

Conclusion of conditional share purchase agreement regarding 100% of shares of BGŻ BNP Paribas Faktoring sp. z o.o.

current report no. 23/2017

date: 15 November 2017

With reference to current report no. 21/2017 dated 30 October 2017 the Management Board of Bank BGŻ BNP Paribas S.A. ("the Bank") hereby informs that on 15 November 2017 the Bank concluded a conditional share purchase agreement ("agreement") under which the Bank will sell 100% of its shares in BGŻ BNP Paribas Faktoring sp. z o.o. ("BGŻ BNPP Faktoring") in favor of BNP Paribas S.A., a French stock corporation (Societe Anonyme), incorporated and existing under French law, with its registered office in Paris, France, at 16 Boulevard des Italiens - 75009 Paris, France, recorded in the Commercial Register of Companies maintained by the Commercial Court Office in Paris under number R.C.S. Paris 662 042 449, operating in Poland through its branch BNP Paribas S.A. Oddział w Polsce, with its seat in Warsaw, ul. Suwak 3, 02-676 Warsaw, Poland, registered by the District Court for the Capital City of Warsaw under the KRS No. 0000245000, Tax Identification Number (NIP) 1070002909 (the "Purchaser"). BNP Paribas S.A. is the majority shareholder of the Bank.

According to the agreement the Bank will sell in favor of the Purchaser 100% of shares of BGŻ BNPP Faktoring (i.e. 20.820 shares amounting to 10.410.000,00 zlotys), representing 100% of the share capital and 100% of the votes at the entity shareholders' meeting for the aggregate price equal to 10.410.000,00 zlotys (say: ten million four hundred ten thousand zlotys).

The sale of the shares shall be effective upon fulfillment of the conditions precedent, including receipt of the information from the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego), enabling the Bank to conduct cross – border factoring activities in other member states of the European Union.

The transaction should be completed by the end of the year 2017, subject to the fulfilment of the conditions precedent.

In addition to the information provided in the current report no. 21/2017 dated 30 October 2017 the Bank indicates that the finalization of the sale and consequent deconsolidation of BGŻ BNPP Faktoring would improve the solvency position of the Bank on a consolidated basis (TCR by 0.61 pp. and Tier 1 Ratio by 0.47 pp., estimation based on data as at September 30, 2017).

Post-transaction, the Bank and BGŻ BNPP Faktoring will continue their cooperation and stay committed to supporting the Bank's clients with high-value multi-product range of factoring services.

Legal basis

Article 17, item 1 of the MAR Regulation