

MINISTRY OF FINANCE

ANNEX TO ANNUAL REPORT 2014 PUBLIC DEBT IN POLAND

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1. LEGAL FRAMEWORK OF THE ISSUANCE OF TREASURY SECURITIES (TS).

1.1. The Constitution of the Republic of Poland.

- a) The Constitution of the Republic of Poland of April 2nd, 1997 (Journal of Laws 1997 No 78, item 483) includes:
 - b) ban on incurring loans and granting financial guarantees which would cause public debt to exceed 60% of GDP,
 - c) ban on financing budget deficit by the central bank.

1.2. The Public Finance Act.

The Public Finance Act of August 27th, 2009 (Journal of Laws 2013 r. item 885, as amended) constitutes the basic act governing the terms of issuing TS and includes:

- a) detailed prudential and remedial procedures if public debt to GDP ratio exceeds 55% and 60%,
- b) obligation by the Minister of Finance to present a 4-year public finance sector debt management strategy,
- c) authorization for the Minister of Finance to issue monetary-type TS – other instruments (equity-type) may be issued by the Minister of Treasury in consultation with the Minister of Finance,
- d) classification of TS according to their maturity:
 - short-term securities – Treasury bills offered for sale on the domestic market at a discount and redeemed at their face value – with maturity up to 364 days (inclusive),
 - long-term securities – Treasury bonds offered for sale on the domestic and foreign markets, carrying a discount or/and interest – with maturity of at least one year (365 days).

1.3. The Ordinances of the Minister of Finance on general terms of issuing specific types of the TS.

Basing on the Public Finance Act delegation the Minister of Finance has issued the following ordinances determining the rules for TS issuance:

- a) Ordinance of the Minister of Finance of August 30th, 2013 on the terms of issuing Treasury bonds offered through wholesale sales (Journal of Laws 2013, item 1089),
- b) Ordinance of the Minister of Finance of August 30th, 2013 on the terms of issuing Treasury bills (Journal of Laws 2013, item 1088),
- c) Ordinance of the Minister of Finance of December 15th, 2010 on the terms of issuing Treasury bonds on the foreign markets (Journal of Laws 2010 No 244, item 1630),
- d) Ordinance of the Minister of Finance of December 3rd, 2010 on the terms of issuing Treasury bonds offered in the retail network (Journal of Laws 2010 No 237, item 1573),
- e) Ordinance of the Minister of Finance of December 3rd, 2010 on the terms of issuing Treasury bonds designated for the conversion of the State Treasury debt (Journal of Laws 2010 No 237, item 1574).

The above listed ordinances determined the Minister of Finance's rights to define detailed terms of TS issue in given segments of the financial market. They set forth general terms of securities' design, sales procedures and terms of their service and redemption (including buy-back and early redemption) as well as groups of investors to which TS may be offered.

1.4. The Letters of Issue.

Detailed conditions of a particular TS issue i.e.: maturity date, type of coupon, maximum value of the issue and its currency are determined in the Letters of Issue published by the Minister of Finance. Announcement of the Letter of Issue to the public on the Ministry of Finance Internet web site constitutes the condition under which the issue is effective.

2. PRIMARY MARKET OF TS

2.1. Sale of TS on the domestic market

Sale of the TS on the domestic market is performed by issue agents acting under separate agreements concluded with the Minister of Finance. The National Bank of Poland is in charge of sales of TS – Treasury bonds and Treasury bills offered at auctions - to institutional investors. Issuance of securities dedicated for individual investors – retail and savings T-bonds is performed by the PKO Bank Polski S.A.

2.1.1. System of Treasury Securities Dealers (TSDs), a.k.a. Primary Dealers (PDs)

The System of Treasury Securities Dealers (TSDs) was introduced at the beginning of 2003. It limited the access to the Treasury Securities (TS) primary market to entities with the status of TSD. The System of TSDs was implemented in order to ensure financing of the borrowing requirements of the State budget and to improve liquidity, transparency and effectiveness of the TS market.

System participants

Participation in the competition for TSD for 2014 (that was held from October 1st, 2012 to September 30th, 2013) was limited to Polish and foreign banks and other financial institutions, which met requirements stated in [The Rules and Regulations Governing the Activities of the TSD as of September 3rd, 2012](#). The document set forth competition's rules and criteria for TSDs selection. Minister of Finance granted the status of TSD for 2014 to 14 banks. From October 1st, 2013 to September 30th, 2014 the competition for TSD for 2015 took place as set forth in [The Rules and Regulations Governing the Activities of the TSD as of September 19th, 2013](#). The competition for TSD for 2016 has started on October 1st, 2014. The competition's rules and criteria for TSDs selection are described in [The Rules and Regulations Governing the Activities of the TSD as of September 12th, 2014](#).

Table 1. Candidates for TSD for 2014, TSDs for 2014, candidates for TSD for 2015, TSDs for 2015, candidates for TSD for 2016.

Name of entity	Candidate for TSD for 2014	TSDs for 2014	Candidate for TSD for 2015	TSDs for 2015	Candidate for TSD for 2016
Bank BPH S.A.	✓				
Bank Gospodarki Żywnościowej S.A.	✓				
Bank Handlowy w Warszawie S.A.	✓	✓	✓	✓	✓
Bank Millennium S.A.	✓	✓	✓	✓	✓
Bank PEKAO S.A.	✓	✓	✓	✓	✓
Bank Zachodni WBK S.A.	✓	✓	✓	✓	✓
Barclays Bank plc	✓	✓	✓	✓	✓
BNP Paribas S.A.	✓	✓	✓	✓	✓
mBank S.A.	✓	✓	✓	✓	✓
Deutsche Bank Polska S.A.	✓	✓	✓	✓	✓
Erste Group Bank AG	✓	✓	✓	✓	✓
Goldman Sachs International	✓	✓	✓	✓	✓
HSBC Bank plc	✓	✓	✓	✓	✓
ING Bank Śląski S.A.	✓	✓	✓	✓	✓
Kredyt Bank S.A.					
PKO BP S.A.	✓	✓	✓	✓	✓
Raiffeisen Bank Polska S.A.	✓	✓	✓	✓	✓
Société Générale S.A. Oddział w Polsce	✓	✓	✓	✓	✓
UBS Limited	✓				
J.P. Morgan Securities plc			✓	✓	✓

TSDs selection criteria for 2015:

- activity on the primary market, i.e. percentage share of total weighted face value of TS sold at auctions, non-competitive auctions, switching auctions and Treasury bill auctions within a Competition period (weight 40%),
- activity on the secondary market, i.e. quality of TS quotation on Electronic market (weight of 40%),
- co-operation with the Minister (weight 20%), in particular in the following areas:
 - consultation on issuance policy, in particular consultation on general supply at the particular auctions,
 - consultation on current financial markets situation,
 - quality of quotations of TS and other financial instrument at a request of the Minister,
 - other activities, especially performed in order to fulfill the duties specified in §6.1 of the Rules and Regulations.

TSDs duties in 2014:

- participation in auctions of Treasury bonds,
- purchasing each quarter no less than, defined for a given calendar year, the minimum required share expressed as a percentage of the total, weighted face value of TS sold at auctions, non-competitive auctions, switching auctions and Treasury bill auctions within a given Competition period (the weights: for TS with maturity less than 4 years – 0.5, for TS with maturity equal or above 4 years – 1.5),
- submitting quotations of bid and offer prices for benchmark TS, defined by the Minister of Finance, on the Electronic market for at least 5 hours per day,
- participation in fixing sessions of TS, arranged by the NBP through Electronic market organizer (BondSpot S.A.), in order to set the fixing and informational rates for TS in accordance with the TS Fixing Regulations,
- quoting bid/offer TS prices at any request of the Minister of Finance,
- co-operation with the Minister towards further development of the transparent, liquid and efficient TS market,
- undertaking actions aimed at widening of the investor base,
- promoting the TS market,
- duly fulfilling duties resulting from the participation in the depository-settling systems.

TSDs in 2014 were entitled to:

- exclusive submission of bids at auctions of TS,
- exclusive rights or preferences in concluding individual transactions with the Minister of Finance (repo and buy-sell back transactions, hedging transactions, private placement transactions, securities issues on foreign markets, other financial transactions defined by the Minister),
- regular meetings with representatives of the Minister of Finance in order to discuss issuance policy, plans for financing state budget borrowing needs and financial market conditions and to solve material, organisational and technical problems connected with organisation and functioning of the TS market,
- exclusive right to use the title of a Treasury Securities Dealer, during the term of the Agreement on fulfilling the function of the TSD.

2.1.1.1. Electronic TS Market – Treasury BondSpot Poland.

Since March 1st, 2002 Centralna Tabela Ofert S.A. under the agreement signed with the Ministry of Finance has become an organizer of the secondary market on the electronic platform. Since November 2004, as a result of a strategic alliance with MTS Group, the Electronic Treasury Securities Market has been continuing its operations, based on Telematico technology (currently TradelImpact), under the name "MTS Poland". This enabled foreign banks to conduct transactions on electronic market. After withdrawal of MTS SpA in 2009, Warsaw Stock Exchange is the major shareholder in the company. Since September 2009 the company is operating under the name BondSpot S.A. and the electronic market for TS has been re-branded at the beginning of 2010 to Treasury BondSpot Poland.

On December 31st, 2014 there were 33 entities acting on the Treasury BondSpot Poland: 21 as Market Makers, 6 as Market Takers and 6 as Institutional Investors.

2.1.2. Sale of TS at auctions.

TS (T-bonds and T-bills) offered at auctions held by the National Bank of Poland are dedicated for the institutional investor groups and are commonly called "wholesale" instruments. They fulfil the basic role in meeting the State Budget borrowing requirements. Relatively high face value of the securities offered at auctions (PLN 1,000 for a T-bond and PLN 10,000 for a T-bill) is a feature of the wholesale market of the TS. The direct access to auctions is limited to PDs and Bank Gospodarstwa Krajowego (state owned bank). Investors that have no such status can place their bids through an entity that is a direct participant of an auction. Basic characteristic of wholesale TS is presented in the table below.

Table 2. Characteristic of wholesale TS.

	T-bonds	T-bills
Issue type	Issued in a dematerialized form and deposited as magnetic entries (bearer form)	
Depository	National Depository for Securities S.A.	Securities Register run by the National Bank of Poland.
Face value	1,000 PLN	10,000 PLN
Maturity	From 2 to 30 years	From 1 to 52 weeks and from 1 to 90 days
Access to primary market	PDs + BGK	
Turnover regulations	Residents and non-residents being legal entities, individuals and entities without legal status, may invest in wholesale TS that may be freely traded among all those investors, as long as the foreign exchange regulations and laws on public trading of securities are observed.	
Secondary market	Interbank non-regulated market, electronic platform Treasury BondSpot Poland, Warsaw Stock Exchange, Regulated Market organized by BondSpot Poland	Interbank non-regulated market, electronic platform Treasury BondSpot Poland.

At the beginning of each year Minister of Finance publishes preliminary yearly calendar containing series of offered securities and dates of auctions. Auction calendars and information on TS auction details are published on the Ministry of Finance website www.finanse.mf.gov.pl, in REUTERS [PLMINFIN] and BLOOMBERG [PLMF]. Moreover Minister of Finance announces quarterly and monthly TS auction plans including maturity dates of offered securities, auctions' settlement dates and projected sales value range of specific types of securities. The final announcement on forthcoming auction is published two working days before T-bonds auction and one working day before T-bills auction date.

T-bond and T-bill sale auctions are carried out in uniform price formula.

Bids are submitted by PDs to the National Bank of Poland by 11:00 a.m. on the auction date. Upon receipt a bid summary from the NBP the Minister of Finance takes a decision on accepted minimum price for TS with given maturity.

All successful bidders pay for purchased securities the uniform price equal to the minimum accepted price. Bids with prices higher than the minimum price are accepted in whole while bids presenting price equal to the minimum price may be accepted with a reduction or in whole.

Each auction participant may place one non-competitive bid. Non-competitive bids are the purchase declarations where investors only determine the number of securities they intend to buy without giving their price. Investors placing this kind of bids pay for the purchased securities price equal to the minimum price set at the given auction. At present the share of non-competitive bids in the total sales value on a given auction is 15%.

The Minister of Finance may, no later than the on the following day, organize a non-competitive auction of TS with offer not exceeding 20% of initial auction offer. All PDs and BGK may participate in non-competitive auction. Bids of non-competitive auction participants, who did not purchased TS on sale auction, are accepted in the second instance after full satisfaction of the demand of bidders who bought TS on sale auction. At non-competitive auctions TS are sold at minimum price determined at sale auction.

At all auction types rule of rounding reduced bids is applied, number of securities in reduced bid is rounded up to the nearest multiple of 1000 in case of T-bonds and 10 in case of T-bills. The number of securities after reduction and rounding, can not exceed number of securities specified in the offer.

Schedule of TS sale and non-competitive auction is presented in the table below.

Table 3. Schedule of TS sale and non-competitive auction in day „T”.

	T-bonds	T-bills
SALE AUCTION		
Issue agent	National Bank of Poland	
Auction participants	PDs + BGK	
Auction format	Uniform-price auction - each of the bidders buys securities at a minimum price accepted at auction	
Publication of information on auction	Day „T-2”, time 15:00	Day „T-1”, time 15:00
Deadline for placing bids	Day „T”, time 11:00	Day „T”, time 11:00
Minimum bid face value	1,000,000 PLN	100,000 PLN
Publication of information on auction results	Day „T”, time 11:30	Day „T”, time 11:30
Auction settlement¹⁾	Day „T+2”, time 12:30	Day „T+2”, time 14:00
NON-COMPETITIVE AUCTION		
Issue agent	National Bank of Poland	
Auction participants²⁾	PDs + BGK	
Auction format	Uniform-price auction - each of the bidders buys TS at minimum price determined at sale auction	
Publication of information on auction	Day „T”, time 12:30	Day „T”, time 12:30
Deadline for placing bids	Day „T”, time 13:30	Day „T”, time 13:30
Publication of information on auction results	Day „T”, time 13:45	Day „T”, time 13:45
Auction settlement¹⁾	Day „T+2”, time 12:30	Day „T+2”, time 14:00

¹⁾ payment for the TS sold through auction is usually made two days after an auction but under reasonable circumstances may be set on another day.

²⁾ bids of non-competitive auction participants, who did not purchased TS on sale auction, are accepted in the second instance after full satisfaction of the demand of bidders who bought TS on sale auction.

Table 4. Results of T-bonds auctions in 2014 (PLN million).

Auction date	Series	Bond type	Maturity date	Coupon	Auction					Non-competitive auction			Total sales
					Offer		Demand	Sales	Yield	Offer	Demand	Sales	
					Min.	Max.							
01/09/2014	PS0718	5-year fixed rate	07/25/2018	2.50%			4,907	3,045	3.690%	100	790	102	3,147
	WZ0124	10-year floating rate	01/25/2024	-	3,000	5,000	3,959	2,161	-	700	3,155	705	2,866
01/23/2014	OK0716	2-year zero coupon	07/25/2016	0.00%	6,000	10,000	4,088	3,375	3.087%	not organized			3,375
	PS0418	5-year fixed rate	04/25/2018	3.75%			3,160	2,440	3.474%				2,440
	WZ0119	5-year floating rate	01/25/2019	-			5,885	2,190	-				2,190
	DS1023	10-year fixed rate	10/25/2023	4.00%			5,290	4,125	4.348%				4,125
02/06/2014	OK0716	2-year zero coupon	07/25/2016	0.00%	2,000	4,000	4,219	1,184	3.181%	200	375	200	1,384
	WZ0119	5-year floating rate	01/25/2019	-			4,199	2,825	-	600	1,055	601	3,426
02/13/2014	PS0718	5-year fixed rate	07/25/2018	2.50%	3,000	5,000	3,250	1,718	3.882%	500	1,155	502	2,220
	DS1023	10-year fixed rate	10/25/2023	4.00%			2,692	1,291	4.541%	500	1,010	500	1,791
03/06/2014	OK0716	2-year zero coupon	07/25/2016	0.00%	2,500	5,500	5,219	3,254	3.066%	500	885	500	3,754
	WZ0119	5-year floating rate	01/25/2019	-			3,497	2,319	-	500	710	500	2,819
04/03/2014	WZ0119	5-year floating rate	01/25/2019	-	3,000	5,000	3,553	2,301	-	not organized			2,301
	DS1023	10-year fixed rate	10/25/2023	4.00%			4,905	3,480	4.261%				3,480
04/23/2014	OK0716	2-year zero coupon	07/25/2016	0.00%	6,000	10,000	2,137	836	3.024%	not organized			836
	PS1016	5-year fixed rate	10/25/2016	4.75%			7,578	5,540	2.997%				5,540
	PS0718	5-year fixed rate	07/25/2018	2.50%			6,886	5,346	3.549%				5,346
05/08/2014	WZ0119	5-year floating rate	01/25/2019	-	3,000	5,000	5,540	1,619	-	not organized			1,619
	PS0719	5-year fixed rate	07/25/2019	3.25%			5,807	4,075	3.406%				4,075
06/05/2014	WZ0124	10-year floating rate	01/25/2024	-	3,000	5,000	3,898	3,178	-	not organized			3,178
	DS0725	10-year fixed rate	07/25/2025	3.25%			2,743	1,693	3.818%				1,693
	WS0428	20-year fixed rate	04/25/2028	2.75%			200	119	3.962%				119
07/03/2014	DS0725	10-year fixed rate	07/25/2025	3.25%	1,000	3,000	3,489	2,419	3.649%	not organized			2,419
	WS0428	20-year fixed rate	04/25/2028	2.75%			250	0	-				0
07/23/2014	WZ0119	5-year floating rate	01/25/2019	-	3,000	5,000	5,247	1,224	-	not organized			1,224
	PS0719	5-year fixed rate	07/25/2019	3.25%			14,755	4,775	2.793%				4,775
09/04/2014	WZ0124	10-year floating rate	01/25/2024	-	2,000	3,000	1,987	1,003	-	not organized			1,003
	DS0725	10-year fixed rate	07/25/2025	3.25%			3,672	2,592	3.114%				2,592
10/23/2014	OK0716	2-year zero coupon	07/25/2016	0.00%	4,000	6,000	3,660	2,260	1.653%	not organized			2,260
	PS0719	5-year fixed rate	07/25/2019	3.25%			5,977	3,802	2.007%				3,802
11/06/2014	WZ0124	10-year floating rate	01/25/2024	-	2,000	4,000	1,932	1,651	-	not organized			1,651
	DS0725	10-year fixed rate	07/25/2025	3.25%			3,875	2,810	2.668%				2,810
	WS0428	20-year fixed rate	04/25/2028	2.75%			55	35	2.778%				35
TOTAL:	2-year zero coupon						19,323	10,909		700	1,260	700	11,609
	5-year fixed rate						52,321	30,742		600	1,945	604	31,346
	5-year floating rate						27,921	12,478		1,100	1,765	1,101	13,579
	10-year fixed rate						26,666	18,410		500	1,010	500	18,910
	10-year floating rate						11,776	7,993		700	3,155	705	8,698
	20-year fixed rate						505	154		0	0	0	154
TOTAL:					43,500	75,500	138,511	80,685		3,600	9,135	3,610	84,295

File containing results of all auctions of Treasury bonds and the issue of bonds arising from the conversion of Social Insurance Institution liabilities to open pension funds, the conversion of the health care debts and liabilities to trade unions and social organizations may be found on the Ministry of Finance website: www.finanse.mf.gov.pl/en/public-debt/t-bills-and-t-bonds/transactions-database.

In 2014 Minister of Finance not organized T-bills auction.

File containing results of all auctions of Treasury bills since 1991 may be found on the Ministry of Finance website: www.finanse.mf.gov.pl/en/public-debt/t-bills-and-t-bonds/transactions-database.

2.1.3. Treasury bond switching auctions.

At switching auction the Minister of Finance buys back bonds with near redemption dates before their maturity date, while the settlement of the transaction is effected by giving the bondholder new bonds of a different series. Bought-back securities are cancelled. The operation is conducted without cash flows. The Minister's of Finance goals of such an operation include:

- reduction of debt refinancing risk,
- increase in the value of benchmark issues of bonds,
- closing of small and with low liquidity issues of marketable and non-marketable bonds,
- managing the interest rate risk.

Starting from October 1st, 2013 the switching auctions are carried out in uniform price formula. At switching auction Minister of Finance determines the minimum price of T-bonds sold in each pair, which is a settlement price for all accepted bids. As in the case of the sale auctions, each auction participant has the possibility of placing one non-competitive bid, determining amount of bought-back bonds without giving price of settlement security. The share of non-competitive bids in the total buy-back value will be announced in the information on given auction according to the similar rules as in the case of sale auctions (currently stands at 15%).

Auction participants who have purchased bonds on switching auction are entitled to purchase additional bonds in number representing the difference between the sum of the purchased securities of a given series and its rounding up to the nearest multiple of 1000.

Schedule of T-bonds switching auction is presented in the table below.

Table 5. Schedule of T-bonds switching auction in day „T”.

Issue agent	National Bank of Poland
Auction participants	PDs + BGK
Auction format¹⁾	Uniform-price auction - MoF determines the minimum price of T-bonds sold in each pair, which is a settlement price for all accepted bids.
Publication of information auction	Day „T-2”, time 15:00
Publication of information on switching prices	Day „T-1”, time 15:00
Deadline for placing bids	Day „T”, time 11:00
Minimum bid face value	1,000,000 PLN
Publication of information on auction results	Day „T”, time 12:00
Deadline for cash purchase bids approval	Day „T”, time 12:15
Publication of information on cash purchase results	Day „T”, time 12:30
Auction settlement²⁾	Day „T+2”, time 12:30

¹⁾ starting from October 1st, 2013 the switching auctions are carried out in uniform-price formula, instead of the previously used multiple-price formula.
²⁾ auction settlement is usually made two days after an auction but under reasonable circumstances may be set on another day.

Table 6. Results of switching auctions in 2014 (PLN million).

Auction date	Buy-back bonds			Settlement bonds			
	Series	Maturity date	Buy-back (face value)	Series	Maturity date	Sales (face value)	
						Switch	Cash purchase
03/20/2014	PS0414	04/25/2014	3,538	PS0718	07/25/2018	2,686	0.62
	OK0714	07/25/2014	988	DS1023	10/25/2023	2,120	0.85
	Total:		4,526	Total:		4,806	1.48
06/18/2014	OK0714	07/25/2014	853	WZ0119	01/25/2019	3,095	0.54
	WZ0115	01/25/2015	5,317	PS0719	07/25/2019	3,020	1.56
	Total:		6,170	Total:		6,115	2.09
09/18/2014	WZ0115	01/25/2015	1,741	WZ0119	01/25/2019	2,342	1.74
	PS0415	04/25/2015	1,735	PS0719	07/25/2019	1,162	2.96
	Total:		3,476	Total:		3,504	4.70
10/02/2014	WZ0115	01/25/2015	1,358	WZ0124	01/25/2024	1,903	0.90
	PS0415	04/25/2015	2,285	DS0725	07/25/2025	1,541	1.87
	-	-	-	WS0428	04/25/2028	296	0.00
Total:		3,643	Total:		3,740	2.76	
11/20/2014	WZ0115	01/25/2015	5,905	WZ0119	01/25/2019	2,903	0.48
	PS0415	04/25/2015	1,100	PS0719	07/25/2019	4,022	0.60
	OK0715	07/25/2015	67	-	-	-	-
Total:		7,073	Total:		6,925	1.08	
12/04/2014	WZ0115	01/25/2015	419	PS0719	07/25/2019	2,012	3.11
	PS0415	04/25/2015	3,708	WZ0124	01/25/2024	1,174	0.02
	OK0715	07/25/2015	724	DS0725	07/25/2025	1,612	3.09
Total:		4,851	Total:		4,798	6.22	
RAZEM:		29,739			29,888		18.33

Series	Maturity date	Face value
BUY-BACK BONDS		
PS0414	04/25/2014	3,538
OK0714	07/25/2014	1,841
WZ0115	01/25/2015	14,740
PS0415	04/25/2015	8,828
OK0715	07/25/2015	791
Total:		29,739
SETTLEMENT BONDS		
PS0718	07/25/2018	2,686
WZ0119	01/25/2019	8,343
PS0719	07/25/2019	10,224
DS1023	10/25/2023	2,121
WZ0124	01/25/2024	3,078
DS0725	07/25/2025	3,158
WS0428	04/25/2028	296
Total:		29,906

2.1.4. TS buy-back auctions

At a buy-back auction, Minister of Finance buys back for cash, wholesale TS before their maturity date. Such an operation is held rather seldom in the situation of temporary surplus in budget current account. The Minister's of Finance goal of such an operation is reduction of debt refinancing risk.

Schedule of TS buy-back auction is presented in the table below.

Table 7. Schedule of TS buy-back auction in day „T”.

	T-bonds	T-bills
Issue agent	National Bank of Poland	
Auction participants	PDs + BGK	
Auction format	Multiple-price auction - each of the bidders sells securities at a price submitted in his bid.	
Publication of information on auction	Day „T-2”, time 15:00	Day „T-1”, time 15:00
Deadline for placing bids	Day „T”, time 11:00	Day „T”, time 11:00
Minimum bid face value	1,000,000 PLN	100,000 PLN
Publication of information on auction results	Day „T”, time 11:30	Day „T”, time 11:30
Auction settlement¹⁾	Day „T+2”, time 12:30	Day „T+2”, time 14:00

¹⁾ payment for the TS repurchased on auction is usually made two days after an auction but under reasonable circumstances may be set on another day.

In 2014 Minister of Finance not organized buy-back auction for T-bonds.

2.2. Sales of TS in retail network.

In 2014 the Minister of Finance offered the following instruments to individual investors:

- 7- and 14-month short term saving bond (**KOS** series),
- 2-year fixed rate savings bonds (**DOS** series),
- 3-year floating rate savings bonds (**TOZ** series),
- 4-year inflation rate indexed savings bonds (**COI** series),
- 10-year inflation rate indexed saving bonds (**EDO** series).

The face value of Treasury bonds offered to individuals is PLN 100 and provides an opportunity for investing in Treasury Securities by people with relatively low income.

Retail bonds are sold by issue agent (PKO Bank Polski S.A) in over 1,000 Customer Service Outlets but also can be purchased through internet, "Inteligo" account and telephone.

Current information about T-bonds for individual investors can be found at: www.obligacjeskarbowe.pl and www.finanze.mf.gov.pl/en/public-debt/retail-bonds.

The savings bonds (DOS, TOZ, COI and EDO series) could have been purchased by resident and non-resident individuals, also associations, foundations and another social organisations have this right. Sale of each series lasts for one month. Those instruments are not a subject of turnover on the secondary market, however they may be offered to the issuer for redemption before their maturity date.

Interests on 2-year bonds DOS and 10-year bonds EDO accrue annually and are put at the investor's disposal at the redemption date (or pre-maturity redemption). Interests on 3-year TOZ bonds are paid every 6 months. Interests on 4-year COI series are paid annually.

Starting from February 1st, 2013 all savings bonds can be purchased within the Individual Retirement Account system, which allow for exemption from capital gains tax.

Table 8. Sales of retail bonds in 2014 (PLN million).

Bond type	Offer	Sales
7-month short term fixed rate savings bonds	1,000	282
14-month short term fixed rate savings bonds	1,000	487
2-year fixed rate savings bonds	12,000	1,202
3-year floating rate savings bonds	6,000	206
4-year inflation rate indexed savings bonds	6,000	303
10-year inflation rate indexed saving bonds	6,000	242
TOTAL:	32,000	2,721

Table 9. Sales of fixed rate retail bonds in 2014 (PLN million).

Bond	Sales period		Offer	Sales	Price (PLN)	Coupon
	beginning	end				
KOS0914	02/01/2014	02/28/2014	1,000	282	100.00	2.62% ¹⁾
KOS0216	12/01/2014	12/31/2014	1,000	487	100.00/99.90	2.14% ¹⁾
		TOTAL:	2,000	769		
DOS0116	01/01/2014	01/31/2014	1,000	172	100.00/99.90	3.00%
DOS0216	02/01/2014	02/28/2014	1,000	102	100.00/99.90	3.00%
DOS0316	03/01/2014	03/31/2014	1,000	96	100.00/99.90	3.00%
DOS0416	04/01/2014	04/30/2014	1,000	76	100.00/99.90	3.00%
DOS0516	05/01/2014	05/31/2014	1,000	71	100.00/99.90	3.00%
DOS0616	06/01/2014	06/30/2014	1,000	76	100.00/99.90	3.00%
DOS0716	07/01/2014	07/31/2014	1,000	129	100.00/99.90	3.00%
DOS0816	08/01/2014	08/31/2014	1,000	92	100.00/99.90	2.80%
DOS0916	09/01/2014	09/30/2014	1,000	123	100.00/99.90	2.60%
DOS1016	10/01/2014	10/31/2014	1,000	98	100.00/99.90	2.40%
DOS1116	11/01/2014	11/30/2014	1,000	49	100.00/99.90	2.00%
DOS1216	12/01/2014	12/31/2014	1,000	118	100.00/99.90	2.20%
		TOTAL:	12,000	1,202		

¹⁾ yield p. a.

Table 10. Sales of floating rate retail bonds in 2014 (PLN million).

Bond	Sales period		Offer	Sales	Price (PLN)
	Beginning	End			
TOZ0117	01/01/2014	01/31/2014	500	16	100.00/99.90
TOZ0217	02/01/2014	02/28/2014	500	35	100.00/99.90
TOZ0317	03/01/2014	03/31/2014	500	11	100.00/99.90
TOZ0417	04/01/2014	04/30/2014	500	8	100.00/99.90
TOZ0517	05/01/2014	05/31/2014	500	30	100.00/99.90
TOZ0617	06/01/2014	06/30/2014	500	8	100.00/99.90
TOZ0717	07/01/2014	07/31/2014	500	10	100.00/99.90
TOZ0817	08/01/2014	08/31/2014	500	32	100.00/99.90
TOZ0917	09/01/2014	09/30/2014	500	10	100.00/99.90
TOZ1017	10/01/2014	10/31/2014	500	6	100.00/99.90
TOZ1117	11/01/2014	11/30/2014	500	27	100.00/99.90
TOZ1217	12/01/2014	12/31/2014	500	12	100.00/99.90
		TOTAL:	6,000	205	-
COI0118	01/01/2014	01/31/2014	500	33	100.00/99.90
COI0218	02/01/2014	02/28/2014	500	29	100.00/99.90
COI0318	03/01/2014	03/31/2014	500	29	100.00/99.90
COI0418	04/01/2014	04/30/2014	500	20	100.00/99.90
COI0518	05/01/2014	05/31/2014	500	32	100.00/99.90
COI0618	06/01/2014	06/30/2014	500	20	100.00/99.90
COI0718	07/01/2014	07/31/2014	500	18	100.00/99.90
COI0818	08/01/2014	08/31/2014	500	36	100.00/99.90
COI0918	09/01/2014	09/30/2014	500	26	100.00/99.90
COI1018	10/01/2014	10/31/2014	500	12	100.00/99.90
COI1118	11/01/2014	11/30/2014	500	21	100.00/99.90

Bond	Sales period		Offer	Sales	Price (PLN)
	Beginning	End			
COI1218	12/01/2014	12/31/2014	500	28	100.00/99.90
		TOTAL:	6,000	303	-
EDO0124	01/01/2014	01/31/2014	500	35	100.00/99.90
EDO0224	02/01/2014	02/28/2014	500	27	100.00/99.90
EDO0324	03/01/2014	03/31/2014	500	16	100.00/99.90
EDO0424	04/01/2014	04/30/2014	500	16	100.00/99.90
EDO0524	05/01/2014	05/31/2014	500	22	100.00/99.90
EDO0624	06/01/2014	06/30/2014	500	12	100.00/99.90
EDO0724	07/01/2014	07/31/2014	500	12	100.00/99.90
EDO0824	08/01/2014	08/31/2014	500	16	100.00/99.90
EDO0924	09/01/2014	09/30/2014	500	9	100.00/99.90
EDO1024	10/01/2014	10/31/2014	500	18	100.00/99.90
EDO1124	11/01/2014	11/30/2014	500	17	100.00/99.90
EDO1224	12/01/2014	12/31/2014	500	41	100.00/99.90
		TOTAL:	6,000	241	-

2.3. Sales of TS on foreign markets.

The basic objective of the sale of Polish securities on foreign markets is strengthening of Poland's position as a trustworthy issuer on the international financial market. Those issues are also significant for financing the State Budget borrowing requirements.

Poland's presence on the international market enables to diversify the sources of financing the State Budget borrowing requirements and provides access to foreign institutional investors with substantial financial resources. Moreover, foreign issues of Polish Treasury securities serve as a benchmark for Polish banks and enterprises that issue their own debt securities on foreign markets.

2.3.1. Classic issues of TS on foreign markets.

Issues of foreign bonds are arranged by reputable investment banks active on the international market. The Minister of Finance appoints a lead manager (or lead managers) whose basic duty is to place the bonds on the market. Lead manager(s) collects orders, by contacting directly with potential investors, for bonds of a given issue. On that basis the bonds are priced i.e. the spread above the benchmark yield (or swap rate) is fixed. The spread reflects the level of risk connected with investing in securities of a given issuer.

In 2014 the Minister of Finance placed 4 issues of bonds on foreign markets. The following table presents details of all outstanding bonds as at the end of 2014.

Table 11. Bonds issued on foreign markets as at the end of 2014.

ISIN	Issue date	Maturity	Nominal value	Currency	Issue price (%)	Coupon p.a. (%)	Interest payment frequency	Yield (%)	Market	Registration	Lead Manager(s)
US731011AL69	03/07/1997	01/07/2017	100 million	USD	99.299	7.750	semi-annually	7.820	Yankee	SEC	JP Morgan
XS0189021099	03/29/2004	03/29/2034	6,800 million	JPY	100.000	2.6475	semi-annually	2.6475	Private placement		Mizuho
XS0197118465	08/04/2004	08/04/2034	16,800 million	JPY	100.000	3.220	semi-annually	3.220	Private placement		Mizuho
XS0210314299	01/18/2005 04/06/2005* 05/24/2005*	04/15/2020	5,250 million (3000+1500*+750*)	EUR	99.375 99.221* 102.643*	4.200	annually	4.250 4.262* 3.961*	Euro	Luxembourg Stock Exchange	BNP Paribas, Citigroup, DrKW
XS0211389753	02/04/2005	02/02/2035	500 million	EUR	99.364	4.450	annually	4.489	Private placement	Luxembourg Stock Exchange	ABN Amro
CH0021260978	05/12/2005 05/12/2005** 07/07/2005*	05/12/2015	1,500 million (600+500**+400*)	CHF	100.830 101.845** 102.409*	2.625	annually	2.6158 2.500** 2.433*	Euro	Swiss Stock Exchange	UBS
XS0224427160	07/20/2005	07/20/2055	500 million	EUR	98.999	4.250	annually	4.299	Private placement	Luxembourg Stock Exchange	Dexia, HSBC
XS0230703679	09/23/2005	09/23/2015	81.81 million	USD	100.000	3M USD Libor+0.115	quarterly	-	Private placement	Luxembourg Stock Exchange	Depfa
US731011AP73	10/19/2005	10/19/2015	1,000 million	USD	99.899	5.000	semi-annually	5.013	Global	SEC + Luxembourg Stock Exchange	JP Morgan, Lehman Brothers
US731011AQ56	10/19/2005	10/19/2035	100 million	USD	100.000	5.408	semi-annually	5.408	Global	SEC + Luxembourg Stock Exchange	JP Morgan, Lehman Brothers
JP561600A5B9	11/18/2005	02/18/2021	50,000 million	JPY	100.000	2.240	semi-annually	2.240	Samurai		Daiwa, Mizuho
XS0242491230	02/01/2006	02/01/2016	3,000 million	EUR	99.383	3.625	annually	3.700	Euro	Luxembourg Stock Exchange	Credit Suisse, Deutsche Bank, JP Morgan
JP561600A6B7	11/14/2006	11/14/2016	25,000 million	JPY	100.000	2.060	semi-annually	2.060	Samurai		Daiwa, Nomura
JP561600B6B6	11/14/2006	11/13/2026	60,000 million	JPY	100.000	2.620	semi-annually	2.620	Samurai		Daiwa, Nomura
XS0282701514	01/18/2007	01/18/2022	1,500 million	EUR	99.700	4.500	annually	4.528	Euro	Luxembourg Stock Exchange	Deutsche Bank, Societe Generale, UBS
CH0030644030	05/15/2007	05/15/2019	1,000 million	CHF	101.262	3.250	annually	3.203	Euro	Swiss Stock Exchange	Credit Suisse, Unicredit
JP561600A7B5	11/16/2007	11/16/2037	50,000 million	JPY	100.000	2.810	semi-annually	2.810	Samurai		Daiwa, Mitsubishi UFJ
CH0039077687	04/21/2008	04/21/2017	250 million	CHF	101.310	3.625	annually	3.690	Euro	Swiss Stock Exchange	Credit Suisse, Unicredit
XS0370378936	06/16/2008	06/16/2038	25,000 million	JPY	100.000	3.300	semi-annually	3.300	Private placement		Daiwa
XS0371500611	06/20/2008	06/20/2018	2,000 million	EUR	99.865	5.625	annually	5.643	Euro	Luxembourg Stock	ABN Amro,

ISIN	Issue date	Maturity	Nominal value	Currency	Issue price (%)	Coupon p.a. (%)	Interest payment frequency	Yield (%)	Market	Registration	Lead Manager(s)
										Exchange	Citigroup, HSBC
US731011AR30	07/15/2009 07/27/2009*	07/15/2019	3,500 million (2,000+1,500*)	USD	99.788 99.786*	6.375	semi-annually	6.404	Global	SEC + Luxembourg Stock Exchange	Barclays, Citigroup, HSBC
XS0458008496	10/15/2009	10/15/2019	500 million	EUR	98.925	4.675	annually	4.813	Private placement	Luxembourg Stock Exchange	Deutsche Bank
	10/15/2009	10/15/2024	410 million	EUR	99.090	5.125	annually	5.313	Registered bond		Deutsche Bank
XS0479333311	01/20/2010	01/20/2025	3,000 million	EUR	98.795	5.250	annually	5.369	Euro	Luxembourg Stock Exchange	HSBC, ING, Societe Generale, UniCredit
XS0498285351	03/29/2010 01/17/2012*	03/29/2017	2,000 million (1,250+750*)	EUR	99.384 98.84*	3.750	annually	3.852 4.121*	Euro	Luxembourg Stock Exchange	Barclays, Citigroup, HSBC
US731011AS13	07/16/2010	07/16/2015	1,500 million (-354.4****)	USD	99.703	3.875	semi-annually	3.941	Global	SEC + Luxembourg Stock Exchange	Barclays, HSBC, Nomura
XS0543882095	09/23/2010 01/20/2011*	03/23/2021	2,000 million (1,000+1,000*)	EUR	99.884 93.281*	4.000	annually	4.016 4.853*	Euro	Luxembourg Stock Exchange	Barclays, ING, Societe Generale, UniCredit
XS0581232187	01/26/2011 07/26/2011*	01/26/2026	28,000 million (18,000+10,000*)	JPY	100.000	3.000	semi-annually	3.000	Private placement		Nomura
CH0124656056	02/02/2011	02/25/2016	350 million	CHF	100.076	2.750	annually	2.853	Euro	Swiss Stock Exchange	BNP Paribas, Credit Suisse
US857524AA08	04/21/2011 06/14/2011*	04/21/2021	2,000 million (1,000+1,000*)	USD	98.831 103.211*	5.125	semi-annually	5.277 4.713*	Global	SEC + Luxembourg Stock Exchange	Citigroup, Goldman Sachs, RBS
	06/08/2011	06/08/2026	460 million	EUR	100.000	5.361	annually	5.361	Registered bond		Commerzbank
JP561600AB75	07/29/2011	07/29/2015	25,000 million	JPY	100.000	1.250	semi-annually	1.250	Samurai retail		Daiwa
US857524AB80	11/03/2011 02/02/2012*	03/23/2022	3,000 million (2,000+1,000*)	USD	98.605 100.781*	5.000	semi-annually	5.176 4.901*	Global	SEC + Luxembourg Stock Exchange	Citigroup, Deutsche Bank, HSBC
	02/24/2012	02/24/2022	527 million	EUR	100.000	4.814	annually	4.814	Registered bond		HSBC
CH0184250253	05/15/2012	08/14/2015	375 million	CHF	100.000	3ML+1.250	quarterly	-	Euro	Swiss Stock Exchange	Credit Suisse, Deutsche Bank
CH0184250261	05/15/2012	05/15/2018	450 million	CHF	100.217	2.250	annually	2.310	Euro	Swiss Stock Exchange	Credit Suisse, Deutsche Bank
JP561600AC58	05/30/2012	05/30/2017	25,000 million	JPY	100.000	1.490	semi-annually	1.490	Samurai		Daiwa
XS0794399674	06/18/2012	01/19/2023	1,500 million	EUR	99.810	3.750	annually	3.774	Euro	Luxembourg Stock Exchange	Barclays, Citi, Erste, ING
US731011AT95	09/17/2012	03/17/2023	2,000 million	USD	98.448	3.000	semi-annually	3.175	Global	SEC + Luxembourg Stock Exchange	Deutsche Bank, Goldman Sachs, HSBC
XS0841073793	10/09/2012 11/26/2012*	07/09/2024	2,500 million (1,750+750*)	EUR	99.915 101.583*	3.375	annually	3.385 3.210*	Euro	Luxembourg Stock Exchange	Commerzbank, HSBC, ING, Societe Generale
JP561600ACB6	11/08/2012	11/08/2017	56,000 million	JPY	100.000	1.050	semi-annually	1.050	Samurai		Nomura, SMBC Nikko
JP561600BCB4	11/08/2012	11/08/2027	10,000 million	JPY	100.000	2.500	semi-annually	2.500	Samurai		Nomura
XS0874841066	2013/15/01 2013/24/10*	2019/15/01	1,700 million (1,000+700*)	EUR	99.547 99.334	1.625	annually	1.705 1.759*	Euro	Luxembourg Stock Exchange	BNP Paribas, Cit, SG, Unicredit
	2013-04-02	2033/04/02	300 million	EUR	99.151	3.300	annually	3.359	Registered bond		DB
JP561600ADB4	2013/15/11	2018/15/11	50,000 million	JPY	100.000	0.670	semi-annually	0.670	Samurai		Daiwa, Nomura
JP561600BDB2	2013/15/12	2020/13/11	10,000 million	JPY	100.001	0.910	semi-annually	0.910	Samurai		Daiwa, Nomura
XS1015428821	2014/15/01	2024/15/01	2,000 million	EUR	99.727	3.000	annually	3.032	Euro	Luxembourg Stock Exchange	BNP Paribas, Cit, SG, Unicredit
US857524AC63	2014/22/01	2024/22/01	2,000 million	USD	99.194	4.000	semi-annually	4.099	Global	SEC + Luxembourg Stock Exchange	Barclays, Citi, Goldman Sachs
	2014/27/02	2034/27/02	300 million	EUR	100.001	3.272	annually	3.272	Registered bond		HSBC
CH0247904557	2014/17/09	2021/17/09	500 million	CHF	100.515	1.000	annually	1.035	Euro	Swiss Stock Exchange	Deutsche Bank, UBS

* reopening of the previous issue

** only for the first tranche

*** tranche's pricing date different from the pricing date of initial tranche (the same issue date)

**** bonds repurchased before their maturity date

File presents details of issued international bonds may be found on the Ministry of Finance website:

www.finanse.mf.gov.pl/en/public-debt/international-bonds/transactions-database.

2.3.2. Buy-back auctions of TS issued on foreign markets.

On September 25th, 2014 repurchase tender of bonds issued on foreign markets, denominated in USD, was carried out. Thereby, Minister of Finance partially bought back for cash the bonds before their maturity date.

The first repurchase tender was organized in December 17th, 2012. Following two were held in 2013. Auction formula is similar to the one utilised for domestic treasury securities. This instrument is used for managing the State Treasury debt and its aim is a reduction of refinancing risk as well as more efficient use of funds in foreign currencies accumulated in order to manage this risk.

Table 12. Schedule of the buy-back auction of bonds issued on foreign market in day „T”

Auction agent	National Bank of Poland
Auction participants	PDs + BGK
Auction format	Multiple-price auction - each of the bidders sells securities at a price submitted in his bid.
Statements' submitting by the tender participants (a commitment to the provisions of Regulations of repurchase tenders and data necessary for the preparation of the settlement instructions)	Day „T-1”, time 12:00
Publication of information about auction	In day „T” at the latest
Deadline for placing bids	Day „T”
Minimum bid face value	1,000,000 (currency)
Auction results' publication	Day „T”
Settlement instruction's transfer to a fiscal agent	Day „T”
Auction settlement	Day „T+2”

Table 13. Auction results (EUR million).

Auction date	Settlement date	Maturity date	Coupon	Offer	Demand	Buyback	Average yield
09/25/2014	USD20150716	07/16/2015	3.875%	400 ¹⁾	446 ¹⁾	354 ¹⁾	0.551%

¹⁾ USD million

2.4. Transfer of TS from Open Pension Funds to Social Insurance Institution.

On February 3rd, 2014 OPFs transferred to Social Insurance Institution (ZUS) securities in the total value of PLN 153,151.2 million of which PLN 130,187.6 million were Treasury securities. It was the implementation of the article 23 of the act from December 6th, 2013 on the changes of certain acts that are setting principles of pension benefits' payments from contributions gathered in Open Pension Funds (OPFs). According to the act, Treasury securities are acquired by State Treasury and then cancelled

Detailed list of securities transferred by OPFs to ZUS and then cancelled is presented in table below.

Table 14. Detailed list of securities transferred by OPFs to ZUS (PLN million).

Bond	ISIN	Face value	Nominal value after cancellation
Treasury securities			
PS0414	PL0000105433	573.526	19,506.705
OK0714	PL0000107009	301.000	9,986.368
WZ0115	PL0000106480	1,659.611	20,762.721
PS0415	PL0000105953	2,399.143	26,924.859
OK0715	PL0000107405	960.610	10,296.873
DS1015	PL0000103602	1,764.103	25,369.533
OK0116	PL0000107587	1,285.931	25,036.609
PS0416	PL0000106340	3,480.499	22,307.598
OK0716	PL0000107926	19.990	3,354.710
IZ0816*	PL0000103529	8,438.530	3,689.149
PS1016	PL0000106795	5,036.658	18,445.260
WZ0117	PL0000106936	5,735.463	19,207.523
PS0417	PL0000107058	3,715.977	16,382.096
DS1017	PL0000104543	3,449.541	22,953.390
WZ0118	PL0000104717	6,097.421	20,874.222
PS0418	PL0000107314	14,948.910	19,936.294
PS0718	PL0000107595	9,469.465	15,254.235
WZ0119	PL0000107603	3,156.224	2,501.685
DS1019	PL0000105441	7,168.446	18,753.085
DS1020	PL0000106126	5,343.727	18,026.415
WZ0121	PL0000106068	6,414.723	21,153.350
DS1021	PL0000106670	5,666.798	16,181.628
WS0922	PL0000102646	3,454.595	22,580.404
IZ0823**	PL0000105359	9,836.427	2,623.100
DS1023	PL0000107264	8,618.543	19,394.903
WZ0124	PL0000107454	4,765.953	6,853.642
WS0428	PL0000107611	55.329	97.612
WS0429	PL0000105391	2,175.540	8,529.338
WS0437	PL0000104857	140.696	1,246.504
EUR150119***	XS0874841066	25.000	1,675.000
Bonds issued by Bank Gospodarstwa Krajowego guaranteed by the State Treasury			
IPS1014	PL0000500013	3,894.510	n/a
IDS1018	PL0000500021	8,818.661	n/a
IDS1022	PL0000500070	2,901.000	n/a
Other securities guaranteed by the State Treasury			
PKP0914	-	252.500	n/a

*) Non-indexed value. After indexation the value of cancelled bonds equals to PLN 10,818,364,230.60, and the outstanding value equals to PLN 4,729,562,800.98.

**) Non-indexed value. After indexation the value of cancelled bonds equals to PLN 11,404,845,285.15, and the outstanding value equals to PLN 3,041,353,295.00.

***) Face value in EUR.

3. SECONDARY MARKET OF TS.

3.1. Secondary market of Treasury bills.

Secondary trading of T-bills is effected on the non-regulated OTC market and on the Treasury BondSpot Poland electronic platform (former MTS Poland) operated by BondSpot S.A. (former MTS-CeTO S.A.). Transactions register and their settlement are handled by the NBP Registry of Securities (RPW). There was no Treasury bills transactions on the secondary market in 2014, due to the total discharge of debt in T-bills as of August 2013 and lack of issuance of T-bills in 2014.

3.2. Secondary market of Treasury bonds.

Trading on the secondary market for Treasury bonds is performed on the markets: non-regulated OTC market, the Treasury BondSpot Poland electronic platform (former MTS Poland) and on regulated markets of Warsaw Stock Exchange and BondSpot S.A. (former MTS-CeTO S.A.). In 2014 the trading focused on the non-regulated OTC market (93.4%). Turnover on the electronic platform amounted to 6.6%, while trading at WSE did not exceed 0.005%.

Table 15. Total value and number of transactions concluded on T-bonds secondary market in 2014 (PLN million).

		January	February	March	April	May	June	July	August	September	October	November	December	Total
TOTAL	Value	1,014,986	931,629	939,864	942,533	850,684	868,716	894,021	784,726	945,738	1,045,235	830,107	830,775	10,879,013
	Number	32,127	33,629	33,914	33,668	29,689	31,406	30,786	30,598	37,587	37,846	30,319	30,405	391,974
OTC market	Value	947,423	882,714	875,401	876,385	792,677	794,966	839,438	719,481	865,335	982,393	794,324	786,475	10,157,013
	Number	28,150	30,133	29,206	29,892	26,359	26,662	27,543	25,876	32,758	33,425	27,610	27,387	345,001
TBS Poland	Value	67,563	48,915	64,463	66,148	58,008	73,750	54,583	65,245	80,403	62,843	35,783	44,300	722,000
	Number	3,977	3,496	4,708	3,776	3,330	4,744	3,243	4,722	4,829	4,421	2,709	3,018	46,973

Chart 1. Total value and number of transactions on T-bonds secondary market in 2014 (PLN million).

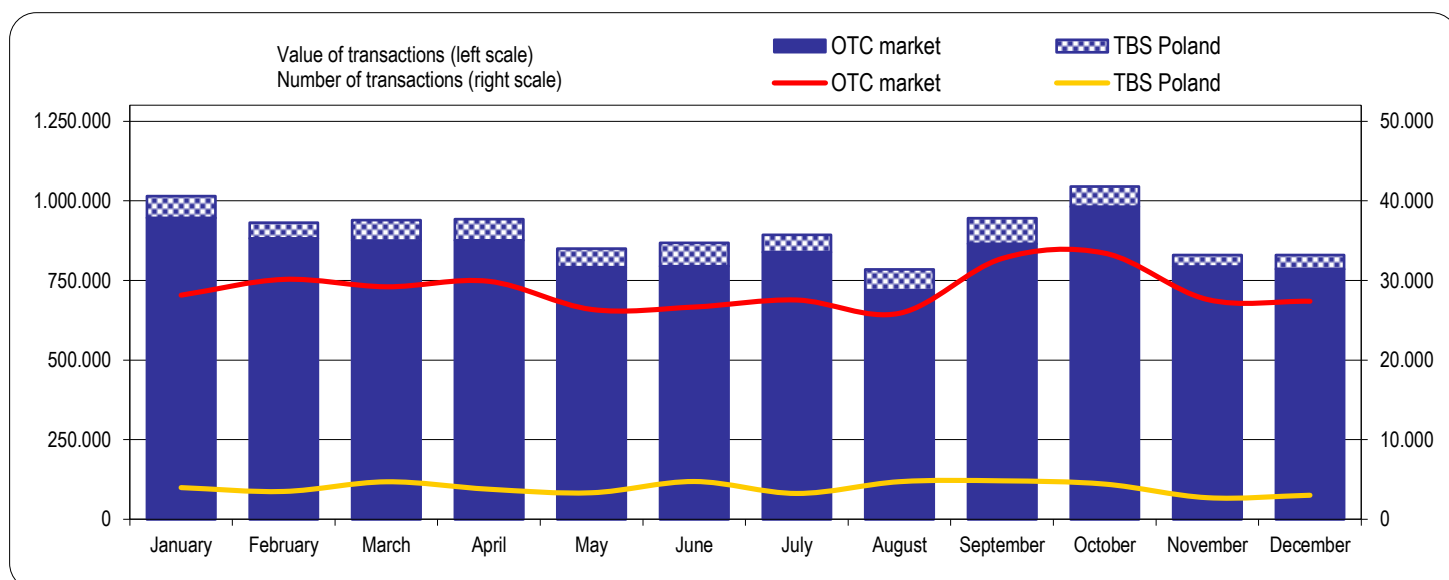


Table 16. Total value and number of transactions on fixed coupon T-bonds secondary market in 2014 (PLN million).

Bond type		January	February	March	April	May	June	July	August	September	October	November	December	Total	
2-year	OTC market	Value	215,394	209,288	226,723	215,761	152,621	109,557	119,458	119,840	122,939	141,382	97,664	89,827	1,820,454
		Number	3,525	3,383	3,651	3,898	3,072	2,775	3,080	2,638	2,283	2,721	2,196	2,165	35,387
	TBS Poland	Value	11,405	5,840	9,934	9,993	6,063	4,765	4,220	6,253	7,715	4,580	2,813	1,608	75,186
		Number	403	319	503	463	242	259	243	286	190	231	141	97	3,377
TOTAL	Value	226,799	215,128	236,656	225,753	158,684	114,322	123,678	126,093	130,654	145,962	100,477	91,434	1,895,640	
	Number	3,928	3,702	4,154	4,361	3,314	3,034	3,323	2,924	2,473	2,952	2,337	2,262	38,764	
5-year	OTC market	Value	263,003	270,031	226,362	269,494	322,869	332,810	381,699	311,272	350,824	350,560	304,967	320,379	3,704,271
		Number	8,127	10,501	8,483	9,970	8,728	8,679	8,804	7,915	9,388	9,636	8,840	8,968	108,039
	TBS Poland	Value	25,108	18,098	25,145	23,773	23,375	28,870	21,235	22,653	25,840	21,235	11,853	20,873	268,055
		Number	1,268	1,245	1,734	1,237	1,134	1,661	1,056	1,362	1,232	1,342	851	1,129	15,251
TOTAL	Value	288,111	288,128	251,507	293,267	346,244	361,680	402,934	333,924	376,664	371,795	316,820	341,251	3,972,326	
	Number	9,395	11,746	10,217	11,207	9,862	10,340	9,860	9,277	10,620	10,978	9,691	10,097	123,290	
10-year	OTC market	Value	200,184	140,311	164,128	159,788	121,562	150,353	173,310	155,323	229,109	264,748	203,558	164,932	2,127,307
		Number	9,194	9,824	10,526	9,752	8,517	9,281	9,365	10,000	14,876	14,092	10,977	10,064	126,468
	TBS Poland	Value	16,030	14,188	19,900	24,595	19,228	27,920	19,680	25,085	31,408	24,873	14,988	15,618	253,510
		Number	1,346	1,238	1,773	1,596	1,392	1,964	1,355	2,238	2,398	2,128	1,274	1,269	19,971
TOTAL	Value	216,214	154,499	184,028	184,383	140,790	178,273	192,990	180,408	260,517	289,620	218,546	180,549	2,380,817	
	Number	10,540	11,062	12,299	11,348	9,909	11,245	10,720	12,238	17,274	16,220	12,251	11,333	146,439	

Chart 2. Total value and number of transactions on fixed coupon T- bonds secondary market in 2014 (PLN million).

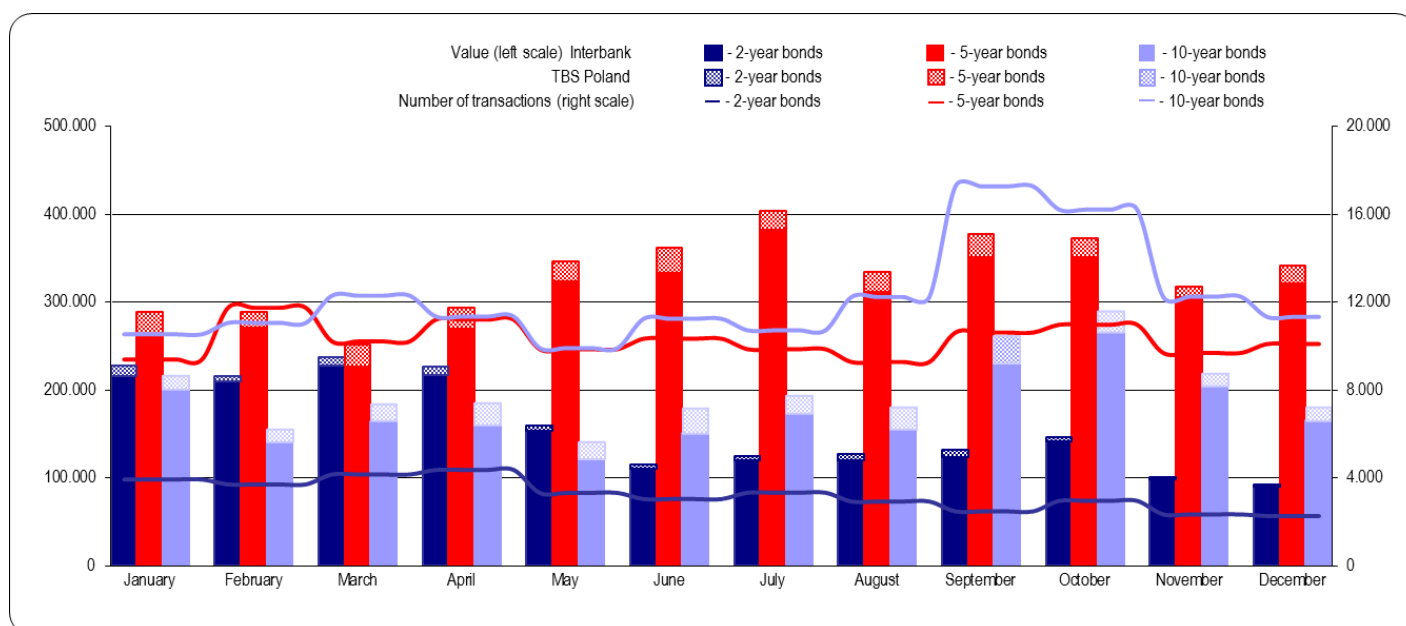
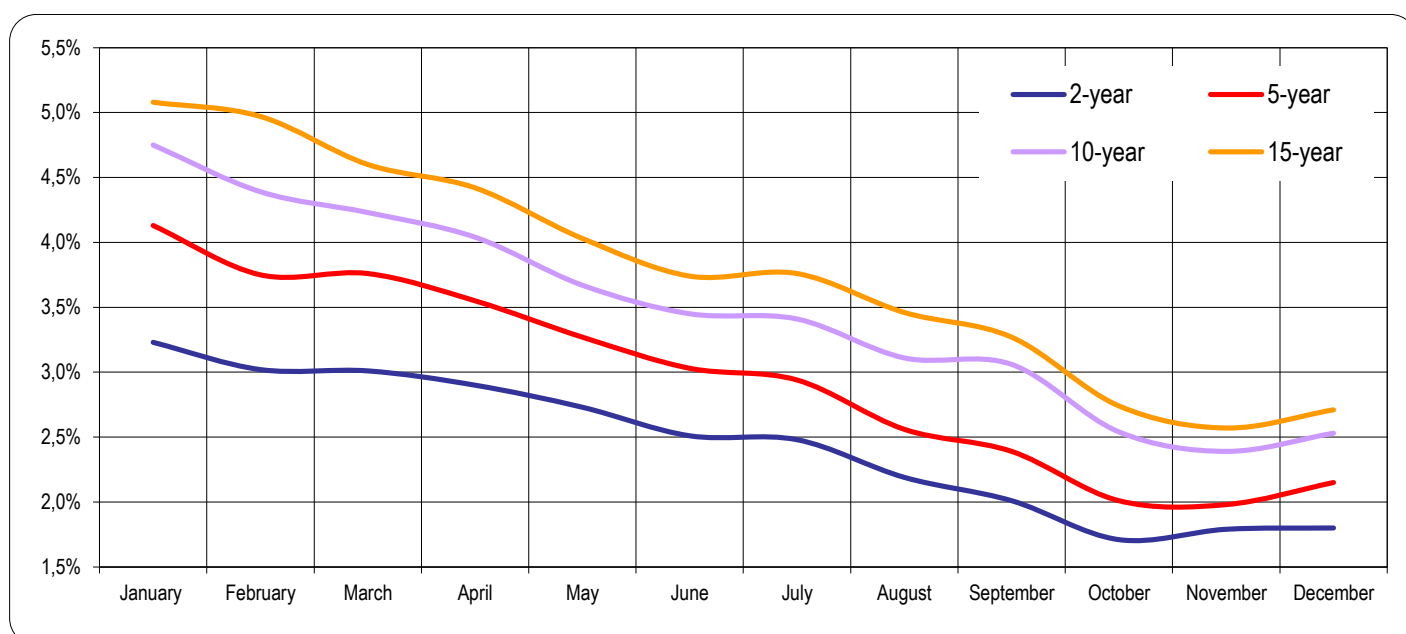


Chart 3. Fixed coupon T-bonds yield on secondary market in 2014 (bid yield, eom).



3.3. Secondary market for TS issued on foreign markets.

The foreign bonds issued by the State Treasury in 1995 – 2014 are registered on the foreign stock exchanges. However, trading of those securities is concentrated on non-regulated interbank markets that are characterized by a significant level of deregulation and decentralization and also by a large number of institutions actively participating in transactions. Those features of the interbank market make it difficult to monitor and, in practice, the only bond parameter that can be observed and can be used to describe a bond's performance is the spread above the benchmark yields, i.e. a yield of the bond with a similar maturity considered to be the safest (relatively the spread over adequate swap rate).

Settlements of foreign bonds transactions are effected by: Euroclear and Clearstream, the Depository Trust Company or Japan Securities Depository Centre.

3.4. Sell-Buy-Back transactions with Bank Gospodarstwa Krajowego.

From the middle of the February 2014, Bank Gospodarstwa Krajowego is offering Sell-Buy-Back transactions for Treasury bonds. Eligible counterparties are Treasury Securities Dealers (TSD) and Candidates for the function of TSD (Candidates). The main goal for entering into Sell-Buy-Back transactions is supporting the settlement system for Treasury bonds in case of temporary, significantly reduced availability of given bonds on secondary market due to demand exceeding supply. Transactions offered by BGK should not substitute nor supplement the SBB market, but provide support in case of disruptions, which cannot be overcome by the market itself.

In 2014 42 Sell-Buy-Back transactions were concluded, in the total value of PLN 3,811 million.

4. STATE TREASURY DEBT

Table 17. State Treasury debt by place of issue and by instrument (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
State Treasury debt	793,854	838,025	779,938
I. State Treasury domestic debt	542,970	584,273	503,079
1. Treasury Securities	533,477	574,338	491,841
1.1. Marketable Treasury Securities	526,110	565,704	482,943
fixed-rate - non-index-linked	404,026	421,166	369,850
Treasury bills	6,110	-	-
OK bonds	55,489	61,527	47,076
PS bonds	151,290	172,794	149,302
DS bonds	154,636	148,565	140,568
WS bonds	36,499	38,280	32,904
fixed-rate - index-linked	23,100	30,050	7,779
IZ bonds	23,100	30,050	7,779
floating-rate	98,984	114,487	105,314
TZ bonds	495	360	71
WZ bonds	97,739	114,127	105,243
PP bonds	750	-	-
1.2. Savings bonds	7,368	8,634	8,898
fixed-rate	1,784	2,686	2,720
KOS bonds	-	873	485
DOS bonds	1,784	1,812	2,234
floating-rate	5,584	5,949	6,179
TOZ bonds	81	259	456
COI bonds	1,832	1,848	1,807
EDO bonds	3,672	3,842	3,915
2. Other State Treasury debt	9,492	9,935	11,238
deposits of public finance sector entities	9,438	9,918	11,219
matured payables	51	13	16
other liabilities	4	4	4
II. State Treasury foreign debt	250,884	253,752	276,859
1. Treasury Securities	199,955	193,782	208,420
1.1. Marketable Treasury Securities	199,955	193,782	208,420
fixed-rate	198,431	192,267	206,804
EUR	123,368	120,070	127,537
USD	44,014	42,372	52,066
CHF	16,680	16,654	14,356
JPY	14,370	13,171	12,845
floating-rate	1,524	1,515	1,616
USD	254	246	287
CHF	1,270	1,268	1,329
2. Loans	50,929	59,970	68,439
fixed-rate	21,496	19,079	18,401
EUR	21,252	18,992	18,384
USD	4	-	0
JPY	240	87	17
floating-rate	29,433	40,892	50,039
EUR	29,428	40,892	50,039
USD	4	-	-
3. Other State Treasury debt	0	0	0

Table 18. State Treasury debt by holder (PLN million, at nominal value, eop).

Item	Domestic banking sector			Domestic non-banking sector			Foreign investors			TOTAL		
	December 2012	December 2013	December 2014	December 2012	December 2013	December 2014	December 2012	December 2013	December 2014	December 2012	December 2013	December 2014
State Treasury debt	98,564	125,814	165,723	262,914	277,501	157,323	432,375	434,711	456,893	793,854	838,025	779,938
1. Domestic securities	91,526	114,686	150,800	251,472	266,493	145,055	190,479	193,158	195,986	533,477	574,338	491,841
1.1. Marketable securities	91,526	114,686	150,800	244,122	257,875	136,172	190,461	193,143	195,971	526,110	565,704	482,943
Treasury bills	3,770	-	-	1,751	-	-	590	-	-	6,110	0	0
OK bonds	7,115	15,349	15,411	15,931	20,336	14,849	32,443	25,842	16,817	55,489	61,527	47,076
PS bonds	24,412	31,870	41,460	70,631	74,388	39,478	56,248	66,536	68,364	151,290	172,794	149,302
DS bonds	19,845	18,180	23,822	71,812	64,415	37,297	62,979	65,970	79,450	154,636	148,565	140,568
WS bonds	1,390	2,224	2,976	16,279	19,201	15,457	18,831	16,855	14,471	36,499	38,280	32,904
IZ bonds	581	677	839	12,961	22,529	2,478	9,558	6,844	4,462	23,100	30,050	7,779
TZ bonds	1	0	0	492	360	71	2	1	0	495	360	71
WZ bonds	34,398	46,385	66,293	53,531	56,647	26,543	9,810	11,094	12,407	97,739	114,127	105,243
PP bonds	15	-	-	735	-	-	0	-	-	750	0	0
1.2. Savings bonds	0	0	0	7,350	8,619	8,883	18	16	15	7,368	8,634	8,898
KOS bonds	-	-	-	-	873	485	-	0	0	0	873	485
DOS bonds	0	0	0	1,782	1,811	2,232	2	2	2	1,784	1,812	2,234
TOZ bonds	0	0	0	80	258	456	0	0	0	81	259	456
COI bonds	0	0	0	1,821	1,840	1,802	11	8	5	1,832	1,848	1,807
EDO bonds	0	0	0	3,667	3,837	3,907	5	5	8	3,672	3,842	3,915
2. Foreign securities	7,038	11,127	14,923	1,949	1,073	1,030	190,968	181,582	192,467	199,955	193,782	208,420
3. Foreign loans	0	0	0	0	0	0	50,929	59,970	68,439	50,929	59,970	68,439
International Financial Institutions	0	0	0	0	0	0	50,688	59,884	68,422	50,688	59,884	68,422
Paris Club	0	0	0	0	0	0	136	37	0	136	37	0
other loans	0	0	0	0	0	0	104	50	17	104	50	17

Item	Domestic banking sector			Domestic non-banking sector			Foreign investors			TOTAL		
	December 2012	December 2013	December 2014	December 2012	December 2013	December 2014	December 2012	December 2013	December 2014	December 2012	December 2013	December 2014
4. Other State Treasury debt	0	0	0	9,492	9,935	11,238	0	0	0	9,493	9,935	11,238
deposits of public finance sector entities	0	0	0	9,438	9,918	11,219	0	0	0	9,438	9,918	11,219
matured payables	0	0	0	51	13	16	0	0	0	51	13	16
other liabilities	0	0	0	4	4	4	0	0	0	4	4	4

Table 19. State Treasury debt according to the place of issue criterion and residual maturity (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
Total	793,854	838,025	779,938
up to one year (inc.)	99,703	72,682	87,757
above 1 and up to 3 years (inc.)	176,574	218,438	186,882
above 3 and up to 5 years (inc.)	165,114	186,369	179,954
above 5 and up to 10 years (inc.)	261,639	282,504	251,593
above 10 years	90,824	78,033	73,752
I. Domestic debt	542,970	584,273	503,079
up to one year (inc.)	85,243	56,173	71,829
above 1 and up to 3 years (inc.)	142,502	183,892	150,813
above 3 and up to 5 years (inc.)	130,945	153,799	131,862
above 5 and up to 10 years (inc.)	159,531	169,410	125,580
above 10 years	24,748	20,999	22,996
1.1. Marketable securities	526,110	565,704	482,943
fixed-rate	404,026	421,166	369,850
up to one year (inc.)	73,395	44,027	52,940
above 1 and up to 3 years (inc.)	118,124	143,308	123,409
above 3 and up to 5 years (inc.)	93,751	100,523	87,073
above 5 and up to 10 years (inc.)	101,701	121,064	83,433
above 10 years	17,054	12,245	22,996
index-linked	23,100	30,050	7,779
above 1 and up to 3 years (inc.)	0	15,577	4,747
above 3 and up to 5 years (inc.)	15,406	0	0
above 5 and up to 10 years (inc.)	0	14,473	3,032
above 10 years	7,694	0	0
floating-rate	98,984	114,487	105,314
up to one year (inc.)	884	290	6,093
above 1 and up to 3 years (inc.)	22,783	22,493	19,208
above 3 and up to 5 years (inc.)	20,777	51,915	43,108
above 5 and up to 10 years (inc.)	54,540	31,036	36,905
above 10 years	0	8,754	0
1.2. Savings bonds	7,368	8,634	8,898
fixed-rate	1,784	2,686	2,720
up to one year (inc.)	1,028	1,618	1,050
above 1 and up to 3 years (inc.)	756	1,067	1,669
floating-rate	5,584	5,949	6,179
up to one year (inc.)	443	303	507
above 1 and up to 3 years (inc.)	840	1,447	1,780
above 3 and up to 5 years (inc.)	1,010	1,361	1,682
above 5 and up to 10 years (inc.)	3,290	2,838	2,211
2. Other State Treasury debt	9,492	9,935	11,238
up to one year (inc.)	9,492	9,935	11,238
II. Foreign debt	250,884	253,752	276,859
up to one year (inc.)	14,459	16,509	15,929
above 1 and up to 3 years (inc.)	34,072	34,546	36,069
above 3 and up to 5 years (inc.)	34,169	32,570	48,092
above 5 and up to 10 years (inc.)	102,107	113,094	126,013
above 10 years	66,076	57,034	50,756
1. Foreign securities	199,955	193,782	208,420
fixed-rate	198,431	192,267	206,804
up to one year (inc.)	11,363	13,292	13,576
above 1 and up to 3 years (inc.)	29,414	27,662	26,900
above 3 and up to 5 years (inc.)	26,600	23,302	36,678
above 5 and up to 10 years (inc.)	81,204	90,260	101,961
above 10 years	49,850	37,750	27,689
floating-rate	1,524	1,515	1,616
above 1 and up to 3 years (inc.)	0	0	1,616
above 1 and up to 3 years (inc.)	1,524	1,515	0
2. Foreign loans	50,929	59,970	68,439
fixed-rate	21,496	19,079	18,401
up to one year (inc.)	2,798	1,380	1,319
above 1 and up to 3 years (inc.)	2,649	4,920	5,207
above 3 and up to 5 years (inc.)	4,994	5,040	5,005
above 5 and up to 10 years (inc.)	7,520	4,852	4,555
above 10 years	3,535	2,887	2,315
floating-rate	29,433	40,892	50,039
up to one year (inc.)	298	1,836	1,034
above 1 and up to 3 years (inc.)	2,009	1,964	2,346
above 3 and up to 5 years (inc.)	1,052	2,714	6,410

Item	December 2012	December 2013	December 2014
above 5 and up to 10 years (inc.)	13,383	17,981	19,496
above 10 years	12,691	16,397	20,752
3. Other State Treasury debt	0	0	0
up to one year (inc.)	0	0	0

Table 20. Public Debt according to the place of issue criterion – after consolidation (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
Public debt	840,477	882,293	826,758
Domestic debt	576,426	614,322	534,776
1. Debt securities	521,934	562,092	480,368
2. Loans	50,881	50,032	52,452
3. Other domestic liabilities	3,611	2,198	1,955
Foreign debt	264,051	267,971	291,982
1. Debt securities	201,108	194,951	208,770
2. Loans	62,934	73,012	83,203
3. Other foreign liabilities	9	7	10

Table 21. Public Debt according to the residency criterion – after consolidation (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
Public debt	840,477	882,293	826,758
Domestic debt	394,935	433,363	354,742
1. Debt securities	340,442	381,133	300,335
2. Loans	50,881	50,032	52,452
3. Other domestic liabilities	3,611	2,198	1,955
Foreign debt	445,542	448,930	472,015
1. Debt securities	382,599	375,910	388,803
2. Loans	62,934	73,012	83,203
3. Other foreign liabilities	9	7	10

Table 22. Public Debt – before consolidation (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
Public debt	889,652	945,221	898,833
1. Central government sector debt	795,703	839,907	781,774
1.1. State Treasury	793,854	838,025	779,938
1.2. Earmarked State funds	0	0	0
1.3. State institutions of higher education	519	580	533
1.4. Independent public health-care units	1,294	1,261	1,281
1.5. State institutions of culture	17	13	9
1.6. Polish Academy of Science and units established by it	8	4	6
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	12	23	7
2. Local government sector debt	72,813	74,056	77,137
2.1. Local government units and their unions	68,207	69,493	72,415
2.2. Independent public health-care units	4,393	3,938	4,065
2.3. Local institutions of culture	99	81	87
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	114	545	570
3. Social Security Sector debt	21,137	31,258	39,921
3.1. Social Insurance Institution	0	0	0
3.2. Funds managed by Social Insurance Institution	21,137	31,258	39,921
3.3. Agricultural Social Insurance Fund	0	0	0
3.4. National Health Fund	0	0	0

Table 23. Public Debt – after consolidation (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
Public debt	840,477	882,293	826,758
1. Central government sector debt	770,819	813,515	754,984
1.1. State Treasury	769,129	811,827	753,332
1.2. Earmarked State funds	0	0	0
1.3. State institutions of higher education	486	532	478
1.4. Independent public health-care units	1,189	1,134	1,163
1.5. State institutions of culture	3	8	2
1.6. Polish Academy of Science and units established by it	5	2	6
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	8	12	2
2. Local government sector debt	67,398	68,398	71,655
2.1. Local government units and their unions	64,020	65,210	68,232
2.2. Independent public health-care units	3,314	3,129	3,358
2.3. Local institutions of culture	58	54	62
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	6	4	3
3. Social Security Sector debt	2,259	380	119
3.1. Social Insurance Institution	0	0	0
3.2. Funds managed by Social Insurance Institution	2,259	380	119
3.3. Agricultural Social Insurance Fund	0	0	0
3.4. National Health Fund	0	0	0

Table 24. Public Debt at nominal value (PLN million, at nominal value, eop) and it's ratio to GDP.

Item	2005		2006		2007		2008		2009		2010		2011		2012		2013		2014	
	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)	Value in m PLN	Ratio to GDP (%)
State Treasury debt	440,167	44.7%	478,526	44.9%	501,531	42.3%	569,946	44.6%	631,506	46.4%	701,851	48.8%	771,128	49.6%	793,854	49.1%	838,025	50.4%	779,938	45.1%
Public debt	466,591	47.4%	506,264	47.5%	527,442	44.4%	597,764	46.8%	669,876	49.2%	747,899	52.0%	815,346	52.5%	840,477	52.0%	882,293	53.1%	826,758	47.8%
General Government debt ¹⁾	459,569	46.7%	501,854	47.1%	524,356	44.2%	595,380	46.6%	678,326	49.8%	770,460	53.6%	851,429	54.8%	878,415	54.4%	926,115	55.7%	866,568	50.1%
GDP	984,919		1,065,209		1,186,773		1,277,322		1,361,850		1,437,357		1,553,582		1,615,894		1,662,678		1,728,700	

¹⁾ General Government (GG)- ESA95 definition

Table 25. Differences between public debt (according to domestic methodology) and general government debt (PLN million, at nominal value, eop).

Item	December 2012	December 2013	December 2014
Public debt	840,477	882,293	826,758
1) Adjustments concerning the scope of the sector	41,456	45,921	41,844
Debt of National Road Fund	41,197	43,645	31,626
T-Securities held by funds managed by Bank Gospodarstwa Krajowego	-3,039	-895	-1,211
National Road Fund (aquisition of infrastructure assets)	11,572	11,424	11,530
T-Securities held by Bank Guarantee Fund	-9,113	-9,366	-9,571
Public corporations included in general government sector	839	1,114	9,469
2) Differences concerning debt instruments	-3,518	-2,098	-2,034
Matured payables	-3,617	-2,202	-1,962
Guarantees - debt assumption	20	2	0
Restructured/refinanced trade credits	79	102	229
derivatives	0	0	-301
General government debt	878,415	926,115	866,568

Monthly data on the [State Treasury debt and quarterly data on public finance sector debt](#) are available on the Ministry of Finance website.

5. INSTITUTIONAL STRUCTURE OF THE TS MARKET.

The legal operational basis of the main institutions of the capital market are:

1. The Law of July 29th, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies,
2. The Law of July 29th, 2005 on Trading in Financial Instruments,
3. The Law of July 29th, 2005 on Capital Market Supervision,
4. The Law of July 21st, 2006 on Financial Market Supervision.

The following entities are organizationally involved in the Polish TS market:

- a) The Minister of Finance acting on behalf of the State Treasury – the issuer of TS, managing of public debt,
- b) The National Bank of Poland – the issue agent of TS offered on the domestic wholesale market. The NBP also keeps the accounts of the state budget (treasury),
- c) Polish Financial Supervision Authority (PFSA) – responsible for the supervision of the public securities market and its participants,
- d) The National Depository for Securities (NDS) – Depository and settlements institution for securities including Treasury bonds,
- e) The Warsaw Stock Exchange S.A. (WSE) – institution running the regulated secondary market of Treasury bonds,
- f) Primary Dealers – entities participating in the primary TS market
- g) The Central Brokerage House PeKaO S.A. (CBH Pekao S.A.) – issue agent of retail bonds till July 31, 2003,
- h) Powszechna Kasa Oszczędności Bank Polski S.A. (PKO BP S.A.) – issue agent of retail bonds from August 1, 2003,
- i) BondSpot S.A. – organizer of secondary market Treasury BondSpot Poland for T-bills and T-bonds offered at auctions,
- j) Bank Gospodarstwa Krajowego – payment agent of a part of the State Treasury foreign debt (including T-bonds) ,
- k) Domestic banks – major participants of the TS market,
- l) Brokerage houses – intermediaries on the primary and secondary markets for securities,
- m) Institutions participating in foreign bond issues.

5.1. Useful addresses:

Ministry of Finance
12 Świętokrzyska St.,
00 - 916 Warszawa
tel: +48 (22) 694 55 55
www.finanse.mf.gov.pl

Warsaw Stock Exchange
4 Książęca St.
00 - 498 Warszawa
tel: +48 (22) 628 32 32
www.gpw.pl

Financial Supervision Authority
1 Plac Powstańców Warszawy
00 - 950 Warszawa
tel: +48 (22) 262 50 00
www.knf.gov.pl

BondSpot S.A.
26 Armii Ludowej Ave,
00-609 Warszawa
tel. +48 (22) 579 81 00
www.bondspot.pl

National Bank of Poland
11/21 Świętokrzyska St.,
00 - 049 Warszawa
tel: +48 (22) 185 10 00
www.nbp.pl

National Depository for Securities
4 Książęca St.,
00-498 Warszawa
tel: +48 (22) 537 93 43
www.kdpw.com.pl

Powszechna Kasa Oszczędności Bank Polski S.A.
15 Puławska St,
02-515 Warszawa
tel. +48 801 302 302 (hotline)
tel. +48 (81) 535 65 65
www.pkobp.pl

Central Brokerage House PeKao SA
18 Wołoska St.,
02 - 675 Warszawa
tel: +48 (22) 821 88 70
www.cdmpekao.com.pl

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Page about T-bonds destined for individual investors (in Polish only)
www.obligacjeskarbowe.pl