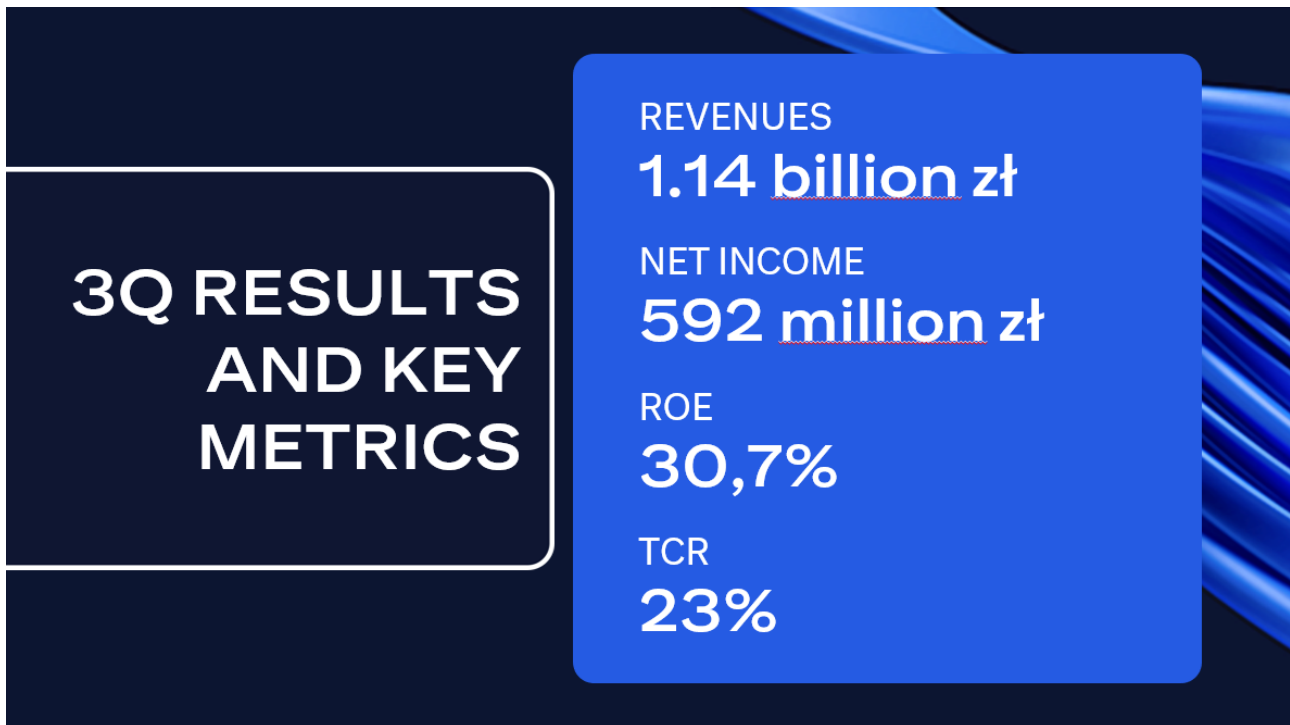


Warsaw, November 10, 2023

Citi Handlowy Third-Quarter Results



Citi Handlowy reported net income of 592 million zloty for the third quarter of 2023, more than double than a year earlier. This was achieved as a result of continued strong trends in core revenues. Consumer banking achieved high dynamics and profitability in the same period.

Total revenues increased by 49 percent y/y to 1.14 billion zloty in the third quarter. Net interest income amounted to 826 million zloty (+13 percent y/y). Net fees and commissions income increased by 5 percent compared to the previous year. Operating costs totaled 333 million zloty and increased by 8 percent y/y. The cost of risk decreased and was at 27 basis points (cumulated annual cost of risk).

- Net income for the first nine months of 2023 was higher than the record full year profit for 2022, and we are very pleased with this. There has been an increase in business activity among our institutional clients. We hope that the economic recovery and lower interest rates will translate into new investment projects in the coming months. We are committed to supporting our clients in this journey. Our consumer banking has been growing dynamically, especially in the strategic segment of affluent clients and credit cards - said Chief Executive Officer Elżbieta

Czwarty kwartał. – Last quarter, we announced the goal to achieve net zero emissions from our own operations. This is an ambitious plan and an investment in our future.

In the corporate banking segment, loans fell by 6 percent and deposits grew by 8 percent. FX volumes in corporate banking fell by 6 percent y/y compared to last year. Volumes in transactional banking processed electronically were 8 percent higher y/y. As a result of the bank's focus on supporting the development of the “new economy” companies, the volume of payment transactions of these clients increased by 17 percent y/y.

In consumer banking, the number of affluent clients reached a historically high level. In Citigold Private Clients segment it was higher by 23 percent y/y, and in Citigold by 17 percent y/y. Investment activity of new and existing clients contributed to an increase in the balance of investment products (including foreign currency investments) by 18 percent y/y. The number of individual clients using Citi Kantor platform grew 16 percent y/y and the number of FX transactions by 39 percent y/y this quarter. It is also worth noting the dynamic growth (+52 percent y/y) in the number of customers using the multi-currency payment service. Acquisition of new cards increased by 63 percent y/y. Citi Handlowy remains one of the market leaders in terms of the value of credit card loans – at the end of September, the bank's share amounted to over 17 percent. In terms of cash loans, the bank recorded an increase in sales volume by 51 percent y/y.

– The third quarter highlights important factors in our bank's strategy. Solid net income, cost efficiency and high return on equity are strong accents of the past quarter. In addition, the bank recorded a significant increase in its capital base, thanks to the recognition of part of its 2023 profit in Tier 1 capital, following the consent received from the regulator and thus meeting the criteria for the TLAC requirement at the end of September. On the business side, the third quarter was solid. We not only maintained high revenues in the Institutional Banking segment, but also strong trends in the Consumer Banking. The increase in deposits of individual clients translated into higher business volumes in Wealth Management, and in the case of credit cards, almost 70 percent of our customers made their first transaction in less than one month from the opening of the product. This translated into a record number of credit card transactions in the past quarter – said Chief Financial Officer **Natalia Bożek**.

In the third quarter, the profitability ratio (ROE) was at the level of 30,7 percent, cost-to-income ratio equaled 29 percent. The bank's total capital ratio reached 23 percent (an increase of 5,2 percentage points compared to the same period last year).

In October, Citi Handlowy [announced](#) that it would achieve climate neutrality for own operations by 2030. The bank is planning a complete transition to renewable energy sources and adapting its headquarters at Senatorska Street to the new environmental requirements. This will allow Citi Handlowy to achieve its goal of net-zero greenhouse gas emissions in 2030.

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Bank Handlowy w Warszawie SA is one of the largest financial institutions in Poland. Under the brand name Citi Handlowy, it offers various advanced products and services in the areas of corporate, investment and retail banking. Bank Handlowy provides services to almost 5,500 corporate clients and around 568,000 individual customers through modern distribution channels and a branch network. As a member of Citigroup, the largest financial institution worldwide, Bank Handlowy provides its clients with access to financial services in more than 100 countries.



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