



ProCredit
H O L D I N G



Borislav Kostadinov, Member of the Management Board
Christian Dagrosa, Controlling and Reporting

Q4 / FY 2017 results – Press Conference

Frankfurt am Main, 27th March 2018

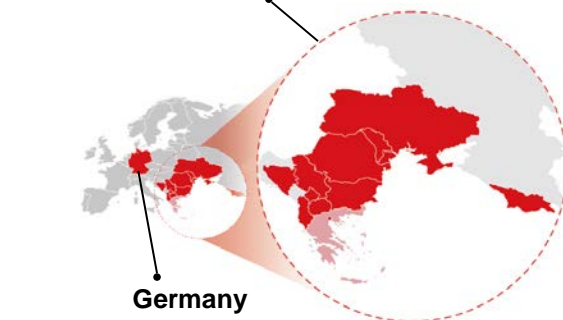
Summary

- ▶ A profitable, development-oriented commercial banking group for SMEs with a focus on South Eastern Europe and Eastern Europe
- ▶ Headquartered in Frankfurt and supervised by the German Federal Financial Supervisory Authority (BaFin) and Deutsche Bundesbank
- ▶ Mission of promoting sustainable development with an ethical corporate culture and long-term business relationships
- ▶ Track record of high quality loan portfolio
- ▶ Profitable every year since creation as a banking group in 2003
- ▶ Listed on the Frankfurt Stock Exchange since December 2016

Geographical distribution

South Eastern Europe and Eastern Europe
(ca. 92% of gross loan portfolio)

South America⁽⁴⁾
(ca. 6% of gross loan portfolio)

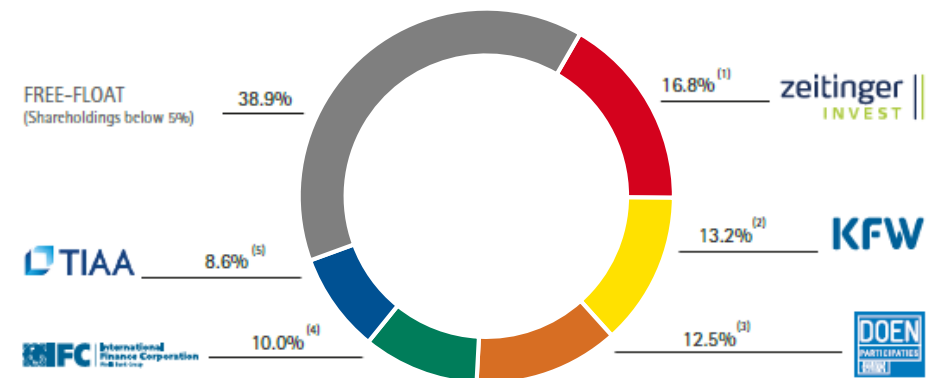


Germany
(ca. 2% of gross loan portfolio)

Key figures FY 2017 and FY 2016

Total assets EUR 5,499m EUR 5,668m	Customer loan portfolio⁽¹⁾ EUR 3,910m EUR 3,629m	Deposits/loans⁽²⁾ 91% 96%
Number of employees⁽¹⁾ 3,328 4,078	Profit of the period EUR 48m EUR 61m	RoAE 7.1% 9.6%
CET1 ratio (fully loaded) 13.7% 12.4%	Rating (Fitch) BBB (stable) ⁽³⁾	  

Reputable development-oriented shareholder base




Note: Shareholder structure according to the voting right notifications and voluntary disclosure of voting rights as published on our website www.procredit-holding.com

Notes: As of 31 December 2016 and as of 31 December 2017; (1) Continuing operations only; (2) Customer deposits divided by customer loan portfolio; (3) Full Rating Report as of 19.12.2017; (4) The South America segment also includes the institution "Administración y Recuperación de Cartera Michoacán S. A" (ARDEC) in Mexico, 0.1% of Group assets.



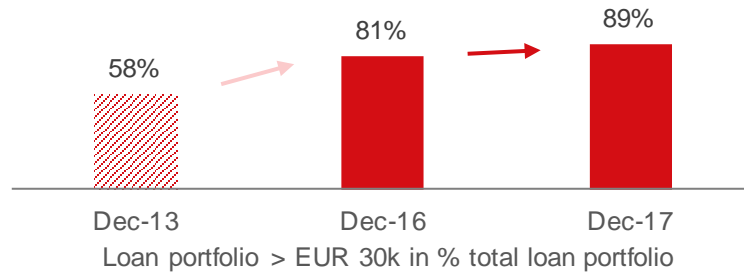
Comprehensive service as “Hausbank”

Products	Customers	Value-added																														
<p><u>Simple loan and deposit products</u></p> <ul style="list-style-type: none"> ▶ Full range of business loans (loan size range typically EUR 50k to EUR 3m) ▶ Deposits 	<p><u>Target customers with high potential: SMEs</u></p> <ul style="list-style-type: none"> ▶ SMEs with formalised structures and sustainable business models ▶ Focus on agriculture and manufacturing 	<p><u>Significant benefits for clients...</u></p> <ul style="list-style-type: none"> ✓ Access to full range of relevant banking services ✓ Valuable in countries with high level of informality and lack of transparency ✓ Trustful long-term relationships 																														
<p><u>Supplementary financial services</u></p> <ul style="list-style-type: none"> ▶ e-Banking ▶ Card services ▶ Liquidity management ▶ Documentary business ▶ Personal banking services 	<p><u>Typical SME client (Serbia)</u></p> <ul style="list-style-type: none"> ▶ Vegetable cultivation (300 ha, 31 FTEs) ▶ Long-term relationship ▶ Regular financing of working capital and fixed assets <div style="display: flex; align-items: flex-start; margin-top: 10px;"> <div style="font-size: 0.8em; margin-right: 10px;"> <p>Most recent project: Solar panels to power irrigation of agricultural land</p> </div>  </div> <table border="1" style="margin-top: 10px; font-size: 0.8em;"> <tr> <td colspan="3">Loan volume PCB</td> </tr> <tr> <td>Total financing since 2011</td> <td colspan="2">Outstanding loan amount</td> </tr> <tr> <td style="text-align: center;">EUR 864k</td> <td colspan="2" style="text-align: center;">EUR 549k</td> </tr> <tr> <td colspan="3">Credit limit</td> </tr> <tr> <td>short-term</td> <td>long-term</td> <td>total limit</td> </tr> <tr> <td style="text-align: center;">EUR 150k</td> <td style="text-align: center;">EUR 600k</td> <td style="text-align: center;">EUR 750k</td> </tr> <tr> <td colspan="3">Utilisation of PCB services</td> </tr> <tr> <td colspan="3"> <ul style="list-style-type: none"> • Current account (EUR, RSD) • Domestic and International payments • e-Banking </td> </tr> <tr> <td style="text-align: center;">Revenue</td> <td colspan="2" style="text-align: center;">Account turnover</td> </tr> <tr> <td style="text-align: center;">EUR 70k (monthly)</td> <td colspan="2" style="text-align: center;">EUR 103k (monthly)</td> </tr> </table>	Loan volume PCB			Total financing since 2011	Outstanding loan amount		EUR 864k	EUR 549k		Credit limit			short-term	long-term	total limit	EUR 150k	EUR 600k	EUR 750k	Utilisation of PCB services			<ul style="list-style-type: none"> • Current account (EUR, RSD) • Domestic and International payments • e-Banking 			Revenue	Account turnover		EUR 70k (monthly)	EUR 103k (monthly)		<p><u>...and for ProCredit</u></p> <ul style="list-style-type: none"> ✓ Understanding of clients' financial needs and risks ✓ Additional stable revenues ✓ Customer deposits
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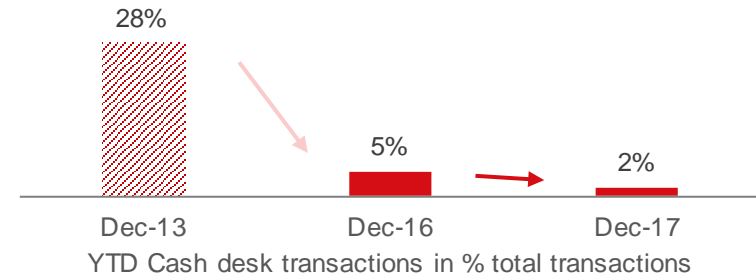
- A Highlights
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- C Asset quality
- D Balance sheet, capital and funding
- Q&A
- Appendix

Where do we come from? Significant progress since 2013

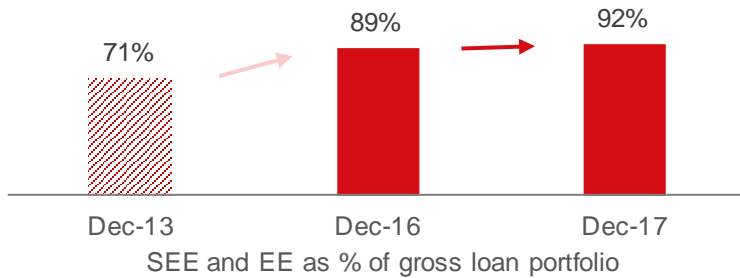
Focused growth in SME loan categories ⁽¹⁾



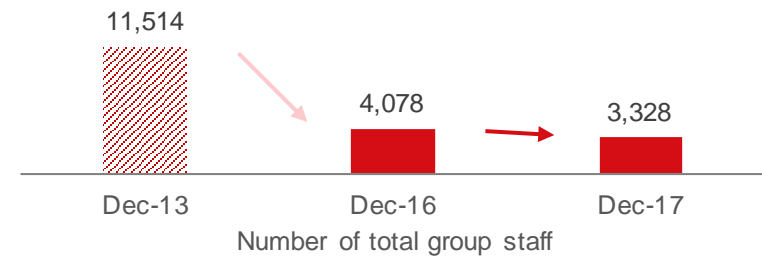
Decrease in number of cash desk transactions



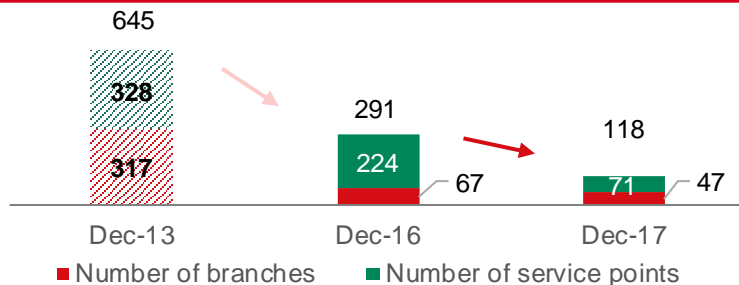
Regional focus on South Eastern Europe and Eastern Europe



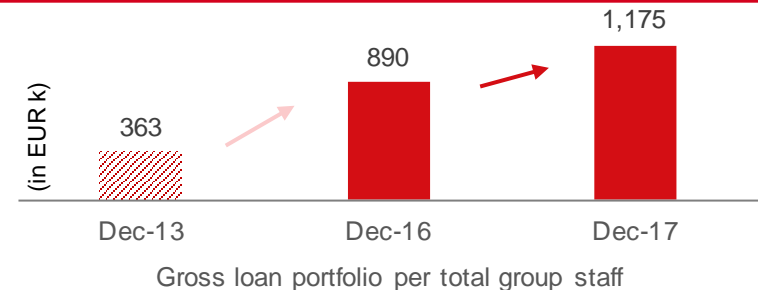
Decrease in number of total group staff



Decrease in overall branch network



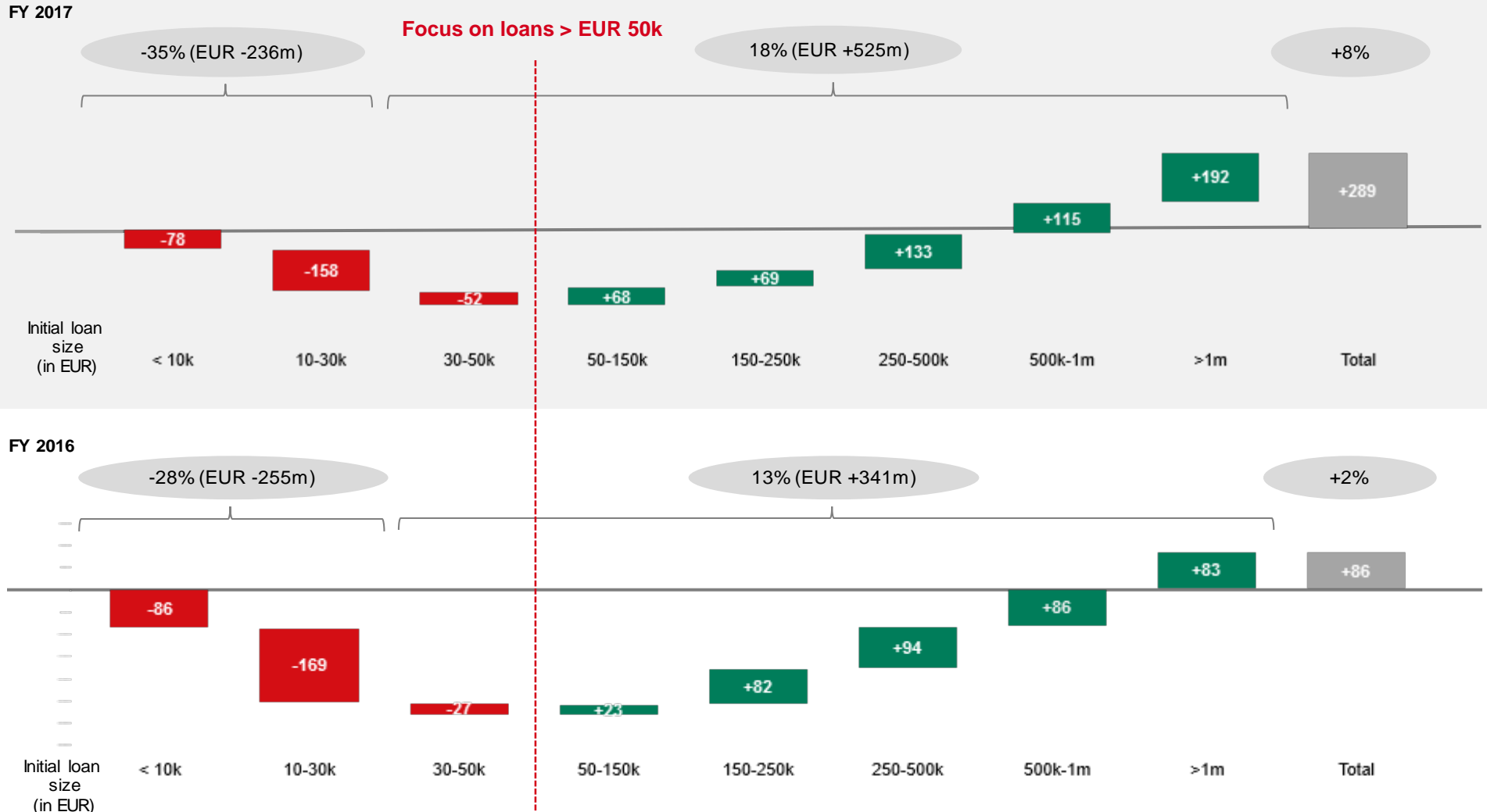
Increase in loan portfolio per total group staff



Note:

All related figures and ratios for Dec-13 relate to the subsidiaries as shown in the consolidated financial statement as of 2013; (1) Loan portfolio > EUR 30k initial loan size in % of customer loan portfolio by outstanding principal

Strong volume growth in core loan segment

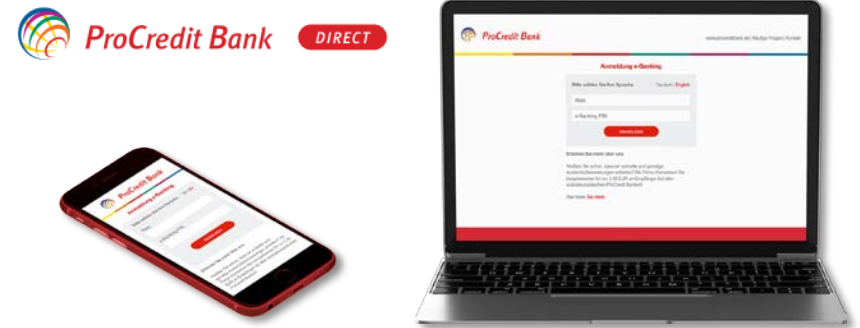


Note: Loan volume growth split by initial loan size in all segments and excluding recovery unit "ARDEC" in Mexico; % are calculated as sum of YTD changes of the bracketed size categories

Ongoing implementation

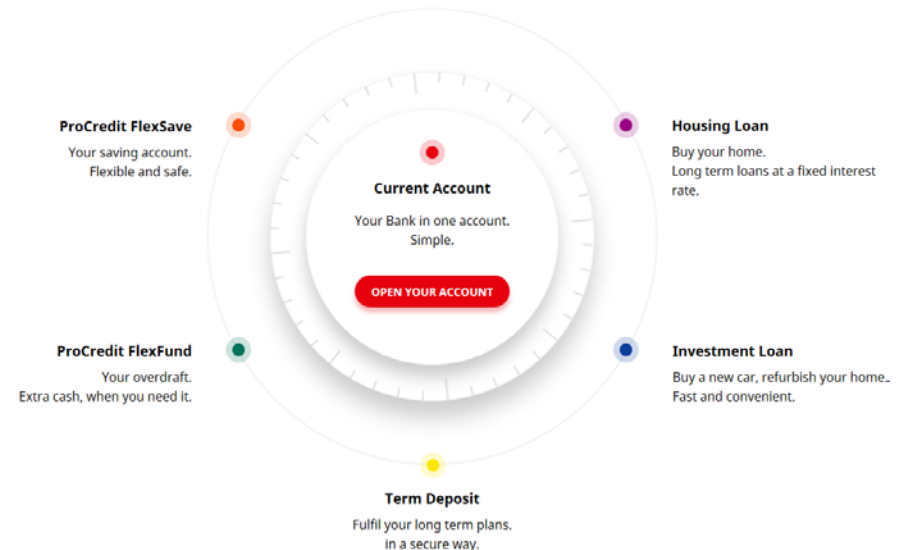
- ▶ Introduction of a unified range of client services for a standard fee in all ProCredit banks
- ▶ Launch of a single dedicated website: www.procreditbank-direct.com
- ▶ Release of new version of mobile banking app (live: Ukraine)
- ▶ Mobile banking app available in all ProCredit banks (Rollout in H1 2018)

Examples



Strategic objectives

- ▶ Providing all our private clients with access to a state-of-the-art online channel for banking transactions
- ▶ Continuous investments in innovation, customer service and security standards
- ▶ Increased group efficiency and automation
- ▶ Strengthening fee income
- ▶ Entrepreneurs and middle income-clients as reliable source of funding

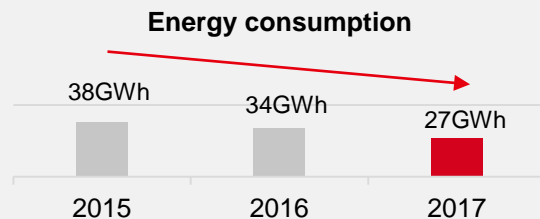


- ▶ First sustainability report published according to Global Reporting Initiative (GRI) Standards
- ▶ The ProCredit Impact Report 2017 focuses on three main areas of positive impact:



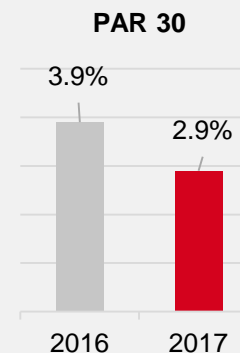
Our business model

- ▶ Economic development
- ▶ Corporate governance
- ▶ Compliance and banking regulation
- ▶ Financial crime prevention
- ▶ Technology and innovation
- ▶ Environmental management



Our approach to clients

- ▶ Reliable and stable partnerships
- ▶ Transparent services
- ▶ Prudent credit risk management
- ▶ Sustainable finance
- ▶ Data privacy and information security



Our approach to staff

- ▶ Ethical values and working environment
- ▶ Fair recruiter and employer
- ▶ Staff development

Diversity of management in Dec 2017⁽¹⁾



Note: (1) Management of the ProCredit banks and ProCredit institutions located in Germany

Highlights

- ▶ Offering was **upsized** to 10% of the share capital during the book building on account of strong investor demand
- ▶ European Bank for Reconstruction and Development (**EBRD**) anchored the transaction pre-launch
- ▶ Shares placed in continental **Europe**, mainly in **Germany** but also in the **UK**
- ▶ **Balanced mix** between traditional and impact/development-oriented **investors**

Issue price	▶ EUR 11.40
Transaction size	▶ EUR 61m
Shares placed	▶ 5,354,408
Launch	▶ 1 Feb 2018
Transaction structure	<ul style="list-style-type: none"> ▶ Accelerated book building ▶ 10% capital increase w/o subscription rights ▶ 100% primary shares

Use of Proceeds	<ul style="list-style-type: none"> ▶ Finance the continuation of the company's growth strategy ▶ Expansion of the business with SMEs, especially in South Eastern and Eastern Europe, in order to further accelerate the growth of the ProCredit group
Calculated effect on CET1 ratio as at 31 Dec. 2017	▶ ~ 130 bp
New shareholders (>3%)	<ul style="list-style-type: none"> ▶ EBRD 3.6% ▶ MainFirst 3.1%

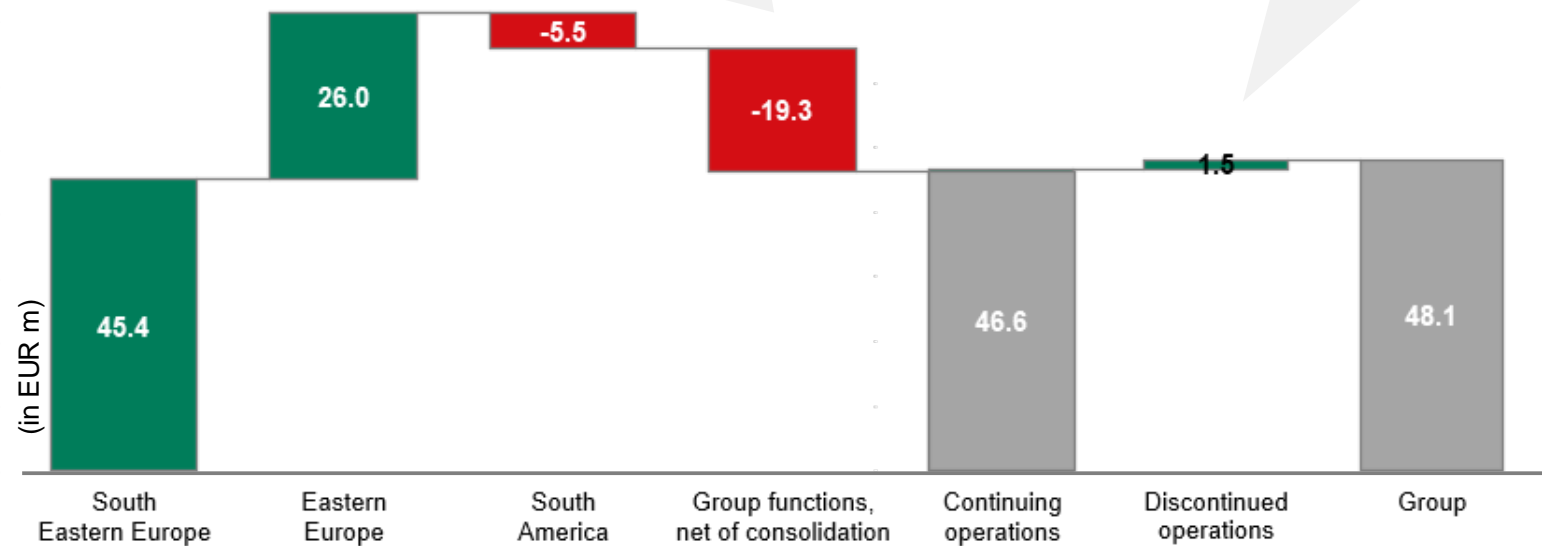


Contribution of segments to group net income FY 2017

Group functions, e.g. risk management, reporting, capital management, liquidity management, training and development

Includes ProCredit Holding, Quipu, ProCredit Academy Fürth, ProCredit Bank Germany (EUR 89m customer loan portfolio; EUR 205m customer deposits)

Profit contribution from entities in El Salvador and Nicaragua and the results of their disposal



Customer loan portfolio (EUR m)	2,759	823	239	3,910
2017 YTD loan growth > EUR 30k	+18.6%	+21.0%	-2.3%	+17.8%
Loans in arrears (PAR 30)	2.9%	2.2%	6.8%	2.9%
Cost-income ratio (YTD)	67.2%	46.5%	121.2%	73.7%
ROAE (YTD)	9.8%	18.2%	-8.8%	7.1%

	Guidance 2017	Actuals 2017	Commentary
▶ Growth of the loan portfolio in loans >EUR 30,000 ⁽¹⁾	> 10%	18%	✓ Continued strong growth in the SME segment
▶ Growth of the total loan portfolio ⁽¹⁾	> 8%	8%	✓ Influenced by exit of small loans and unfavorable currency exchange effects
▶ Return on average equity (RoAE)	7 – 9%	7.1%	✓ Result affected by low margins and one-off effects
▶ CET1 ratio (fully loaded)	> 13%	13.7%	✓ Continuously high level of capitalisation
▶ Dividend payout ratio	1/3 of profits	1/3 of profits	✓ Proposed dividend payout of 0.27 EUR per share

Other strategic steps announced in the previous year year have also been achieved by concluding the sale of the institutions in El Salvador and Nicaragua and growing our green loan portfolio to a share of 12.6% of total loan portfolio.

Note: (1) Outstanding portfolio of our 13 banks (excluding the winding-up portfolio in ARDEC Mexico)

▶ Growth of the loan portfolio	12% - 15% ⁽¹⁾
▶ Return on average equity (RoAE)	7.5 – 8.5%
▶ CET1 ratio (fully loaded)	> 13%
▶ Cost-Income Ratio (CIR)	< 70%
▶ Dividend payout ratio	1/3 of profits

In the mid-term, and taking into consideration a stable political, economic and operating environment, we see potential for around 10% p.a. growth in the total loan portfolio, a cost-income ratio (CIR) < 60%, and an return on average equity (RoAE) of about 10%

Note: (1) Assuming no significant FX volatility

A Highlights

B Financial development

C Asset quality

D Balance sheet, capital and funding

Q&A

Appendix

In EUR m		Q3-2017	Q4-2017	2016	2017	y-o-y
Income statement	Net interest income	50.4	51.8	230.8	204.8	-11%
	Provision expenses	1.1	0.8	18.6	5.3	-72%
	Net fee and commission income	11.7	12.5	43.0	45.8	7%
	Net result of other operating income	2.8	-2.7	4.2	2.7	n.m.
	Operating income	63.8	60.9	259.3	248.0	-4%
	Operating expenses	44.9	46.6	198.2	186.8	-6%
	Operating results	18.9	14.2	61.1	61.2	0%
	Tax expenses	3.2	4.0	14.1	14.6	3%
	Profit from continuing operations	15.7	10.2	47.0	46.6	-1%
	Profit from discontinued operations	-3.4	2.1	14.0	1.5	-90%
	Profit of the period	12.2	12.3	61.0	48.1	-21%
Key performance indicators	Change in loan portfolio > EUR 30,000	2.7%	4.4%	13.0%	17.8%	4.9pp
	Return on average equity ⁽¹⁾	7.4%	7.2%	9.6%	7.1%	-2.4pp
	CET1 ratio (fully loaded)	13.3%	13.7%	12.4%	13.7%	1.3pp
Additional indicators	Net interest margin ⁽¹⁾	3.9%	3.9%	4.6%	3.8%	-0.8pp
	Net write-off ratio ⁽²⁾	0.2%	0.4%	0.7%	0.4%	-0.3pp
	Loans in PAR30	3.5%	2.9%	3.9%	2.9%	-1.0pp
	Impaired loans	5.4%	4.7%	6.3%	4.7%	-1.6pp
	Cost-income ratio	69.3%	75.7%	71.3%	73.7%	2.4pp
	Book value per share	12.14	12.16	12.07	12.16	1%

Note: P&L related figures and ratios, unless indicated otherwise, are based on continuing operations; i.e. excluding Banco PyME Los Andes ProCredit Bolivia, ProConfianza Mexico, Banco ProCredit El Salvador and Banco ProCredit Nicaragua for 2017 and 2016; Return on average equity, CET1 ratio, and dividend payout ratio include as well discontinued operations; (1) Annualised; (2) Net write-off ratio presented always YTD

A Highlights

B Financial development

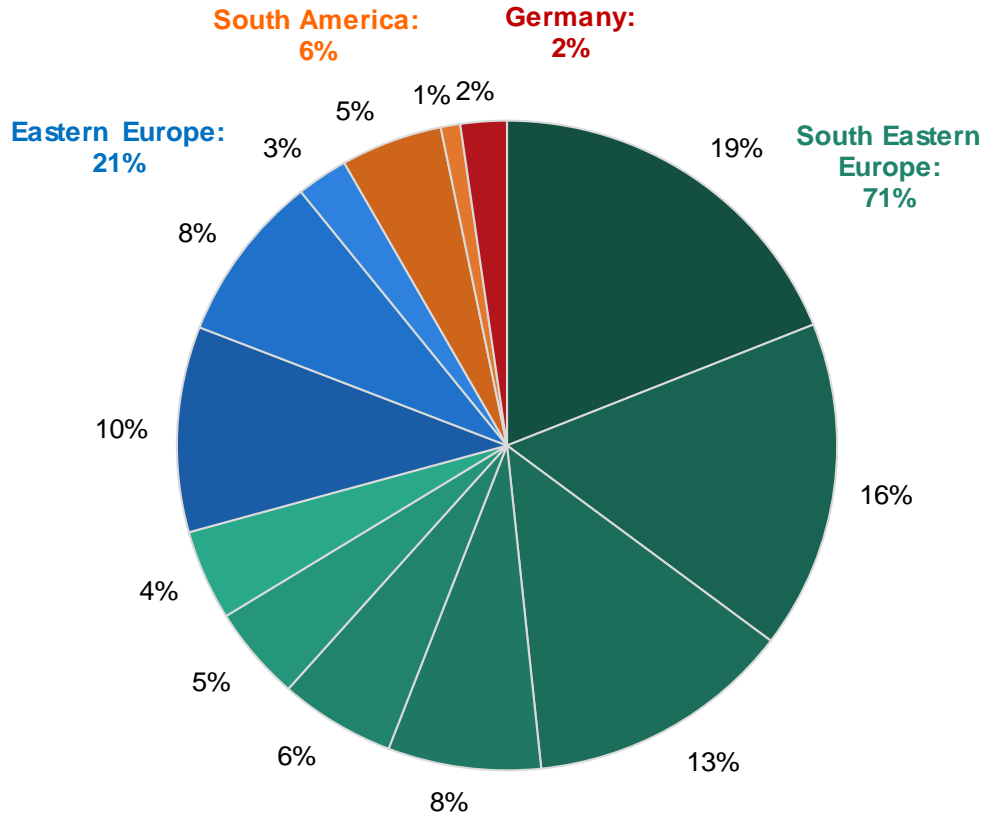
C Asset quality

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Q&A

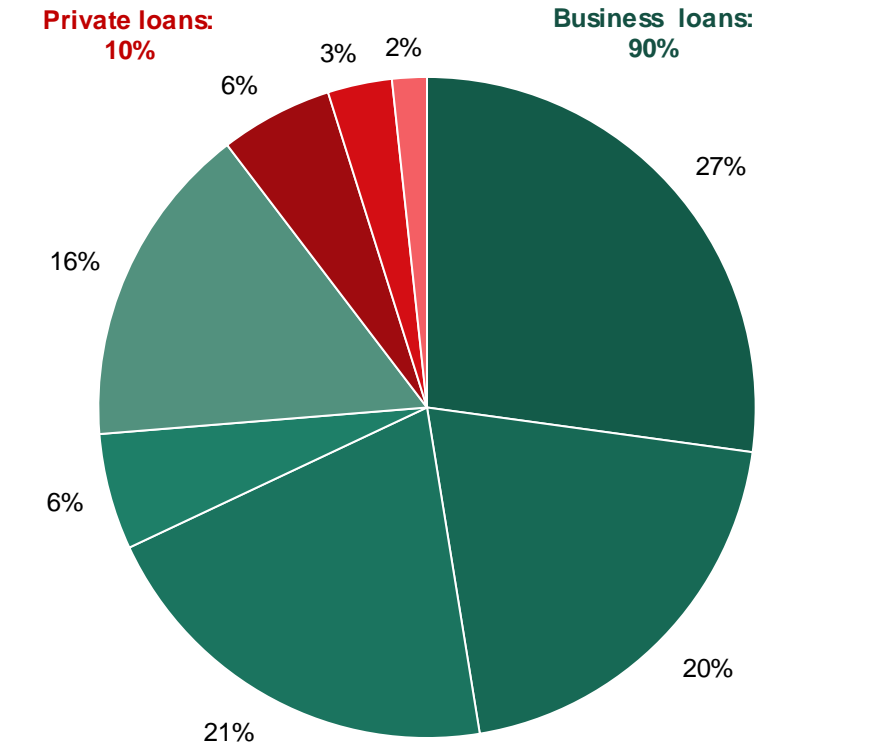
Appendix

Loan portfolio by geographical segments



- Bulgaria
- Serbia
- Kosovo
- Macedonia
- Romania
- Albania
- Bosnia
- Ukraine
- Georgia
- Moldova
- Ecuador
- Colombia
- Germany

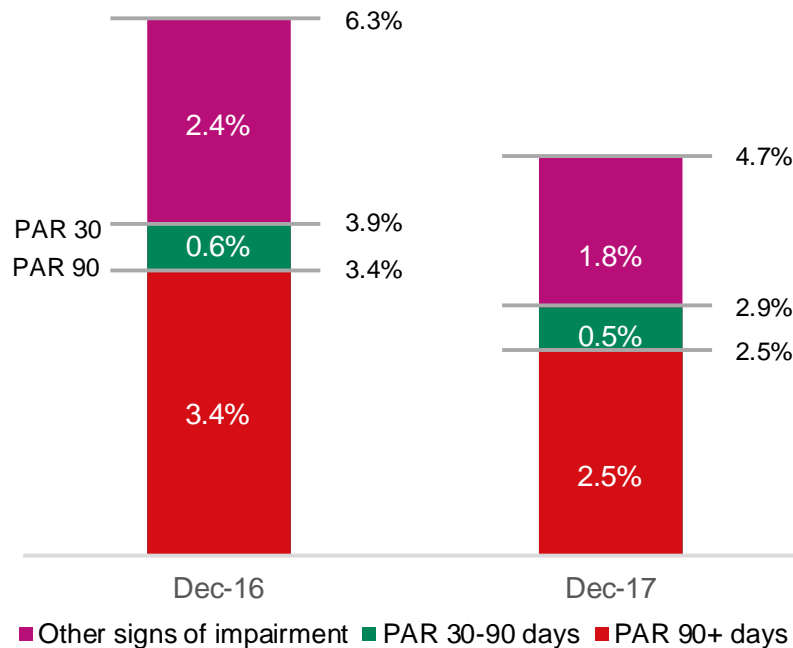
Loan portfolio by sector



- Wholesale and retail trade
- Production
- Other economic activities
- Investment loans
- Agriculture, forestry and fishing
- Transportation and storage
- Housing
- Others

Notes: Loan portfolio by geographical segments and by sector in % of total customer loan portfolio (EUR 3,902m as per 31-Dec-17) excluding recovery unit "ARDEC" in Mexico

Net write-offs	0.7%	0.4%
Coverage ratio impaired ⁽¹⁾	66%	70%
Coverage ratio PAR30 ⁽²⁾	106%	112%

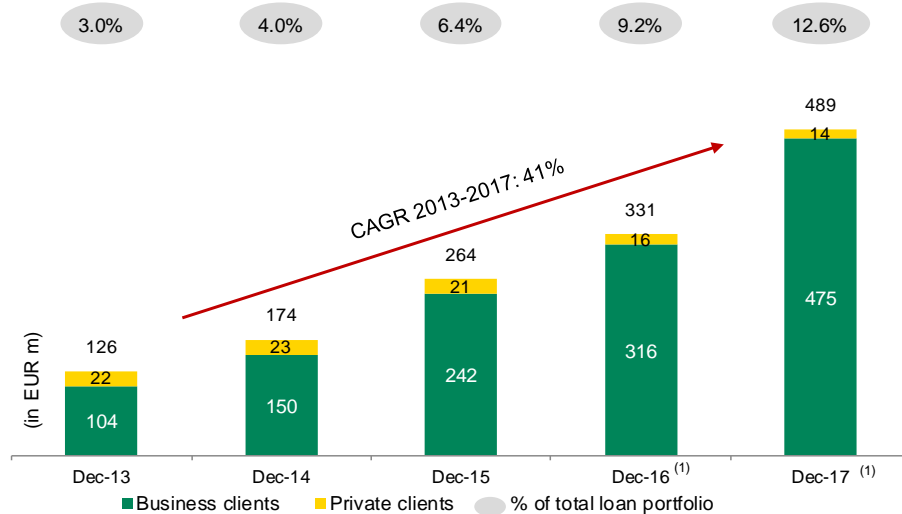


- ▶ Net write-offs at a low level in 2017
- ▶ Significant further improvement in portfolio at risk (PAR) during the year
- ▶ Prudent risk management underlined by high coverage ratios
- ▶ Continuous monitoring of loan portfolio, with PAR 90, PAR 30, and impaired loans as key reporting triggers
- ▶ Conservative definition of impaired loans, includes PAR 30

Notes: (1) Allowances for losses on loans and advances to customers divided by impaired loan portfolio; (2) Allowances for losses on loans and advances to customers divided by PAR 30 loan portfolio

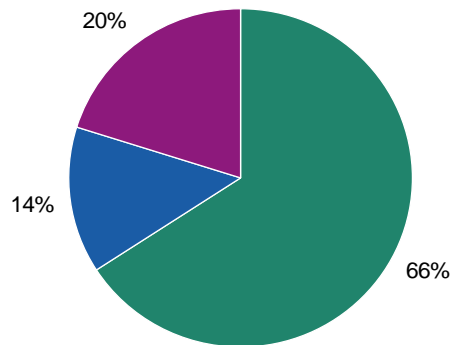
Development of green loan portfolio

Green loan portfolio growth



- ▶ Strong growth in the green loan portfolio (41% p.a. 2013-2017)
- ▶ Includes financing of investments in
 - ▶ Energy efficiency
 - ▶ Renewable energies
 - ▶ Other environmentally-friendly related activities
- ▶ New ambitious target: 15% of the total loan portfolio by end of 2018 (currently at 12.6%)
- ▶ Largest part of green loan portfolio to finance energy efficiency measures (66%)
- ▶ Very high portfolio quality; PAR 30 ratio for the green loan portfolio at 0.4%

Structure of green loan portfolio



■ Energy efficiency ■ Renewable energy ■ Other green investments

Notes: (1) As published in the ProCredit Group Impact Report 2017

A Highlights

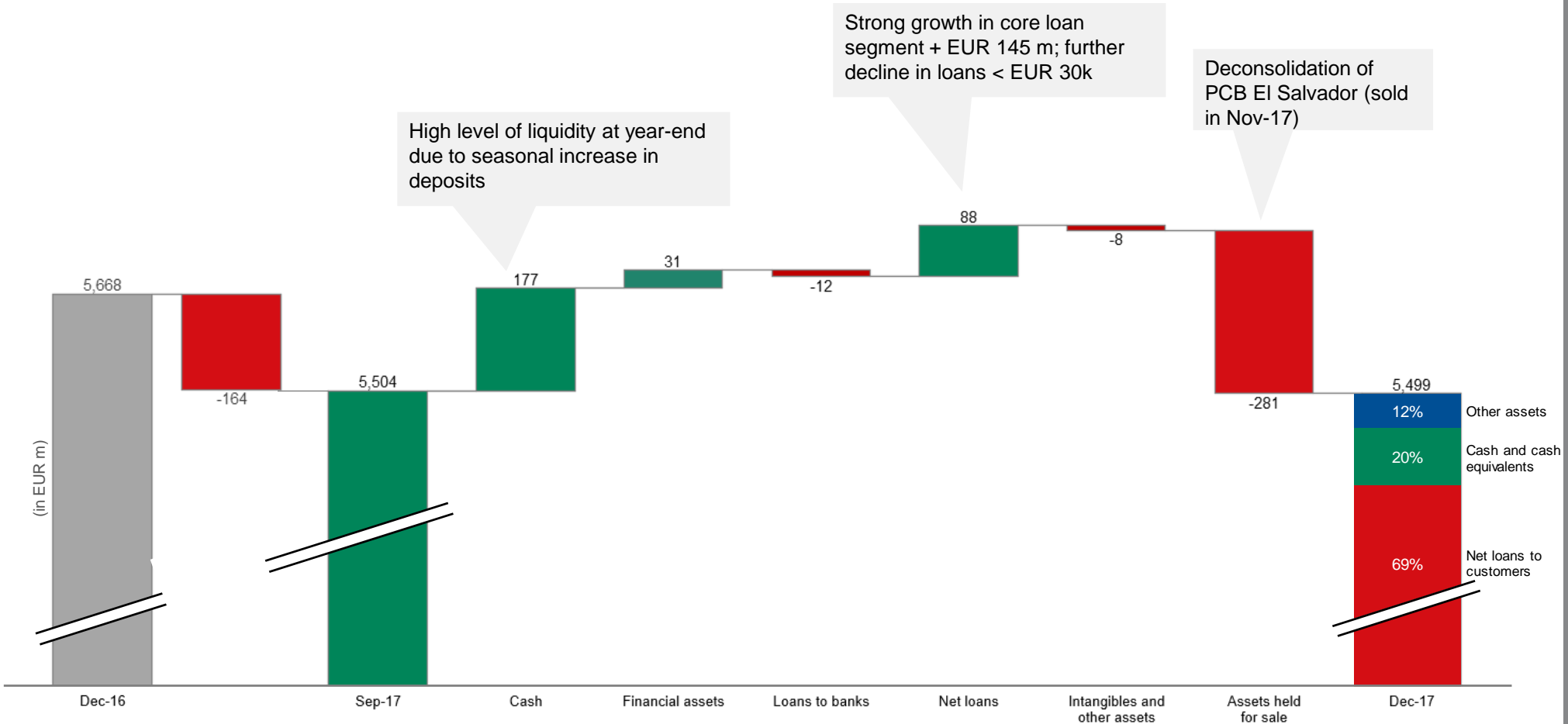
B Financial development

C Asset quality

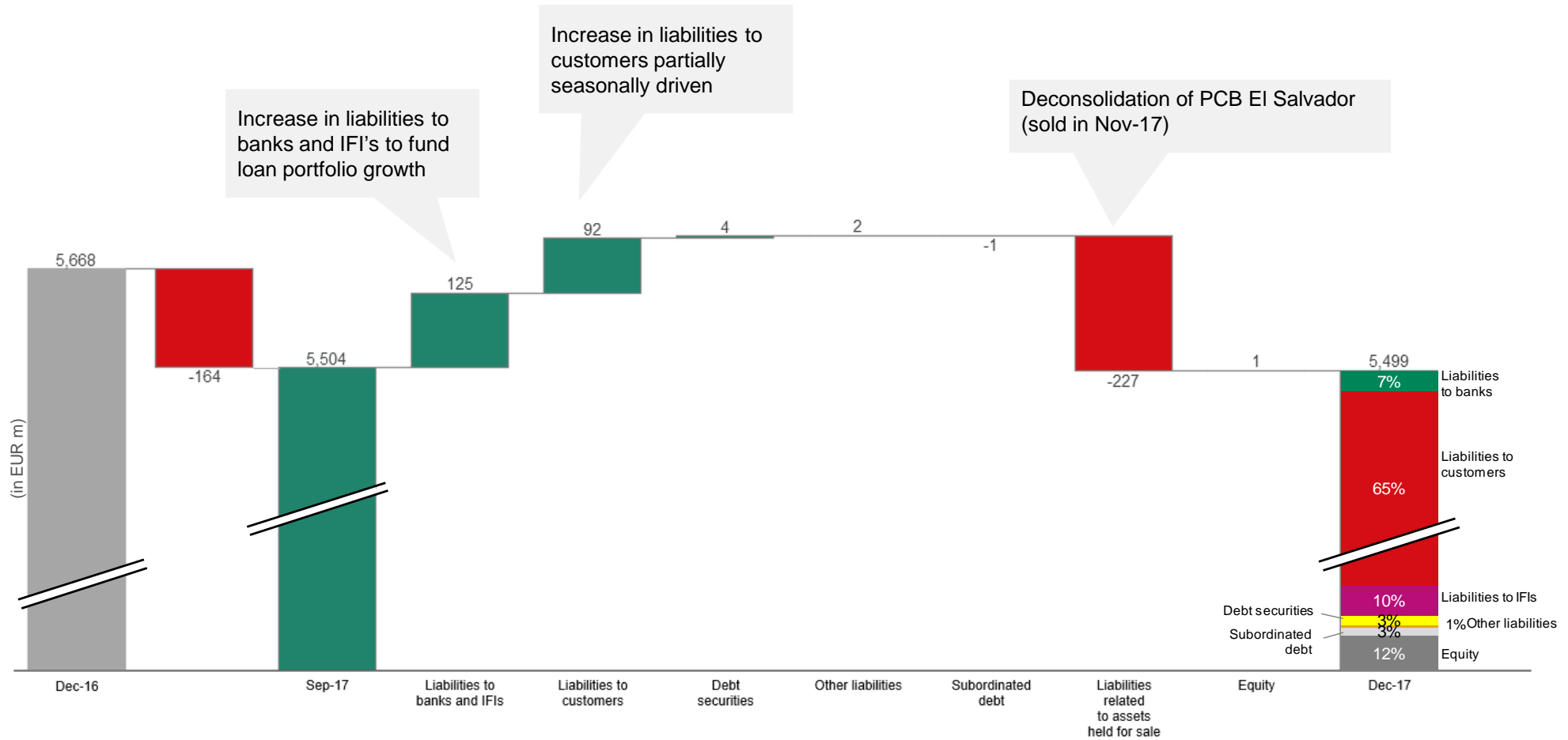
D Balance sheet, capital and funding

Q&A

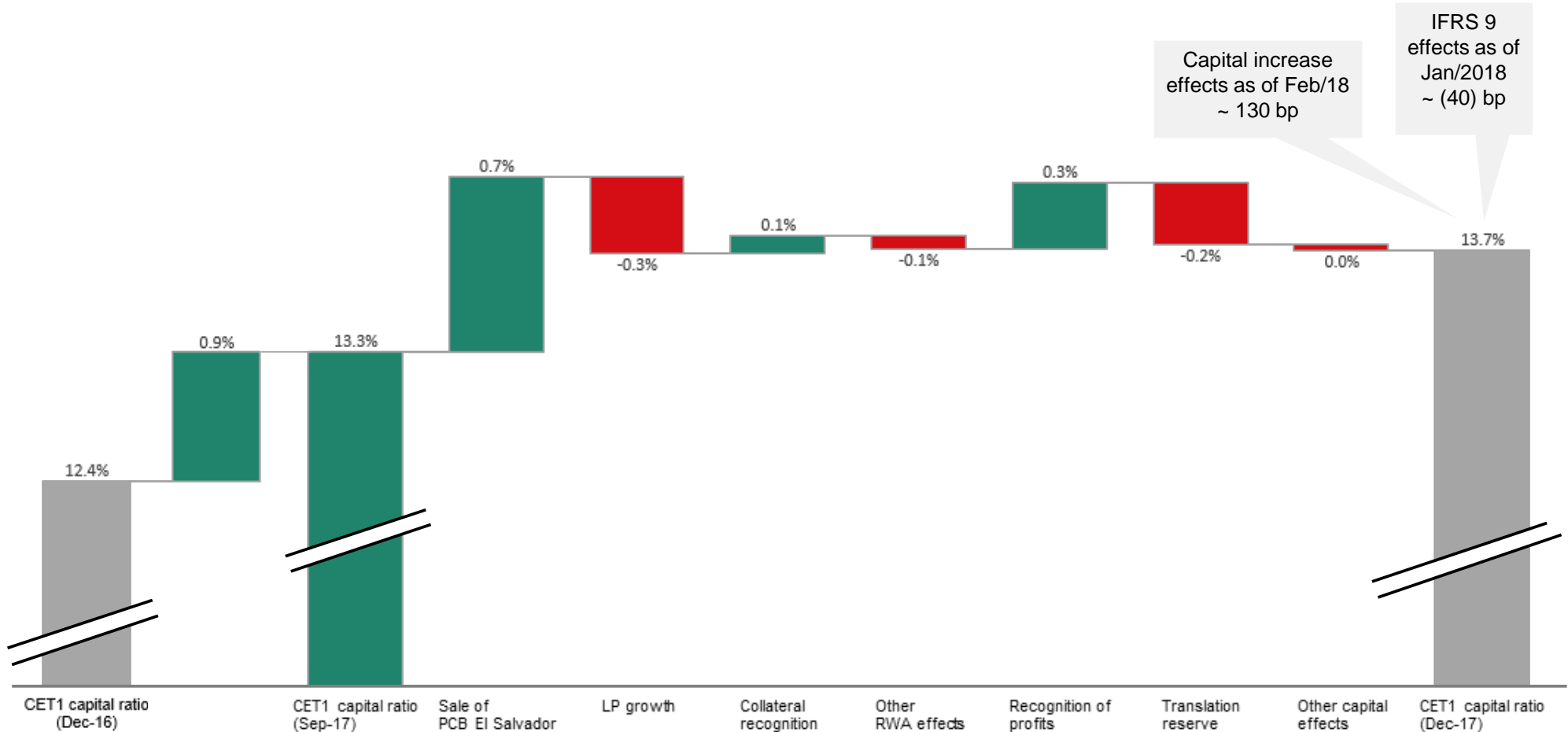
Appendix



Liabilities and equity reconciliation



Development of CET1 capital ratio (fully loaded)



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- D Balance sheet, capital and funding

Q&A

Appendix



ProCredit Bank Bulgaria, Thessaloniki Branch

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- C Asset quality

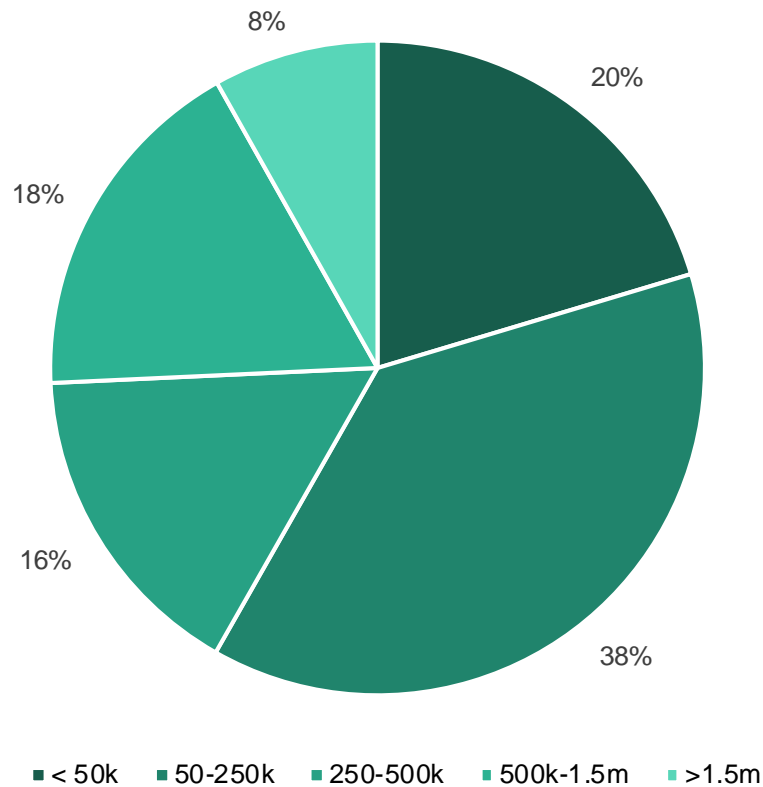
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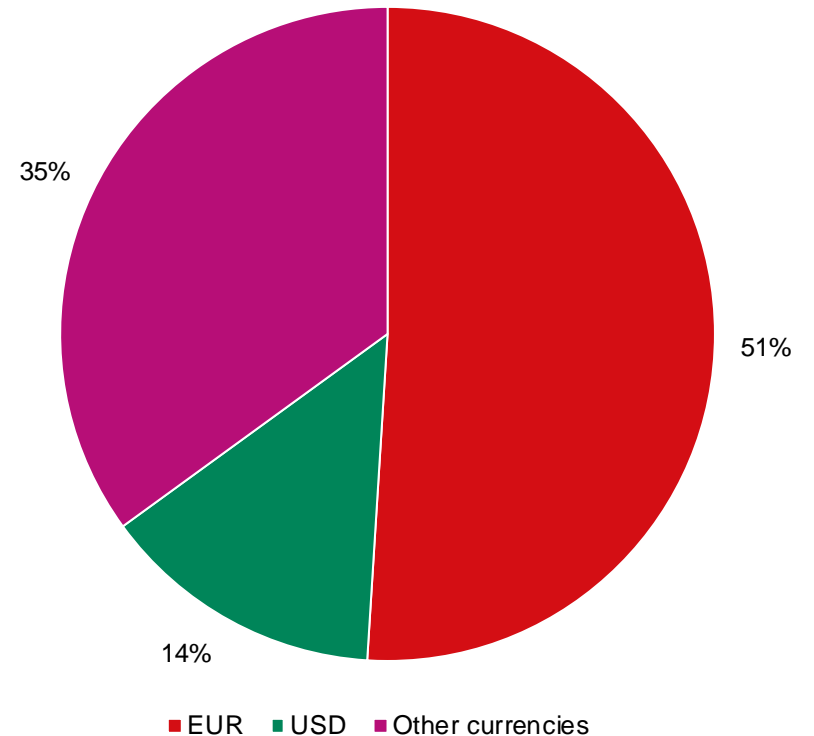
Appendix

Structure of the loan portfolio (continued)

Loan portfolio by initial loan size



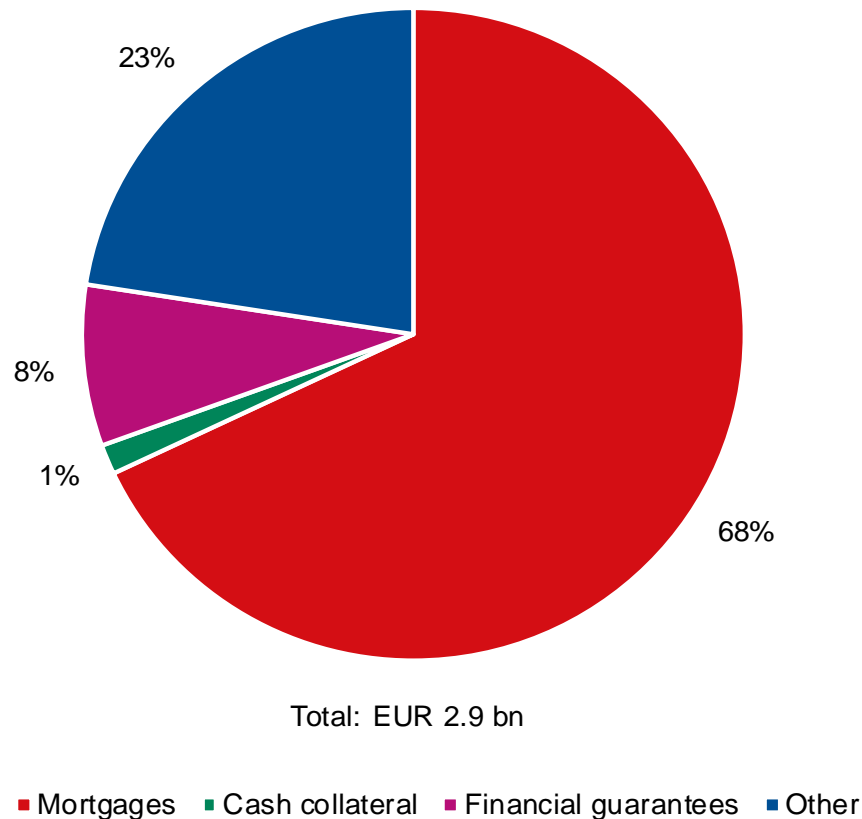
Loan portfolio by currency



Notes:

Loan portfolio by initial loan size in % of total outstanding principal (EUR 3,884m as per 31-Dec-17) excluding recovery unit "ARDEC" in Mexico; loan portfolio by currency in % of net loan portfolio (EUR 3,792m as per 31-Dec-17)

Collateral by type

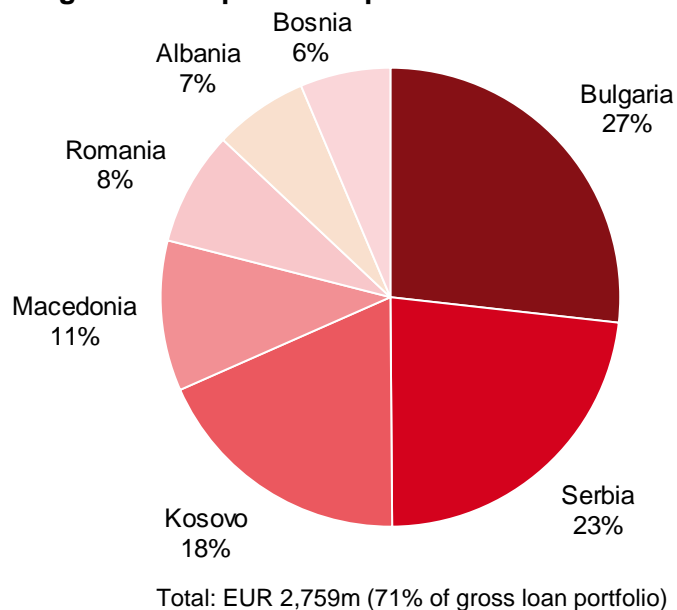


- ▶ Majority of collateral consists of mortgages
- ▶ Growing share of financial guarantees mainly as a result of the InnovFin initiative provided by the European Investment Fund
- ▶ Clear, strict requirements regarding types of acceptable collateral, legal aspects of collateral and insurance of collateral items
- ▶ Standardised collateral valuation methodology
- ▶ Regular monitoring of the value of all collateral and a clear collateral revaluation process, including the use of external, independent experts
- ▶ Verification of external appraisals and regular monitoring of activities carried out by specialist staff members

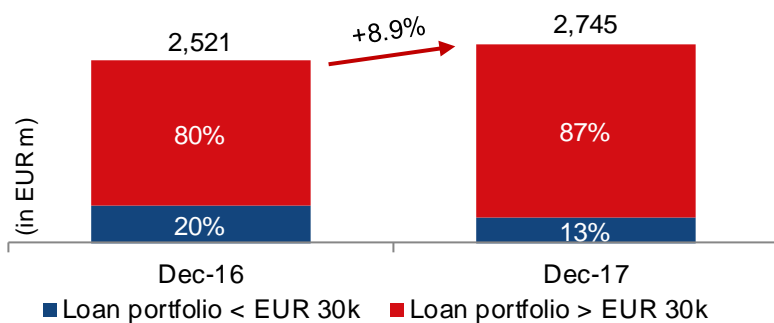
In EUR m		Q4-2016	Q1-2017	Q2-2017	Q3-2017	Q4-2017
Income statement	Net interest income	55.3	51.3	51.3	50.4	51.8
	Provision expenses	1.8	3.0	0.5	1.1	0.8
	Net fee and commission income	10.9	10.7	10.9	11.7	12.5
	Net result of other operating income	2.6	2.0	0.5	2.8	-2.7
	Operating income	67.0	61.1	62.2	63.8	60.9
	Operating expenses	53.8	47.3	47.9	44.9	46.6
	Operating result	13.2	13.8	14.3	18.9	14.2
	Tax expenses	2.9	4.3	3.0	3.2	4.0
	Profit from continuing operations	10.4	9.5	11.3	15.7	10.2
	Profit from discontinued operations	15.1	2.3	0.4	-3.4	2.1
	Profit of the period	25.5	11.9	11.7	12.2	12.3
Key performance indicators	Change in loan portfolio > EUR 30,000	4.8%	4.9%	4.7%	2.7%	4.4%
	Return on average equity ⁽¹⁾	16.1%	7.0%	6.9%	7.4%	7.2%
	CET1 ratio (fully loaded)	12.4%	12.3%	13.0%	13.3%	13.7%
Additional indicators	Net interest margin ⁽¹⁾	4.4%	4.0%	4.0%	3.9%	3.9%
	Net write-off ratio ⁽¹⁾⁽²⁾	0.7%	-0.1%	0.2%	0.3%	0.4%
	Loans in PAR30	3.9%	4.1%	3.7%	3.5%	2.9%
	Impaired loans	6.3%	6.3%	5.8%	5.4%	4.7%
	Cost-income ratio	78.1%	73.8%	76.4%	69.3%	75.7%

Note: P&L related figures and ratios, unless indicated otherwise, are based on continuing operations; i.e. excluding Banco PyME Los Andes ProCredit Bolivia, ProConfianza Mexico, Banco ProCredit El Salvador and Banco ProCredit Nicaragua for 2017 and 2016; Return on average equity and CET1 ratio include as well discontinued operations; (1) Annualised; (2) Net write-off ratio presented always YTD

Regional loan portfolio split



Loan portfolio growth⁽¹⁾

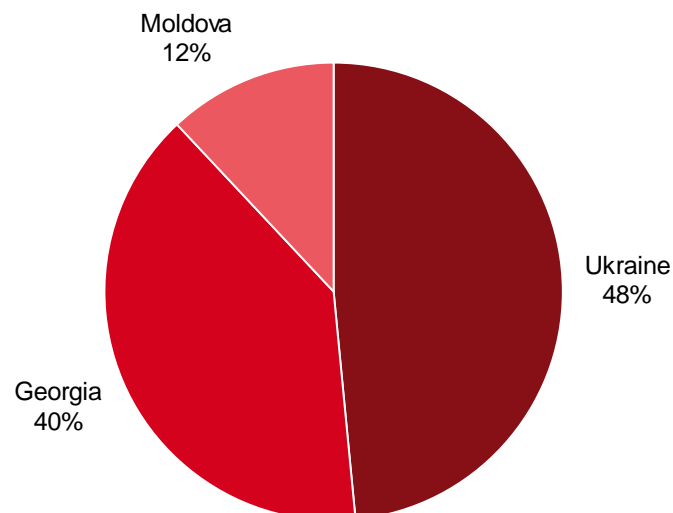


Notes: (1) By initial loan amount; (2) Customer deposits divided by customer loan portfolio

Key financial data

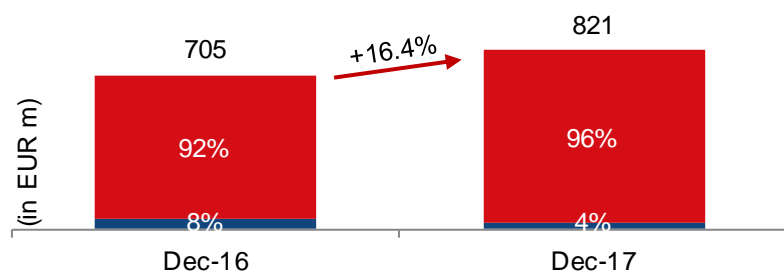
(in EUR m)	FY 2016	FY 2017
Net interest income	150.5	131.1
Provision expenses	8.0	0.2
Net fee and commission income	28.7	31.3
Net result of other operating income	1.5	-2.6
Operating income	172.7	159.5
Operating expenses	111.1	107.3
Operating result	61.6	52.2
Tax expenses	7.3	6.8
Profit of the period	54.4	45.4
Change in loan portfolio > EUR 30,000	12.5%	18.6%
Deposits to loans ratio ⁽²⁾	96.9%	91.3%
Net interest margin	4.3%	3.6%
Cost-income ratio	61.5%	67.2%
Loans in PAR30	3.8%	2.9%
Coverage ratio PAR30	105.6%	111.3%
Return on average equity	12.3%	9.8%

Regional loan portfolio split



Total: EUR 823m (21% of gross loan portfolio)

Loan portfolio growth⁽¹⁾



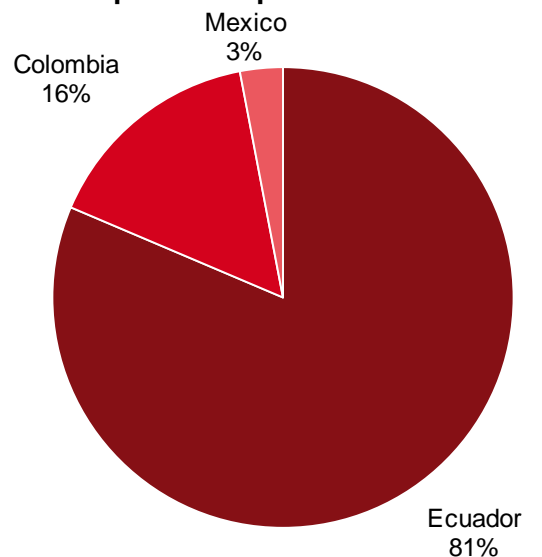
■ Loan portfolio < EUR 30k ■ Loan portfolio > EUR 30k

Notes: (1) By initial loan amount; (2) Customer deposits divided by customer loan portfolio

Key financial data

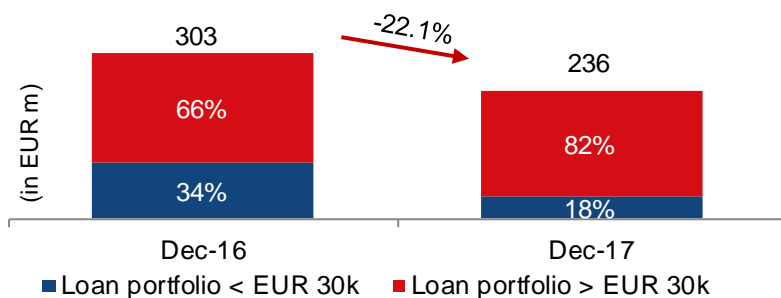
(in EUR m)	FY 2016	FY 2017
Net interest income	59.7	55.9
Provision expenses	12.7	6.0
Net fee and commission income	8.8	8.8
Net result of other operating income	4.4	3.2
Operating income	60.1	62.0
Operating expenses	34.3	31.6
Operating result	25.9	30.3
Tax expenses	4.5	4.3
Profit of the period	21.4	26.0
Change in loan portfolio > EUR 30,000	17.7%	21.4%
Deposits to loans ratio ⁽²⁾	98.5%	77.1%
Net interest margin	5.9%	5.1%
Cost-income ratio	47.0%	46.5%
Loans in PAR30	3.3%	2.2%
Coverage ratio PAR30	140.0%	151.9%
Return on average equity	17.5%	18.2%

Regional loan portfolio split



Total: EUR 239m (6% of gross loan portfolio)

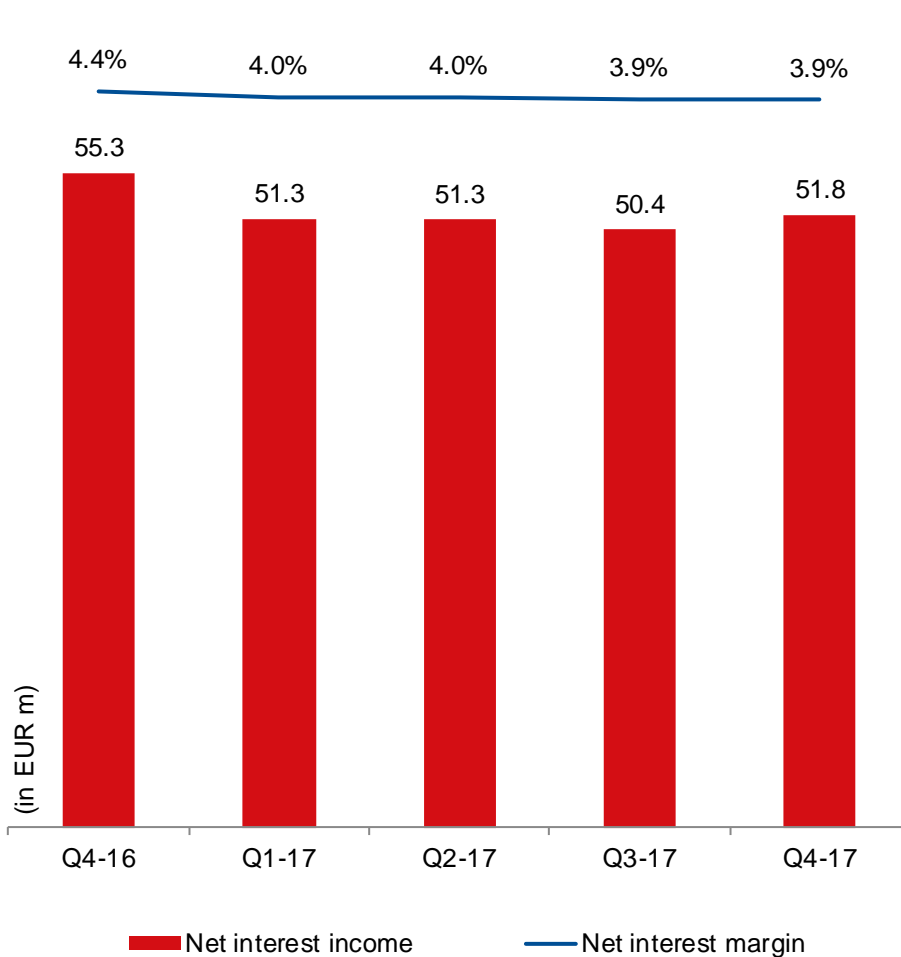
Loan portfolio growth⁽¹⁾



Notes: (1) By initial loan amount; (2) Customer deposits divided by customer loan portfolio

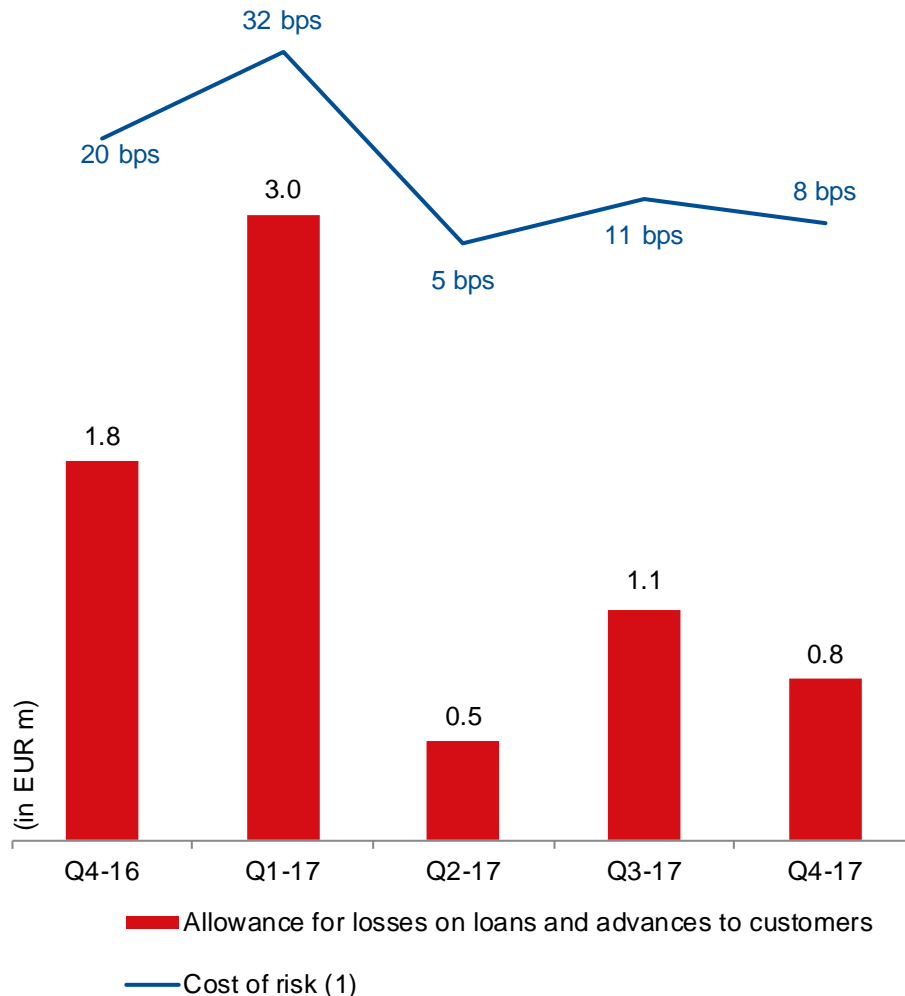
Key financial data

(in EUR m)	FY 2016	FY 2017
Net interest income	23.8	19.5
Provision expenses	-2.0	-0.9
Net fee and commission income	-0.2	-0.1
Net result of other operating income	2.0	1.2
Operating income	27.7	21.4
Operating expenses	28.8	24.9
Operating result	-1.1	-3.4
Tax expenses	1.2	2.1
Profit of the period	-2.3	-5.5
Change in loan portfolio > EUR 30,000	13.2%	-2.3%
Deposits to loans ratio ⁽²⁾	66.9%	67.5%
Net interest margin	5.0%	4.6%
Cost-income ratio	112.2%	121.2%
Loans in PAR30	7.5%	6.8%
Coverage ratio PAR30	67.8%	68.0%
Return on average equity	-3.5%	-8.8%



- ▶ Net interest income declined due to declining market rates, the targeting of large-exposure clients and currency devaluation in some of our markets
- ▶ Margins are declining less rapidly than in previous quarters of 2016 and beginning of 2017
- ▶ Net interest income in 2017 was positively influenced by strong portfolio growth and lower interest expenses
- ▶ Interest expenses have decreased but are likely to increase with additional deposit growth
- ▶ Strategic focus on SME clients is associated with significant positive effects on both risk costs and operating costs

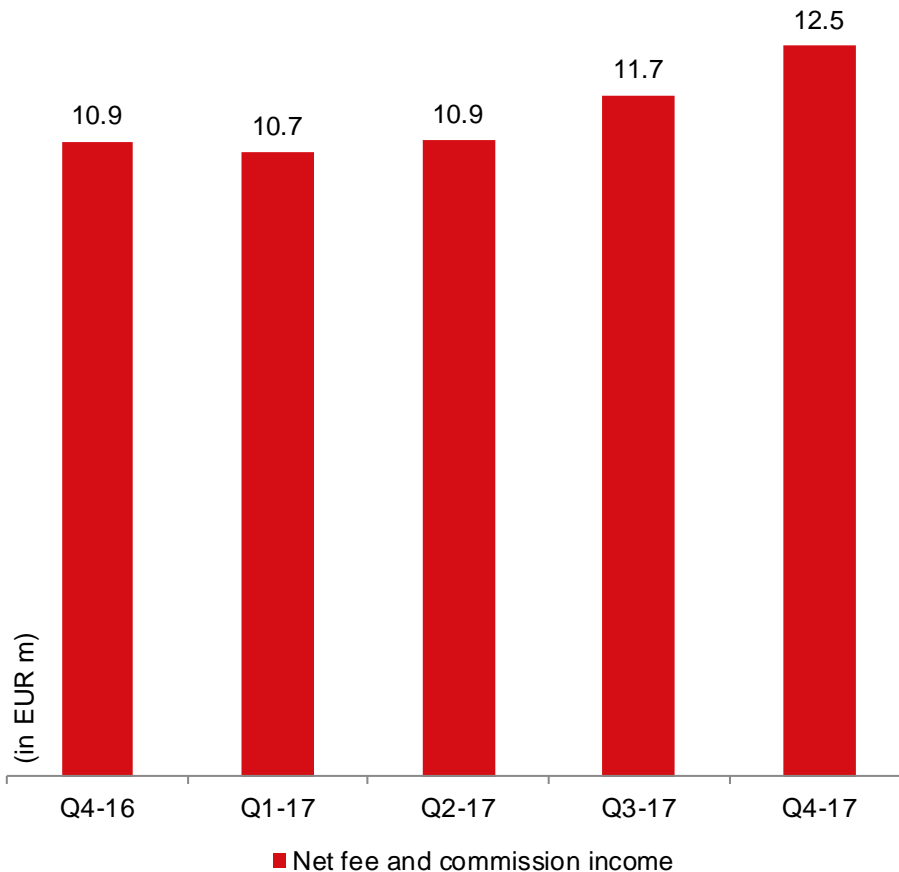
Notes: (1) Annualised



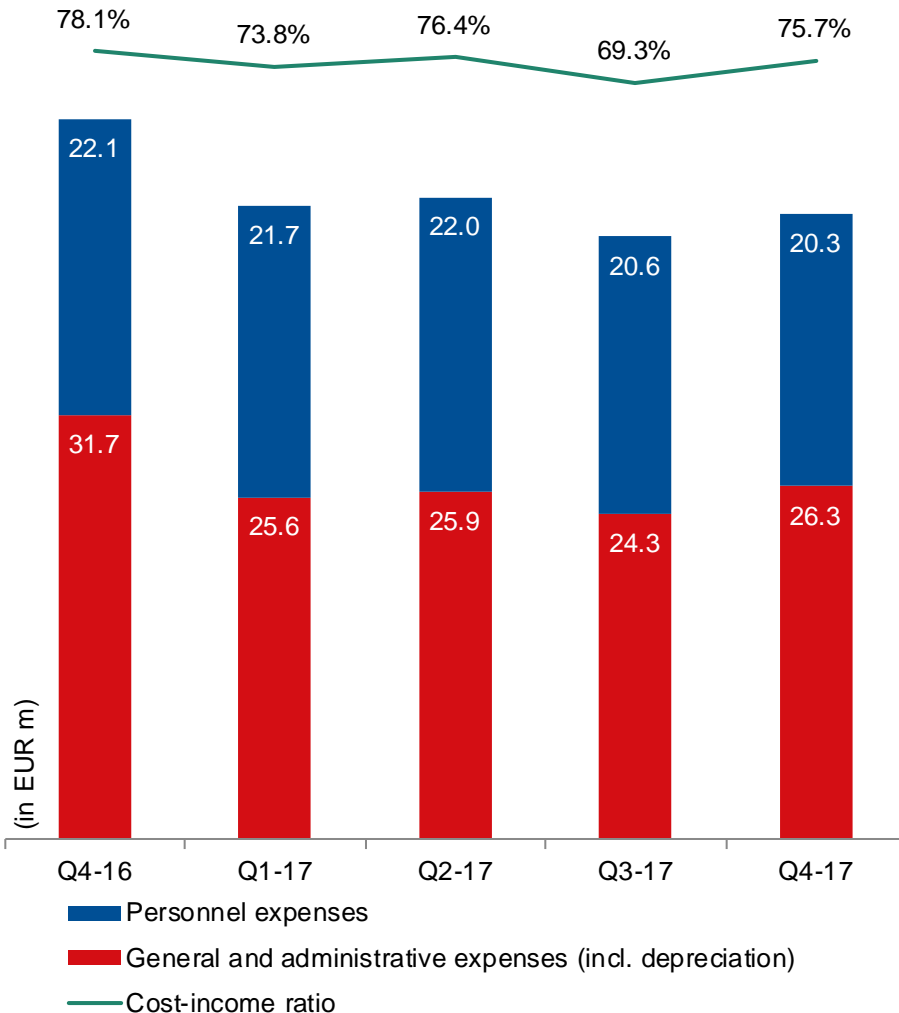
- ▶ LLP expenses are EUR 13.3m or 72% lower than in the previous year
- ▶ PAR 30 improved by 1pp to 2.9% in comparison to 2016 and this is the major driver of the low LLP expenses
- ▶ PAR 30 coverage ratio increased by 6pp to 112%
- ▶ Recoveries of written off loans totalled EUR 16.8m, contributing positively to the result, but were lower than in 2016 (EUR 18.6m) or 2015 (EUR 20.5m)

Notes: (1) Cost of risk defined as allowances for losses on loans and advances to customers, divided by average customer loan portfolio; Annualised

Net fee and commission income

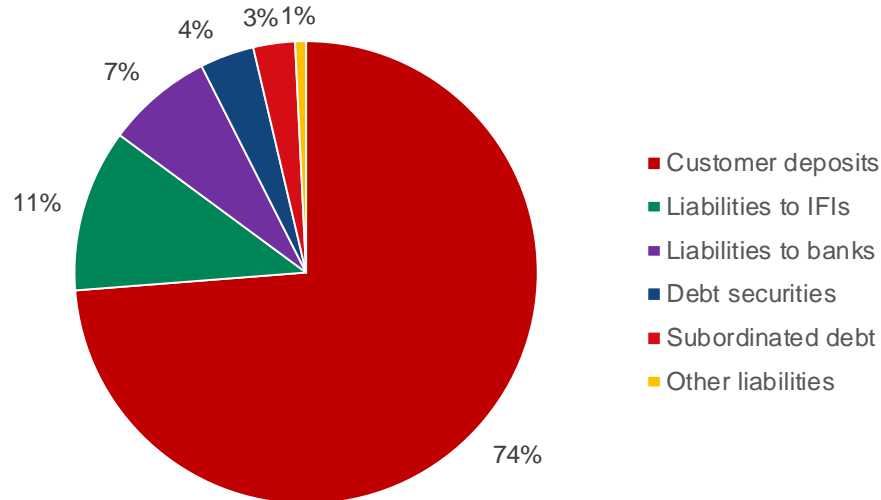


- ▶ The increase of net fee and commission income was predominantly driven by an adjustment of fees for account maintenance services, which we have gradually implemented in most of our banks
- ▶ The increase in income from account maintenance and card transaction services more than compensates for the declining fee income from cash transactions, cards and e-banking
- ▶ Net fee and commission income as a share of total operating income increased by 1.9pp to 18.5%



- ▶ Operating expenses decreased by EUR 11.4m or 5.8% with respect to the previous year. In Q4, administrative expenses increased with respect to the previous quarter due to one-off effects
- ▶ The YTD cost base has been influenced by:
 - One-time expenses related to the reduction of the branch network and staff numbers
 - Increased average salaries in line with SME strategy
 - Strong IT investments e.g. private cloud infrastructure in Germany, centralisation of IT activities at Quipu, increased software development activities, information and event monitoring, and data analytics
- ▶ Efficiency gains from branch and service point closures have already materialised since Q3
- ▶ The increase in cost-income ratio in Q4 can largely be explained by various one-off effects relating to other operating income and administrative expenses

Funding sources overview



Total liabilities: EUR 4.8bn

Deposit-to-loan ratio development

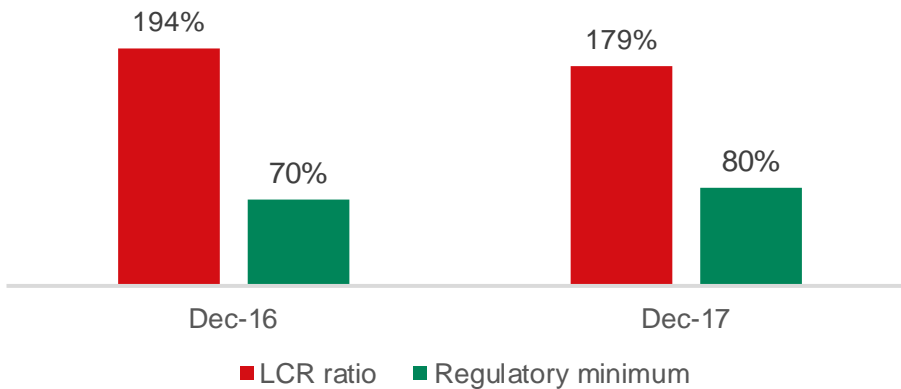


- ▶ Highly diversified funding structure and counterparties
- ▶ Customer deposits main funding source, accounting for 74% as of Dec-17
- ▶ Supplemented by long-term funding from IFIs and institutional investors
- ▶ High and stable deposit-to-loan ratio of 91%

Rating:

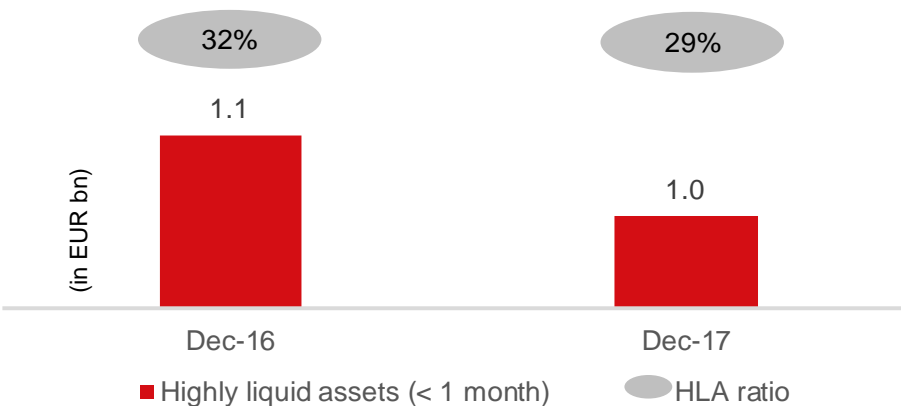
- ▶ ProCredit Holding and ProCredit Bank in Germany: BBB (stable) by Fitch
- ▶ ProCredit Banks: At or close to sovereign IDR; Local banks in Georgia, Macedonia and Serbia are even rated above the sovereign IDR

Liquidity coverage ratio



- ▶ HLAs increased during Q4 mostly as a result of additional funding attracted from IFIs, as well as strong deposit portfolio growth (partially seasonal).
- ▶ All ratios improved and remained comfortably within limits.

Highly liquid assets (HLA) and HLA ratio



Overview of capitalisation

in EUR m	Dec-16	Sep-17	Dec-17
CET1 capital (net of deductions)	574	594	595
Additional Tier 1 capital (net of deductions)	0	0	0
Tier 1 capital	574	594	595
Tier 2 capital	150	131	130
Total capital	724	725	725
RWA total	4,603	4,451	4,330
o/w Credit risk	3,446	3,443	3,341
o/w Market risk (currency risk)	462	458	439
o/w Operational risk	694	549	549
o/w CVA risk	1	1	2
CET1 capital ratio	12.5%	13.3%	13.7%
Total capital ratio	15.7%	16.3%	16.7%
Leverage ratio	9.9%	10.5%	10.5%
CET1 capital ratio (fully loaded)	12.4%	13.3%	13.7%
Total capital ratio (fully loaded)	15.4%	16.2%	16.7%
Leverage ratio (fully loaded)	9.8%	10.5%	10.5%

- ▶ Increases in CET1, Total Capital and Leverage ratios due to reduction of RWA
- ▶ RWA decrease resulting from sale of PCB EI Salvador and PCB Nicaragua
- ▶ CET1 capital as of December 2017 includes Q1/Q2/Q3 2017 profits less expected dividend payout

in EUR m	Dec-16	Dec-17
Assets		
Cash and cash equivalents	937	1,077
Loans and advances to banks	287	196
Financial assets at fair value through profit or loss	0	1
Available-for-sale financial assets	250	215
Loans and advances to customers	3,629	3,910
Allowance for losses on loans and advances to customers	-151	-129
Property, plant and equipment	157	139
Other assets	97	90
Assets held for sale	461	0
Total assets	5,668	5,499
Liabilities		
Liabilities to banks	318	359
Financial liabilities at fair value through profit or loss	1	0
Liabilities to customers	3,475	3,571
Liabilities to International Financial Institutions	499	550
Debt securities	144	183
Other liabilities	38	37
Subordinated debt	171	141
Liabilities related to assets held for sale	368	0
Total liabilities	5,014	4,841
Equity		
Subscribed capital	268	268
Capital reserve	115	115
Legal reserve	0	0
Retained earnings	325	351
Translation reserve	-62	-84
Revaluation reserve	0	1
Equity attributable to ProCredit shareholders	646	651
Non-controlling interests	8	7
Total equity	654	659
Total equity and liabilities	5,668	5,499

Income statement by segment

01.01. - 31.12.2017 (in EUR m)	Germany	Eastern Europe	South Eastern Europe	South America	Consolidation	Group
Interest and similar income	18.5	99.8	152.6	32.3	-15.2	287.9
of which inter-segment	14.9	0.3	0.1	0.0		
Interest and similar expenses	20.9	43.8	21.6	12.8	-15.9	83.2
of which inter-segment	0.5	5.3	7.2	2.9		
Net interest income	-2.4	55.9	131.1	19.5	0.7	204.8
Allowance for losses on loans and advances to customers	0.0	6.0	0.2	-0.9	0.0	5.3
Net interest income after allowances	-2.4	50.0	130.8	20.4	0.7	199.5
Fee and commission income	10.5	12.8	46.2	1.6	-10.1	61.0
of which inter-segment	8.5	0.0	1.5	0.1		0.0
Fee and commission expenses	1.9	4.0	14.9	1.7	-7.3	15.2
of which inter-segment	0.0	1.5	5.1	0.7		0.0
Net fee and commission income	8.5	8.8	31.3	-0.1	-2.7	45.8
Result from foreign exchange transactions	-1.4	5.1	7.2	0.1	0.0	10.8
Net result from financial instruments at fair value through profit or loss	-0.9	-0.4	0.6	0.0	0.0	-0.7
Net result from available-for-sale financial assets	0.0	0.0	0.1	0.0	0.0	0.1
of which inter-segment	0.0					
Net other operating income	89.3	-1.5	-10.6	1.1	-85.9	-7.6
of which inter-segment	83.6	0.0	1.7	0.6		0.0
Operating income	93.1	62.0	159.5	21.4	-88.0	248.0
Personnel expenses	23.7	10.9	40.8	9.3	0.0	84.7
Administrative expenses	30.9	20.8	66.5	15.6	-31.7	102.1
of which inter-segment	8.1	5.3	15.2	3.0		0.0
Operating expenses	54.6	31.6	107.3	24.9	-31.7	186.8
Profit before tax	38.4	30.3	52.2	-3.4	-56.3	61.2
Income tax expenses	1.4	4.3	6.8	2.1		14.6
Profit of the period from continuing operations	37.1	26.0	45.4	-5.5	-56.3	46.6
Profit of the period from discontinued operations						1.5
Profit of the period	37.1	26.0	45.4	-5.5	-56.3	48.1
Profit attributable to ProCredit shareholders						46.3
Profit attributable to non-controlling interests						1.8

FY 2017:

- Financial data for the fiscal year ended December 31, 2017, as shown in the consolidated financial statements as of and for the fiscal year ended December 31, 2017

Q3 2017:

- Financial data for nine-month period ended September 30, 2017, as shown in the unaudited quarterly financial report ended September 30, 2017
- Entities classified as discontinued operations include Banco ProCredit El Salvador in the balance sheet-related information and in the profit and loss-related information.

Q2 2017:

- Financial data for six-month period ended June 30, 2017, as shown in the unaudited quarterly financial report ended June 30, 2017
- Entities classified as discontinued operations include Banco ProCredit El Salvador and Banco ProCredit Nicaragua in the balance sheet-related information and in the profit and loss-related information.

Q1 2017:

- Financial data for three-month period ended March 31, 2017, as shown in the unaudited quarterly financial report ended March 31, 2017
- Entities classified as discontinued operations include Banco ProCredit El Salvador and Banco ProCredit Nicaragua in the balance sheet-related information and in the profit and loss-related information.

FY 2016:

- Financial data for the fiscal year ended December 31, 2016, as shown in the consolidated financial statements as of and for the fiscal year ended December 31, 2016
- Entities classified as discontinued operations: Banco ProCredit El Salvador and Banco ProCredit Nicaragua in the balance sheet-related information, and ProConfianza Mexico, Banco ProCredit El Salvador, Banco ProCredit Nicaragua, and Banco Pyme Los Andes ProCredit Bolivia in the profit and loss-related information.

Note: Unless indicated otherwise

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Financial calendar

Date	Place	Event information
15.05.2018		Quarterly Statement as of 31-Mar-18, Analyst Conference Call
16.05.2018	Frankfurt/ Main	Equity Forum Spring Conference 2018
23.05.2018	Frankfurt/ Main	Annual General Meeting
14.08.2018		Interim Report as of 30-Jun-18, Analyst Conference Call
3/4.09.2018	Frankfurt/ Main	Equity Forum Autumn Conference 2018
25/26.09.2018	Munich	Berenberg and Goldman Sachs 7th German Corporate Conference
14.11.2017		Quarterly Statement as of 30-Sep-18, Analyst Conference Call
26/27/28.11.2018	Frankfurt/ Main	Deutsche Börse German Equity Forum 2018

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