



Second notification of the intended demerger of Bank BPH S.A.

Current report no. 57/2016 dated 30 June 2016

Legal basis: Article 56 Section 1 item 2 of the Public Offering Act – current and periodic information

Content of the report: The Management Board of Alior Bank S.A. (“**Alior Bank**”), in reference to current report No. 29/2016 of Alior Bank dated 30 April 2016 and current report No. 46/2016 of Alior Bank dated 9 June 2016, acting pursuant to Article 539 §1 and 2 of the Commercial Companies Code (the “**CCC**”) in connection with Article 402¹ of the CCC, hereby issues the second notification about the intended demerger of Bank BPH S.A. (“**BPH**”) to be effected by way of the transfer of an organised part of the enterprise of the Bank connected with the pursuit of the Bank’s business other than the mortgage business to Alior Bank in accordance with the procedure specified in Art. 529 § 1 item 4 of the CCC (*a spin-off*) (the “**Demerger**”).

In the Demerger Plan, the following exchange ratio of shares in BPH for shares in Alior Bank was established: for 1 (one) share in BPH, a shareholder of BPH (other than (i) GE Investments Poland sp. z o.o.; (ii) DRB Holdings B.V.; (iii) Selective American Financial Enterprises, Inc. and (iv) entities related to the companies referred to in items (i) – (iii) above) will be granted and allocated 0.44 (forty-four hundredths) of a share in Alior Bank (the “**Share Exchange Ratio**”), subject to adjustment related to the dilution of Alior Bank’s share capital resulting from the rights issue offering planned to be conducted by Alior Bank prior to the Demerger date. The Share Exchange Ratio subject to the abovementioned adjustment related to the dilution of Alior Bank’s share capital has been established at 0.51 after rounding.

The Demerger Plan was announced and published pursuant to Article 535 § 3 of the CCC by being posted on the Alior Bank's website at: www.aliorbank.pl under the bookmark “Banks’ merger” (<https://www.aliorbank.pl/en/investor-relations/banks-merger.html>) on 30 April 2016.

Pursuant to Article 540 §3 (1) of the CCC, Alior Bank hereby announces that until the completion of the general meetings of the shareholders of Alior Bank and BPH the agendas of which include the adoption of resolutions on the Demerger, the shareholders may review the documents referred to in Article 540 § 1 of the CCC posted on the Alior Bank's website at: www.aliorbank.pl under the bookmark “Banks’ merger” (<https://www.aliorbank.pl/en/investor-relations/banks-merger.html>).

Legal basis:

Art. 539 §1 and 2 of the CCC, in connection with Article 402(1) of the CCC, Article 56, section 1 point 2 of the Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005.