

Current Report 12/2020 – Updated information on the impact of coronavirus epidemic on operations and financial results of Bank Ochrony Środowiska S.A. – *publicised on 2 June 2020, at 11:37*

The Management Board of Bank Ochrony Środowiska S.A. domiciled in Warsaw hereby update the information on the impact of coronavirus epidemic on operations and financial results of Bank Ochrony Środowiska S.A. presented in Current Report RB 5/2020 of 9 Apr. 2020.

The Monetary Policy Council's decisions to cut interest rates by a total of 140 bps dated 17 March, 8 April and 28 May 2020 shall have a negative impact on the Bank's interest result in 2020 at a level of 48 to 63m PLN. This impact shall gradually materialize in subsequent quarters.

Due to the negative impact of the announcement of the epidemic on business activity in Poland the bank is expecting deterioration of the financial condition of some of its clients. The Bank shall set aside reserves for the anticipated deterioration of the loan portfolio caused by the epidemic amounting to at least 11m PLN. These reserves shall be classified in the financial report for the first half of 2020.

A precise estimation of the epidemic on the Bank's financial situation is not possible at the moment. The estimations described above are subject to change.

Legal basis:

Art. 17 section 1 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (MAR).