

ipopema

IPOPEMA Securities Spółka Akcyjna

ul. Prózna 9,
00-107 Warszawa

The Management Board and the Supervisory Board of Alior Bank Spółka Akcyjna

ul. Łopuszańska 38d
02-232 Warszawa

1st April, 2016

Dear Sirs,

IPOPEMA Securities S.A. ("**IPOPEMA**") was informed that Alior Bank S.A. ("**Alior**") has reached an agreement to acquire the core banking business (the "**Core Bank**") of Bank BPH S.A. (the "**Target**") from various entities controlled by the General Electric Company ("**GE**" or the "**Shareholders**").

The terms and conditions of the acquisition are set forth in the Share Purchase and Demerger Agreement signed by Alior and the Shareholders on Thursday, 31st March 2016 (the "**Agreement**" or the "**SPA**"). The SPA outlines, amongst others, various stages of the acquisition process, including the public tender (the "**Public Tender**") called by Alior, for part or all of the shares of the Target, including some or all of a majority 87.23% shareholding held by GE in the Target (the "**Shares**"); the break-up of the Target (the "**Demerger**"), in which the mortgage business and certain other assets and liabilities, including the Banking license of the Target will be retained in Bank BPH (the "**Mortgage Bank**"), which will be wholly-owned by GE, and the remaining assets and liabilities (the "**Core Bank**") are to be spun-off and merged into Alior (all of which together are the "**Proposed Transaction**")

Pursuant to the SPA, the price to be paid by Alior to GE for 87.23% of the Core Bank is PLN 1,225mn (the "**Price**"). The Price is to be paid to GE, when the latter subscribes up to all its Shares to the Public Tender. The SPA additionally details a mechanism (the "**Adjustment Mechanism**") whereby the Price will be amended as of the effective date of the Demerger, which is the final closing of the Proposed Transaction, to reflect changes during the period between the signing of the SPA and the effective date of the Demerger, in the Adjusted Tangible Book Value of the Core Bank (as defined in the SPA), and the financial impact of certain other specified events and occurrences (the "**Adjustments**").

The Proposed Transaction is envisioned to be carried out by the end of 2016.

IPOPEMA has been requested by the Management Board of Alior to provide its opinion as to whether the Price to be paid by Alior for GE's 87.23% of the Core Bank, and the Adjustment Mechanism as described in the SPA, are fair and reasonable, from a financial point of view, for Alior.

In arriving at the opinion contained in this letter, IPOPEMA has conducted an analysis of certain financial and other information, documents and data on the Target provided by Alior and provided to Alior by the Target, GE, and their respective advisors, and reviewed certain other publicly available information. IPOPEMA has also held discussions with senior management representatives of Alior, and other representatives of Alior, regarding the business, forecasts and prospects of the Target and Core Bank. IPOPEMA has reviewed the SPA and other documents relating to the Proposed Transaction, and taken into consideration various forecasts, calculations, projections, and adjustments to the business prepared by Alior and its advisors, including financial and legal due-diligence, forecasts on the post-demerger synergies and costs arising from merging the Core Bank into Alior, and certain other financial and other analyses carried out and prepared by Alior and other advisors (jointly the "Assumptions"). Moreover, IPOPEMA has also reviewed the Adjustment Method outlined in the SPA for Adjustments to the Price and the factors specified which could result in an Adjustment.

For the purpose of preparation of this opinion, IPOPEMA has analyzed and compared certain information and data on the Core Bank with similar, publicly available information on selected banks operating on the Polish market, and performed other analyses which it deemed appropriate and relevant. In carrying out its analysis and arriving at its opinion, IPOPEMA has made use of a range of valuation methods commonly used for similar analyses. The analyses conducted by IPOPEMA were used solely for the preparation of the opinion on the fairness, from the financial point of view, of the Price and shall not be considered as appraising or reflecting the prices at which any business or any securities may or could be sold.

IPOPEMA has assumed that the Assumptions provided to it by Alior have been reasonably prepared on the basis of the best, currently available, estimates, judgments and knowledge of Alior. IPOPEMA does not express any view as to the reasonableness of the Assumptions, or specifically to any financial forecasts, calculations, projections, adjustments to the business, or the assumptions on which they are based.

In preparation of this opinion, IPOPEMA has not carried any further independent enquiries or verification of the completeness, accuracy and reliability of the Assumptions provided to it, discussed with it, reviewed by or for it, or made publicly available. IPOPEMA has relied upon the assurances of the Management Board members that they are not aware of any facts or circumstances that would make the Assumptions inaccurate or misleading. IPOPEMA does not assume any liability for the independent verification of the Assumptions, information, or data received and analyzed.

The opinion contained herein relates solely to the Price and the Adjustment Mechanism. IPOPEMA specifically does not express any view on the achievability or materialisation of the forecast synergies or costs rising from the Proposed Transaction; the underlying business decisions of the Management Board or the Supervisory Board of Alior in considering or approving the Proposed Transaction; the structure of the Proposed Transaction and its economic impact on Alior and the price of its shares; the possible subsequent pricing Adjustments resulting from the Adjustment Mechanism, or any other amendments; the pricing or number of Target shares tendered for in the Tender Offer; the acquisition of the shares of minority shareholders in the Target, including the costs incurred from and the valuation of

the Target implied by these purchases; the costs and risks associated with non-completion of the later stages of the Proposed Transaction, including the Demerger; the issuance or number of new shares issued or required to be issued by Alior, or the valuation implied by such issuance; the potential influence of the successful execution or otherwise, on the business of Alior or the Target or the Core Bank, including in particular any change in strategy, at either Alior, the Target or the Core Bank; or the changes in the fairness of the Price resulting from changes to the broader economy, banking sector, or stock market valuations of Alior, the Core Bank or the Target prior to the final closing of the Proposed Transaction.

IPOPEMA has not prepared an independent valuation of the assets or liabilities of the Target or any of its affiliates. Furthermore, IPOPEMA has not evaluated the solvency or fair value of the Target under any applicable law relating to bankruptcy, insolvency or similar matters.

For the purposes of rendering the opinion contained herein, IPOPEMA has assumed that all corporate and other approvals and steps required for the completion of the Proposed Transaction have been or will be obtained and taken, that the documents relating to the Proposed Transaction will constitute the valid and binding obligations of Alior and other signing parties, and that the execution and completion of the Proposed Transaction will not be prohibited nor will constitute any breach of any bylaws of Alior or any legal regulations applicable to Alior. Moreover, IPOPEMA has assumed that all required governmental, regulatory or other approvals and consents required in connection with the Proposed Transaction will be obtained and no material restrictions will be imposed in connection therewith. IPOPEMA has also assumed that the Proposed Transaction will not constitute a breach of any contractual or other obligations of Alior or the Target.

IPOPEMA has also assumed that, in all respects material to its analysis, the Proposed Transaction will be completed in accordance with the terms and conditions set forth in the Agreement, without any material waiver, modification or amendment of such terms and conditions.

IPOPEMA is not acting as advisor to Alior in the Proposed Transaction and is not providing any advice on legal or tax matters, nor is it assisting Alior in acquiring necessary consents and approvals with respect to the Proposed Transaction. IPOPEMA is not assuming any liability for any aspects of work of any of the advisors engaged in connection with the Proposed Transaction by any party. Consequently, IPOPEMA assumed that the results of work conducted by the advisors engaged in connection with the Proposed Transaction are in line with the relevant provisions of law, reliable and are not misleading.

IPOPEMA was instructed by Alior to prepare the opinion contained herein, and will be paid a fixed fee by Alior for providing such opinion. The fee of IPOPEMA is not connected with the execution of the Proposed Transaction. IPOPEMA, as well as its affiliates, have in the past and are currently providing investment banking and other services to Alior. IPOPEMA, as well as its affiliates, may, in the ordinary course of business, actively trade in the securities and other instruments and obligations of Alior for its own accounts and for the accounts of their customers. Accordingly, IPOPEMA and its affiliates may at any time hold a long or short position in such securities, instruments and obligations.

The opinion contained herein has been prepared by IPOPEMA for Alior's Supervisory Board and Management Board, and might be used solely as part of the information required for considering the execution of the Proposed Transaction, which includes also the explanation of the Proposed Transaction to Alior's shareholders. The opinion however is not to be used (including quoted, or otherwise) or relied on by, nor does it confer any rights to or obligations on any other party, including creditors or shareholders of Alior or the Target and its shareholders. Furthermore, the opinion contained herein does

not constitute any kind of recommendation to any party as to whether the Proposed Transaction should be executed, or should be regarded as an opinion within the meaning of the Polish Commercial Companies Code¹ or other relevant regulations, and it should not be regarded as an investment advice.

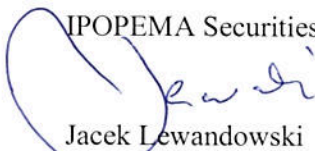
IPOPEMA does not assume any liability in connection with the issuance or the content of the opinion contained herein towards any persons, entities or authorities, other than to Alior's Management Board and Supervisory Board. Furthermore, Alior has provided IPOPEMA with certain indemnities against potential liabilities resulting from the preparation of the opinion contained herein.


The opinion contained herein has been prepared and expressed by IPOPEMA on the basis of the state of knowledge as of the date of this letter. IPOPEMA has no obligation to update or revise this letter, the opinion or any other information contained herein.

Based upon the above mentioned information, data, documents and assumptions provided to and analyzed by IPOPEMA, as well as the knowledge and experience of IPOPEMA, and subject to the restrictions and limitations indicated herein, IPOPEMA is of the opinion that, as of the date hereof, the Price and the Adjustment Mechanism are fair and reasonable from the financial point of view, to Alior.

This letter is confidential and its existence as well as its contents may not be disclosed, reproduced, summarized or referred to in any public document or given to any person without the prior written consent of IPOPEMA, save for its intended use as part of the information required for considering the Proposed Transaction or to the extent required by law. This letter was issued in English. In case of any discrepancy between the English language version of this letter and any translation thereof to any other language, the English language version shall prevail.

Yours faithfully,

IPOPEMA Securities S.A.

Jacek Lewandowski
Chief Executive Officer


Mariusz Piskorski
Vice-President of the Management Board

¹ Act dated 15 September 2000, Commercial Companies Code (unified text: Journal of Laws of 2014, item 121, as amended)