

Warsaw, 17 February 2022

## Citi Handlowy's 2021 net income raises to the highest in 7 years

Net income of Citi Handlowy increased more than four times to 747 million zloty in 2021 from a year earlier, to the highest level since 2014. The profit was driven by higher revenue resulting, among others, from the sales of the bonds portfolio, growing net fee and commission income and high revenue from FX transactions. Apart from higher revenue, costs were kept under control, and in effect, operational margin of the bank grew 40 percent YoY while cost-to-income ratio fell to 50 percent from 59.

*"The bank's 2021 results reflect our expertise in managing the portfolio of debt securities and successful undertakings of our clients, whom we supported in mergers and acquisitions in Poland and abroad, among other transactions. During this dynamic time we participated in the biggest IPOs of Polish companies. We are pleased that given our good understanding of the local market and access to global solutions, we can be a partner for our clients wherever they operate,"* said Chief Executive Officer **Elżbieta Czetwertyńska**.

Excellent results were also recorded in the fourth quarter, which was the second best period last year. The quarterly net income totalled 186 million zloty and doubled versus the previous quarter. During this period, the bank's revenue increased 11 percent YoY and 25 percent QoQ as a result of, among other factors, revenue from capital transactions with corporate clients (including e.g. the IPO of the Pracuj.pl group worth PLN 1.1 billion), interest income on debt securities and loans, due to interest rate increases.

*"We are glad that in the fourth quarter the bank recorded growth in revenue across all segments of our business what reflects positive dynamics of our clients' performance,"* said **Natalia Bożek**, Vice President of the Management Board for finance. *"We can see a growth trend in the whole market and the expectation for further interest rates increases in the coming quarters is a good prognostic for the banking sector's future. However, one should bear in mind that banks are facing a lot of challenges, including high inflation, the already visible pay pressure and the level of fees for the Bank Guarantee Fund this year."*

Citi Handlowy continued to support the domestic and foreign expansion of its clients. In the fourth quarter, the bank participated as the Underwriter and Original Lender in the syndicated financing in the amount of over 300 million euro and 820 million zloty granted to CVC Capital Partners for the takeover of Stock Spirits, an alcoholic beverage business. The bank has also started

cooperation with KRUK Group within the syndicated multi-currency revolving loan worth nearly 300 million euro.

The series of interest rate increases in Poland had a positive impact on the performance of the bank's retail business. The revenue of this segment increased by 45 percent YoY and 27 percent against the third quarter. The bank recorded excellent results in the wealth management segment – the number of affluent Citi Private Clients (people whose assets held at the bank are equal or higher than 4 million zloty) at the end of the year was 23 percent higher than a year earlier.

As one of few banks in Poland, [in December Citi Handlowy introduced a virtual card](#) to its offer, which can be used to make payments and purchases in case the client loses their card or is waiting for a new physical card. The bank also made the popular Blik application available to its clients.

Financial highlights for Q4 (YoY):

- Net profit of 186 million zloty
- Cost-to-Income Ratio of 50%
- Loan to deposit ratio of 49%
- Total capital ratio (TCR) of 20,1%

For more information please contact:

Marta Waldoch, Press Office Director, tel. 605 990 433  
Email: [marta.waldoch@citi.com](mailto:marta.waldoch@citi.com)

Zuzanna Przepiórkiewicz, Press Office, tel. 667 635 432  
E-mail: [zuzanna.przepiorkiewicz@citi.com](mailto:zuzanna.przepiorkiewicz@citi.com)

**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 5,400 corporate clients and around 622,000 individual customers through modern distribution channels and a network of 18 branches. The Bank's Group includes such entities as: Dom Maklerski Banku Handlowego (brokerage house) and Handlowy Leasing. 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.

**Citi (NYSE:C)** is a leading global financial institution with about 200 million clients in more than 140 countries. Through its two separate operational units: Citicorp and Citi Holdings, Citi provides services to individual, corporate, governmental and institutional clients offering them a broad range of financial products and services in the retail, corporate and investment banking segments, as well as brokerage and asset management services. For more information please visit [www.citigroup.com](http://www.citigroup.com) or [www.citi.com](http://www.citi.com).