



Financial information affecting the financial performance of Alior Bank S.A. in the first half of 2020

Company: Alior Bank S.A.

Current report no: 37/2020

Date: August 07, 2020

Legal basis: Art. 7 in connection with Art. 17 sec. 1 of the MAR Regulation (confidential information)

Content of the report:

The Management Board of Alior Bank S.A. ("Bank") informs that pursuant to the decisions of the Bank's Management Board made on August 07, 2020, the following write-offs and provisions were created, which will affect the Bank's financial performance in the first half of 2020 and the whole year of 2020:

1. The write-off and provision due to an increase in Expected Credit Loss (ECL) as a result of the COVID-19 pandemic in the amount of PLN 363.6 million. The above-mentioned write-off and provision are extraordinary. When making estimates in the period of such high uncertainty, and in line with the conservative approach, the Bank exercised a safe margin when estimating the amount of write-offs and provisions. The Bank also indicates that the above write-offs and provisions were not made by the Bank in the first quarter of 2020, which results in the fact that the amount of write-offs and provisions is correspondingly higher than it would have been if they had been created previously.
2. The write-off and provision in the amount of approx. PLN 150 million due to the increased risk of repayment of the Bank's receivables, which will be charged to the result on impairment losses and provisions.
3. An additional provision for reimbursement of fees related to the early repayment of consumer loans made before September 11, 2019, in the amount of PLN 98 million, where the Bank informed about the creation of primary provisions in current reports no. 37/2019 of October 24, 2019, no. 38/2019 of November 5, 2019, and no. 5/2020 of February 21, 2020.
4. The write-off of the goodwill from the acquisition of Meritum Bank ICB S.A. in the amount of approximately PLN 64.4 million.

The total amount of the write-offs and provisions amounts to approximately PLN 676 million. The created write-offs and provisions will lead to a deterioration of the Bank's financial performance in the first half of 2020 and in the whole financial year of 2020.



The Bank's capital and liquidity ratios remain at levels significantly exceeding the minimum regulatory requirements and allow the Bank to operate safely.

The presented financial data are estimates and may be subject to change.

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(joint stock company)
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XIII Commercial Department of the District
court for the Capital City of Warsaw,
National Court Register no. (KRS): 0000305178,
Statistical ID no. (REGON): 1141387142,
Tax ID no. (NIP): 1070010731
Share capital: PLN 1,305,539,910.00
(fully paid-up)

Management board consisting of:
Iwona Duda - Deputy CEO
Maciej Brzozowski - Deputy CEO
Seweryn Kowalczyk - Deputy CEO
Agnieszka Nogajczyk-Simeonow - Deputy CEO
Agata Strzelecka - Deputy CEO
Dariusz Szwed - Deputy CEO