

State budget borrowing requirements' financing plan and its background

3rd Quarter 2025

July 2025

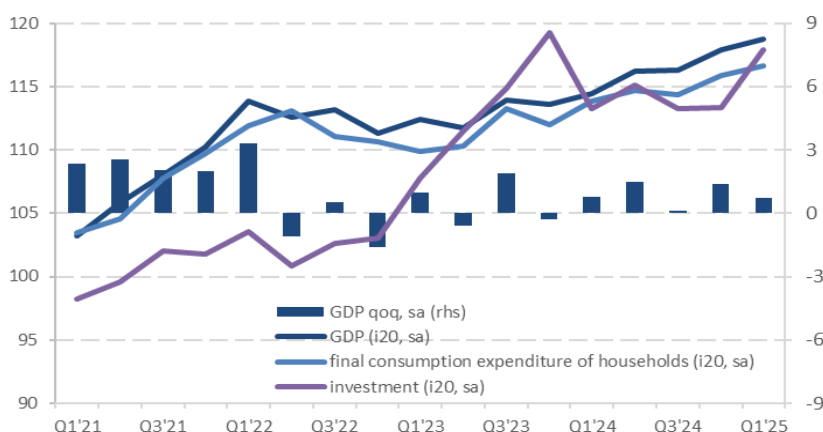
THE MOST IMPORTANT INFORMATION

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Gross domestic product of Poland

constant prices, seasonally adjusted data (sa)
source: GUS, Eurostat

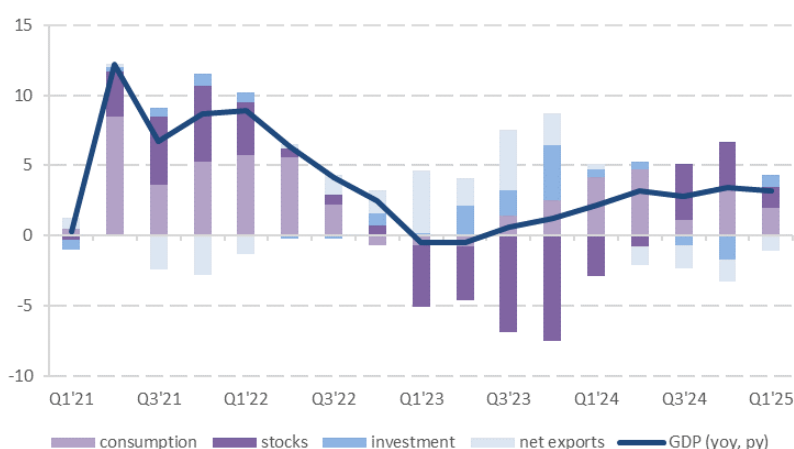
In the first quarter of 2025 GDP increased by 0.7% (qoq, sa), after an increase of 1.4% a quarter earlier. The data in this perspective indicate that GDP has been on an uninterrupted upward trend since the beginning of 2024. GDP growth in Poland in the first quarter is better than the average in the euro area. Both private consumption and investment increased (qoq, sa). The increase in domestic demand supported imports, while the level of exports stabilized relatively.



Gross domestic product of Poland

average prices of the previous year (py), yoy
source: GUS, MoF own calculation

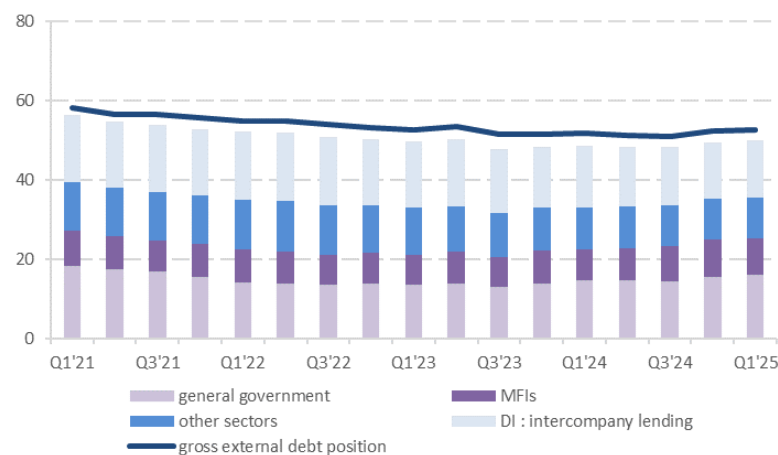
The annual change in GDP recorded in the first quarter of 2025 (3.2%, py) was lower than that observed in previous quarter. Private consumption growth (yoy, py) was lower than in the fourth quarter of 2024, which was suggested by lower retail sales growth in this period. Investments, on the other hand, turned out to be clearly higher than a year ago, significantly above the results from the second half of 2024. Taking into account the decline in investment outlays in medium-sized and large enterprises, this was most likely due to the high dynamics of investments by general government sector. In the first quarter the contribution of net exports remained negative and the positive contribution of the increase in inventories decreased.



Polish gross external debt position

percent of GDP
source: NBP, GUS, MoF own calculation

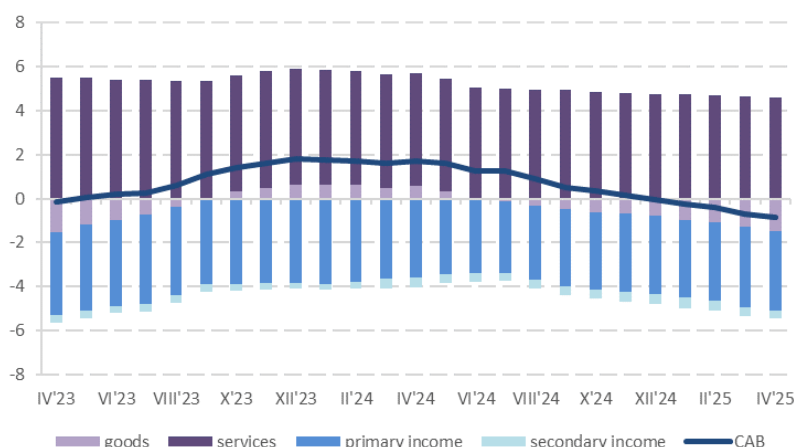
At the end of the first quarter of 2025 gross external debt reached EUR 454.9bn (52.6% of GDP) and was EUR 11.9bn higher than in the previous quarter. The share of general government sector debt in total debt increased to 30.5%. At the end of April 2025 official reserve assets reached EUR 213.2bn and remained broadly adequate, covering about 6 months of imports.



Current account balance

percent of GDP, in 12-month terms
source: NBP, GUS, MoF own calculation

In April 2025, taking into account new quarterly data, Poland's C/A deficit increased to 0.8% of GDP (in 12-month terms). Yearly imports dynamics for the twelfth month in a row was clearly higher than exports dynamics. Exports were weakened the most by lower foreign sales of intermediate and investment goods. The largest increase in imports was recorded in consumer goods, especially semi-permanent and non-durable. Capital account surplus amounted to 0.5% of GDP reducing negative net lending/net borrowing (-0.3% of GDP).

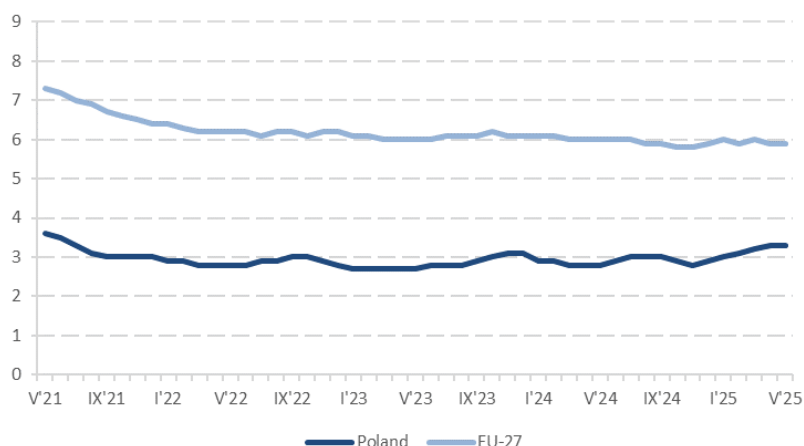


I. MACROECONOMIC SITUATION

Harmonised unemployment rate

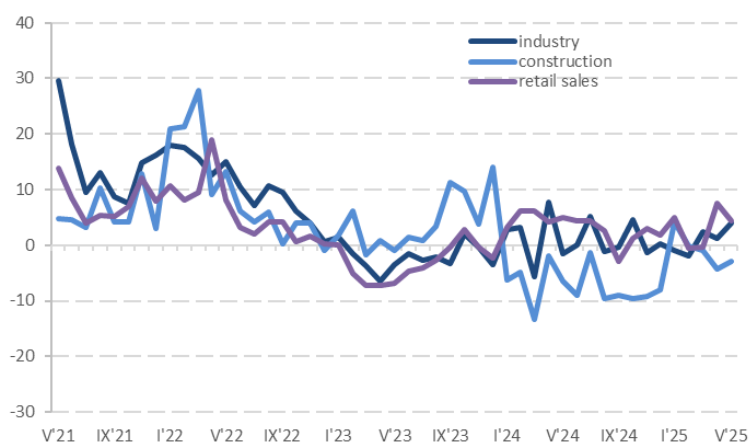
percent, seasonally adjusted data
source: Eurostat

The harmonized unemployment rate (sa) amounted to 3.3% in May 2025 and it was at the same level as in the previous month and by 0.5 pp. higher than a year earlier. It was higher by 0.6 pp. than the historically low level observed in January - May 2023. The unemployment rate in Poland is clearly lower than the average in the EU-27 and the euro area (5.9% and 6.3%, respectively). In May 2025, among the EU countries, only in Czech Republic and Malta unemployment rate was lower than in Poland.

**Monthly indicators of the real sector**

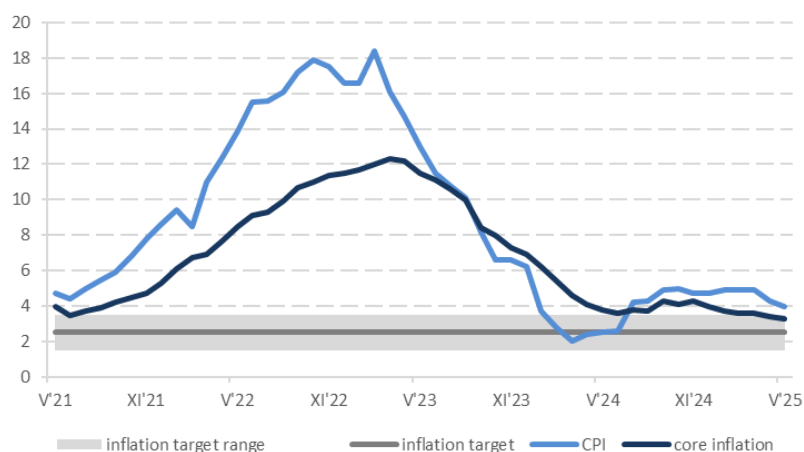
sold production in constant prices,
non-seasonally adjusted (nsa)
source: Eurostat, GUS, MoF own calculation

In May 2025 industrial production was 3.9% higher than a year ago (nsa). The data were below market expectations. Construction production was by 2.9% lower than a year earlier (nsa). The data were below market expectations. Retail sales was by 4.4% (nsa) higher than a year ago. The data met market expectations.

**Inflation**

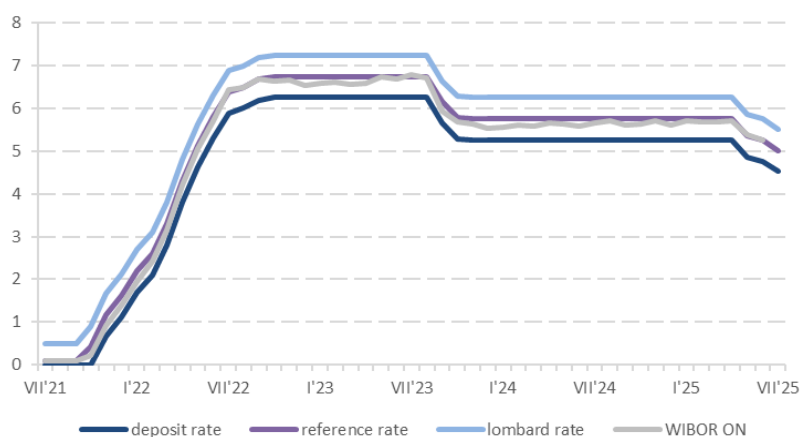
percent, yoy
source: GUS, NBP

In May 2025 CPI inflation rate decreased to 4.0% (yoy). The annual price growth rate of energy decreased significantly (to 4.3%). Core inflation (i.e. CPI excluding food and energy prices) diminished at 3.3% and for the second month in a row was below the upper limit of the acceptable deviation from the inflation target. According to preliminary data in June inflation rate amounted to 4.1%. In the first five months of 2025 producer prices were still lower than a year before (in May by 1.5%), but the scale of this drop is already significantly lower than in 2024.

**NBP interest rates**

percent, end of period
source: NBP, Refinitiv

In July 2025, the Monetary Policy Council unexpectedly cut interest rates, reducing the cost of money by 0.25 percentage points. The NBP reference rate was set at 5.0%, lombard rate at 5.5%, while the deposit rate was reduced to 4.5%. At a monthly press conference, the NBP Governor said that July's cut was not the beginning of a monetary easing cycle, although he acknowledged that the MPC could consider another rate reduction in September if the incoming data support such a decision.



II. STATISTICAL DATA

	Unit	2023 Q04	2024 Q01	Q02	Q03	Q04	2025 Q01
GDP							
Gross domestic product	YoY	1.2	2.2	3.2	2.8	3.4	3.2
	QoQ SA	-0.3	0.8	1.5	0.1	1.4	0.7
Final consumption expenditure of the households sector	YoY	0.7	4.3	4.5	0.2	3.5	2.5
	QoQ SA	-1.1	1.6	0.8	-0.3	1.3	0.7
Final consumption expenditure of the general government sector	YoY	11.0	9.2	11.3	5.2	7.6	2.0
	QoQ SA	1.3	3.2	1.3	0.7	1.5	0.5
Gross fixed capital formation	YoY	17.7	3.6	3.9	-4.3	-6.9	6.3
	QoQ SA	3.8	-5.0	1.6	-1.6	0.1	4.0
Exports of goods and services	YoY	3.9	3.3	4.5	0.0	0.2	1.1
	QoQ SA	-1.7	0.3	0.1	-0.2	0.4	0.1
Imports of goods and services	YoY	0.0	2.9	7.6	3.1	3.5	3.5
	QoQ SA	0.8	1.1	2.4	0.0	-0.4	1.2
Gross value added	YoY	2.0	1.9	2.2	2.3	2.5	2.2
	QoQ SA	-0.2	0.4	1.3	-0.3	1.2	0.4
Contribution to GDP growth							
Final consumption expenditure of the households sector	pp	0.4	2.6	2.6	0.1	1.7	1.6
Final consumption expenditure of the general government sector	pp	2.1	1.6	2.1	1.0	1.6	0.4
Gross fixed capital formation	pp	3.9	0.5	0.6	-0.7	-1.7	0.8
Changes in inventories	pp	-7.5	-2.9	-0.8	4.0	3.4	1.5
Balance of trade turnover	pp	2.3	0.4	-1.3	-1.6	-1.6	-1.1
Gross value added	pp	1.8	1.7	2.0	2.1	2.2	2.0
GDP structure							
Final consumption expenditure of the households sector	% of GDP	49.9	61.6	58.3	58.0	49.7	62.5
Final consumption expenditure of the general government sector	% of GDP	21.1	19.5	21.0	19.7	22.6	19.6
Gross fixed capital formation	% of GDP	25.1	12.9	16.0	15.6	22.1	13.2
Changes in inventories	% of GDP	-1.1	-1.0	-1.1	2.7	2.1	0.5
Exports of goods and services	% of GDP	52.0	56.5	54.8	51.3	47.8	52.4
Imports of goods and services	% of GDP	47.9	50.5	50.1	48.2	45.1	49.2
	Unit	2024 M12	2025 M01	M02	M03	M04	M05
Balance of payments							
Goods: exports (EUR)	YoY	0.4	1.9	0.4	3.1	-2.4	-
Goods: imports (EUR)	YoY	3.4	9.8	3.4	10.0	3.5	-
Current account balance ¹⁾	% of GDP	0.0	-0.2	-0.4	-0.7	-0.8	-
Balance on goods ¹⁾	% of GDP	-0.8	-1.0	-1.1	-1.3	-1.5	-
Official Reserve Assets	EUR m	214 193.8	217 105.1	220 495.1	219 352.3	213 181.8	215 075.2
Inflation							
Consumer Price Index (CPI)	YoY	4.7	4.9	4.9	4.9	4.3	4.0
Core inflation (CPI excluding food and energy prices)	YoY	4.0	3.7	3.6	3.6	3.4	3.3
Producer Price Index (PPI)	YoY	-2.7	-1.0	-1.3	-1.0	-1.6	-1.5
Production							
Sold production of industry ²⁾	YoY	0.2	-0.9	-1.9	2.4	1.2	3.9
	MoM SA	-0.6	0.5	-0.8	0.1	1.6	0.2
Construction and assembly production ²⁾	YoY	-8.0	4.2	-0.1	-1.0	-4.2	-2.9
	MoM SA	5.2	-0.6	-3.2	-3.9	-0.9	-0.5
Manufacturing PMI	SA	48.2	48.8	50.6	50.7	50.2	47.1
Households and labour market							
Retail sales ²⁾	YoY	1.9	4.9	-0.5	-0.3	7.6	4.4
Average paid employment in enterprise sector	YoY	-0.6	-0.9	-0.9	-0.9	-0.8	-0.8
	MoM	-0.1	0.0	-0.1	-0.1	0.0	-0.2
Average monthly gross wages and salaries in enterprise sector (real)	YoY	4.9	4.1	2.9	2.7	4.8	4.2
	MoM	4.0	-4.8	1.2	4.9	-0.5	-3.9
Harmonised unemployment rate (Eurostat)	%, SA	2.9	3.0	3.1	3.2	3.3	3.3
1) Data in 12-month terms 2) Constant prices. Data for units in which the number of employed persons exceeds 9 persons Source: Statistics Poland, NBP, Eurostat, S&P Global, MoF calculation based on NBP, Statistics Poland data							
	Unit	2024 M11	M12	2025 M01	M02	M04	M04
State Treasury debt							
State Treasury debt (acc. to the place of issue criterion)	face value, PLN m	1 568 552.6	1 629 338.6	1 657 286.6	1 709 629.2	1 740 639.5	1 750 445.1
Domestic debt	face value, PLN m	1 214 948.5	1 253 526.2	1 285 820.8	1 327 256.2	1 360 732.3	1 370 642.0
	%	77.5	76.9	77.6	77.6	78.2	78.3
Foreign debt	face value, PLN m	353 604.0	375 812.3	371 465.8	382 373.0	379 907.2	379 803.2
	%	22.5	23.1	22.4	22.4	21.8	21.7
	Unit	2023 Q4	2024 Q01	Q2	Q3	Q4	2025 Q1
Public debt (domestic definition)							
Public debt (acc. to the place of issue criterion)	face value, PLN m	1 328 065.6	1 417 038.6	1 456 294.4	1 498 039.8	1 611 594.2	1 713 257.1
Domestic debt	face value, PLN m	998 740.9	1 059 087.3	1 083 845.2	1 143 639.9	1 210 209.6	1 308 119.7
	%	75.2	74.7	74.4	76.3	75.1	76.4
Foreign debt	face value, PLN m	329 324.7	357 951.3	372 449.2	354 399.9	401 384.6	405 137.4
	%	24.8	25.3	25.6	23.7	24.9	23.6
General Government debt (EU definition)							
General Government debt	face value, PLN m	1 691 243.2	1 772 082.9	1 824 497.9	1 897 166.3	2 011 839.7	2 123 515.9

Source: MoF

III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

Gross borrowing requirements in 2025

as of June 30, 2025, PLN bn

Financing of the State budget borrowing requirements at the level of ca. 77% (acc. to the Budget Act) was a result of:

- T-bond sale on domestic market: PLN 183.6bn,
- T-bills sale on domestic market: PLN 13.6bn,
- switch auctions in 2025: PLN 13.3bn,
- T-bond sale on foreign markets: PLN 47.7bn,
- loans incurred from IFIs: PLN 0.5bn,
- switch auctions in 2025: PLN 29.4bn,
- and higher financial resources at the end of 2024: PLN 137.6bn.

Outflows of funds related to domestic marketable T-securities transfers in July 2025

plan as of June 30, 2025, PLN bn

Value of funds transferred from the State budget to the market in July shall amount to PLN 36.3bn, of which:

- TS redemptions: PLN 25.3bn,
- interest payments: PLN 10.9bn.

Flows of funds between the domestic market and the budget*

as at the end of month, PLN bn

As of June 30, 2025, to the end of the 2025 year the funds to be transferred to the market shall amount to PLN 87.0bn.

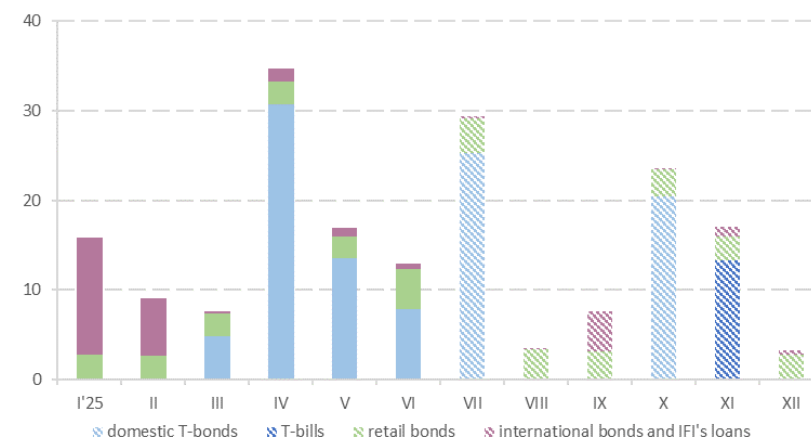
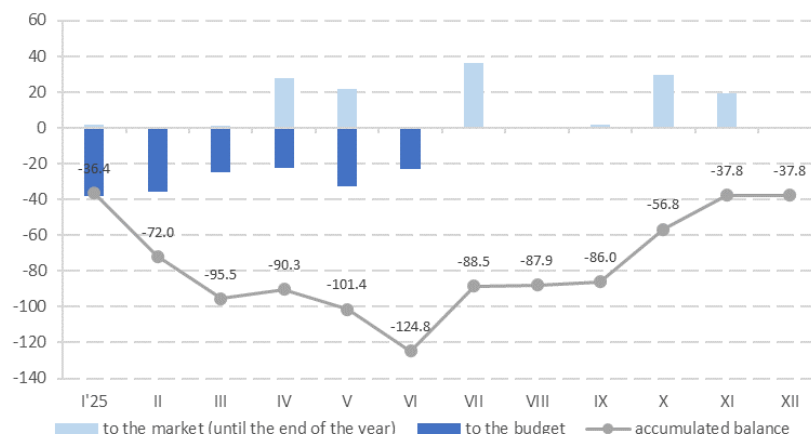
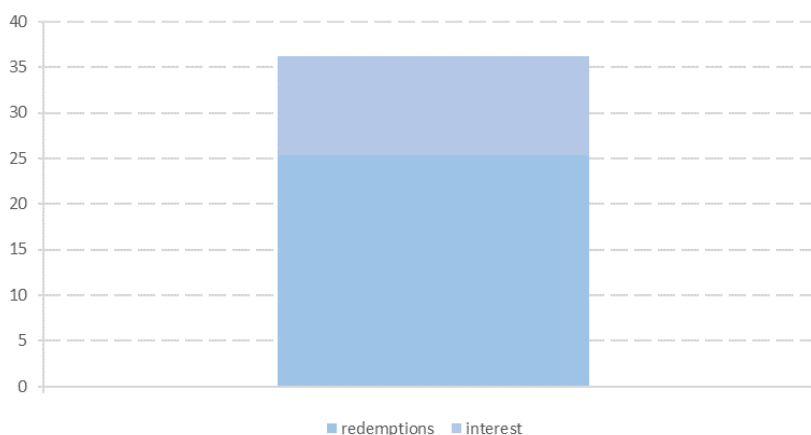
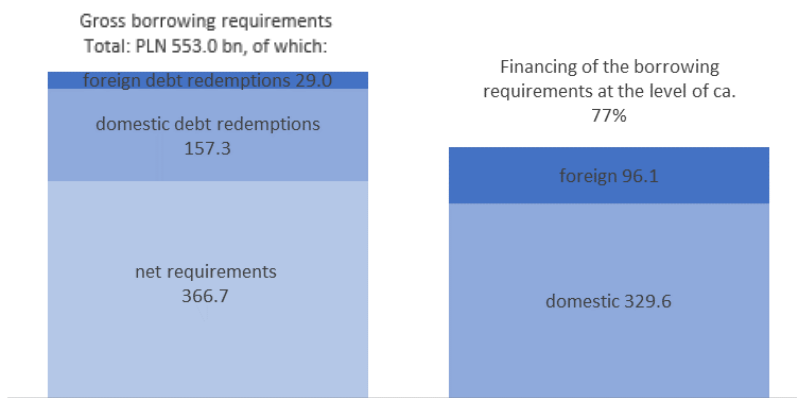
*figures include sale, redemptions and interest payments on wholesale T-securities; monthly financing plans will depend on market situation and feedback from investors thus the detailed schedule of monthly flows to budget in the following months is not presented

State Treasury debt redemptions in 2025

as at the end of month, nominal amount, PLN bn

The nominal amount of debt to be redeemed in 2025 (as of June 30, 2025), is equal to PLN 84.3bn, including:

- T-bonds: PLN 45.8bn,
- T-retail bonds: PLN 18.8bn,
- T-bills: PLN 13.3bn,
- bonds and loans incurred on foreign markets: PLN 6.4bn.

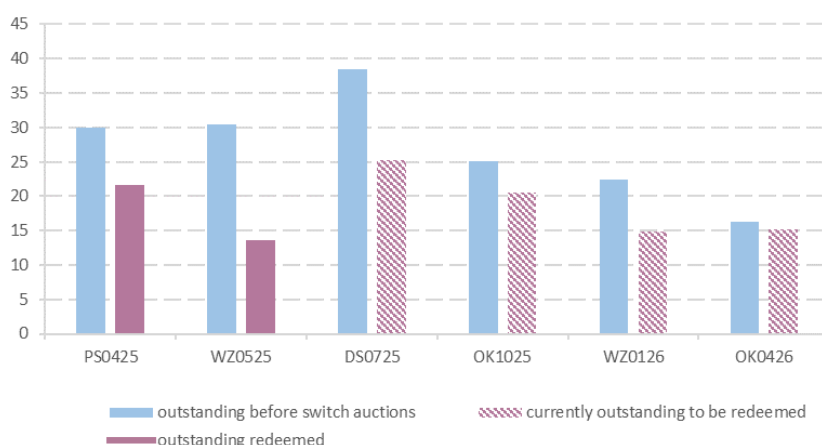


Reducing refinancing risk connected with redemptions of domestic TS maturing in 2025 and 2026

as of June 30, 2025, nominal amount, PLN bn

Buy-back of T-bonds maturing in 2025 and 2026 (by switch):

- PS0425: PLN 8.2bn (28% of the issuance),
- WZ0525: PLN 16.8bn (55% of the issuance),
- DS0725: PLN 13.1bn (34% of the issuance),
- OK1025: PLN 4.6bn (18% of the issuance),
- WZ0126: PLN 7.7bn (34% of the issuance),
- OK0426: PLN 1.1bn (6% of the issuance).

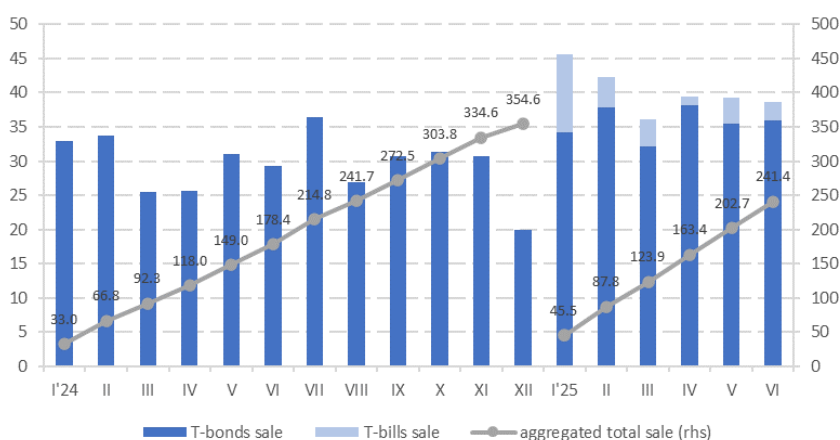


Sale of domestic TS in 2024 and 2025

settlement date, nominal amount, PLN bn

In the period of I-VI 2025 aggregated total sale of:

- T-bonds amounted to PLN 213.8bn versus PLN 178.4bn in the same period of 2024,
- T-bills amounted to PLN 27.6bn versus lack of sale in the same period of 2024.



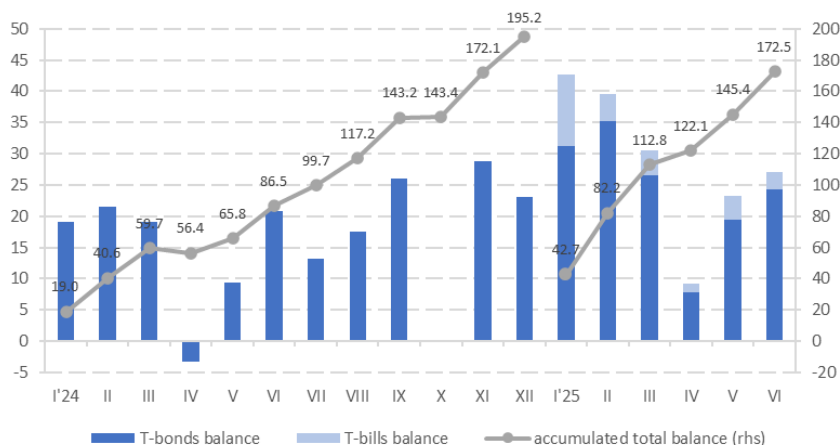
Balance of domestic TS in 2024 and 2025

settlement date, nominal amount, PLN bn

In the period of I-VI 2025 indebtedness in:

- T-bonds increased by PLN 144.9bn versus increase of PLN 86.5bn in the same period of 2024,
- T-bills increased by PLN 27.6bn versus no change in indebtedness in the same period of 2024.

The figures also include the amounts of T-bonds issued and transferred by the Minister of Finance on the basis of other acts than the Public Finance Act.

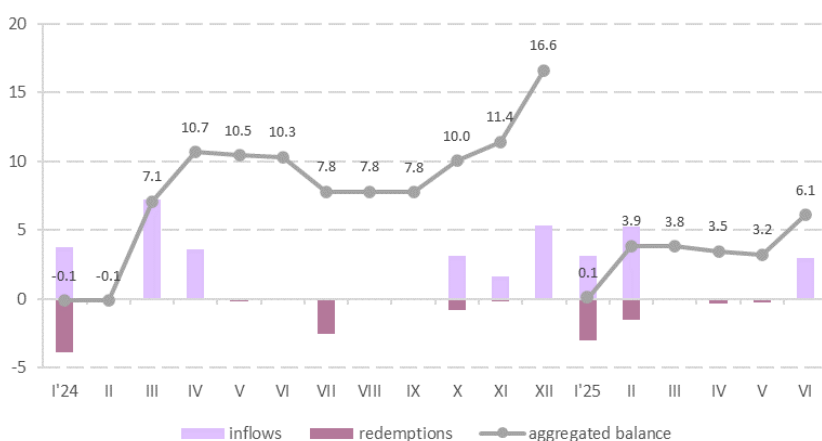


External financing in 2024 and 2025

bonds issued on foreign markets and loans received from IFIs, settlement date, EUR bn

Net financing on foreign markets in the period of I-VI 2025 was positive and amounted to EUR 6.1bn, which resulted from:

- positive balance of T-bonds issuance of EUR 6.8bn,
- negative balance of loans incurred from IFIs at the level of EUR 0.7bn.



III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

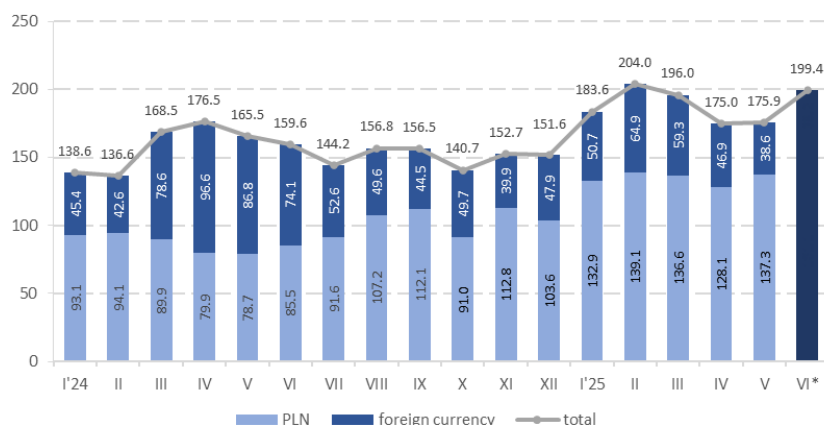
MOF

Funds in PLN and foreign currency on the budgetary accounts at the end of month

funds financing the borrowing needs, PLN bn

At the end of June 2025 there was the equivalent of PLN 199.4bn on the budgetary accounts. The funds ensure liquidity in borrowing needs financing.

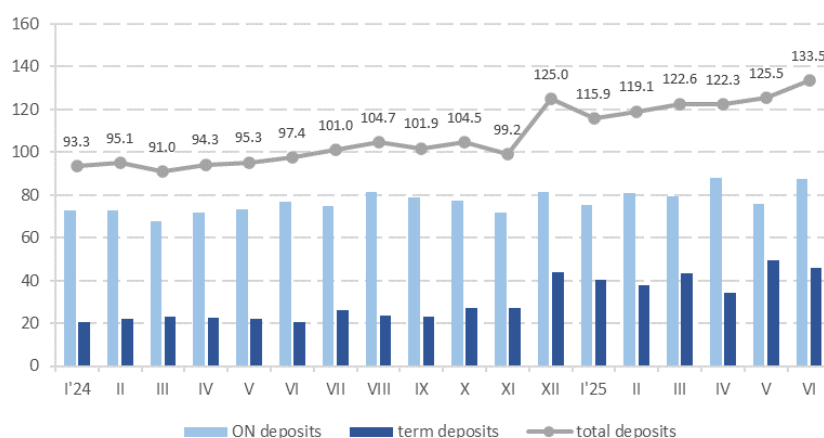
* Estimated data.



Consolidation of public finance sector liquidity management

PLN bn

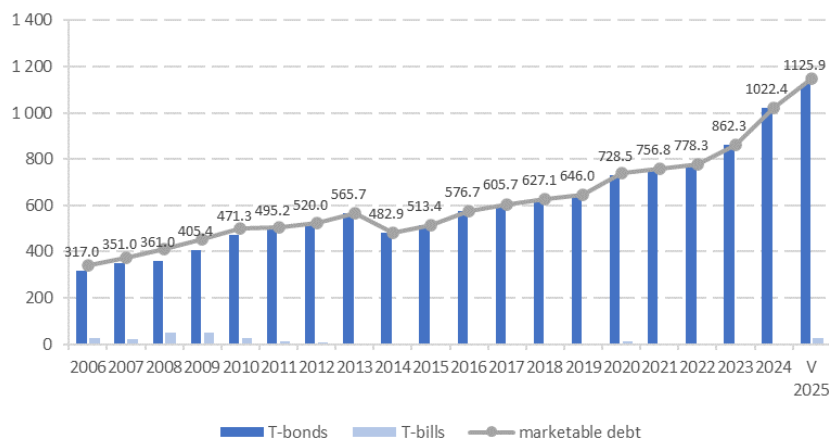
At the end of June 2025 funds accumulated within the consolidation of public finances liquidity management amounted to PLN 133.5bn, of which PLN 46.1bn was as term deposits and PLN 87.5bn on ON deposits.



Structure of domestic marketable debt

PLN bn

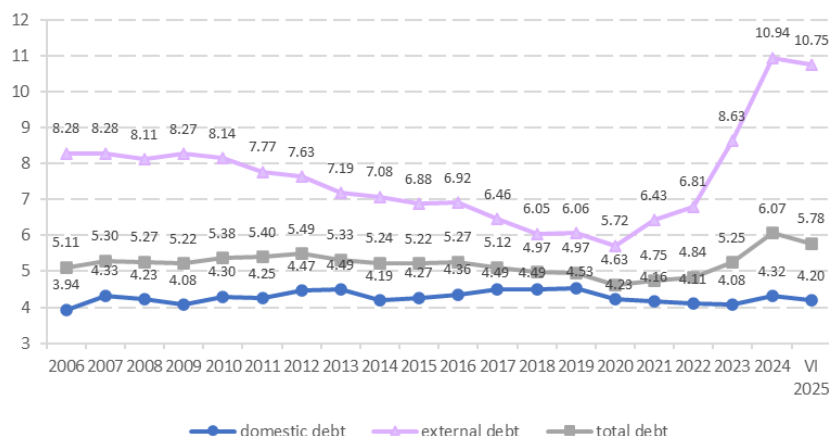
At the end of May 2025 the marketable domestic debt after consolidation within the State Treasury amounted to PLN 1,150.7bn comparing to PLN 1,022.4bn at the end of 2024.



Average maturity

years

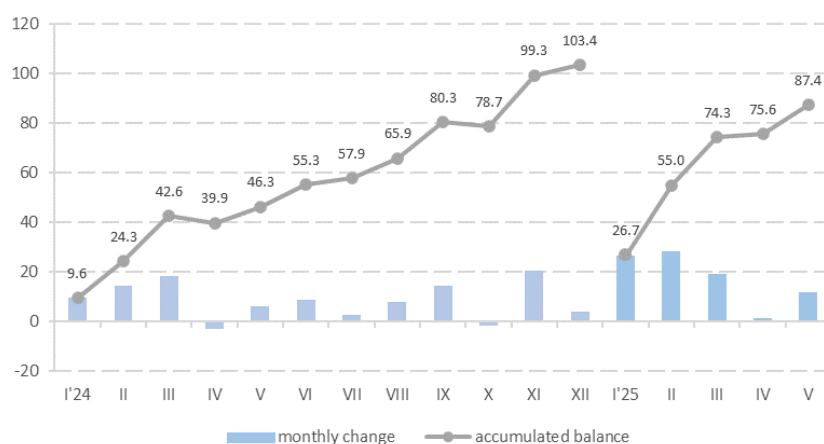
At the end of June 2025 the average maturity of domestic debt amounted to 4.20 years (while at the end of 2024 it was 4.32 years). The average of total debt amounted to 5.78 years (6.07 years at the end of 2024).



Change of debt in the domestic TS held by banks

PLN bn

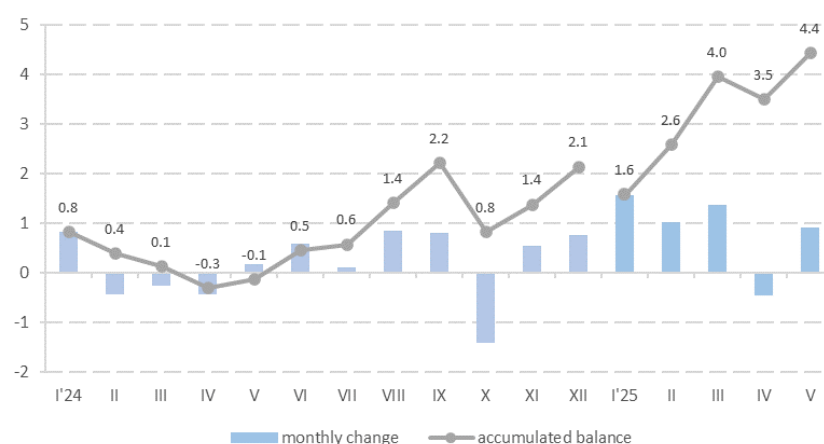
In the period of I-V 2025 there was an increase of debt by PLN 87.4bn comparing to PLN 46.3bn increase during the same period of 2024. Banks' holdings reached the level of PLN 684.6bn.



Change of debt in the domestic TS held by insurance companies

PLN bn

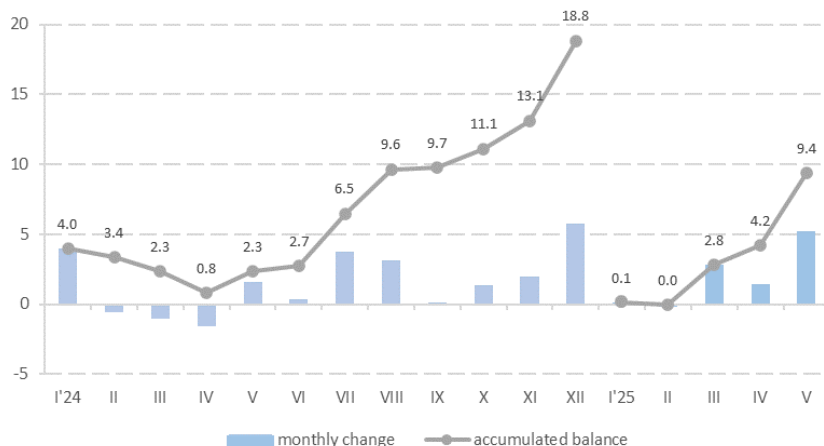
In the period of I-V 2025 there was an increase of debt by PLN 4.4bn comparing to PLN 0.1bn decrease during the same period of 2024. Insurance companies' holdings reached the level of PLN 71.0bn.



Change of debt in the domestic TS held by investment funds

PLN bn

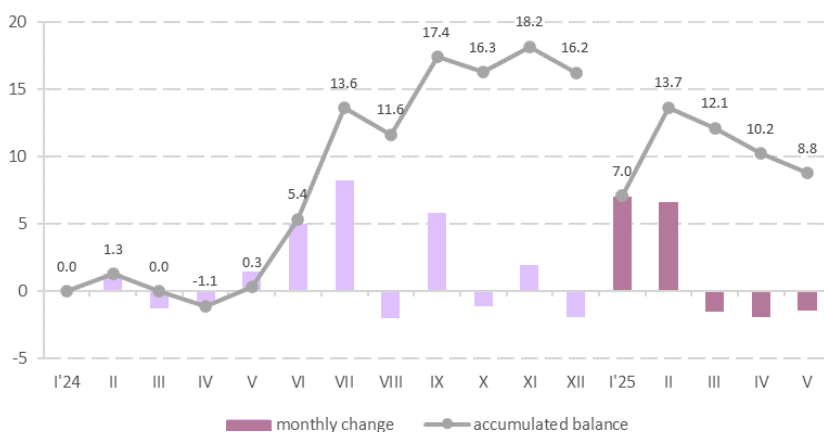
In the period of I-V 2025 there was an increase of debt by PLN 9.4bn comparing to PLN 2.3bn increase during the same period of 2024. Investment funds' holdings reached the level of PLN 85.5bn.



Change of debt in the domestic TS held by foreign investors

PLN bn

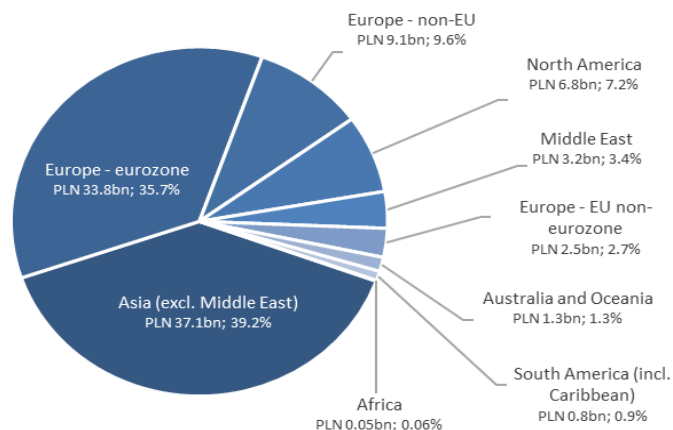
In the period of I-V 2025 there was an increase of debt by PLN 8.8bn comparing to PLN 0.3bn increase during the same period of 2024. Foreign investors' holdings reached the level of PLN 157.2bn.



III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

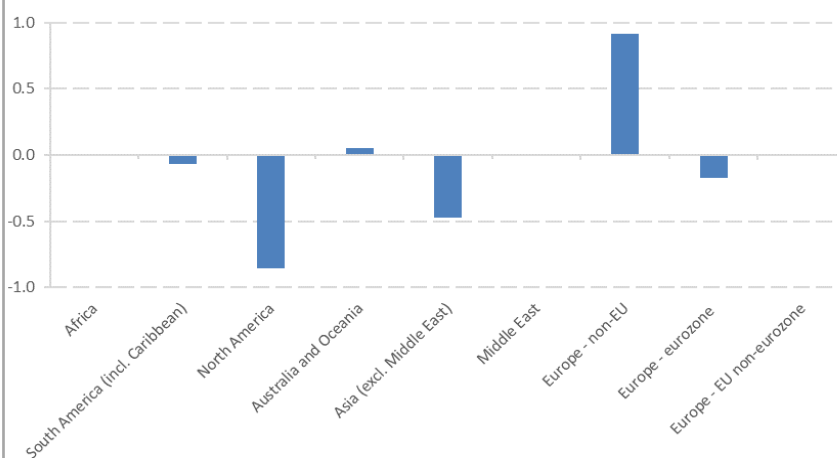
Geographical distribution of the domestic TS held by non-residents as of May 31, 2025, the chart presents data excluding omnibus accounts

The non-residents' share in the domestic Treasury securities market decreased by PLN 1.4bn in May 2025. The foreign investors' portfolio amounted to PLN 157.1bn, which constituted 12.2% share in total debt in TS (12.3% in the previous month).



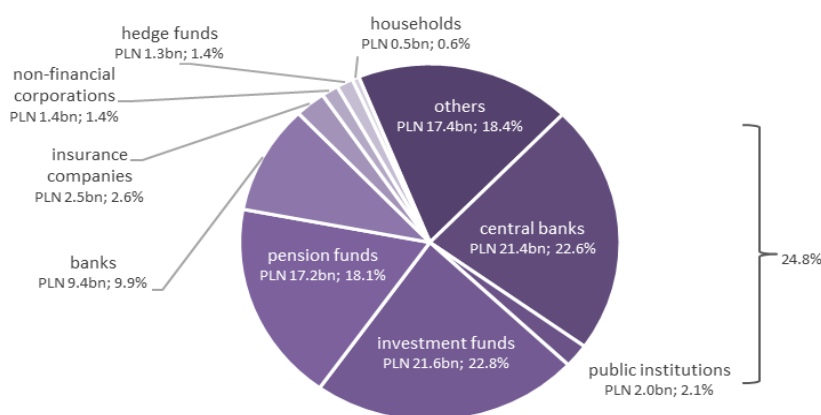
Change of debt in the domestic TS held by non-residents by regions change in May 2025, mom, PLN bn, the chart presents data excluding omnibus accounts

In May 2025 the highest increase was noted by investors from Europe — non-eu (PLN 0.9bn). The highest decrease was noted by investors from North America (PLN 0.9bn).



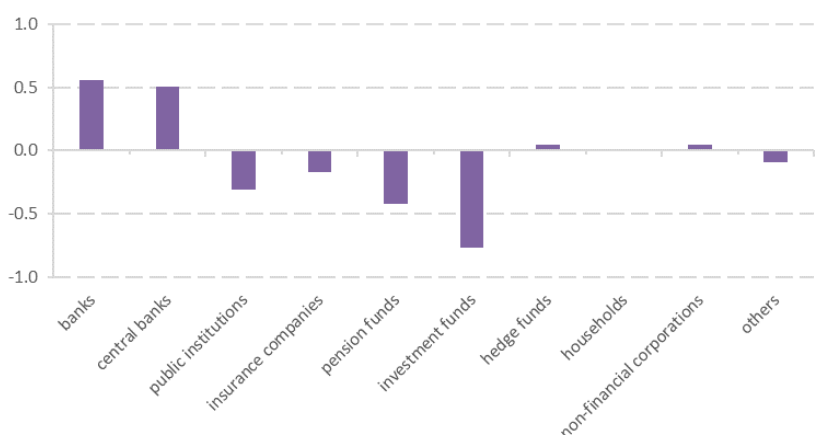
Institutional distribution of the domestic TS held by non-residents as of May 31, 2025, the chart presents data excluding omnibus accounts

Institutional structure of domestic TS held by non-residents, as well as geographical distribution, is well-diversified. The central banks and public institutions' share in foreign holdings amounted to 24.8% at the end of May 2025.



Change of debt in the domestic TS held by non-residents by institutions change in May 2025, mom, PLN bn, the chart presents data excluding omnibus accounts

In May 2025 the highest increase was recorded by banks (PLN 0.6bn). The highest decrease was noted by investment funds (PLN 0.8bn).



Change of debt in domestic TS held by non-resident central banks and public institutions

change in May 2025, PLN bn

Central banks and public institutions' involvement increased by PLN 0.2bn in May 2025. In the period from the end of January 2018 to the end of May 2025 portfolios of those entities decreased by PLN 18.2bn.



Structure of non-residents' holdings in TS by countries

as of May 31, 2025, excluding omnibus accounts and central banks, countries with more than 1% share

Countries	Outstanding in nominal value (PLN m)	Share in non-residents holdings
Japan	16 344.9	22.0%
Luxembourg	10 633.2	14.3%
Netherlands	8 682.7	11.7%
United States	6 032.0	8.1%
United Kingdom	5 907.3	7.9%
Germany	5 340.5	7.2%
Ireland	4 498.9	6.0%
Switzerland	1 867.2	2.5%
France	1 856.4	2.5%
Austria	1 266.2	1.7%
Norway	1 258.2	1.7%
Australia	1 046.7	1.4%
Italy	805.5	1.1%
Canada	760.6	1.0%
Bulgaria	757.4	1.0%
Korea (the Republic of)	749.8	1.0%
Others	6 598.7	8.9%
Total	74 406.2	100.0%

Comment

Jurand Drop, Undersecretary of State, MoF

30-06-2025

At the end of June, the level of financing of this year's gross borrowing requirements of the state budget is approximately 75%.(...) For July, three T-bond sales auctions are planned, taking into account the impact on the market from the redemption of State Treasury bonds and Bank Gospodarstwa Krajowego for the Covid-19 Counteraction Fund bonds. One T-bills sales auction is planned. Six or seven T-bond sales auctions and one or two swap auctions are planned for third quarter. In May, the debt in treasury bonds on the domestic market increased by PLN 23.4bn. The involvement of domestic banks increased by PLN 11.8bn and domestic non-bank investors by PLN 13.0bn, while the debt to foreign investors decreased by PLN 1.4bn.

General assumptions

- T-bond auctions are planned according to the announced yearly issuance calendar,
- offer of Treasury bonds on the domestic market will depend on the budget and market situation, as well as consultations with investors,
- possible auctions of Treasury bills will be held within the confines of the State budget liquidity management,
- foreign financing will be determined by the situation on the international financial market and the domestic market, as well as by budget conditions,
- the announced plan may be modified subject to the market situation.

Offer of T-bonds on the domestic market

- **sale auctions:**
six-seven auctions, total supply PLN 55.0-75.0bn, the structure of the sold T-bonds will be subject to the market situation.
- **switch auctions:**
one-two auctions - securities offered to repurchase will be T-bonds maturing in 2025 and in 2026.

Offer of T-bills

The number of auctions and supply of T-bills will result from the State budget borrowing requirements, results of T-bonds auctions on the domestic market and the level of foreign financing.

Detailed information on the offer of T-bills will be presented in the monthly issuance plans.

Foreign financing

- possible issuance of bonds on the international markets,
- possible loans from International Financial Institutions,
- possible loan from Recovery and Resilience Facility.

V. SUPPLY PLAN OF TREASURY SECURITIES IN JULY 2025

T-bond sale auctions

Auction date	Settlement date	Series	Planned offer (PLN m)*
9 July 2025	11 July 2025	OK0128 / PS0730 / WZ0930 / DS1035 possible T-bond of IZ type and other series	5,000-10,000
16 July 2025	18 July 2025	OK0128 / PS0730 / WZ0930 / DS1035 possible T-bond of IZ type and other series	5,000-9,000
23 July 2025	25 July 2025	OK0128 / PS0730 / WZ0930 / DS1035 possible T-bond of IZ type and other series	6,000-12,000

**The final offer and the supply will be announced 2 days before the auction, taking into account the market situation and consultations with investors.*

After the auction bonds will be offered within additional sale at a minimum accepted clean price.

T-bond switching auctions

Switching auctions of T-bonds are not planned.

T-bill auctions

Auction date	Settlement date	T-bill	Maturity date	Planned offer (PLN m)
4 July 2025	8 July 2025	51-week	30 June 2026	2,000-4,000

After the auction T-bills will be offered within additional sale at a minimum accepted clean price.

Offer on the retail market

T-bond	Issue price	Coupon
OTS1025 3-month	100.00 PLN (100.00 PLN for rolling-over)	Fixed: 3.00%
ROR0726 1-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (NBP reference rate + 0.00%); 5.25% in the first coupon period
DOR0727 2-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (NBP reference rate + 0.15%); 5.40% in the first coupon period
TOS0728 3-year	100.00 PLN (99.90 PLN for rolling-over)	Fixed: 5.65%
COI0729 4-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (inflation rate + 1.50%); 6.00% in the first coupon period
EDO0735 10-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (inflation rate + 2.00%); 6.25% in the first coupon period
ROS0731 family bonds 6-year	100.00 PLN	Floating (inflation rate + 2.00%); 6.20% in the first coupon period
ROD0737 family bonds 12-year	100.00 PLN	Floating (inflation rate + 2.50%); 6.50% in the first coupon period