
State budget borrowing requirements' financing plan and its background:

in February 2011

THE MOST IMPORTANT INFORMATION:

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1 T-bond auctions

Auction date	Settlement date	Series	Planned offer (PLN m)
1 FEB 2012	3 FEB 2012	DS1021	1,000-3,000
9 FEB 2012*	13 FEB 2012	OK0114 / PS1016	3,000-6,000
16 FEB 2012*	20 FEB 2012	WZ0117	1,000-3,000

* auction on Thursday

The final offer and the supply will be announced 2 days before the auction and will result from the market situation and consultations with investors.

The Minister of Finance is entitled to organize non-competitive auctions where bonds will be sold at auction average clean price.

2 T-bill auction

Auction date	Settlement date	T-bill	Maturity date	Planned offer (PLN m)
27 FEB 2012	29 FEB 2012	52 week	27 FEB 2013	1,000-2,000

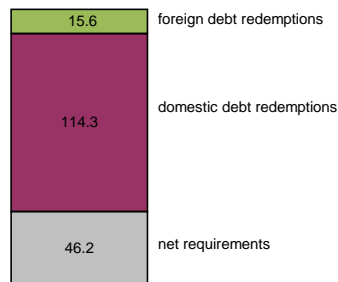
3 Offer on retail market

T-bond	Issue price	Coupon
DOS0214	100.00 PLN (99.90 PLN for rolling-over)	Fixed, 4.75%
TZ0215	99.90 PLN	Floating (1.00 * WIBOR 6M), 5.01% in the first coupon period
COI0216	100.00 PLN (99.90 PLN for rolling-over)	Floating (inflation rate + 2.50%), 5.25% in the first coupon period
EDO0222	100.00 PLN	Floating (inflation rate + 3.00%), 6.00% in the first coupon period

1 Gross borrowing requirements in 2012

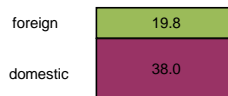
Gross borrowing requirements in 2012

Total PLN 176.1bn, of which:



Funding in January

Total PLN 57.8bn (33%)

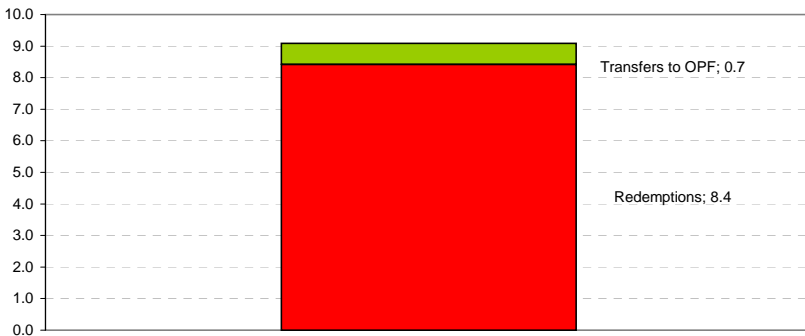


Funding of borrowing requirements was a result of:

- T-bills buyback in 2011: PLN 4.5bn,
- T-bonds buyback in 2011: PLN 0.2bn,
- rolling over of T-bonds by switch auctions in 2011: PLN 15.2bn,
- higher than planned financial resources at the end of 2011: PLN 11.7bn,
- T-securities sale on domestic market: PLN 18.3bn,
- T-bonds issuance on foreign markets: PLN 6.5bn,
- and loans incurred from IFIs: PLN 1.4bn.

2 Flows of funds into the market related to T-bonds and T-bills and transfers to Open Pension Funds in February 2012

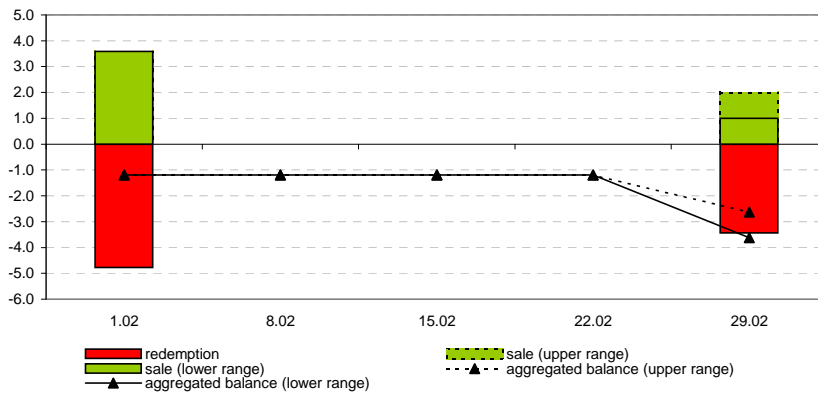
(PLN bn, as of January 31, 2012)



Flow of funds due to redemptions of T-securities, interest payments and transfers from State budget to Open Pension Funds will amount to ca. PLN 9.1bn.

3 Sale and redemption of T-bills and T-bonds in February 2012

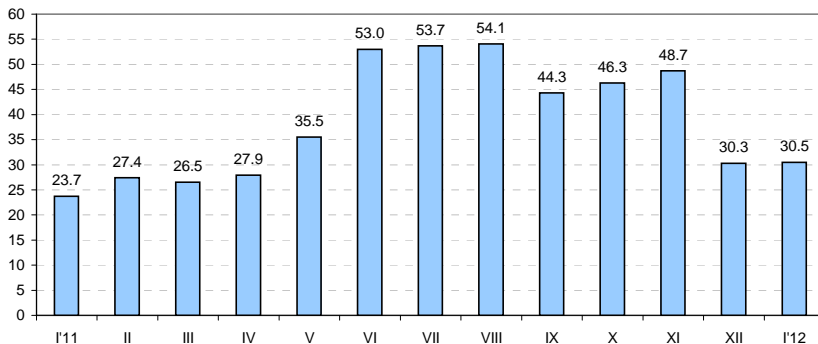
(settlement date, PLN bn)



Assumed change of T-bills debt in February (by settlement date) will decrease in range of PLN 2.6 - 3.6bn.

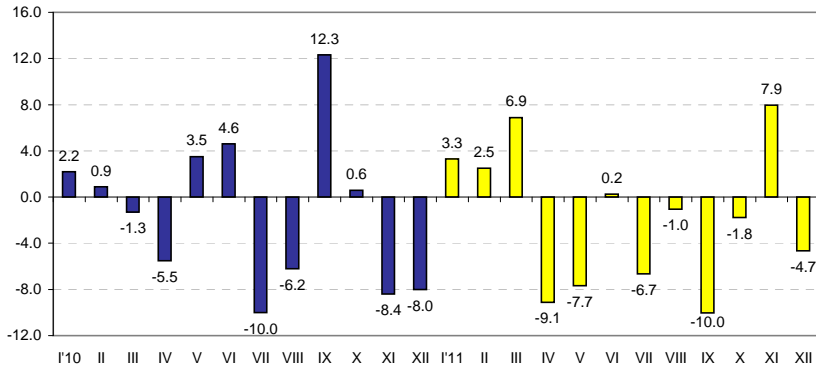
4 Funds in PLN and in foreign currency held by MoF at the end of month

(foreign currency funds include funds from debt issuance and received from the European Commission, PLN bn)



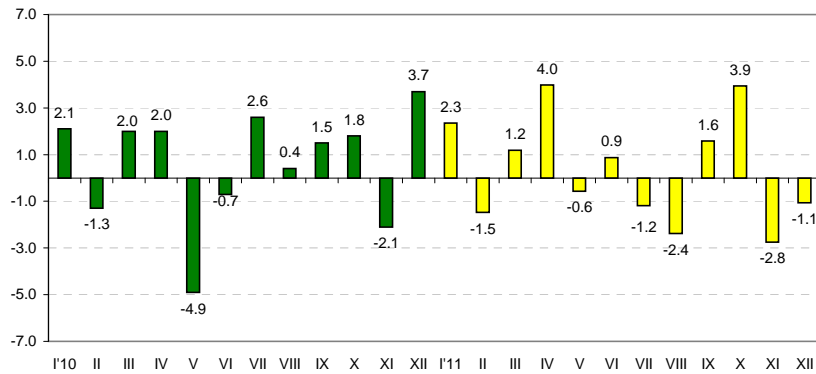
The funds ensure liquidity in borrowing needs financing.

5 Change of debt in domestic T-securities held by banks (without BSB transactions with MoF; PLN bn)



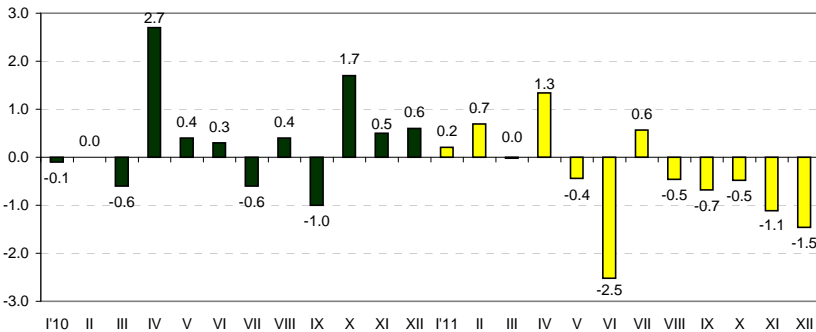
In the period of I-XII 2011 debt held by domestic banks decreased by PLN 20.1bn comparing to PLN 15.3bn decrease during the same period of 2010.

6 Change of debt in domestic Treasury securities held by pension funds (PLN bn)



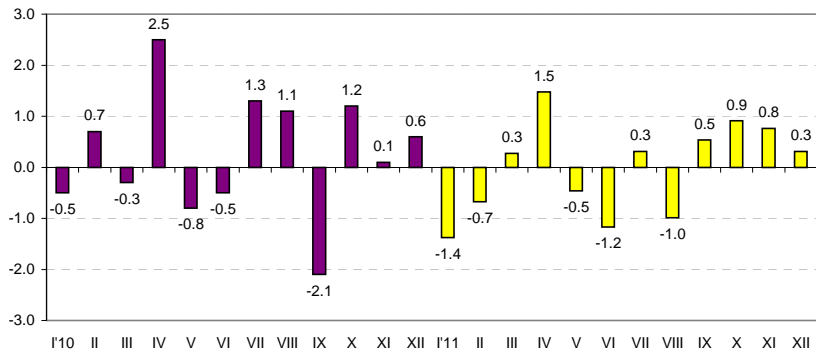
In the period of I-XII 2011 debt held by pension funds increased by PLN 4.5bn comparing to PLN 7.1bn increase during the same period of 2010.

7 Change of debt in domestic Treasury securities held by insurance companies (PLN bn)



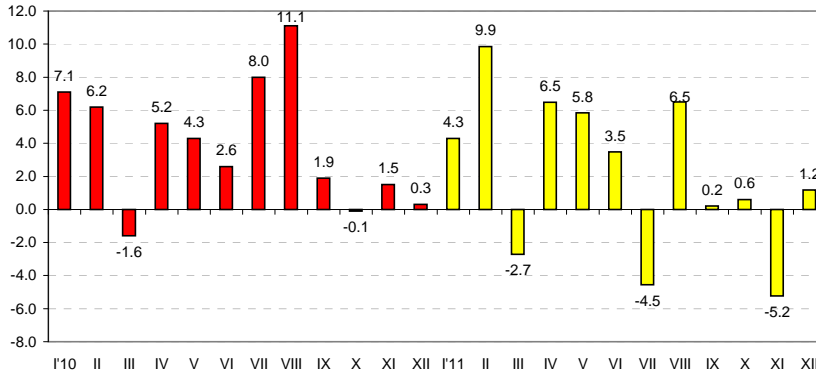
In the period of I-XII 2011 there was a decrease of PLN 4.4bn in debt held by insurance companies. During the same period of 2010 there was an increase of PLN 4.3bn.

8 Change of debt in domestic Treasury securities held by investment funds (PLN bn)



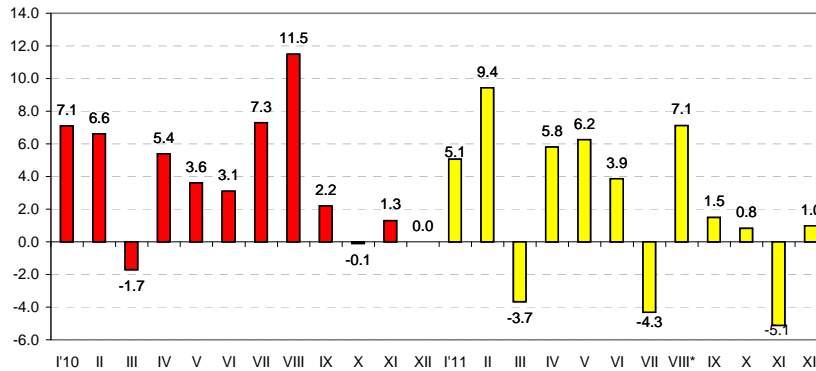
In the period of I-XII 2011 there was a decrease of PLN 0.1bn in debt held by investment funds. During the same period of 2010 there was an increase of PLN 3.3bn.

9 Change of debt in domestic Treasury securities held by foreign investors (PLN bn)



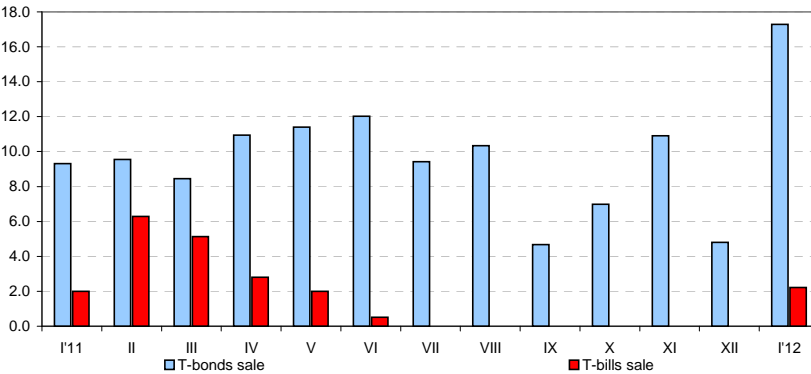
In the period of I-XII 2011 inflow of foreign capital to the domestic TS market amounted to PLN 26.0bn comparing to PLN 46.5bn increase in the same period of 2010. Foreign investors' holdings reached the level of PLN of 154.2bn.

10 Change of debt in domestic T-bonds held by foreign investors (PLN bn)



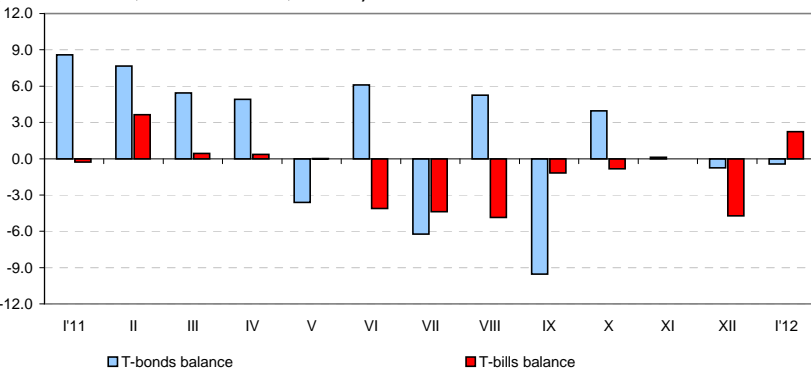
In the period of I-XII 2011 inflow of foreign capital to domestic bonds market amounted to PLN 27.7bn comparing to PLN 46.3bn in the same period of 2010. Foreign investors' holdings reached the level of PLN 152.5bn.

11 Sale of T-bonds and T-bills in January 2012 and in 2011 (settlement date, nominal amount, PLN bn)



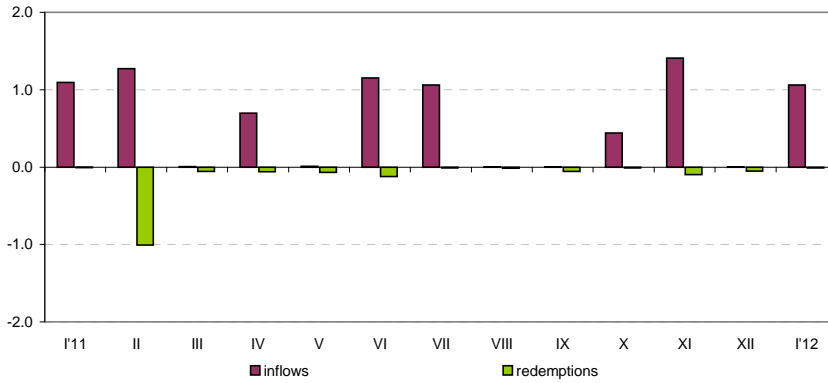
In January, after seven months break, the MoF renewed T-bills issuances at a limited level (11.4% share in total TS sale in January 2012).

12 Balance of T-bonds and T-bills in January 2012 and in 2011 (settlement date, nominal amount, PLN bn)



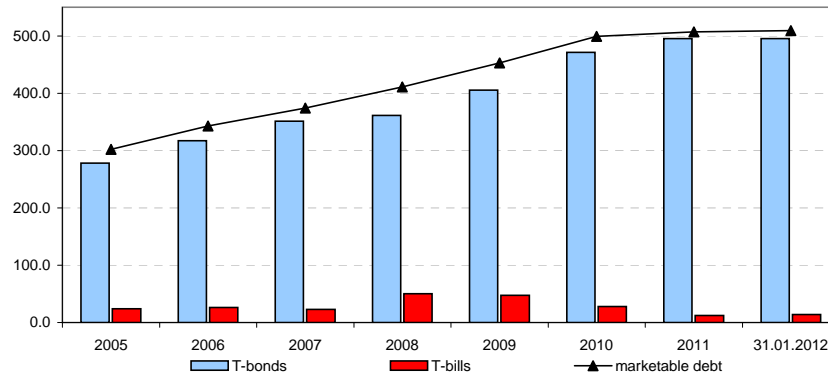
Indebtedness in T-bonds decreased by PLN 0.4bn while indebtedness in T-bills increased by PLN 2.2bn.

13 External financing in the period of January 2012
(bonds issued on foreign markets and loans received from IFIs, EUR bn)



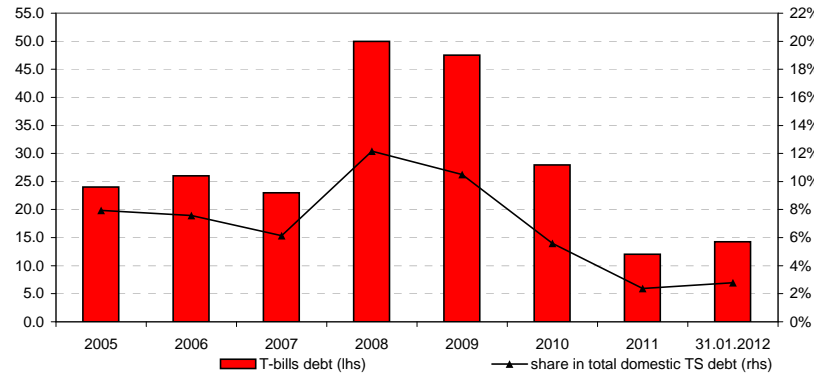
Net financing on foreign markets (bonds issuance and loans from IFIs) amounted to EUR 1.1bn. T-bonds issuance was EUR 1.5bn (USD 1.0bn settled in February). Loans incurred from IFIs were at the level of EUR 0.3bn.

14 Structure of marketable debt
(PLN bn)



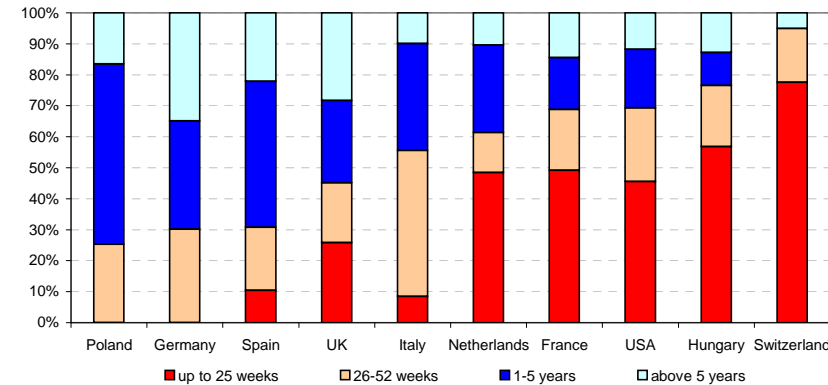
At the end of January 2012 the marketable domestic debt amounted to PLN 509.5bn comparing to PLN 507.2bn at the end of 2011.

15 T-bills outstanding
(PLN bn)



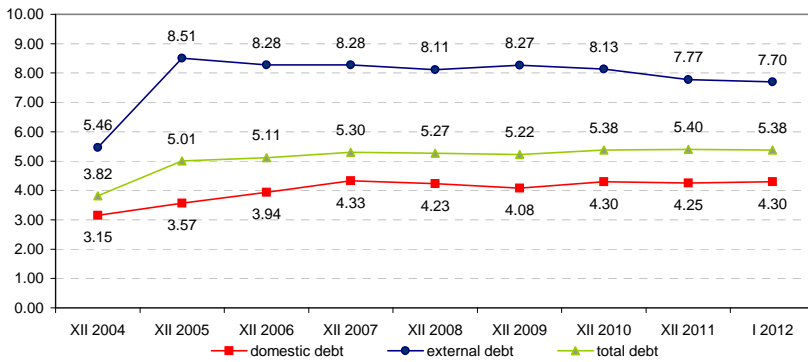
In January 2012 indebtedness in T-bills increased by PLN 2.2bn to the level of PLN 14.2bn. T-bills share in total domestic debt amounted to 2.8% at the end of the month.

16 Maturity breakdown of T-securities in Poland and other countries
(auctions and syndicates, local currency, ytd in the period of 1 - 31 January 2012)



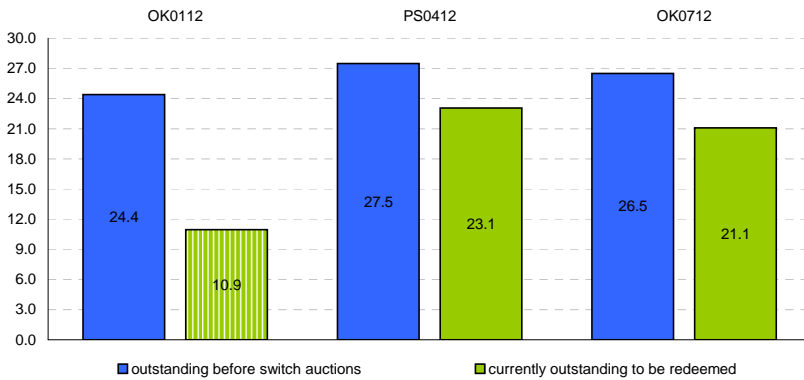
In terms of maturity, the sale of TS in Poland in 2012 is dominated by securities with maturity over 1 year.

17 Average maturity



At the end of January 2012 the average maturity of domestic debt increased to 4.30.

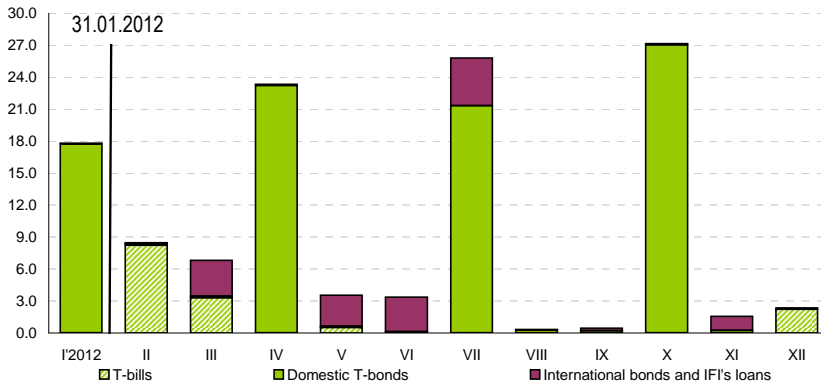
18 Reducing refinancing risk connected with T-bonds' redemptions maturing in 2012 (switch auctions, PLN bn, as of 31 January 2012)



Buy-back of T-bonds maturing in 2012:

- OK0112: PLN 13.5bn (55% of initial outstanding),
- PS0412: PLN 4.4bn (16% of initial outstanding),
- OK0712: PLN 5.4bn (20% of initial outstanding).

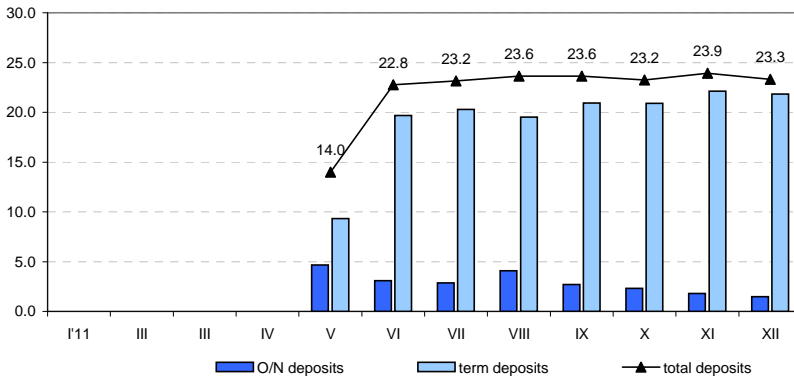
19 State Treasury debt redemptions in 2012 (nominal amount, PLN bn, as of 31 January 2012)



The nominal amount of debt to be redeemed in 2012 is equal to PLN 105.1bn, including:

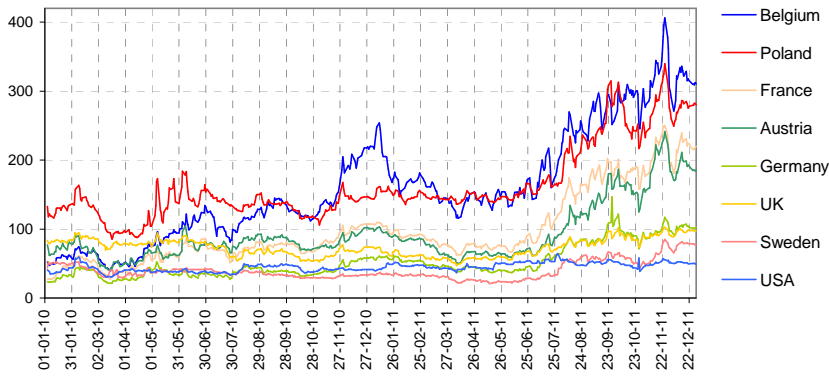
- T-bills: PLN 14.2bn,
- T-bonds on domestic market: PLN 72.9bn,
- bonds and loans incurred in foreign markets: PLN 16.0bn.

20 Consolidation of public finances liquidity management (PLN bn)



As a result of consolidation of public finances liquidity management there were PLN 23.9bn funds accumulated at the end of January, of which PLN 22.0bn was as term deposits and PLN 1.8bn on O/N deposits.

21 CDS levels (5-year, bp)



Polish 5-year CDS contracts are traded at the levels close to CDS contracts of the higher rated countries.

22 T-bonds issue on the EUR market (reopening)

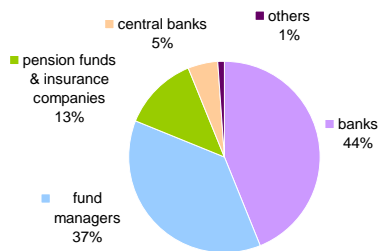
Issue summary:

Amount: EUR 750m (aggregate amount: EUR 2bn)
 Maturity date: March 29, 2017
 Coupon: 3.750%
 Spread: 237 bp over the interpolated mid-swap
 Yield: 4.121%
 Launch date: January 10, 2012
 Bookrunners: Barclays Capital, Societe Generale and UniCredit

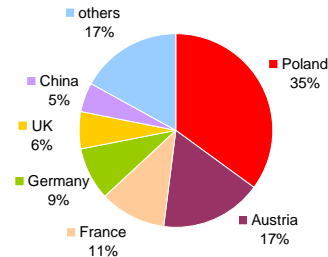
Market commentary:

IFR no 1916 (Jan 14, 2012):
 "Poland is definitely always one of the first sovereigns out of the CEE region. It was a strong message for them to access euros given volatility in the euro sovereign space."
 EUROWEEK no 1237 (Jan 13, 2012):
 "Poland has a lot of positives to it as an issuer."
 "Poland has always looked at keeping its benchmarks very liquid in dollars, euros and zloty. This trade added liquidity to the 2017s."

Orderbook by investor type



Orderbook by geography

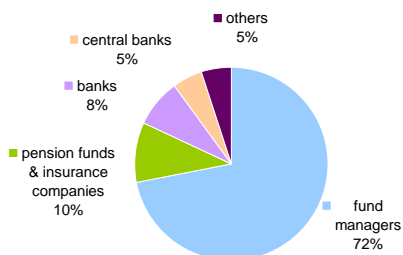


23 T-bonds issue on the USD market (reopening)

Issue summary:

Amount: USD 1bn (aggregate amount: USD 3bn)
 Maturity date: March 23, 2022
 Coupon: 5.000%
 Spread: 284 pb over the interpolated mid-swap
 Yield: 4.901%
 Launch date: January 26, 2012
 Bookrunners: Citigroup, Deutsche Bank Securities and HSBC

Orderbook by investor type



Orderbook by geography

