



2012

ANNUAL
REPORT

Table of content

Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

Market situation
in Poland in 2012

Strategy and comments
on the financial performance

Development of the bank's
business in 2012

Financial
statements

Contact



Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

Market situation
in Poland in 2012

Strategy and comments
on the financial performance

Development of the bank's
business in 2012

Financial
statements

Contact

Ladies and Gentlemen,

On behalf of the Management Board of Credit Agricole Bank Polska, we have the honour to present to you the annual report for 2012. We can conclude with greatest pleasure that 2012 was another successful year in our process of intensive development of universal banking and the reinforcement of the Crédit Agricole brand in Poland.

Last year, there were many events significant for our development. One of them was the launch of actions aimed at merging with the Polish corporate and investment branch of our shareholder – Crédit Agricole Corporate and Investment Bank Branch in Poland (CACIB). In 2012, we submitted a motion to the Polish Financial Supervision Authority applying for a consent for this merger. It was received in early 2013 and at the end of March we signed an adequate agreement with CACIB. This merger will considerably accelerate our development, granting us new possibilities and challenges related to providing services to the largest corporations on our market.

Last year, we also entered the agribusiness market. It is a very important target group for our bank and, furthermore, the group whose needs and expectations are best known to our shareholder. Crédit Agricole serves as many as 84 per cent of farmers in France. Drawing on this experience, we prepared an offer for Polish farmers and food processing sector companies. We decided to send out mobile advisers, who will support farmers in their pursuit of financial projects, both as individual clients and entrepreneurs.

When building universal banking, we also perfected the products and services addressed to retail clients. We proposed new account packages under a common name of „Konto PROSTOoszczędzające”, with, for example, free Internet transfers or contactless payment cards.

All the time, we continue to work to achieve synergy from the cooperation with other Crédit Agricole Group companies operating in Poland: Europejski Fundusz Leasingowy (EFL) and Crédit Agricole Life Insurance Europe SA Branch in Poland. Our ambition is to become known on the market for our comprehensive offer, guaranteeing that the client can always choose something interesting for him/herself in one place. Last year, EFL employees started offering accounts to their clients and our bank branches prepared to accommodate lease advisers. As the Credit Agricole Polska Group, we have launched factoring services – via a subsidiary of EFL – Crédit Agricole Commercial Finance.

All actions we undertook, accompanied by intensive marketing and public relations campaigns, have contributed to the reinforcement of our brand and an increase in its awareness. We wanted, most of all, to present ourselves as a universal bank that knows its clients very well and, consequently, can serve them better. We stress the importance of our relations with the client and the pursuit to ensure that they are long-term ones. We know that to build such relations a mutual trust is necessary. We can definitely say that our work has borne fruit. Consistently conducted campaigns in conjunction with the expertise and



experience of our employees resulted in the fact that, at the end of 2012, the prompted awareness of the Crédit Agricole brand was at the level of 84 per cent. We declare that this is not our final result yet.

The efforts of Credit Agricole Bank Polska are reflected in the financial results. Year 2012 was closed with a net profit of PLN 199.9 million, i.e. much higher than a year before, when it amounted to PLN 118 million. It means a growth by almost 70 per cent when compared to 2011. Such a spectacular result improvement was possible owing to a considerable risk limitation and the maintenance of administrative costs at the level from 2011.

Developing the bank's operations, we also remember about our social responsibility. We understand it as taking transparent and ethical decisions or actions that contribute to the sustainable development, health and social well-being. Last year, we were involved in a number of initiatives – both at the local and nation-wide level – aimed at helping those in need or providing financial and ecological education. We also implemented in the bank a corporate volunteering programme, under which we co-financed several volunteering initiatives. Activities we had undertaken were once again noticed and rewarded in the prestigious "Responsible Business Report", issued by the Responsible Business Forum.

We have a lot of plans for 2013. Continuing our work to enter the group of top universal banks in Poland, we will concentrate, among other things, on increasing the activeness of current accounts, introduction of new savings products, increase in the sale of mortgage loans and insurance products. We will develop our sale network, investing at the same time into remote sale channels, including electronic banking. Our ambition is to expand our presence on the market of business and agribusiness clients.

While encouraging you to read the annual report of Credit Agricole Bank Polska, we would like to express our gratitude and give our acknowledgement to all our clients, business partners and employees for cooperation in 2012.



Romuald Szeliga

President of the Management Board of Credit Agricole Bank Polska S.A.



Philippe Marié

Senior Country Officer, CA Group in Poland

Vice-President of the Management Board of Credit Agricole Bank Polska S.A.





Letter from the Presidents

**Shareholding structure
and Governing Bodies**

Crédit Agricole Group

Market situation
in Poland in 2012

Strategy and comments
on the financial performance

Development of the bank's
business in 2012

Financial
statements

Contact

At the end of 2012, the Credit Agricole Polska S.A. Group comprised the following companies: Credit Agricole Polska S.A., Group parent company, Credit Agricole Bank Polska S.A., specializing in the provision of financial services for individual clients and the SME sector, Credit Agricole Service Sp. z o.o., a subsidiary of Credit Agricole Bank Polska S.A., handling insurance claims concerning cash and instalment loans sanctioned by the bank, as well as LUKAS Finanse S.A., a subsidiary of Credit Agricole Polska S.A., whose object of business is the grant of cash loans.

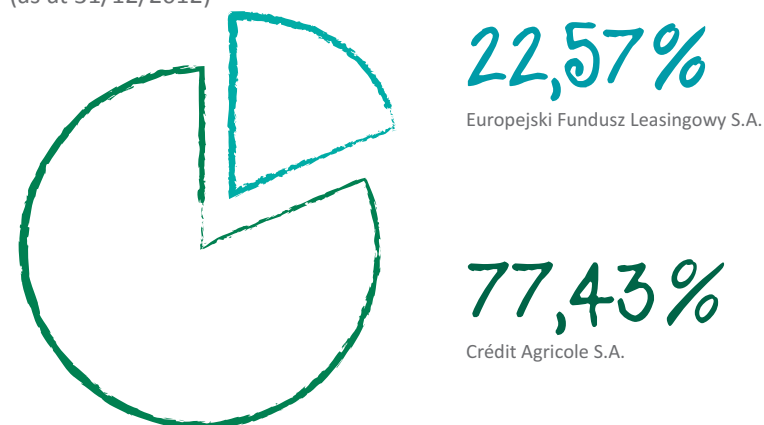
After the restructuring, which took place in 2005, Credit Agricole Polska S.A. discontinued operating activities and became a holding company whose main assets are shares in Credit Agricole Bank Polska S.A. and LUKAS Finanse S.A.

Since 2001, the French Crédit Agricole Group has been the strategic shareholder in Credit Agricole Polska S.A. and, indirectly, also in Credit Agricole Bank Polska S.A. and currently also LUKAS Finanse S.A. Consequently, the Group entered the structure of one of the world's biggest financial institutions.

In Poland, the Crédit Agricole Group comprises also: Europejski Fundusz Leasingowy S.A. with its subsidiaries and Crédit Agricole Life Insurance Europe S.A. Branch in Poland.

The objective of the Crédit Agricole Group in Poland is to become one of the top universal banking institutions and provide full support for the development of other activities of the Group in the region.

Shareholding Structure of Credit Agricole Polska S.A.
(as at 31/12/2012)



Shareholding Structure of Credit Agricole Bank Polska S.A.
(as at 31/12/2012)



Governing Bodies of Credit Agricole Polska S.A. and Credit Agricole Bank Polska S.A.

(As at 1 April 2013)

Credit Agricole Polska S.A.

Supervisory Board:

François Pinchon	Chairman of the Supervisory Board
Gérard Marchand	Member of the Supervisory Board
Thierry Verdier	Member of the Supervisory Board

Credit Agricole Bank Polska S.A.

Supervisory Board:

Marc Oppenheim	Chairman of the Supervisory Board
Elżbieta Jarzeńska-Martin	Member of the Supervisory Board
Patrick Clavelou	Member of the Supervisory Board
Alfred Janc	Member of the Supervisory Board
François Thibault	Member of the Supervisory Board

Management Board:

Romuald Szeliga	President of the Management Board
Philippe Marié	Vice-President of the Management Board
Beata Janczur	Vice-President of the Management Board
Joanna Tomicka-Zawora	Vice-President of the Management Board
Piotr Kwiatkowski	Vice-President of the Management Board
Jean-Paul Pinchon	Vice-President of the Management Board
Jean-Paul Piotrowski	Vice-President of the Management Board
Marc Renard	Vice-President of the Management Board
Radosław Księżopolski	Member of the Management Board
Jędrzej Marciniak	Member of the Management Board

In 2012, the composition of the Supervisory Board and the Management Board of Credit Agricole Polska S.A. did not change.

In 2012, there was one change in the composition of the Supervisory Board of Credit Agricole Bank Polska S.A.:

- On 24 July 2012, Andrzej Krzemiński resigned from the position of the Member of Supervisory Board of Credit Agricole Bank Polska S.A. effective as of 27 July 2012.

In 2013, there was one change in the composition of the Supervisory Board of Credit Agricole Bank Polska S.A.

- On 7 March 2013, Piotr Kwiatkowski resigned from the position of the member of Supervisory Board of Credit Agricole Bank Polska S.A., effective as of 4 March 2013.

In 2012, the composition of the Management Board of Credit Agricole Bank Polska S.A. did not change.

During the year, by virtue of Resolution No. 4/2012 of 16 March 2012, the Supervisory Board of the Bank appointed Mr Romuald Szeliga the President of the Management Board for the next term of office.

In 2013, there was one change in the composition of the Management Board of Credit Agricole Bank Polska S.A.

- By resolution of the Supervisory Board No. 3/2013 of 07 March 2013, Piotr Kwiatkowski was appointed Member of the Management Board of the bank as of 1 April 2013.





Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

Market situation
in Poland in 2012

Strategy and comments
on the financial performance

Development of the bank's
business in 2012

Financial
statements

Contact

profile

The Crédit Agricole Group is the market leader in France in Universal Customer-Focused Banking and one of the largest banks in Europe. As the leading financial partner of the French economy and a major European player, the Crédit Agricole Group supports its customers' projects in France and around the world across the full spectrum of retail banking businesses and related specialised businesses: insurance, asset management, leasing and factoring, consumer finance, corporate and investment banking. Underpinned by firm cooperative and mutual foundations, 150,000 employees and the 29,000 directors of its Local and Regional Banks, the Crédit Agricole Group is a responsible and responsive bank serving 51 million customers, 6.9 million mutual shareholders and 1.2 million shareholders. In its efforts to support the economy, Crédit Agricole also stands out through its dynamic and innovative social and environmental responsibility policy. The Group features in the top 3 of Novethic's rankings concerning corporate social responsibility and responsible reporting by Europe's 31 largest banks and insurance companies.

www.credit-agricole.com

51 million
Clients worldwide

150,000
Employees

€31 billion
Revenues

€10.6 billion
Gross operating income

€71 billion
Shareholders'equity - Group share

11.8 %*
Core Tier One Ratio
* pro forma post completion of Emporiki disposal



Crédit Agricole Group



The Group's organisation

6.9 million mutual shareholders underpin Crédit Agricole's cooperative organisational structure. They own the capital of the **2,512 Local Banks** in the form of mutual shares and they designate their representatives each year. **29,000 directors** carry their expectations.

The Local Banks own the majority of the Regional Banks' share capital. The **39 Regional Banks** are cooperative Regional Banks that offer their customers a comprehensive range of products and services. The discussion body for the Regional Banks is the *Fédération Nationale du Crédit Agricole*, where the Group's main orientations are decided.

Crédit Agricole S.A. owns around 25% of share capital in the Regional Banks

(excl. the Regional Bank of Corsica). It coordinates, in relation with its specialist subsidiaries, the various business lines' strategies in France and abroad.

CRÉDIT AGRICOLE S.A.'S SHARE OWNERSHIP

56.3%

of share capital held by the 39 Regional Banks via holding company SAS Rue La Boétie.

43.4%

of share capital held by:

- 01 Institutional investors: 27.9%
- 02 Individual shareholders: 11.1%
- 03 Employees via employee mutual funds: 4.4%

0.3%

treasury shares

A Universal Customer-Focused Bank

The **Crédit Agricole Group** consists of **Crédit Agricole S.A.** along with all of the **Regional and Local Banks**, and together they are developing the Universal Customer-Focused Banking model.

This model relies on synergies realised between retail banks and associated specialised business lines.

Savings management

MARKET-LEADING POSITIONS IN FRANCE AND EUROPE

- No. 1 in bancassurance in France
- No. 2 in asset management in Europe
- A key player in private banking in Europe

Corporate and investment banking

AN INTERNATIONAL NETWORK IN THE MAIN COUNTRIES OF EUROPE, THE AMERICAS AND ASIA

- Financing activities
- Investment banking
- Debt optimisation and distribution
- Capital markets

Retail Banking

THE MARKET LEADER IN FRANCE AND A KEY PLAYER IN EUROPE, WITH ALMOST 11,300 BRANCHES SERVICING 32 MILLION CUSTOMERS

39 CRÉDIT AGRICOLE REGIONAL BANKS

Cooperative companies and fully-pledged banks with strong local roots, the Crédit Agricole Regional Banks offer a full range of banking and financial products and services to individual customers, farmers, professionals, businesses, and public authorities.

LCL

LCL is a retail banking network with a strong presence in urban areas across France, with four main business lines: retail banking for individual customers, retail banking for professionals, private banking and corporate banking.

INTERNATIONAL RETAIL BANKING

Crédit Agricole is implementing its Universal Customer-Focused Banking model internationally and mainly in Europe, in its key Mediterranean countries of operation.

Specialised business lines

- No. 1 in factoring in France
- A leader in lease financing in France
- A key player in consumer finance

Other specialised subsidiaries

- Crédit Agricole Immobilier
- Crédit Agricole Capital Investissement & Finance
- Uni-éditions
- Crédit Agricole Cards & Payments



Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

**Market situation
in Poland in 2012**

Strategy and comments
on the financial performance

Development of the bank's
business in 2012

Financial
statements

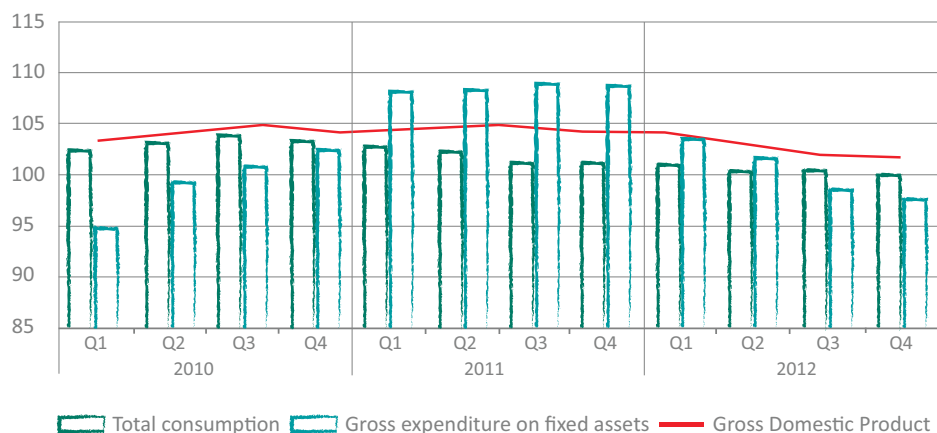
Contact

Economic situation – main trends

The year 2012 saw a fall in the Gross Domestic Product (GDP) growth dynamics. It was influenced by a considerably slower dynamics of total consumption which was accompanied by a fall in accumulation, and in consequence – diminished domestic demand.

The main interest rates of the National Bank of Poland at the end of the previous year were below the level noted at the year beginning and early 2013 witnessed their further decrease. When compared to the 2011 year closing, the Warsaw Stock Exchange noted an increase in the values of its key indices – WIG 20 went up in 2012 by 20.4 per cent, and WIG by 26.2 per cent.

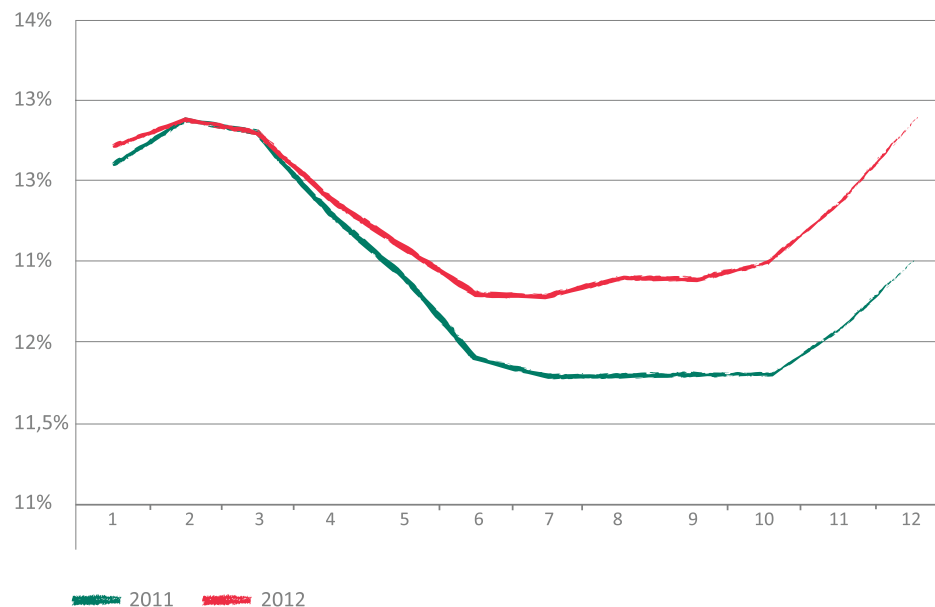
Gross Domestic Product real dynamics – as seasonally adjusted (corresponding period of the previous year =100, fixed prices of the reference year of 2005)



Labour market

The level of registered unemployment in Poland maintained in particular months of 2012 at the levels higher than in the corresponding months of the previous year. Allowing for seasonality, the highest level was noted in February – 13.4 per cent, and the lowest in the period from June to July – 12.3 per cent on average. The number of registered people unemployed ranged from 1.95 million (July) to 2.17 million (February). At the end of December 2012, the unemployment was at the level of 13.4 per cent. (12.5 per cent – previous year), which corresponded to 2.14 million people out of job.

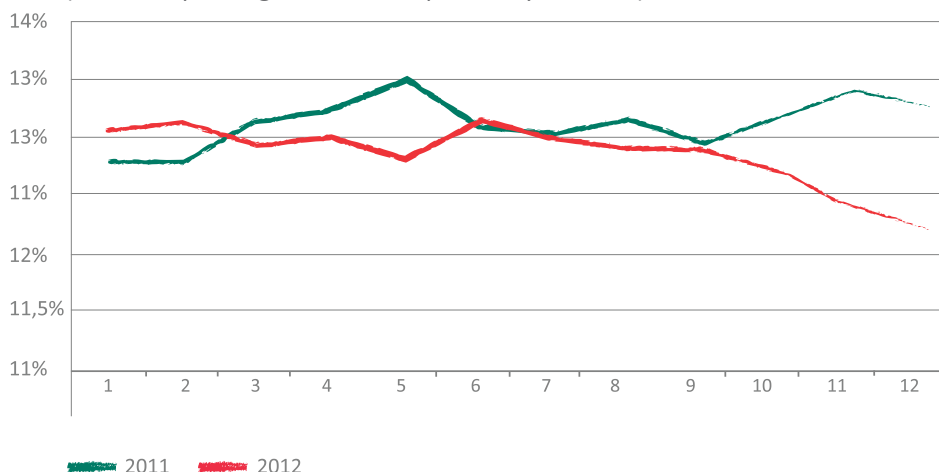
Registered unemployment rate



Inflation

In 2012, the index of consumer prices growth went down considerably and amounted to 2.4 per cent as at the end of December, while in the corresponding period of the previous year it amounted to 4.6 per cent. During the first 3 quarters of 2012, this index was at a level similar to the level of 2011, however at the end of the year it noted a dramatic drop.

CPI* (the corresponding month of the previous year = 100)



*Index of consumer prices

In December 2012, when compared to the corresponding period of the previous year, the price rises were noted in all groups of goods and services, with the exception of clothes and shoes (-4.7 per cent) and health care (-0.2 per cent). The highest growths were noted in the prices of goods and services related to houses (+4.2 per cent), including energy (+5.1 per cent) and food (+3.8 per cent).

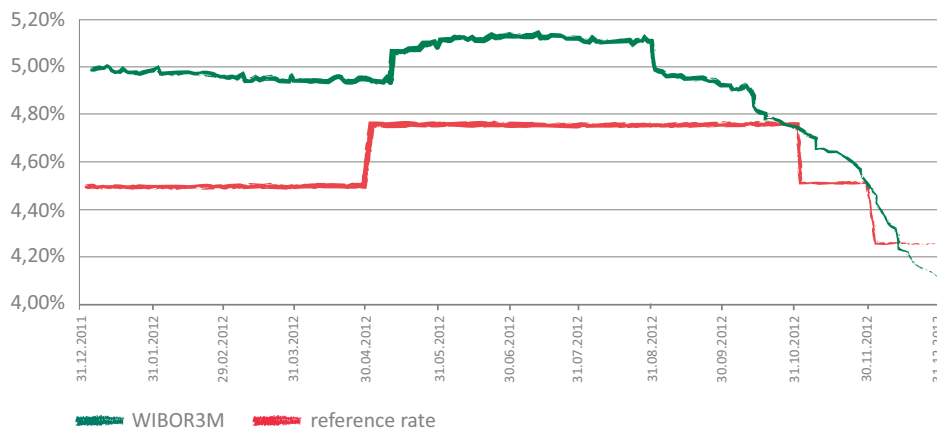
The prices of the industrial production sold in all of 2012 rose by 3.3 per cent when compared to the previous year, including the highest growth – by 5.7 per cent – in the sector of electric energy, gas, water steam and hot water generation and distribution. The prices in the sector of water distribution, sewage and waste management and reclaiming were higher by 3.9 per cent, in the industrial processing – higher by 3.2 per cent, while in the mining sectors – they fell by 0.3 per cent.

Monetary policy and the foreign exchange rate

The beginning of the previous year was characterised by a relatively high GDP dynamics and a stable, albeit high, inflation. Willing to maintain the GDP growth rate, which may translate into the demand pressure and on price increases as well as may contribute to the generation of the second round effects, the Monetary Policy Council raised the interest rates by 25 base points in May. In the context of the worsening economic situation, any further monetary policy tightening in subsequent quarters was discontinued in relation with concerns about the GDP dynamics stability. Inflation forecasts prepared by the National Bank of Poland also indicated a lack of risk factors for the inflation growth in mid-term perspective. In November and December, in consequence of a dramatic drop in GDP growth rate and a considerable inflation rate decrease, the Monetary Policy Council lowered the interest rates in two stages by 25 base point each, bringing the reference rate to the level 4.25 per cent, with a perspective of further monetary policy mitigation in 2013.

The price of money at the interbanking market expressed in WIBOR rates maintained the dynamics similar to the dynamics and direction as the National Bank of Poland's rates, whereby at the end of the year, the WIBOR 3M rate fell below the reference rate, discounting its expected future decreases.

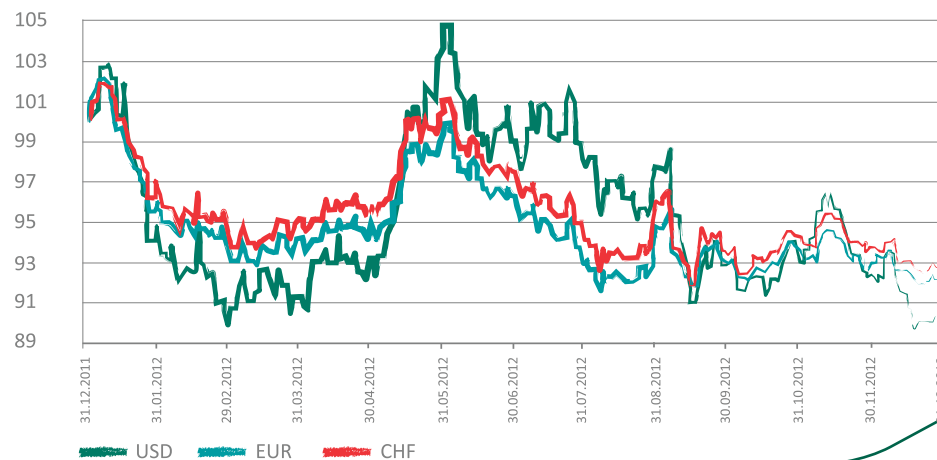
3M WIBOR and the NBP reference rate



Year 2012 was characterised by a high volatility of the exchange rates of the foreign currencies most popular in Poland. The first months saw an appreciation of Polish zloty. The Polish currency, similarly as other risk-burdened assets, reacted in this way to the slowdown at the end of 2011. In April and in 2 subsequent months, in consequence of concerns on the political future of Greece and the condition of the Spanish banking sector, the investors concentrated on safety. Risk aversion also contributed to a fall in the value of the Polish currency in relation to all most important currencies of the world.

In the second half of the year, better global macro-economic data and successful treasury bill offering auctions in the Euro zone peripheral countries resulted in the fact that the Polish zloty gained value considerably. In late 2012, the National Bank of Poland's interest rate decreasing by the Monetary Policy Council, as expected by the market, accompanied by a stable situation in the Euro zone contributed to the stabilisation of exchange rates of the most popular currencies with relation to Polish zloty. The EUR/PLN exchange rate remained within the range of 4.06-4.22. When compared to the end of 2011, the exchange rate of USD went down by 9.3 per cent, EUR by 7.4 per cent, and CHF by 6.8 per cent.

Exchange rates (31/12/2011 = 100)

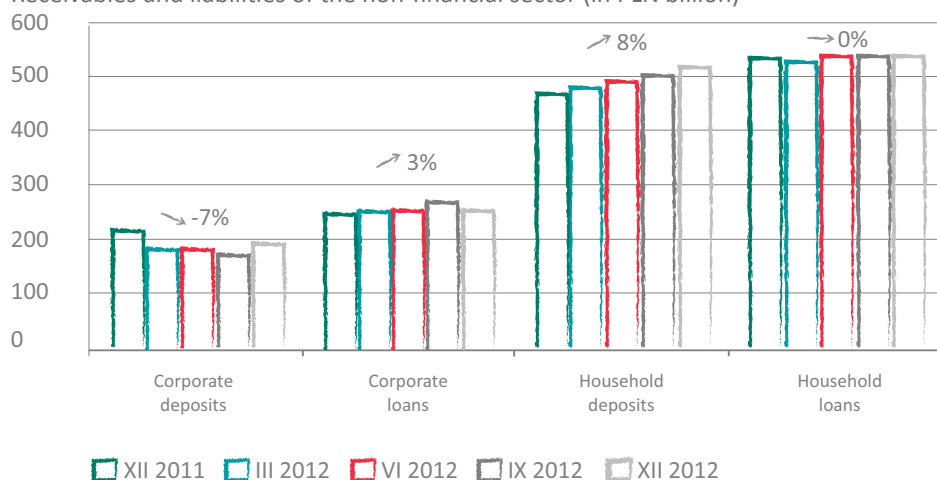


The banking sector

The banking sector in Poland was to a large degree influenced by a weakening economic situation. A better net result of the sector may be substantiated by further growth in the banks' assets and the maintenance of their current profitability. In 2012, the net result was 16.1 billion, and was higher by 3 per cent than in the record 2011. These results were obtained by the banking sector while maintaining a stable cost to income relation.

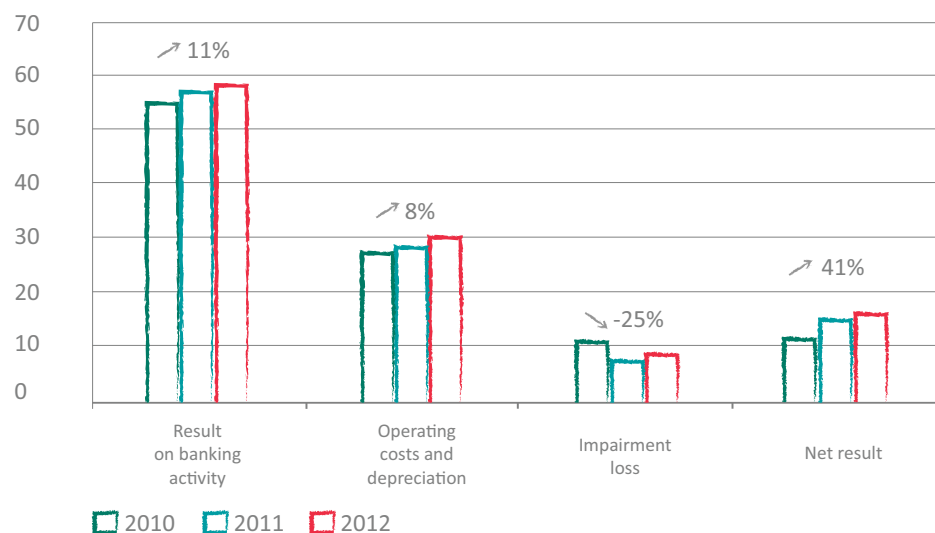
In 2012, one could see a weakening lending action, which allowed only a small increase in the balance. This is a result considerably lower than the previous growth rate.

Receivables and liabilities of the non-financial sector (in PLN billion)



A stable growth in the balance of deposits of households was noted. In turn, the balance of deposits in the corporate sector went down. This was influenced by the purchase transaction made in 2012 by KGHM (purchase of the Canadian Quadra company) as well as the deterioration of financial performance of enterprises.

Results of the banking sector (in PLN billion)





Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

Market situation
in Poland in 2012

**Strategy and comments
on the financial performance**

Development of the bank's
business in 2012

Financial
statements

Contact

Main assumptions of the strategy for 2013–2015

In 2012, the bank achieved most of the objectives set in its strategy developed and adopted in 2010 (with later amendments). Such strategic successes comprise both financial and operational changes, including but not limited to:

- improvement of the net result owing to, without limitation, tightened credit risk policy and increase in the clients' activities,
- improvement in the sale results with regard to the cash loan, which is one of the bank's key sources of income,
- increase of the base of clients actively using current accounts,
- reinforcement of the position on the mortgage loan market,
- commencement of business in the agribusiness sector.

Under the influence of changing market circumstances, in 2012, the bank made a cyclical review of its strategy. It left unchanged the main objective, which is to transform into a universal bank and enter the top ranks of this type of institutions in Poland. The bank's strategy will be pursued by ensuring an organic development. The most important tactical objectives include:

- further improvement of financial performance,
- development of the banking network and adjustment of the existing outlets to the new business model,
- further increase of the base of clients actively using the bank's products,
- acquisition of a visible share in the market of banking services for enterprises and the farmer segment,
- maintenance of a high position on the consumer finance market.

Financial results

The bank expects its net result to improve systematically in the coming years. In the years to come, the bank will concentrate its activities mainly on increasing the revenue base and its partial effects will be visible as early as in 2013. A revenue growth will also stem from the implementation of the universal banking development strategy, including an improvement in the consumer finance segment, which was sharply weakened during the last economic slowdown.

Of high importance for the future financial performance is also the clear-cut and restrictive cost policy that assumes only a slight increase in current costs with, however, an appropriate simultaneous support for the implementation of strategic projects in the business area and IT.

Development and adjustment of the banking network

One of key elements of the strategy is the consistent expansion of the availability of the bank's products and services. The basic access channel is still a network of bank branches, therefore the bank assumes a considerable development of its distribution network. The bank will also pursue its activities aimed at the standardisation of the interior design, equipment and service in the existing outlets to ensure the compliance with the model adopted after the brand change.



Growth of the client activeness

The basic growth measure in universal banking is the number of clients actively using their personal accounts. This product creates a fundamental and long-term relation with the client and at the same time facilitates the satisfaction of his/her remaining financial needs by offering other services and products. In the next years to come, there will be a dynamic growth in the sale of personal accounts, supported by, among other things, full implementation of the portfolio service in bank outlets as well as a new communication and market positioning strategy related directly to the brand change.

Development of banking addressed to Small and Medium-Sized Enterprises and the Agro Segment

The bank started to service big companies in 2011 and farmers in 2012. Due to the good market perspectives, the initial small scale of business should considerably expand in the years to come. In 2013, new actions will be implemented in order to develop the offering for clients from these segments.

Consumer Finance market

The bank is one of the consumer finance (CF) market leaders in Poland and intends to maintain this position. The CF segment's revenues constitute and will continue to constitute a material part of the bank's revenues, however, in consequence of the dynamic development of the remaining segments of universal banking, its percentage share will shrink.

New external regulations as well as concerns about deteriorating macroeconomic situation decreased the consumer finance market development potential in Poland but, in the bank's opinion, it still remains one of the most prospective and profitable segments of banking.

In 2013, the bank became involved in agribusiness market.



Comments on the 2012 financial performance

Last year, Polish economy grew by 2 per cent, which is a good result when compared to anticipated fall of 0.3 per cent in the European Union as a whole. It contributed to the performance of the Polish banking sector, where a record net profit of PLN 16.1 billion was noted. Seizing the favourable circumstances, also Credit Agricole Bank Polska S.A. improved significantly its effectiveness and profitability.

The bank's net profit rose by 69.4 per cent when compared to the previous year, reaching the value of PLN 199.9. Such visible improvement was possible owing to the considerable reduction of the risk cost – from PLN 310.8 million in 2011 to PLN 176.3 million in 2012 (decrease by PLN 43.3 per cent) – and the maintenance of the administrative costs at the level of 2011.

The bank's equity amounted to over PLN 1.48 billion and fully covered the capital requirements. The solvency ratio was maintained at a level significantly higher than the required 8 percent, achieving the value of 14.36 per cent at the end of 2012. The effectiveness, measured by means of the ROE indicator, amounted to 13.5 per cent at the end of 2012, while the ROA indicator amounted to 1.8 per cent (in 2011, respectively: 8.8 per cent and 1.0 per cent).

The carrying value of loans and credits granted to clients amounted to PLN 8.52 billion, which when compared to PLN 8.95 billion at the end of 2011 translates into a fall of 4.8 per cent. It results from the decreased consumer finance debt balance of clients and the simultaneous growth in the value of mortgage loans sanctioned. The loans and credits sanctioned to clients as at the end of 2012 amounted to 75.8 per cent of the bank's total assets.

The basic source of financing of the lending action growth at the end of 2012 were the clients' deposits, constituting 69.8 per cent of the balance sheet total (64.1 per cent in 2011). The bank's amounts due to clients were PLN 7.85 billion, while at the end of 2011 it was PLN 7.39 billion.

Results of the Credit Agricole Group companies in Poland

The presence of the Crédit Agricole Group in Poland comprises a much wider scope of business than banking alone. Therefore, in 2012, the bank decided also to publish total aggregated results of the Credit Agricole Group in Poland, i.e. Credit Agricole Bank Polska, Europejski Fundusz Leasingowy and Credit Agricole Corporate and Investment Bank Branch in Poland. The purpose of such publication of the results is to enable the comparison with most banks operating on the Polish market, which present their results on a consolidated basis. Their capital groups are made up of, for example, lease companies, investment fund companies, pension scheme companies, brokerage houses or factoring companies.

In 2012, the above-mentioned companies of the Crédit Agricole Group in Poland generated an aggregated net profit of PLN 198.77 million, and their balance sheet total (assets) reached the level of PLN 21.65 billion. As at the end of 2012, the equity amounted to PLN 2.29 billion. These data have not been audited.

14.36 bank solvency ratio





Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

Market situation
in Poland in 2012

Strategy and comments
on the financial performance

**Development of the bank's
business in 2012**

Financial
statements

Contact

Increase of the brand awareness

In the first half of last year, Credit Agricole Bank Polska continued the efforts to strengthen the new brand and its awareness. The primary intention of the bank was to present itself as a universal bank that:

- knows its clients very well, therefore can provide them with superior service and be a partner that understands their needs and expectations,
- provides appropriate products at the right price,
- appreciates clients' loyalty,
- rewards long-term relationships.

In the second half of 2012, the bank implemented further elements of the communication platform – "You'll sit impressed... on a red chair". The red chair symbolizes hospitality, positive change and fulfilment of the clients' wishes, made possible because they used the services of Credit Agricole. The TV spots presented the stories of people who came to the bank, sat in the red chair, and changed their lives. Juliette Binoche was again asked by the bank to appear in the commercial.

Large scale marketing campaigns, delivered consistently throughout 2012, enabled the bank to achieve at the end of the year 84 per cent assisted brand awareness (rise by 12 per cent), and 15 per cent of the spontaneous one.

84%

the assisted brand awareness
at the end of 2012

In the second half of 2012, the bank implemented further elements of the communication platform – "You'll sit impressed... on a red chair".



Changes in the product offer

New Segment – agrobusiness

Credit Agricole Bank Polska, so far developing its business in urban areas, in the last year expanded into the agrobusiness market. It is another step in the pursuit of the universal bank strategy. When developing relationships with this new segment and when constructing the product offer, the bank draws on the expertise and experience of the Regional Banks of Crédit Agricole. They constitute the largest agricultural bank in France, operating for over 100 years and servicing today 84 per cent of farmers in France. Polish farmers are offered a comprehensive offer including virtually all products – from personal and company accounts, investment loans, working capital loans, mortgage loans, cash loans, to health insurance. Agrobusiness clients are serviced by specifically trained mobile advisors who travel to locations convenient for the clients.

In 2012, the bank proposed to its agrobusiness clients an investment loan, a revolving loan and a special offer of deposits for direct subsidies for farmers.

Personal accounts

In 2012, the bank's activities concentrated mainly on increasing the number of active accounts.

The achievement of this goal was certainly furthered by the introduction of the new line of account packages in October under the common name "SIMPLE Saving Account" („Konto PROSTOoszczędzające”).

1.25 million personal and business account

Their characteristic features include free online transfers, Individual Credit Line, debit cards with contactless payment functionality, and the "I Save Permanently" scheme („Oszczędzam na okrągło”). The latter functionality allows the clients – little by little – to save on the "I Save Account" (Rachunek Oszczędzam) by automatically depositing amounts calculated by rounding up the card transactions. The bank also encouraged the clients to use the new offer by introducing the "I Save on Bills" promotion („Oszczędzam na rachunkach”) that included a 10 per cent moneyback on the total amount of all the gas, electricity, water and telephone bills paid.

At the same time the bank continued active promotion of the 1 Account, addressed to young clients between the ages of 18 and 27.

A special Internet service presenting the benefits from transferring the account from another bank to Credit Agricole Bank Polska was launched. Additionally, the bank continued to work on further improvement of the sales processes (including the remote sales) and increased the synergy between the retail and business offers. At the end of 2012, the bank maintained 1.25 million personal and company accounts.



Insurance

Last year the bank developed a long-term insurance strategy describing the plans for introducing new products, as well as important changes to the customer service process. Moreover, 2012 was also a breakthrough year for the sale of insurance products – owing to new proposals of the bank as well as a new approach to marketing campaigns and animation of such products.

In the beginning of the year, the bank introduced two new products: serious sickness insurance and hospitalisation insurance.

They provide, together with the Life Insurance proposed so far, a single comprehensive life and health insurance package called the Life Package. In the second quarter of 2012, the Bank expanded the scope of the Multipackage insurance package. Clients were not only offered larger limits concerning the Technical Assistance specialists, but also practically unlimited access to Medical Assistance in case of sudden illness.

Credit cards

When thinking of Credit Agricole payment cards, 2012 was primarily the year in which the bank introduced debit cards with contactless payment functionality, offered MasterCard debit cards and also enabled contactless payments using VISA debit cards, regardless of the transaction value – with PIN confirmation.

Additionally, the bank considerably developed the Discount Club

covering all payment cards issued by the bank. The activities undertaken focused mainly on the extension of the partner base, rendering it more attractive, and on an active client communication. At present the bank clients are eligible for attractive discounts at 8700 Club partner stores, both national chains and local retailers.

Savings and investment products

Last year witnessed an increase in the total balance of savings by 7 per cent, up to PLN 8.4 billion. The achievement of this result was possible owing to, among other things, the pursuit of a long-term strategy in which the bank concentrates on a stable development of the deposit base, extension of the savings deposit time horizon and diversification of the portfolio to include also long-term products and investments. In 2012 bank expanded its offer to include a new long-term insurance with savings elements: Antidotum PRO 18M. The bank also held an issue of a 3-year structured product "World Indices". Last but not least, the owners of deposits held with the bank could participate in the deposit lottery in which the winner had the amount of the deposit doubled.

PLN 8.4 billion the value of deposits



Cash loan

The bank noted a dynamic sale of cash loans – the value in 2012 was higher by 7 per cent than in 2011. Marketing campaigns, with the Easy to Calculate Loan as a leitmotif, contributed to this achievement.

Mortgage loans and credits

In the last year the bank more actively financed purchase of real estate. The appropriate sales levels were maintained also due to attractive profit margins and commissions, as well as promotional activities.

The bank decided to change the method of sale – bank branches became the dominant channel, while the volume of sales through financial intermediaries was reduced.

The largest share in the total sales was recorded for housing loans granted in PLN in accordance with the standard offer, or under the A Family in Its Own House („Rodzina na Swoim”) scheme.

Renovation Limit

In 2012 Credit Agricole proposed innovative financing of renovation expenses. As the only bank in Poland, it introduced a Renovation Limit, which is an alternative to cash loans and mortgage loans.

The product is available in places like building depots, at service providers and interior design stores.

Banking for small and middle-sized enterprises

In its offer for small and middle-sized enterprises the bank focused mainly on facilitating account opening, simplifying the process of granting investment loans and cooperation with Europejski Fundusz Leasingowy. EFL clients are eligible for the special offer of the Business Account and the Business Loan – a loan for any purpose related to the conducted business activities.

Corporate services

The bank consistently develops the corporate banking offer launched in 2011. It comprises a whole range of products, such as bank accounts in 14 currencies, all forms of financing, currency risk hedging products and international trade transaction hedging products. Two products proved particularly popular. These are: Firm@Bank – online banking system and the cash service (cash payments and withdrawals) provided at selected branches. Additionally, in December 2012, the bank enriched its cash service offer, including an option of cash collection from the client's office. On top of that the bank facilitated the account opening process for businesses, waiving the requirement to provide documents in hard copy form.

As at the end of 2012, the bank's clients included 138 companies representing 105 capital groups. The clients are serviced by the staff of the Corporate Centre in Warsaw and the Wrocław and Kraków centres opened last year.



Development of distribution channels

Credit Agricole Bank Polska offers its products and services via all available distribution channels – both the traditional ones, comprising a network of own branches and partner outlets, as well as remote ones, such as land-line and mobile phones, and the Internet. The bank also cooperates with credit offices, financial intermediaries specialising in the sale of financial products, as well as with commercial chains, where the clients may, for example, make purchases taking advantage of instalment loans.

Network of branches

In 2012, following the universal bank strategy, Credit Agricole Bank Polska worked on improving the distribution channels, in particular by introducing in its branches a new customer service model and a new approach to clients (portfolio management). The objective of the portfolio management is to change the present procedures concerning the cooperation of bank's adviser with clients so that a bank branch or a specific adviser will take charge of building the relationship between the client and the bank.

As at the end of 2012, the Bank had 390 own branches, and its physical distribution network was supplemented by 52 branches designated as partner outlets ("Credit Agricole Partner"). They are run on the basis of franchise contracts. In the external sale channel structure, the bank also has 1,254 credit offices and intermediaries.

442

bank own branches and franchise outlets

Electronic distribution channels

■ CA24

CA24 is a common name of electronic access channels available for the bank's clients. CA24 comprises:

- Internet service,
- text message service,
- phone and e-mail services.

In selected services, support in English and French is possible.

■ Internet service

Last year the bank noted an increased interest in online banking services, evidenced mainly by a growing number of new accounts with online transaction system functionality. The number of online transactions grew by over 170 per cent in comparison to 2011, and there was an increase in the number of clients who actively use the CA24 text service. This confirms that the decision to develop sales processes through remote channels, work on implementing mobile banking, and further expand the Internet service was the right one to make. In the second half of the year, the bank provided the clients with a new operation acceptance method in the CA24 Internet service, i.e. text message passwords.



Contact Centre

Contact Centre provides individual and corporate clients with information about the bank's products and services and handles after-sale service.

In 2012, the Contact Centre handled 10.2 million contacts, including 3.9 million inbound calls concerning transactions as well as product and service support over the telephone and 6.3 million outbound calls consisting mainly in phone marketing sale campaigns.

10.2 million

inbound and outbound calls
in Contact Centre in 2012

Bank employees

As at the end of the year, the bank employed 5,554 people, including 70 per cent of women and 30 per cent of men. The average age of bank employees was 32, and over 67 per cent of them had university-level education. The ratio of internal promotions to managerial positions in the bank amounted to 43 per cent at the end of the year.

The bank invariably invests in the development of its human resources. Employees of the regional sales network were covered by the Competence Development Programme. As many as 85 per cent of employees, i.e. almost 2,000, participated in it. A new process of Competence Assessment and Development was prepared for the same group of employees.

E-learning training

For the sales network and Contact Centre employees, the bank provided e-learning training courses, including 30 e-learning tests and 8 courses, which comprised product trainings, system training, information security, compliance + EduCator – a new self-learning tool for advisers which allows each one of them to design their process of knowledge acquisition and verification individually on their own.

Furthermore, the bank continued in 2012 the training programmes for specialists and managers.

In 2012, wishing to improve the client service process quality and enhance client satisfaction, the bank pursued the project entitled "Your Active Client" and implemented a new Sale and Client Service Standard Book as well as a Sale Management Model.

The Sale and Client Service Standard Book describes the behaviours of the advisers and bank branch managers in accordance with the bank's values: credibility, accessibility, professionalism and friendliness.

The Sale Management Model is a document describing the operations of a bank branch and a region in sales management. The model was introduced in order to standardise the sales management in the regional sales network.

2012 saw the beginning of a recruitment process for advisers for the new business line – AGRO. 20 advisers for the agribusiness clients were hired in all of Poland.

5,554 bank's employees
at the end of 2012



Sponsoring, charity and CSR

The bank is actively involved in sponsoring and charity initiatives. It also promotes pro-ecological and social actions.

The bank's charity efforts in 2012 concentrated on the financial support given to Association of Children's Friends, the "Help for the Children with Cancer" Foundation, and the "No-one's Children' Foundation".

Since the bank is a part of the French Crédit Agricole Group, it willingly participates in the promotion of French culture in Poland. It sponsors the Days of the French Speaking Countries organised by the Alliance Française centre. In March 2012, the bank sponsored a concert of the French singer Benjamin Paulin. Additionally, the bank supported the celebration of the French National Holiday of 14 July organised by the honorary consul of France together with the Alliance Française centre in Wrocław.

The bank is also actively engaged in the life of its communities and supports local initiatives. In July, the bank sponsored the Organ Festival in Wrocław, and in October, the 3rd Wrocław Oncology Conference. In December, for the second time, the bank became involved in the organisation of the International Christmas Evening event in which as many as 500 firms from the region of Lower Silesia took part. The bank was also a partner in the poll to choose the best Lower Silesian athlete and coach prepared by daily Gazeta Wrocławska (results were announced in January 2013).

15

projects were financed in the employee volunteering programme

The purpose of getting involved in the life of one's community and supporting local initiatives is also fulfilled by the corporate volunteering programme launched in October 2012 entitled "I Act cause I Like It". One of its elements is the Grant Programme. This is an initiative, under which employees may obtain bank's financial support for the implementation of their own volunteering projects. As many as 28 projects qualified for the 1st edition of the Grant Programme. For 15 projects, that have won the highest number employees' votes, financing was awarded.



Działam, bo lubię

Program wolontariatu
Credit Agricole Bank Polska



Following the recommendations of the National Bank of Poland and the Polish Financial Supervision Authority, the bank also promotes and propagates banking and economic education. In 2012, the bank launched another edition of the educational campaign "Bank with class. All you need to know about banking". It is addressed to primary school children and based on the conviction that teaching respect to money, money management, money saving skills will facilitate them a better start to the adult life. So far the campaign reached over 3,200 children from 62 schools.

Besides the financial education for the youngest, the bank also supports students. "Centre for the Active People" is a programme stimulating young people to act and encouraging them to take initiative shaping their own future. 2012 saw the second edition of this programme. Additionally, the bank was a sponsor of the main prize in the contest "Ethics in Finance" addressed to students and young professionals. The competition started in 2012 and its results were announced in 2013.

The bank continued cooperation with the Wrocław University of Economics. One of its main objectives it to tighten the cooperation between the business sector and the university environment and to ensure that business practitioners share their experience with students. In early 2013, another partnership agreement was executed with an institution of higher learning – the Wrocław University of Environmental and Life Sciences.

In 2012, the bank became engaged also in numerous pro-social and environment-friendly initiatives of its employees. They included, but were not limited to the, "Get your bike to work. Let your car rest for a week" action, aim of which was to encourage employees to eco-driving and to use alternative means of transportation (a bicycle or public transportation). As part of the "Bank wish a charitable twist" action, bank employees collected plastic caps. The income generated on the sale of the caps was transferred to the account of the Wrocław-based oncology clinic for children. In 2012, the bank employees became involved for the 7th time in the Noble Pack action organised by the SPRING Association from Krakow. The purpose of this initiative was to prepare and distribute Christmas parcels for the poorest Polish families. In 2012, the bank employees and the Management Board members managed to help 32 families in need.

The bank's initiatives "Share the knowledge", "Code of Ethics of Credit Agricole Bank Polska", "Cooperation with the Wrocław University of Economy" and the "Centre for the Active People" were recognised by the prestigious Responsible Business Report published by the Responsible Business Forum.





Letter from the Presidents

Shareholding structure
and Governing Bodies

Crédit Agricole Group

Market situation
in Poland in 2012

Strategy and comments
on the financial performance

Development of the bank's
business in 2012

**Financial
statements**

Contact

OPINION OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL INFORMATION TO THE SHAREHOLDERS OF CREDIT AGRICOLE POLSKA S.A.

The summary financial information presented on the following pages of the Annual Report of Credit Agricole Bank Polska S.A., which comprise the statement of financial position as at 31 December 2012, the income statement and statements of comprehensive income, changes in equity and cash flows for the year then ended are derived from the audited consolidated financial statements of Credit Agricole Polska S.A. Group ("the Group"), pl. Orłąt Lwowskich 1, Wrocław, for the year ended 31 December 2012 prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

We have audited the consolidated financial statements of the Group, from which the summary financial information was derived, in accordance with the chapter 7 of the Accounting Act of 29 September 1994 (uniform text, Journal of Laws of 2013, item 330) and national standards of auditing issued by the National Chamber of Registered Auditors in Poland. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 19 February 2013. Those financial statements, and the summary financial information, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial information do not contain all the disclosures required by International Financial Reporting Standards as adopted by European Union. Reading the summary financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Credit Agricole Polska S.A. Group.

Management's responsibility for the summary financial information

Management is responsible for the preparation of a summary financial information in the extent described above for the purpose of their presentation in the Annual Report.

Auditor's responsibility

Our responsibility is to express an opinion on the summary financial information based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial information derived from the audited consolidated financial statements of Credit Agricole Polska S.A. Group for the year ended 31 December 2012 in the extent described above for the purpose of their presentation in the Annual Report are consistent, in all material respects, with those financial statements.

Person signing the report and conducting the audit of the financial statements of the Group on behalf of PricewaterhouseCoopers Sp. z o.o., Registered Audit Company No. 144:

Adam Celiński
Key Registered Auditor
No. 90033

Warsaw, 19 February 2013

Translation note:

This version of our opinion is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our opinion takes precedence over this translation.

CONSOLIDATED INCOME STATEMENT

for the year ended on 31 December 2012
(in PLN thousands)

	2012	2011
Interest income	1 469 976	1 489 753
Interest expense	(385 909)	(372 406)
Net interest income	1 084 067	1 117 347
Fee and commission income	319 887	312 590
Fee and commission expense	(104 594)	(110 059)
Net fee and commissions income	215 293	202 531
Dividend income	2 000	2 480
Net result on trading activities	(1 247)	(2 231)
Net result on foreign exchange positions	6 869	5 990
Net result on derivatives used as hedging instruments and hedged items	(251)	31
Net result on investment activities	39	(59)
Other operating income	36 263	28 576
Other operating expense	(42 304)	(35 313)
Other net operating income and expense	(6 041)	(6 737)
Net impairment losses on loan and advances	(204 235)	(310 888)
General administrative expenses	(889 099)	(862 047)
Net operating income	207 395	146 417
Profit before tax	207 395	146 417
Income tax expense	(45 684)	(39 722)
Net profit	161 711	106 695
Profit of minority shareholders	0	0
Net profit for the Parent Company	161 711	106 695
Net profit for the Parent Company on continued operations	161 711	106 695

Credit Agricole Polska S.A. Group

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended on 31 December 2012

(in PLN thousands)

	2012	2011
Net result for the current period	161 711	106 695
Valuation of available-for-sale financial assets	1 091	(580)
Deferred tax on the valuation of available-for-sale financial assets	(207)	110
Valuation of cash flow hedging instruments	3 414	(215)
Deferred tax on the valuation of cash flow hedging instruments	(469)	48
Actuarial income / losses	642	(219)
Deferred tax on actuarial income / losses	(122)	42
Total other comprehensive income	4 349	(814)
Total comprehensive income of the current period	166 060	105 881
Of which:		
For the Parent Company	166 060	105 881
For minority shareholders	0	0

Credit Agricole Polska S.A. Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2012

(in PLN thousands)

	31.12.2012	31.12.2011
ASSETS		
Cash, due from the Central Bank	432 419	556 093
Due from banks	56 919	13 673
Financial assets at fair value through profit or loss	736 108	73 233
Valuation of derivatives	30 942	6 488
- including derivatives used as hedging instruments	21 583	1 155
Loans and advances to customers	9 569 601	9 158 881
Available-for-sale investment securities	868 108	1 302 621
Investments in associates	2 000	2 000
Intangible assets	36 669	31 195
Tangible fixed assets	190 268	184 820
Current tax assets	663	7 578
Deferred tax asset	299 669	336 872
Other assets	116 955	54 669
TOTAL ASSETS	12 340 321	11 728 123
LIABILITIES		
Due to banks	2 431 292	2 460 150
Valuation of derivatives	29 870	10 447
- including derivatives used as hedging instruments	12 132	3 170
Due to clients	7 833 048	7 351 073
Current tax liabilities	2 290	1 338
Deferred tax liabilities	10	0
Provisions	12 532	13 810
Other liabilities	293 671	321 474
Subordinated liabilities	176 234	176 305
TOTAL LIABILITIES	10 778 947	10 334 597
EQUITY		
Share capital	573	556
Supplementary capital	457 094	319 844
Revaluation reserve	2 976	(853)
Reserve capital	703 763	701 455
Retained profit	425 968	420 426
Appropriation of the net profit during the financial year	(29 000)	(47 902)
PARENT COMPANY SHAREHOLDING	1 561 374	1 393 526
TOTAL EQUITY	1 561 374	1 393 526
TOTAL LIABILITIES AND EQUITY	12 340 321	11 728 123

Credit Agricole Polska S.A. Group

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended on 31 December 2012 (in PLN thousands)

	Parent company shareholding					
	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	TOTAL EQUITY
Equity at the beginning of the period – as at 01.01.2012	556	319 844	(853)	701 455	372 524	1 393 526
Valuation of available-for-sale financial assets	0	0	1 091	0	0	1 091
Valuation of cash flow hedging instruments	0	0	3 414	0	0	3 414
Actuarial income	0	0	0	642	0	642
Deferred tax on items recognised in equity	0	0	(676)	(122)	0	(798)
Total other comprehensive income	0	0	3 829	520	0	4 349
Net result of the current year	0	0	0	0	161 711	161 711
Total comprehensive income for the current period	0	0	3 829	520	161 711	166 060
Share issue	17	78 253	0	0	0	78 270
Appropriation from retained profit	0	58 997	0	0	(58 997)	0
Dividend payment	0	0	0	0	(49 270)	(49 270)
Interim dividends for 2012	0	0	0	0	(29 000)	(29 000)
Employee share programme	0	0	0	1 788	0	1 788
Equity at the end of the period – as at 31.12.2012	573	457 094	2 976	703 763	396 968	1 561 374

for the year ended on 31 December 2011 (in PLN thousands)

	Parent company shareholding					
	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	TOTAL EQUITY
Equity at the beginning of the period – as at 01.01.2011	545	268 027	(216)	701 374	318 477	1 288 207
Valuation of available-for-sale financial assets	0	0	(580)	0	0	(580)
Valuation of cash flow hedging instruments	0	0	(215)	0	0	(215)
Actuarial income	0	0	0	(219)	0	(219)
Deferred tax on items recognised in equity	0	0	158	42	0	200
Total other comprehensive income	0	0	(637)	(177)	0	(814)
Net result of the current year	0	0	0	0	106 695	106 695
Total comprehensive income for the current period	0	0	(637)	(177)	106 695	105 881
Share issue	11	47 892	0	0	0	47 903
Appropriation from retained profit	0	3 925	0	0	(3 925)	0
Dividend payment	0	0	0	0	(821)	(821)
Interim dividends for 2011	0	0	0	0	(47 902)	(47 902)
Employee share programme	0	0	0	258	0	258
Equity at the end of the period – as at 31.12.2011	556	319 844	(853)	701 455	372 524	1 393 526

CONSOLIDATED CASH FLOW STATEMENT

for the year ended on 31 December 2012
(in PLN thousands)

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
I. Profit before tax	207 395	146 417
II. Total adjustments	(602 561)	771 960
1. Depreciation and amortisation	66 643	61 253
2. Interest paid	0	0
3. Dividend income	(2 000)	(2 480)
4. Loss from investment activity	0	(273)
5. Change in provisions	(1 278)	1 535
6. Change in financial assets at fair value through profit or loss	(662 875)	764 748
7. Change in amounts due from banks	(381)	(688)
8. Change in amounts due from customers	(410 720)	254 657
9. Change in other assets	(62 286)	(5 372)
10. Change in amounts due to banks	(28 858)	(888 323)
11. Change in amounts due to customers	481 975	469 751
12. Change in other liabilities	(16 375)	97 908
13. Paid income tax	(10 114)	(8 074)
14. Other adjustments	43 708	27 318
III. Net cash flows from operating activities	(395 166)	918 377
CASH FLOWS FROM INVESTING ACTIVITIES		
I. Inflows	289 033	400 615
1. Disposal of shares or participations, other securities and other financial assets	284 750	395 922
- including debt securities of the State Treasury and the National Bank of Poland	80 000	0
2. Disposal of intangible and tangible fixed assets	148	284
3. Interest income	2 135	1 929
4. Dividend income	2 000	2 480
II. Outflows	(331 657)	(405 087)
1. Acquisition of shares or participations, other securities and other financial assets	(251 284)	(297 268)
- including debt securities of the State Treasury and the National Bank of Poland	(42 094)	(76 428)
2. Acquisition of intangible and tangible fixed assets	(80 373)	(107 819)
III. Net cash flows from investing activities	(42 624)	(4 472)
NET CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	78 270	47 902
1. Issue of shares	78 270	47 902
II. Outflows	(104 235)	(463 915)
1. Payments of liabilities under financial lease	(11 427)	(12 893)
2. Interest on subordinated debt liabilities	(14 538)	(13 464)
3. Dividend payment	(78 270)	(48 723)
4. Interest paid on debt securities in issue	0	(18 835)
5. Redemption of debt securities in issue	0	(370 000)
III. Net cash flows from financing activities	(25 965)	(416 013)
TOTAL NET CASH FLOWS	(463 755)	497 892
BALANCE SHEET CHANGE IN CASH	(463 755)	497 892
CASH AT THE BEGINNING OF THE PERIOD	1 571 665	1 073 773
CASH AT THE END OF THE PERIOD	1 107 910	1 571 665

OPINION OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL INFORMATION TO THE SHAREHOLDERS OF CREDIT AGRICOLE BANK POLSKA S.A.

The summary financial information presented on the following pages of the Annual Report of Credit Agricole Bank Polska S.A., which comprise the statement of financial position as at 31 December 2012, the income statement and statements of comprehensive income, changes in equity and cash flows for the year then ended are derived from the audited financial statements of Credit Agricole Bank Polska S.A., pl. Orłąt Lwowskich 1, Wrocław, ("the Bank") for the year ended 31 December 2012 prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

We have audited the financial statements of the Bank, from which the summary financial information was derived, in accordance with the chapter 7 of the Accounting Act of 29 September 1994 (uniform text, Journal of Laws of 2013, item 330) and national standards of auditing issued by the National Chamber of Registered Auditors in Poland. We expressed an unmodified audit opinion on those financial statements in our report dated 19 February 2013. Those financial statements, and the summary financial information, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial information do not contain all the disclosures required by International Financial Reporting Standards as adopted by European Union. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Credit Agricole Bank Polska S.A.

Management's responsibility for the summary financial information

Management is responsible for the preparation of a summary financial information in the extent described above for the purpose of their presentation in the Annual Report.

Auditor's responsibility

Our responsibility is to express an opinion on the summary financial information based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial information derived from the audited financial statements of Credit Agricole Bank Polska S.A. for the year ended 31 December 2012 in the extent described above for the purpose of their presentation in the Annual Report are consistent, in all material respects, with those financial statements.

Person signing the report and conducting the audit of the financial statements of the Bank on behalf of PricewaterhouseCoopers Sp. z o.o., Registered Audit Company No. 144:

Adam Celiński
Key Registered Auditor
No. 90033

Warsaw, 19 February 2013

Translation note:

This version of our opinion is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our opinion takes precedence over this translation.

INCOME STATEMENT

for the year ended on 31 December 2012
(in PLN thousands)

	2012	2011
Interest income	1 409 019	1 488 111
Interest expense	(351 666)	(371 551)
Net interest income	1 057 353	1 116 560
Fee and commission income	316 617	310 869
Fee and commission expense	(103 365)	(110 034)
Net fee and commissions income	213 252	200 835
Dividend income	2 838	8 123
Net result on trading activities	(306)	(2 186)
Net result on foreign exchange positions	6 869	5 990
Net result on derivatives used as hedging instruments and hedged items	(251)	31
Net result on investment activities	39	(59)
Other operating income	39 970	29 635
Other operating expense	(42 195)	(35 333)
Other net operating income and expense	(2 225)	(5 698)
Net impairment losses on loan and advances	(176 285)	(310 752)
General administrative expenses	(854 137)	(853 886)
Net operating income	247 147	158 958
Profit before tax	247 147	158 958
Income tax expense	(47 247)	(40 965)
Net profit	199 900	117 993



STATEMENT OF COMPREHENSIVE INCOME

for the year ended on 31 December 2012

(in PLN thousands)

	2012	2011
Net result for the current period	199 900	117 993
Valuation of available-for-sale financial assets	1 091	(580)
Deferred tax on the valuation of available-for-sale financial assets	(207)	110
Valuation of cash flow hedging instruments	3 414	(214)
Deferred tax on the valuation of cash flow hedging instruments	(649)	41
Actuarial income / losses	642	(219)
Deferred tax on actuarial income / losses	(122)	42
Total other comprehensive income	4 169	(820)
Total comprehensive income of the current period	204 069	117 173



Credit Agricole Bank Polska S.A.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2012

(in PLN thousands)

	31.12.2012	31.12.2011
ASSETS		
Cash, due from the Central Bank	432 419	556 093
Due from banks	38 029	13 669
Financial assets at fair value through profit or loss	736 108	73 233
Valuation of derivatives	38 189	6 663
- including derivatives used as hedging instruments	21 583	1 155
Loans and advances to customers	8 523 043	8 952 022
Available-for-sale investment securities	868 108	1 302 621
Investments in subsidiaries	50	50
Investments in associates	2 000	2 000
Intangible assets	42 203	36 733
Tangible fixed assets	196 585	191 346
Current tax assets	663	7 563
Deferred tax asset	288 735	333 876
Other assets	71 739	41 416
TOTAL ASSETS	11 237 871	11 517 285
LIABILITIES		
Due to banks	1 404 037	2 229 425
Valuation of derivatives	31 658	10 576
- including derivatives used as hedging instruments	12 132	3 170
Due to customers	7 845 747	7 387 752
Provisions	12 503	13 810
Other liabilities	217 511	296 002
Subordinated liabilities	176 234	176 305
TOTAL LIABILITIES	9 687 690	10 113 870
EQUITY		
Share capital	491 000	491 000
Supplementary capital	126 843	67 847
Revaluation reserve	3 138	(511)
Reserve capital	729 300	727 086
Retained profit	199 900	117 993
TOTAL EQUITY	1 550 181	1 403 415
TOTAL LIABILITIES AND EQUITY	11 237 871	11 517 285

STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

for the year ended on 31 December 2012 (in PLN thousands)

	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	TOTAL EQUITY
Equity at the beginning of the period – as at 01.01.2012	491 000	67 847	(511)	727 086	117 993	1 403 415
Valuation of available-for-sale financial assets	0	0	1 091	0	0	1 091
Valuation of cash flow hedging instruments	0	0	3 414	0	0	3 414
Actuarial income	0	0	0	642	0	642
Deferred tax on items recognised in equity	0	0	(856)	(122)	0	(978)
Total other comprehensive income	0	0	3 649	520	0	4 169
Net result of the current year	0	0	0	0	199 900	199 900
Total comprehensive income for the current period	0	0	3 649	520	199 900	204 069
Share issue	0	0	0	0	0	0
Appropriation from retained profit	0	58 996	0	0	(58 996)	0
Dividend payment	0	0	0	0	(58 997)	(58 997)
Employee share programme	0	0	0	1 694	0	1 694
Equity at the end of the period – as at 31.12.2012	491 000	126 843	3 138	729 300	199 900	1 550 181

for the year ended on 31 December 2011 (in PLN thousands)

	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	TOTAL EQUITY
Equity at the beginning of the period – as at 01.01.2011	394 444	63 922	132	779 574	47 925	1 285 997
Valuation of available-for-sale financial assets	0	0	(580)	0	0	(580)
Valuation of cash flow hedging instruments	0	0	(214)	0	0	(214)
Actuarial losses	0	0	0	(219)	0	(219)
Deferred tax on items recognised in equity	0	0	151	42	0	193
Total other comprehensive income	0	0	(643)	(177)	0	(820)
Net result of the current year	0	0	0	0	117 993	117 993
Total comprehensive income for the current period	0	0	(643)	(177)	117 993	117 173
Share issue	96 556	0	0	0	0	96 556
Appropriation from retained profit	0	3 925	0	0	(3 925)	0
Dividend payment	0	0	0	(52 556)	(44 000)	(96 556)
Employee share programme	0	0	0	245	0	245
Equity at the end of the period – as at 31.12.2011	491 000	67 847	(511)	727 086	117 993	1 403 415

CASH FLOW STATEMENT

for the year ended on 31 December 2012
(in PLN thousands)

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
I. Profit before tax	247 147	158 958
II. Total adjustments	(603 273)	752 705
1. Depreciation and amortisation	66 604	61 349
2. Dividend income	(2 838)	(8 123)
3. Loss from investment activity	0	(273)
4. Change in provisions	(1 307)	1 535
5. Change in financial assets at fair value through profit or loss	(662 875)	764 748
6. Change in amounts due from banks	(365)	(686)
7. Change in amounts due from customers	428 979	461 521
8. Change in amounts due to banks	(825 388)	(1 119 048)
9. Change in amounts due to customers	457 995	492 019
10. Change in other liabilities	(67 064)	72 757
11. Change in other assets	(30 323)	7 335
12. Paid income tax	(4 895)	(7 686)
13. Other adjustments	38 204	27 257
III. Net cash flows from operating activities	(356 126)	911 663
CASH FLOWS FROM INVESTING ACTIVITIES		
I. Inflows	298 871	406 258
1. Disposal of shares or participations, other securities and other financial assets	284 750	395 922
- including debt securities of the State Treasury and the National Bank of Poland	80 000	0
2. Disposal of intangible and tangible fixed assets	148	284
3. Interest income	2 135	1 929
4. Dividend income	2 838	8 123
II. Outflows	(331 408)	(404 837)
1. Acquisition of shares or participations, other securities and other financial assets	(251 284)	(297 268)
- including debt securities of the State Treasury and the National Bank of Poland	(42 094)	(76 428)
2. Acquisition of intangible and tangible fixed assets	(80 124)	(107 569)
III. Net cash flows from investing activities	(41 537)	1 421
NET CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	0	96 556
1. Issue of shares	0	96 556
II. Outflows	(84 962)	(511 748)
1. Payments of liabilities under financial lease	(11 427)	(12 893)
2. Interest on subordinated debt liabilities	(14 538)	(13 464)
3. Dividends paid	(58 997)	(96 556)
4. Interest paid on debt securities in issue	0	(18 835)
5. Redemption of debt securities in issue	0	(370 000)
III. Net cash flows from financing activities	(84 962)	(415 192)
TOTAL NET CASH FLOWS	(482 625)	497 892
BALANCE SHEET CHANGE IN CASH	(482 625)	497 892
CASH AT THE BEGINNING OF THE PERIOD	1 571 665	1 073 773
CASH AT THE END OF THE PERIOD	1 089 040	1 571 665



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