



**FINANCIAL STATEMENTS OF
CREDIT AGRICOLE BANK POLSKA SPÓŁKA AKCYJNA
FOR THE YEAR ENDED ON 31 DECEMBER 2018**

STATEMENT OF PROFIT OR LOSS
 for the year ended on 31 December 2018

in kPLN	2018	2017
Interest income and similar income	1 267 713	1 251 869
- on financial assets measured at amortised cost	1 123 665	-
- on financial assets measured at fair value through other comprehensive income	64 858	-
- similar income on financial assets measured at fair value through profit or loss.	79 190	-
Interest expense	(228 793)	(246 298)
Result on interest	1 038 920	1 005 571
Fee and commission income	333 408	341 563
Fee and commission expense	(126 711)	(138 698)
Result on fees and commissions	206 697	202 865
Dividend income	30 922	59 619
Result on financial instruments measured at fair value through profit or loss.	20 556	-
Result on trading activity	-	(16 815)
Result on investment securities	-	(1 801)
Result on foreign exchange positions	21 393	48 965
Result on credit receivables measured at fair value through profit or loss	(27 166)	-
Result on hedge accounting	3 220	(1 951)
Other operating revenue	44 314	23 114
Other operating expenses	(36 605)	(24 411)
Result on impaired credit receivables	(234 548)	-
Result on impaired loans and credits and on provisions for off-balance sheet liabilities	-	(256 073)
General administrative expenses	(890 055)	(884 644)
Tax on certain financial institutions	(51 165)	(48 903)
Gross profit	126 483	105 536
Income tax	(39 498)	(31 660)
Net profit	86 985	73 876

STATEMENT OF COMPREHENSIVE INCOME
 for the year ended on 31 December 2018

in kPLN	2018	2017
Net profit of the financial year	86 985	73 876
Items that will not be reclassified to the financial result	361	95
Revaluation of actuarial gains/losses	445	145
Deferred tax on actuarial gains/losses	(84)	(50)
Items that may be reclassified to the financial result at a later stage	9 695	15 593
Valuation of financial assets carried at fair value through other comprehensive income	(7 673)	-
Deferred tax on the valuation of financial assets carried at fair value through other comprehensive income	787	-
Valuation of available-for-sale financial assets	-	14 414
Deferred tax on the measurement of available-for-sale financial assets	-	1 075
Measurement of cash flow hedging instruments	20 470	128
Deferred tax on the measurement of cash flow hedging instruments	(3 889)	(24)
Total other comprehensive income	10 056	15 688
Comprehensive income of the current period	97 041	89 564

STATEMENT OF FINANCIAL POSITION
 as at 31 December 2018

in kPLN	31/12/2017	31/12/2017
ASSETS		
Cash and operations with the Central Bank	822 534	764 137
Amounts due from banks	836 454	557 115
Financial instruments carried at fair value through profit or loss	-	8 178
Hedging derivatives	30 472	6 523
Other derivatives	84 907	218 369
Loans and credits to customers	15 999 609	15 163 583
- measured at amortised cost	15 178 063	-
- measured at fair value through profit	821 546	-
Investment securities	-	4 459 287
Securities	3 419 090	-
- measured at fair value through profit	43 527	-
- measured at fair value through other comprehensive income	3 375 563	-
Investments in subsidiaries	50	50
Intangible fixed assets	218 219	163 468
Tangible fixed assets	117 445	118 760
Assets classified as held for sale	162	0
Current income tax assets	41 237	0
Deferred income tax assets	280 406	302 704
Other assets	184 153	132 006
TOTAL ASSETS	22 034 738	21 894 180
LIABILITIES		
Amounts due to banks	505 298	1 314 400
Hedging derivatives	645	5 669
Other derivatives	78 892	225 713
Amounts due to clients	17 292 070	16 498 501
Liabilities under securities in issue	200 541	200 463
Subordinated liabilities	912 859	890 235
Provisions for off-balance sheet liabilities burdened with credit risk	15 474	7 470
Other provisions	14 179	22 607
Current tax liabilities	0	24 786
Other liabilities	382 350	464 978
TOTAL LIABILITIES	19 402 308	19 654 822
SHAREHOLDERS' EQUITY		
Share capital	830 633	699 000
Supplementary capital	590 947	320 435
Revaluation reserve	517	(17 039)
Reserve capital	1 237 328	1 163 086
Retained result of previous years	(113 980)	0
(Loss)/profit for the year	86 985	73 876
TOTAL EQUITY	2 632 430	2 239 358
TOTAL LIABILITIES AND EQUITY	22 034 738	21 894 180

STATEMENT OF CHANGES IN EQUITY
 for the year ended on 31 December 2018

in kPLN	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained financial result	TOTAL EQUITY
Equity at period beginning – as at 01/01/2018	699 000	320 435	(17 039)	1 163 086	73 876	2 239 358
Impact of the change of accounting principles in relation with the adoption of IFRS 9	0	0	7 861	0	(113 980)	(106 119)
Equity at period beginning – as at 01/01/2018	699 000	320 435	(9 178)	1 163 086	(40 104)	2 133 239
After the changes in the accounting principles in relation with the adoption of IFRS 9						
Valuation of financial assets carried at fair value through other comprehensive income	0	0	(7 673)	0	0	(7 673)
Measurement of cash flow hedging instruments	0	0	20 470	0	0	20 470
Actuarial profits	0	0	0	445	0	445
Deferred tax on equity items	0	0	(3 102)	(84)	0	(3 186)
Total other comprehensive income	0	0	9 695	361	0	10 056
Net profit of the financial year	0	0	0	0	86 985	86 985
Comprehensive income of the current period	0	0	9 695	361	86 985	97 041
Issue of shares	131 633	270 512	0	0	0	402 145
Distribution of the 2017 profit	0	0	0	73 876	(73 876)	0
Employee share programme	0	0	0	5	0	5
Equity at period end – as at 31/12/2018	830 633	590 947	517	1 237 328	(26 995)	2 632 430

for the year ended on 31 December 2017

in kPLN	Share capital	Supplementary capital	Revaluation reserve	Reserve capital	Retained financial result	TOTAL EQUITY
Equity at period beginning – as at 01/01/2017	649 000	220 435	(32 632)	1 096 750	66 241	1 999 794
Valuation of available-for-sale financial assets	0	0	14 414	0	0	14 414
Measurement of cash flow hedging instruments	0	0	128	0	0	128
Actuarial profits	0	0	0	145	0	145
Deferred tax on equity items	0	0	1 051	(50)	0	1 001
Total other comprehensive income	0	0	15 593	95	0	15 688
Net profit of the financial year	0	0	0	0	73 876	73 876
Comprehensive income of the current period	0	0	15 593	95	73 876	89 564
Issue of shares	50 000	100 000	0	0	0	150 000
Distribution of the 2016 profit	0	0	0	66 241	(66 241)	0
Employee share programme	0	0	0	0	0	0
Equity at period end – as at 31/12/2017	699 000	320 435	(17 039)	1 163 086	73 876	2 239 358

STATEMENT OF CASH FLOWS
 for the year ended on 31 December 2018

in kPLN	2018	2017
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
I. Gross profit	126 483	105 536
II . Total adjustments by:	(1 086 595)	1 397 934
1. Amortisation and depreciation	65 642	58 443
2. Dividend income	(30 922)	(59 619)
3. Profit(loss) from investment activity	(606)	(869)
4. Change in provisions	(8 894)	877
5. Change in financial assets at fair value through profit or loss	0	26 875
6. Change in amounts due from banks	(1 603)	81
7. Change in amounts due from customers	(951 412)	(218 567)
8. Change in shares or participations, other securities and other financial assets	0	2 000
9. Change in amounts due to banks	(809 102)	343 933
10. Change in amounts due to customers	793 570	1 112 743
11. Change in other liabilities	(76 268)	23 893
12. Change in the valuation of financial derivatives	(42 332)	27 805
13. Change in other assets	(52 147)	12 855
14. Taxes paid	(62 828)	(9 608)
15. Other adjustments	90 307	77 092
III. Net cash flows provided by operating activities	(960 112)	1 503 470
NET CASH FLOWS PROVIDED / (USED) BY INVESTING ACTIVITIES		
I. Inflows	43 435	635 287
1. Acquisition of shares or participations, other securities and other financial assets	0	569 000
- including securities of the state treasury and the National Bank of Poland	0	569 000
2. Disposal of intangible and tangible fixed assets	12 513	6 668
3. Dividend income	30 922	59 619
II . Outflows	(968 317)	(1 640 423)
1. Acquisition of shares or participations, other securities and other financial assets	(813 185)	(1 444 224)
- including securities of the state treasury and the National Bank of Poland	(813 185)	(1 444 224)
2. Acquisition of intangible and tangible fixed assets	(155 132)	(196 199)
III. Net cash flows provided / (used) by investing activities	(924 882)	(1 005 136)
NET CASH FLOWS PROVIDED / (USED) BY FINANCING ACTIVITIES		
I. Inflows	402 145	250 000
1. Debit securities issued	0	100 000
2. Issue of shares	131 633	50 000
3. Increase in share capital	270 512	100 000
II . Outflows	(41 601)	(528 837)
1. Financial lease liabilities	(6 361)	(8 189)
2. Interest on subordinated liabilities	(35 238)	(35 465)
3. Interest paid on own bonds	(2)	(383)
4. Own bond redemption	0	(484 800)
III. Net cash flows provided / (used) by financing activities	360 544	(278 837)
TOTAL NET CASH FLOWS	(1 524 450)	219 497
BALANCE SHEET CHANGE IN CASH	(1 524 450)	219 497
CASH AT PERIOD BEGINNING	2 550 278	2 334 220
CASH AT PERIOD END	1 025 828	2 553 717