

Erste Group Investor Conference

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Investor Relations Head

Stegersbach, October 9, 2013

Executive summary

- **Poland:**

- The biggest and most stable economy in the region (*nominal 2012 GDP: PLN 1,596 B, 47% of CEE GDP*)
- Expected recovery (*GDP change in 2012: 1.9%; in 2013F: 1.3%; 2014F: 2.8%*)
- Bond yields increase on the back of economic recovery and expectations of QE tapering by Fed resulting in foreign portfolio capital outflows from EM

- **Banking sector:**

- Net income at close to record high levels but achieved mostly through lower net impairment losses with revenue remaining weak (*Net income -1% YoY - PLN 96 MM, net impairment losses -26% YoY – PLN 1.5 B, revenue -6% YoY - PLN 2.1 B, net interest income -8% YoY – PLN 1.7 B, net fee and commission income -2% YoY – PLN 0.2 B*)
- Lending weak but showing signs of moderate recovery in retail business (*total loans +3% YoY, mortgage loans +5% YoY, unsecured lending -2% YoY corporate loans +1% YoY*)
- Results under pressure despite macroeconomic upturn (*additional fees paid to BGF, interchange cut from 1.1% to 0.5%, interest rates to remain at historically low levels*)

- **Citi Handlowy (1H 2013):**

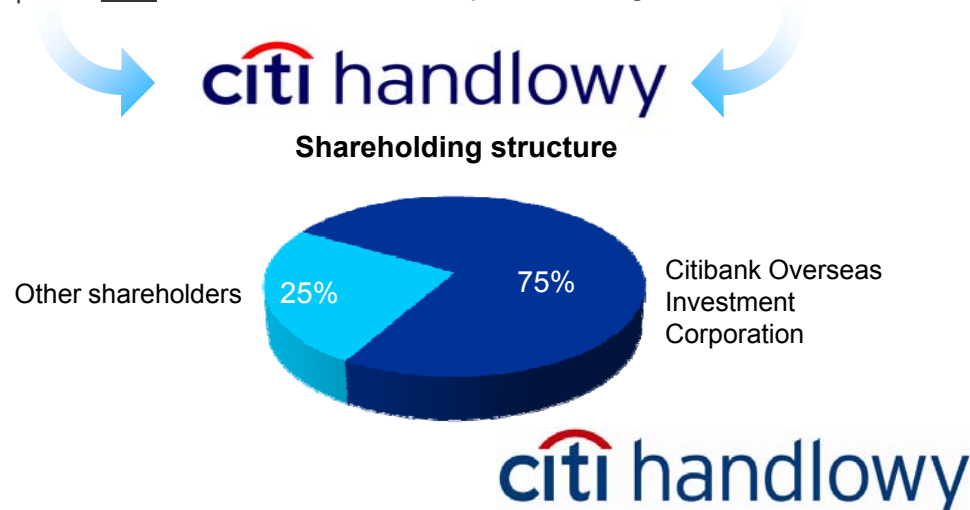
- Top 4 bank in Poland
8% market share in terms of net profit
- Strong capital and liquidity positions
CAR 17.5% - tier 1 only, loans/deposits 73%
- High efficiency
ROTCE 22.2%, ROA 2.7%, C/I 46%
- Leading corporate & commercial bank
#1 in FX, custody services and brokerage servicing 75 out of 100 top-tier local companies
- Leader in credit cards
*21% market share in transaction volumes
18% market share in credit cards' loans*
- Commitment to community
financial education, national heritage, environment protection

BANK HANDLOWY W WARSZAWIE SA

The oldest operating commercial bank in Poland with strong local relationships and well placed local network

CITIBANK+

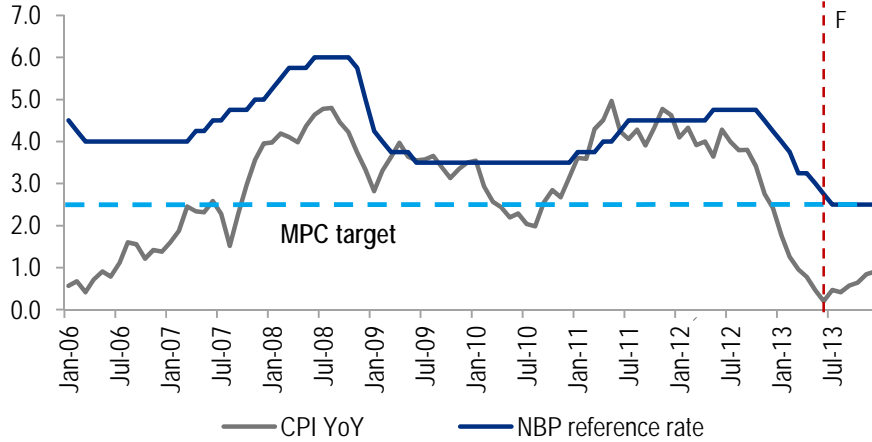
One of the world's largest financial institution with global clients, global products and global network



Economic environment

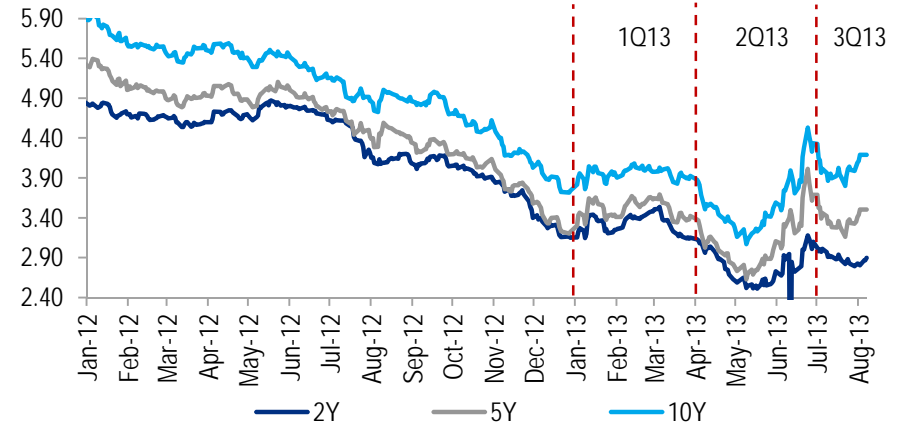
Monetary policy

Reference rate will remain unchanged at least till mid-2014



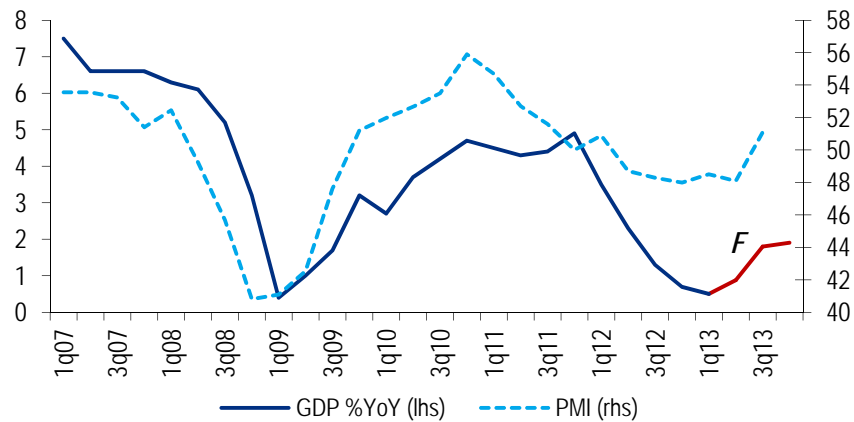
Bond market

Domestic bond yields increased in 2Q (%)



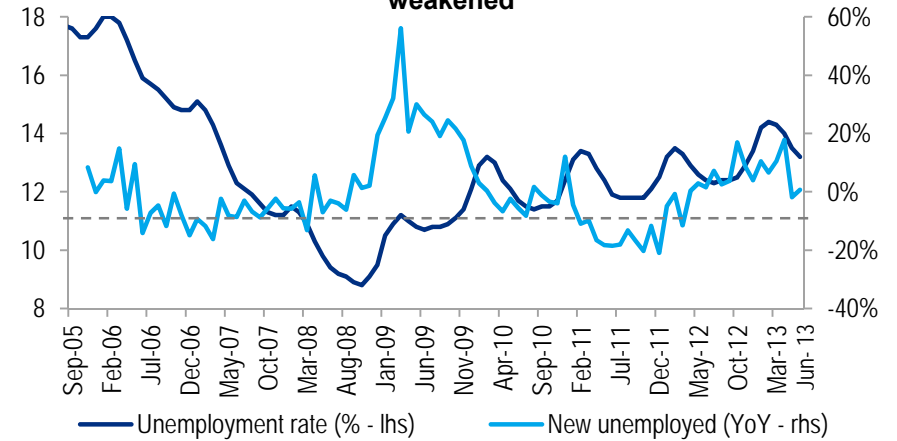
Economic growth

Rising PMI signals acceleration of GDP growth in 2H



Labour market

Unemployment rate started falling and new jobless claims growth weakened



Citi Handlowy strategic directions for 2012-2015

CORE STRENGTHS

- Strong capital base and high liquidity (meeting Basel III requirements)
- Leading position in FX, Cash Mgmt, securities & custody services, brokerage and cards
- Access to Citi global network, product expertise and global clients
- Quality and Innovation culture
- Centralized and high-quality operations
- Talented and well-qualified employees

KEY FOCUS AREAS

- Intensified efforts aimed at increasing efficiency both in retail and corporate segment
- Concentration on largest cities (G9) – branch network realignment
- Focus on affluent and emerging affluent customers
- Credit cards and operating accounts as key focus products
- Emerging Market Champions (in Poland and abroad)
- New clients acquisition within SME segment

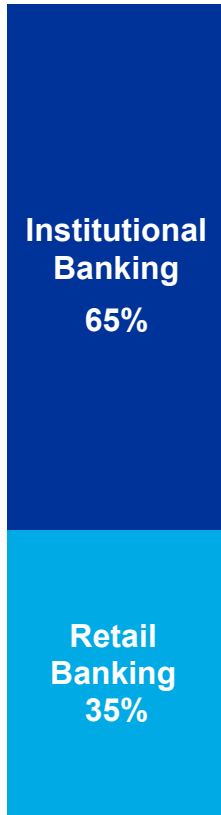
ASPIRATIONS

- #1 in Cards, global subsidiaries, FX, securities & custody services
- Top 3 in servicing largest Polish Corporates, Cash Management and Trade
- NPS >30% in selected products and clients segments
- Top 5 bank in Poland in terms of EBIT
- Operating Efficiency: C/I ~50%
- Assets Profitability (ROA): Top 3 bank in Poland

Diversified revenue stream

Institutional Banking

PLN 1.5 B



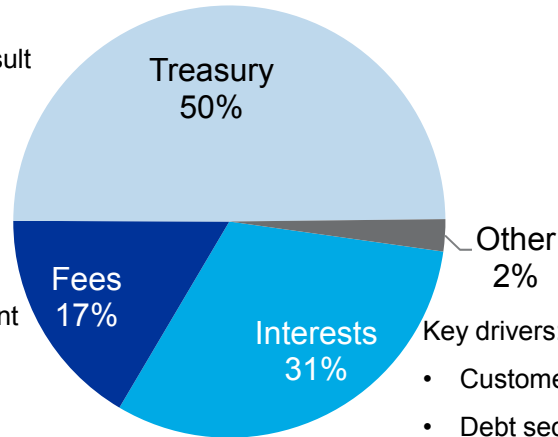
1H 2013

Key drivers:

- Customer result
- AFS
- Trading

Key drivers:

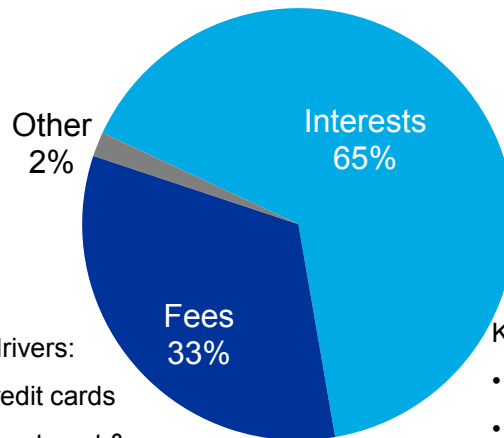
- Cash management
- Custody
- Brokerage



Key drivers:

- Customer business
- Debt securities

Retail Banking



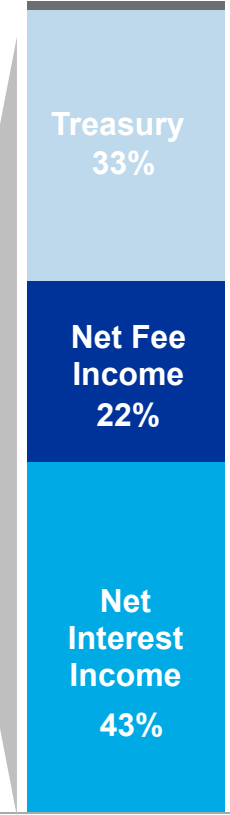
Key drivers:

- Credit cards
- Investment & insurance products

Key drivers:

- Credit cards
- Cash and mortgage loans
- Operating accounts

PLN 1.5 B



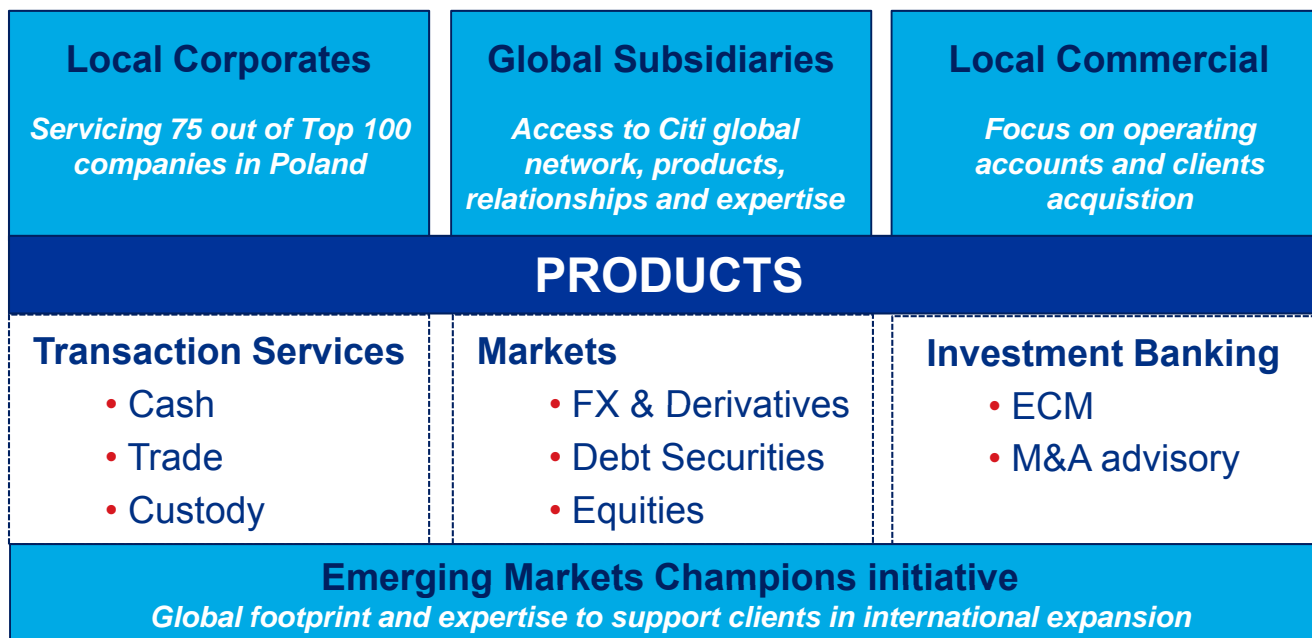
1H 2013

Diversified revenue stream – key drivers in Institutional Banking

PLN 1.5 B

Institutional Banking
65%

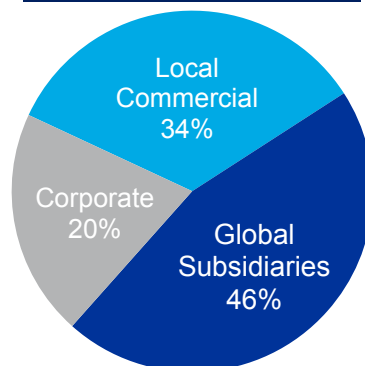
1H 2013



#1 in Custody services
47% market share

#1 in Equities turnover
13% market share

1H 2013 Revenue split



#1 in Customer FX
2013 Euromoney ranking
(13% market share)

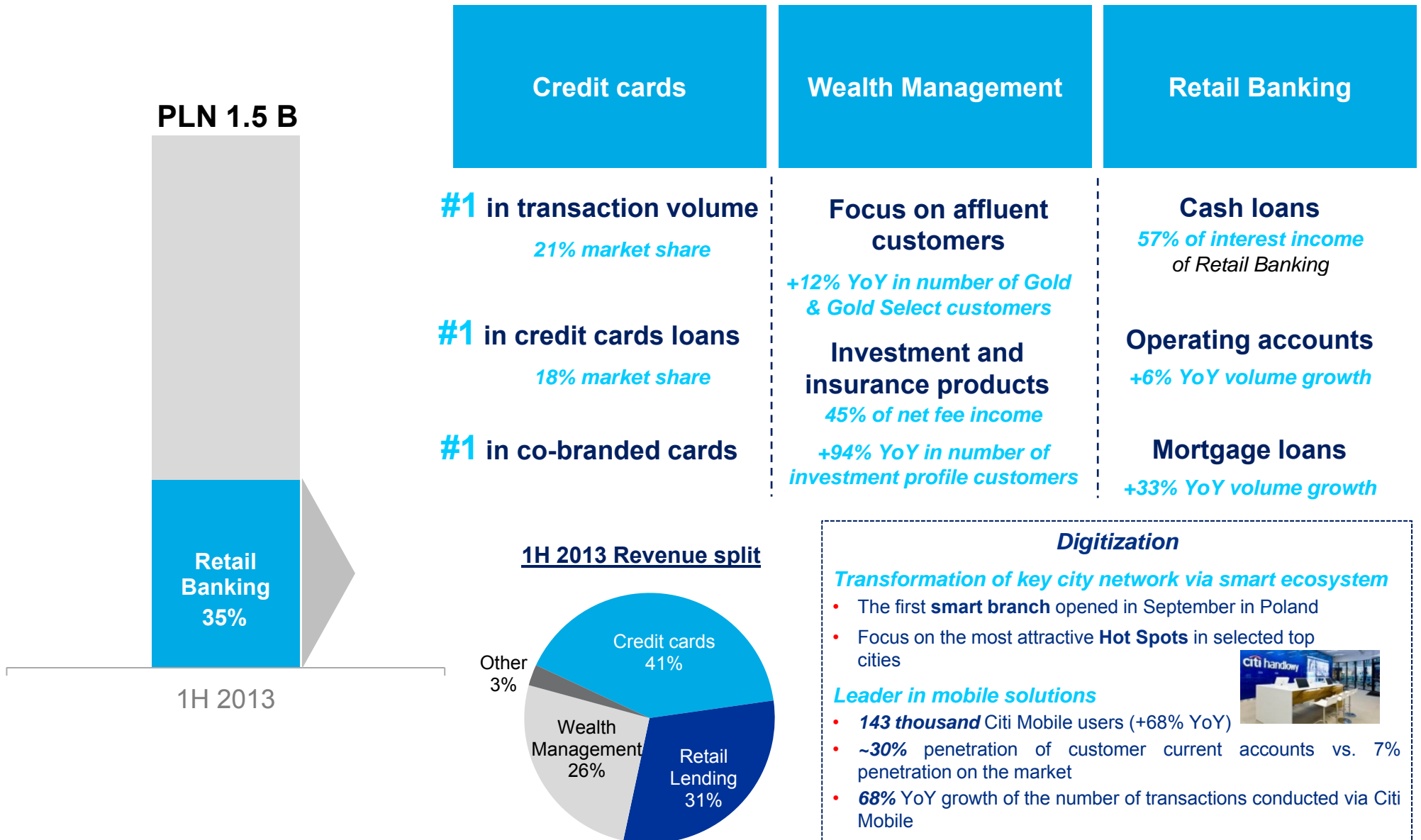
Debt securities
Polish government bonds
and Central Bank bills

 Accelerated book-building citi handlowy Global Coordinator PLN 5.2 B -1H 2013-	 Secondary Public Offering citi handlowy Global Coordinator PLN 4.9 B -1H 2013-
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 Banking services for the next 5-year term citi handlowy chosen to act as Bank of the capital city of Warsaw -2H 2012-	 Accelerated book-building citi handlowy Joint Bookrunner PLN 3.7 B -1H 2013-
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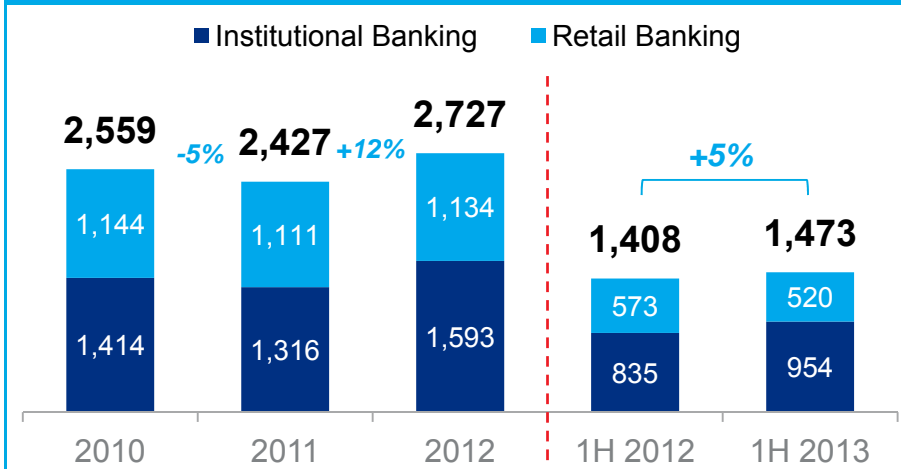
citi handlowy

Diversified revenue stream – key drivers in Retail Banking

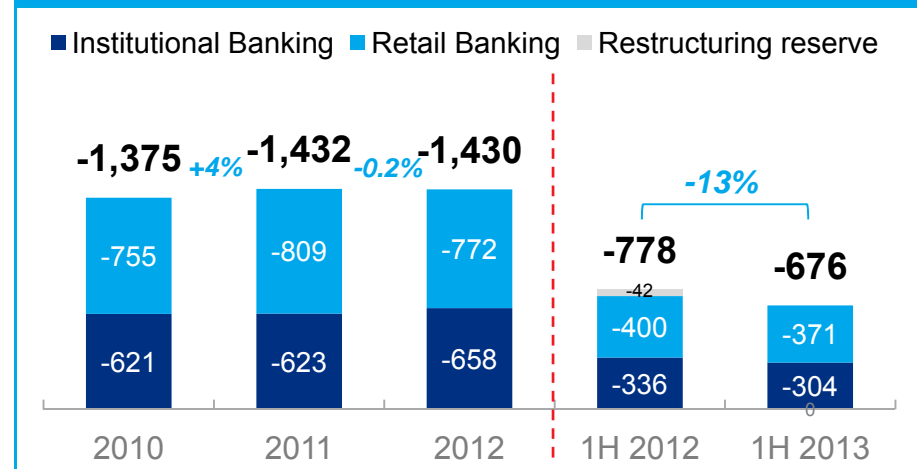


Citi Handlowy – financial results (PLN MM)

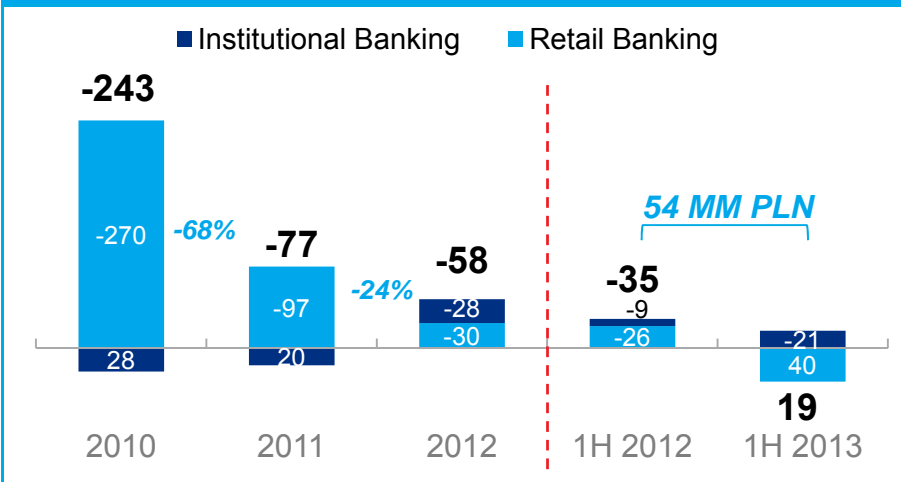
Revenues



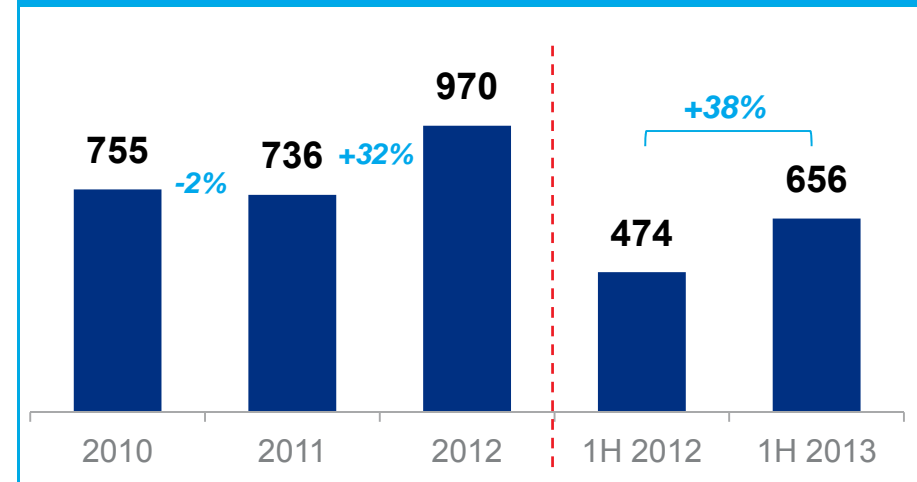
Expenses



Net impairment losses

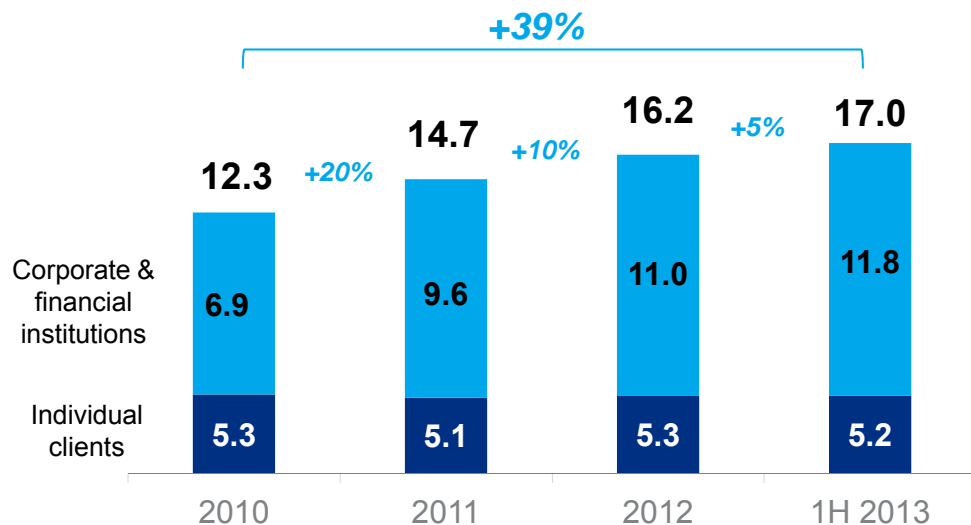


Net profit

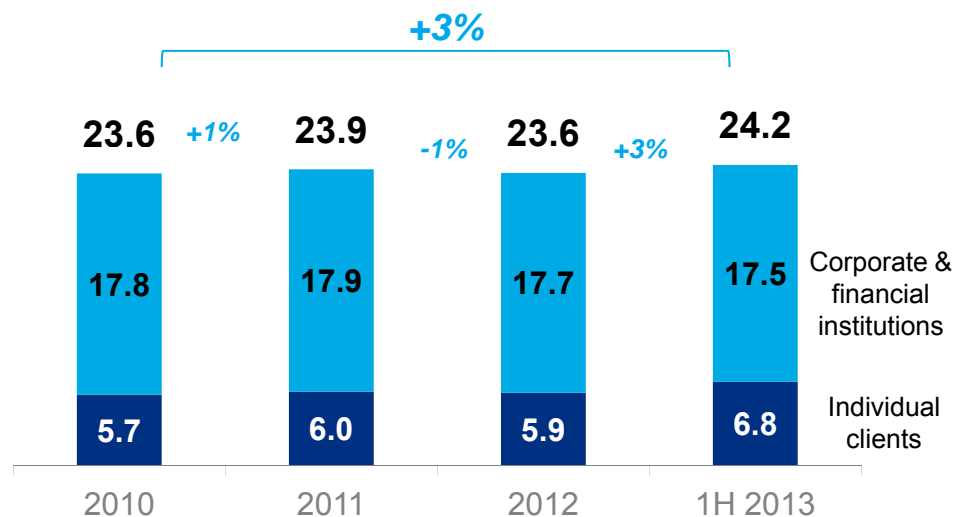


Liquidity position allowing for assets growth

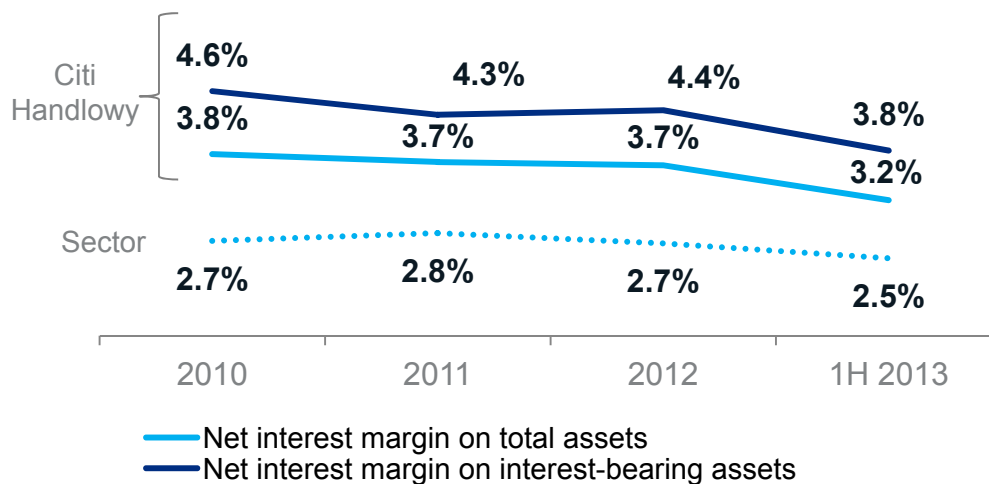
Loans (PLN B)



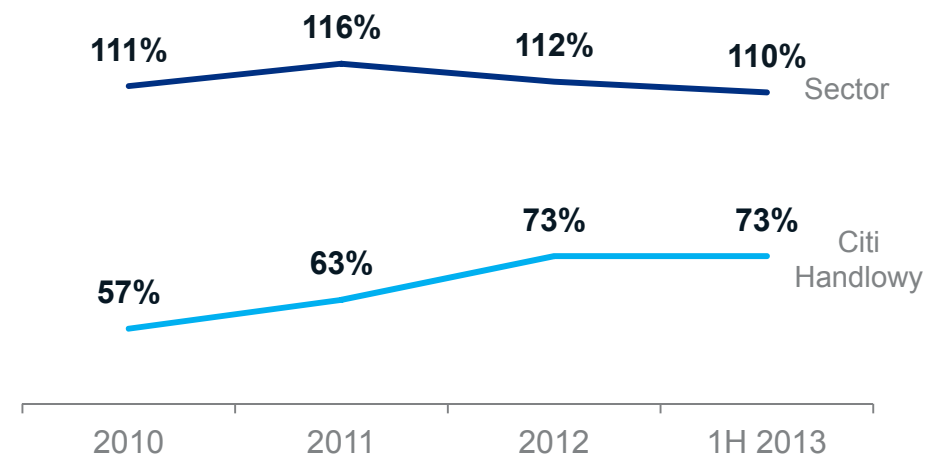
Deposits (PLN B)



Net interest margin



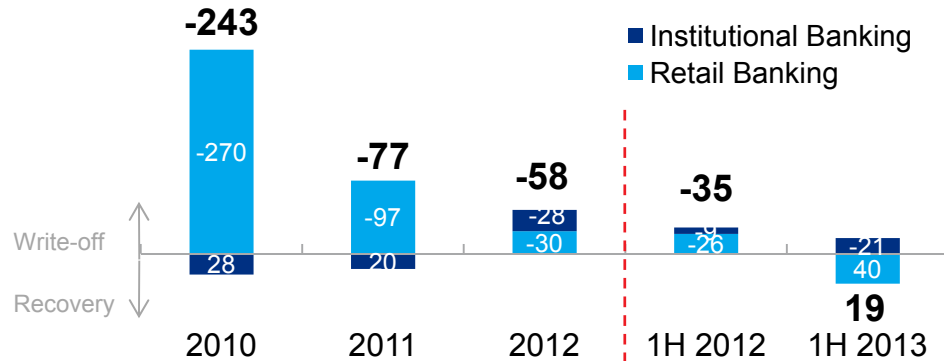
Loans to deposits ratio



9 Margin for 2011 excluding one-off transaction with Banco Santander

Cost of risk

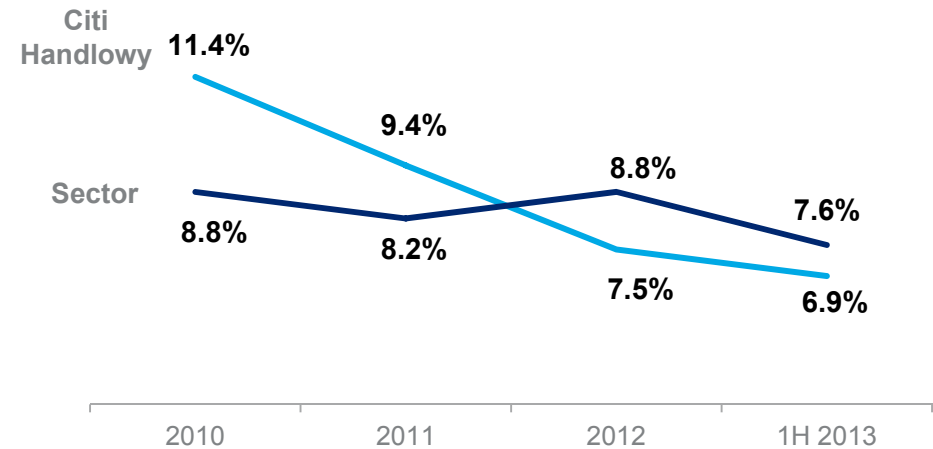
Net impairment losses (PLN MM)



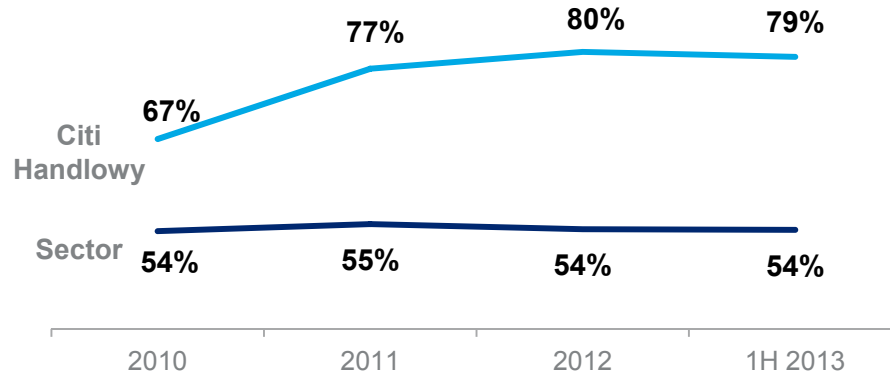
Cost of risk

	2010	2011	2012	1H 2012	1H 2013
Citi Handlowy	2.1%	0.6%	0.4%	0.4%	0.03%
Sector	1.7%	1.1%	1.1%	1.1%	1.0%

Non-performing loans ratio (NPL)

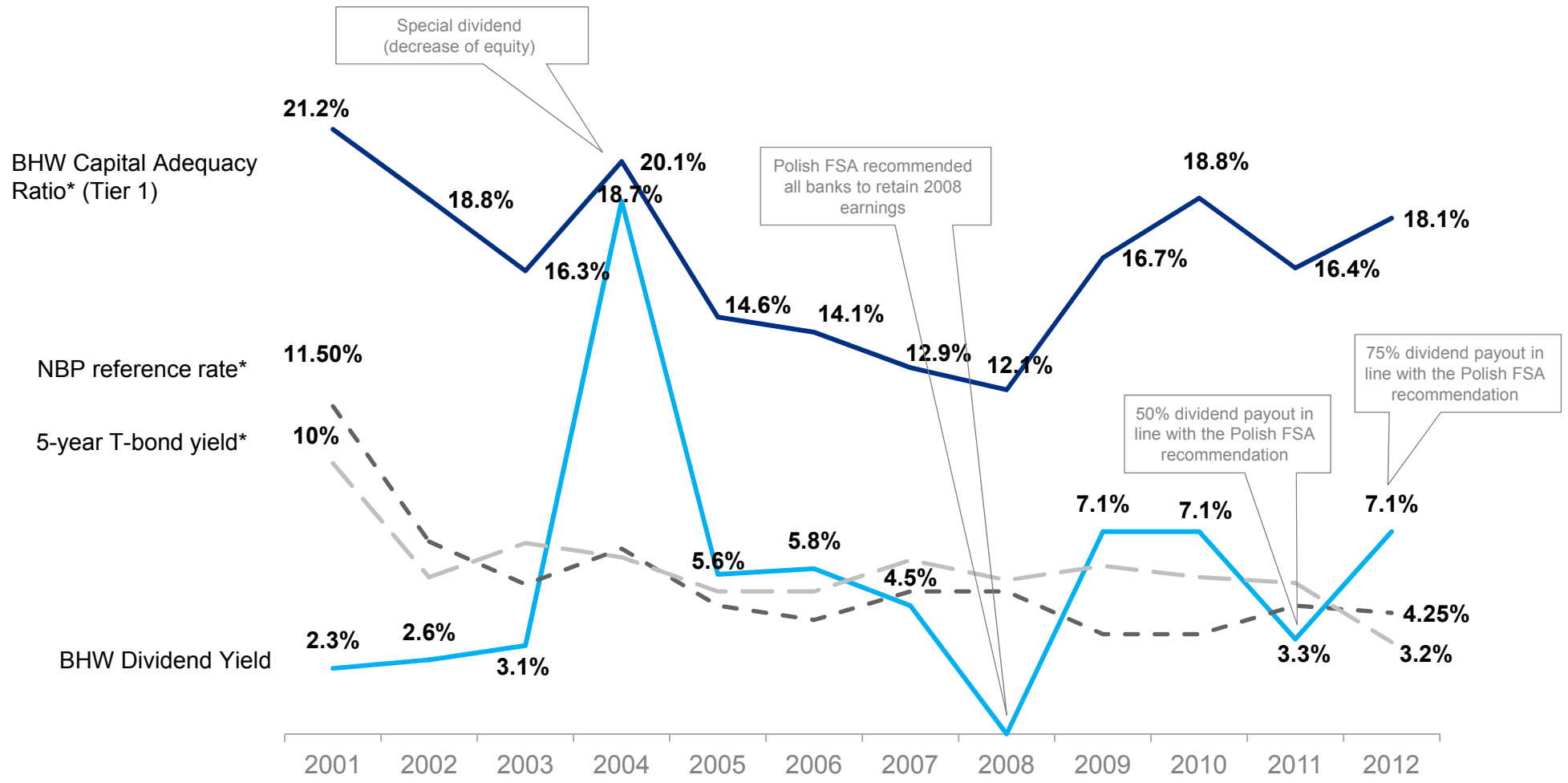


Provision coverage ratio



- Improvement of quality of retail loans portfolio reflecting changes in credit policies made in the previous years
- Underlying improvement of NPL ratio
- Provision coverage at a high level of 79%

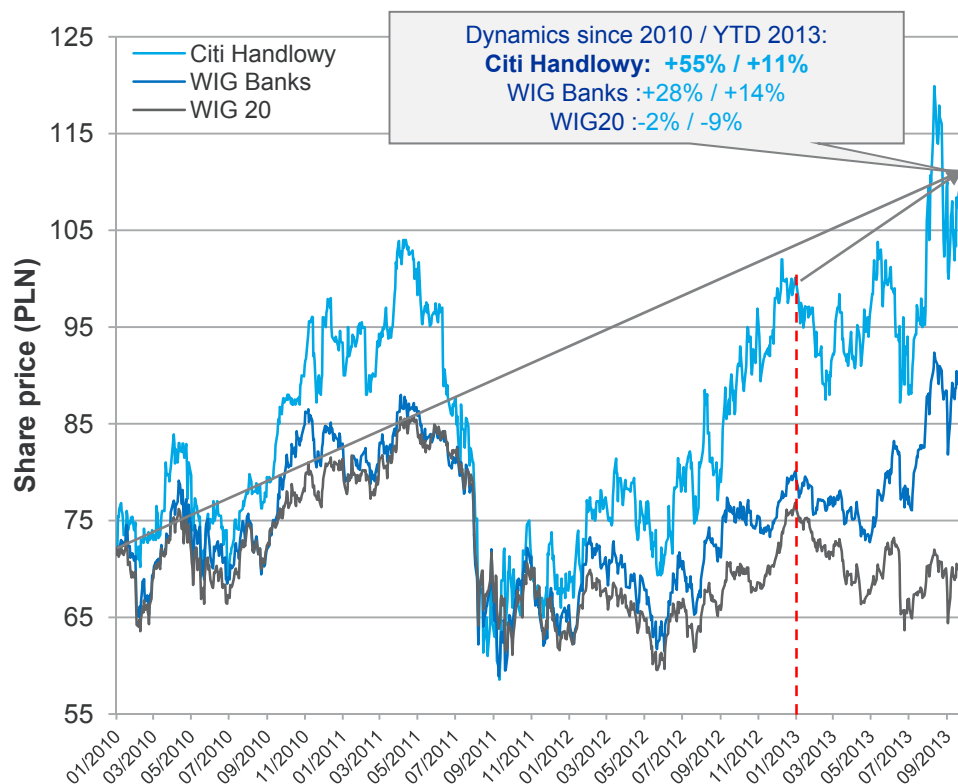
Strong capital base



*End of year values

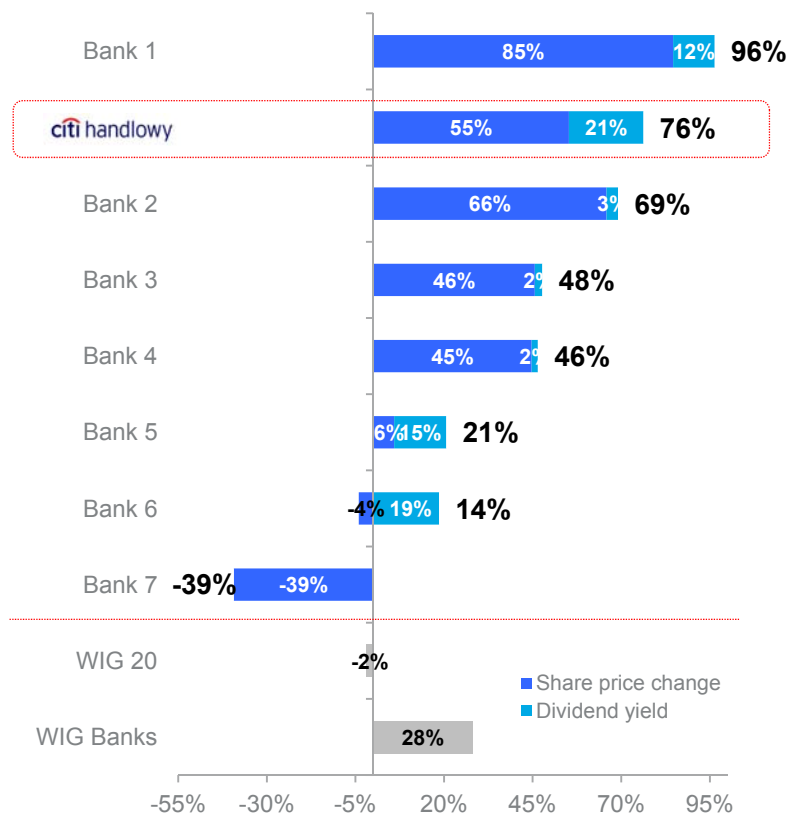
Building shareholder value

Citi Handlowy stock price vs. main indices since 2010



Note: The latest listing as of September 30, 2013 (Citi Handlowy: PLN 111.00)

Return on investment in Polish banks' shares in 2010-2013



Note: Share price change on the basis of closing listing as at 30/09/2013 and as at 04/01/2010. Dividend yield on the basis of dividend paid in 2010-2013.

Dividends paid by Citi Handlowy since its debut on the WSE

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Dividend payout ratio	23%	31%	39%	64%	100%	100%	100%	100%*	80%	86%	77%	0%	94%	100%	50%	75%
Dividend yield	3.1%	1.9%	3.8%	1.7%	2.3%	2.6%	3.1%	18.7%	5.6%	5.8%	4.5%	-	7.1%	7.1%	3.3%	7.1%

* Payout ratio related only to 2004 net profit, excluding special dividend

Appendix

Management Board of Citi Handlowy

Sławomir S. Sikora

President and CEO of Citi Handlowy since 2003

- Member of Citigroup Management Committee in New York, 2005-2008
- President of the Management Board of American Bank in Poland, 2001-2003
- Deputy President of the Management Board of Powszechny Bank Kredytowy S.A., 1994-2001
- 5 years in the Ministry of Finance in charge of financial institutions
- Member of the Board of the Polish Bank Association (ZBP); Vice President of the Board of the Polish Confederation of Private Employers Lewiatan; Member of the Emerging Markets Advisory Council in International Institute of Finance
- Graduate of Warsaw School of Economics (SGH)
- 10 years at Citi/ Bank Handlowy; 19 years in the industry



Witold Zieliński

Vice President of the Board

- Chief Financial Officer
- 27 years at Citi/ Bank Handlowy



Misbah Ur-Rahman-Shah

Vice President of the Board

- Citi Markets Head, Poland&CEE
- 23 years at Citi/ Bank Handlowy



Brendan Carney

Vice President of the Board

- Consumer Banking Head
- 11 years at Citi/ Bank Handlowy



Iwona Dudzińska

Member of the Board

- O&T Head
- 22 years at Citi/ Bank Handlowy

Supervisory Board of Citi Handlowy



Chairman: **Andrzej Olechowski**

- Chairman of the Supervisory Board of Citi Handlowy: 1991-1996, 1998-2000 and since 2012
- A member of supervisory boards or advisory committees in: Euronet, Layetana Developments Polska, MCI Management S.A., ACE, Citigroup Europe, Macquarie European Infrastructure Fund
- A former Minister of Finance and Minister of Foreign Affairs of the Republic of Poland, a candidate for the President of the Republic of Poland
- Deputy Governor of the National Bank of Poland
- European Vice Chairman of the Trilateral Commission and a member of a member of non-governmental organizations
- A lecturer at prestigious universities and an author of numerous publications on international trade and foreign policy
- Graduate of Warsaw School of Economics (Ph.D. Degree in Economics)



Vice Chairman: **Shirish Apte**

- Vice Chairman of the Supervisory Board of Citi Handlowy since 2003
- A member of Citi Business Development Committee and the Senior Advisory Group
- Senior Risk Manager in London
- Corporate Finance Head for Central and Eastern Europe, Middle East and Africa (CEEMEA)
- Country Manager in Poland and Vice President of Bank Handlowy w Warszawie
- CEO of Central and Eastern Europe and then CEO of South Asia in Citi Asia Pacific
- CEO of Asia Pacific Banking
- Chartered Accountant from the Institute of Chartered Accountants in England and holds an MBA from London Business School
- More than 28 year's experience with Citi

Members of the Supervisory Board:

- **Adnan Omar Ahmed** - Head of Human Resources for Europe, Middle East and Africa, and Global Head of Citi Shared Services
- **Igor Chalupec** – Executive Partner and President of the Management Board of ICENTIS Sp. z o.o., Corporate Solutions S. K-A and ICENTIS Capital Sp. z o.o.
- **Mirosław Gryszka** – President of ABB Sp. z o.o. and Country Manager of ABB Group in Poland
- **Marc Luet** - Chief Executive Officer of Consumer for Europe, the Middle East and Africa (EMEA), Citi
- **Frank Mannion** - Chief Financial Officer for Europe, the Middle East and Africa (EMEA), Citi
- **Dariusz Mioduski** – CEO and President of the Management Board of Kulczyk Investments S.A. and Kulczyk Holding S.A.
- **Anna Rulkiewicz** – CEO of LuxMed sp. z o.o. – a leading medical care provider
- **Stanisław Sołtysiński** - Professor of Law, Chairman of the Supervisory Board of Citi Handlowy in 2000-2012
- **Zdenek Turek** - Citi Country Officer for Russia and Citi Division Head for Central and Eastern Europe
- **Stephen R. Volk** - Vice Chairman of Citigroup Inc., responsible for Citigroup Senior Management matters as well as Investment Banking, a member of the Citigroup Executive Committee

2Q 2013 in Citi Handlowy – summary

NET PROFIT → PLN 300.3 MM

↑ 30% YoY ↓ 15% QoQ

High efficiency

- Another quarter of **solid net profit (PLN 656 MM)** as of the end of 1H 2013)
- Increase in net fee & commission income and high income in Treasury
- Discipline in expenses and risk
- Efficiency ratios (ROE, ROTE, ROA) significantly above the sector

Safety and stability

- **Decrease in NPL to 6.9%**, both in corporate and retail segment
- Strong capital base (**Tier 1 ratio: 17.5%**)
- Stable **liquidity** position (Loans / deposits: **73%**)

Strategic business areas development

Corporate Banking and Financial Markets

- **Increase in loans** in **SME/MME** segment and limited demand in the area of large companies
- **Leader in FX turnover** for the 5th consecutive time (in the ranking of Euromoney)
- Constant **#1** position of **DMBH** in terms of turnover on the WSE with **12.9%** share

Retail Banking

- **Increase** in the number of **Gold** and **Gold Select clients** (**+3%** QoQ; **+12%** YoY)
- Downward trend in lending reversed: **+1%** QoQ and YoY – **increase** in **credit cards** and **mortgage loans**
- A further **increase** in **demand deposits** (**+7%** QoQ and **+18%** YoY)

Corporate Banking in 2Q 2013

Financial Markets

FX turnover

- **#1** in the category of **FX turnover with corporate clients** in the ranking of Euromoney (with **36%** market share)
- **FX turnover volume up** by **1%** YoY and **7%** QoQ



Brokerage

- **#1** in **equity turnover volume on the WSE** (**12.9%** market share in session transactions)
- Participation in transactions on the capital market: in 2Q 2013 **accelerated sale of stake in Azoty S.A. Group** at the level of PLN 626 MM

Leader in custody services

- **Assets under custody up** by 19% YoY and 3% QoQ
- **47%** market share as of the end of 2Q 2013 (vs. 44% as of the end of 2Q 2012 and 47% as of the end of 1Q 2013)

Transaction services

Cash management

- **Focus on operating accounts:** growth of demand deposits by **23%** YoY and **1%** QoQ
- **Escrow account** for developers: a new solution for clients looking for developer transactions collateral

Trade finance growth

- Increase in assets of **58%** YoY, **12%** QoQ
- **Factoring** products development, including **Supplier Financing Programs** (several new Programs for the largest Bank's clients implemented of total value of PLN 200 MM; program for one of the largest retailer in Poland increased to PLN 400 MM)

Commercial Clients and Public Sector

Lending volumes

- A further **increase in assets** in SME/MME segment: **+4%** QoQ and **+14%** YoY
- **New proposals in financing offer:** leasing offer; working capital loans with de minimis guarantees

Public sector – services tailored to the customers needs

- Short-term financing which secure liquidity maintaining for entities operating in municipal waste industry (e.g. loan for ZMPGO Poznań Agglomeration)

SME and MME clients acquisition



Corporate and Global Clients

Emerging Markets Champions Program

- **New relations** in Corporate Clients segment (local company from oil&gas sector) and Global Clients segment (client from the area of engineering&construction services)
- Above **240** clients covered by the EMC program

Bond issue

- **#1** position as a **bond and deposit certificates issue organiser for banks** (**28%** market share according to the „Rating&Rynek” report of the FitchRatings agency)
- Contracts for bond issue program of total value of PLN 3.0 B signed with 2 foreign financial institutions

Retail Banking in 2Q 2013

Relationship banking

Focus on Gold and Gold Select clients

- **Increase** in the number of **Citigold** and **Citigold Select** clients (+3% QoQ; +12% YoY)
- **Growth in the number of active clients** (assets min. PLN 200 thous.) of 8% QoQ and 16% YoY



Citi Handlowy for clients with saving and investment needs

- **Change in deposit offer** - the growth of deposits volume of 6% QoQ and 11% YoY
- Growth in the number of **investment profile clients** of 15% QoQ and 94% YoY
- Net sales of **investment products** – growth of 251% QoQ

Digitization

Leader in mobile solutions

- **143 thous.** Citi Mobile users (85 thous. in 2Q 2012)
- **68% YoY** and **18% QoQ** growth of the number of transactions conducted via Citi Mobile
- „**Branches mobilization**” – active promoting of online banking (branches equipped with mobile stands with smartphones)



New functionalities in Citi Mobile

- Possibility to spread out credit card debt via mobile banking
- Geocator of discounts available for Citi credit cards owners all over the world and ATMs of Citi Handlowy and partners

Credit cards

Leading position maintained

- **#1** in terms of **transactions volume** (22% market share as of 1Q 2013)
- **#1** in terms of **credit cards loans** (18% market share as of the end of June 2013)
- **42.5%** market share in terms of value of credit cards **foreign transactions**

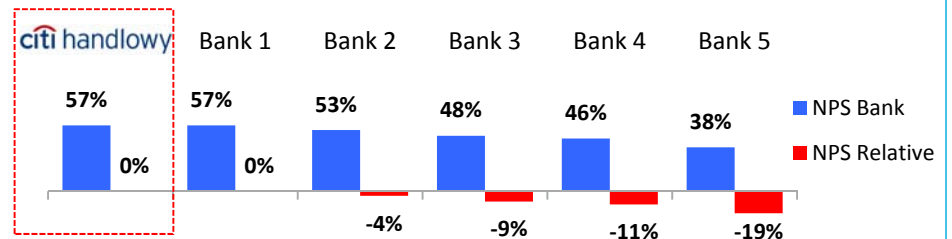
Credit cards acquisition

- **Growth of acquisition** by 2% QoQ and 3% YoY for main cards
- **Citibank World** and **Citibank Wizz Air** credit cards constantly as key drivers of acquisition

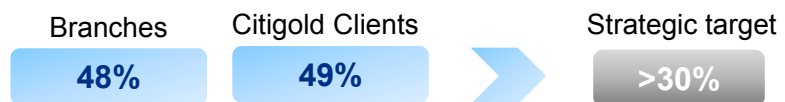


Leader in quality

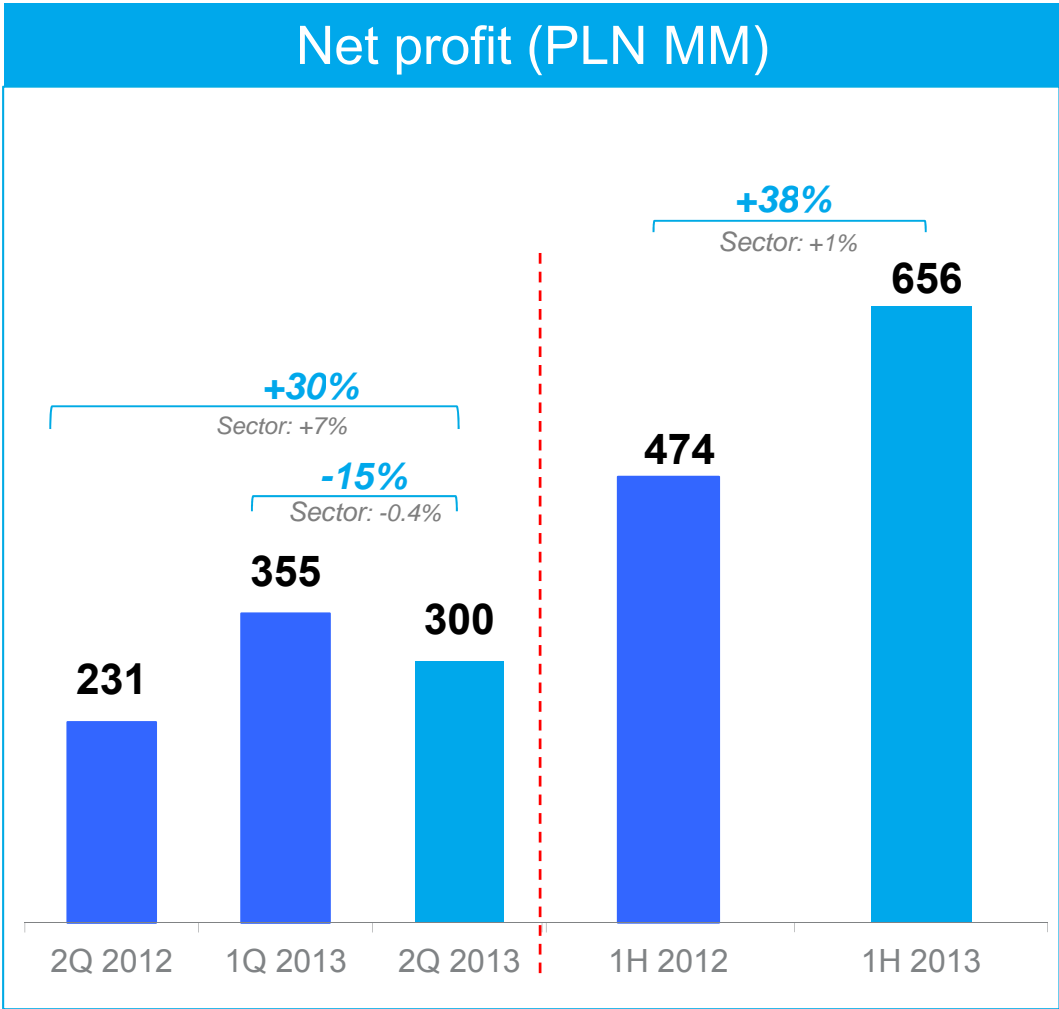
#1 in Gold segment in the independent NPS research



Internal NPS result above the strategic target



Another quarter of solid net profit



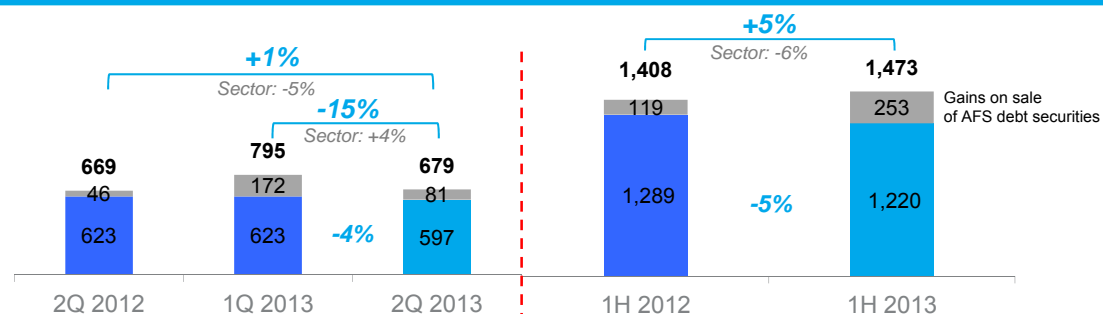
Key financial ratios in 2Q 2013

	Bank	Sector
ROA	2.7%	1.1%
ROTE	22.2%	N/A
ROE	17.9%	11.4%
Cost/Income	48.8%	53.6%
Loans/Deposits	73%	110%
Tier 1	17.5%	13.7%
NPL	6.9%	7.6%

▶ High efficiency of the Bank – ratios better than the sector and strategic targets

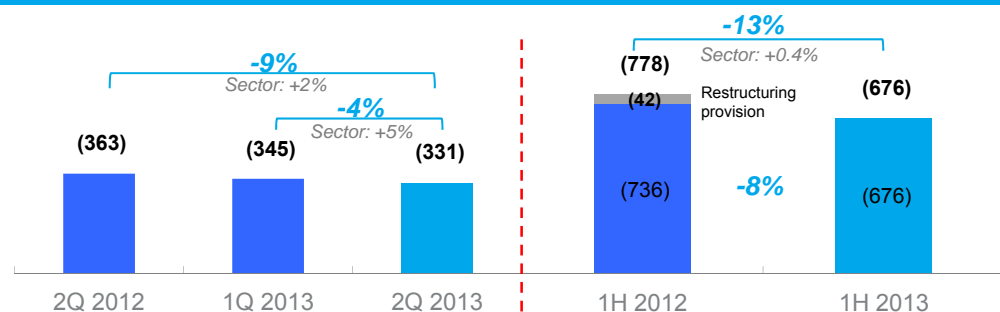
Revenue pressure and discipline in expenses and risk

Revenues (PLN MM)



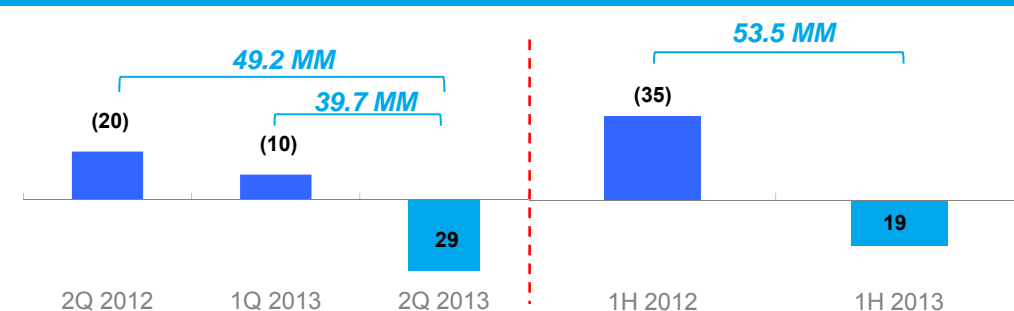
- The QoQ decrease in revenues mainly in the area of treasury (due to lower gains on sale of AFS debt securities).
- Net interest income still under pressure – the decrease partly offset by increase in net fee and commission income

Expenses (PLN MM)



- The YoY decrease in expenses primarily as a result of the branch network optimization and employment restructuring
- The QoQ decrease in expenses due to seasonally higher level of expenses in 1Q 2013

Net impairment losses (PLN MM)

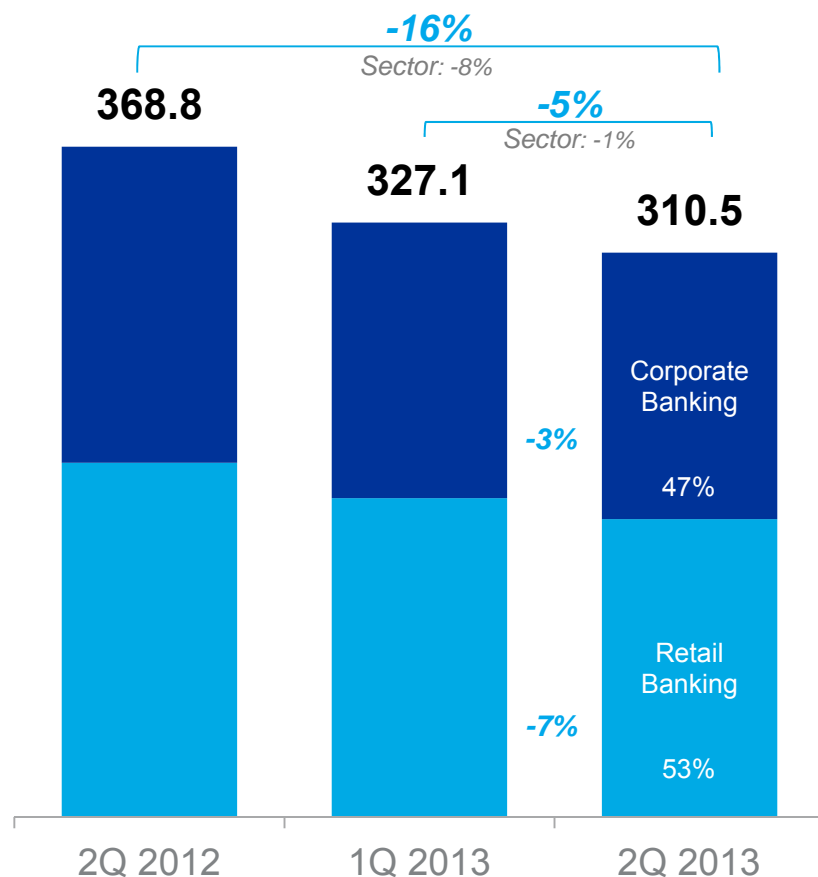


- Cost of risk* maintained at a low level: 3 bps. in 2Q 2013 (vs. 37 bps. in 1Q 2013 and 41 bps. in 2Q 2012)
- Reversal of net impairment losses in Retail Banking due to a further positive trend of portfolio quality improvement and sale of NPL portfolio (PLN 23.3 MM impact on net impairment losses)
- Corporate Banking – the QoQ decrease in net impairment losses and stable YoY level

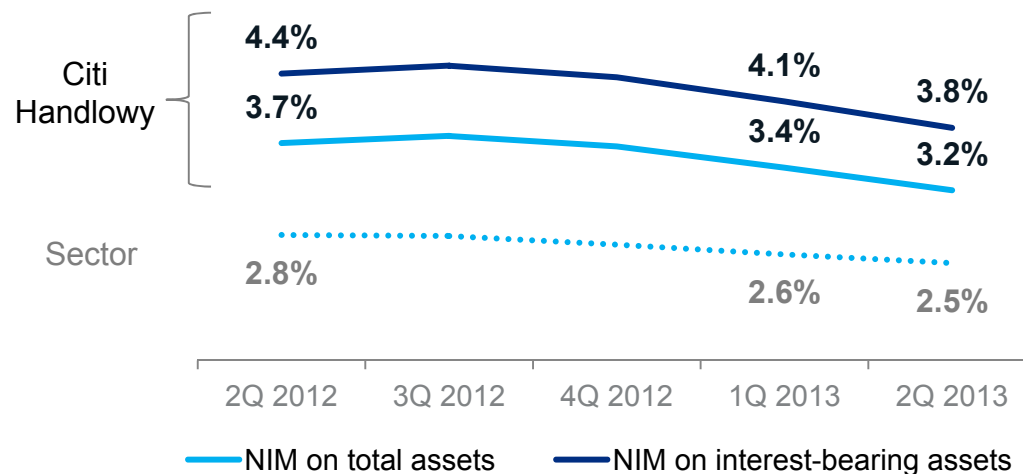
20 * Cost of risk calculated on the basis of the sum of the net impairment losses for the latest four quarters to average net loans.

Net interest income

Net interest income (PLN MM)



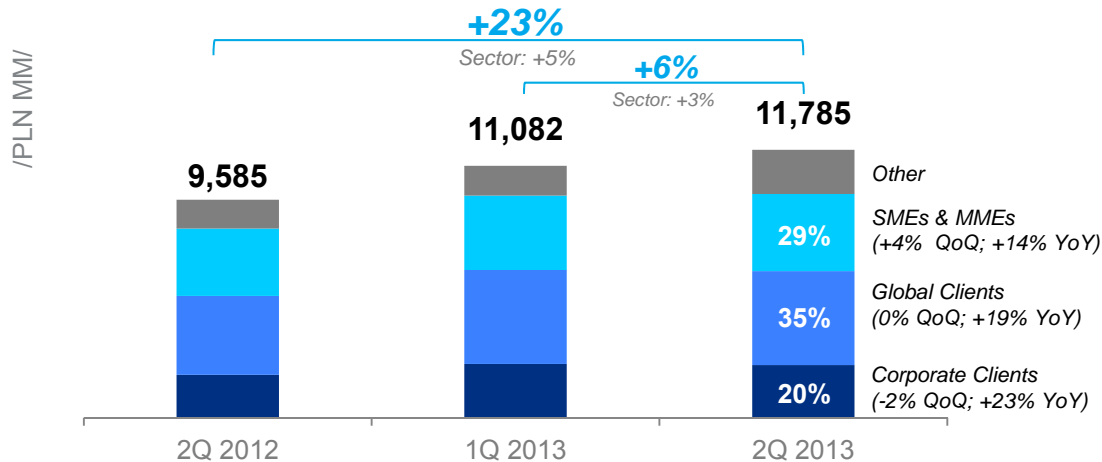
Net interest margin (NIM) - Bank vs. sector



- The decrease in net interest income in 2Q 2013, however at a lower pace than in previous quarters, mainly as a result of:
 - The decrease in customer interest income (decrease of 10% QoQ and 16% YoY) partly offset by lower interest expenses (the decrease of 12% QoQ and 28% YoY)
 - The decrease in interest income from credit cards (as a result of cuts in interest rates partly mitigated by higher volumes)
 - Lower interest income from AFS debt securities (the decrease of 6% QoQ and 32% YoY)
- Net interest margin still above the market level, despite the decline

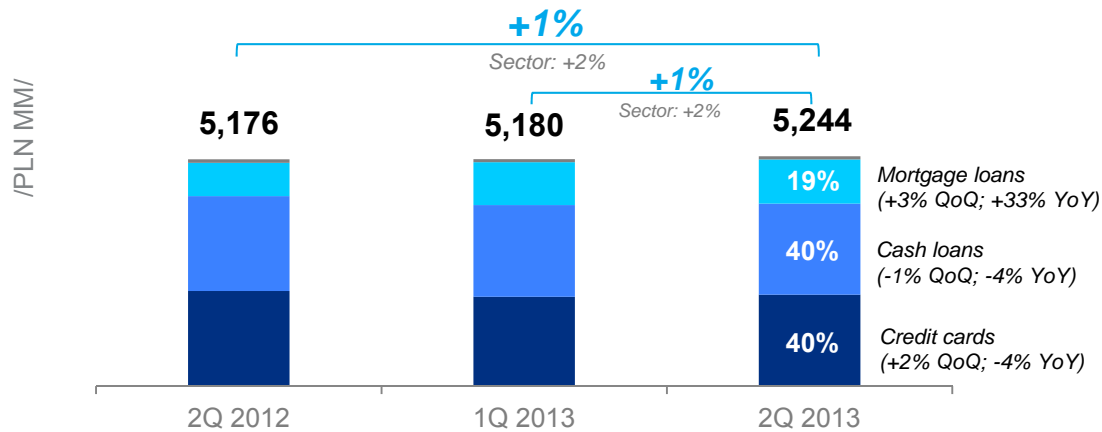
Loan volumes

Institutional non-banking customers' loans



- The QoQ increase in receivables, mainly due to financial sector entities and **higher lending volumes in SME and MME segments**
- The QoQ decrease in loans in Corporate and Global Clients segment (the QoQ decrease of 0% and -2% respectively) due to **limited demand for working capital** and **slowdown in investment plans**

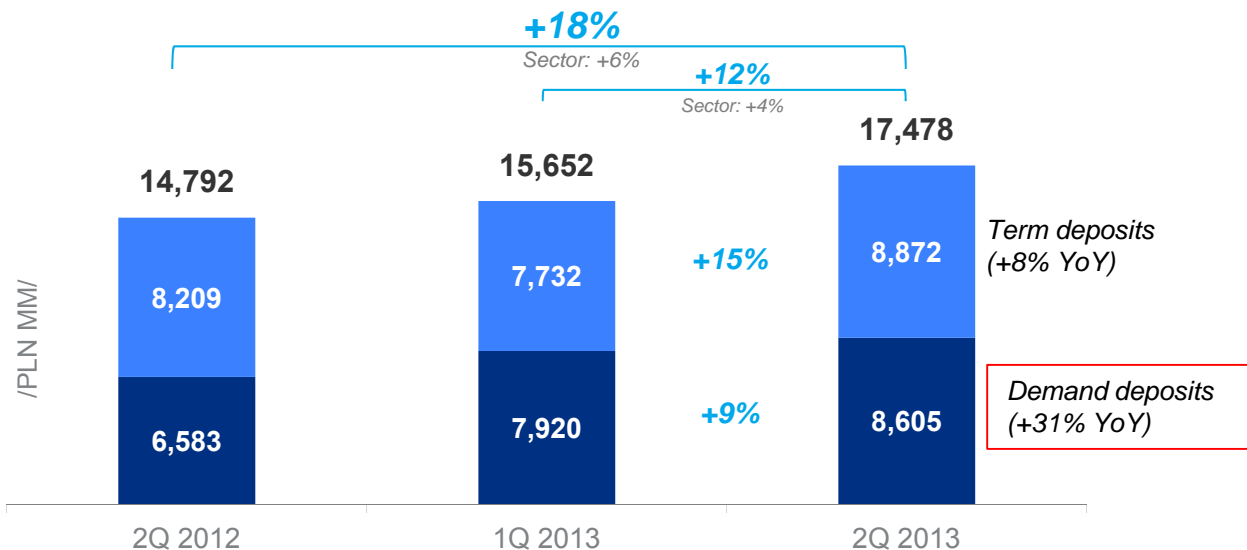
Individual customers' loans



- The increase in **credit cards loans (+2% QoQ vs. 0% in sector)**
- **A further increase in mortgage loans portfolio** (portfolio value above PLN 1 B as of the end of 2Q 2013), however at a lower pace than in previous quarters
- A further downward trend of cash loans

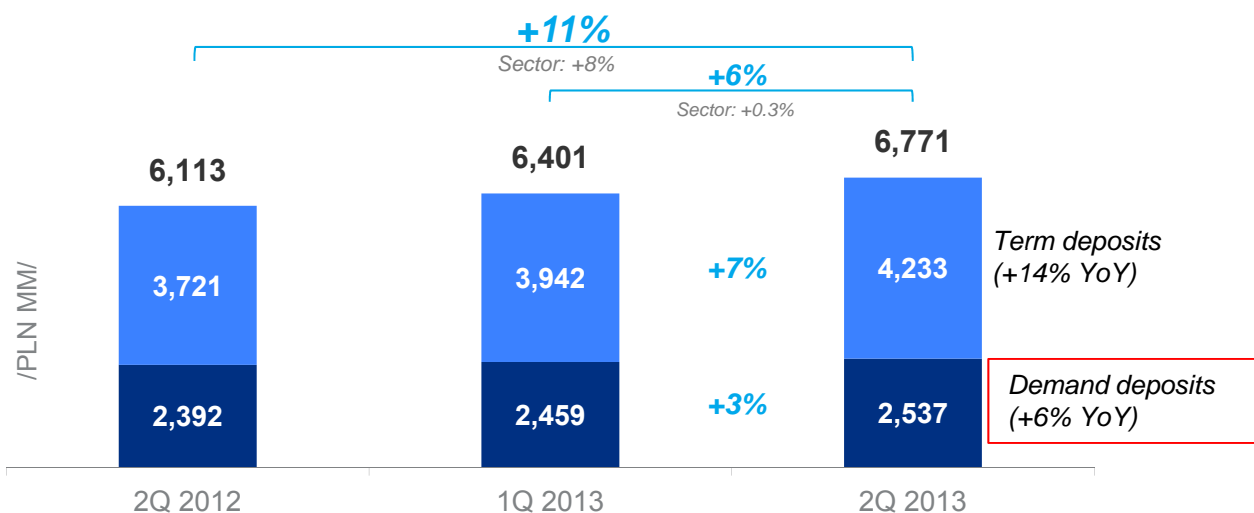
Deposits – focus on operating accounts

Institutional non-banking customers' deposits



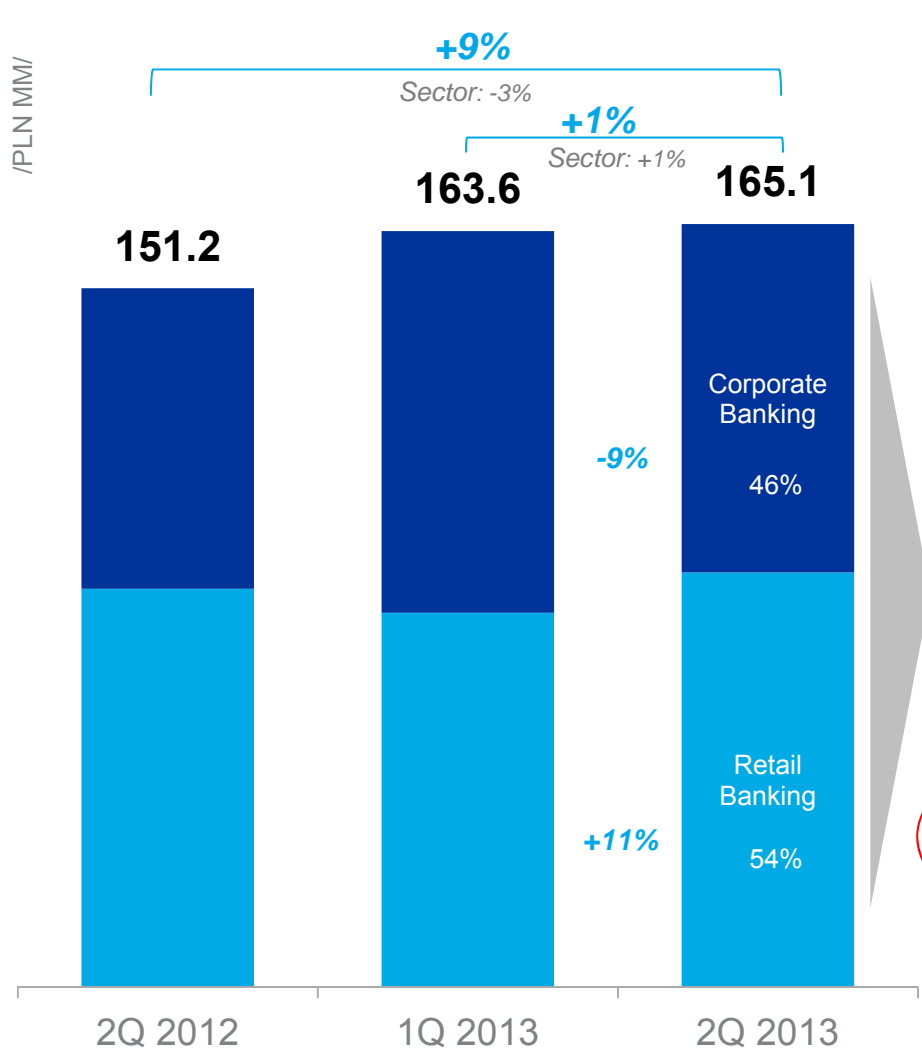
- A double-digit growth of deposits
- Further consistent growth of demand deposits as a result of Bank's focus on operating accounts

Individual customers' deposits

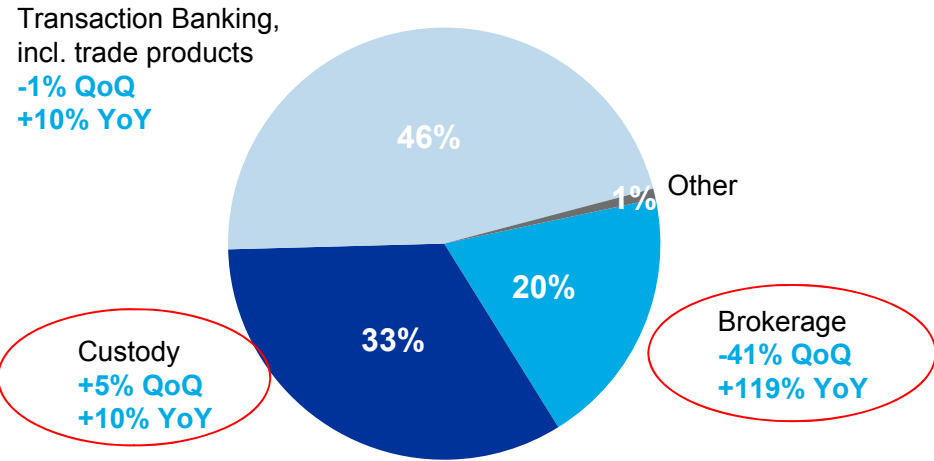


- Inflow of individual customers' deposits in 2Q 2013, mainly in current accounts and saving accounts (the QoQ growth of 3% and 10% respectively)
- The QoQ increase above the market level

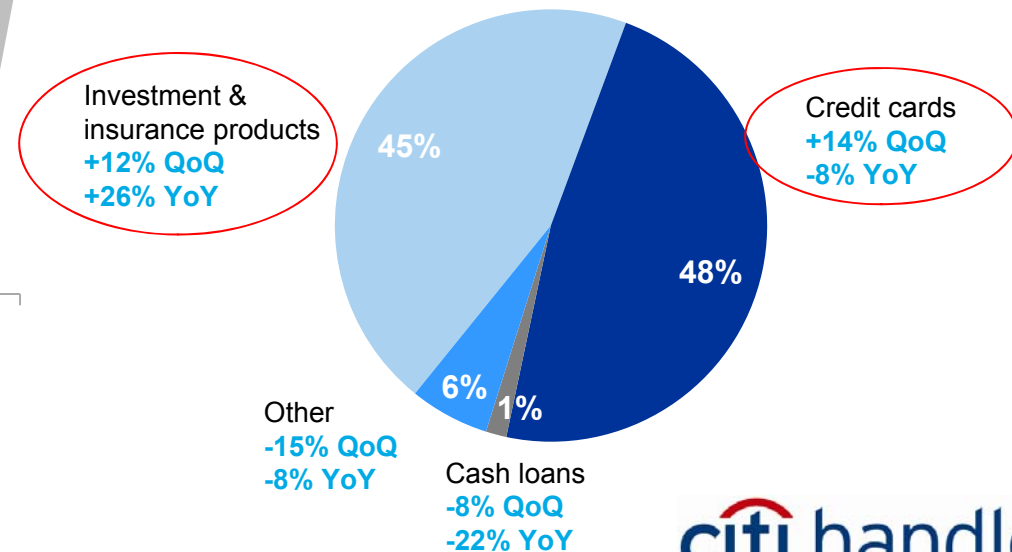
Net fee & commission income – increase driven by the capital markets



Corporate Banking -9% QoQ and +16% YoY

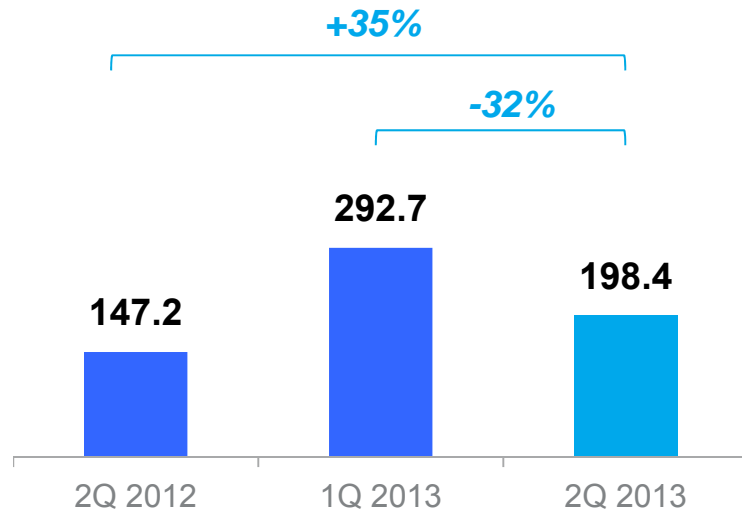


Retail Banking +11% QoQ and +4% YoY



Treasury result

Treasury result (PLN MM)



Result on customer operations



Result on proprietary management

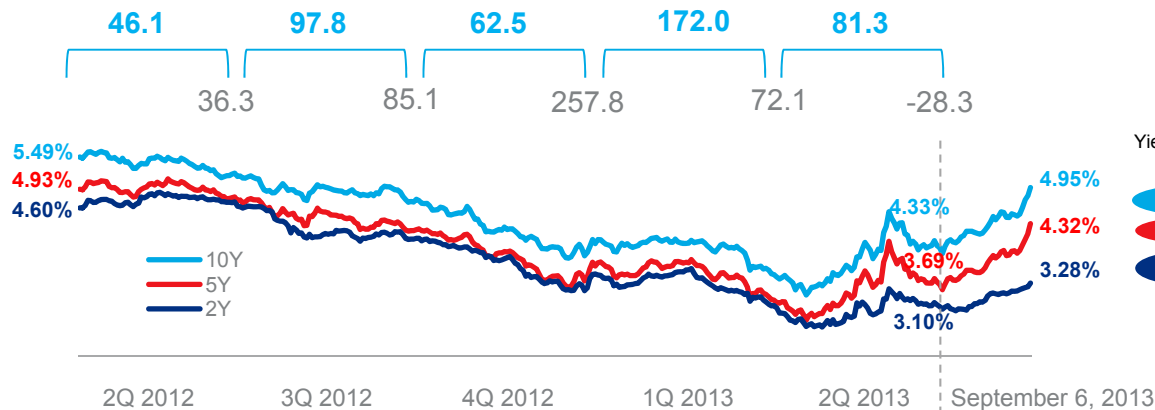


Note: The scales on the graphs are not comparable.

Government bond yields vs. gains on sale of debt securities (PLN MM)

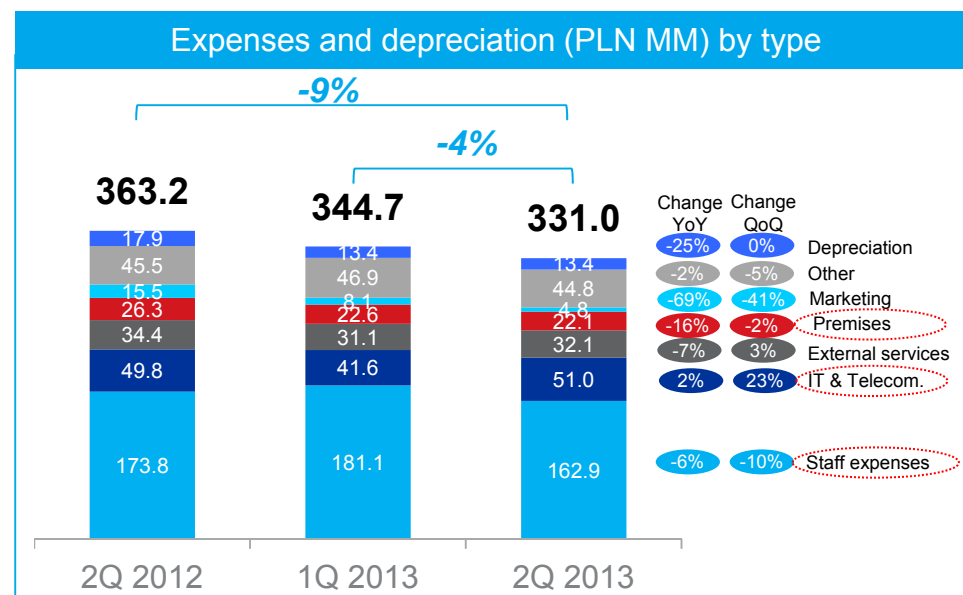
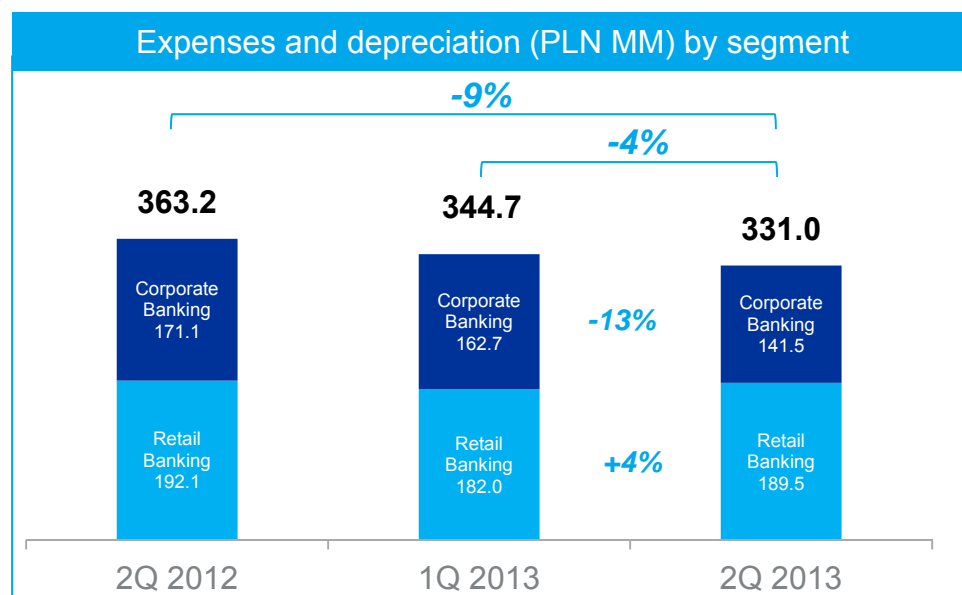
Gains on sale of the portfolio in respective quarter (PLN MM)

Valuation in the equity as of the end of a quarter (PLN MM)



Yield change YoY	Yield change QoQ	Yield change QTD
-82 bps	41 bps	62 bps
-104 bps	27 bps	63 bps
-153 bps	-5 bps	18 bps

Expenses and depreciation



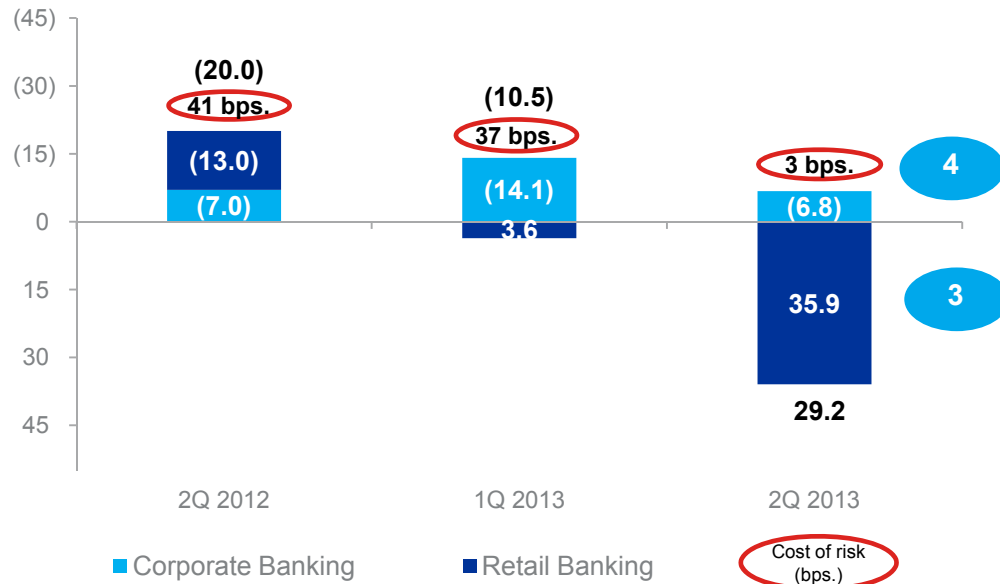
Cost efficiency ratios and employment data

	2Q 2012	1Q 2013	2Q 2013	Change QoQ	Change YoY
Cost / Income ratio					
Bank	54%	43%	49%	↑	↓
Corporate Banking	45%	30%	34%	↑	↓
Retail Banking	67%	70%	73%	↑	↑
Employment in Bank (number of FTEs as of the end of period)	5,295	5,024	4,796	↓	↓

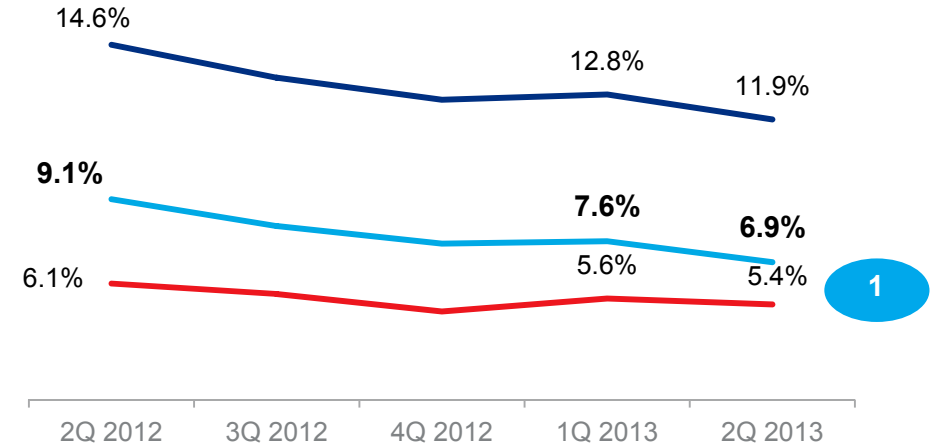
- **The YoY decrease in Bank's expenses** mainly due to:
 - the branch network optimization and employment restructuring (the decrease in staff, premises, depreciation)
 - lower advertising and marketing expenses
- **The QoQ decrease in Bank's expenses** mainly due to:
 - drop in staff expenses
 - lower spending on advertising and marketing
- **Cost / Income ratio** at **49%** in 2Q 2013

Consistent credit risk policy

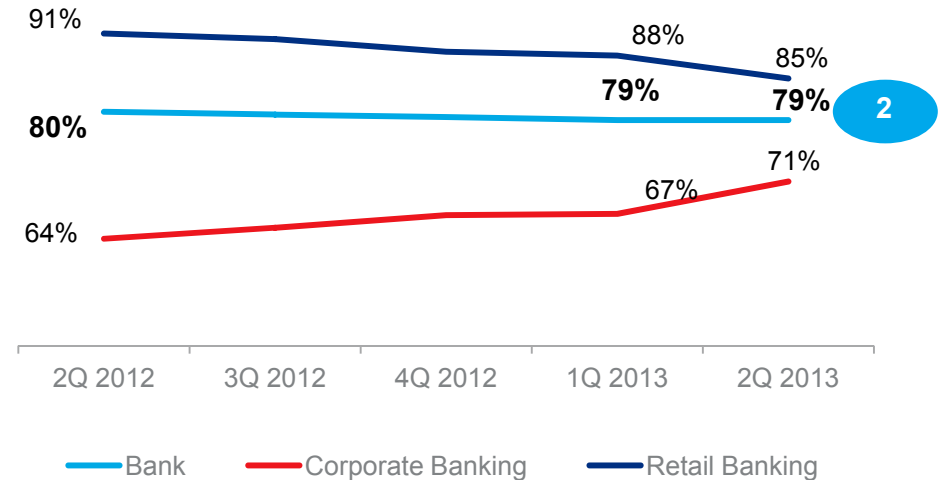
Net impairment losses (PLN MM)



Non-performing loans ratio (NPL)



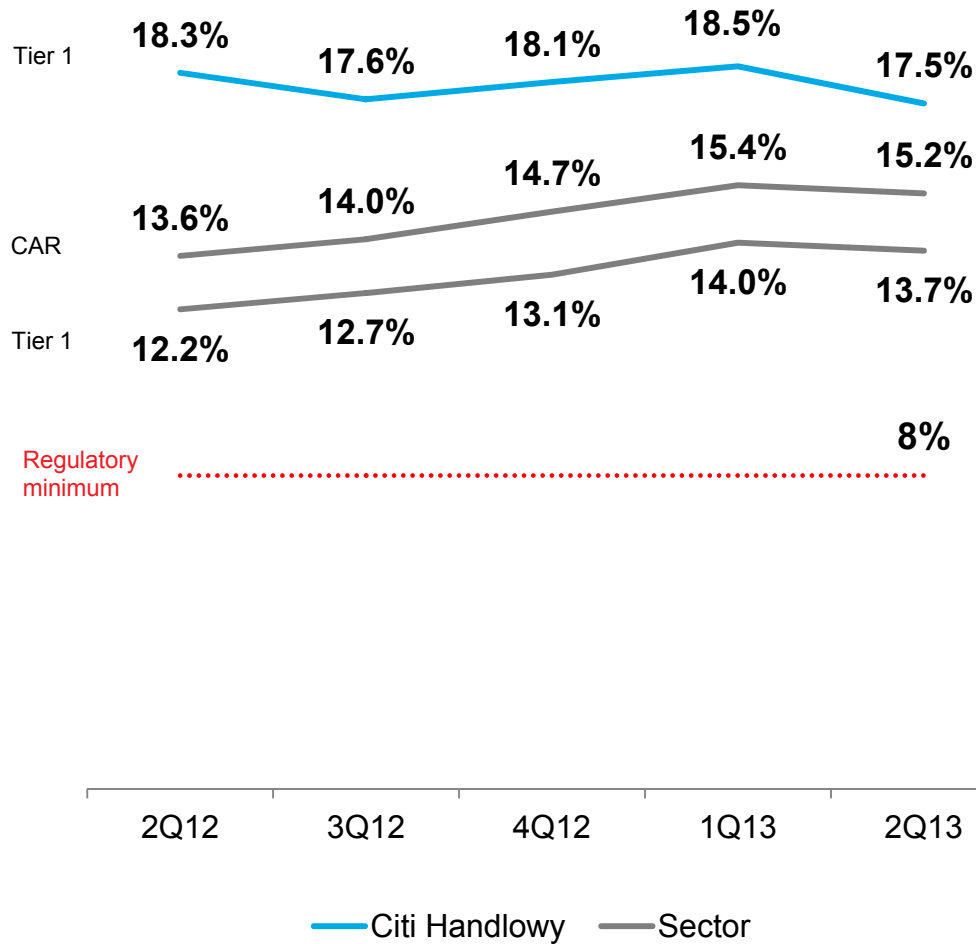
Provision coverage ratio



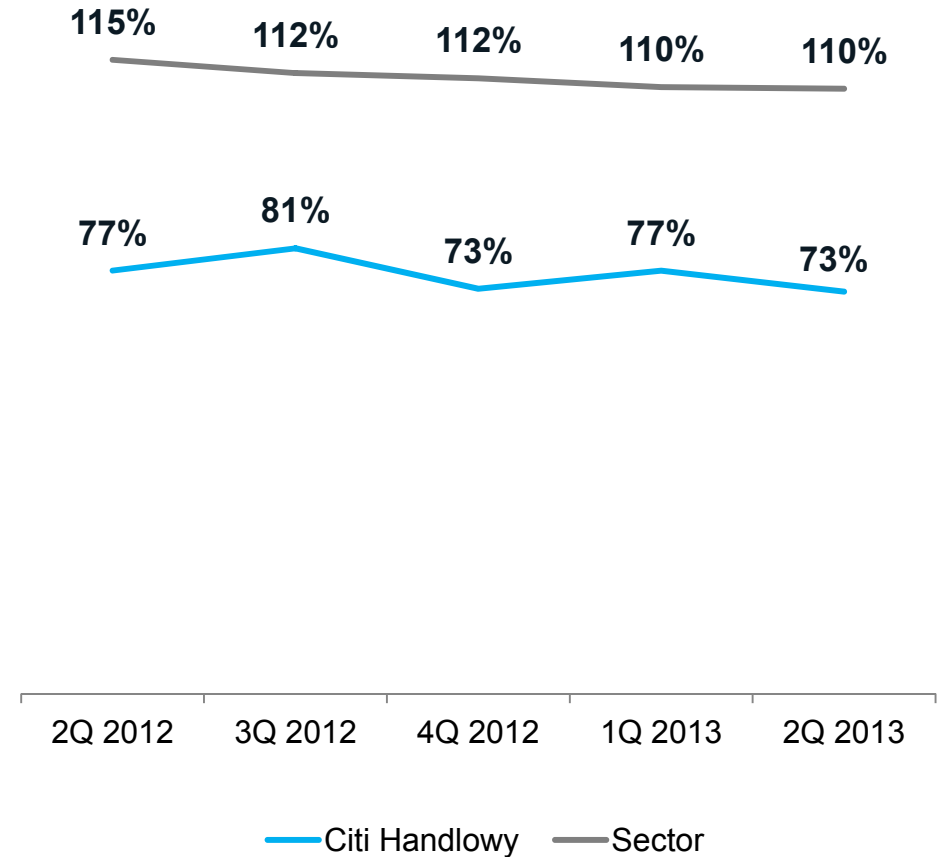
- 1 NPL ratio at **6.9%**, down both in QoQ and YoY terms driven by better loan portfolio quality in retail and corporate customers' segments
- 2 Provision coverage ratio remained at a high level of **79%**
- 3 Reversal of net impairment losses in Retail Banking segment due to better portfolio quality and NPL sales in 2Q 2013
- 4 Annualized cost of risk significantly below the sector (**0.03%** vs. **0.96%** in sector)

Liquidity and capital adequacy – stable and safe position

Capital adequacy ratio – Bank vs. sector



Loans to deposits ratio – Bank vs. sector



Income statement – Bank

PLN MM	2Q12	3Q12	4Q12	1Q13	2Q13	2Q13 vs. 1Q13		2Q13 vs. 2Q12	
						PLN MM	%	PLN MM	%
Net interest income	369	370	351	327	311	(17)	(5%)	(58)	(16%)
Interest income	513	532	497	442	412	(30)	(7%)	(100)	(20%)
Interest expenses	(144)	(161)	(145)	(115)	(102)	13	(11%)	42	(29%)
Net fee and commission income	151	152	144	164	165	2	1%	14	9%
Dividend income	5	1	-	-	4	4	-	(1)	-
Gains on AFS debt securities	46	98	63	172	81	(91)	(53%)	35	76%
FX and trading	101	61	93	121	117	(4)	(3%)	16	16%
Treasury	147	159	155	293	198	(94)	(32%)	51	35%
Net gain on capital investment instruments	-	-	-	2	-	(2)	(100%)	-	-
Net other operating income	(4)	(8)	(5)	9	0	(9)	(97%)	4	(108%)
Revenue	669	674	645	795	679	(116)	(15%)	10	1%
Expenses	(345)	(321)	(300)	(331)	(318)	14	(4%)	28	(8%)
Depreciation	(18)	(16)	(15)	(13)	(13)	0	(0%)	5	(25%)
Expenses and depreciation	(363)	(337)	(315)	(345)	(331)	14	(4%)	32	(9%)
Operating margin	306	338	330	450	348	(102)	(23%)	42	14%
Net impairment losses	(20)	(22)	(1)	(10)	29	40	(379%)	49	(246%)
Share in subs' profits	0	0	0	(0)	(1)	(1)	876%	(1)	(5056%)
EBIT	286	316	329	440	376	(64)	(15%)	90	31%
Corporate income tax	(55)	(64)	(85)	(84)	(75)	9	(10%)	(20)	37%
Net profit	231	251	245	355	300	(55)	(15%)	70	30%
C/I ratio	54%	50%	49%	43%	49%				

Balance sheet – key items

PLN B	End of period					2Q13 vs. 1Q13		2Q13 vs. 2Q12	
	2Q12	3Q12	4Q12	1Q13	2Q13				
Cash and balances with the Central Bank	0.6	0.9	1.4	1.0	0.8	(0.3)	(26%)	0.1	18%
Amounts due from banks	1.0	2.1	1.5	1.4	2.3	0.9	60%	1.3	126%
Financial assets held-for-trading	6.9	5.9	6.8	9.2	8.9	(0.3)	(3%)	1.9	28%
Debt securities available-for-sale	15.6	8.7	15.0	12.0	14.1	2.1	18%	(1.5)	(10%)
Customer loans	14.8	15.8	16.2	16.3	17.0	0.8	5%	2.3	15%
Financial sector entities	0.8	1.2	0.9	1.6	2.4	0.8	51%	1.7	215%
Non-financial sector entities	14.0	14.6	15.3	14.7	14.6	(0.0)	(0%)	0.6	4%
Corporate Banking	8.8	9.4	10.0	9.5	9.4	(0.1)	(1%)	0.5	6%
Retail Banking	5.2	5.2	5.3	5.2	5.2	0.1	1%	0.1	1%
Credit cards	2.2	2.2	2.2	2.0	2.1	0.0	2%	(0.1)	(4%)
Cash loans	2.2	2.1	2.1	2.1	2.1	(0.0)	(1%)	(0.1)	(4%)
Mortgage	0.8	0.9	0.9	1.0	1.0	0.0	3%	0.2	33%
Other assets	2.9	3.0	2.6	2.8	3.2	0.3	12%	0.3	11%
Total assets	41.9	36.5	43.5	42.7	46.3	3.5	8%	4.4	11%
Liabilities due to banks	8.7	2.6	2.4	5.7	7.1	1.4	25%	(1.6)	(19%)
Financial liabilities held-for-trading	3.6	4.7	5.8	5.3	4.8	(0.5)	(9%)	1.2	33%
Financial liabilities due to customers	21.1	20.9	26.9	22.8	25.0	2.1	9%	3.8	18%
Financial sector entities - deposits	2.7	2.6	2.8	3.0	4.2	1.3	43%	1.6	58%
Non-financial sector entities - deposits	18.2	18.1	20.8	19.1	20.0	0.9	5%	1.8	10%
Corporate Banking	12.1	12.0	14.9	12.7	13.3	0.6	4%	1.1	9%
Retail Banking	6.1	6.1	5.9	6.4	6.8	0.4	6%	0.7	11%
Other financial liabilities	0.2	0.2	3.2	0.7	0.7	(0.1)	(7%)	0.5	248%
Other liabilities	1.7	1.4	1.1	1.4	2.4	1.0	71%	0.7	43%
Total liabilities	35.2	29.5	36.1	35.2	39.3	4.1	12%	4.1	12%
Equity	6.7	7.0	7.4	7.6	7.0	(0.6)	(7%)	0.3	5.0%
Total liabilities & equity	41.9	36.5	43.5	42.7	46.3	3.5	8%	4.4	11%
Loans / Deposits ratio	77%	81%	73%	77%	73%				
Capital Adequacy Ratio	18.3%	17.6%	18.1%	18.5%	17.5%				

Corporate Banking – income statement

PLN MM	2Q12	3Q12	4Q12	1Q13	2Q13	2Q13 vs. 1Q13		2Q13 vs. 2Q12	
						PLN MM	%	PLN MM	%
Net interest income	174	175	164	152	147	(5)	(3%)	(27)	(16%)
Interest income	287	306	279	238	220	(18)	(7%)	(67)	(23%)
Interest expenses	(113)	(131)	(116)	(86)	(74)	13	(15%)	40	(35%)
Net fee and commission income	65	59	61	83	75	(7)	(9%)	10	16%
Dividend income	2	1	-	-	1	1	-	(0)	-
Gains on AFS debt securities	46	98	63	172	81	(91)	(53%)	35	76%
FX and trading	91	52	84	113	108	(4)	(4%)	17	19%
Treasury	138	150	147	285	190	(95)	(33%)	52	38%
Net gain on capital investment instruments	-	-	-	2	-	(2)	(100%)	-	-
Net other operating income	2	1	1	15	5	(10)	(67%)	3	125%
Revenue	380	385	372	536	418	(118)	(22%)	38	10%
Expenses	(163)	(142)	(162)	(156)	(135)	21	(13%)	28	(17%)
Depreciation	(8)	(6)	(7)	(7)	(6)	0	(5%)	2	(23%)
Expenses and depreciation	(171)	(149)	(169)	(163)	(142)	21	(13%)	30	(17%)
Operating margin	209	237	203	373	276	(97)	(26%)	67	32%
Net impairment losses	(7)	(16)	(4)	(14)	(7)	7	(52%)	0	(4%)
Share in subs' profits	0	0	0	(0)	(1)	(1)	876%	(1)	(5056%)
EBIT	202	221	200	359	269	(90)	(25%)	66	33%
C/I ratio	45%	39%	45%	30%	34%				

Retail Banking – income statement

PLN MM	2Q12	3Q12	4Q12	1Q13	2Q13	2Q13 vs. 1Q13		2Q13 vs. 2Q12	
						PLN MM	%	PLN MM	%
Net interest income	195	195	188	175	164	(11)	(7%)	(31)	(16%)
Interest income	225	225	217	204	192	(12)	(6%)	(33)	(15%)
Interest expenses	(30)	(30)	(30)	(28)	(28)	0	(1%)	2	(8%)
Net fee and commission income	86	93	83	81	90	9	11%	4	4%
Dividend income	4	-	-	-	3	3	-	(1)-	
FX and trading	10	9	8	8	9	1	9%	(1)	(10%)
Net other operating income	(6)	(8)	(6)	(5)	(5)	1	(15%)	1	(24%)
Revenue	288	289	273	259	261	2	1%	(28)	(10%)
Expenses	(183)	(179)	(138)	(175)	(183)	(7)	4%	0	(0%)
Depreciation	(10)	(9)	(8)	(7)	(7)	(0)	5%	3	(27%)
Expenses and depreciation	(192)	(188)	(146)	(182)	(189)	(7)	4%	3	(1%)
Operating margin	96	101	127	77	71	(6)	(8%)	(25)	(26%)
Net impairment losses	(13)	(7)	3	4	36	32	889%	49	(377%)
EBIT	83	94	130	81	107	26	33%	24	29%
C/I ratio	67%	65%	53%	70%	73%				

Retail banking volumes

Volumes (PLN million)	2Q12	3Q12	4Q12	1Q13	2Q13	2Q13 vs. 1Q13		2Q13 vs. 2Q12	
						PLN MM	%	PLN MM	%
Deposits	6 113	6 080	5 887	6 401	6 771	370	6%	658	11%
Demand deposits	2 392	2 411	2 385	2 459	2 537	78	3%	146	6%
Other deposits	3 721	3 669	3 501	3 942	4 233	291	7%	512	14%
including saving accounts	2 507	2 432	2 426	2 968	3 253	285	10%	746	30%
Loans	5 176	5 239	5 260	5 180	5 244	64	1%	68	1%
Credit cards	2 170	2 161	2 150	2 038	2 084	46	2%	(86)	(4%)
Cash loans	2 165	2 135	2 104	2 092	2 080	(12)	(1%)	(85)	(4%)
Mortgage loans	759	862	926	978	1 008	30	3%	249	33%

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Investor Relations Calendar 2013 – upcoming events

November 7	Disclosure of 3Q 2013 consolidated financial report
November 19	BZ WBK Brokerage Investors Conference, Warsaw