9 September 2014

The position of the Management Board of
Bank Gospodarki Żywnościowej S.A. regarding the Tender Offer
for shares of
Bank Gospodarki Żywnościowej S.A.
Announced by BNP PARIBAS SA
on 25 August 2014

The Management Board of Bank Gospodarki Żywnościowej S.A. with its registered office in Warsaw (the "Management Board", the "Bank", , the "Company"), acting pursuant to Article 80 sections 1-3 of the Act of 29 July 2005 on public offering and the conditions for introducing financial instruments to the organized trading system and on public companies (consolidated text: Dziennik Ustaw of 2013, item 1382) (the "Act"), hereby presents its position regarding the Tender Offer (the "Tender Offer") announced on 25 August 2014 (the "Tender Offer Date") by BNP PARIBAS SA ("BNP" or the "Tenderer") for all the shares of the Bank.

Pursuant to the contents of the Tender Offer, the Tenderer intends to acquire under the Tender Offer announced pursuant to Article 74 section 1 of the Act all the shares issued by the Company, that is 56,138,764 (fifty six million one hundred and thirty eight thousand seven hundred and sixty four) shares of the nominal value of PLN 1 (1 zloty) per share (the "Shares") , of which:

I. 43,113,849 (forty three million one hundred and thirteen thousand eight hundred and forty nine) series A, B, C, D, E, F ordinary bearer shares of the Company, officially listed and traded on the main market organized by Giełda Papierów Wartościowych w Warszawie S.A. (the Warsaw Stock Exchange, the "**WSE**"), dematerialized and registered with Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities) under ISIN: PLBGZ0000010; and

II. 13,024,911 (thirteen million twenty four thousand nine hundred and eleven) series A, C, G and H non-dematerialized, ordinary registered shares of the Company; and

III. 4 (four) series B non-dematerialized, privileged registered shares of the Company, which incorporate the privilege to obtain payment of the full nominal value per share in case of the Company's liquidation once the creditors are satisfied but prior to the payments from ordinary shares, the payment of which, due to the exercise of that privilege, may not cover the nominal value of those shares.

Under the Tender Offer, the Tenderer as the entity purchasing the Shares intends to acquire 100% of the total number of Shares and votes at the general meeting of the Company, i.e. 56,138,764 (fifty six million one hundred and thirty eight thousand seven hundred and sixty four) Shares corresponding to 56,138,764 (fifty six million one hundred and thirty eight thousand seven hundred and sixty four) votes at the general meeting of the Company, subject to the information provided in Section 32 letter a) of the Tender Offer.

The Tenderer, as the entity purchasing the Shares, intends to acquire the Shares on the condition that at least 41,763,109 (forty one million seven hundred and sixty three thousand one hundred and nine) Shares, that is at least 74.39% of Shares, corresponding to at least 41,763,109 (forty one million seven hundred and sixty three thousand one hundred and nine) votes at the general meeting of the

Company representing at least 74.39% of the total number of votes at the general meeting of the Company are subscribed for under the Tender Offer.

The Tenderer, as the entity purchasing the Shares, reserves the right to change the minimum number of Shares to be subscribed for that obligates the Tenderer to acquire shares, and to take a decision on the acquisition of the Shares subscribed for even if the condition concerning the minimum number of shares is not satisfied.

The Tender Offer is subject to the *conditio iuris* of obtaining the Polish Financial Supervision Authority (the "**PFSA**") decision confirming that there are no grounds for objection to the acquisition by the Tenderer of the Shares representing more than 50% of the share capital and of the total number of the votes at the general meeting of the Bank or the lapse of the statutory time period for the PFSA to deliver a decision raising objections to the acquisition. On 3 September 2014 the Tenderer announced that on 3 September 2014 it received the PFSA decision confirming that there are no grounds for objection to the acquisition by the Tenderer of Shares representing more than 50% of the share capital and the total number of the votes at the general meeting of the Bank. The Tenderer declared that receiving the above mentioned decision satisfies the *conditio iuris* of the Tender Offer, detailed in Section 24 of the Tender Offer.

Basis of the position of the Bank Management Board

In order to express its position, the Bank's Management Board has become acquainted with the following available information and data relating to the Tender Offer:

a) the contents of the Tender Offer,

b) the contents of the Tenderer's announcement dated 3 September 2014 on the satisfaction of the *conditio iuris* under the Tender Offer, the decision of the Tenderer to change the dates of executing share purchase transactions and introducing relevant changes to the Tender Offer,

c) the price of the Bank's shares quoted on the stock exchange for the period of the last three and six months preceding the announcement of the Tender Offer,

d) publicly available information on the operations, financial standing and current market prices of shares of selected banks.

In order to verify whether the price proposed in the Tender Offer corresponds to the fair value of the Bank's shares, the Bank's Management Board, acting pursuant to Article 80 section 3 of the Act, in addition requested that PwC Polska sp. z o.o. ("PwC") prepare an independent opinion on the valuation of shares in the Tender Offer (the "Opinion").

Disclaimer

With the exception of commissioning PwC to prepare an opinion on the Bank's share price offered in the Tender Offer, the Management Board did not outsource the preparation of any additional studies or analyses in connection with the Tender Offer and its contents, nor did it consult any external entities as regards the contents of the Tender Offer. Subject to information provided by the Bank and concerning its activities, the Management Board does not assume any responsibility for the accuracy, reliability, completeness or adequacy of the information upon which this position is presented.

On 9 September 2014, PwC presented to the Management Board a written opinion subject to certain assumptions, restrictions and disclaimers. PwC provides services in accordance with an agreement concluded with the Bank, and it does not represent any other entity in connection with the Tender Offer, nor is it responsible towards any other entity, besides the Bank, for provision of services in connection with the Tender Offer or the contents of the present document. The opinion of PwC constitutes an attachment to the present position of the Management Board.

This position does not constitute a recommendation concerning the acquisition or disposal of financial instruments referred to in Article 42 of the Act of 29 July 2005 on trading in financial instruments (consolidated text: Dziennik Ustaw of 2014, item 94, as amended). Any investor making an investment decision in connection with this opinion of the Management Board on the Tender Offer should perform its own assessment of the investment risk associated with the disposal or acquisition of financial instruments on the basis of all information provided by the Tenderer and by the Bank, in particular within the framework of the Bank meeting its obligations related to the provision of information, including obtaining individual advice or a recommendation of licensed advisors to the extent necessary to make a relevant decision. In particular, each shareholder of the Bank, when analysing a possible response to the Tender Offer, should assess the investment risk associated with it.

The Bank Management Board points out that there may exist opinions on the Bank's value varying from those presented herein.

Effects of the Tender Offer on the interests of the Bank, including employment in the Bank, strategic plans of the Tenderer in relation to the Bank and their likely impact on employment in the Bank and the location of its business:

In the opinion of the Management Board, the Tender Offer is in line with the Bank's interest since, in accordance with the declaration included in the Tender Offer, the Tenderer expects that:

*"Subject to the applicable laws and on condition of obtaining the required regulatory approvals, including the PFSA approval, it is anticipated that the Company will be merged with BNP Paribas Bank Polska S.A. ("**BNP Paribas Bank Polska**"), in which BNP Paribas Fortis SA/NV ("**BNP Paribas Fortis**"), a direct subsidiary of the Tenderer, is already the majority shareholder. The Tenderer expects that the key terms and conditions of the proposed merger, including the proposed merger exchange ratio, will be publicly disclosed by the Company and BNP Paribas Bank Polska before the closing of the subscription period under this Tender Offer (…)*.

The overall strategy of BNP PARIBAS Group is to create a larger, though still medium-size, universal bank in Poland with the following characteristics:

(i) a critical mass allowing the combined entity to increase its performance and to be better positioned on the market to face the high level of competition in the Polish banking sector;

(ii) a fully-fledged universal bank with balanced activities between retail and corporate business, aiming at serving Polish clients with services tailored according to the standard of the BNP PARIBAS Group;

(iii) diversified loan distribution and deposit collection channels with a nationwide branch network of about 500 branches, an internet platform (BGŻ Optima) and partnerships in consumer finance allowing a nationwide client reach,

(iv) a strong focus on agricultural and food processing activity supported by the unique competences of the Company's business, which will be strengthened,

(v) capacity to support the international development of Polish corporates thanks to the wide international network of BNP PARIBAS Group,

(vi) a sound liquidity profile with balanced loan to deposit ratio in local currency and capacity of the majority shareholder to provide foreign currency denominated funding and equity in order to support the development of the combined entity,

(vii) a prudent approach to risk management, a modernized and scalable IT platform, and a re-dynamized Company brand.

In the Tender Offer document the Tenderer did not present any detailed information on the impact of the Tender Offer on employment in the Bank and the location of its business.

In the opinion of the Management Board there are no grounds for stating that the Tender Offer shall have an adverse influence on employment in the Bank.

Based on the content of the Tender Offer, there are no grounds for stating that the Tenderer intends to change the location of the Bank's business.

The Management Board believes that it is in the interest of the Bank to acquire a strong and stable strategic investor such as BNP, taking into account the content of the Tender Offer and the declaration that the strengthening of the Bank's position and competences will enable the Bank's continued growth.

The abovementioned position of the Bank is based on the contents of the Tender Offer.

The position of the Management Board regarding the price of the Company's shares offered in the Tender Offer. Determination whether according to the Management Board the price offered in the Tender Offer corresponds to the Bank's fair value:

Pursuant to Article 79 of the Act, the price of the Bank's shares proposed in the Tender Offer may not be lower than:

- the arithmetic average of the average daily prices weighted by the volume of trade in the shares on the main market, for the period of the three months preceding the date of announcement of the Tender Offer;
- the arithmetic average of the average daily prices weighted by the volume of trade in the shares, for the period of the six months preceding the announcement of the Tender Offer, in which the shares were traded on the main market;
- the highest price at which the entity obliged to announce the Tender Offer, its subsidiaries or its parent companies, or entities which are parties to the agreement signed with it pursuant to Article 87 section 1 subsection 5 of the Act paid within the period of 12 months preceding the announcement of the Tender Offer for the shares being the subject matter of the Tender Offer, or
- the highest value of the tangible assets or rights which the entity obliged to announce the Tender Offer, its subsidiaries or its parent companies, or entities which are parties to an agreement signed with it pursuant to Article 87 section 1 subsection 5 of the Act delivered within the 12

months preceding the announcement of the Tender Offer in exchange for the shares being the subject matter of the Tender Offer.

Pursuant to the contents of the Tender Offer:

the arithmetic average of the average daily prices weighted by the volume of trade for the period of the 6 (six) months preceding the date of announcement of the Tender Offer, during which the shares were traded on the WSE main market amounts to PLN 69.88 (sixty nine zloty, 88/100).

the arithmetic average of the average daily prices weighted by the volume of trade for the period of the 3 (three) months preceding the date of announcement of the Tender Offer, during which the shares were traded at the WSE main market amounts to PLN 69.65 (sixty nine zloty , 65/100).

According to the Tender Offer, during the 12 (twelve) months preceding the announcement of the Tender Offer, the Tenderer or its subsidiaries did not acquire the Shares. There is no direct or indirect parent entity of the Tenderer.

The Tenderer is not and, in the period of the 12 (twelve) months preceding the day of the Tender Offer, was not a party to any arrangement referred to in Article 87 Section 1 Item 5 of the Act.

The price offered in the Tender Offer of PLN 80.47 per share of the Bank is:

- higher by 15,53 % than the arithmetical mean of the average daily prices weighted by the volumes of trade for the period of the 3 months preceding the Tender Offer date,
- higher by 15,15 % than the arithmetical mean of the average daily prices weighted by the volumes of trade for the period of the 6 months preceding the Tender Offer date.

The price offered in the Tender Offer is higher than the net carrying value of the Bank’s assets per share, which amounted to PLN 72,01 as at 30 June 2014.

In accordance with the opinion prepared by PwC the proposed price in the transaction involving the sale of the shares of Bank to BNP is fair.

After having become acquainted with the opinion prepared by PwC, and based on the evidence presented above, the Management Board of the Bank concludes that the share price offered by the Tenderer in the Tender Offer **corresponds** to the fair value of the Bank.