

P r e s s R e l e a s e

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Solid performance of UniCredit Bank confirmed by market share growth

Despite all difficulties and turbulences which have characterized the business environment in the previous year's UniCredit Bank Serbia managed to further reinforce its role of solid and reliable player. The bank reconfirmed its position number 3 on the market in terms of total assets, at the same time additionally strengthening customer business and broadening the range of customer services.

Customer focus, new service model and tailor-made products aligned with the needs of different client segments, additionally contributed to nearly 18% increase in customer base of UniCredit Bank Serbia, exceeding 247,000. Consequently, client's deposits grew by 25% in comparison to the previous year, exceeding the amount of RSD 141 billion. Even though the local market was characterized by lack of credit worthy demand, we managed to gain suitable clients and continued to show our commitment and determination to support expected future development of the country and customer's financial needs. The volume of loans in 2014 reached almost RSD 165 billion, marking the strong increase of 14% compared to previous year. Such trend in deposits and loans growth assured more stable funding position of the Bank while commercial volumes increase outperform the growth of net interest and fee income due to overall margin compression.

Claudio Cesario, CEO of UniCredit Bank Serbia has stated: "The growth in market share when loans are concerned shows that we are supporting real economy and one of the evidences is active participation in the Government subsidized loan program. We were ranked as bank No 1 when volume of disbursed loans to micro, small and medium enterprises segment is concerned."

On the other hand growth in total costs for 15% is primarily due to significant growth in number of employees, additional investments in bank's infrastructure and improvement of business. Namely, despite an overall negative trend on the market, the number of employees was increased by 4% to 1,089.

As in the previous years, in 2014 UniCredit Bank Serbia managed to keep high level of efficiency. Bank's operating profit reached RSD 8.79 billion, marking an increase of 1% in comparison to 2013. In line with Group's strategy, focused on developing strong roots in local markets, UniCredit continued to demonstrate strong commitment to Serbia, as is evidenced by the increase of balance sheet volume/assets by 6% yoy to over RSD 265 billion. At the end of 2014, net profit of the bank in Serbia reached RSD 5.46 billion.

In line with its strategy, UniCredit Bank continued to engage itself in the process of increasing reputation on the local market through its socially responsible business, as well as the level of customer



satisfaction through implementation of a new service model which comprehends completely new concept of performing banking activities. Its primary goal is to ensure that clients feel comfortable and to spend their time in the branch more productively, meaning that client now can perform all banking transactions, apply for any product or service at one single point of entry. Position No 1 on the market when customer satisfaction of Retail clients is concerned shows that bank is on a good path.

UniCredit Bank has invested lots of effort to show that we are equal member of the Serbian society. The most important project certainly includes the initiative of providing support to employees, citizens and local communities affected by catastrophic floods last year, both in terms of financial means and introducing relief measures for banking products and services for the endangered ones. Bank also continued to support local communities in which bank is present in the way that we were involved in organization of different initiatives and manifestation, trying to contribute to their further development. UniCredit is extremely proud of the second edition of the project "Idea for better tomorrow" which we have started at the end of the year with the aim to promote social entrepreneurship.