

Motion to KNF for consent for recognition of 1H 2017 net profit as a part of Bank's Tier 1 capital

current report no. 22/2017

date: 8 November 2017

The Management Board of Bank BGŻ BNP Paribas S.A. ("the Bank") hereby announces that on 8 November 2017 it filed a motion for consent for recognition of a standalone net profit for period from 1 January 2017 to 30 June 2017 in the amount of PLN 130,029 thousand as a part of the Bank's Tier 1 capital to the Polish Financial Supervision Authority ("KNF").

Pursuant to Article 26, item 2 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms ("Regulation 575/2013"), the competent authority shall grant permission where the following conditions are met:

- a) those profits have been verified by persons independent of the institution that are responsible for the auditing of the accounts of that institution;
- b) the institution has demonstrated to the satisfaction of the competent authority that any foreseeable charge or dividend has been deducted from the amount of those profits.

Recognition of the 1H 2017 net profit as a part of the Bank's Tier 1 capital will improve the capital adequacy ratios by 0.24 pp (Common Equity Tier 1 Ratio) and by 0.25 pp (Total Capital Ratio – TCR), calculation based on data as at June 30, 2017.

In case of consolidated capital adequacy ratios increase would be equal to 0.23 pp and 0.24 pp respectively.

Legal basis

Article 17, item 1 of the MAR Regulation