



State budget borrowing requirements' financing plan and its background

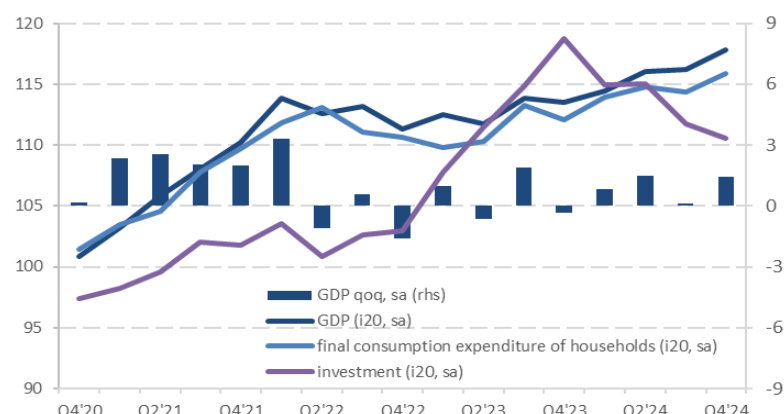
May 2025

THE MOST IMPORTANT INFORMATION

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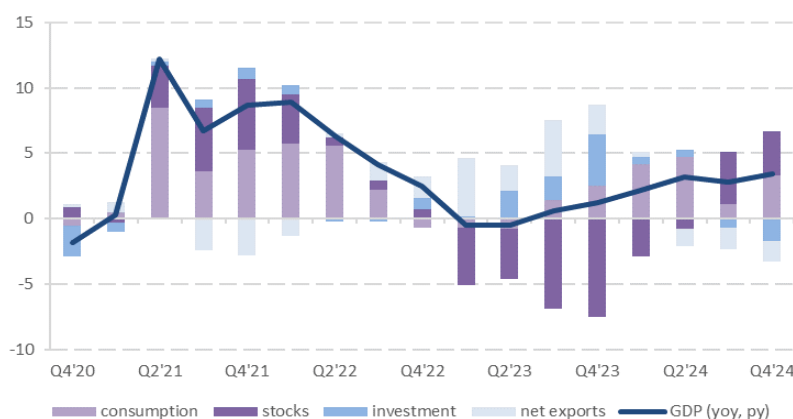
Gross domestic product of Poland
constant prices, seasonally adjusted data (sa)
source: GUS, Eurostat

According to revised data in the fourth quarter of 2024 GDP increased by 1.4% (qoq, sa), after an increase of 0.1% a quarter earlier. The data in this perspective indicate that GDP in 2024 was in an uninterrupted upward trend. GDP growth in Poland in the fourth quarter are clearly better than the average in the euro area. Household consumption increased by 1.3% while investments decreased by 1.0% (qoq, sa), both after a decline a quarter earlier. A slight rebound (qoq, sa) was recorded by exports, with imports falling at a similar pace.



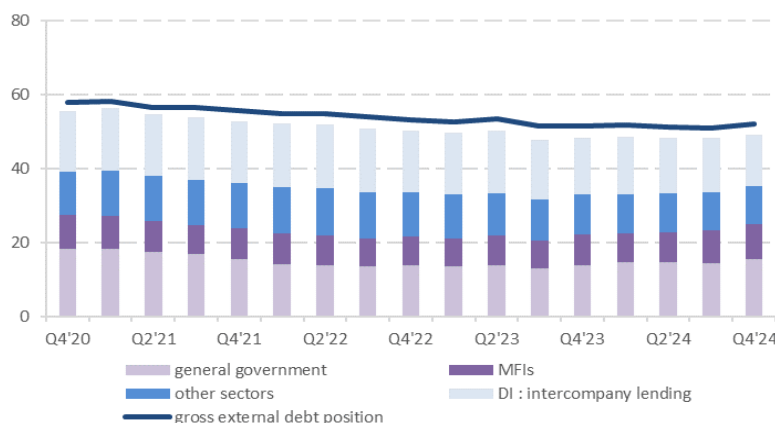
Gross domestic product of Poland
average prices of the previous year (py), yoy
source: GUS, MoF own calculation

The annual change in GDP recorded in the fourth quarter of 2024 (3.4%, py) was higher than that observed in previous quarter. The dynamics of household consumption improved markedly. However, its growth throughout 2024 (rebound after a decline a year earlier) was clearly lower than the increase in disposable income of households that continued to rebuild their savings after the inflation shock in 2022-2023, amid high interest rates. Lower dynamics (after a clear downward revision) were recorded in investments and in this case the result of the whole year is clearly weaker than that of 2023, which was the last year of using funds from the previous EU financial perspective. In the fourth quarter the contribution of net exports remained negative and the positive contribution of the increase in inventories decreased.



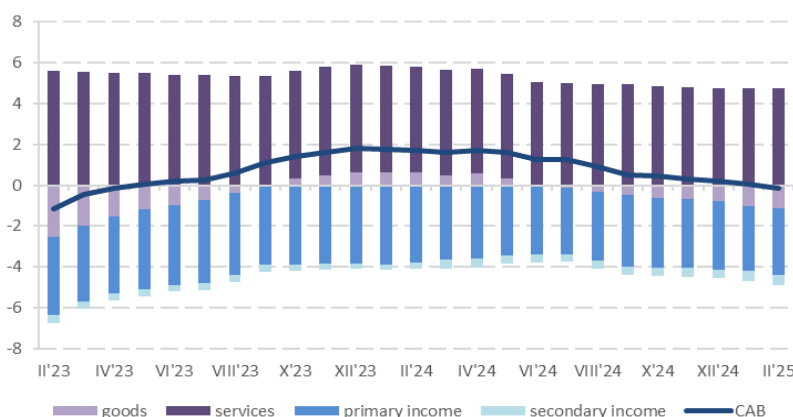
Polish gross external debt position
percent of GDP
source: NBP, GUS, MoF own calculation

At the end of the fourth quarter of 2024 gross external debt reached EUR 440.9bn (52.1% of GDP) and was EUR 22.8bn higher than in the previous quarter. The share of general government sector debt in total debt increased to 30.0%. At the end of February 2025 official reserve assets reached EUR 220.5bn and remained broadly adequate, covering over 6 months of imports.



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

In February 2025, according to preliminary data, Poland's C/A balance decreased to -0.1% of GDP (in 12-month terms). Yearly imports dynamics for the tenth month in a row was clearly higher than exports dynamics. As in previous months, exports were weakened the most by lower foreign sales of the automotive sector. Clear declines were continued by exports of among others passenger cars, electric batteries and vans, in addition the downward trend in the exports of automotive parts also intensified. Capital account surplus amounted to 0.3% of GDP increasing positive net lending/net borrowing (0.2% of GDP).

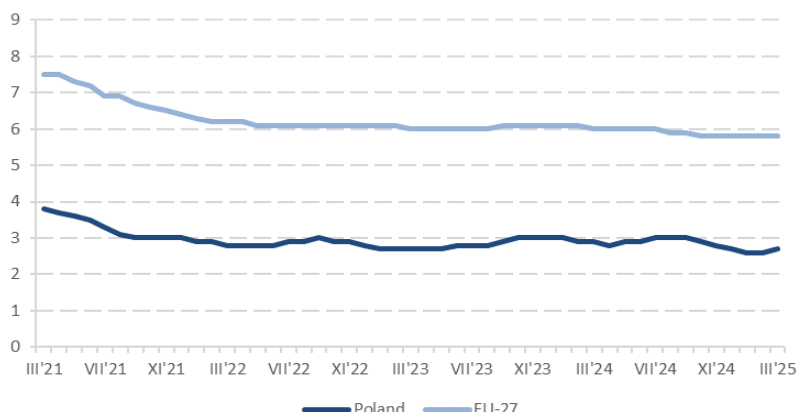


I. MACROECONOMIC SITUATION

Harmonised unemployment rate

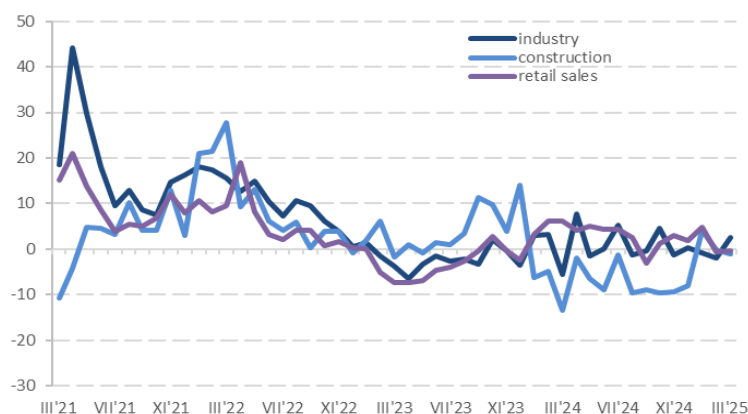
percent, seasonally adjusted data
source: Eurostat

The harmonized unemployment rate (sa) amounted to 2.7% in March 2025 and it was by 0.1 pp higher than in the previous month and by 0.2 pp. lower than a year earlier. Similarly to the previous month, it was at the historically low level. The unemployment rate in Poland is clearly lower than the average in the EU-27 and the euro area (5.8% and 6.2%, respectively). In March 2025, among the EU countries, only in Malta unemployment rate was lower than in Poland.

**Monthly indicators of the real sector**

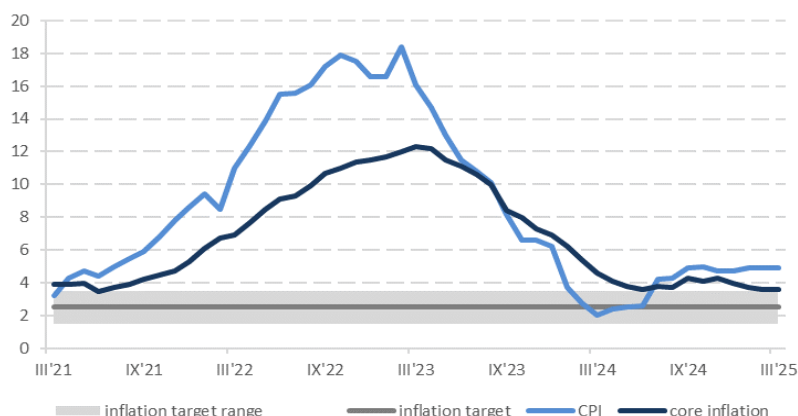
sold production in constant prices,
non-seasonally adjusted (nsa)
source: Eurostat, GUS, MoF own calculation

In March 2025, with the support of a low statistical reference base, industrial production was 2.5% higher than a year ago (nsa). The data were below market expectations. Construction production was by 1.1% lower than a year earlier (nsa). The data were much below market expectations. Retail sales was by 0.3% (nsa) lower than a year ago. The data were worse than market expectations.

**Inflation**

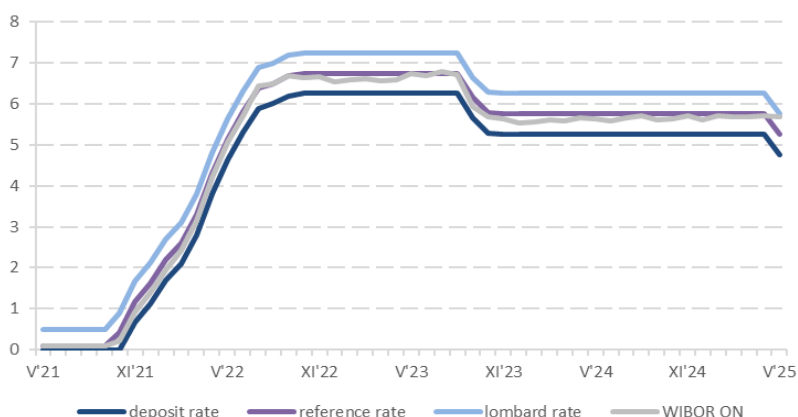
percent, yoy
source: GUS, NBP

In March 2025 CPI inflation rate amounted to 4.9% (yoy), remaining at the level of January and February. The annual price growth rate of food and non-alcoholic beverage increased significantly (to 6.7%), while the growth rate of energy prices decreased (to 7.0%). Core inflation (i.e. CPI excluding food and energy prices) stood at 3.6%, approaching the upper limit of the acceptable deviation from the inflation target. According to preliminary data in April inflation rate decreased to 4.2%. In the first three months of 2025 producer prices were still lower than a year before (in March by 1.1%), but the scale of this drop is already significantly lower than in 2024.

**NBP interest rates**

percent, end of period
source: NBP, Refinitiv

In May 2025 The Monetary Policy Council lowered interest rates by 50 bp after keeping them unchanged for 1.5 years. The decision was in line with expectations. The reference rate was reduced to 5.25%, the lombard rate to 5.75%, and the deposit rate to 4.75%. In justifying the decision to reduce the cost of money, the Council pointed to lower current and projected inflation, a decline in wage growth, and weaker economic data.



II. STATISTICAL DATA

	Unit	2023 Q03	Q04	2024 Q01	Q02	Q03	Q04
GDP							
Gross domestic product	YoY	0.6	1.2	2.2	3.2	2.8	3.4
	QoQ SA	1.9	-0.3	0.8	1.5	0.1	1.4
Final consumption expenditure of the households sector	YoY	1.6	0.7	4.3	4.5	0.2	3.5
	QoQ SA	2.7	-1.1	1.7	0.7	-0.4	1.3
Final consumption expenditure of the general government sector	YoY	2.6	11.0	9.2	11.3	5.2	7.6
	QoQ SA	2.1	1.3	2.9	1.8	0.9	1.7
Gross fixed capital formation	YoY	11.3	17.7	3.6	3.9	-4.3	-6.9
	QoQ SA	3.0	3.3	-3.2	0.1	-2.9	-1.0
Exports of goods and services	YoY	5.0	3.9	3.3	4.5	0.0	0.2
	QoQ SA	6.5	-1.6	0.0	0.3	-0.2	0.4
Imports of goods and services	YoY	-1.9	0.0	2.9	7.6	3.1	3.5
	QoQ SA	2.4	0.8	1.3	2.3	-0.1	-0.5
Gross value added	YoY	1.2	2.0	1.9	2.2	2.3	2.5
	QoQ SA	2.1	-0.1	0.2	1.4	-0.2	1.4
Contribution to GDP growth							
Final consumption expenditure of the households sector	pp	1.0	0.4	2.6	2.6	0.1	1.7
Final consumption expenditure of the general government sector	pp	0.4	2.1	1.6	2.1	1.0	1.6
Gross fixed capital formation	pp	1.8	3.9	0.5	0.6	-0.7	-1.7
Changes in inventories	pp	-6.9	-7.5	-2.9	-0.8	4.0	3.4
Balance of trade turnover	pp	4.3	2.3	0.4	-1.3	-1.6	-1.6
Gross value added	pp	1.0	1.8	1.7	2.0	2.1	2.2
GDP structure							
Final consumption expenditure of the households sector	% of GDP	59.3	49.9	61.6	58.3	58.0	49.7
Final consumption expenditure of the general government sector	% of GDP	18.3	21.1	19.5	21.0	19.7	22.6
Gross fixed capital formation	% of GDP	16.9	25.1	12.9	16.0	15.6	22.1
Changes in inventories	% of GDP	-0.9	-1.1	-1.0	-1.1	2.7	2.1
Exports of goods and services	% of GDP	55.5	52.0	56.5	54.8	51.3	47.8
Imports of goods and services	% of GDP	50.2	47.9	50.5	50.1	48.2	45.1
	Unit	2024 M10	M11	M12	2025 M01	M02	M03
Balance of payments							
Goods: exports (EUR)	YoY	2.6	-2.6	0.4	0.2	-1.4	-
Goods: imports (EUR)	YoY	6.2	-0.8	3.4	8.9	2.3	-
Current account balance ¹⁾	% of GDP	0.4	0.3	0.2	0.1	-0.1	-
Balance on goods ¹⁾	% of GDP	-0.6	-0.7	-0.8	-1.0	-1.1	-
Official Reserve Assets	EUR m	198 275.4	206 847.3	214 193.8	217 105.1	220 495.1	219 352.3
Inflation							
Consumer Price Index (CPI)	YoY	5.0	4.7	4.7	4.9	4.9	4.9
Core inflation (CPI excluding food and energy prices)	YoY	4.1	4.3	4.0	3.7	3.6	3.6
Producer Price Index (PPI)	YoY	-5.1	-3.8	-2.7	-1.0	-1.3	-1.1
Production							
Sold production of industry ²⁾	YoY	4.6	-1.3	0.2	-0.9	-1.9	2.5
	MoM SA	3.4	-2.8	-0.6	0.5	-0.8	-0.7
Construction and assembly production ²⁾	YoY	-9.6	-9.3	-8.0	4.2	-0.1	-1.1
	MoM SA	-2.3	2.9	5.2	-0.6	-3.2	-3.7
Manufacturing PMI	SA	49.2	48.9	48.2	48.8	50.6	50.7
Households and labour market							
Retail sales ²⁾	YoY	1.3	3.1	1.9	4.9	-0.5	-0.3
Average paid employment in enterprise sector	YoY	-0.5	-0.5	-0.6	-0.9	-0.9	-0.9
	MoM	-0.1	0.1	-0.1	0.0	-0.1	-0.1
Average monthly gross wages and salaries in enterprise sector (real)	YoY	5.0	5.6	4.9	4.1	2.9	2.7
	MoM	1.9	1.4	4.0	-4.8	1.2	4.9
Harmonised unemployment rate (Eurostat)	%, SA	2.9	2.8	2.7	2.6	2.6	2.7
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 M09	M10	M11	M12	2025 M01	M02
State Treasury debt							
State Treasury debt (acc. to the place of issue criterion)	face value, PLN m	1 516 496.3	1 537 035.1	1 568 552.6	1 629 338.6	1 657 286.5	1 709 629.2
Domestic debt	face value, PLN m	1 187 297.6	1 189 057.6	1 214 948.5	1 253 526.2	1 285 820.8	1 327 256.2
	%	78.3	77.4	77.5	76.9	77.6	77.6
Foreign debt	face value, PLN m	329 198.7	347 977.5	353 604.0	375 812.3	371 465.8	382 373.0
	%	21.7	22.6	22.5	23.1	22.4	22.4
	Unit	2023 Q3	Q4	2024 Q01	Q2	Q3	Q4
Public debt (domestic definition)							
Public debt (acc. to the place of issue criterion)	face value, PLN m	1 275 372.8	1 328 065.6	1 417 038.6	1 456 294.4	1 498 039.8	1 611 594.2
Domestic debt	face value, PLN m	955 030.5	998 740.9	1 059 087.3	1 083 845.2	1 143 639.9	1 210 209.6
	%	74.9	75.2	74.7	74.4	76.3	75.1
Foreign debt	face value, PLN m	320 342.3	329 324.7	357 951.3	372 449.2	354 399.9	401 384.6
	%	25.1	24.8	25.3	25.6	23.7	24.9
General Government debt (EU definition)							
General Government debt	face value, PLN m	1 624 495.5	1 691 243.2	1 772 082.9	1 824 497.9	1 897 166.3	2 011 839.7

Source: MoF

III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

Gross borrowing requirements in 2025

as of April 30, 2025, PLN bn

Financing of the State budget borrowing requirements at the level of ca. 62% (acc. to the Budget Act) was a result of:

- T-bond sale on domestic market: PLN 122.8bn,
- T-bills sale on domestic market: PLN 7.4bn,
- switch auctions in 2025: PLN 10.5bn,
- T-bond sale on foreign markets: PLN 35.0bn,
- loans incurred from IFIs: PLN 0.5bn,
- switch auctions in 2024: 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 May 2025

plan as of April 30, 2025, PLN bn

Value of funds transferred from the State budget to the market in May 2025 shall amount to PLN 21.8bn, of which:

- TS redemptions: PLN 13.6bn,
- Interest payments: PLN 8.2bn.

Flows of funds between the domestic market and the budget*

as at the end of month, PLN bn

As of April 30, 2025, to the end of the 2025 year the funds to be transferred to the market shall amount to PLN 109.9bn.

*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

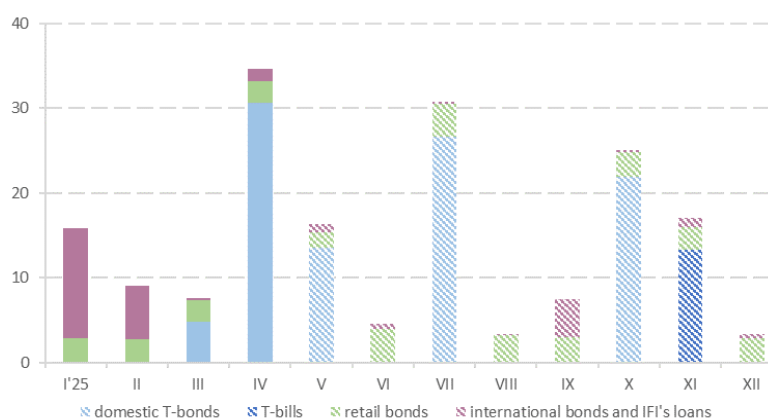
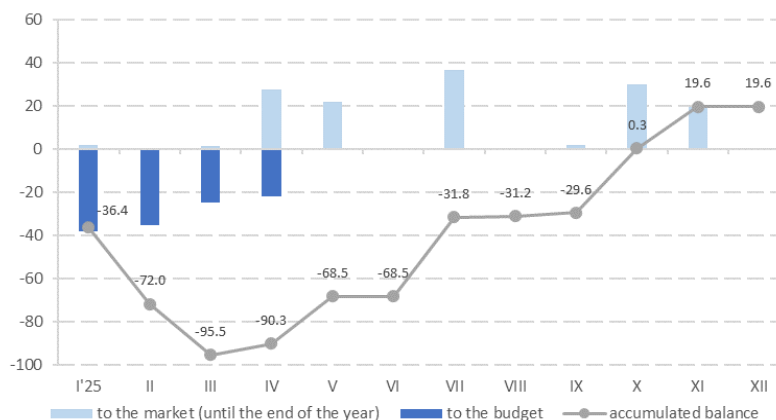
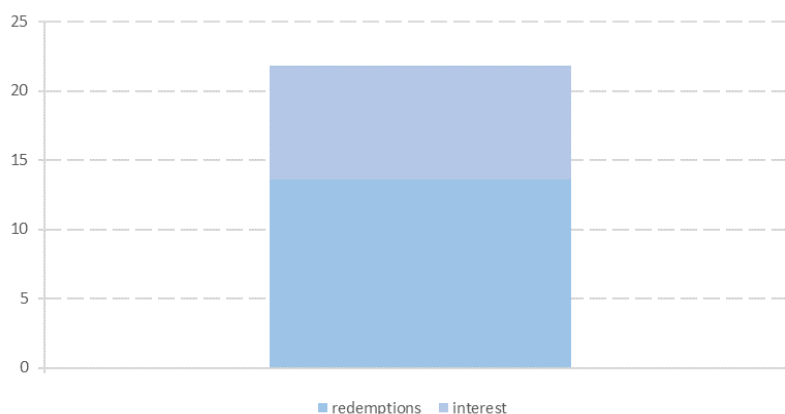
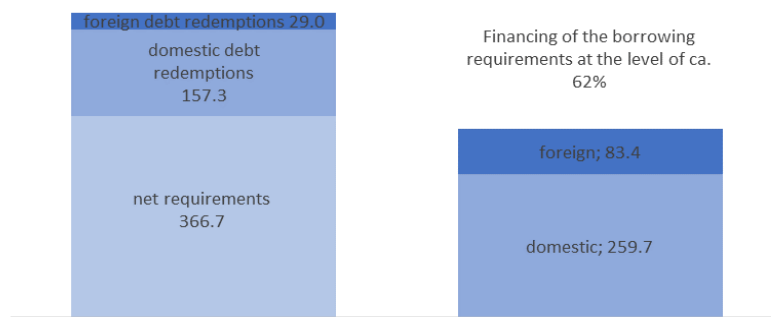
State Treasury debt redemptions in 2025

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

The nominal amount of debt to be redeemed in 2025 (as of April 30, 2025), is equal to PLN 107.9bn, including:

- T-bonds: PLN 62.1bn,
- T-retail bonds: PLN 24.5bn,
- T-bills: PLN 13.3bn,
- bonds and loans incurred on foreign markets: PLN 8.0bn.

Gross borrowing requirements
Total: PLN 553.0 bn, of which:

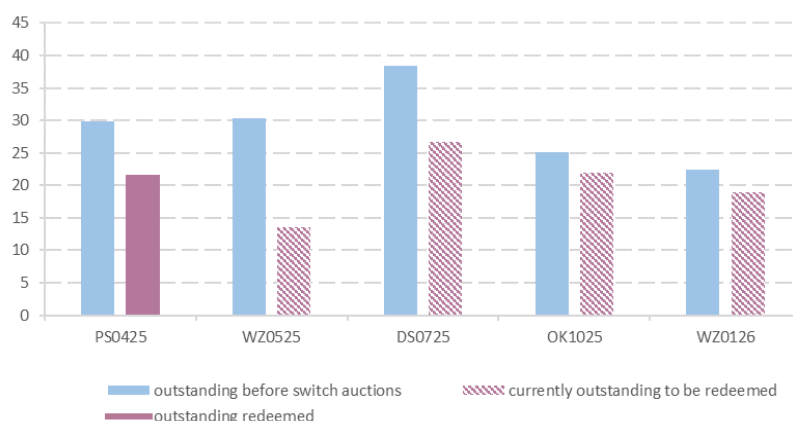


Reducing refinancing risk connected with redemptions of domestic TS maturing in 2025 and 2026

as of April 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 11.8bn (31% of the issuance),
- OK1025: PLN 3.2bn (13% of the issuance),
- WZ0126: PLN 3.5bn (16% of the issuance).

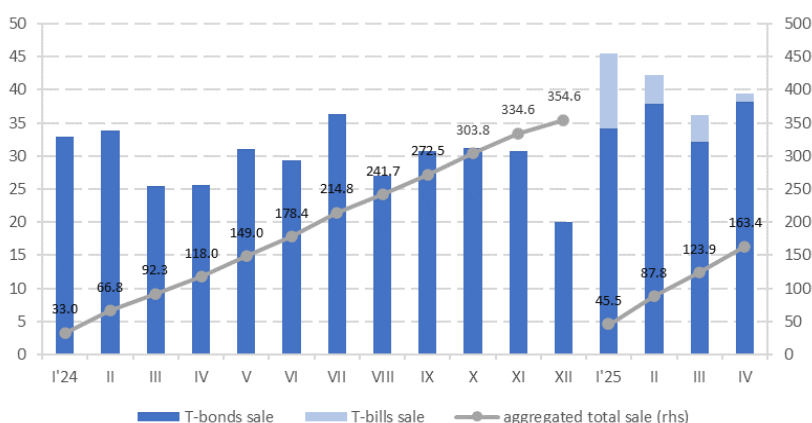


Sale of domestic TS in 2024 and 2025

settlement date, nominal amount, PLN bn

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

- T-bonds amounted to PLN 142.4bn versus PLN 118.0bn in the same period of 2024,
- T-bills amounted to PLN 21.1bn versus lack of sale in the same period of 2024.



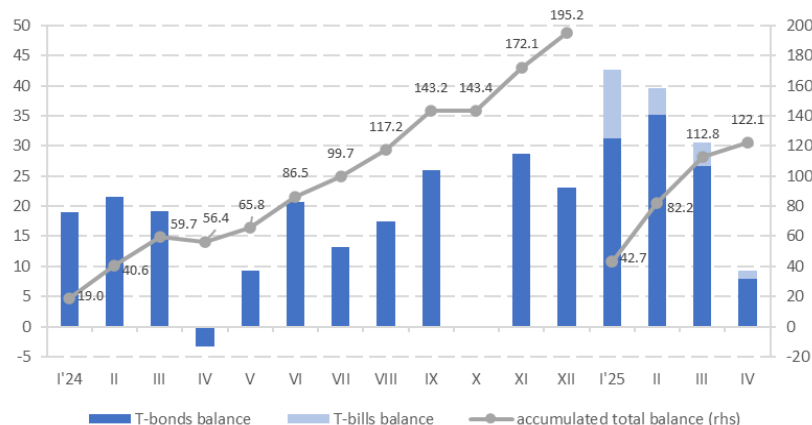
Balance of domestic TS in 2024 and 2025

settlement date, nominal amount, PLN bn

In the period of I-IV 2025 indebtedness in:

- T-bonds increased by PLN 101.0bn versus increase of PLN 56.4bn in the same period of 2024,
- T-bills increased by PLN 21.1bn 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.

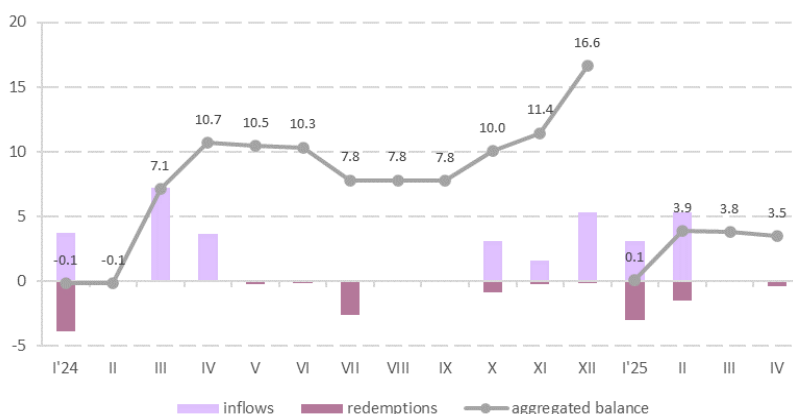


External financing in 2024 and 2025

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

Net financing on foreign markets in the period of I-IV 2025 was positive and amounted to EUR 3.5bn, which resulted from:

- positive balance of T-bonds issuance of EUR 3.8bn,
- negative balance of loans incurred from IFIs at the level of EUR 0.3bn.



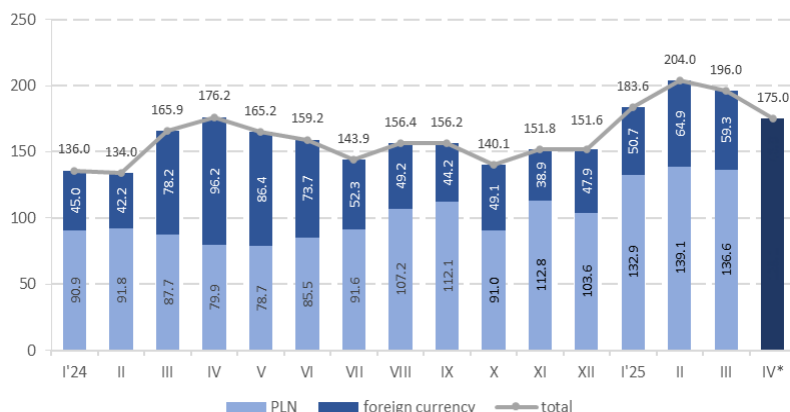
III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

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 April 2025 there was the equivalent of PLN 175.0bn on the budgetary accounts. The funds ensure liquidity in borrowing needs financing.

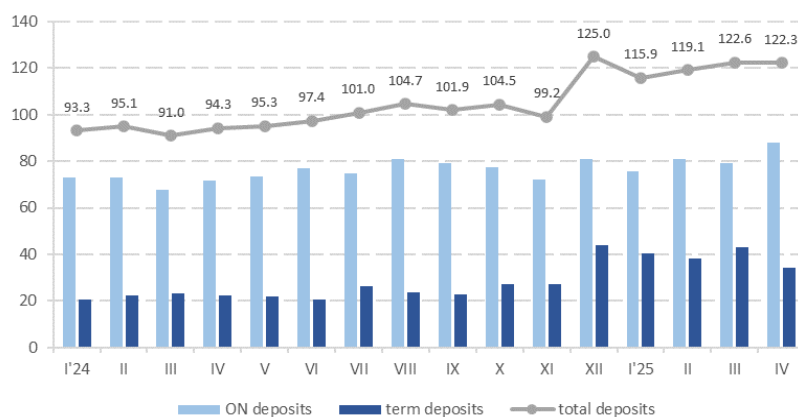
* Estimated data.



Consolidation of public finance sector liquidity management

PLN bn

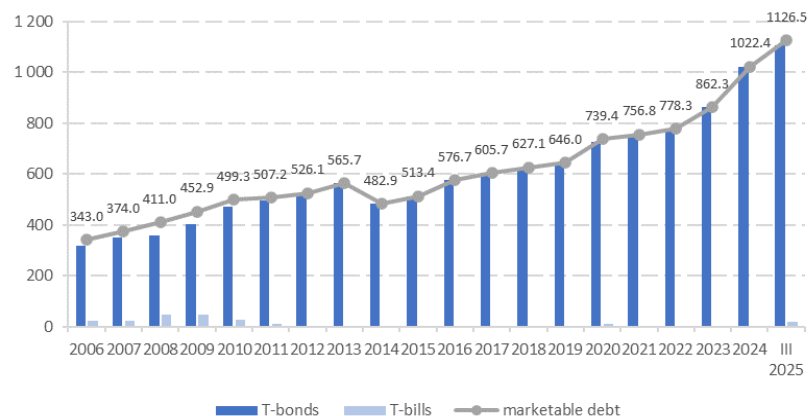
At the end of April 2025 funds accumulated within the consolidation of public finances liquidity management amounted to PLN 122.3bn, of which PLN 34.2bn was as term deposits and PLN 88.1bn on ON deposits.



Structure of domestic marketable debt

PLN bn

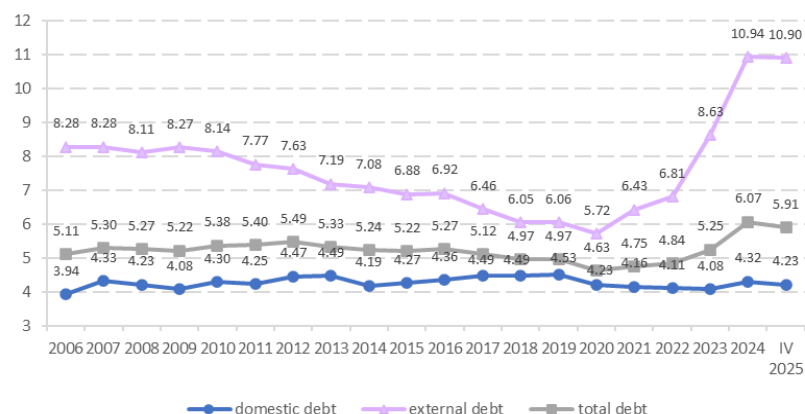
At the end of March 2025 the marketable domestic debt after consolidation within the State Treasury amounted to PLN 1,126.5bn comparing to PLN 1,022.4bn at the end of 2024.



Average maturity

years

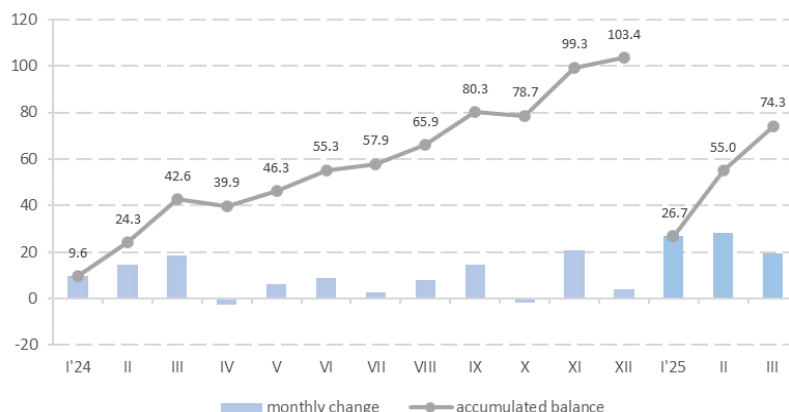
At the end of April 2025 the average maturity of domestic debt amounted to 4.23 years (while at the end of 2024 it was 4.32 years). The average of total debt amounted to 5.91 years (6.07 years at the end of 2024).



Change of debt in the domestic TS held by banks

PLN bn

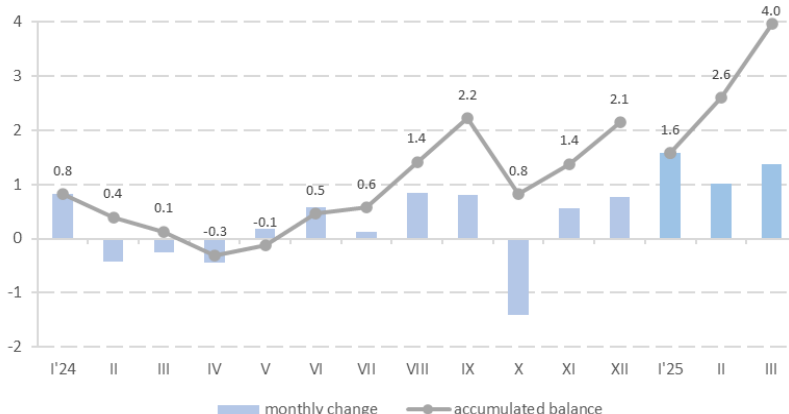
In the period of I-III 2025 there was an increase of debt by PLN 74.3bn comparing to PLN 42.6bn increase during the same period of 2024. Banks' holdings reached the level of PLN 671.5bn.



Change of debt in the domestic TS held by insurance companies

PLN bn

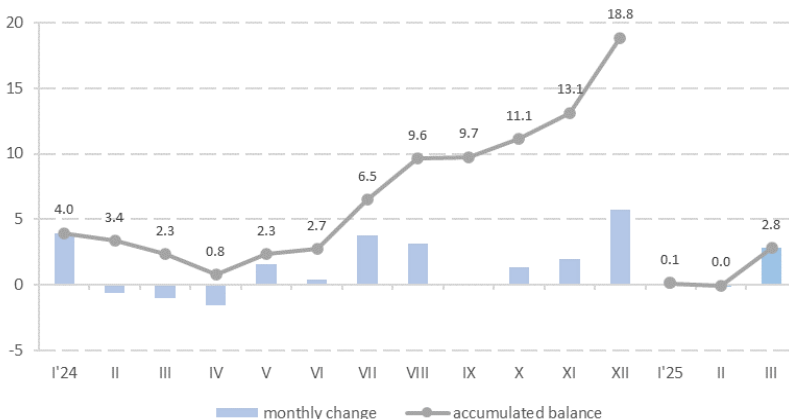
In the period of I-III 2025 there was an increase of debt by PLN 4.0bn comparing to PLN 0.1bn increase during the same period of 2024. Insurance companies' holdings reached the level of PLN 70.6bn.



Change of debt in the domestic TS held by investment funds

PLN bn

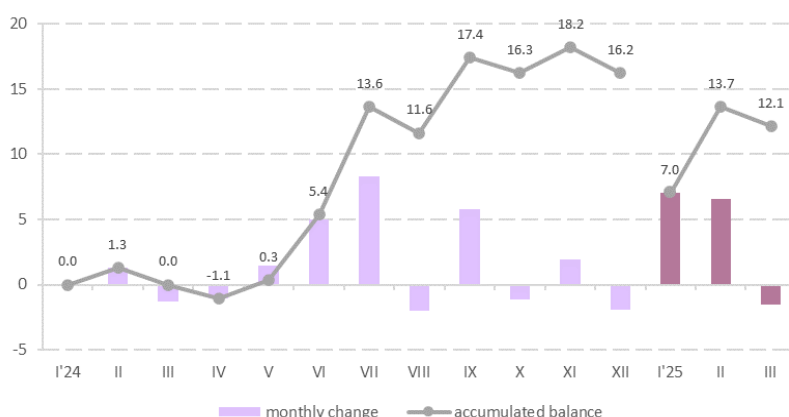
In the period of I-III there was an increase of debt by PLN 2.8bn comparing to PLN 2.3bn increase during the same period of 2024. Investment funds' holdings reached the level of PLN 78.9bn.



Change of debt in the domestic TS held by foreign investors

PLN bn

In the period of I-III there was an increase of debt by PLN 12.1bn comparing to PLN 0.01bn decrease during the same period of 2024. Foreign investors' holdings reached the level of PLN 160.6bn.



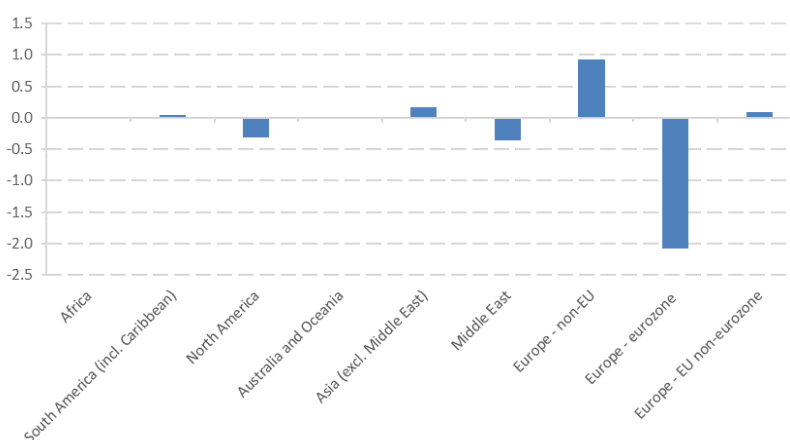
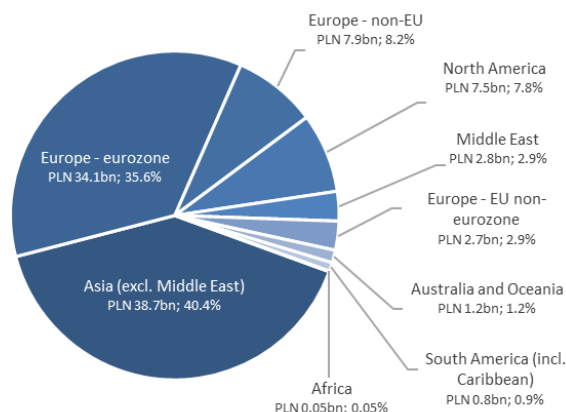
III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

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

The non-residents' share in the domestic Treasury securities market decreased by PLN 1.5bn in March 2025. The foreign investors' portfolio amounted to PLN 160.6bn, which constituted 12.5% share in total debt in TS (12.9% in the previous month).

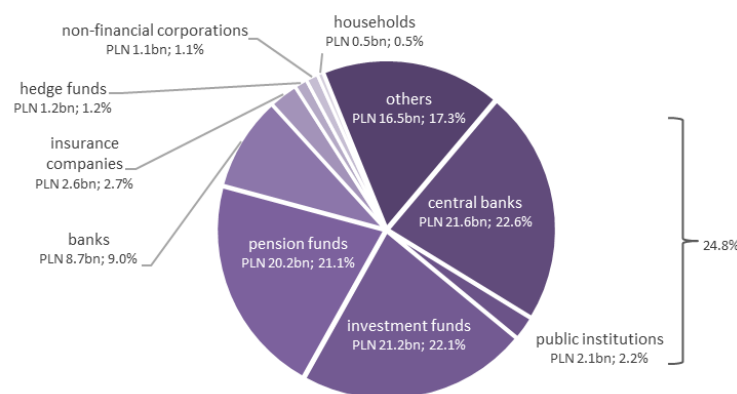
Change of debt in the domestic TS held by non-residents by regions change in March 2025, mom, PLN bn, the chart presents data excluding omnibus accounts

In March 2025 the highest increase was noted by investors from Europe—non-EU countries (PLN 0.9bn). The highest decrease was noted by investors from eurozone (PLN 2.1bn).



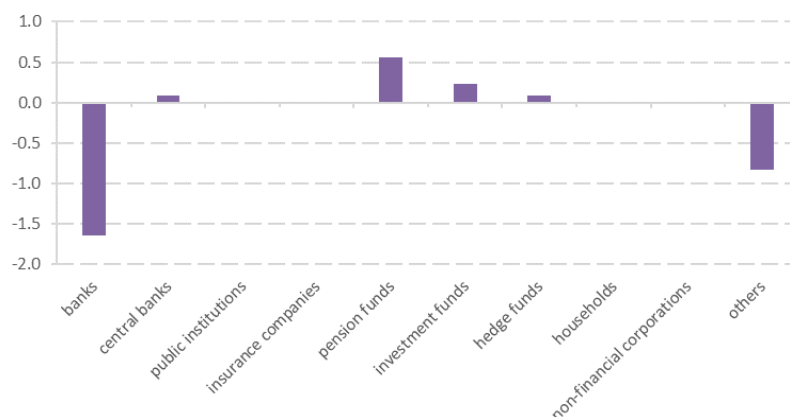
Institutional distribution of the domestic TS held by non-residents as of March 31, 2025, the chart presents data excluding omnibus accounts

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 March 2025.



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

In March 2025 the highest increase was recorded by pension funds (PLN 0.6bn). The highest decrease was noted by banks (PLN 1.6bn).



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

change in March 2025, PLN bn

Central banks and public institutions' involvement increased by PLN 0.1bn in March 2025. In the period from the end of January 2018 to the end of March 2025 portfolios of those entities decreased by PLN 17.8bn.



Structure of non-residents' holdings in TS by countries

as of March 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	16 892.5	22.8%
Luxembourg	10 752.4	14.5%
Netherlands (the)	9 030.4	12.2%
United States (the)	6 735.1	9.1%
United Kingdom (the)	4 917.4	6.6%
Germany	4 845.2	6.5%
Ireland	4 150.5	5.6%
Austria	2 309.0	3.1%
Switzerland	1 863.9	2.5%
France	1 517.1	2.0%
Norway	1 046.7	1.4%
Korea (the Republic of)	1 023.8	1.4%
Australia	993.0	1.3%
Italy	854.6	1.2%
Czech Republic (the)	802.5	1.1%
Bulgaria	729.4	1.0%
Canada	706.8	1.0%
Others	4 993.0	6.7%
Total	74 163.3	100.0%

Comment

Jurand Drop, Undersecretary of State, MoF

30-04-2025

At the end of April, the level of financing of this year's gross borrowing requirements of the state budget is approximately 62%. We estimate there was the equivalent of ca. PLN 170bn on the budgetary accounts.

Three T-bond sales auctions are planned for May. In addition, we plan to hold one T-bills sales auction.

In March, the indebtedness in domestic Treasury securities increased by PLN 30.9bn. The indebtedness of domestic banks increased by PLN 19.3bn, domestic non-bank investors by PLN 13.1bn, while the indebtedness of foreign investors decreased by PLN 1.5bn.

V. SUPPLY PLAN OF TREASURY SECURITIES IN MAY 2025

MOF

T-bond sale auctions

Auction date	Settlement date	Series	Planned offer (PLN m)*
14 May 2025	16 May 2025	OK0128 / WZ0330 / PS0730 / DS1034 possible T-bond of IŻ type and other series	5,000-10,000
22 May 2025	26 May 2025	OK0128 / WZ0330 / PS0730 / DS1034 possible T-bond of IŻ type and other series	6,000-12,000
28 May 2025	30 May 2025	OK0128 / WZ0330 / PS0730 / DS1034 possible T-bond of IŻ type and other series	5,000-10,000

**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

T-bond switching auctions are not planned.

T-bill auctions

Auction date	Settlement date	T-bill	Maturity date	Planned offer (PLN m)
9 May 2025	13 May 2025	41-week	24 February 2026	3,000-6,000

Offer on the retail market

T-bond	Issue price	Coupon
OTS0825 3-month	100.00 PLN (100.00 PLN for rolling-over)	Fixed: 3.00%
ROR0526 1-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (NBP reference rate + 0.00%); 5.75% in the first coupon period
DOR0527 2-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (NBP reference rate + 0.15%); 5.90% in the first coupon period
TOS0528 3-year	100.00 PLN (99.90 PLN for rolling-over)	Fixed: 5.75%
COI0529 4-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (inflation rate + 1.50%); 6.10% in the first coupon period
EDO0535 10-year	100.00 PLN (99.90 PLN for rolling-over)	Floating (inflation rate + 2.00%); 6.35% in the first coupon period
ROS0531 family bonds 6-year	100.00 PLN	Floating (inflation rate + 2.00%); 6.30% in the first coupon period
ROD0537 family bonds 12-year	100.00 PLN	Floating (inflation rate + 2.50%); 6.60% in the first coupon period