



GETIN NOBLE

BANK • SPÓŁKA AKCYJNA

 IdeaBank®

Merger of Getin Noble Bank and Idea Bank

January 2019



DISCLAIMER

This presentation (the "Presentation") has been prepared by Getin Noble Bank S.A. ("GNB") and Idea Bank S.A. ("IB") (jointly the "Banks") solely for informational purposes related to the ongoing process of merging the Banks for the needs of the Banks' clients and shareholders and market analysts, and in no case may it be considered as an offer to purchase securities of any of the Banks, an offer or solicitation of an offer to purchase, invest or carry out transactions involving such securities, or a recommendation to enter into any transactions.

This material does not constitute promotional or advertising material within the meaning of article 53 of the Act of 29 July 2005 on Public Offer and the Conditions for Introducing Financial Instruments to the Organised Trading System, and on Public Companies.

The information in the Presentation comes from generally available and, in the opinion of the Banks, reliable sources or has been prepared on the basis of materials developed by the Bank's professional advisers. However, the information provided herein has not been independently verified and may be subject to change in any event.

The publication by the Banks of the data in the Presentation does not violate legal regulations applicable to companies whose shares are listed on a regulated market, in particular on the regulated market operated by the Warsaw Stock Exchange. The information contained in the Presentation has been made public by the Banks as part of current or periodic reports, or as a supplement thereto, without providing any basis for the Banks, as public companies, to present the information in order to fulfil their disclosure obligations.

Under no circumstances should the information contained in this Presentation be considered as any statement or warranty, express or implied, made by the Banks or persons acting on their behalf. In addition, neither the Banks nor persons acting on behalf of the Banks shall be liable for any damage that may arise, whether as a result of negligence or otherwise, in connection with the use of this Presentation or any information contained herein, or for damage that may otherwise arise in connection with the information forming part of this Presentation or on any other basis in connection with the Presentation.

This material contains selected data concerning the core business of the Banks. The data have been prepared on the basis of financial data published by the Banks in their periodical reports for the third quarter of 2018. The data concerning the Banks have not been audited, reviewed or otherwise verified by any external auditor as to their completeness and reliability.

The Banks undertake no obligation to publicly update or verify any forward-looking statements contained in this material, whether as a result of new information, changes in the strategy or intentions of the Banks, future events or other circumstances that will affect this strategy or intentions.

This Presentation contains information about the banking sector in Poland, including about the market share of the Banks and other banks. The market information referred to above has been prepared on the basis of data from third parties and has not been verified by independent entities. It is presumed that the presented data is correct and reliable and that it adequately reflects the situation in the banking sector and in the markets in which the Banks operate. However, there can be no assurance that the presented data is the most appropriate basis for drawing conclusions concerning the market information or that the market information from other sources will not differ materially from the market information contained in this Presentation.

The Banks point out that the only reliable source of data concerning their situation, forecasts, events relating to their operations, financial results and indicators are current and periodic reports submitted by the Banks as part of their disclosure obligations under Polish law.

All statements regarding future results of the merged bank, and in particular statements regarding its financial standing, business strategy, plans and objectives are internal objectives of the Banks and do not constitute, or should not be read as, financial projections or forecasts. The statements result from a number of assumptions concerning the current and future business strategy of the merged bank and the environment in which it will operate in the future, and include known and unknown risk factors, uncertainties and other material factors that may cause the actual results or achievements of the merged bank to differ materially from the future results or achievements expressed or resulting from the Presentation. Forward-looking statements are current as of the date on which they are made and are based on available information, knowledge and opinions adopted on the date on which they are made. Such knowledge, information and views may change at any time.

The Presentation is subject to legal protection under the provisions of the Act of 4 February 1994 on Copyright and Related Rights. The rights to the Presentation as a whole are vested in the Banks. Reproduction, publication or distribution of the Publication requires written consent of the Banks.

This Presentation may not be released, published or distributed, directly or indirectly, in or into the United States of America, Australia, Canada or Japan or any jurisdiction in which it would be prohibited by applicable law or regulations or in which it would require notification or registration.

TRANSACTION HIGHLIGHTS

Transaction description

- Getin Noble Bank ("GNB") and Idea Bank ("IB") will merge to create #7 bank in Poland with a strengthened capital position

Transaction structure

- Transaction will be structured as a takeover with IB acquiring all assets and liabilities of GNB (jointly the "Banks") in an all-share deal ("Transaction")

Search for financial investor

- In parallel, in December 2018 banks have launched a process to find a financial investor to recapitalise the merged bank to cover capital shortfall and enable further growth
- In this respect, banks' financial advisor is in discussions with pre-selected group of private equity funds experienced in investing in financial institutions

Share exchange ratio

- Management Boards of the Banks have agreed share exchange ratio of 0.185 IB shares for 1 GNB share
- Agreed share exchange ratio reflects PLN 100m capital increase at GNB registered on 10 Jan 2019

Approval and timetable

- Following receipt of regulatory approvals, the Transaction is expected to close in Q3 2019

STRATEGIC RATIONALE

Complementary business segments

- Getin Noble is a bank of choice for mass and affluent retail clients as well as small and medium enterprises (SME)
- Idea Bank is focused on offering for individual entrepreneurs and has a strong leasing offer
- Combined bank would have an extended retail and SME offering

Cost synergies

- Significant synergy potential with cumulated pre-tax cost synergies in 2019-2021 of PLN 370m and fully phased pre-tax annual cost synergies of PLN 180m (c.13% of combined cost base*) by 2021
- Total integration costs amounting to PLN 220m pre-tax
- Expected relatively easy integration given many similarities in operational models and IT platforms of both Banks

Potential to reduce cost of funding

- Significant potential to reduce the cost of funding expected from the alignment of IB cost of funding to lower GNB level and change of funding mix, increased as a consequence of pressure visible in Q4 2018

Strengthened ability to improve capital position and return to profitability

- Quicker path to profitability for combined bank given economies of scale and synergies
- Larger bank better positioned to attract capital to cover shortfall and support growth given increased scale and achieved critical mass
- Financial investor search process launched in December 2018
- Capital position to be strengthened also via optimisation of balance sheet which is more easily achievable in a combined, larger bank
- Risks of each bank spread out over larger balance sheet, capital and earnings potential, improving bank's solidity
- Further simplification of the business model and its transformation toward relationship driven, universal banking one

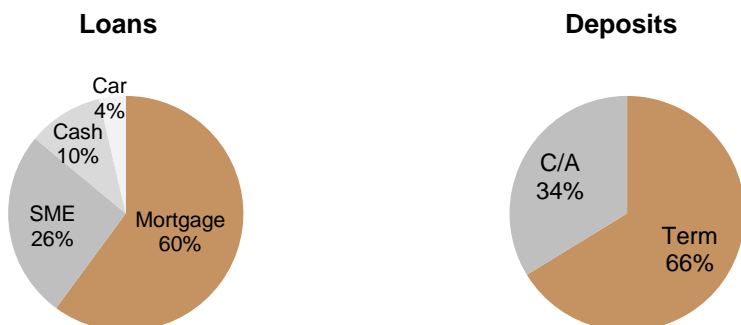
* Combined cost base as a sum of annualised operating costs of both Banks in Q3 2018

GETIN NOBLE BANK AT GLANCE

Business overview

- #9 bank in Poland focused on mass retail, affluent and SME clients:
 - c.1.4m retail clients
 - c.200k SME clients
- Omni-channel distribution
 - Nationwide branch network of 441 branches, of which 231 franchise
 - Leading internet and mobile banking
- Bank has successfully implemented a major transformation of business model from sales-oriented to relationship-driven customer approach as confirmed by customer quality awards

Business mix (Q3 2018)



Key figures Q3 2018 (PLNm)*

Loans	41,207
Deposits	46,131
Assets	54,995
Equity	3,372
Total banking income**	1,379
Operating costs**	(882)
Loan loss provisions**	(555)
Net profit**	(56)
Total Capital Ratio	12.10%
Market cap***	366
FTE	5,177

* Consolidated level data
 ** Annualized Q3 2018 data
 *** As of 16/01/2019

IDEA BANK AT GLANCE

Business overview

- #11 bank in Poland focused on entrepreneurs and small businesses
 - c.200k entrepreneur clients
 - c.300k retail deposits clients
- Strong presence in online channels with limited but modern branch network located mostly in large cities (43 own branches, incl. 7 multi-functional hubs)
- Full suite product offering including loans, leasing, factoring and tax and accounting services

Business mix (Q3 2018)



Key figures Q3 2018 (PLNm)*

Loans	17,296
Deposits	19,272
Assets	23,731
Equity	1,804
Total banking income**	698
Operating costs**	(496)
Loan loss provisions**	(288)
Net profit**	(131)
Total Capital Ratio	9.55%
Market cap***	192
FTE	2,531



* Consolidated level data
 ** Annualized Q3 2018 data
 *** As of 16/01/2019

COMBINED ENTITY HIGHLIGHTS

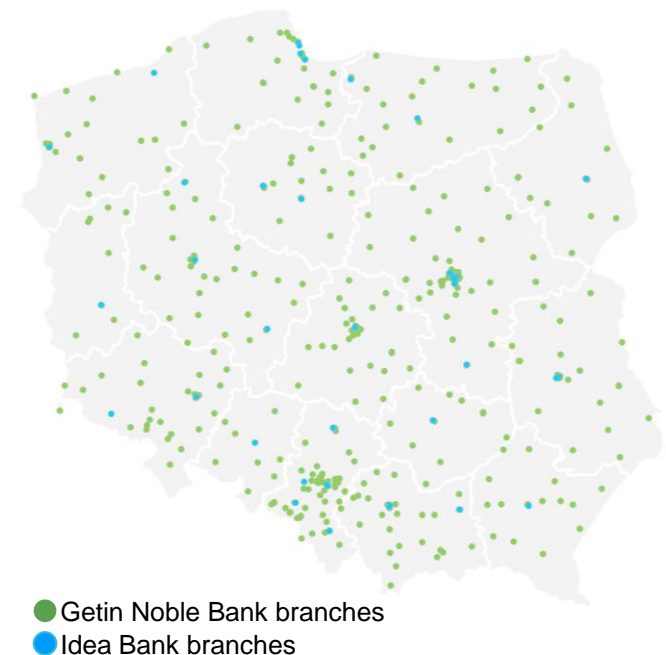
Combined bank highlights

- Universal bank focused on attractive segments: retail and SME lending
- Maintained culture of the highest quality services and consumer-centric approach
- Competitive advantage thanks to a right mix of scale of operations and specialisation
- Disciplined risk management, leveraging on Getin Noble Bank expertise in risk reduction / restructuring
- Leveraging existing lean cost base DNA with achieved economy of scale
- Mid-term targets focused on strengthening capital ratios thanks to optimisation of balance sheet, capital increase and regained profitability
- Leverage on Idea Bank specialisation in lending for entrepreneurs
- Leverage on Getin Noble Bank mobile platform for Idea Bank customers

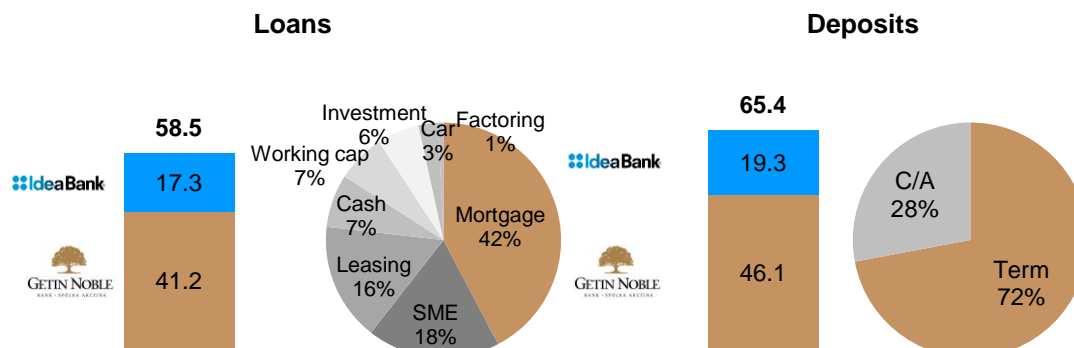
Strong retail franchise focused on high quality of service

Newsweek		1st 2016	3rd 2017	3rd 2018
„Złoty Bankier”			3rd 2017	2nd 2018

Combined branch network

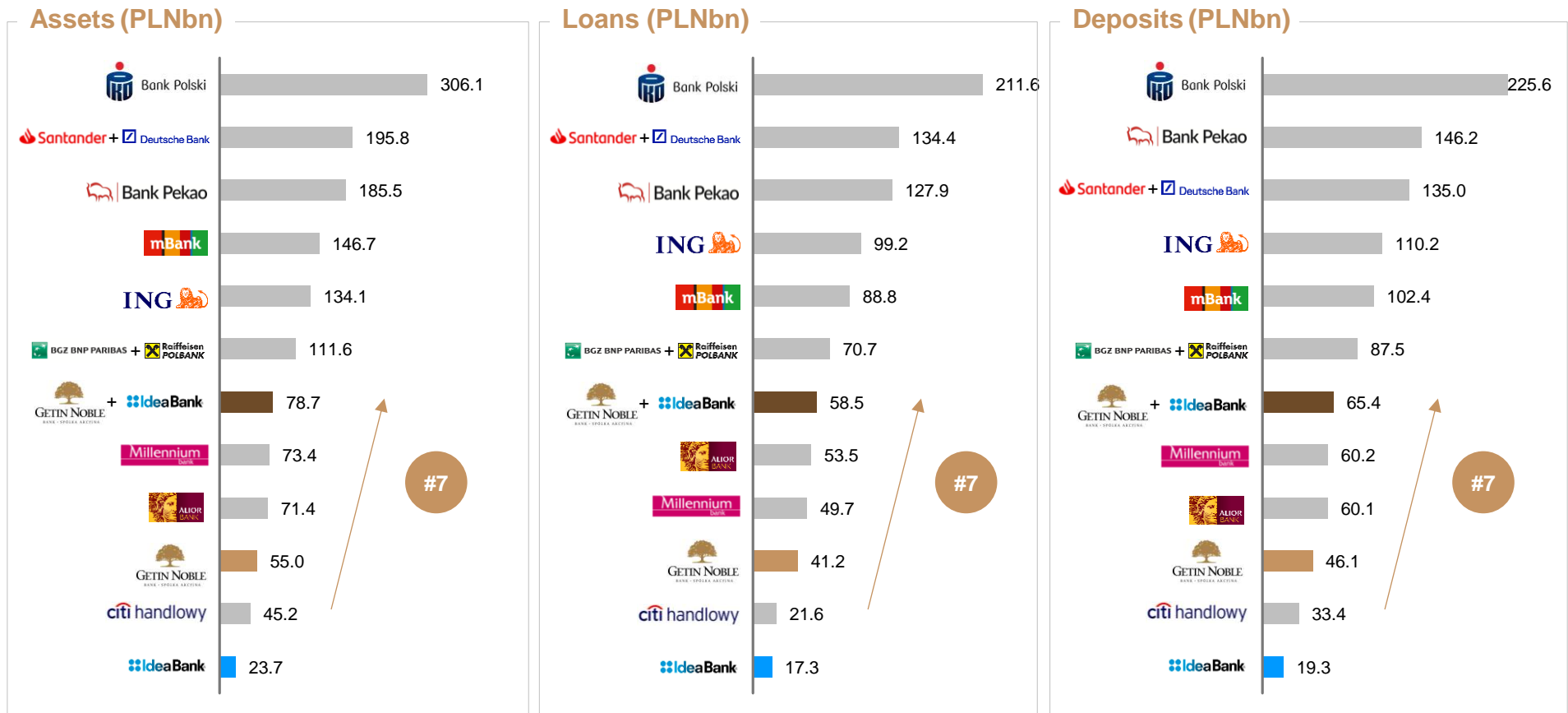


Business mix (pro forma Q3 2018)



COMBINED MARKET POSITION

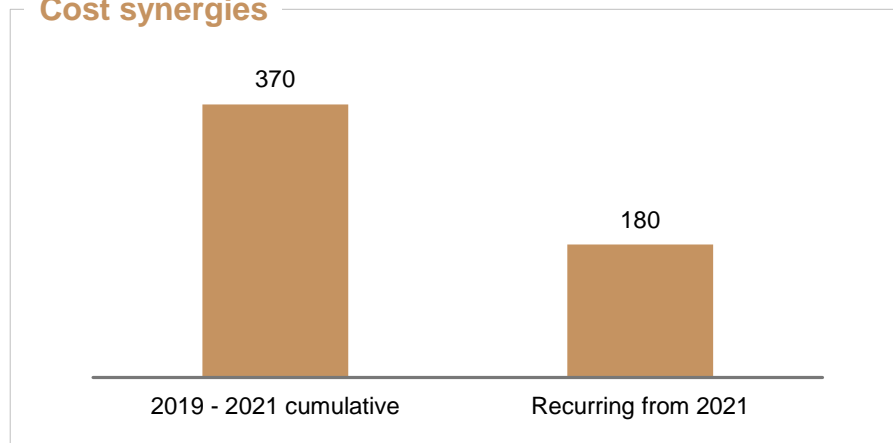
**GNB-IB merger would strengthen combined bank position in actively consolidating market
Combined bank would become #7 by all major metrics**



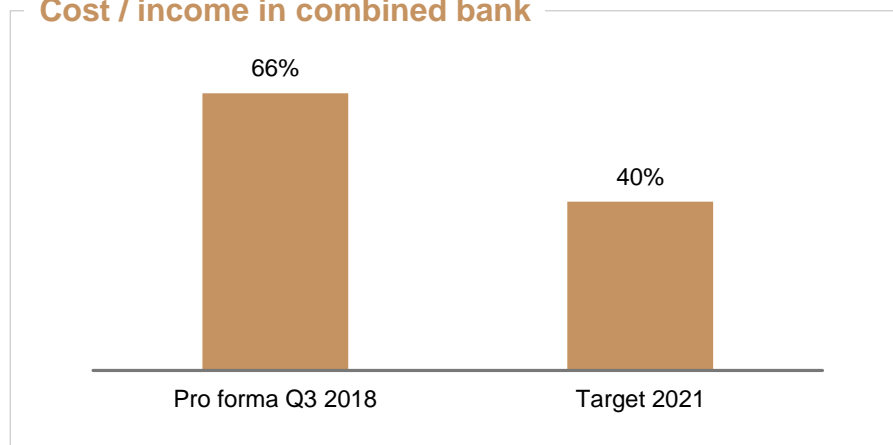
COST SYNERGIES

Expected relatively easy integration given many similarities in operational models of the Banks

Cost synergies



Cost / income in combined bank



Comments

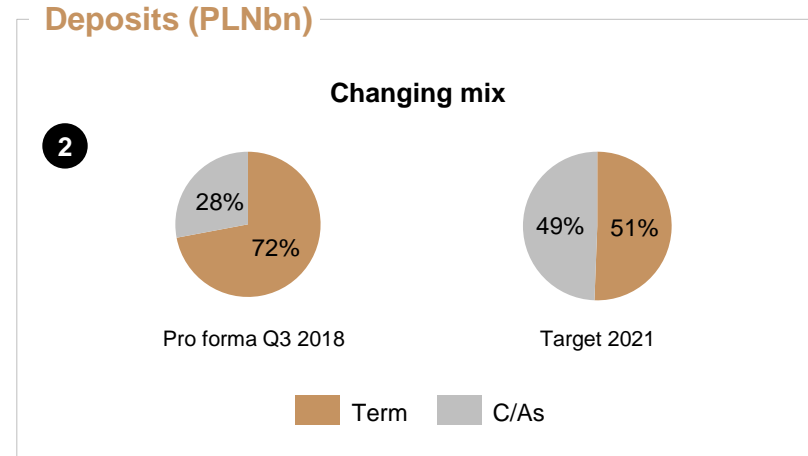
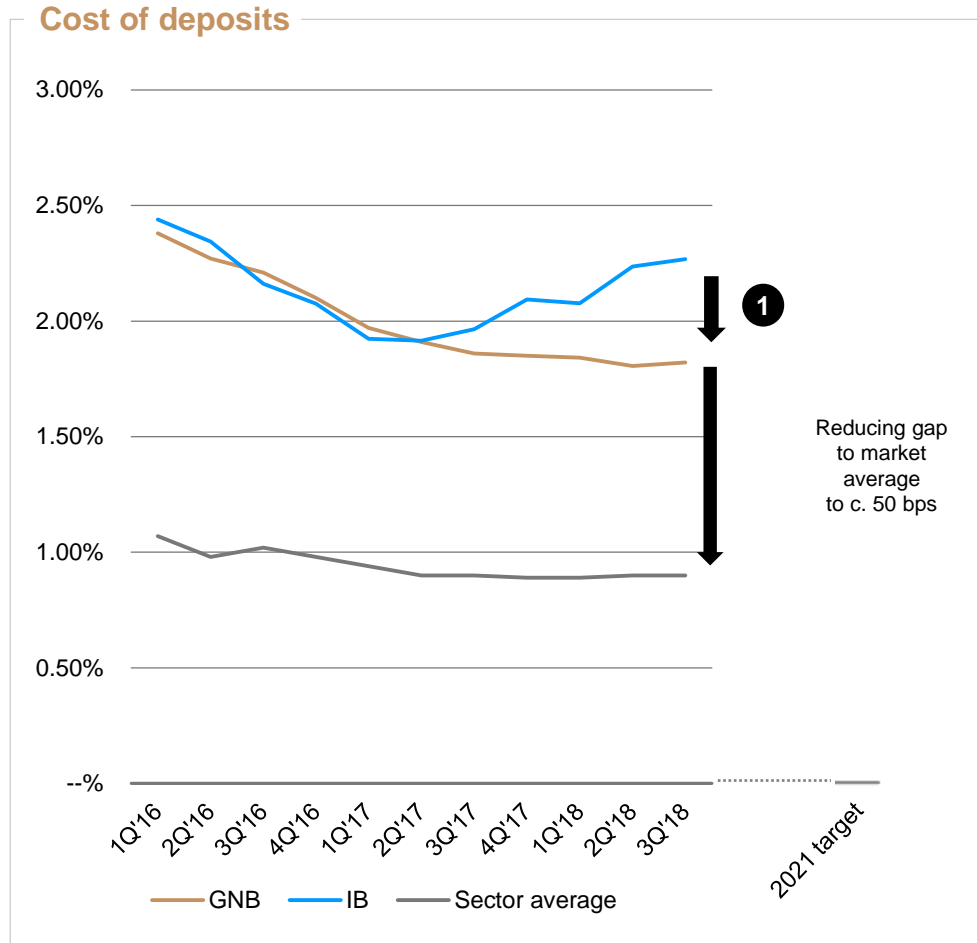
- Significant synergy potential with cumulated pre-tax cost synergies in 2019-2021 of PLN 370m and fully phased pre-tax annual cost synergies of PLN 180m (c.13% of combined cost base*) by 2021
- Total integration costs amounting to PLN 220m** pre-tax
- Cost synergies are expected mainly in the following areas:
 - Consolidation of headquarters
 - Optimisation of overlapping branches
 - IT integration (common IT systems)
- Expected relatively easy integration given many similarities in operational models between the Banks
- On top of cost synergies, Banks expect to realise revenue synergies
 - Cross-selling opportunities across both client bases
 - Complementary offering

* Combined cost base as a sum of annualised operating costs of both Banks in Q3 2018

** Integration costs include PLN 120m cash costs and PLN 100m non-cash costs (amortization and reserves)

POTENTIAL TO REDUCE COST OF FUNDING

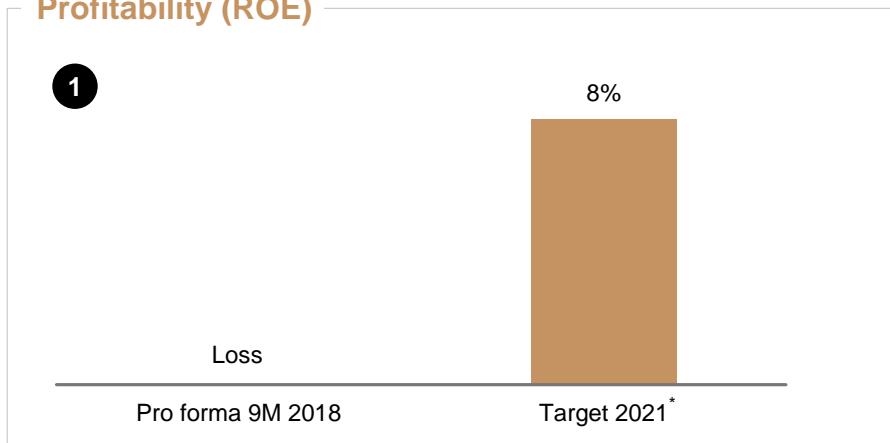
Main factors of improvement: alignment of IB to lower GNB level and change of mix



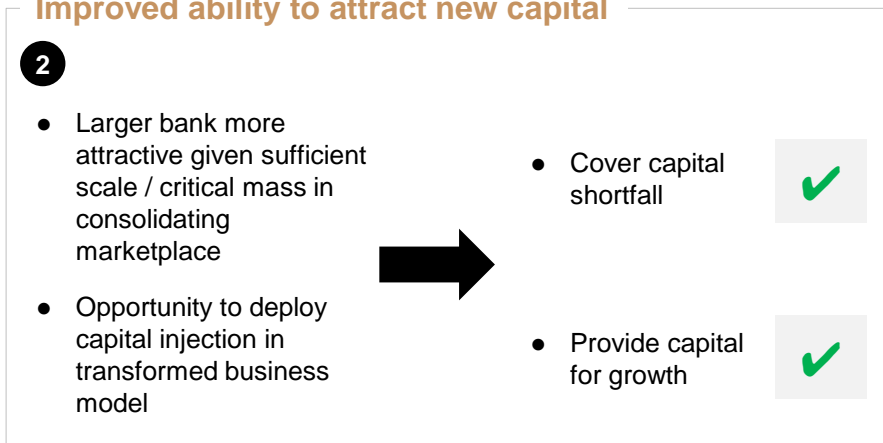
- Comments**
- Significant potential to reduce cost of funding expected from alignment of IB cost of funding to lower GNB level, and subsequently to market average level
 - Change of mix towards C/As
- Enhanced potential for improvement as a consequence of pressure on funding costs visible in Q4 2018

STRENGTHENED ABILITY TO IMPROVE CAPITAL POSITION AND RETURN TO PROFITABILITY

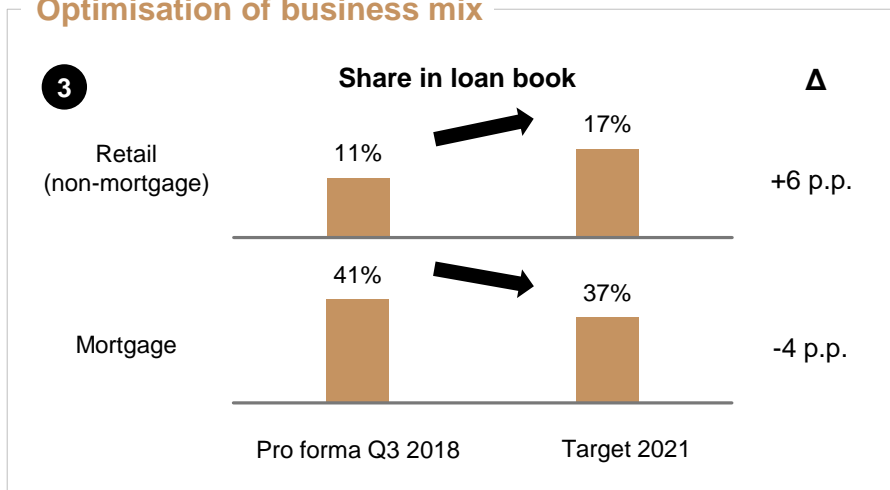
Profitability (ROE)



Improved ability to attract new capital



Optimisation of business mix

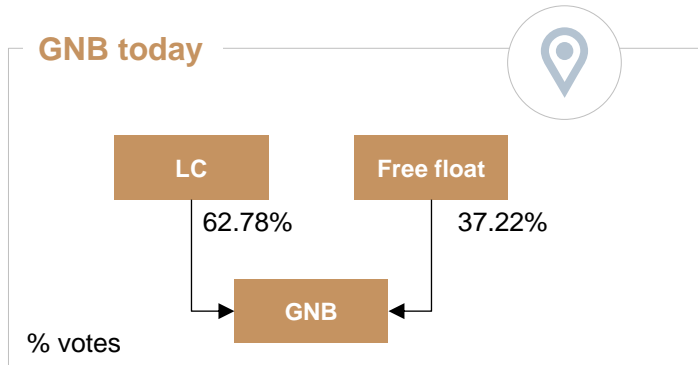


Comments

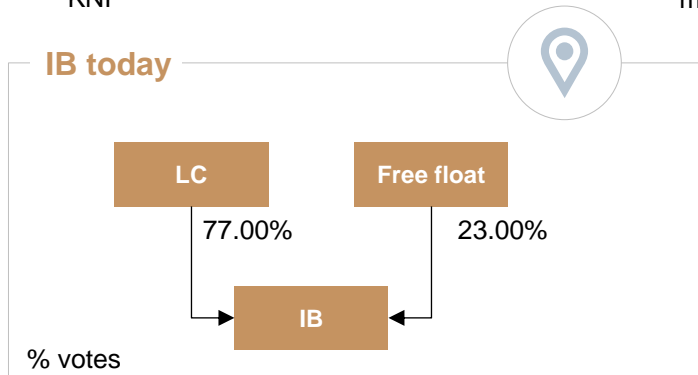
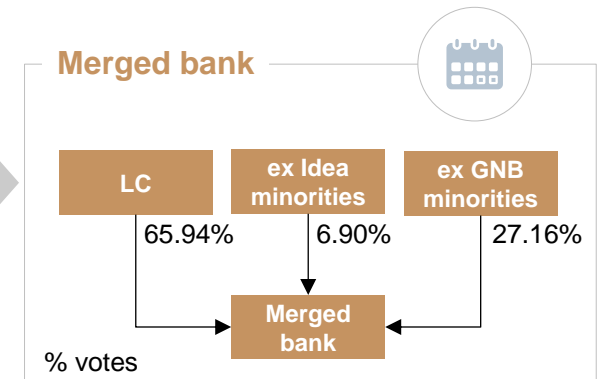
- 1** Return to profitability on the back of cost synergies, reduced cost of funding, optimized of cost of risk and focus on higher margin products. Target profitability levels expected to be maintained in the following years following resumption of payment of bank tax
- 2** Financial investor search process launched in December 2018
- 3** Optimisation of business mix driven by increase in higher margin products

* Before bank tax

TRANSACTION STRUCTURE AND TIMETABLE



- Signing of merger plan and filing to KNF
- KNF approval
- GNB and IB EGMs to approve merger
- Expected closing



Search for financial investor

- In parallel, banks will proceed with process of attracting financial investor to recapitalise the merged bank

KEY TAKEAWAYS

Merger to strengthen capital position

- Return to profitability
- Larger bank more attractive to gain capital to cover shortfall and support growth. Financial investor search process launched in December 2018
- Optimisation of business mix to support capital position
- Combined bank better placed to meet capital requirements

Strong strategic rationale

- Complementary business segments
- Highly synergistic deal with expected relatively easy integration given similarities in the operational model between the Banks
- Potential to reduce cost of funding

Transaction beneficial to shareholders of GNB and IB

- Significant value creation potential for both GNB and IB shareholders
- Stable restructured bank better positioned to compete in consolidating marketplace