Raiffeisen BANK
Banking aşa cum trebuie

Raiffeisen Bank ends first semester with an 20 per cent net loan growth and a net profit of RON 423 million (yoy)

- Net profit for the first six months of this year reached RON 423 million (EUR 91 million), compared to RON 243 million, for the same period of the previous year;
- The Bank's total assets amounted to RON 38.1 billion, a 14 per cent increase compared to June 2017;
- The Bank's net loans portfolio reached RON 23.6 billion, an 20 per cent increase yoy;
- Customer deposits grew by 16 per cent (yoy);
- Non-performing loans ratio decreased to 4.9 per cent at the end of the first semester of 2018, compared to 8 per cent in June 2017;

Bucharest, August 9th, 2018 – Raiffeisen Bank ended the first semester of this year with a net profit of RON 423 million, up 74 per cent compared to June 2017. Total assets of the Bank increased during this first semester up to RON 38.1 billion (14 per cent growth yoy). The main driver of this positive development was, again, lending: RON 23.6 billion is the total value of net loans granted to the Bank's customers.

New loan volumes recorded substantial increases compared to the same period of the previous year, particularly in the case of companies. New loans to large and medium companies grew during the first semester of this year by 43 per cent compared to the same period of 2017, while loans to SMEs grew by 35 per cent, and consumer loans to individuals by 15 per cent, respectively.

"Our main achievements are related to responsible lending, that is, to doing what we said: «proper banking». I am convinced that this trend of increasing the financing of the Romanian economy will continue, because we offer Romanian companies and entrepreneurs not only attractive credit products but also valuable expertise. In terms of lending to individuals, in an environment of increased interests, more than 90 per cent of new consumer loan volumes in the past year are with fixed interest rates, while for real estate loans 60 per cent have fixed interest rates for the first 7 years", said Steven van Groningen, President & CEO of Raiffeisen Bank

Deposits from customers attracted by Raiffeisen Bank increased by 16 per cent in the first half of 2018 compared to June 2017 and exceeded RON 31 billion. By mid-2018, the Bank's revenues were about RON 1.2 billion, 21 per cent higher compared to the first half of 2017.

The non-performing loan ration is 4.9 per cent at the end of June 2018 (8 per cent H1/2017). Provisioning expenses are RON 72 million, against RON 206 million as they were at mid-year 2017.

Raiffeisen Bank's operating expenses reached RON 622 million in the first half of this year, up 5 per cent compared to the level recorded in the first semester of last year.

The bank will continue its substantial investments in the digitization process for affordable, fast and easy-to-understand banking products and services. The number of Bank customers using the online banking applications, Raiffeisen Online and Smart Mobile, reached 530,000, 30 per cent more than in the same period last year. Raiffeisen Bank customers take online loans and perform operations through digital banking apps, call center or multifunctional machines (MFMs). The number of clients who prefer the self-banking tools is steadily growing.

"The value of digitally initiated loans doubled this year, compared to the same period last year. We will continue to adopt the full digitization of the credit flow, so that in the first part of 2019 we can offer this lending facility to our customers 100 per cent online", said Steven van Groningen.

At mid-year 2018, half of the Bank's individual clients (966,000 H1/2018) chose to have a relationship with the bank based on several trading, lending, saving products included in current account bundles, 5 per cent more compared to June 30th, 2017, thus confirming that the direction of simplifying products and using them in a responsible way is the right one.

Raiffeisen Bank is the leader of the credit card market with more than 485,000 active cards as of June 30th, 2018, a 10 per cent increase yoy. 95 per cent of the amounts traded via credit cards are used at POS or for online shopping. Over 12,500 cards are eMAG and Raiffeisen Bank co-branded credit cards, issued within the eight months since the launch of this product.

Raiffeisen Bank has one of the most prized private banking services on the Romanian market and manages assets in excess of RON 5 billion lei for 1,400 high-value clients, who use consulting services, financial instruments and related services.

At the end of the first semester of 2018, the Bank had 5,099 employees (5,190 as of 30 June 2017), 433 (466 H1/2017) agencies across the country, more than 900 ATMs (1100 H1/2017), approximately 19,300 POS (18,400 H1/2017) and 210 multifunctional machines (165 H1/2017). Approximately 48 per cent of the transactions previously performed through the Bank's cash desks in agencies are now carried out via the multifunctional machine (MFM) network.

Raiffeisen Bank has 2 million individual clients, approximately 100,000 SMEs and 5,600 corporations.

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