

Warsaw, 11 October 2018

mBANK HIPOTECZNY S.A.

Issue of mortgage covered bearer bonds for a total nominal value of up to PLN 10,000,000 Series HPA34 issued under the mortgage covered bond issuance program of up to PLN 15,000,000,000.

PART A – INFORMATION ON OBLIGATIONS

This document ("**Final Terms and Conditions**") constitutes the final terms and conditions of series HPA34 mortgage covered bonds issued in bearer form of a total nominal value of up to PLN 10,000,000 within the meaning of art. 5.4 of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and has to be read together with the base prospectus of mBank Hipoteczny S.A., which was approved by the Financial Supervision Authority decision of 26 August 2016, as amended by Appendix no. 1 dated 12 September 2016, Appendix no. 2 dated 12 October 2016, Appendix no. 3 dated 10 March 2017, Appendix no. 4 dated 9 August 2017, Appendix no. 5 dated 9 March 2018, Update Notice no. 1 dated 11 June 2018 and Appendix no. 6 dated 9 August 2018 ("**Prospectus**").

Full information on the Issuer and on the Covered Bonds is only available on the basis of the combination of these Final Terms and Conditions and the Prospectus.

Summary for the issue of the Covered Bonds of Series HPA34 ("**CB**") is attached to these Final Terms and Conditions.

The capitalised terms presented in these Final Terms and Conditions have the meaning defined in the Terms and Conditions provided in the Prospectus.

The Prospectus has been published on the Issuer's website (www.mhipoteczny.pl/relacje-inwestorskie). These Final Terms and Conditions have been published on the Issuer's website (www.mhipoteczny.pl/relacje-inwestorskie).

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| 1. | Issuer: | mBank Hipoteczny S.A., with its registered office in Warsaw |
| 2. | Series number: | HPA34 |
| 3. | Number of CB: | up to 100 |
| 4. | Nominal value of one CB: | PLN 100,000 |
| 5. | Total nominal value of CB: | up to PLN 10,000,000 |
| 6. | Issue price (selling price) of one CB: | PLN 100,219.59

The Issue price (selling price) of one CB includes interest in the amount of PLN 219.59 (accrued for the period from 10 September 2018 (including that date) to the Issue Date (excluding that date)) payable on 10 December 2018. |
| 7. | Issue Date: | 15 October 2018 |
| 8. | Interest Commencement Date: | 10 September 2018 |
| 9. | Maturity Date: | 10 June 2024 |

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10.	Interest:	Variable Interest Rate (detailed provisions in point 14 below)
11.	Maturity basis:	The Covered Bonds shall be repurchased on the Maturity Date.
12.	Redemption:	Not applicable
13.	Provisions on the CB with the Fixed Interest Rate:	Not applicable
14.	Provisions concerning the Covered Bonds with Variable Interest Rate:	Applicable
14.1	Reference Rate:	WIBOR for 3-month deposits
14.2	Margin:	0.58 % per annum.
14.3	Interest Period Change Date	10 March, 10 June, 10 September and 10 December of each year
14.4	Interest Period:	The period beginning on 10 September 2018 (including that date) and ending on the first Interest Period Change Date (but excluding that date) and any subsequent period beginning on a given Interest Period Change Date (including that date) and ending on the next Interest Period Change Date (but excluding that date).
14.5	Reference Period:	3 months
14.6	Day Count Convention:	Actual/365 (Fixed)
14.7	Interest Payment Dates:	10 March, 10 June, 10 September and 10 December of each year (adjusted in line with the Business Day Convention), provided that the first Interest Payment Date falls on 10 December 2018 and the last Interest Payment Date falls on Maturity Date.
14.8	Interest payable on 1 CB for incomplete Interest Period:	Not applicable
14.9	Business Day Convention	Next Business Day Convention, i.e. if payment under the CB is due on a day which is not a day on which banks in Warsaw, Krajowy Depozyt Papierów Wartościowych w Warszawie S.A. and TARGET2 are open for the settlement of payments, then such payment or action shall be postponed to the next day on which banks in Warsaw, Krajowy Depozyt Papierów Wartościowych w Warszawie S.A. and TARGET2 are open for the settlement of payments
14.10	Relevant Time:	11:00 a.m. CET
14.11	Interest Fixing Date:	the day falling two Business Days prior to the first day of each Interest Period
14.12	Screen:	Applicable page of GPW Benchmark S.A. or any other page which will replace it
14.13	Reference Banks:	Deutsche Bank Polska S.A., ING Bank Śląski S.A., Société Générale S.A. Oddział w Polsce

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15. Provisions concerning method and dates of payment of interest in the event of the Issuer bankruptcy

- 15.1 Interest Payment Dates: As specified in point 14.7
- 15.2 Method of payment The interest will be paid via Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities) in accordance with its internal regulations

16. Provisions concerning terms and dates of CB maturity in the event of the Issuer bankruptcy

- 16.1 Terms and dates of maturity: In the event of the bankruptcy of the Issuer, the CB maturity date shall be extended until 10 June 2025, subject to the exceptions indicated in the Terms and Conditions included in the Prospectus.

17. Other provisions: The Issuer will submit application to assimilate the CB with the covered bonds of Series HPA33 marked with the code PLRHNHP00607. In the Issuer's opinion the terms and conditions of the CB have been set in a way that enables the assimilation already in the first Interest Period for the CB. However, the Issuer can not guarantee that the assimilation takes place within this period. If Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities) does not grant its consent for the assimilation in the first Interest Period of the CB, the assimilation will take place after the end of this period.

Under the act of 10 June 2016 on the Bank Guarantee Fund, deposit guarantee schemes and compulsory restructuring (unified text: Journal of Laws of 2017, item 1937, as amended) liabilities under the Covered Bonds may not be subject to the write-down or the conversion on the terms provided in the above act up to the amount which is fully covered.

mBANK HIPOTECZNY S.A.

Piotr Cyburt
President of the Management Board

Andrzej Kulik
Member of the Management Board

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REPRESENTATION BY THE TRUSTEE

In performance of the provisions of art. 6.9 of the Act of 29 August 1997 on the Covered Bonds and Mortgage Banks (Dz.U. of 2003, No. 99, item 919, as amended), I, Piotr Czyżewski, as the Trustee of mBank Hipoteczny S.A., represent that the issue of Series HPA34 mortgage covered bonds which these Final Terms and Conditions concern is secured by the Issuer in accordance with the said Act. The Issuer has made appropriate entries in the collateral register for the mortgage covered bonds. I also represent that the issue of the mortgage covered bonds of series HPA34 does not breach the requirements specified in Art. 18 of the said Act as of 20 September 2018.

Furthermore, the results of the coverage balance test as of 30 June 2018 and liquidity test made on 30 June 2018 confirm that the receivables of the Issuer and the rights and assets, as referred to in art. 18 (3), (3a) and (4) of the above-mentioned act, entered in the collateral register for the mortgage covered bonds are sufficient to fully satisfy claims of the mortgage covered bonds holders.

Warsaw, 24 September 2018

Piotr Czyżewski

PART B – OTHER PROVISIONS

18. Listing of the Covered Bonds and the Covered Bonds trading The Issuer will submit application for admission of the Covered Bonds of Series HPA34 to listing and introduction of the Covered Bonds Series HPA34 to trading on regulated market (parallel market) operated by the WSE. The Issuer expects that the first day of trading of the Covered Bonds Series HPA34 will take place between 30 October and 5 November 2018.
19. Ratings The Covered Bonds were assigned a rating of A by the Fitch Ratings Ltd. rating agency. Fitch Ratings Ltd. is listed in the credit rating agencies register, in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. Rating of the Covered Bonds of Series HPA34 shall be confirmed on the Issue Date.

INVOLVEMENT OF NATURAL AND LEGAL PERSONS IN THE OFFER

The person involved in the offer is mBank S.A. as the Offeror.

Apart from the Offeror, who will receive commission for offering paid by the Issuer, in accordance with the state of Issuer's knowledge, there are no persons involved in the offer, which would have essential interests in relation to the offer. The Offeror, its affiliates and related entities may be involved financial transactions with the Issuer and may in their course of business provide other services to the Issuer, its affiliates and related entities.

ESTIMATED NET PROCEEDS AND EXPENDITURE ARISING OUT OF THE OFFER

20. Estimated net proceeds: The nominal value PLN 10,021,959.00 decreased by total costs of the offer and the interest amount of PLN 21,959.00 (accrued for the period from 10 September 2018 (including that date) to the Issue Date (excluding that date)) payable on 10 December 2018.
21. Estimated expenditures arising out of the offer: Due to the fact that the issue of the HPA34 Series covered bonds is made under the Programme it is not possible to determine the total costs attributable to the issue of the HPA34 Series covered bonds and the total expenses connected with the offering of the HPA34 Series covered bonds. Information on such costs will be made publicly available upon all the costs under the Programme are accounted for issues of respective series of covered bonds.
22. The amount of commission for placement: PLN 20,841.10

INFORMATION CONCERNING THE SECURITIES TO BE OFFERED OR ADMITTED TO TRADING

23. The resolutions underlying the issue of the Covered Bonds Resolution No. 93/2016 of the Issuer's Management Board of 26 July 2016, Resolution No.64/2018 of the Issuer's Management Board of 2 October 2018.

24. ISIN Code: PLRHNHP00615 (to be confirmed by Management Board Resolution of Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities)).

Upon the assimilation with the covered bonds of Series HPA33 listed under the code PLRHNHP00607, the Covered Bonds of Series HPA34 will receive the code PLRHNHP00607.

25. All the regulated markets (equivalent markets) on which, to the knowledge of the Issuer, securities of the same class are admitted to trading

Under the program of public and mortgage bearer bonds with a total value of PLN 6,000,000,000 approved by Polish Financial Supervision Authority decision DEM/WE/410/36/24/09 of 28 October 2009, Bank issued following series of covered bonds that have been admitted to trading on the regulated over-the-counter market for debt securities operated by BondSpot S.A. or on the regulated market for debt securities operated by Warsaw Stock Exchange:

mortgage covered bonds:

- series HPA8 in the amount of PLN 25,000,000, listed under the code PLRHNHP00151
- series HPA9 in the amount of PLN 25,000,000, listed under the code PLRHNHP00169
- series HPA10 in the amount of PLN 200,000,000, listed under the code PLRHNHP00177
- series HPA11 in the amount of PLN 100,000,000, listed under the code PLRHNHP00185
- series HPA12 in the amount of PLN 100,000,000, listed under the code PLRHNHP00193
- series HPA13 in the amount of PLN 200,000,000, listed under the code PLRHNHP00219
- series HPA14 in the amount of PLN 100,000,000, listed under the code PLRHNHP00227
- series HPA15 in the amount of PLN 200,000,000, listed under the code PLRHNHP00235
- series HPA16 in the amount of PLN 100,000,000, listed under the code PLRHNHP00243
- series HPA17 in the amount of PLN 200,000,000, listed under the code PLRHNHP00250
- series HPA18 in the amount of PLN 200,000,000, listed under the code PLRHNHP00268

- series HPA19 in the amount of PLN 200,000,000, listed under the code PLRHNHP00276
- series HPE1 in the amount of EUR 10,000,000, listed under the code PLRHNHP00300
- series HPA20 in the amount of PLN 100,000,000, listed under the code PLRHNHP00318
- series HPA21 in the amount of PLN 80,000,000, listed under the code PLRHNHP00326
- series HPE2 in the amount of EUR 30,000,000, listed under the code PLRHNHP00334
- series HPE3 in the amount of EUR 50,000,000, listed under the code PLRHNHP00342
- series HPE4 in the amount of EUR 7,500,000, listed under the code PLRHNHP00359
- series HPE5 in the amount of EUR 8,000,000, listed under the code PLRHNHP00367
- series HPE6 in the amount of EUR 15,000,000, listed under the code PLRHNHP00375
- series HPE7 in the amount of EUR 20,000,000, listed under the code PLRHNHP00383
- series HPA22 in the amount of PLN 300,000,000, listed under the code PLRHNHP00391
- series HPA23 in the amount of PLN 200,000,000, listed under the code PLRHNHP00409
- series HPE8 in the amount of EUR 20,000,000, listed under the code PLRHNHP00417
- series HPE9 in the amount of EUR 50,000,000, listed under the code PLRHNHP00425
- series HPA24 in the amount of PLN 200,000,000, listed under the code PLRHNHP00433
- series HPE10 in the amount of EUR 20,000,000, listed under the code PLRHNHP00441
- series HPA25 in the amount of PLN 250,000,000, listed under the code PLRHNHP00458

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- series HPE11 in the amount of EUR 11,000,000, listed under the code PLRHNHP00466
- series HPE12 in the amount of EUR 50,000,000, listed under the code PLRHNHP00474
- series HPA26 in the amount of PLN 500,000,000, listed under the code PLRHNHP00482
- series HPA27 in the amount of PLN 255,000,000, listed under the code PLRHNHP00490
- series HPA28 in the amount of PLN 300,000,000, listed under the code PLRHNHP00508
- series HPE13 in the amount of EUR 50,000,000, listed under the code PLRHNHP00516
- series HPA29 in the amount of PLN 50,000,000, listed under the code PLRHNHP00524
- series HPA30 in the amount of PLN 100,000,000, listed under the code PLRHNHP00532

public sector covered bonds:

- series PUA5 in the amount of PLN 100,000,000, listed under the code PLRHNHP00201
- series PUA6 in the amount of PLN 100,000,000, listed under the code PLRHNHP00284
- series PUA7 in the amount of PLN 150,000,000, listed under the code PLRHNHP0029,

while the following series of covered bonds mentioned above were redeemed by the Issuer in accordance with the terms of the issue:

- series HPA8 in the amount of PLN 25,000,000, listed under the code PLRHNHP00151
- series HPA17 in the amount of PLN 200,000,000, listed under the code PLRHNHP00250
- series HPA9 in the amount of PLN 25,000,000, listed under the code PLRHNHP00169
- series HPA10 in the amount of PLN 200,000,000, listed under the code PLRHNHP00177

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- series HPA12 in the amount of PLN 100,000,000, listed under the code PLRHNHP00193
- series HPA14 in the amount of PLN 100,000,000, listed under the code PLRHNHP00227
- series HPA16 in the amount of PLN 100,000,000, listed under the code PLRHNHP00243
- series PUA6 in the amount of PLN 100,000,000, listed under the code PLRHNHP00284
- series HPA11 in the amount of PLN 100,000,000, listed under the code PLRHNHP00185
- series PUA5 in the amount of PLN 100,000,000, listed under the code PLRHNHP00201
- series HPA13 in the amount of PLN 200,000,000, listed under the code PLRHNHP00219
- series PUA7 in the amount of PLN 150,000,000, listed under the code PLRHNHP00292

- series HPA18 in the amount of PLN 200,000,000, listed under the code PLRHNHP00268
- series HPA15 in the amount of PLN 200,000,000, listed under the code PLRHNHP00235
- series HPE1 in the amount of EUR 10,000,000, listed under the code PLRHNHP00300
- series HPE4 in the amount of EUR 7,500,000, listed under the code PLRHNHP00359
- series HPA19 in the amount of PLN 200,000,000, listed under the code PLRHNHP00276.

Under the Program Bank issued following series of covered bonds that have been admitted to trading on the regulated over-the-counter market for debt securities operated by BondSpot S.A. or on the regulated market for debt securities operated by Warsaw Stock Exchange:

- series HPE14 in the amount of EUR 13,000,000, listed under the code PLRHNHP00540

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- series HPE15 in the amount of EUR 35,000,000, listed under the code PLRHNHP00557

- series HPE16 in the amount of EUR 24,900,000, listed under the code PLRHNHP00565

- series HPA31 in the amount of PLN 500,000,000, listed under the code PLRHNHP00573

- series HPA32 in the amount of PLN 1,000,000,000, listed under the code PLRHNHP00581

- series HPE17 in the amount of EUR 100,000,000, listed under the code PLRHNHP00599

- series HPA33 in the amount of PLN 300,000,000, listed under the code PLRHNHP00607.

Under the EUR 3,000,000,000 program of the issuance of the mortgage covered bonds covered by the base prospectus dated 6 July 2017 the Bank issued the following series of mortgage covered bonds that have been admitted to trading on the regulated market by Luxembourg Stock Exchange in Luxembourg:

- series 1 in the amount of EUR 300,000,000, listed under the code XS1812878889.

26. Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading; the basic conditions of their obligations Not applicable.

INFORMATION CONCERNING THE OFFER

27. Number of the offered the Covered Bonds: up to 100

28. Nominal value of one Covered Bond: PLN 100,000

29. Total nominal value of the Covered Bonds: up to PLN 10,000,000

30. Issue price (selling price) of one Covered Bond: PLN 100,219.59

The Issue price (selling price) of one Covered Bond includes interest in the amount of PLN 219.59 (accrued for the period from 10 September 2018 (including that date) to the Issue Date (excluding that date)) payable on 10 December 2018.

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31. The period of the offer: The subscription orders can be submitted on 11 October 2018 (between 11.00 a.m. and 1:00 p.m. CET).
32. Offer procedure: The Ordinary Procedure
33. The time periods related to the offer: 11 October 2018 – the date when the Final Terms and Conditions will be made publicly available
- 11 October 2018 (between 11.00 a.m. and 1:00 p.m. CET) – the date when the subscription orders can be submitted
- 15 October 2018 – the Issue Date
- 30 October- 5 November 2018 – the intended first day of listing of the Covered Bonds
34. Description of the subscription process, including rules for subscription by proxy: Subscription orders for the Covered Bonds of Series HPA34 should be made by filling a subscription order form in three copies. As evidence of placing an order a person submitting the order may receive one copy of the subscription form confirmed by an employee of the Offeror accepting an order. Any consequences of an inaccurate filling in of the subscription order form for the Covered Bonds of Series HPA34 shall be borne by the person placing the order.
- Subscription orders may be placed by fax or by e-mail if this has been agreed between a given investor and the Offeror.
- A form of a subscription order for the Covered Bonds of Series HPA34 will be made available to investors within the period of subscription of the Covered Bonds of Series HPA34.
- Each investor who intends to purchase the Covered Bonds of Series HPA34 is obliged, together with placing a subscription order, to make an order for entering of the Covered Bonds of Series HPA34 on the investment account / securities account specified by such investor.
- An investor placing a subscription order shall present documents evidencing its legal status and its rules of representation. Persons placing orders on behalf of a legal person or an unincorporated organisational unit should, no later than at the time of submitting the order, provide valid documents confirming their authorisation to represent the investor, unless such documents have been already provided in connection with another transaction and are up to date.
- An investor may place a subscription order by a proxy. Detailed rules of submitting orders by proxies should be agreed in advance between a given investor and the Offeror.

- Placing a subscription order by an entity managing a securities package of a third party involves the submission by this entity a subscription order form and attaching a list of investors, on whose behalf the subscription order is placed. Such a list must contain, in respect of each investor, the data required in the subscription order form and must be signed by a person authorized to represent the entity managing a securities package on a third party's behalf.
35. List of customer service points in which the subscriptions will be accepted: mBank S.A., ul. Senatorska 18, Warsaw, running a brokerage activity within an organizationally separated entity – brokerage office operating under the name "Dom Maklerski mBanku", provided that the orders may not be placed in the "Dom Maklerski mBanku" in person.
36. Details concerning minimum and maximum volume of subscription and multiplicity of subscription: Institutional Investors may place subscription orders on general terms for not less than 10 Covered Bonds of Series HPA34 and not more than the aggregate number of the offered Covered Bonds of Series HPA34.
37. Description of the rules of allotment: Offering of the Covered Bonds of Series HPA34 shall not be preceded by the book building process
- The Covered Bonds of Series HPA34 may be allotted at the discretion of the Issuer to the Institutional Investors.
38. The details of the payment date and payment mechanism: Payment for the Covered Bonds of Series HPA34 shall be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (*delivery versus payment*).
- Payment for Covered Bonds of Series HPA34 purchased by Institutional Investors should be made in full until 15 October 2018. In order make payment on 15 October 2018 for the subscribed Covered Bonds of Series HPA34 the investor shall be required to issue a settlement instruction at the time and with the parameters indicated by the Offeror.
- A full payment shall be understood as the payment of an amount equal to the product of the number of Covered Bonds of Series HPA34 specified in the invitation to place a subscription order sent to the invited Institutional Investor or the number of Covered Bonds of Series HPA34 specified in the subscription order form delivered by the Institutional Investor, and the selling price per Covered Bond of Series HPA34.
- Information on the method of payment for Covered Bonds of Series HPA34 will be available at "Dom Maklerski mBanku" during the subscription period and additionally directed to Institutional Investors invited to submit subscription order.

39. Date of public announcement of offering result: On 11 October 2018 the Issuer will make available on its website (www.mhipoteczny.pl/relacje-inwestorskie) information on the results of the Offering of the Covered Bonds of Series HPA34.
40. Process for notification to applicants of the amount of the allotted Covered Bonds: An investor is entitled to receive information on the number of allotted Covered Bonds of Series HPA34 at the offices of the entity maintaining the investor's investment account and in accordance with the rules of procedure followed by that entity.
41. Procedure for delivery of the Covered Bonds and settlement of issue price (selling price) for the Covered Bonds: The Issuer shall apply to Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities) for the conclusion of an agreement on registration of Covered Bonds of Series HPA34 with Krajowy Depozyt Papierów Wartościowych S.A. Upon allotment of Covered Bonds of Series HPA34, the Issuer shall take action to promptly have the Covered Bonds of Series HPA34 deposited in the investment accounts of the persons to whom they were allotted.
- Registration of the Covered Bonds of Series HPA34 with Krajowy Depozyt Papierów Wartościowych S.A. shall take place following the clearing and settlement by the Krajowy Depozyt Papierów Wartościowych S.A. of transactions executed as part of the Offering, resulting in the registration of Covered Bonds of Series HPA34 in the registration accounts of participants simultaneously with debiting of their cash accounts, i.e. registration shall take place upon submission to Krajowy Depozyt Papierów Wartościowych S.A. by the entity maintaining the investor's securities account of a settlement instruction made out in accordance with the settlement instruction issued by and the entity representing the Issuer, and upon payment for the Covered Bonds of Series HPA34.
- Considering that registration of the Covered Bonds of Series HPA34 will be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (delivery versus payment), the investor shall be required to indicate the securities account for the purpose of settlement of payments and settlement of the Covered Bonds of Series HPA34.
42. The costs and taxes to be collected from the subscriber: An investor placing a subscription order for the Covered Bonds of Series HPA34 shall not bear any additional costs related to such order placement.
43. Name and address of paying agents and depository agents: The paying agent and the entity providing deposit services is Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities), registered office at ul. Książęca 4, Warsaw, Poland, as well as investment firms, clearing houses and banks keeping securities accounts in which Covered Bonds of Series HPA34 will be deposited.
44. Name and address of the entities agreeing to underwrite the issue on a firm commitment basis, and name and address of the entities Not applicable.

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agreeing to place the issue without a firm commitment or under “best efforts” arrangements; substantive conditions of agreements:

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| 45. | Essential features of the agreements referred to in paragraph 44 above, and the quotas: | Not applicable. |
| 46. | When the underwriting agreement has been or will be reached: | Not applicable. |
| 47. | In the event the offer is being conducted simultaneously in the markets of two or more countries and if for any of these markets has been or is being reserved tranche indication of such tranches: | Not applicable. |

INFORMATION REQUIRED TO BE GIVEN WITH REGARD TO THE CONSENT OF THE ISSUER OR THE PERSON RESPONSIBLE FOR THE PREPARATION OF THE PROSPECTUS

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| 48. | The period of validity of the offer, during which the Cascade Offer Procedure Participants can make subsequent resale of the Covered Bonds or their final placement: | Not applicable – the Offering is not made under the Cascade Offer Procedure |
| 49. | The conditions to which the consent is subject, which are applicable to the use of the Prospectus: | Not applicable |
| 50. | A list and indication (name and address) of the Cascade Offer Procedure Participants (the financial intermediaries who are allowed to use the Prospectus): | Not applicable |

Appendix No. 1 to the Final Terms and Conditions of the Covered Bonds of Series HPA34

Summary of the Issue of the Covered Bonds of Series HPA34

Section A – Introduction and warnings

Element	Disclosure requirement
A.2	<p>Validity period of the offer, during which financial intermediary may subsequently resale the Covered Bonds or can accomplish final placement of the Covered Bonds: not applicable.</p> <p>The conditions under which the consent may be given, which are applicable to the Prospectus: not applicable.</p> <p>The list and indication of (name and address) financial intermediaries, which are allowed to use the Prospectus: not applicable.</p>

Section C - Securities

Element	Disclosure requirement
C.1	<p>A description of the type and the class of the securities being offered or admitted to trading, including, any security identification number.</p> <p>Series: HPA34</p> <p>International Security Identification Number (ISIN): PLRHNHP00615 (to be confirmed by the Management Board Resolution of Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities).</p> <p>Upon the assimilation with the covered bonds of Series HPA33 listed under the code PLRHNHP00607, the Covered Bonds of Series HPA34 will receive the code PLRHNHP00607.</p>
C.2	<p>Currency of the securities issue.</p> <p>Currency of the issue: PLN</p>
C.9	<p>The nominal interest rate, the date from which interest becomes payable and the due dates for interest, where the rate is not fixed, a statement setting out the type of underlying and a description of the underlying on which it is based, maturity date and arrangements for the amortisation of the loan, including the repayment procedures, an indication of yield, name and surname (name) of the person representing holders of debt securities.</p> <p>Interest rate</p> <p>The Covered Bonds bear interest rate at a variable interest rate which is the sum of WIBOR for 3-month deposits and the margin of 0.58% per annum. Interest payment dates: 10 March, 10 June, 10 September and 10 December of each year (adjusted in line with the Next Business Day Convention).</p> <p>Maturity</p> <p>The Covered Bonds will be repurchased on 10 June 2024.</p> <p>Yield</p> <p>Profitability is 2.29% p.a.</p>

Element	Disclosure requirement
C.11	<p>An indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question</p> <p>The Issuer intends to file application for admission of the Covered Bonds of Series HPA34 to listing and introduce the Covered Bonds of Series HPA34 to trading on the regulated market (parallel market) operated by the Warsaw Stock Exchange (<i>Gielda Papierów Wartościowych w Warszawie S.A.</i>)</p>

Section E – The Offer

Element	Disclosure requirement
E.3	<p>A description of the terms and conditions of the offer.</p> <p>Type of the Covered Bonds: Covered Bonds in bearer form, dematerialized, bearing interest at a floating interest rate.</p> <p>A number of the offered Covered Bonds: up to 100</p> <p>A nominal value of one Covered Bond is: PLN 100,000.</p> <p>Information of interest rate of the Covered Bonds:</p> <p>The Covered Bonds bear interest rate at a variable interest rate which is the sum of WIBOR for 3-month deposits and the margin of 0.58% per annum.</p> <p>Issue price (sale price) of a Covered Bond is: PLN 100,000.</p> <p>Offer period: 11 October 2018.</p> <p>Procedure of the offer: The Ordinary Procedure.</p> <p>Description of the subscription process:</p> <p>Subscription orders for the Covered Bonds of Series HPA34 should be made by filling a subscription order form in three copies. As evidence of placing an order a person submitting the order will receive one copy of the subscription form confirmed by an employee of the Offeror accepting an order. Any consequences of an inaccurate filling in of the subscription order form shall be borne by the person placing the order.</p> <p>Subscription orders may be placed by fax or by e-mail if this has been agreed between a given investor and the Offeror.</p> <p>A form of a subscription order for the Covered Bonds of Series HPA34 will be made available to investors within the period of subscription of the Covered Bonds of Series HPA34.</p> <p>An investor may place a subscription order by a proxy. Detailed rules of submitting orders by proxies should be agreed in advance between a given investor and the Offeror.</p> <p>Customer service points accepting the subscription: mBank S.A., at ul. Senatorska 18, Warsaw, running a brokerage activity within an organizationally separated entity – brokerage office operating under the name "Dom Maklerski mBanku", provided that the orders may not be placed in the "Dom Maklerski mBanku" in person.</p> <p>Details concerning minimum and maximum amount of subscription:</p>

	<p>Institutional Investors may place subscription orders on general terms for not less than 10 Covered Bonds of Series HPA34 and not more than the aggregate number of the offered Covered Bonds of Series HPA34.</p> <p>The allocation rules:</p> <p>The Covered Bonds of Series HPA34 may be allotted at the discretion of the Issuer to the Institutional Investors.</p> <p>Details regarding the payments date and payment mechanism:</p> <p>Payment for Covered Bonds of Series HPA34 purchased by Institutional Investors should be made in full until 15 October 2018.</p> <p>Payment for the Covered Bonds of Series HPA34 shall be made by way of exchange of settlement instructions between the entity maintaining the investor's securities account and the entity representing the Issuer (<i>delivery versus payment</i>).</p> <p>Date of public announcement of offering result: 11 October 2018.</p> <p>Process for notification to investors on the allotment of the Covered Bonds:</p> <p>An investor is entitled to receive information on the number of allotted Covered Bonds of Series HPA34 at the offices of the entity maintaining the investor's investment account and in accordance with the rules of procedure followed by that entity.</p> <p>Costs and taxes incurred by the investors subscribing for the Covered Bonds:</p> <p>An investor placing a subscription order for the Covered Bonds of Series HPA34 shall not bear any additional costs related to such order placement.</p> <p>Name and address of paying agents and depository agents:</p> <p>The paying agent and the entity providing deposit services is Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository for Securities), registered office at ul. Książęca 4, Warsaw, Poland, as well as investment firms, clearing houses and banks keeping securities accounts in which Covered Bonds of Series HPA34 will be deposited.</p> <p>Name and address of the entities that have agreed to underwrite the issue on a firm commitment basis, and name and address of the entities that have agreed to place the issue without a firm commitment or under "best efforts" arrangements; substantive conditions of such agreements:</p> <p>Not applicable – the Issuer has not entered into such agreements.</p> <p>A date when the underwriting agreement has been or will be finalised: not applicable.</p>
<p>E.4</p>	<p>A description of any interest, including conflicting ones that is material to the issue/offer.</p> <p>Except as indicated in the Prospectus, as far as the Issuer is aware, no person involved in the issuance of the Covered Bonds of Series HPA34 has no material interest in connection with the offer or there is no conflict of interest.</p>