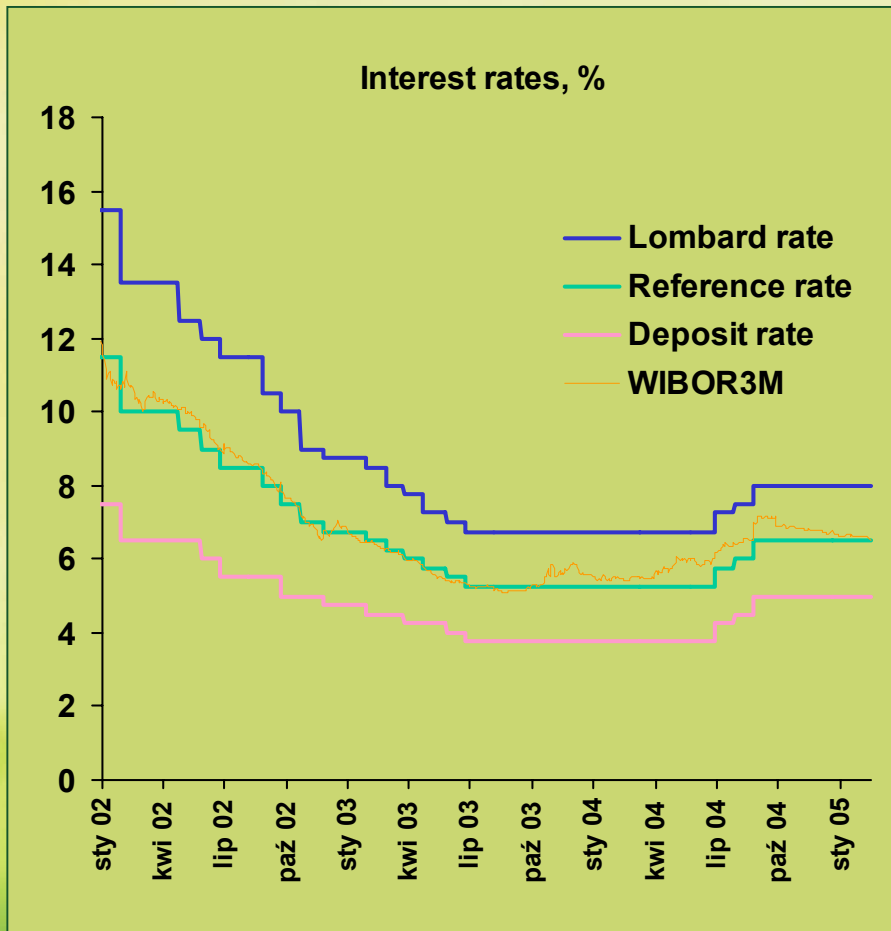
WARTO BYĆ RAZEM

... inflation temporarily higher...



- Surprisingly strong inflation rebound after EU entry - mainly due to surge in food prices driven by demand for Polish foodstuffs
- Record high prices of oil and other commodities were among other inflation drivers – this was reflected in both CPI and high level of PPI
- ... while demand pressure was benign
- Annual CPI reached 4.4% at year-end and annual average inflation stood at 3.5%
- After stabilisation of annual CPI at around 4% in 1Q05, it should drop to below 2.5% (the inflation target) in mid-year and stay there until the year-end

...which caused the MPC reaction



- Main interest rates up in June-August by 125 basis points, in order to curb inflation expectations
- Neutral bias in policy may be adopted as soon as in 1Q05 amid improvement in the balance of risks for future inflation
- As CPI inflation is likely to fall below the inflation target in mid-2005 the pressure on the MPC to cut rates will increase during the year
- Chances of monetary policy easing seem to be rising, though it is likely only in the second half of the year
- The MPC should be careful given uncertain medium-term inflation outlook (CPI decrease in H1 2005, amid low food prices, may be temporary)



WBK

Bank Zachodni WBK S.A.

WARTO BYĆ RAZEM

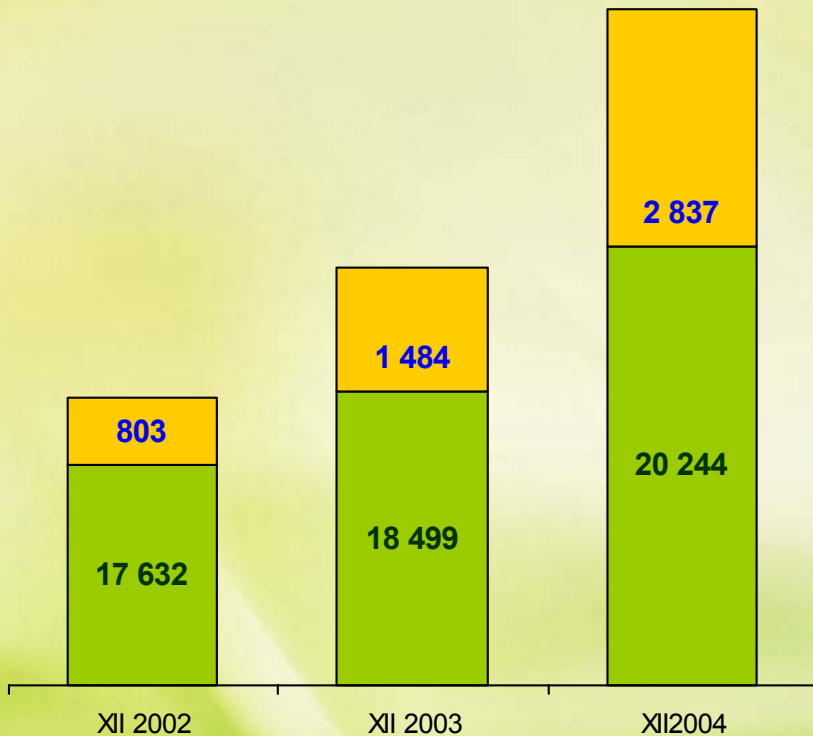
2004 Success

- Achieved PBT of PLN 570m +119% vs 2003
- Delivered PAT of PLN 444m +245% vs 2003
- ROE 17.24% + 11.9 p.p.
- EPS of PLN 6.09 vs 2003 PLN 1.77
- Dividend payout ratio increase to 40%

2004 Key Features – Time of success

- *Excellent results achieved due to growth in income*
- *Reducing cost base*
- *Increase in deposits and dynamic increase in mutual funds*
- *Increase of the loan portfolio with improved loan book quality*
 - *Solid performance of Corporate Banking Centres*
- *Excellent results and market position of subsidiaries*
 - *Dom Maklerski*
 - *ARKA Funds*
 - *Dynamic development of leasing subsidiaries*
- *Higher income from capital investments: CU dividend, CardPoint sale*
- *Lower tax (CIT) rate*

Customers' funds +15.5% YoY



■ Mutual Funds

■ Amounts due from non-financial and public sector and Bonds

- Customer's funds entrusted BZWBK Group (incl. mutual funds) increased by 15.5% YoY.
- Total Deposits increased by 9% YoY
 - Current Accounts + 3%
 - Term Deposits +12%
 - Savings and leasing bonds +51%
- Mutual Funds increased by 91% YoY

Mutual Funds – success second year in a row



- Increase in market share from 4.47% in the end of 2003 to 7.52% in the end of 2004
- 4th position on the market
- Second year in a row ARKA Balanced Fund had the highest rate of return - 23.9%
- ARKA Equity Fund (rate of return 35.8%), Balanced Fund, Bond Fund and Lukas Balanced fund have been the performance leaders in respective categories
- The first on the market: ARKA BZWBK Fundusz Rynku Nieruchomości - PLN 340m
 - Individual customers – 43.5%
 - Institutional customers – 56.5%

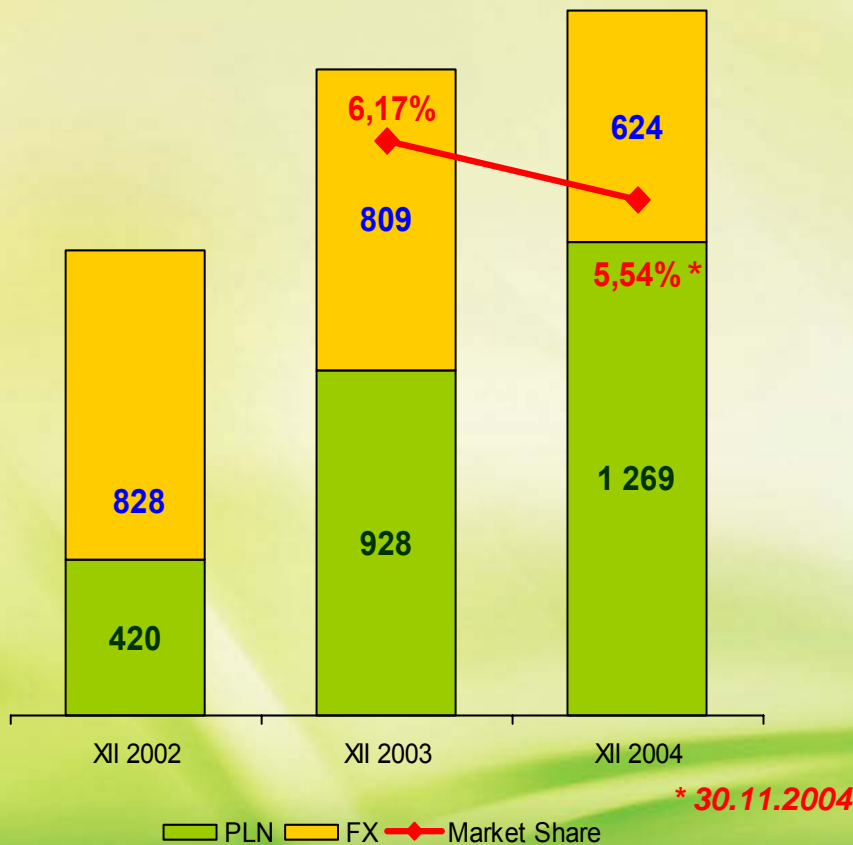
Performing Loans (non-financial and public sector) +4% YoY



- Increase of the Performing Loans portfolio +4% YoY
 - Mortgage loans +9%
 - Credit cards +20%
 - Leasing +20%
 - Personal Loans +18%
- Flat business loans portfolio due to low customer demand and stronger złoty (+8% on constant currency basis)
- The ratio of NPL's to Total Loans decreased from 11.9% in the end of 2003 to 8.5% in the end of 2004

■ Amounts due from non-financial and public sector
 ◆ NPL's as total amounts due from non financial & public sector

Mortgage loans +9% YoY



- Performing PLN Mortgage loans portfolio increased by 37% YoY
- Conservative policy of granting FX loans
- Good quality of the mortgage loans portfolio (NPL's 2.8% of total Mortgage portfolio)
- Current Share in PLN Mortgage Market 8.56%
- FX Mortgage lending
 - FX portfolio was 47% in December 2003 now 33% in December 2004

Cash loans - brand new offer in 2004



* 30.11.2004

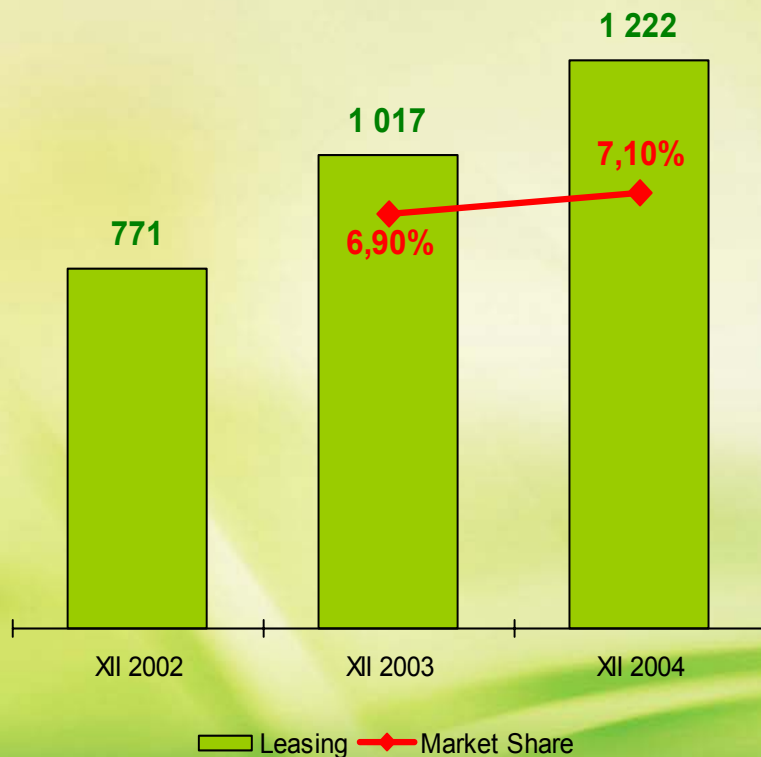
- The performing portfolio increased by 46.7% YoY driven by enhanced product offerings
- In 2004 BZWBK increased the flexibility in granting cash loans
- New product „Cash right now/Gotówka od zaraz” – in 24h
- Other personal loans:
 - Successful sale of loans for buying shares on the primary market: PBG, PKO BP, Dwory S.A.

Credit cards - Income Focus



- Number of cards issued increased by 23% in comparison to XII 2003
- Balances outstanding increased by 20% YoY
- Card issuing time reduced to 7 days
- Migration to chip technology - pilot started in IIIQ 2004 - Full implementation planned in 2005
- Market share impacted by growing level of low margin electronic cards in the Market.

Consistent growth in leasing



- Leasing performing portfolio increased by 20% comparing to the end of 2003
- Market share:
 - 7.1% in movables leasing
 - 6.8% in car leasing
 - 9.6% in machines and equipment
- 3rd position on the market according to the net value of leased assets
- For car leasing – decision in 24h

Success of Brokerage House

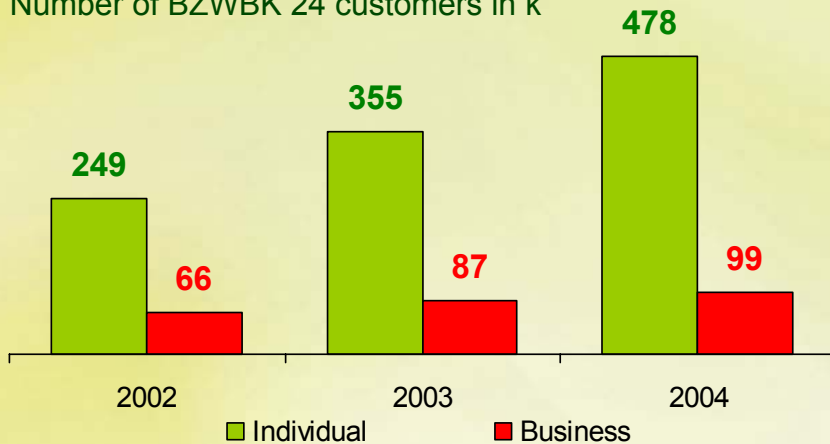


- The best brokerage house for individual customers in Poland according to „Rzeczpospolita”
- Market share increase to 10.6%
 - equity market from 5th position in 2003 (8.4%) to 3rd position in 2004
 - WSE turnover increased 65% YoY when DM doubled turnover
- IPO's as source of income growth
- Very high 17% share in the offer of PKO BP shares sale
- Profit Before Tax in 2004 increased 181% YoY

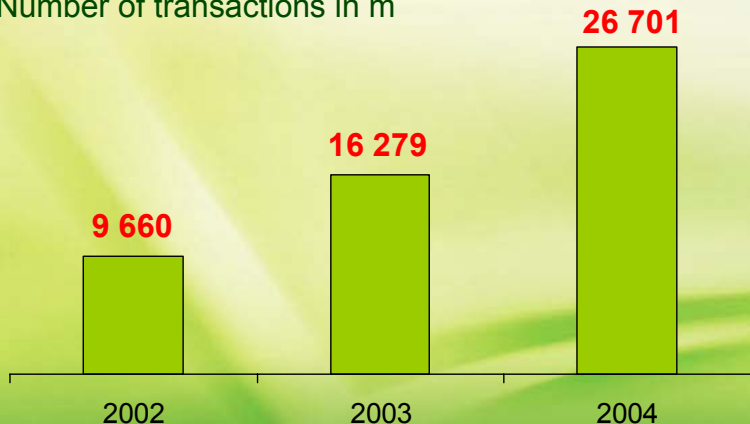
Leader in multi-channel distribution



Number of BZWBK 24 customers in k



Number of transactions in m



- Leader in multi-channel distribution among traditional banks
- The widest functionality in internet banking
- Internet shopping:
 - Arka
 - Credit cards
 - Mortgage loan
 - Cash loan
- New products and functionality:
 - Przelew 24 – allow to do payments from customer account directly to various institutions' accounts
 - Alerty 24 – sms service informing customers on all account operations and news in the bank offer
- Minibank: 24 4.4k units installed in the end of 2004, 13.5k companies.

Full Implementation of CRM Project

- **Segmentation and CRM Program successfully implemented in the entire network of Bank Zachodni WBK SA branches**
- **Process of migration of basic banking operations to automatic channels undertaken by the branches:**
 - **2003: 78% auto, 22% paper**
 - **2004: 84% auto, 16% paper**
- **Service quality standards – Classic and Premium developed and implemented**
- **Premium segment:**
 - **Individual advisors**
 - **Clients into portfolios**
 - **Contacts with all Premium Clients**
- **Pro-active approach to clients**
- **Direct sales campaigns**

2004 Performance

PBT +119% YoY, PAT +245%YoY

Pre-tax profit

	1 st Q	2 nd Q	3 rd Q	4 th Q	Total
2004	154m	148m	127m	141m	570m
2003	71m	89m	69m	31m	260m
Increase	117%	66%	84%	355%	119%

Net profit

	1 st Q	2 nd Q	3 rd Q	4 th Q	Total
2004	129m	123m	96m	97m	444m
2003	48m	61m	37m	-18m	129m
Increase	166%	101%	156%		245%



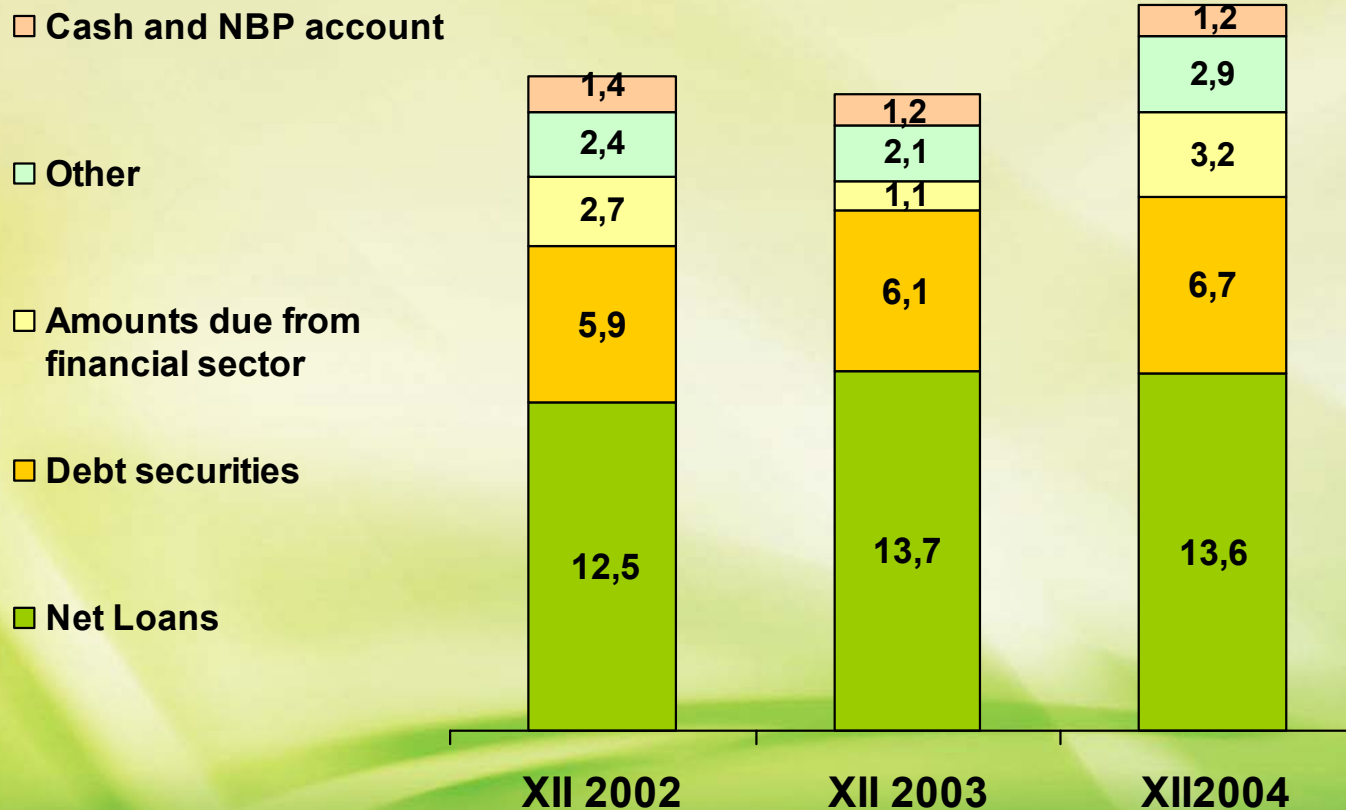
WBK

Bank Zachodni WBK S.A.

WARTO BYĆ RAZEM

Balance sheet - Assets

Total Assets PLN 27.6 bn increased by 14.2% YoY



Balance sheet - Liabilities

Total Liabilities 27.6 bn increased by 14.2% YoY



WBK

Bank Zachodni WBK S.A.

WARTO BYĆ RAZEM

Profit & Loss Statement YTD

PLN m	2002	2003	2004	Growth Y'04/Y'03
Total Income	1,806	1,731	1,894	+9.4%
Total Costs	1,251	1,332	1,196	-10.2%
Operating Surplus	554	399	698	+74.9%
Provisions	-169	-142	-131	-7.7%
PBT	389	260	570	+119.0%

P&L Quarterly split

Positive trends throughout 2004

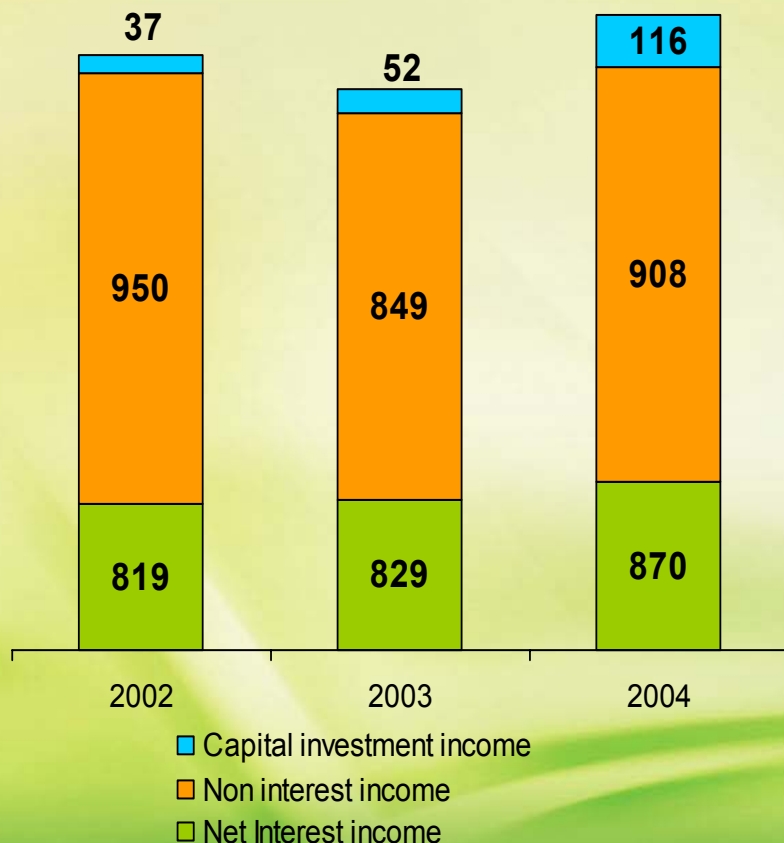
PLN m	1st Qtr 2004	2nd Qtr 2004	3rd Qtr 2004	4th Qtr 2004	Total
Total Income	500*	488**	444	461	1,894
Total Costs	313	278	282	323	1,196
Operating Surplus	188	209	162	138	698
Provisions	-34	-62	-36	+1	-131
PBT	155	148	126	141	570
Excl. exceptionals	101	94	126	141	462

* Include PLN 53m dividend

** Include PLN 55m from Subs. disposal

Total Income PLN 1,894m +9.4% YoY

Economic activity translating into development in all business lines.

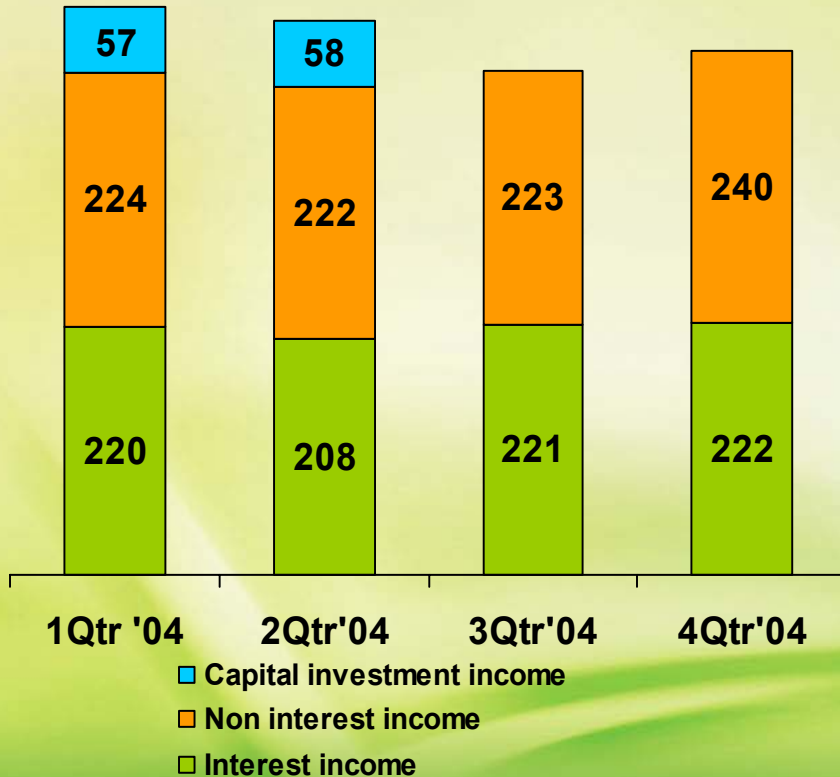


Total Income growth driven by:

- Net Interest Income +5% YoY led by
 - Higher rate environment
 - Business mix
 - Average volume of performing loans increased by 12%
 - Average volume of deposits increased by 6%
- Non Interest Income +7% YoY main drivers
 - Payments + 12%
 - Credit Cards + 7%
 - Mutual Funds +129%
 - Income from IPO's
- Exceptional high Income from Capital Investments PLN +64m vs. 2003

Total Income quarterly split

Key factors influencing Total Income:



- Net Interest Income favorably impacted by
 - Business growth
 - Higher level of Market Rates
 - Changes in NBP classifications
- Non Interest Income driven by
 - Subsidiaries (DM, Inwestycje, Fund & Asset Management)
 - Customer activity
- Income from Capital Investments include
 - CU Dividend PLN 53m (PLN 23m in 2003)
 - Subsidiary Disposal PLN 55m (PLN 17m in 2003)



WBK

Bank Zachodni WBK S.A.

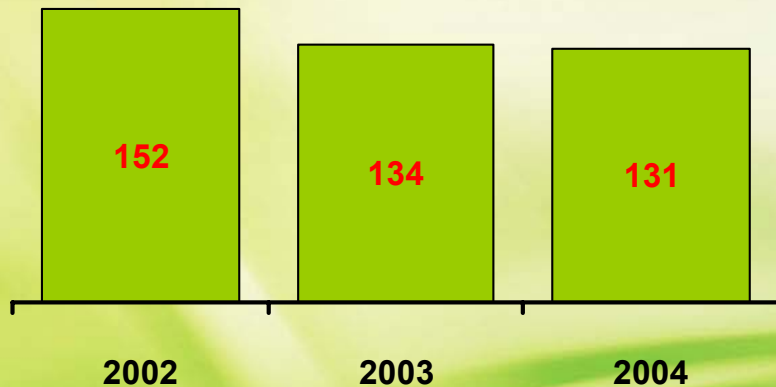
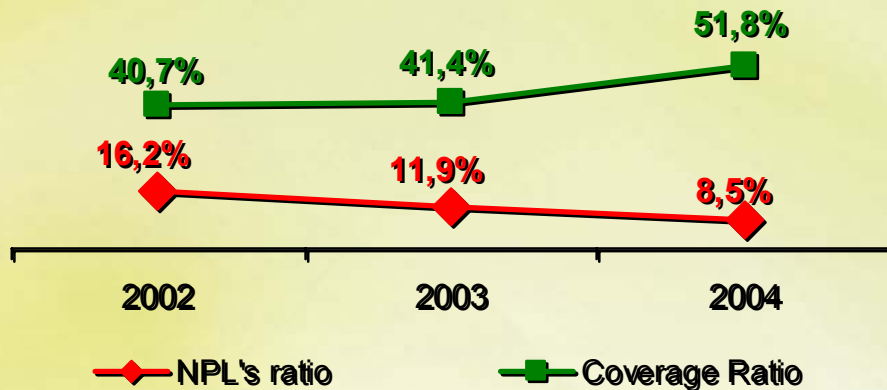
WARTO BYĆ RAZEM

Total Costs PLN 1,196m -10.2% YoY



- Staff costs decreased by 2.4%
- Operating costs declined by 10%
- Extraction of benefits from reduced cost base
- New initiatives launched
- Improvement in trading condition of contracts

P&L Provision charge



□ Specific provisions and general banking risk provision

- Level of NPL's continuing of downturn trend. 30% reduction vs. 2003
- Significant improvement of coverage ratios.
- Specific charge of 151.4m
 - Impact of large corporate cases
- General Provision PLN 20m released

Bottom Line – Net Profit PLN 444m +245%YoY



■ Net Profit growth 245% driven by:

- 119% growth in PBT
- Taxation
 - Effective Tax rate (47,42 % in 2003, 19,75% in 2004)
 - Deferred Tax
 - CIT Rate (27% in 2003, 19% in 2004)

In summary

- ***Excellent 2004 performance resulting in:***
 - ***PBT increasing by 119% YoY, excluding dividends and subsidiary disposals growth is 78%YoY***
 - ***C/I Ratio reduced by 14 p.p. to 63% (excl. dividends and disposal C/I would reduce by 10 p.p.)***
 - ***ROE targets being realised – increased to 17.2%***
 - ***Strong Solvency Ratio at 12.92%***
 - ***Higher dividend ratio 40% vs. 20% in 2003***

2005 the Year of Dynamic Growth

- ***Efficiency improvement***
- ***Strong business growth concentrated on strategic products and clients***
- ***Effective relationship management & active customers acquiring***
- ***Multi-channel distribution approach***
 - ***Branch***
 - ***Internet***
 - ***Telephone***
 - ***Mobile sales network***

Contacts

**BZWBK Investor Relations will be happy to facilitate your requests
for any further information**

Jędrzej Marciniak

jedrzej.marciniak@bzwbk.pl

 +48 (61)856 5400

Agnieszka Dowzycka

agnieszka.dowzycka@bzwbk.pl

 +48 (61)856 4521