

MAIN MACROECONOMIC INDICATORS

REPUBLIC OF POLAND

December 2009



Territory: 312 685 km²
Population: 38.2 mln
Capital city: Warsaw
Currency: the Polish zloty

Ministry of Economy, Analyses and Forecasting Department

Poland's macroeconomic performance in 2008-2009

| Specification | Unit | 2008 | XII 2008 | XII 2009 | I-XII 2009 |
|---|-------------|---------|-----------------------|-----------------------|-----------------------|
| GDP | % | 105.0 | | | 101.7 ² |
| Consumption | % | 106.3 | | | 102.0 ⁵ |
| - individual consumption | % | 105.9 | | | 102.3 ⁵ |
| Gross capital formation | % | 102.9 | | | 89.2 ⁵ |
| - gross fixed capital formation | % | 108.2 | | | 99.7 ⁵ |
| Prices | | | | | |
| Year-on-year price index of consumer goods and services (CPI) | % | 104.2 | 103.3 | 103.5 | 103.5 |
| Year-on-year price index of sold production of industry (PPI) | % | 102.2 | 102.7 | 102.1 | 103.4 |
| Production¹ | % | | | | |
| Sold production of industry | % | 103.6 | 94.4 | 107.4 | 96.8 |
| Construction and assembly production | % | 112.1 | 102.0 | 103.1 | 103.7 |
| Wages and salaries | | | | | |
| Average wages and salaries in the national economy, of which: | PLN | 2,942 | | | |
| - enterprise sector | PLN | 3,186 | 3,428 | 3,652 | 3,325 |
| Labour market | | | | | |
| Average employment in enterprise sector | thous.pers. | 5,392 | 5,353 | 5,255 | 5,327 |
| Unemployment rate (as of the end of the period) | % | 9.5 | 9.5 | 11.9 | 11.9 |
| Current account balance | m EUR | -18,293 | -1,432 ^{2,3} | -1,272 ^{2,3} | -3,969 ^{2,4} |
| Foreign trade acc. to CSO | | | | | |
| Trade balance | m EUR | -26,204 | | | -7,502 ^{2,4} |
| - exports | m EUR | 116,244 | | | 88,703 ^{2,4} |
| - imports | m EUR | 142,448 | | | 96,205 ^{2,4} |

1 - data concerns complete statistical population in 2008; other data concerns entities which employs more than 9 person

2 - provisional data

3 - data for November

4 - data for period of January-November

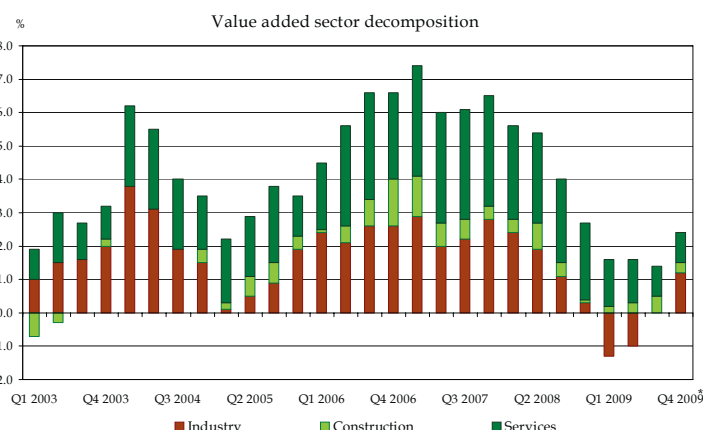
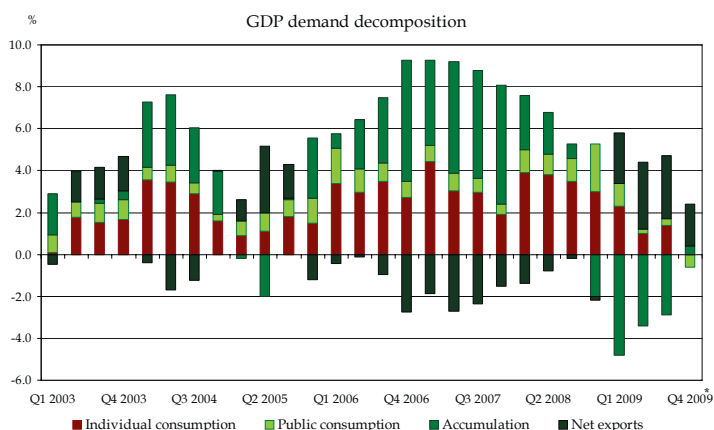
5 - DAF MoE estimation

In the year 2009, according to CSO, GDP increased by 1.7%. The largest GDP growth contributor was net exports.*

GDP growth in 2004-2009

| | 2004 | | | | 2005 | | | | 2006 | | | | 2007 | | | | 2008 | | | | 2009 | | | |
|-----|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|
| YoY | 5.3 | | | | 3.6 | | | | 6.2 | | | | 6.8 | | | | 5.0 | | | | 1.7 | | | |
| | I-III | IV-VI | VII-IX | X-XII | I-III | IV-VI | VII-IX | X-XII | I-III | IV-VI | VII-IX | X-XII | I-III | IV-VI | VII-IX | X-XII | I-III | IV-VI | VII-IX | X-XII | I-III | IV-VI | VII-IX | X-XII |
| YoY | 6.9 | 6.0 | 4.8 | 4.0 | 2.4 | 3.2 | 4.3 | 4.4 | 5.4 | 6.3 | 6.6 | 6.6 | 7.5 | 6.6 | 6.6 | 6.6 | 6.2 | 6.0 | 5.1 | 3.0 | 0.8 | 1.1 | 1.7 | 3.0* |

* DAF MoE estimation

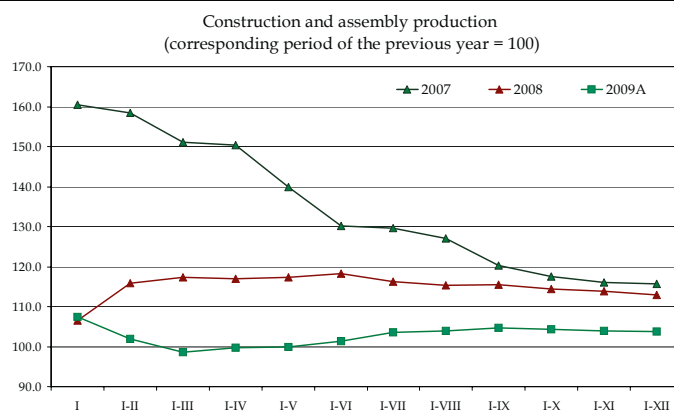
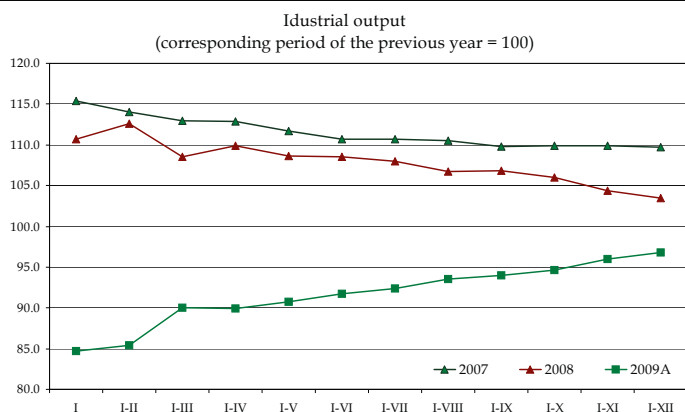


A - In accordance to change of groups of classification (PKD 2007) data for 2009 are not fully comparable with previous data. Compare to CSO explanation (in polish) - http://www.stat.gov.pl/cps/rde/xbr/gus/PUBL_Ulotka_PKD.pdf

In the period of January-December 2009 (comparing to the corresponding period of the previous year):

- A drop in sold industrial production amounted to 3.2%. The biggest decrease was recorded in mining (12.9%).
- Construction and assembly production increased by 3.7% (yoy).
- Consumer Price Index was at the level of 3.5%.
- An amount of registered unemployment amounted to 1,893 thousand persons (increase by 28.4%).
- Registered unemployment rate made up 11.9%.
- Average monthly wages and salaries in enterprise sector amounted to PLN 3,325 and was higher by 4.4% (in nominal terms).
- Average monthly retirement pay and pension from non-agricultural social security system increased by 8.7%, and individual farmers by 6.2% (in nominal terms).
- Budget deficit estimated at about 24.0bn.
- The Monetary Policy Council reduced interest rates four times by 1.5 percentage point in total.
- The Polish currency was weaker against US dollar and euro.
- At the end of November 2009 the cumulative current account balance deficit was lower than in 2008 by EUR 12,584 m.

January-December 2009: sold production of industry decreased by 3.2% and construction and assembly production rose by 3.7% (comparing to the corresponding period of the previous year).



Indices of sold production of industry and construction and assembly production

| | | I | I-II | I-III | I-IV | I-V | I-VI | I-VII | I-VIII | I-IX | I-X | I-XI | I-XII |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|
| Sold production of industry | 2008 | 110.7 | 112.6 | 108.5 | 109.9 | 108.6 | 108.5 | 108.0 | 106.7 | 106.8 | 106.0 | 104.4 | 103.5 |
| | 2009A | 84.7 | 85.4 | 90.0 | 89.9 | 90.7 | 91.7 | 92.4 | 93.5 | 94.0 | 94.6 | 96.0 | 96.8 |
| Construction and assembly production | 2008 | 106.6 | 115.9 | 117.4 | 117.0 | 117.3 | 118.2 | 116.3 | 115.4 | 115.5 | 114.4 | 113.9 | 112.9 |
| | 2009A | 107.4 | 102.0 | 98.7 | 99.8 | 100.0 | 101.4 | 103.6 | 103.9 | 104.7 | 104.4 | 104.0 | 103.7 |

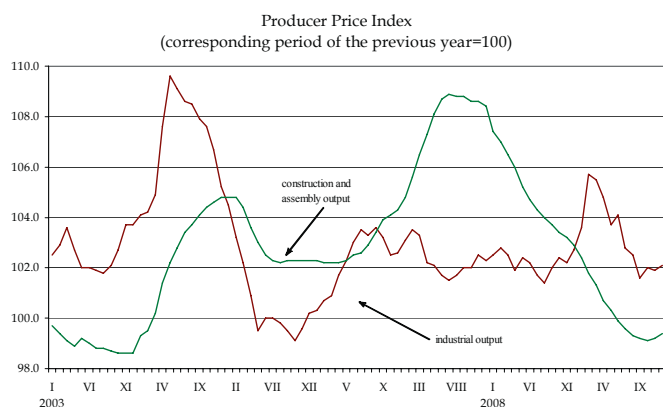
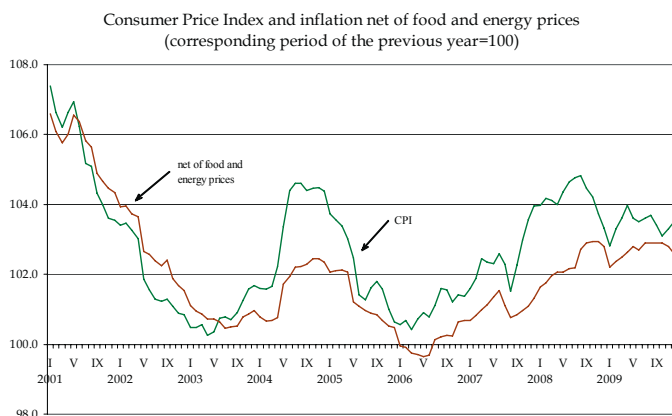
A - data not fully comparable

January-December 2009: price index of consumer goods and services reached 3.5%, of sold industrial production - 3.4%, and price index of construction and assembly production - 0.2% (comparing to the corresponding period of the previous year).

Prices indices

| | | I | I-II | I-III | I-IV | I-V | I-VI | I-VII | I-VIII | I-IX | I-X | I-XI | I-XII |
|---|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|
| Price indices of sold production of industry | 2008 | 102.9 | 103.1 | 103.0 | 102.8 | 102.8 | 102.8 | 102.7 | 102.6 | 102.5 | 102.6 | 102.5 | 102.6 |
| | 2009A | 103.6 | 104.7 | 105.0 | 104.9 | 104.7 | 104.6 | 104.3 | 104.1 | 103.8 | 103.6 | 103.5 | 103.4 |
| Price indices of consumer goods and services | 2008 | 104.0 | 104.1 | 104.1 | 104.1 | 104.1 | 104.2 | 104.3 | 104.4 | 104.4 | 104.4 | 104.3 | 104.2 |
| | 2009 | 103.1 | 103.1 | 103.3 | 103.4 | 103.5 | 103.5 | 103.5 | 103.5 | 103.5 | 103.5 | 103.5 | 103.5 |
| Price indices of construction and assembly production | 2008 | 108.1 | 107.9 | 107.6 | 107.3 | 106.9 | 106.5 | 106.2 | 105.9 | 105.7 | 105.4 | 105.2 | 105.0 |
| | 2009A | 102.4 | 102.1 | 101.8 | 101.6 | 101.3 | 101.1 | 100.9 | 100.7 | 100.5 | 100.4 | 100.3 | 100.2 |

A - data not fully comparable



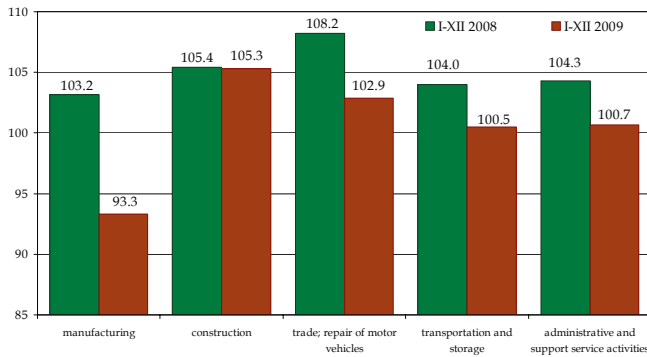
January-December 2009: registered unemployment rate stood at 11.9%, employment in enterprise sector amounted to 5,327 thousand persons and dropped by 1.2% (comparing to the corresponding period of the previous year).

Unemployment rate

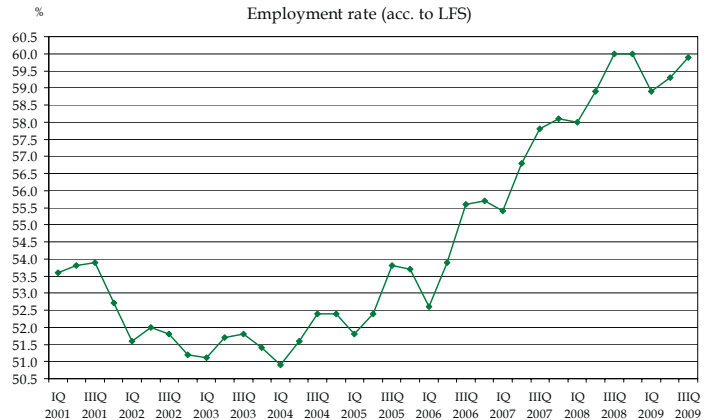
| | 2005 | 2006 | 2007 | 2008 | 2009 | X 08 | XI | XII | I 09 | II | III | IV | V | VI | VII | VIII | IX | X | XI | XII |
|--------------------------------|------|------|------|------|------|------|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|
| Registered unemployment | 17.6 | 14.8 | 11.2 | 9.5 | 11.9 | 8.8 | 9.1 | 9.5 | 10.4 | 10.9 | 11.1 | 10.9 | 10.7 | 10.6 | 10.7 | 10.8 | 10.9 | 11.1 | 11.4 | 11.9 |
| LFS* | 17.7 | 13.8 | 9.5 | 7.0 | n.a. | 6.7 | | | 8.3 | | | 7.9 | | | 8.1 | | | n.a. | | |

* LFS – Labour Force Survey

Dynamics of average monthly employment in enterprise sector (corresponding period of the previous year=100)

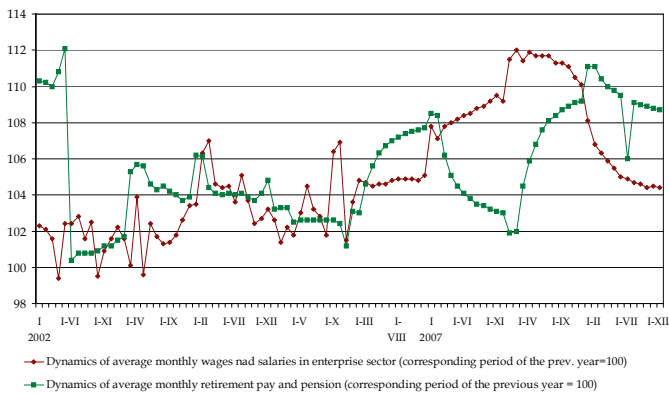


Employment rate (acc. to LFS)

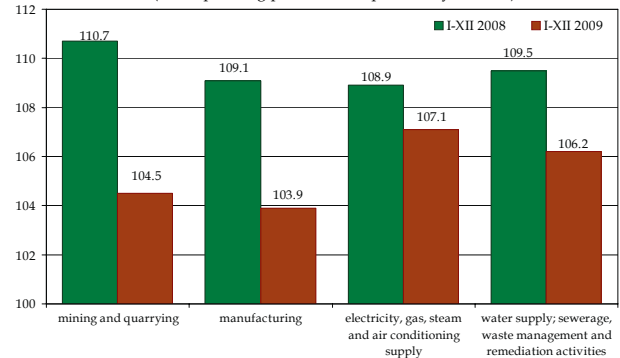


January-December 2009: average wages and salaries in enterprise sector stood at PLN 3,325 and were higher by 4.4% (by 1.1% in real terms); (comparing to the corresponding period of the previous year).

Salaries, wages verso social security benefits

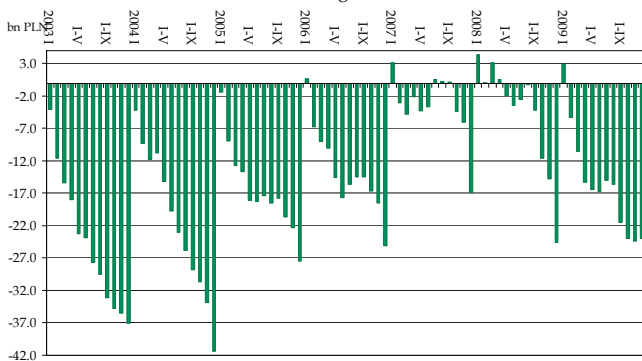


Dynamics of average monthly wages and salaries in enterprise sector (corresponding period of the previous year=100)

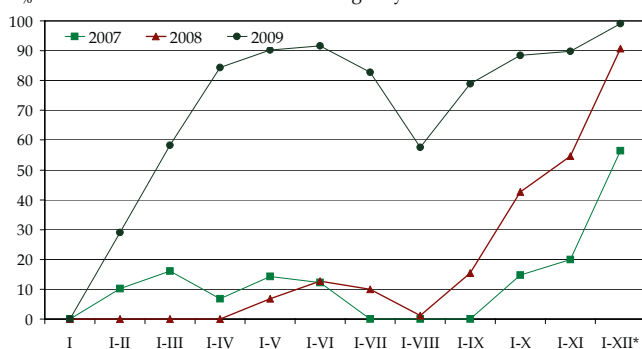


January-December 2009: Budget deficit estimated at about 24.0bn.

Results of state budget in 2003-2009*



Execution of Budgetary Law



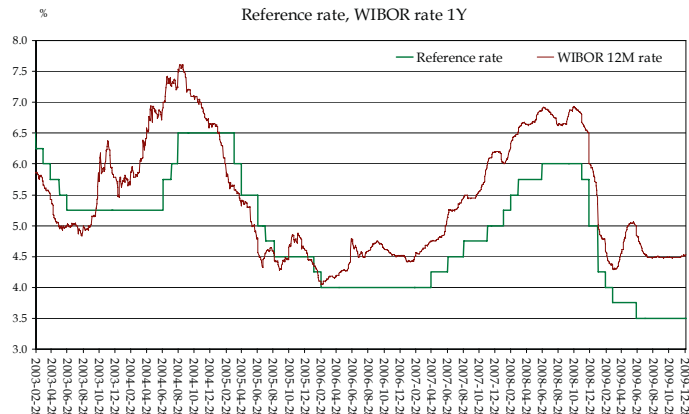
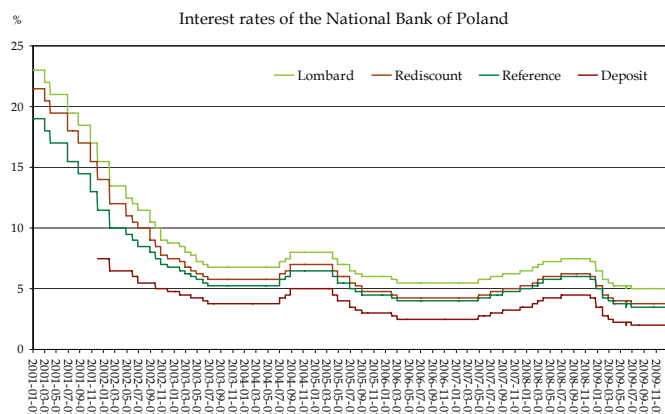
* Data for period of I-XII 2009 are estimation

| | Budgetary Law 2009 | Realization | |
|---|--------------------|--------------|--------------|
| | | I-XI 2009 | I-XI 2008 |
| | in bn PLN | in % | |
| REVENUES | 272.9 | 250.9 | 83.4 |
| Indirect taxes | 147.5 | 143.6 | 87.6 |
| CIT | 24.0 | 21.0 | 87.4 |
| PIT | 34.4 | 32.0 | 93.1 |
| EXPENDITURES | 300.1 | 275.3 | 80.9 |
| Domestic debt servicing | 25.8 | 25.4 | 98.3 |
| Foreign debt servicing | 6.6 | 6.4 | 97.7 |
| Subventions to the Pension Fund | 15.8 | 14.4 | 91.0 |
| Subventions to the Social Insurance Fund | 30.4 | 30.4 | 100.0 |
| General subventions to local self-government entities | 45.3 | 44.1 | 97.4 |
| DEFICIT | -27.2 | -24.4 | 89.8 |
| DEFICIT FINANCING SOURCES | 27.2 | 24.4 | 89.8 |
| DOMESTIC | 18.6 | 14.9 | 80.3 |
| Treasury bonds | 34.0 | 37.3 | 109.6 |
| Revenues from privatisation | 12.0 | 4.4 | 36.5 |
| Pre-financing actions with EU sources | -1.8 | -1.5 | 81.5 |
| FOREIGN | 8.6 | 9.5 | 110.3 |

January-December 2009: MPC cut interest rates by 1.5 p.p. in total.

Interest rates of the National Bank of Poland

| | Lombard | Rediscount | Reference | Deposit |
|-------------------|---------|------------|-----------|---------|
| January 28, 2009 | 5.75 | 4.50 | 4.25 | 2.75 |
| February 26, 2009 | 5.50 | 4.25 | 4.00 | 2.50 |
| March 26, 2009 | 5.25 | 4.00 | 3.75 | 2.25 |
| June 25, 2009 | 5.00 | 3.75 | 3.50 | 2.00 |



January-November 2009: according to the provisional CSO data trade deficit shaped at a level of EUR 7,502 m and was lower by EUR 16,078 m, exports decreased by 18.8%, and imports by 27.5% (comparing to the corresponding period of the previous year).

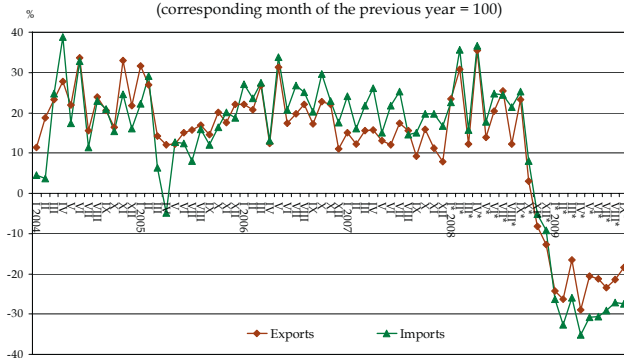
Foreign trade in mln EUR (CSO data)

| | 2007 | 2008 | I-XI 2008 | I-XI 2009 |
|---------|---------|---------|-----------|-----------|
| Saldo | -18,551 | -26,204 | -23,580 | -7,502 |
| Eksport | 101,839 | 116,244 | 109,206 | 88,703 |
| Import | 120,390 | 142,448 | 132,786 | 96,205 |

Foreign trade in mln EUR (NBP data)

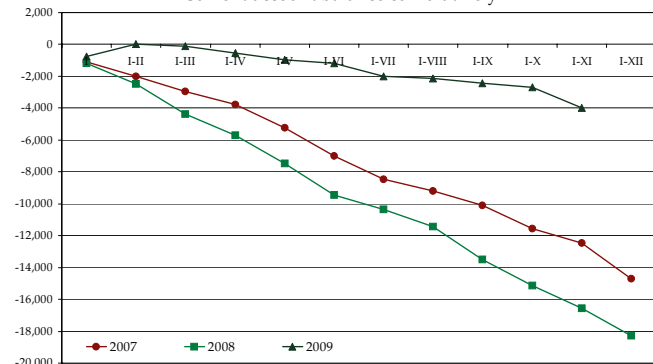
| | 2007 | 2008 | I-XI 2008 | I-XI 2009 |
|---------|---------|---------|-----------|-----------|
| Saldo | -12,386 | -17,726 | -15,907 | -2,703 |
| Eksport | 105,856 | 121,082 | 113,979 | 91,736 |
| Import | 118,242 | 138,808 | 129,886 | 94,439 |

Exports and imports acc. to NBP data (corresponding month of the previous year = 100)



January-November 2009: current account deficit amounted to EUR -3,969 m, in a value higher by EUR 12,584 m in comparison to deficit in the corresponding period of the year 2008.

Current balance cumulatively



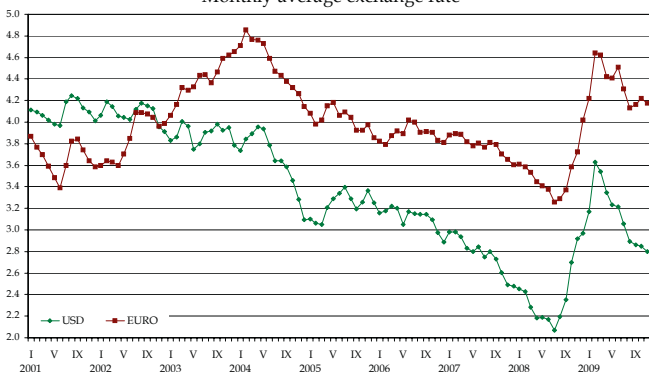
Current account balance

| | 2003 | 2004 | 2005 | 2006 | 2007 | I-XI 2008 | 2008 | I-XI 2009 |
|--|--------|--------|--------|--------|---------|-----------|---------|-----------|
| | -4,109 | -8,146 | -3,005 | -7,453 | -14,721 | -16,553 | -18,293 | -3,969 |

| | 2008 | I-XI 2008 | I-XI 2009 |
|-------------------------------------|--------|-----------|-----------|
| in mln EUR | | | |
| Polish direct investment abroad | -2,039 | -1,931 | -1,756 |
| Foreign direct investment in Poland | 10,025 | 9,665 | 7,660 |
| Portfolio investment - assets | 1,681 | 1 568 | 56 |
| Other investment - assets | 4,232 | 2,125 | 2,649 |
| Official reserve assets | 2,368 | -271 | -12,421 |

January-December 2009: the zloty was weaker against the US dollar and against euro. The EUR/PLN exchange rate increased by 23.1% and USD/PLN by 29.4% (comparing to the corresponding period of the previous year).

Monthly average exchange rate



Exchange rates of the dollar and the euro (NBP data)

| | | X 2008 | XII | IV 2009 | VI | VIII | X | XII |
|-------|-----------------|--------|--------|---------|--------|--------|--------|--------|
| 1 USD | end of month | 2.8472 | 2.9618 | 3.2859 | 3.1733 | 2.8675 | 2.8595 | 2.8503 |
| | monthly average | 2.6980 | 2.9715 | 3.3480 | 3.2146 | 2.8956 | 2.8469 | 2.8352 |
| 1 EUR | end of month | 3.6330 | 4.1724 | 4.3838 | 4.4696 | 4.0998 | 4.2430 | 4.1082 |
| | monthly average | 3.5855 | 4.0177 | 4.4193 | 4.5081 | 4.1311 | 4.2173 | 4.1427 |