



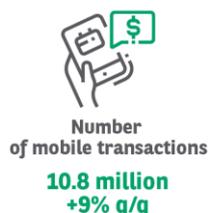
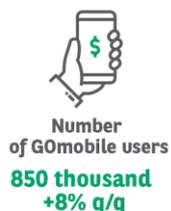
PRESS RELEASE

Warsaw, 9 November 2021

The BNP Paribas Bank Polska Group steadily grows the scale of its business, posts an increase in its loan portfolio and improves net banking income

Record-breaking sales of personal accounts and cash loans, maintenance of the volume of sales of mortgage loans, rapidly growing number of digital channel users, robust increase in business volumes – the BNP Paribas Bank Polska Group has published its financial results for Q3 2021. The Group reported net profit of PLN 154 million in Q3 2021 and PLN 450 million year-to-date.

“This was another quarter of a dynamic growth of our business, which translated into a major increase in income. We generated the highest net banking income since the interest rate cuts. We are happy to see the quickly growing interest in our green financing products and services. This confirms that banking may be both responsible and effective in business terms. In addition to the continued growth in our retail business, the third quarter also brought about an increase in corporate demand for loans, which is a favorable sign from the market. The continuous development of our omnichannel approach translates into positive results – we have noticed a dynamically growing client interest in banking via remote channels and an increase in the number of digital transactions. The Bank’s last quarter performance was also significantly affected by provisions for legal risk related to CHF loans,” says Przemek Gdański, President of the BNP Paribas Bank Polska Management Board.



Key business highlights – Q3 2021:

- Retail client gross loan portfolio: +14.5% growth y/y (+5.1% q/q)
- Institutional client gross loan portfolio: +5.3% growth y/y (+3.8% q/q)
- Sales of mortgage loans: PLN 1,705 million, +25.8% growth y/y (-2.9% q/q)
- Sales of cash loans: PLN 995 million, +26.5% growth y/y (+3.0% q/q)
- Number of clients using the remote channels: 1.5 million, number of GOMobile users: 850 thousand as at the end of September 2021 (+41.9% y/y, +8.4% q/q)

Financial highlights – Q3 2021:

- Total assets: PLN 128 billion, +5.0% y/y (+2.9 q/q)
- Total loans (gross): PLN 87 billion, +9.1% y/y (+4.4 q/q)
- Client deposits: PLN 99 billion, +4.3% y/y (+3.2% q/q)
- Net banking income: PLN 1,216 million, +8.4% y/y (+5.7% q/q)
 - Interest income: PLN 785 million, +6.2% y/y (+3.5% q/q)



- Fee and commission income: PLN 251 million, -0.3% y/y (+0.3% q/q)
- Result on trading activity: PLN 162 million, +2.5% y/y (-7.0% q/q)
- General administrative expenses, including depreciation: PLN 599 million, +4.9% y/y (+4.2% q/q)
- Cost of risk: 29 bp quarterly vs. 48 bp the year before, YTD: 32 bp vs. 85 bp the year before, confirming the good quality of the loan portfolio
- Profitability: ROE of 5.0% (-1.6 pp y/y), C/I 52.3% (-1.2 pp y/y)
- Stable liquidity position – L/D ratio: 84.4% (4.7 pp y/y)
- Safe capital position – Tier 1 ratio: 12.85%

In Q3 2021, the BNP Paribas Bank Polska Group posted a net profit of PLN 154 million (+16.6% q/q, -33.5% y/y). The bank recorded increased revenue in its key business areas, although the net result was affected to a greater degree than in previous quarters by the cost of provisions for CHF loan litigation (PLN 202 million). On a year-to-date basis the Group's net profit stood at PLN 450 million, down by 20.5% y/y.

The value of outstanding loans increased in both the retail client segment (+5.1% q/q, +14.5% y/y) and the institutional client segment (+3.8% q/q, +5.3 y/y). As regards mortgage loans for retail clients, the increase was 5.8% q/q and 18.1% y/y.

The value of deposits also increased, both by institutional clients (+5.6% q/q, +5.5% y/y) and retail clients (+0.3% q/q, +2.7% y/y). The total balance of deposits grew by 3.2% q/q and by 4.3% y/y.

The share of CHF mortgage loans in the bank's total loan portfolio declined to 5.2% at the end of September. The carrying amount of the provision for claims related to CHF mortgage loan agreements increased to PLN 677 million as at the end of September 2021.

The Group maintains a safe capital and liquidity position with ratios above the minimum regulatory requirements. As at the end of September 2021, the Tier 1 ratio was 12.85% and the loan-to-deposit ratio stood at 84.4%.

Growing number of digital transactions

The bank continues to develop its offering of digitally accessible products and services. In Q3, both the number of clients using digital channels and the volume of transactions executed digitally grew significantly. As at the end of Q3, there were 850 thousand users of the GOMobile app (+8.4% q/q). The number of executed mobile transactions in Q1 reached 10.8 million (+8.6% q/q), followed by 4.2 million BLIK payment system transactions (+8.2% q/q). A total of 326 thousand digital tokens were deposited in the clients' digital wallets, up 13.5% q/q.

Financing of the green transition

Sustainable development, shared responsibility for major social issues and care for the natural environment remain the key components of the bank's operating strategy and as such are reflected in the offering of products and services. The total value of 'green financing' provided by BNP Paribas Bank Polska in 2021 reached PLN 1.9 billion (+192% y/y). In 2021, the bank provided funding for 11,7 thousand prosumer photovoltaic systems, of which nearly 5 thousand received financing in Q3 alone (in total, nearly 32 thousand systems). In July, the bank signed one of the first sustainability linked loans in the logistics industry in Europe (Raben Group). The bank also provides funding for the portfolio of solar power plants of R.Power, Poland's largest developer of photovoltaic projects.

Since late September, the bank's clients have been offered the opportunity to apply for a subsidized loan under the "Clean Air" government-sponsored program. With a view to supporting the idea of responsible consumption, the bank has also introduced long-term rental of utility devices for its retail clients.



As at the end of September 2021, BNP Paribas Bank Polska was serving over 4 million clients. It had 446 retail and business banking branches, of which 158 outlets offered cash handling solely in self-service machines. The bank's 71 branches held a 'Barrier-Free Facility' certificate confirming that they are suited to serving people with disabilities.

Consolidated financial highlights (PLN 000s)

Profit and loss account	Q1-Q3 2021	Q1-Q3 2020	change y/y	Q3 2021	Q3 2020	change y/y	Q2 2021
Interest income	2,276,711	2,312,684	(1.6%)	784,983	738,911	6.2%	758,598
Fee and commission income	747,729	658,295	13.6%	250,599	251,236	(0.3%)	249,844
Net banking income	3,516,963	3,520,568	(0.1%)	1,215,627	1,121,674	8.4%	1,150,008
General administrative expenses and depreciation	(1,838,376)	(1,880,813)	(2.3%)	(598,679)	(570,834)	(4.9%)	(574,524)
Net impairment loss	(191,946)	(492,966)	(61.1%)	(60,932)	(94,733)	(35.7%)	(70,946)
Result on operating activities	1,025,712	1,080,313	5.1%	354,064	416,193	(14.9%)	317,419
Net profit	449,802	565,629	(20.5%)	153,859	231,502	(33.5%)	131,957
per share in PLN	3.05	3.84	(20.5%)	1.04	1.57	(33.6%)	0.89

Balance sheet	30.09.2021	30.06.2021	31.12.2020	30.09.2020
Total assets	127,616,365	124,022,771	119,577,288	121,574,248
Total loans (gross)	86,779,357	83,134,820	78,999,754	79,511,249
Liabilities towards clients	99,035,855	95,971,665	90,051,004	94,880,015
Total equity	12,188,077	12,158,148	12,030,527	11,820,287
Capital adequacy	30.09.2021	30.06.2021	31.12.2020	30.09.2020
Total capital requirement	17.57%	18.08%	18.65%	15.79%
Tier 1 ratio	12.85%	13.28%	13.55%	13.44%