

Share price performance summary

In April mBank's share price surged by 13.41%, while the WIG-Banks index increased by 11.29%. The EURO STOXX Banks Index went up by 1.56% in the same period.

Last 12 months – chart



change in the period	2Q'22	3Q'22	4Q'22	2022	1Q'23	2023 YtD
mBank	-36.41%	-10.77%	+47.70%	-31.67%	+3.51%	+17.40%
WIG Banks Index	-28.62%	-16.22%	+36.79%	-27.64%	+0.27%	+11.59%
EURO STOXX Banks Index	-11.82%	-1.91%	+22.08%	-4.56%	+6.35%	+8.01%

Consensus estimates for mBank Group's results

Financials (in PLN million)	2021	2022	2023E		2024E	
			estimate	Δ vs. 2022	estimate	Δ vs. 2023E
Net interest income	4,126	5,909	7,594	+28.5%	7,054	-7.1%
Net fee income	1,868	2,120	2,157	+1.8%	2,235	+3.6%
Total income	6,111	7,842	9,916	+26.4%	9,464	-4.6%
Total costs	-2,457	-3,319	-2,943	-11.3%	-3,129	+6.3%
LLPs & FV change	-879	-835	-1,365	+63.6%	-1,290	-5.5%
Operating profit	18	576	3,650	+533%	4,437	+21.6%
Net result	-1,179	-703	1,767	-/+	2,572	+45.6%
Net loans	117,677	120,183	123,787	+3.0%	128,594	+3.9%
Assets	198,373	209,892	214,289	+2.1%	224,734	+4.9%
Deposits	157,072	174,131	176,714	+1.5%	183,449	+3.8%

Contributing research by: BOŚ Brokerage, Citi Research, Erste Group, Ipopema, Pekao Brokerage, PKO Securities, Raiffeisen, Santander Brokerage, Societe Generale, Trigon DM, Wood & Company.

Note: Results for 2021 and 2022 were negatively impacted by high provisions for legal risk related to mortgage loans in foreign currencies (PLN 2,758 million and PLN 3,112 million, respectively).

Special topic:

mBank received better ESG Risk Rating score from Sustainalytics

Following an annual review performed in April 2023, mBank had its scoring upgraded by 2.5 to 12.3 points (low risk) compared to the previous Sustainalytics rating from 2022. mBank not only remains one of the best assessed banks in Poland, but also was ranked 10th among 387 diversified banks scored by the agency as at April 26, 2023.

The rating concerns the ESG risk, i.e. the effective management of the potential risk related to environmental, social and corporate governance areas. Despite a slight increase of the risk exposure, the scoring has been upgraded. This results mainly from better assessment of the quality of mBank's management of ESG risks, of which Product Governance, Data Privacy and Security as well as ESG Integration in Financials are notable material ESG issues among diversified banks. Quoting the ESG Risk Rating Report, "The company exhibits very strong management of Data Privacy and Security issues, underlining its use of best practices to protect its systems and customers. (...) The company's overall management of material ESG issues is strong." The Summary Report is available on mBank's website in the [respective section](#).

Key news regarding mBank Group

Inflation in Poland decelerated slightly to 14.7% YoY in April 2023



mBank's analysts forecast the GDP dynamics for whole 2023 to decline to 0.4% YoY, while for Q1 2023 it will amount to -1.2% YoY. The expectations remain unchanged among mixed macroeconomic readings in the first months of the year. According to the flash estimate, consumer prices in April 2023 increased by 14.7% YoY, less than assumed by the consensus, owing to slightly smaller inflation of fuel and energy, but also unexpected mild deceleration of food prices.

The overall CPI in March 2023 slowed to 16.1% YoY, compared to 16.6% at the end of 2022. The major contribution to the index came from higher prices recorded in food (by 2.3% MoM), clothing and footwear (by 5.0% MoM) as well as alcoholic beverages and tobacco (by 1.8% MoM) categories. At the same time, core inflation in March continued to be elevated, exceeding 12%. The Monetary Policy Council kept the interest rates unchanged in April. mBank's analysts expect them to remain stable until the end of 2023.

Industrial production has disappointed the market for several months in a row. In March 2023, the figure dropped to -2.9% YoY, below the consensus. The result was dragged down by nearly all categories but the production of energy. Seasonally adjusted industrial processing decreased as well, following a long-term downtrend. Producer Price Index advanced to 10.1% YoY.

Retail sales slumped by 7.3% YoY in March 2023, missing the consensus who had estimated a decrease by 5.7%. The figure continues to be impeded by elevated inflation, declining real wages and base effects linked to the purchases made by the refugees in Poland after the outbreak of the war in Ukraine. According to data by Statistics Poland, the largest drop in retail sales (at constant prices) compared to the corresponding month of 2022 was maintained in units trading in solid, liquid and gaseous fuels (by -20.7% against an increase of 15.5% a year before). mBank's analysts anticipate several positive elements to impact the retail sales in April and May, such as tax returns received by Polish households, 13th pension paid to the retirees, and slowly diminishing gap between inflation and rising wages. On a downside, a lower consumption by Ukrainians are also expected.

Employment advanced by 0.5% YoY in March 2023, marginally below the consensus. Despite that, the number of FTEs fell by 10,000 MoM, which is in line with the recent trend. The slowdown on the job market visible in the monthly dynamics is cohesive with the reading of GDP in the last 3 quarters. On the other side, it must be underlined that even with weaker data for last month the labour market is still characterised by relatively low unemployment and high wages. Salaries in March 2023 rose by 12.6% YoY, almost fully in line with the expectations. The value was driven by remuneration increases in the section of "Professional, scientific and technical activities" (by 11.3%) and "Information and communication" (by 11.0%), according to the Statistics Poland. The inflation is still higher than the annual rise of average pay in the corporate sector, therefore real wages remain negative.

mBank remains committed to educating its clients on cybersecurity

mBank launched eighth edition of its flagship social campaign on online safety. As a part of this action, it posted educational materials on a dedicated website and prepared video spots which have been available on TV and the Internet since April 3, 2023. mBank also promoted its free CyberRescue service, which provides 24/7 access to support from online safety specialists. Among others, they can help clients who had their mailbox broken into or lost their account on a social networking site to a hacker. They can also recommend what action to take while receiving a suspicious e-mail or when a product ordered online does not arrive.

Cybersecurity remains a crucial topic for mBank which was the first bank in Poland to raise awareness on the importance of education on that matter. Each year mBank runs dedicated campaigns and implements a number of solutions which improve its online safety. Recently, it has introduced a verification of e-mails sent by the bank's representatives and a confirmation of employee's identity during calls initiated by the bank in the mobile application.

Forthcoming corporate access events

30.05.2023	"Polish Capital Market" conference by mBank Brokerage in Warsaw
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Forthcoming reporting events

28.07.2023	Semi-annual Financial Report of mBank Group for H1 2023
31.10.2023	mBank Group Financial Report for Q3 2023
08.02.2024	Selected non-audited financial data of mBank Group for Q4 2023
01.03.2024	Annual Financial Report of mBank Group for 2023

mBank's shares:

ISIN	PLBRE0000012
Bloomberg	MBK PW
Number of shares issued	42 433 495
Listed on WSE since	06.10.1992
Relevant WSE indices	WIG, WIG-20, WIG-30, WIG-Banks, WIG-ESG

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For any further information, please contact the IR team.

E-mail address: investor.relations@mbank.plmBank S.A.
Investor Relations
ul. Prosta 18
00-850 Warszawa