

## Quarterly Fact Sheet - 02.02.2021

### Bank Millennium Group - 2020 preliminary results

Results affected by negative impact of the interest rate cuts & FX - mortgage legal risk provisions

Bank Millennium S.A. Capital Group's (the 'Bank', the 'BM Group') consolidated non-audited 2020 net profit amounted to PLN23 million (4Q20: negative PLN109 million) and was substantially below this in the previous year. Direct and indirect impact of Covid-19 pandemic (i.a. lower economic activity in parts of the year, an impact of the unprecedented 140bp base interest rate cut in 1Q20-2Q20) and substantial extraordinary negative P&L items were the main burdens on our results. In particular, the net loss in 4Q20 resulted from significant, PLN380 million pre-tax (2020: PLN677 million), provisions against legal risk related to FX-mortgage portfolio originated by Bank Millennium. The provision balance stood at PLN924 million at YE20. Adjusted for the provision cost, BM Group would report net profit of PLN207 million in 4Q20 and PLN637 million in 2020 overall.

Full year net profit adjusted for all extraordinary items stood at PLN709 million, down 23% y/y while this of 4Q20 amounted to PLN204 million

#### Financial highlights of 4Q20/2020

##### 4Q20

NII stable, NIM up	+4bp q/q
Fees up	+7% q/q
HR costs down	-10% q/q

##### 2020

Revenues up y/y	+3%
Costs only marginally up	+2%
Provision coverage up	DPD90+ 119%

#### Business highlights of 4Q20/2020

##### 4Q20

Mortgage sales	>PLN2.0bn
AuM	+7% q/q
Debit cards	>3 mln

##### 2020

Mortgage sales	LN6.8bn+57%
Active digital customers	>2,0mn
Loans	+6% y/y

#### Euro Bank integration

##### FY20 synergies above the plan

###### Integration costs

incurred to date represent 88% of the plan

###### Net synergies in a steady uptrend

with FY20 result >PLN100mn, above the plan, and 2021 expected to bring 2x higher result

### Bank Millennium Group

Bank Millennium is a universal bank, offering a broad range of services to retail and corporate customers via a network of 702 branches (including 477 own branches and 225 franchise branches), and electronic banking channels. Bank Millennium is Poland's 7th\* largest bank by assets.

It employs 7 747 people (FTEs).

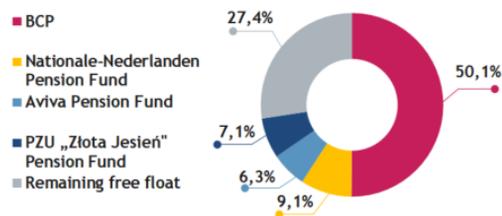
(\* Data as on 30.09.2020)

### 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 31.12.2020



### Bank's current rating

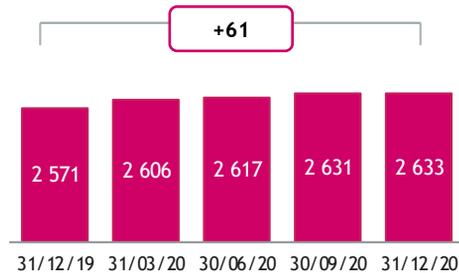
Moody's	Baa1/ P2/ baa3 / stable outlook
Fitch	BBB- / F3/ bbb- / stable outlook
Capital Intelligence	BBB/A3/BBB / stable outlook

### Bank's shares

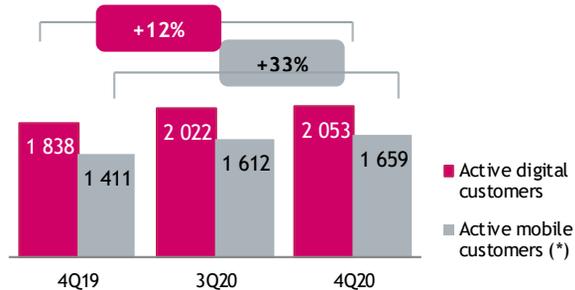
No of shares	1 213 116 777
WSE Ticker	MIL
ISIN	PLBIG0000016
Bloomberg	MIL PW
Reuters	MILP.WA
Indices	WIG, WIG 30, mWIG40, WIG Banks, WIG-ESG

## 2.6 million active clients and 2.0 million digital clients

Active retail clients (in thousand)



Active digital and mobile clients (in thousand)



(\*) retail clients actively using mobile app and mobile Millenet

## Goodie

2.2mn downloads since 2018

PLN 413mn  
Generated cashback turnover

PLN 12mn  
Amount cashback

30,000  
Sold goodie gift cards

4Q20: 169,000 app downloads

PLN 137mn  
Generated cashback turnover and over 1mn cashback transactions

3.5mn  
Amount cashback

20,000  
Sold goodie gift cards



## 2021 – a transition year before new strategy roll-out

Quick recovery of business results



- Improvement of business results through better pricing and sales increase in core products
- Double-digit growth of cash loan sales
- Mortgage sales above PLN7bn
- Corporate loan book growth >PLN1.1bn

Focus on operational efficiency



- New operational efficiency program: Processes Re-engineering, automatization, standardisation and simplification
- # radical productivity
- Fine-tuning of branch network after 21% reduction in 2020
- C/I of c.a. 47%

Full digitalisation



- Extending digital customer base beyond current age segments
- Exceeding 80% digital clients by the end of YE21
- 80% end-to-end sales processes coverage on digital platforms
- Keeping top-notch customer digital experience

## Bank Millennium Investor Relations

Dariusz Górski - Head of Investor Relations

Katarzyna Stawinoga - Tel.: +48 22 598-11-10

Marek Miśków - Tel.: +48 22 598-11-16

e-mail: [ir@bankmillennium.pl](mailto:ir@bankmillennium.pl)

## Next events

04.05.2021 - 1Q21 results

27.07.2021 - 1H21 results

26.10.2021 - 3Q21 results



[www.bankmillennium.pl](http://www.bankmillennium.pl)



Kanał na YouTube



Twitter: [@BankMillennium](https://twitter.com/BankMillennium)

This information has been prepared by Bank Millennium for information purpose and should be not treated as investment advice. The information presented in this document should be read together with other information published by the Bank (on [www.bankmillennium.pl](http://www.bankmillennium.pl)), in particular financial and current reports. Information is based on the non-audited consolidated Bank Millennium Group level.