

To: Bucharest Stock Exchange (BSE)  
The Financial Supervisory Authority (FSA) – Financial Investments and Instruments Sector

## **Financial stability and solid performance for Raiffeisen Bank Romania, also confirmed on the international capital market**

**Bucharest, 3.11.2023** | The first 9 months of 2023 indicates solid results for Raiffeisen Bank Romania. This is the result of financing the real economy and continuing the vision of bringing a new approach to the industry - **Banking 1:1** - focusing on personalized services, transparent and relevant dialogue about financial planning, so that it becomes a tool that more and more Romanians can use with confidence to create a financial future adapted to their needs and aspirations.

Two notable achievements were the launch of the first issue of sustainable senior non-preferential Eurobonds on the international capital market for the Romanian banking sector, in the amount of EUR 300 million, and the support of the European Investment Fund, which granted Raiffeisen Bank Romania two guarantee schemes in the amount of EUR 400 million. These can be used to finance SMEs in the local market with more than EUR 600 million over the next 2 years, supporting the largest investment plan in recent years dedicated to small and medium-sized enterprises in Romania.

"The confidence we received from investors at the launch of our first Eurobond issue on the international market and from an institution of the caliber of the European Investment Fund, which gave us the highest amount in the market through two guarantee schemes, is proof of our ability to persevere in delivering financial excellence. We perform well across all assets under management while maintaining our vision of becoming our clients' most trusted partner." - **Zdenek Romanek, President & CEO, Raiffeisen Bank Romania.**

### **KEY DEVELOPMENTS IN THE FIRST 9 MONTHS OF 2023**

Raiffeisen Bank Romania reports total assets of RON 67.5 billion, up 9% compared to the first 9 months of the previous year and a profit of RON 1.3 billion (+45%). Operating expenses increased by 11% year-on-year, mainly from personnel, IT, and logistics costs.

### **RAIFFEISEN ACUMULARE OPTIONAL PENSION FUND, CHOSEN BY THE MAJORITY OF ROMANIANS IN 2023\***

In the first 9 months of the year, growth in the segment of pensions, investment plans and life insurance plans exceeded 160%, compared to the same period in 2022.

Over 80.000 customers, an increase of 15% over the same period last year, accessed life insurance policies offered through Raiffeisen and a significant percentage of those who joined a Pillar III Private Pension in 2023 chose the Raiffeisen Acumulare Optional Pension Fund.

A milestone in the first nine months was also the Euro Flexi Investment Fund, with net assets of EUR 44.60 million at the end of September, a record for a fund managed by Raiffeisen Asset Management due to the amounts raised at the time of launch.

“Our perseverance in democratizing financial planning and a new way of doing banking is reflected in an increase of more than 160% in the first 9 months of the year. With the help of Raiffeisen Bank's experts, more and more Romanians are getting closer to their personal financial goals, be it investment plans, life insurance plans or private pensions”.

- **Zdenek Romanek, President & CEO, Raiffeisen Bank Romania.**

## **GROWING APPETITE FOR SAVINGS**

Raiffeisen Bank Romania's customer savings increased by 6% year-on-year, because of the increase in the balance of term deposits in all business segments.

In the retail segment, the increase was 7% over the previous year. Private individual customers benefited from a wide range of products with attractive interest rates both in lei and in foreign currencies (up to 7% yearly for term deposits in lei, 2.7 % yearly in euros, and 3.5 % yearly in dollars). The share of term deposits in the total savings of Raiffeisen Bank customers increased from 18% at the end of the third quarter of 2022 to 39% in the third quarter of 2023.

## **PLUS 4% ON THE LENDING SIDE**

Loans granted to customers grew 4% year-on-year, with growth coming mainly from the corporate segment.

### **Private individuals**

The stock of loans to individuals remained relatively stable in a macroeconomic context characterized by uncertainty, high inflation, and high market rates.

To protect customers from possible shocks caused by the development of market interest rates, most of Raiffeisen Bank Romania's loans to individuals were granted at fixed interest rates. We also continued to offer customers protection throughout the term of the loan and through the life and unemployment insurance package, which provides an additional 2% interest discount.

The volume of unsecured personal loans increased slightly in the third quarter of the year, with the market share remaining constant. Also, 1 out of 2 customers purchased, in 2023, the product with a refinancing component.

The granting of loans for personal needs through the Smart Mobile application maintained a positive trend, supported by the increase in the number of loans granted 100% online.

The third quarter was characterized by a slowdown in housing loans, in line with the uncertain economic environment. However, Raiffeisen Bank Romania continued its "green" lending by increasing the share of "green" loans to more than 50 % of total home loans. The share of fixed-rate loans in the real estate loan structure reached 94 %.

- **Corporate customers**

Corporate loans increased by 5% over the same period last year, also supported by the Bank's active involvement in the financing of sustainable projects (renewable energy, energy efficiency and financing of social projects).

- **SMEs**

The stock of loans granted to SMEs increased by 8% year-on-year, with a positive impact in the context of the bank's participation in government programs such as IMM Invest.

### **EFFICIENT SOLUTIONS FOR DIGITALIZED SMEs**

The Smart Business application brings together more than 80,000 active customers who enjoy new features including: the ability to open a debit card directly from the application, view the card's PIN, enroll cards in GooglePay, manage direct debit mandates.

The number of merchants accepting payments using their own mobile phones exceeded 5,000, confirming the appetite for convenient and secure mobile banking. In the same direction, we launched a new payment acceptance terminal solution, unassisted. The solution is already implemented at approximately 880 easybox lockers of the courier company Sameday, but it can also be found in the terminals located in the parking lots of Mega Mall in Bucharest and City Park Mall in Constanta.

Lending through digital channels continues to support the growth of the portfolio of loans granted to micro-customers, accounting for approximately 15% of new volumes. Since the beginning of the year, more than 1200 customers have benefited from this fast and easy flow (+75% in generated volumes compared to the whole of 2022).

The startup funding competition - *factory by Raiffeisen Bank*, now in its sixth edition, continued with new events dedicated to entrepreneurs. The third quarter brought more than half of all 2023 registrations and a record number of applications. The number of entrepreneurs who are part of the *factory by Raiffeisen Bank* community currently exceeds 400, having received funding in the amount of over 20 million euros.

### **1:1 DIGITAL ENROLLMENT TUTORIAL IN LESS THAN 10 MINUTES**

Other news, in the retail segment, is the launch of the assisted digital enrollment flow, which combines several state-of-the-art technologies and allows potential customers to access the "Zero Simple" current account package in less than 10 minutes, fast and digitally, without additional documents, only with an identity card, in any branch or at events where Raiffeisen experts are present.

The portfolio of customers using mobile/internet banking applications continues to grow. The latest innovation brought to the Smart Mobile application, based on customer feedback, is the launch, in September of the ability to view the details entered on the debit card.

## **RAIFFEISEN PRIVATE BANKING**

During the third quarter, Friedrich Wilhelm Raiffeisen became Raiffeisen Private Banking.

Private Banking customers continue to enjoy the same elite benefits and services. In addition, we have improved their investment journey by introducing an extensive range of carefully selected financial instruments: investment funds managed by Raiffeisen Capital Management (Raiffeisen Kapitalanlage Gesellschaft mbH) with a focus on sustainability.

The total assets under management of the Private Banking segment increased by more than 73 million euros compared to the end of last year.

Clients' interest in investment funds continued in the third quarter, recording gross subscriptions of over 67 million euros for the Private Banking and Premium Invest segments.

## **About Raiffeisen Bank Romania**

Raiffeisen Bank, a leading universal bank with solid capitalization and liquidity, operates in the Romanian banking market and serves more than 2.2 million customers, both retail and corporate. The bank has more than 4.900 employees in 285 branches, 1.126 ATM&MFM and over 28.900 POS.

Raiffeisen Bank has been supporting the Romanian economy for more than 25 years, offering products and financial services designed to meet the needs of customers. With responsibility as a fundamental principle, we contribute to the development of society by financing the real and sustainable economy. At the same time, we are involved in the community by supporting 5 pillars of development: education, urban ecology, sport as a healthy lifestyle, innovation, art and culture.

Starting 2023, Raiffeisen Bank brings a new approach and perspective to banking services by launching "Banking 1:1", an interactive way to create a personalized financial plan for our customers using the Smart Finance application developed locally by the team in Romania.

[www.raiffeisen.ro](http://www.raiffeisen.ro)

*\* Related to the number of people who joined a voluntary pension fund in Romania in 2023*

*Note: All the above financial figures are in accordance with International Financial Reporting Standards (IFRS) and RBI Group Management Reporting Standards (MIS).*