

Warsaw, 14 May 2020

Citi Handlowy Expands Support for Clients in COVID-19 Environment

In the first quarter of 2020, Citi Handlowy continues development and expands support for clients. Eleven thousand clients affected by the pandemic have used an option to defer loan repayments. Bank actively participates in governmental assistance programs.

*"In this time of pandemic, we have to redefine our priorities anew. In this unprecedented period, we need to take care of both our employees, to ensure them safety, and clients, to ensure them liquidity support by financing their operations and providing professional advice," said **Sławomir S. Sikora**, President of the Management Board of Citi Handlowy. "We also keep in mind those who struggle for health of the Poles on the first line of the front. More than a thousand volunteers have provided 8,300 meals to medical emergency personnel in Warsaw and Olsztyn in the course of the Silent Heroes campaign."*

Financial support for businesses is reflected, for example, by a 11 percent increase in institutional loans. The strong capital and liquidity position of Citi Handlowy and confidence its clients place in the bank's stability are the factors behind the record growth of deposits in the first quarter. In the institutional client segment, the volume of deposits rose by a third as compared to Q1 2019 and in the individual client segment savings increased 17 percent. The excess of Tier1 capitals was 8,2 percentage points above the minimum regulatory requirement and the loans-to-deposits ratio was 53%, significantly above the average in the entire banking sector.

The bank continues its digitization strategy, which is mainly to ensure client safety during the crisis, in addition to easy and convenient access to banking services from any place. This week, the bank started an option that makes it possible to open an account using a "selfie" and is now the only bank in the Polish market that enables its new clients to open 3 core banking products in a fully remote and automated mode (apart from accounts, our clients can also apply remotely for credit cards and cash loans).

In Q1 2020, the Bank also launched the Apple Pay service, activated by more than 10,000 clients during the first two weeks.

For institutional clients, Citi Handlowy has enhanced the electronic document processing services by adding qualified electronic signature, which was used in more than 50% of cases in the first week.

Financial highlights:

- Deposits up 29%, total loans up 8%
- Operating margin up 4% YOY
- Total revenues amounted to PLN 536 million, net fee and commission income was up 5% YOY, net interest income was up 9 percent YOY, and treasury operations revenues were down 19%
- Costs of risk were PLN 93 million, as compared to PLN 28 million in the same prior year period.
- Net income of the Bank amounted to PLN 26 million (down 56%) and was affected by higher provisions, resulting from a prudent approach to credit risk in the light of expected slowdown in the economy, and the Bank Guarantee Fund fee
- C/I ratio stood at 66%

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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.