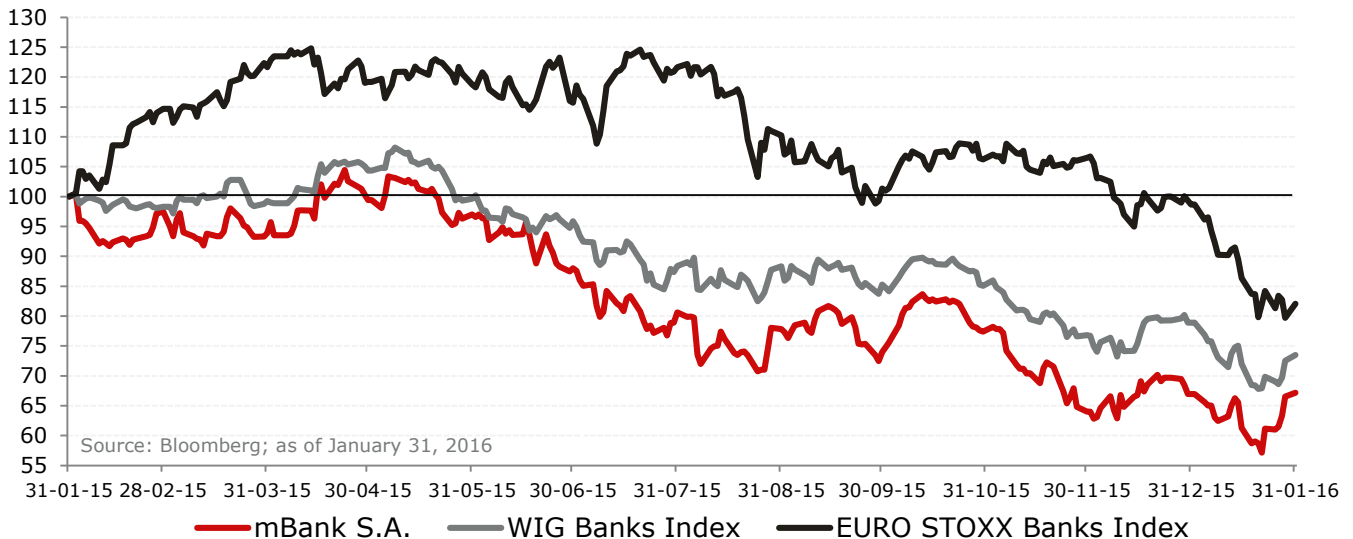


### Share price performance summary

In January mBank's share price increased by 0.32%, while the WIG-Banks index went down by 6.87%. The EURO STOXX Banks Index declined by 16.82% in the same period.

#### Last 12 months – chart



change in the period	1Q'15	2Q'15	3Q'15	4Q'15	2015	2016yTD
mBank	-11.58%	-6.29%	-15.91%	-9.51%	-36.95%	+0.32%
WIG Banks Index	-3.78%	-3.42%	-11.04%	-7.51%	-23.54%	-6.87%
EURO STOXX Banks Index	+17.20%	-4.91%	-12.39%	-2.64%	-4.94%	-16.82%

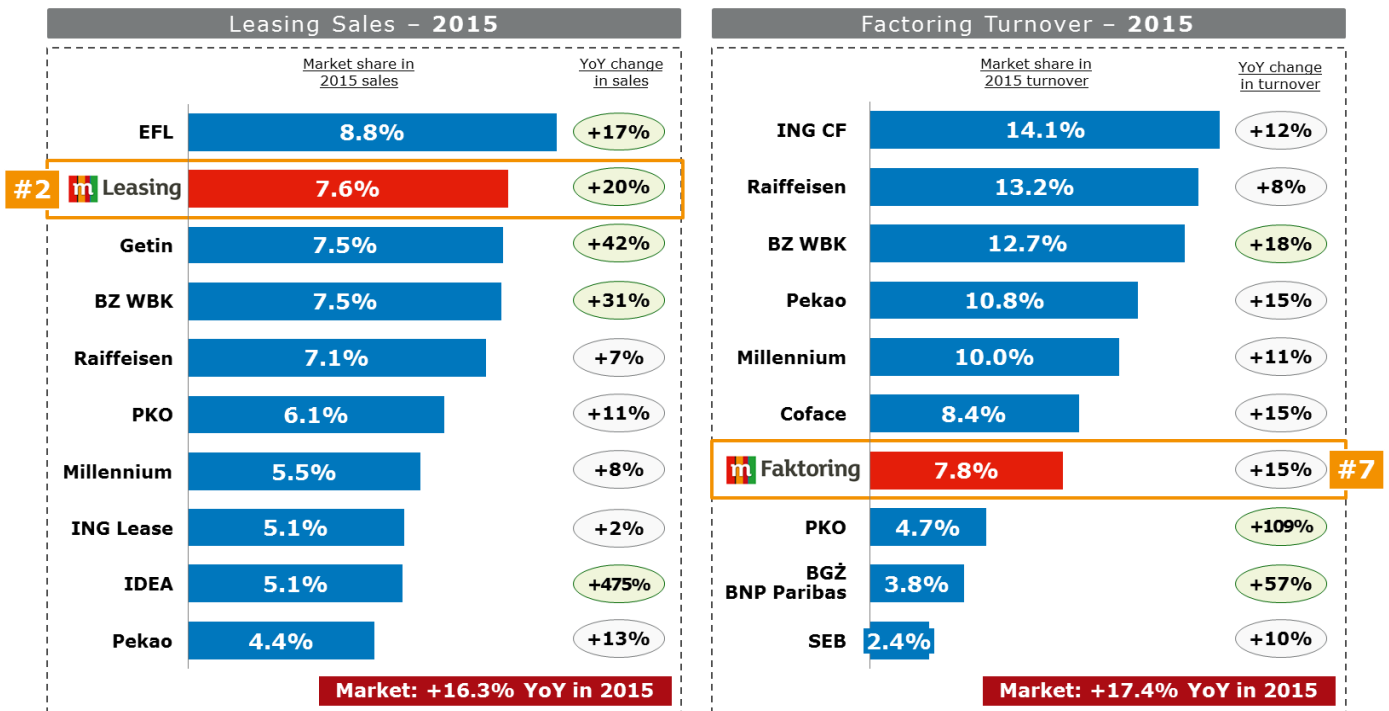
### Consensus estimates for mBank Group's results

P&L item (in PLN M)	2013	2014	2015E		2016E	
			estimate	Δ vs. 2014A	estimate	Δ vs. 2015E
Net interest income	2 226	2 491	2 477	-0.6%	2 648	+6.9%
Net F&C income	835	902	894	-0.9%	958	+7.2%
<b>Total income</b>	<b>3 674</b>	<b>3 939</b>	<b>4 020</b>	<b>+2.1%</b>	<b>4 136</b>	<b>+2.9%</b>
<b>Costs</b>	<b>-1 678</b>	<b>-1 771</b>	<b>-1 996</b>	<b>+12.8%</b>	<b>-2 040</b>	<b>+2.2%</b>
LLPs	-478	-516	-429	-16.9%	-486	+13.3%
<b>Profit before tax</b>	<b>1 518</b>	<b>1 653</b>	<b>1 595</b>	<b>-3.5%</b>	<b>1 546</b>	<b>-3.0%</b>
<b>Net profit</b>	<b>1 206</b>	<b>1 287</b>	<b>1 262</b>	<b>-1.9%</b>	<b>1 056</b>	<b>-16.4%</b>
Loans	68 210	74 582	80 861	+8.4%	85 681	+6.0%
Assets	104 283	117 986	124 978	+5.9%	130 050	+4.1%
Deposits	61 674	72 422	79 245	+9.4%	84 200	+6.3%

Contributing research by: Citi Research, Deutsche Bank, Millennium DM, ING Securities, BZ WBK Brokerage, Ipopema, Raiffeisen, Wood & Company, PKO Securities, Erste Group, Haitong Bank, DM Banku BPS, Goldman Sachs, BOŚ DM, BoA Merrill Lynch, J.P. Morgan, Pekao IB, Trigon DM, Vestor DM.

Note: Current consensus partially include an additional contribution to the Bank Guarantee Fund (PLN 141.7 million) to cover the cost of payments to deposit holders of bankrupt Cooperative Bank in Wołomin made at the end of November 2015. In addition, only a few analysts added gain on the sale of PZU shares and contribution to the support fund for distressed mortgage borrowers to their forecasts.

**Special topic: Strong market position of mBank's leasing and factoring business**



Source: mBank calculation based on data from Polish Leasing Association (PLA) and Polish Factors Association (PFA).

**Key news regarding mBank Group**

**Solid GDP growth acceleration at the end of the year**



In 2015 Polish GDP grew 3.5% YoY comparing to 3.3% a year before. This result is slightly better than market expectations. Composition of growth is favouring consumption, both private (ca. 3.1%) and public (ca. 3.5%). Investment growth fell to 6.1% from 9.8% in 2014. Contribution of net export amounted to +0.3 p.p. and inventories to -0.4 p.p. In 4Q'15 GDP could have grown by even 3.9% YoY.

This data do not change the outlook on growth in 2016, which will be driven by consumption and exports. Though economy ended last year with a stellar result, beginning of 2016 will be most probably less spectacular. Government "500+ programme" will kick in only in 2Q'16. Moreover, mBank's analysts see a temporary ease in corporate investment plans. Trajectory of GDP growth in 2016 will, except slight slowdown in 1Q'16, be increasing. Such good GDP data should narrow credit spreads and lower risk priced in Polish government bonds.

In December Polish industrial output grew by 6.7% YoY. The only small deceleration was driven by weak mining output and sharp decline in electricity and heat production (a straightforward result of very mild winter). Regardless of these factors, industry showed robust momentum at the end of 2015.

After seasonal adjustments, construction output growth was a meagre -2.0% YoY and -0.4% MoM. Thus, the whole 4Q'15 can at best be described as one of stagnation. The divergence between very strong housing investment and solid road spending, on one hand, and poor results of non-residential construction and railway investment on the other, persisted in 2015 and will extend itself for 2016. The other limiting factor for construction is a sharp decline in local government expenditures due to the transition to the next EU budget.

Retail sales grew in December by 4.9% YoY in nominal terms. Composition was consistent with recent trends as a revival of auto sales (again more than 15% YoY in December) and decent sales of other durable goods (furniture, electronics) and semi-durables (clothing, shoes) were seen. However, some categories stayed below zero. It applies to fuel prices and food sales (this time the fall amounted to 5.9%).

Solid growth in output goes hand in hand with developments in the labour market. Employment in enterprise sector rose by 1.4% YoY in December. Average gross wage grew by 3.1% YoY. This slowdown (compared to previous month) is driven mainly by base effect in manufacturing. In 2016 mBank's economists expect faster wage growth, caused mostly by continued tightening of labour market, and unemployment rate falling by 1.6-1.8 p.p. yearly.

Polish CPI inflation amounted to -0.5% YoY in December. The reasons for persistently low price growth is still the same: further declines in food prices (-0.1% MoM) and fuel prices (-2.6% MoM). Core inflation, despite weakening of PLN since April 2014 (more than 10% total), remained at a record low (0.2% YoY). According to mBank's economists, Polish CPI will return to positive values in September 2016. Markets and also the MPC will be reacting to current inflation releases. Even if low inflation is seen harmless, rate cuts could find justification in such environment.

### **mBank's Private Banking appreciated by Forbes**

★★★★★ ratingu mBank's Private Banking & Wealth Management for the fifth time in a row was awarded with the highest rating by Forbes magazine. The assessment criteria included a breadth of the investment offer, its flexibility, responsiveness to the market trends and the innovative solutions.

Other considered elements were individual approach to the client, analytical facilities, an ability of tailoring specific investment products, quality and frequency of reporting of the investment performance. This year, the jury of the contest particularly appreciated also investments in developing mobile service dedicated to private banking customers.

Obtaining the highest possible ratings in such prestigious and complex study is an important confirmation of the proper and professional approach to the service of affluent clients at mBank.

**Forthcoming corporate access events**

- March 15-17, 2016: 11<sup>th</sup> Annual European Financials Conference in London

**Forthcoming reporting events**

- February 4, 2016: mBank Group Financial Report for Q4 2015
- February 25, 2016: Annual Financial Report of mBank Group for 2015
- April 28, 2016: mBank Group Financial Report for Q1 2016

**mBank's shares:**

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 238 924
Listed on WSE since	06.10.1992
Relevant WSE indices	WIG, WIG-30, WIG-20, WIG-Banks

**mBank Analyzer  
Annual Report online**Newsletter archive – [click here](#)

For any further information, please contact the IR team.

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