



2014

ANNUAL
REPORT

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Ladies and Gentlemen,

On behalf of the Management Board of Credit Agricole Bank Polska we are pleased to present the annual report for 2014. It is our pleasure to let you know that 2014 was yet another year that brought us closer to the goal set out in our strategy: to build a strong universal proximity bank, one the leaders of the Polish banking sector.

For more than 20 years, our shareholder, Crédit Agricole of France, has focused on building universal proximity banking in Europe. In March 2014, the Group confirmed this strategy. It also defined its primary target markets for the development of universal banking: France, Italy, and Poland. The main directions set out in the medium-term plan for the coming three years, which emphasize the importance of the customer as the focus of the Group's activities, include innovativeness, improvement in operational effectiveness, development of synergies and cooperation between companies of the Group, and development of specialized business lines in Europe.

The Group's operations in Poland reflect this strategy. Based on a strong consumer finance segment, we have developed a universal bank. In 2013, we merged with Credit Agricole Corporate and Investment Bank, Poland Branch. Since then, we have kept on expanding our offering to include new products and services. We are strongly focused on developing synergies with other Group companies in Poland: Europejski Fundusz Leasingowy, a leasing company; Crédit Agricole Commercial Finance, a factoring company; and CALI Europe, Poland Branch, a life insurer. We are one of the most universal banking and insurance groups in Poland, serving all market segments, from retail customers, farmers, and small and medium-sized enterprises to large corporations. In 2014, two new organizations joined that Group: Amundi Polska Towarzystwo Funduszy Inwestycyjnych, an investment fund manager, and Crédit Agricole Towarzystwo Ubezpieczeń, a property insurer, and our bank distributes their products and services.

As a result of the expansion of the range of our products and services, accompanied by intensive marketing and PR campaigns, awareness of the Credit Agricole brand has been on a steady upward trend. The brand made its debut in the Polish market as recently as 2011 and at the end of last year aided awareness of the brand was over 90 percent. We are working to further improve this result. We want to be widely recognized, but we also want to convince customers that Credit Agricole is a proximity bank that offers a full range of top quality banking products and customer service provided by professional and helpful staff.

We are happy to report that our proximity bank strategy proved successful in 2014. We assumed that our customer-oriented approach and close relationships with customers would help our bank to differentiate itself in the market. We are happy that the market confirmed our chosen path is right. In 2014, Credit Agricole Bank Polska came 5th in the Jakość na bank (Quality You Can Bank On) ranking compiled by Puls Biznesu and TNS OBOP and 3rd in a survey of bank call centres carried out by ARC Rynek i Opinia, a research institute. The results of these rankings are both a reward and an incentive for further work.

Last year's successes are all the more valuable as we achieved them in a difficult macroeconomic and market environment. The main factors that adversely impacted on the results of the banking sector included the interchange fee reductions and the easing of monetary policy by the Monetary Policy Council, as a result of which the reference rate of the National Bank of Poland hit an all-time record low. At the same time, the strong economic recovery seen in Poland from the second quarter of 2013 ground to a halt in mid-2014. Also, due to the economic slowdown in the eurozone and the Ukraine-Russia conflict, net exports ceased to be the driving force behind economic growth. Domestic demand, supported



by an acceleration in consumption and business investments, markedly gained in importance. The situation is reflected in the financial results of our bank. Still, we closed 2014 with a net profit of PLN 195,2 million, higher than the profit for 2013, which was PLN 180 million. The growth was achieved thanks to numerous initiatives put in place last year, aimed on the one hand to boost revenues and on the other hand to ensure strong control of expenditure. We increased the active account bases in all the customer segments and achieved very good results in consumer finance sales as well as in sales of loans in the SME and AGRI segments. We also recorded a significant growth in the total value of deposits.

While pursuing the basic objectives of the strategy to build the values of Credit Agricole Bank Polska, we never forgot that we are part of a bigger community and that we also have duties towards it. We get involved in nationwide campaigns, but we also support local initiatives aimed to benefit people living in a given region. As usual, we got involved in charity events and supported economic and environmental education. We declare that the bank will not forget about its corporate social responsibility in the future.

The year 2015 is a succession of further challenges and projects, such as the planned launch of mobile banking services, or maintaining the leading position in the consumer finance market by ensuring constant improvement in sales effectiveness. We have also made a decision to develop our partner sales network, including both franchise branches and credit agents. Based on the potential that we have already built, we will keep on working to further enhance our offering and the quality of customer service. We want to win new customers and convince them that Credit Agricole Bank Polska is a bank worth staying with, a bank that uses its 'Simply and sensibly' motto on a day-to-day basis.

We would like to invite you to read the annual report of Credit Agricole Bank Polska and also to take this opportunity to thank all our customers, business partners, and staff for using our services, for working with us, and for working for us in 2014.



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.





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Shareholding Structure and Governing Bodies

At the end of 2014, 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, farmers, the SME sector, and corporations, 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, LUKAS Finanse S.A., a subsidiary of Credit Agricole Polska S.A, and ARC Broker S.A., providing insurance brokerage services for the companies of the Credit Agricole Group.

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.

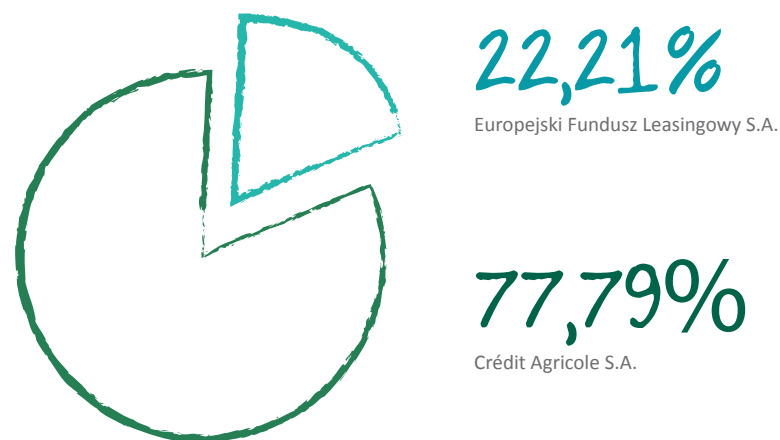
In May 2013, LUKAS Finanse S.A. discontinued its activities related to cash loan extension and currently focuses on servicing the loans extended so far.

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. Consequently, the Group entered the structure of one of the world's biggest financial institutions.

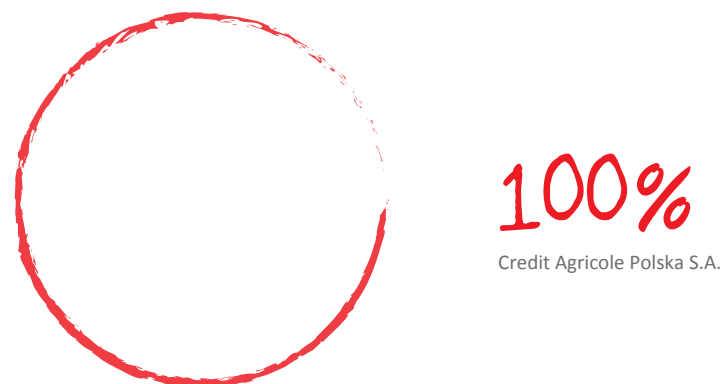
In Poland, the Crédit Agricole Group comprises also: Europejski Fundusz Leasingowy S.A. and its subsidiaries, Crédit Agricole Life Insurance Europe S.A. Oddział Polska, Amundi Polska Towarzystwo Funduszy Inwestycyjnych and Crédit Agricole Towarzystwo Ubezpieczeń.

The objective of the Credit 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 31/12/2014)



Shareholding Structure of Credit Agricole Bank Polska S.A.
(as at 31/12/2014)



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

(as at 07 May 2015)

Credit Agricole Polska S.A.

Supervisory Board:

François Pinchon	Chairman of the Supervisory Board
Agata Figuet	Member of the Supervisory Board
Gérard Marchand	Member of the Supervisory Board

Management Board:

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

Supervisory Board:

Marc Oppenheim	Chairman of the Supervisory Board
Elżbieta Jarzeńska-Martin	Secretary of the Supervisory Board
Raphael Appert	Member of the Supervisory Board
Alfred Janc	Member of the Supervisory Board
Francois 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-Bernard Mas	Vice President of the Management Board
Jean-Paul Pinchon	Vice President of the Management Board
Marc Renard	Vice-President of the Management Board
Jędrzej Marciniak	Member of the Management Board

In 2014, the composition of the Supervisory Board and the Management Board of Credit Agricole Polska S.A. did not change.

In 2015, there were the following changes in the composition of the Supervisory Board of Credit Agricole Polska S.A.:

- on 10 February 2015, Thierry Verdier resigned from the function of the Member of the Supervisory Board of Credit Agricole Polska S.A., effective as of 10 February 2015.
- the Extraordinary General Meeting of Shareholders by virtue of Resolution of No. 3 of 10 February 2015 appointed Ms Agata Figuet to be the Member of the Supervisory Board of Credit Agricole Polska

In 2014, the composition of the Supervisory Board of Credit Agricole Bank Polska S.A. did not change.

In 2015, there were the following changes in the composition of the Supervisory Board of Credit Agricole Bank Polska S.A.:

- on 18 March 2015, Patrick Clavelou resigned from the function of the Member of the Supervisory Board of Credit Agricole Bank Polska S.A., effective as of 18 March 2015.
- on 20 March 2015, Elżbieta Jarzeńska-Martin was appointed to the Supervisory Board of Credit Agricole Bank Polska S.A. for another term of office and agreed to be the Secretary of the Supervisory Board effective as of 20 March 2015.



In 2014, there were the following changes in the composition of the Management Board of Credit Agricole Bank Polska S.A.:

- on 28 March 2014, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 20/2014 appointing Joanna Tomicka-Zawora for another term of office,
- on 28 March 2014, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 21/2014 appointing Jean-Paul Piotrowski for another term of office,
- on 24 October 2014, Jean-Paul Piotrowski resigned from the function of the Vice President of the Management Board of Credit Agricole Bank Polska S.A., effective as of 24 October 2014.
- on 31 October 2014, Radosław Książopolski resigned from the function of the Member of the Management Board of Credit Agricole Bank Polska S.A., effective as of 31 October 2014.
- on 28 November 2014, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 35/2014 appointing Philippe Marié for another term of office,

In 2015, there were the following changes in the composition of the Management Board of Credit Agricole Bank Polska S.A.:

- on 20 March 2015, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 10/2015 appointing Jean-Bernard Mas to be the Vice President of the Management Board of Credit Agricole Bank Polska S.A. ,
- on 20 March 2015, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 11/2015 appointing Beata Janczur for another term of office,
- on 20 March 2015, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 12/2015 appointing Marc Renard for another term of office,
- on 20 March 2015, the Supervisory Board of Credit Agricole Bank Polska S.A. adopted Resolution No. 13/2015 appointing Jean-Paul Pinchon for another term of office.





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A LEADING BANKING GROUP

Crédit Agricole Group is the leading partner of the French economy and one of the largest banking groups in Europe. It is the leading retail bank in Europe as well as the first European asset manager, the first bancassurer in Europe and the third European player in project finance.

Built on its strong cooperative and mutual roots, its 140,000 employees and the 31,500 directors of its Local and Regional Banks, Crédit Agricole Group is a responsible and responsive bank serving 50 million customers, 8.2 million mutual shareholders and 1.1 million individual shareholders.

Thanks to its universal customer-focused retail banking model – based on the cooperation between its retail banks and their related business lines –, Crédit Agricole Group supports its customers' projects in France and around the world: insurance, real estate, payments, asset management, leasing and factoring, consumer finance, corporate and investment banking.

Crédit Agricole also stands out for its dynamic, innovative corporate social responsibility policy, for the benefit of the economy. This policy is based on a pragmatic approach which permeates across the Group and engages each employee.

54

A GLOBAL PRESENCE
IN 54 COUNTRIES

50_M

CUSTOMERS

140,000

EMPLOYEES

€4.9_{BN}

NET INCOME
GROUP SHARE

€86.7_{BN}

SHAREHOLDERS'
EQUITY

13.1%

COMMON EQUITY TIER 1
RATIO FULLY LOADED



GROUP'S ORGANISATION

8.2 million mutual shareholders underpin Crédit Agricole's cooperative organisational structure. They own the capital of the **2,489 Local Banks** in the form of mutual shares and they designate their representatives each year. **31,500 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 debated.

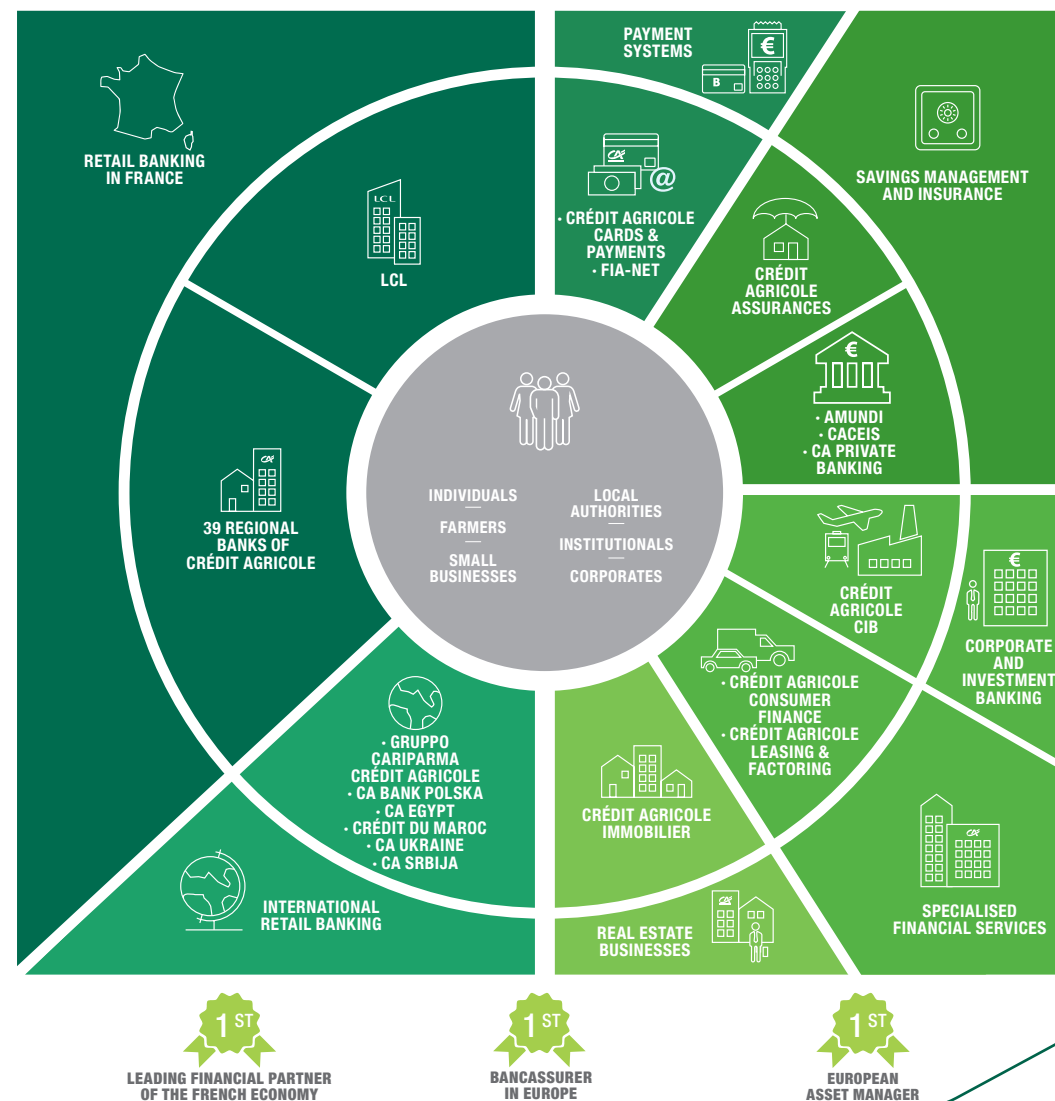
The Regional Banks together own, via **SAS Rue La Boétie**, the majority of the share capital of Crédit Agricole S.A. (56.5%). Crédit Agricole S.A. owns 25% of the Regional Banks (excl. the Regional Bank of Corsica). It coordinates in relation with its specialist subsidiaries the various business lines' strategies in France and abroad.

THE UNIVERSAL CUSTOMER-FOCUSED BANK

RETAIL BANKS

SPECIALISED BUSINESS LINES

OTHER SPECIALISED SUBSIDIARIES:
Crédit Agricole Capital Investissement & Finance
(Idia, Sodica), Uni-édicions





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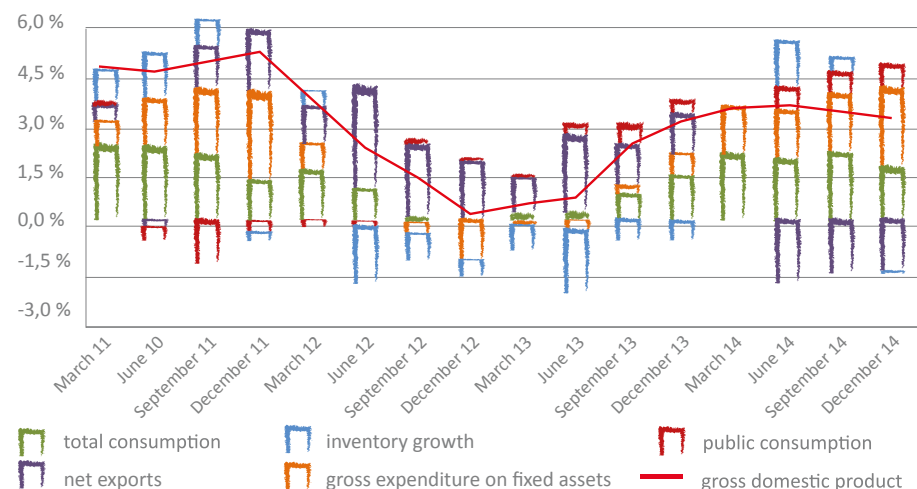
Economic Situation – Main Trends

The strong revival phase witnessed by the Polish economy from the second quarter of 2013 onwards ended in mid-2014. The annual economic growth rate went slightly down (3.3 per cent vs. 3.5 per cent in the second quarter) to be finally at 3.1. per cent y/y at the end of the year. At the same time, considering the relatively poor economic situation in the Euro zone and the Russian-Ukrainian conflict, last year the net export ceased to be the factor providing dynamics to the economic growth. Moreover, the significance of the domestic demand, in turn, grew and was supported by an acceleration in the business consumption and investments.

The rate of economic growth will accelerate again in the second quarter of 2015 and we will witness a revival in the private consumption, an improvement of the economic situation amongst Poland's main trade partners and recovery in infrastructure investments. The Ukrainian conflict impact will start to phasing out.

The reference rate of the National Bank of Poland at the end of 2014 was at the historically low level (2.00%) and there is a risk it may go further down in 2015. In 2014, the indices of the Warsaw Stock Exchange fell: WIG by 0.9% and WIG20 by 4.7%.

Diagram 1 - GDP dynamics (y/y, fixed prices).

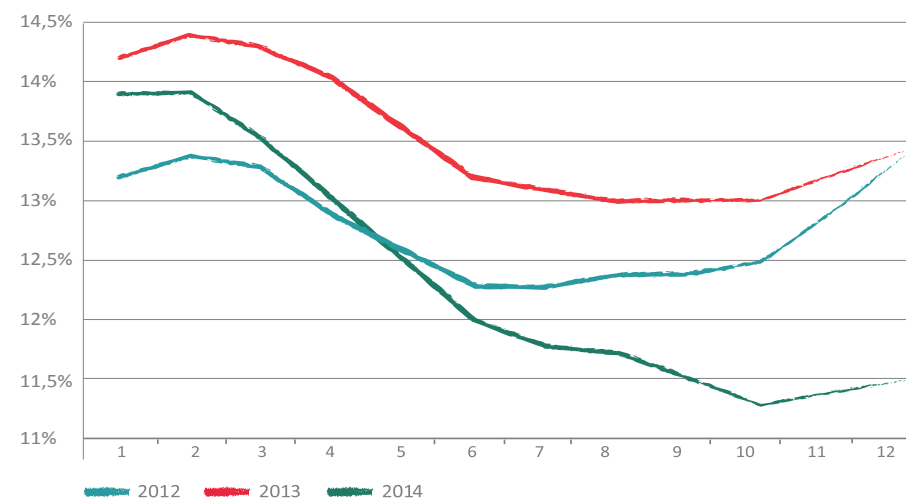


Source: Main Office of Statistics

Labour Market

In 2014, registered unemployment was at the level lower than in the corresponding months of 2013. The highest level was noted in January and February (13.9 per cent), and the lowest in October (11.3 per cent). The number of registered unemployed people ranges from 1.78 million (October) to 2.26 million (January-February). Almost all year, the non-seasonal registered unemployment rate fell more and grew less than it would have resulted from historical seasonal fluctuations. This situation was the result of the increase in the investments of enterprises, higher expenditure by the Labour Fund to help activate the unemployed and structural changes on the labour market. In December 2014, the unemployment rate was at the level of 11.5 per cent, while at the end of 2013 - at 13.4 per cent.

Diagram 2 – Registered unemployment rate.



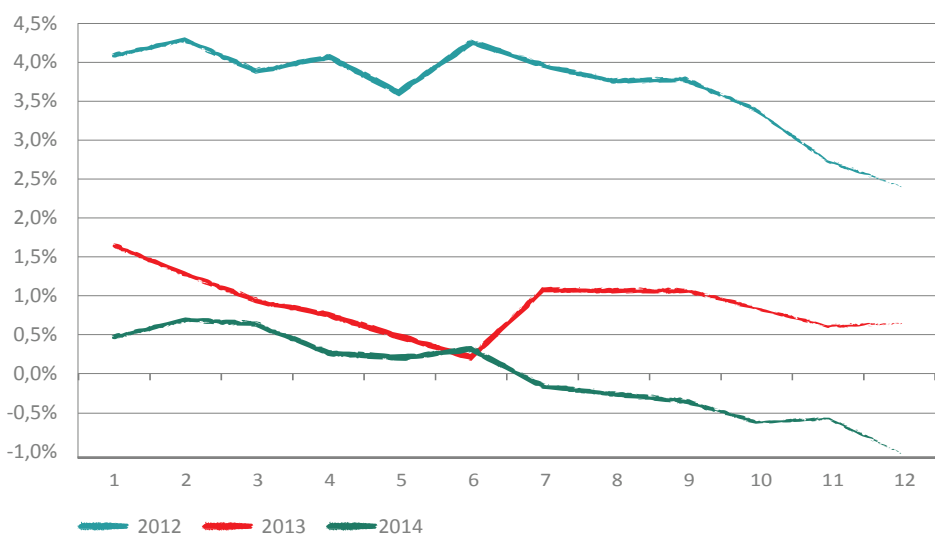
Source: Main Office of Statistics

Inflation

The average annual growth in the prices of consumer goods and services went down to 0.0 per cent in 2014 (vs 0.9 per cent in 2013) and was the lowest ever since the beginning of transformation. This situation was predominantly the result of the decreases in food prices (by 0.9 per cent) and contributed to the fall in the consumer price index (CPI) by 0.72 percentage points. At the same time, the effects of the low 2013 base in the category 'communications' led to the growth in the average annual inflation rate by 0.46 percentage points. The remaining categories taken individually had an insignificant impact (below 0.1 percentage point) on the change of the CPI index when compared to 2013.

The prices of industrial production sold in the period between January and November 2014 were lower on average by 1.4 per cent when compared to the corresponding period of the previous year, whereby the highest price growth was noted in the item 'water supply; sewage and waste management' (increase by 1.2 per cent) and the lowest in mining (fall by 4.9 per cent).

Diagram 3 – CPI Inflation (y/y).



Source: Main Office of Statistics

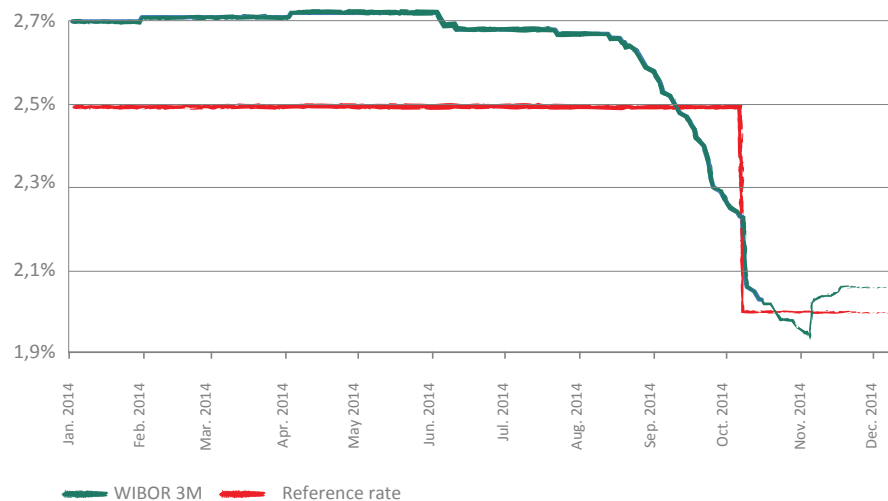
Monetary Policy and the Foreign Exchange Rate

In November 2013, the Monetary Policy Council announced the maintenance of interest rates at an unchanged level (2.50 per cent) until the end of the first half of 2014, and in March 2014, the stable rate horizon declared by the MPC was extended until the end of the third quarter of 2014. In July, the Monetary Policy Council resigned from that forecast. In October, the reference rate lowered by 50 base points to 2 per cent. The main justification underlying the mitigation of the monetary policy were the incoming data, which indicated the economic activity slowdown and an increase in the risk that the inflation would be below the target rate in the mid-term. In consequence of the mitigation of monetary policy, the reference rate of the National Bank of Poland received the lowest level in history.

In October 2014, the Monetary Policy Council decided to narrow down the overnight rate fluctuation at the interbanking market. In consequence, the Lombard rate was lowered more than the reference rate (reduction by 100 base points to 3 per cent), and the deposit rate was maintained at the unchanged level (1 per cent).

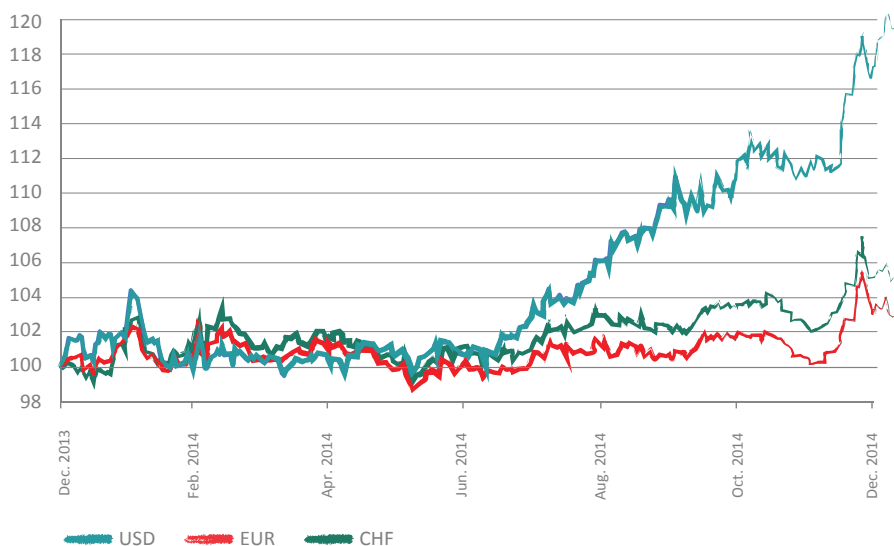
In the first half of 2014, the PLN exchange rate to main currencies was characterised by a historically low variability, and its level was mainly shaped by the fluctuations of the global risk aversion and expectations of financial markets concerning the perspectives of monetary policy in the Euro zone and the United States. In the second half of the year, together with the rise in the global risk aversion and the strengthening of the market expectations concerning the money policy mitigation by the Monetary Policy Council, the Polish zloty was subject to a depreciation with relation to the main currencies. At the same time, due to the fact that the European and US monetary policy cycles drifted apart, the Polish zloty weakened in relation to the US dollar much more than in relation to euro. In December, the PLN exchange rate was subject to a high depreciation, which was also partially related to the Russian currency crisis, the increase of political risk in Greece and the reinforcement of expectations that the Monetary Policy Council would lower the interest rates. In consequence, at the end of December, the EUR exchange rate to PLN zloty was 4.26 versus 4.15 in December 2013.

Diagram 4 – 3M WIBOR and the NBP reference rate.



Source: Reuters

Diagram 5 – Exchange rates (31/12/2011 = 100).



Source: Reuters

The Banking Sector

The situation of the banking sector in Poland was positively influenced by the economic recovery continuation. The net result of 2014 was higher than in 2013 and to a considerable extent it was influenced by the reduction in the cost to income relation.

Based on the data for 2014, one may observe a moderately growing lending action, as supported by the historically low level of interest rates. The growth in the volume of loans for households was a result of the improving labour market situation, which led to - in employees' perception - to a smaller risk of job loss and a higher consumption willingness. The increase in the volume of business loans was supported by the increasing investment activities of companies and the continuation by Bank Gospodarstwa Krajowego of the programme of supporting the Small and Medium-sized Enterprise sector (SME) in the process of applying for banking guarantees (de minimis guarantees). The low level of interest rates limited the deposit growth (both from the enterprises and from households).

Diagram 6 – Receivables and liabilities of the non-financial sector (in PLN billion).

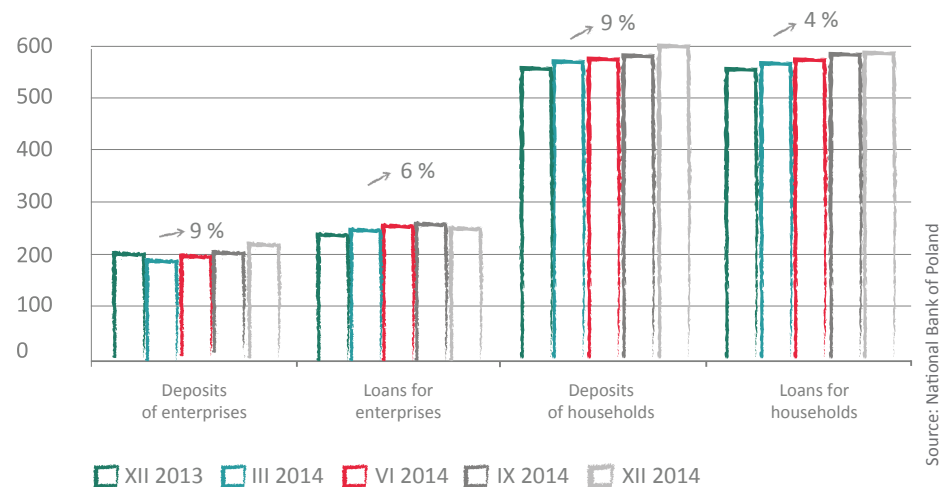
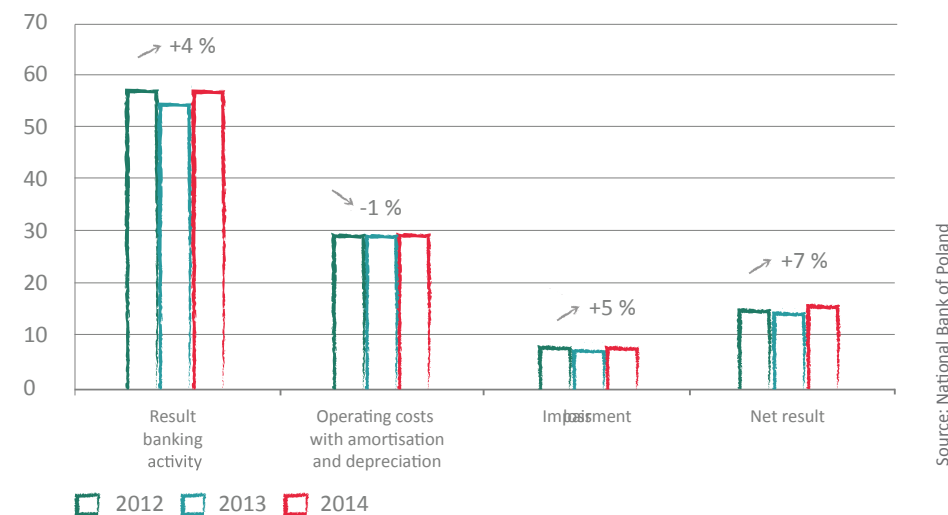


Diagram 7 – Results of the banking sector (in PLN billion).





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Main Assumptions of the Strategy for 2015-2018

2014 was another year bringing the bank closer to the objective defined in its strategy – construction of a strong and universal bank that is close to the client and ranks with the leaders of the Polish banking sector and the maintenance of a high position on the consumer finance market. The strategic successes achieved may comprise both the financial and operational changes, including but not limited to: development of the business in the agricultural sector, small and middle-sized enterprises and corporations.

Under the influence of changing market circumstances, in 2014, the bank made a cyclical review of its strategy. It will be pursued in an organic way. The most important tactical objectives include:

- further improvement of financial performance,
- 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,
- increase in the utilisation of synergy of the Credit Agricole Group companies.

In its plans, the bank takes into consideration the estimated economic growth as well as other factors, e.g. the interest rate change and regulatory restrictions. The economic slowdown may be reflected in the bank's future performance by lower sales, lower revenue and higher risk costs. Even though Credit Agricole is prepared to face this scenario, some elements of the strategy would have to be modified to adjust to the changed business and economic environment.

Financial results

Despite unfavourably low interest rates, the bank hopes to maintain its net result in the years to come. The revenue growth will be the result of the pursuit of the universal banking development strategy.

Of high importance for the future financial performance will be a transparent and restrictive cost policy. It assumes only a slight current cost rise and, at the same time, the maintenance of appropriate support for the strategic projects. This will allow a further decrease in the cost to revenue ratio.

Development and Adjustment of the Banking Network

One of the tactical assumptions is to consistently expand the availability of the bank's products and services via various access channels. Therefore, the bank will continue to optimise the services provided via a network of bank branches. They remain the basic access channel.

In parallel, however, the bank plans to develop remote access channels, including the introduction of mobile banking. Additionally, Credit Agricole intends to develop a partner network. In the first stage, the number of credit bureaus selling cash loans will be expanded and then the number of partner outlets. The latter ones will also obtain a new sale model and their offer will be enriched to include personal accounts and deposits.

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, facilitating the satisfaction of his/her remaining financial needs by offering other services and products. In subsequent years, the bank will focus on such activities, including the marketing ones, which will bring about a growth of the base of active clients and translate into forging long-term relationships.



Development of the Banking Offer Addressed to Enterprises, Farmers and Corporations

In 2012, the bank launched dedicated services for farmers. Considering the excellent market prospects, the initially small scale of activities should be expanded in the years to come. The bank's product offer for the small and medium-sized enterprises will be systematically developed. In 2011, the bank launched a service dedicated to the corporate segment which was further enhanced and expanded in 2013 to include the segment of large corporations. Subsequent years will bring a stable growth in the revenue from this operating segment.

Consumer finance

The bank is one of the consumer finance (CF) market leaders in Poland and intends to maintain this position. For years, the Bank has cooperated with numerous partners and, owing to the experience gained and the brand awareness, it will continue to acquire clients using this channel. The Consumer Finance segment is still one of the most promising markets in Poland. The revenues from this segment 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.

Comments on the financial performance

In 2014, Polish economy grew by 3.3 per cent, which was a very good result when compared to the estimated 1.3 per cent of the European Union as a whole. At the same time, the banks had to face up to a fairly unfavourable market situation, i.e. a decrease in interest rates, especially the Lombard rate, or the interchange fee reduction. These factors influenced the performance of the Polish banking sector, where a net profit of PLN 16.2 billion was noted.

For Credit Agricole Bank Polska, last year was a year of intensive development, especially with regard to the corporate banking, the agricultural segment and the small and middle-sized enterprises. At the same time, in view of the above-mentioned unfavourable external factors, the bank undertook a number of initiatives aimed at mitigating the revenue fall, mainly by improving the revenue from the remaining banking services. Additionally, the bank introduced current cost reducing measures but, simultaneously, supported the projects related to the development of business and infrastructure. Owing to an effective approach to credit risk management in 2014, Credit Agricole considerably improved the credit portfolio quality, which is well reflected in its financial performance.

Year 2014 was closed with a net profit at the level of PLN 195.2 million, which means a growth by 5.4 per cent when compared to the previous year.

At the same time, the consolidated net profit of the Credit Agricole Polska S.A. Group went up from PLN 180.3 in 2013 to PLN 201.9 million at the end of 2014. The growth in the administration costs of the bank of 2.9 per cent, which was related mainly to the pay rises, was accompanied by increased risk cost - by 20.2 per cent – from PLN 150.6 million in 2013 to PLN 181.1 million in 2014.

The equity, taken into account when calculating the solvency ratio, exceeded PLN 1.98 billion and fully covered the capital requirements. The ratio itself was maintained at a level higher than the required one, achieving the value of 12.58 per cent at the end of 2014. The effectiveness expressed by the ROE ratio (calculated as: net profit for the financial period/average equity) at the end of 2014 amounted to 10.6 per cent, while the ROA ratio (calculated as: net profit for the financial period/average asset level) was at 1.2 per cent. (in 2013, respectively: 11.3 per cent and 1.4 per cent).



The carrying value of loans and credits extended to clients by the bank was PLN 13.25 billion, while at the end of 2013 it was PLN 11.39. The considerable growth by over 16 per cent was the result of increased balance of debt of the corporate loan clients and, at the same time, the growth in the value of consumer finance and mortgage loans. The loans and credits sanctioned to clients as at the end of 2014 amounted to 71.8 of the bank's total assets.

The basic source of financing for the lending action of the bank at the end of 2014 were amounts due to clients, which constituted 69.3 % of the balance sheet total. The bank's amounts due to clients were PLN 12.80 billion, while at the end of 2013 it was PLN 11.16.

Results of the Crédit 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, since 2012 the bank publishes also the aggregated results of the Credit Agricole Group in Poland. Considering the year 2014, it included: Credit Agricole Bank Polska, Europejski Fundusz Leasingowy, ARC Broker, Credit Agricole Service and LUKAS Finanse. The purpose of such publication of the results is to enable the comparison with most banking groups operating on the Polish market, which present their results on a consolidated basis. Such groups comprise, for example, lease companies, investment funds, pension scheme companies, brokerage houses or factoring companies.

In 2014, the above-mentioned companies of the Crédit Agricole Group in Poland generated an aggregate net profit of PLN 264.8 million, and their balance sheet total (assets) reached the level of PLN 25.3 billion. At the end of 2014, the equity was at PLN 2.8 billion.





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Credit Agricole Brand Awareness

Last year, the bank focused its marketing activities on, without limitation, reinforcing the image of Credit Agricole as a universal bank – a bank for everybody; a bank that best adjusts the offer to the client's needs because it:

- knows the client very well and understands his or her needs,
- provides appropriate products at the right price,
- appreciates the clients' loyalty, rewarding long-term relations.

Products created on the basis of this philosophy were promoted in numerous advertising campaigns and the catchphrase of the campaigns was 'Credit Agricole – Simply and Sensibly'. The Bank continued its cooperation with Juliette Binoche, a French actress who is very well known in Poland and is already immediately associated with the Crédit Agricole brand. The cooperation significantly contributed to raising the bank's brand awareness in Poland.

The communication activities in 2014, taking into account both the message effectiveness, the selection of media as well as the quality of purchase, were very well assessed in the study made by Millward Brown 2014, where the bank was placed as second in terms of communications effectiveness. This result certainly translated into the Crédit Agricole brand awareness. The level of prompted awareness achieved over 90 per cent, while spontaneous awareness - over 20 per cent.

Changes in the Product Offer

Personal Accounts

The increase in the number of personal accounts as a basis for building long-term relations is one of the basic elements of the strategy of Credit Agricole Bank Polska when it comes to the retail client segment. Consequently, the bank constructed its offer in such a way as to reach to various client segments, promoting the client activeness at the same time.

The diversity offered by 1 Konto account and the PROSTOoszczędzające, PROSTOoszczędzające Plus and PROSTOoszczędzające Premium accounts is aimed at providing potential clients with an opportunity to find the offer that is best suited to him or her. Numerous promotions in 2014, in turn, (e.g. the promotion which allowed the clients to receive a bonus of as much as PLN 1,000 or a special offer of an overdraft facility of PLN 500 in the 1 Konto account) rewarded active users of such accounts. Additionally, the bank encouraged the clients, by special price offers, to transfer their accounts from other banks or to open overdraft facilities - in case of clients opening new accounts.

At the end of 2014, Credit Agricole maintained 1.02 million of personal accounts.

Savings and Investment Products

Last year ended with a total balance at the accounts of natural person increased by almost 17 per cent and a simultaneous growth in the stability of the deposit base – the share of funds invested in term products (deposits, Systematic Savings Programmes, insurance with a savings element) went up from 52 to 56 per cent. The bank's operations in this area focused on extending the time span of savings and investment products sold. The purpose of these initiatives is also to raise the client's awareness that it is worthwhile to save and invest with Credit Agricole. In 2014, the offer of investment funds was extended to include 'Amundi Parasolowy Fundusz Inwestycyjny Otwarty' (Amundi Umbrella Open-ended Investment Fund) with 5 separated sub-funds offering diversified investment policies. Additionally, in the first quarter, the subscription of another insurance with an investment under the name of InvestMedica was successfully completed.



Bancassurance

Year 2014 was also the year during which the competences of advisers were raised, the level of client support quality was improved - both as regards the sale and after-sale processes, and the portfolio of stand-alone type life insurance portfolio was built. The 'Pakiet Życie' (Life Package), covering both life insurance as well as serious diseases and hospitalization, is one of the most comprehensive and flexible life and health insurance cover proposals on the market in the bancassurance channel. In 2014, the offer was extended to include a new insurance type: 'Z myślą o bliskich' (Thinking about the Dear Ones), which was designed to provide the Beneficiaries with necessary funds to cover the funeral expenses. Additionally, the bank branches started the sale of accident insurance 'Pakiet Przewrotni' (Prudent Package), sold so far only via the Contact Center.

Such activities were reflected in the gross premium written, which achieved the level of PLN 45.3 million at the end of 2014.

Cash loans

Effective product campaigns conducted last year allowed the bank to enhance its position and increase its share of the consumer finance market. The Bank continued the development of its offering addressed to higher income clients. The average gross value of loans extended to such clients is four times higher than the average value of all cash loans. In consequence, the average value of gross cash loans sanctioned in 2014 grew by 17 per cent when compared to the previous year. At the same time, in 2014, the cash loan balance increased by 9 per cent to nearly PLN 4.6 billion.

Mortgage loans

Last year brought changes at the mortgage market. They were mainly related to the introduction of the Recommendation S guidelines. In accordance with these guidelines of the Polish Financial Supervision

Authority, the downpayment in case of a property acquired using a loan in 2014 could not be lower than 5 per cent. Additionally, Credit Agricole took a decision to reduce the use of external mortgage loan distribution channel, i.e. the intermediaries. All these factors influenced the value of mortgage loans sold in 2014, which was lower than the year before. Nevertheless, owing to, among other things, the 'Kredyt mieszkaniowy 3 x 0' (3 x 0 Mortgage Loan) promotional offer, the bank managed to generate sale results better than assumed. The average loan amount grew by 19 per cent and the bank acquired clients with a perspective and desired profile.

Credit Cards

In 2014, the bank issued over 238 thousand credit cards, which allowed it to maintain one of the leading card issuer positions in Poland.

In parallel with the acquisition of new clients, the bank also tried to increase the activeness of the existing credit card users. The clients participated in campaigns prepared jointly with MasterCard or Visa. A whole range of actions was carried out. Their purpose was to, on the one hand, increase the number and value of card transactions and, on the other hand, decrease the number of credit card resignations.

Offer for Small and Middle-sized Enterprises (SME)

The bank considerably extended its product offer addressed to business clients. Supporting entrepreneurs in the current liquidity management, it came up with a mortgage-secured revolving loan attached to the Business Account and a mortgage-secured Business Loan. These products granted the clients access to, among other things, higher limits, longer lending period and more favourable price conditions. The offer concerning the investment financing, limited so far to the investment loan to purchase or refinance expenses related to the purchase of fixed



assets, was supplemented by the bank by an investment loan to purchase or refinance the expenses related to the purchase/reconstruction of commercial properties, giving the entrepreneurs a possibility to finance most investment expenses in an effective manner.

At the end of 2014, the bank's portfolio comprised fourteen types of business credit financing and leases. The sale of such products went up by 13 per cent when compared to 2013.

In 2014, the bank started to cooperate with POLFUND Funduszem Poręczeń Kredytowych S.A. (fund for credit guarantees), offering financing facilities with an additional security in the form of credit guarantee addressed to business clients. Consequently, it entered the ranks of banks that provide financing facilities secured by the de minimis guarantees. To this end, it signed an agreement with Bank Gospodarstwa Krajowego S.A.

In July, Credit Agricole successfully implemented in cooperation with its partners: TopCard and SIA Central Europe the POS payment terminals. The card acceptance service proved to be a good alternative for business clients from the SME sector and enjoyed their considerable interest.

2014 was also a good year of the development of synergy between the bank and Europejski Fundusz Leasingowy S.A. (EFL). The cooperation resulted in, for example, the bank's being an intermediary in executing lease contracts and EFL's being an intermediary in the sale of the bank's business accounts. These actions translated into very good sale results.

Equally important was the rise in the value of deposits from the small and middle sized enterprises – by 29 per cent when compared to 2013. It reached the level of PLN 800 million.

The bank also concentrated on the improvement of the client support quality and the skills and knowledge of business client advisers. It implemented a long-term and multi-level competence development programme for advisers and introduced a clear professional development path to be pursued within the organisation. At the same time, in connection with a dynamic development and huge potential of the SME sector, the bank took a decision to employ 20 new business advisers. This means that in 2015 small and medium-sized enterprises will be serviced by 110 specialist advisers.

Offer of Corporate Banking Products

The strategy of the Corporate Banking Area is focused on providing services in all sectors facilitating the cooperation between all segments of the bank (retail client, SME, medium and large corporations). The key element in the pursuit of this strategy is, without limitation, the cooperation with agribusiness market, granting access to the agricultural sector, breeders and suppliers.

Transactional Banking

Apart from simple products used to manage financial resources, the bank offers various cash pooling programmes. The Client can choose an option of actual cash pooling (with the physical re-booking of funds) or virtual cash pooling (without a need of physical re-booking of funds).

Owing to the service SWIFTNet FileAct, the bank makes it possible for the clients to centralise the management of funds at their accounts in various countries. The service consists in the exchange of files between the financial and non-financial institutions via the SWIFTNet communication platform.



Another advanced solution offered by the bank as regard the cash management is the reconciliation of incoming payments using the virtual accounts. Credit Agricole addresses this service to enterprises with a large number of regular clients (wholesale, lease, insurance, telecommunications, media) who make regular payments for products or services.

It should be noted that in 2014 the transactional banking products were rewarded Polish-wide contests. In March, the Cash Pool service received the Financial order in the ranking organised by Home & Market - Poland's oldest economic periodical. In June 2014, the chapter of the Polish Promotional Emblem Foundation awarded the 'Teraz Polska' (Poland Now) emblem to the bank's cash operation and the Cash Management services.

Capital markets

The bank's offer encompasses all basic products of the FX and interest rate market: FX spot, FX forward, FX swap, FX options, IRS, CIRS and FRA. At the same time, the bank is constantly working on expanding its product offering, in particular by new types of option transactions and the FX transaction platform.

Structural Financing

The bank takes part in the following structural financing transactions: mid-term financing in the segment of telecommunications, media and technology (TMT), NIP area project financing (sector of petrol, gas, energy engineering, infrastructure), crediting on the basis of resources in the sector of petrol and gas, financing of office, commercial and housing properties. At the end of 2014, the bank's offering was extended to include the Housing Trust Accounts which allow the financing and settlement of developers in accordance with the requirements of new legal regulations.

Offer of Products and Services for Farmers

2014 was the most significant year in the history of development of the offering for farmers. In January, the bank commenced cooperation with its strategic partner – John Deere, one of the market's biggest manufacturers of agricultural machines. Credit Agricole is the only bank in Poland which credits the purchase of machines and equipment under the John Deere Financial programme - a proposal available only to the clients of authorised dealers of that brand in Poland. The programme allows farmers a much faster purchase of the machine and adjusts the financing form to their needs and possibilities. This proposal was very well received by the market.

The sales results of 2014 were the highest results in the history. The balance of loans extended to farmers grew by 650 per cent when compared to 2013, similarly as the number of accounts – by 164 per cent.

The bank extended the cooperation with the partners in the Agri sector. It signed cooperation agreements with 9 new partners, including Animex, one of the biggest meat product producers in Poland. Last year, the offer for farmers was enlarged to include new products and services: the 24 month agri-loan to finance production cycles; overdraft facility of up to PLN 2 million to finance working capital needs; investment loan without collaterals to finance smaller investments and a welcome loan. The 'Agri deposits for Subsidies' deposit campaign was also received with considerable success. It allowed farmers to use funds from direct subsidies to open a deposit at promotional financial conditions.

In 2014, the network of mobile advisers amounted to 45 persons managed by 5 Agri Managers.



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.

In 2014, Credit Agricole Bank Polska continued the development of its own branch network. The number of branches rose to 425. The bank branch network is supplemented by 395 partner branches and credit bureaus.

Continuing the universal bank building strategy, the competences of Client Advisers and Branch Managers were systematically improved. These actions were all noticed by the market.

In 2014, the bank was ranked fifth in the Bank Quality survey prepared by daily Puls Biznesu and TNS OBOP.

Electronic Distribution Channels

CA24

CA24 is a common name of electronic access channels 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 and Text Service

Last year brought about increased interest of clients in the Internet banking services. Both the number of accounts with access to the Internet transactional system and the number of payments made via this service (growth by almost 17 per cent when compared to the previous year) were on the rise. The number of text messages sent by the bank to clients as part of the account service rose by 58 per cent.

In 2015, the bank intends to implement mobile banking and facilitate the use of the Internet transactional system as an application platform.

Contact Centre

The Contact Centre provides individual and business clients with information about the bank's products and services, sells products and ensures after-sales support.

In 2014, the Contact Centre:

- served 8.9 million calls, including 5.7 outbound calls (mainly phone marketing sales campaigns) and 3.2 million incoming calls related to transactions, as well as product and service support via phone,
- gave over 50 thousand answers e-mail enquiries.

The most important last year's achievements of the Contact Centre included the record level sales of the cash loan (19 per cent share in the bank's result) and the second place in the survey conducted by ARC Rynek i Opinia dedicated to the quality of client service in contact by phone and via the Internet.



Human Resources Management

At the end of 2014, the employment level in the bank amounted to 5,415 FTEs (full-time equivalents). The average age of employees was 32, and over 72 per cent of them had university-level education. The ratio of internal promotions to managerial positions increased to 72 per cent.

73 per cent of the bank's employees are women. On average, the share of managerial staff in total employment level is 15 per cent, including 66 percent of women.

Credit Agricole Bank Polska invariably invests in the development of its human resources. Last year, it provided the sale network and Contact Centre employees with access to 16 new e-learning training courses comprising such subjects as: product training, standards of servicing disabled persons, transactional system support improvement.

The bank also continued its training programmes addressed to specialists and managers. They included a cycle of workshops entitled 'Fair Play in Management', concerning harassment and discrimination prevention.

In April, the bank implemented an employee mobility policy. It is a set of solutions facilitating the development and professional mobility within the Credit Agricole Polska Group.

In its consequence, the Group employees obtained a wider access to the internal labour market and an opportunity to take part in recruitment on special terms. The synergy between companies broadened the development opportunities at new positions as well as the use of knowledge and experience in new business challenges.

Charity, Sponsoring and CSR

For many years, the Bank has been actively involved in various sponsoring and charity initiatives as well as in sector-specific events. At the same time, it promotes committed and environment-friendly attitudes among its employees.

In 2013, the bank decided to promote and support the game of petanque in Poland - both as a sport and as a form of relaxation. In 2014, for the second time, the bank was a co-organiser and a sponsor of the Open Championships of Wrocław, preparing the 22nd OMW Credit Agricole Petanque Cup tournament- together with the City of Wrocław, the OMW Association and the Petanque Sports Club from Wrocław. Additionally, the bank sponsored the Junior and Sub Junior Polish Championships in Jedlina-Zdrój and the Petanque Sports Club in Wrocław, which promotes the sport in Wrocław schools and offers petanque courses for children.

The bank's charity activities in 2014 comprised also the financial support extended to the Food Banks in Wrocław, the Association of Children's Friends, the Brittany House in Wałbrzych, the "Care and Attention" Foundation, and the University of Environmental and Life Studies - in the organisation of the charity New Year's concert.

Since the Bank is 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 2014, the Bank sponsored a concert of the French group Éléphant. Additionally, the bank traditionally co-financed the celebration of France's National Holiday on 14 July organised by the honorary consul of France in Wrocław. Furthermore, for the second time, the bank sponsored the New French Cinema Festival. It is organised by the French Institute in Warsaw in collaboration with Gutek Film.

The Bank was also involved in the life of its community and supported local initiatives. These are the objectives of the employee volunteering programme 'I Act because I Like It', where the Grant Programme is one of the elements. This is an initiative, under which employees may obtain financial support for the implementation of volunteering projects. As many as 25 projects qualified for the 3rd edition of the Grant Programme in 2014. The Bank will co-finance 15 projects that have received the highest score in the employees' voting.



Following the recommendations of the National Bank of Poland and the Polish Financial Supervision Authority, the bank also promotes and propagates financial and economic education. In 2014, we continued our own social educational campaign entitled 'Bank with class. CAPture knowledge about banking" addressed to early primary school children. The project is based on the conviction that teaching children respect for money, money management, money saving skills and willingness will facilitate them a better start in the adult life. So far, the campaign attracted the interest of almost 90 employees - volunteers, who gave classes to over 3,000 pupils in approx. 60 primary schools all over Poland. In the school year 2014/2015, the bank launched the 3rd programme edition and 52 new volunteers became involved in it.

The bank continued the partnership cooperation started in the past with the Wrocław University of Economics (agreement since 2010) and the Wrocław University of Environmental and Life Sciences (agreement since 2013). The main objective of these activities is the reinforcement of cooperation between the business and the university environment as well as the provision of mutual benefits from the joint initiatives. They include, but are not limited to the following: project supporting students in their career opportunity choices (e.g. Talent Academy, career fairs, traineeships) or support given to the organisation of scientific conferences.

In 2014, the bank became engaged also in numerous pro-social and environment-friendly initiatives of its employees. One of them was the 'Positively Twisted Bank' action, in which the bank employees collected plastic caps. The income from the sale was transferred to the account of the Foundation 'Potrafię pomóc' (I can help) working for the benefit of disabled children with developmental defects. For the ninth time, the bank employees were involved in the in the Precious Gift action organised

by the SPRING Association based in Krakow. The purpose of this initiative was to prepare and distribute parcels for the poorest Polish families. Last year, the employees and Management Board members helped 26 families. In 2014, the employees became involved for the first time in the Christmas Food Collection, organised every year by the Food Banks in Poland. 17 volunteers from Credit Agricole Bank Polska S.A. working for 3 days collected in total as many as 554 kg of food for those in need.

Three initiatives of the bank: the Grant Programme concerning the employee volunteering scheme 'I Act because I Like It', the 'Let's Share Knowledge' programme and the 'Bank with a Class' programme were rewarded in the prestigious report 'Responsible Business in Poland. 'Good Practices', issued by the Responsible Business Forum.

Following the philosophy of a universal bank close to its clients, the bank became involved in numerous sector-specific events. For example, it was the main partner of one of the biggest milk sector events – the 12 Milk Cooperative Forum as well as VAT for Farmers workshops organised by the leading agribusiness magazine – TopAgrar. The Bank also sponsored the harvest festival and the Safe Farm contest. December saw the completion of the 'Proud of you' initiative, under which Polish entrepreneurs rewarded foreign companies operating in Lower Silesia and Opole Region. The Bank was the main partner in this event.





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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 comprises the statement of financial position as at 31 December 2014, 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 2014 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 10 March 2015. 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 does 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 2014 in the extent described above for the purpose of their presentation in the Annual Report is 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, 10 March 2015

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 2014
(in PLN thousands)

	2014	2013
Interest income	1 494 181	1 430 754
Interest expense	(331 085)	(366 516)
Net interest income	1 163 096	1 064 238
Fee and commission income	333 167	341 135
Fee and commission expense	(121 045)	(115 509)
Net fee and commissions income	212 122	225 626
Dividend income	2 160	2 800
Net result on trading activities	2 843	28 093
Net result on foreign exchange positions	20 112	14 640
Net result on derivatives used as hedging instruments and hedged items	976	(564)
Net result on investment activities	0	489
Other operating income	30 894	35 731
Other operating expense	(26 433)	(36 127)
Other net operating income and expense	4 461	(396)
Net impairment losses on loan and advances	(185 488)	(182 696)
General administrative expenses	(932 265)	(920 340)
Net operating income	288 017	231 890
Profit before tax	288 017	231 890
Income tax expense	(86 121)	(51 570)
Net profit (including non-controlling interests)	201 896	180 320
Net profit attributable to non-controlling interests	0	1 615
Net profit attributable to owners of the parent	201 896	178 705
Net profit attributable to owners of the parent from continuing operations	201 896	178 705

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended on 31 December 2014
(in PLN thousands)

	2014	2013
Net profit of the financial year	201 896	180 320
Items that will not be reclassified to the financial result	79	401
Revaluation of actuarial gains/losses	97	495
Deferred tax on actuarial gains/losses	(18)	(94)
Items that may be reclassified to the financial result at a later stage	10 768	(2 233)
Measurement of available-for-sale financial assets	703	(109)
Deferred tax on the measurement of available-for-sale financial assets	(133)	21
Measurement of cash flow hedging instruments	12 776	(2 648)
Deferred tax on the measurement of cash flow hedging instruments	(2 390)	503
Total other comprehensive income	10 846	(1 832)
Comprehensive income of the current period	212 742	178 488
Attributable to:		
Owners of the parent	212 742	176 893
Non-controlling interests	0	1 595

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONas at 31 December 2014
(in PLN thousands)

	31.12.2014	31.12.2013
ASSETS		
Cash, due from the Central Bank	1 036 196	824 203
Due from banks	679 642	660 227
Financial assets at fair value through profit or loss	289 210	97 718
Valuation of derivatives	264 805	45 077
– including derivatives used as hedging instruments	29 457	21 831
Loans and advances to customers	13 329 196	11 797 710
Available-for-sale investment securities	2 205 929	1 753 369
Investments in associates	2 000	2 000
Intangible assets	50 262	45 032
Tangible fixed assets	141 697	170 070
Current tax assets	1 790	0
Deferred tax asset	335 170	294 801
Other assets	198 237	135 060
TOTAL ASSETS	18 534 134	15 825 267
LIABILITIES		
Due to banks	1 841 342	2 306 593
Valuation of derivatives	355 360	25 711
– including derivatives used as hedging instruments	287	326
Due to customers	12 762 180	11 082 943
Debt securities issued	735 933	251 359
Current tax liabilities	124 276	42 542
Deferred tax liabilities	298	35
Provisions	22 829	22 120
Other liabilities	273 283	278 400
Subordinated liabilities	566 381	175 946
TOTAL LIABILITIES	16 681 882	14 185 649
EQUITY		
Share capital	582	573
Supplementary capital	543 861	535 876
Revaluation reserve	(22 571)	(33 210)
Reserve capital	705 304	705 225
Retained profit	625 076	496 565
Appropriation of the net profit during the financial year	0	(75 000)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	1 852 252	1 630 029
Non-controlling interests	0	9 589
TOTAL EQUITY	1 852 252	1 639 618
TOTAL LIABILITIES AND EQUITY	18 534 134	15 825 267

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

for the year ended on 31 December 2014
(in PLN thousands)

	Parent company shareholding						TOTAL EQUITY
	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	Non-controlling interests	
Equity at the beginning of the period – as at 01.01.2014	573	535 876	(33 210)	705 225	421 565	9 589	1 639 618
Valuation of available-for-sale financial assets	0	0	703	0	0	0	703
Valuation of cash flow hedging instruments	0	0	12 776	0	0	0	12 776
Actuarial income	0	0	0	97	0	0	97
Deferred tax on items recognised in equity	0	0	(2 712)	(18)	0	0	(2 730)
Total other comprehensive income	0	0	10 767	79	0	0	10 846
Net result of the current year	0	0	0	0	201 896	0	201 896
Total comprehensive income for the current period	0	0	10 767	79	201 896	0	212 742
Share issue	9	7 985	0	0	1 615	(9 609)	0
Appropriation from retained profit	0	0	0	0	0	0	0
Dividend payment	0	0	0	0	0	0	0
Interim dividends for 2014	0	0	0	0	0	0	0
Employee share programme	0	0	0	0	0	0	0
Sale of a banking enterprise	0	0	(128)	0	0	20	(108)
Equity at the end of the period – as at 31.12.2014	582	543 861	(22 571)	705 304	625 076	0	1 852 252

for the year ended on 31 December 2013

	Parent company shareholding						TOTAL EQUITY
	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	Non-controlling interests	
Equity at the beginning of the period – as at 01.01.2013	573	457 094	2 976	703 763	396 968	0	1 561 374
Valuation of available-for-sale financial assets	0	0	(108)	0	0	(1)	(109)
Valuation of cash flow hedging instruments	0	0	(2 624)	0	0	(24)	(2 648)
Actuarial income	0	0	0	495	0	0	495
Deferred tax on items recognised in equity	0	0	519	(94)	0	5	430
Total other comprehensive income	0	0	(2 213)	401	0	(20)	(1 832)
Net result of the current year	0	0	0	0	178 705	1 615	180 320
Total comprehensive income for the current period	0	0	(2 213)	401	178 705	1 595	178 488
Share issue	0	0	0	0	0	0	0
Appropriation from retained profit	0	49 976	0	0	(49 976)	0	0
Dividend payment	0	0	0	0	(29 132)	0	(29 132)
Interim dividends for 2013	0	0	0	0	(75 000)	0	(75 000)
Employee share programme	0	0	0	1 061	0	0	1 061
Acquisition of a banking enterprise	0	28 806	(33 973)	0	0	7 994	2 827
Equity at the end of the period – as at 31.12.2013	573	535 876	(33 210)	705 225	421 565	9 589	1 639 618

CONSOLIDATED CASH FLOW STATEMENT

for the year ended on 31 December 2014
(in PLN thousands)

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
I. Profit before tax	288 017	231 890
II. Total adjustments	(389 851)	1 577 430
1. Depreciation and amortisation	61 618	65 871
2. Dividend income	(2 160)	(2 800)
3. Change in provisions	709	9 588
4. Change in financial assets at fair value through profit or loss	(191 492)	638 390
5. Change in amounts due from banks	9 021	(8 454)
6. Change in amounts due from customers	(1 531 486)	(2 228 109)
7. Change in amounts due to banks	(63 177)	(18 105)
8. Change in amounts due to customers	(465 251)	(124 699)
9. Change in other liabilities	1 679 237	3 249 895
10. Change in value of derivative financial instruments	(3 599)	(5 718)
11. Change in other assets	109 921	(18 293)
12. Paid income tax	(49 007)	(6 606)
13. Other adjustments	55 815	26 470
III. Net cash flows from operating activities	(101 834)	1 809 320
CASH FLOWS FROM INVESTING ACTIVITIES		
I. Inflows	23 855	255 992
1. Disposal of shares or participations, other securities and other financial assets	16 500	253 146
– including debt securities of the State Treasury and the National Bank of Poland	16 500	43 300
2. Disposal of intangible and tangible fixed assets	5 195	46
3. Interest income	0	0
4. Dividend income	2 160	2 800
II. Outflows	(103 817)	(176 878)
1. Acquisition of shares or participations, other securities and other financial assets	(30 401)	(100 121)
– including debt securities of the State Treasury and the National Bank of Poland	(30 401)	(100 121)
2. Acquisition of intangible and tangible fixed assets	(73 416)	(76 757)
III. Net cash flows from investing activities	(79 962)	79 114
NET CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	874 800	250 000
1. Issue of shares	0	0
2. Issue of debt securities	484 800	250 000
3. Subordinated liabilities	390 000	0
II. Outflows	(12 424)	(122 598)
1. Payments of liabilities under financial lease	(1 518)	(9 553)
2. Interest on subordinated debt liabilities	(10 906)	(11 739)
3. Dividend paid	0	(104 133)
4. Acquisition of a banking enterprise	0	2 827
III. Net cash flows from financing activities	862 376	127 402
TOTAL NET CASH FLOWS	680 580	2 015 836
BALANCE SHEET CHANGE IN CASH	680 580	2 015 836
CASH AT THE BEGINNING OF THE PERIOD	3 123 746	1 107 910
CASH AT THE END OF THE PERIOD	3 804 326	3 123 746

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 comprises the statement of financial position as at 31 December 2014, 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 2014 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 10 March 2015. 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 does 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 2014 in the extent described above for the purpose of their presentation in the Annual Report is 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, 10 March 2015

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 2014
(in PLN thousands)

	2014	2013
Interest income	1,475,323	1,348,969
Interest expense	(323,874)	(332,491)
Net interest income	1,151,449	1,016,478
Fee and commission income	326,455	333,141
Fee and commission expense	(120,882)	(113,801)
Net fee and commissions income	205,573	219,340
Dividend income	2,958	3,564
Net result on trading activities	2,843	28,293
Net result on foreign exchange positions	20,075	14,640
Net result on derivatives used as hedging instruments and hedged items	976	(564)
Net result on investment activities	0	489
Other operating income	31,341	36,161
Other operating expense	(28,566)	(34,543)
Other net operating income and expense	2,775	1,618
Net impairment losses on loan and advances	(181,086)	(150,609)
General administrative expenses	(929,340)	(902,974)
Net operating income	276,223	230,275
Profit before tax	276,223	230,275
Income tax expense	(81,056)	(45,142)
Net profit	195,167	185,133

STATEMENT OF COMPREHENSIVE INCOMEfor the year ended on 31 December 2014
(in PLN thousands)

	2014	2013
Net profit of the financial year	195,167	185,133
Items that will not be reclassified to the financial result	73	341
Revaluation of actuarial gains/losses	90	421
Deferred tax on actuarial gains/losses	(17)	(80)
Items that may be reclassified to the financial result at a later stage	10,766	(2,232)
Measurement of available-for-sale financial assets	703	(109)
Deferred tax on the measurement of available-for-sale financial assets	(133)	21
Measurement of cash flow hedging instruments	12,588	(2,647)
Deferred tax on the measurement of cash flow hedging instruments	(2,392)	503
Total other comprehensive income	10,839	(1,891)
Comprehensive income of the current period	206,006	183,242

STATEMENT OF FINANCIAL POSITIONas at 31 December 2014
(in PLN thousands)

	31.12.2014	31.12.2013
ASSETS		
Cash, due from the Central Bank	1,036,196	824,203
Due from banks	679,642	660,227
Financial assets at fair value through profit or loss	289,210	97,718
Valuation of derivatives	264,805	45,077
– including derivatives used as hedging instruments	29,456	21,831
Loans and advances to customers	13,252,985	11,393,174
Available-for-sale investment securities	2,205,929	1,753,369
Investments in subsidiaries	50	50
Investments in associates	2,000	2,000
Intangible assets	55,971	50,747
Tangible fixed assets	147,625	176,193
Deferred tax asset	333,344	289,863
Other assets	196,036	129,532
TOTAL ASSETS	18,463,793	15,422,153
LIABILITIES		
Due to banks	1,327,163	1,452,897
Valuation of derivatives	355,360	25,711
– including derivatives used as hedging instruments	287	326
Due to customers	12,801,928	11,159,155
Debt securities issued	735,933	251,359
Current tax liabilities	124,246	42,525
Provisions	22,820	22,114
Other liabilities	265,834	249,072
Subordinated liabilities	887,004	481,821
TOTAL LIABILITIES	16,520,288	13,684,654
EQUITY		
Share capital	649,000	649,000
Supplementary capital	220,435	205,624
Revaluation reserve	(22,301)	(33,067)
Reserve capital	901,204	730,809
Retained profit	195,167	185,133
TOTAL EQUITY	1,943,505	1,737,499
TOTAL LIABILITIES AND EQUITY	18,463,793	15,422,153

STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITYfor the year ended on 31 December 2014
(in PLN thousands)

	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	TOTAL EQUITY
Equity at the beginning of the period – as at 01.01.2014	649,000	205,624	(33,067)	730,809	185,133	1,737,499
Valuation of available-for-sale financial assets	0	0	703	0	0	703
Valuation of cash flow hedging instruments	0	0	12,588	0	0	12,588
Actuarial income	0	0	0	90	0	90
Deferred tax on items recognised in equity	0	0	(2,525)	(17)	0	(2,542)
Total other comprehensive income	0	0	10,766	73	0	10,839
Net result of the current year	0	0	0	0	195,167	195,167
Total comprehensive income for the current period	0	0	10,766	73	195,167	206,006
Appropriation from retained profit	0	14,811	0	170,322	(185,133)	0
Equity at the end of the period – as at 31.12.2014	649,000	220,435	(22,301)	901,204	195,167	1,943,505

for the year ended on 31 December 2013

	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained profit	TOTAL EQUITY
Equity at the beginning of the period – as at 01.01.2013	491,000	126,843	3,138	729,300	199,900	1,550,181
Valuation of available-for-sale financial assets	0	0	(109)	0	0	(109)
Valuation of cash flow hedging instruments	0	0	(2,647)	0	0	(2,647)
Actuarial income	0	0	0	421	0	421
Deferred tax on items recognised in equity	0	0	524	(80)	0	444
Total other comprehensive income	0	0	(2,232)	341	0	(1,891)
Net result of the current year	0	0	0	0	185,133	185,133
Total comprehensive income for the current period	0	0	(2,232)	341	185,133	183,242
Share issue	158,000	0	0	0	0	158,000
Appropriation from retained profit	0	49,975	0	0	(49,975)	0
Dividend payment	0	0	0	0	(149,925)	(149,925)
Employee share programme	0	0	0	1,168	0	1,168
Acquisition of a banking enterprise	0	28,806	(33,973)	0	0	(5,167)
Equity at the end of the period – as at 31.12.2013	649,000	205,624	(33,067)	730,809	185,133	1,737,499

CASH FLOW STATEMENTfor the year ended on 31 December 2014
(in PLN thousands)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
I. Profit before tax	276,223	230,275
II. Total adjustments	(365,229)	1,188,591
1. Depreciation and amortisation	61,790	65,882
2. Dividend income	(2,958)	(3,564)
3. Change in provisions	706	9,611
4. Change in financial assets at fair value through profit or loss	(191,492)	638,391
5. Change in amounts due from banks	9,021	(8,474)
6. Change in amounts due from customers	(1,859,811)	(2,870,131)
7. Change in amounts due to banks	(125,734)	48,860
8. Change in amounts due to customers	1,642,773	3,313,408
9. Change in other liabilities	18,280	41,114
10. Change in value of derivative financial instruments	109,921	(12,835)
11. Change in other assets	(66,504)	(57,792)
12. Paid income tax	(45,358)	(3,908)
13. Other adjustments	84,137	28,029
III. Net cash flows from operating activities	(89,006)	1,418,866
NET CASH FLOWS FROM INVESTING ACTIVITIES		
I. Inflows	19,991	256,744
1. Disposal of shares or participations, other securities and other financial assets	16,500	253,146
– including debt securities of the State Treasury and the National Bank of Poland	16,500	43,300
2. Disposal of intangible and tangible fixed assets	533	34
3. Interest income	0	0
4. Dividend income	2,958	3,564
II. Outflows	(103,801)	(176,864)
1. Acquisition of shares or participations, other securities and other financial assets	(30,401)	(100,121)
– including debt securities of the State Treasury and the National Bank of Poland	(30,401)	(100,121)
2. Acquisition of intangible and tangible fixed assets	(73,400)	(76,743)
III. Net cash flows from investing activities	(83,810)	79,880
NET CASH FLOWS FROM FINANCING ACTIVITIES		
I. Inflows	874,800	712,344
1. Issue of shares	0	158,000
2. Issue of debt securities	484,800	554,344
3. Subordinated liabilities	390,000	0
II. Outflows	(21,404)	(176,384)
1. Payments of liabilities under financial lease	(1,518)	(9,553)
2. Interest on subordinated debt liabilities	(19,886)	(11,739)
3. Dividend paid	0	(149,925)
4. Acquisition of a banking enterprise	0	(5,167)
III. Net cash flows from financing activities	853,396	535,960
TOTAL NET CASH FLOWS	680,580	2,034,706
BALANCE SHEET CHANGE IN CASH	680,580	2,034,706
CASH AT THE BEGINNING OF THE PERIOD	3,123,746	1,089,040
CASH AT THE END OF THE PERIOD	3,804,326	3,123,746



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