

The Bank Millennium S.A. Capital Group

Registered auditor's report on the audit of the consolidated
financial statements
for the year from 1 January to 31 December 2015

Registered auditor's report on the audit of the consolidated financial statements for the year from 1 January to 31 December 2015

To the General Shareholders' Meeting and the Supervisory Board of Bank Millennium S.A.

This report contains 17 consecutively numbered pages and consists of:

	Page
I. General information about the Group.....	2
II. Information about the audit.....	6
III. The Group's results, financial position and significant items of consolidated financial statements	7
IV. The independent registered auditor's statement	15
V. Final information	17

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements for the year from 1 January to 31 December 2015

I. General information about the Group

- a. The parent company of the Bank Millennium S.A. Capital Group ('the Group') is Bank Millennium S.A. ('the Bank', 'the Parent Company') with its seat in Warsaw, Stanisława Żaryna 2a street.
- b. The Parent Company was formed on the basis of a Notarial Deed drawn up on 7 June 1989 at the State Notary Public's Office in Warsaw and registered with Rep. A No. V-9539/89. On 7 May 2001, the Parent Company was entered in the Register of Businesses maintained by the District Court in Warsaw, XIX Business Department of the National Court Register, under the name of BIG Bank Gdański Spółka Akcyjna w Warszawie, with the reference number KRS 0000010186.
- c. The Parent Company was assigned a tax identification number (NIP) 526-02-12-931 for the purpose of making tax settlements and a REGON number 001379728 for statistical purposes.
- d. As at 31 December 2015 the Parent Company's share capital amounted to PLN 1,213,116,777 and consisted of 1,213,116,777 shares, with a nominal value of PLN 1 each.
- e. As at 31 December 2015, the Parent Company's shareholders were:

Shareholder's name	Number of shares held	Par value of shares held (PLN)	Type of shares held	Votes (%)
Banco Comercial Portugues S.A.	607.771.505	607.771.505	ordinary	50.1
Nationale-Nederlanden Otwarty Fundusz Emerytalny	115.615.810	115.615.810	ordinary	9.5
AVIVA Otwarty Fundusz Emerytalny AVIVA BZ WBK	78.310.605	78.310.605	ordinary	6.5
Other shareholders	411.356.657	411.356.657	ordinary	33.9
Other shareholders	62.200	62.200	preference	-
	<u>1.213.116.777</u>	<u>1.213.116.777</u>		<u>100.0</u>

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements
for the year from 1 January to 31 December 2015

I. General information about the Group (cont.)

As at 31 December 2014, the Parent Company's shareholders were:

Shareholder's name	Number of shares held	Par value of shares held (PLN)	Type of shares held	Votes (%)
Banco Comercial Portugues S.A.	794.751.136	794.751.136	ordinary	65.5
ING Otworthy Fundusz Emerytalny	95.521.053	95.521.053	ordinary	7.9
Other shareholders	322.782.388	322.782.388	ordinary	26.6
Other shareholders	62.200	62.200	preference	-
	<u>1.213.116.777</u>	<u>1.213.116.777</u>		<u>100.0</u>

f. In the audited year, the Group's operations comprised:

- banking activity,
- leasing activity,
- factoring activity
- brokerage activity,
- capital activity,
- investment funds management.

g. During the audited year, the Management Board of the Parent Company comprised:

- | | |
|---|--|
| • Joao Nuno Lima Bras Jorge | President of the Management Board |
| • Fernando Maria Cardoso Rodrigues Bicho | Vice President of the Management Board |
| • Wojciech Haase | Member of the Management Board |
| • Andrzej Gliński | Member of the Management Board |
| • Maria Jose Henriques Barreto De Matos De Campos | Member of the Management Board |
| • Michał Gajewski | Member of the Management Board from 24.04.2015 r. |
| • Artur Klimczak | Vice President of the Management Board to 24.04.2015 |
| • Julianna Boniuk-Gorzelańczyk | Member of the Management Board to 21.05.2015 r. |

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial statements
for the year from 1 January to 31 December 2015

I. General information about the Group (cont.)

As at 31 December 2015, the Bank Millennium S.A. Capital Group comprised the following entities:

Name	Nature of equity relationship (interest in %)	Consolidation method	Auditor of the financial statements	Type of opinion	Balance sheet date
Millennium Leasing Sp. z o.o.	100	Full	PricewaterhouseCoopers Sp. z o.o.	As at the date of this report audit has not been completed	31 December 2015
Millennium Dom Maklerski S.A.	100	Full	PricewaterhouseCoopers Sp. z o.o.	As at the date of this report audit has not been completed	31 December 2015
Millennium TFI S.A.	100	Full	PricewaterhouseCoopers Sp. z o.o.	As at the date of this report audit has not been completed	31 December 2015
MB Finance AB	100	Full	Deloitte AB	As at the date of this report audit has not been completed	31 December 2015
Millennium Service Sp. z o.o.	100	Full	PricewaterhouseCoopers Sp. z o.o.	As at the date of this report audit has not been completed	31 December 2015
TBM Sp. z o.o.	100	Full	no audit required	no audit required	31 December 2015
Millennium Telecommunication Services Sp. z o.o.	100	Full	no audit required	no audit required	31 December 2015
Lubuskie Fabryki Mebli S.A. (in liquidation)	50 + 1 share	Equity method (*)	Biuro Biegłego Rewidenta Stefania Bukowska	As at the date of this report audit has not been completed	31 December 2015
BG Leasing S.A. in bankruptcy	74	Historical cost method (*)	no audit required	no audit required	31 December 2015

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements
for the year from 1 January to 31 December 2015

I. General information about the Group (cont.)

- h. During the financial year, the following changes took place in the scope of consolidation:
- in February 2015, Extraordinary General Assembly of Lubuskie Fabryki Mebli S.A. in Świebodzin, adopted resolution of dissolution of the company and opening of its liquidation process;
 - as a result of the completion of securitization transactions and the related financial instruments in the second quarter 2015, the Group ceased to consolidate the special purpose vehicle Orchis Sp. z o.o., which was created for the needs of a securitisation transaction conducted by the Group in 2007. The Company controlled by Bank used to be consolidated, even though the Group had no capital commitment.
- i. The Parent Company is an issuer of securities admitted for trading on the Warsaw Stock Exchange and in accordance with the Accounting Act prepares consolidated financial statements in accordance with IFRS as adopted by the European Union.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements
for the year from 1 January to 31 December 2015

II. Information about the audit

- a. The audit of the consolidated financial statements as at and for the year from 1 January to 31 December 2015 was conducted by PricewaterhouseCoopers Sp. z o.o. with its seat in Warsaw, Al. Armii Ludowej 14, registered audit company no. 144. The audit was conducted on behalf of the registered audit company under the supervision of the key registered auditor, the Group's registered auditor Agnieszka Accordi-Krawiec (no. 11665).
- a. PricewaterhouseCoopers Sp. z o.o. was appointed registered auditor to the Group by Resolution No. 7/2014 of the Supervisory Board of Bank Millennium S.A. dated 24 October 2014 in accordance with paragraph 17 clause 2 item 4 of the Parent Company's Memorandum of Association.
- b. PricewaterhouseCoopers Sp. z o.o. and the key registered auditor conducting the audit are independent of the entities belonging to the Group within the meaning of art. 56, clauses 2-4 of the Act dated 7 May 2009 on registered auditors and their self-government, registered audit companies and on public supervision (Journal of Laws of 2015, item 1011).
- c. The audit was conducted in accordance with an agreement dated 24 March 2015, in the following periods:
 - interim audit from 3 November 2015 to 23 December 2015;
 - final audit from 4 January 2016 to 25 February 2016.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial statements
for the year from 1 January to 31 December 2015

III. The Group's results, financial position and significant items of consolidated financial statements

CONSOLIDATED BALANCE SHEET as at 31 December 2015

			Change		Structure	
	31.12.2015 PLN '000	31.12.2014 PLN '000	PLN '000	(%)	31.12.2015 (%)	31.12.2014 (%)
ASSETS						
Cash, balances with the Central Bank	1,946,384	2,612,242	(665,858)	(25.5)	2.9	4.3
Deposits, loans and advances to banks and other monetary institutions	2,348,754	2,384,744	(35,990)	(1.5)	3.5	3.9
Financial assets valued at fair value through profit and loss (held for trading) and adjustment due to fair value hedge	768,650	1,417,276	(648,626)	(45.8)	1.2	2.3
Hedging derivatives	70,833	18,999	51,834	272.8	0.1	-
Loans and advances to customers	46,369,381	44,142,699	2,226,682	5.0	70.1	72.7
Investment financial assets	13,874,320	9,249,537	4,624,783	50.0	20.9	15.2
Investments in associates	1,378	2,762	(1,384)	(50.1)	-	-
Receivables from securities bought with sell-back clause (loans and advances)	-	155,642	(155,642)	(100.0)	-	0.3
Property, plant and equipment	156,341	153,449	2,892	1.9	0.2	0.3
Intangible assets	61,858	59,119	2,739	4.6	0.1	0.1
Non-current assets held for sale	15,682	5,646	10,036	177.8	-	-
Receivables from Tax Office resulting from current tax	41,880	77,776	(41,730)	(53.7)	0.1	0.1
Deferred income tax assets	237,612	196,276	47,170	24.0	0.4	0.3
Other assets	342,183	264,315	77,868	29.5	0.5	0.5
TOTAL ASSETS	66,235,256	60,740,482	5,494,774	9.0	100.0	100.0

Translation note:

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial statements
for the year from 1 January to 31 December 2015

III. The Group's results, financial position and significant items of consolidated financial statements (cont.)

CONSOLIDATED BALANCE SHEET as at 31 December 2015

	31.12.2015	31.12.2014	Change		Structure	
	PLN '000	PLN '000	PLN '000	(%)	31.12.2015 (%)	31.12.2014 (%)
LIABILITIES						
Liabilities to banks and other monetary institutions	1,443,921	2,037,269	(593,348)	(29.1)	2.2	3.3
Financial liabilities valued at fair value through profit and loss (held for trading) and adjustment due to fair value hedge	344,689	629,790	(285,101)	(45.3)	0.5	1.0
Hedging derivatives	2,132,053	1,390,225	741,828	53.4	3.2	2.3
Liabilities to customers	52,810,389	47,591,244	5,219,145	11.0	79.8	78.3
Liabilities from securities sold with buy-back clause	-	59,765	(59,765)	(100.0)	-	0.1
Debt securities	1,134,250	1,739,461	(605,211)	(34.8)	1.7	2.9
Provisions	30,848	98,574	(67,726)	(68.7)	-	0.2
Current tax liabilities	270	8,080	(7,810)	(96.7)	-	-
Other liabilities	1,256,040	780,856	475,184	60.9	1.9	1.3
Subordinated debt	639,631	639,739	(108)	-	1.0	1.1
TOTAL LIABILITIES	59,792,091	54,975,003	4,817,088	8.8	90.3	90.5
EQUITY	6,443,165	5,765,479	677,686	11.8	9.7	9.5
TOTAL LIABILITIES AND EQUITY	66,235,256	60,740,482	5,494,774	9.0	100.0	100.0

Translation note:

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial statements
for the year from 1 January to 31 December 2015

III. The Group's results, financial position and significant items of consolidated financial statements (cont.)

CONSOLIDATED INCOME STATEMENT
for the year from 1 January to 31 December 2015

			Change		Structure	
	2015	2014			2015	2014
	PLN '000	PLN '000	PLN '000	(%)	(%)	(%)
Interest income	2,313,205	2,583,219	(270,014)	(10.5)	70.3	73.4
Interest expense	(947,958)	(1,129,100)	181,142	(16.0)	36.5	42.1
Net interest income	1,365,247	1,454,119	(88,872)	(6.1)		
Fee and commission income	696,280	695,321	959	0.1	21.2	19.7
Fee and commission expense	(100,107)	(83,648)	(16,459)	19.7	3.9	3.1
Net fee and commission income	596,173	611,673	(15,500)	(2.5)		
Dividend income	2,271	1,851	420	22.7	0.1	0.1
Result on investment financial assets	41,852	18,447	23,405	126.9	1.3	0.5
Result on financial instruments valued at fair value through profit and loss and foreign exchange result	175,384	182,836	(7,452)	(4.1)	5.3	5.2
Other operating income	58,274	39,440	18,834	47.8	1.8	1.1
Operating income	2,239,201	2,308,366	(69,165)	(3.0)		
General and administrative expenses	(1,036,614)	(1,056,053)	19,439	(1.8)	39.8	39.4
Impairment losses on financial assets	(239,833)	(265,041)	25,208	(9.5)	9.2	9.9
Impairment losses on non-financial assets	(1,400)	(430)	(970)	225.6	0.1	-
Depreciation and amortization	(50,435)	(55,326)	4,891	(8.8)	1.9	2.0
Other operating expenses	(222,027)	(92,811)	(129,216)	139.2	8.5	3.5
Operating expenses	(1,550,309)	(1,469,661)	(80,648)	5.5		
Operating profit / (loss)	688,892	838,705	(149,813)	(17.9)		
Share in net profit of associated companies	(1,385)	(246)	(1,139)	463.0	0.1	-
Profit / (loss) before taxes	687,507	838,459	(150,952)	(18.0)		
Corporate income tax	(140,982)	(187,539)	46,557	(24.8)		
Profit / (loss) after taxes	546,525	650,920	(104,395)	(16.0)		
In which, attributable to owners of the parent	546,525	650,920				
Total income	3,287,266	3,521,114	(233,848)	(6.6)	100.0	100.0
Total expense	(2,599,759)	(2,682,655)	82,896	(3.1)	100.0	100.0
Profit / (loss) before taxes	687,507	838,459	(150,952)	(18.0)		

Translation note:

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements for the year from 1 January to 31 December 2015

III. The Group's results, financial position and significant items of
consolidated financial statements (cont.)

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME
for the year from 1 January to 31 December 2015

	2015	2014	Change	
	PLN '000	PLN '000	PLN '000	(%)
Profit / (loss) after taxes	546,525	650,920	(104,395)	(16.0)
Other elements of total comprehensive income that will be subsequently reclassified to profit or loss:	161,159	25,250	135,909	538.3
Effect of valuation of available for sale debt securities	(31,637)	69,491	(101,128)	(145.5)
Effect of valuation of available for sale shares	213,009	29	212,980	734,413.8
Hedge accounting	(20,213)	(44,270)	24,057	(54.3)
Other elements of total comprehensive income that will not be subsequently reclassified to profit or loss:	769	(2,643)	3,412	(129.1)
Actuarial gains (losses)	769	(2,643)	3,412	(129.1)
Other elements of total comprehensive income before taxes	161,928	22,607	139,321	616.3
Corporate income tax on other elements of total comprehensive income that will be subsequently reclassified to profit or loss	(30,621)	(4,797)	(25,824)	538.3
Corporate income tax on other elements of total comprehensive income that will not be subsequently reclassified to profit or loss	(146)	502	(648)	(129.1)
Other elements of total comprehensive income after taxes	131,161	18,312	112,849	616.3
Total comprehensive income of the period	677,686	669,232	8,454	1.3
In which, attributable to owners of the parent	677,686	669,232	8,454	1.3



Translation note:

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements for the year from 1 January to 31 December 2015

III. The Group's results, financial position and significant items of consolidated financial statements (cont.)

Selected ratios characterising the Group's financial position and results

The following ratios characterise the Group's operating activities, financial results during the year and its financial position as at the balance sheet date compared with previous years:

	2015	2014	2013
Profitability ratios			
Return on equity (Profit / (loss) after taxes / average net assets) (1)	9.0%	11.7%	10.5%
Return on assets (Profit / (loss) after taxes / average assets) (1)	0.9%	1.1%	1.0%
Interest margin (interest income / average working assets) – (interest expense / average interest-bearing liabilities) (1) (2) (3)	2.0%	2.3%	2.0%
Cost of risk (4)	0,5%	0,6%	0,6%
C/I ratio (general and administrative expenses and depreciation and amortisation expense / net operating profit / (loss)) (5)	53.9%	50.2%	54.4%
Earnings per share (in PLN)	0.45	0.54	0.44
	31.12.2015	31.12.2014	31.12.2013
Asset quality ratios			
Impaired loans and advances to customers to gross loans and advances to customers	4.6%	4.2%	4.4%
Provision coverage of not impaired loans and advances	0.3%	0.4%	0.5%
Provision coverage of impaired loans and advances	59.2%	62.2%	58.5%
Other ratios			
Total Capital Ratio (TCR)	16.6%	15.2%	14.5%
Common Equity Tier 1 Capital ratio (CET1)	16.2%	14.5%	13.4%
Effective tax rate	20.5%	22.4%	21.3%

- (1) The average balances of balance sheet items were calculated on the basis of the balances of the individual items as at the beginning and the end of the current financial year and the previous financial year.
- (2) Working assets defined as balances with the Central Bank, loans and advances to customers and banks, debt securities and hedging derivatives.
- (3) Interest liabilities defined as liabilities to customers and banks, debt securities, subordinated debt and hedging derivatives.
- (4) Total Impairment losses on financial assets to average loans and advances to customers in given period.
- (5) Net operating profit / (loss) defined as operating profit (loss) except other operating expenses.

The above ratios have been calculated on the basis of the consolidated financial statements.

It was not the purpose of the audit to present the Group in the context of the results of operations and ratios achieved. A detailed interpretation of the ratios requires an in-depth analysis of the Group's operations and its circumstances.



Translation note:

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

III. The Group's results, financial position and significant items of consolidated financial statements (cont.)

The following comments are based on information obtained during the audit of the consolidated financial statements.

The factors described below had a significant impact on the Group's results of operations and on its financial position as at the balance sheet date:

- At the end of the financial year, the Group's total assets amounted to PLN 66,235,256 thousand. During the year total assets increased by PLN 5,494,774 thousand, i.e. by 9.0%.
- As at 31 December 2015, the net balance of loans and advances to customers amounted to PLN 46,369,381 thousand and represented 70.1% of total assets (an increase by 2,226,682 PLN thousand, i.e. by 5.0% compared to the previous year). The gross value of loans and advances to customers portfolio amounted to PLN 47,830,309 thousand at the end of 2015 and comprised mainly loans and advances to private individuals in the gross amount of PLN 32,729,850 thousand, loans and advances to companies in the gross amount of PLN 8,705,529 thousand and financial leasing receivables in the gross amount of PLN 4,777,112 thousand. An increase in the balance of loans and advances to customers was mainly due to an increase in the gross balance of loans and advances to private individuals by PLN 1,594,585 thousand and the increase of financial leasing receivables by PLN 669,976 thousand. It resulted from the increase in the scale of Bank's activity and the increase in the value of mortgage loans denominated in foreign currencies due to the strengthening of foreign currencies against the zloty. The increase was partially offset due to the decrease in loans and advances to public sector by PLN 92,939 thousand.
- As at the end of 2015 the balance of investment financial assets amounted to PLN 13,874,320 thousand and comprised mainly bonds issued by State Treasury portfolio in the amount of PLN 9,375,707 thousand. The balance of investment financial assets increased by PLN 4,624,783 thousand, i.e. 50.0% compared to the previous year, which resulted mainly from an increase in the bonds issued by State Treasury portfolio by PLN 2,626,503 thousand and an increase in the bills issued by Central Bank by PLN 1,798,776 thousand.
- As at the end of 2015 the assets were primarily financed by liabilities to customers. As at 31 December 2015 the liabilities to customers amounted to PLN 52,810,389 thousand and represented 79.8% of total equity and liabilities (an increase compared to the previous year by PLN 5,219,145 thousand, i.e. by 11.0%). An increase of liabilities to customers was mainly due to an increase of balances on current accounts from private individuals by PLN 2,971,514 thousand and balances on term deposits from private individuals by PLN 2,857,327 thousand with a simultaneous decrease in term deposits from public sector by PLN 819,545 thousand.

III. The Group's results, financial position and significant items of consolidated financial statements (cont.)

- As at the balance sheet date the value of derivative and hedging instruments presented in the liabilities of the Group amounted to PLN 2,132,053 thousand and increased by PLN 741,828 thousand, i.e. 53.4% compared to the previous year. This increase was mainly due to the increase in the portfolio of CIRS contracts which are cash flows hedging derivatives connected with interest rate and/or FX rate by PLN 689,931 thousand.
- Net interest income amounted to PLN 1,365,247 thousand and decreased by PLN 88,872 thousand, i.e. by 6.1% compared to the previous year. The most significant change in interest income structure resulted from the decrease in interest expense connected with the deposits from customers by PLN 178,902 thousand. A decrease in interest income of 10.4% was mainly due to the decrease in the average 3 month LIBOR interest rate from 2.3% in 2014 to 1.7% in 2015.
- Net fee and commission income amounted to PLN 596,173 thousand in the audited year and was lower by PLN 15,500 thousand, i.e. by 2.5% compared to the previous year. This decrease was due to an increase of fee and commission expense by PLN 16,459 thousand, with a simultaneous increase of fee and commission income by PLN 959 thousand. The increase of fee and commission expense was mainly due to an increase in expense resulting from payment and credit cards by PLN 5,715 thousand, expense resulting from granted credits and loans by PLN 3,949 thousand and other expenses by PLN 3,804 thousand. The increase in fee and commission income was mainly due to an increase in income resulting from granted credits and loans by PLN 31,956 thousand and other items, with a simultaneous decrease in income resulting from payment and credit cards by PLN 47,958 thousand.
- Operating expenses amounted to PLN 1,550,309 thousand in the audited year and increased by PLN 80,648 thousand, i.e. by 5.5% compared to the previous year. General and administrative expenses were the largest item of operating expenses and amounted to PLN 1,036,614 thousand in 2015, which constituted 39.8% of operating expenses. General and administrative expenses comprised staff costs in the amount of PLN 546,905 thousand and general administrative costs in the amount of PLN 489,709 thousand. General and administrative expenses decreased by PLN 19,439 thousand, i.e. by 1.8% compared to the previous year, mainly due to the decrease of costs of advertising, promotion and representation. Operating profit in 2015 was also charged, higher by PLN 129,216 thousand, other operating expenses mainly due to the contribution to Banking Guarantee Fund dedicated for the repayment of guaranteed deposits for clients of Spółdzielczy Bank Rolnictwa i Rzemiosła Wołomin.
- Impairment losses on financial assets in 2015 amounted to PLN 239,833 thousand and comprised mainly impairment losses on loans and advances to customers. Impairment losses on financial assets decreased by PLN 25,208 thousand, i.e. by 9.5% compared to the previous year, which resulted mainly from the drop of impairment losses on loans and advances to customers.

III. The Group's results, financial position and significant items of
consolidated financial statements (cont.)

- Effective tax rate, calculated as corporate income tax to profit/(loss) before taxes, amounted to 20.5% in the audited year and was 1.9 pp. lower than in prior year due to reduction in the overall level of expenses posted as a tax deductible.
- As at 31 December 2015 Bank re-estimated fair value of VISA Europe Ltd equity instruments in the amount of PLN 213,075 thousand which had a significant impact on its total comprehensive income in comparison to the previous year. Revaluation was made in connection to the planned transaction of purchase of VISA Europe Ltd shares by VISA Inc.

The financial statements have been prepared on the assumption that the Group will continue in operation as a going concern.

IV. The independent registered auditor's statement

- a. The Management Board of the Parent Company provided all the information, explanations, and representations required by us in the course of the audit and provided us with a representation letter confirming the completeness of the information included in the consolidation documentation and the disclosure of all contingent liabilities and post balance-sheet events which occurred up to the date on which that letter was signed.
- b. The scope of the audit was not limited.
- c. The consolidation of equity items was carried out properly in all material respects.
- d. The elimination of mutual balances (receivables and payables) and transactions (revenue and costs) of the consolidated entities were carried out, in all material respects, in accordance with IFRS as adopted by the European Union.
- e. The elimination of unrealized gains/losses of consolidated entities included in the book value of assets and in respect of dividend payments was carried out, in all material respects, in accordance with IFRS as adopted by the European Union.
- f. The consolidation documentation was complete and accurate and it is stored in a manner ensuring proper safeguarding.
- g. The consolidated financial statements of the Group for the year from 1 January to 31 December 2014 were approved by Resolution No. 2 passed by the General Shareholders' Meeting of the Parent Company on 21 May 2015 and filed with the National Court Register in Warsaw on 28 May 2015.
- h. During the audit performed we have not identified any significant instances of Group's non-compliance with banking regulatory norms during the period from 1 January 2015 to the day of issuance of this report. As at 31 December 2015, the regulations of the Banking Law, the Resolutions of the Management Board of the National Bank of Poland, Resolutions of Polish Financial Supervisory Authority and the Regulation of the European Parliament and the Council (EU) No. 575/2013 from 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 (CRR) and other regulations issued by the Commission (EU) pursuant to this Regulation, included banking regulatory norms in relation, among others, to the following:
 - concentration of credit risk,
 - concentration of investments in shares,
 - classification of loans and guarantees to risk groups and creation of provisions for the risk associated with activities of banks,
 - liquidity measures,
 - level of obligatory reserve,
 - capital adequacy.
- i. As at 31 December 2015 the capital adequacy ratio of the Group amounted to 16.72% and was correctly determined in accordance with CRR. This statement is based on

IV. The independent registered auditor's statement (cont.)

recalculation of the quotient of own funds amounting to PLN 6,208.9 million divided by risk weighted assets amounting to PLN 37,129.6 million as per COREP reporting prepared by the Group as at the balance sheet date.

- j. The notes to the consolidated financial statements, which include the introduction and additional notes and explanations present all the significant information in accordance with IFRS as adopted by the European Union.
- k. The information in the Group Directors' Report for the year from 1 January to 31 December 2015 has been presented in accordance with the provisions of the Decree of the Minister of Finance dated 19 February 2009 on current and periodic information to be provided by issuers of securities and conditions for recognizing as equivalent the information required by the provisions of law of a country not being a member state (Journal of Laws of 2014, item 133) and is consistent with that presented in the consolidated financial statements.

The Bank Millennium S.A. Capital Group
Registered auditor's report on the audit of the consolidated financial
statements for the year from 1 January to 31 December 2015

V. Final information

This report has been prepared in connection with our audit of the consolidated financial statements of The Bank Millennium S.A. Capital Group having Bank Millennium S.A., Stanisława Żaryna 2a Street, Warsaw, as its Parent Company. The consolidated financial statements were signed by the Parent Company's Management Board on 25 February 2016.

This report should be read in conjunction with the Independent Registered Auditor's unqualified opinion to the General Shareholders' Meeting and the Supervisory Board of Bank Millennium S.A. dated 25 February 2015, concerning the said consolidated financial statements.

The opinion on the consolidated financial statements expresses a general conclusion drawn from the audit and involves assessing the materiality of individual audit findings rather than being a sum of all the evaluations of individual financial statement components. This assessment takes account of the impact of the facts noted on the truth and fairness of the consolidated financial statements as a whole.

Person conducting the audit on behalf of PricewaterhouseCoopers Sp. z o.o., Registered Audit Company No. 144:

Agnieszka Accordi-Krawiec

Group Registered Auditor, Key Registered Auditor
No. 11665

Warsaw, 25 February 2016

Translation note:

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.