

INFORMATION ON THE INTENDED ACQUISITION OF SHARES IN BANK BPH SPÓŁKA AKCYJNA BY WAY OF SQUEEZE-OUT

1. The text of the squeeze-out request including its legal basis

As a result of the settlement that took place on 24 August 2016 of a tender offer for the sale of shares in Bank BPH, with its registered office in Gdańsk at ul. Pułkownika Jana Pałubickiego 2, 80-175 Gdańsk, entered in the Register of Entrepreneurs of the National Court Register held by the District Court for Gdańsk-Północ in Gdańsk, 7th Business Division of the National Court Register under No. 0000010260 (the “**Company**”), announced on 11 July 2016 by Alior Bank S.A. with its registered office in Warsaw (“**Alior Bank**”) (the “**Tender Offer**”) and due to the coming into force on 26 August 2016 of the agreement referred to in Article 87 Section 1 Clause 5 of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (consolidated text: Dz. U. of 2013 Item 1382, as amended) (the “**Offering Act**”) between Alior Bank, GE Investments Poland sp. z o.o. with its registered office in Gdańsk (“**GEIP**”), Selective American Financial Enterprises LLC with its registered office in Norwalk (“**SAFE**”) and DRB Holding B.V. with its registered office in Amsterdam (“**DRB Holdings**”) (jointly the “**Parties to the Agreement**”) (the “**Shareholders’ Agreement**”), the Parties to the Agreement hold jointly 76,224,988 shares in the Company, representing approximately 99.42% of the Company’s share capital and giving the right to 76,224,988 votes at the Company’s General Meeting, i.e. 99.42% of the total number of votes at the Company’s General Meeting.

The remaining shareholders of the Company (the “**Minority Shareholders**”) hold jointly 442,923 shares in the Company, representing approximately 0.58% of the Company’s share capital and giving the right to 442,923 votes at the Company’s General Meeting, i.e. approximately 0.58% of the total number of votes at the Company’s General Meeting.

Given the above, pursuant to Article 82 Section 1 of the Offering Act, as well as the provisions of the Ordinance of the Minister of Finance of 14 November 2005 on the acquisition of shares in a public company by way of a squeeze-out (Dz. U. of 2005, No. 229, item 1948) (the “**Ordinance**”), Alior Bank hereby requests the Minority Shareholders to sell all the shares in the Company held by the Minority Shareholders (the “**Squeeze-out**”).

2. Business name, registered office and address of the requesting entity

Business Name: Alior Bank Spółka Akcyjna

Registered Office: Warszawa, Poland

Address: ul. Łopuszańska 38D, 02–232 Warszawa

3. Business name, registered office and address of the buyer

The entity buying out the shares in the Company under the Squeeze-out is Alior Bank, referred to in Section 2 hereinabove.

4. Business name, registered office, address, telephone and fax numbers and e-mail address of the intermediary

Business Name: Biuro Maklerskie Alior Bank S.A. (the “**Broker**”)

Registered Office: Warszawa

Address: ul. Łopuszańska 38D, 02–232 Warszawa

Telephone: 19 503 (Play network: 12 19 503) or 12 370 7400

Fax: +48 22 555 23 13

E-mail address: biuro.maklerskie@alior.pl

5. Specification of the shares subject to the squeeze-out, their number and class; number of votes at the general meeting attached to one share of each class; amount of the company’s share capital and the total number of its shares

The Company’s share capital amounts to PLN 383,339,555.00 (three hundred eighty three million three hundred thirty nine thousand five hundred fifty five zloty) and is divided into 76,667,911 (seventy six million six hundred sixty seven thousand nine hundred eleven) shares with the nominal value of PLN 5 (five zloty) each.

The Squeeze-out concerns 442,923 (four hundred forty-two thousand nine hundred twenty-three) ordinary bearer shares in the Company with the nominal value of PLN 5 (five zloty) each traded on the main market organized by the Warsaw Stock Exchange (the “**WSE**”), dematerialized and registered with Krajowy Depozyt Papierów Wartościowych S.A. (the “**NDS**”) under ISIN: PLBPH0000019 (the “**Shares**”).

Each Share carries one vote at the Company’s General Meeting.

6. Percentage of votes attached to the shares subject to the Squeeze-Out and the corresponding number of shares

The Squeeze-out covers 442,923 Shares representing approximately 0.58% of the Company’s share capital and giving the right to 442,923 votes at the Company’s General Meeting, representing approximately 0.58% of the total number of votes at the Company’s General Meeting.

7. Proportions in which particular buyers will buy the shares – if the shares are to be acquired by more than one buyer

Not applicable. Only Alior Bank, as the entity buying out the Shares, intends to acquire the Shares subject to the Squeeze-out.

8. Squeeze-out Price set separately for each class of shares carrying identical voting rights – if the shares subject to the squeeze-out have different voting rights at the general meeting

The squeeze-out price is PLN 31.19 (thirty one zloty and 19/100) per Share (the “Squeeze-out Price”).

All Shares subject to the Squeeze-out carry the same voting rights at the Company’s General Meeting.

9. The price set according to Article 79 Sections 1-3 of the Offering Act, from which the Squeeze-out Price may not be lower, and determined separately for each class of shares carrying identical voting rights – if the shares subject to the mandatory squeeze-out have different voting rights at the general meeting, with a description of the basis for setting this price

The Squeeze-out Price has been determined in accordance with Article 79 Sections 1–3 of the Offering Act.

The Squeeze-out Price is not lower than the arithmetic average of the average daily prices weighted by the volume of trade in the period of 3 (three) months preceding the Squeeze-out announcement during which the shares in the Company were traded on the WSE main market, which amounted to PLN 30.7637.

The Squeeze-out Price is not lower than the arithmetic average of the average daily prices weighted by the volume of trade in the period of 6 (six) months preceding the Squeeze-out announcement, during which the shares in the Company were traded on WSE main market, which amounted to PLN 31.1132.

The Squeeze-out Price is also not lower than the highest value of assets or rights transferred by Alior Bank, its subsidiaries, GEIP, SAFE or DRB Holdings (Parties to the Agreement) as consideration for shares in the Company during the 12 (twelve) months preceding the announcement of the Squeeze-out.

The highest price for which Alior Bank, its subsidiaries, GEIP, SAFE or DRB Holdings (Parties to the Agreement) acquired the Company’s shares during the 12 (twelve) months preceding the announcement of the Squeeze-out was PLN 31.19 (thirty one zloty and 19/100) per share in the Company and represented the price for which Alior Bank acquired shares in the Company in effect of the settlement of the acquisition transaction under the Tender Offer.

There is no direct or indirect parent entity of Alior Bank within the meaning of the Offering Act.

Except for GEIP, SAFE or DRB Holdings, there are no entities that in the period of 12 (twelve) months preceding the announcement of the Squeeze-out were a party to the agreement entered into with Alior Bank referred to in Article 87 Section 1 Clause 5 of the Offering Act.

10. Percentage of votes and the corresponding number of shares held individually by the requesting entity

Alior Bank holds individually 46,525,228 shares in the Company representing approximately 60.68% of the Company's share capital and carrying 46,525,228 voting rights at the Company's General Meeting, i.e. approximately 60.68% of the total number of votes at the Company's General Meeting.

11. An indication of the subsidiaries or parent companies of the entity requesting the squeeze-out and entities that are party to an agreement with the requesting entity referred to in Article 87 Section 1 Clause 5 of the Offering Act, and the kind of relations between these entities and the requesting entity – if the requesting entity jointly with these entities has attained a proportion of votes attached to shares entitling to conduct a squeeze-out

Alior Bank has attained the number of votes attached to the Company's shares that entitles it to conduct a Squeeze-out as a result of the entering into force on 26 August 2016 of the Shareholders' Agreement between Alior Bank, GEIP, SAFE and DRB Holdings. Prior to the coming into force of the Shareholder' Agreement, Alior Bank acquired 46,525,228 shares in the Company as a result of the settlement, which took place on 24 August 2016, of the acquisition transaction under the Tender Offer.

As stipulated in Section 9 hereinabove, there is no direct or indirect parent entity of the Alior Bank within the meaning of the Offering Act.

There are no subsidiaries of Alior Bank holding directly or indirectly shares in the Company.

Neither GEIP, SAFE nor DRB Holdings is a parent company or subsidiary of Alior Bank within the meaning of the Offering Act.

12. Percentage of votes and the corresponding number of shares held by each of the entities referred to in Section 11

Alior Bank, GEIP, SAFE and DRB Holdings, i.e. the Parties to the Agreement, hold jointly 76,224,988 shares in the Company, representing approximately 99.42% of the share capital of the Company and giving the right to 76,224,988 votes at the Company's General Meeting and representing approximately 99.42% of the total number of votes at the General Meeting of the Company, of which:

- (i) Alior Bank holds 46,525,228 shares in the Company, representing approximately 60.68% of the Company's share capital and giving the right to 46,525,228 votes at the Company's General Meeting, representing approximately 60.68% of the total number of votes at the Company's General Meeting;
- (ii) GEIP holds 27,242,118 shares in the Company, representing approximately 35.53% of the Company's share capital and giving the right to 27,242,118 votes at the Company's General Meeting, representing approximately 35.53% of the total number of votes at the Company's General Meeting;
- (iii) SAFE holds 2,457,642 shares in the Company, representing approximately 3.21% of the Company's share capital and giving the right to 2,457,642 votes

at the Company's General Meeting, representing approximately 3.21% of the total number of votes at the Company's General Meeting; and

(iv) DRG Holdings holds no shares in the Company.

13. Squeeze-out commencement date

20 September 2016.

14. Squeeze-out Date

23 September 2016

15. A notice that pursuant to the Act of 29 July 2005 on trading in financial instruments, holders of dematerialized shares will be stripped of their rights attached to the shares on the squeeze-out date by recording their shares subject to the squeeze-out on the securities account of the buying entity

The Minority Shareholders' attention is drawn to the fact that pursuant to the provisions of the Act of 29 July 2005 on trading in financial instruments (consolidated text in: Dz. U. of 2014, item 94, as amended), on the squeeze-out date indicated in Section 14 above (i.e., on 23 September 2016), the Minority Shareholders will be deprived of their rights under the Shares, which will take place by way of recording the Shares subject to the Squeeze-out on the securities account of Alior Bank.

16. Date and place for delivering the shares subject to the mandatory buyout by their owners, with a notice that they may be deprived of the rights in their shares as a result of cancelling the share certificate, pursuant to the Ordinance of the Minister of Finance of 14 November 2005 on the acquisition of shares in a public company by way of a squeeze-out with respect to shares in documentary form

Not applicable. All Shares subject to the Squeeze-out are dematerialized.

17. Date, place and method of payment for the acquired shares

The payment of the Squeeze-out Price for the Shares will be made on the Squeeze-out Date defined in Clause 14 above (i.e., on 23 September 2016) by transfer to a cash account of the Minority Shareholder of an amount equal to the product of the number of Shares registered on the given Minority Shareholder's securities account and the Squeeze-out Price. The payment will be made in accordance with the relevant NDS regulations.

18. A notice confirming the depositing of authenticated copies of deposit certificates, share certificates or receipts evidencing the depositing of the shares with a notary, bank or investment firm, confirming that the number of votes authorizing the request for mandatory buyout has been attained

Alior Bank submitted to the Broker a deposit certificate for 46,525,228 shares in the Company, which jointly represent approximately 60.68% of the total number of votes at the Company's General Meeting.

GEIP submitted to the Broker a deposit certificate for 27,242,118 shares in the Company, which jointly represent approximately 35.53% of the total number of votes at the Company's General Meeting.

SAFE submitted to the Broker a deposit certificate for 2,457,642 shares in the Company, which jointly represent 3.21% of the total number of votes at the Company's General Meeting.

DRB Holdings does not hold shares in the Company hence it did not submit a deposit certificate for the Company's shares to the Broker.

The aggregate share of the total number of votes at the Company's General Meeting held by Alior Bank, GEIP, SAFE and DRB Holdings being Parties to the Agreement entitles to conduct a Squeeze-out, pursuant to the Article 82 Section 1 of the Offering Act.

19. A notice to the effect that the security deposit referred to in Article 82 Section 4 of the Offering Act was established for a period ending no sooner than on the date of payment of the buyout price, indicating whether the payment will be effected with use of such security in accordance with § 6 Section 2 of the Ordinance.

Prior to the announcement of the Squeeze-out, Alior Bank established a security in the form of cash blocked on the account maintained for Alior Bank by the Broker.

The security in the form of blocked cash has been established in an amount not lower than 100% of the value of the Shares to be the subject of the Squeeze-out, calculated based on the Squeeze-out Price referred to in Section 8 hereinabove, for a period not shorter than until the end of the date for the payment of the Squeeze-out Price.

The Squeeze-out Price will be paid with the use of the funds constituting security in cash form, in accordance with the provisions of § 6 Section 2 of the Ordinance.

Disclaimer:

Notice to Bank BPH Shareholders

This Squeeze-out document is for informational purposes only and is an English translation of the official Polish language Squeeze-out document, which was submitted to the Polish securities regulator, the Polish Financial Supervision Commission (*Komisja Nadzoru Finansowego*) and the Warsaw Stock Exchange (*Gielda Papierów Wartościowych w Warszawie S.A.*). The official Polish language Squeeze-out document, which has been prepared in accordance with applicable Polish law and regulations, is binding.

Notice to Bank BPH Shareholders in the US and in other Foreign Jurisdictions

This Squeeze-out is made for the shares you own in Bank BPH S.A., a Polish company. The Squeeze-out is subject to disclosure requirements of Poland, which may be different from those of the United States or any other foreign country.

Please note that it may be difficult for you to enforce any rights or claims you may have arising under the U.S. federal securities laws or any other foreign securities laws, since the

entity conducting Squeeze-out is located in Poland, and some or all of its officers and directors may be residents of Poland. You may not be able to sue a Polish company or its officers or directors in a foreign court for violations of securities laws in your own jurisdiction, and it may be difficult to compel a Polish company and its affiliates to subject themselves to the judgment of a court in your own jurisdiction.