



**GETIN HOLDING S.A.
CAPITAL GROUP
REPORT ON OPERATIONS OF THE CAPITAL GROUP AND ISSUER
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014**

Wrocław, dated 27 August 2014

Contents

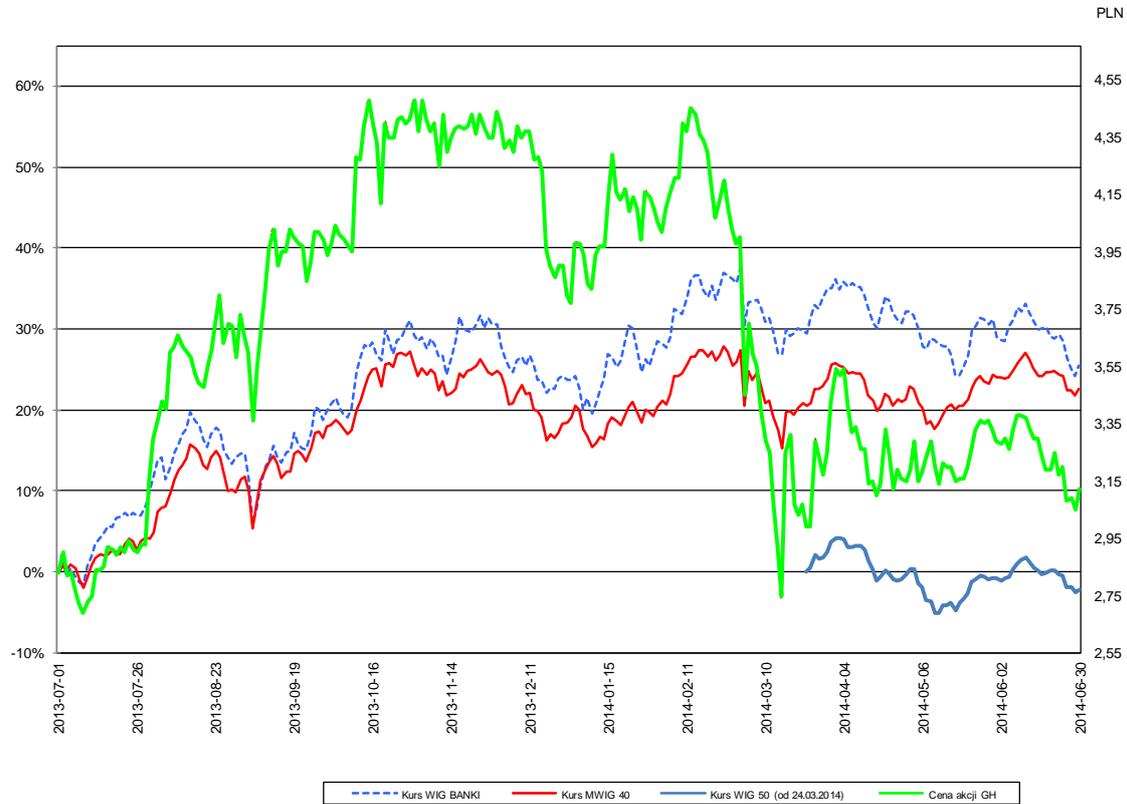
| | |
|---|----------|
| Report on operations of the Capital Group and Issuer | 3 |
| 1. The main successes and failures of Getin Holding Capital Group in H1 2014 | 3 |
| 2. Description of material unusual events or factors that considerably affected Getin Holding Group's financial results | 11 |
| 3. Material risk factors and threats to the Group's growth. | 12 |
| 4. Seasonality of the Group's operations in H1 2014 | 12 |
| 5. The consequences of the changes to the Capital Group structure | 12 |
| 6. The Management Board's position concerning potential accomplishment of previously published forecasts for the given year and comparison of the data presented in the semi-annual statement to the forecasts ... | 13 |
| 7. Information about changes of ownership of significant blocks of shares | 14 |
| 8. List of changes of the number of shares owned by members of management and supervisory boards | 15 |
| 9. List of pending court proceedings | 15 |
| 10. Information about conclusion by the Issuer or its subsidiary of a single or more transactions with a related entity, if the transaction or transactions were material and concluded on terms other than the arm's length principle | 15 |
| 11. Information about granting by the Issuer or its subsidiary of a loan or credit guarantee or a guarantee of the value of at least 10% of the Issuer's equity | 15 |
| 12. List of factors that in the Issuer's opinion will affect the Capital Group's results in at least one quarter to come | 16 |
| 13. Other information the Issuer finds important for assessment of its employment, property, financial situation, financial result and their changes as well as information important for assessment of the Issuer's ability to pay its liabilities | 16 |

Report on operations of the Capital Group and Issuer

1. The main successes and failures of Getin Holding Capital Group in H1 2014

Getin Holding

Getin Holding share price:



- On 20.03.2014, Getin Holding concluded an Agreement to the Transactional Agreement with Talanx International AG based in Hannover, Germany and Meiji Yasuda Life Insurance Company, based in Tokyo, Japan and Getin Noble Bank, whereby they partially released Getin Holding from the obligation to lock-up the shares held by Getin Holding in Towarzystwo Ubezpieczeń Europa based in Wrocław, binding pursuant to the Transactional Agreement dated 14.12.2011 concluded by and between Getin Holding, Talanx, and Meiji Yasuda, which was reported in detail in Current report number 94/2011 dated 13.12.2011.

In the Agreement to the Transactional Agreement, Talanx and Meiji Yasuda agreed to Getin Holding's selling 858,334 shares in TU Europa to Getin Noble Bank, and to this end, they released Getin Holding from the obligation to lock up the shares held in TU Europa under the Transaction Agreement.

Getin Holding reported the terms and conditions of the Agreement to the Transaction Agreement in details in Current report number 6/2014 dated 20.03.2014.

In connection with the conclusion of the Agreement to the Transactional Agreement, on 20.03.2014, the Company concluded an agreement with Getin Noble Bank ("Securing Agreement") to agree mutual obligations of Getin Holding and Getin Noble Bank resulting from the Agreement to the Transaction Agreement.

The Issuer reported the terms and conditions of the Securing Agreement in details in Current report number 06/2014 dated 20.03.2014.

- On 20.03.2014, Getin Holding concluded with Getin Noble Bank an agreement obliging to sell 858,334 ordinary registered shares in TU Europa, with the total face value of PLN 3.4 million (PLN 4 per share), accounting for 9.08% of the share capital of TU Europa and conferring 9.08% voting rights at general meetings of TU Europa, for the total price of PLN 165,7 million. The title in the shares and the price were transferred on 08.04.2014 through Noble Securities S.A. based in Warsaw. Getin Holding reported the terms and conditions of the aforementioned agreement in detail in current report number 07/2014 dated 20.03.2014.
- On 07.04.2014, Mr. Rafał Juszczyk resigned from the position of President of the Management Board, effective on 31.05.2014. However, he has not resigned from his membership in the Management Board. On a meeting held on 07.04.2014, the Supervisory Board of Getin Holding appointed Mr. Rafał Juszczyk Vice-President of the Management Board of the Company, effective as of 01.06.2014. At the same meeting, the Supervisory Board of Getin Holding appointed Mr. Piotr Kaczmarek President of the Company's Management Board, effective as of 01.06.2014.
- On 28.04.2014, the General Meeting of Getin Holding authorised the Company, within the meaning of Art. 362 (1)(8) of the Code of Commercial Companies and Partnerships, to purchase its own shares, on terms and conditions set out in the resolution adopted by the General Meeting. The Company may purchase up to 33,333,333 shares for the price not lower than PLN 2.40, and not higher than PLN 5. The shares could be acquired until 31.03.2014. The transactions were settled on 30.05.2014. Dom Maklerski Noble Securities S.A. acquired on its own behalf and on the account of Getin Holding, outside the public trading, 21,917,808 own shares in Getin Holding for PLN 3.65 per share. The face value of the purchased shares totals PLN 21,917,808.00 and they account for 3% of Getin Holding's share capital and confer the right to 21,917,808 votes at general meetings of the shareholders of Getin Holding, which accounts for 3% of all votes at general meetings.
- On 15.05.2014, Getin Holding concluded with VB-Leasing International Holding GmbH based in Vienna, Austria ("VBLI") a conditional agreement to purchase 100% interest in the share capital of VB Leasing Polska S.A. based in Wrocław ("VBL PL") and VB Leasing Romania IFN S.A. based in Bucharest, Romania ("VBL RO") ("Share Purchase Agreement"). As a result of the acquisition of 100% stake in VBL RO, Getin Holding shall also indirectly control VBL Broker de Asigurare SRL based in Bucharest, Romania ("VBL Broker"), a subsidiary company of VBL RO. Getin Holding is obliged to ensure sufficient funds to repay the funding granted to those companies by VBLI Group entities that as 16.05.2014 equalled PLN 2,750 million for VBL PL ("PL Funding"), and PLN 459 million for VBL RO ("RO Funding") (jointly "Funding"). The Funding amount may change in time by the date of transferring the title to shares in VBL PL and VBL RO to Getin Holding.

Getin Holding estimates that the total price for VBL PL shares, based on the data as of the date of the Share Purchase Agreement, will total approximately PLN 111 million, while the final price for VBL PL shares may change, according to the contractual conditions reported by Getin Holding in Current report 16/2014, dated 16.05.2014.

- Getin Holding estimates that the total price for VBL RO shares, according to the data as of the date of the Share Purchase Agreement, will amount to the equivalent of RON 52 million, while the final price for VBL RO shares may change, according to the contractual conditions reported by Getin Holding in Current report 16/2014, dated 16.05.2014.

Other detailed terms and conditions of the Share Purchase Agreement, including conditions precedent provided in the Agreement, were reported by the Issuer in current report number 16/2014 dated 16.05.2014.

Furthermore, along with the execution of the VBL PL and VBL RO Share Purchase Agreement:

- 1) Getin Noble Bank S.A. based in Warsaw ("GNB") and Idea Bank (Poland), executed with VBL PL conditional agreements whereby GNB and Idea Bank (Poland) shall purchase from VBL PL the portfolio of leasing and loan receivables due to VBL PL from its clients ("PL Receivables Portfolio"),
- 2) Romanian International Bank („RIB”) concluded a conditional agreement with VBL RO whereby RIB shall purchase from VBL RO the portfolio of leasing and loan receivables due to VBL RO from its clients („RO Receivables Portfolio”).

The parties agreed that PL Receivables Portfolio and RO Receivables Portfolio purchase agreements shall not affect the transfer of PL Receivables Portfolio and RO Receivables Portfolio to GNB, Idea Bank (Poland), and RIB, respectively, pursuant to art. 510 §1 of the Civil Code before the following two conditions precedent have been satisfied:

- Getin Holding's purchase of VBL PL and VBL RO shares under the Share Purchase Agreement;
- release from the Escrow account the prices for PL Receivables Portfolio and RO Receivables Portfolio.
- obtaining by VBL PL an approval of the Supervisory Board of VBL PL to execute and perform PL Receivables Portfolio purchase agreement, and obtaining by VBL RO an approval of the General Meeting of VBL RO to execute and perform RO Receivables Portfolio purchase agreement.

In the Share Purchase Agreement Getin Holding furthermore guaranteed that GNB, Idea Bank (Poland) and RIB shall fulfil their obligations concerning the purchase of PL Receivables Portfolio and RO Receivables Portfolio and pay the price for the said receivables portfolios and guaranteed the payment of the Difference.

GNB, Idea Bank (Poland), and RIB entered furthermore to the Share Purchase Agreement as parties within the scope of obligations of GNB, Idea Bank, and RIB set out in the Share Purchase Agreement concerning the purchase of PL Receivables Portfolio and RO Receivables Portfolio, and payment for them.

In the Share Purchase Agreement Getin Holding, GNB, Idea Bank (Poland), and RIB agreed furthermore to indemnify VBLI and its related companies any and all losses that such companies incur due to the performance of the PL Receivables Portfolio purchase agreement and RO Receivables Portfolio purchase agreements by VBL PL, VBL RO, GNB, Idea Bank (Poland), and RIB. The remaining detailed terms and conditions of the purchase of the Receivables Portfolio were reported by the Issuer in current report number 16/2014 dated 16.05.2014.

- On 06.06.2014, Getin Holding concluded with Idea Leasing (Poland) a conditional agreement to acquire 100% stake in the share capital of VBL PL. The price for the shares to be sold totals PLN 155,500,000. The price may increase, depending on the market value of the shares to be sold as at the Closing Date set forth in the purchase agreement of shares in VBL PL and VBL RO, which may result in the need of Getin Holding surcharging Idea Bank (Poland) with an additional payment for the purchased shares. Getin Holding reported detailed terms and conditions of the aforementioned agreement in current report number 25/2014 dated 06.06.2014.
- The Supervisory Board of Getin Holding on its meeting held on 14.07.2014 appointed Mr. František Babický Member of the Management Board of Getin Holding, effective as of 15.08.2014.

I. Segment of banking services in Poland

Idea Bank Group (Poland) comprises Idea Bank S.A., targeting a complex range of loan, savings and deposit products at small and medium-sized companies, Idea Leasing S.A. (leasing of vehicles and machinery), Idea Expert S.A. (financial advisory and agency services), and Tax Care S.A., specialized in offering accounting and financial advisory services to small companies.

The net financial result of Idea Bank Group for H1 2014 totalled PLN 65.0 million, and it was 121% higher compared to the corresponding period in 2013. The total result comprises the following items:

| | kPLN |
|---|----------|
| Net interest income | 132 707 |
| <i>Interest income</i> | 268 155 |
| <i>Interest expenses</i> | -135 448 |
| Net fee and commission income | 138 152 |
| <i>Fee and commission income</i> | 192 093 |
| <i>Fee and commission expenses</i> | -53 941 |
| Other net operating income and expenses | 42 827 |
| Costs of provisions | -41 063 |
| Administrative expenses | -197 742 |
| Income tax | -9 873 |

As of the end of H1 2014, the assets of Idea Bank Group totalled PLN 10,346 million, which means a 62% growth compared to the end of H1 2013 (PLN 6,399.5 million).

The net deposits balance as of the end of the balance sheet period amounted to PLN 7,875 million, compared to PLN 4,537 million in the corresponding period in 2013, which means a 74% growth. Of the above total, PLN 4,114 million worth deposits were raised in Q2 2014, which contributed to the growth in the deposits portfolio by PLN 2 115 million compared to Q1 2014.

The net loan balance at the end of H1 2014 totalled PLN 5,096 million, which means a 35% growth compared to PLN 3,768 million in H1 2013.

Thanks to its flexible offer and numerous campaigns on TV and in the Internet, Idea Bank attracted as many as 400 thousand clients (growth in Q2 2014 by 50 thousand compared to Q1 2014).

The share capital of Idea Bank was increased in June 2014 by the issue of PLN 130 million worth shares, reaching Tier 1 capital at the level 15.87%.

Tax Care in H1 2014 reported an increase in sale of accounting services up to PLN 14.6 million (28.1% growth compared to H1 2013).

On 25.02.2014, Idea Bank (Poland) placed a request to redeem 6,265,551 D-series investment certificates issued by Debito FIZ, for the total price of PLN 1,032,923.

On 12.05.2014, the Extraordinary General Meeting of shareholders of Idea Bank (Poland) resolved to establish the 3rd Programme of Issuing Subordinated Bonds worth up to PLN 200 million. Within the 3rd Programme of Issuing Subordinated Bonds Idea Bank (Poland) issued (the issue date is the allocation date):

- On 20.05.2014, 129,210 E-series bearer bonds with the face value of PLN 100 each, falling due in 5 years and 6 months from their issue date. In the bonds issue Idea Bank (Poland) raised PLN 12.9 million. On 13.06.2014, the Polish Financial Supervision Authority issued a decision approving the recognition of the funds raised in D-series bonds issue as the supplementary funds of Idea Bank (Poland).

- On 10.06.2014, 326,359 F-series bearer bonds with the face value of PLN 100 each, falling due in 6 years and 6 months from their issue date. In the bonds issue Idea Bank (Poland) raised PLN 32.6 million.
- On 30.06.2014, 141,400 G-series bearer bonds with the face value of PLN 100 each, falling due in 7 years from their issue date. In the bonds issue Idea Bank (Poland) raised PLN 14.1 million.

On 15.05.2014, Idea Bank (Poland) concluded with VBL PL a conditional agreement, under which Idea Bank (Poland) shall purchase from VB Leasing Polska S.A. lease and loans receivables due to VBL PL from clients of VBL PL.

On 20.05.2014, the Supervisory Board of Idea Leasing (Poland) adopted a resolution, subsequently amended with another resolution adopted on 30.06.2014 on approval of the First Programme of Issuing Bonds with the total face value of PLN 200 million. The bonds shall be issued as bearer dematerialized and unrestricted bonds. The bonds maturity falls in 2 years. The floating interest rate calculated as WIBOR3M or WIBOR6M plus the maximum margin of 3.9% per annum shall be paid quarterly or semi-annually.

On 06.06.2014, Getin Holding concluded with Idea Leasing (Poland) a conditional agreement to acquire 100% interest in the share capital of VBL PL.

On 23.06.2014, the Supervisory Board of Idea Expert resolved to establish the First Programme of Issuing Bonds worth up to PLN 400 million. The bonds shall be issued as bearer dematerialized and unrestricted bonds. The bonds maturity falls in 3 years. The floating interest rate calculated as WIBOR3M or WIBOR6M plus the maximum margin of 4.05% per annum shall be paid quarterly or semi-annually.

On 25.06.2014, Vesto Investments spółka z o. o. S.K.A. took up 110 A-series registered bonds in a form of document, with the face value of PLN 100 thousand each, and the total face value of PLN 11 million, issued by Property Solutions FIZAN. The bonds will be redeemed on 30.06.2015. The bonds are non-interest bearing bonds and they are issued as zero-coupon bonds, with a discount of 5.7% of their face value, i.e. at the issue price of PLN 94,300 per share, and the total issue price of PLN 10.37 million.

On 30.06.2014, Idea Bank (Poland) redeemed 84,066 B-series investment certificates issued by Property Solutions FIZAN, for the total price of PLN 101,957,766.78.

On 27.06.2014, Idea Bank (Poland) placed a request to redeem 11,290,323 D-series investment certificates issued by Debito FIZ, for the total price of PLN 1,861,293.

II. Banking services segment in Ukraine

Idea Bank Group (Ukraine) is a Ukraine based group comprising *inter alia* Idea Bank (Ukraine) focused on sale of products to individual clients. Its main products comprise car loans, cash loans, deposits, current accounts, payment cards (debit cards). The bank offers also loans to corporate clients, deposits to legal persons, making money transfers and payments, and lease of vehicles.

The net result generated by Idea Bank (Ukraine) for H1 2014 totalled UAH (-61,2) million [PLN (-19,6) million], which means a decline by UAH 97,2 million (PLN 30,7 million) compared to the corresponding period in 2013. The total result comprises the following items:

| | kPLN | kUAH |
|------------------------------------|----------------|-----------------|
| Net interest income | 19 576 | 68 932 |
| <i>Interest income</i> | <i>81 082</i> | <i>285 501</i> |
| <i>Interest expenses</i> | <i>-61 506</i> | <i>-216 569</i> |
| Net fee and commission income | 19 755 | 69 558 |
| <i>Fee and commission income</i> | <i>20 552</i> | <i>72 367</i> |
| <i>Fee and commission expenses</i> | <i>-797</i> | <i>-2 809</i> |

| | | |
|---|---------|----------|
| Other net operating income and expenses | 8 241 | 29 013 |
| Costs of provisions | -38 618 | -135 979 |
| Administrative expenses | -33 013 | -116 237 |
| Income tax | 4 417 | 15 550 |

As at the end of H1 2014, the assets held by Idea Bank Group (Ukraine) totalled UAH 3,032 million, which means a 14% growth compared to the end of H1 2013 (PLN 777 million, which means a decline by 28.9% compared to the result for H1 2014 expressed in PLN).

As of the reporting period, the net deposits balance amounted to UAH 2,199 million, which means a 18% growth compared to corresponding period in 2013 (PLN 563 million, which means a decline by 25.2% compared to the result for H1 2013 expressed in PLN). After Q1 2014, the company re-built its deposits portfolio that it had lost at the beginning of the year when the banking system saw massive deposits outflows. Q2 2014 saw a 15.4% growth compared to the previous quarter (without the impact of the UAH/PLN exchange rate changes). In the same period the net deposits balance in the banking sector shrank by 2.5%.

The net loans balance at the end of H1 2014 amounted to UAH 2,210 million, which means a 9% growth compared to H1 2013 (PLN 566 million, which means a decline by 30.8% compared to the result for H1 2013 expressed in PLN). The company reached the result since it focused on sale of more profitable cash loans with shorter repayment terms; the result was also affected by devaluation of hryvnia by 31% in H1 2014.

The financial result in the reporting period was also substantially affected by growing credit risk that resulted in higher provisions (181%) for loan receivables compared to the corresponding period in the previous year (in H1 2013, the provisions for loan receivables increased by UAH 48.4 million), and in particular dramatically increasing credit risk in the Crimea, and East Ukraine.

The main successes achieved by Idea Bank (Ukraine) in the reporting period include:

- 1) maintaining all indicators at the levels required by the National Bank of Ukraine, in spite of the difficult financial and economic situation in Ukraine. In H1 2014, the National Bank of Ukraine appointed judge commissioners for as many as 11 banks;
- 2) maintaining the bank's liquidity ratios at appropriate level.

The bank also has reduced fixed costs by closing 5 branches and laying off 116 employees.

The bank's stable financial standing was confirmed by the rating granted by the credit reporting agency that monitors financial standing of banks in Ukraine (uaA, outlook stable).

III. Banking services sector in Belarus

Idea Bank Group (Belarus) comprises two banks, namely: Idea Bank (Belarus) and Belarusian Bank for Small Business, as well as two companies Idea Broker, and Idea Finance that offer financial services to retail clients and comprehensive financial services to companies, specializing in sale of instalment loans, and cash loans.

In H1 2014, Idea Bank (Belarus) generated a profit of BYR 2,804 million, which means a 96% decline compared to the H1 2013 (equivalent of PLN 0,839 million, which means a 97.3% decline compared to the result for H1 2013 expressed in PLN).

The total result comprises the following items:

| | kPLN | mBYR |
|---|----------|----------|
| Net interest income | 61 072 | 204 260 |
| <i>Interest income</i> | 171 109 | 572 272 |
| <i>Interest expenses</i> | -110 037 | -368 012 |
| Net fee and commission income | 21 034 | 70 347 |
| <i>Fee and commission income</i> | 30 691 | 102 645 |
| <i>Fee and commission expenses</i> | -9 657 | -32 298 |
| Other net operating income and expenses | -5 875 | -19 649 |
| Costs of provisions | -19 656 | -65 741 |
| Administrative expenses | -50 971 | -170 475 |
| Income tax | -4 765 | -15 938 |

As at the end of H1 2014, the group's assets totalled BYR 2,983,906 million, which means a 32% growth compared to the end of H1 2013 (equivalent of PLN 891.9 million, which means a 4.5% growth compared to the result for H1 2013 expressed in PLN).

The bank's net loans balance as at 30.06.2014 increased by 19% compared to 30.06.2013 amounting to BYR 1,972,094 million (equivalent of PLN 589.7 million, which means a decline by 5.8% compared to the result reported as at the end of H1 2013 in PLN).

The bank's net deposits balance as at 30.06.2014 increased by 22% compared to 30.06.2013 amounting to BYR 2,099.720 million (equivalent of PLN 627.8 million, which means a decline by 3.4% compared to result reported the end of H1 2013 in PLN).

The financial result of Idea Bank Group (Belarus) for H1 2014 was materially affected by the introduction of several recommendations limiting sales volumes and profitability by the Central Bank of Belarus (in the period starting in 09.2014), including the absolute requirement for loan applicants to provide employment certificates. The substantial, double-digit annual rise in the inflation rate in each month of Q2 2014, in Q2 2014 only the hyperinflationary adjustments totalled PLN 9.7 million (increasing from PLN 6.5 million in Q1 2014, and from the average quarterly level in 2013 – by PLN 4.4 million). Making the most of the know-how and the loan application procedure implemented last year in Belarusian Bank for Small Business generated over 5-times growth in loan sales to SMEs as compared to Q1 2013, and by 57.6% compared to the previous quarter.

IV. Banking and lease services sector in Russia

Carcade Group (Russia) comprises Carcade, one of the major Russian lease companies, specializing in leasing passenger cars and light commercial vehicles to small and medium-sized companies, and Idea Bank (Russia) that focuses on sale of car loans and raising deposits.

In the reporting period, Carcade Group disclosed a net consolidated profit of RUB 156,7 million, which means a decline by 40% compared to the corresponding period in 2013 (equivalent of PLN 13.6 million, which means a 50.2% decline compared to H1 2013 result expressed in PLN).

The total result comprises the following items:

| | kPLN | kRUB |
|---------------------|--------|---------|
| Net interest income | 79 144 | 912 853 |

| | | |
|---|---------|------------|
| <i>Interest income</i> | 177 089 | 2 042 552 |
| <i>Interest expenses</i> | -97 945 | -1 129 699 |
| Net fee and commission income | 25 072 | 289 169 |
| <i>Fee and commission income</i> | 25 847 | 298 111 |
| <i>Fee and commission expenses</i> | -775 | -8 942 |
| Other net operating income and expenses | 15 577 | 179 656 |
| Costs of provisions | -26 179 | -301 949 |
| Administrative expenses | -75 638 | -872 412 |
| Income tax | -4 390 | -50 629 |

In H1 2014, Carcade's sales activity generated RUB 8,672 million (PLN 752 million), compared to RUB 8,432 million (PLN 869 million) in H1 2013. It is the result of the demand for new passenger cars shrinking by 12.5% compared to H1 2013. Carcade managed to defend its considerable share in the lease market.

As at the end of H1 2014, Carcade Group's assets totalled RUB 23,669 million, which means a 27% growth compared to the end of H1 2013 (equivalent of PLN 2,123 million, which means a 12% growth compared to the result for H1 2013 expressed in PLN).

The total value of loans sold by Carcade Group as at the end of the reporting period amounted to RUB 3,199 million, which means a 50% growth compared to H1 2013 (equivalent of PLN 286.9 million, which means a 33.2% growth compared to the result for H1 2013 expressed in PLN).

As at the end of H1 2014, Carcade Group's net deposits balance amounted to RUB 3,188 million, which means a 47% growth compared to the end of H1 2013 (equivalent of PLN 286 million, which means a 30% growth compared to the result for H1 2013 expressed in PLN).

Intensive competition affecting margins and growing cost of financing were the major growth hindering factors in H1 2014. Mitigating the risk of new products diminished the dynamics of the monthly growth in provisions. In H1 2014, the group focused on credit risk and debt collection, while extending its product range by launching deposits for corporate clients and debit cards.

Fitch confirmed the IDR rating for Carcade at the level of "BB-", with stable outlook.

From 31.07.2013 to 15.01.2014, Carcade concluded with VTB Bank agreements worth in total RUB 2,500 million, with the major credit facility agreement amounting to RUB 1,500 million dated 15.01.2014.

For the period of 12 months ending on 05.03.2014, Carcade concluded with IK WIELES Kapital agreements worth in total RUB 2,404.6 million, with the major agreement dated 28.10.2013 setting forth terms and conditions for Carcade's issuing bills of exchange worth RUB 770,5 million.

Furthermore, within the period of 12 months ending on 16.05.2014, Carcade concluded with UniCredit Bank agreements worth in total RUB 2,376 million, with the major credit facility agreement amounting to RUB 1,530 million dated 01.07.2013.

The terms and conditions of the aforementioned agreements were reported by the Issuer in current reports number 2/2014 dated 15.01.2014, number 3/2014 dated 05.03.2014, and 17/2014 dated 16.05.2014.

V. Segment of banking services in Romania

Romanian International Bank

The net result generated by Romanian International Bank in H1 2014 totalled RON 3,0 million (PLN 2.8 million). The total result comprises the following items:

| | kPLN | kRON |
|---------------------|-------|-------|
| Net interest income | 5 902 | 6 285 |

| | | |
|---|---------|---------|
| <i>Interest income</i> | 9 708 | 10 337 |
| <i>Interest expenses</i> | -3 806 | -4 052 |
| Net fee and commission income | 4 168 | 4 437 |
| <i>Fee and commission income</i> | 4 687 | 4 990 |
| <i>Fee and commission expenses</i> | -519 | -553 |
| Other net operating income and expenses | 9 156 | 9 749 |
| Costs of provisions | -7 021 | -7 476 |
| Administrative expenses | -16 121 | -17 165 |
| Income tax | 6 733 | 7 169 |

The assets of Romanian International Bank as at the end of H1 2014 totalled RON 490 million (PLN 465 million), while the net deposits balance – RON 431 million (PLN 408.5 million), and the net loans balance – RON 114 million (PLN 108.5 million).

The quarterly growth in the net loans balance amounted to the equivalent of PLN 85.2 million (which means a 26.4% growth compared to the previous quarter) in order to purchase lease receivables portfolio. The first stage of the bank's reorganization and portfolio restructuring was completed. The bank sold PLN 62.4 million worth non-performing loans, which means 29.3% of the gross portfolio as at the end of 2013.

VI. Segment of financial services in Poland

MW Trade

The net financial result generated by MW Trade in H1 2014 totalled PLN 7.2 million, and it was only 3% lower compared to the corresponding period in 2013. The total result comprises the following items:

| | kPLN |
|---|---------|
| Net interest income | 13 650 |
| <i>Interest income</i> | 31 513 |
| <i>Interest expenses</i> | -17 863 |
| Net fee and commission income | -556 |
| <i>Fee and commission income</i> | 122 |
| <i>Fee and commission expenses</i> | -678 |
| Other net operating income and expenses | 165 |
| Costs of provisions | -75 |
| Administrative expenses | -4 216 |
| Income tax | -1 752 |

In H1 2014, the company generated the second record breaking result in its history amounting to PLN 7.2 million, which was only slightly lower than in the corresponding period in 2013. The monthly average portfolio value in the reported period amounted to PLN 531,4 million (whereas in H1 2013 the monthly average portfolio value was PLN 432,4 million, which means a 23% growth).

The total interest income accrued on the receivables portfolio in H1 2014 totalled PLN 31,5 million, i.e. PLN 1,6 million more than in H1 2013, which means a 4.5% growth.

2. Description of material unusual events or factors that considerably affected Getin Holding Group's financial results

Not applicable to Getin Holding Capital Group.

3. Material risk factors and threats to the growth of the Group companies.

Idea Bank (Poland) operates in Poland, therefore its operating profit, its financial standing, and growth prospects depend mainly on the economic, political, and legislative environment in Poland. Possible slump in the European economy may have material negative impact on the condition of entrepreneurs that operate either in the Polish, or the European markets and who are the bank's main clients. For the operating activities, and also debt collecting related to them, creditworthiness of the bank's clients and their willingness to invest is of the utmost importance.

The risk factors that affect the operations of Idea Bank (Ukraine) include first of all the risk of escalation of the situation in East Ukraine, which may in turn result in further growth of the credit risk in those regions and spreading military operations to new territories.

Factors that may affect operations of Carcade and Idea Bank (Russia) include potential growth of the credit risk.

MW Trade provides financial services in a specific market niche, which results in market concentration and the company's dependency on the situation and changes in the health care sector. Therefore, the changes that the sector is undergoing may materially affect operations of MW Trade.

4. Seasonality of the Group's operations in H1 2014

Not applicable to Getin Holding Capital Group.

5. The consequences of the changes to the Capital Group structure

Getin Holding

On 20.03.2014, Getin Holding concluded with Getin Noble Bank an agreement obliging to sell 858,334 ordinary registered shares in TU Europa, with the total face value of PLN 3.4 million (PLN 4 per share), accounting for 9.08% of the share capital of TU Europa and conferring 9.08% voting rights at general meetings of shareholders of TU Europa, for the total price of PLN 165.7 million. The title in the shares and the price were transferred on 08.04.2014 through Noble Securities S.A., brokerage house based in Warsaw.

On 08.05.2014, Getin Holding concluded with Carcade (Russia) (its subsidiary) a sale agreement whereby it purchased from Carcade (Russia) 381,377,829 registered shares in Idea Bank (Russia) (including 834,551 preference and 380,543,278 ordinary shares) with the face value of RUB 1 each, accounting for 96.0657% of the share capital of Idea Bank (Russia). The total purchase price for the shares in Idea Bank (Russia) was RUB 667.4 million (PLN 57.5 million), i.e. RUB 1.75 (PLN 0.15) per share. The title in the shares was transferred to Getin Holding on 20.05.2014.

On 02.06.2014, in the performance of the agreement dated 29.05.2014 concluded between Getin Holding and Idea Bank (Poland), with the participation of and through Noble Securities, Getin Holding transferred to Idea Bank 3,590,182 ordinary bearer shares in Open Finance, accounting for 6.60% stake in the share capital of Open Finance, and conferring the right to 6.60% votes at general meetings of shareholders of Open Finance, for the total price of PLN 45.6 million. The share transfer was effected through Noble Securities.

Idea Bank Group (Poland)

In the reporting period, the share capital of Idea Box was increased by PLN 0.5 million to PLN 1.5 million. Idea Bank (Poland) took up 8,500 shares in the increased share capital.

On 23.05.2014, the general meeting of Idea Leasing (Poland) resolved to increase the share capital from PLN 19 million to PLN 23.5 million. Idea Bank (Poland) took up 4,500 shares with the face value of PLN 1,000 each in the increased share capital.

On 29.05.2014, Idea Bank (Poland) concluded with Getin Holding an agreement whereby it purchased 3,590,182 shares (6.60% of the share capital and votes at general meetings) in Open Finance, for the total price of PLN 45.6 million.

On 30.05.2014, the general meeting of shareholders of Idea Bank (Poland) adopted a resolution on increasing the Bank's share capital by PLN 9,489,052 by issuing 4,744,526 K-series ordinary registered shares. The capital increase was registered on 18.06.2014.

On 30.05.2014, Idea Bank (Poland) concluded with LC Corp BV an agreement whereby it purchased 1,000,000 shares (1.84% of the share capital and votes at general meetings) in Open Finance for the total price of PLN 12.7 million. After the transaction, the bank held shares accounting for 7.84% shares in the share capital and conferring the same amount of votes at general meetings of the company.

On 02.06.2014, Idea Bank (Poland) concluded with Dr. Leszek Czarnecki an agreement whereby it purchased 2,000,000 shares (3.64% of the share capital and votes at general meetings) in Open Finance for the total price of PLN 25.4 million. After the transaction, Idea Bank (Poland) holds 12.12% shares in the company's share capital and votes at general meetings.

On 06.06.2014, Idea Leasing (Poland), the subsidiary company of Idea Bank (Poland), concluded with Getin Holding a conditional agreement to purchase 100% interest in the share capital of VB Leasing Polska S.A., a company based in Wrocław.

The shares in VB Leasing Polska shall be transferred and the remaining part of the shares price shall be paid through Dom Maklerski Noble Securities upon the satisfaction of the condition precedent set forth in the agreement. The transaction is reported in detail in section 1 hereof.

Getin International

On 16.01.2014, a contract of sale of corporate rights was concluded by Getin International (Poland) and Gwarant Plus, whereby Gwarant Plus purchased from Getin International 23.7% of its own shares accounting for 64.886% shares held by Getin International.

Romanian International Bank

On 13.02.2014, the extraordinary general meeting of Romanian International Bank resolved to increase its share capital from RON 78 million (PLN 725 million) to RON 83.38 million (PLN 77.5 million). The shares in the increased capital were taken up by Getin Holding.

On 04.04.2014, Idea Leasing IFN S.A. (Romania) was incorporated. Romanian International Bank holds 99.88% shares in the newly established company.

On 25.06.2014, Idea Investment S.A. (Romania) was incorporated. Romanian International Bank holds 99.99% shares in the newly established company.

6. The Management Board's position concerning potential accomplishment of previously published forecasts for the given year and comparison of the data presented in the semi-annual statement to the forecasts

Neither the Issuer, nor its subsidiaries published any financial forecasts.

7. Information about changes in the ownership of significant blocks of shares

Structure of ownership of significant blocks of shares as of the date of publication of H1 2014 report to the Issuer's knowledge:

SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE COMPANY'S GENERAL MEETING OF SHAREHOLDERS ON THE DATE OF PUBLICATION OF THE Q2 2014 REPORT

| No. | Shareholder | Number of shares held | Number of votes arising from the shares held | Share in the share capital (%) | Share of votes at GM (%) |
|-----|--|----------------------------|--|--------------------------------|--------------------------|
| 1 | Leszek Czarnecki directly and indirectly* including: LC Corp B.V. based in Amsterdam | 408 028 404 323 278 107 | 408 028 404 323 278 107 | 55.80% 44.21% | 55.80% 44.21% |
| 2 | ING Otwarty Fundusz Emerytalny | 38 200 052 | 38 200 052 | 5.22% | 5.22% |
| 3 | Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK | 37 840 831 | 37 840 831 | 5.17% | 5.17% |

*Dr. Leszek Czarnecki holds directly 84,590,935 shares accounting for 11.57% of the share capital and conferring the right to 11.57% votes at GM and indirectly through his subsidiaries 323,437,469 shares accounting for 44.23% of the share capital and conferring the right to 44.23% votes at GM. Companies directly and indirectly controlled by Dr. Leszek Czarnecki: LC Corp B.V., based in Amsterdam, which holds 323,278,107 shares accounting for 44.21% of the share capital and conferring the right to 44.21% votes at GM, RB Investcom Sp. z o.o., based in Wrocław, which holds 32,922 shares accounting for 0.0045% of the share capital and conferring the right to 0.0045% votes at GM, Idea Expert S.A., the company based in Wrocław, which holds 2,521 shares accounting for 0.0003% of the share capital and conferring the right to 0.0003% votes at GM, and the Jolanta and Leszek Czarnecki's Foundation which holds 123,919 shares accounting for 0.0169% of the share capital and conferring the right to 0.0169% votes at GM.

Structure of ownership of significant blocks of shares as of the date of publication of H1 2014 report to the Issuer's knowledge:

SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE COMPANY'S GENERAL MEETING OF SHAREHOLDERS AS OF THE DATE OF PUBLICATION OF THE H1 2014 REPORT

| | | | | | |
|---|--|----------------------------|----------------------------|------------------|------------------|
| 1 | Leszek Czarnecki directly and indirectly* including: LC Corp B.V. based in Amsterdam | 417 675 237 313 729 781 | 417 675 237 313 729 781 | 57.11% 42.90% | 57.11% 42.90% |
| 2 | ING Otwarty Fundusz Emerytalny | 38 200 052 | 38 200 052 | 5.22% | 5.22% |
| 3 | Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK | 37 840 831 | 37 840 831 | 5.17% | 5.17% |

*Dr. Leszek Czarnecki holds directly 81,872,327 shares accounting for 11.20% of the share capital and conferring the right to 11.20% votes at GM and indirectly through his subsidiaries 335,802,910 shares accounting for 45.92% of the share capital and conferring the right to 45.92% votes at GMs. Companies directly and indirectly controlled by Dr. Leszek Czarnecki: LC Corp B.V., based in Amsterdam, which holds 313,729,781 shares accounting for 42.90% of the share capital and conferring the right to 42.90% votes at GM, RB Investcom Sp. z o.o., based in Wrocław, which holds 32,922 shares accounting for 0.0045% of the share capital and conferring the right to 0.0045% votes at GM, Idea Expert S.A., the company based in Wrocław, which holds 2,521 shares accounting for 0.0003% of the share capital and conferring the right to 0.0003% votes at GM, and the Jolanta and Leszek Czarnecki's Foundation which holds 119,878 shares accounting for 0.0163% of the share capital and conferring the right to 0.0163% votes at GM. Furthermore, the indirect control is also effected through Getin Holding S.A. that holds 21,917,808 own shares, accounting for 3.00% share capital, but conferring no rights at GMs.

8. List of changes in the number of shares owned by members of management and supervisory boards

| Person | Position | Number of shares held | | | As of the date of publication of H1 2014 report |
|----------------------------------|---|---|------------|------------|---|
| | | As of the date of publication of Q1 2014 report | Increases | Decreases | |
| Management Board members | | | | | |
| Piotr Kaczmarek | President of the Management Board | n/a ¹⁾ | - | - | 24 000 |
| Radosław Boniecki | Vice President of the Management Board. | 78 485 | 2 133 | - | 80 618 |
| Rafał Juszczyk | Vice President of the Management Board. | 0 | - | - | 0 |
| Izabela Lubczyńska | Member of the Management Board | 4 518 | - | - | 4 518 |
| František Babický | Member of the Management Board | n/a ²⁾ | - | - | 0 |
| Supervisory Board members | | | | | |
| Leszek Czarnecki | Chairman of the Supervisory Board | 84 590 935 ³⁾ | - | -2 718 608 | 81 872 327 |
| | | 323 437 469 ⁴⁾ | 12 365 411 | - | 335 802 910 |
| Remigiusz Baliński | Vice-Chairman of the Supervisory Board | 190 637 | 7 106 | - | 197 637 |
| Marek Grzegorzewicz | Member of the Supervisory Board | 101 392 | 571 | - | 101 963 |
| Andrzej Błażejowski | Member of the Supervisory Board | 61 933 | - | -892 | 61 041 |
| Longin Kula | Member of the Supervisory Board | 11 555 | 571 | - | 12 126 |

¹⁾ Mr. Piotr Kaczmarek was appointed to Management Board from 01.06.2014.

²⁾ Mr. František Babický was appointed to Management Board from 15.08.2014.

³⁾ Shares held by Mr. Leszek Czarnecki directly.

⁴⁾ Shares held by Mr. Leszek Czarnecki indirectly.

9. List of pending court proceedings

In H1 2014, there was no single proceeding concerning the Issuer's or its subsidiaries' liabilities or claims with the value of at least equal to 10% of the Issuer's equity. There were no pending proceedings concerning the Issuer's or its subsidiaries' liabilities or claims with total value of at least 10% of the Issuer's equity.

10. Information about conclusion by the Issuer or its subsidiary of a single or more transactions with a related entity, if the transaction or transactions were material and concluded on terms other than the arm's length principle

In H1 2014, neither the Issuer nor its subsidiaries concluded any substantial transactions with any related entities on terms other than the arm's length principle.

11. Information about granting by the Issuer or its subsidiary of a loan or credit guarantee or a guarantee of the value of at least 10% of the Issuer's equity

On 24.06.2014, Idea Bank (Poland) made a statement on granting a guarantee for any obligations assumed by Idea Expert due to the bonds issued by Idea Expert within the First Bonds Issue Programme, up to the cap value of PLN 480 million.

Idea Bank (Poland) made also a statement on granting a guarantee for any obligations assumed by Idea Leasing (Poland) due to the issued bonds. With relation to B-series bonds issued by Idea Leasing (Poland) within the First Bonds Issue Programme Idea Bank (Poland) made a statement on granting the guarantee up to the cap amount of PLN 75 million, whereas with relation to other bonds issued within the First Bonds Issue Programme, starting with C-series bonds, Idea Bank (Poland) on 30.06.2014 issued a statement on granting a guarantee up to the cap amount of PLN 220 million. Furthermore, pursuant to the agreement dated 23.06.2014, Idea Bank (Poland) assumed the debt obligation and committed to release Idea Leasing from any obligations resulting from issuing B-series bonds as regards the principal and any ancillary dues, both existing and those that may arise in the future due to B-series bonds.

12. Specification of factors that in the Issuer's opinion will affect the Capital Group's results in at least one quarter to come

Idea Bank (Ukraine)

Future performance of Idea Bank (Ukraine) may be affected by the macroeconomic and political environment, specifically further developments of the military conflict in the east part of Ukraine.

Carcade and Idea Bank (Russia)

Carcade and Idea Bank (Ukraine) foresee a risk of diminishing sales volumes due to worsening economic situation in the Russian Federation in connection with the sanctions applied by the USA, EU, and individual countries.

13. Other information the Issuer finds important for assessment of its employment, property, financial situation, financial result and their changes as well as information important for assessment of the Issuer's ability to pay its liabilities

Apart from the events reported hereinabove, in the reported period in the Capital Group there occurred no events important for assessment of its employment, property, financial situation, financial result and their changes as well as information important for assessment of the Issuer's ability to pay its liabilities.

Piotr Kaczmarek

President of the Management Board

Radosław Boniecki

Vice President of the Management Board.

Rafał Juszcak

Vice President of the Management Board

Izabela Lubczyńska

Member of the Management Board

František Babický

Member of the Management Board