

# Getin Holding Group's

Financial Results

Q1-Q4'2012

🏢 PLN **147.6 million** of net profit<sup>1)</sup> for Q1-Q4'2012

- PLN **61.4 million** of financial result<sup>1)</sup> for Q4'2012
- financial result <sup>1)</sup> surges by **52.2%** compared to Q3

🏢 Idea Bank Group Poland

- creating a financial group that offers a comprehensive range of products and services to small and medium-sized enterprises and their owners
- twofold surge in business activity <sup>2)</sup>

🏢 Carcade Group

- the most profitable lease company in Russia
- cost of risk unchanged as net profit soars more than twofold

🏢 Idea Bank Belarus (previously Sombelbank)

- record profits in spite of hyperinflationary environment
- development of new loan sale channels

🏢 Idea Bank Group Ukraine

- unchanged results in tough market
- growth geared towards increasing transactionality

1) ... attributable to equity holders of Getin Holding Group parent company, excl. the sale of TU Europa (PLN 455.2 million to the net result of shareholders of the parent company)

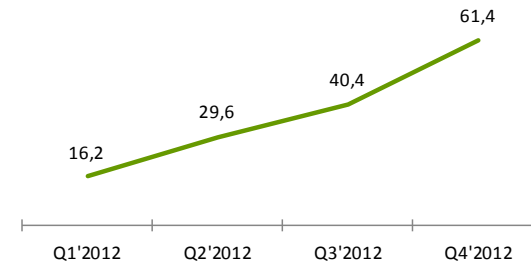
2) measured by assets value, net loan balance and deposit balance

PLN m	2012
Net interest income	421,0
Net fee and commission income	321,5
Insurance premiums	334,8
Result on investment securities	538,8
Profit / (Loss) on hiperinflation	-13,8
Other operating income and expense	-149,0
<b>Net operating income</b>	<b>1 453,2</b>
Provision	-57,2
Overhead costs	-575,7
<b>Profit before income tax</b>	<b>820,3</b>
Income tax	-180,7
Net profit (loss) attributable to non-controlling interes	-36,9
<b>Net profit attributable to equity holders of the Co.</b>	<b>602,8</b>

### Illustration of the impact of TU Europa sale transaction on the financial result <sup>1)</sup>

Net profit <sup>1)</sup> earned by TU Europa before its sale	41,8
Income on sale of 50 % stake + 1 share in TU Europa	54,0
Premiums excluded from consolidation in 2012 until the shares sale transaction	73,4
Single reverse of insurance premiums adjustments at the moment of sale	286,0
<b>Total impact on the net profit <sup>1)</sup></b>	<b>455,2</b>

### Evolution of the financial operating result <sup>2)</sup> (PLN m)



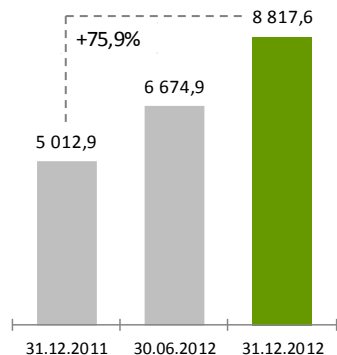
- Carcade Group still holds the palm with **interest income** of **34%**, while contributions of Idea Bank Belarus (previously Sombelbank) and Idea Bank Poland Group soared jumped more than twofold, respectively to **22%** and **18%**.
- Idea Bank Poland Group proves most effective as regards commission interest contributing as much as **57%** to Getin Holding Group from loan sale worth nearly **PLN 2 billion** and brokerage commissions.
- Net loan balance surges to **PLN 4.3 billion** (compared to **PLN 2.2 billion** at the end of 2011), while deposit balance totals **PLN 5.1 billion** (compared to **PLN 2.6 billion** at the end of 2011).

1) ... attributable to equity holders of the Getin Holding Group parent company

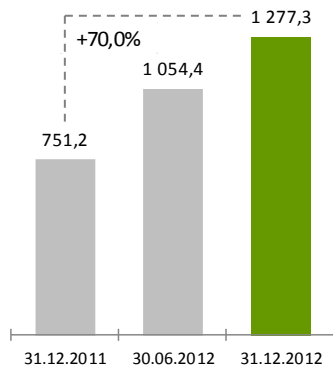
2) ... attributable to equity holders of Getin Holding Group parent company, excl. the sale of TU Europa (PLN 455.2 million to the net result of shareholders of the parent company)

# Dynamic growth of Getin Holding new portfolio subsidiaries

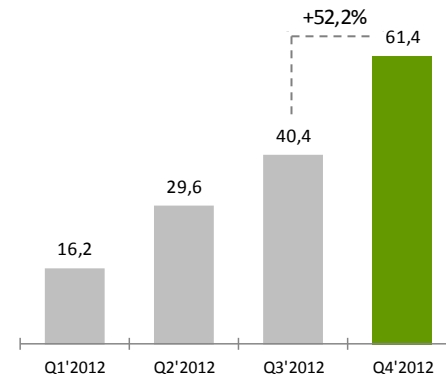
Assets <sup>1)</sup>  
(PLN bn)



Equity <sup>1)</sup>  
(PLN m)



Net profit <sup>2)</sup>  
(PLN m)



ROE <sup>3)</sup> in three business groups reached 25% or more:

- **51.6%** - Sombelbank,
- **31.6%** - Carcade Group,
- **25.0%** - Idea Bank Ukraine.

The consolidated net loan balance and deposit balance surged nearly twofold, the **L/D** ratio at the end of 2012 stood at **84.2%**.

The total increase in the capitals of Idea Bank Poland resulted from two increases: by **PLN 245 million** and **PLN 191 million**.

All banks in the Group will retain their profits generated in 2012 and they will be transferred to capitals.

1) ... value as the sum of: Idea Bank Poland Group, Carcade Group, Idea Bank Ukraine Group, Sombelbank, MW Trade and PF Leasing

2) ... attributable to equity holders of Getin Holding Group parent company, excl. the sale of TU Europa (PLN 455.2 million to the net result of shareholders of the parent company)

3) ROE = annualized net profit attributable to shareholders of the parent company / equity adjusted for current period income



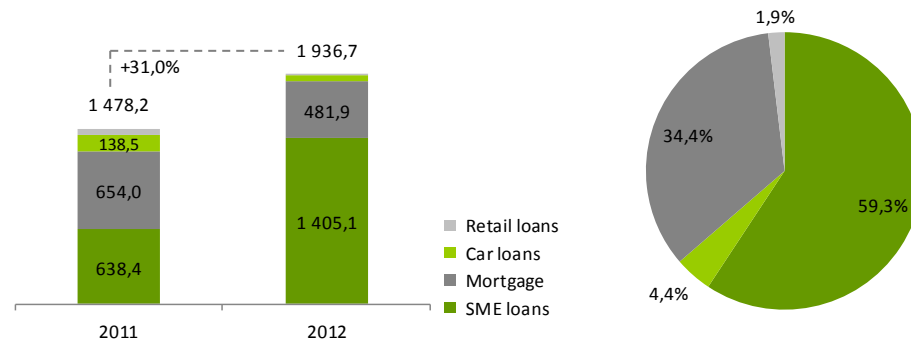
PLN m	2012	2011	2012 / 2011
Net interest income	74,1	36,6	x2,0
Net fee and commission income	183,0	56,4	x3,2
Other operating income and expense	18,1	21,5	-15,8%
<b>Net operating income</b>	<b>275,1</b>	<b>114,4</b>	<b>x2,4</b>
Provision	-6,8	-25,4	-73,2%
Overhead costs	-261,5	-89,7	x2,9
<b>Profit before income tax</b>	<b>6,8</b>	<b>-0,7</b>	<b>-</b>
Income tax	43,4	8,7	x5,0
Net profit (loss) attributable to non-controlling interes <sup>1</sup>	-3,3	0,0	+100,0%
<b>Net profit attributable to equity holders of the Co.</b>	<b>46,9</b>	<b>8,0</b>	<b>x5,9</b>

PLN m	31.12.2012	31.12.2011	31.12.2012 / 31.12.2011
Amounts due from banks	207,6	145,0	+43,2%
Loans and advances to customers	3 158,9	1 584,3	+99,4%
Net investments in financial lease	166,6	0,0	+100,0%
Financial instruments	651,0	485,1	+34,2%
Income taxes	69,3	15,4	x4,5
Other assets	956,3	263,2	x3,6
<b>Total Assets</b>	<b>5 209,7</b>	<b>2 493,0</b>	<b>x2,1</b>
Amounts due to banks	358,1	111,5	x3,2
Amounts due to customers	3 889,9	1 994,4	+95,0%
Debt securities in issue	136,1	0,0	+100,0%
Other liabilities	99,9	62,9	+58,8%
Equity	725,7	324,2	x2,2
<b>Total liabilities and equity</b>	<b>5 209,7</b>	<b>2 493,0</b>	<b>x2,1</b>

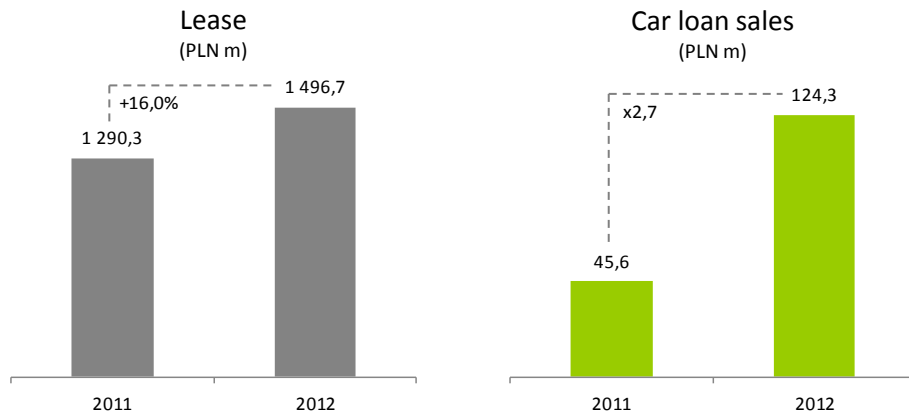
## Loans sales and portfolio structure

(PLN m)

(%)



- Integration of companies admitted to the Group around the objective to provide a wide product range and comprehensive services to micro companies, small and medium-sized enterprises and their owners.
- Twofold surge in business activity measured by assets value, net loan balance and deposit balance.
- In 2012, Tax Care made a net profit of PLN 55.4 million, PLN 51.1 million being consolidated in Idea Bank Group (consolidation started in June).
- Tax Care discloses tax advantage (deferred tax).
- Increased costs are justified by expansion of the Bank's distribution network started in Q3'2011 (Q3'11: 27 branches, Q4'11: 38 branches, Q4'12: 50 branches).



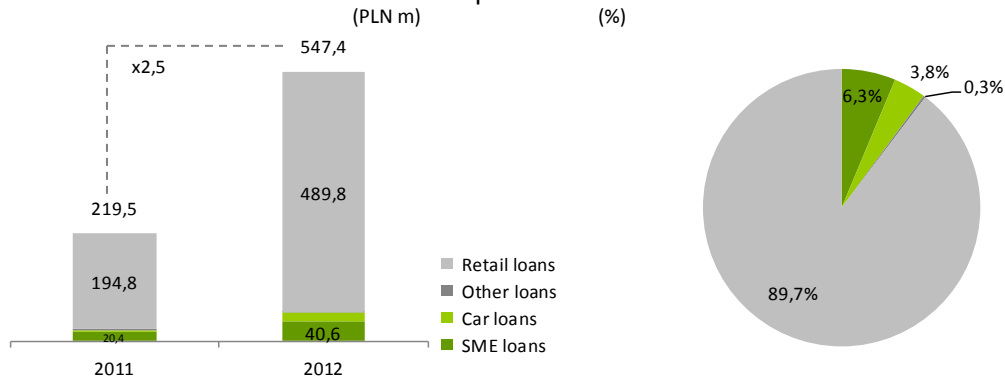
- ④ One of the highest ROEs (**31.6%**) in the Russian lease market.
- ④ Enhanced cost effectiveness – the C/I ratio of 61.1% (vs. 68.3% in the previous year).
- ④ The commission income growth considerably exceeds the annual sale volume dynamics (48.9% vs. 17.4%)
- ④ Kubanbank
  - reaches the breakeven point in July 2012,
  - almost threefold increase in total assets,
  - sharp increase in the balance of net loans and deposits.

PLN m	2012	2011	2012 / 2011
Net interest income	144,8	92,1	+57,2%
Net fee and commission income	37,8	24,1	+56,8%
Other operating income and expense	22,8	17,4	+31,0%
<b>Net operating income</b>	<b>205,4</b>	<b>133,6</b>	<b>+53,7%</b>
Provision	-11,0	-7,5	+46,7%
Overhead costs	-125,4	-91,2	+37,5%
<b>Profit before income tax</b>	<b>69,0</b>	<b>34,9</b>	<b>+97,7%</b>
Income tax	-14,5	-9,6	+51,0%
Net profit (loss) attributable to non-controlling interest <sup>1)</sup>	-0,3	0,0	+100,0%
<b>Net profit attributable to equity holders of the Co.</b>	<b>54,2</b>	<b>25,3</b>	<b>x2,1</b>

PLN m	31.12.2012	31.12.2011	31.12.2012 / 31.12.2011
Amounts due from banks	122,9	26,8	x4,6
Loans and advances to customers	141,4	51,0	x2,8
Net investments in financial lease	1 177,7	835,5	+41,0%
Income taxes	11,3	17,2	-34,3%
Other assets	213,3	190,5	+12,0%
<b>Total Assets</b>	<b>1 666,6</b>	<b>1 120,9</b>	<b>+48,7%</b>
Amounts due to banks	1 015,8	806,4	+26,0%
Amounts due to customers	169,3	47,7	x3,5
Debt securities in issue	149,6	0,3	x498,7
Other liabilities	104,3	84,8	+23,0%
Equity	227,5	181,8	+25,1%
<b>Total liabilities and equity</b>	<b>1 666,6</b>	<b>1 120,9</b>	<b>+48,7%</b>

1) ROE = annualized net profit / equity adjusted for current period income

## Loans sales and portfolio structure



- 1) Unprecedented surge in net income in spite of hyperinflationary environment in Belorussia.
- 2) Record **51.6% ROE** in the bank's history at **21.0%** net interest margin (NIM).
- 3) Enhancing of the market position:
  - third largest loan portfolio for individuals,
  - third highest return on assets (ROA 5.3%).
- 4) The bank continues dynamic expansion of its distribution network, focusing on cost-flexible solutions:
  - 9 branches opened (as at the end of the year the bank had **39** branches),
  - and **38** micro-branches (single workplace, cash desks replaced by non-personalised payment cards to which loaned funds are released).

PLN m	2012	2011	2012 / 2011
Net interest income	91,0	66,4	+37,0%
Net fee and commission income	17,2	9,6	+79,2%
Profit / (Loss) on hiperinflation	-13,8	-23,9	-42,3%
Other operating income and expense	14,6	-11,0	-
<b>Net operating income</b>	<b>109,1</b>	<b>41,2</b>	<b>x2,6</b>
Provision	-12,0	-4,0	x3,0
Overhead costs	-53,1	-33,0	+60,9%
<b>Profit before income tax</b>	<b>44,0</b>	<b>4,2</b>	<b>x10,5</b>
Income tax	-9,8	-7,0	+40,0%
<b>Net profit attributable to equity holders of the Co.</b>	<b>34,2</b>	<b>-2,8</b>	<b>-</b>

PLN m	31.12.2012	31.12.2011	31.12.2012 / 31.12.2011
Amounts due from banks	83,8	28,4	x3,0
Loans and advances to customers	443,4	163,5	x2,7
Other assets	123,3	103,1	+19,6%
<b>Total Assets</b>	<b>650,5</b>	<b>295,1</b>	<b>x2,2</b>
Amounts due to banks	33,1	8,2	x4,0
Amounts due to customers	471,2	187,3	x2,5
Debt securities in issue	27,3	31,9	-14,4%
Other liabilities	18,4	6,8	x2,7
Equity	100,5	60,9	+65,0%
<b>Total liabilities and equity</b>	<b>650,5</b>	<b>295,1</b>	<b>x2,2</b>

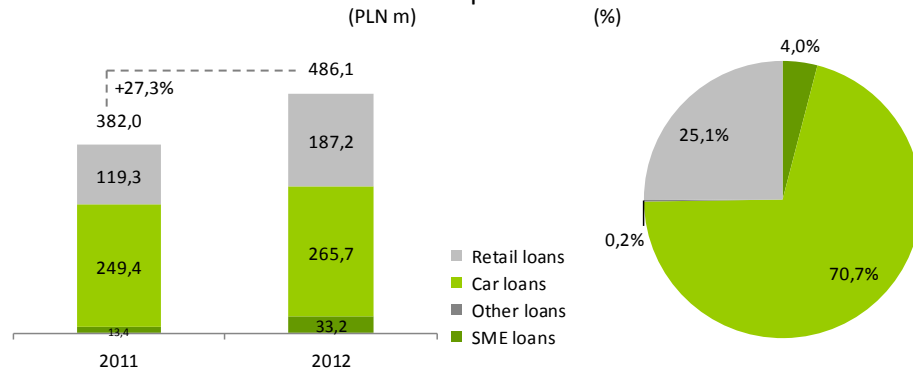
1) ROE = annualized net profit / equity adjusted for current period income  
 2) NIM = annualized interest income / average earning assets (average as at 2011.12.31 and 2012.12.31)



PLN m	2012	2011	2012 / 2011
Net interest income	48,6	42,9	+13,3%
Net fee and commission income	61,6	33,4	+84,4%
Other operating income and expense	6,2	6,0	+3,3%
<b>Net operating income</b>	<b>116,4</b>	<b>82,2</b>	<b>+41,6%</b>
Provision	-17,7	-2,1	x8,4
Overhead costs	-59,1	-44,4	+33,1%
<b>Profit before income tax</b>	<b>39,5</b>	<b>35,8</b>	<b>+10,3%</b>
Income tax	-5,0	-4,9	+2,0%
<b>Net profit attributable to equity holders of the Co.</b>	<b>34,5</b>	<b>30,9</b>	<b>+11,7%</b>

PLN m	2012	2011	31.12.2012 / 31.12.2011
Amounts due from banks	96,6	97,3	-0,7%
Loans and advances to customers	667,5	497,5	+34,2%
Financial instruments	32,2	10,5	x3,1
Other assets	90,7	68,9	+31,6%
<b>Total Assets</b>	<b>887,0</b>	<b>674,3</b>	<b>+31,5%</b>
Amounts due to banks	68,5	93,3	-26,6%
Amounts due to customers	637,5	417,5	+52,7%
Other liabilities	8,4	23,8	-64,7%
Equity	172,6	139,7	+23,6%
<b>Total liabilities and equity</b>	<b>887,0</b>	<b>674,3</b>	<b>+31,5%</b>

## Loans sales and portfolio structure



- ④ The company managed to keep its share in the car loan market in spite of tough market and high financing costs.
- ④ Launching and development of Internet banking services.
- ④ Opening 32 new branches – as at the end of the year the bank had **83** branches.
- ④ The bank receives Invest Gazeta's Ukrainian Banker Awards 2012:
  - 1 place in car loans category (for the second consecutive year);
  - 3 place in the best retail bank category.

This presentation (“Presentation”) has been prepared by Getin Holding S.A. (the “Company”) and may not, in any event, be considered or interpreted as an offer and/or a recommendation to enter into any transaction. In particular, it may not be considered or interpreted as an offer to acquire any securities or as an offer, invitation or incentive to make any acquisition offer, to make any investment or carry out any transaction involving such securities, nor may it be considered or interpreted as a recommendation to enter into any transaction, particularly any transaction involving the Company’s securities. Although the information contained in this Presentation is based on generally available and reliable sources, the Company cannot guarantee that this information is full and complete. The Company takes no responsibility for the consequences of any decisions based on any information contained in this Presentation. The information contained in this Presentation has never been subject to independent verification and may at any time be subject to change or modification. The Company is not required to publicly disclose any possible modification or change to any information, data or statement contained in this Presentation if the Company changes its strategy or intentions or if any unforeseen events or circumstances occur that affect the Company’s strategy and/or intentions. No information contained in this Presentation may, by any means, be considered or interpreted as a forecast or any express or implied representation or warranty whatsoever made by the Company or any person acting on behalf of the Company. In addition, neither the Company nor any person acting on its behalf shall be liable, in any way whatsoever, for any loss or damage that may be caused as a result of negligence or otherwise in connection with the use of this Presentation or any information contained in it, or for any damage that might otherwise arise in connection with any information contained in this Presentation. The publication by the Company of the data contained in this Presentation is not a breach of the regulations applicable to companies whose shares are traded on a regulated market, particularly on a regulated market of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.). The information provided in this Presentation has already been disclosed in current or periodic reports published by the Company or constitutes an addition to those reports, and its publication does not require the Company to fulfil the obligation to provide information as imposed on the Company as a public company. Please note that the only reliable source of information on the situation of the Company, its forecasts, events regarding the Company, its financial results and indicators is the current and periodic reports published by the Company in performing its information obligations.

\* \* \*

The sales and financial figures contained in this Presentation have been rounded off to PLN m and to one decimal place. All increases/decreases in values have been calculated based on figures rounded off to PLN thousand. All indicators/ratios and any changes in their values have been rounded off to two decimal places.



**Bartosz Jakubiak**  
Analyst, IRO

b.jakubiak@getin.pl  
+48 222 888 225