



ING Bank Śląski S.A.

The announcement of preliminary agreement on the purchase of 45%-share of stake in NN TFI

18 December 2018

Information about the transaction

Subject of the transaction

- Purchase of 94,500 shares in NN Investment Partners TFI S.A. (NN TFI), representing 45%-stake in the capital and votes at the General Meeting of NN TFI
- Seller - NN Investment Partners International Holdings B.V.
- Buyer - ING Investment Holding (Poland) S.A. (formerly ING ABL S.A.), 100% subsidiary of ING Bank Śląski S.A. (Bank)

The value of the transaction

- Value of the transaction - PLN 177.2 million (for 45%), which implies P/E ratio at 8.9x (2017) and P/AuM at 2.3% (November 2018)
- The purchase price will be increased by 2.5% per annum for the period between 1 January 2018 and the Transaction finalisation date
- The Buyer shall be entitled to receive dividend starting from the dividend paid out from 2018 net profit

The value of the acquisition, capital position impact

- The final purchase price will be adjusted as per the Purchase Agreement terms and conditions; the Bank will communicate the final price in a relevant current report
- Estimated impact on consolidated TCR and Tier 1 ratio is at ca. -15bps

Conditions precedent and terms of cooperation

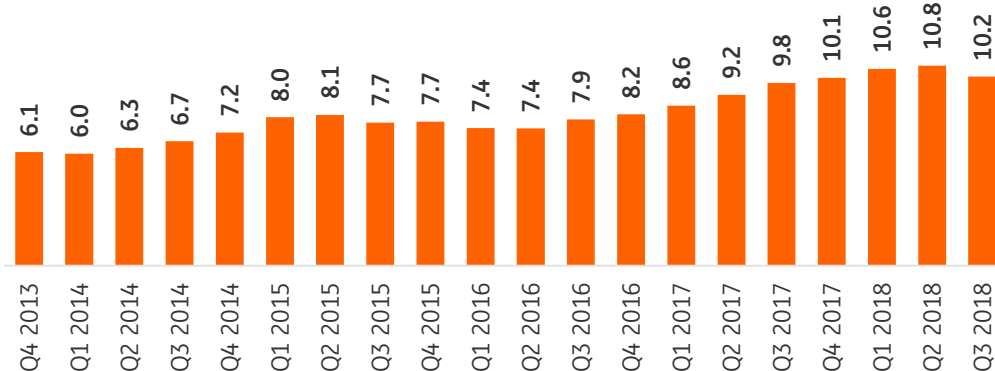
- In line with the Purchase Agreement, the key condition precedent to the Transaction finalisation is the absence of the Polish Financial Supervision Authority's objection; we expect the transaction to be finalised in Q2 2019
- In addition to the Purchase Agreement, the parties to the Transaction have concluded the NN TFI Shareholders Agreement which sets out mainly the terms of cooperation of NN TFI shareholders with regard to NN TFI corporate governance after the purchase of NN TFI shares by the Buyer and the terms of implementation of joint ventures of the Bank and NN TFI

Strategic justification of the transaction

Aim

- Strategically, ING Bank Śląski S.A. Group wants to promote long-term saving by clients, also using the investment products offer
- We want to feel even more co-responsible for the solutions we provide to our clients in terms of investment offer

Value of the Bank's investment products (PLN bn)



Justification

- We decided to cooperate with one of the key players in the Polish market with a strong brand, long-term experience and stable fund performance - NN TFI
- NN TFI funds have the highest share in the Bank's portfolio (due to a long and very good history of cooperation)
- We believe that the transaction will also have a positive impact on the faster transformation of the balance-sheet savings of the Bank clients into mutual funds - thanks to strengthening the Bank's image not only as a strong brand with a savings offer, but also an investment offer
- The NN TFI product offer covers the majority of our clients' investment goals (e.g. Core Fund, Pension Programmes)
- The bank has a very diversified portfolio built with NN TFI (in terms of both number and type of distributed funds)
- The current distribution strategy of the mutual funds of NN TFI is in line with the strategy and principles of the Bank's business ethics

About NN TFI

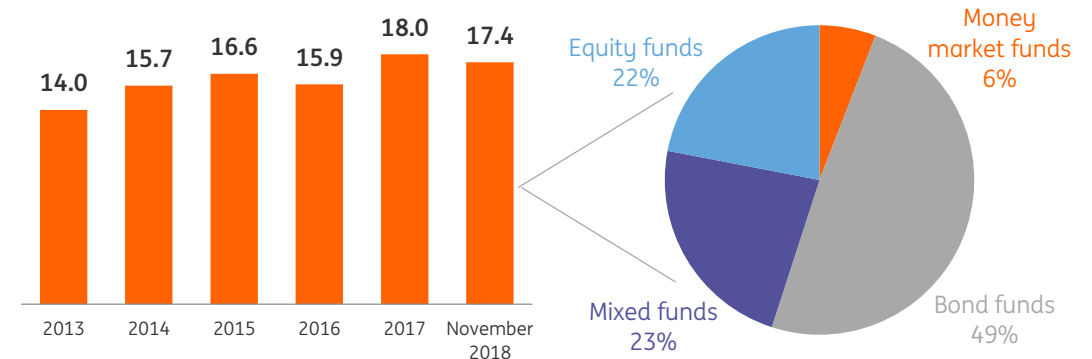
Key information

- The fourth largest TFI in Poland (based on the level of assets in non-dedicated funds as at November 2018) with a market share of 8.9%
- It has a wide range of products (38 funds, including 2 money market funds, 9 bond funds, 10 mixed funds, 6 life-cycle funds and 11 equity funds) and a diversified structure of assets under management

Financial results (PLN m)

	2015	2016	2017
Revenues	216.6	176.4	189.2
Costs	165.6	130.4	133.8
Net profit	40.7	36.6	44.3

Assets under management* (PLN bn)



*The amounts of AuM presented do not cover the portion of assets of the managed portfolios and funds invested in NN TFI funds (the so-called double) or assets for which the flat basic fee is charged

Prizes and awards

7 Alpha awards

- For the best fund in its category on the Polish market over the last three years

1 Alpha distinction

- For the best investment fund company on the Polish market in 2017

IKE

- The best IKE (Individual Pension Account) in 2013, 2015, 2016, 2017 and 2018

IKZE

- The best IKZE (Individual Pension Security Account) in 2017 and 2018

Disclaimer

The presentation has been developed for information purposes only and is addressed to investors, analysts and journalists. The presentation should not be treated as an invitation to or offer of sale of any securities, investment or transactions, or an incentive to place offers to purchase any securities, or a recommendation to conclude any transaction, or any promotional campaign, and notably concerning the securities of ING Bank Śląski S.A.

The assertions concerning historical data or property growth do not indicate that future results for any period will correspond to or will be higher than previous-years' results.

Certain statements contained herein are not historical facts; some of them in particular are forecasts and future expectations that are based on knowledge and information available as at their development date. The statements provide for opinions and assumptions of ING Bank Śląski S.A. Nevertheless, due to different risks and other significant factors, the actual results, accomplishments and developments can differ from our expectations.

ING Bank Śląski S.A. is not required to publish any updates of or changes to the information, data or statements presented herein, save for the situation where it is required under the relevant law

www.ing.pl

IR contact details

ING Bank Śląski S.A.
Puławska 2,
02-566 Warsaw
Investor Relations Bureau
E investor@ingbank.pl
F +48 32 602 09 97

Iza Rokicka
Head of IR
P +48 22 820 44 16
E iza.rokicka@ingbank.pl

Maciej Kałowski
IR Senior Specialist
P +48 22 820 44 43
E maciej.kalowski@ingbank.pl