

1. At the end of the second quarter of 2015 consolidated **public debt** (according to domestic methodology) stood at **PLN 858,151.6 million*** which meant:
- an increase by PLN 9,968.2 (+1.2%) in the second quarter of 2015,
- an increase by PLN 31,379.9 (+3.8%) in comparison with the end of 2014.

2. Increase of public debt in the second quarter of 2015 resulted from:
- increase of central government sector debt by PLN 9,999.1 million (+1.3%), consolidated State Treasury debt increased by PLN 10,004.9 million (+1.3%),
- decrease of local government sector debt by PLN 29.5 million (-0.04%), local government units debt decreased by PLN 255.0 million (-0.4%),
- decrease of social security sector debt by PLN 1.4 million (-1.3%).

3. At the end of the second quarter of 2015 unconsolidated public debt stood at PLN 937,824.4 million* which meant:
- an increase by PLN 13,266.6 (+1.4%) in the second quarter of 2015,
- an increase by PLN 38,976.7 (+4.3%) in comparison with the end of 2014.

5. At the end of the second quarter of 2015 **general government debt** (EDP debt, part of the government finance Maastricht criterion) was at **PLN 895,741.6 million***. EDP debt:
- increased by PLN 9,357.2 million (+1.1%) in the second quarter of 2015,
- increased by PLN 28,748.1 (+3.3%) compared with the end of 2014.

6. Similarly to public debt measured according to domestic methodology, the change in EDP debt in the second quarter of 2015 resulted mainly from changes in State Treasury debt. Moreover EDP debt was influenced by increase in debt of National Road Fund (by PLN 158.7 million) and corporations included in general government sector (by PLN 717.7 million) and increase of T-securities held by National Road Fund and Bank Guarantee Fund (by PLN 1,322.2) (which decreases EDP debt due to increase of consolidation between units of the general government sector).

After the decision of the Central Statistical Office to incorporate Agencja Rozwoju Przemysłu S.A. in the general government sector, the EDP debt time series were revised starting from the first quarter of 2010. The differences between public debt according to domestic definition and general government debt are presented in chart 3 (page 2) and in table 3 (page 7).

* Data regarding the second quarter of 2015 are preliminary. Data regarding previous periods were updated if necessary.

Table 1. Public debt according to the place of issue criterion - after consolidation (m PLN, at nominal value, eop)

Item	Q4 2014	structure Q4 2014	Q1 2015	structure Q1 2015	Q2 2015	structure Q2 2015	change		change	
							Q2 2015 - Q1 2015 PLN m	%	Q2 2015 - Q4 2014 PLN m	%
Public debt	826,771.7	100.0%	848,183.4	100.0%	858,151.6	100.0%	9,968.2	1.2%	31,379.9	3.8%
Domestic debt	534,789.6	64.7%	559,197.5	65.9%	564,600.0	65.8%	5,402.5	1.0%	29,810.4	5.6%
1. Debt securities	480,301.9	58.1%	501,514.5	59.1%	506,670.4	59.0%	5,155.9	1.0%	26,368.5	5.5%
2. Loans	52,547.1	6.4%	52,064.1	6.1%	51,838.2	6.0%	-225.8	-0.4%	-708.9	-1.3%
3. Other domestic liabilities	1,940.6	0.2%	5,618.9	0.7%	6,091.4	0.7%	472.5	8.4%	4,150.8	213.9%
Foreign debt	291,982.1	35.3%	288,985.9	34.1%	293,551.6	34.2%	4,565.7	1.6%	1,569.5	0.5%
1. Debt securities	208,769.6	25.3%	209,267.1	24.7%	212,390.6	24.7%	3,123.5	1.5%	3,621.0	1.7%
2. Loans	83,202.5	10.1%	79,710.2	9.4%	81,149.7	9.5%	1,439.5	1.8%	-2,052.8	-2.5%
3. Other foreign liabilities	9.9	0.0%	8.5	0.0%	11.2	0.0%	2.7	32.0%	1.3	13.3%

Table 2. Public debt according to the residency criterion - after consolidation (m PLN, at nominal value, eop)

Item	Q4 2014	structure Q4 2014	Q1 2015	structure Q1 2015	Q2 2015	structure Q2 2015	change		change	
							Q2 2015 - Q1 2015 PLN m	%	Q2 2015 - Q4 2014 PLN m	%
Public debt	826,771.7	100.0%	848,183.4	100.0%	858,151.6	100.0%	9,968.2	1.2%	31,379.9	3.8%
Domestic debt	354,756.4	42.9%	368,111.3	43.4%	375,275.4	43.7%	7,164.1	1.9%	20,518.9	5.8%
1. Debt securities	300,268.7	36.3%	310,428.3	36.6%	317,345.7	37.0%	6,917.4	2.2%	17,077.0	5.7%
2. Loans	52,547.1	6.4%	52,064.1	6.1%	51,838.2	6.0%	-225.8	-0.4%	-708.9	-1.3%
3. Other domestic liabilities	1,940.6	0.2%	5,618.9	0.7%	6,091.4	0.7%	472.5	8.4%	4,150.8	213.9%
Foreign debt	472,015.3	57.1%	480,072.1	56.6%	482,876.2	56.3%	2,804.1	0.6%	10,861.0	2.3%
1. Debt securities	388,802.8	47.0%	400,353.4	47.2%	401,715.3	46.8%	1,361.9	0.3%	12,912.5	3.3%
2. Loans	83,202.5	10.1%	79,710.2	9.4%	81,149.7	9.5%	1,439.5	1.8%	-2,052.8	-2.5%
3. Other foreign liabilities	9.9	0.0%	8.5	0.0%	11.2	0.0%	2.7	32.0%	1.3	13.3%

Chart 1. Public debt

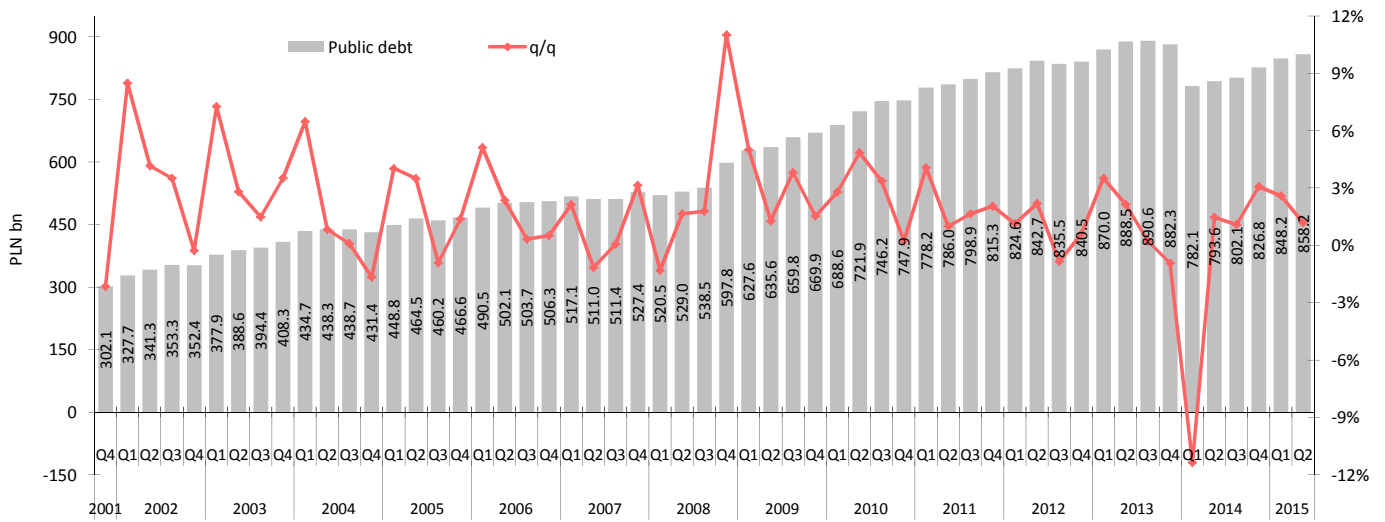


Chart 2. EDP debt

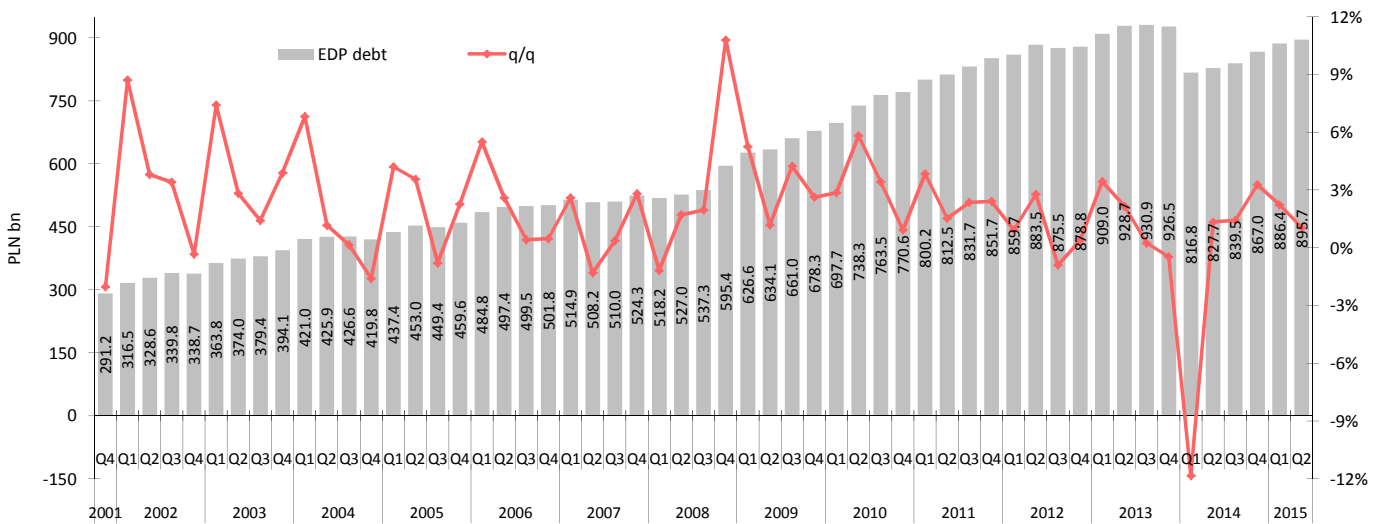


Chart 3. Differences between public debt and general government debt

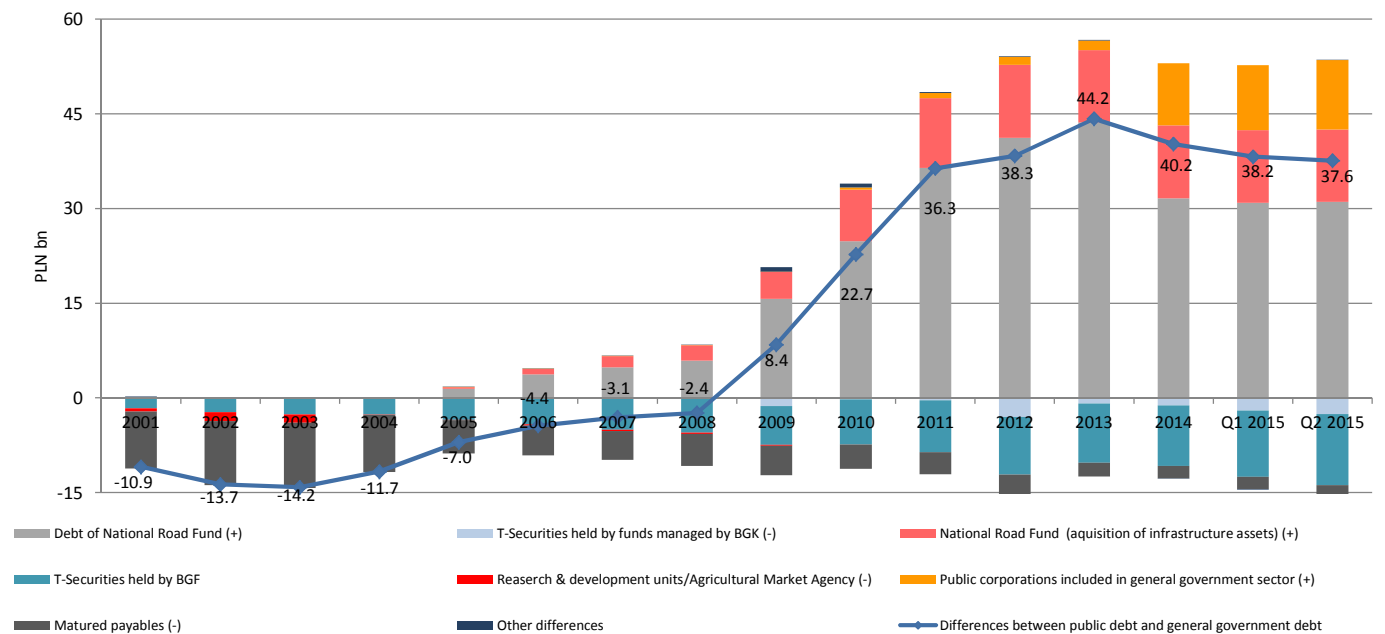


Chart 4. Public debt according to the place of issue criterion

At the end of the second quarter of 2015 domestic debt stood at PLN 564.6 bn, up by PLN 5.4 bn (+1.0%) compared with the end of the first quarter of 2015. Foreign debt stood at PLN 293.6 bn, up by PLN 4.6 bn (+1.6%) due to issuance of CHF-denominated and EUR-denominated bonds (CHF 0.58 billion and EUR 1.0 billion) repurchase of CHF-denominated bond (CHF 1.5 billion) and depreciation of zloty against EUR (2.6%) and CHF (3.3%) and appreciation against USD (1.3%) and JPY (2.8%).

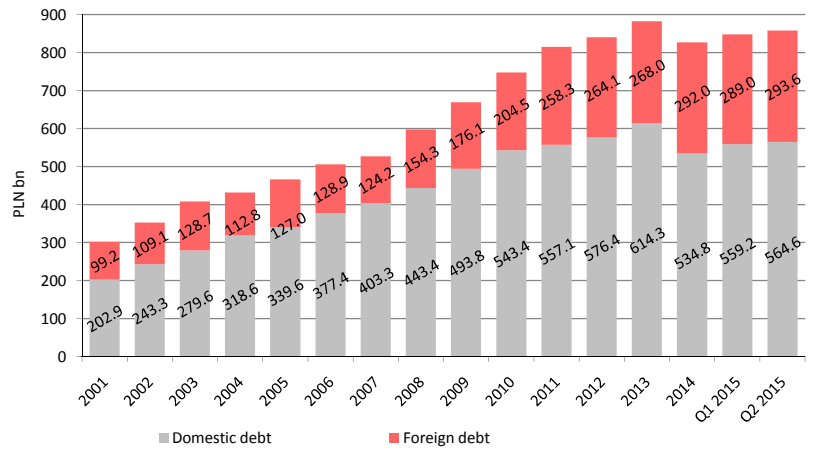


Chart 5. Structure of public debt according to the place of issue criterion

At the end of the second quarter of 2015 the share of foreign debt in the total debt amounted to 34.2%, up by 0.1 percentage points. Compared with the end of 2014 the share decreased by 1.1 percentage points.

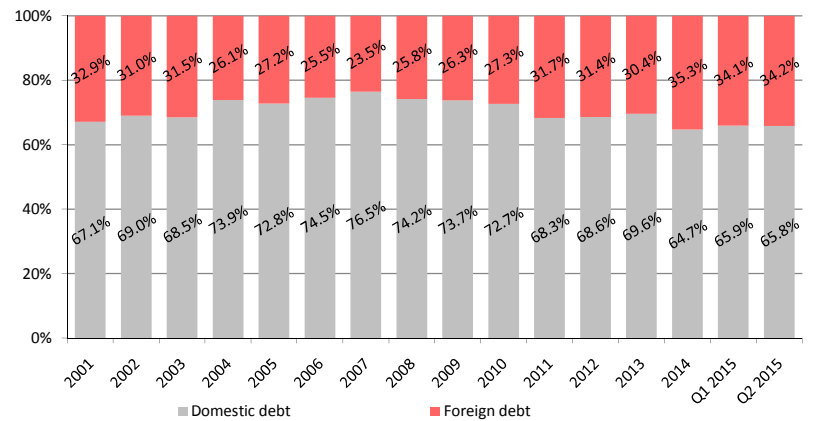


Chart 6. Public debt by holder

In the second quarter of 2015 public debt towards:

- domestic banking sector increased by PLN 4.7 bn (+2.1%),
- domestic non-banking sector increased by PLN 2.4 bn (+1.7%),
- foreign investors (non-residents) increased by PLN 2.8 bn (+0.6%).

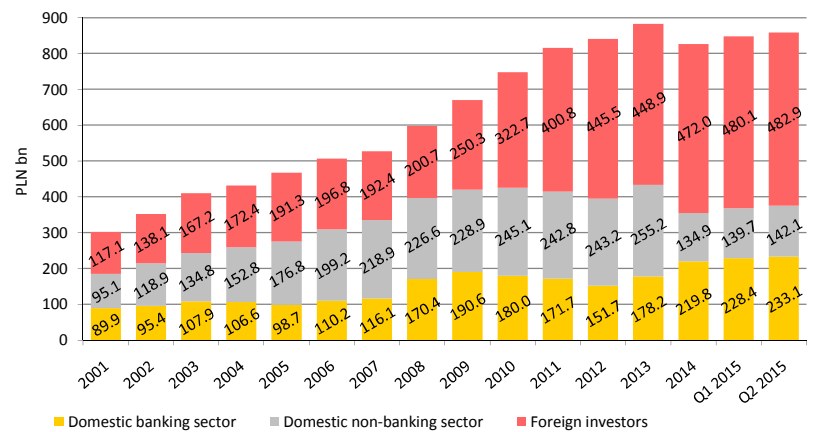


Chart 7. Structure of public debt by holder

In the second quarter of 2015 the share of public debt towards foreign investors fell from 56.6% to 56.3%. The share of public debt towards domestic banking sector and domestic non-banking sector rose by 0.3 and 0.1 percentage points to 27.2% and 16.6% respectively. Since the beginning of 2015 the share of public debt towards foreign investors fell by 0.8 percentage points.

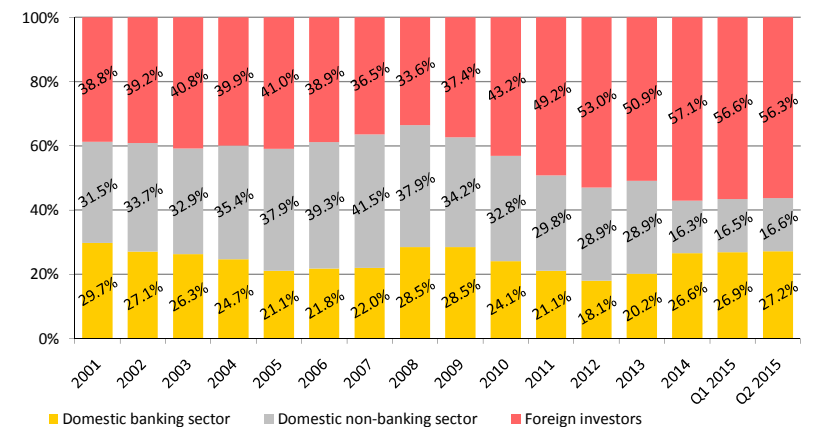


Chart 8. Consolidated public debt by sub-sector

At the end of the second quarter of 2015 public debt consisted of:
 - central government debt - PLN 787.0 billion,
 - local government debt - PLN 71.1 billion,
 - social security funds debt - PLN 0.1 billion.

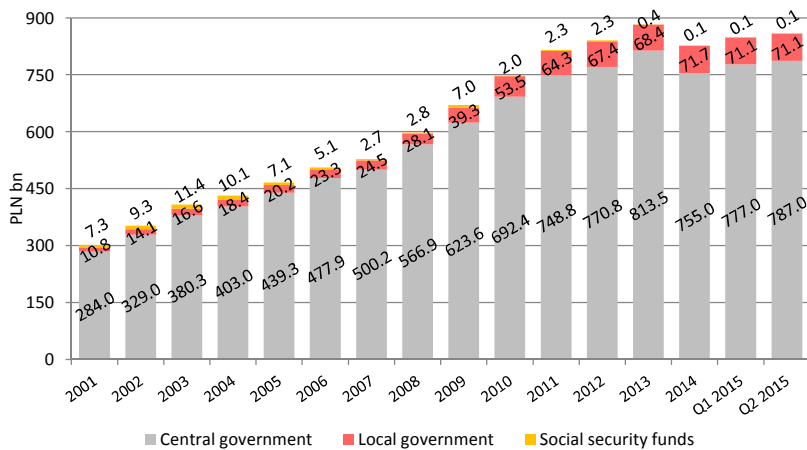


Chart 9. Structure of consolidated public debt by sub-sector

The ratio of central government debt to total debt rose by 0.1 percentage points to 91.7%. The local government sub-sector contribution was 8.3% of the total debt, of which 7.9% represents debt of local government units and their unions. The share of social security funds debt remains below of 0.1%

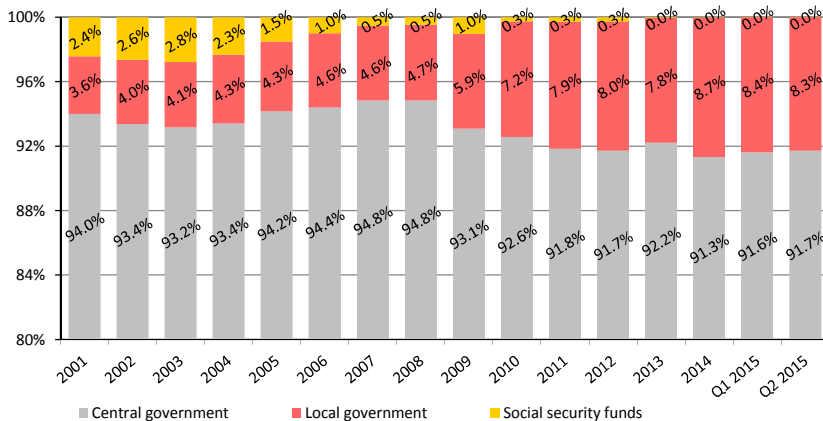


Chart 10. Changes in consolidated public debt by sub-sector

The increase of public debt in the second quarter of 2015 (by PLN 10.0 bn) was a result of:
 - central government debt increase by PLN 10.0 bn (+1.3%),
 - local government debt decrease by PLN 0.03 bn (-0.04%),
 - social security funds debt decrease by PLN 0.001 bn (-1.3%).

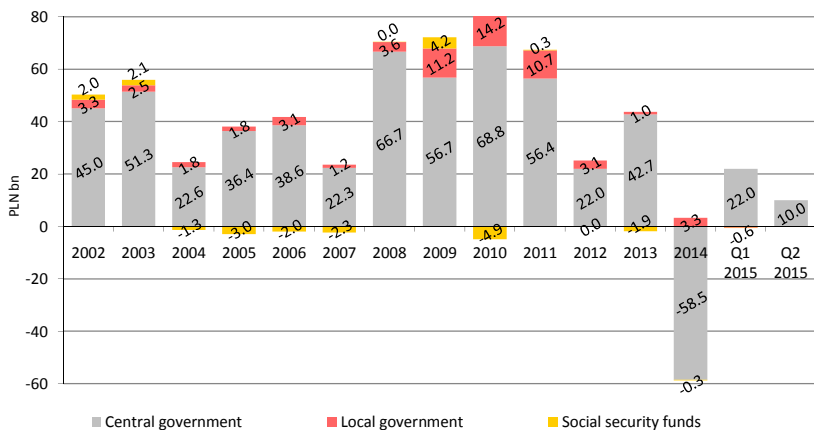


Chart 11. Structure of public debt by instrument

At the end of the second quarter of 2015 marketable instruments comprised 83.7% of public debt, including instruments issued on the domestic market (59.0%). The share of marketable instruments in public debt decreased in the second quarter of 2015 by 0.1 percentage points.

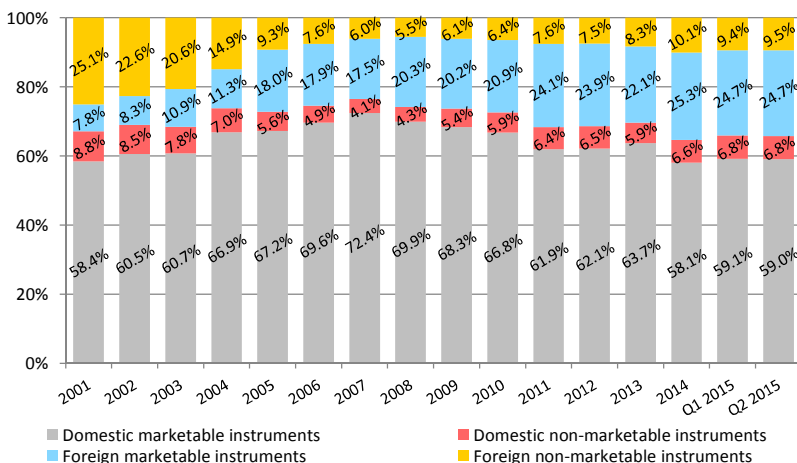


Chart 12. Unconsolidated debt of public finance sector units other than ST

At the end of the second quarter of 2015, the unconsolidated debt of units other than ST amounted to 12.8% of public debt. Among those entities the debt of local government units and Social Insurance Institution (ZUS) and its funds constituted the biggest part.

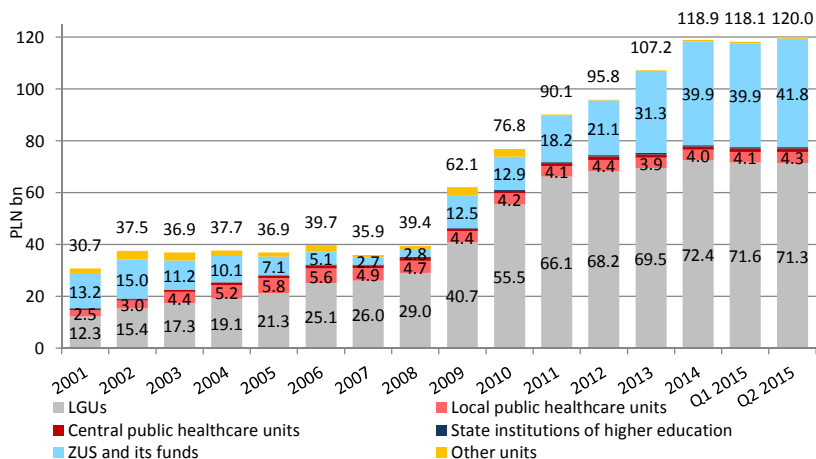


Chart 13. Consolidated debt of public finance sector units other than ST

At the end of the second quarter of 2015 the difference between consolidated and unconsolidated debt of public finance sector units other than ST was PLN 47.1 bn. The reason is that 39.3% of their debt are liabilities towards other public finance sector units. The increasing debt of ZUS funds does not contribute to the consolidated public debt due to the fact that the State budget loan was used as an instrument for financing part of FUS deficit.

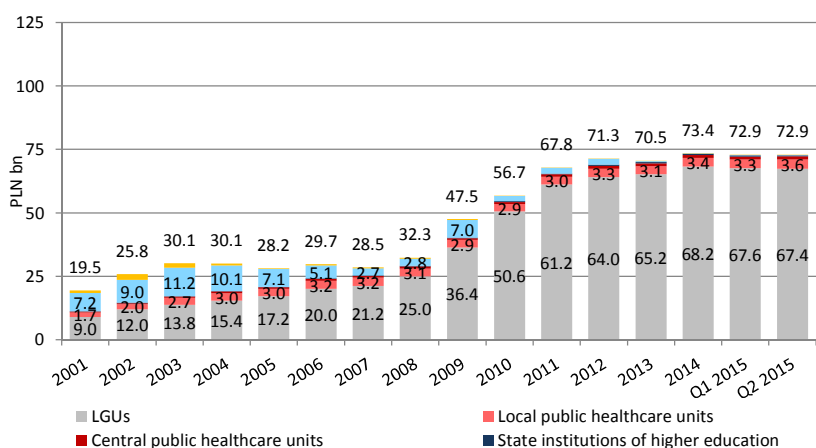


Chart 14. Structure of unconsolidated debt of LGUs and their associations according to place of issue criterion

The structure of local government liabilities and their unions was dominated by domestic debt, although the share of foreign debt has been increasing steadily, reaching 21% in 2015.

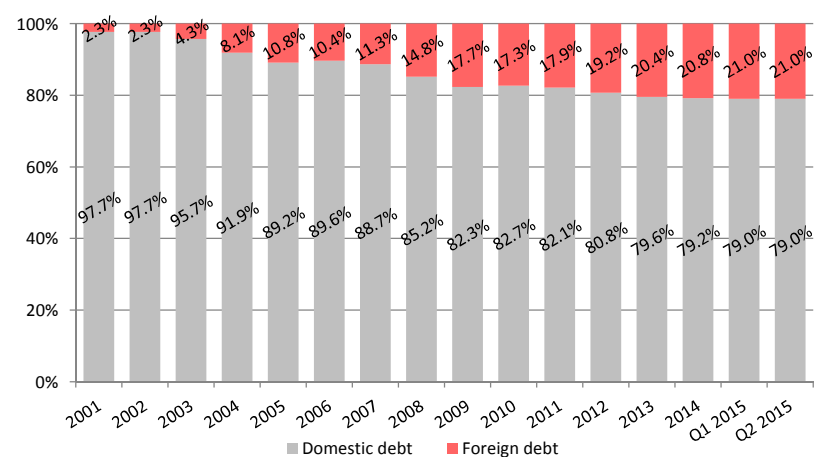


Chart 15. Structure of unconsolidated debt of LGUs and their associations by instrument

Loans prevailed in the structure of liabilities of LGUs and their associations with share of 93.7%. The role of loans in LGUs debt financing have been gradually growing since 2004 reaching its peak at the end 2014.

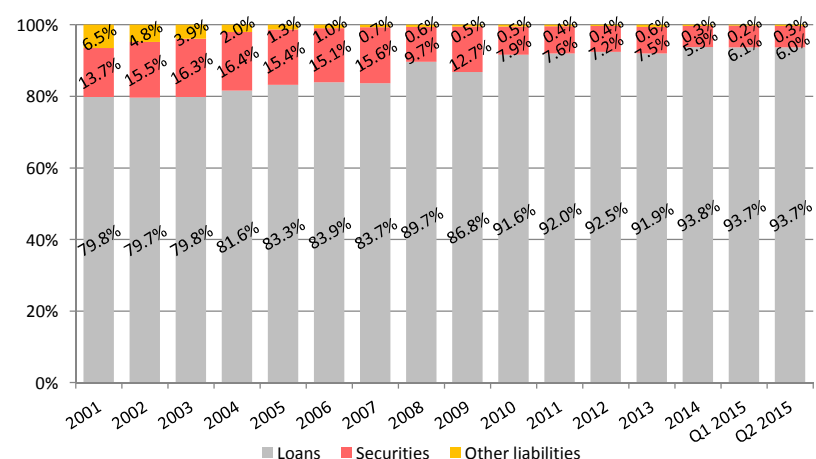
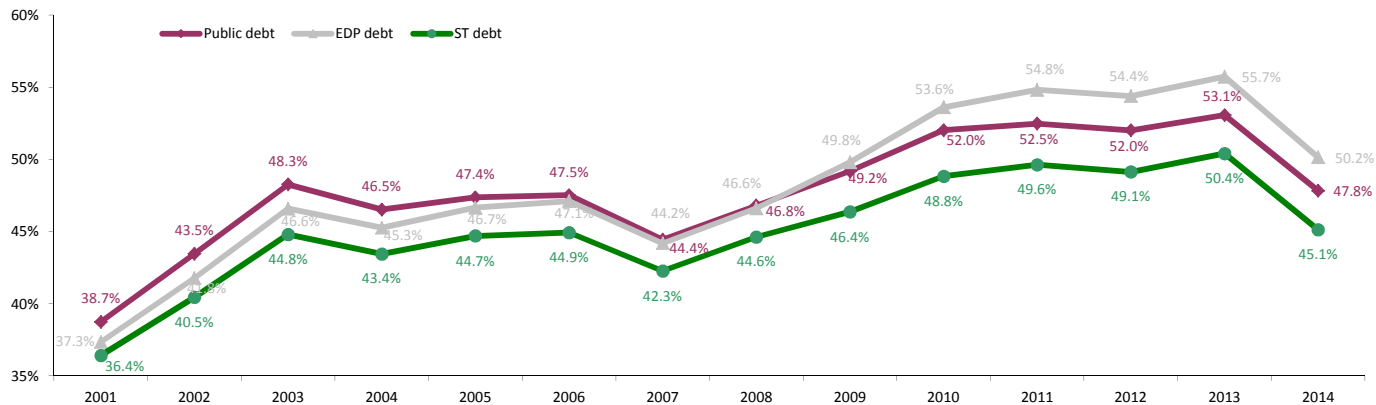
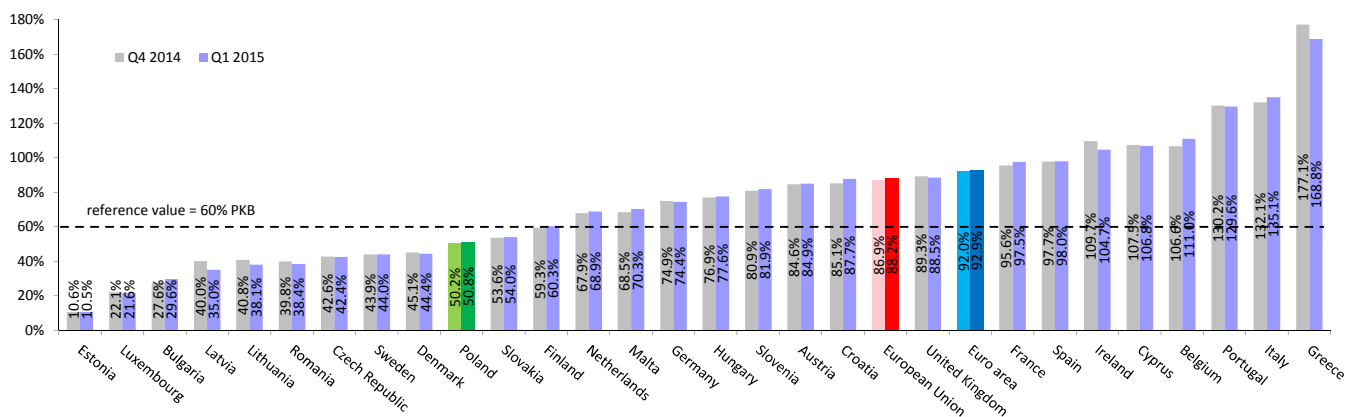


Chart 16. Public debt, EDP debt and State Treasury debt to GDP ratios (eop)*



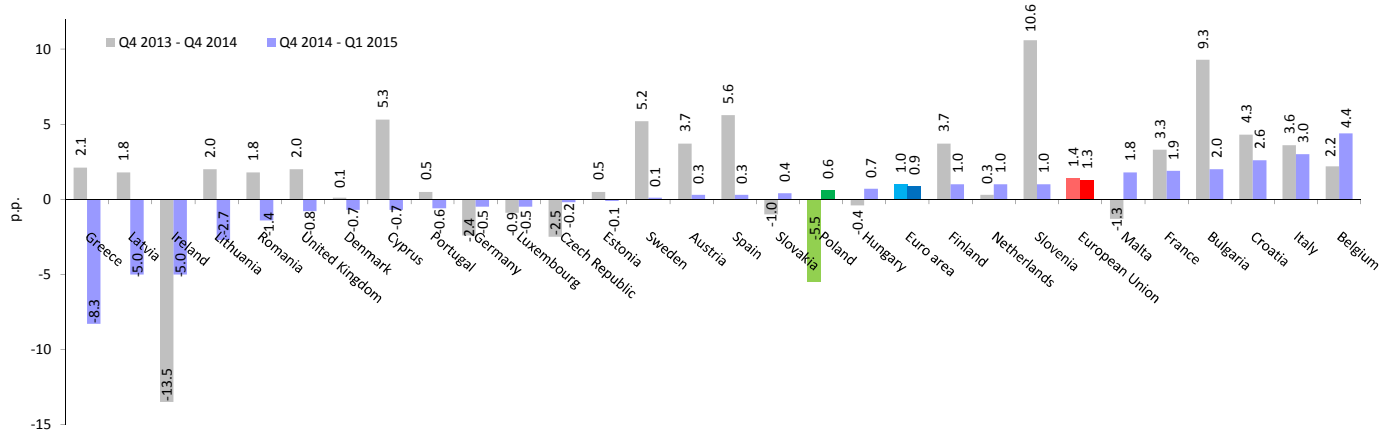
Source: Ministry of Finance * corrected data for 2014 EDP debt

Chart 17. EDP debt to GDP ratio by European Union Member State



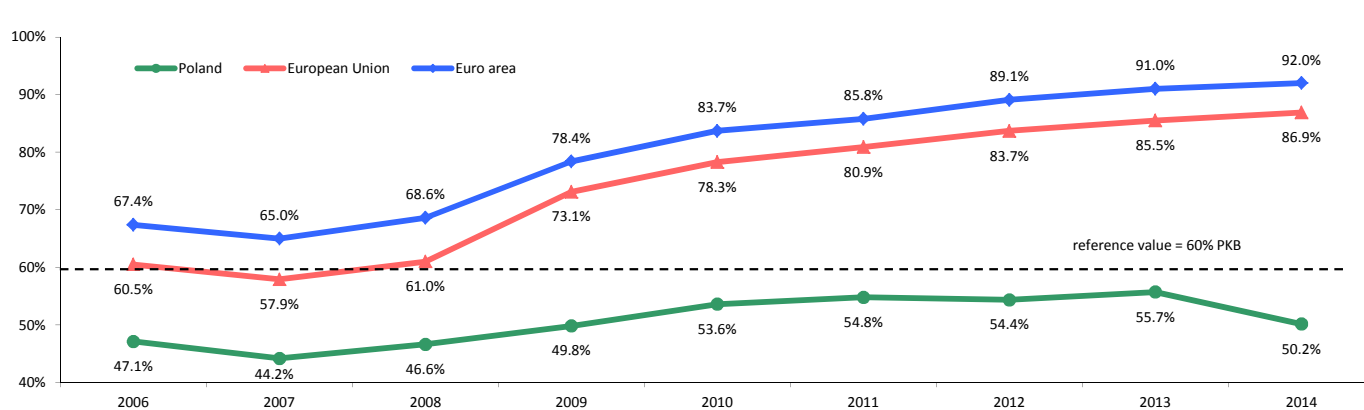
Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

Chart 18. Changes in EDP debt to GDP ratio by European Union Member State



Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

Chart 19. Debt to GDP ratio in Poland, European Union and euro area (eop)



Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

Table 3. Differences between public debt (according to domestic methodology) and general government debt (PLN m)

ITEM	Q4 2010	Q4 2011	Q4 2012	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
Public debt	747,899.2	815,346.2	840,476.8	882,293.0	782,104.7	793,556.4	802,133.0	826,771.7	848,183.4	858,151.6
<i>1) Adjustments concerning the scope of the sector</i>	<i>25,993.8</i>	<i>39,713.1</i>	<i>41,866.1</i>	<i>46,326.8</i>	<i>36,516.1</i>	<i>36,212.3</i>	<i>39,364.6</i>	<i>42,242.7</i>	<i>40,208.2</i>	<i>39,687.8</i>
Debt of National Road Fund	24,798.1	36,412.7	41,197.4	43,644.7	28,037.2	29,043.5	31,034.7	31,626.3	30,879.4	31,038.1
T-Securities held by funds managed by Bank Gospodarstwa Krajowego	-232.9	-364.5	-3,038.9	-895.2	-1,032.0	-1,953.4	-2,431.0	-1,210.9	-2,027.3	-2,547.5
Aquisition of infrastructure assets	8,197.4	11,076.3	11,571.9	11,423.8	11,423.8	11,345.2	11,345.2	11,530.5	11,530.5	11,445.9
T-Securities held by Bank Guarantee Fund	-7,128.9	-8,209.7	-9,113.1	-9,366.1	-9,471.1	-9,818.4	-9,874.4	-9,570.6	-10,471.4	-11,263.4
Public corporations included in general government sector	360.0	798.3	1,248.8	1,519.5	7,558.2	7,595.4	9,290.1	9,867.5	10,296.9	11,014.7
<i>2) Differences concerning debt instruments</i>	<i>-3,287.9</i>	<i>-3,367.8</i>	<i>-3,517.5</i>	<i>-2,098.4</i>	<i>-1,809.9</i>	<i>-2,029.5</i>	<i>-2,008.8</i>	<i>-2,021.0</i>	<i>-2,007.1</i>	<i>-2,097.9</i>
matured payables	-3,860.1	-3,504.4	-3,616.5	-2,202.1	-1,951.3	-2,132.8	-2,055.4	-1,947.0	-1,935.3	-2,113.1
debt assumption - activation of a guarantee	18.2	14.6	20.0	1.6	0.0	0.0	0.1	0.2	0.6	0.6
restructured/refinanced trade credits	554.0	122.0	79.0	102.1	133.3	100.8	214.3	227.1	202.8	113.5
derivatives	0.0	0.0	0.0	0.0	8.1	2.4	-167.9	-301.2	-275.2	-98.8
General government debt	770,605.2	851,691.5	878,825.4	926,521.3	816,810.8	827,739.2	839,488.8	866,993.5	886,384.4	895,741.6

Table 4. Public debt - before consolidation (m PLN, at nominal value, eop)

ITEM	Q4 2014	structure		structure		change		change		
		Q4 2014	Q1 2015	Q1 2015	Q2 2015	Q2 2015	Q2 2015 - Q1 2015	Q2 2015 - Q1 2015	Q2 2015 - Q4 2014	Q2 2015 - Q4 2014
							m PLN	%	m PLN	%
Public debt	898,847.7	100.0%	924,557.8	100.0%	937,824.4	100.0%	13,266.6	1.4%	38,976.7	4.3%
1. Central government sector debt	781,782.9	87.0%	808,340.0	87.4%	819,697.8	87.4%	11,357.8	1.4%	37,915.0	4.8%
1.1. State Treasury	779,938.4	86.8%	806,423.2	87.2%	817,800.7	87.2%	11,377.5	1.4%	37,862.3	4.9%
1.2. Earmarked State funds	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
1.3. State institutions of higher education	532.5	0.1%	563.6	0.1%	509.4	0.1%	-54.2	-9.6%	-23.2	-4.4%
1.4. Independent public healthcare units	1,289.6	0.1%	1,336.7	0.1%	1,369.8	0.1%	33.1	2.5%	80.2	6.2%
1.5. State institutions of culture	8.9	0.0%	6.7	0.0%	8.1	0.0%	1.4	20.7%	-0.8	-9.1%
1.6. Polish Academy of Science and units established by it	6.1	0.0%	2.5	0.0%	2.8	0.0%	0.2	9.0%	-3.3	-54.7%
1.7. Other central government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	7.3	0.0%	7.3	0.0%	7.1	0.0%	-0.2	-3.1%	-0.2	-2.1%
2. Local government sector debt	77,144.1	8.6%	76,302.0	8.3%	76,322.3	8.1%	20.3	0.0%	-821.8	-1.1%
2.1. Local government units	72,448.2	8.1%	71,554.8	7.7%	71,302.9	7.6%	-251.9	-0.4%	-1,145.3	-1.6%
2.2. Independent public health units	4,038.8	0.4%	4,092.1	0.4%	4,332.8	0.5%	240.6	5.9%	294.0	7.3%
2.3. Local institutions of culture	86.6	0.0%	74.8	0.0%	67.3	0.0%	-7.5	-10.0%	-19.3	-22.3%
2.4. Other local government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	570.4	0.1%	580.2	0.1%	619.3	0.1%	39.0	6.7%	48.8	8.6%
3. Social Security Sector debt	39,920.8	4.4%	39,915.8	4.3%	41,804.3	4.5%	1,888.6	4.7%	1,883.6	4.7%
3.1. Social Insurance Institution	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-56.0%
3.2. Funds managed by Social Insurance Institution	39,920.7	4.4%	39,915.8	4.3%	41,804.3	4.5%	1,888.6	4.7%	1,883.6	4.7%
3.3. Agricultural Social Insurance Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
3.4. National Health Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-

Table 5. Public debt - after consolidation (m PLN, at nominal value, eop)

ITEM	Q4 2014	structure		structure		change		change		
		Q4 2014	Q1 2015	Q1 2015	Q2 2015	Q2 2015	Q2 2015 - Q1 2015	Q2 2015 - Q1 2015	Q2 2015 - Q4 2014	Q2 2015 - Q4 2014
							m PLN	%	m PLN	%
Public debt	826,771.7	100.0%	848,183.4	100.0%	858,151.6	100.0%	9,968.2	1.2%	31,379.9	3.8%
1. Central government sector debt	754,992.7	91.3%	776,967.4	91.6%	786,966.5	91.7%	9,999.1	1.3%	31,973.8	4.2%
1.1. State Treasury	753,332.2	91.1%	775,259.0	91.4%	785,264.0	91.5%	10,004.9	1.3%	31,931.8	4.2%
1.2. Earmarked State funds	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
1.3. State institutions of higher education	477.8	0.1%	489.1	0.1%	459.9	0.1%	-29.2	-6.0%	-17.9	-3.7%
1.4. Independent public health units	1,172.5	0.1%	1,213.5	0.1%	1,237.4	0.1%	23.9	2.0%	65.0	5.5%
1.5. State institutions of culture	2.4	0.0%	1.5	0.0%	1.1	0.0%	-0.4	-29.2%	-1.4	-56.6%
1.6. Polish Academy of Science and units established by it	5.7	0.0%	2.1	0.0%	2.2	0.0%	0.1	4.3%	-3.5	-60.9%
1.7. Other central government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	2.2	0.0%	2.1	0.0%	1.9	0.0%	-0.2	-10.1%	-0.3	-11.8%
2. Local government sector debt	71,660.1	8.7%	71,102.1	8.4%	71,072.6	8.3%	-29.5	0.0%	-587.4	-0.8%
2.1. Local government units	68,264.0	8.3%	67,647.3	8.0%	67,392.3	7.9%	-255.0	-0.4%	-871.7	-1.3%
2.2. Independent public health units	3,331.0	0.4%	3,379.9	0.4%	3,609.9	0.4%	230.0	6.8%	278.9	8.4%
2.3. Local institutions of culture	61.7	0.0%	51.3	0.0%	48.1	0.0%	-3.2	-6.2%	-13.6	-22.1%
2.4. Other local government legal entities established under separate acts for public tasks execution, with the exception of enterprises, banks and companies organized under commercial law	3.4	0.0%	23.6	0.0%	22.3	0.0%	-1.3	-5.4%	19.0	562.8%
3. Social Security Sector debt	118.9	0.0%	113.9	0.0%	112.5	0.0%	-1.4	-1.3%	-6.4	-5.4%
3.1. Social Insurance Institution	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-56.0%
3.2. Funds managed by Social Insurance Institution	118.9	0.0%	113.9	0.0%	112.4	0.0%	-1.4	-1.3%	-6.4	-5.4%
3.3. Agricultural Social Insurance Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
3.4. National Health Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-