

Warsaw, 13 February 2020

## Citi Handlowy's net income surges to the highest level in five quarters

**In the last quarter of 2019, Citi Handlowy maintained stable growth dynamics of its revenues, which was mainly driven by treasury operations. Combined with a strict cost control and risk costs maintained at a low level, this allowed the bank to record the best fourth quarter in five years.**

- Total revenues amounted to PLN 548 million (+7 percent y/y) and operating margin increased by +16% y/y.
- Commission income in Q4 – +1 percent y/y, interest income – +6 percent y/y, treasury operations – +15 percent y/y.
- Levelling at 2.48%, interest margin was higher than the banking sector average (2.3%).
- Net loans – +8%, deposits – +4% y/y.
- Net profit in Q4 amounted to PLN 180 million, versus PLN 152 million in the prior year period.
- C/I ratio stood at 50%

*"I am very content with the bank's results in the fourth quarter. We delivered on our promises – we recorded high dynamics of revenues, a stable volume growth and, as promised, returned to low risk costs,"* said **Sławomir S. Sikora**, President of the Management Board of Citi Handlowy. *"What is more, the results of the survey conducted by Euromoney, in which Citi Handlowy took the first place in as many as 9 categories, confirm my own belief that we have the best private banking offer in Poland."*

The advantages of the bank, such as its global nature supported by local expertise and solutions adapted to Polish legal requirements (e.g. split payment), translated into high business dynamics achieved in the fourth quarter: growth of global clients' loans by 26 percent, and of deposits – by 28 percent. Volumes of operating accounts in institutional banking increased by 24 percent.

Focus on developing electronic distribution channels, on the other hand, was one of the factors driving growths in consumer banking – sales of cash loans increased by 20 percent vs. the previous year (one third of the loan amounts are granted online) and the number of active clients of mobile banking grew by 13 percent.

As part of the strategy which assumes using the bank's leading position in services for companies to create benefits for them and their retail clients, in December the bank started cooperation with BP on issuing a joint credit card. The card provides many benefits to its holders, including reimbursement of expenses even up to PLN 240 a year, access to seasonal special offers at the BP gas stations as well as presales for concerts of top music stars.