

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

Half year 2020: Raiffeisen Bank Romania posts a net profit of RON 280 million

- Net profit for the first six months of this year reached RON 280 million, compared to RON 384 million, for the same period of the previous year;
- The Bank's total assets amounted to RON 46,1 billion, a 7 percent increase compared to the end of June 2019;
- The Bank's net loans portfolio reached RON 28,5 billion, an 4 percent increase (yoy);
- Customer deposits grew to RON 38,4 billion a 15 per cent (yoy);
- The operational income of the bank reached RON 1,3 billion a 2 percent increase compared to the same period of 2019;
- Non-performing loans ratio decreased to 4 percent from 4.2 percent;

Bucharest, August 11 2020 – Raiffeisen Bank ended the first part of this year with a net profit of RON 280 mln, as compared to 384 mln RON at the end of S1 / 2019. The bank's total assets reached 46,1 bln RON (an increase by 7%, Y-to-Y). Lending activity kept increasing, loans granted reaching 28,5 mld RON, 4% increase as compared to the same period in 2019.

First semester profit in 2020 fell by 27% as compared to June 30th 2019, following the macroeconomic environment downfall, in the context of the COVID-19 pandemic. Although credit risk grew by 62% from first semester in 2019, the bank kept a healthy risk profile, with additional provisioning for possible future difficulties for clients in credit reimbursement. Until now, most of the provisioning constitute precaution measures, with the public moratory, the bank's option for 3 rates postponement and other governmental measures helped in keeping a good balance between clients' problem solving and loans portfolio performance.

"I am happy that, despite the unprecedented situation that we're dealing with, the banks income grew in the first semester of 2020, reaching approximately 1,3 mld RON, with 2% more than first semester in 2019. Net loans increase (of 4% year-to-year) was an important element in keeping the bank's revenues on an ascending trend. It's worth to mention that clients' deposits and liquidities in current accounts also increased in the first half of this year, so we can speak of an increase of 15%, year-to-year, a statement of the trust we benefit from, but also the great responsibility we show our clients" declared Steven van Groningen, President & CEO Raiffeisen Bank.

Raiffeisen Bank operational expenses grew mostly because of staff costs and IT expenses, with a strong correlation to the bank's strategy to further invest in these two important pillars for success and future achievements: people and developing digital capabilities. Health and safety for staff and clients is the most important objective, the bank providing for all necessities during the pandemic situation for people safety,

from protection and sanitation materials, to separating panels and to shipping by courier more than 200.000 cards, at clients' homes.

During the lockdown, we processed over 27.000 requests for payment postponement for personal clients and over 3000 request for SME and large companies.

“Even though we were facing a special and difficult situation, the bank’s strategy did not change and we kept on working on our projects, to serve our customers, protect our staff and offer support to all our partners, in the best and safest way. It is true that some plans changed, some projects were postponed, as is the case of the old mobile banking apps and changing them with the new ones, but we developed heavily on digitalization and we had remarkable achievements: 80% more online transactions and 20% more clients using digital services (year-to-year). Debit card payments grew by 80%, while online payments doubled” highlighted Steven van Groningen.

Digital clients (those using digital banking apps, Raiffeisen Online and Smart Mobile) exceeded 700.000 by mid-year 2020, 19% larger than same period last year. The bank is leader on credit cards market in Romania, with more than 530.000 active cards by S1 2020, and debit cards exceeded 2 millions.

Raiffeisen Bank received 6.000 IMM Invest credit requests and approved over 1.700. Also, the bank continued to finance the Romanian start-ups in 2020, through the *factory by Raiffeisen Bank* program, 112 entrepreneurs accessing funds of more the 4 mil EURO, total value.

The bank supports its clients to overcome the pandemic generated difficulties and in June 2020 launched special offers to respond to clients' needs, such as lowering interest rates for personal and housing loans.

This year Raiffeisen Bank celebrates 10 years since the launch of Premium Banking service, one of the most appreciated affluent banking services on the Romanian market.

Since the beginning of the year we added to our investment products portfolio Raiffeisen Global Equity, the first fund in Romania to incorporate in the investment decision environmental, social and governance (ESG) factors, managed by Raiffeisen Asset Management. The fund aims to offer individual investors access to growth potential from global and local markets, with professional management of investments and risks and was met with high interest from investors.

On June 30th 2020, Raiffeisen Bank has a portfolio of more than 2,12 mln personal clients, approximately 97.000 SMEs and 5.700 corporations. 4880 employees work in the banks 350 branches, all over the country. The bank has a network of more than 770 ATMs, approximately 23.000 POSs and 335 MFM.

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Name of the issuer: Raiffeisen Bank S.A.

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Phone / Fax No: +40 21 306 1000 / +40 21 230 0700

Unique Registration Code with the Trade Register: 361820

Order number in the Trade Register: J40/44/1991

Subscribed and paid-in share capital: RON 1 200 million

The regulated market where the instruments are traded: Bucharest Stock Exchange