

Warsaw, 25 August 2020

Citi Handlowy supports clients during the pandemic and accelerates digital transformation

In response to the global and local challenges caused by the pandemic and its economic consequences, in the second quarter of 2020 Citi Handlowy intensified the activities aimed at supporting the clients. During this time, new financing granted to institutional clients of the bank amounted to almost PLN 1 billion. The bank's results were affected by macroeconomic situation and changes in clients' behaviors.

*It is yet another period of time when our business performed according to non-standard procedures. Our primary focus was to maintain a comprehensive and uninterrupted service to our clients, while ensuring safe working conditions for our employees, including a possibility for most of them to work remotely, said President of Citi Handlowy, **Sławomir S. Sikora**. Such priorities ensured that we have maintained our leading position in institutional banking and of the bank of first choice for companies. Simultaneously, we accelerated digital transformation, offering our individual clients new possibilities and a dynamic technological progress.*

Institutional banking revenue surged 24 percent in 2Q compared to the same period a year earlier. One of the driving forces of this business was the lending activity (+9% YOY). Revenue from consumer banking decreased by 33% , reflecting the change in clients' behaviors, who limited their spending and activity due to the pandemic, and the interest rate cuts by a total of 1.40 ppts carried out by NBP.

The bank's profit amounted to PLN 89 million in the second quarter (-33% YOY), mainly as a result of macroeconomic provisions set up at PLN 84 million.

With response to the expectations of our clients, who, more than ever, needed a secure access to banking services wherever they were and at any time, Citi Handlowy has been dynamically developing digital banking solutions. Our clients appreciated this possibility – thanks to the remote option of [opening an account with a “selfie”](#), launched in May, every second account in digital channels was opened with the use of this functionality. To make everyday management of payments easier for corporate clients, the bank has joined forces with Comarch, integrating clients' accounting systems with the bank's system and enabling execution of financial operations (such as checking company's account balances, initiating payments and checking their status, downloading bank statements) directly in the company system.

The bank develops sales initiatives based on partnerships. This month, Citi Handlowy introduced [an offer of purchases converted into installments for the clients of OBI](#). Clients of the DYI retail chain may convert a payment for shopping into installments and obtain financing from PLN 300 to PLN 14,000.

Citi Handlowy has actively supported the fight against the coronavirus pandemic from the very beginning. As part of the #SilentHeroes campaign, conducted by the Citi Handlowy Foundation for the medical staff, Citi volunteers prepared more than 8,300 nutritious meals and delivered them to the paramedics. In order to collect funds to purchase advanced equipment for coronavirus diagnostics, the bank organized a virtual cycling race, Citi Handlowy COVID-19 Relief Challenge, whose participants did 10,000 km on bikes in support of the fight with the pandemic. The bank has already allocated a total of over PLN 400 000 to actions counteracting the impact of the pandemic.

Financial highlights (YOY):

- Deposits +24%, loans +6%
- Total revenue amounted to PLN 574 million; revenue from institutional banking +24%; treasury operations revenue +11%, net interest income -8%, commission income -19%;
- The bank generated net profit of PLN 89 million (-33%) owing to the macroeconomic provision; other costs of risk remain at the standardized level;
- C/I ratio stood at 52%