

Quarterly Fact Sheet – 27.10.2020

Bank Millennium Group – 3Q20 results

Results affected by negative impact of the recent interest rate cuts

Bank Millennium S.A. Capital Group's consolidated reported **9M20 net profit amounted to PLN132 million (3Q20: PLN60 million)** and was PLN402 million (3Q20: PLN140 million) below the level in the corresponding period of last year.

Direct and indirect impact of Covid-19 pandemic (i.a. lower economic activity in most of 2Q20, an impact of the unprecedented 140bp base interest rate cuts in 1Q20-2Q20) and substantial extraordinary negative P&L items were the main burdens on 9M20 and 3Q20 results. Adjusted for the latter, 9M20 net profit stood at PLN583 million, down 10% y/y while this of 3Q20 amounted to PLN189 million, down 14% y/y. Adjusted ROE of 8.5% (3Q20: 9.0%) compared against 10% in 9M19 (3Q19: 10%).

Main financial highlights in 3Q20

Return on equity (ROE) (*)	8.5%
Net interest margin (NIM) (for 3Q20)	2.49%
Cost/Income ratio (*)	46.8%
Loan/Deposit ratio	85%
Impaired loans ratio (stage 3 portfolio)	4.7%
Total Capital Ratio (TCR)	20.0%
Common equity tier (CET 1)	17.0%

(*) without one-offs

Solid capital and lower regulatory buffer:

- Capital ratios well above levels required by the regulator
- Consolidated FX buffer of 4.87%, equivalent to PLN1.8 billion of absorption capacity.

Main business highlights in 3Q20

Retail loans	up 7% y/y
Mortgage loans sales	+54% y/y PLN1.8bn in 3Q20
Deposits of companies	up 21% y/y
Factoring	up 6% y/y

Euro Bank integration

Integration costs incurred to date represent 74% of the new plan. In 9M20, HR related opex accounted for nearly 60% of total integration costs in the period. **Overall 2020 integration opex target is PLN71mn.**

Positive net synergies continued in 3Q20. Gross synergies increased substantially q/q and are expected to increase further in subsequent quarters. 2020 gross synergies target remains at PLN155mn+, 2021 at PLN 210mn+ while 2022 at cPLN220mn.

Bank Millennium Group

Bank Millennium is a universal bank, offering a broad range of services to retail and corporate customers via a network of 726 branches (including 502 own branches and 224 franchise branches), and electronic banking channels. Bank Millennium is Poland's 7th* largest bank by assets.

It employs 7 846 people (FTEs).

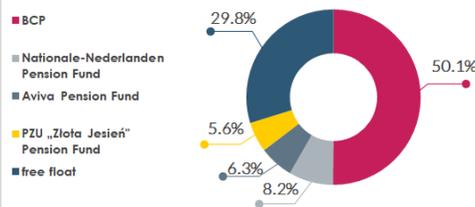
(*) Data as on 30.09.2020

Management Board

- Joao Bras Jorge – CEO
- Fernando Bicho – Deputy Chairman (CFO)
- Wojciech Haase – Board Member
- Andrzej Gliński – Board Member
- Wojciech Rybak – Board Member
- António Ferreira Pinto Júnior – Board Member
- Jarosław Hermann – Board Member

Shareholders structure

as on 31.12.2019



Bank's current rating

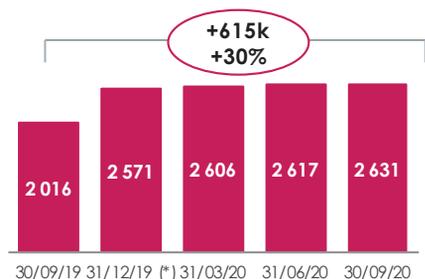
Moody's	Baa1 / P2 / baa3 / stable outlook
Fitch	BBB- / F3 / bbb- / stable outlook
Capital Intelligence	BBB/A3/BBB / stable outlook

Bank's shares

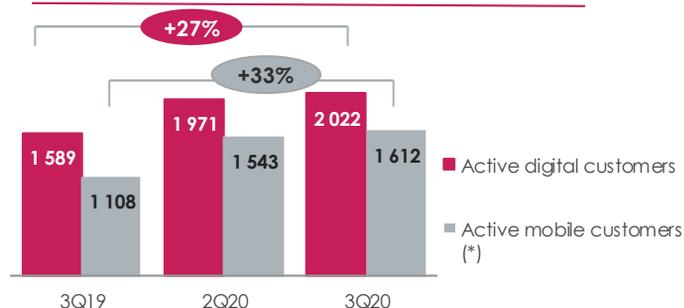
No of shares	1 213 116 777
WSE Ticker	MIL
ISIN	PLBIG0000016
Bloomberg	MILPW
Reuters	MILP.WA
Indices	WIG, WIG 30, mWIG40, WIG Banks, WIG-ESG

2.6 million active clients (30% y/y) and 2.0 million digital clients (27% y/y)

Active retail clients (in thousand)



Active digital and mobile clients (in thousand)



(*) retail clients actively using mobile app and mobile Milenet

Goodie – 2 million app downloads since 2018; 134k in 3Q20

2.4mn

Cashback transactions

PLN 274mn

Generated cashback turnover

PLN 9.2mn

Value of cashbacks

PLN 85mn

Generated cashback turnover and over **700,000** cashback transactions

2mn

Amount cashback

08.2020

enrichment of the Grycan stamp program with ice cream stamps

goodie
mądry sposób na zakupy



Recent innovative solutions

- Easier transfers
- Tourist voucher in PUEZUS
- New banks in open banking services
- Tracking mortgage loan application
- Millennium Investment Programme available online
- Mobile Authorization in branches
- New platform Millennium Forex Trader HTML 5
- Prepaid Card Register and 3D-Secure password defining for all cards
- Updating the data exchange structures of postal money orders



Bank Millennium Investor Relations

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Kanał na YouTube



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