

Warsaw, 11 February 2021

Strong quarter of Citi Handlowy in business terms; earnings affected by a one-off charge

The increase in client activity seen on financial markets for many months and high FX turnover had a positive impact on the quarterly results of Citi Handlowy. Excluding the impact of the one-off charge, in Q4 Citi recorded the highest results of the entire 2020.

Customer revenues in institutional banking grew by 18 percent YOY. FX volumes of enterprises increased by 30 percent YOY. The bank was involved in all major transactions executed on financial markets in the last few months. Citi Handlowy together with Citigroup Global Markets Europe acted as a local manager and a global coordinator, respectively, of the biggest IPO in the technology sector in EMEA in history – IPO of InPost, a Polish company, on the Amsterdam Stock Exchange, worth EUR 3.2 billion. The bank had previously participated in a record-breaking IPO of Allegro on the Polish market and, as a broker on the capital market, arranged financing of PLN 3 billion for VW FS Polska and PLN 1 billion for Toyota Bank and Toyota Leasing. The growing number of client transactions contributed to an increase of the commission income by 16 percent (YOY) in the quarter.

“Last year we had to redefine our priorities, and focused, above all, on ensuring safety and support for our clients. We offered loan repayment deferrals, launched a dedicated platform via which 1,400 of our clients were granted over PLN 450 million of state aid, as well as revolutionized our services through digitization. We continued to do what we do best – offering advice concerning transactions on financial and capital markets as well as effective wealth management – and thus we gained the trust of the clients, who chose our bank as a partner in their growth plans,” said President **Stawomir S. Sikora**. *“An analysis of the forecasts for 2021, which predict that the Polish and the global economy will return to the growth path, leads me to conclude that we will now have to support companies with their ideas for investments and restructuring of the economy. Thus, we will continue to play the role we have successfully performed for the last decade.”*

The Q4 results of Citi Handlowy were affected by a write-off, which was a one-off event and does not affect the bank's liquidity position or solvency ratios. The write-off caused the bank to report a negative result of PLN 58 million. Excluding the impact of this event, profit amounted to PLN 157 million, the highest level in the entire 2020.

As part of one of the world's largest financial groups, Citi Handlowy supported investments of foreign clients in Poland. The number of the global clients of the bank increased in Q4 by 5 percent as compared to the prior year period. Last year supported, among others, one of the world's largest producers of components for electric cars from South Korea in an investment worth PLN 2 billion.

The launch of the revolutionary service of CitiKantor (Citi Foreign Exchange Platform), which uses the experience and strong position of the bank in FX exchange for institutional clients, allowed the bank to double the FX volumes in consumer banking against the previous quarter (up 43 percent YOY). The number of new clients of private banking increased by 7 percent YOY, and the balance of investment products held by the clients of private banking grew by one quarter.

Money.pl and Bankier.pl named the offer of Citi Konto (Citi Account) with zero maintenance fee (introduced at the beginning of the fourth quarter) the best personal account offer on the market, while the mortgage loan of Citi Handlowy was a joint winner of a 2020 summary prepared by Bankier.pl.

Financial highlights for Q4 (YOY):

- Deposits up +9%, loans down -8%
- Total revenues of PLN 518 million (down 5,5%); interest income down 25%, and fees and commission income up +16%
- The net profit (excluding the goodwill impairment charge) amounted to PLN 157 million (down 10%);
- Loan to deposit ratio of 51%

Dodatkowych informacji udziela:

Marta Waldoch, rzecznik prasowy, tel. 605990433
E-mail: marta.waldoch@citi.com

Zuzanna Przepiórkiewicz, specjalista ds.kontaktów z mediami, tel. 667 635 432
E-mail: zuzanna.przepiorkiewicz@citi.com

Bank Handlowy w Warszawie SA to jedna z największych instytucji finansowych w Polsce, oferująca pod marką Citi Handlowy bogaty i nowoczesny asortyment produktów i usług bankowości korporacyjnej, inwestycyjnej i detalicznej. Bank Handlowy obsługuje 6,2 tys. klientów korporacyjnych i ok. 687 tys. klientów indywidualnych poprzez nowoczesne kanały dystrybucji oraz sieć 26 oddziałów. W skład grupy kapitałowej Banku wchodzi takie podmioty jak: Dom Maklerski Banku Handlowego i Handlowy Leasing. Przynależność do Citigroup, największej na świecie instytucji finansowej, zapewnia klientom Banku Handlowego dostęp do usług finansowych w ponad 100 krajach.

Citi (NYSE:C) to wiodąca globalna instytucja finansowa, mająca około 200 milionów klientów w ponad 140 krajach. Poprzez swoje dwie odrębne jednostki operacyjne: Citicorp i Citi Holdings, Citi obsługuje klientów indywidualnych, korporacyjnych, rządowych i instytucjonalnych zapewniając im bogaty wachlarz produktów i usług finansowych w zakresie bankowości detalicznej, bankowości korporacyjnej i inwestycyjnej, usług maklerskich i zarządzania aktywami. Dodatkowe informacje można uzyskać na stronie internetowej www.citigroup.com lub www.citi.com.