

STORITVE GORENJSKE BANKE IN AIK BANKE NA SLOVENSKEM IN SRBSKEM TRGU



LET US BE YOUR CHOICE



**Storitve za poslovanje v Srbiji
-Seminar in B2B-
GZS, Dimičeva 13, Ljubljana, 10.junij 2019**

TO MAKE RELEVANT BANKING GROUP IN SEE

STRONG REGIONAL PRESENCE



PROFITABLE LOCAL BANKS
 $ROE \geq COE$



SHIFTING TOWARDS DIGITALIZATION



TO IMPROVE CUSTOMER SATISFACTION



- EUR 1.748 mio - Total assets
- EUR 476 mio - Equity
- EUR 54 mio - Profit before tax
- 56 branches
- 742 employees
- Operating in Serbia

Equity 681 mil EUR

Assets 3.580 mil EUR

- EUR 1.832 mio - Total assets
- EUR 205 mio - Equity
- EUR 21 mio - Profit before tax
- 23 branches
- 415 employees
- Operating in Slovenia

Income Statement

million EUR

Description of income statement position	31.12.2018.	31.12.2017.
Interest income	73.8	69.5
Interest expense	-11.7	-13.4
Net interest income	↑ 62.1	56.1
Fee income	14.6	10.6
Fee expense	-3.9	-2.2
Net fee income	↑ 10.7	8.3
Net income from foreign exchange differences	2.4	2.5
Other operating income	10.6	80.3
Total operating revenues	85.9	147.2
Operating expenses	-33.8	-36.3
Operating result	52.1	110.9
Cost of provisions and impairment	2.0	3.8
Result before tax	54.1	114.8

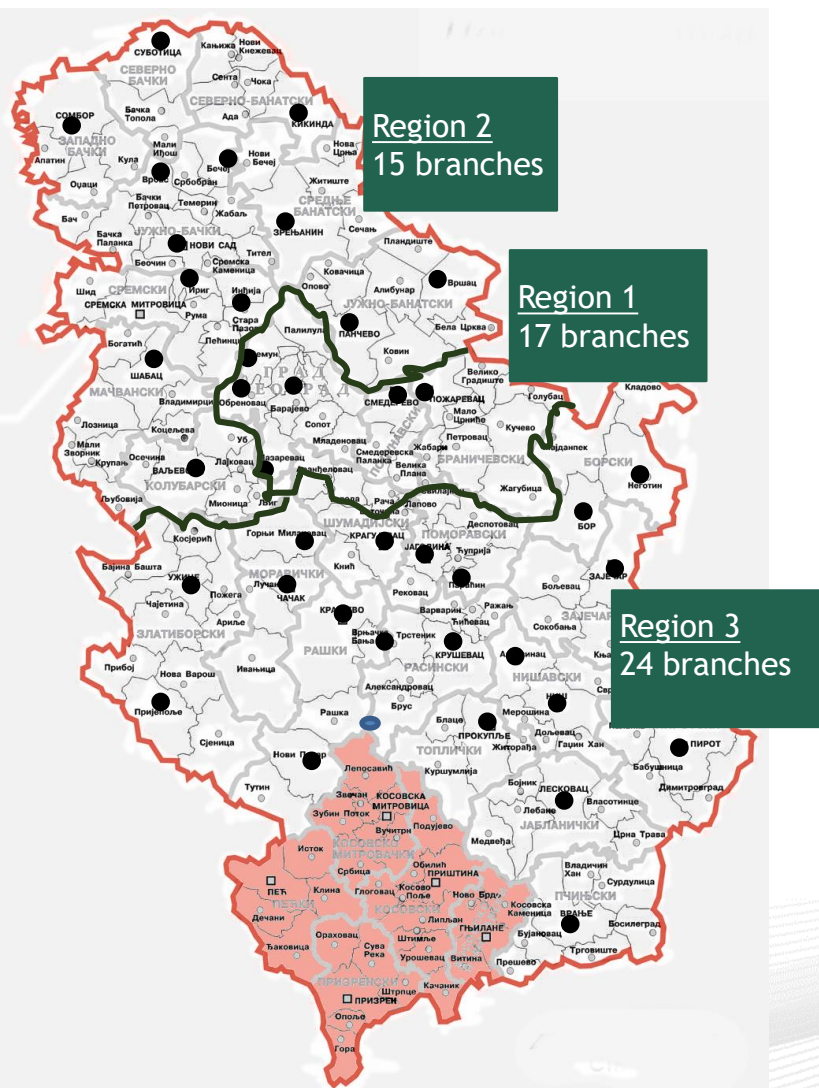
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Income Statement

million EUR

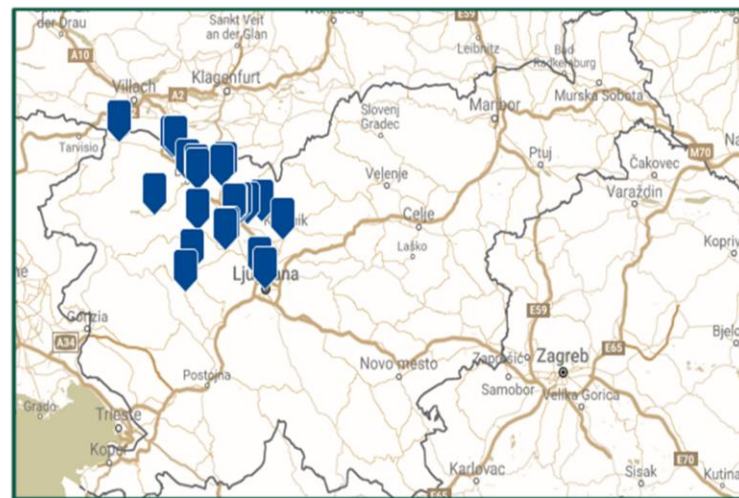
Description of income statement position	31.12.2018.	31.12.2017.
Interest income	41.1	38.2
Interest expense	-5.5	-4.4
Net interest income	↑ 35.6	33.8
Fee income	13.0	12.3
Fee expense	-1.2	-1.0
Net fee income	↑ 11.8	11.3
Net income from foreign exchange differences	-0.1	0.2
Other operating income	5.8	-3.2
Total operating revenues	53.1	42.0
Operating expenses	-31.6	-31.3
Operating result	20.4	15.6
Cost of provisions and impairment	0.3	-5.5
Result before tax	20.7	10.1

Network 2019 - AIK Banka



Name of organizational unit	Number
Branches	56
Counters	1

Network 2019 - Gorenjska Banka



NETWORK - BRANCHES	
BLED - TC Merkator	
BOHINJSKA BISTRICA - center	
CERKLJE - center	
GORNJA VAS - center	
JESENICE - center	
JESENICE - Plavž	
KAMNIK - Qlandia	
KRANJ - center	
KRANJ - Globus	
KRANJ - TC Mercator Primorsko	
KRANJ - Savski otok	
KRANJSKA GORA - center	
LESCE - TC Mercator Rožna dolina	
LJUBLJANA - Celovška cesta	
LJUBLJANA - center	
RADOVLJICA - center	
ŠENČUR - center	
ŠKOFJA LOKA - TC Grenc	
ŠKOFJA LOKA - center	
TRŽIČ - Bistrica pri Tržiču	
TRŽIČ - center	
ŽELEZNIKI - center	
ŽIRI - center	

Name of organizational unit	Number
Branches	23

RESIZED FOR GROWTH, PROFITABILITY AND REGIONAL PRESENCE

REVENUES/PROFIT

ORGANIC

- Corporate banking leader
- Consistent growth in cross selling
- Improving interest spreads
- Higher income from fees
- Innovative products and services

EFFICIENCY

ORGANIC

- Small and efficient branch network
- Expanding digital banking
- Strict control of all kinds of cost
- Refined operational model
- Strong risk and capital management

NEW ACQUISITIONS

NON ORGANIC

- Effects of synergy and economy of scale
- Effects of new products and new market segments
- Market penetration opportunities
- Possibility to enhance sales efficiency
- New customer base

SUCCESSFULLY BUILT CORPORATE PRODUCT FRANCHISE

Flexibility in corporate banking
with superior capabilities

QUALITY AND BRAND

High recognition as friendly and
modern local banks awarded
for innovations and quality of
services

REDESIGNED RETAIL BANKING

Optimal number of full service
branches with mix of
traditional and digital banking

AIK BANKA + GORENJSKA BANKA (EMERGING BANKING GROUP)

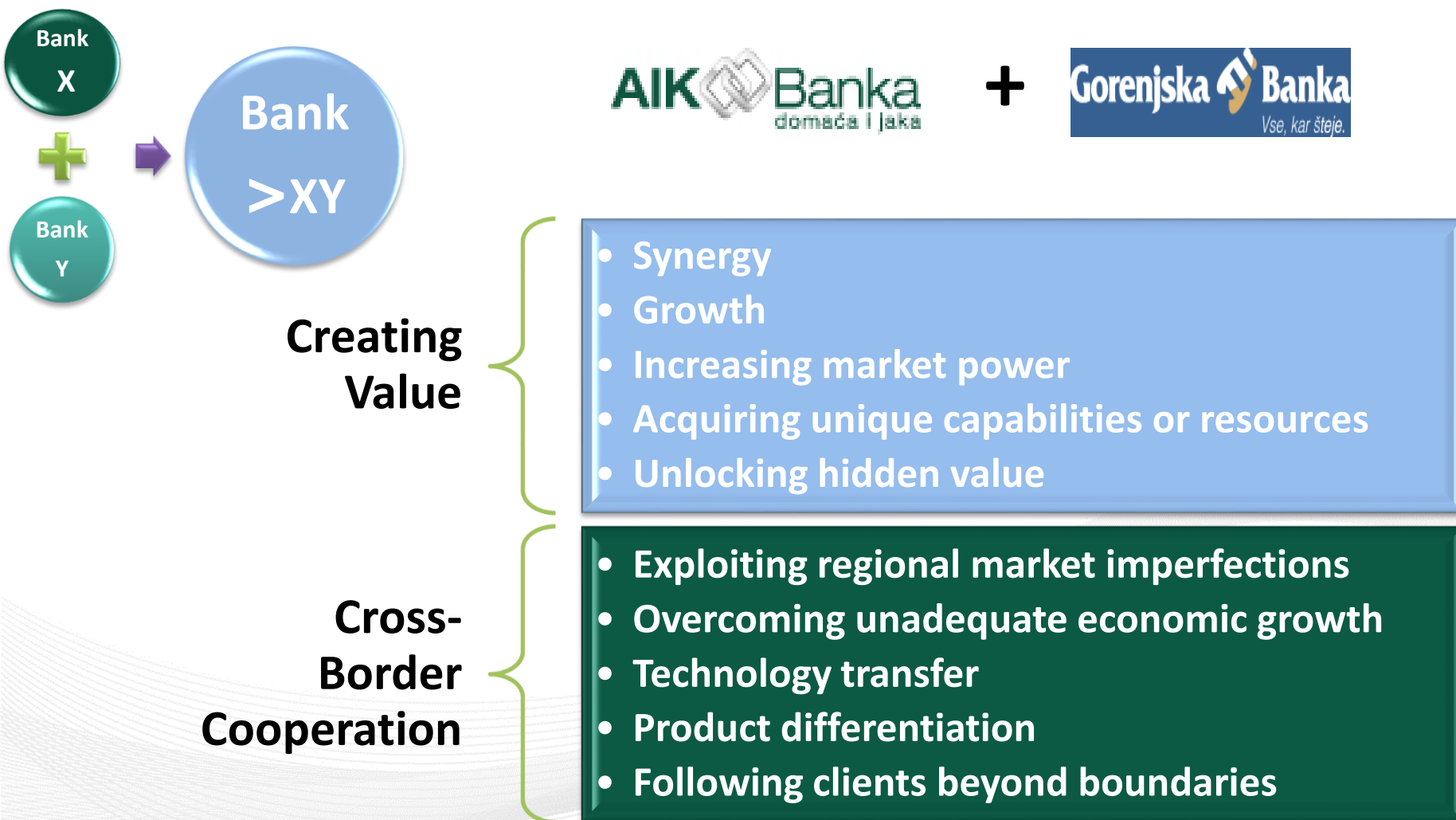
Central Europe



- 4.200 Serbia's companies export or import from Slovenia...
- 1.660 companies in Serbia are in possession of Slovenian's companies and citizens...
- 400 investments from Slovenian's companies...
- 25.000 employees in Slovenian's companies...
- 572 mil EUR is export of Serbia in Slovenia...
- 530 mil EUR is import of Serbia from Slovenia...

Serbia: Import and Export

	Country 2018	Import (USD)	Export (USD)
1	IT - Italy	2,422,626.90	2,356,420.60
2	DE - Germany	3,474,414.60	2,296,906.60
3	BA - BiH	683,268.20	1,527,918.30
4	RO - Romania	710,338.40	1,140,640.70
5	RU - Russia	2,037,087.20	1,023,572.50
6	ME - Montenegro	70,997.50	902,266.30
7	HU - Hungary	1,244,948.70	775,432.00
8	MK - RS Macedonia	270,242.50	738,659.30
9	BG - Bulgaria	510,664.30	724,942.70
10	SI - Slovenia	670,487.60	674,316.90
11	HR - Croatia	589,018.40	673,417.20
12	CZ - Czech Republic	652,058.00	577,939.00
13	FR - France	721,430.30	530,213.50
14	AT - Austria	720,491.80	521,456.90
15	PL - Poland	921,663.80	459,573.40
16	SK - Slovakia	274,164.10	392,980.00
17	NL - Netherlands	424,671.00	382,134.30
18	GB - Great Britain	293,005.00	319,036.40
19	TR - Turkey	984,086.60	298,277.00
20	US - SAD	468,081.50	265,543.70
	Totals (in ths EUR)	2,422,626.90	2,356,420.60



Improving the business environment - Strengthening the regional bank lending

1

STIMULATING PRIVATE INVESTMENT INCENTIVES



- More investments is needed to stimulate and sustain economic growth

2

SUSTAIN PRIVATE CONSUMPTION



- Expected increase in the volume of real estate transactions should stimulate further growth in household consumption of durable goods

Together we are more effective

Geographically diverse portfolio

Dynamic re-allocation of capital through the region

Growth in the SME/Agro segment

Significant increase in retail banking

Offering solutions & new products and services

Upgrade of risk management process

Strengthening the sales of trade finance services

Support to private investments

Strengthening cooperation with leasing personnel

Support exporters oriented to regional markets

Organizational and process flexibility

New investment policy as cross-regional lending

Winning new clients from different segments

Digitalization - new distribution channels

Enhancing sales efficiency

Target number of employees - Swap key personnel

Decrease cost of new regulatory framework

Scoring system for approval of small value loans

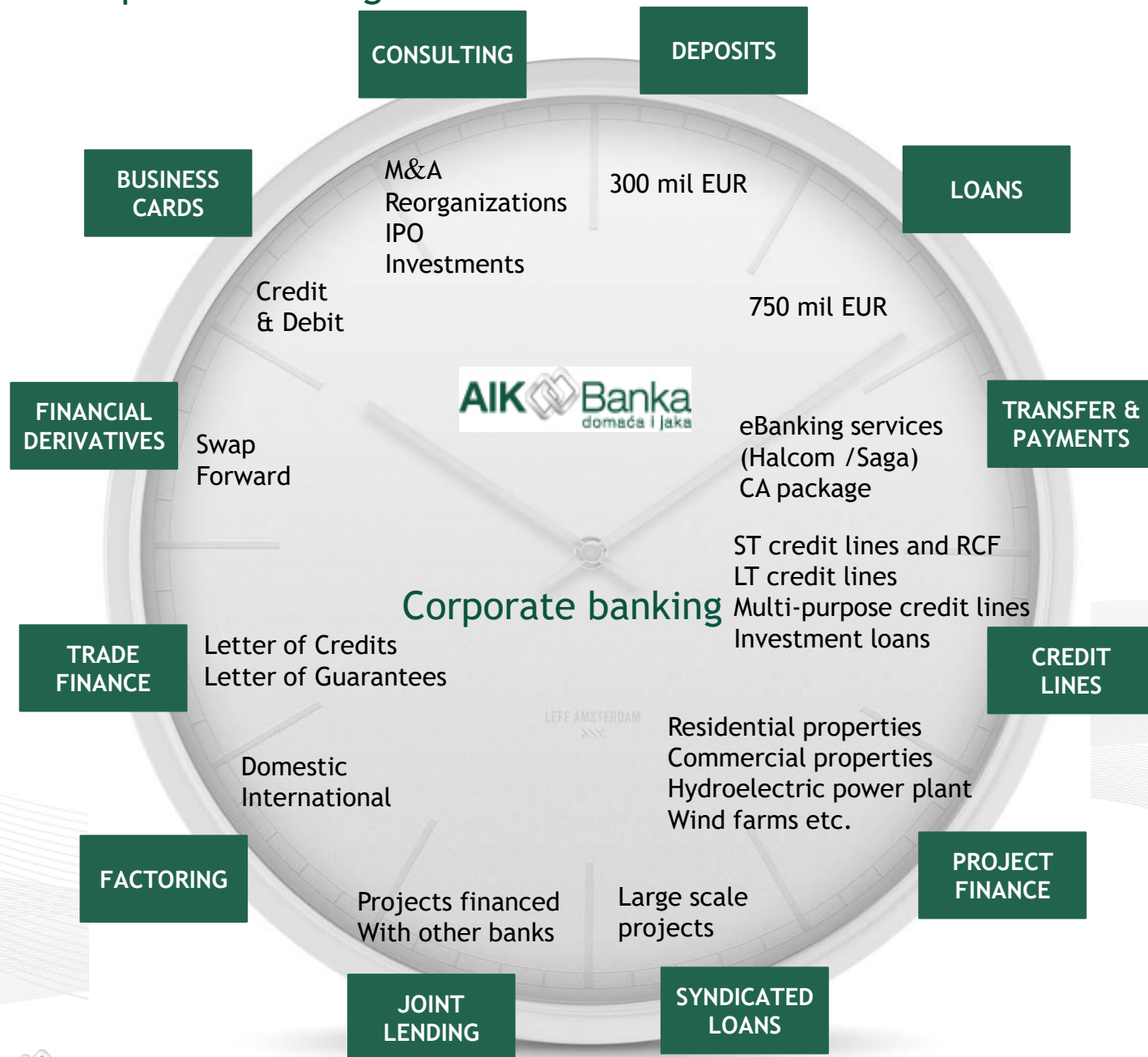
Efficient solving and managing of NPL

Support factoring services through the region

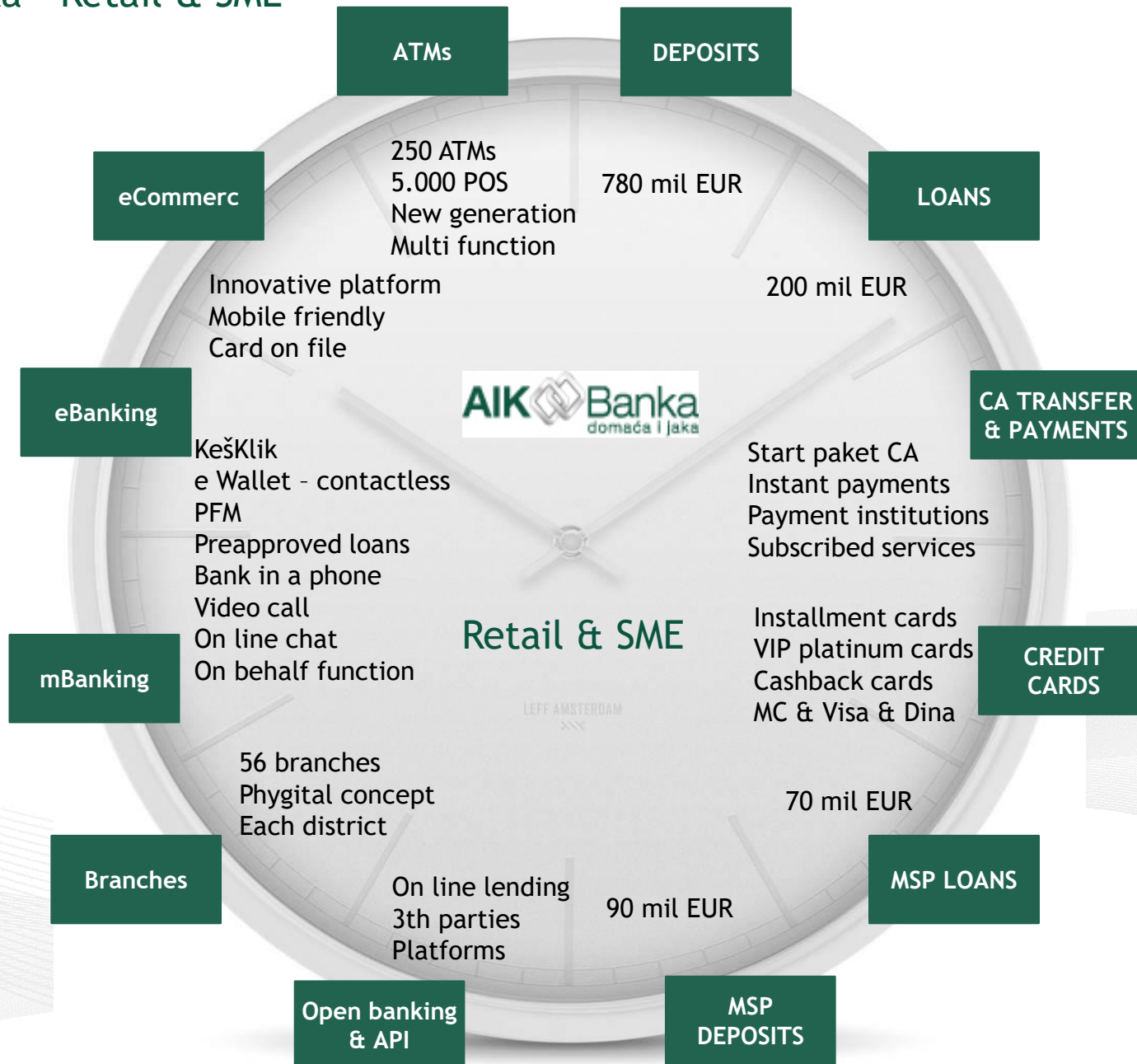
Redesign of branch network - digital branch

Improving customer experience and satisfaction

AIK Banka - Corporate banking



AIK Banka - Retail & SME



Growth outlook (EUR- vs. LCY-terms)

Country	Current loan stock	Loan stock growth*	Avg. growth 2017-22f	Avg. growth 2017-22f
	(EUR bn)	(EUR bn)	(% yoy, LCY)	(% yoy, EUR)
PL	229	108	6.1%	6.6%
HU	37	12	5.8%	4.7%
CZ	109	45	4.6%	6.0%
SK**	50	17	5.1%	5.1%
SI**	22	4	2.2%	2.2%
RO	49	36	9.5%	9.7%
BG**	28	8	4.1%	4.1%
HR	35	4	2.0%	1.8%
RS	16	5	6.1%	4.5%
BA**	9	3	4.3%	4.3%
AL	4	2	7.5%	7.7%
RU	642	111	7.3%	3.0%
UA	37	2	7.7%	1.9%
BY	18	2	14.3%	2.3%
Regions				
CE	447	187	5.4%	4.8%
SEE	142	58	7.0%	6.8%
EE	696	116	7.6%	2.9%
CEE	1,285	360	6.8%	4.1%

* from 2017-2022 in nominal EUR-terms

** in SK, SI, BG and BA loan growth rates in LCY and EUR are matching due to EA membership or currency board arrangements

Source: national sources, RBI/Raiffeisen RESEARCH

CEE: Banking growth trough-the-cycle; average loan growth

	2000-10	2011-16	2017-2022f
Poland	15%	7%	6.1%
Hungary	18%	-4%	5.8%
Czech Republic	7%	5%	4.6%
Slovakia	11%	7%	5.1%
Slovenia	16%	-6%	2.2%
Romania	40%	2%	9.5%
Bulgaria	34%	0.6%	4.1%
Croatia	16%	0.6%	2.0%
Serbia	50%	7%	6.1%
Bosnia a. H.	17%	3%	4.3%
Albania	36%	6%	7.5%
Russia	38%	15%	7.3%
Ukraine	48%	2%	7.7%
Belarus	67%	30%	14.3%
CE	13%	5%	5.4%
SEE	28%	2%	7.0%
EE	40%	14%	7.6%
CEE	31%	9%	6.8%
Euro area	6%	0.1%	n.a.

Source: national sources, ECB, RBI/Raiffeisen RESEARCH

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