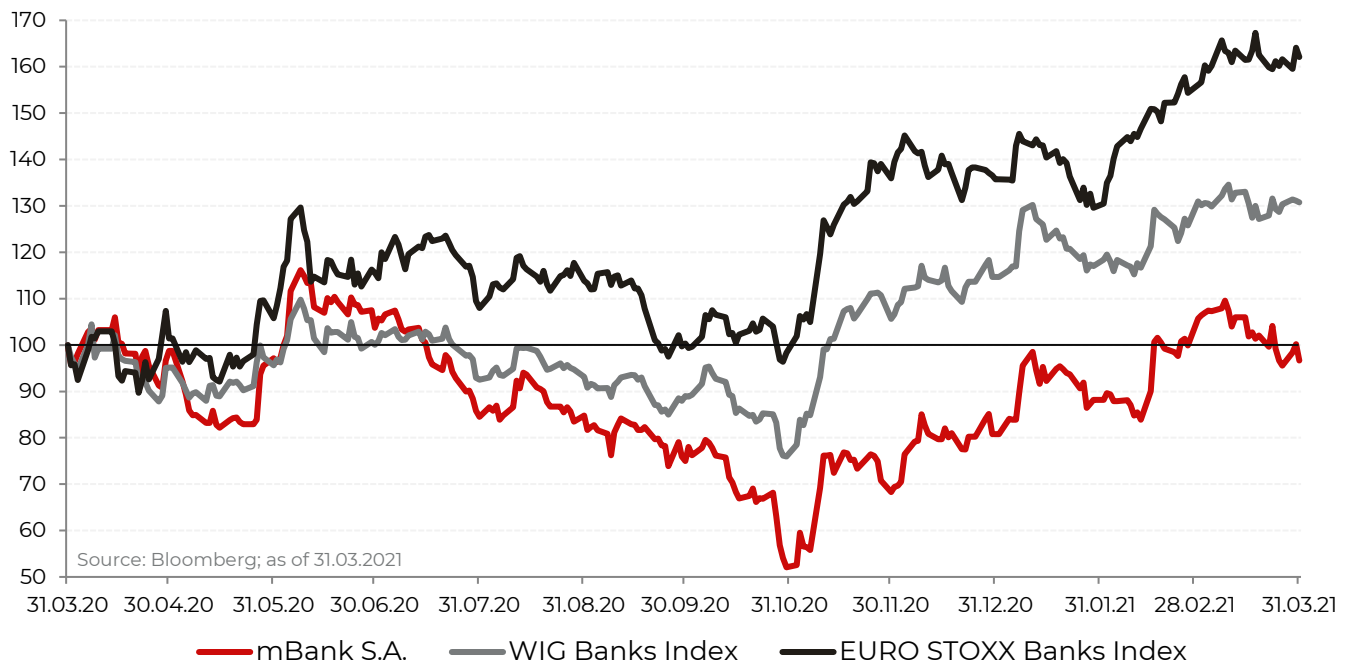


Share price performance summary

In March mBank's share price declined by 3.25%, while the WIG-Banks index rose by 3.95%. The EURO STOXX Banks Index went up by 5.00% in the same period.

Last 12 months – chart



change in the period	1Q'20	2Q'20	3Q'20	4Q'20	2020	2021YtD
mBank	-43.04%	+3.70%	-27.65%	+7.69%	-53.98%	+19.64%
WIG Banks Index	-38.62%	+0.06%	-11.03%	+28.84%	-29.59%	+13.99%
EURO STOXX Banks Index	-43.81%	+15.61%	-13.24%	+35.36%	-23.72%	+19.38%

Consensus estimates for mBank Group's results

Financials (in PLN million)	2019	2020	2021E		2022E	
			estimate	Δ vs. 2020	estimate	Δ vs. 2021E
Net interest income	4 003	4 009	3 981	-0.7%	4 184	+5.1%
Net F&C income	1 271	1 508	1 566	+3.8%	1 630	+4.0%
Total income	5 524	5 867	5 762	-1.8%	6 022	+4.5%
Total costs	-2 329	-2 411	-2 475	+2.6%	-2 554	+3.2%
LLPs & FV change	-794	-1 293	-1 325	+2.5%	-1 097	-17.1%
Operating profit	2 014	1 141	1 140	-0.1%	1 521	+33.3%
Net profit	1 010	104	152	+46.3%	420	+176.5%
Net loans	105 347	109 832	113 613	+3.4%	119 151	+4.9%
Assets	158 721	180 136	186 231	+3.4%	193 920	+4.1%
Deposits	116 661	137 699	144 350	+4.8%	151 178	+4.7%

Contributing research by: Citi Research, BOŚ Brokerage, Erste Group, PKO Securities, Haitong, Pekao Brokerage, Raiffeisen Centrobank, Santander Brokerage, Societe Generale, Trigon DM, DM BDM, Wood & Company.

Note: Results for 2019 and particularly for 2020 were negatively impacted by provisions for legal risk related to mortgage loans in foreign currencies (PLN 387.8 million and PLN 1,021.7 million, respectively).

Special topic:

Marek Lusztyn received approval from the Polish Financial Supervision Authority (KNF) to take the position of mBank's Management Board member in charge of supervising risk

Polish FSA made the decision unanimously on March 3, 2021. Marek Lusztyn joined mBank's Management Board in October 2020. He is a banker with 25 years of experience in the sector. He holds a PhD in economics from the Warsaw School of Economics (SGH). He completed the Executive MBA programme at the University of Illinois and the University of Warsaw. He is also an alumnus of INSEAD and holds an engineering degree in computer science. For 20 years he was associated with Bank Pekao S.A. For almost 10 years he held senior executive positions within the international structures of UniCredit Group in London, Munich and Milan, where he was responsible for global risk management functions. Between 2017 and 2020 he assumed roles in the Management Board of Bank Pekao S.A., where he held positions of Chief Risk Officer and Chief Executive Officer.

Key news regarding mBank Group

Polish economy still expected to rise by 3.8% YoY in 2021, but COVID-19 immunisation to be observed



The GDP in Poland declined by 2.7% YoY in 2020. Despite the country experienced its first recession in nearly thirty years, the reading still turned out to be better than anticipated at the beginning of the Covid-19 pandemic. mBank's analysts maintain their expectation for 3.8% YoY rise of GDP in 2021. GDP in Q4 2020 dropped by 2.8% YoY, while seasonally adjusted metric reached -0.7% YoY.

Inflation dropped to 2.4% YoY in February 2021, marking it as a lowest reading expected this year. In March, CPI rose to 3.2% YoY, driven by food prices, fuel prices and the surge of base inflation which amounted to 3.9% according to mBank's analysts. The lofty base inflation (estimated to have reached +4.0% in January and +3.8% in February) combined with turning up base effects as well as commodity and food price increases back the forecast of mBank's economists who expect CPI to be in the range of 3.5%-4.0% at the end of 2021.

Industrial production increased in February by 2.7% YoY, bringing more pessimistic news than anticipated by the consensus (4.5% YoY). The reading was attributable to stunted level of manufacturing (a consequence of bottlenecks) and previous overestimation of energy production. While industrial production is still expected to rise, its pace of growth will decline. Although in short term mBank's analysts see the demand to be impeded by lockdowns, the long-term trend of reaching pre-pandemic levels is supported by European trends. Growth of producer price at 2.0% surprised the market (having assumed a reading of +1.4% MoM) largely due to revision of data used in the Statistics Poland's calculation models. The other key factor was elevated prices of coke and crude oil production. When excluding them from the base prices in industrial production, they increased only from 0.3% to 0.4%. However, the correlation with the EUR/PLN rate proves that some acceleration is presumable.

Retail sales improved in February, as evidenced by dynamics of -3.1% YoY compared to -6.0% YoY in January, following the partial relief of restriction. Although retail sales have been returning to the pre-pandemic trend, the reimposed limitations might disrupt the course in both March and April. According to mBank's analysts, the consumption will increase to c. 4% in 2021. Food and beverage retail sales proved to be mostly immune to restrictions. While electronics and furniture categories seem to already be permanently in line with the pre-pandemic level, apparel sales are largely dependent on the extent of lockdowns.

Employment declined by 1.7% YoY in February, what was better than expected by the consensus (-1.9% YoY). The growth of wages decelerated and stood at +4.5% YoY. They are expected to rise sluggishly this year. The minor monthly wage boost in February was connected to the customary bonus and overtime payments made at this time of the year. The ongoing lockdown moves the anticipated improvement of the situation on the labour market to May. The FTE number climbed by nearly 20k MoM, the most since 2008. The key factors were new hiring and worktime of the employees extended to pre-pandemic levels, according to Statistics Poland, as well as restriction lifts regarding some industries such as leisure, ski resorts and shopping malls.

The Monetary Policy Council kept the rates in Poland unchanged at the latest sitting. mBank's analysts anticipate considerations on rate hikes to start next year, with the actual changes materialising at the end of 2022 together with monetary policy normalisation.

mBank launched junior mobile application

mBank has shared the previously announced mobile application for the Junior Account which is intended for children younger than 13 years old. First features include checking the balance and reviewing the transaction history. The application is available on two most popular systems: Android and iOS. 80% of accounts have been opened by parents who declare mBank as their main bank. In order to start the junior application, the parent should have downloaded mBank's standard application on their phone and use it for an activation of the access for the child.

New option to open an account at mBank with e-ID and eDO App

Persons who do not have an account at mBank yet can open it fully online with no need for signing documents. It can be done with e-ID that enables the bank to confirm the identity of the client. Opening an account through the Internet website is an alternative to "online account opening with a selfie" that employs mBank's mobile application for this purpose. Since March 2019 Poland has issued e-IDs that are equipped with an electronic layer compatible with eDO App (provided by Polish Security Printing Works – PWPW). Up until now, 6 million of e-IDs were supplied and each month brings c. 250 thousand more.

Foreign investment funds are now available in mBank's retail offer

mBank has introduced an offer of foreign investment funds of three global asset management companies: AllianceBernstein, Fidelity, and Schrodgers. The funds distinguish themselves thanks to appealing management fees and lowest entry thresholds in the market. The offer includes 42 funds registered in Luxemburg. More than half of them (23) are equity funds. The portfolio also comprises of 16 bond funds, 2 alternative funds and 1 mixed fund. In Poland, AllianceBernstein offers its investment funds only to mBank. "Investment Fund Supermarket", integrated with mBank's transactional system, is the first internet platform in Poland that allows commission-free purchase of investment funds in a fully online mode.

Forthcoming corporate access events

-	No events planned for April 2021
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Forthcoming reporting events

05.05.2021	mBank Group Financial Report for Q1 2021
03.08.2021	Semi-annual Financial Report of mBank Group for H1 2021
03.11.2021	mBank Group Financial Report for Q3 2021
03.03.2022	Annual Financial Report of mBank Group for 2021

mBank's shares:

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 367 040
Listed on WSE since	06.10.1992
Relevant WSE indices	WIG, WIG-30, mWIG-40, WIG-Banks, WIG-ESG

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