

RBI: Semi-Annual Financial Report 2022

Consolidated profit of EUR 1,712 million, including gain on the sale of Raiffeisenbank (Bulgaria)

- Net interest income up 23% quarter-on-quarter, due to higher rates in CE and SEE as well as EURRUB appreciation
- Net fee and commission income up 29% quarter-on-quarter, in particular on the back of continued strong customer activity and FX business in Russia
- Provisioning ratio increased significantly to 0.86% year-to-date, largely driven by the buildup of overlays and macro downgrades
- Loans grew 7% year-to-date, supported by focus CE and SEE markets
- Consolidated profit of EUR 1,712 million year-to-date, including net gain of EUR 453 million on the sale of the Bulgarian unit
- CET1 ratio at 13.4% (transitional, including year-to-date result), including 75 bps from the sale of the Bulgarian unit, and despite RWA inflation and higher risk costs in Eastern Europe
- Outlook has been updated

Income Statement in EUR million	1-6/2022	1-6/2021	Q2/2022	Q1/2022
Net interest income	2,199	1,509	1,214	986
Net fee and commission income	1,565	903	882	683
Net trading income and fair value result	316	32	132	184
General administrative expenses	(1,649)	(1,386)	(857)	(792)
Operating result	2,500	1,163	1,412	1,089
Other result	(108)	(74)	(6)	(102)
Governmental measures and compulsory contributions	(241)	(155)	(82)	(159)
Impairment losses on financial assets	(561)	(100)	(242)	(319)
Profit/loss before tax	1,590	834	1,082	508
Profit/loss after tax from continuing operations	1,299	641	859	440
Profit/loss from discontinuing operations	453	33	435	18
Consolidated profit	1,712	612	1,270	442

Balance Sheet in EUR million	30/06/2022	31/12/2021
Loans to customers	107,700	100,832
Deposits from customers	131,283	115,153
Total assets	214,200	192,101
Total risk-weighted assets (RWA)	109,025	89,928

Key ratios	30/06/2022	31/12/2021
NPE ratio	1.6%	1.6%
NPE coverage ratio	60.7%	62.5%
CET1 ratio (incl. result)*	13.4%	13.1%
Total capital ratio (incl. result)*	16.7%	17.6%

*transitional, subject to ECB approval of the regulatory deconsolidation of the Bulgarian unit

Key ratios	1-6/2022	1-6/2021	Q2/2022	Q1/2022
Net interest margin (average interest-bearing assets)	2.37%	1.91%	2.56%	2.21%
Cost/income ratio	39.7%	54.4%	37.8%	42.1%
Provisioning ratio (average loans to customers)	0.86%	0.22%	0.76%	0.97%
Consolidated return on equity	25.5%	9.6%	37.6%	13.2%
Earnings per share in EUR	5.07	1.72	3.79	1.27

Outlook/2022 Guidance

The following guidance assumes no changes to the existing footprint. All options relating to Russia and Belarus remain on the table.

In 2022, net interest income is expected in a range of EUR 4.3 to EUR 4.7 billion and net fee and commission income of at least EUR 2.7 billion.

Excluding Russia and Belarus, net interest income and net fee and commission income are expected to improve by around 20 and 10 per cent, respectively in 2022.

We expect stable loan volumes for the second half of 2022, with selected growth still coming from Central and Southeastern Europe.

We expect OPEX in the range of EUR 3.3 to EUR 3.5 billion, including M&A integration costs, leading to an expected cost/income ratio of around 45 per cent.

The provisioning ratio for 2022 is expected to be up to 100 basis points.

Consolidated return on equity is expected to be at least 15 per cent in 2022.

In 2022, we expect the CET1 ratio to remain above our 13 per cent target.

Medium term return on equity and payout ratio targets are suspended due to current uncertainties in Eastern Europe.

RBI regards Austria, where it is a leading corporate and investment bank, as well as Central and Eastern Europe (CEE) as its home market. 12 markets of the region are covered by subsidiary banks. Additionally, the RBI Group comprises numerous other financial service providers, for instance in leasing, asset management or M&A.

Around 44,000 employees service more than 17 million customers through approx. 1,700 business outlets, the by far largest part thereof in CEE. RBI's shares are listed on the Vienna Stock Exchange. The Austrian regional Raiffeisen banks own around 58.8 per cent of the shares, the remainder is in free float. Within the Austrian Raiffeisen Banking Group, RBI is the central institute of the regional Raiffeisen banks and other affiliated credit institutions.

For further information please contact:

Ingrid Ditz (+43-1-71 707-6055, ingrid.ditz@rbinternational.com) or

Christof Danz (+43-1-71 707-1930, christof.danz@rbinternational.com)

<http://www.rbinternational.com>