

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); knowledge and experience: at least basic knowledge and/or experience with financial products; investment horizon: long term; investment objective: asset accumulation; financial loss bearing capacity: no losses/small losses; risk tolerance and compatibility of the risk/reward profile of the product with the target market correspond to 3 as risk indicator (SRI): (calculated on the basis of the PRIIPs methodology); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate: advisory business, non-advisory business and asset management (excluding execution only). Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, "**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Warsaw, 8 November 2019

FINAL TERMS

mBANK HIPOTECZNY S.A.

Legal entity identifier (LEI): 259400BX0JB4WFBARF57

a joint stock company (*spółka akcyjna*) with its registered office in Warsaw, Poland at al. Armii Ludowej 26, 00-609 Warsaw, entered into the register of entrepreneurs of the National Court Register (*Krajowy Rejestr Sądowy*) kept by the District Court for Capital City Warsaw in Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000003753, REGON number 014953634 and NIP number 5262316250

Issue of EUR 300,000,000 Covered Bonds (*hipoteczne listy zastawne*)

under the EUR 3,000,000,000

Programme for the issuance of Covered Bonds (*hipoteczne listy zastawne*)

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the Base Prospectus dated 11 July 2019 and supplements to it dated 5 September 2019, 4 October 2019 and 28 October 2019, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended or re-enacted (the "**Prospectus Directive**") to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the "**Base Prospectus**"). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Bank and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the Luxembourg Stock Exchange website (www.bourse.lu), on the website of the Bank (www.mhipoteczny.pl), and is available for viewing at and collection from the registered office of mBank Hipoteczny S.A., at al. Armii Ludowej 26, 00-609 Warsaw, Poland and the office of Deutsche Bank Aktiengesellschaft (in its capacity as the Issuing and Principal Paying Agent) at Taunusanlage 12, 60325 Frankfurt am Main, Germany.

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|----|-----|--|----------------|
| 1. | (a) | Series Number: | 2 |
| | (b) | Tranche Number: | 1 |
| | (c) | Date on which the Covered Bonds will be consolidated and form a single Series: | Not Applicable |
| 2. | | Specified Currency: | EUR |

3. Aggregate Nominal Amount:
 - (a) Series: EUR 300,000,000
 - (b) Tranche: EUR 300,000,000
 - (c) Issue Price: 100.00 per cent. of the Aggregate Nominal Amount of the Tranche
4. (a) Specified Denominations: EUR 200,000
 - (b) Calculation Amount: EUR 200,000
5. (a) Issue Date: 12 November 2019
 - (b) Interest Commencement Date:
 - Period to Maturity Date: Issue Date
 - Period from Maturity Date to Extended Maturity Date or Additionally Extended Maturity Date: Maturity Date
6. Maturity Date: 15 September 2025
7. Interest Basis:
 - Period to Maturity Date: 0.242 per cent. per annum Fixed Rate
(see paragraph 10 below)
 - Period from Maturity Date to Extended Maturity Date or Additionally Extended Maturity Date: 1 month EURIBOR + 0.43 per cent. Floating Rate
(see paragraph 11 below)
8. Change of Interest Basis: Not Applicable
9. Date of Management Board approval for issuance of Covered Bonds obtained: 10 September 2019

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

10. Fixed Rate Covered Bond Provisions: Applicable until Maturity Date
 - (a) Rate(s) of Interest: 0.242 per cent. per annum payable in arrears on each Interest Payment Date
 - (b) Interest Payment Date(s): 15 September in each year up to and including the Maturity Date
 - (c) Fixed Coupon Amount(s): EUR 484.00 per Calculation Amount
 - (d) Broken Amount(s): EUR 407.30 per Calculation Amount payable on the Interest Payment Date falling on 15 September 2020
 - (e) Day Count Fraction: Actual/Actual (ICMA)
 - (f) Determination Date(s): 15 September in each year
 - (g) Party responsible for calculating amounts payable: Agent
11. Floating Rate Covered Bond Provisions: Applicable if maturity is extended until Extended Maturity Date or Additionally Extended Maturity Date
 - (a) Specified Period(s)/Specified Interest Payment Dates: First Specified Interest Payment Date: 15 October 2025 and then on a monthly basis on each 15th day, up to and including the Extended Maturity Date or Additionally Extended Maturity Date, subject to adjustment in accordance with the Business Day Convention set out in (b) below
 - (b) Business Day Convention: Modified Following Business Day Convention
 - (c) Relevant Business Centre(s): Warsaw
 - (d) Manner in which the Rate of Interest and Interest Amount is to be determined: Screen Rate Determination
 - (e) Party responsible for calculating the Rate of Interest and Interest Amount: Agent
 - (f) Screen Rate Determination:
 - Reference Rate: 1 month EURIBOR

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|-----|---------------------------------|---|
| | Interest Determination Date(s): | the second day on which the TARGET2 System is open prior to the start of each Interest Period |
| | Relevant Screen Page: | EURIBOR01 |
| | Observation Look-back Period | Not Applicable |
| | Reference Banks: | Not Applicable |
| (g) | ISDA Determination: | |
| | Floating Rate Option: | Not Applicable |
| | Designated Maturity: | Not Applicable |
| | Reset Date: | Not Applicable |
| | ISDA Benchmarks Supplement: | Not Applicable |
| (h) | Linear Interpolation | Not Applicable |
| (i) | Margin(s): | + 0.43 per cent. per annum |
| (j) | Minimum Rate of Interest: | Not Applicable |
| (k) | Maximum Rate of Interest: | Not Applicable |
| (l) | Day Count Fraction: | Actual/360 |

12. Zero Coupon Covered Bond Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

13. Final Redemption Amount of each Covered Bond: EUR 200,000 per Calculation Amount

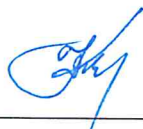
GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

14. Relevant Financial Centre(s) or other special provisions relating to Payment Dates: Warsaw, Luxembourg

MISCELLANEOUS

15. Form of Covered Bonds:
- | | | |
|-----|-------------------------|--|
| (a) | Form: | Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond |
| (b) | New Global Note (NGCB): | Yes |

MBANK HIPOTECZNY S.A.
Signed on behalf of the Bank:

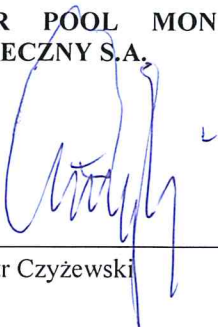


By: Krzysztof Dubejko



By: Wojciech Zdunkiewicz

COVER POOL MONITOR OF MBANK
HIPOTECZNY S.A.

A handwritten signature in blue ink, appearing to be 'Piotr Czyżewski', written over a horizontal line.

By: Piotr Czyżewski

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Luxembourg
- (ii) Admission to trading: Application has been made for the Covered Bonds to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.

2. RATINGS

Ratings: The Covered Bonds to be issued have been rated Aa3 by Moody's Investors Service. Moody's Investors Service is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). The list of registered and certified rating agencies is published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUES

Save for the fees payable to the Managers, so far as the Bank is aware, no person involved in the issue of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Bank and its affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER AND EXPENSES RELATING TO ADMISSION TO TRADING

Reasons for the offer General corporate purposes

Estimated expenses relating to the admission to trading EUR 1,350

5. YIELD (Fixed Rate Covered Bonds only)

Indication of yield: 0.242 per cent. per annum.

6. OPERATIONAL INFORMATION

- (i) ISIN Code: XS2078924755
- (ii) Common Code: 207892475
- (iii) CFI: Not Applicable
- (iv) FISN: Not Applicable
- (v) Clearing System: Not Applicable
- Any clearing system(s) other than Clearstream, Luxembourg [./and], Euroclear Bank S.A./N.V. or Clearstream, Frankfurt, the relevant identification number(s) and address(es):
- Clearstream, Frankfurt: Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility:
- In case of a New Global Note (NGCB): Yes. Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs or Clearstream, Frankfurt, as the case may be, as common safekeeper and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon

the ECB being satisfied that Eurosystem eligibility criteria have been met.

In case of a Global Note delivered to Clearstream Banking AG, Frankfurt Not Applicable

7. DISTRIBUTION

- (i) Method of distribution: Syndicated
- (ii) If syndicated, names of Managers: Commerzbank Aktiengesellschaft
Erste Group Bank AG
Landesbank Baden-Württemberg
Landesbank Hessen-Thüringen Girozentrale
- (iii) Date of Subscription Agreement: 8 November 2019
- (iv) Stabilisation Manager(s) (if any): Not applicable
- (v) If non-syndicated, name of relevant Dealer: Not Applicable
- (vi) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D
- (vii) Prohibition of Sales to EEA Retail Investors: Applicable
- (viii) Prohibition of Sales to Belgian Consumers: Applicable