



Bank Millennium Group

1st half 2015 results



27 of July 2015

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Financial data presented hereby is based on the consolidated Bank Millennium Group level and is consistent with published Financial Statements of the Group (available on Bank's website at www.bankmillennium.pl). There is also one exception to the consistency with the financial statements data, described below.

*From 1/01/2006 the Bank started to treat under hedge accounting principles the combination of mortgage floating rate FX loans, floating rate PLN deposits and related cross currency interest rate swaps. From 1/04/2009 the Bank extended hedge accounting principles to FX swaps. According to the accounting principles, the margin from the swaps is reflected in Net Interest Income. However, as this hedge accounting does not cover all the portfolio denominated in foreign currency, the Bank provides in this presentation **pro-forma data**, which presents all interests from derivatives in Net Interest Income.*

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Agenda

Macroeconomic overview

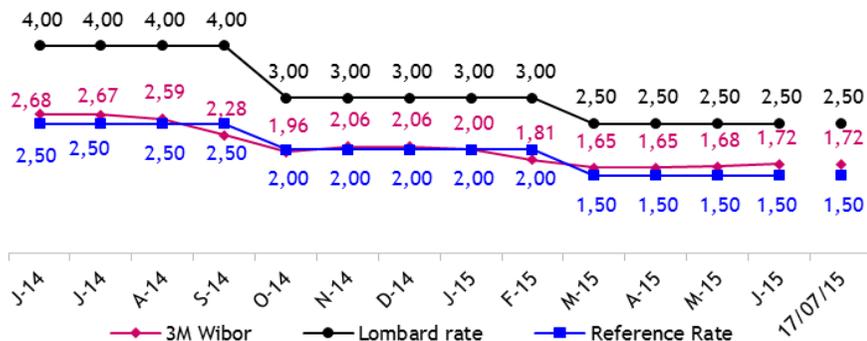
Financial performance

Business development

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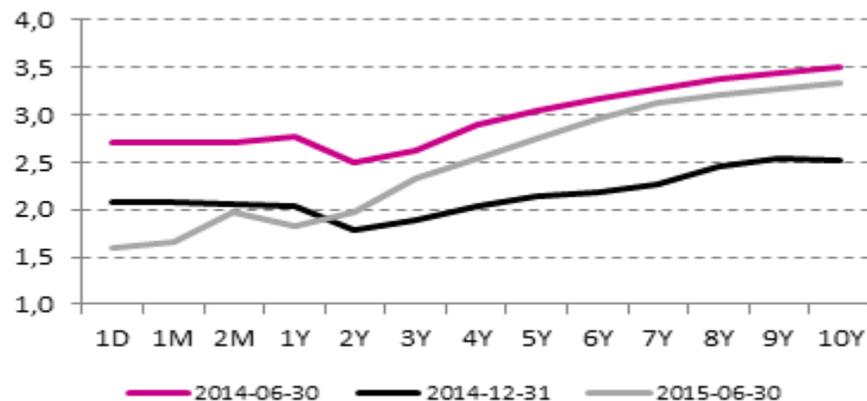
Macroeconomic Overview

Interest Rates Evolution (%)



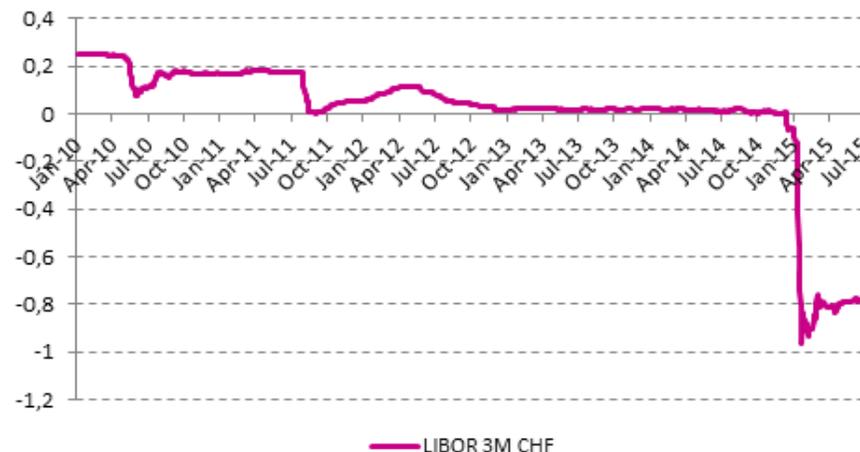
| | | | |
|------------|-----|------|------|
| Q-o-Q (bp) | 7 | 0 | 0 |
| Y-o-Y (bp) | -96 | -150 | -100 |

Evolution of PLN yield curve (%)



Source: NBP, Reuters

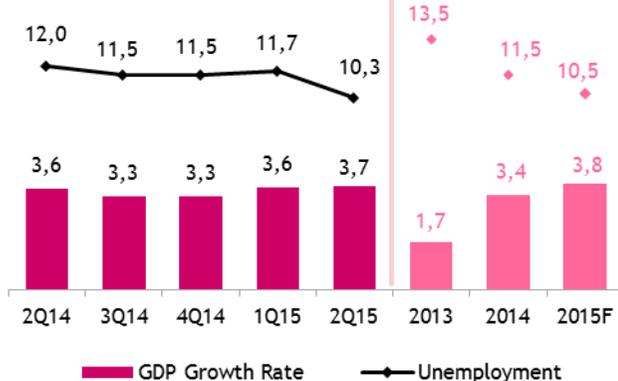
Evolution of CHF Libor 3M (%)



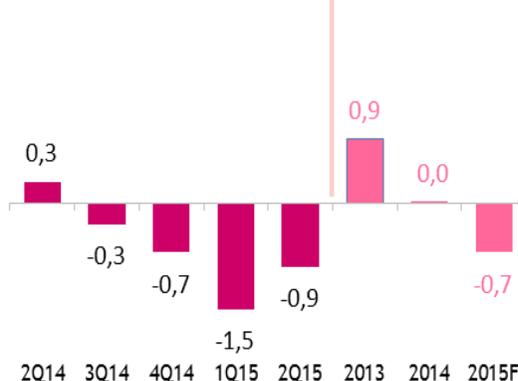
- In March 2015 the MPC cut all rates by 50 bps and completed current monetary easing cycle with the reference rate at 1.50%. We expect the official interest rates to be kept at current levels in next few quarters.
- Q2 showed substantial increase in yields of Polish bonds, especially on the long end of the curve, triggered by an increase in yields on core markets.

Macroeconomic Overview

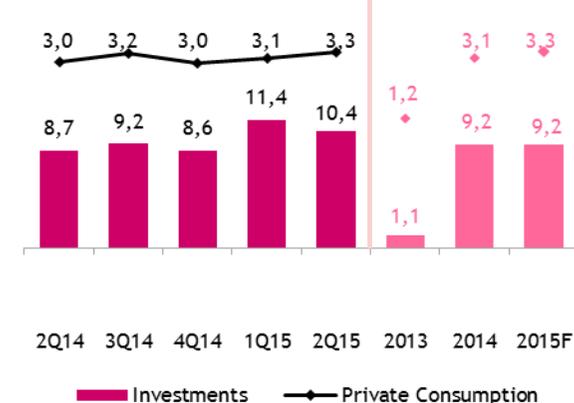
GDP Growth & Unemployment Rate (%)



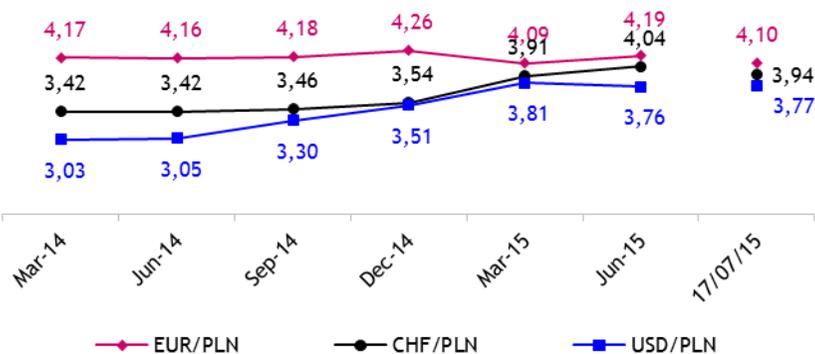
Inflation (CPI %)



Investments & Private Consumption (% y/y)



FX Rates Evolution



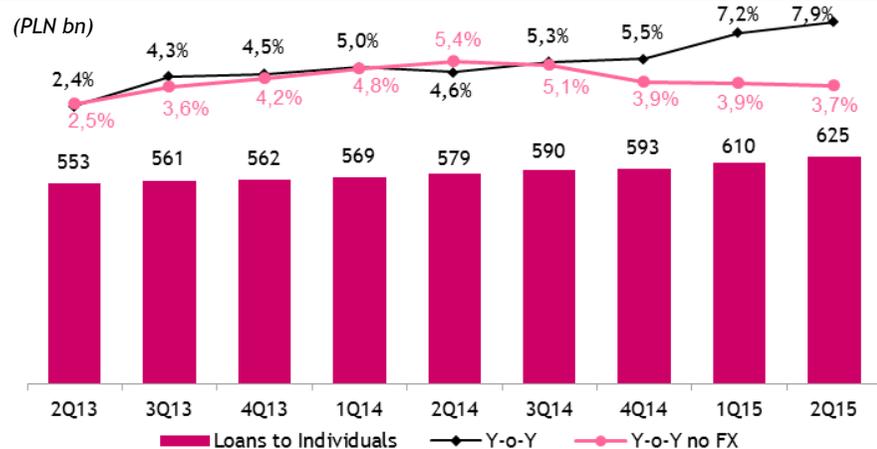
| | | | |
|----------|-----|-----|-----|
| Q-o-Q | 3% | 3% | -1% |
| Y-o-Y | 1% | 18% | 24% |
| YTD 2015 | -2% | 14% | 7% |

- Polish economy was resilient to external shocks and kept growing at solid pace in the beginning of 2015 supported by recovery in the Eurozone and strong domestic demand.
- Improvement in the labour market and deflation should support private consumption. In the same time high capacity utilization and good financial situation of Polish companies is expected to support private investments in fixed assets.
- Zloty depreciated slightly against EUR in Q2 because of uncertainty over Grexit.

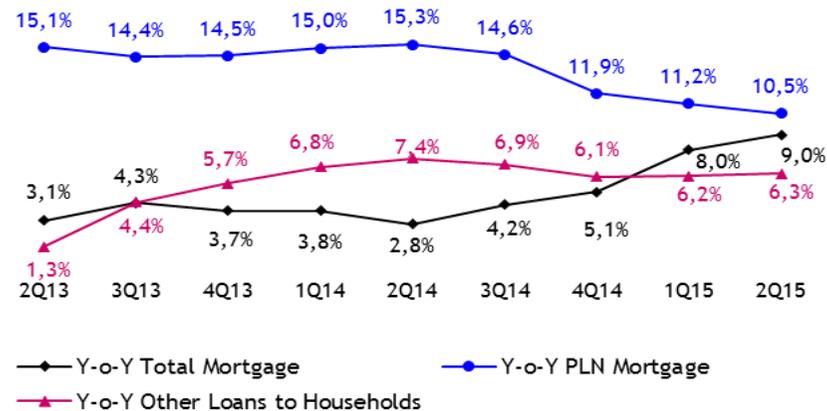
Source: NBP, GUS

Macroeconomic Overview

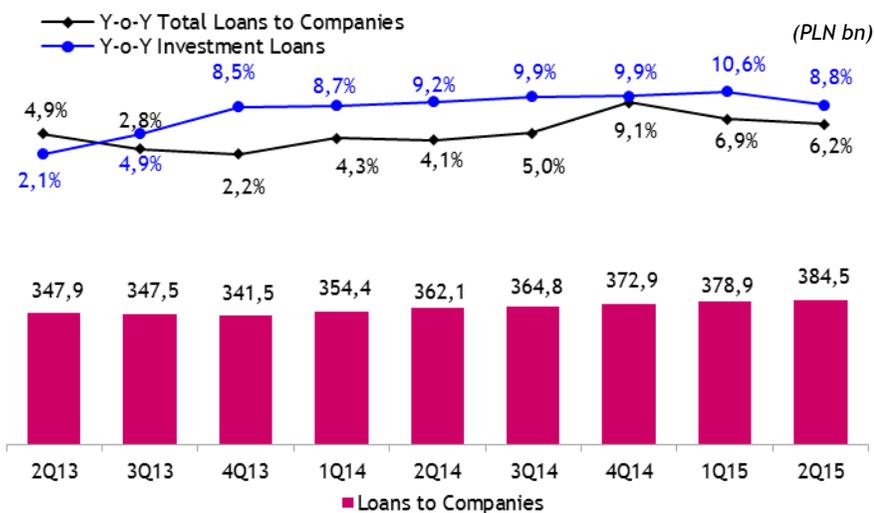
Loans to Households



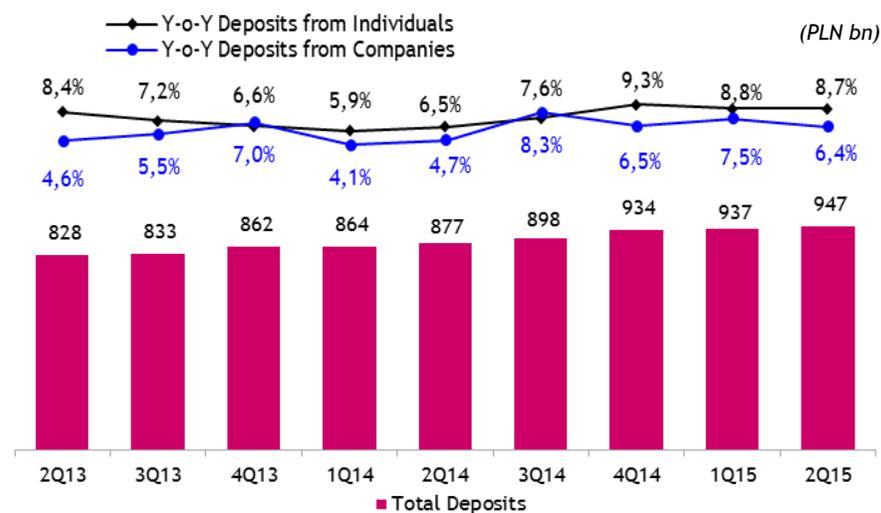
Loans to Households



Loans to Companies



Deposits in the Polish Banking Sector



Source: NBP

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Main financial highlights in 1H 2015

Resilient profitability

- 1H 15 net profit at PLN 328 million: +2.4% y/y
- 2Q 15 net profit at PLN 165 million: +1.6% q/q
- ROE at 11.2%, with equity growth of 10.8% y/y

Core income under pressure but interest income flat despite rate cut in March

- Net interest income flat quarterly (-0.8% q/q) indicating gradual recovery after market interest rate cuts
- Core income fell 4.6% y/y and 2.4% q/q due to interest rate cuts and high base of commission income

Lower costs and high efficiency

- Operating costs dropped 1.2% q/q and 1.6% y/y, despite higher BFG fees
- Cost to income in 2Q below 50%

High asset quality maintained

- Impaired loans ratio at low 4.3%.
- Mortgage impaired ratio at 1.75%

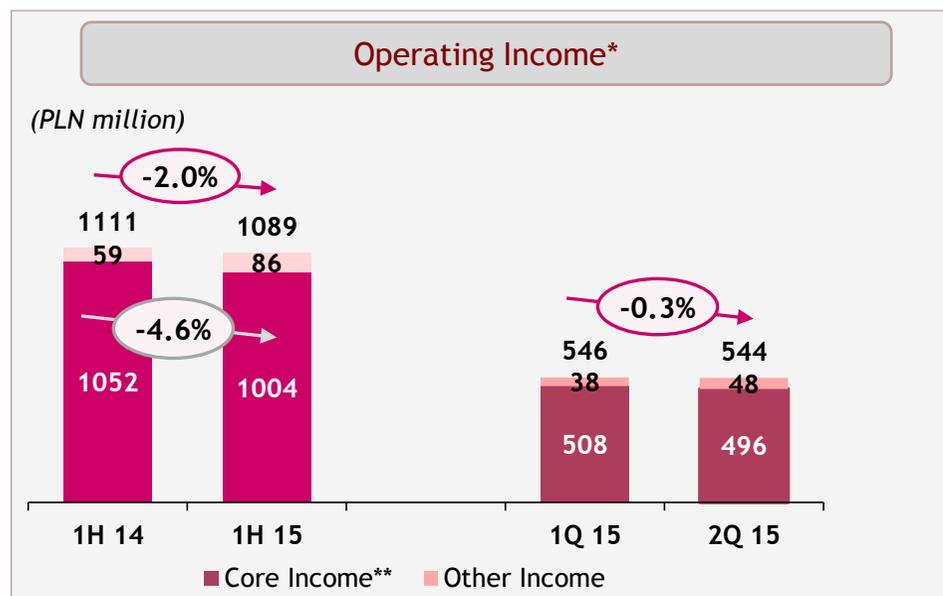
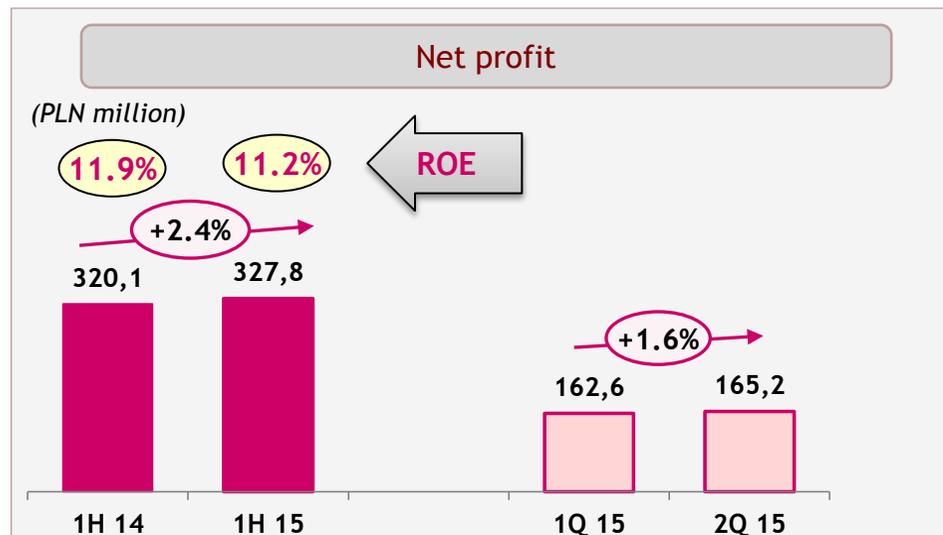
Capital ratios increased after full profit retention

- Strong capital base with TCR* at 15.2% and CET1* at 14.6%
- Loans-to-deposits** ratio at 92.1%

* Calculated in accordance with CRR/CRD4 rules and with partial IRB approach (on mortgage and revolving retail loans) but under regulatory constraint

** Deposits include Bank's debt securities sold to individuals and repo transactions with customers

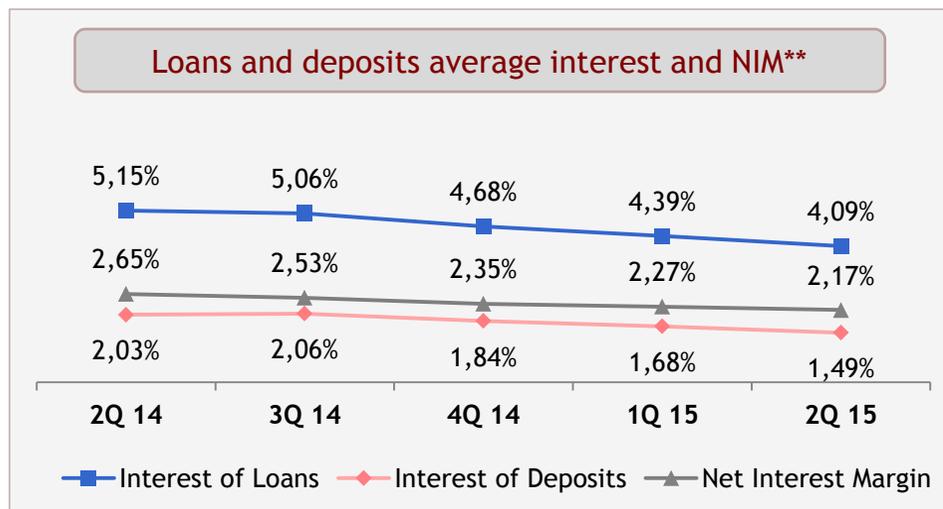
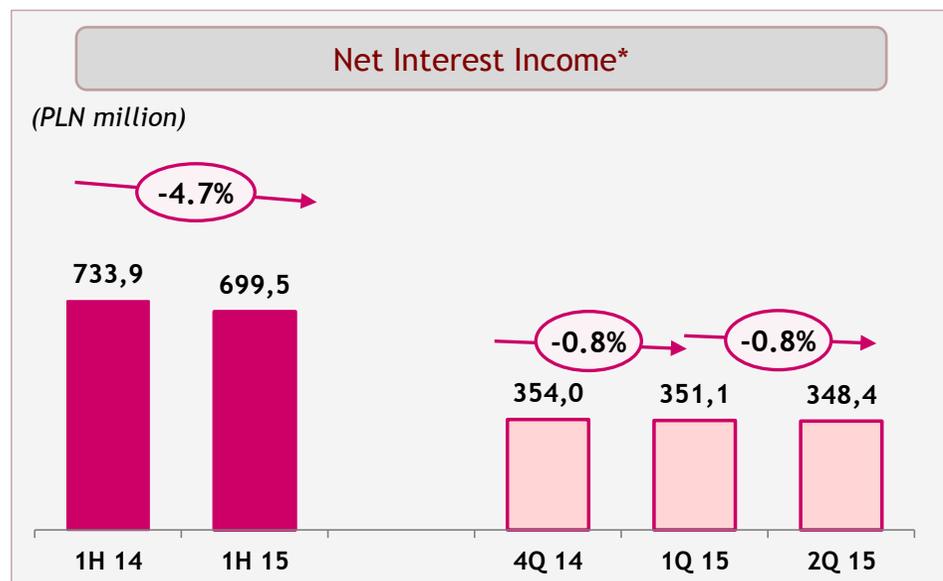
Profitability



- Net Profit for 1H'15 amounted to PLN 327.8 million and grew both yearly and quarterly (by 2.4% and 1.6% respectively).
- The growth was supported by lower costs and impairment charges, whereas the decrease of operating income was minor and an outcome of unfavorable market interest rates and regulatory conditions for the banking business.
- ROE at 11.2% - slightly lower than an year ago, due to higher capital base (equity grew by 10.8% y/y).

* Including net other operating income and cost
 ** Net Interest Income + Net Commissions Income

Net Interest Income



- Net Interest Income* was resilient and had similar mild quarterly decrease in 2Q'15 (-0.8%) as in 1Q'15, following two NBP rates cuts in October'14 (reference rate by 50 bps and lombard rate by 100 bps) and in the beginning of March'15 (both by another 50 bps).
- Quick adjustment of deposits prices to lower market rates allowed to keep gradual reduction of deposits cost (to 1,49% in 2Q'15) which partially compensated for faster reduction of average yield on loans (to 4,09% in 2Q).
- Net Interest Margin in 2Q'15 still narrowing (as expected) by 10 bps quarterly to 2.17%, following the March rate cut.

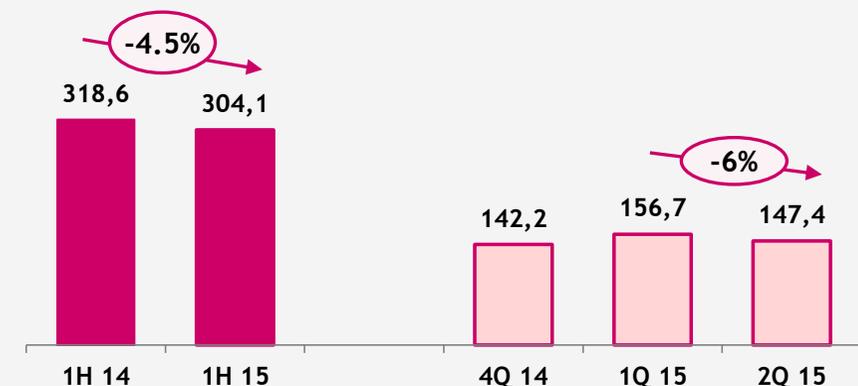
* Pro-forma data: margin from all derivatives hedging FX denominated loan portfolio is presented in interest revenue (hedging derivatives) and NII, whereas in accounting terms part of this margin (PLN 32.7 million in 1H 2015 and PLN 2.7 million in 1H 2014) is presented in Result on Financial Operations.

** Net Interest Margin: relation of net interest income (pro-forma) to average interest earning assets in given period

Non-interest Income

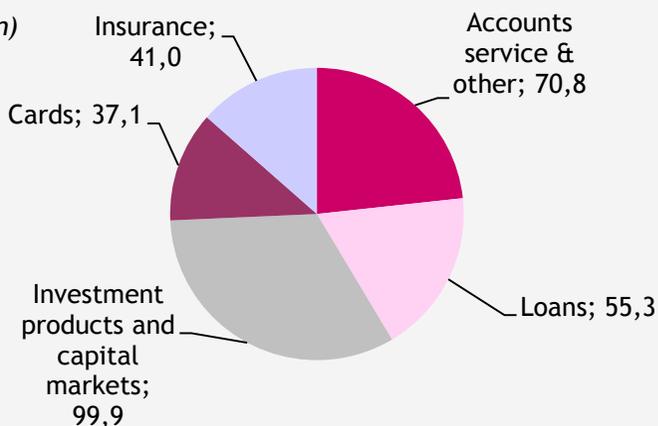
Net Commission Income

(PLN million)



Net Commission split for 1H'15

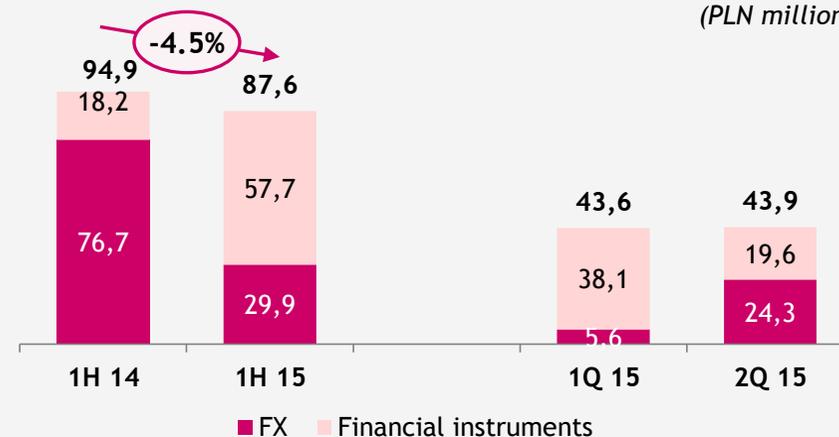
(PLN million)



- Net Commissions Income amounted to PLN 304 million in 1H'15 and decreased by 4.5% vs. 1H'14. Growth of investment products and loans related fees partially offset much lower interchange fees (effect of new regulations).
- Trading income* in 2Q'15 of PLN 44 million was similar to 1Q'15 value and previous quarters level. FX results were negatively influenced by lower spreads on FX mortgage instalments („six-pack”). FX revaluation of derivative instruments causes symmetrical fluctuation between FX results and result on financial instruments.

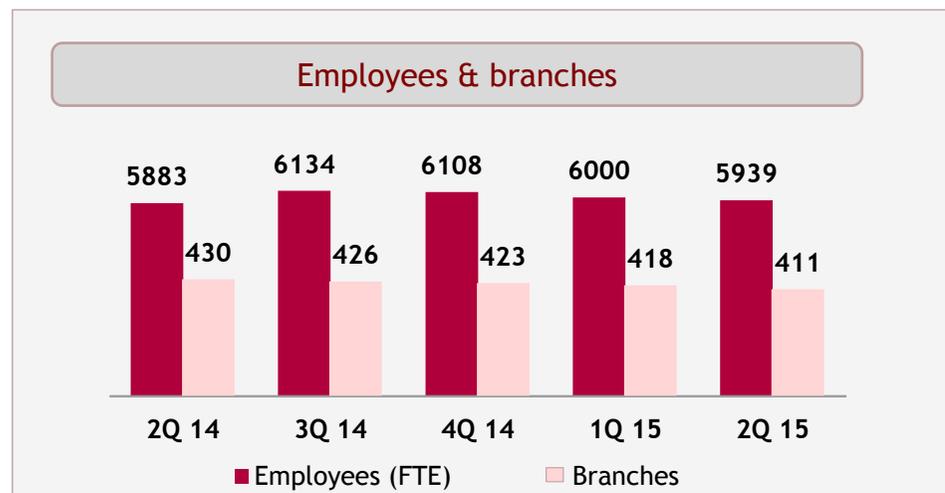
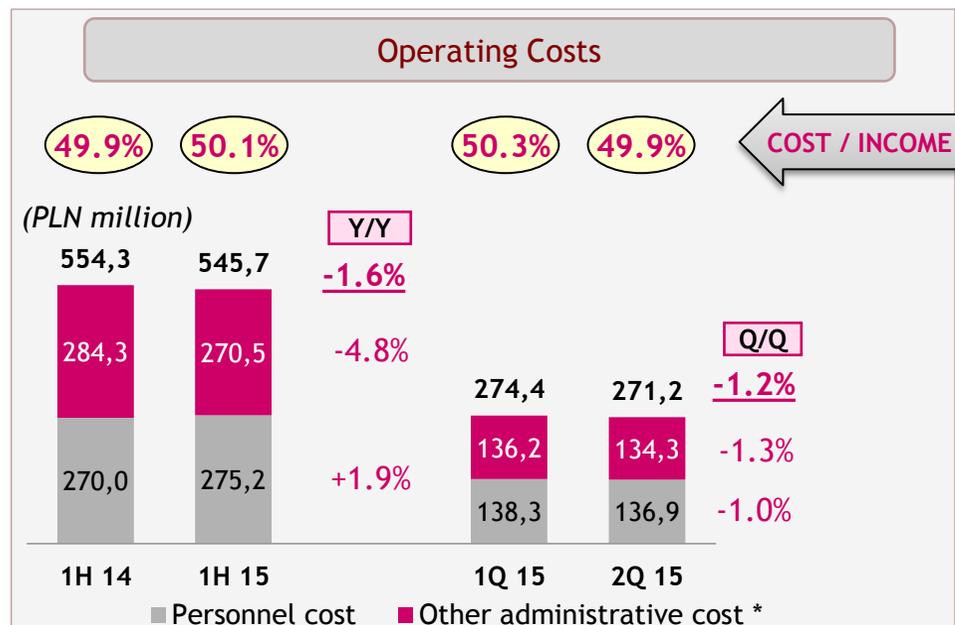
Trading Income*

(PLN million)



* On pro-forma basis: FX income and result on investment and trading financial instruments (including dividends)

Operating Costs and Efficiency Ratio

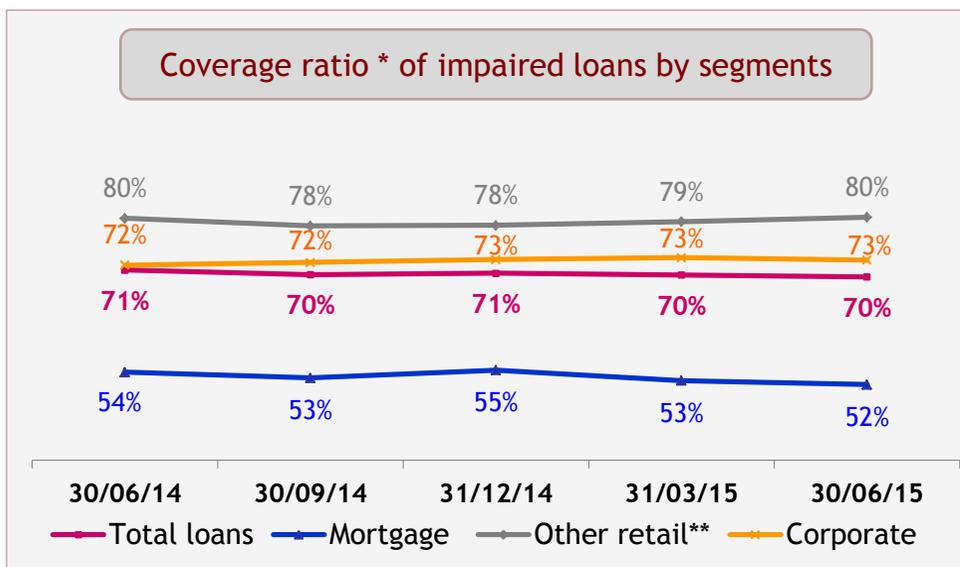
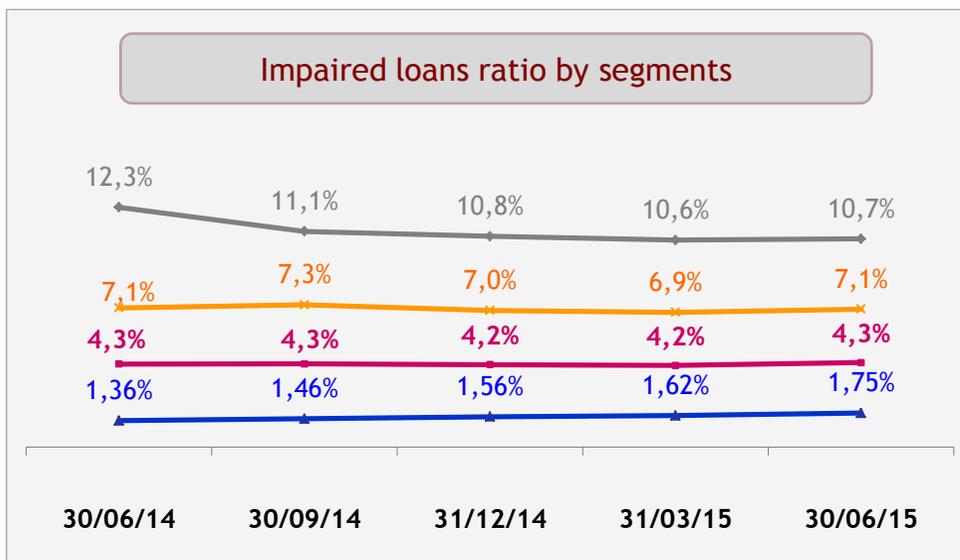


- Total costs in 2Q'15 decreased vs. 1Q'15 1.2%. Costs for entire 1H'15 decreased by 1.6% y/y.
- Personnel costs grew in 1H'15 by 1.9% y/y and decreased slightly in 2Q'15. Other administrative costs fell by 4.8% y/y and by 1.3% q/q.
- Decrease in administrative costs in 1H'15 (even despite higher basic BFG charges**) thanks to lower costs of marketing, external services (such as advisory, legal etc.), IT and branches and depreciation.
- Positive contribution of gradual optimisation of branch network and strengthening of digital channels - in line with updated strategy
- Cost-to-Income ratio at 50% level (49,9% in 2Q'15).

* Including depreciation (PLN 24.4 million in 1H 15 and 12.5 million in 2Q 15).

** Bank Guarantee Fund main yearly fee increased from 0.10 p.p. in 2014 to 0.189 p.p. in 2015.

Asset quality

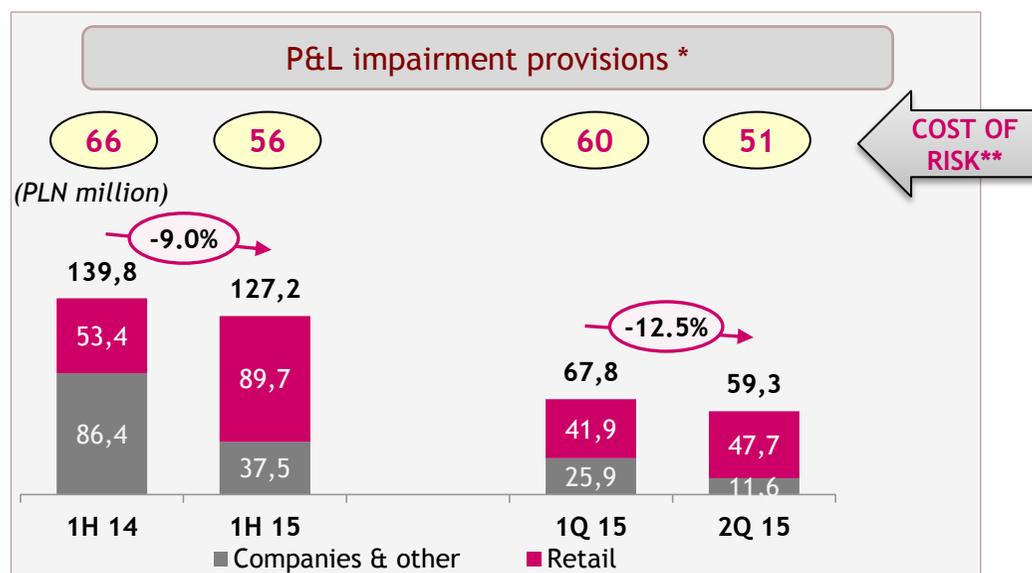


- Impaired loans ratio remain on very low level: 4.3%.
- Mortgage loans show slow increase of impaired ratio (combination of stable increase of new impaired cases and net decrease of portfolio - if not FX effect) due to natural ageing of the portfolio and appreciation of CHF followed by actions taken by banks to ease situation for borrowers. Impaired ratio in CHF mortgage portfolio at 2%.
- Coverage ratio remain on comfortable level of 70%, especially taking into consideration relatively high share of collateralized portfolios (mortgage, leasing).
- Share of loans past-due more than 90 days is at 3% and their coverage is at 102%.

* Coverage of gross impaired loans by total provisions (including IBNR)

**According to internal segment division of the Bank

Cost of Risk

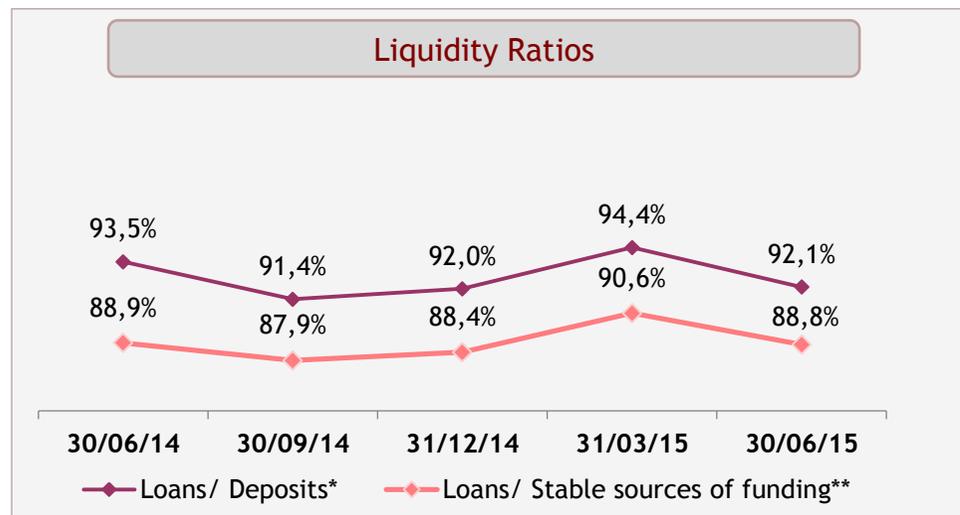
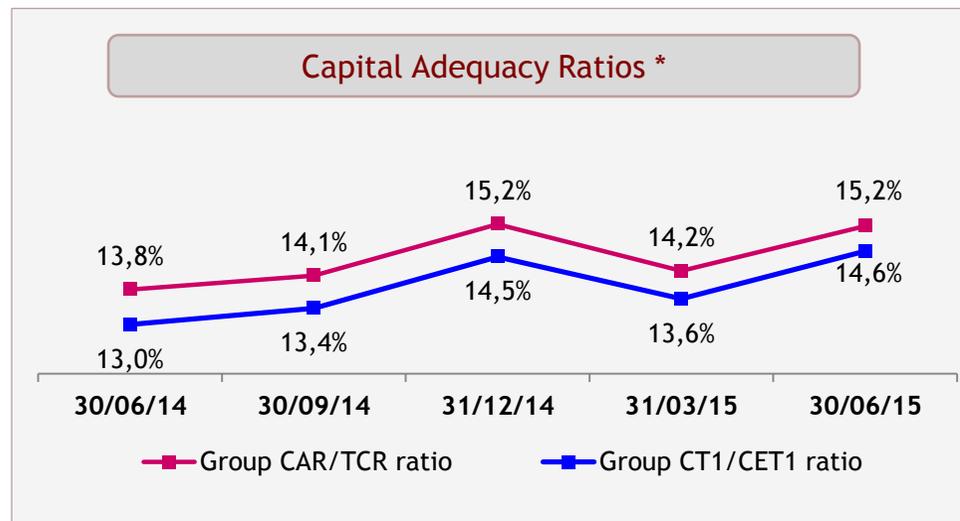


- Provisions for credit risk in 1H'15 (PLN 127.2 million) were lower by 9% than provisions created in 1H'14 and represented 56 bps. of average net loans.
- Following previous quarters trend, bigger part of provisions were created for retail segment (PLN 89.7 million) whereas provisions for corporate segment amounted to PLN 37.5 million.
- Narrowing of difference between cost of risk in corporate and retail segment in 1H'15. Cost of risk in mortgage in 1H'15 was only slightly higher than 2014 average level, in line with slow increase of impaired mortgage loans (mainly in FX loans).

* according to internal segment division of the Bank

** total impairment provisions created (net) to average net loans in given period (in basis points)

Liquidity and Capital Adequacy



- Group Total Capital Ratio (TCR) in June at 15.2% and CET1 at 14.6% - the levels similar as in December'14.
- AGM decision on retention of entire 2014 net profit fully offset the negative effect of CHF appreciation.
- Loan to deposits ratio back at a very comfortable 92% level after strong deposits increase in 2Q'15 by PLN 1.3 bn.
- In June, Bank successfully placed among institutional investors PLN 300 million of 3 year senior bonds, with 120 spread over Wibar - continuing an improvement trend versus previous issues.

* Deposits include Bank's debt securities sold to individuals and repo transactions with customers.

** Deposits plus mid-term debt securities sold to individual and institutional investors (including subordinated debt) and medium-term funding from financial institutions.

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Main business highlights in 1H 2015

**Deposits/accounts/
customers**

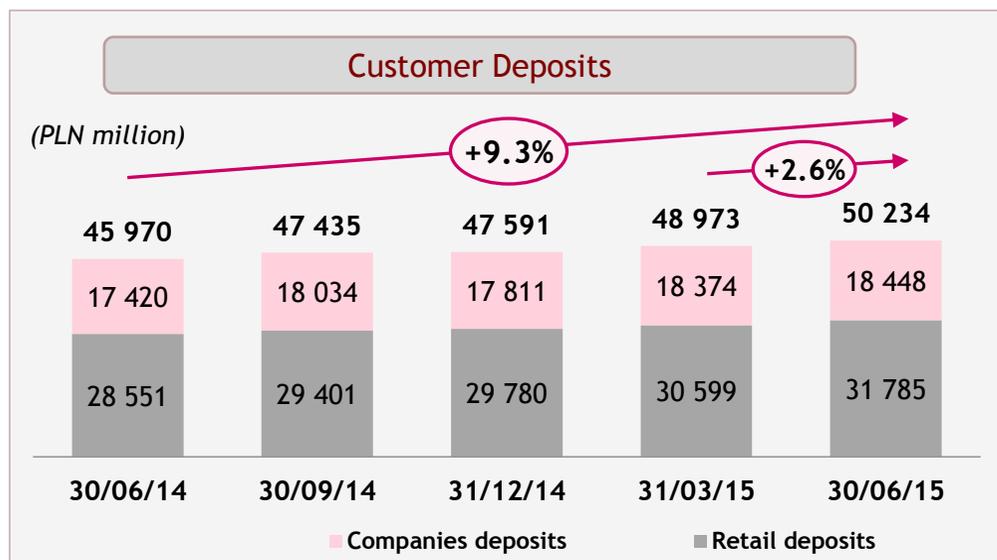
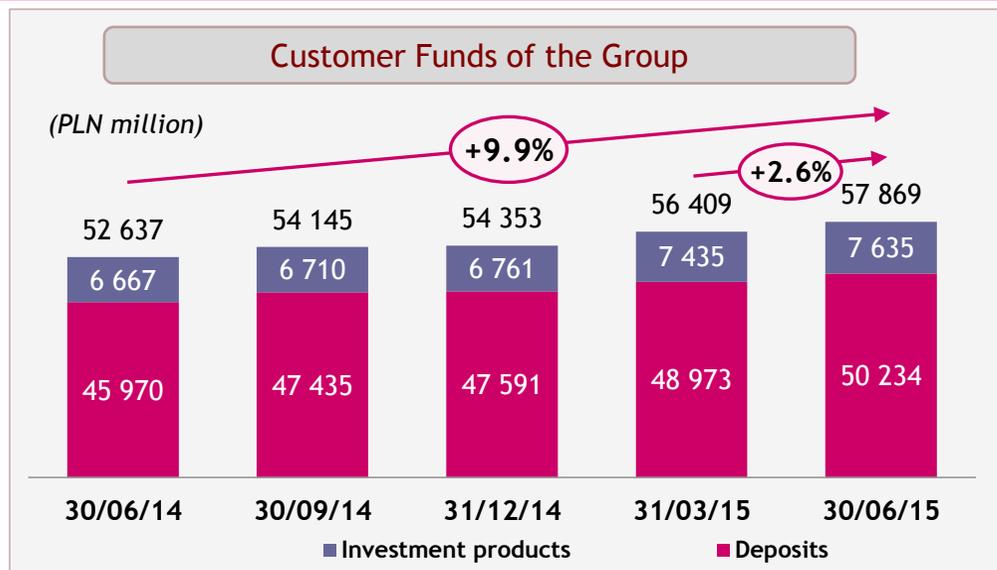
Loans

Digital platform

- PLN 50 billion record level of deposits crossed
- Good sale of non-deposit investment products: + PLN 870 million (+13%) in 1H'15
- 4th place in net yearly increase of PLN current accounts - thanks to new Konto 360° campaign
- Accelerated growth of the number of active customers : 21 thousand more in 2Q 2015
- High level of cash loans sale maintained: PLN 669 million in 2Q
- Traditionally good, double-digit yearly growth in leasing and factoring portfolios
- Mobile applications* active users almost doubled yearly to 279 thousand
- New mobile applications for Android, iOS and Smartwatch

* including lite version

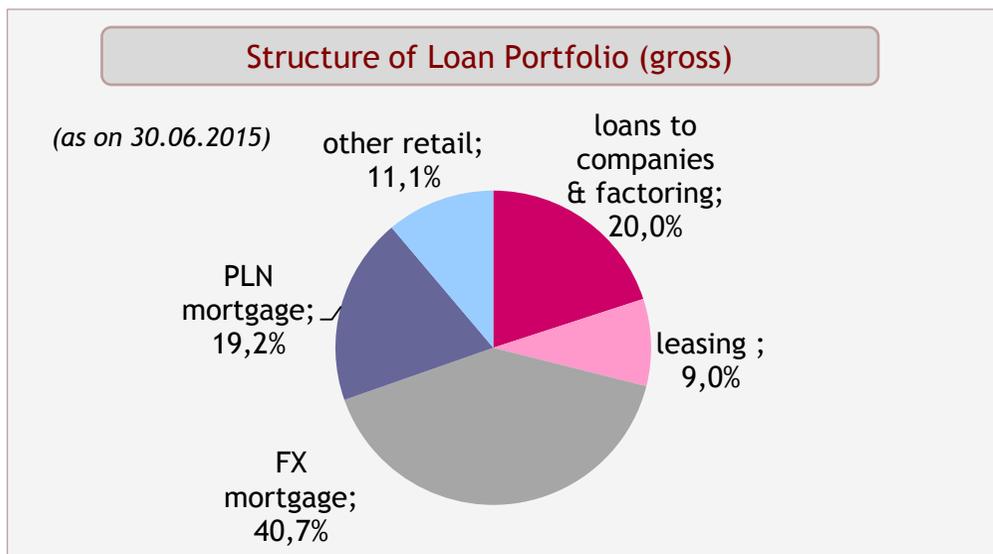
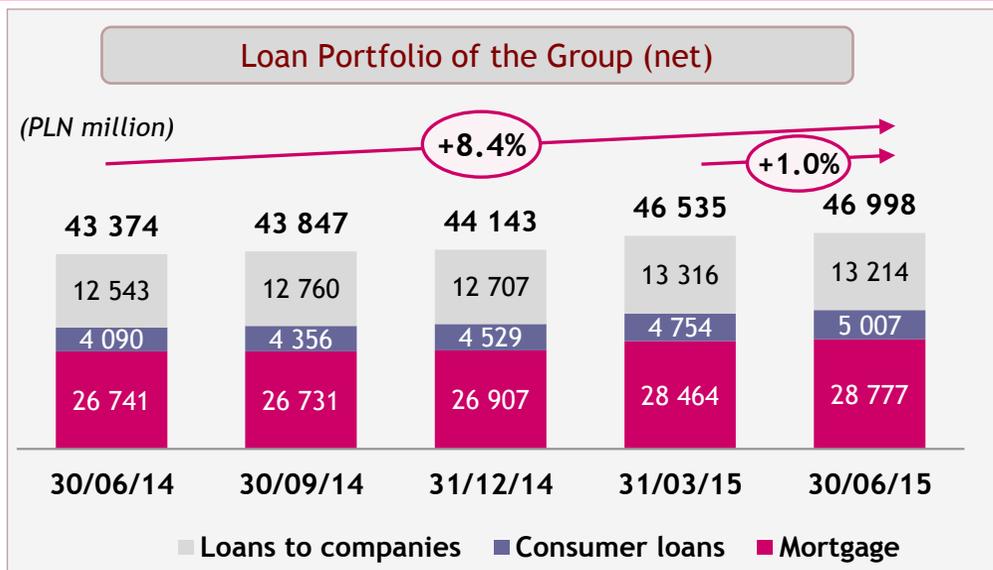
Customer funds



- Customer funds of the Group grew by 9.9% yearly and by 2.6% quarterly.
- Total deposits broke record level of PLN 50 billion, growing by 9.3% y/y and 2.6% q/q.
- Households deposits grew strongly in 2Q by PLN 1.2 billion or 3.9% q/q. The annual growth of this deposits group was also strong: +11.3% y/y.
- Deposits from companies increased by 5.9% yearly.

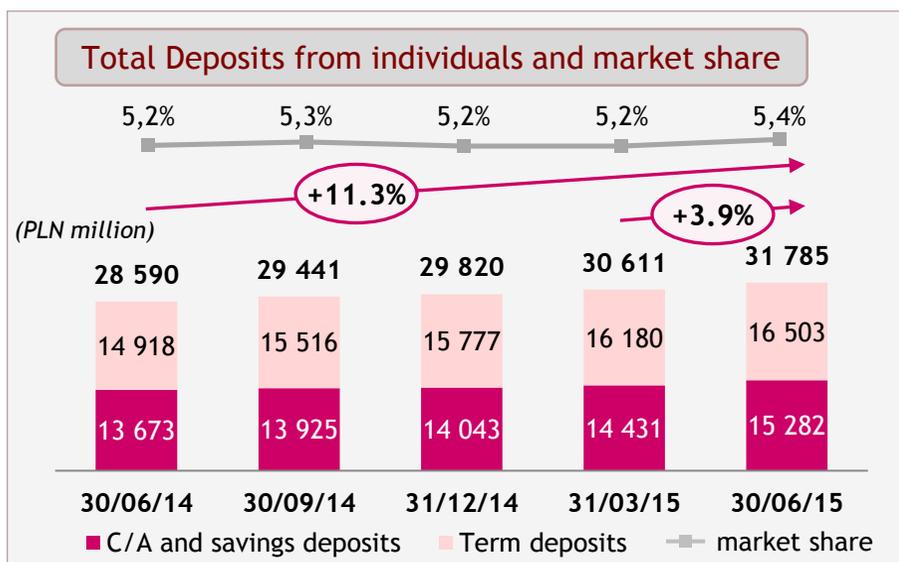
* Include balance of saving-insurance product presented as corporate deposit in the financial statements

Loan portfolio

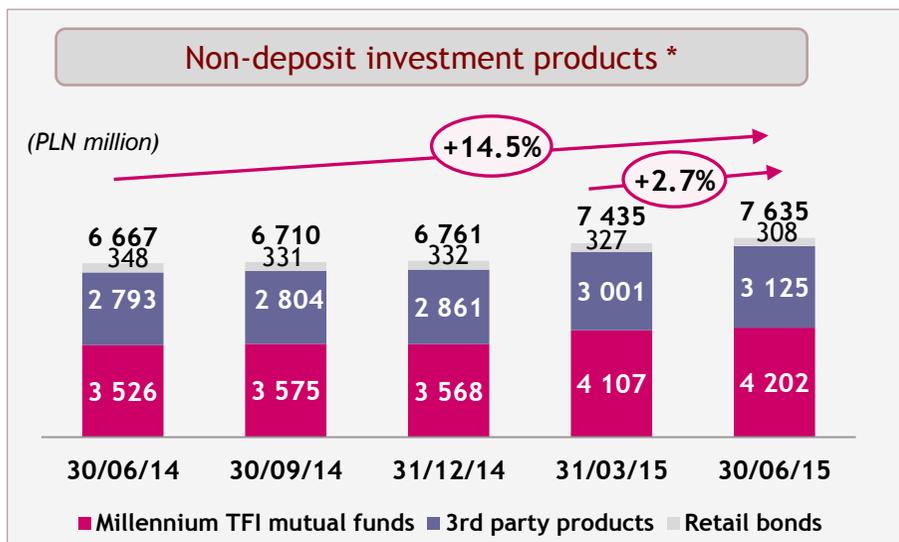


- Total net loans reached PLN 47 billion and increased by 8.4% vs. Jun.14, partly driven by CHF/PLN rate change resulting in FX mortgage portfolio increase.
- Non-mortgage consumer loans grew yearly by 22%.
- Net loans to companies (including leasing) amounted to PLN 13.2 billion, which means a yearly growth of 5.3%.
- Share of FX mortgage loans at 41% level (natural amortization but impact of the increase of CHF/PLN rate by 3.3% during the quarter).

Retail business results - deposits

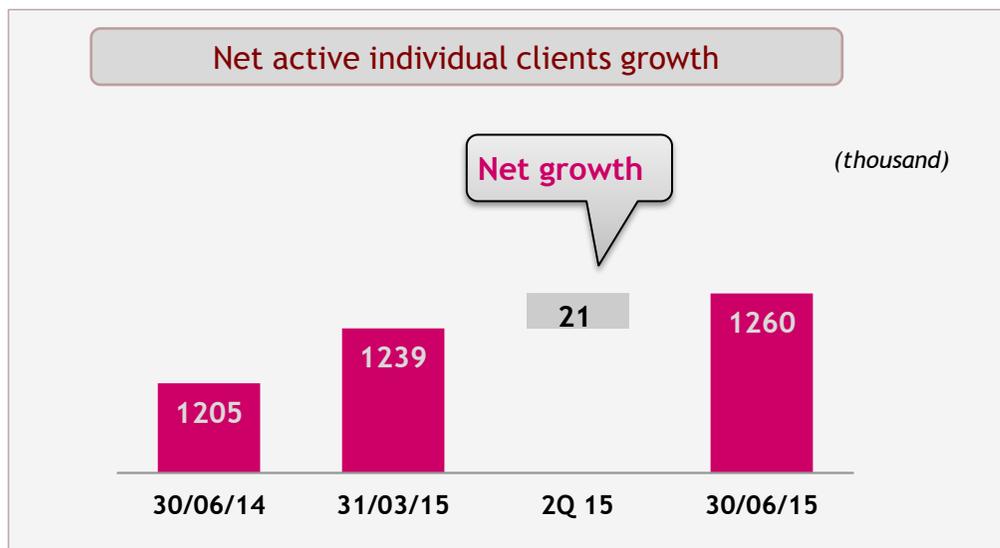
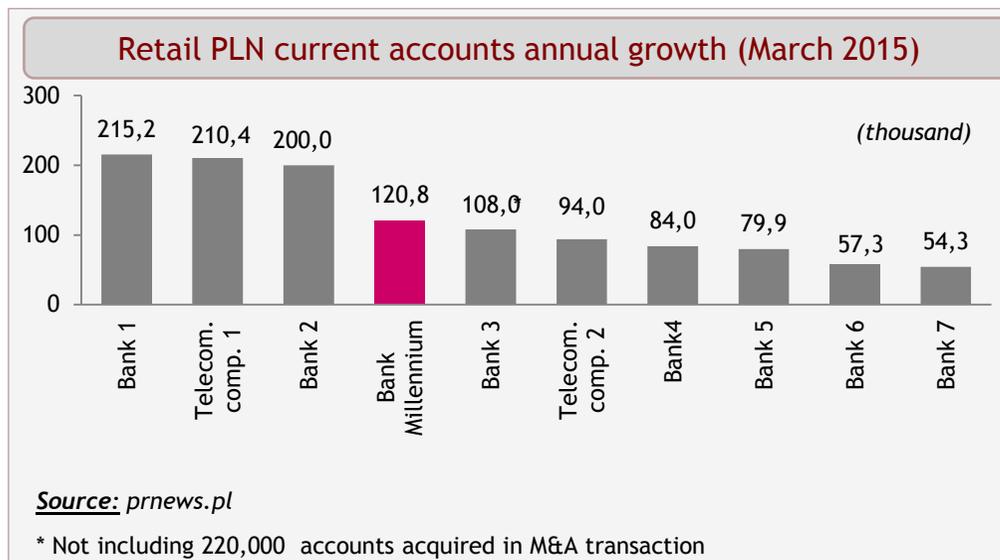


- Retail deposits showed solid growth of 11.3% y/y and 3.9% q/q.
- Current and saving accounts volumes make 48% of total deposits from individuals.
- Non-deposits investment products sold to retail customers grew by PLN 870 million in 1H 2015; yearly growth was +14.5% y/y.



* Include own and third party mutual funds, insurance saving products (SPE, SPUL) and structured bonds/BPWs sold to retail customers

Retail business results - current accounts sale



- Successful acquisition of new current accounts: 133 thousand net increase of PLN accounts in one year time by June'15 (38 thousand in 2Q).
- Bank Millennium ranked 4th on the market in new C/A annual acquisition in March'15 (if not including M&A effect).
- Growth of the number of customers accelerated versus previous quarters: 21 thousand more net active* customers in 2Q 2015.

* Active, according to internal definition of the Bank, are customers with minimum required balance and number of transaction in each month.

Online and mobile platform core competency

Very agile platform and internal capability to deliver new and innovative changes at a fast pace

Client Experience #1 priority, creating value through screen to screen relations

- Simple processes, needs driven,
- First class e-care service,
- Humanizing digital experience with virtual advisor,
- Extensive security mechanism for customers

763k (+ 11% YoY)

Active online retail clients
Very High Satisfaction
levels

279k (+90% YoY)

Mobile App and lite
version active users

99%

Mobile and online transactions (YoY)

25%

Cash loans sales

30%

Overdraft sales

Distinctive
Omnichannel

70% Time deposits

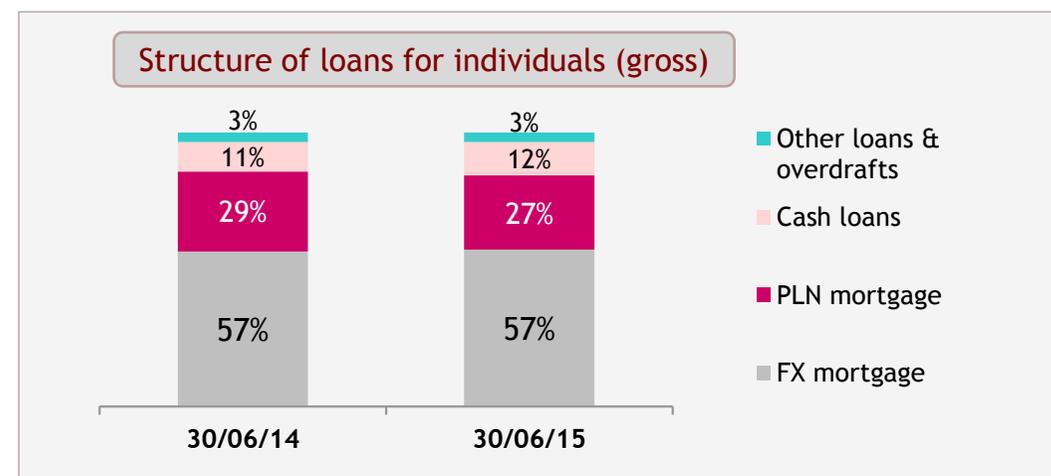
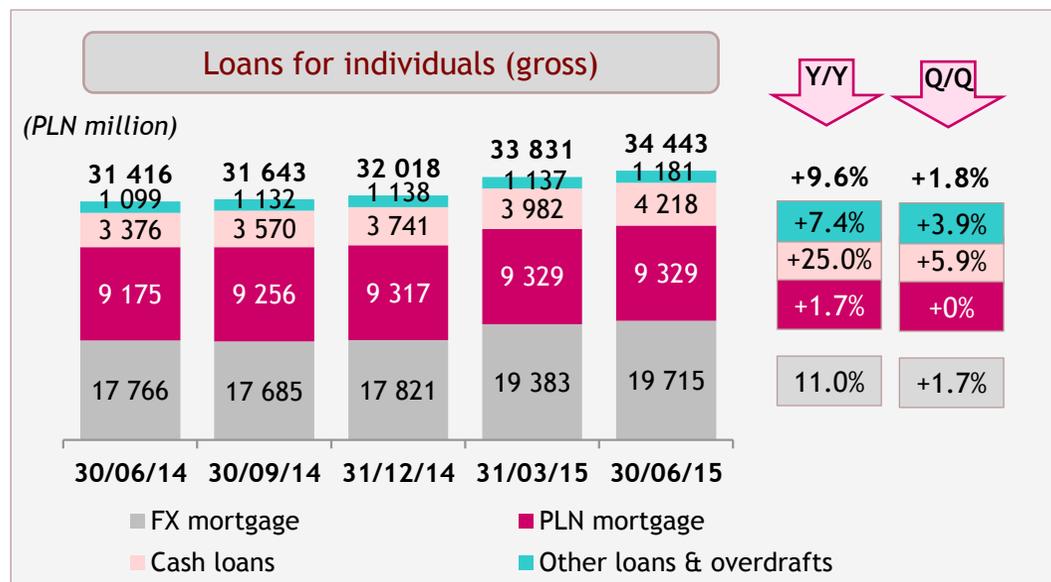
Newsweek Ranking
Leader

Continuous innovation

- **New mobile applications for Android and iOS:**
 - ✓ Complete redesign of apps
 - ✓ Shortcuts to the most frequent transactions
 - ✓ Personalization based on customer needs
 - ✓ Checking balance with widgets without login
 - ✓ Fingerprint login
 - ✓ QR codes payments
 - ✓ Loyalty cards wallet
 - ✓ Easy accessible BLIK payments within app
- **Application for Smartwatch**
- Innovative Cash loan and Credit card process for new customers,
- Improvements of current account online process (online delivery of card with agreements)

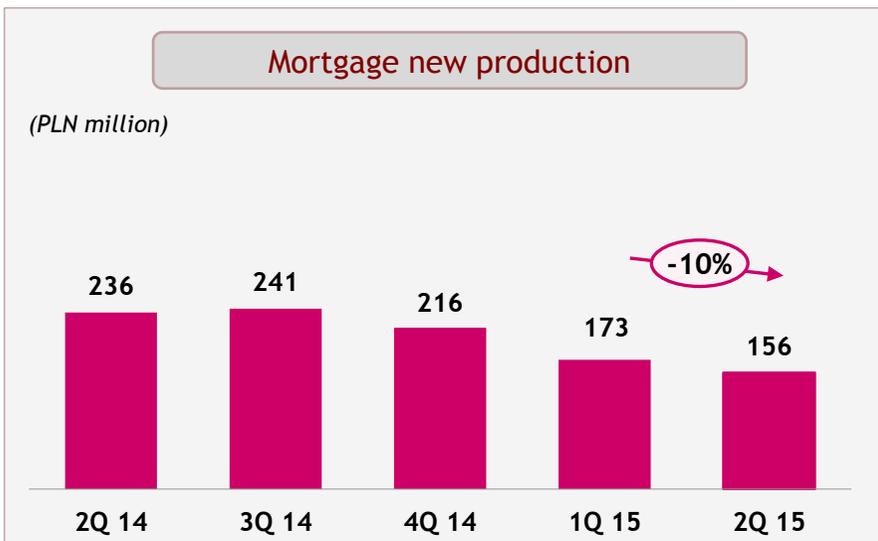
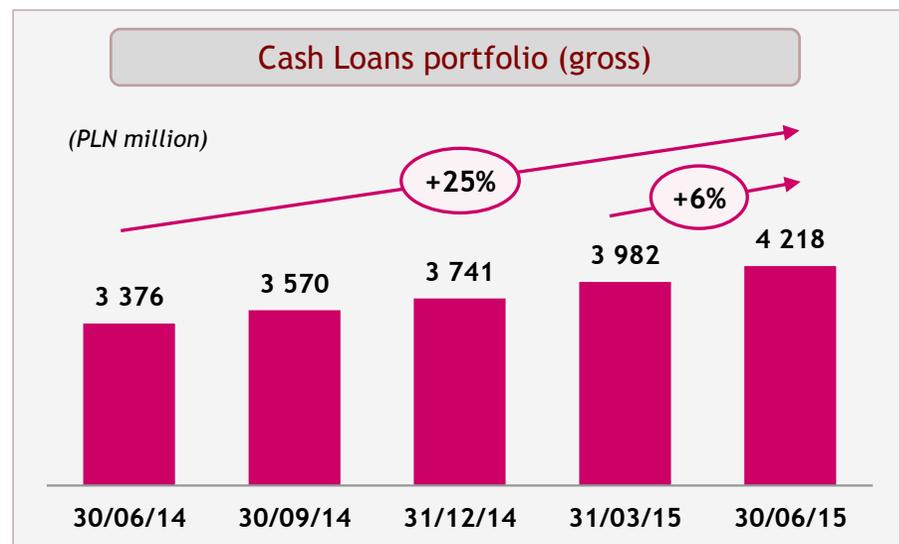
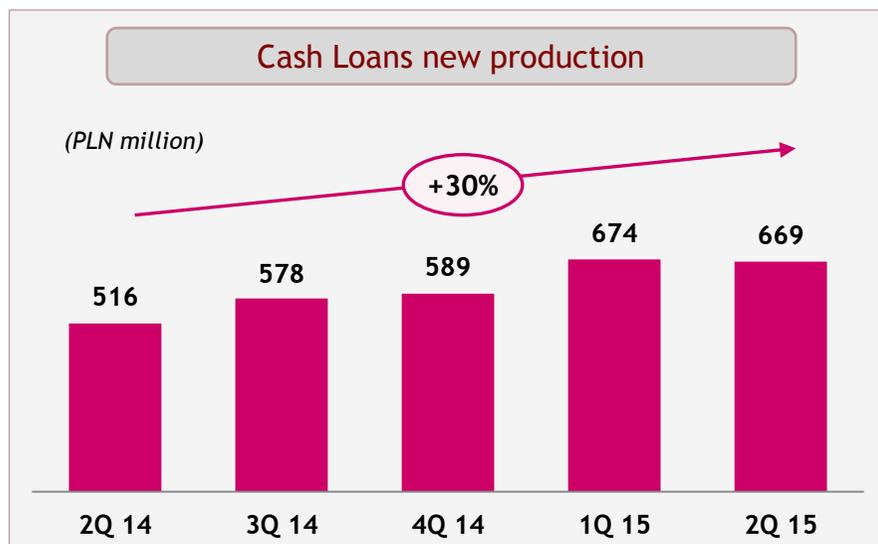


Retail business results - loan portfolio



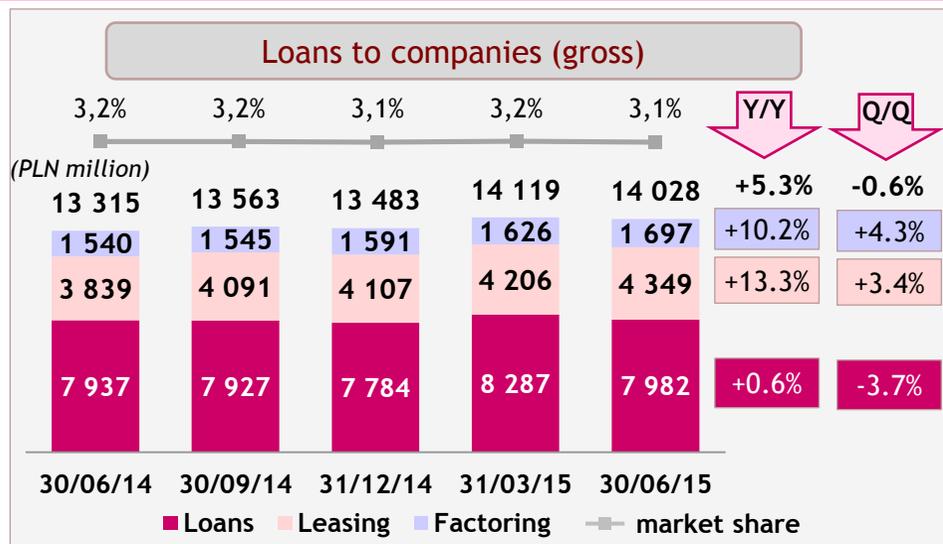
- Loans to individuals (gross) grew by 9.6% y/y which was partly influenced by growth of CHF mortgage loans. Notwithstanding this, the PLN portfolio alone grew by 7.9% y/y.
- Cash loans portfolio continued its strong growth pace: +25% yearly; other consumer loans presented considerable growth of +7.4% y/y.
- Market share in non-mortgage retail loans continues to solidly increase, reaching 3.9% in June 2015.
- Mortgage loans in PLN grew by 1.7% yearly; growth of FX portfolio was entirely caused by the increase of CHF/PLN exchange rate.

Retail business results - cash and mortgage loans



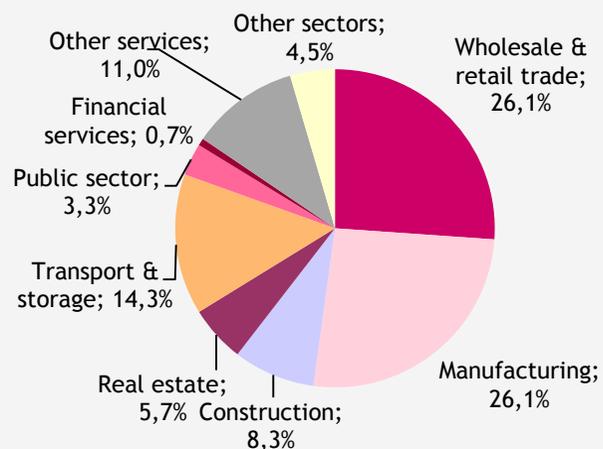
- Record level of cash loans sale kept; 30% growth y/y translates into fast pace of cash loans portfolio growth: +25% y/y and 5.9% q/q.
- Vast majority of cash loans are sold to existing customers.
- The new mortgage loans sales stay at relatively low levels allowing a gradual change in the asset mix as targeted.

Companies business results - loans and deposits

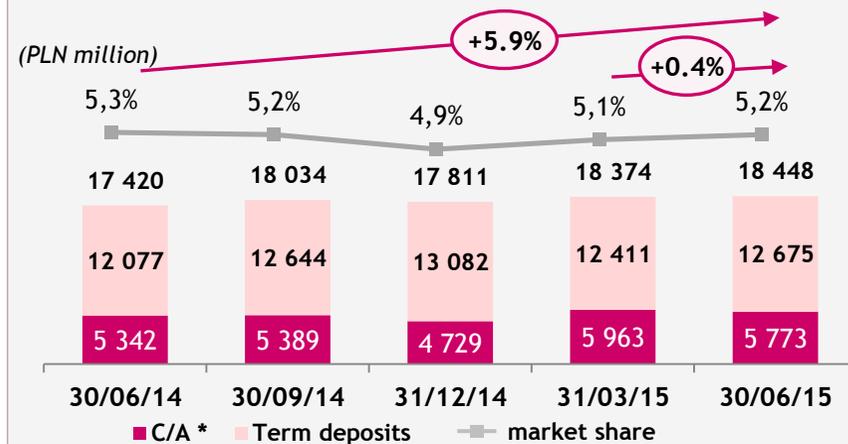


- Loans to companies (gross) grew by 5.3% yearly, mostly driven by strong growth of factoring and leasing portfolios: +10.2% and +13.3% y/y respectively.
- Lower growth in other companies loans caused by a relevant repayment in 2Q.
- Companies deposits increased by 5.9% y/y, of which current accounts deposits by 8.1% y/y.

Structure of corporate loan portfolio (gross)

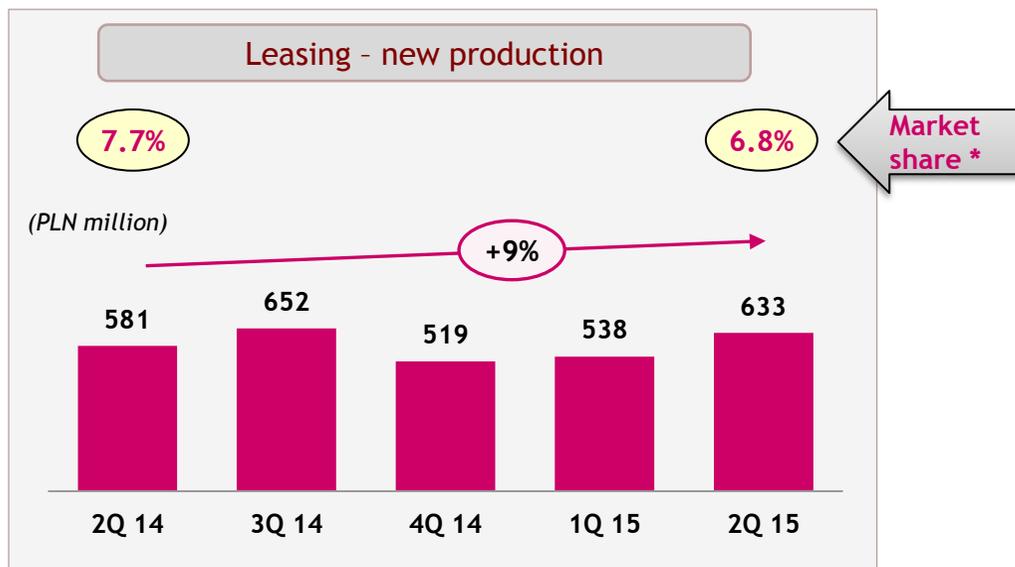


Deposits from companies and market share

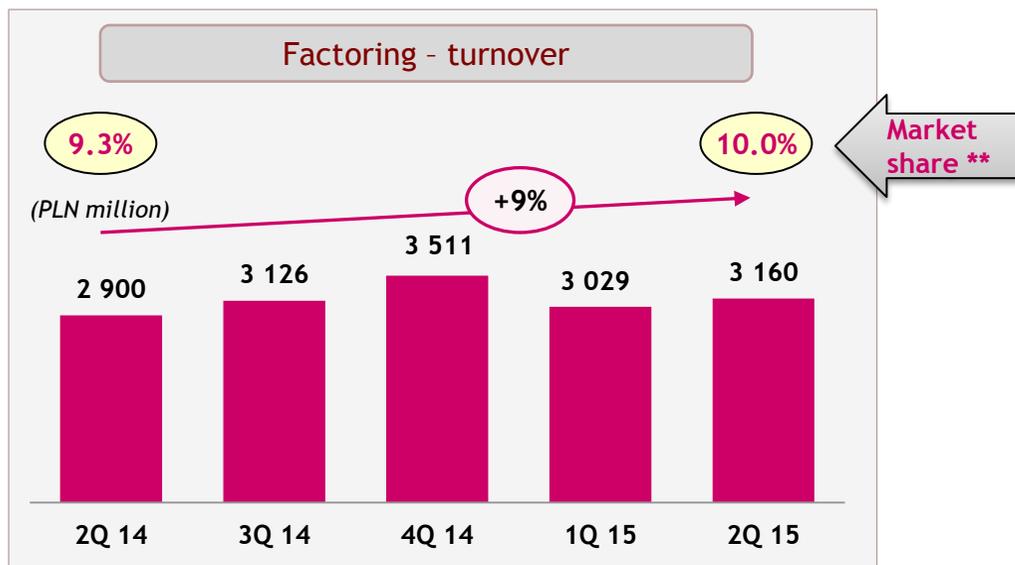


* including overnight deposits

Companies business results - leasing and factoring



- Leasing sales in 2Q'15 at PLN 633 million that is 9% higher yearly. Millennium Leasing keeps high position in top 5 leasing companies in Poland with market share* at around 7%.



- The quarterly value of factoring turnover grew yearly by 9% and reached PLN 3.2 billion in 2Q'15. It translated into high market share** of 10% and fifth position among Polish factors.

* Bank's estimations based on ZPL data (commitments), y-t-d data

** Based on PZF and other banks data, y-t-d data

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Major awards and achievements in 1H 2015

Bank Millennium „Bank on Quality”



- Bank Millennium won in the fourth “Bank on Quality” survey carried out by the TNS Polska research agency. The „Mystery Shopper” survey was carried out in 1483 randomly selected bank branches. The survey looked at offers of main personal account to young people and at evaluation process of customer needs carried out by a bank officer. Bank Millennium won with 87.4 points (out of maximum of 100).

Bank Millennium 2015 Service Quality Star



- For the fourth time Bank Millennium has been honoured with the prestigious title of **Service Quality Star**. The award is given on the basis of consumer votes in the Polish Service Quality Programme, collected through entire year on www.jakoscobslugi.pl, also by smartphone applications.

Bank Millennium 2015 „Wallet of the year Wprost weekly”

- Bank Millennium won the 2015 „Wallet of the Year Wprost weekly,, in the category "Credit Card: Individual". The Alpha Millennium card has been highly praised. The winners ranking were selected in a two stage study, which evaluated were primarily: brand recognition, matching the offer to the market needs a clear offer to the customer, fees and commissions, customer service, loyalty and loyalty policy and trust of clients.

Bank Millennium Lokata Kompletna deposit ranked 1st by Total Money

- Lokata Kompletna is another product, after Konto Oszczędnościowe (Saving Account), to be ranked as a leader by Total Money portal. **Lokata Kompletna was No. 1** on June list of 12-month term deposits and No. 2 among 6-month deposits. The 12-month Lokata Kompletna term deposit offered 2.80% during first 6 months and then 2.30% during next 6 months with the possibility of premature withdrawal of money without losing interest. Total Money compares 1-, 3-, 6- and 12-month term deposits in the amount of PLN 5,000 in two categories: for new customers and new money as well as standard deposits for both new as well as existing customers of banks.

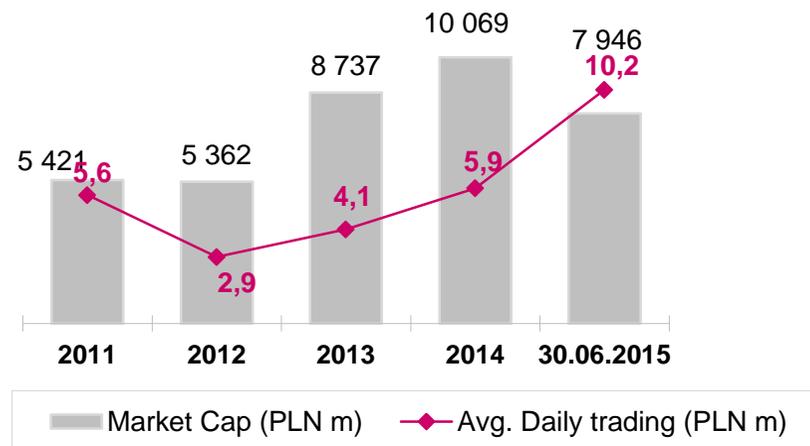
Bank Millennium CSR Silver Leaf 2015



- Bank Millennium was awarded the **CSR Silver Leaf** in a survey made by Polityka weekly and Deloitte consulting company. The survey was based on guidelines provided by the ISO 26000 social responsibility international standard covering seven areas: Human Rights, Consumer Issues, Labour Practices, Organisational Governance, Environment, Fair Operating Principles and Community Involvement and Development.

Bank Millennium share performance

MARKET CAP/LIQUIDITY



GENERAL INFORMATION ON BANK MILLENNIUM SHARES

- **No of shares:** 1 213 116 777 (listed 1 213 007 541)
- **Listed:** on Warsaw Stock Exchange since August 1992
- **Indices:** WIG, mWIG40, WIG Banks, RESPECT Index, MSCI PL, FTSE GEM
- **Tickers:** ISIN: PLBIG0000016, **Bloomberg:** MIL PW, **Reuters:** MILP.WA

| Share price evolution till 30-06-2015 (PLN 6.6) | Share price change |
|---|--------------------|
| 1 month | -8,1% |
| Annual | -15,7% |

Annual stock performance vs. main indices (as on 30.06.2015.)



Recent weak performance of Polish banks (and Bank Millennium) shares was driven by:

- Uncertainty concerning possible regulatory interventions towards banks with CHF mortgages (additional capital requirements and/or potential obligation of CHF mortgage conversions with losses for banks)
- Possible additional future charges on banks, including higher BFG contribution and new taxes
- Volatility in the financial and capital markets in connection with difficult situation in Greece.

Relation with mortgage loan borrowers

The Bank fully implemented a set of „**Six-pack solution**” recommended by Polish Banking Association (ZBP) in order to mitigate negative impact of CHF appreciation, stabilize the level of loans instalments and support clients with the difficult financial standing:

1. Applying negative LIBOR rate*: since 1st January this year, the loans indexed to CHF LIBOR have the interest rate calculated based on a negative LIBOR3M. In 2Q Bank was using CHF negative LIBOR3M of -0.814% and since 1 July 2015 the Bank applies the rate of -0.789%.
2. Temporary decrease of the FX conversion spread for CHF loans,
3. Extension on the Client's request the period of repayment or temporary suspension of the repayment of the capital instalment,
4. Resignation from demanding new collateral and loan insurance,
5. Enabling loan conversion at the average NBP rate,
6. Relaxing conditions of restructuring mortgage loans for clients occupying credited real estate

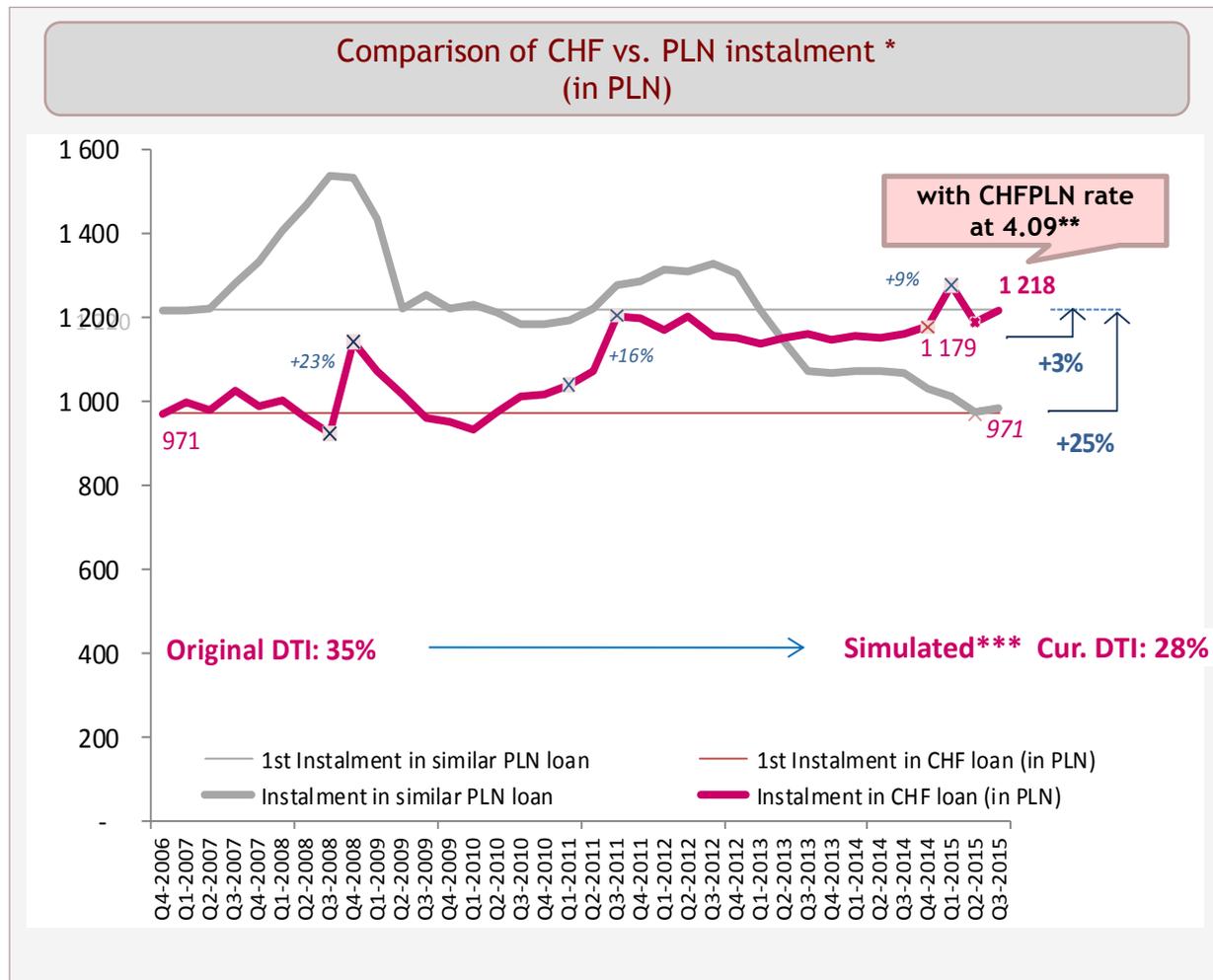
11 banks gave in March proposal to create two funds aimed at addressing CHF existing and future risks:

1. "**Mortgage Restructuring Fund**„ (FWRKH) to help all mortgage borrowers (also in PLN) being in troubled situation and meeting certain social criteria.
2. "**Sector Stability Fund**„ (SFS) to be addressed to other CHF mortgage borrowers to stabilize level of monthly instalments in case of sudden CHF surge, but in exchange would agree to convert a loan to PLN when CHFPLN rate hits a specific, lower level.

Additionally, Bank Millennium continues to be flexible in accepting change of collateral under the same mortgage loan (as long as LTV ratio does not deteriorate) and is providing to its customers different alternatives in case they want to decrease partially or totally the FX risk associated with the loan through preferential PLN mortgage conditions in case of partial or full conversion to PLN or early partial repayment.

* Legally, total interest cannot be lower than zero. Nevertheless, the Bank introduced since 1 April an additional payment to the instalment for a CHF borrower with sum of spread and reference rate at a negative value. This payment will be valid till 31 December 2015.

Mortgage loans- evolution of CHF instalments



- CHF rate surge in January caused a temporary growth of mortgage instalments, which was lower than scale of increases that occurred during 2008 and 2011 years.
- Instalments in 2Q and 3Q'15 are benefiting from record low level of CHF Libor, which almost fully compensate (to most of clients) the FX effect.
- Thanks to wage increase in Poland since the origination of FX loans, the burden of current instalment may be even lower than at the origination (measured by the simulated DTI ratio***).
- Current level of CHF instalment is still lower than the historical peak levels for the PLN borrowers.

* Simulation for a loan using average age, maturity, amount and spread of current CHF mortgage portfolio ** CHF/PLN sell rate used by the Bank on the last day of 2Q
 *** Simulated Current DTI (Debt service To Income ratio) is based on Initial DTI with the new Instalment amount and the Income updated based on National wages growth

Synthetic P&L account (pro-forma)

| <i>(PLN million)</i> | 1H 2014 | 1H 2015 | 1Q 2015 | 2Q 2015 |
|----------------------------------|----------------|----------------|---------------|---------------|
| | pro-forma | pro-forma | pro-forma | pro-forma |
| Net interest income* | 733,9 | 699,5 | 351,1 | 348,4 |
| Net commission income | 318,6 | 304,1 | 156,7 | 147,4 |
| Other non-interest income ** | 58,9 | 85,6 | 37,7 | 47,9 |
| Operating Income | 1 111,4 | 1 089,2 | 545,5 | 543,7 |
| General and administrative costs | -527,6 | -521,2 | -262,5 | -258,7 |
| Depreciation | -26,7 | -24,4 | -11,9 | -12,5 |
| Total operating costs | -554,3 | -545,7 | -274,4 | -271,2 |
| Net provisions | -139,8 | -127,2 | -67,8 | -59,3 |
| Operating profit | 417,3 | 416,4 | 203,3 | 213,1 |
| Pre-tax profit | 417,3 | 415,0 | 201,8 | 213,1 |
| Income tax | -97,2 | -87,2 | -39,3 | -47,9 |
| Net profit | 320,1 | 327,8 | 162,6 | 165,2 |

(*) Pro-forma data. Margin from all derivatives, including those hedging FX denominated loan portfolio, is presented in Net Interest Income, whereas in accounting terms part of this margin (PLN 2.7 million in 1H 2014 and PLN 33.7 million in 1H 2015) is presented in Result on Financial Operations.

(**) includes FX results, results on financial operations (pro-forma) and net other operating income and costs

| <i>(PLN million)</i> | 1H 2014 | 1H 2015 | 1Q 2015 | 2Q 2015 |
|---|---------|---------|---------|---------|
| Net interest income (reported under IFRS) | 731,2 | 666,7 | 333,3 | 333,4 |

Business segments results

| (PLN million) | Retail segment | | | Companies segment | | | Treasury, ALM and other | | |
|-----------------------------------|----------------|---------------|---------------|-------------------|---------------|---------------|-------------------------|--------------|--------------|
| | 1H 2014 | 1H 2015 | change | 1H 2014 | 1H 2015 | change | 1H 2014 | 1H 2015 | change |
| Net interest income | 572,5 | 530,4 | -7,3% | 162,4 | 130,7 | -19,5% | -3,7 | 5,6 | - |
| Net commission income | 246,9 | 229,1 | -7,2% | 69,2 | 69,8 | 1,0% | 2,6 | 5,2 | 105,3% |
| Other income * | 41,2 | 24,3 | -41,0% | 22,4 | 26,1 | 16,5% | -2,0 | 67,9 | - |
| Total operating income | 860,6 | 783,8 | -8,9% | 253,9 | 226,6 | -10,7% | -3,1 | 78,8 | - |
| Total operating expense ** | -424,0 | -415,9 | -1,9% | -103,4 | -103,1 | -0,2% | -26,9 | -26,7 | -0,8% |
| Net provisions | -53,3 | -89,7 | 68,4% | -86,2 | -37,5 | -56,5% | -0,3 | 0,0 | - |
| Pre-tax income | 383,3 | 278,2 | -27,4% | 64,3 | 86,0 | 33,8% | -30,3 | 50,7 | - |

(*) including FX income

(**) without impairment charges

Balance Sheet

| ASSETS | (PLN million) | 30/06/2014 | 31/12/2014 | 30/06/2015 |
|--|---------------|-------------------|-------------------|-------------------|
| Cash and balances with the Central Bank | | 2 607 | 2 612 | 1 939 |
| Loans and advances to banks | | 2 137 | 2 385 | 3 736 |
| Loans and advances to customers | | 43 374 | 44 143 | 46 998 |
| Amounts due from reverse repo transactions | | 319 | 156 | 131 |
| Debt securities | | 9 421 | 10 176 | 14 651 |
| Derivatives (for hedging and trading) | | 486 | 502 | 416 |
| Shares and other financial instruments | | 6 | 10 | 16 |
| Tangible and intangible fixed assets | | 198 | 213 | 199 |
| Other assets | | 682 | 544 | 791 |
| TOTAL ASSETS | | 59 231 | 60 740 | 68 877 |

| LIABILITIES AND EQUITY | (PLN million) | 30/06/2014 | 31/12/2014 | 30/06/2015 |
|---|---------------|-------------------|-------------------|-------------------|
| Deposits and loans from banks | | 2 169 | 2 037 | 2 153 |
| Deposits from customers | | 45 970 | 47 591 | 50 234 |
| Liabilities from repo transactions | | 679 | 60 | 3 364 |
| Financial liabilities at fair value through P&L and hedging derivatives | | 1 577 | 2 020 | 3 537 |
| Liabilities from securities issued | | 1 623 | 1 739 | 1 814 |
| Provisions | | 94 | 99 | 70 |
| Subordinated liabilities | | 625 | 640 | 629 |
| Other liabilities | | 1 060 | 789 | 1 052 |
| TOTAL LIABILITIES | | 53 796 | 54 975 | 62 854 |
| TOTAL EQUITY | | 5 435 | 5 765 | 6 023 |
| TOTAL LIABILITIES AND EQUITY | | 59 231 | 60 740 | 68 877 |

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