



# Presentation 4Q21/FY21 preliminary non- audited results

1 February 2022

# DISCLAIMER



This presentation has been prepared by Bank Millennium for its stakeholders for information purpose only. The information presented in this presentation 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.

Financial data presented hereby is on consolidated Bank Millennium Group level.

The data is based on published financial reports with two pro-forma adjustments:

- The Bank altered its presentation of margin on derivatives that is not meeting formal hedge accounting principles and from Jan 1, 2021 all margin from derivatives is included in the reported NII.
- According to current understanding of IFRS9 standard, small part of credit portfolio is fair valued through P&L. As fair value adjustment of this portfolio has similar economic effect to impairment adjustment, in this presentation it was excluded from Total Operating Income and added to cost of risk line.

This presentation should not be treated as a recommendation to purchase securities, an offer, invitation or a solicitation of an offer to purchase, invest or conclude any transaction on securities, in particular with respect to securities of Bank Millennium.



# AGENDA

A background image showing four business professionals in a modern office setting with large windows. A woman in a light blue shirt is seated on the left, looking towards the right. Two men in dark suits are seated in the center and right, looking at a laptop. A woman in a light blue shirt is standing on the far right, looking down at a document. The office has large windows overlooking a city skyline.

Financial  
performance

01

Business  
development

02

Appendices

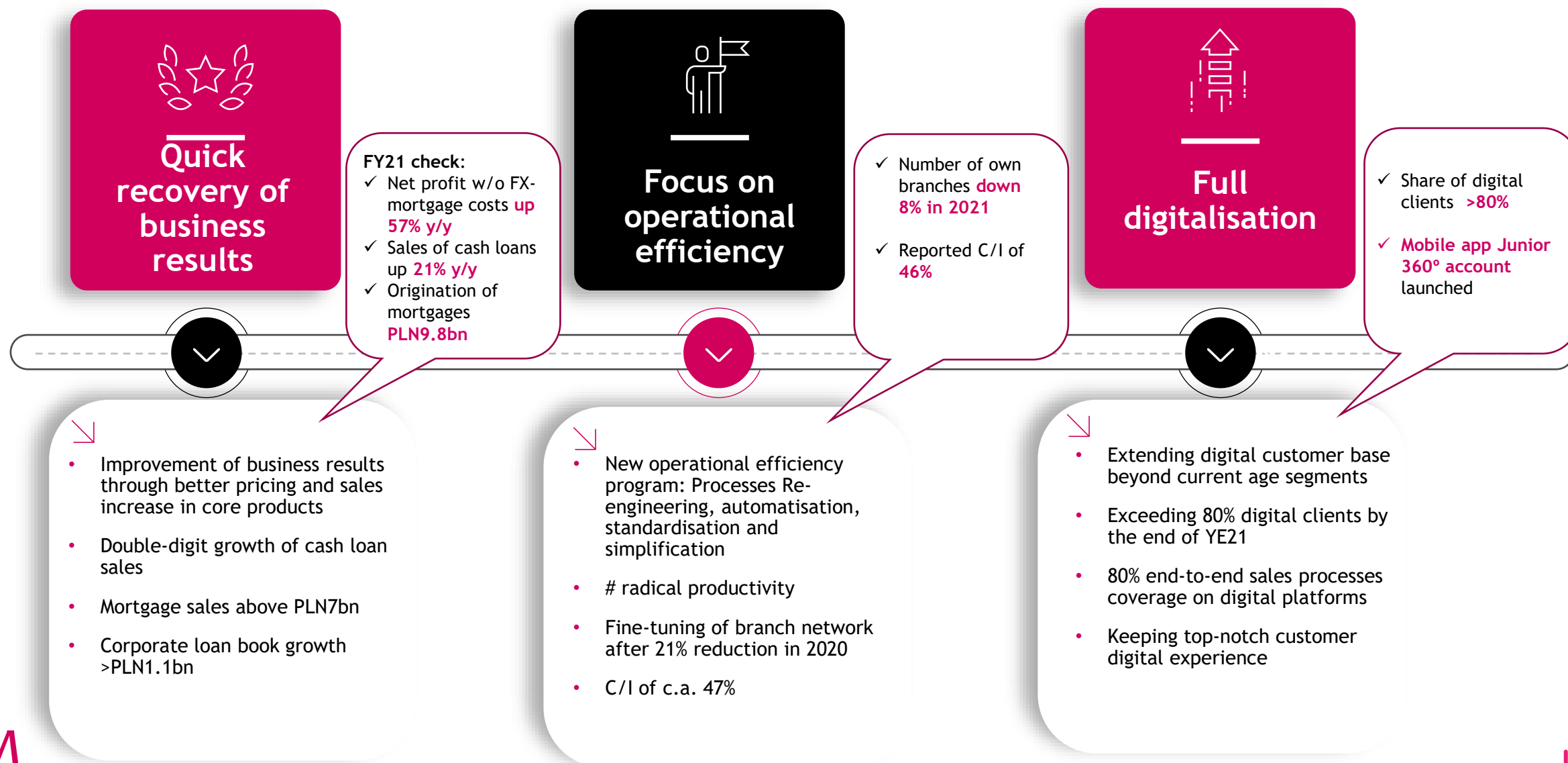
03



# PRESENTATION OF 4Q21/FY21 RESULTS

Financial performance

# 2021 - A TRANSITION YEAR BEFORE NEW STRATEGY ROLL-OUT



# NEW STRATEGY 2022-2024

Millennium Bank inspired by people

For years **clients** have been at the **center of our thinking**. We talk, listen, understand and co-create our solutions together. Now, we are to leverage this approach in even more intensive way ...



... by complementing with the internal view and insights to be truly **inspired by (our) people!**

## Pillars of 'Millennium 24' strategy:

01

Top quality and extended offering for **individual clients**

02

Bank of the 1<sup>st</sup> choice for **new microbusinesses**

03

Strategic partner supporting **corporate development**

&

Supported by **innovative solutions** & top notch **CX** in digital channels (**mobile-first** approach)

04

Sustainable organization **on the climate neutrality path**

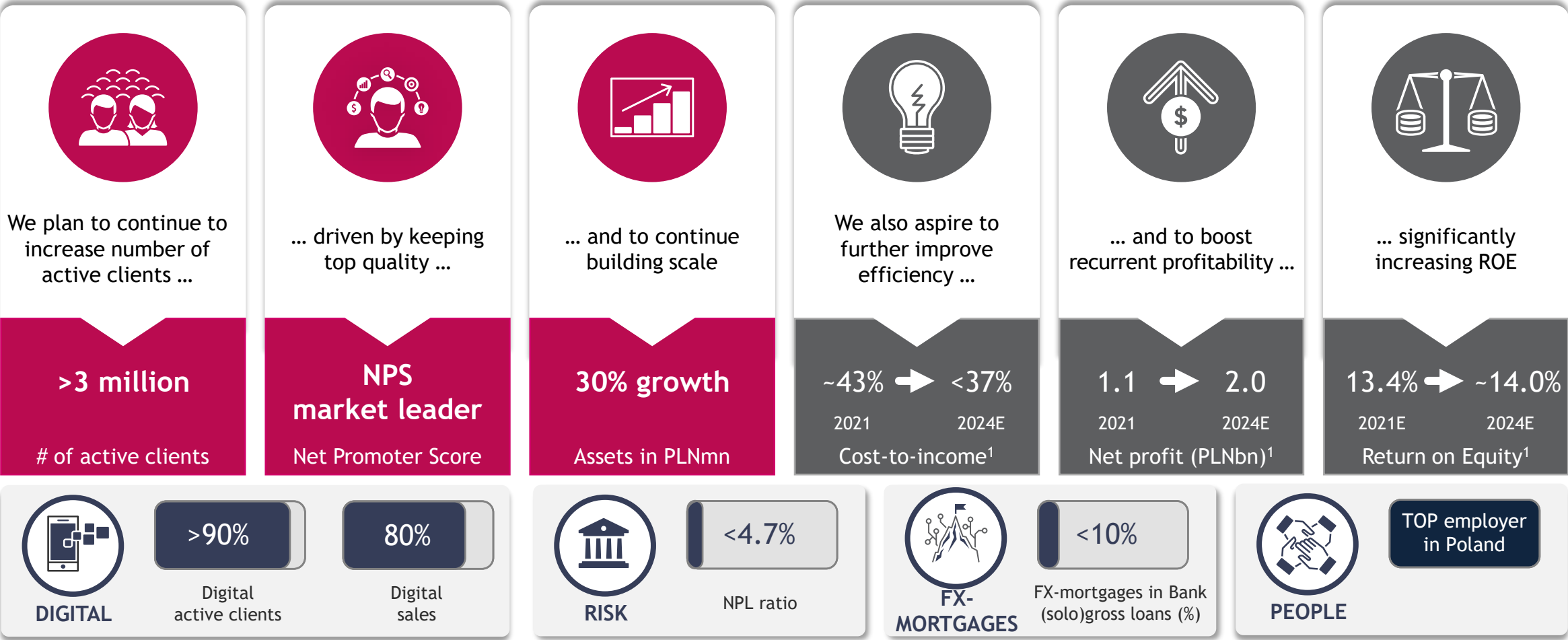
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Great place to work for **our people** and for **top talents**

# STRATEGY 2024 AMBITIONS IN BRIEF

Profitable growth, doubling Bank Millennium's recurrent profit while driving scale, strong customer recognition

## Ambitions by 2024:



1. C/I, net profit and ROE excluding FX-mortgage book related costs

# KEY PROFIT & LOSS ITEMS

PLNm	2021	2020	Change Y/Y	4Q21	3Q21	Change Q/Q
Net interest income	2 713.1	2 583.1	5.0%	767.1	668.9	14.7%
Net commission income	830.6	746.1	11.3%	215.0	201.6	6.6%
<b>Total operating income</b>	<b>3 558.1</b>	<b>3 577.8</b>	<b>-0.5%</b>	<b>923.1</b>	<b>845.6</b>	<b>9.2%</b>
<b>Total costs</b>	<b>-1 642.3</b>	<b>-1 752.8</b>	<b>-6.3%</b>	<b>-434.1</b>	<b>-402.3</b>	<b>7.9%</b>
<i>Costs without EB integration and BFG</i>	<i>-1 524.1</i>	<i>-1 517.8</i>	<i>0.4%</i>	<i>-416.6</i>	<i>-384.9</i>	<i>8.2%</i>
Loan loss provisions (incl. Covid-19)	-299.0	-621.3	-51.9%	-82.0	-83.5	-1.7%
FX mortg. legal risk provisions	-2 305.2	-713.6	223.0%	-732.0	-526.1	39.1%
Banking tax on assets	-312.6	-279.1	12.0%	-82.0	-78.6	4.3%
<b>Net profit</b>	<b>-1 331.9</b>	<b>22.8</b>	<b>-</b>	<b>-508.9</b>	<b>-311.3</b>	<b>-</b>
<i>Net profit without extraordinary items*</i>	<i>1 110.0</i>	<i>768.1</i>	<i>44.5%</i>	<i>305.8</i>	<i>258.1</i>	<i>18.5%</i>
NIM	2.70%	2.61%	0.09 pp	2.98%	2.61%	0.37 pp
Cost/income reported	46.2%	49.0%	-2.8 pp	47.0%	47.6%	-0.6 pp
Cost/income adjusted (*)	42.7%	45.8%	-3.1 pp	41.5%	43.7%	-2.2 pp
Cost of risk	37	83	-46 bp	39	42	-3 bp
ROE	-16.3%	0.3%	-	-27.7%	-15.2%	-
ROE adjusted (*)	13.6%	8.4%	5.2 pp	16.7%	12.6%	4.1 pp



# KEY BALANCE SHEET AND BUSINESS ITEMS

PLNm	Dec. 21	Dec. 20	Change Y/Y	Sep. 21	Change Q/Q
Active customers (ths)	2 694	2 607	87	2 664	30
incl. on-line and mobile	2 263	2 053	210	2 206	57
Customer funds	100 425	90 264	11.3%	99 820	0.6%
Deposits	91 448	81 511	12.2%	90 250	1.3%
Deposits of individuals	66 022	61 875	6.7%	64 965	1.6%
Loans	78 603	73 639	6.7%	77 280	1.7%
FX mortgage loans excl. EB	9 047	12 691	-28.7%	9 857	-8.2%
Loans without FX mortgages	68 806	59 960	14.8%	66 626	3.3%
L/D	86.0%	90.3%	-4.3 pp	85.6%	0.3 pp
Impaired loan ratio (**)	4.4%	5.0%	-0.6 pp	4.7%	-0.3 pp
Coverage ratio	68.6%	65.7%	2.9 pp	67.6%	1.0 pp
CET1 = T1	14.0%	16.5%	-2.5 pp	15.1%	-1.1 pp
TCR	17.1%	19.5%	-2.4 pp	18.2%	-1.1 pp

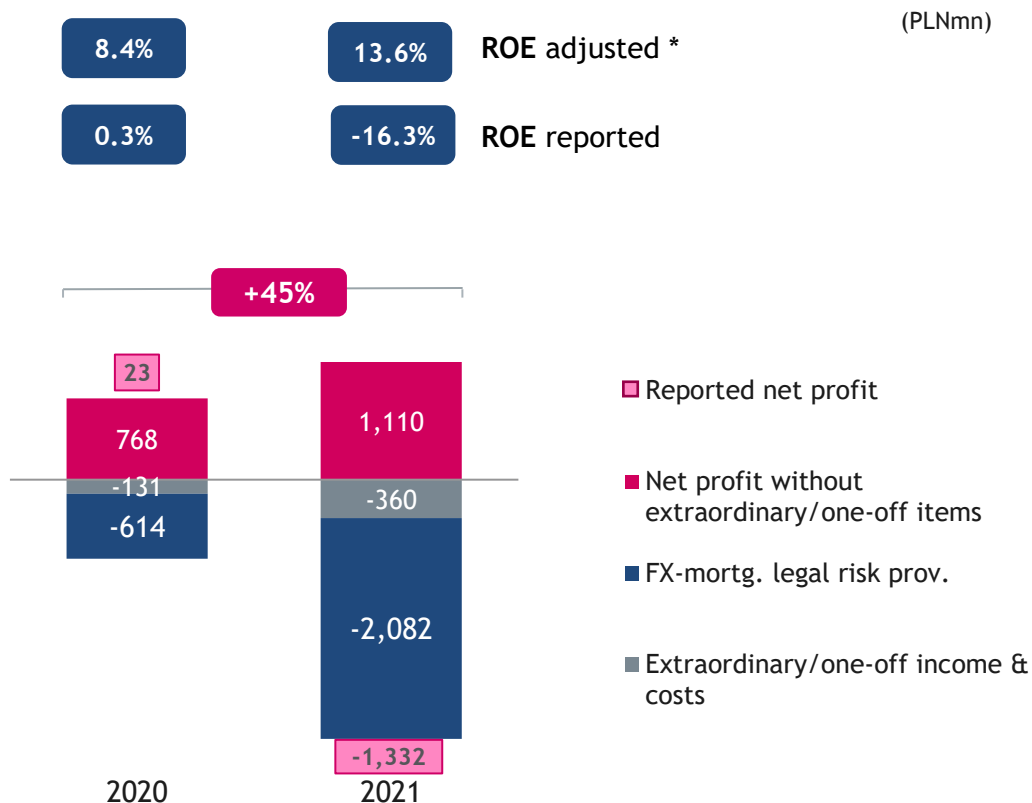


(\*) Changes in methodology since Dec-20  
(\*\*) stage 3 and POCI loans share in gross total loans

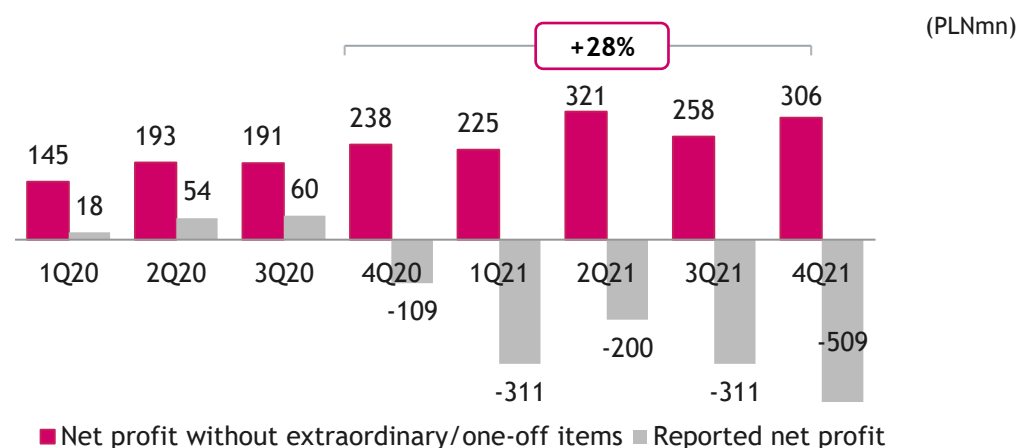
# FINANCIAL HIGHLIGHTS OF 4Q21/2021

Core profitability (ex-FX mortgage) is growing: 2021 ROE at high 13.6%, net income up 45% y/y

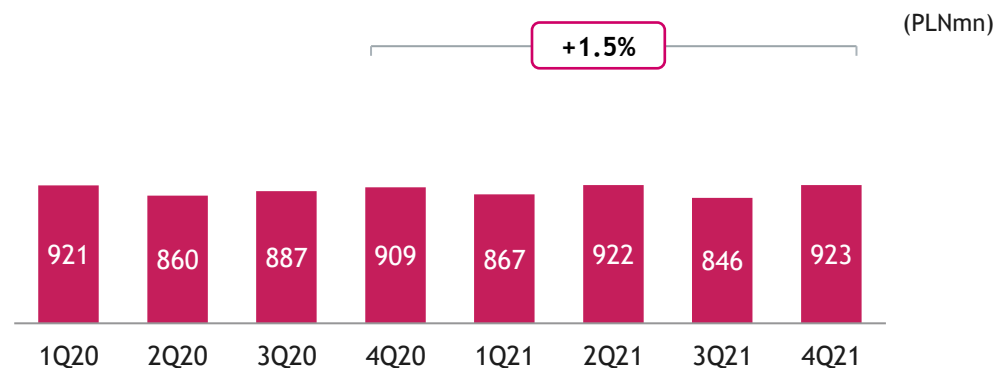
## Net profit



## Net profit w/o extraordinary\* items



## Operating income



# FINANCIAL HIGHLIGHTS OF 4Q21/2021

Most of last year's pandemic impact neutralised

Adjusted net profit\*

**+45% y/y**

NII rebounded, NIM up

**+44bp y/y**

Fees up

**+11% y/y**

Adjusted ROE

**13.6%**

Costs reduction

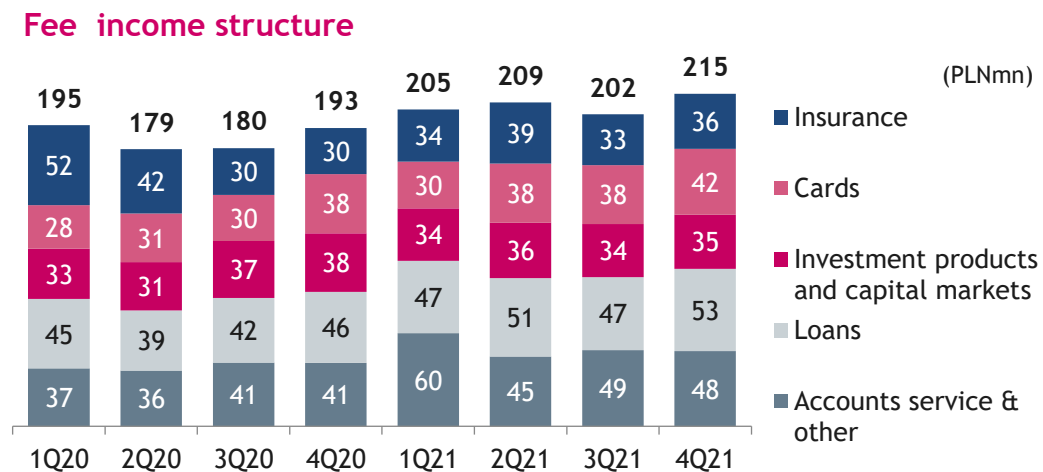
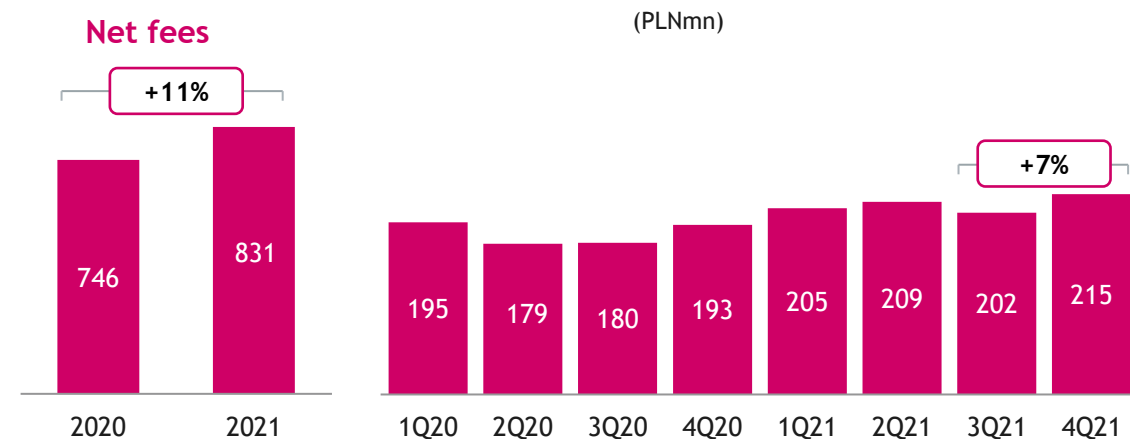
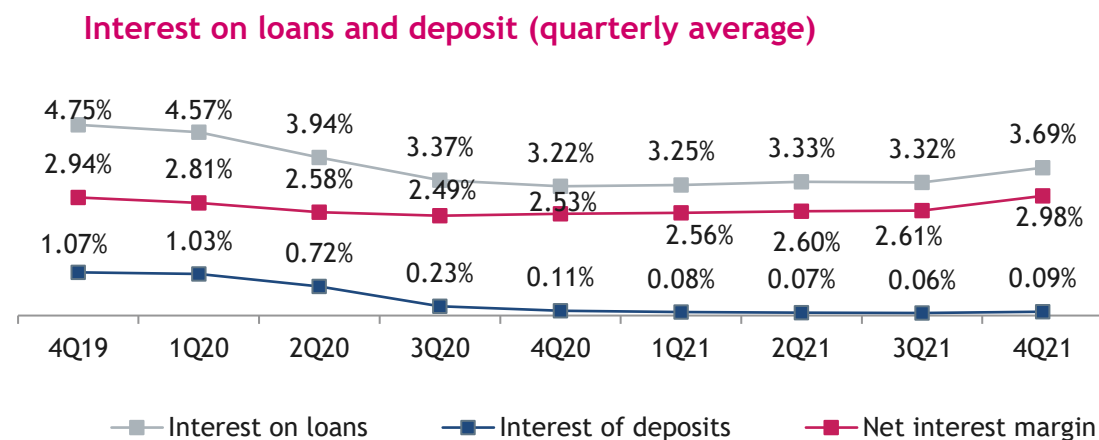
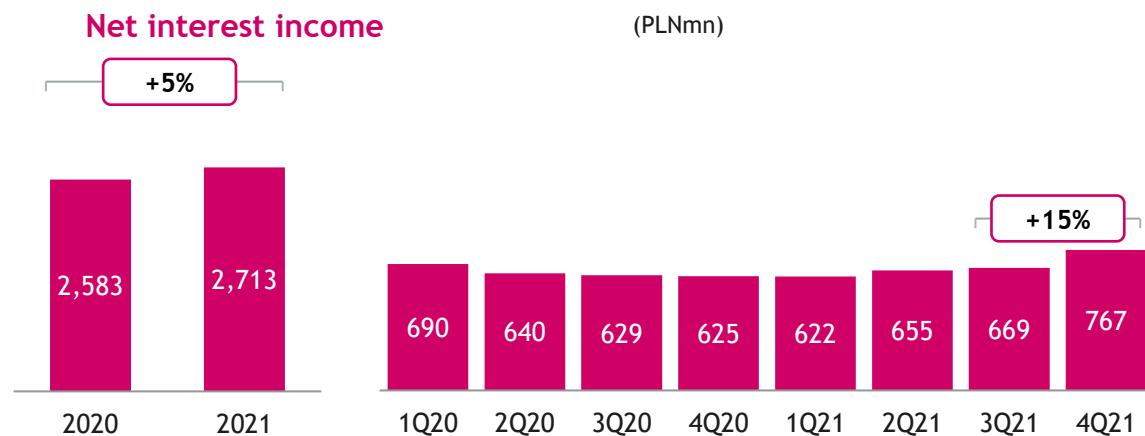
**-6% y/y**

Provision coverage up

**DPD>90 133%**

# INTEREST AND COMMISSION INCOME

NII clearly up in 4Q; gradual growth of quarterly NIM; remarkable growth in fees: +11% y/y



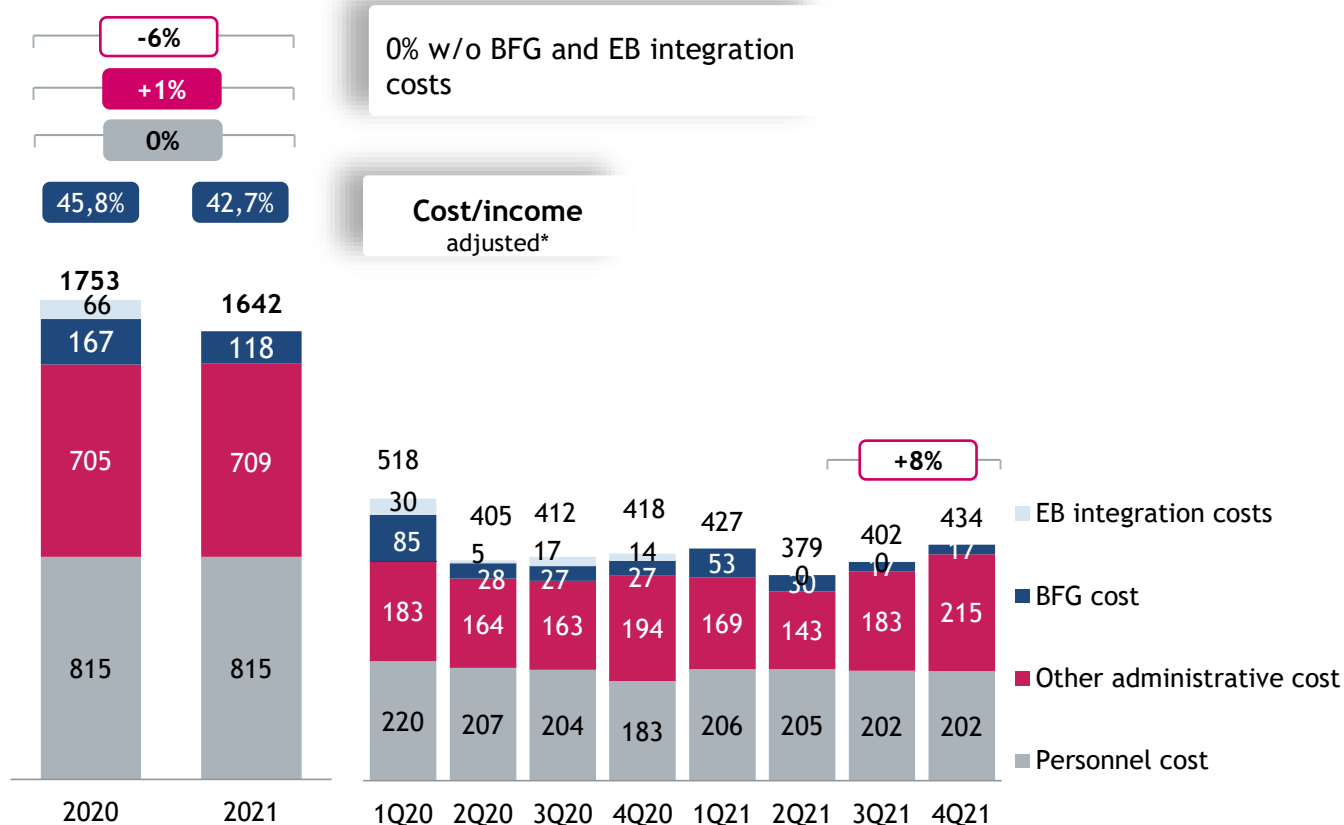


## COST EFFICIENCY

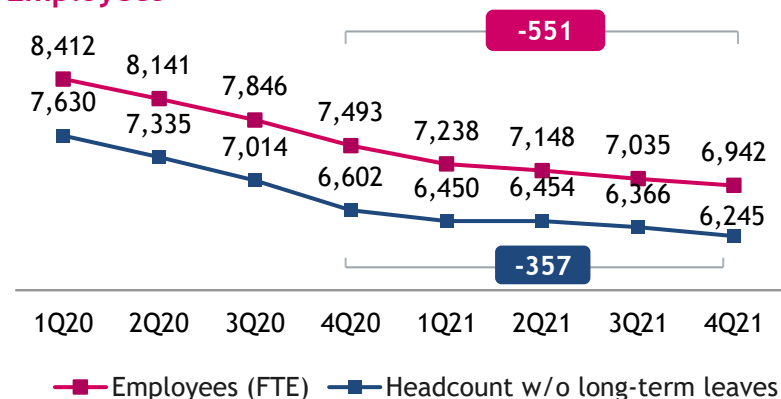
Operating costs down 6% y/y supported by lower BFG fees and cost saving initiatives (flat w/o BFG and integration)

## Operating cost

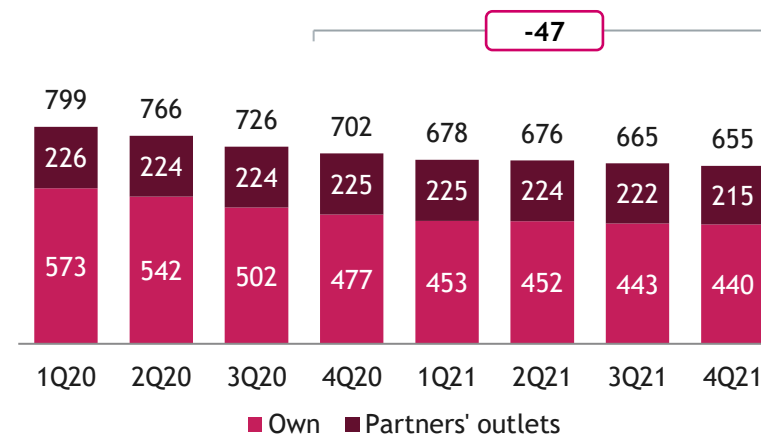
(PLNm<sub>n</sub>)



## Employees



## Branches

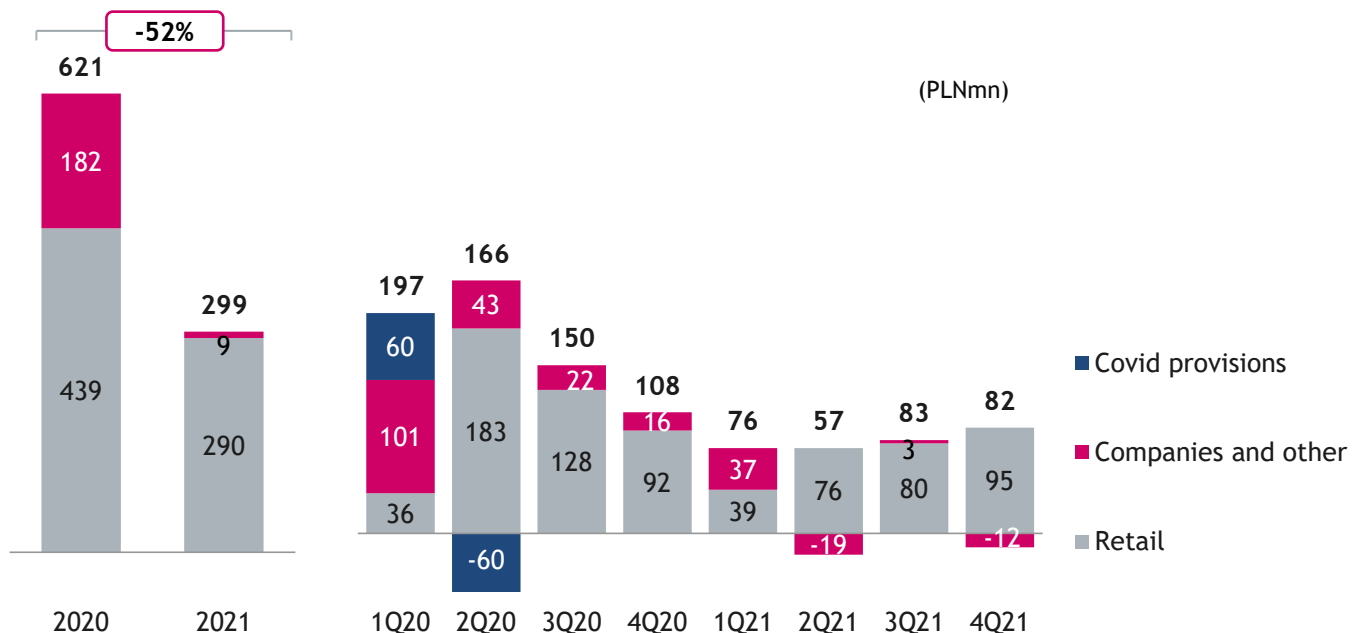


# ASSET QUALITY

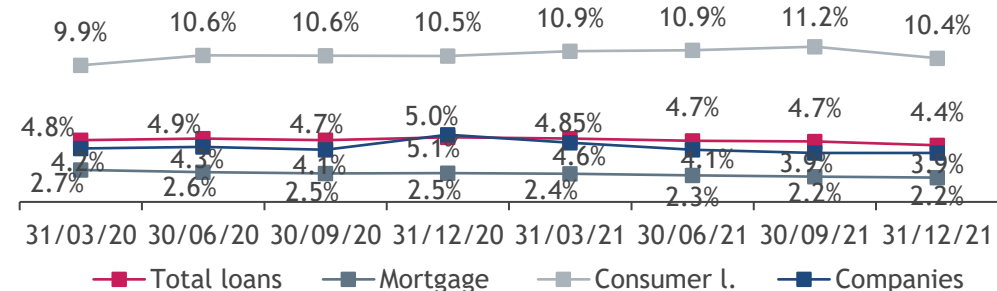
Strong credit quality without signs of deterioration

## Cost of risk (bp)

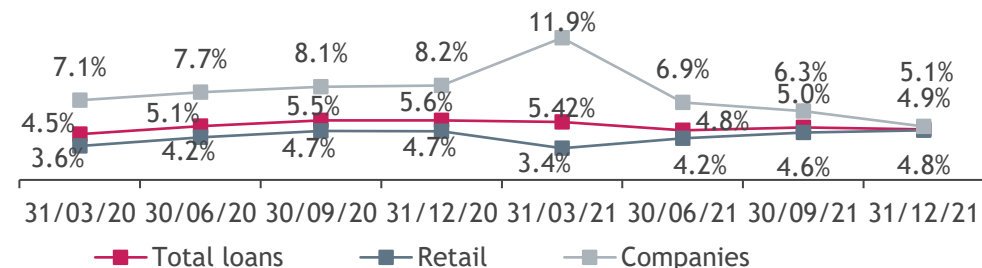
83	37	108*	89	80	55	39	28	42	39	Total loans
88	48	65	133	91	62	27	52	53	60	Retail
66	1	103	86	47	29	77	-47	5	-31	Companies



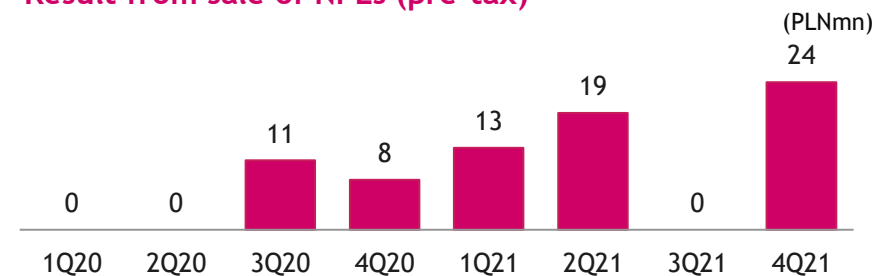
## Impaired loans (IFRS9 stage 3 & POCI)



## Share of stage 2 loans



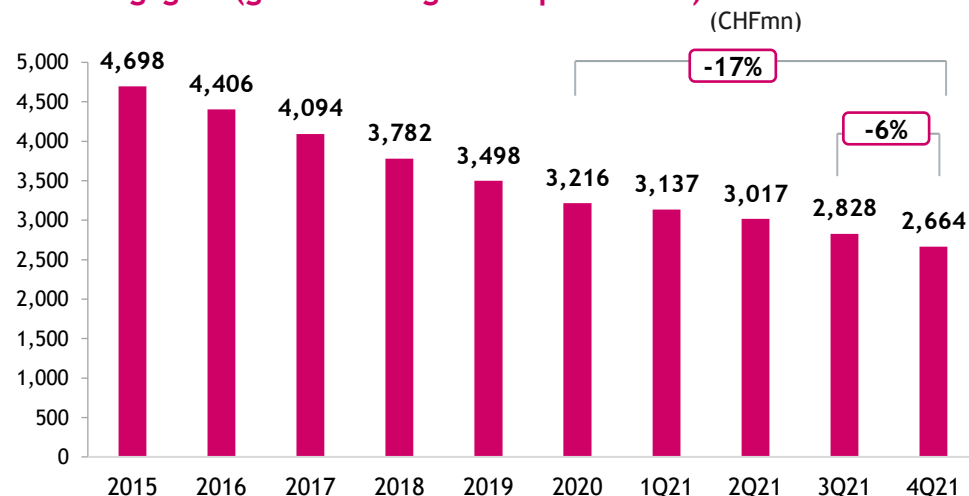
## Result from sale of NPLs (pre-tax)



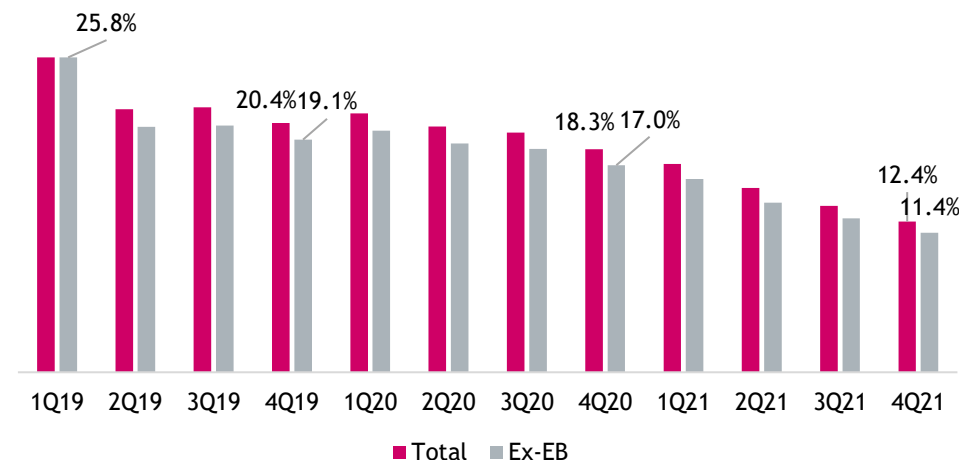
# FX-MORTGAGE PORTFOLIO (1/2)

FX-mortgage portfolio continued to decline steadily in CHF terms

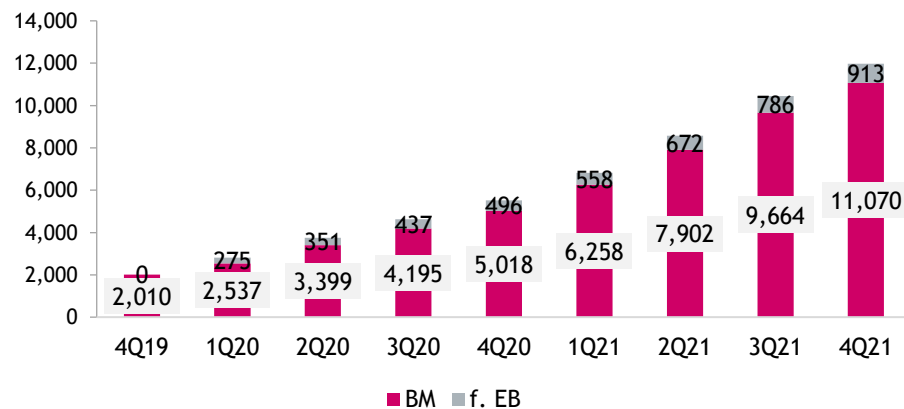
FX-mortgages\* (gross w/o legal risk provisions)



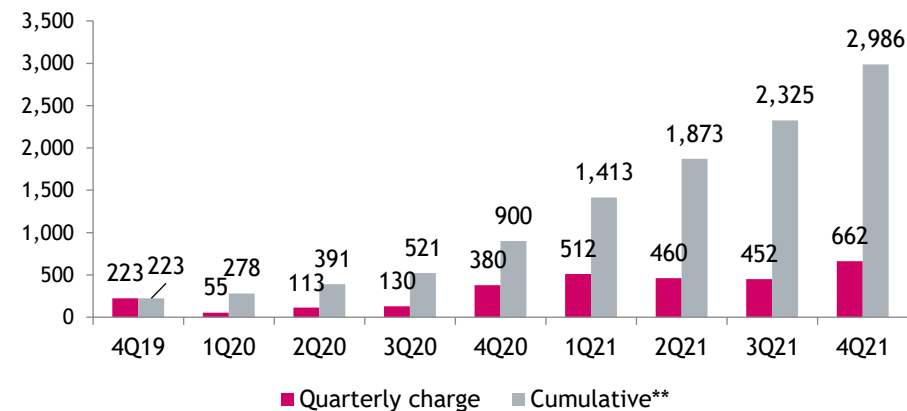
FX-mortgages as % of total gross book (gross after legal risk provisions)



Individual indexation lawsuit cases



Provisions against legal risk (PLNmn)\*

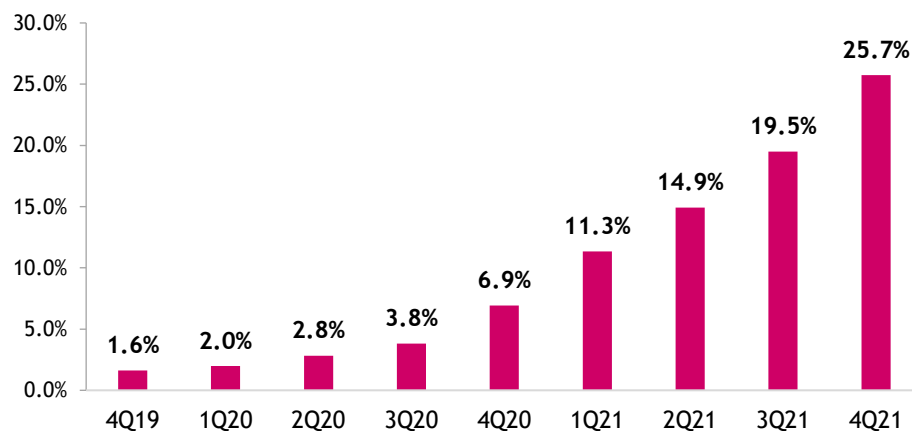


(\*) Excluding f.EB, (\*\*) the amount differs from actual B/S provisions due to FX movements among others

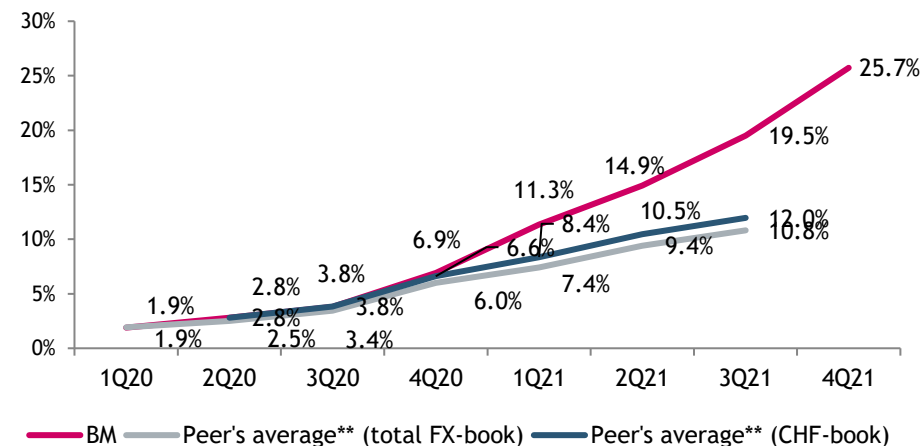
# FX-MORTGAGE PORTFOLIO (2/2)

Inflow of amicable conversions exceeded inflow of legal cases in 2021

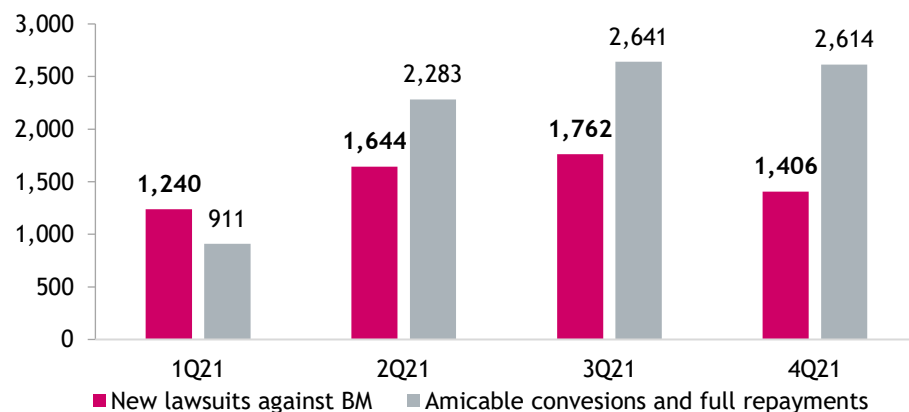
Provisions against legal risk as % of FX-mortgage book\*



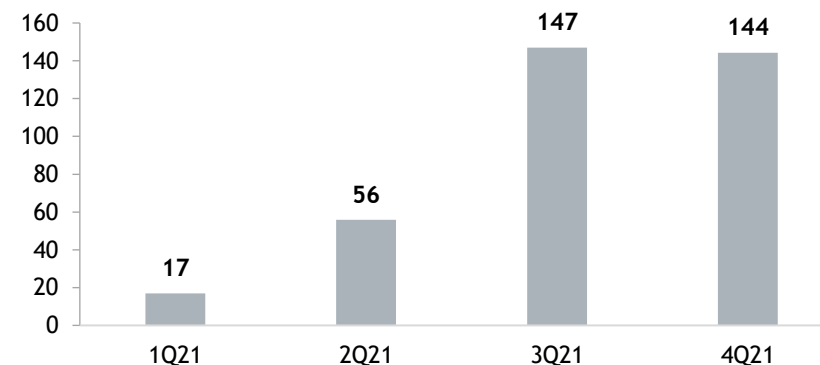
Legal risk provisions - coverage (as % FX-mortgages)



New lawsuits vs. amicable conversions and full repayments (#)



Costs of negotiations (PLNm, pre-tax)





# New segment reporting

Core business is the main source of pre-provision profits



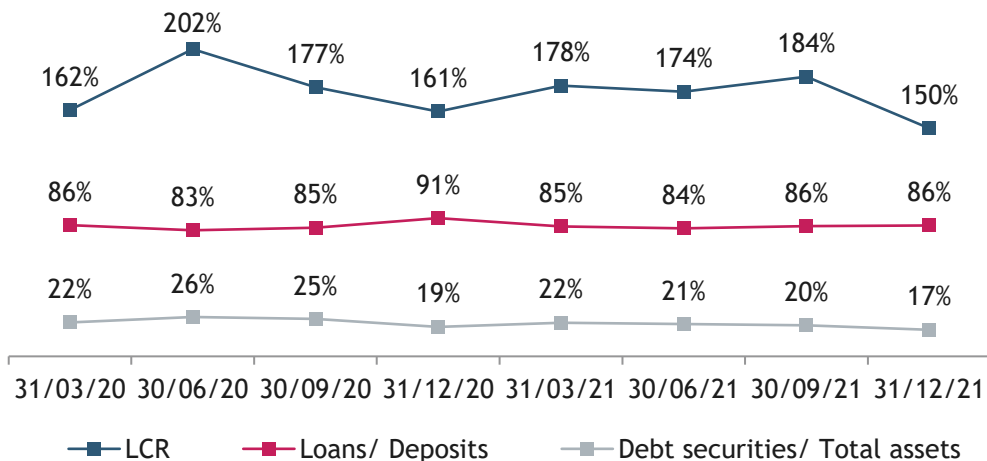
- The Bank's recent financial performance has been significantly affected by the costs related to the management of the legacy portfolio of FX-mortgages.
- To isolate these costs and other P&L items related to this portfolio, a new segment - **'FX mortgage'** - was spined-off from the 'Retail Segment' for reporting purposes.
- The new segment includes **loans separated based on active FX mortgage contracts for a given reporting period** and will apply to portfolios of retail mortgages originated in Bank Millennium and former Euro Bank in foreign currencies.

PLNmnn	FX - mortgage	2020 Core business	Total	FX - mortgage	2021 Core business	Total
NII	101	2,483	2,583	100	2 613	2 713
Net fees	-1	747	746	0	831	831
Other income	-6	212	206	-146	200	54
<b>Total income</b>	<b>93</b>	<b>3,441</b>	<b>3,535</b>	<b>-46</b>	<b>3 644</b>	<b>3 598</b>
<b>Opex</b>	<b>-25</b>	<b>-1,728</b>	<b>-1,753</b>	<b>-50</b>	<b>-1 593</b>	<b>-1 642</b>
Risk charge	-41	-537	-578	8	-347	-339
Legal risk provisions	-714	0	-714	-2 305	0	-2 305
<b>Operating profit</b>	<b>-686</b>	<b>1,177</b>	<b>490</b>	<b>-2 393</b>	<b>1 705</b>	<b>-688</b>
Bank tax			-279			-313
CIT			-188			-331
<b>Net profit</b>			<b>23</b>			<b>-1 332</b>
C/I	27%	50%	50%	-109%	44%	46%
Net loans	13,485	60,154	73,639	9 797	68 806	78 603

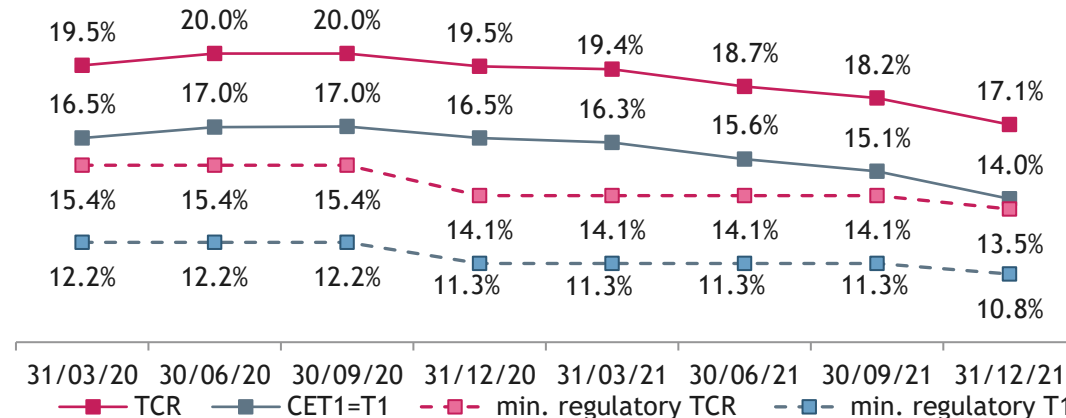
# LIQUIDITY AND CAPITAL

Good liquidity and strong capital adequacy with surplus of c3.5 ppt despite material provisions burden;

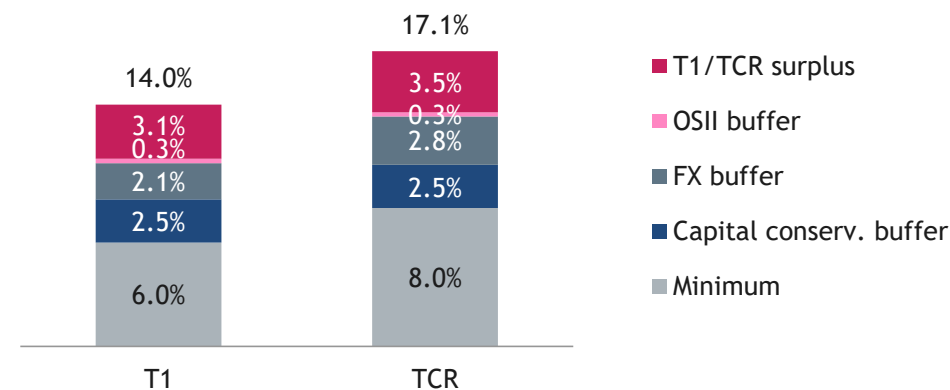
## Liquidity indicators



## Group capital ratios \*



## Capital requirement vs. actual ratios as on 31 December'21 (Group)



### High level of risk absorption capacity:

- **3.1-3.5 ppt. points** of T1/TCR surplus
- **2.1%-2.8%** of T1/TCR FX-buffer

### Issuance of SNPs planned in 1H22 to fulfil MREL requirements



# PRESENTATION OF 4Q21/FY21 RESULTS

Business development

# BUSINESS HIGHLIGHTS OF 4Q21/2021

Retail business growing fast above pre-Covid levels, corporate showing signs of gradual improvement

Loans

**+7% y/y**

Strong mortgage sales

**PLN9.8bn ytd**

Cash loans sales

**+21% y/y**

Debit cards

**+95 ths y/y**

Active digital customers

**2.3mn**

Customer deposits

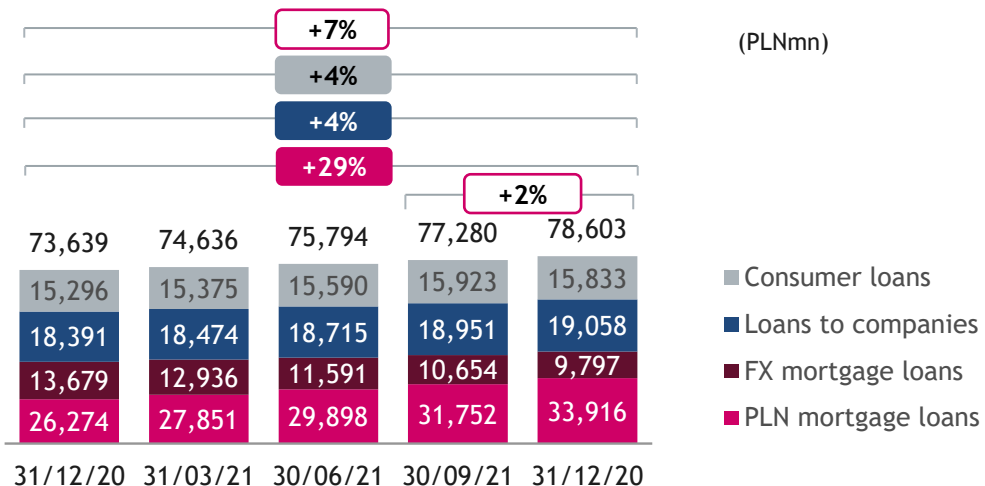
**+12% y/y**



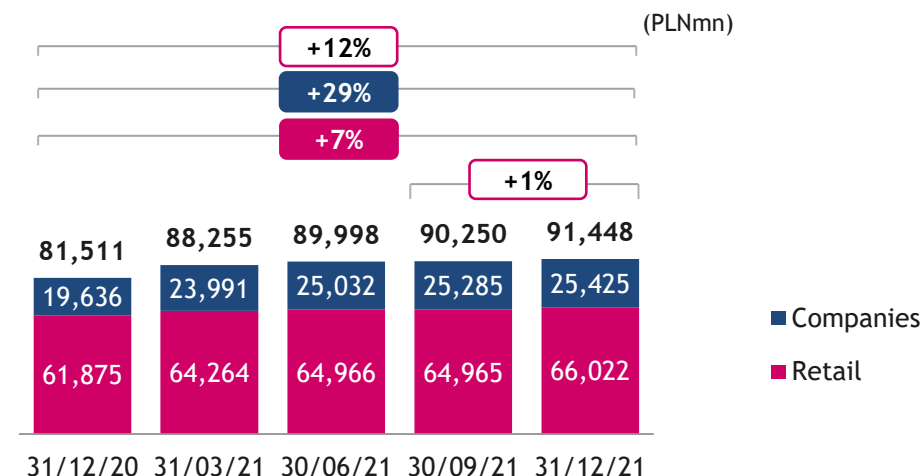
# LOANS AND CUSTOMER FUNDS

Robust dynamics of loans especially in retail (ex. FX mortgage); stable growing trend in deposits

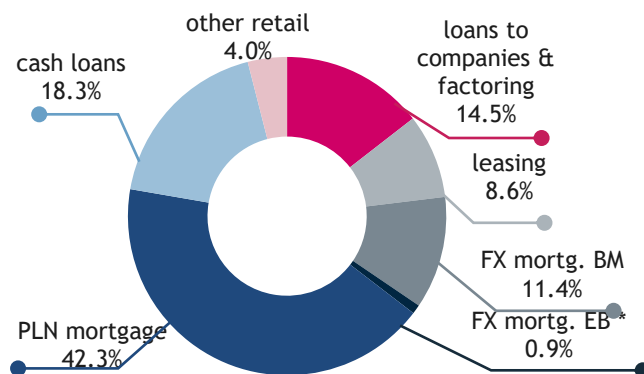
## Loan portfolio of the Group (net)



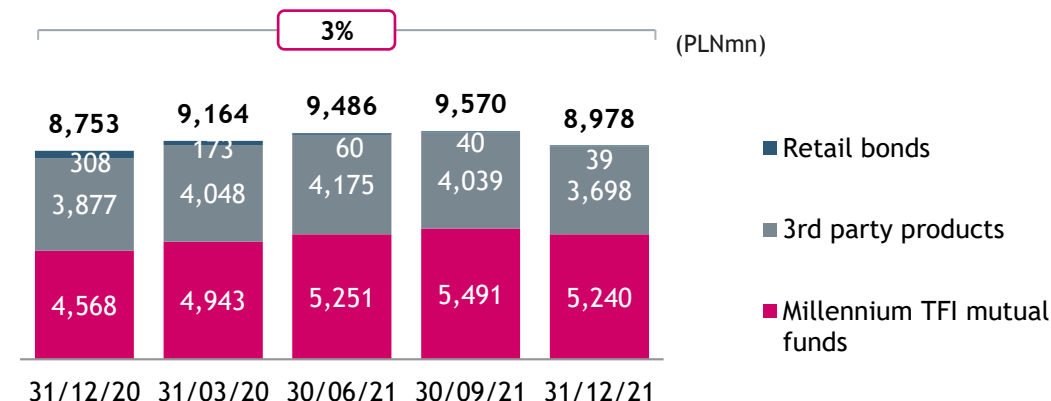
## Customer deposits



## Structure of loan portfolio (gross)\*\*



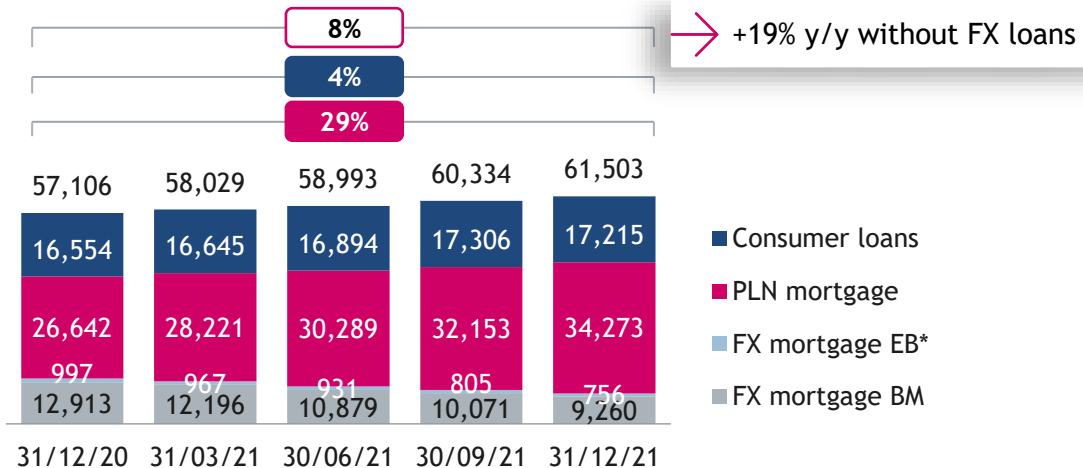
## Investment products



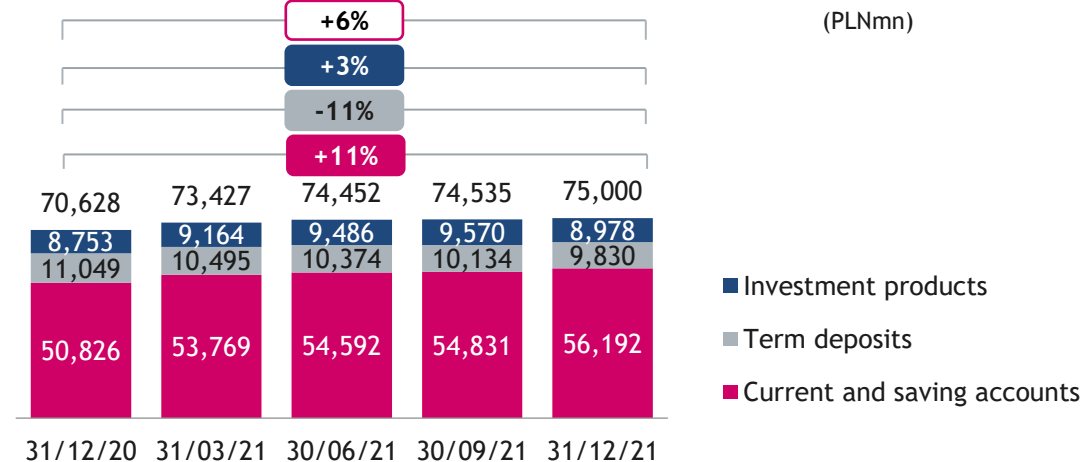
# RETAIL BUSINESS - LOANS AND CUSTOMER FUNDS

High growth of retail loans driven by mortgage with accelerating consumer loans; high dynamics of current accounts volumes

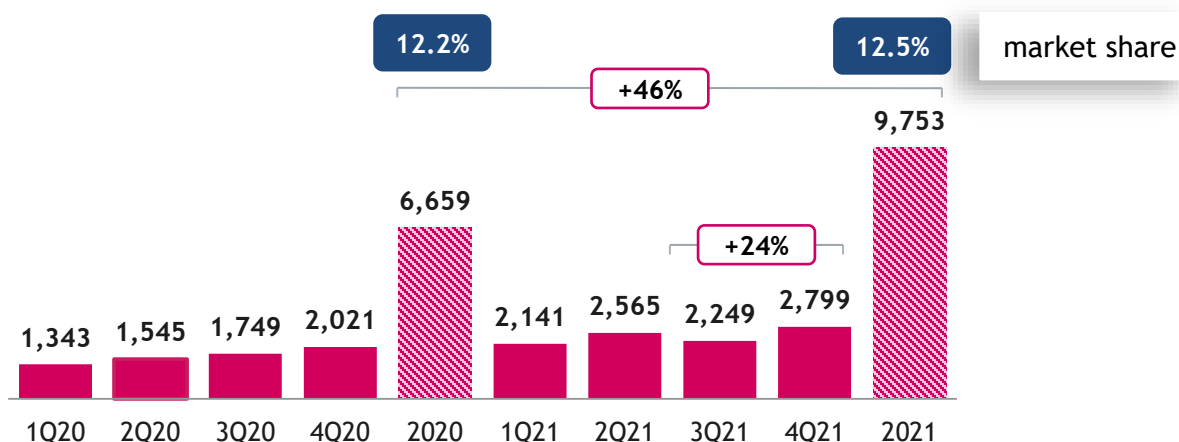
Retail loans (gross) (PLNmn)



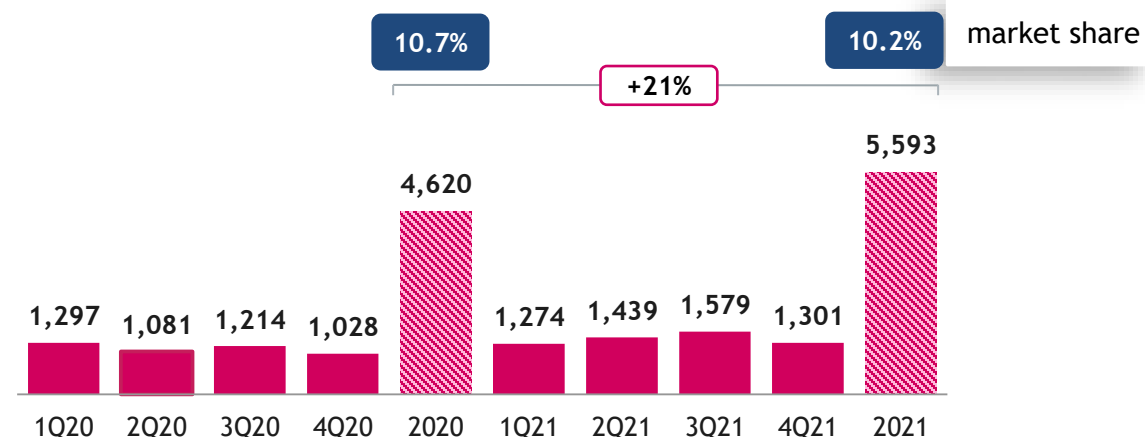
Retail customer funds (PLNmn)



Mortgage loans new sales (\*\*) (PLNmn)



Cash loans new sales (PLNmn)

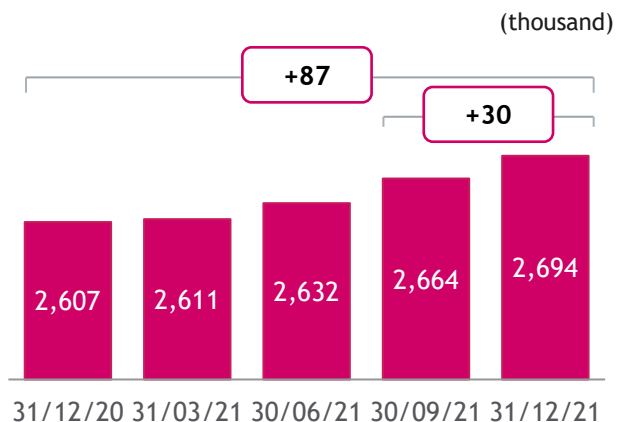


M (\*) Loans originated by f. Euro Bank - covered by 100% indemnity and 80% guarantee agreement of SocGen  
 (\*\*) Disbursements; market share as % in value of new agreements

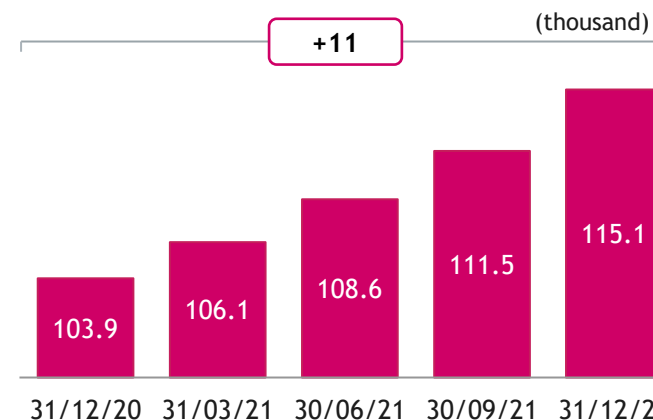
# RETAIL BANKING - NUMBER OF CUSTOMERS AND ACCOUNTS

Steady growth of customers and cards after completed merger with Euro Bank

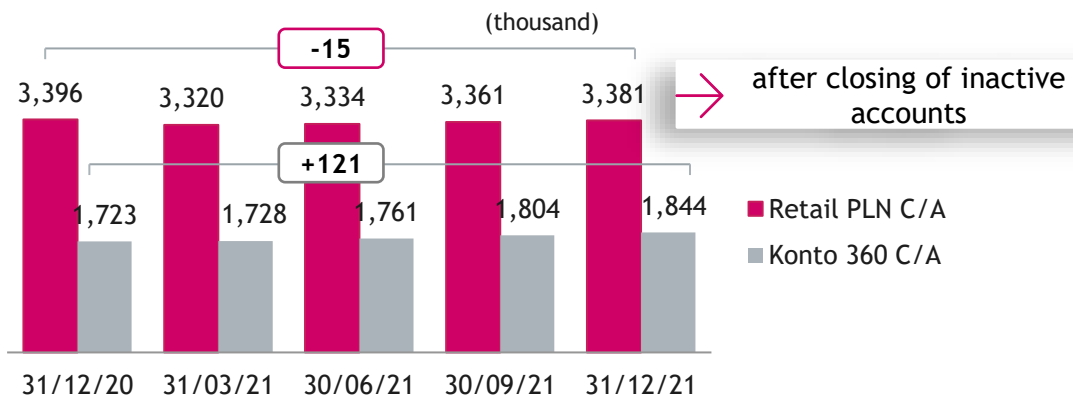
## Active retail clients\*



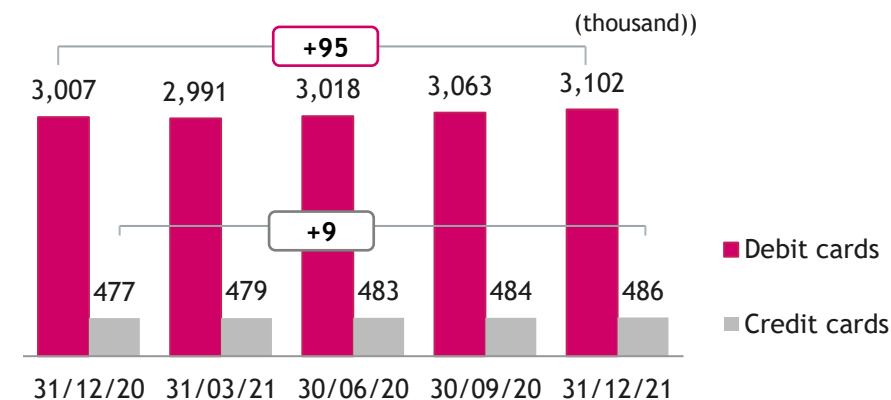
## Active micro-business clients



## Number of current accounts



## Number of debit and credit cards



# DAILY BANKING

More and more clients choose to use bank service online



**2.26mn**

Active digital users (+10% y/y)

**161mn**

Logins to mobile app in 4Q21



**1.92mn**

Mobile only users\* (+16% y/y)



**1.2mn**

BLIK users in 4Q 2021 (+35% y/y)



Google Play

**4.8**



App Store

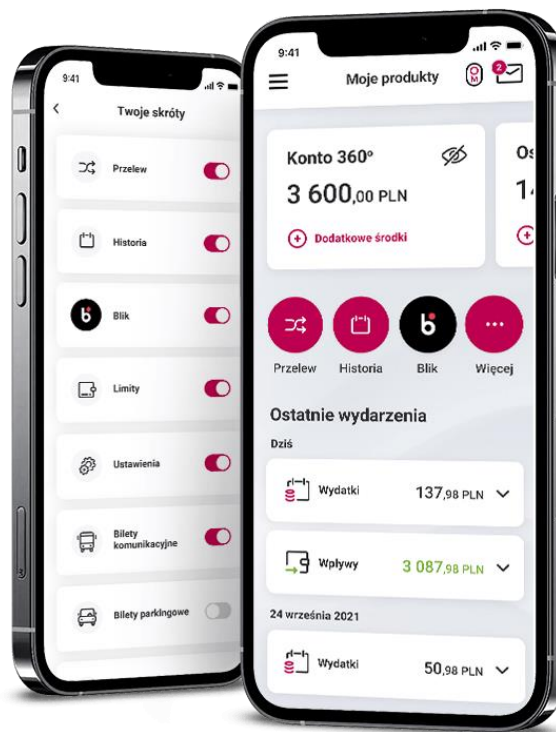
**4.7**



ODKRYWAJ W

AppGallery

**4.8**



**77%**

Digital share in cash loan sales in 4Q21

**+101%**

The increase of loans sold online in 4Q21 by number compared to 4Q20.

**29%**

Digital share in opening current accounts in 4Q21

**+32%**

The increase of current account opened online in 4Q21 compared to 4Q20.

**92%**

Digital share in opening term deposit in 4Q21



**Cyber-secure**

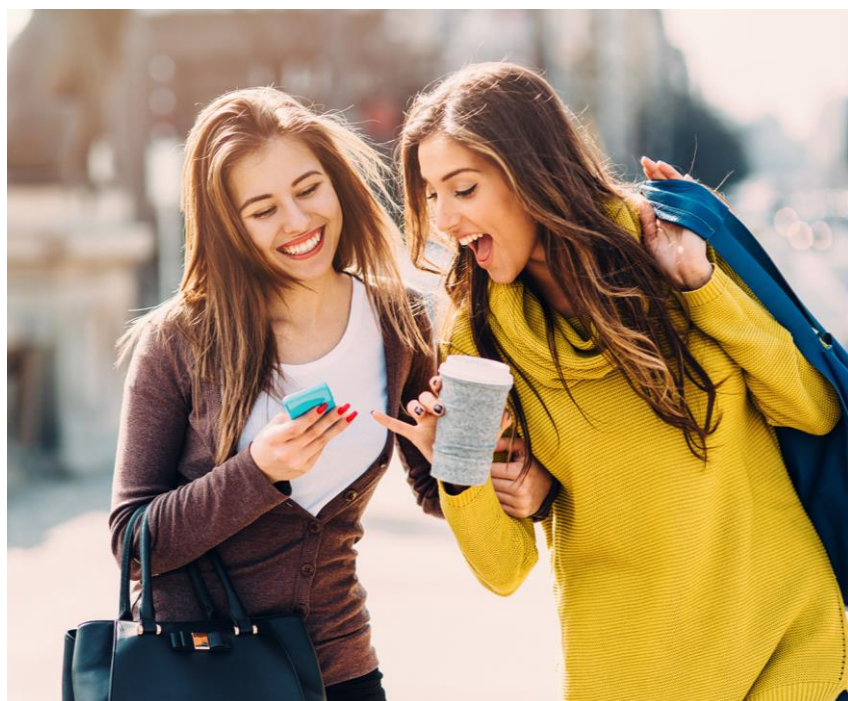
We implement improved anti-fraud mechanisms and strengthen educational campaigns about cyber threats. Educational campaigns are directed to all customers as well as selected groups based on prepared risk profiles. Customer interest in them is growing month by month.



# PAYMENTS AND E-COMMERCE

Interest in BLIK and Value Added Services is growing the fastest.

In 4Q21 as much as 1.58 million clients performed at least one e-commerce payment. They made a total 37 million such transactions in the period. 64% choose to pay by BLIK.



**+125% y/y** P2P transfers

**+79% y/y** All BLIK transactions

**+45% y/y** Internet payments

**+28% y/y** E-commerce card payments

## Record-breaking Black Week

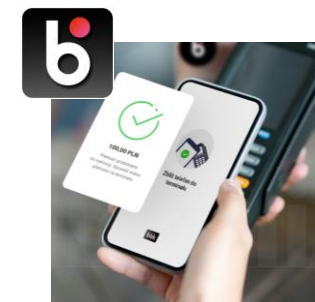
Over 3.6 million transactions and over PLN 540 million spent in e-commerce by our customers during Black Week. The number of BLIK transactions during that one week increased by 120% compared to the week before.

## Growing interest in mobile app services

Public transport tickets **+58% y/y**

Parking payments **+103% y/y**

Payments by phone **+77% y/y**



In 4Q 2021 we launched BLIK contactless for all clients.

**goodie**

We make it easier for customers to access the goodie smart-shopping platform through banking channels, with dedicated discounts, promotions and cashback offers.

# INNOVATIVE AND ECO-FRIENDLY

We go beyond market standards, build positive experiences and protect the environment

## The app for Apple Watch

We launched an innovative application which can be paired with Apple watches - it works independently of a phone, allows to pay BLIK and confirm online transactions as well as some in-branch orders.



## New investment products

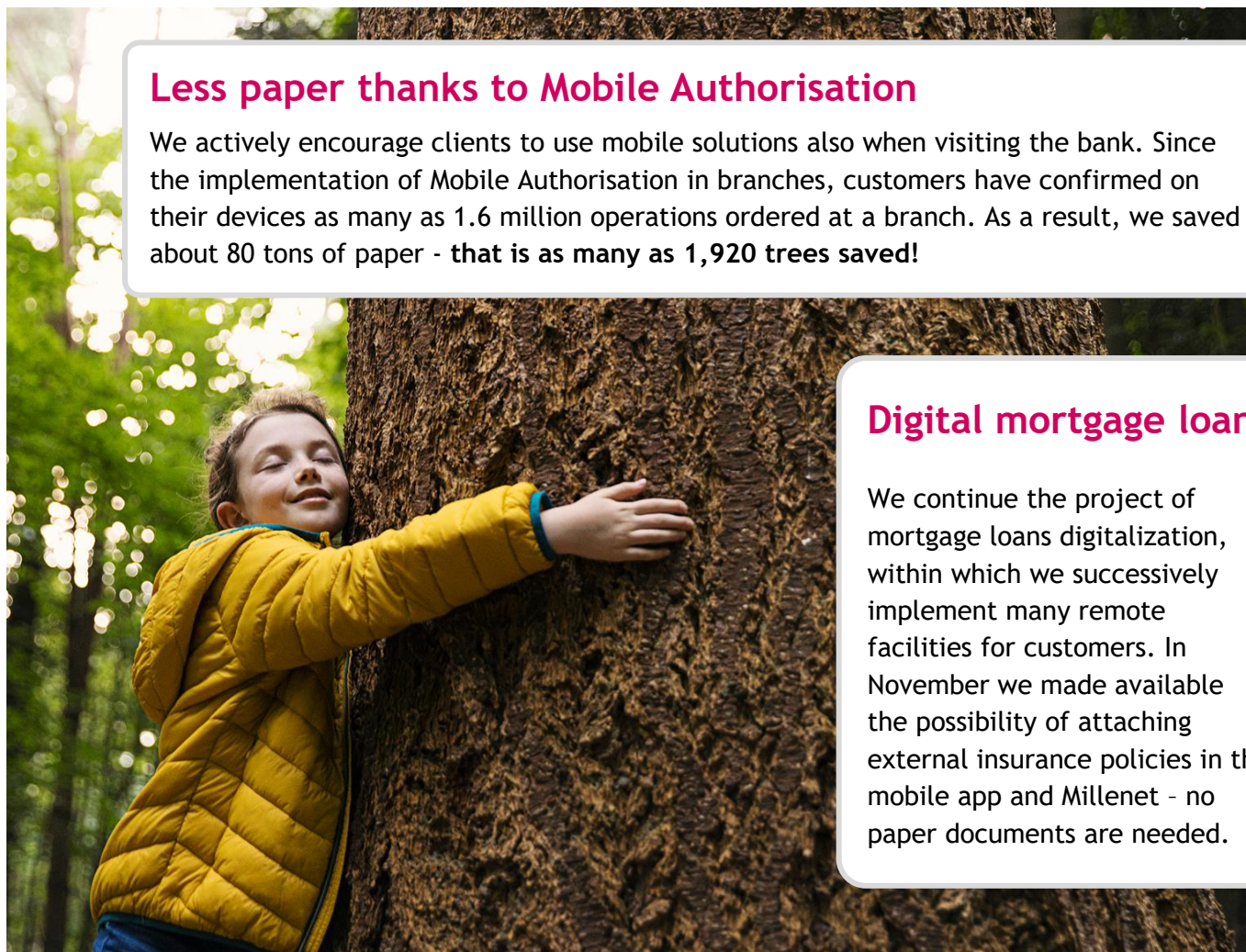
We are constantly expanding the range of investment products available online with focus on mobile banking. In 4Q21 we made available to clients Millennium Investment Program in a new refreshed version and pilot omni-channel online investment advisory service.

## Less paper thanks to Mobile Authorisation

We actively encourage clients to use mobile solutions also when visiting the bank. Since the implementation of Mobile Authorisation in branches, customers have confirmed on their devices as many as 1.6 million operations ordered at a branch. As a result, we saved about 80 tons of paper - that is as many as **1,920 trees saved!**

## Digital mortgage loan

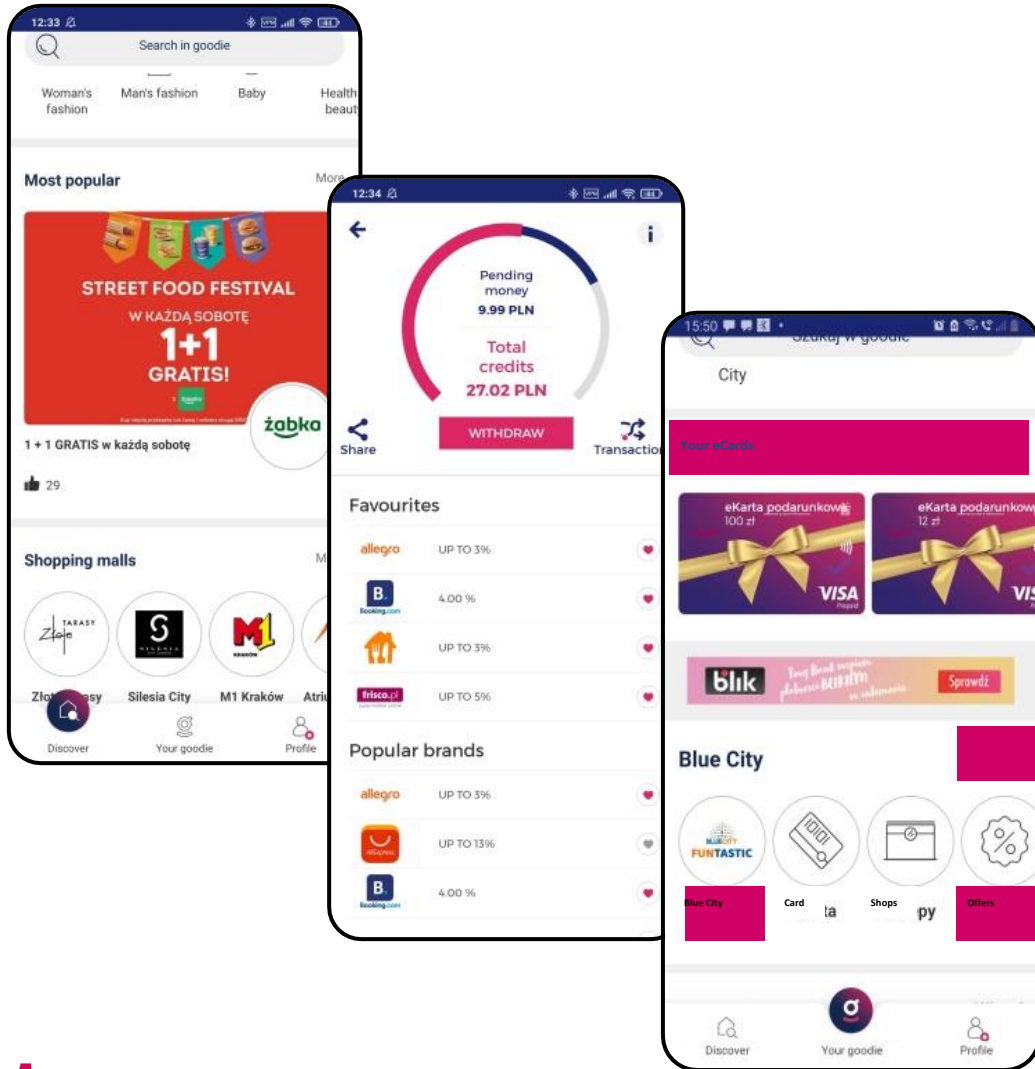
We continue the project of mortgage loans digitalization, within which we successively implement many remote facilities for customers. In November we made available the possibility of attaching external insurance policies in the mobile app and Millenet - no paper documents are needed.





# GOODIE - SMARTSHOPING PLATFORM OF BANK MILLENNIUM

Development and aquisition of goodie cashback users



2021

**403,000**  
app downloads

**PLN593mn**  
Generated cashback turnover

**PLN12mn**  
Amount of cashback

**4.4mn**  
cashback transactions

**90% increase**  
in the number of gift cards sold y/y



4Q21

**130,000**  
app downloads

**PLN208mn**  
Generated cashback turnover

**PLN3.8mn**  
Amount of cashback

**1.3mn**  
cashback transactions

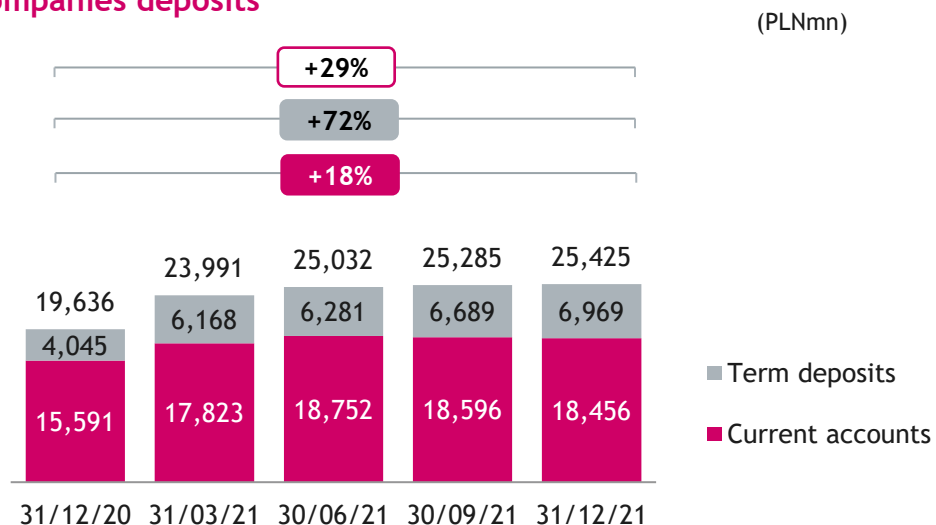
**25% increase**  
in the number of gift cards sold y/y



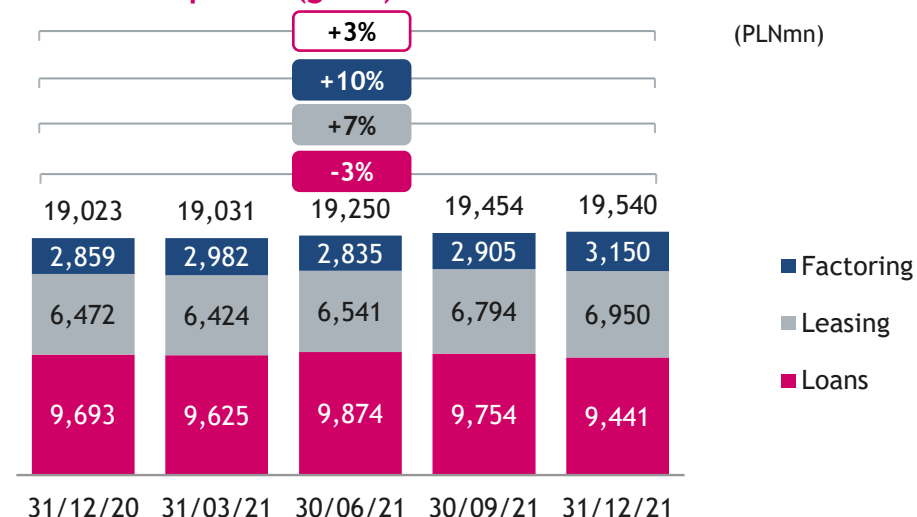
# COMPANIES BUSINESS - DEPOSITS AND LOANS

Gradual growth of loans: +3% y/y with rebound in leasing; steady growth of deposits: C/A up +18% y/y

## Companies deposits



## Loans to companies (gross)

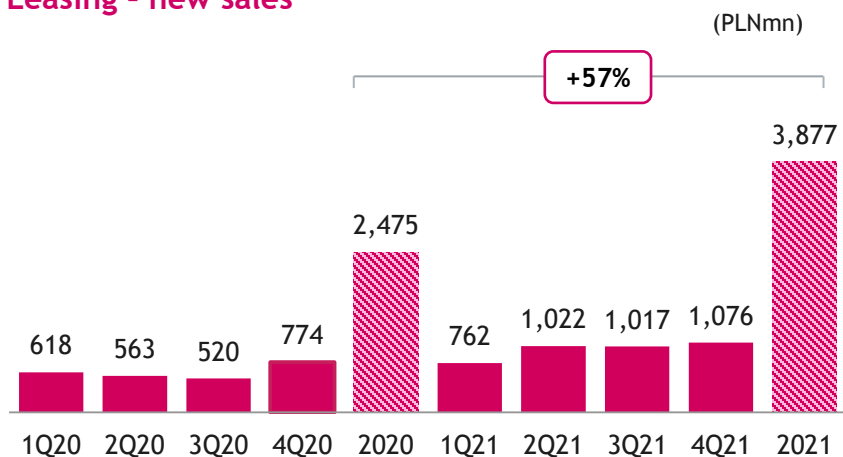


- The loan portfolio grows +3% y/y
- Good dynamics of factoring business +10% y/y
- Leasing rebounded showing the growth of 7% /y
- Robust pace of growth of companies' current accounts (+18% y/y)
- Strong pickup in transaction activity
- Digitalisation of client service progressing: increase of trading after implementation of 24h FX trading on Millennium Forex Trader; 57% of customers signed agreements digitally (incl. credit/trade finance/ factoring/ treasury); Trade Finance: 95% of digital applications and 34% of guarantees issued digitally

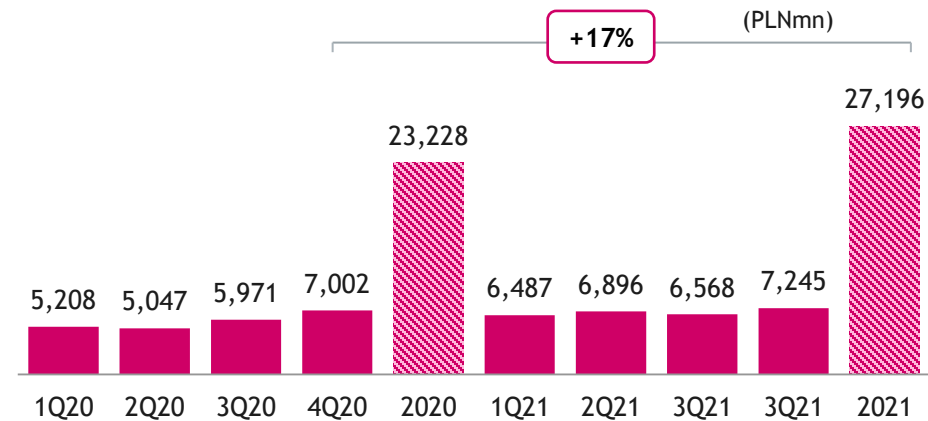
# COMPANIES BUSINESS - LOANS AND TRANSACTIONS

Leasing sale rebounded and grows +57% y/y; factoring grew strongly +17% y/y

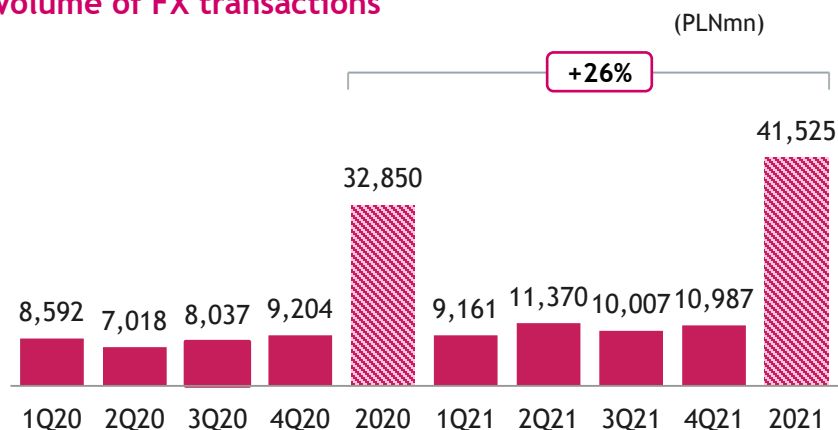
## Leasing - new sales



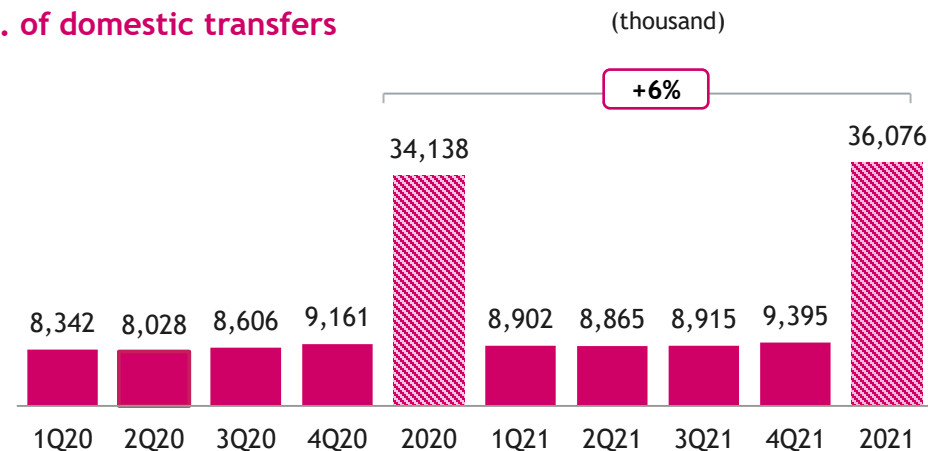
## Factoring - turnover



## Volume of FX transactions

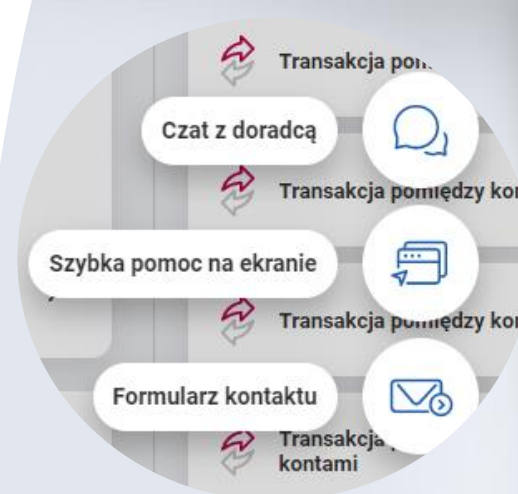


## No. of domestic transfers



# NOVELTIES AND IMPROVEMENTS FOR CORPORATE BANKING CLIENTS

- For all payment cards issued to corporate banking customers, we have launched the opportunity to add them to the following external wallets: **Google Pay, Apple Pay, Garmin Pay, Fitbit Pay**.  
Adding a card to your favorite wallet ensures that payments are made without having to remember about the card in plastic form.
- In December we expanded the functionality of the **Millennium Forex Trader** currency platform to include **conditional orders**, which were made available to our customers at the start of January this year already. This has been another significant improvement for foreign exchange customers, after availability of the platform was extended to 24 hours a day, 5 days a week.
- In Millenet for Companies online banking, we have provided a functionality that allows you to **submit a statement on the settlement of subsidies** received under the PFR Financial Shield 2.0.



www.bankmillennium.pl







03

# PRESENTATION OF 4Q21/FY21 RESULTS

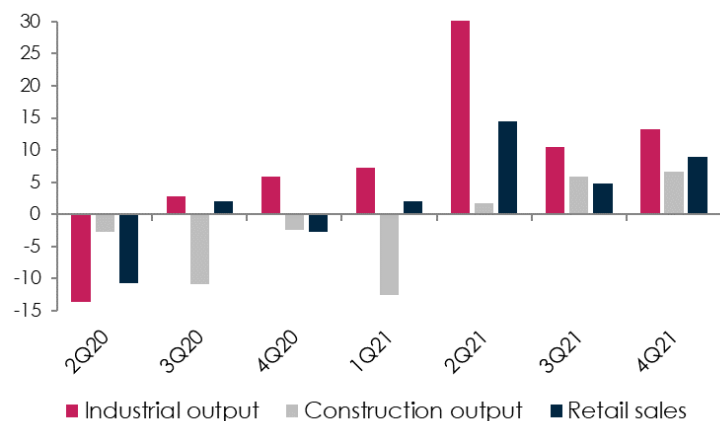
Appendices

# MACROECONOMIC OVERVIEW

## Economy

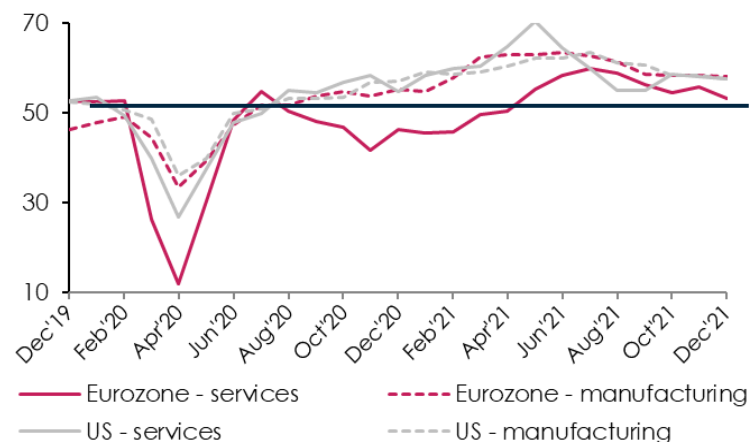
Data from Polish economy

(% y/y)



PMI indicators

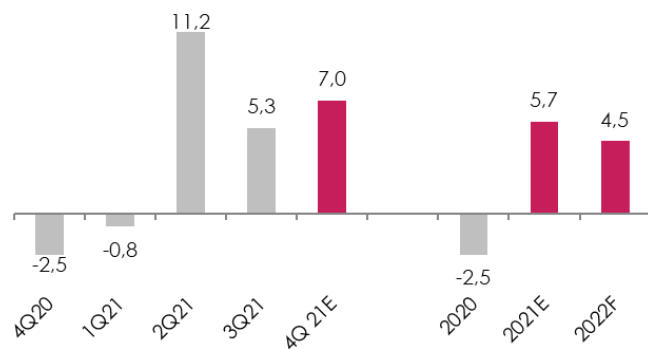
(pts)



According to high frequency data economic activity in Poland moderated in 4Q21 to 1.3% q/q after strong rebound of 2.3% q/q in 3Q21, mainly due to the waning of the previously increased consumer demand amid interest rate increases and high inflation which accelerated substantially in 4Q21. The Polish economy will remain on the growth path in the coming quarters, although GDP growth is expected to slow down in 2022 to 4.5% from estimated 5.7% in 2021 amid strong inflation and expected continued interest rates hikes.

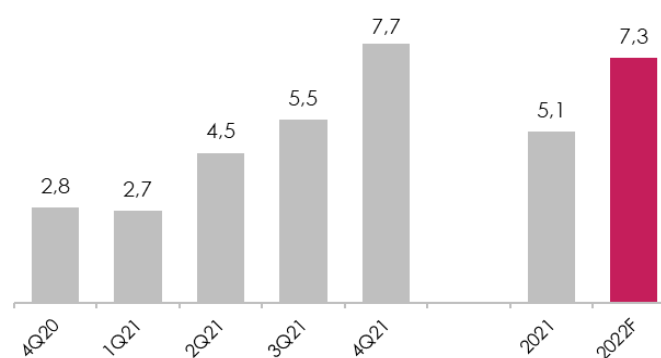
GDP growth rate

(% y/y)



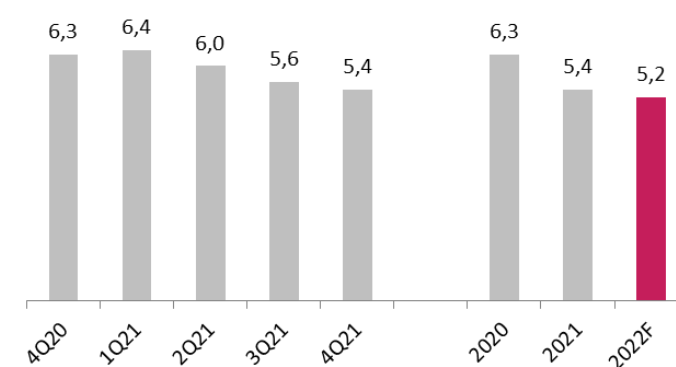
CPI inflation

(% y/y)



Registered unemployment rate

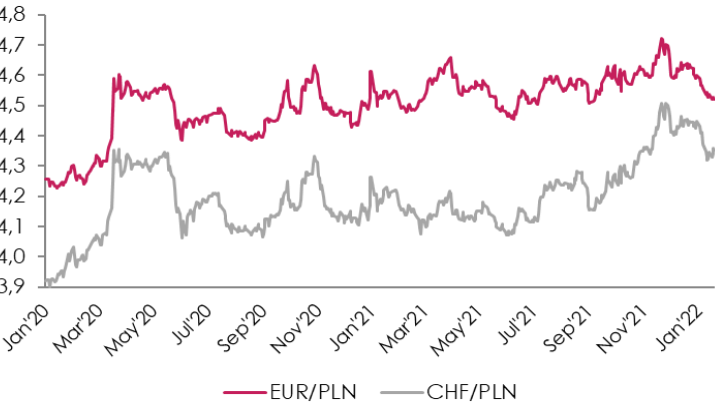
(%)



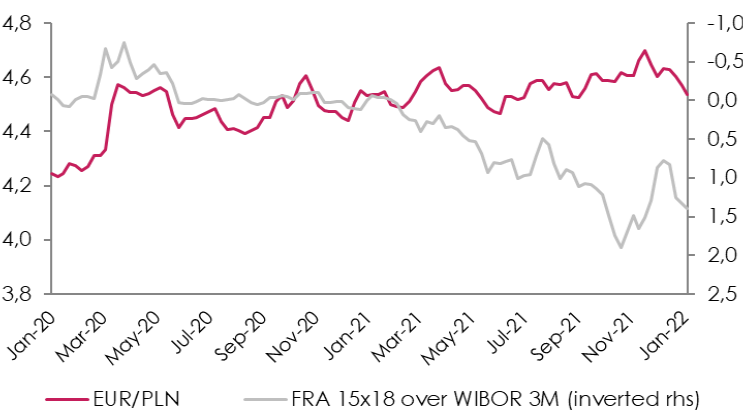
# MACROECONOMIC OVERVIEW

## Financial markets

EUR/PLN and CHF/PLN exchange rates



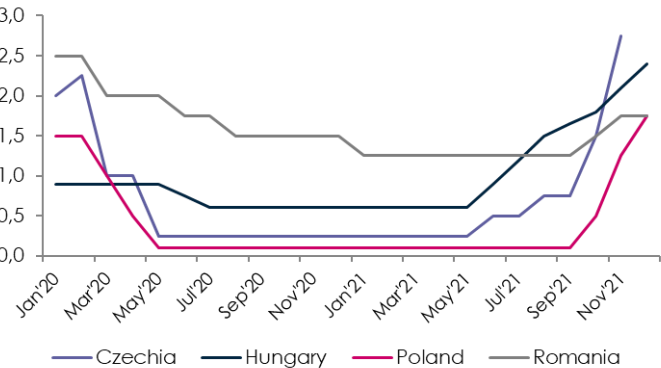
EUR/PLN and expected changes in interest rates



Monetary Policy Council due to mounting risks for inflation decided to raise interest rates in 4Q 2021 much stronger than expected. EUR/PLN reversed from a multi-years high as market priced-in further monetary policy tightening in Poland.

Official interest rates in CEE countries

(%)



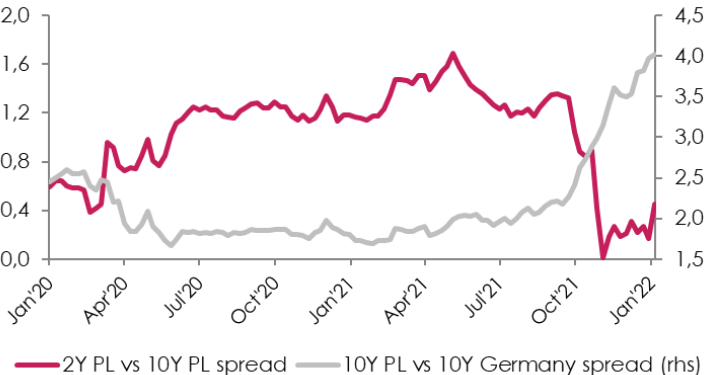
Yields of Polish T-bonds

(%)



Polish T-bond curve slope and spread to Bund

(%)

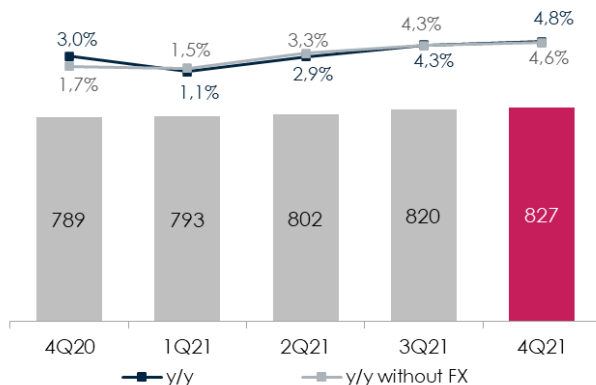


# MACROECONOMIC OVERVIEW

## Monetary aggregates

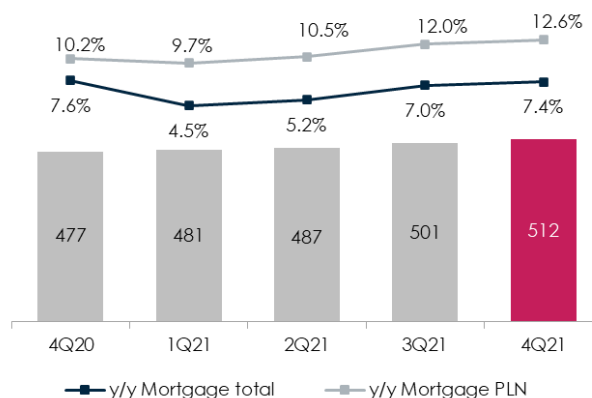
### Loans to households

(PLN bn, % y/y)



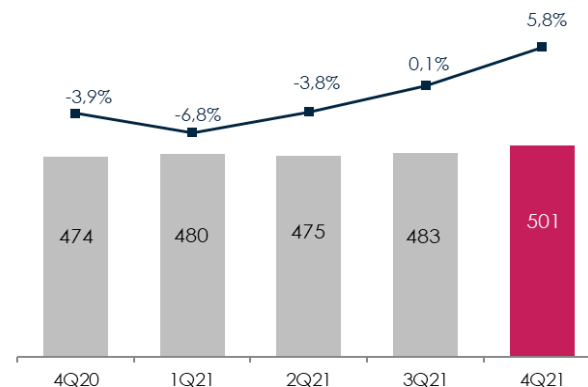
### Mortgage loans

(PLN bn, % y/y)



### Loans to companies

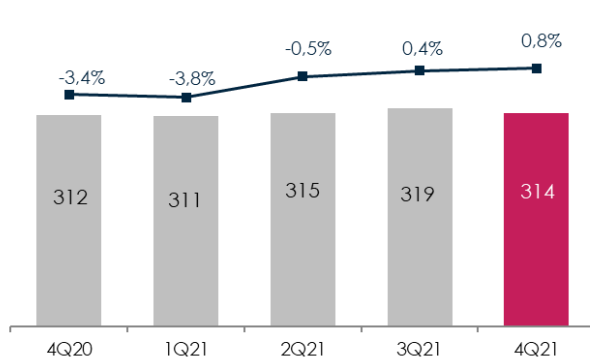
(PLN bn, % y/y)



In 4Q21 the value of loans to households continued to grow, driven by FX effect and demand for mortgage loans, which was however less strong than in 3Q21. Loans for companies recovered in 4Q21 due to overdrafts.

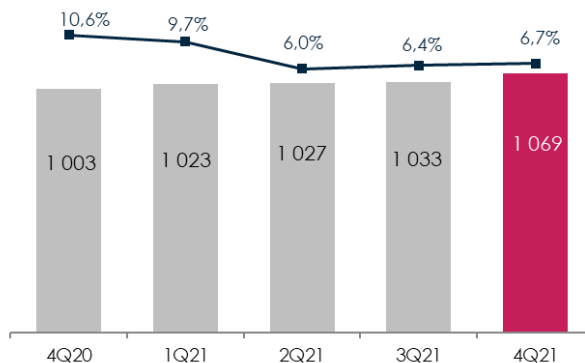
### Households: non-mortgage loans

(PLN bn, % y/y)



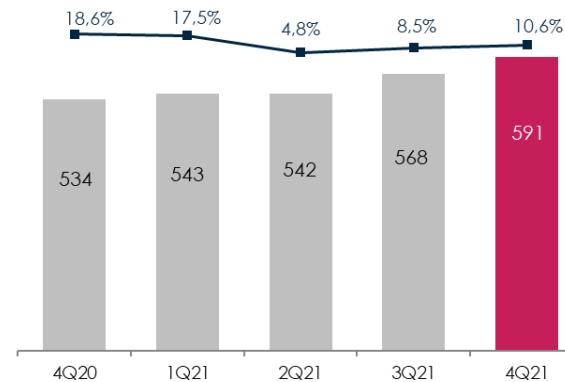
### Deposits from households

(PLN bn, % y/y)



### Deposits from companies

(PLN bn, % y/y)

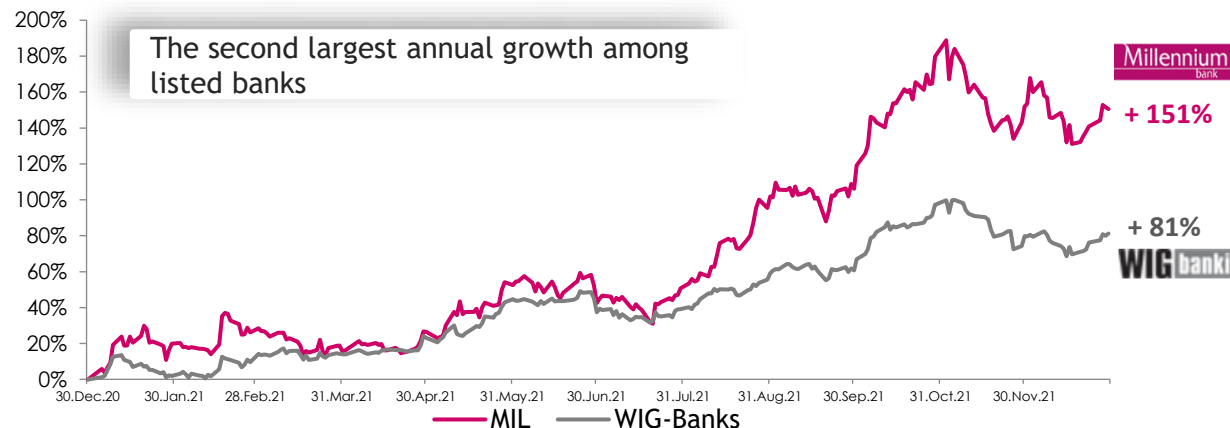


The value of deposits in the banking sector strongly increased in 4Q21 compared to 3Q21 due to good financial standing of households and corporations.

# RATINGS AND MARKET RATIOS

In 2021 investor sentiment about bank stocks was improved significantly

## Bank Millennium share performance vs. WIG Bank index



## Bank Millennium shares

No of shares: 1 213 116 777 (listed 1 213 008 137)

Listed: on Warsaw Stock Exchange since August 1992

Index: WIG, WIG 30, mWIG40, WIG Banks, WIG-ESG

Tickers: ISIN PLBIG0000016, Bloomberg MIL PW, Reuters MILP.WA

## Ratings of Bank Millennium

On September 10, 2021, Fitch Ratings removed Bank Millennium's ratings from the "under watch" list with negative outlook and confirmed "BBB-" long-term rating with a negative outlook.

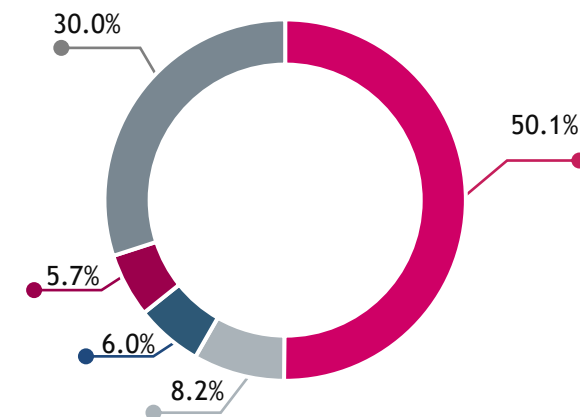
On January 27, 2022, Moody's affirmed Bank Millennium's rating with stable outlook

Moody's Baa1 / P2/ baa3 / stable outlook

Fitch BBB- / F3/ bbb- / negative outlook

## Bank Millennium shareholders' structure (31.12.2021)

- BCP
- Nationale-Nederlanden Pension Fund
- Aviva Pension Fund
- PZU „Złota Jesień" Pension Fund
- Remaining free float





# ESG: A BANK FRIENDLY TO PEOPLE AND THE ENVIRONMENT

## E - Environment

- In line with the adopted [environmental policy](#), the Bank Millennium Group **does not finance new coal mines or coal-fired power generation projects**, except for new projects aimed at reducing the levels of pollution.
- In Q4 2021, employees of the Bank's head office in Wrocław moved to a **new location built in accordance with stringent environmental standards**.
- In 2022, **all electricity purchased by the Bank** will come from renewable energy sources.
- The [WWF Millennium Mastercard](#) credit card (APR 13.58%) is offered as part of the Bank's **long-term cooperation with the WWF Poland Foundation**. The card is made with recycled plastic.

## G - Governance

- ESG (Environmental, Social, Governance) issues have for years been part of the Bank Millennium Group's business strategy and **have also been included in the new strategy for 2022-2024**.
- Bearing in mind the growing significance of sustainable development for the Bank Millennium Group's business, the **Bank has established within its structures the Sustainable Development Committee and the Sustainable Development Department**.
- For the purposes of the 2021 ESG report, the Bank updated its **matrix of significant reporting aspects** in Bank Millennium Group stakeholders' opinion.

## S - Society

- Bank Millennium's goal is to offer **banking without barriers**. The Bank has introduced numerous [amenities](#) to assist people with impaired vision, hearing and movement.
- In December 2021, **Bank Millennium become a laureate of the Bartłomiej Skrzyński memorial Wrocław Without Barriers plebiscite** in the Corporate Social Responsibility category.
- In November and December 2021, as part of the seventh edition of the ["Financial ABC"](#) program, the Bank Millennium Foundation conducted **200 workshops in 54 kindergartens**.
- **As a patron of the Millennium Docs Against Gravity film festival**, the Bank actively supports the dissemination of understanding of the modern world.





# THE MOST IMPORTANT AWARDS AND ACHIEVEMENTS OF BANK MILLENNIUM in 2021

The highest quality, innovation, customer relations and social responsibility confirmed by independent rankings and competitions



Bank Millennium in 2021 was according to Global Finance magazine

- The Best Bank in Poland
- The Best Digital Bank in Poland
- Innovator 2021

In international competitions organized by the renowned Global Finance magazine, the Bank was recognized for the best service, level of digitization and technological advancement, including for open banking services.



Bank Millennium awarded with Golden Leaf and other CSR distinctions

Bank was awarded the Golden CSR Leaf of the Polityka weekly for companies whose activities in the field of corporate social responsibility and sustainable development are rated the highest. It was also awarded the "Cultural Lift,, („Dźwigacz Kultury”) for the sixth time and received the "Wrocław without barriers" certificate in the "Corporate Social Responsibility" category.



Victory in this year's edition of the "Newsweek Friendly Bank" ranking

- 1st place in the "Bank for Kowalski" category
- 2nd place in the "Remote banking" category

Success in the Golden Banker 2021 ranking

- 1st place in the "Mortgage loan" category
- 2nd place in the "Socially Sensitive Bank" category
- 3rd place in the "Best multi-channel service quality" category

# SYNTHETIC P&L ACCOUNT

PLNmnn	2020	2021	Change Y/Y	3Q21	4Q21	Change Q/Q
Net interest income*	2 583	2 713	5%	669	767	15%
Net commission income	746	831	11%	202	215	7%
Other non-interest income	249	14	-94%	-25	-59	137%
<b>Operating Income</b>	<b>3 578</b>	<b>3 558</b>	<b>-1%</b>	<b>846</b>	<b>923</b>	<b>9%</b>
General and administrative costs	-1 542	-1 441	-7%	-352	-383	9%
Depreciation	-210	-202	-4%	-50	-51	1%
<b>Total operating costs</b>	<b>-1 753</b>	<b>-1 642</b>	<b>-6%</b>	<b>-402</b>	<b>-434</b>	<b>8%</b>
Net cost of risk **	-621	-299	-52%	-83	-82	-2%
FX legal risk provision	-714	-2 305	223%	-526	-732	39%
<b>Operating profit</b>	<b>490</b>	<b>-688</b>	<b>-</b>	<b>-166</b>	<b>-325</b>	<b>-</b>
Banking tax	-279	-313	12%	-79	-82	4%
<b>Pre-tax profit</b>	<b>211</b>	<b>-1 001</b>	<b>-</b>	<b>-245</b>	<b>-407</b>	<b>-</b>
Income tax	-188	-331	76%	-66	-102	53%
<b>Net profit</b>	<b>23</b>	<b>-1 332</b>	<b>-</b>	<b>-311</b>	<b>-509</b>	<b>-</b>

(\*) Margin from all derivatives, including those hedging FX denominated loan portfolio, is presented in Net Interest Income

(\*\*) cost of risk includes impairment provisions (on all stages), FV adjustment on loans and result on modification.

# BALANCE SHEET

	31.12.2020	30.09.2021	31.12.2021	Change y/y
<b>ASSETS</b>				
Cash and balances with the Central Bank	1 460	1 978	3 180	118%
Loans and advances to banks	625	578	771	23%
Loans and advances to customers	73 639	77 280	78 603	7%
Amounts due from reverse repo trans.	66	9	269	305%
Debt securities	18 972	21 229	18 220	-4%
Derivatives (for hedging and trading)	176	138	100	-43%
Shares and other financial instruments	231	169	167	-27%
Tangible and intangible fixed assets	957	911	942	-2%
Other assets	1 197	1 499	1 662	39%
<b>TOTAL ASSETS</b>	<b>97 323</b>	<b>103 791</b>	<b>103 914</b>	<b>7%</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits and loans from banks	1 058	529	539	-49%
Deposits from customers	81 511	90 250	91 448	12%
Liabilities from repo transactions	249	0	18	-93%
Financial liabilities at fair value through P&L and hedging derivatives	907	444	758	-17%
Liabilities from securities issued	559	291	40	-93%
Provisions	159	379	596	275%
Subordinated liabilities	1 540	1 539	1 541	0%
Other liabilities	2 250	2 380	2 278	1%
<b>TOTAL LIABILITIES</b>	<b>88 232</b>	<b>95 813</b>	<b>97 217</b>	<b>10%</b>
<b>TOTAL EQUITY</b>	<b>9 091</b>	<b>7 979</b>	<b>6 697</b>	<b>-26%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>97 323</b>	<b>103 791</b>	<b>103 914</b>	<b>7%</b>

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



[Kanał na YouTube](#)



[@BankMillennium](#)

## Next events:



**26.04.2022 – 1Q22 results**

**26.07.2022 – 1H22 results**

**24.10.2022 – 3Q22 results**