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## Summary of the results

Bank Millennium Group consolidated net profit in 2014 amounted to PLN 651 million, which means a very solid growth of 21.5% when compared to 2013 year. Net profit achieved in 4Q 2014 (PLN 157.7 million) was 9% lower than the profit achieved in the previous quarter mainly due to negative impact of interest rate cuts in October.

Main financial and business highlights of 2014 results are the following:

### Strong growth of profitability

- Net profit grew 21.5% y/y
- [ROE](#) improved yearly from 10.6% to 11.8%
- Cost-to-income decreased strongly by 4.1 p.p. yearly to 50.2%

### Core income yearly growth

- Net interest income up 15.3% y/y, despite lower than expected market interest rates
- Net commissions up 3.9% y/y

### Very solid asset quality, externally proven by Asset Quality Review

- Impaired loans ratio at 4.2% - the lowest in the last 6 years
- High coverage ratio of impaired loans by provisions at 71%

## Stable liquidity and stronger capital ratios

- Loan-to-deposits<sup>[1]</sup> ratio at comfortable 92%
- Loans to stable sources of funding<sup>[2]</sup> at 88.4%
- Total Capital Ratio<sup>[3]</sup> at 15.2% and [CET1](#)<sup>[3]</sup> at 14.5%

## Retail business

- Cash loans record sale of PLN 589 million in 4Q and 2.1 billion in entire year, portfolio grew 24% y/y
- 231 thousand new current accounts thanks mainly to Konto 360° campaign
- Very solid growth of retail deposits at 12.7% y/y

## Companies business

- Total loans to companies grew by 13% yearly, faster than market average
- Leasing new asset financing at PLN 2.3 billion; 18% yearly growth
- Factoring yearly turnover of PLN 12.1 billion gives 30% yearly growth, more than double of entire market growth (+13%)