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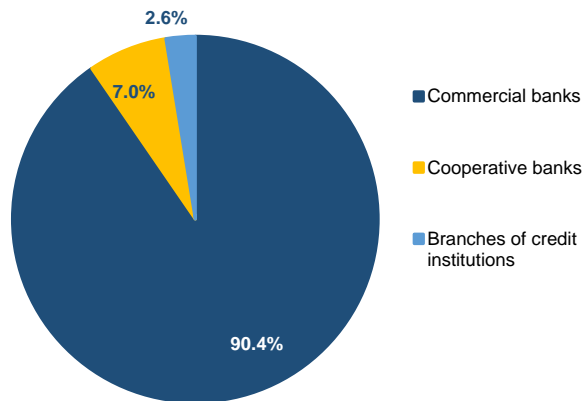
POLISH FINANCIAL SUPERVISION AUTHORITY

Banking sector data as at the end of May 2024

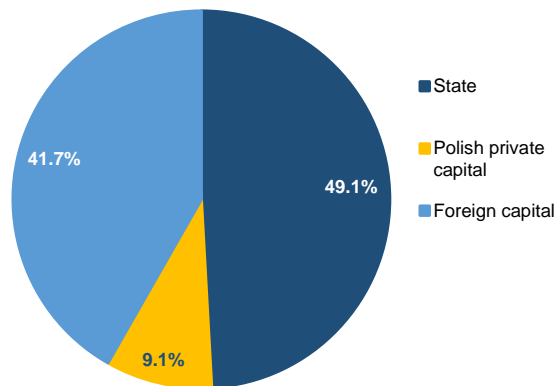
Based on the data of the National Bank of Poland reported on:
12 July 2024

Banking sector structure

Structure by client (share in assets)
May 2024



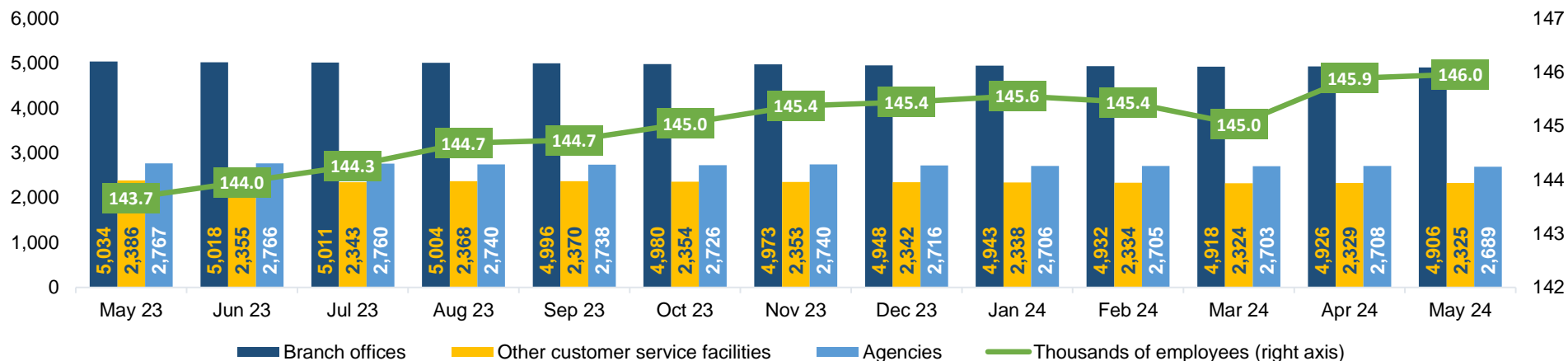
Capital origin (share in assets)
May 2024



At the end of May 2024, there were:

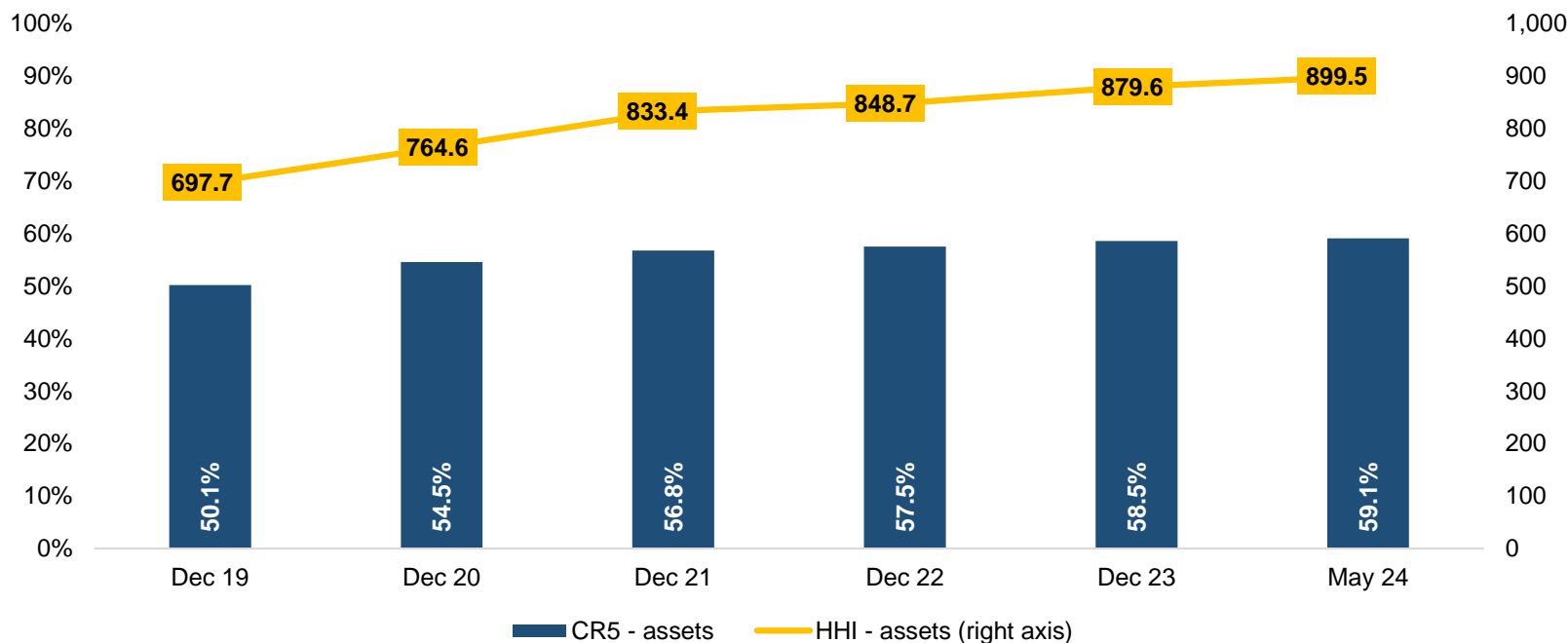
- 29 commercial banks,
- 491 cooperative banks,
- 33 branches of credit institutions and foreign banks.

Banking network



Concentration of the banking sector

Concentration rates



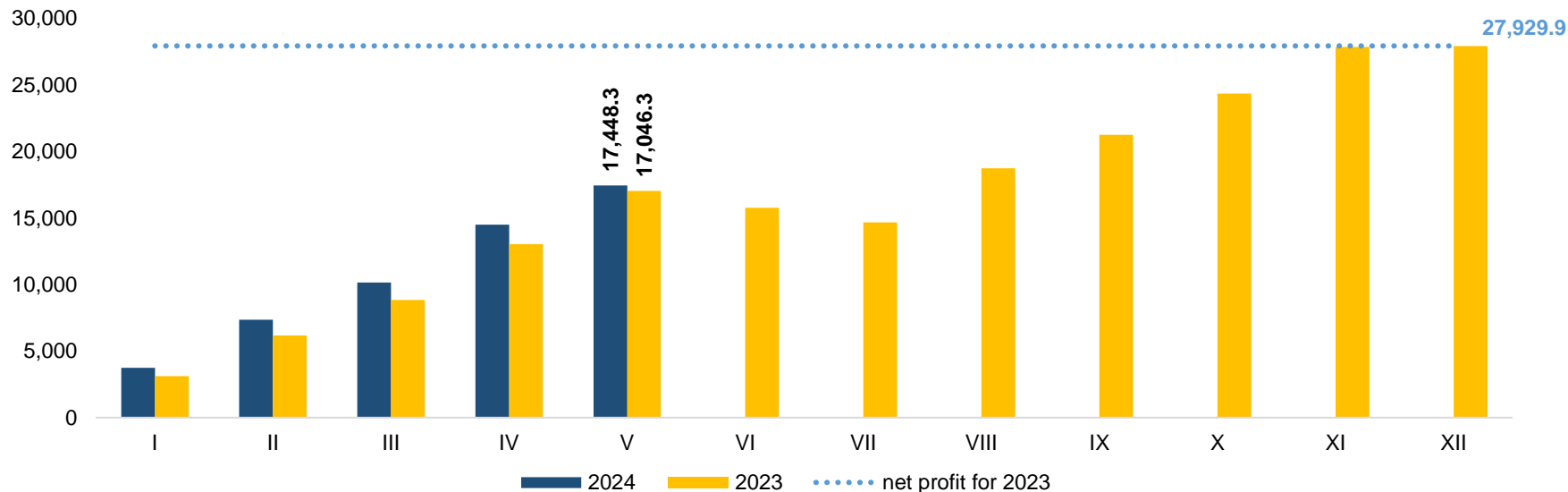
HHI – the Herfindahl-Hirschman index (the sum of squares of banks' shares in the banking sector assets) is a measure of market concentration. The index takes into account not only the number of entities but also their relative size.

CR5 – assets – an indicator representing the shares of 5 banks with the highest balance-sheet total.

HHI of 899.5 indicates a competitive market.

Financial result

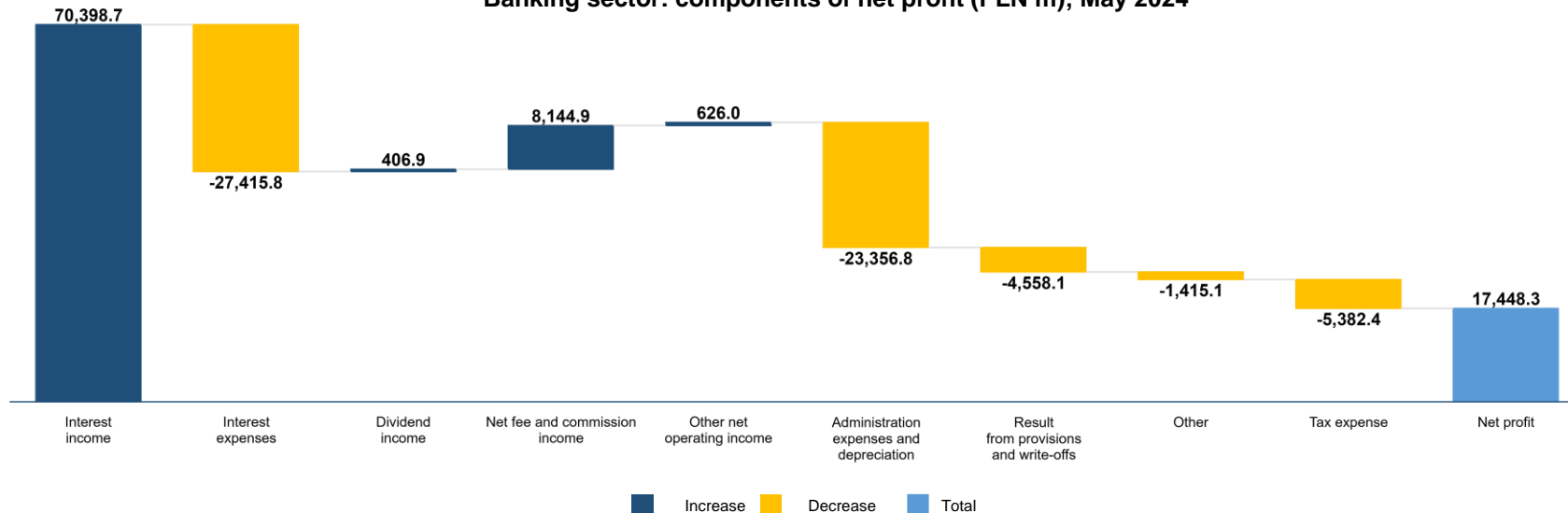
Banking sector: net profit (PLN m)



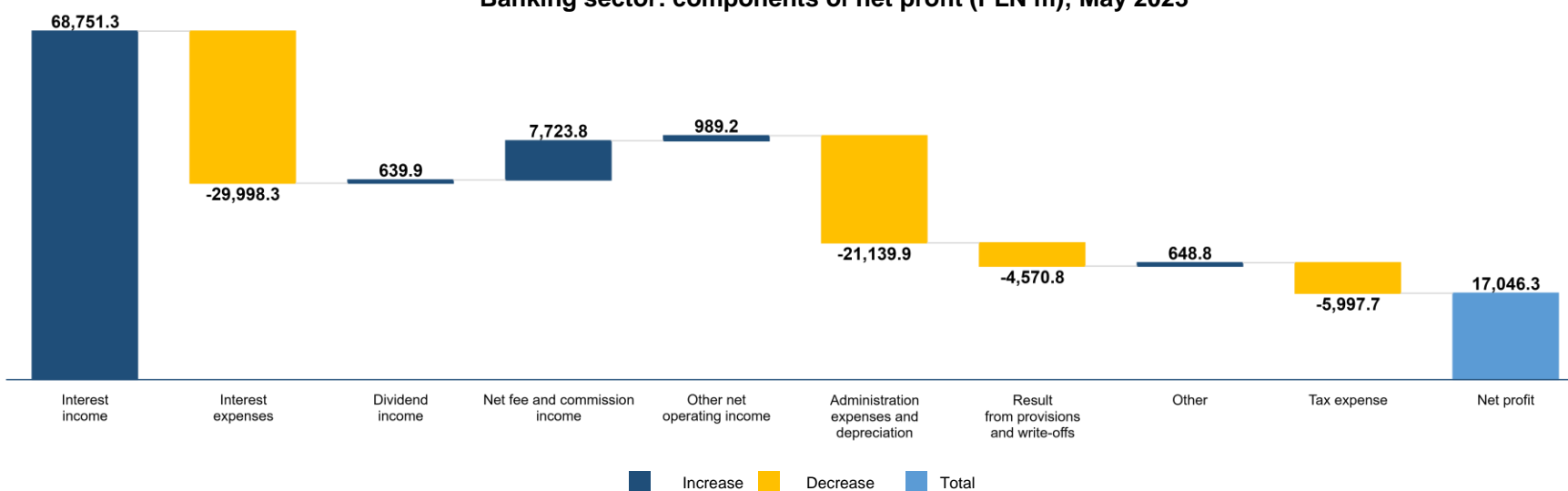
The net financial result at the end of May 2024 amounted to PLN 17.4 bn. It was higher by PLN 402.0 m (+2.4% YoY) than the profit achieved by the sector at the end of May 2023 and higher by PLN 2.9 bn than the profit achieved at the end of April 2024 (+20.2% MoM).

Financial result

Banking sector: components of net profit (PLN m); May 2024

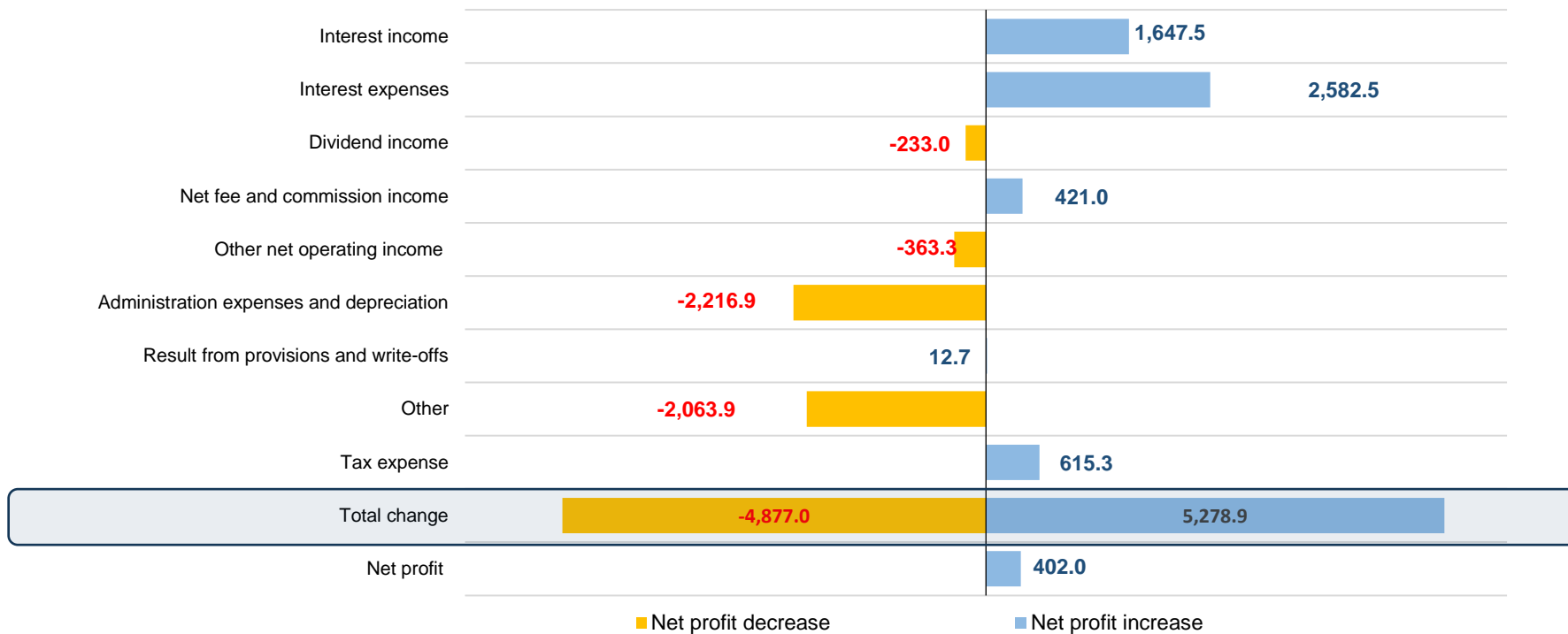


Banking sector: components of net profit (PLN m); May 2023

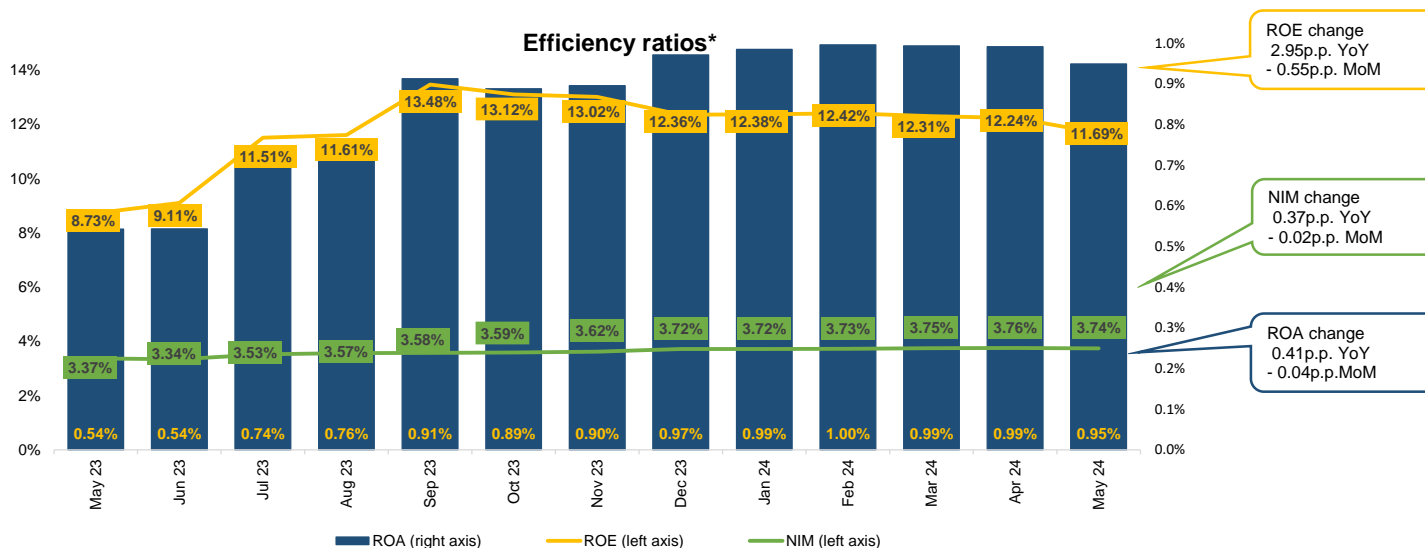


Financial result

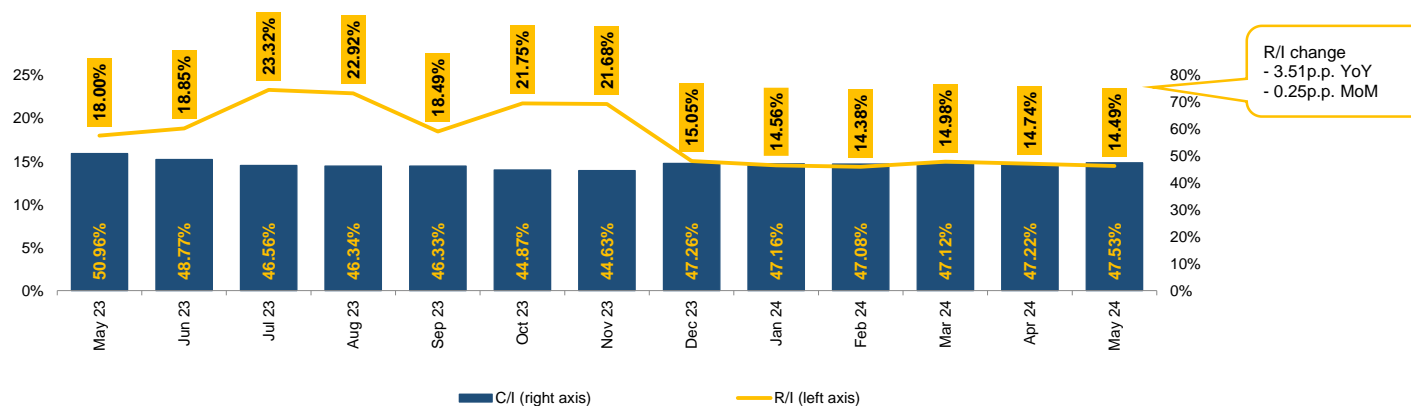
Banking sector: impact of YoY changes in individual items of P&L on the financial result (PLN m); May 2024



Banking sector efficiency



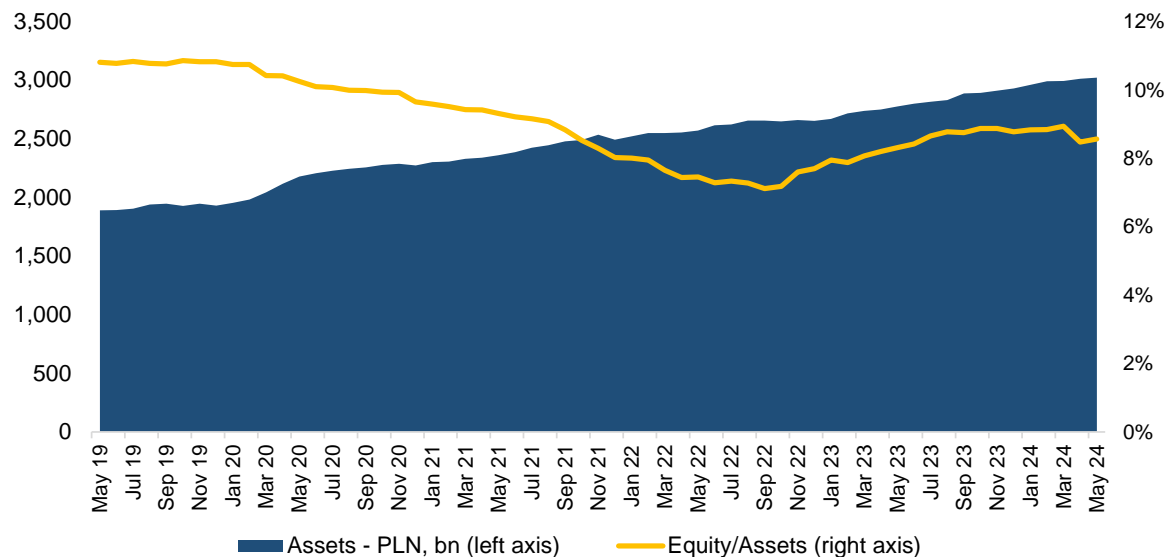
Cost to income (C/I) and provisions and write-offs to income (R/I)**



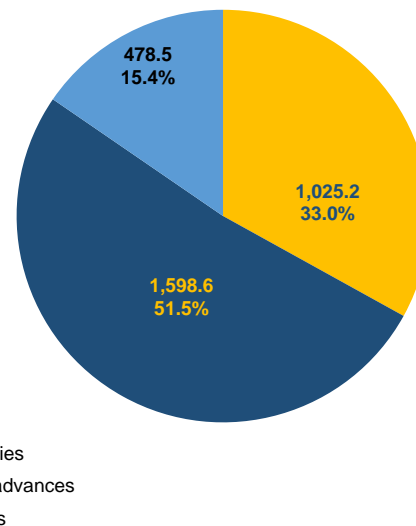
*/ ROA and ROE ratios: the financial result achieved over 12 subsequent months in relation to the average assets and average capital over 13 subsequent months.
 The ROE ratio refers to the aggregate of commercial and cooperative banking sector (excluding branches of credit institutions), the ROA ratio refers to the entire banking sector.
 NIM ratio: net interest income over 12 subsequent months in relation to average interest assets over 13 subsequent months.
 **/ C/I ratio: costs (operating costs + depreciation of fixed assets and intangible assets) in relation to income (total operating income, net); moving average of 12 months.
 / R/I ratio: write-offs and provisions (provisions + impairment or reversal of impairment) in relation to income (total operating income, net); moving average of 12 months.

Balance sheet

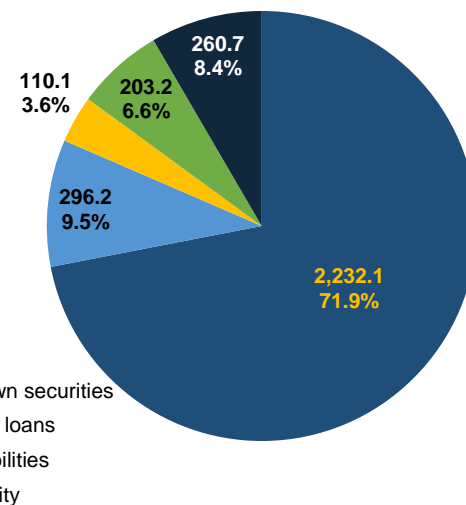
Equity vs total assets, commercial and cooperative banks



Balance sheet structure: assets* (PLN bn), May 2024



Balance sheet structure: liabilities* (PLN bn), May 2024



Balance sheet total (PLN bn)	Balance sheet total May 2024	MoM change	YoY change
Banking sector	3,102.4	11.4	8.8%
Commercial banks	2,805.1	9.5	8.4%
Cooperative banks	217.4	1.9	15.6%
Branches of credit institutions	79.9	0.1	5.6%

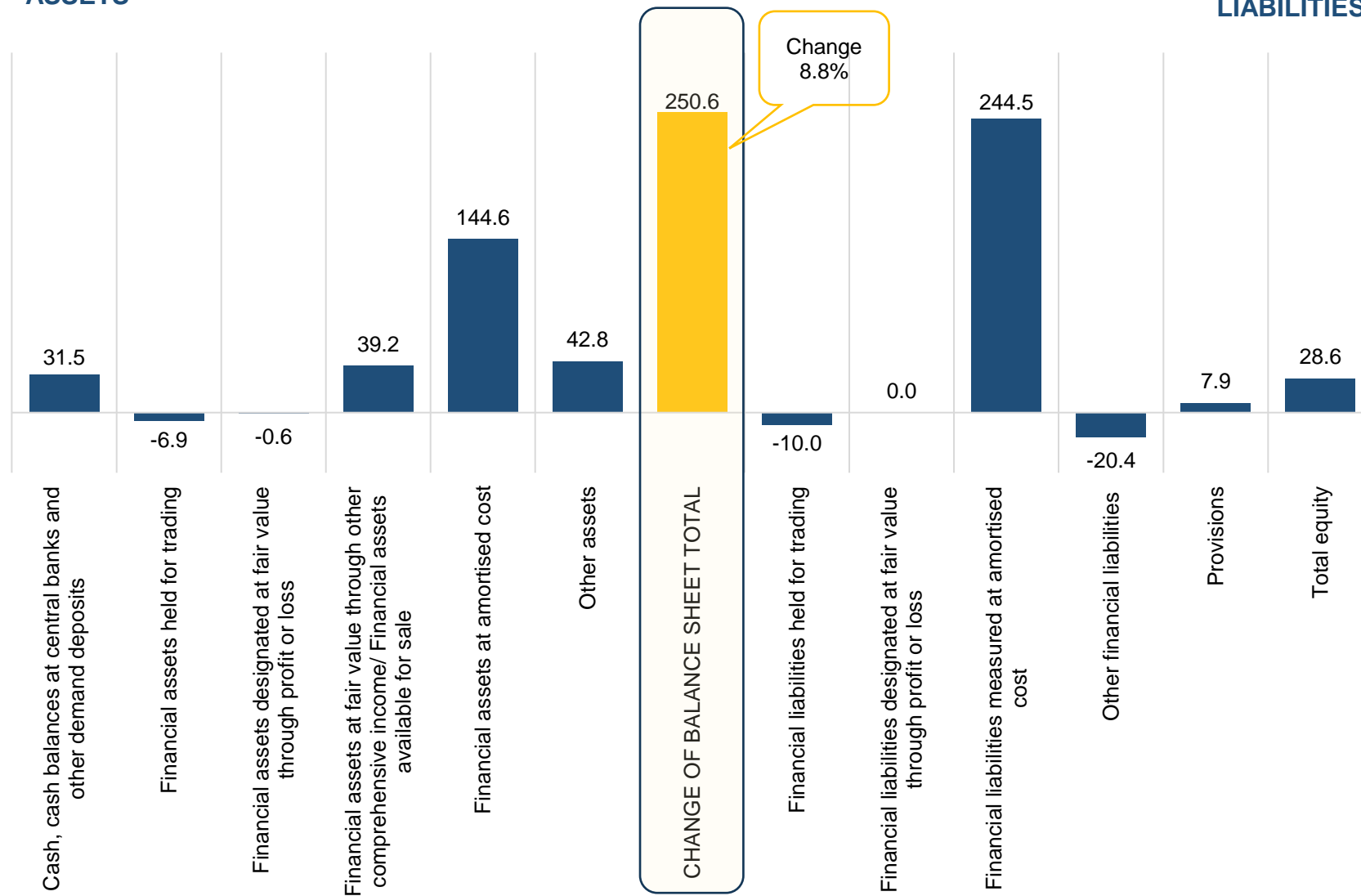
*/ Commercial and cooperative banks.

Balance sheet: YoY changes

Portfolio structure of the balance sheet: banking sector
Change in the period between May 2023 and May 2024 (PLN bn)

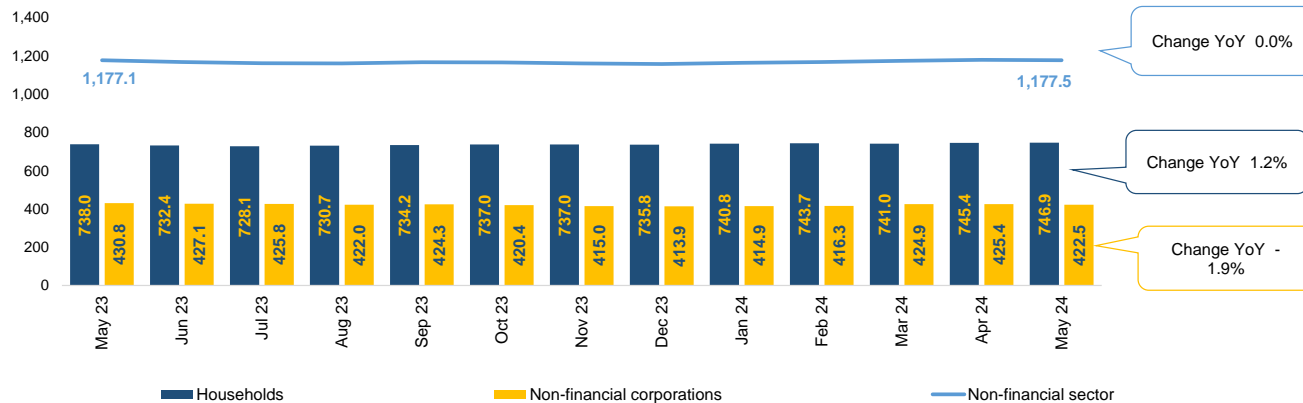
ASSETS

LIABILITIES

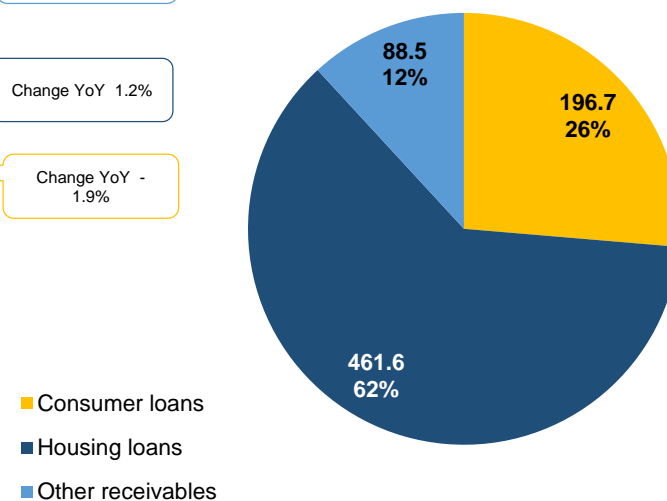


Balance sheet: loans to the non-financial sector

Receivables from the non-financial sector – portfolio B* (PLN bn)



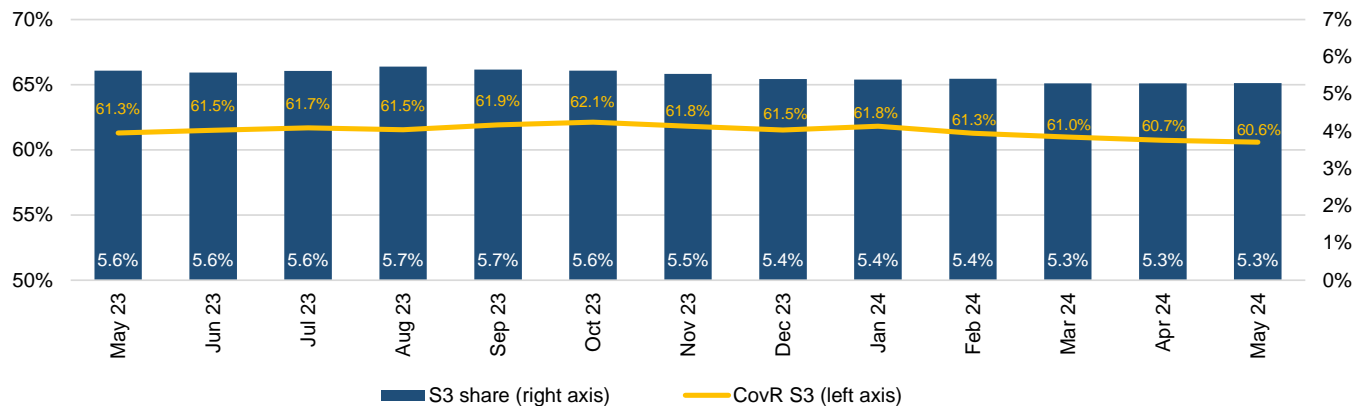
Gross receivables from households – portfolio B* (PLN bn)
May 2024



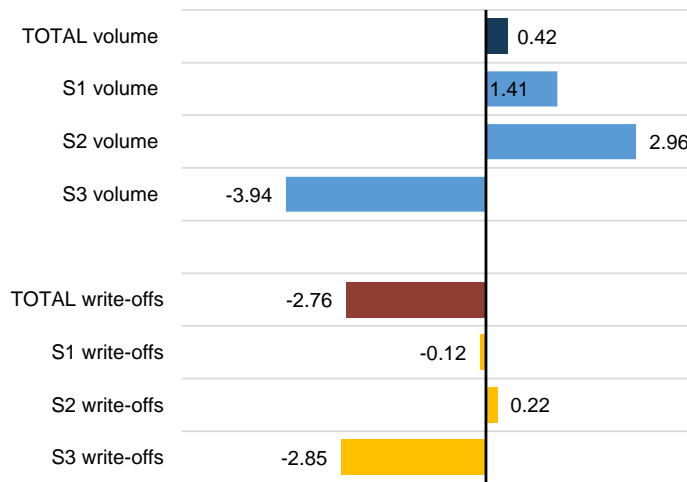
The gross volume of loans to the non-financial sector decreased by PLN 1.5 bn (-0.1% MoM) in May 2024.

Non-financial sector receivables quality

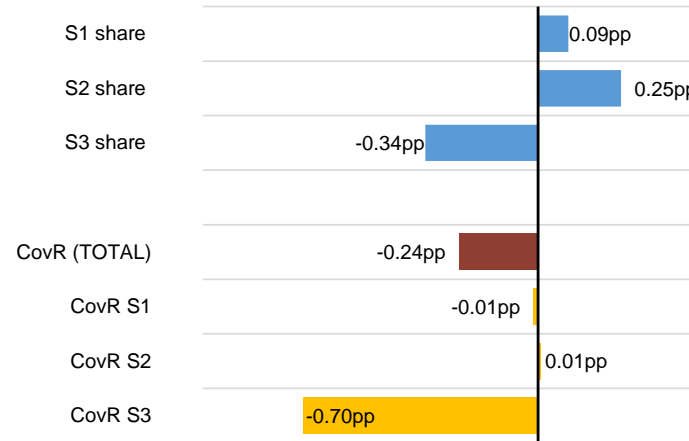
TOTAL* receivables from the non-financial sector – quality of receivables and coverage ratio



Change in the gross volume of receivables and write-offs in the period between May 2023 and May 2024 (PLN bn)



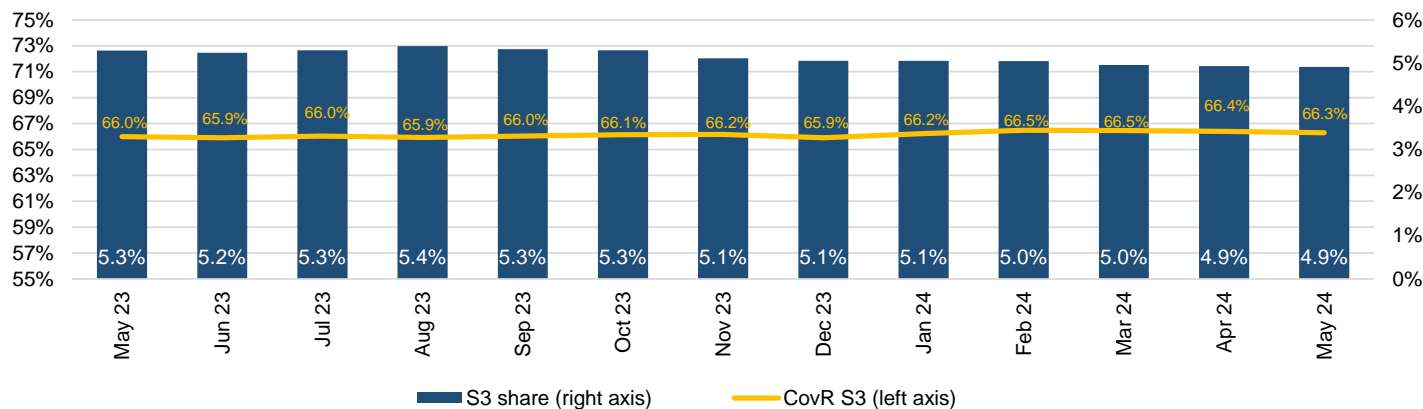
Change in the share of stages and coverage with write-offs in the period between May 2023 and May 2024 (pp)



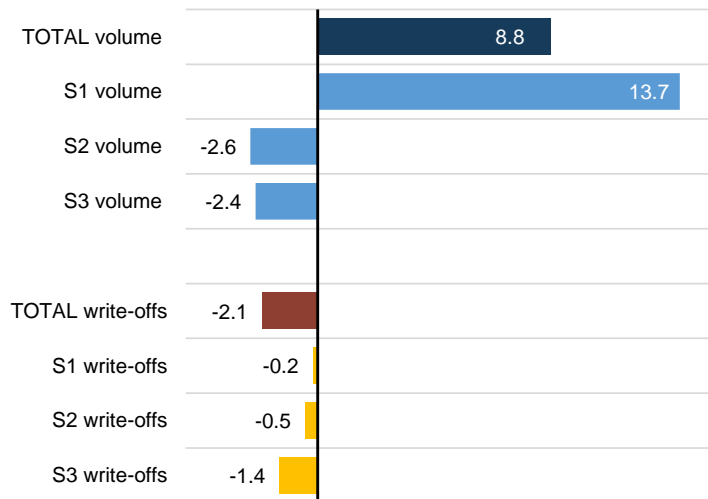
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Non-financial sector receivables quality

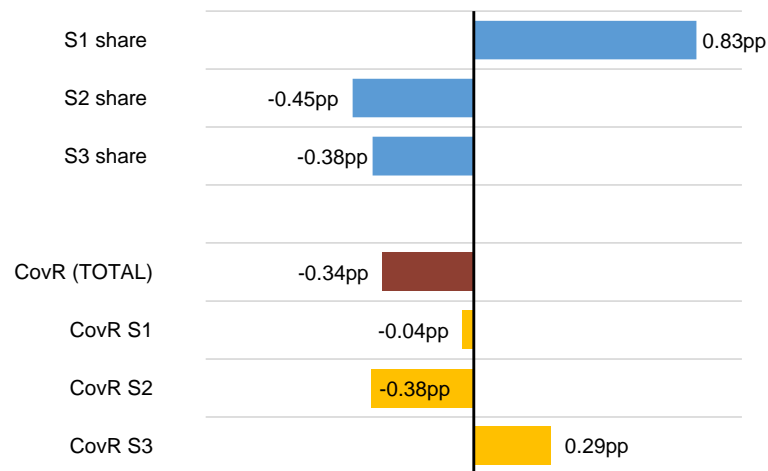
TOTAL* receivables from households – quality of receivables and coverage ratio



Change in the gross volume of receivables and write-offs in the period between May 2023 and May 2024 (PLN bn)



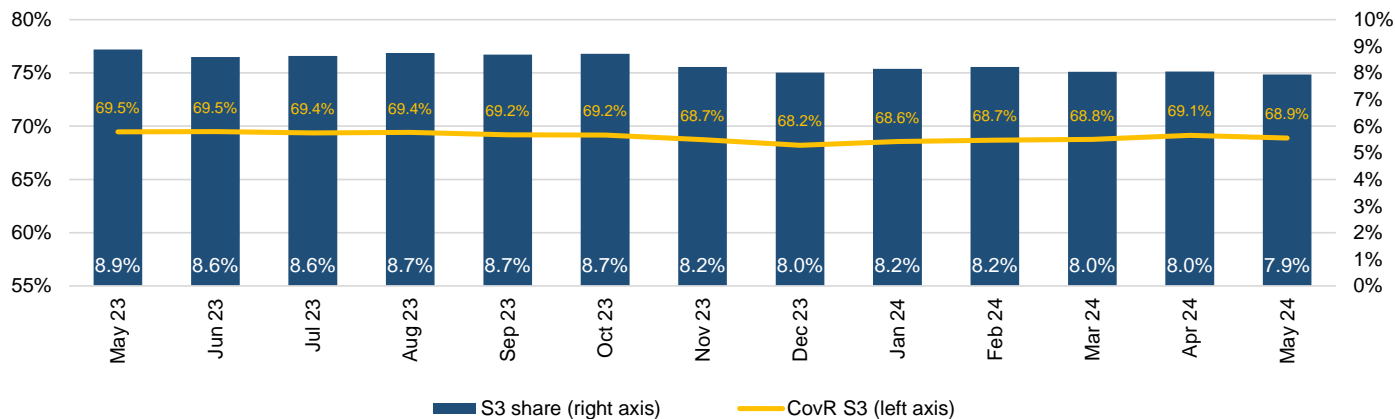
Change in the share of stages and coverage with write-offs in the period between May 2023 and May 2024 (pp)



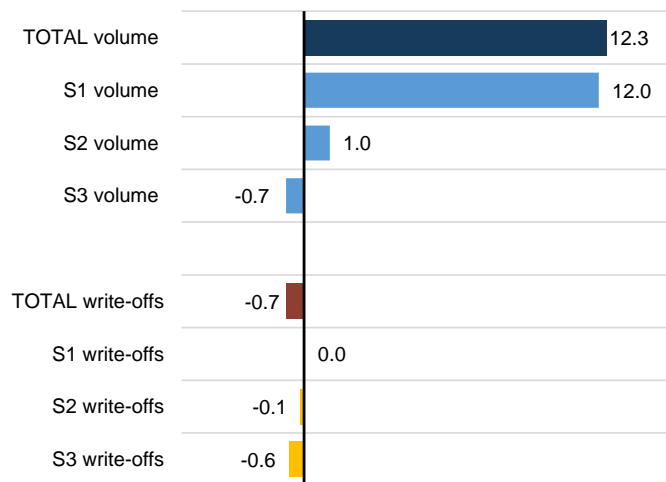
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Non-financial sector receivables quality

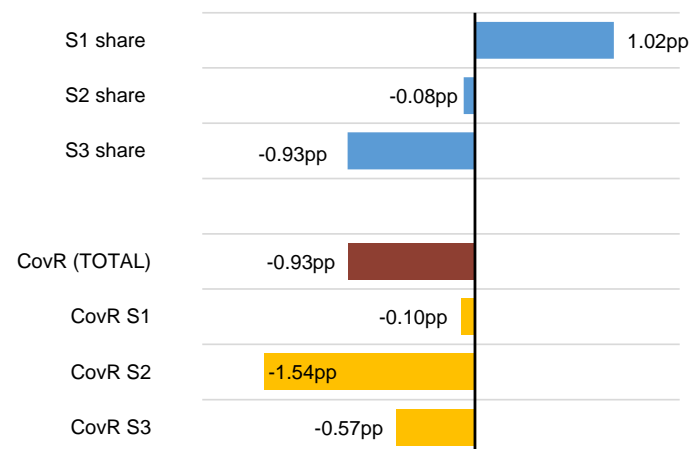
Consumer loans* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between May 2023 and May 2024 (PLN bn)



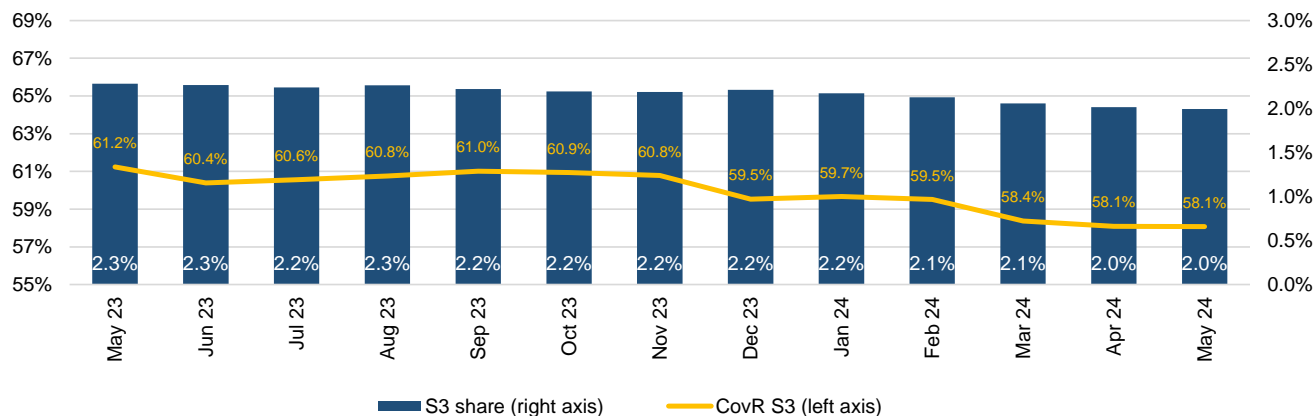
Change in the share of stages and coverage with write-offs in the period between May 2023 and May 2024 (pp)



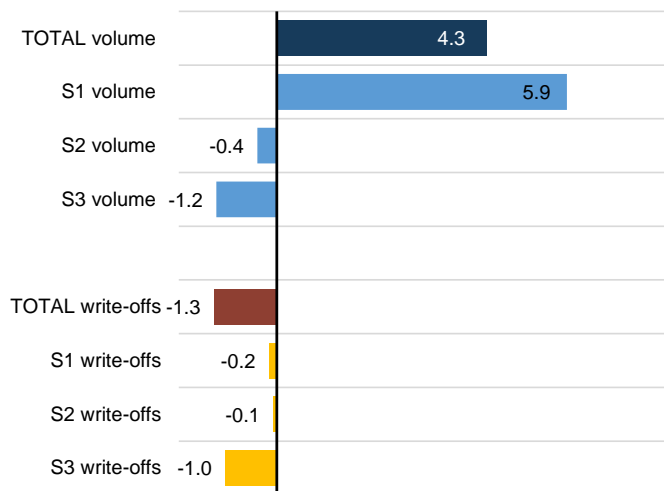
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Non-financial sector receivables quality

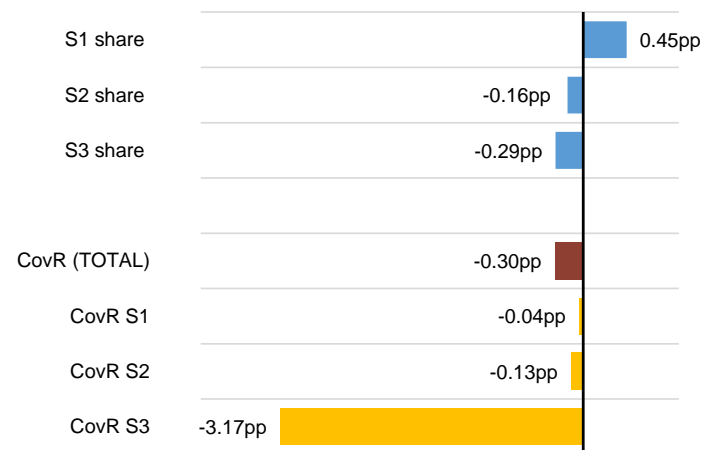
Housing loans* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between May 2023 and May 2024 (PLN bn)



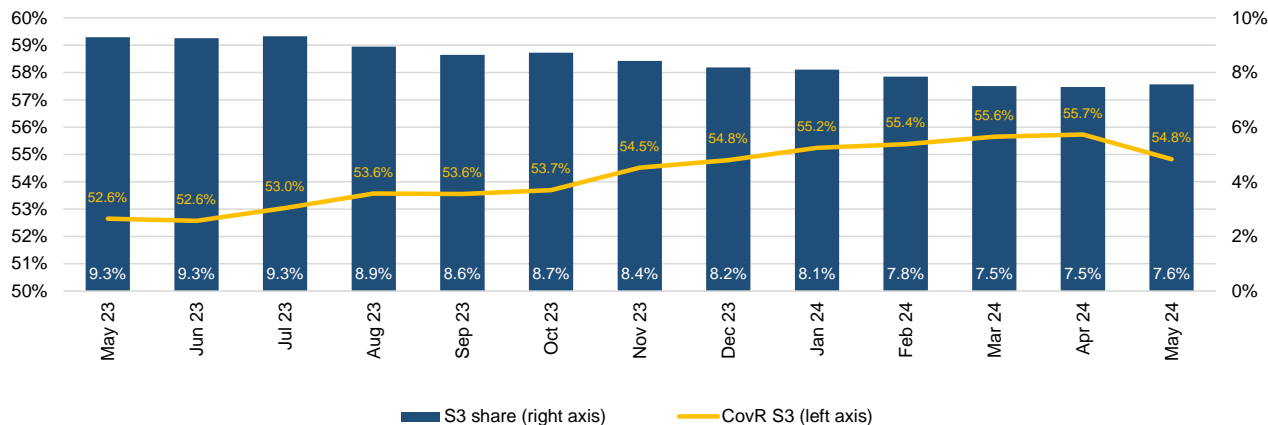
Change in the share of stages and coverage with write-offs in the period between May 2023 and May 2024 (pp)



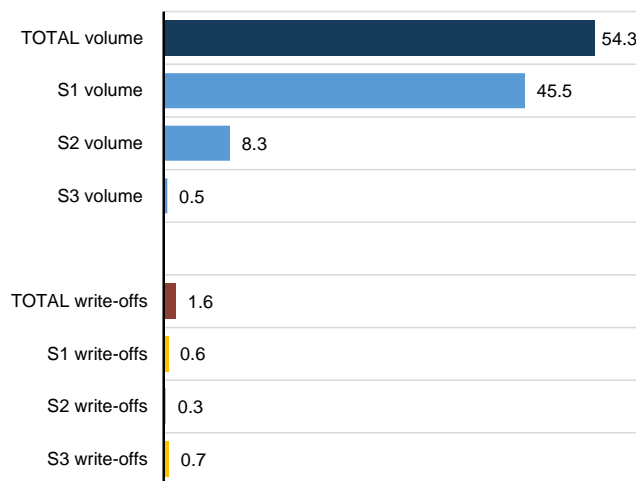
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Non-financial sector receivables quality

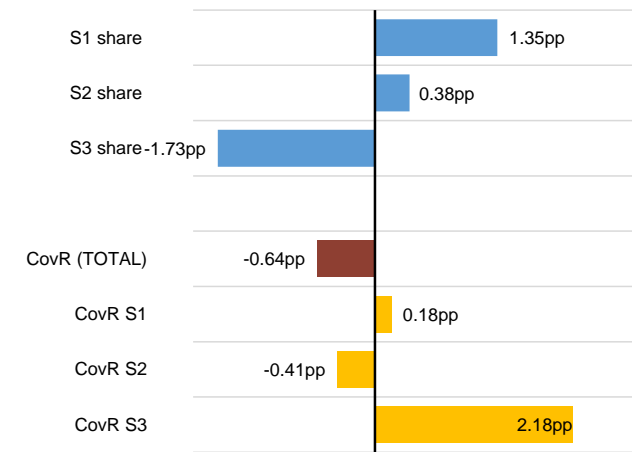
Loans to SMEs* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between May 2023 and May 2024 (PLN bn)



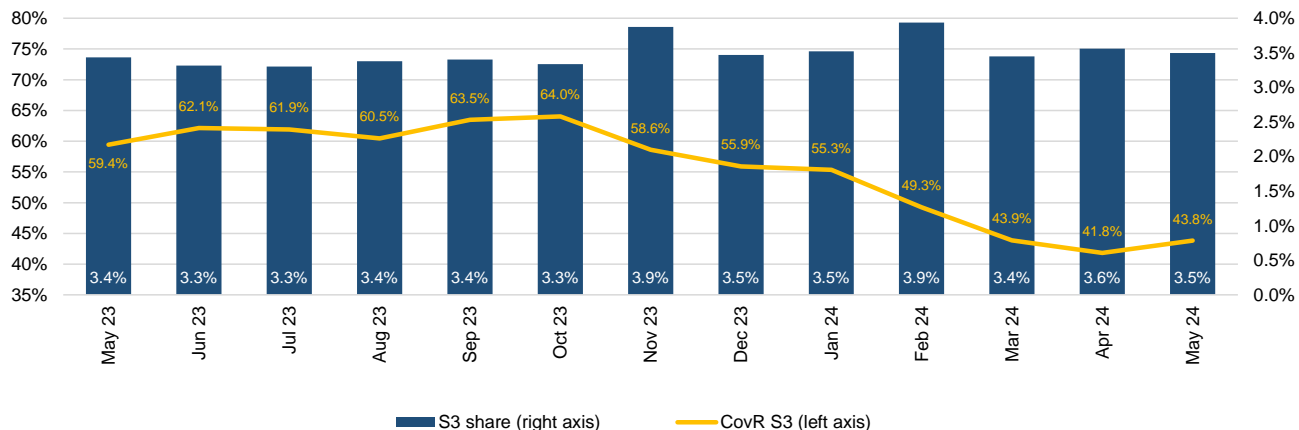
Change in the share of stages and coverage with write-offs in the period between May 2023 and May 2024 (pp)



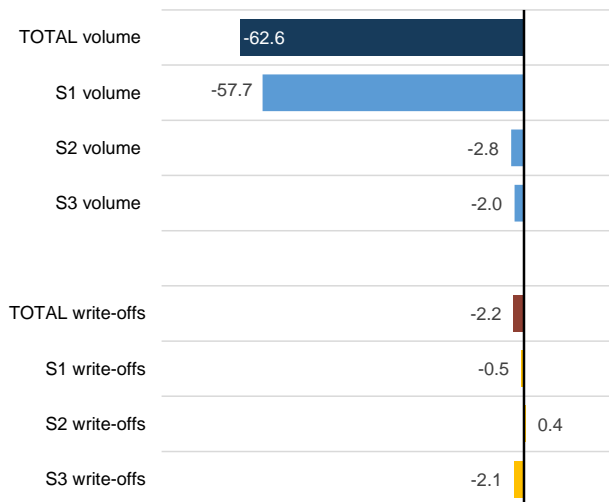
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Non-financial sector receivables quality

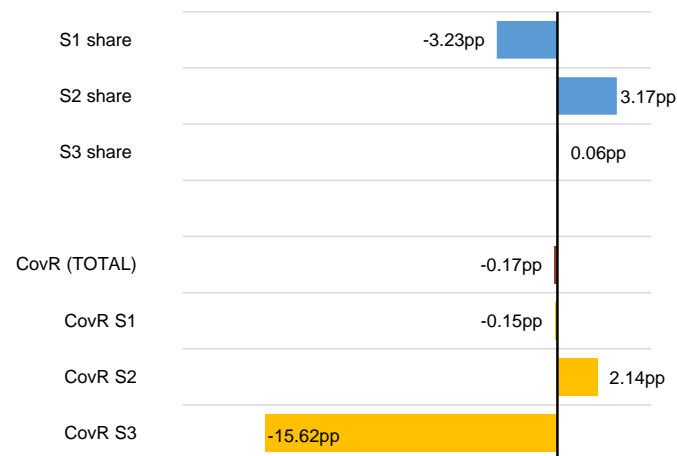
Loans to large enterprises* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between May 2023 and May 2024 (PLN bn)



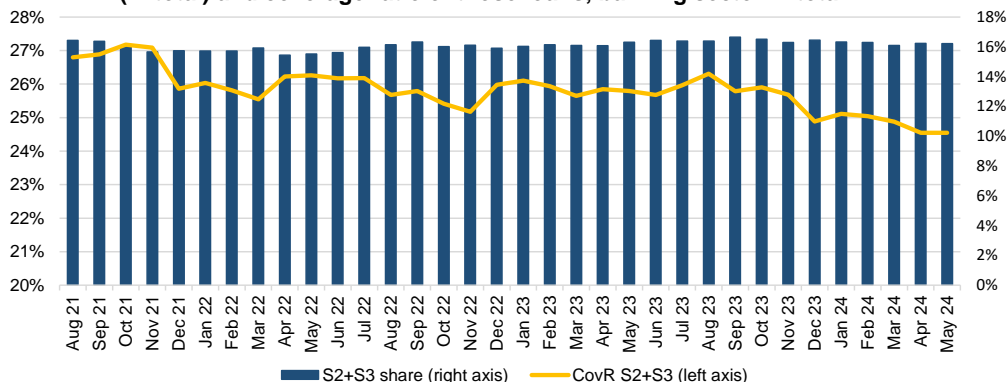
Change in the share of stages and coverage with write-offs in the period between May 2023 and May 2024 (pp)



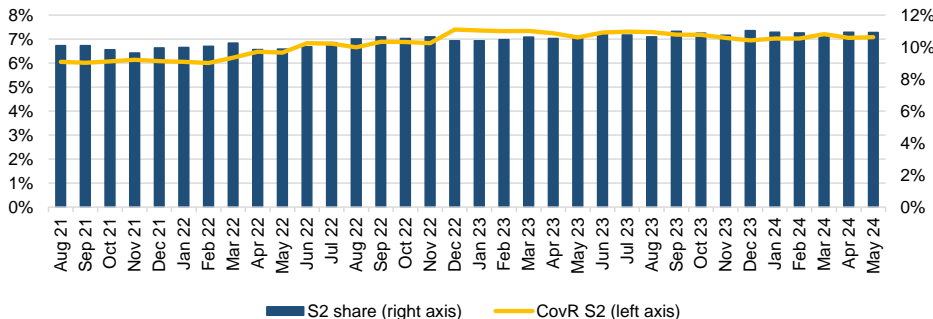
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Loans and advances*: non-financial sector

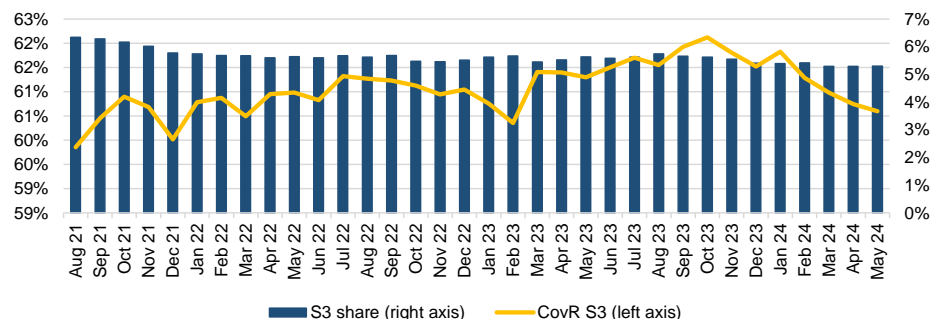
Loans and advances to the non-financial sector; share of loans in stages 2 and 3 (in total) and coverage ratio of those loans; banking sector in total



Loans and advances to the non-financial sector; share of loans in stage 2 and coverage ratio of those loans; banking sector in total

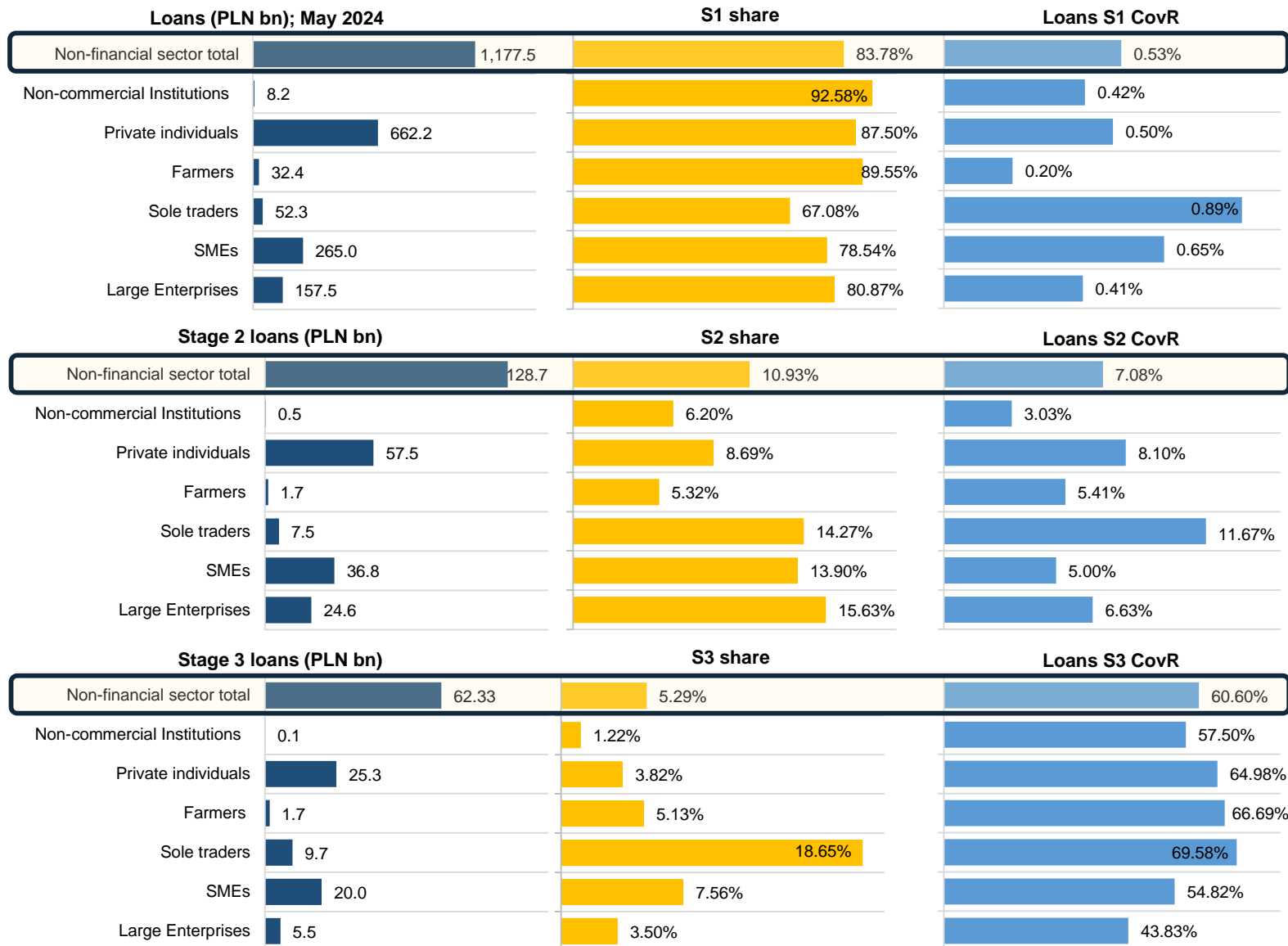


Loans and advances to the non-financial sector; share of loans in stage 3 and coverage ratio of those loans; banking sector in total



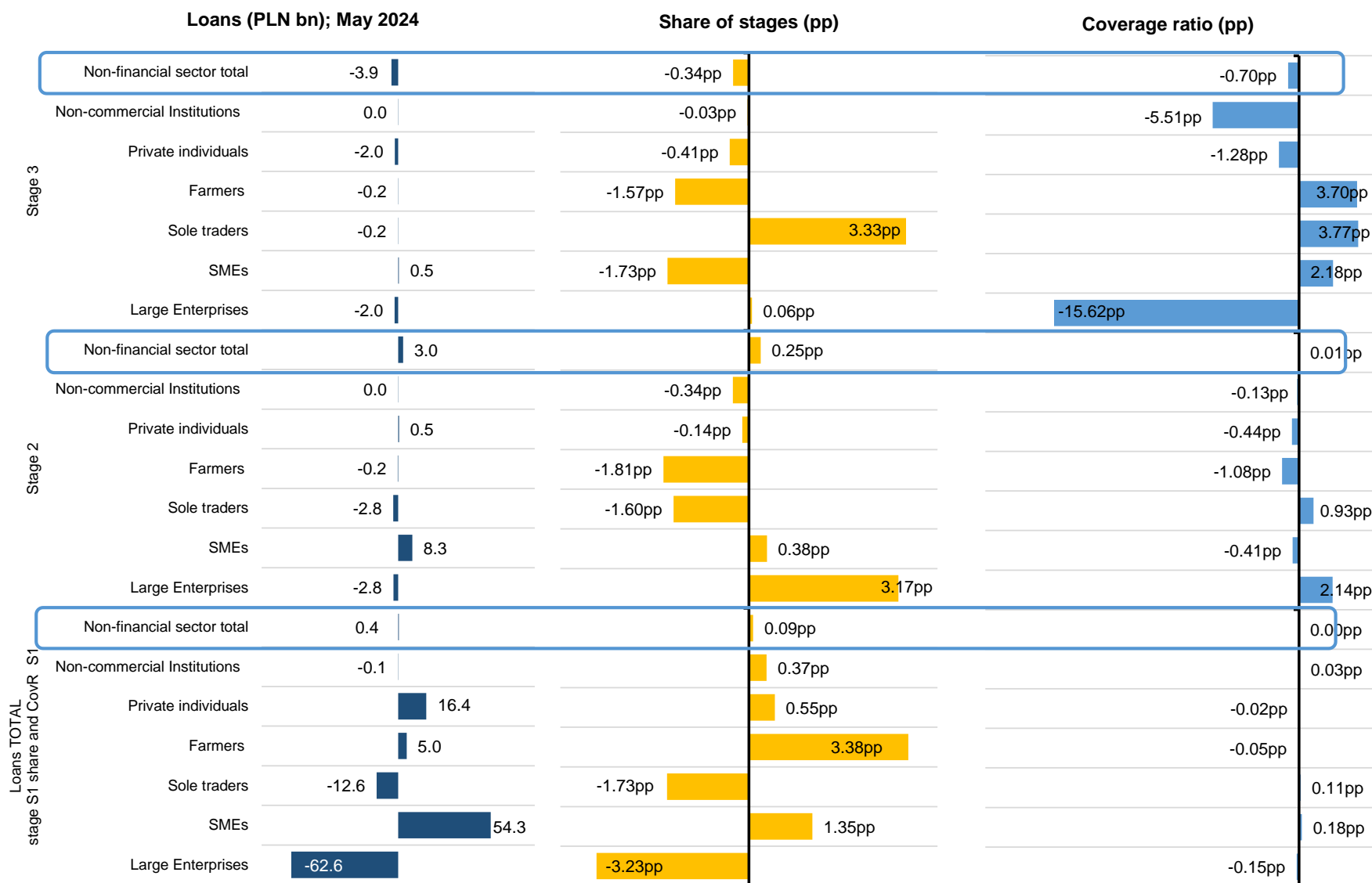
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Loans and advances (gross)* by client



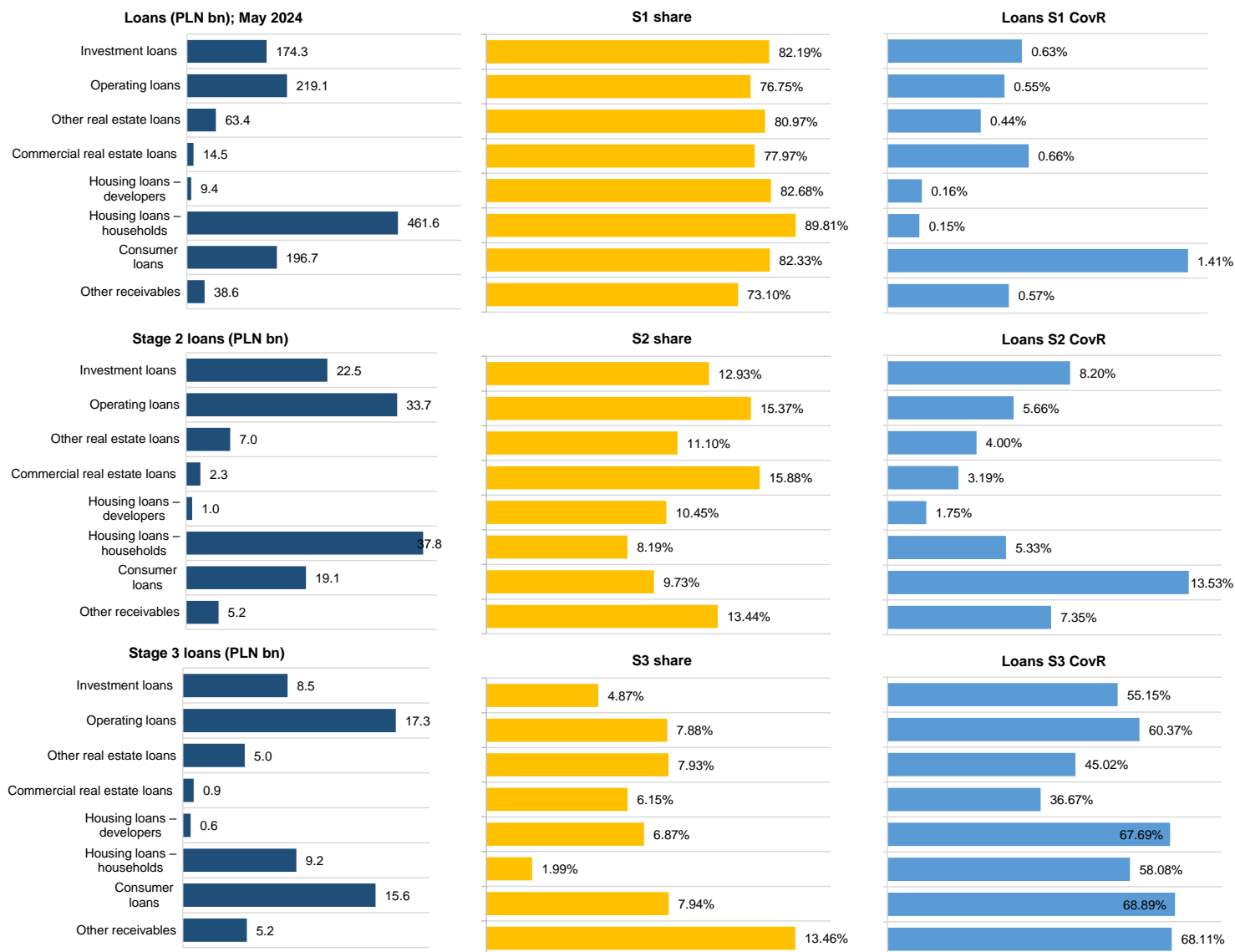
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Loans and advances (gross)* by client – YoY change



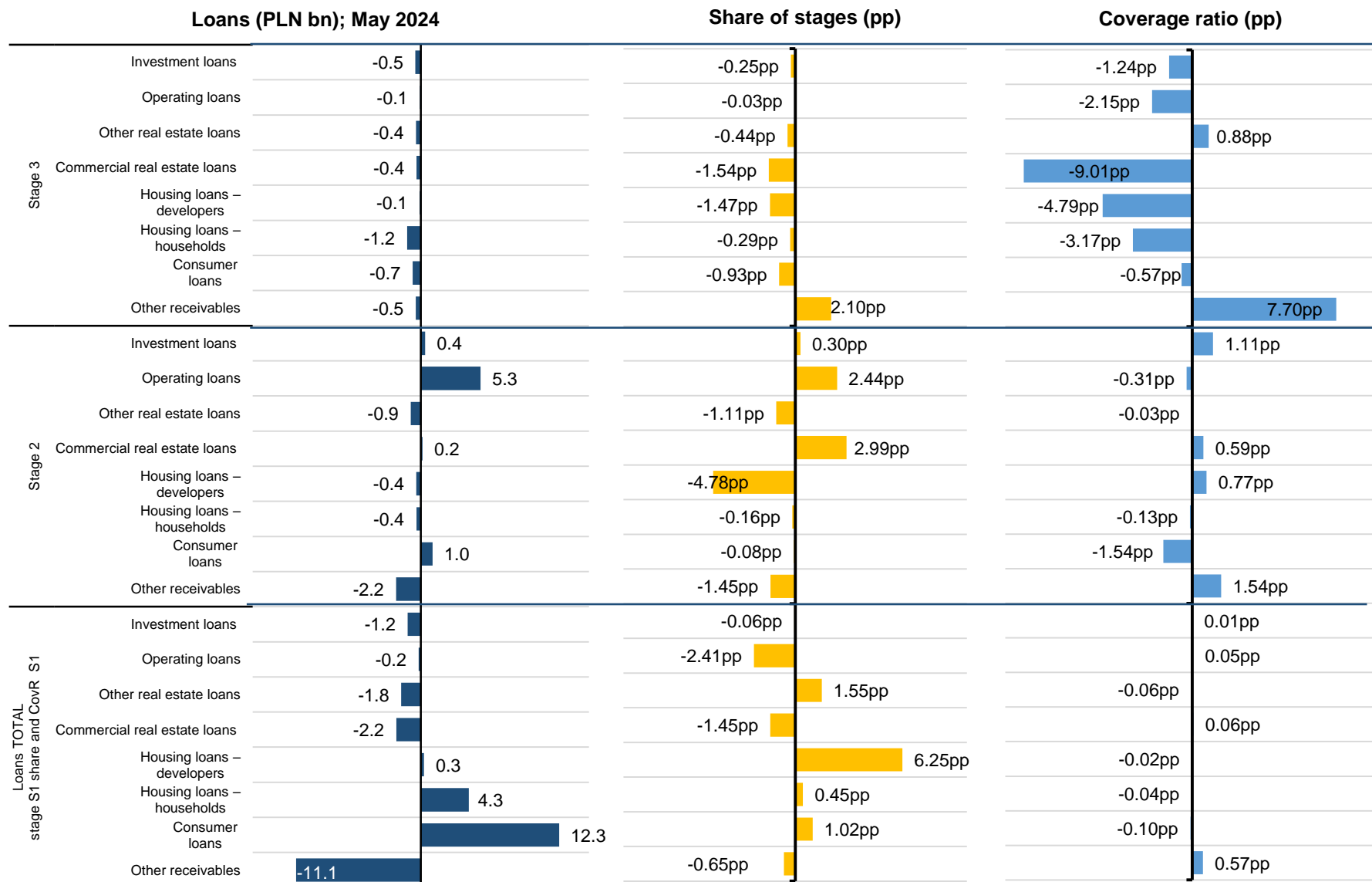
*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Loans and advances (gross)* by product



*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Loans and advances (gross)* by product – YoY change



*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Loans and advances*: non-financial sector

- **Housing loans (gross) to households** decreased by PLN 0.9 bn to PLN 461.6 bn (-0.2% MoM; +0.9% YoY) in May 2024:
 - ✓ **housing loans (gross) in PLN** increased in May 2024 (+PLN 0.5 bn) to PLN 424.6 bn (+0.1% MoM; +9.0% YoY). As at the end of May 2024, PLN loans accounted for 92.0% of all housing loans to households;
 - ✓ **housing loans (gross) in other currencies** decreased compared to the previous month (-3.7% MoM; -45.6% YoY) to PLN 37.0 bn.
- **Consumer loans (gross)** increased in May 2024 by PLN 2.0 bn to PLN 196.7 bn (+1.0% MoM; +6.7% YoY).

**/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.*

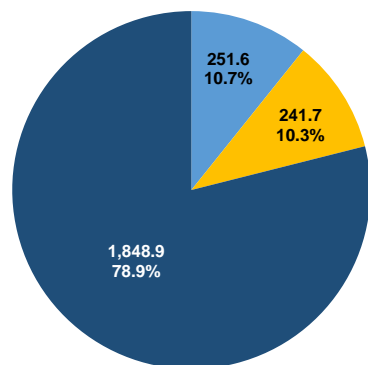
Loans and advances*: non-financial sector

- **Operating loans (gross) to non-financial corporations** decreased in May 2024 by PLN 2.0 bn to PLN 170.5 bn (-1.2% MoM; -2.3% YoY).
- **Investment loans (gross) to non-financial corporations** decreased in May 2024 by PLN 0.7 bn to PLN 157.6 bn (-0.4% MoM; +1.0% YoY).
- **Impaired (stage 3) receivables from the non-financial sector** in May 2024:
 - ✓ decreased compared to previous month to PLN 62.3 bn (-0.03% MoM; -6.0% YoY);
 - ✓ dominant components were consumer loans (PLN 15.6 bn) and operating loans (PLN 17.3 bn);
 - ✓ the client structure was dominated by private individuals (PLN 25.3 bn) and SMEs (PLN 20.0 bn).

*/ At amortised cost and fair value through other comprehensive income; excluding debt instruments.

Balance sheet: liabilities

Deposits* and received loans;
May 2024 (PLN bn)

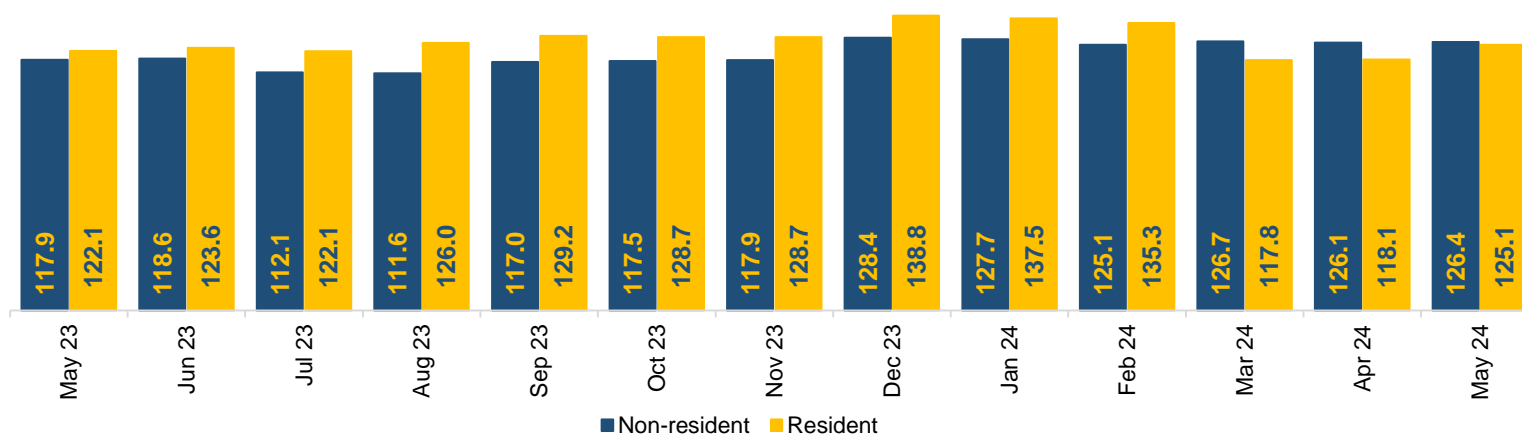


■ Financial sector
■ General Government sector
■ Non-financial sector

In May 2024:

- The General Government deposits' share was 10.3%.
- The commitment of non-residents increased by PLN 0.4 bn (+0.3% MoM; +7.2% YoY). The commitment of residents increased by PLN 7.0 bn (+6.0% MoM; +2.5% YoY).

Financial sector deposits and loans (PLN bn)

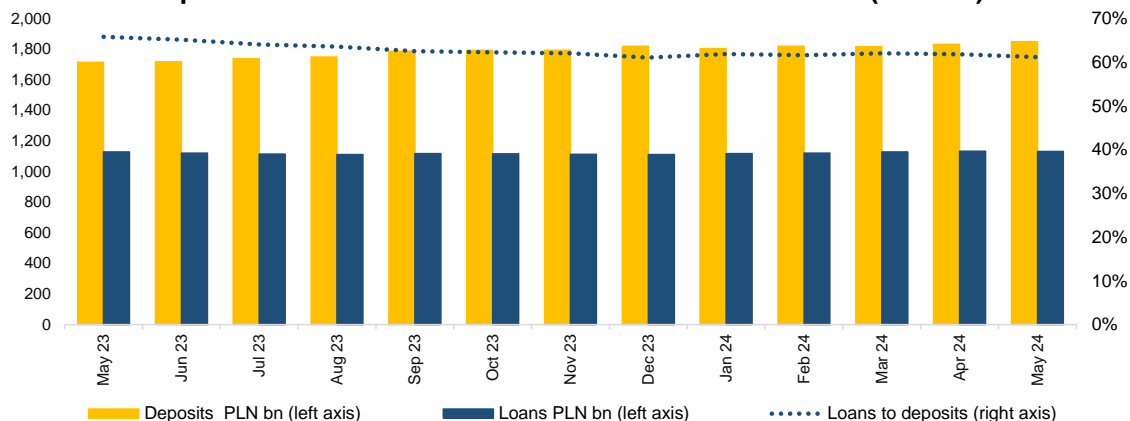


■ Non-resident ■ Resident

*/ Including blocked deposits.

Non-financial sector deposits

Deposits vs receivables* from the non-financial sector (PLN bn)

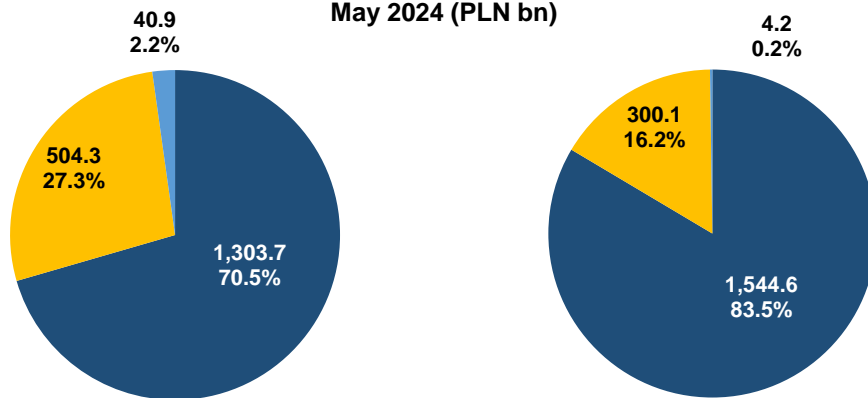


In May 2024:

- the loan-to-deposit ratio decreased to 61.2% (-0.6 pp MoM; -4.7 pp YoY)
- non-financial sector deposits* increased by PLN 17.2 bn, to PLN 1 848.9 bn (+0.9% MoM; +7.9% YoY)
- the volume of households' deposits*, which dominated the structure (70.5% of total non-financial sector deposits), decreased by PLN 0.3 bn (-0.02% MoM; +10.1% YoY).

*/ Loans at balance sheet value; excluding debt instruments.

Non-financial sector deposits; May 2024 (PLN bn)

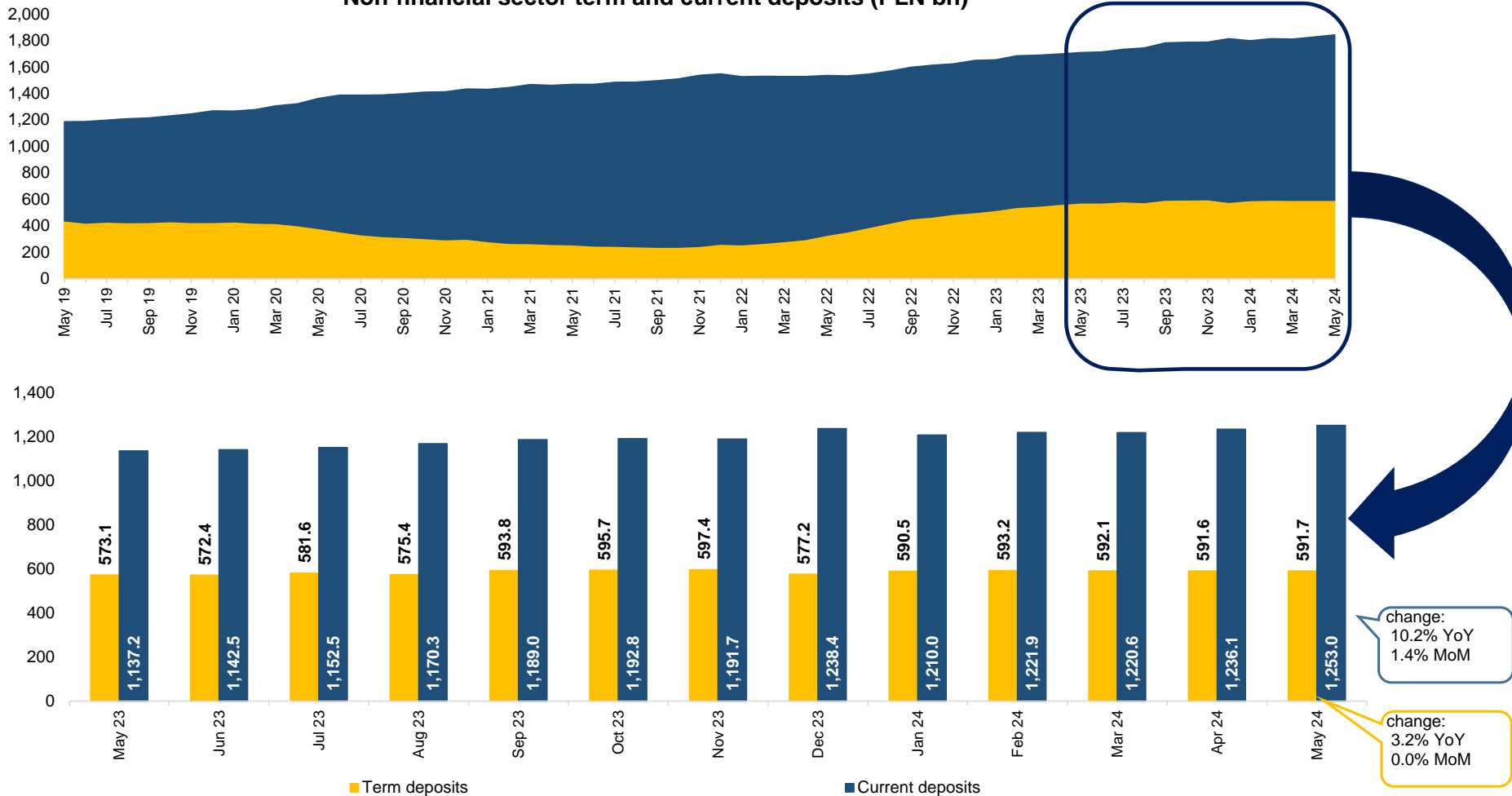


■ Households
■ Enterprises
■ Non-commercial institutions
■ PLN
■ Other than PLN
■ Blocked deposits - all currencies

*/ Including blocked deposits.

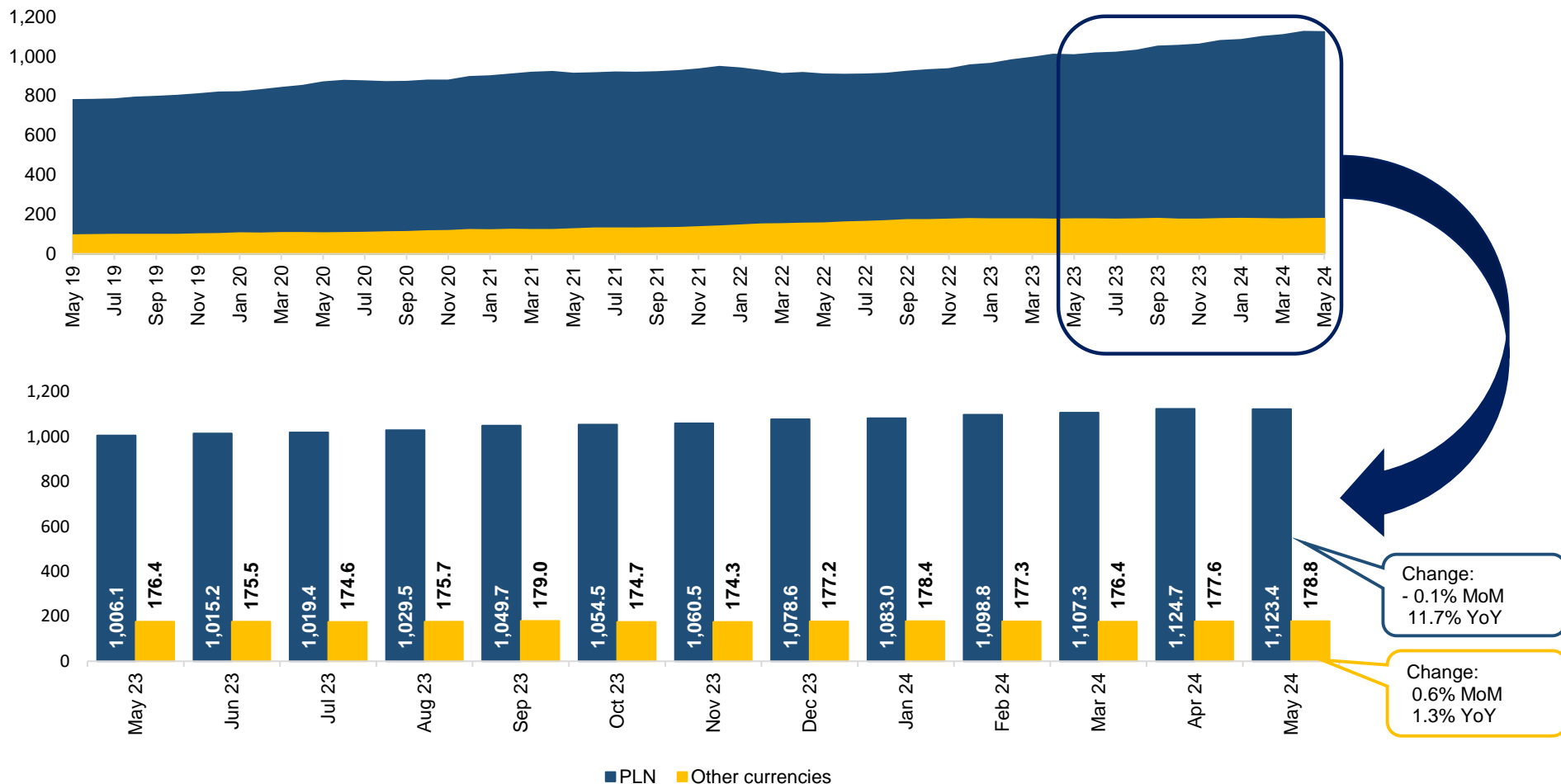
Non-financial sector deposits

Non-financial sector term and current deposits (PLN bn)



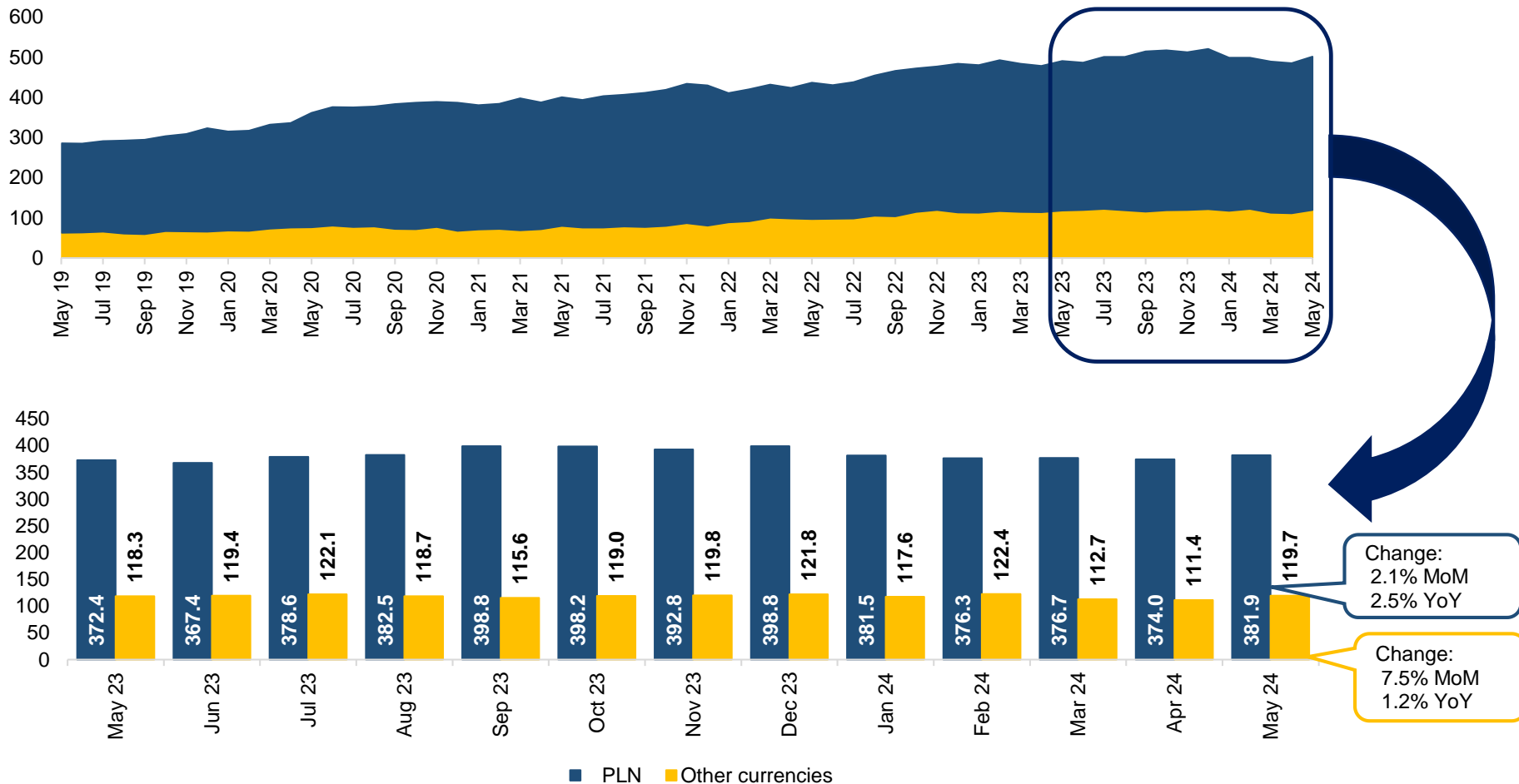
Non-financial sector deposits

Households' deposits (PLN bn)



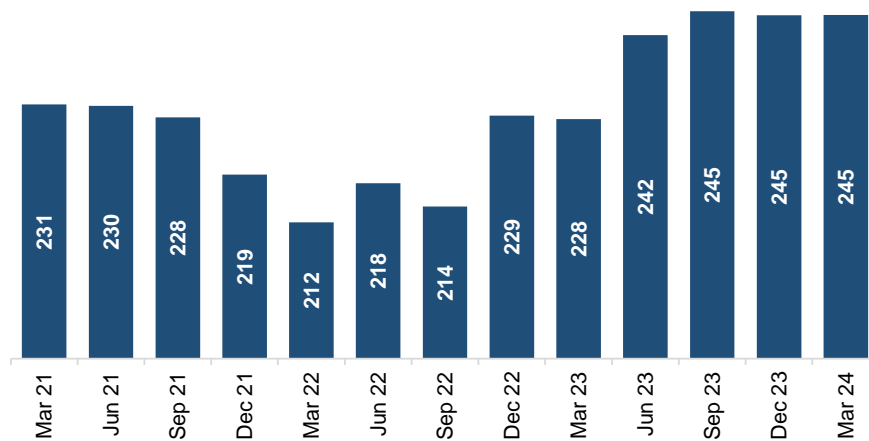
Non-financial sector deposits

Enterprises' deposits (PLN bn)

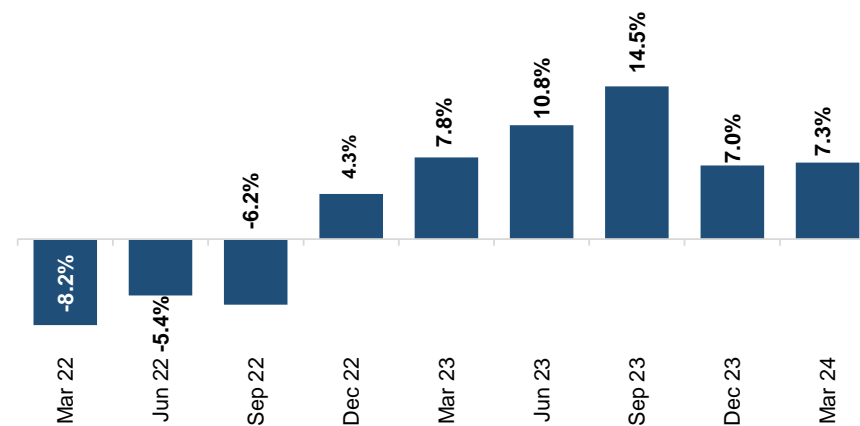


Capital adequacy: commercial and cooperative banks

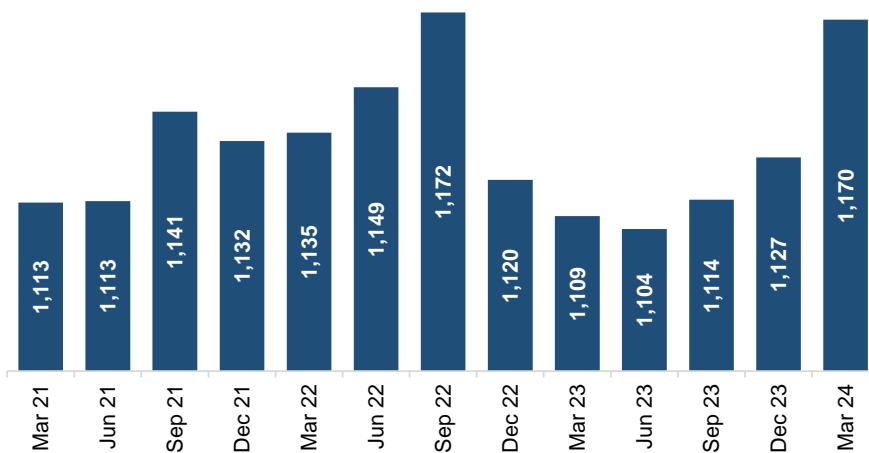
Own funds (PLN bn)



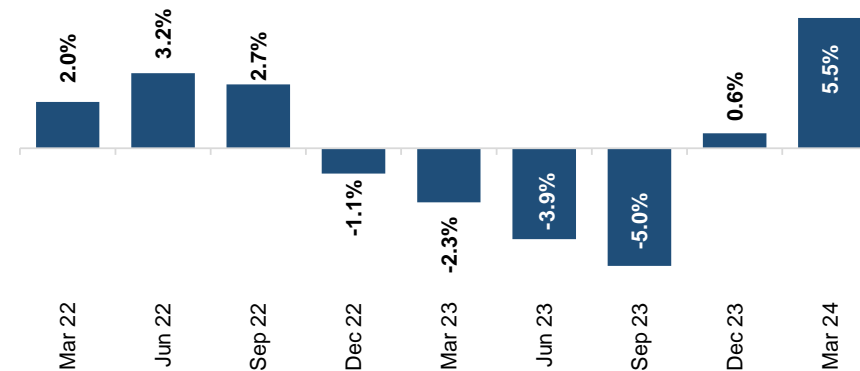
Own funds YoY dynamics



Total risk exposure amount (PLN bn)

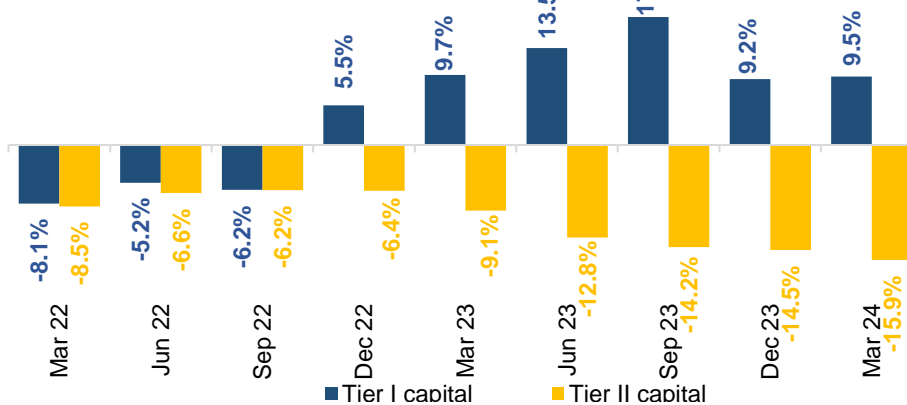


Total risk exposure amount YoY dynamics

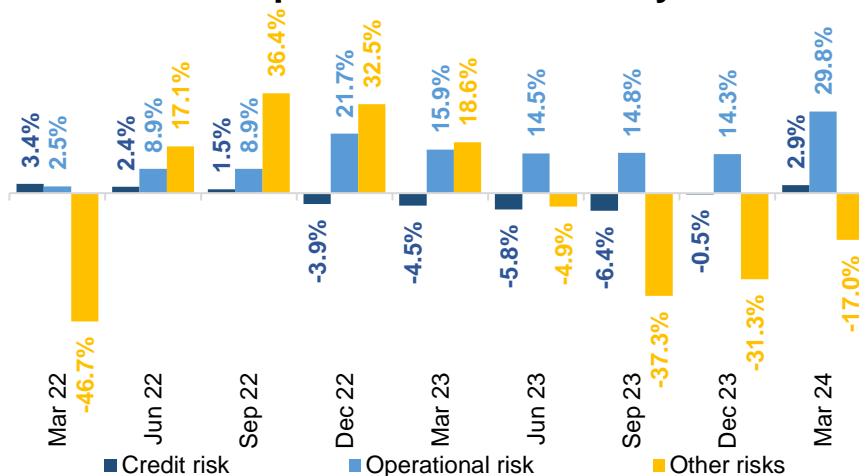


Capital adequacy: commercial and cooperative banks

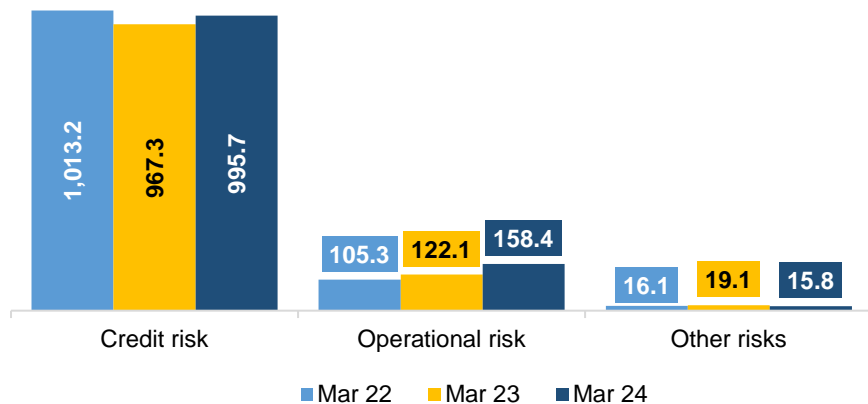
Tier I capital and Tier II capital YoY dynamics



Risk exposure amount YoY dynamics



Risk exposure amount (PLN bn)



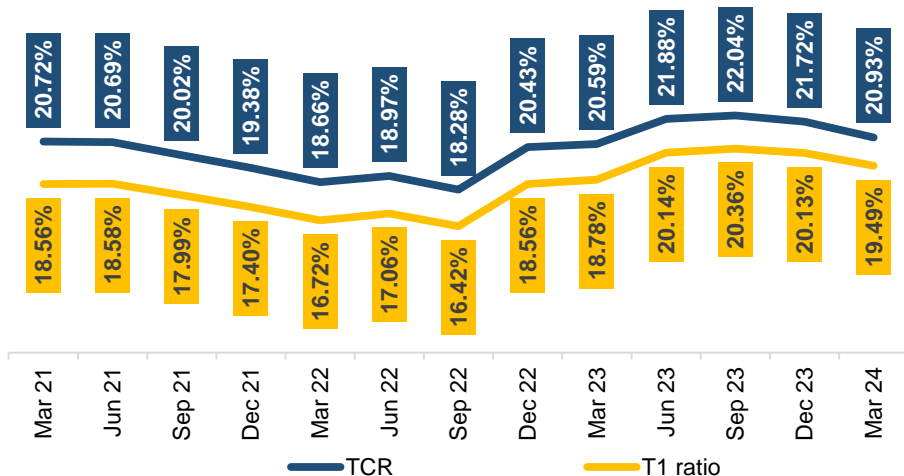
In the first quarter of 2024:

- there was an increase in credit risk and operational risk exposure,
- value of own funds remains unchanged.

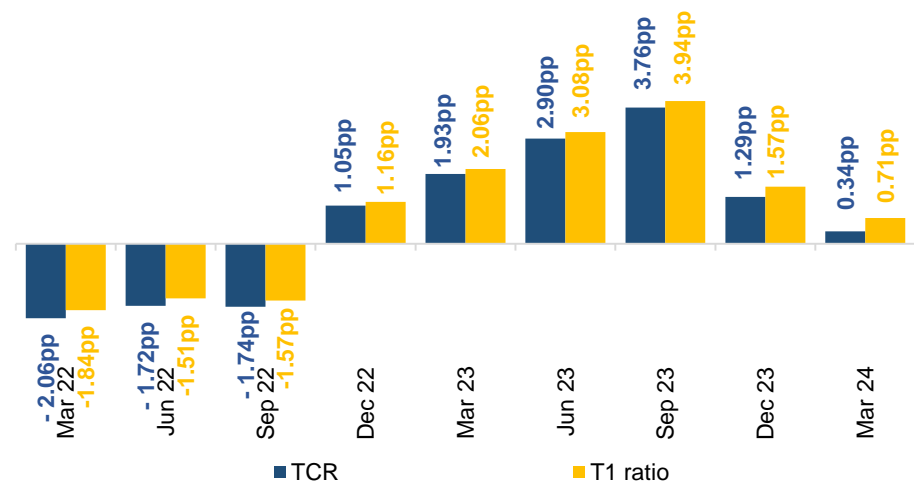
Capital situation of the banking sector remains stable.

Capital adequacy: commercial and cooperative banks

Capital adequacy ratios

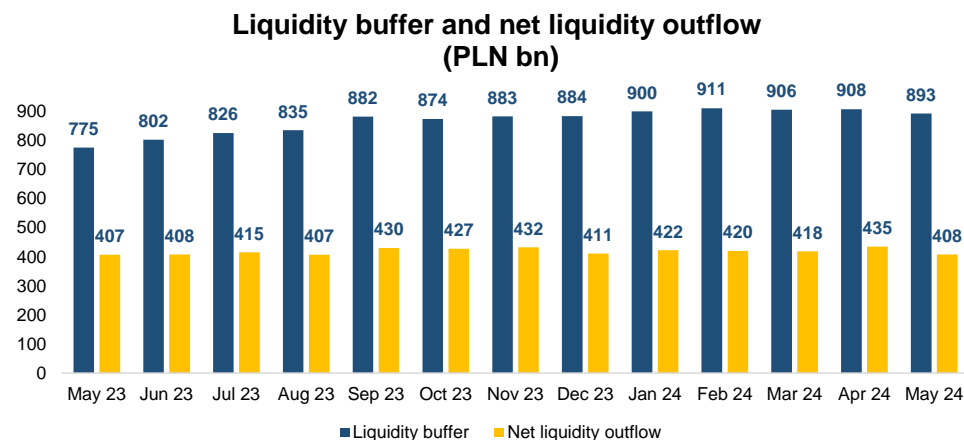
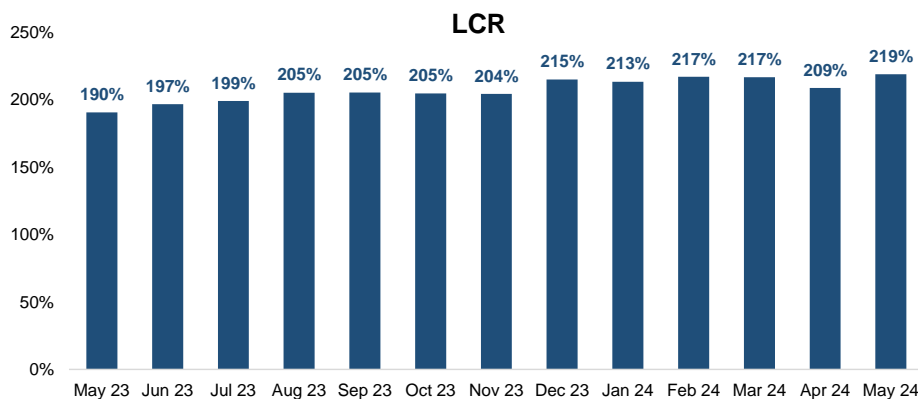


YoY changes in capital adequacy ratios



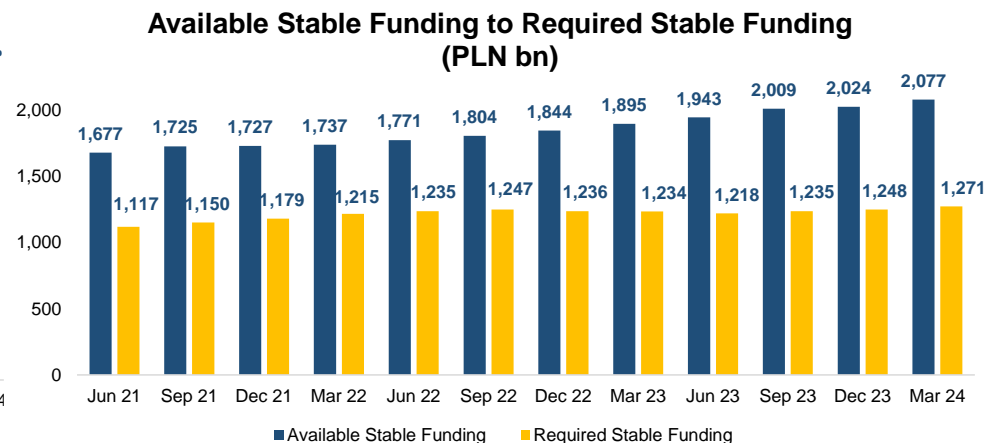
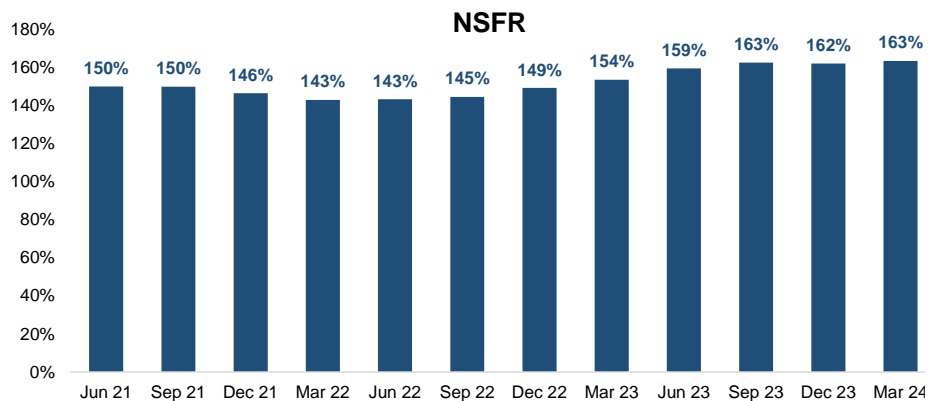
At the end of March 2024, capital adequacy ratios of the sector were 20.93% (TCR) and 19.49% (T1).

Liquidity



- At the end of May 2024, all commercial banks fulfilled the binding LCR requirement. For many months, the average LCR in the sector has been above the minimum requirement – 100%.
- At the end of May 2024, LCR for commercial banks (excluding affiliating banks) amounted to 219%.

Liquidity

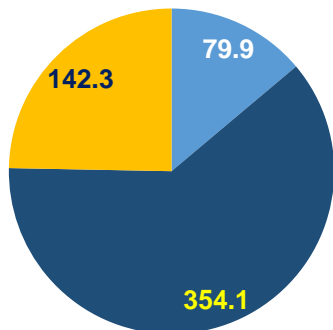


- For many months, the average NSFR in the commercial banks sector (excluding affiliating banks) has been above the 100% requirement, as required since 28 June 2021.
- At the end of March 2024:
 - NSFR of all commercial banks amounted to 163%,
 - all commercial banks fulfilled the requirement (100%).

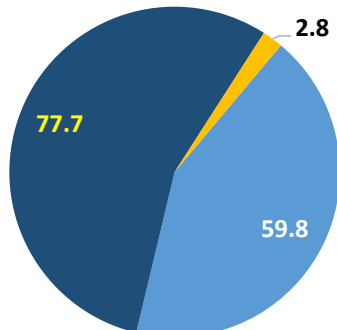
Off-balance-sheet commitments

Off-balance-sheet commitments; May 2024
Commitments extended (PLN bn)

Commitments to lend



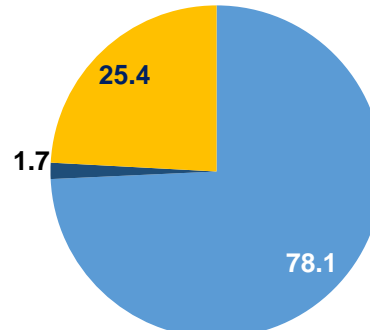
Guarantee commitments



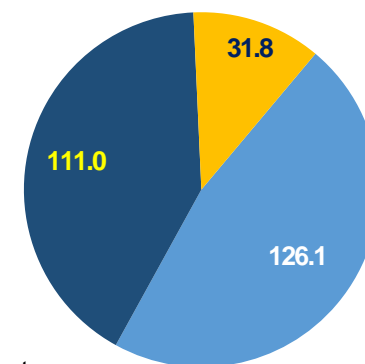
- Financial sector
- Non-financial sector
- General Government sector

Off-balance-sheet commitments; May 2024
Commitments received (PLN bn)

Commitments to lend

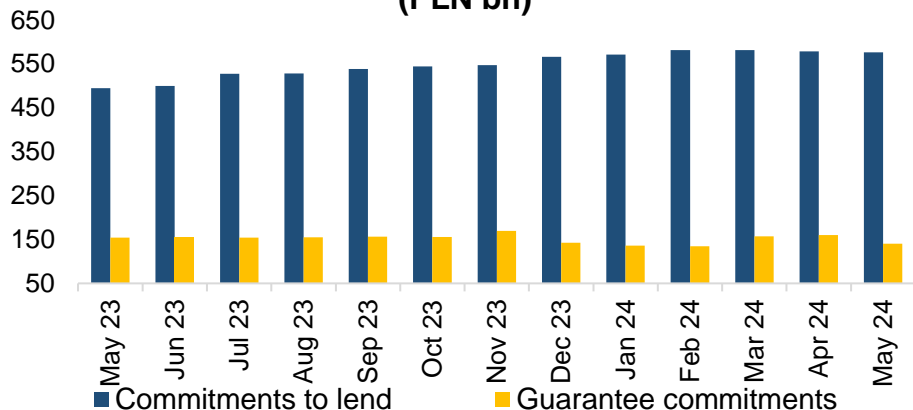


Guarantee commitments

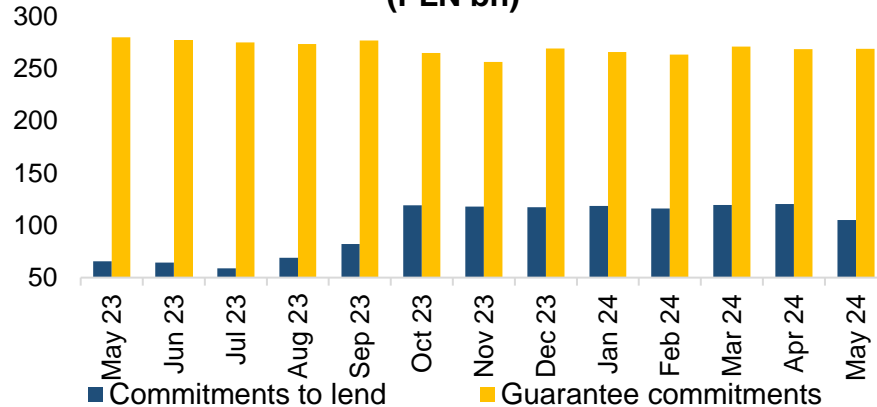


- Financial sector
- Non-financial sector
- General Government sector

Off-balance-sheet commitments: commitments extended
(PLN bn)

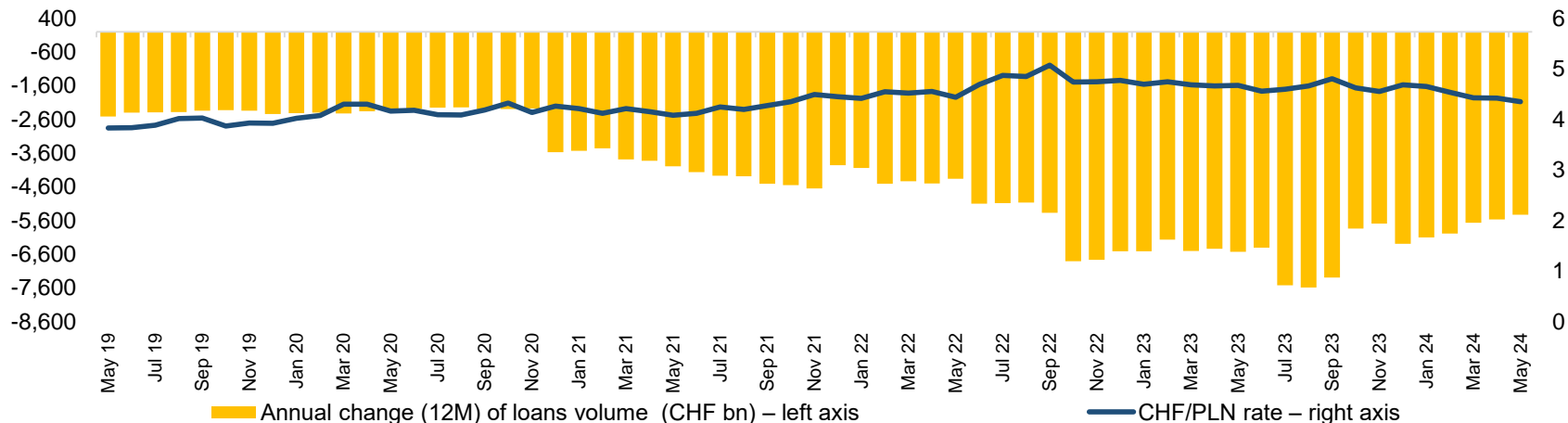
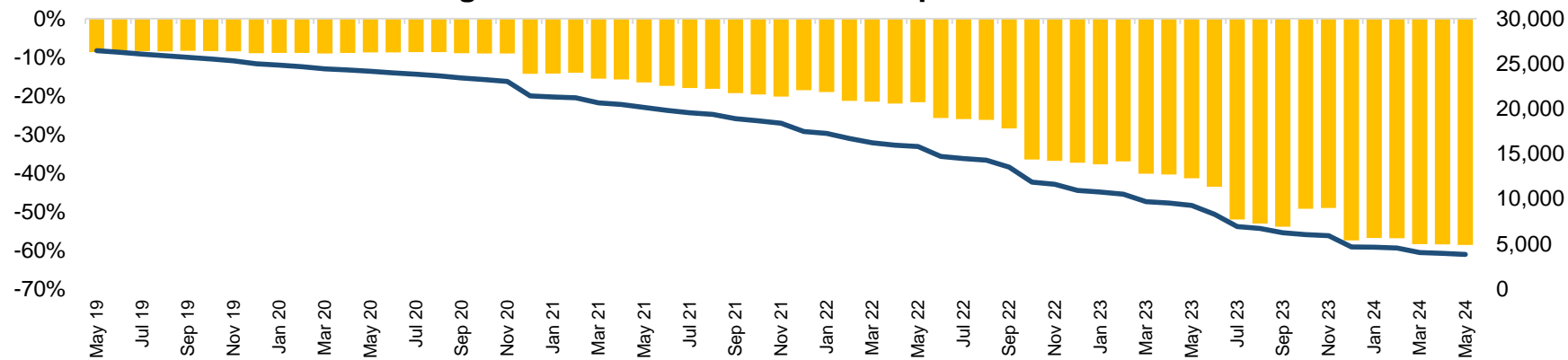


Off-balance-sheet commitments: commitments received
(PLN bn)



Additional information

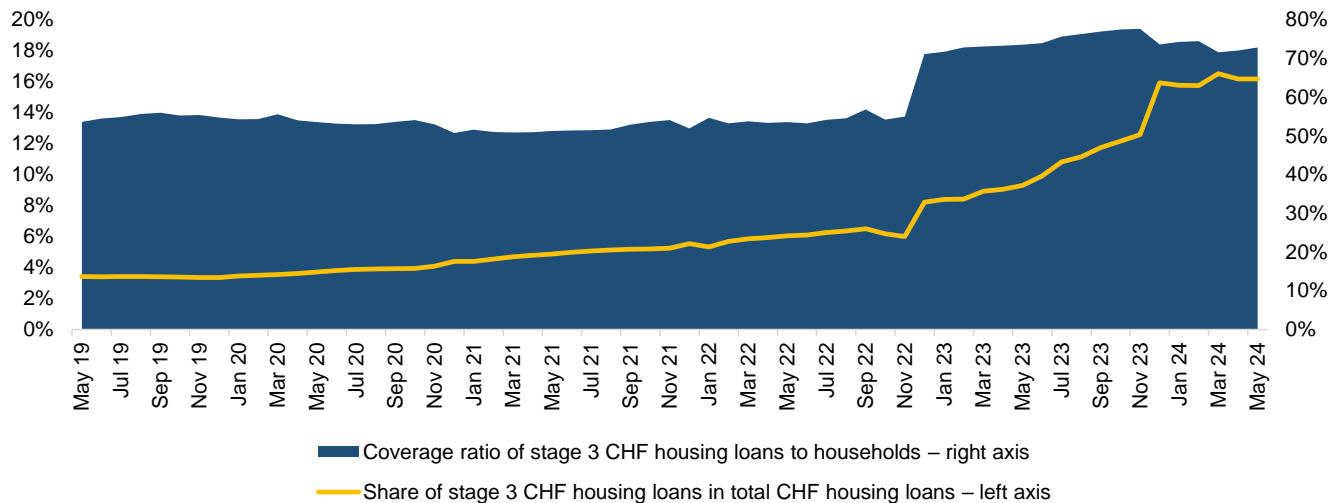
Housing loans to households in CHF: portfolio evolution



! Due to the application of IFRS 9 to legal risk provisions, banks decreased the gross balance sheet value by the value of such provisions in the period from December 2020 to May 2024.

Additional information

Quality and coverage ratio of CHF housing loans to households



Number and volume of CHF housing loans to households

