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*Corporate banking*

*Consumer banking*

*Financial institutions*

*Treasury operations*

*Operations*

*Custody*

*Risk management*





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## Corporate Banking

### General

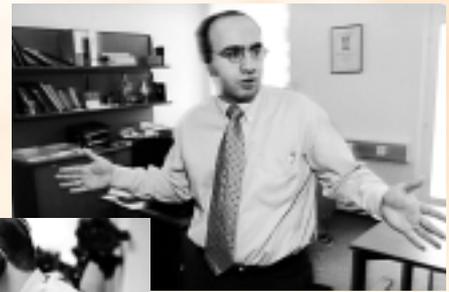
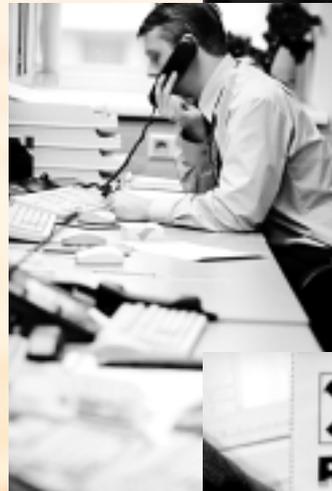
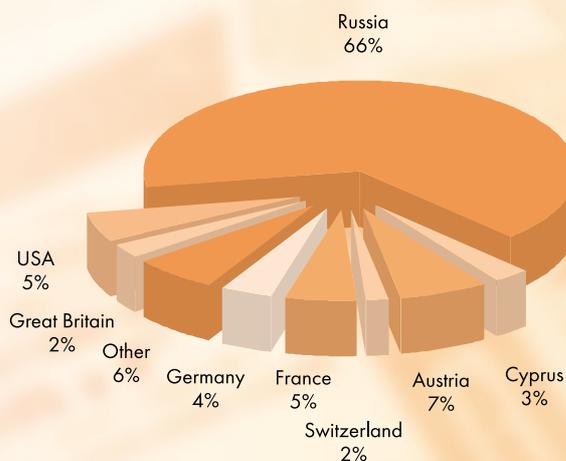
The Corporate Banking, Structured Trade and Project Finance division had another successful year, substantially increasing its client numbers by 50%. Its main focus was on providing Russian and foreign clients with a full range of banking products – from cash management and payroll services to lending and leasing. Several new products were launched in 2000, and we successfully capitalised on growth in such areas as leasing operations, custody business and corporate finance.

Our client base is currently divided 66% – Russian, and 34% – foreign-owned accounts. Due to such a strongly diversified client portfolio, German, French, Italian and US desks have been established with account managers speaking clients' own languages.

Raiffeisenbank Austria is actively involved in the Global Account Management System (GAMS), a standard used within the entire Raiffeisen Group, and which has been successful in implementing the idea of one-stop support within the network. Close cooperation with other units in supporting their clients' activities in Russia has helped not only western, but also Central and Eastern European companies, venturing into Russia.

On the other side, Raiffeisenbank Austria – through the Raiffeisen banking network – was able to provide Russian clients with support, and accompanied them into the CEE region, namely to Bulgaria, Hungary and Ukraine.

## Clients by Nationality



## Cash management

One of the Bank's objectives in 2000 was to further enhance the emphasis on cash management in providing our clients with a flexible and reliable tool using our broad correspondent network in Russia, in addition to a range of treasury products, such as proprietary promissory notes, deposits, direct access to treasury and notional cash pooling.

Among the immediate effects, the volume of corporate clients' deposits and balances has increased from USD 60 mn in 1998 to USD 247 mn in 2000.

The Bank successfully launched an advanced electronic cash management platform – the Finstream system. This concept expands the traditional framework of electronic banking and provides an innovative approach to the task of centralised cash flow monitoring within a single group of companies or





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a single holding. The Finstream system is fully modernised from a technological standpoint, and has received positive reactions from large Russian corporates that are already participating in the centralised data processing and monitoring system.

## **Lending**

Raiffeisenbank Austria has increased lending facilities from USD 127 mn in 1999 to USD 249 mn in 2000. The Bank concentrates on providing clients with structured facilities such as pre-export finance (main commodities: crude oil, oil products, steel, petrochemicals, aluminium, pulp and paper) in close cooperation with RZB's Head Office in Vienna; import finance of marketable goods (i.e. tea, pharmaceuticals, raw sugar, cars); as well as imports of equipment for domestic producers, warehouse finance and local sales finance. Multinational companies, as well as large Russian clients, were provided with working capital facilities.

## **Documentary business**

Another business area experiencing high growth has been the documentary business. The number of export and import L/Cs and guarantees in line with our active lending policy has doubled, with volume growth of 141% compared to 1999.

The volume of export and import contracts serviced by Raiffeisenbank Austria increased by 135%, whereas the total number of passports signed by the Bank increased 1.5 times.

## **Leasing**

The year 2000 also saw the launch of OOO "Raiffeisen-Leasing", a Russian-licensed leasing company, owned jointly by Raiffeisenbank Austria and Raiffeisen Leasing International. After several months of preparation, Raiffeisen-Leasing has begun operations and is actively providing high-quality services in the leasing of equipment and company cars to Russian and foreign lessees. Raiffeisen-Leasing closely cooperates with well-known suppliers of telecommunications, food processing, construction, oil field and agricultural equipment.

## **Payroll**

One of the most frequently requested products are payroll services, offered in cooperation with the Consumer Banking division. Many corporate clients have chosen to work

through Raiffeisenbank Austria in organising their payroll for both maximum efficiency and cost-effectiveness. Clients' employees thereby obtain access to the various lending and card programs offered by the Bank. Several lending programs, especially in the area of mortgage finance, were set up with employers' support. Raiffeisenbank Austria has installed ATMs in business centres and other client premises.

Another card program launched successfully was the corporate VISA credit card, providing corporate clients with an effective tool for managing the business expenses of their employees both in Russia and abroad.

