



**ALIOR
BANK**



ALIOR BANK S.A.

Results presentation 2012

More capital to support the growth

March 2013



**To 75 institutional investors
and 14,000 persons:**

Thank you for the IPO!

700 M PLN more capital for Alior to grow further

2.1BN PLN IPO = Largest private IPO ever in Poland

~1BN USD Free Float 64% ; Daily turnover ~3M USD

HOW WE STEER FOR PROFITABLE GROWTH

Financial

- Deliver high ROE
- Grow business
- No surprises

Customer

- Be most attractive bank
- Be accessible for new customers
- Tailor offers

Process

- Automate
- Specialize
- Strategic Partners

Learning

- Innovation labs with customer, suppliers, employees
- Management development programs
- Customer feedback

2012 KEY FINANCIAL HIGHLIGHTS

M PLN	2011	2012	+/-
Operating revenue	995	1 434	44%
General & administrative expenses	-640	-922	44%
General & administrative expenses excl. IPO and Mgmt Incentive	-635	-763	20%
Cost of risk	-189	-282	49%
Profit before tax	166	230	39%
Profit before tax excl. IPO and Mgmt Incentive	170	390	129%
Profit after tax	152	174	
Profit after tax excl. One-off IPO expenses	156	332	113%
Total assets	15 484	21 352	38%
Customer loans	10 135	14 535	43%
Customer deposits	13 531	17 436	29%
Equity	1 112	2 246	102%
Tier 1	920	2 077	
Tier 2	44	350	
C/I*	63,9%	53,1%	-17%
ROE*	15,0%	19,8%	36%
ROA*	1,3%	2,0%	62%
CAR (after gen. assembly)	9,8%	17,0%	73%
Tier 1	9,4%	14,5%	55%
Number od clients	987 486	1 486 940	51%
Number of employees	3 694	4 873	32%
Number of outlets	438	749	71%

*NOT INCLUDING ONE-OFF IPO AND MGMT INCENTIVE EXPENSES



2012 KEY FINANCIAL HIGHLIGHTS QUARTERLY DEVELOPMENT

M PLN	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Operating revenue	995	298	638	1 025	1 434
General & administrative expenses	-640	-182	-371	-571	-922
General & administrative expenses excl. IPO and Mgmt Incentive	-635	-182	-371	-571	-763
Cost of risk	-189	-49	-117	-193	-282
Profit before tax	166	67	150	261	230
Profit before tax excl. IPO and Mgmt Incentive	166	67	150	261	390
Profit after tax	152	54	133	223	174
Profit after tax excl. One-off IPO expenses	156	54	133	223	332
Total assets	15 484	15 009	16 508	17 806	21 352
Customer loans	10 135	11 267	12 297	13 537	14 535
Customer deposits	13 531	12 473	13 593	15 169	17 436
Equity	1 112	1 183	1 364	1 451	2 246
Tier 1	920	970	1 127	1 308	2 077
Tier 2	44	346	347	342	350
C/I*	63,9%	60,9%	58,2%	55,8%	53,1%
ROE*	15,0%	18,1%	19,5%	20,58%	19,8%
ROA*	1,3%	1,4%	1,6%	1,7%	2,0%
CAR	9,8%	12,1%	12,0%	12,5%	17,0%
Tier 1	9,4%	8,9%	9,2%	9,9%	14,5%
Number od clients	987 486	1 078 572	1 199 202	1 359 082	1 486 940
Number of employees	3 694	4 216	4 570	4 715	4 873
Number of outlets	438	523	603	684	749

*NOT INCLUDING ONE-OFF IPO AND MGMT INCENTIVE EXPENSES

2012 PRODUCT DEVELOPMENT

GROWTH INSIGHT

Kill Bill 2 

Stand-alone life and property insurance for Retail 

Loans for business clients with EU grants 

Loan products for Alior Sync 


Cash loan for Allegro 


Dedicated current account for start-ups


Dual currency own issue investment certificates 

World Business Credit Card 

Cash Loan w/ guaranteed lowest rate


Free current account for Micro 

Unit-link for business client 

„Mała Czarna” debit card (innovative discount program) 

Home assistance insurance for Alior Sync Clients

Payroll account for SME

Escrow account for developers 

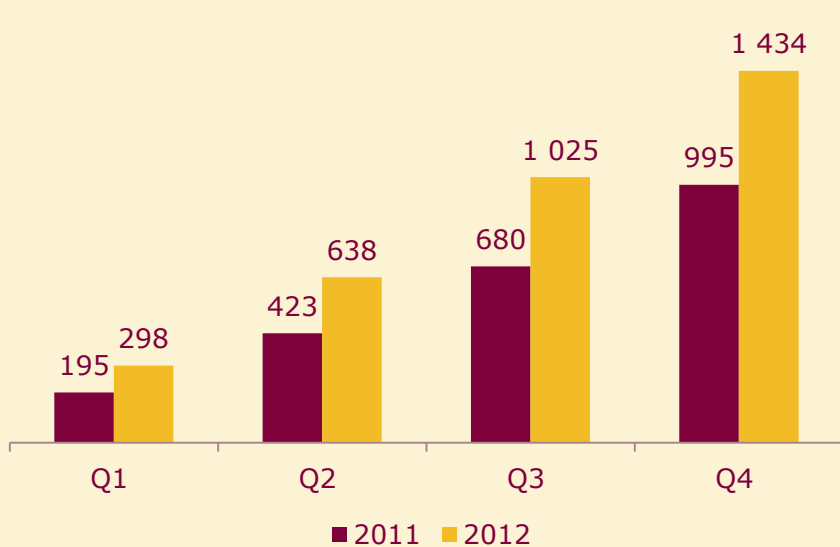


Alior stays focused on constant new product delivery

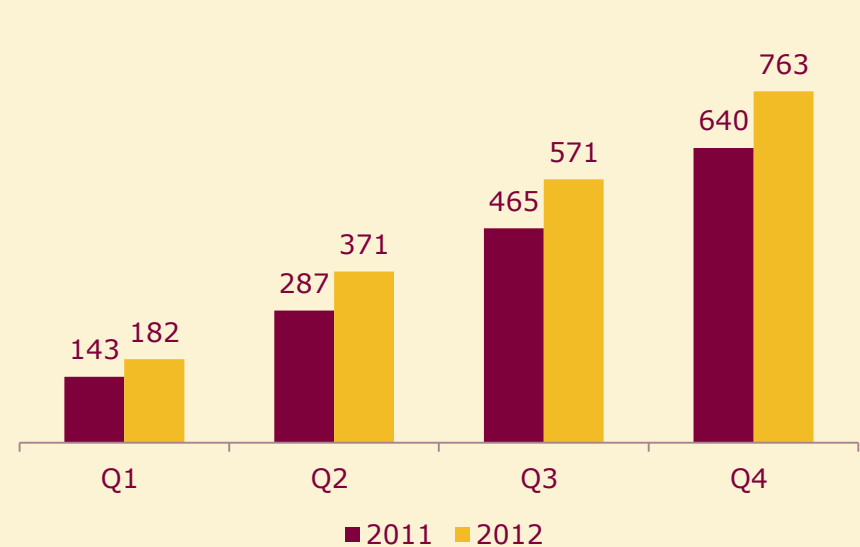
STEADILY INCREASING REVENUE AT INCREMENTAL C/I AT 30%

GROWTH INSIGHT

**Revenue
(m PLN)**



**Cost
(m PLN)**



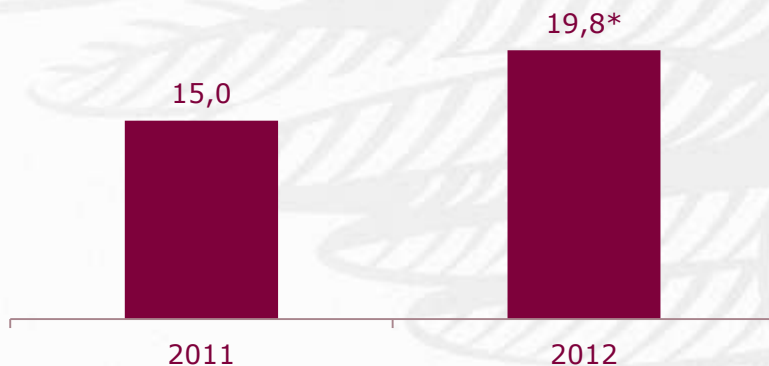
C/I 61% 58% 56% 53%

Significant cost advantage due to high capacity in operating platform and automation of processes

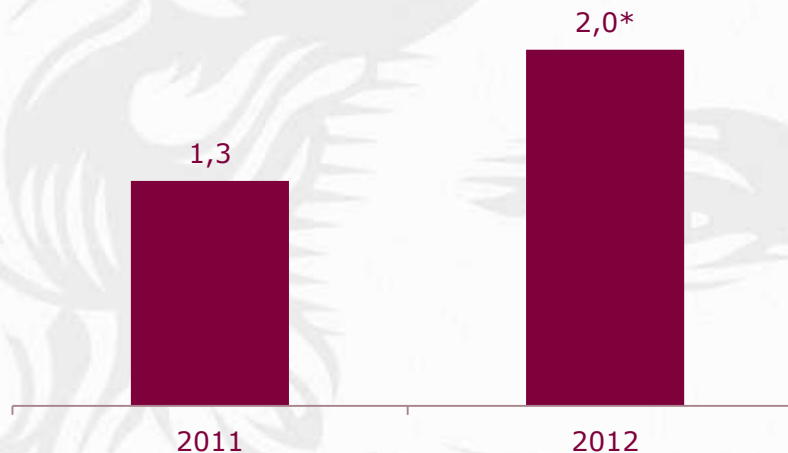
EFFECTIVE USE OF CAPITAL REFLECTED IN INCREASING ROE AND ROA

GROWTH INSIGHT

ROE



ROA



	ROE
Q1 2012	18,2%
Q 2 2012	19,5%
Q3 2012	20,5%
Q4 2012	19,8%

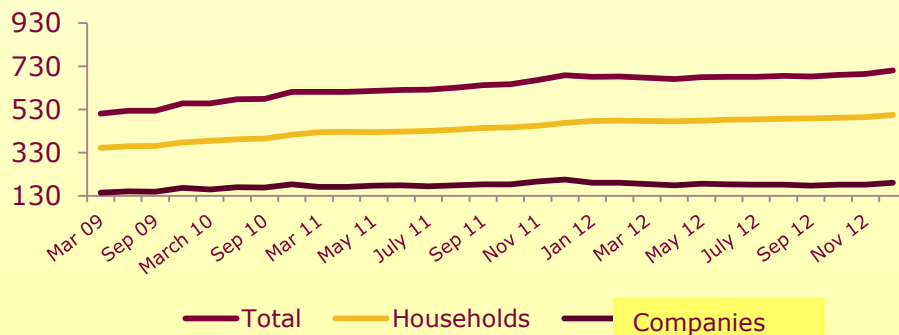
	ROA
Q1 2012	1,4%
Q 2 2012	1,6%
Q3 2012	1,7%
Q4 2012	2,0%



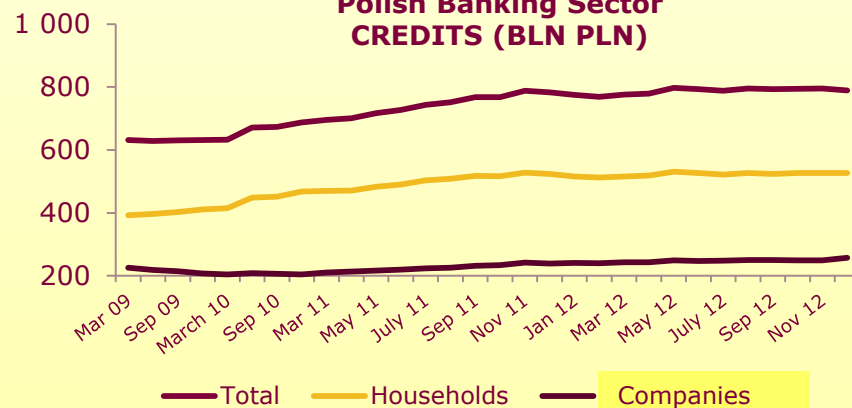
ALIOR'S GROWTH STRATEGY WORKS INCREASING MARKET SHARE

GROWTH INSIGHT

Polish Banking Sector DEPOSITS (BLN PLN)



Polish Banking Sector CREDITS (BLN PLN)



DEPOSITS GROWTH 2012

	Total		Retail		Corporate	
	ALIOR	Market	ALIOR	Market	ALIOR	Market
Jul	3,4%	0,1%	2,7%	0,3%	5,8%	-0,8%
Aug	5,7%	0,5%	6,8%	0,7%	2,3%	-0,1%
Sep	2,1%	-0,3%	1,7%	0,2%	3,4%	-2,0%
Oct	4,1%	0,9%	4,2%	0,5%	3,7%	1,9%
Nov	6,8%	0,6%	7,4%	0,8%	4,8%	0,4%
Dec	4,4%	2,5%	0,7%	1,9%	16,6%	4,5%

LOANS GROWTH 2012

	Total		Retail		Corporate	
	ALIOR	Market	ALIOR	Market	ALIOR	Market
Jul	2,9%	-0,6%	2,3%	-1,0%	3,5%	0,4%
Aug	2,4%	0,9%	3,8%	1,0%	1,0%	0,7%
Sep	4,4%	-0,2%	3,8%	-0,5%	5,2%	0,1%
Oct	4,4%	0,1%	4,4%	0,5%	4,4%	-0,5%
Nov	2,3%	0,1%	3,1%	0,0%	1,4%	0,1%
Dec	1,0%	-0,8%	3,0%	0,1%	-1,2%	3,2%

MARKET SHARE: 2,3%

MARKET SHARE: 1,9%

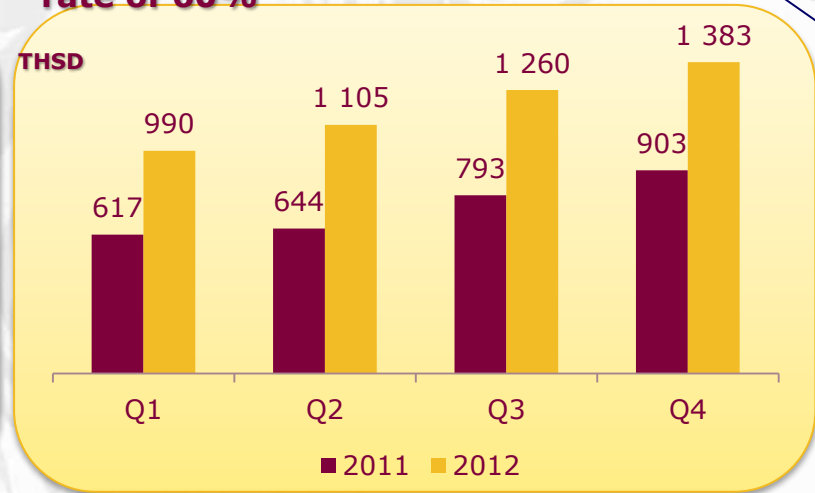
GROWTH OF CUSTOMERS

GROWTH INSIGHT

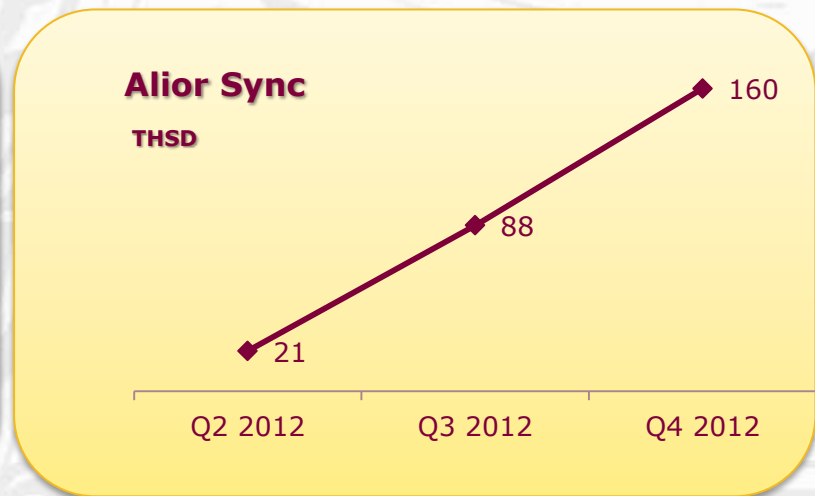
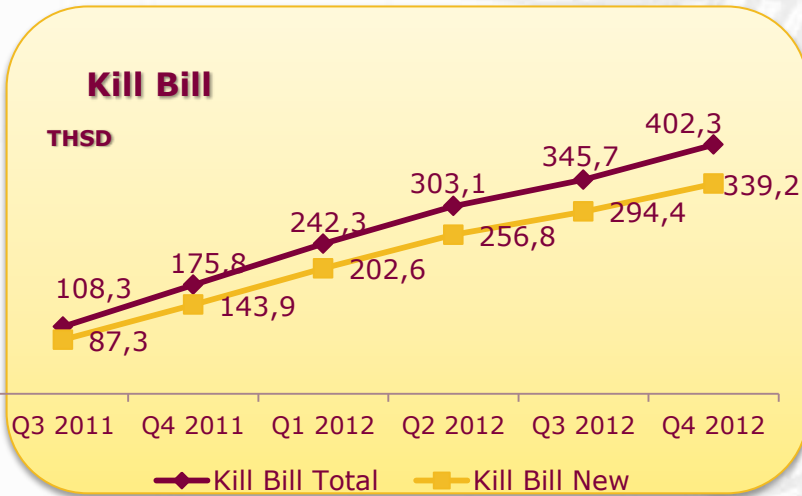
Almost 0,5 M clients acquired in 2012



Retail client acquisition growth rate of 60%



Examples of Alior effective client acquisition initiatives

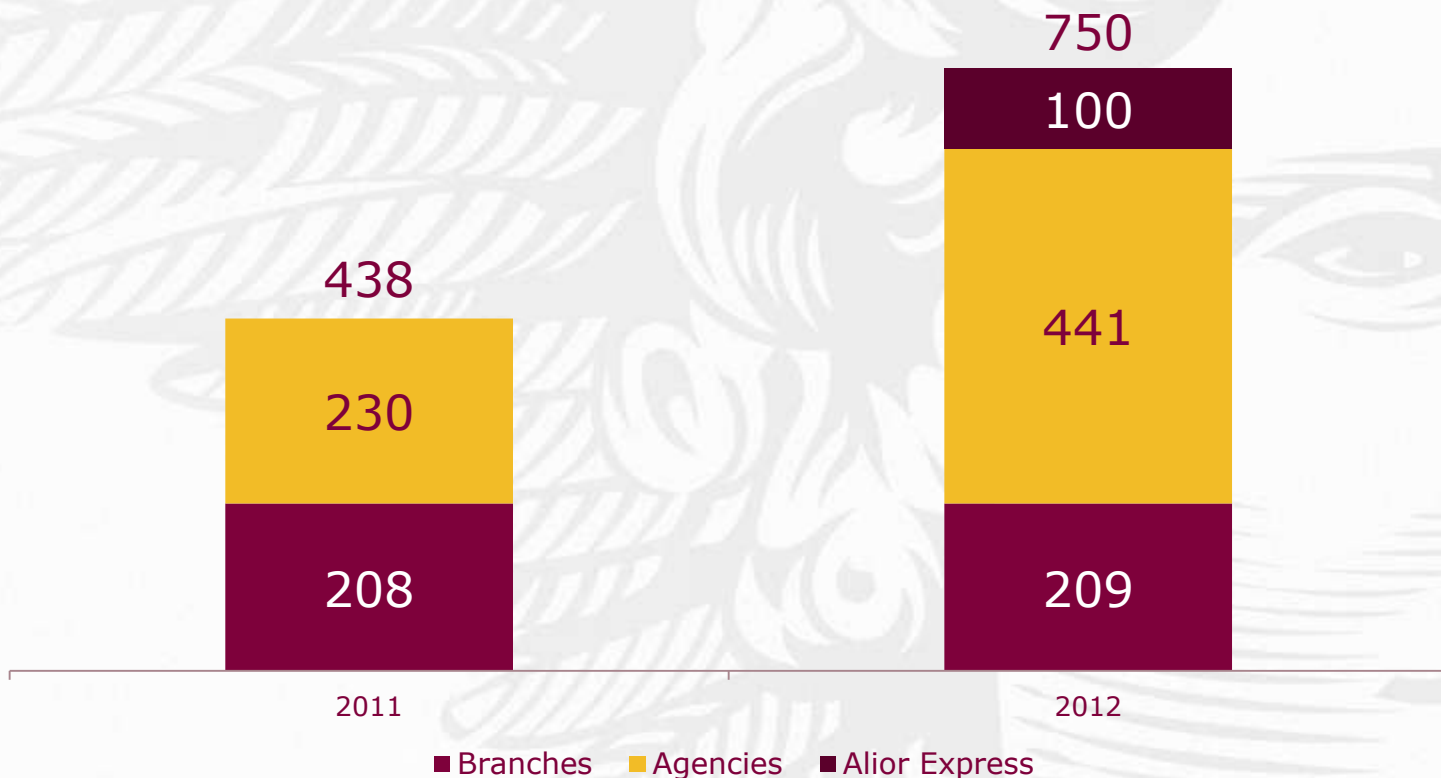


Kill Bill total – total number of Kill Bill clients

Kill Bill new – clients acquired thanks to this initiative

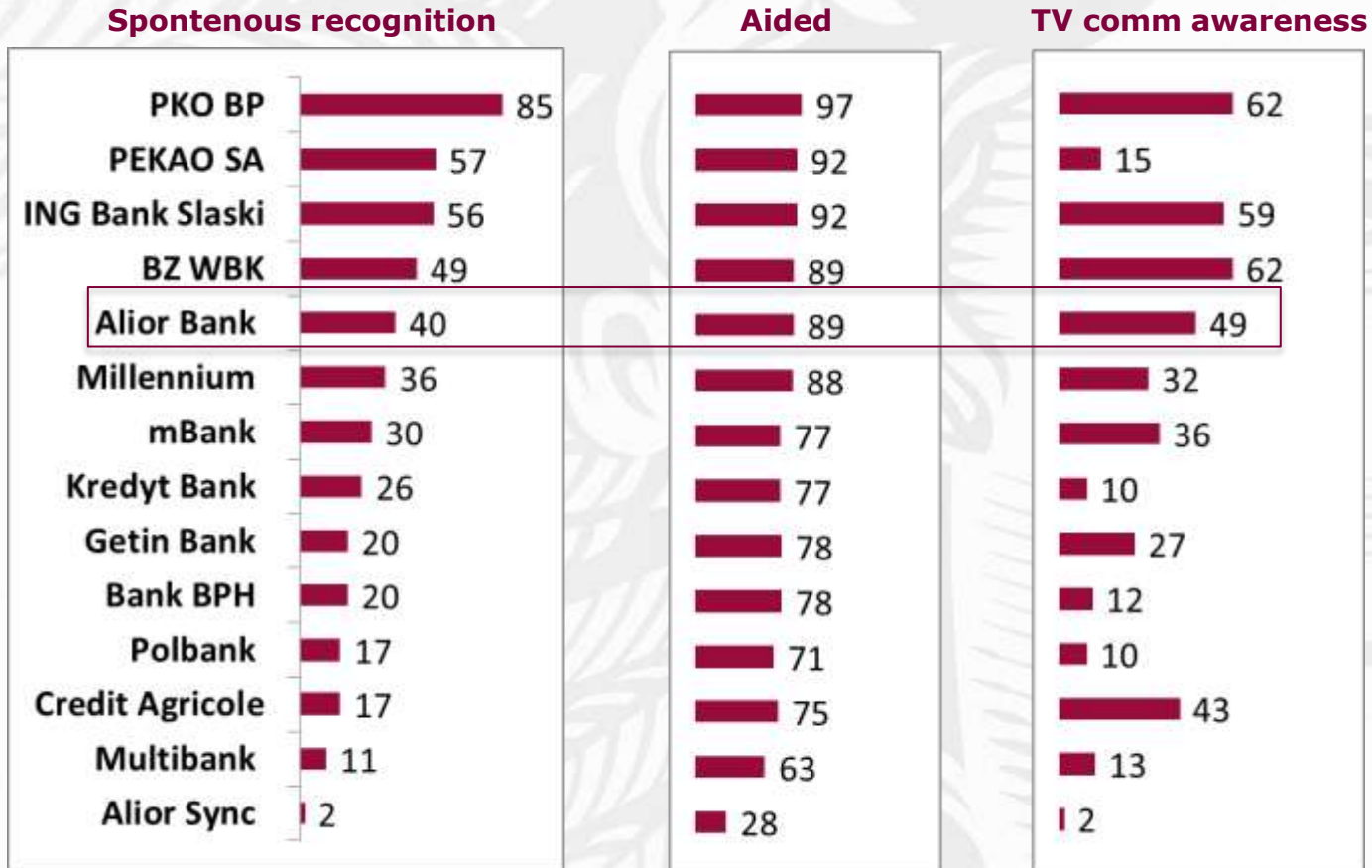
GROWTH OF NETWORK

GROWTH INSIGHT



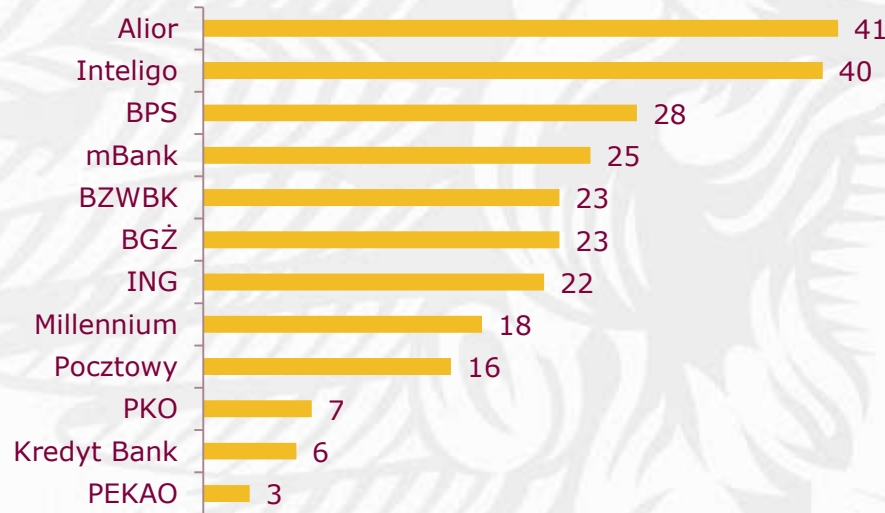
Over 300 outlets opened in 2012. Development of distribution network is key in attracting clients from different segments

Alior remains a strong brand with high recognition



GROWTH INSIGHT

Alior is the most recommended financial institution



Source: Puls Biznesu, 21 February 2012

Premia account for sme



EFX platform



Online exchange for retail clients



Earnings account for Micro clients

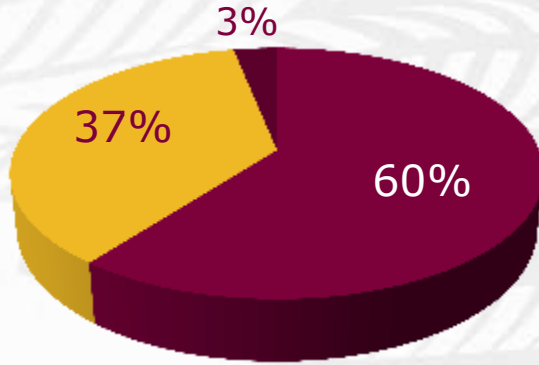




RETAIL BANKING REMAINS A DOMINANT REVENUE GENERATOR W/O INFLUENCING THE BANK'S UNIVERSAL PROFILE

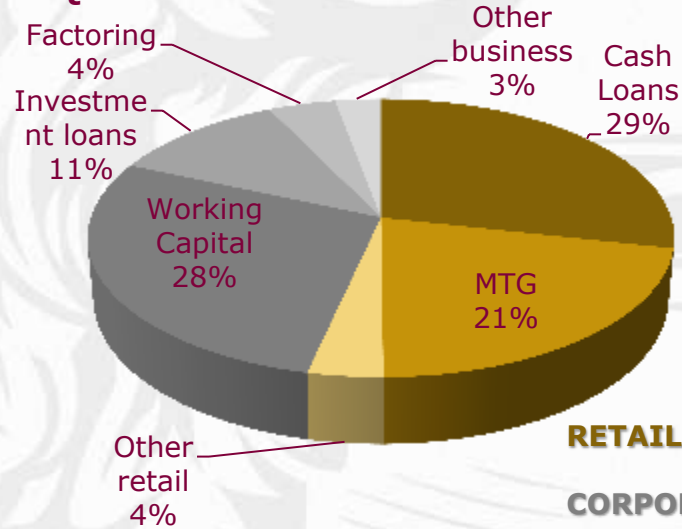
REVENUE INSIGHT

REVENUE SPLIT



■ Retail Customers ■ Business Customers ■ Treasury

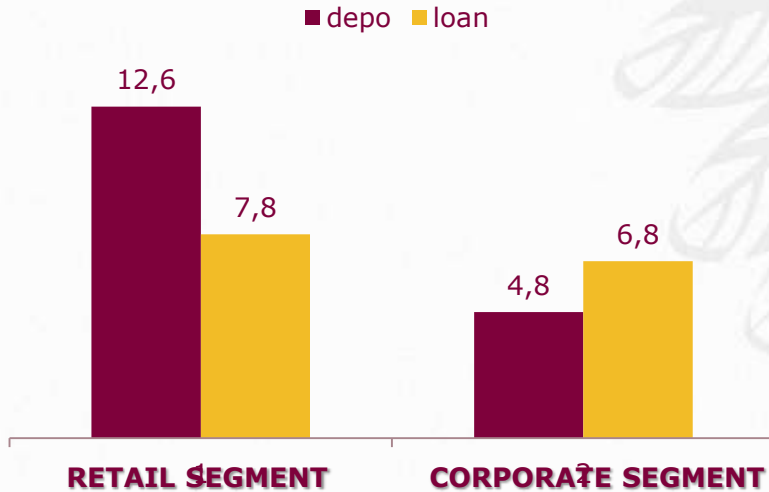
LOAN BOOK REMAINS IN AN ALMOST EQUAL SPLIT



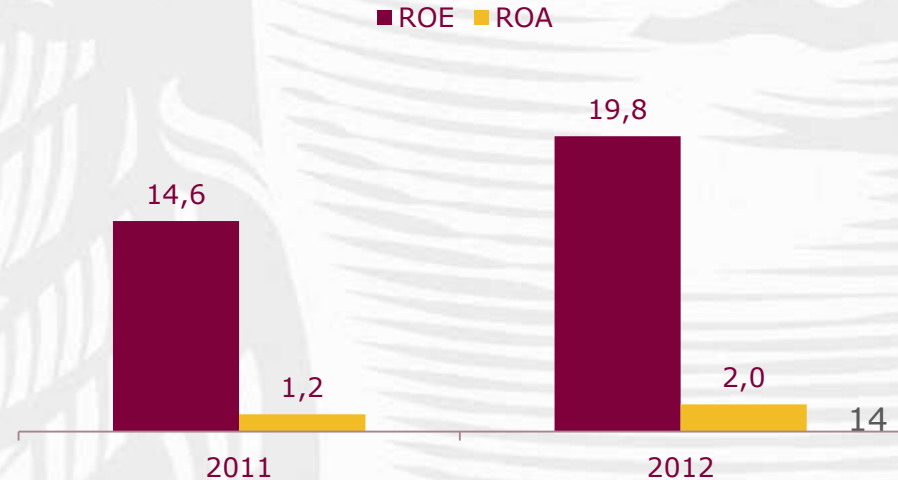
RETAIL BOOK: 53%

CORPORATE BOOK: 47%

FUNDED SOLELY BY CUSTOMER DEPOSITS



DELIVERS IMPROVING RESULTS





3 NEW INITIATIVES GETTING TRACTION

REVENUE INSIGHT



- Alior Sync: a Virtual Bank – launched mid June 2012
 - Cutting edge technology recognized world wide (BAI and London Technology award)
 - 160k new clients gained form June 2012 till EOY.
 - Deposits: 963 M (2012 EOY)
 - Loans: 20 M (2012 EOY)



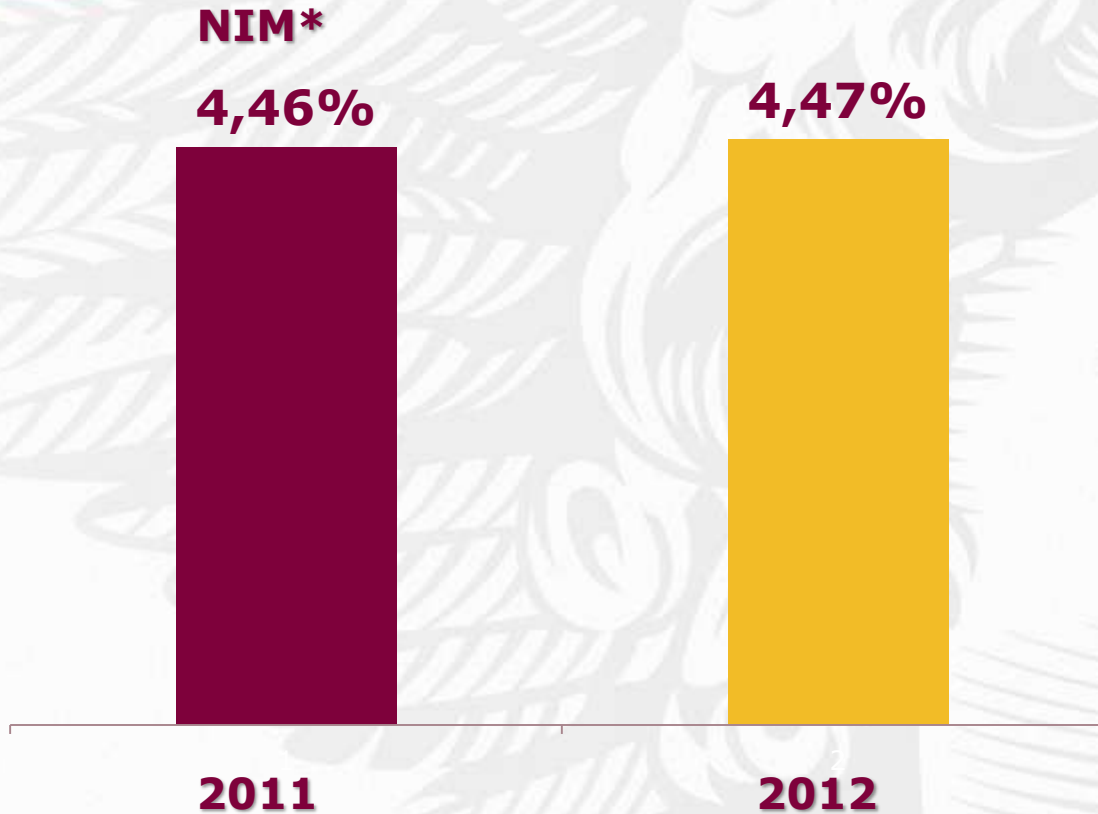
- Alior Bank Express mini branches
 - 100 new mini branches between March 2012 and the end of Dec 2012.
 - Deposits: 11,6 M (2012 EOY)
 - Loans: 66,1 M (2012 EOY)
 - Plans to double in size in 2013
 - 29 thsd clients (2012 EOY)



- Consumer Finance – started in March 2012
 - Ever increasing presence in the internet
 - On track to become a significant player in installment loans offered in largest retailers

VERY STABLE HIGH NIM ALSO IN 2012

REVENUE INSIGHT



Deposit margin:	1,1 %
Financial assets margin:	0,2%
Loan margin:	4,3%

All based on market to market calculation
Q4 in 2011 & 2012 impacted by significant deposit

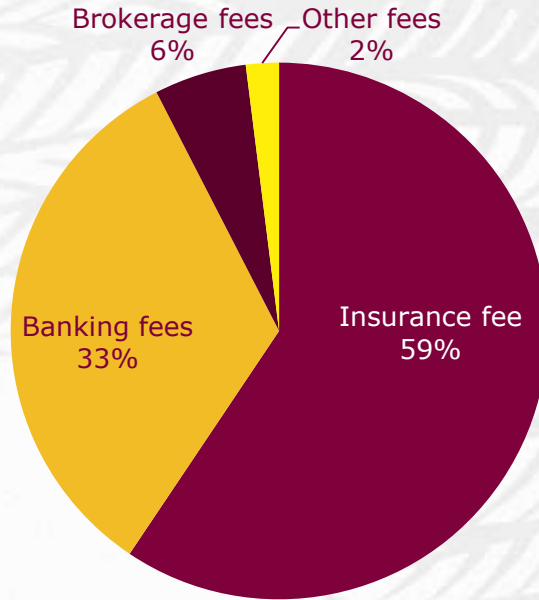
*NIM: net interest income/average interest earning assets (based on end of five quarters) excl. Cash, intangible assets, other assets



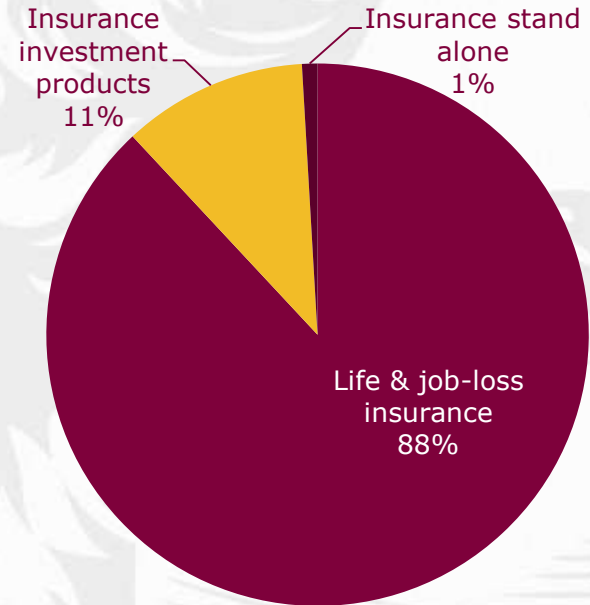
FEE INCOME CONTRIBUTION REMAINS AT 30% OF TOTAL INCOME

REVENUE INSIGHT

Fee income split



Insurance income split

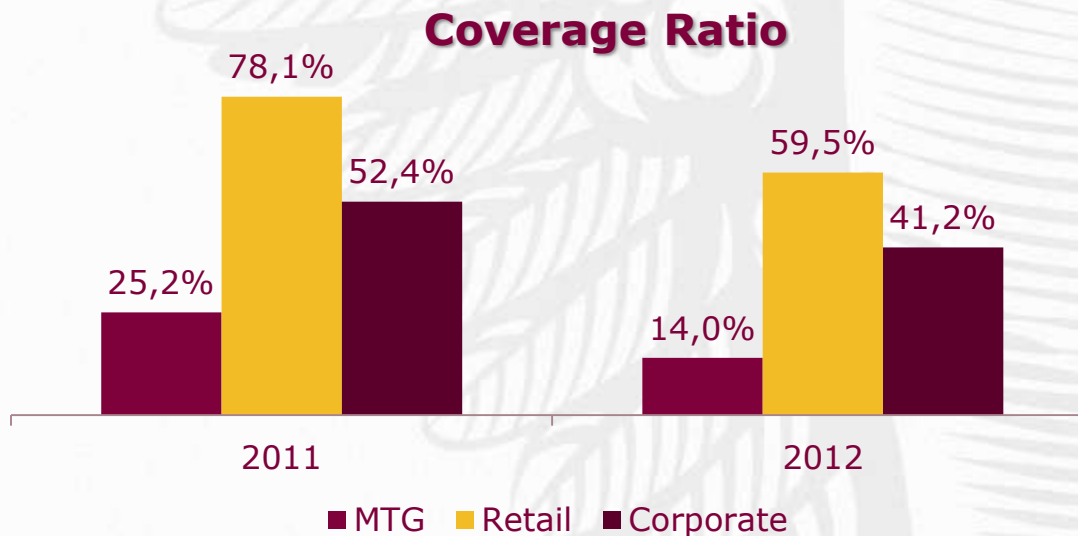
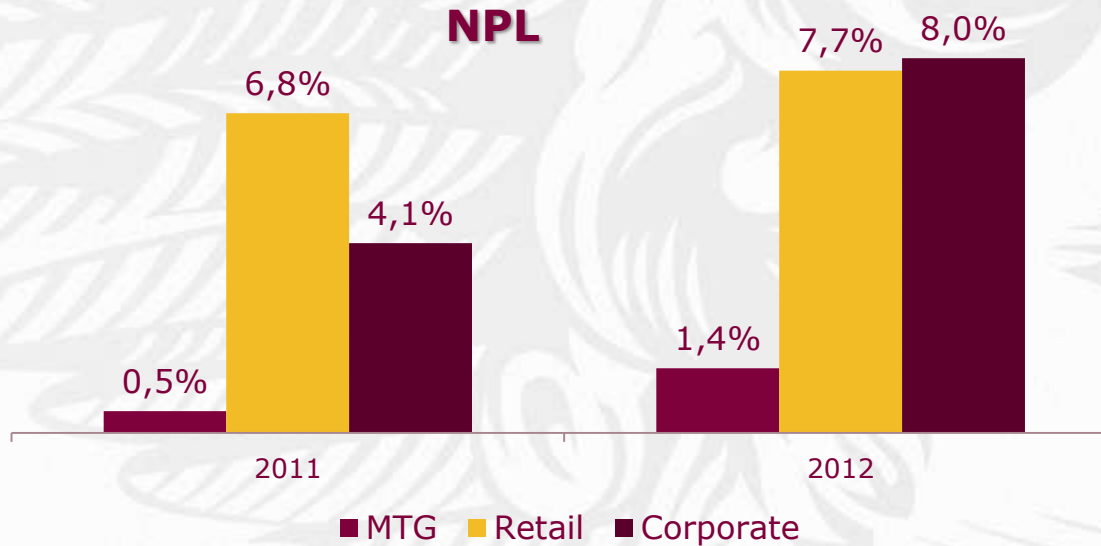


Insurance income remains a dominant position of fee income. Accounting recognition is fully compliant with IAS 18 (~80% booked upfront).

Proportion of income from insurance investment products may decrease due to planned product changes.

EFFECTIVE RISK MGMT ENSURING HIGH ASSET QUALITY AND PROFITABLE PORTFOLIO PERFORMANCE

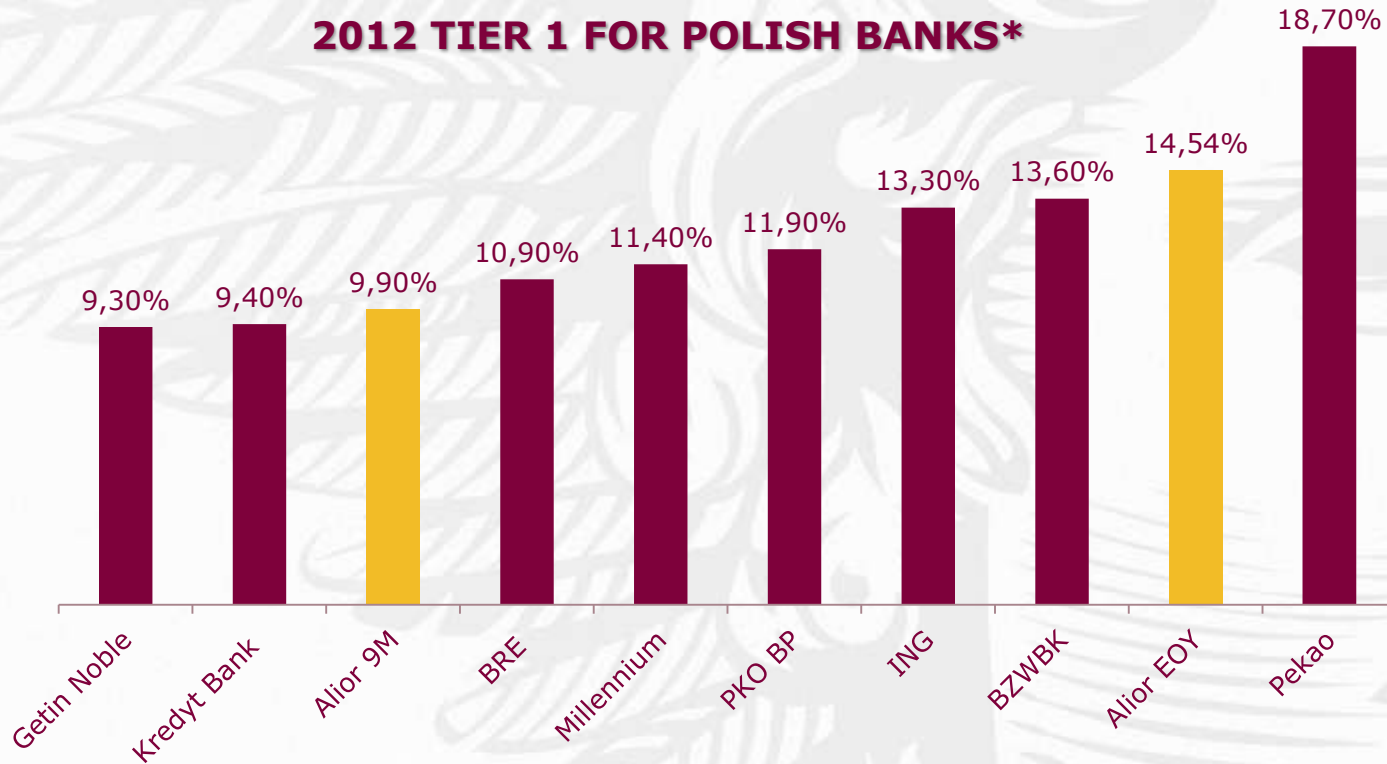
RISK INSIGHT



SUFFICIENT CAPITAL BUFFER FOR FURTHER ORGANIC DEVELOPMENT

RISK INSIGHT

2012 TIER 1 FOR POLISH BANKS*



Alior CAR EOY 2012: 17%

*Source: Citi Research report 22 January 2013, data for banks for 9m 2012 except for Alior EOY



COST LEVERAGE DELIVERED! AND STILL HIGH CAPACITY TO GROW

COST INSIGHT

Alior on track to achieve C/I < 42%

2012 C/I FOR POLISH BANKS*



Capacity for growth:

- Core it system: up to 7 m customers
- Scalable hardware and datawarehouse
- Automation of most retail processes
- Specialization of corporate processes
- Outsourcing of most non-core processes

*Source: Citi Research report 22 January 2013, data for banks for 9m 2012 except for Alior EOY

Large corporates

FX products

Mini-branches: +100, X-sell

Alior Sync: X-sell, Growth



Consumer Finance: Activation, Growth

Behavioral CRM and Scoring

Macro impact on loans

Carlo Tassara 34%

BACK UP

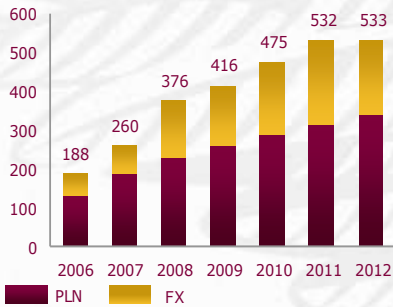
Management Board (CEO/ Deputy CEOs)							
	Wojciech Sobieraj CEO	Krzysztof Czuba Retail Banking Division	Niels Lundorff Finance Risk and CF	Artur Maliszewski Corporate Banking Division	Witold Skrok Finance Division	Michał Hucał Development Division	Katarzyna Sułkowska Credit Risk Division
Banking experience	22 years	19 years	24 years	21 years	15 years	10 years	15 years
With Alior since	2008	2008	2008	2008	2008	2008	2008
Relevant previous experience	<ul style="list-style-type: none"> ■ 2002–2006 Bank BPH ■ 1994–2002 BCG 	<ul style="list-style-type: none"> ■ 1994–2007 Bank BPH 	<ul style="list-style-type: none"> ■ 2006–2007 UniCredit Group ■ 1999–2006 Bank BPH 	<ul style="list-style-type: none"> ■ 1992–2007 Raiffeisen Bank Polska 	<ul style="list-style-type: none"> ■ 2002–2008 Bank BPH ■ 1991–2000 Ministry of Finance 	<ul style="list-style-type: none"> 2003–2007 Bank BPH 2008–2012 Alior Bank S.A. (Retail Banking Development) 	<ul style="list-style-type: none"> ■ 2002–2007 Bank BPH ■ 1998–2001 Citibank Polska
Contribution to Alior	<ul style="list-style-type: none"> ■ Bank development ■ Trendsetter for customer service while optimising bank's operations 	<ul style="list-style-type: none"> ■ Retail sales ■ Integrator of sales in branch network, modern sales channels and product development 	<ul style="list-style-type: none"> ■ Risk, Finance ■ Integrator of quality in infrastructure for steering profitability and risk 	<ul style="list-style-type: none"> ■ SME banking ■ Risk conscious development of products and services for SMEs 	<ul style="list-style-type: none"> ■ Finance ■ Administrator of resources, budgeting and reporting 	<ul style="list-style-type: none"> ■ Product and services development 	<ul style="list-style-type: none"> ■ Credit risk ■ Trendsetter for excellence in monitoring, collection and credit policy activities

THE OPPORTUNITY IN POLAND – FOR THE CREATION OF AN INNOVATIVE NEW BANK

Significant market growth...

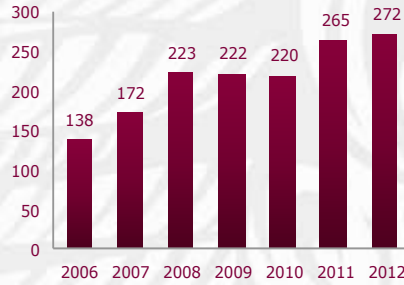
Loans to households

PLN Bn



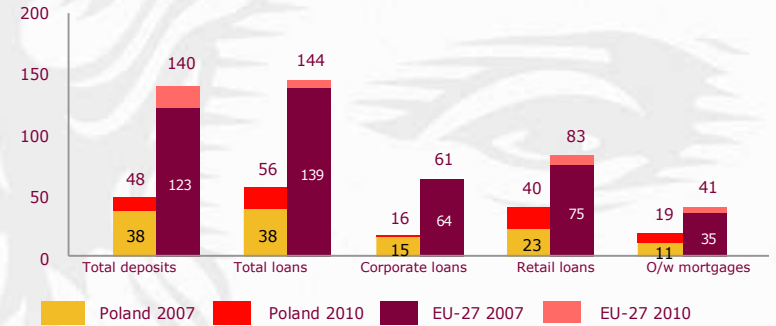
Loans to corporations

PLN Bn



...resulting from under penetration...

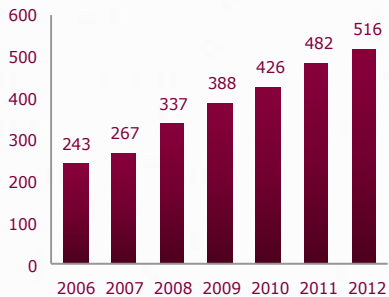
% of GDP, 2007 and 2010



Source: European Banking Federation, Eurostat

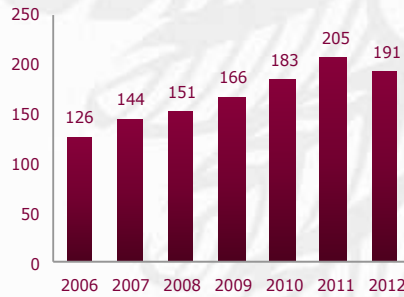
Deposits from households

PLN Bn



Deposits from corporations

PLN Bn

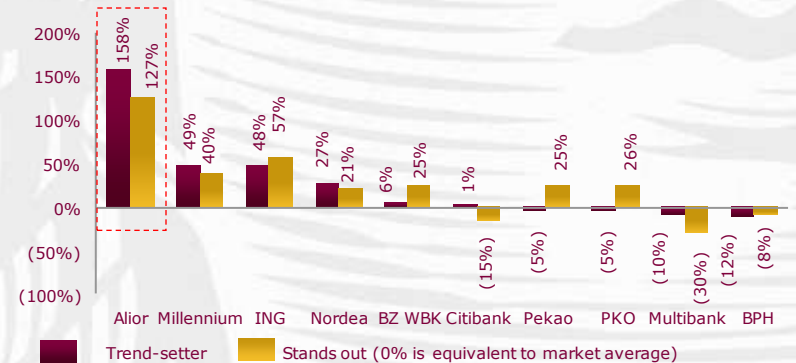


Source: National Bank of Poland, Polish Financial Supervision Authority

...with limited attention to innovation

Relative assessment of individual banks to market average

Results of customer survey about innovation perception of Polish banks



Source: SMG-KRC, 2009 (1)

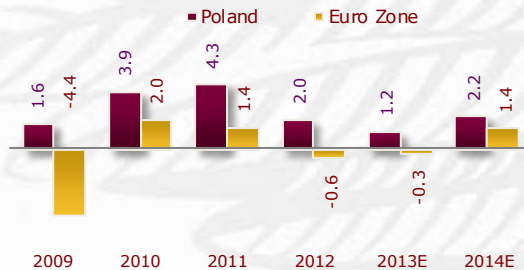
Note

1. Sample of 7,400 respondents, with monthly income above PLN2.5k

POLISH MACRO ENVIRONMENT REMAINS HIGHLY ATTRACTIVE DESPITE THE TURMOIL IN WESTERN EUROPE

Strong, crisis resilient GDP growth

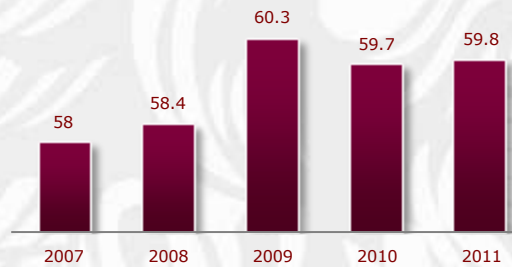
Real GDP growth (%)



Source European Commission as of February 2013

Strong and stable domestic demand relative to GDP

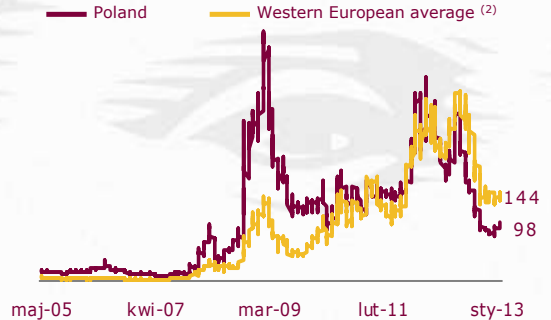
Domestic private consumption / GDP (%)



Source Poland's Central Statistical Office

Declining perception of Polish risk

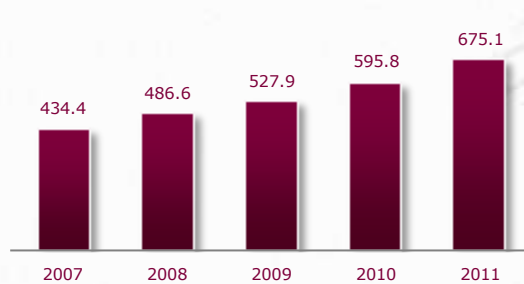
CDS (bps)



Source Bloomberg

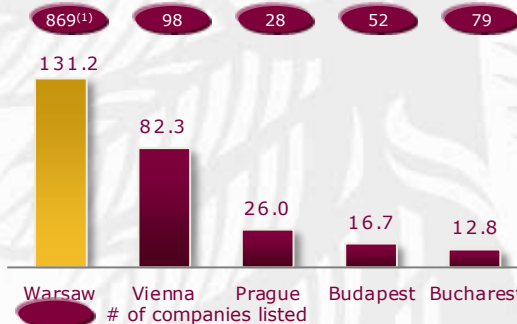
Investors' confidence translated into high FDI and capital markets activity

Foreign Direct Investment in Poland (PLN Bn)



Source National Bank of Poland

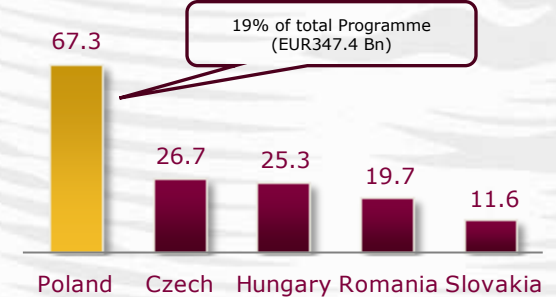
Market capitalisation (EUR Bn)



Source Federation of European Securities Exchanges as of January 2013

Poland – largest EU funds' recipient

Split of EU Programme for 2007-2013 (EUR Bn)



Source Polish Ministry of Regional Development

Notes

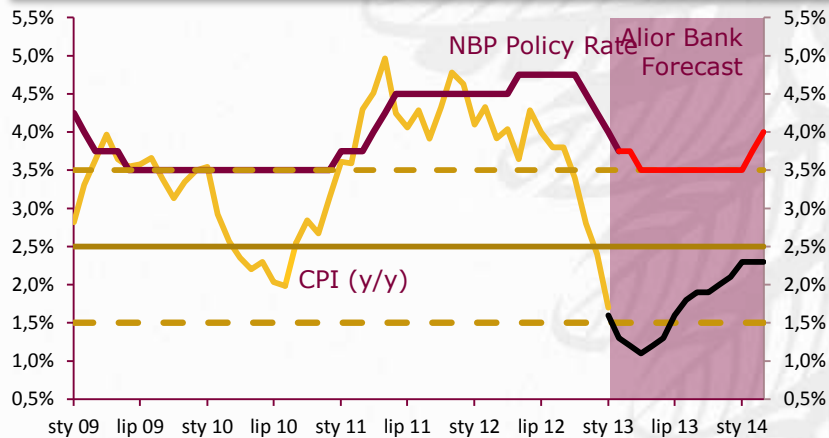
1. Includes companies listed on alternative market NewConnect
2. Average includes CDS for UK, Germany, France, Italy and Spain

POLISH MACRO OUTLOOK - IT WILL ONLY GET BETTER NOW

Resumption of growth momentum after period of economic slowdown

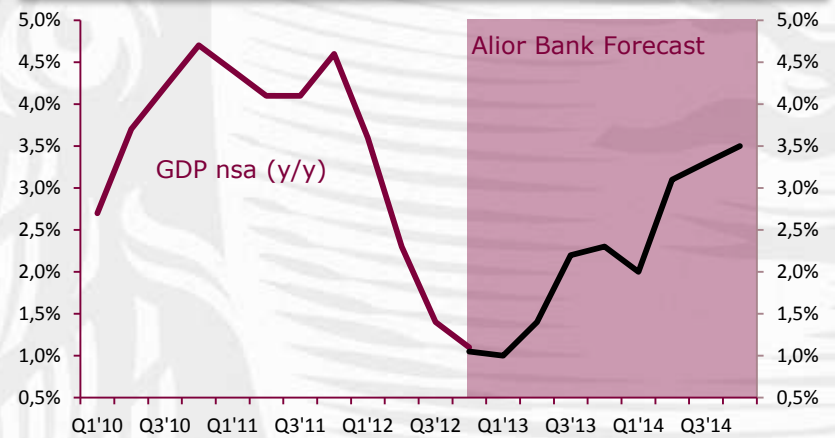
- Acceleration of economic growth over 2013 based on domestic demand recovery.
- Expected gradual improvement in the coming quarters after weak 1Q with average annual growth at 1,8% in 2013⁽¹⁾
- Credit induced recovery due to expansionary monetary policy and loosening credit conditions to households (recent changes in T recommendation.)
- Improvement in corporate spending as a response to signs of global recovery (especially in Germany – Polish main trading partner).
- Positive impact of fiscal policy: no new austerity measures coupled with start of programs that will boost investments.

Low consumer inflation will support spending



Source National Bank of Poland, Alior Bank

Polish economy is gaining momentum



Source Central Statistical Office, Alior Bank

Notes

1. Alior Bank forecast

INCOME STATEMENT SNAPSHOT

Income statement snapshot	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Interest income	235	109	221	347	494	161	352	576	851	270	580	920	1 284
Interest expense	-131	-46	-87	-132	-189	-60	-132	-219	-356	-118	-257	-402	-573
Net interest income	104	63	134	215	306	100	221	357	495	152	323	518	711
Net fee and commission income	41	20	57	108	159	62	134	213	340	112	217	334	469
Trading result	26	15	36	64	95	31	63	106	142	33	81	131	183
Other income	10	5	16	16	19	2	5	5	17	1	17	42	71
General administrative expenses	-474	-139	-298	-433	-561	-143	-287	-465	-640	-182	-371	-571	-922
Impairment losses	-39	-28	-56	-102	-141	-39	-82	-133	-189	-49	-117	-193	-282
Gross profit (loss)	-332	-64	-111	-131	-123	12	54	82	166	67	150	261	230
Net profit (loss)	-271	-55	-106	-114	-104	5	37	80	152	54	133	223	332
Net profit (loss) including IPO expenses	-271	-55	-106	-114	-104	5	37	80	152	54	133	223	174

BALANCE SHEET SNAPSHOT

M PLN	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Cash and balances with Central Bank	220	224	239	327	476	397	372	347	449	582	592	702	1 030
Financial assets	2 876	2 951	1 824	2 460	2 540	2 705	2 371	3 683	3 219	2 300	2 549	2 502	4 494
Loans and advances to customers	2 667	3 085	3 848	4 744	5 532	6 611	7 850	9 055	10 135	11 267	12 297	13 537	14 535
Amounts due from banks	93	229	141	74	242	78	139	271	1 106	247	433	380	414
Intangible assets	82	86	89	93	109	109	112	119	123	139	137	123	158
Other assets	321	349	381	415	413	410	442	468	453	476	499	561	721
Total assets	6 260	6 925	6 523	8 114	9 312	10 310	11 285	13 943	15 484	15 009	16 508	17 806	21 352
Amounts due to customers	4 139	5 583	5 229	6 739	7 929	8 818	9 766	12 201	13 603	12 859	14 182	15 427	18 092
Subordinated debt	0	0	0	0	0	0	0	0	44	344	353	344	351
Other liabilities	1 045	308	320	408	408	514	503	685	768	623	962	928	1 014
Shareholder's equity	1 077	1 034	973	967	976	978	1 016	1 039	1 112	1 183	1 364	1 451	2 246
Tangible equity	995	948	884	874	866	869	904	921	990	1 044	1 227	1 328	2 088

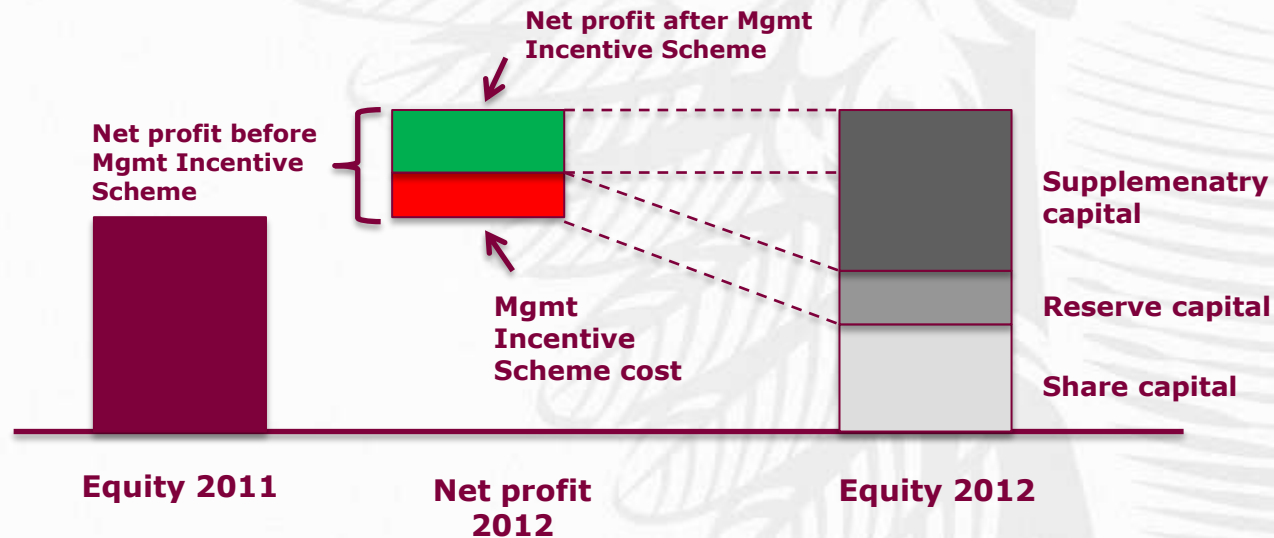
MGMT INCENTIVE SCHEME IMPACT ON P&L

Although mgmt incentive scheme closed in 2012 is funded by Carlo Tassara according to IFRS 2 its' cost has to be recognized in bank's P&L (149 M PLN).

No cash outflows from the bank

No cash compensation for mgmt

One-off expense is equity neutral



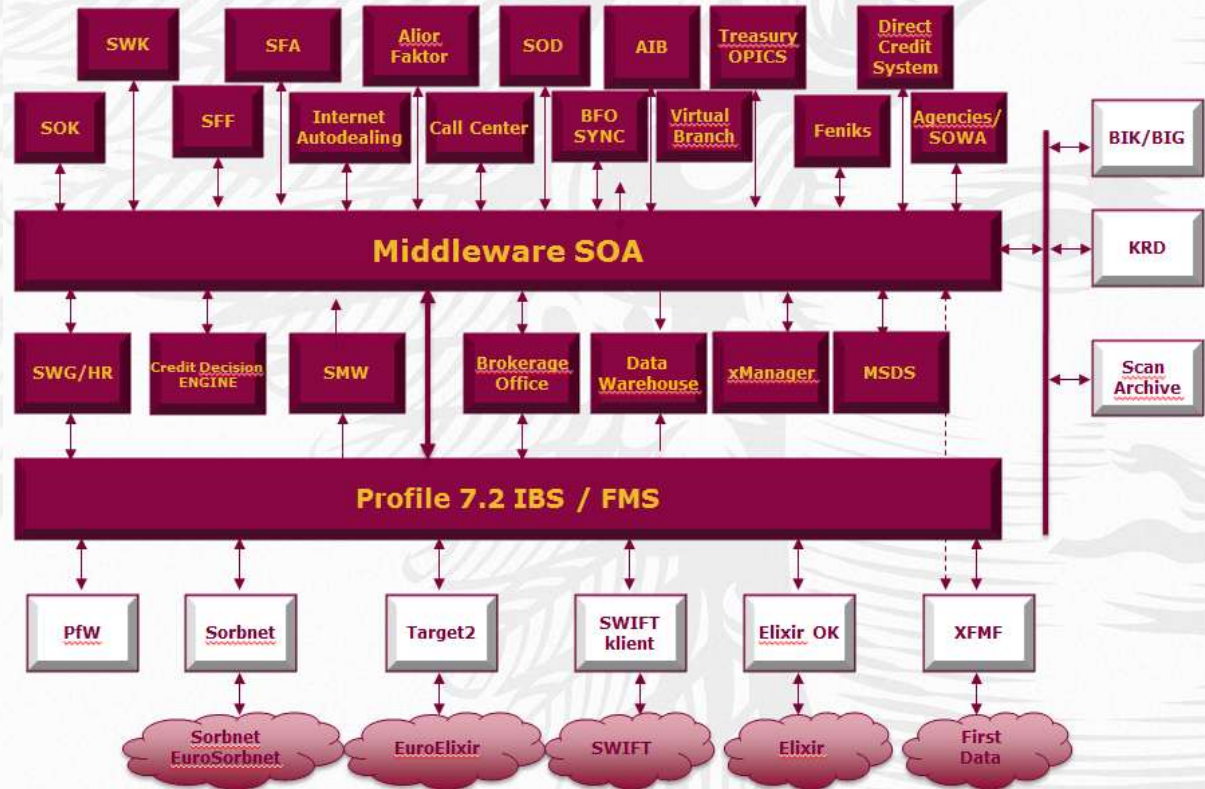


EXCELLENT MIDDLEWARE LAYER GIVES ABILITY FOR FAST IMPLEMENTATION

Overview

- Over 700 services implemented on middleware for financial and non-financial transaction, clients' requests, back-office and integration of the flow
- Solution based on Jboss application server
 - If necessary it can be migrated to any of JEE servers standards
- Linear scalability of implemented architecture
- Tools used for middleware:
 - developer toolkit: Hudson, Eclipse, NetBeans
 - profilers: YJP, HPDiagnostics
 - Code resources maintenance: SVN
 - tests: JMeter, HPLoadRunner

Core IT system structure



Own competencies in the layer of middleware and core system provide Alior with advantage in speed of new implementations, modifications and systems integration



SCALABLE IT PLATFORM AND HIGHLY QUALIFIED ENGINEERS PROVIDING A COMPETITIVE ADVANTAGE

Key IT aspects

Cost advantage

- Cost efficient IT setup comparing to other competitors
- No any legacy systems
- Alior Sync vs. "new mBank"

Middleware platform

- Facilitates development, integration and deployment of any additional IT application to Alior IT infrastructure

Expandability

- Ability to add large number of new clients in a short period of time without bearing additional costs

Access to qualified IT staff

- Highly qualified IT professionals able to develop new products and initiatives
- Good benchmarks and awards achieved in Polish and EU market

Case studies

HSBC's portfolio integration

<5 months full portfolio integration

15 June 2009

Start

15 September 2009

The first data migrated

24 October 2009

HSBC's portfolio migration completed

"Kill Bill" implementation

<2 months from idea generation

July 2011

Start

+1 month

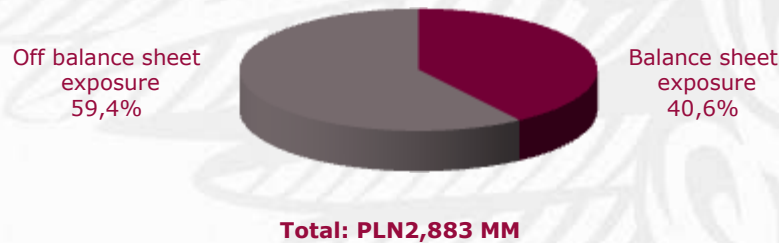
IT setup

+1 month

Full technical and operational implementation

Total exposure to construction sector (1)

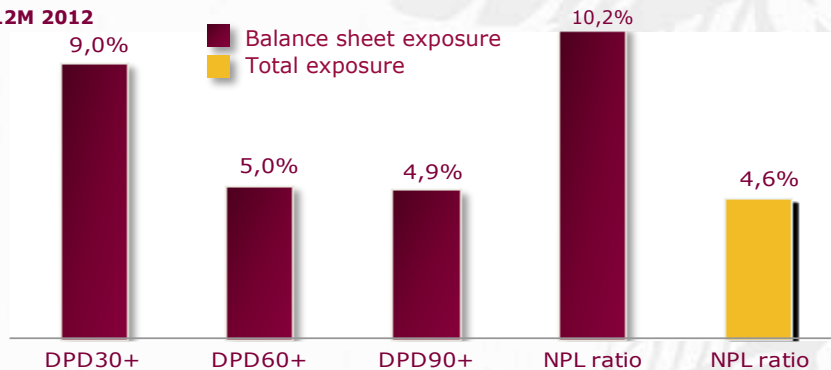
12M 2012



Source Alior Bank

Portfolio delinquency

12M 2012



Source Alior Bank

Note

1. The off-balance sheet exposure includes: unused limits, not disbursed loans, off-balance sheet products (including guarantees, treasury limits and collateral in the form of surety when a company from one sector guarantees the financing of another company from a different sector).

Construction sector coverage

Limited exposure

- As of end of December 2012, construction sector accounted for 23% of total corporate loan book balance sheet exposure
- Within the construction sector, the loan book is significantly diversified with relatively limited exposure to road and rail sector

High collateral coverage

- 147% collateral coverage for total construction loan book total sheet exposure

High coverage ratio

- Coverage ratio: 43%

Low NPL ratio

- NPL ratio for the construction loan book of 4.6% or PLN 126.4 MM

New long term incentive program for Alior top management

- Top management will receive warrants end of 2013, 2014 and 2015 if the bank's share price is performing better than WIG bank index
- 2013: 1.1 MM shares at strike price equal to: IPO price plus 10.0%
- 2014: 1.1 MM shares at strike price equal to: IPO price plus 15.0%
- 2015: 1.1 MM shares at strike price equal to: IPO price plus 17.5%



ALIOR BANK'S INNOVATIVE APPROACH TO FX MARKET

Alior Bank innovations

Why different?

- First bank in CEE which introduced algo trading system for FX trading
 - Access to global services allowing to execute orders in less than 5 minutes
 - Ability to use automatic trading algorithms
 - Access to unique currency liquidity
 - Ability to offer access to own excess liquidity

Centralisation of the trading platform

Auto-dealing

- Convenient way to enter into online FX transactions
- An opportunity to trade any time
- All transactions are settled immediately

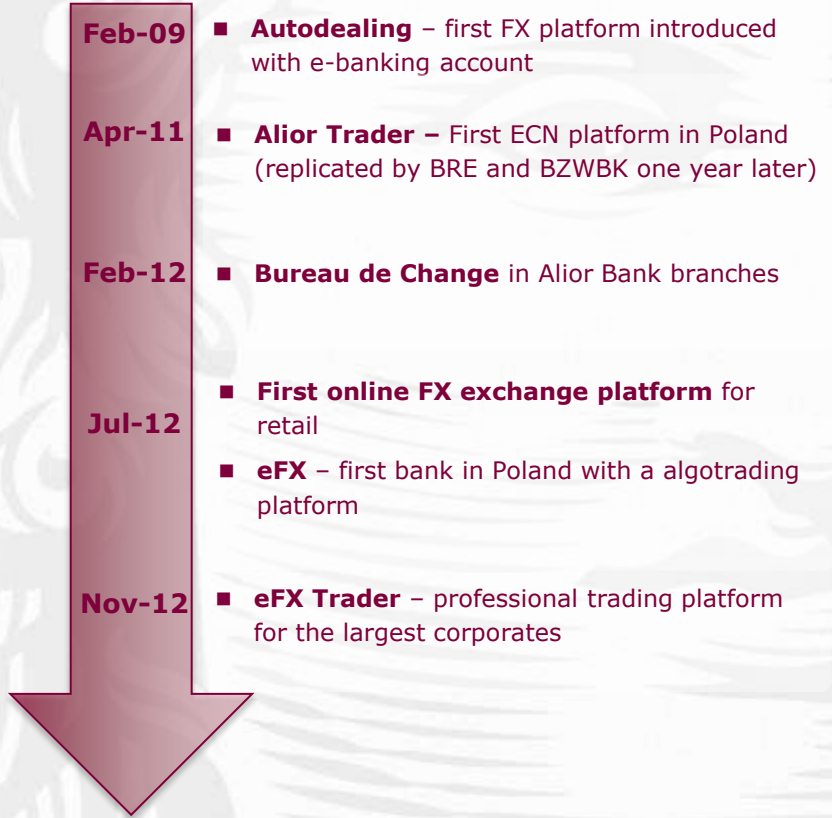
Alior Trader

- Tool for private individuals to directly trade currency with some of the largest banks
 - Launched in April 2011
 - Significant market share within the first year of launch

eFX Trader

- Professional FX trading platform for the largest corporates
 - Launched in November 2012

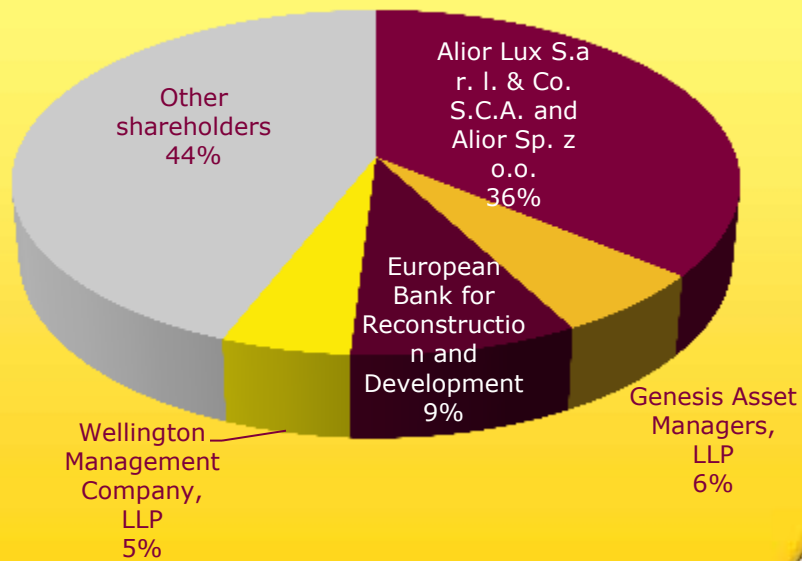
Alior - Market leader in innovation in FX market



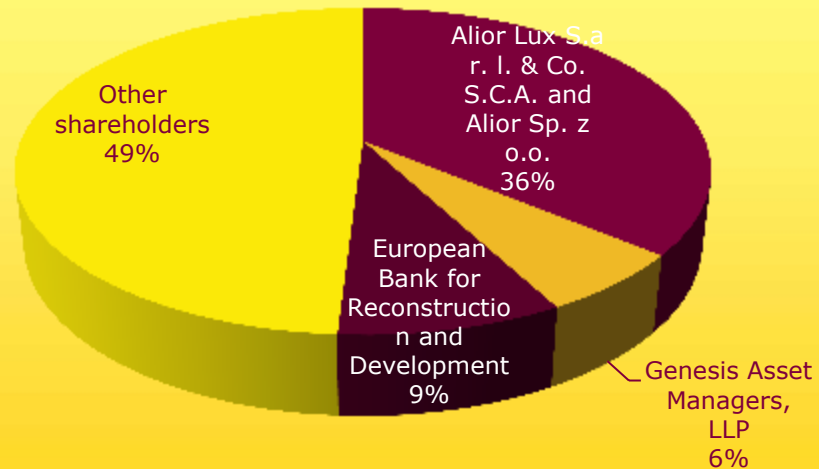
Unique algo trading system and 3 trading platforms are set to increase Alior Bank's market share in the FX market in Poland

SHAREHOLDING STRUCTURE

As of 31.12.2012



As of 06.02.2013



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BYSTRZANOWSKI**

UNIT HEAD



**FABIOLA KOLAGO-
WINIARSKA**

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AGNIESZKA DYMURA

**OBLIGATORY
REPORTING AND
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