

Strategic agreement T-Mobile – Alior Bank

Extraordinary General Meeting of Shareholders

23.01.2014





OUR PARTNER IS ONE OF THE BIGGEST BRANDS IN POLAND AND IN EUROPE

Standing of T-Mobile Poland



- **16M clients mobile clients:**
- **7M postpaid and 9M prepaid**
- **900 outlets covering all Poland**
- **Revenue: >7 MLD PLN**
- **29% market share**



JOINT BANKING BUSINESS UNDER T-MOBILE BRAND WITH CLIENT ACQUISITION BY T-MOBILE

Organisation and brand

The New Bank's business

- Will be run under a brand associated with T-Mobile
- Will be booked and managed with Alior Bank SA as a Branch

Task division

- T-Mobile responsible for marketing, brand and client acquisition out of its own 16 M clients, mainly through ~900 outlets and call centre
- T-Mobile to install mobile applications of the joint bank to every smartphone
- Alior Bank will be responsible for the remaining elements – including financials and credit risk management

Division of income and cooperation period

- 35% for T-Mobile, 65% for Alior Bank
- 5 year agreement with prolongation option for 5-year periods
- In case of termination of cooperation, a bank designated by T-Mobile will have a call option to purchase the Branch (Virtual Joint Venture)



TARGET FOR ALIOR MIN. 2 M CLIENTS WITHIN 5 YEARS AND 40% ROE

1

Client acquisition

- Acquisition of >2 M clients within 5 years through T-Mobile outlets and call centre

2

Strong profitability

- Expected >30% loan clients and >50% deposit clients
- In year 5 Alior will engage between 10% and 15% of its capital in the project earning 40% return

3

Developing joint capabilities in product design and distribution

- Based on wide range of financial and telecom based customer data

4

Creating an option to expand the cooperation to other T-Mobile markets worldwide (141 M Clients) and new services



CONDITION TO MAKE PARTNERSHIP HAPPEN IS EGM ACCEPT FOR A CALL OPTION TO SELL OPE

As agreement results in new clients repossession from T-Mobile to Alior, the DT group is allowed to terminate a cooperation in 5 years time and to keep the clients.

Sell of the Organized Part of Enterprise, in favor of the Bank designated by T-Mobile, would comprise the clients and products of the New Bank and Alior Bank resources directly linked to this business line.

Should T-Mobile call the option, financial effect for Alior Bank remains strongly positive: option price for OPE will be calculated based on multiply of 400-500 PLN per client, which would result in 0,8-1 B PLN in 5 years.

No matter that call option to sell OPE was a condition for conclusion of the agreement, still likelihood that it is to be exercised is small.