The Management Board of Bank Millennium S.A. presents below answers to questions asked by shareholders during Annual General Meeting on March 31, 2016 on the ground of article 428 § 1 of the commercial companies code. Answers have been answered to shareholders in the mode envisioned in article 428 § 5 of the commercial companies code.

1. On what basis the Management Board determined that indexed loans are deemed to be FX loans for purposes of financial statements?

Loan receivables resulting from agreements on mortgage loans indexed to foreign currencies are disclosed in the Bank and the Bank Capital Group's financial statements in accordance with requirements of the International Financial Reporting Standards (IFRS) in their version approved by the European Union and in the area not regulated by the above mentioned standards – in accordance with provisions of the Act of 29 September 1994 on accounting and executive regulations issued on the basis thereof. Independent chartered auditor's opinion on the Bank's and the Group's financial statements for the year 2015 confirms that the financial statements present the Bank's and the Group's financial and asset situation in a reliable and clear manner, as on 31 December 2015 and the financial result for the accounting year 2015, in accordance with IFRS approved by the European Union and are, in their form and substance, in compliance with effective laws.

2. In case these loans are deemed to be FX loans, will the mortgages, according to Management Board's opinion, established in PLN be ineffective?

According to the Management Board, there are no grounds to question effectiveness of mortgages entered into appropriate land and mortgage registers. Applications for entering mortgages into land and mortgage registers were subject to judicial control.

3. Will the provisions established by the Bank be sufficient to cover losses generated by mortgage loans?

The Bank follows conservative risk management policy including policy related to credit risk management. This translates, in particular, to a high level of solvency coefficients both stand-alone and in Capital Group terms. The Bank applies methodology regarding creation of impairment provisions in line with International Financial Reporting Standards (IFRS) including, in particular, the International Accounting Standard 39 and the independent chartered auditor issued opinions on the Bank and the Bank Group's financial statements confirming that such statements provide true and accurate picture of financial situation of the Bank and the Bank Group as on 31 December 2015 and financial result for the year 2015 in accordance with IFSR approved by the European Union and are in their form and substance in compliance with effective laws.

4. Why has the Management Board allocated, in the draft resolution, more than 800 (eight hundred) million PLN to reserve capital as a security against the risk inherent in FX loans while, at the same time, has not provided for dissolution of provisions against such loans while showing conditional liabilities to the amount of 500 (five hundred) million PLN including the amount of 81 (eighty one) million PLN in claims resulting from a class action filed against the Bank?

The Management Board motion to allocate the entire profit of the Bank for the accounting year 2015 to reserve capital, as submitted to the General Meeting (in this area, on 31.03.2016 the Resolution no. 5 on distribution of profit for the accounting year 2015 has been adopted by the General Meeting), resulted from the need to maintain the security buffer required by the Polish Financial Supervision Authority. The above recommendation of the Authority may not be, in the opinion of the Management Board, interpreted without taking into account of the context of potential legislative activities relative to FX loans, whereas remains not connected with any court disputes to which the Bank is a party.