



Raiffeisen Bank Zrt.
Consolidated financial statements
30 June 2023

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I. Primary financial statements

A. Consolidated statement of profit or loss

(HUF million)	30.06.2023	30.06.2022
Interest income calculated with the effective interest method	198,397	67,936
Other interest income	110,355	32,883
Interest expenses	-215,698	-47,044
Net interest income	93,054	53,775
Dividend income	464	380
Fee and commission income	55,832	48,430
Fee and commission expenses	-17,061	-13,884
Net fee and commission income	38,771	34,546
Net trading income and fair value result	-10,002	1,357
Net gains/losses from hedge accounting	-369	-668
Net gains/losses from derecognition of financial assets not measured at fair value through profit or loss	1,404	171
Other operating income	2,482	434
Other operating expenses	-13,876	-10,475
Staff expenses	-19,084	-15,435
Other administrative expenses	-12,846	-9,967
Depreciation and amortisation	-5,605	-4,981
Other result	-3,364	-1,874
Levies and special governmental measures	-35,966	-25,305
Impairment losses on financial assets	-1,579	-713
Profit before tax from continuing operations	33,484	21,245
Tax expense or (-) income related to profit or loss from continuing operations	-3,661	-4,000
Profit after tax from continuing operations	29,823	17,245
Profit after tax from discontinued operations	0	0
Profit for the period	29,823	17,245

Zeljko Obradovic
Chief Financial Officer

Tibor Gáspár
Head of Accounting

Date: 29 August 2023

B. Consolidated statement of profit or loss and other comprehensive income

(HUF million)	30.06.2023	30.06.2022
Profit for the period	29,823	17,245
Other comprehensive income	10,150	2,391
Items that will not be reclassified to profit or loss	-1	8
Fair value changes of equity instruments measured at fair value through other comprehensive income	-1	9
Income tax relating to items that will not be reclassified to profit or loss	0	-1
Items that may be reclassified to profit or loss	10,151	2,383
Foreign currency translation	0	-18
Cash flow hedges (effective portion)	8,241	9,178
Valuation gains or (-) losses taken to equity	8,466	9,134
Transferred to profit or loss	-225	44
Debt instruments at fair value through other comprehensive income	2,906	-6,552
Valuation gains or (-) losses taken to equity	2,879	-6,588
Transferred to profit or loss	27	36
Income tax relating to items that may be reclassified to profit or (-) loss	-996	-225
Total comprehensive income for the period	39,973	19,636

Zeljko Obradovic
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Head of Accounting

Date: 29 August 2023

C. Consolidated statement of financial position

(HUF million)	30.06.2023	31.12.2022
Cash, cash balances at central banks and other demand deposits	949,068	784,913
Financial assets held for trading	135,806	183,111
Non-trading financial assets mandatorily at fair value through profit or loss	137,211	126,416
Financial assets designated at fair value through profit or loss	0	0
Financial assets at fair value through other comprehensive income	364,276	305,850
Financial assets at amortised cost	2,523,957	2,680,830
Derivatives – Hedge accounting	162,628	191,077
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-16,739	-24,300
Current tax assets	57	1,095
Investments in subsidiaries, joint ventures and associates	8	8
Property and equipment	36,369	35,950
Intangible assets	22,931	22,607
Deferred tax assets	4,518	5,101
Other assets	8,622	8,324
Total assets	4,328,712	4,320,982
Financial liabilities held for trading	112,596	145,730
Financial liabilities measured at amortised cost	3,731,102	3,726,217
Derivatives – Hedge accounting	165,460	242,488
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-116,524	-177,653
Current tax liabilities	2,433	5,704
Provisions	12,461	11,526
Deferred tax liabilities	12	8
Other liabilities	35,091	12,176
Total liabilities	3,942,631	3,966,196
Share capital	50,000	50,000
Share premium	113,445	113,445
Equity instruments issued other than share capital	46,979	31,445
Accumulated other comprehensive income	19,003	8,853
Retained earnings	104,616	56,713
Other reserves	22,215	22,215
Profit or loss	29,823	72,115
Total equity	386,081	354,786
Total liabilities and total equity	4,328,712	4,320,982

Zeljko Obradovic
Chief Financial Officer

Tibor Gáspár
Head of Accounting

Date: 29 August 2023

D. Consolidated statement of changes in equity

Sources of equity changes (HUF million)	Share capital	Share premium	AT1 instruments issued	Other comprehensive income not to be reclassified	Other comprehensive income that can be reclassified				Retained earnings	Other reserves	Total
				Fair value changes of equity instruments measured at fair value through OCI*	Cash flow hedges [effective portion]	Debt instruments at fair value through OCI*	Foreign currency translation				
Opening balance 01.01.2023	50,000	113,445	31,445	31	10,754	-1,932	0	128,828	22,215	354,786	
Profit or (-) loss for the period	0	0	0	0	0	0	0	29,823	0	29,823	
Other comprehensive income	0	0	0	-1	7,499	2,652	0	0	0	10,150	
Total comprehensive income for the period	0	0	0	-1	7,499	2,652	0	29,823	0	39,973	
Issue of other equity instruments	0	0	15,534	0	0	0	0	0	0	15,534	
Payments on equity instruments	0	0	0	0	0	0	0	-24,213	0	-24,213	
Total contributions and distributions	0	0	15,534	0	0	0	0	-24,213	0	-8,679	
Transfers among components of equity	0	0	0	0	0	0	0	1	0	1	
Total other equity transactions	0	0	0	0	0	0	0	1	0	1	
Closing balance 30.06.2023	50,000	113,445	46,979	30	18,253	720	0	134,439	22,215	386,081	

*OCI: Other Comprehensive Income

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Chief Financial Officer

Tibor Gáspár
Head of Accounting

Date: 29 August 2023

Sources of equity changes (HUF million)	Share capital	Share premium	AT1 instruments issued	Other comprehensive income not to be reclassified	Other comprehensive income that can be reclassified				Retained earnings	Other reserves	Total
				Fair value changes of equity instruments measured at fair value through OCI*	Cash flow hedges [effective portion]	Debt instruments at fair value through OCI*	Foreign currency translation				
Opening balance 01.01.2022	50,000	113,445	31,445	-3	545	1,819	19	67,420	14,992	279,682	
Profit or (-) loss for the period	0	0	0	0	0	0	0	17,245	0	17,245	
Other comprehensive income	0	0	0	8	8,352	-5,951	-18	0	0	2,391	
Total comprehensive income for the period	0	0	0	8	8,352	-5,951	-18	0	0	19,636	
Payments on equity instruments	0	0	0	0	0	0	0	-3,527	0	-3,527	
Total contributions and distributions	0	0	0	0	0	0	0	-3,527	0	-3,527	
Transfers among components of equity	0	0	0	0	0	0	0	0	0	0	
Total other equity transactions	0	0	0	0	0	0	0	0	0	0	
Closing balance 30.06.2022	50,000	113,445	31,445	5	8,897	-4,132	1	81,138	14,992	295,791	

*OCI: Other Comprehensive Income

Zeljko Obradovic
Chief Financial Officer

Tibor Gáspár
Head of Accounting

Date: 29 August 2023

E. Consolidated statement of cash-flows

(HUF million)	30.06.2023	30.06.2022
Profit for the period	29,823	17,245
Cash flows from operating activities		
Adjustments for:		
Depreciation and amortisation	5,605	4,981
Net impairment loss on non-financial assets	13	-14
Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss	-1,969	-78
Net interest income	-93,054	-53,775
hereof: amortization, accruals and unwinding	19,989	1,831
Net gains or (-) losses from derecognition of non-financial assets	23	-15
Other	9,169	19,436
Income tax expense	3,661	4,000
	-76,552	-25,465
Changes in operating assets and liabilities:		
Change in financial assets held for trading	-11,284	-43,628
Change in non-trading financial assets mandatorily at fair value through profit or loss	-10,802	-14,419
Change in financial assets at fair value through other comprehensive income	-56,540	-42,802
Change in financial assets at amortised cost	318,625	-254,213
Change in derivatives (assets) – Hedge accounting	87,797	-66,660
Changes in other assets	-368	-4,377
Change in financial liabilities held for trading	27,420	69,531
Change in financial liabilities measured at amortised cost	8,601	86,941
Change in derivatives (liabilities) – Hedge accounting	-147,176	87,943
Fair value changes of the hedged items in portfolio hedge of interest rate risk	53,568	-73,861
Change in other liabilities, provisions and liabilities held for sale	23,850	23,506
	293,691	-232,039
Interest received	306,868	91,434
Interest paid	-193,825	-35,828
Dividend received	464	380
Income tax paid	-6,302	-3,477
Net cash from (+)/used in (-) operating activities	354,166	-187,750
Cash flows from investing activities		
Purchases of securities	-183,348	-160,547
Disposals of securities	31,779	3,640
Purchases of property and equipment	-1,579	-1,421
Disposals of property and equipment	-301	96
Purchases of intangible assets	-2,796	-2,347
Net cash from (+)/used in (-) investing activities	-156,245	-160,579
Cash flows from financing activities		
Issuance and repurchase of issued debt securities	0	30,000
Issuance of Additional Tier 1 Capital (AT1)	15,534	
Payment of lease liabilities	-2,800	-1,307
Dividend paid	-24,213	-3,527
Net cash from (+)/used in (-) financing activities	-11,479	25,166
Net increase/decrease of cash, cash balances at central banks and other demand deposits	186,443	-323,163
Cash, cash balances at central banks and other demand deposits as at 1 January	784,913	482,489
Net effect of exchange rate changes	-22,288	4,694
Cash, cash balances at central banks and other demand deposits at 30 June	949,068	164,020

Zeljko Obradovic
Chief Financial Officer

Tibor Gáspár
Head of Accounting

Date: 29 August 2023

II. Notes to the consolidated financial statements

(1) General information

Raiffeisen Bank Zrt. ('the Bank') commenced its operations in 1987 as a commercial bank domiciled in Hungary. The Bank's registered office is 1133 Budapest Váci Street 116-118.

The website of the Bank can be found at: <https://www.raiffeisen.hu/raiffeisen-csoport/raiffeisen-bank-zrt>

The Bank holds a full commercial banking license issued by the National Bank of Hungary (NBH) and carries on a wide range of financial activities. The consolidated financial statements of the Bank as at and for the period ended 30 June 2023 comprise the Bank and its subsidiaries (together referred to as 'Banking group' or 'Group'). For further information on consolidated subsidiaries please see *Note (4) Investments in related parties*.

The Bank is controlled by Raiffeisen CEE Region Holding GmbH. The ultimate parent of the Banking group is Raiffeisen Bank International A.G. (RBI).

Zeljko Obradovic Chief Financial Officer (address: 1133 Budapest, Váci út 116-118.) and Tibor Gáspár Head of Accounting Department are obliged to sign these consolidated financial statements. Tibor Gáspár is entitled to perform bookkeeping services (registration number: 168480, address: 1133 Budapest, Váci út 116-118.).

(2) Basis of preparation

(2.1) Statement of compliance

The consolidated financial statements of the Banking group were prepared in accordance with International Accounting Standards (IFRSs) as adopted by the European Union.

IFRSs comprise accounting standards issued by the International Accounting Standards Board ('IASB') and its predecessor body and interpretations issued by the IFRS Interpretations Committee (IFRS IC) and its predecessor body.

(2.2) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value;
- financial assets and liabilities at fair value through profit or loss are measured at fair value;
- financial assets at fair value through other comprehensive income are measured at fair value;
- financial assets and liabilities designated as hedged items in fair value hedge relationships are measured at amortised cost adjusted with fair value changes attributable to the hedged risk;
- all other financial and non-financial assets and liabilities are measured at amortised cost or – if applicable – at cost less accumulated depreciation and/or accumulated impairment losses.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Management agrees the selection, development, application and disclosure of critical accounting policies and accounting estimates and changes therein with the supervisory board of the Group.

The main source of estimation uncertainty is impairment recognised for expected credit losses. Estimates and assumptions are revised regularly. Differences revealed during such revisions are recognised in the period when they are revealed or also in subsequent periods if they affect such periods.

(2.3) Functional and presentation currency

These consolidated financial statements are prepared and presented in Hungarian Forints, which is the Bank's and its subsidiaries' functional currency. Except as indicated, data are rounded to the nearest million Forint.

(3) Changes in accounting policies**(3.1) Changes in the presentation of the financial statements**

In preparing the half-yearly financial statements the Group followed in the way of presentation and in calculation methodologies the same principles as during the preparation of the latest annual financial statements.

(4) Investments in related parties

The subsidiaries of the Bank and their activities are summarised in the following table:

Investments in related parties	Owner-ship share	Owner-ship share	Type of presentation in consolidated financial statements in 2023	Headquarter	Activity
	30.06.2023	31.12.2022			
Raiffeisen Corporate Lízing Zrt.	100.00%	100.00%	full consolidation	1133 Budapest. Váci út 116-118.	Finance leasing
Raiffeisen Biztosításközvetítő Kft.	100.00%	100.00%	at book value (cost less accumulated impairment)	1133 Budapest. Váci út 116-118.	Activities of insurance agents and brokers
SCT Kárász utca Ingatlankezelő Kft.	100.00%	100.00%	full consolidation	1133 Budapest. Váci út 116-118.	Management of real estate on a fee or contract
Raiffeisen Befektetési Alapkezelő Zrt.	100.00%	100.00%	full consolidation	1133 Budapest. Váci út 116-118.	Fund management activities
RB Szolgáltató Központ Kft.	100.00%	100.00%	full consolidation	4400 Nyíregyháza. Sóstói út 31/b	Other financial auxiliary activities
Raiffeisen Autó Lízing Kft.	100.00%	100.00%	at book value (cost less accumulated impairment)	1133 Budapest. Váci út 116-118.	Sale of cars and light motor vehicles
Raiffeisen Ingatlan Üzemeltető és Szolgáltató Kft.	100.00%	100.00%	at book value (cost less accumulated impairment)	1133 Budapest. Váci út 116-118.	Real estate development

There is no significant difference in the scope of consolidation for accounting and for regulatory reporting (prudential consolidation) purposes. Therefore, in 2020 a decision was made to unify the scopes of consolidation. Assets, liabilities, equity and profit or loss of the companies de-consolidated in course of such unification do not reach the materiality threshold determined in the Bank's accounting policy, thus their omission from consolidation does not affect true and fair presentation in the consolidated financial statements.

(5) Events after the reporting date

No events after the reporting date occurred that would influence this disclosure.