



London 29th & 30th September 2011

INVESTOR DAY

DELIVERING PROFITABLE GROWTH



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Bank Zachodni WBK - Introduction



3rd largest bank in Poland

**branches
nationwide**

630
including
100 agencies

- 1,040 ATMs
- 5 Corporate Banking Centres*
- 12 Business Banking Centres**

Balance Sheet 30th June 2011

- Assets EUR 13,941 m
- Loans EUR 8,703 m
- Deposits EUR 10,227 m

Profit & Loss 1st January to 30th June 2011

- Revenues EUR 479 m
- Costs EUR 229 m
- PBT EUR 207 m
- ROE 19.5%

Business evolution

- Sustainable growth in profitability

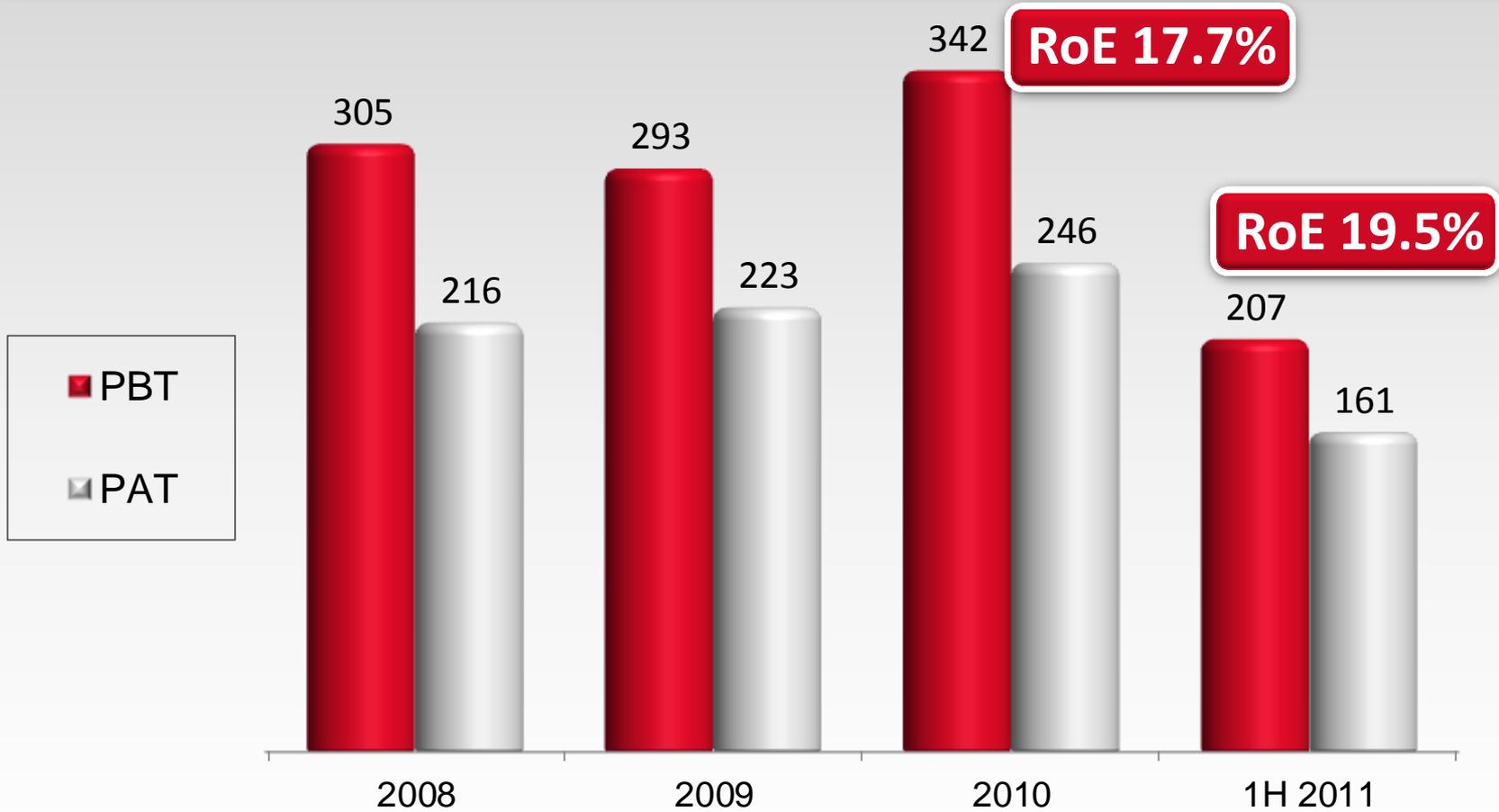
- Strong NII

- Increasing capital ratios

- Strong liquidity and funding position

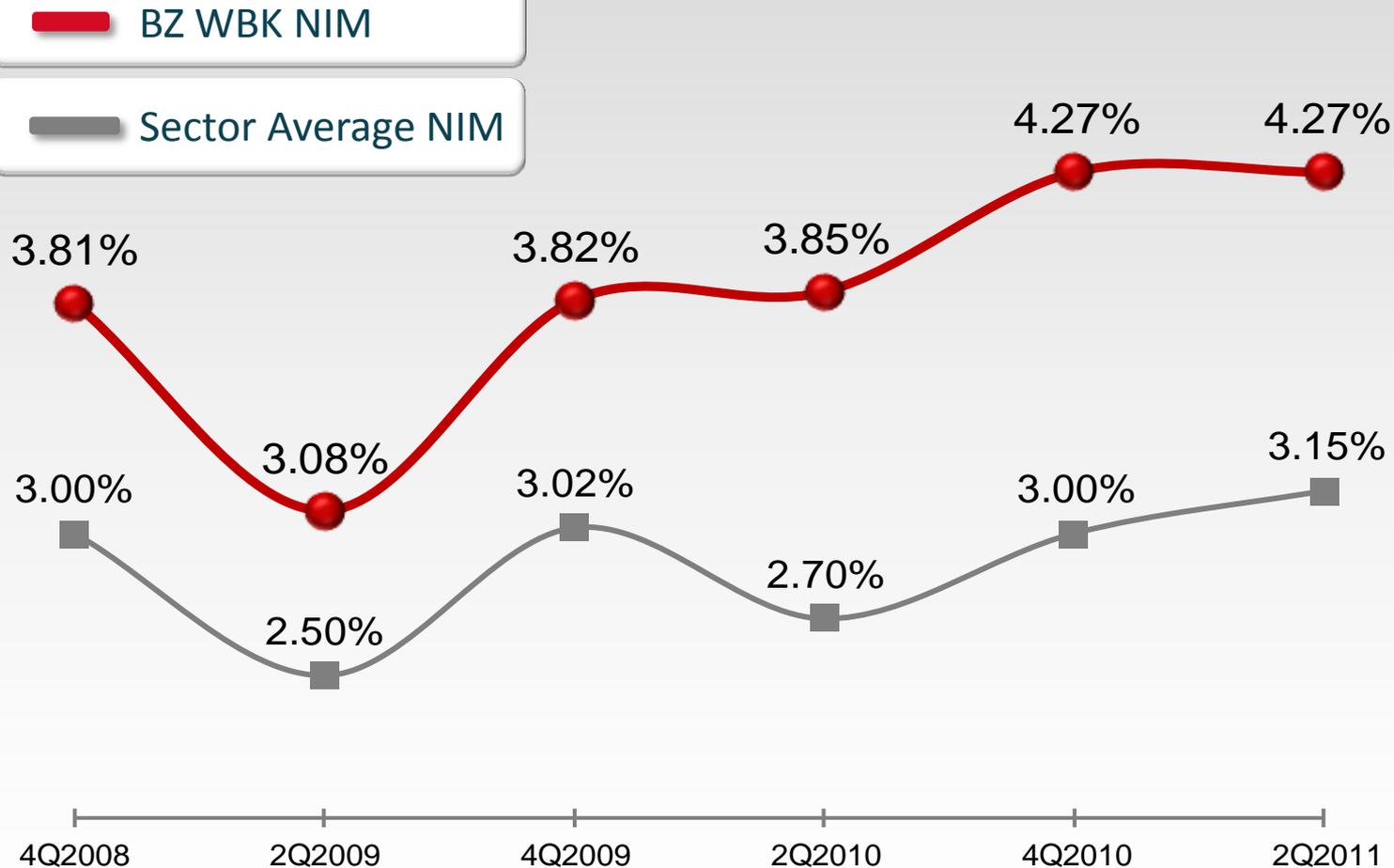
Profits

Growth of net profit year after year



Net interest margin

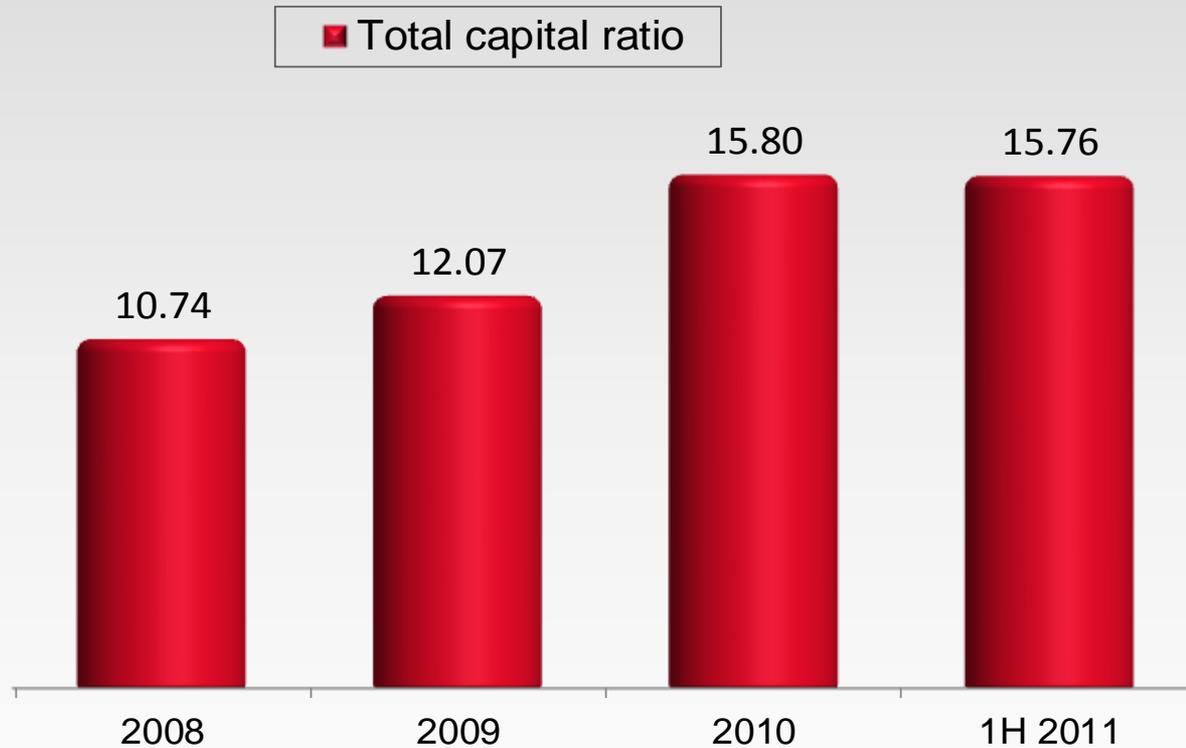
Sharp recovery in NIM brought about by promptly reflecting liquidity/capital costs in credit pricing and by improving deposit margins



Total capital ratio

Ongoing focus on internal capital generation

%

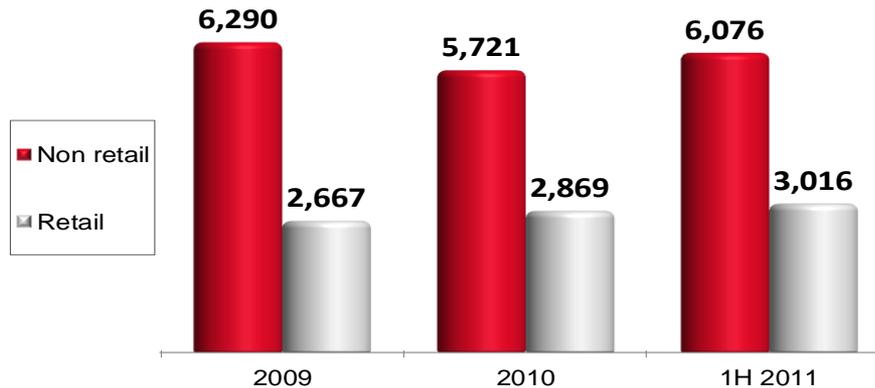


60% Dividend Payout from 2010 Profits

Loans and deposits

Appreciable rebalancing of Loan Portfolio achieved

€m



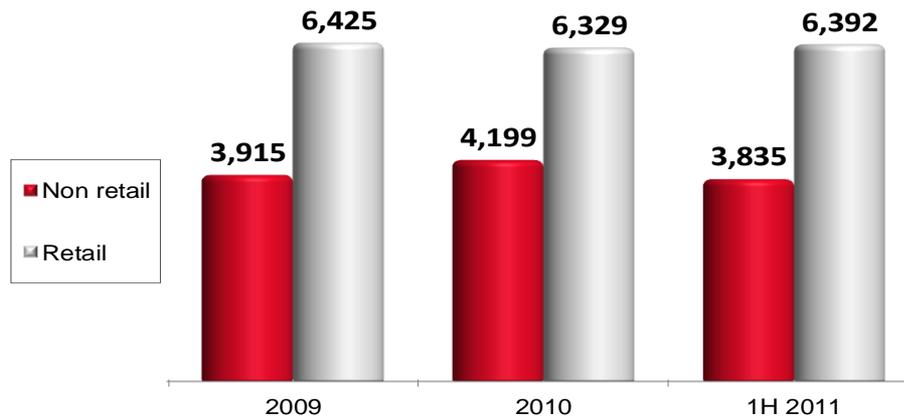
Retail loan growth

Reduction in Property exposure

Above market growth in all segments

Customer deposits optimally managed to meet P&L and funding targets

€m



Reduction in low margin non-retail deposits

85% L/D Ratio

Growth at market level

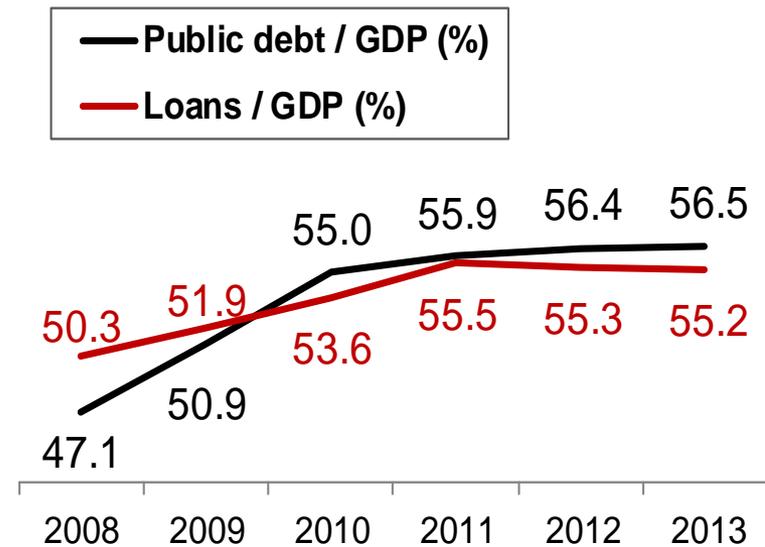
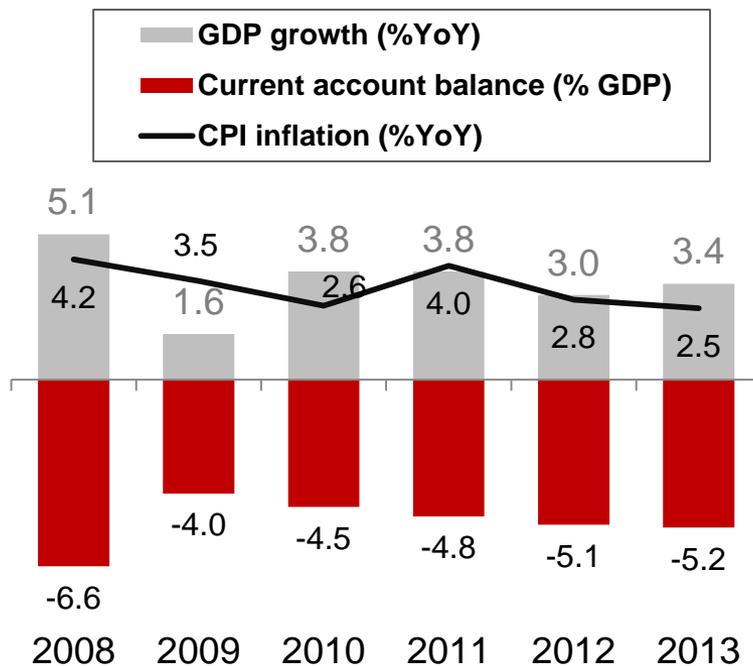
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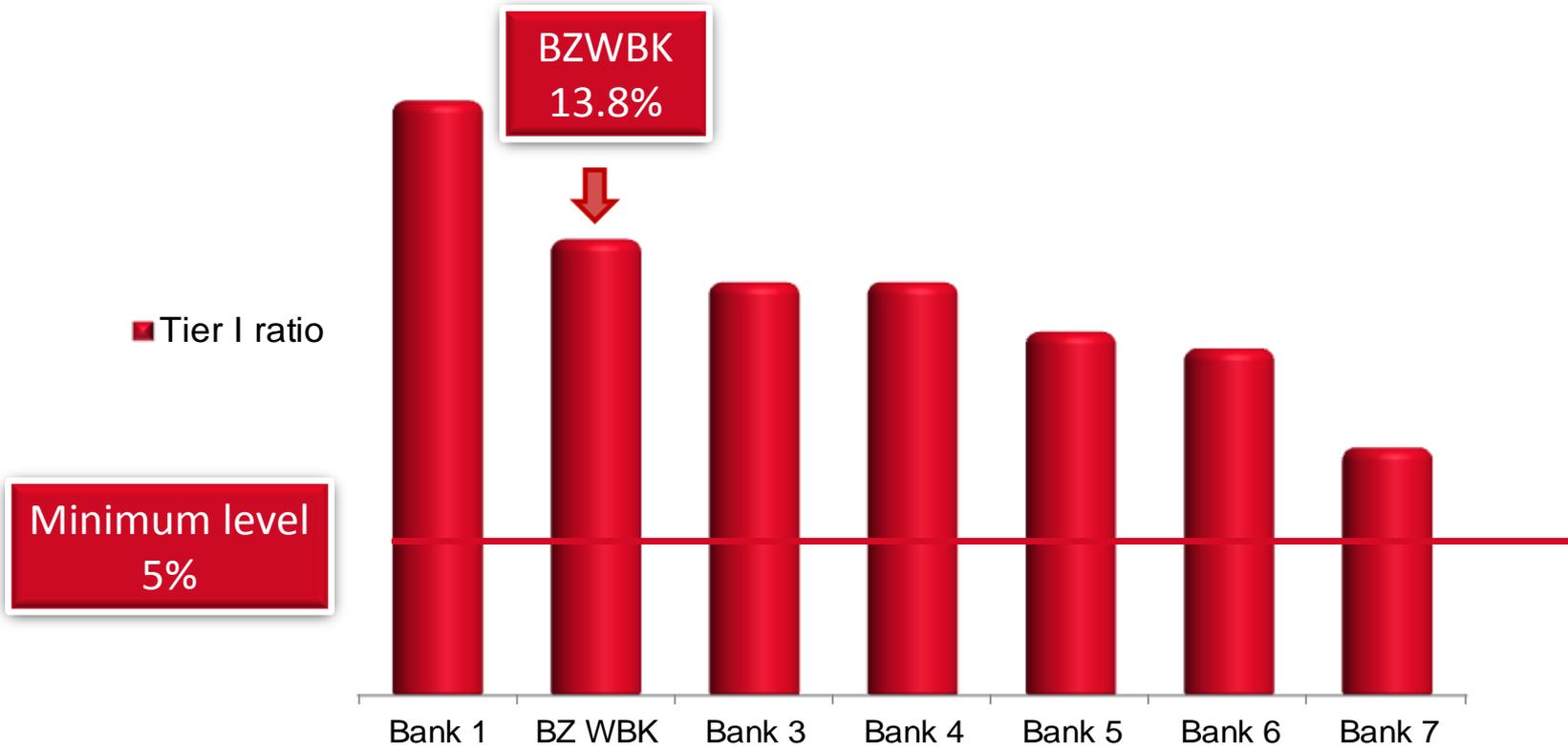
Polish market



Macro situation / Financial System

- Economic indicators positive, expected slowdown in 2012 to ca. 3% driven by global environment, with inflation under control and flat official rates in following quarters
- Comfortable levels of solvency and liquidity / Stable asset quality situation
- High double digit ROE

Polish market – stress tests results



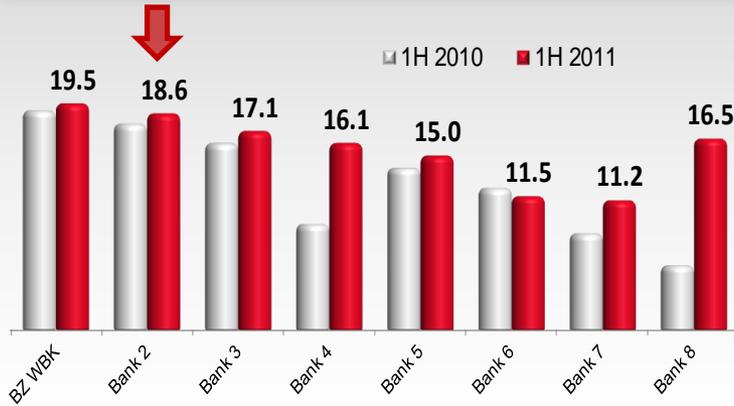
Polish Financial Supervision Authority (KNF) tests:

- Polish Banks Tier 1 in tests of extreme conditions (shock scenario as at the end of 2012).
- Average capital ratio for Polish banking sector at 13.9% at end June 2011

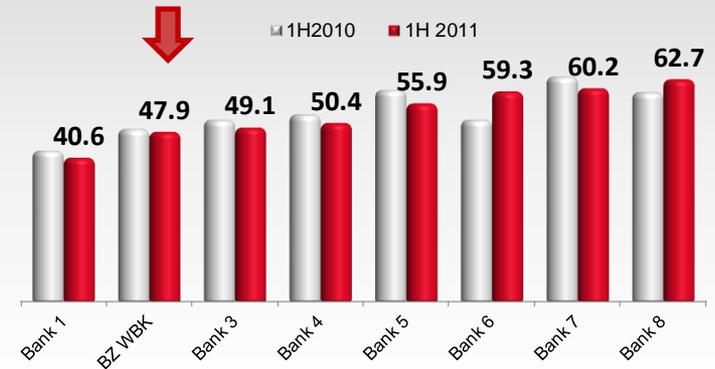
BZWBK and peer group

FINANCIAL SECTOR (1)

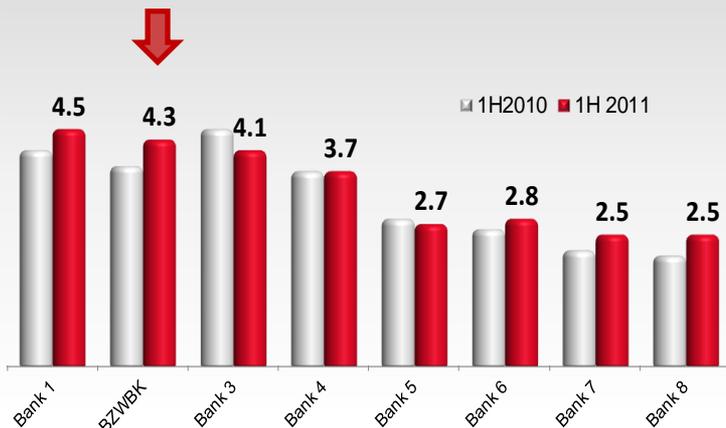
ROE (%) – 1st position



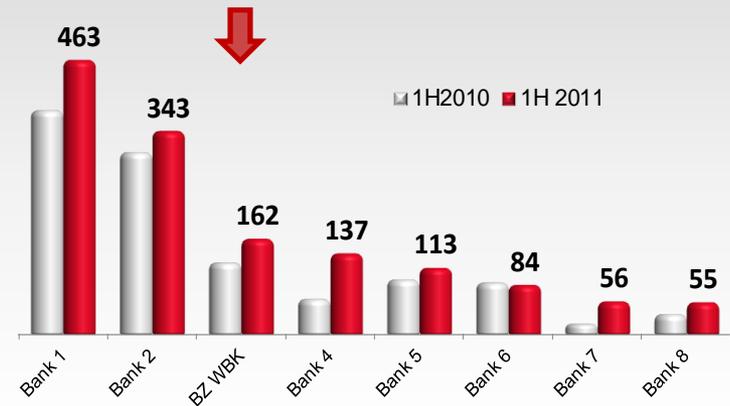
C/I (%) – 2nd position



Net Interest Margin (%) – 2nd position

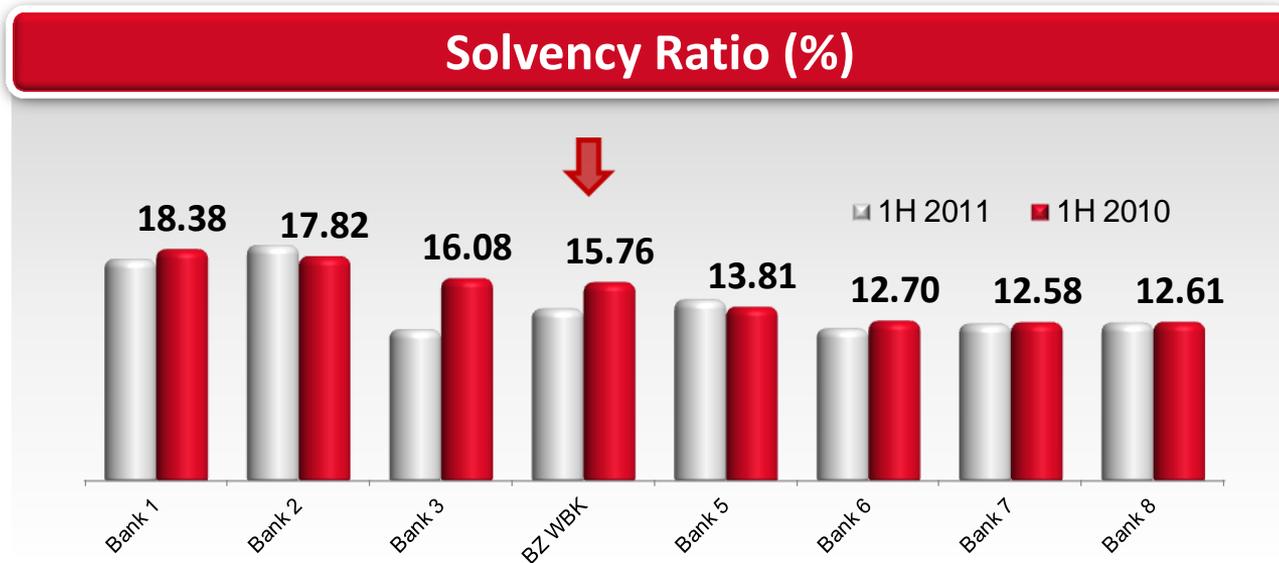
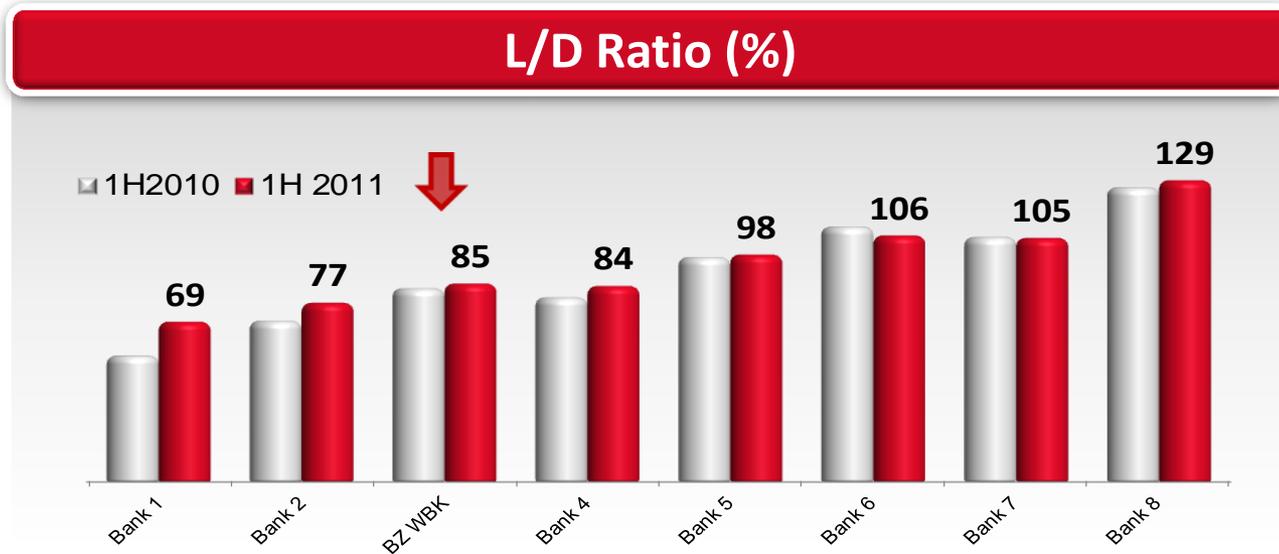


PAT – 3rd position



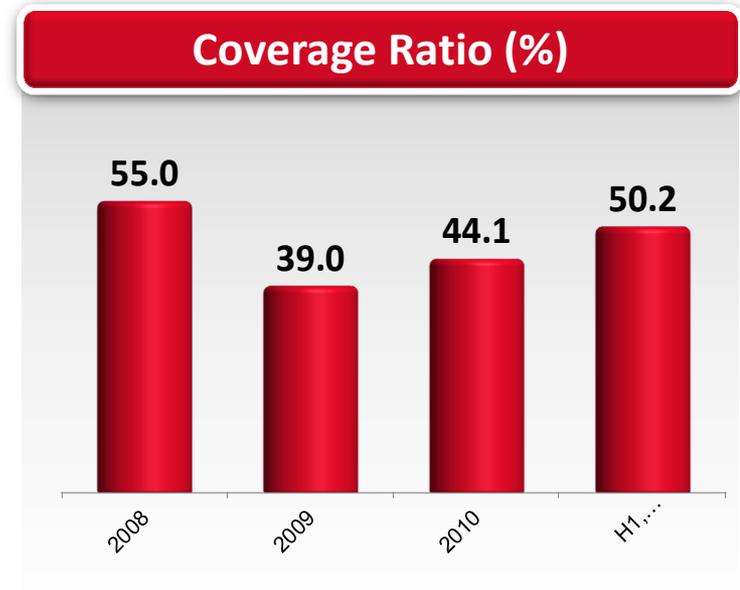
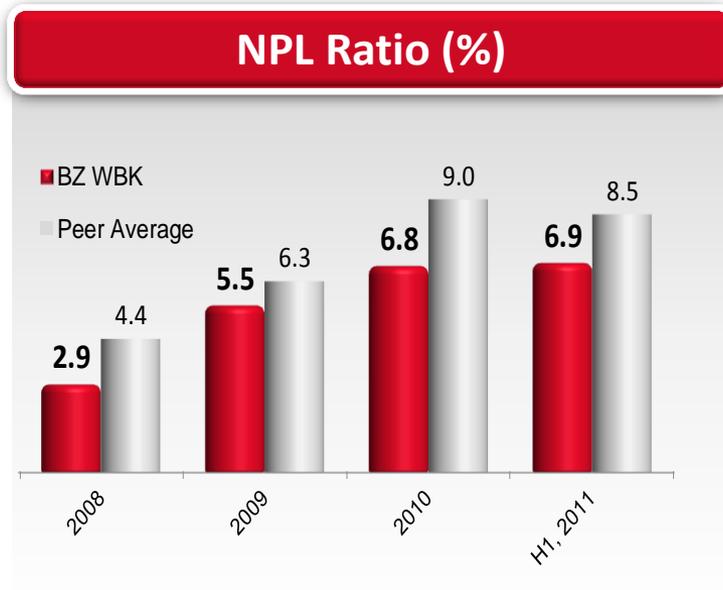
BZWBK and peer group

FINANCIAL SECTOR (2)



BZWBK and peer group

FINANCIAL SECTOR (3)



- NPL % below peer average
- NPLs have peaked with book adequately provisioned
- Local tax reasons make NPL reduction challenging

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Strategy 2011- 2013

Bank Zachodni WBK intends to strengthen its market position as a universal institution, offering a full range of financial services in the retail, business and investment banking sectors.

1

Profitability

2

Revenue diversification

3

Efficiency

4

Adequate level of capital and liquidity

5

Customer satisfaction

The Group's aspiration is:

- 8% share in the banking market
- Top 3 position in PBT, cost/income, solvency ratio and customer service.

STABILITY AND GROWTH OF RECURRENT REVENUES

Actions

Retail

- Increase product penetration
- Leverage Santander Global Skills

SME

- Gain market share in chosen sectors
- Extend Business Banking regional coverage

Corporate

- Leverage Santander international network
- Extend the product range

1

&

2

Actions

3

Efficiency

- Leverage Santander Best practices
- Reduce Cost/Income ratio

4

Capital and Liquidity

- Loan/Deposit and Total Capital Ratios at surplus levels
- Attractive Dividend Policy

5

Customer Service

- Maintain podium position
- Continue to build service standards

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Outlook 2013

1 Revenue Diversification

Low double digit Revenue growth

Significant Revenue streams from both Net Interest Income and Other Income

2 Efficiency

Cost / Income ratio in the range of 41% to 43%

Mid single digit cost growth

3 Asset Quality

Below market level Cost of Risk

4 Profitability

Ca. 20% Annual Profit Growth

5 Adequate capital + liquidity

Maintain Strong Capital and Loan/Deposit Ratios

Summary conclusions

BZ WBK is well positioned and has all the necessary ingredients to deliver strong growth:

- ✓ **High growth economy**
- ✓ **Investment in distribution over the past 5 years**
- ✓ **Comfortable liquidity and capital position**
- ✓ **Strong management team**
- ✓ **....And ability to take advantage of a large international group.**

BZ WBK aims to deliver PAT of Euro 480 m in 2013^(*)

(*) Considering 100% BZ WBK Asset Management

