

## RBI: Semi-Annual Financial Report 2018

- Consolidated profit of EUR 756 mn (up 29% year-on-year), including EUR 121 mn expected loss from sale of Polish core banking operations
- Operating income up 5% year-on-year supported by net interest income
- Exceptionally high releases of loan loss provisions led to positive impairment losses on financial assets
- Disposal of Polish core banking operations on track, closing expected in Q4/2018
- NPL ratio decreased further to 4.8% (of which 76bps organic reduction and 15bps due to pending sale of Polish core banking operations)
- CET1 ratio at 12.8% (fully loaded) including YTD results
- Inaugural green bond issued in June 2018

| <b>Income Statement in EUR million</b>                 | <b>1-6/2018</b> | <b>1-6/2017</b> | <b>Q2/2018</b> | <b>Q1/2018</b> |
|--|-----------------|-----------------|----------------|----------------|
| Net interest income                                    | 1,663           | 1,593           | 834            | 829            |
| Net fee and commission income                          | 869             | 843             | 460            | 410            |
| Net trading income and fair value result               | 16              | 27              | 18             | (1)            |
| General administrative expenses                        | (1,494)         | (1,503)         | (754)          | (740)          |
| Other result   | (94)            | 32              | (121)          | 27             |
| Levies and expenses from special governmental measures | (141)           | (131)           | (8)            | (132)          |
| Impairment losses on financial assets                  | 83              | (100)           | 0              | 83             |
| Profit before tax                                      | 1,024           | 849             | 496            | 529            |
| Profit after tax                                       | 820             | 656             | 389            | 430            |
| Consolidated profit                                    | 756             | 587             | 357            | 399            |

| <b>Balance Sheet in EUR million</b>                                    | <b>30/06/2018</b> | <b>31/12/2017</b> |
|--|-------------------|-------------------|
| Loans and advances to customers  | 77,895            | 77,745            |
| (Loans and advances to customers incl. Polish core banking operations) | 82,085            | 77,745            |
| Deposits from customers  | 79,908            | 84,974            |
| Total assets   | 143,556           | 135,146           |
| Risk-weighted assets (total)   | 74,346            | 71,902            |

| <b>Key ratios</b>         | <b>30/06/2018</b> | <b>31/12/2017</b> |
|---------------------------|-------------------|-------------------|
| NPL ratio                 | 4.8%              | 5.7%              |
| NPL coverage ratio        | 73.5%             | 67.0%             |
| CET1 ratio (fully loaded) | 12.8%             | 12.7%             |
| CET1 ratio (transitional) | 12.8%             | 12.9%             |

| <b>Key ratios</b>             | <b>1-6/2018</b> | <b>1-6/2017</b> | <b>Q2/2018</b> | <b>Q1/2018</b> |
|-------------------------------|-----------------|-----------------|----------------|----------------|
| Net interest margin           | 2.48%           | 2.44%           | 2.48%          | 2.49%          |
| Consolidated return on equity | 15.5%           | 12.9%           | 14.6%          | 16.6%          |
| Cost/income ratio             | 56.0%           | 58.9%           | 54.7%          | 57.3%          |
| Earnings per share in EUR     | 2.21            | 1.79            | 1.04           | 1.17           |

## **Outlook**

We will pursue loan growth with an average yearly percentage increase in the mid-single digit area.

Impairment losses on financial assets (risk costs) in 2018 are expected to be below the 2017 level.

We anticipate that the NPL ratio will further reduce in the medium term.

We aim to achieve a cost/income ratio of below 55 per cent in the medium term.

In the coming years we target a consolidated return on equity of approximately 11 per cent.

We target a CET1 ratio (fully loaded) of around 13 per cent post dividend in the medium term.

Based on this target, we intend to distribute between 20 and 50 per cent (dividend payout ratio) of the consolidated profit.

The sale of the core banking operations in Poland is not reflected in the targets in this outlook.

For further information please contact:

Susanne E. Langer  
Head of Group Investor Relations  
Spokesperson  
Raiffeisen Bank International AG  
Am Stadtpark 9  
1030 Vienna, Austria  
ir@rbinternational.com  
phone +43-1-71 707-2089  
www.rbinternational.com