

## Press release

Belgrade, November 23<sup>rd</sup> 2015

### **UniCredit Bank improved business performance**

During first three quarters of 2015, UniCredit Bank Serbia managed to keep its position of solid and reliable player despite all turbulences that still characterize local business environment. Thanks to improved processes and placement of additional products and services, designed according to needs of its clients, bank consolidated the third position when it comes to total assets.

Led by the Group's value system, UniCredit Bank especially focuses on improvement of client's satisfaction, through further implementation of new service model to almost entire network of branches throughout Serbia. In addition, tailor made and products aligned with needs of various segments of clients, additionally contributed to increase of clients' base for over 21%, thus total number of clients exceeds 275,000. Due to this, it was recorded growth of clients' deposits for 21%, in comparison with the same period of previous year, which amount now exceeds RSD 147 billion.

Despite the fact that local market faced lack of credit worth demand, we managed to provide suitable clients and to continue to show our commitment and readiness to support further development of the country and financial needs of clients. Volume of total net loans at the end of third quarter of 2015 exceeded amount of RSD 177 billion, which represents the increase of over 13% in comparison with amount reached in the same period in 2014. This trend of increase of deposits and loans provided even more stable financial position of the bank, while increase of commercial volumes exceeded increase of net interest and fees income due to overall reduction of margins.

On the other hand, the increase of total costs for 9% is consequence of increase of number of employees, additional investments within bank's infrastructure and business improvement. Namely, regardless to overall negative trend on the market, the number of employees increased 6% to 1,124.

Claudio Cesario, CEO of UniCredit Bank Serbia, stated: „These results are another proof that we are still recognized as reliable partner of both, retail and corporate sector. Thanks to several engagements with financial institutions, such as European bank for reconstruction and development (EBRD), European fund for Southeast Europe (EFSE), Municipal infrastructure development fund (MIDF) and others, we placed innovative products on Serbian market with favorable terms with which we contributed to further development of real economy and local communities in which we operate. We are especially proud that we significantly reduced interest rates on dinar loans, thanks to decrease of reference rate by National Bank of Serbia, as well as to stability of domestic currency. This is another way of supporting market 'dinarization'.”