

## Final Terms

**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**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. 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.

Luxembourg, 24 January 2019

### **PKO BANK HIPOTECZNY S.A.**

**Legal entity identifier (LEI): 259400ALN6AM4REPEA16**

**Issue of EUR 500,000,000 Covered Bonds**

**under the EUR 4,000,000,000**

**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 set forth in the Base Prospectus dated 5 September 2018, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) as amended 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](http://www.bourse.lu)), on the website of the Bank ([www.pkobh.pl](http://www.pkobh.pl)), and is available for viewing at and collection from the registered office of PKO Bank Hipoteczny S.A., at ul. Jerzego Waszyngtona 17, 81-342 Gdynia, Poland and the office of Société Générale Bank & Trust (in its capacity as the Issuing and Principal Paying Agent) 11, avenue Emile Reuter, L-2420 Luxembourg, Grand Duchy of Luxembourg.

1.
  - (a) Series Number: 7
  - (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 500,000,000
  - (b) Tranche: EUR 500,000,000
  - (c) Issue Price (per Covered Bond): 99.933 per cent. of the Aggregate Nominal Amount of the Tranche
4.
  - (a) Specified Denominations: EUR 100,000
  - (b) Calculation Amount: EUR 100,000
5.
  - (a) Issue Date: 28 January 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
<b>6.</b>	Maturity Date:	23 November 2021
<b>7.</b>	Interest Basis:	
	Period to Maturity Date:	0.250 per cent. per annum Fixed Rate (see paragraph 11 below)
	Period from Maturity Date to Extended Maturity Date or Additionally Extended Maturity Date:	1 month EURIBOR + 0.34 per cent per annum Floating Rate (see paragraph 12 below)
<b>8.</b>	Redemption/Payment Basis:	Redemption at par
<b>9.</b>	Change of Interest Basis	Not Applicable
<b>10.</b>	Date of Management Board approval for issuance of Covered Bonds obtained:	8 January 2019

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

<b>11.</b>	Fixed Rate Covered Bond Provisions	Applicable until Maturity Date
	(a) Rate(s) of Interest:	0.250 per cent. per annum in arrear on each Interest Payment Date
	(b) Interest Payment Date(s):	23 November in each year up to and including the Maturity Date (short first coupon)
	(c) Fixed Coupon Amount(s):	EUR 250 per Calculation Amount
	(d) Broken Amount(s):	EUR 204.79 per Calculation Amount payable on the Interest Payment Date falling on 23 November 2019
	(e) Day Count Fraction:	Actual/Actual (ICMA)
	(f) Determination Date(s):	23 November in each year up to and including the Maturity Date
	(g) Party responsible for calculating amounts payable:	Agent
<b>12.</b>	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: 23 December 2021 and then on a monthly basis subject to adjustment in accordance with the Business Day Convention set out in (b) below
	(b) Business Day Convention:	Modified Following Business Day Convention (adjusted)
	(c) Additional 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
	– 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:	Reuters EURIBOR01
	– Reference Banks:	Not Applicable
(g)	ISDA Determination:	
	– Floating Rate Option:	Not Applicable
	– Designated Maturity:	Not Applicable
	– Reset Date:	Not Applicable
(h)	Linear Interpolation	Not Applicable
(i)	Margin(s):	0.34 per cent. per annum
(j)	Minimum Rate of Interest:	Not Applicable
(k)	Maximum Rate of Interest:	Not Applicable
(l)	Day Count Fraction:	Actual/360
<b>13.</b>	Zero Coupon Covered Bond Provisions	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

<b>14.</b>	Final Redemption Amount of each Covered Bond:	EUR 100,000 per Calculation Amount
------------	-----------------------------------------------	------------------------------------

#### **GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

<b>15.</b>	Relevant Financial Centre(s) or other special provisions relating to Payment Dates:	Warsaw, Luxembourg
------------	-------------------------------------------------------------------------------------	--------------------

#### **MISCELLANEOUS**

<b>16.</b>	Type of Covered Bonds:	Mortgage covered bonds ( <i>hipoteczne listy zastawne</i> )
<b>17.</b>	Form of Covered Bonds:	
	Form:	Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond
	New Global Note:	Yes

**PKO BANK HIPOTECZNY S.A.**

Signed on behalf of the Bank:



---


By: PAULINA STRUGAŁA



---

By: JAKUB NIESTUCOWSKI

**COVER POOL MONITOR OF PKO BANK HIPOTECZNY S.A.**

  
\_\_\_\_\_  
By: TADEUSZ SWAŃ

## PART B – OTHER INFORMATION

### 18. LISTING AND ADMISSION TO TRADING

- (i) Listing: Luxembourg, Warsaw
- (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 with effect from the Issue Date and will be made for the Covered Bonds to be admitted to trading on the regulated market of the Warsaw Stock Exchange.

### 19. RATINGS

- Ratings: The Covered Bonds to be issued have been rated “Aa3” by Moody’s Investor Services Ltd. (**Moody’s**). Moody’s 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 (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation.

### 20. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUES

Save for the fees payable to the Joint Lead 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 Joint Lead 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.

### 21. REASONS FOR THE OFFER AND EXPENSES RELATING TO ADMISSION TO TRADING

- (i) Reasons for the offer General corporate purposes
- (ii) Estimated expenses relating to the admission to trading EUR 11,300

### 22. YIELD (Fixed Rate Covered Bonds only)

- Indication of yield: 0.274 per cent.

### 23. OPERATIONAL INFORMATION

- (i) ISIN Code: XS1935261013
- (ii) Common Code: 193526101
- (iii) CFI: Not Applicable
- (iv) FISN: Not Applicable
- (v) Any clearing system(s) other than Clearstream Luxembourg and Euroclear Bank S.A./N.V. and the relevant identification number(s): Polish National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych S.A.*)
- (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: | Yes. Note that the designation “yes” simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs 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. |

**24. DISTRIBUTION**

- |                                                     |                                                                                                                                                                           |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) Method of distribution:                         | Syndicated                                                                                                                                                                |
| (ii) If syndicated, names of Managers:              | HSBC France<br>Landesbank Baden-Württemberg<br>Powszechna Kasa Oszczędności Bank Polski S.A.<br>Raiffeisen Bank International AG<br>Société Générale<br>UniCredit Bank AG |
| (iii) Date of Subscription Agreement:               | 24 January 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: | Not Applicable                                                                                                                                                            |
| (viii) Prohibition of Sales to Belgian Consumers:   | Applicable                                                                                                                                                                |