

MANDATORY DISCLOSURE
PUBLIC DISCLOSURE OF INSIDE INFORMATION
ACCORDING TO IFRS
Published: February 6, 2019, 07:00 CET
Consolidated, unaudited

FY 2018 Results

February 6, 2019

AWARDS RECEIVED IN 2018

MONETA received extensive recognition as a leader in products, innovation and digitalization



**Hypotéka
roku
2018**

**Fincentrum 2018
MONETA awarded "The Best
Mortgage 2018"**

*MONETA's mortgage offer named
the Best mortgage by Fincentrum*



**Zlatá koruna 2018
1st place – Online application
Zlatá koruna 2018
3rd place - Public Award**

*Smart Banka awarded by Zlatá
Koruna 1st place as the best
online application and
3rd place as the best financial
product on Czech market*



mastercard.

**MasterCard
Innovations 2018 -
Mobile payments**

*MONETA was awarded
for card digitalization in
wearables Garmin and
Fitbit*



**VISA
Best Innovator 2018 -
Mobile payments and
wearables**

*MONETA was awarded
for launching mobile
payments and for card
digitalization in
wearables Garmin and
Fitbit*



**The Best Bank 2018
1st place – Banking innovator**

*MONETA with Smart Banka
voted by public as the
leading banking innovator*



**Finparáda 2018
2nd place – Debt consolidation**

*MONETA's debt
consolidation offer
received 2nd place in
category debt
consolidation by
Finparada.cz*



**Business Vision 2018
The Best SME bank in the
Czech Republic**

*MONETA was named the Best
SME Bank in the Czech Republic
by Business Vision*



**Global Banking & Finance
Awards 2018
The Best Investor Relations
Bank Czech Republic**

*MONETA was named the Best
Investor Relations Bank Czech
Republic by Global Banking &
Finance*



**TOP Odpovědná Velká
Firma 2018**

*The Bronze level
certificate for Most
Responsible Large
Company in the Czech
Republic 2018
by Business for Society*



**MONEY
BANK**

Source: Fincentrum <https://www.bankaroku.cz/#vysledky>; Zlatá koruna <http://www.zlatakoruna.info/soutez/2018>; MasterCard <https://newsroom.mastercard.com/eu/cs/press-releases/mastercard-ocenila-banky-za-projekty-v-oblasti-platebnich-karet-2018-2/>; Visa <https://www.visa.cz/visaawards.html>; Nejlepší banka 2018 <http://www.nejbanka.cz>; Finparada <https://finparada.cz/5457-Zname-viteze-souteze-Financni-produkt-roku-2018.aspx>; Business Vision <https://bv.world/awards/2018/04/moneta-money-bank-best-sme-bank-czech-republic-2018/>; Global Banking & Finance <https://www.globalbankingandfinance.com/global-banking-finance-awards-2018-award-winners/>; TOP Odpovědná Velká Firma http://www.odpovednefirmy.cz/pages/serve.php?file=I542354838_11_top-2018_v%C3%BDsledky-pdf.pdf.

BRANCH NETWORK

We continue our branch transformation to optimize and digitalize our physical customer touch points

We have reduced the branch network from **227** to **202** locations and invested in refurbishment and digitalization of **12** key locations in 2018



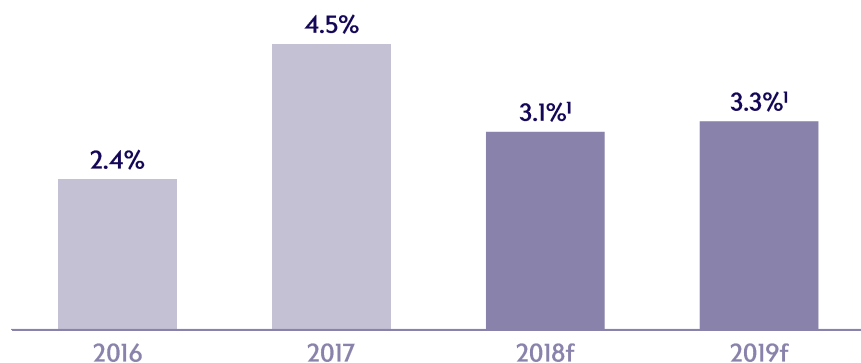
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- Czech macroeconomic environment
 - Banking market dynamics
 - MONETA results and strategy
 - Digital update
 - Balance sheet development
 - Asset quality and risk metrics
 - Capital management
 - Profit and loss key developments
 - Guidance
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MACROECONOMIC ENVIRONMENT

GDP outlook remains positive, consumer loan market pricing stabilized

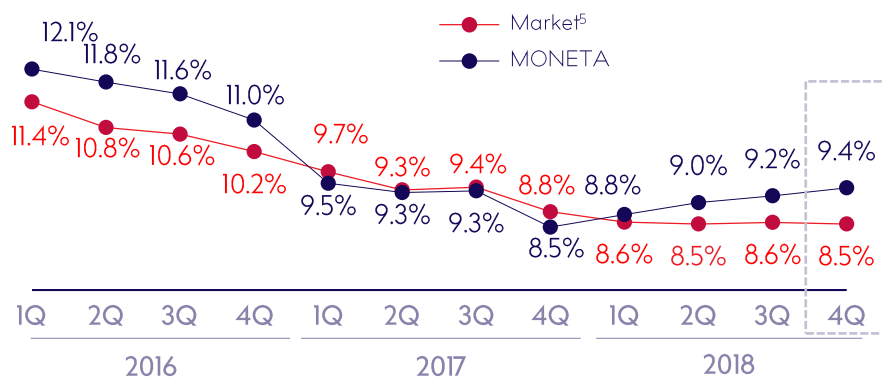
STRONG GDP OUTLOOK



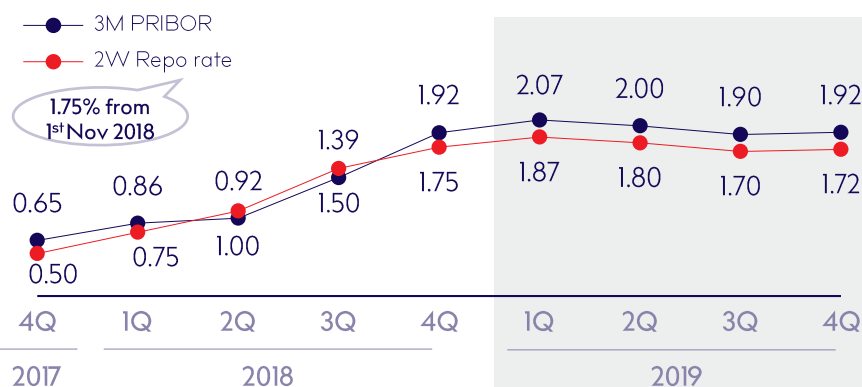
KEY MACROECONOMIC INDICATORS

INDICATOR	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18
Export ²	4.6%	5.9%	(1.1%)	2.0%	5.7%	n/a
Industrial production	6.7%	7.6%	4.0%	2.3%	3.6%	n/a
EUR/CZK ³	26.1	25.7	25.4	25.6	25.7	25.9
Banks' NPL ratio	4.0%	4.0%	3.6%	3.4%	3.3%	3.3%

NEW VOLUME PRICING OF CONSUMER LOANS



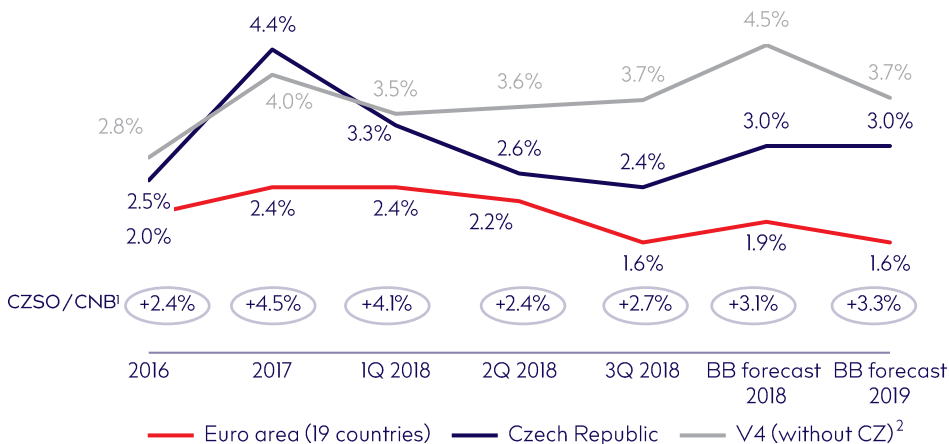
INTEREST RATE ACTUALS AND FORECAST⁴(%)



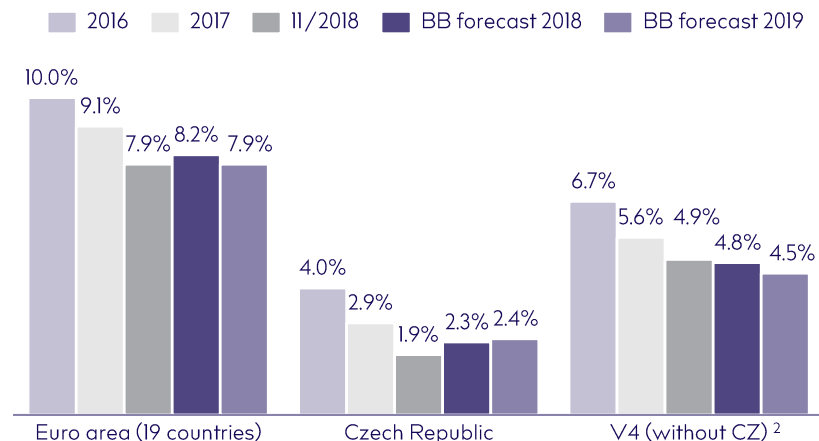
ECONOMIC GROWTH

Czech GDP outlook remains positive, unemployment at historically low level, continued upward pressure on wages

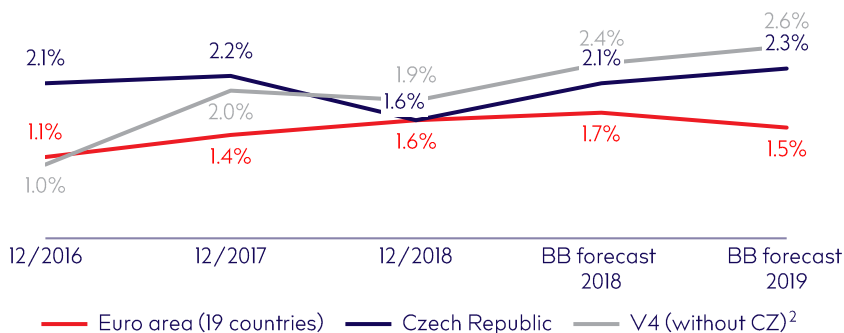
GDP GROWTH



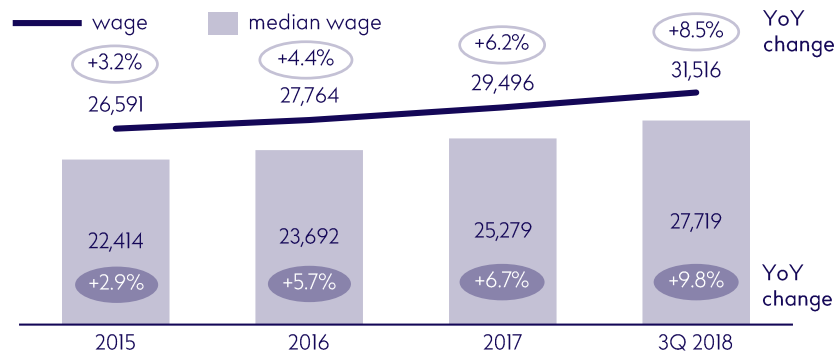
UNEMPLOYMENT RATE³



INFLATION⁴



WAGE, MEDIAN WAGE⁵



Source: GDP actuals: Bloomberg; Forecast: Bloomberg consensus January'19 latest revised data; Unemployment and Consumer prices actuals: Eurostat, Forecast: Bloomberg consensus January'19 latest revised data; Wage actuals: CZSO; (1) GDP YoY growth published by CZSO, Forecast: CNB; (2) V4 calculated as non-weighted average; (3) Registered unemployment rate published by MoLSA in December'18: 3.1%; (4) Harmonized index of Consumer Prices; (5) Wage = average of gross nominal annual wage, Median wage = average of quarterly values.

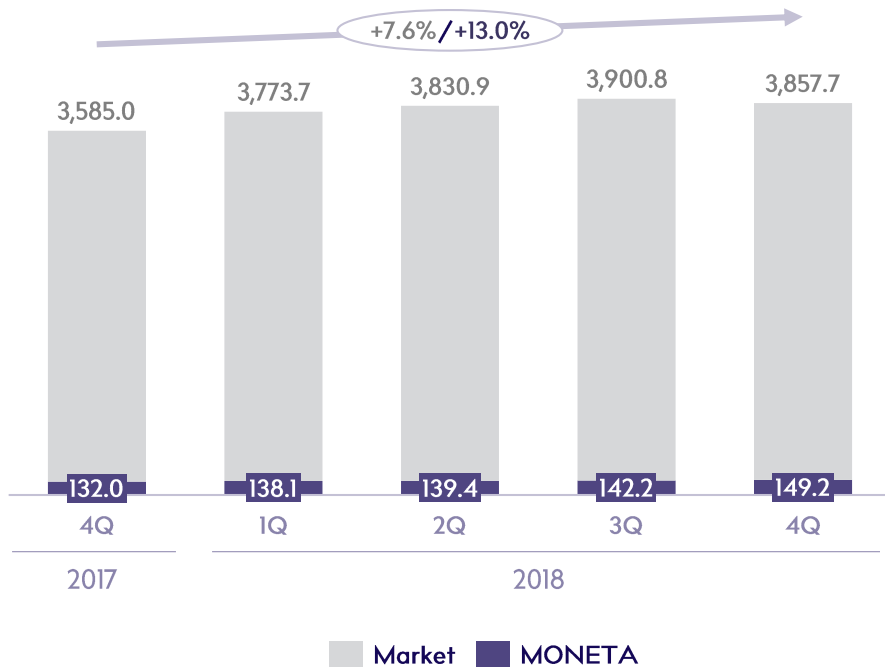
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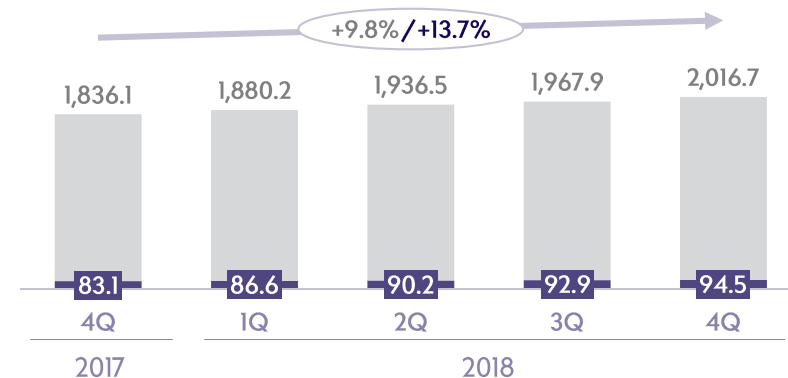
CZECH DEPOSIT MARKET

Continued growth in deposits, MONETA outperformed market in retail and commercial segments

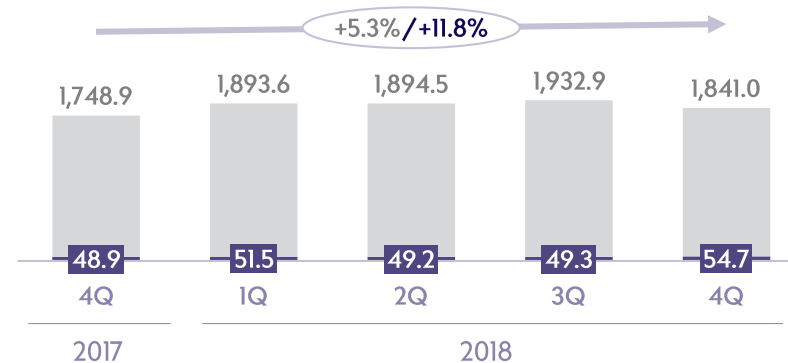
DEPOSIT MARKET (CZK bn)



RETAIL DEPOSITS (CZK bn)



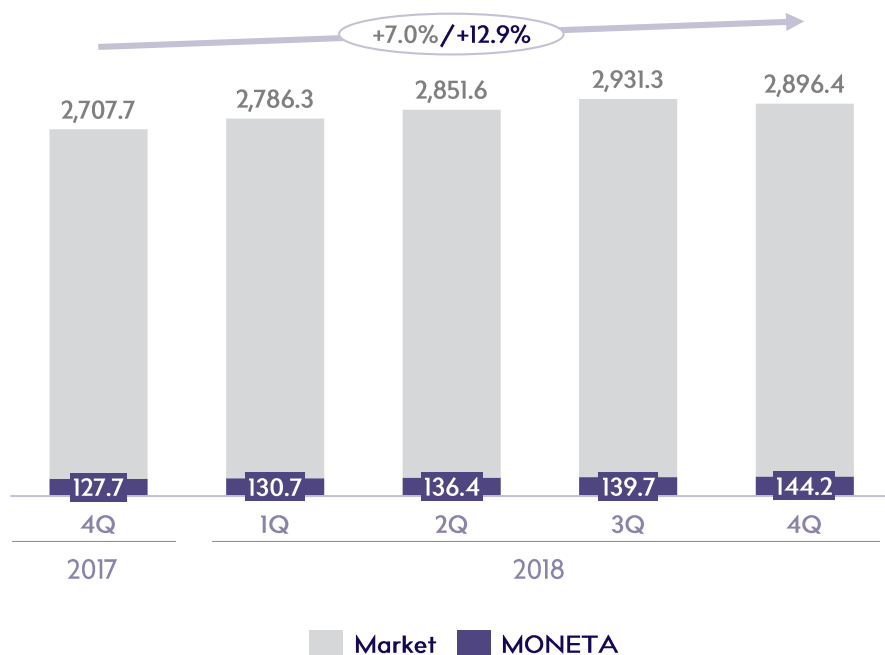
COMMERCIAL DEPOSITS (CZK bn)



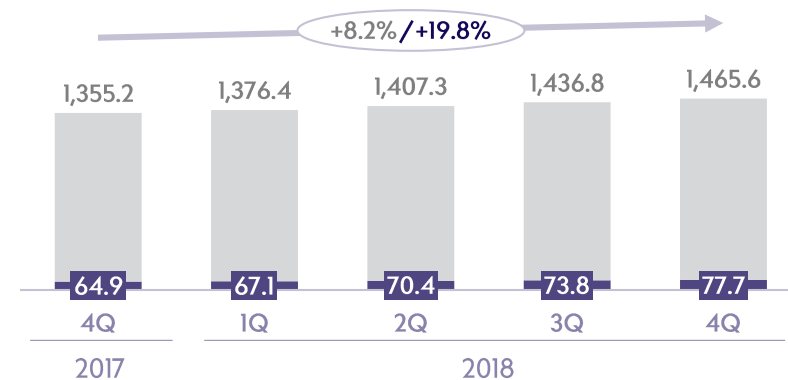
CZECH LENDING MARKET

Lending market continued to grow, MONETA outperformed market driven by retail

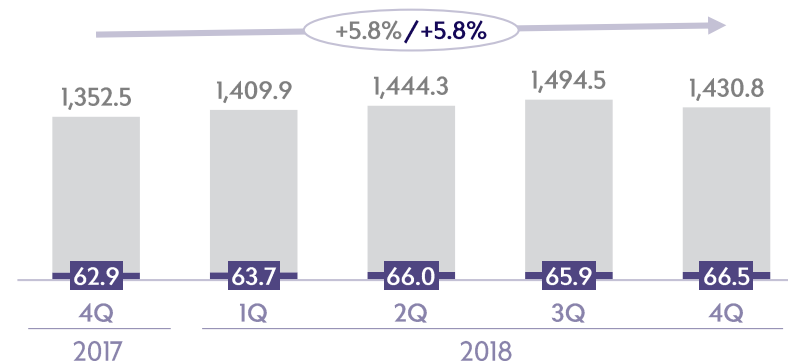
LENDING MARKET – GROSS LOANS (CZK bn)



RETAIL GROSS LOANS (CZK bn)



COMMERCIAL GROSS LOANS (CZK bn)



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2018 FINANCIAL PERFORMANCE AGAINST GUIDANCE

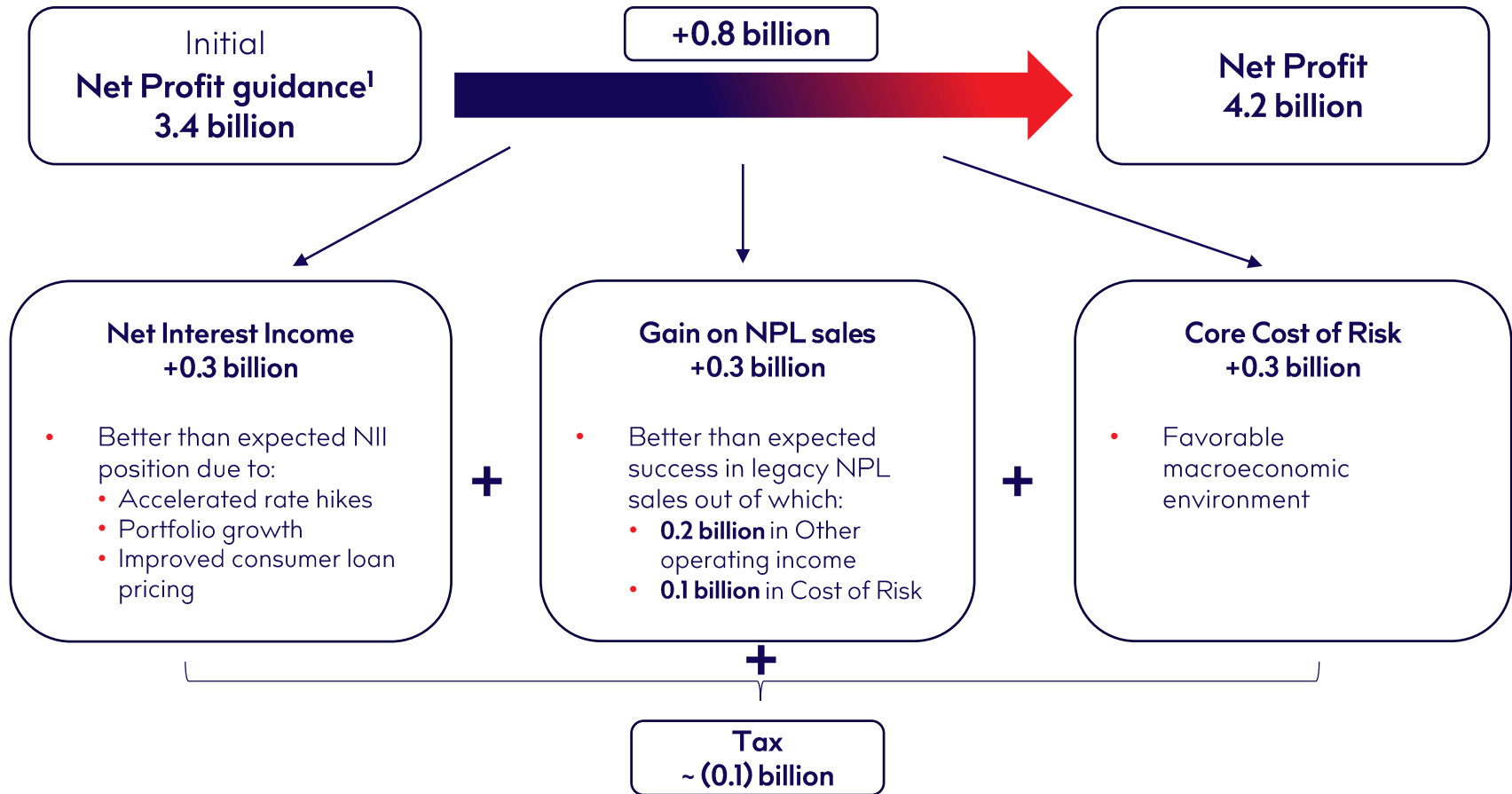
Achieved consolidated net profit of CZK 4.2 billion with RoTE at 17.9%, planning to propose dividend of CZK 6.15 per share

METRICS	 2017	RESULTS	 2018 GUIDANCE	
	2017	2018	Initial ¹	Revised ²
GROSS PERFORMING LOAN BOOK GROWTH (YoY)	10.8%	14.4%	≥ 9%	≥ 13%
TOTAL OPERATING INCOME (CZK)	10.3bn	10.2bn	≥ 9.5bn	~ 10bn
COST BASE (CZK)	4.9bn	4.9bn	~ 4.9bn	~ 4.8bn
COST OF RISK ³ <i>Cost of Risk (excluding legacy NPL sales)</i>	32bps 59bps	21bps 72bps	45 – 55bps 90 – 100bps	15 – 25bps 70 – 80bps
CONSOLIDATED NET PROFIT (CZK)	3.9bn	4.2bn	≥ 3.4bn	~ 4.1bn
RETURN ON TANGIBLE EQUITY (RoTE)	16.0%	17.9%	≥ 14%	> 17%
EFFECTIVE TAX RATE	20.0%	16.6%	~ 17%	~ 17%
GROSS DIVIDEND PER SHARE (CZK) ⁴	8.0	6.15	5.0	5.6

Note: (1) Initial guidance announced on February 7, 2018 except Cost of Risk excluding legacy NPL sales and Dividend per share; (2) Revised guidance announced on November 7, 2018; (3) 2017 based on IAS39, 2018 based on IFRS9; (4) Initial guidance of CZK 5 gross dividend per share announced on August 8, 2018 was increased to the expected proposal of CZK 6.15 gross dividend per share on February 6, 2019. The proposal is subject to corporate, regulatory and regulator's limitations and approval of the Annual General Meeting.

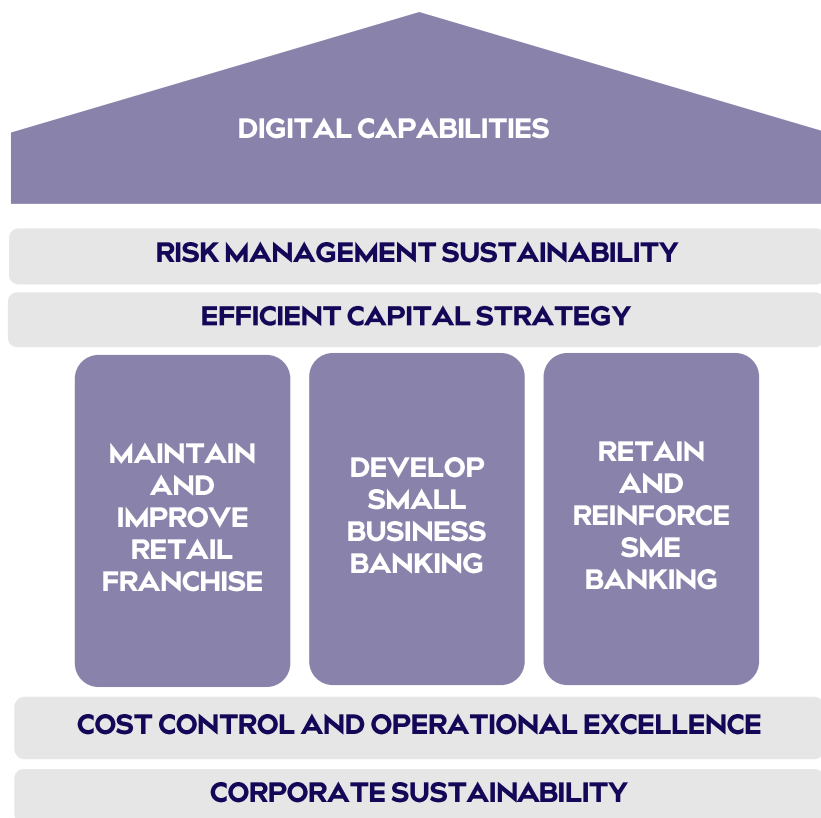
2018 FINANCIAL PERFORMANCE

Outperformed initial net profit guidance due to reversal of NII trend, successful NPL sales and lower Core Cost of Risk



EXECUTING ON STRATEGY

MONETA successfully executed against its strategic objectives



14.4% YoY growth in gross performing loans outperforming guidance

22.1% YoY increase in RETAIL gross performing loan balance

- **55.8% YoY** continued growth in gross performing **mortgage balance¹** increased **market share** to **2.8%²** in FY'18 (**2.0%** in FY'17)
- **7.4% YoY** growth in gross performing **consumer loans balance** and maintained **market share** of **18.8%³** in FY'18 (**19.3%** in FY'17)

6.7% YoY growth in COMMERCIAL gross performing loan balance

- **63.1% YoY** strong growth in gross performing **small business loan balance**, with new volume in instalment lending up **41.7% YoY**
- **6.4% YoY** increase in gross performing **investment loan balance**

13.0% YoY⁴ growth in core deposits supporting loan portfolio growth

- **13.7% YoY** increase in **retail deposits** (**63.3%** of total deposits)
- **11.8% YoY** increase in **commercial deposits**

16.4% Capital Adequacy Ratio with positive result from capital optimization initiatives of **CZK 1,333 million**

EXECUTING ON STRATEGY

Net profit of CZK 4.2 billion delivered, up 7.1% versus prior year resulting in strong RoTE






METRICS (CZK m, %)	FY'18	FY'17	CHANGE
NET INTEREST INCOME	7,409	7,364	0.6%
NET NON-INTEREST INCOME	2,753	2,971	(7.3%)
TOTAL OPERATING INCOME	10,162	10,335	(1.7%)
TOTAL OPERATING EXPENSES	(4,852)	(4,947)	(1.9%)
COST OF RISK	(274)	(381)	(28.1%)
GOODWILL IMPAIRMENT	0	(104)	(100.0%)
PROFIT BEFORE TAX	5,036	4,903	2.7%
NET PROFIT	4,200	3,923	7.1%
RETURN ON TANGIBLE EQUITY	17.9%	16.0%	190bps
RETURN ON EQUITY	16.6%	15.2%	140bps

HIGHLIGHTS

- **CZK 7.4bn** of net interest income, returned to growth YoY
- **CZK 2.8bn** of non-interest income, down 7.3% YoY, influenced by lower income from recoveries from written-off NPLs
- **CZK 4.9bn** of operating expenses, a decrease of 1.9% YoY, despite wage inflation and higher depreciation and amortization
- **CZK 678m** positive impact on Cost of Risk from legacy NPL sales (**72bps** Cost of Risk excluding gain on legacy NPL sales)
- **CZK 4.2bn** of net profit (up 7.1% YoY) resulting in **17.9% RoTE**

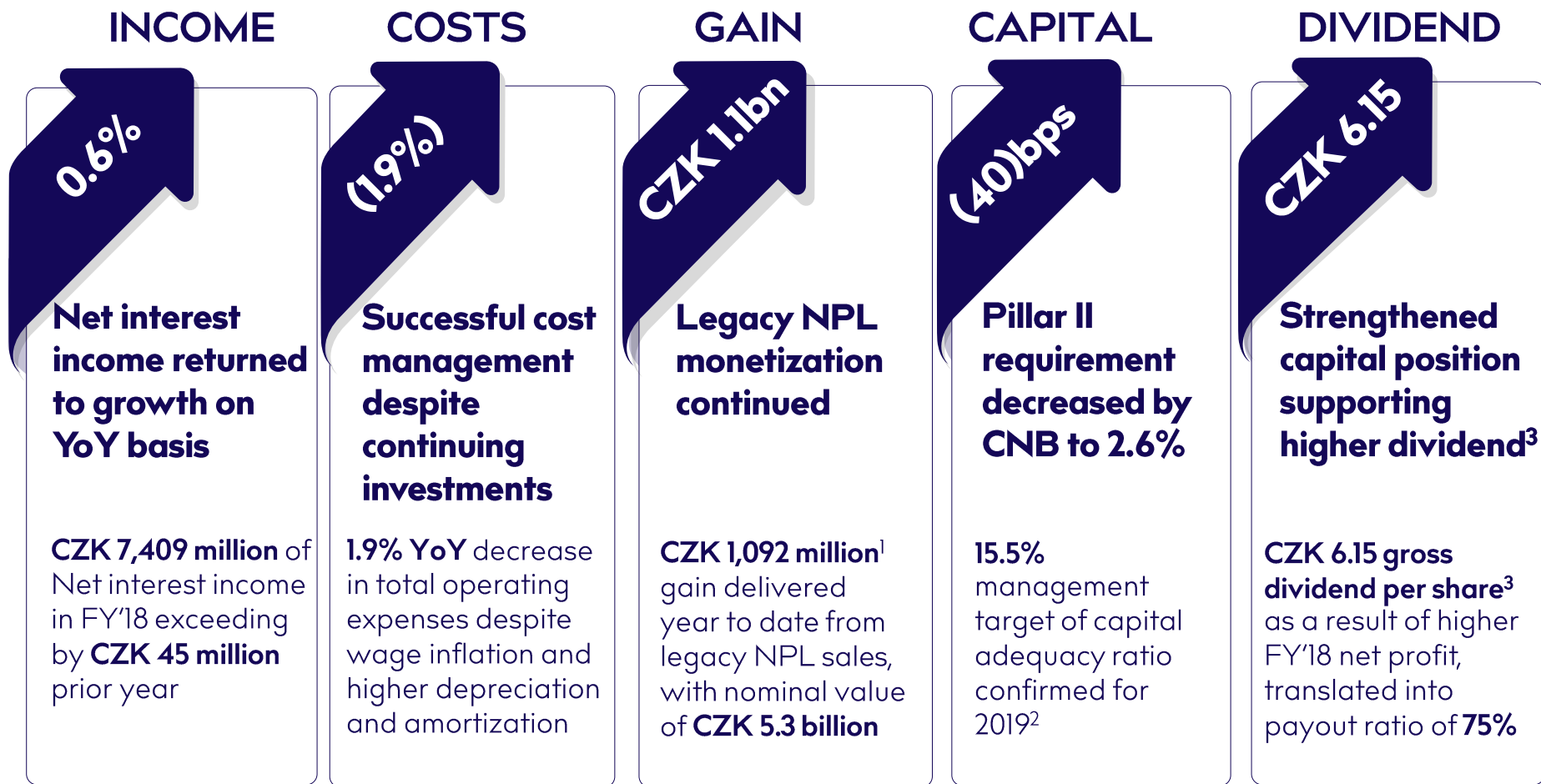
EXECUTING ON STRATEGY

MONETA has strengthened its digital capabilities and optimized both branch and ATM networks

		FY2017	FY2018
	BRANCHES • of which in new design	227 16	202 28
	ATMs • of which deposit ATMs	668 24	654 50
	REGISTERED USERS DIGITAL CHANNELS • SMART BANKA (ths.) • INTERNET BANKA (ths.)	187 864	265 897
	NUMBER OF MONETA CLIENTS (ths) • Retail • Small business ¹ • SME ²	1,033 938 90 5	1,036 935 96 5
	AVERAGE NUMBER OF EMPLOYEES (FTEs)	3,304	3,188

EXECUTING ON STRATEGY

NII returned to growth, capital requirement lowered by the regulator and MONETA increased dividend proposal



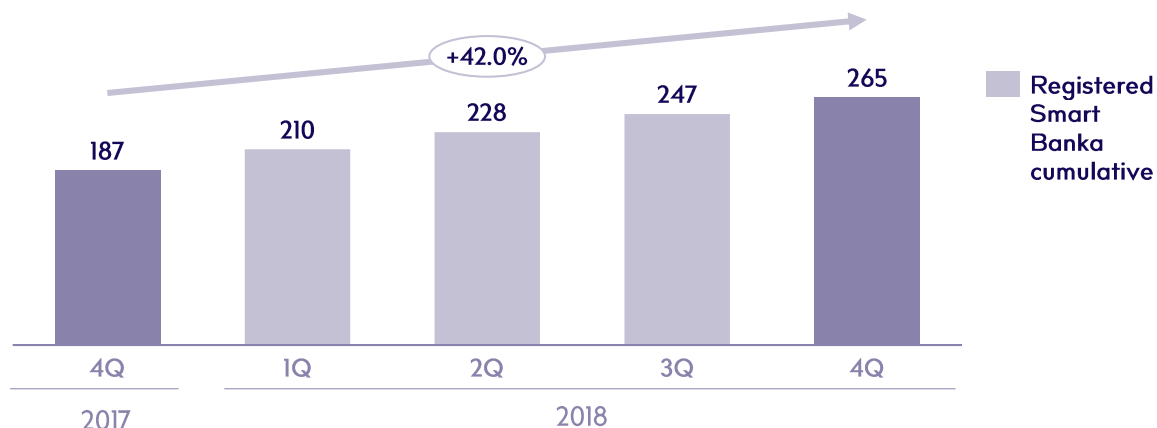
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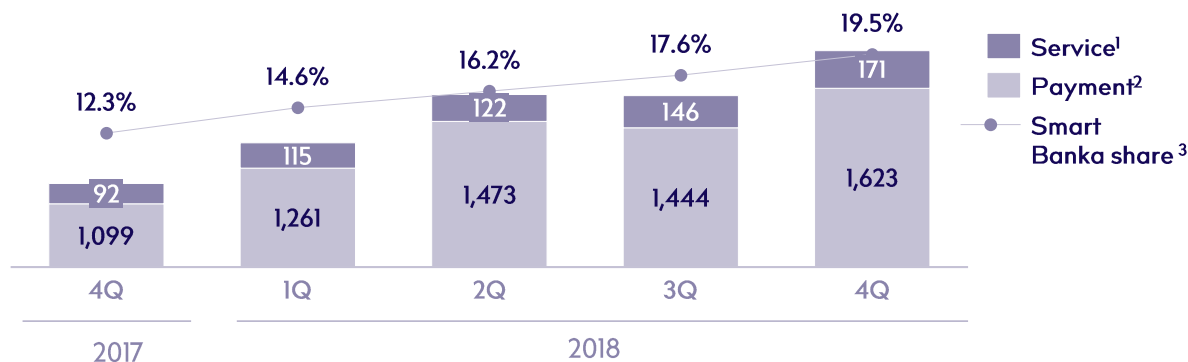
DIGITAL TRANSFORMATION PROGRESSING

Digital banking proposition continued to gain market traction

DIGITAL BANKING PENETRATION (number of clients in thousands)



SMART BANKA TRANSACTIONS (number of transactions in thousands)



HIGHLIGHTS

- **Personal items insurance delivered** in Smart Banka in October to extend online insurance proposition
- **Fully online Credit Card** available for new to bank small business clients from November
- **Tablet based digital current account & consumer loan** rolled out to 3rd parties in **October**, supporting programme with Generali Group
- **111% growth YoY in December** in organic traffic through our **new website**

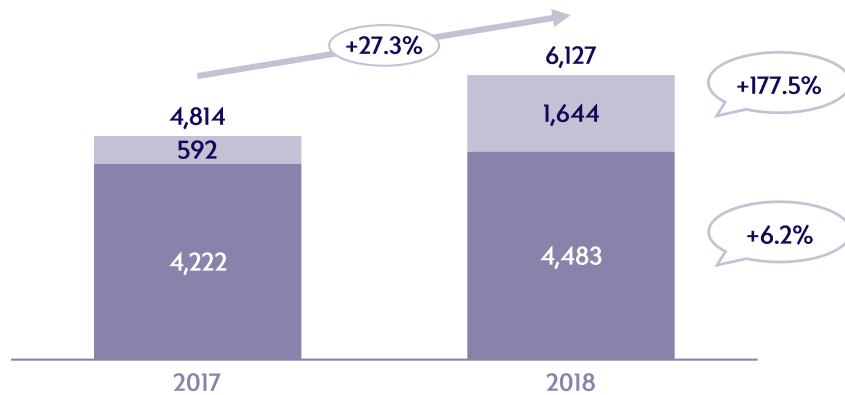
ASPIRATIONS FOR 1Q 2019

- **Fully online overdraft** in internet & mobile banking
- **Fully online commercial loan** for new to bank small business clients

STRONG ONLINE LENDING PERFORMANCE

Continued growth in digital loan origination driven by exceptionally strong development in fully online capabilities

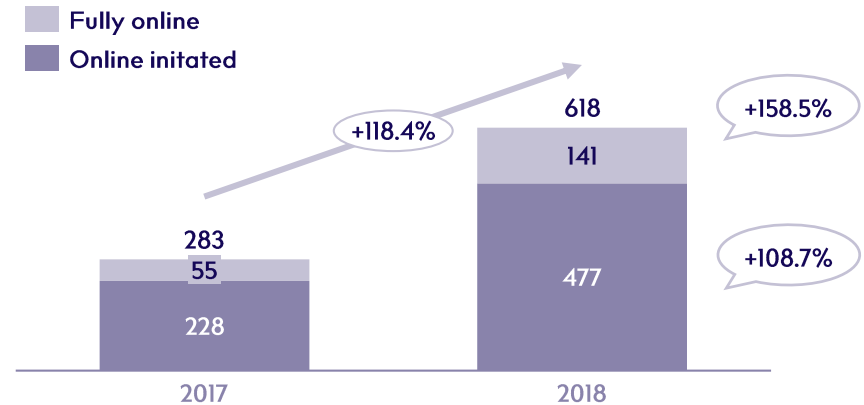
CONSUMER LOAN VOLUMES ORIGINATED ONLINE⁽¹⁾ (CZK m)



HIGHLIGHTS

- **CZK 6.1bn of consumer loans originated online**, reaching a **32%** share of MONETA's consumer loan production in 2018 versus **18%** in 2017
- **CZK 1.6bn in consumer loan volume completed fully online** through Smart Banka and internet banking, totals **8%** of total consumer loan production during 2018
- **CZK 39.0bn** of pre-approved unsecured loan limits available fully online to more than 155,000 existing retail clients

SMALL BUSINESS INSTALMENT LOANS ORIGINATED ONLINE⁽¹⁾ (CZK m)



HIGHLIGHTS

- **CZK 618m originated online**, a **23%** share of small business instalment lending volume in 2018 versus **15%** in 2017
- **CZK 141m of small business instalment loan volumes completed fully online**; **5%** of total small business instalment loan production during 2018
- **CZK 6.0bn** of pre-approved limits to more than 23,200 existing clients available online

DIGITAL STRATEGY

MONETA continues digital strategy to serve digital sales and marketing capabilities

3Q-4Q 2018

1Q 2019

2Q 2019

CREDIT DISTRIBUTION

- ✓ Retail consumer loan for 3rd parties via tablet
- ✓ Online approval process for credit cards and loans for new to bank small business clients (branch completion)
- ✓ Fully online process for credit cards for new to bank small business clients
- ✓ New web based process for auto loans via dealers
- ✓ Instant online mortgage approval for brokers¹

- Fully online loans for new to bank small business clients
- Fully online retail credit card for new to bank clients
- Fully online overdraft in Smart Banka and Internet Banka

- Fully online property valuation via automated model
- Fully online loans for new to bank retail clients

TRANSACTION BANKING DISTRIBUTION

- ✓ New Moneta Web portal
- ✓ Retail current account for 3rd parties via tablet
- ✓ Extension of Multibanking in Smart Banka²

- Fully retail current account for new clients via web

- Instant clearing of domestic payments
- Fully online savings account for retail clients

FEE PRODUCTS DISTRIBUTION

- ✓ Personal belongings and Cyber insurance fully online
- ✓ Accident insurance in Internet banka

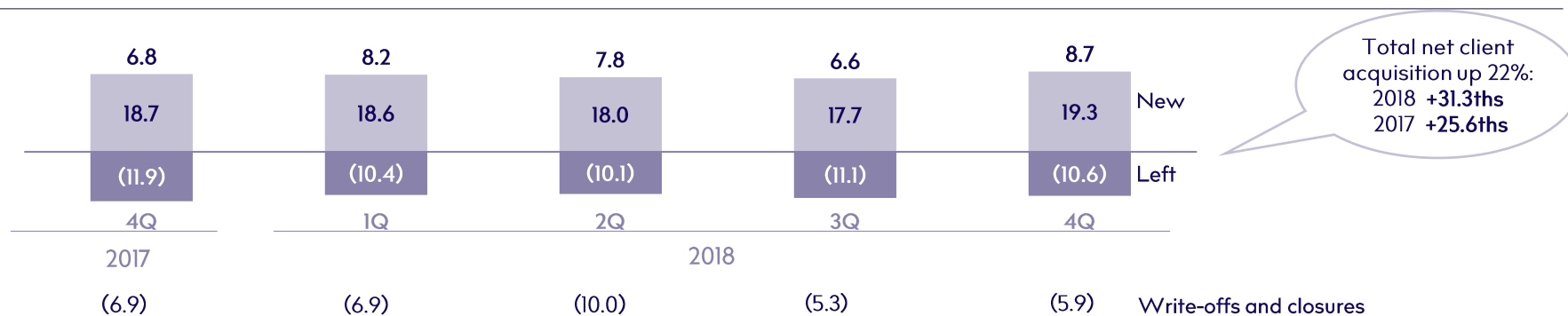
- Expansion of investment funds proposition (additional partners)

UPDATED DIGITAL DISTRIBUTION STRATEGY 2018-2020 at www.moneta.cz

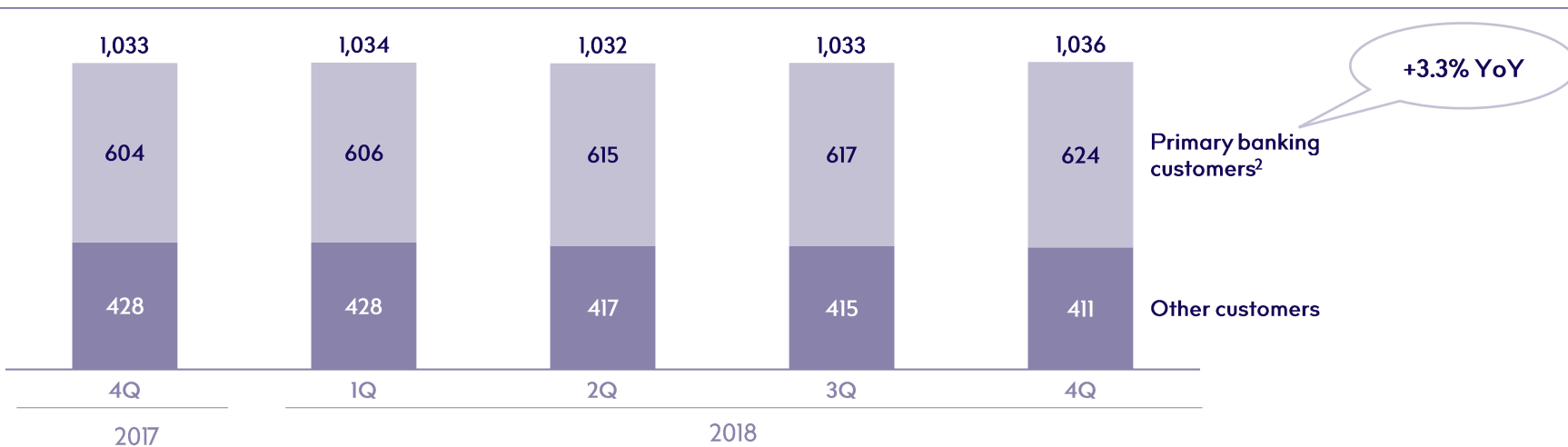
CLIENT BASE EVOLUTION

22% increase in net client acquisition and increasing share of primary banking customers

NET CLIENT ACQUISITION¹ (number of clients in thousands)



CLIENT BASE EVOLUTION (number of clients in thousands)



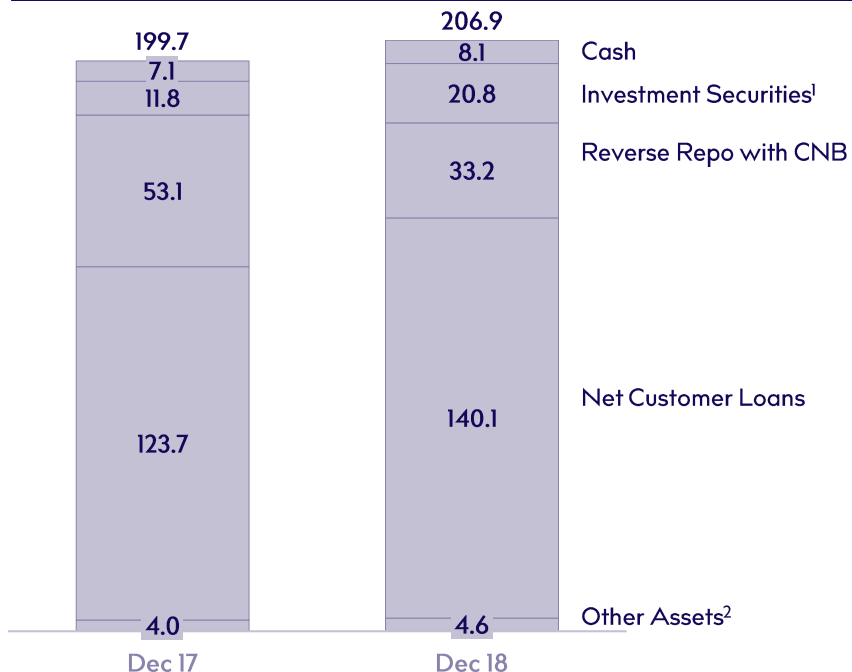
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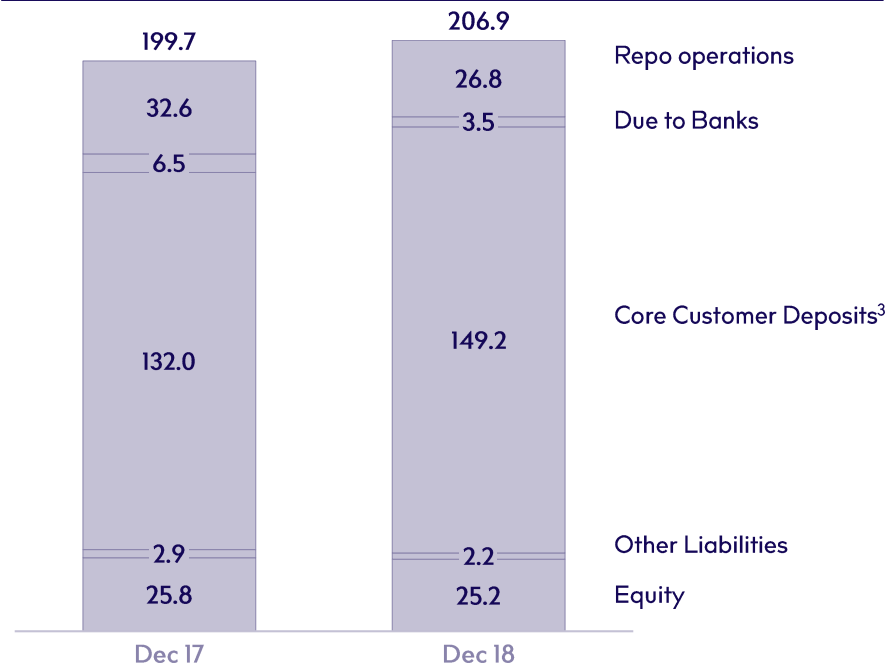
SOLID BALANCE SHEET FUNDAMENTALS

Lending growth fully funded by customer deposits

ASSETS (CZK bn)



LIABILITIES AND EQUITY (CZK bn)



HIGHLIGHTS

- **CZK 18.0bn** nominal value of regular interest rate risk **hedging position**
- **161.6% LCR** exceeding regulatory limit, confirming **excellent liquidity position**
- **8.2% Regulatory leverage⁴** (2017 at **8.1%**) against Czech bank industry leverage of **6.2%**⁵

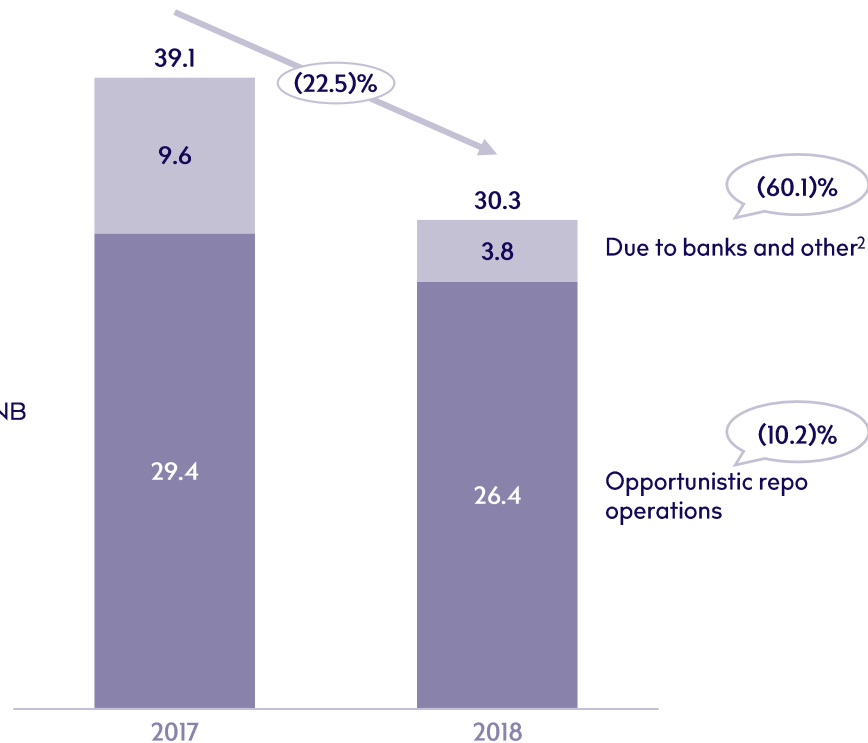
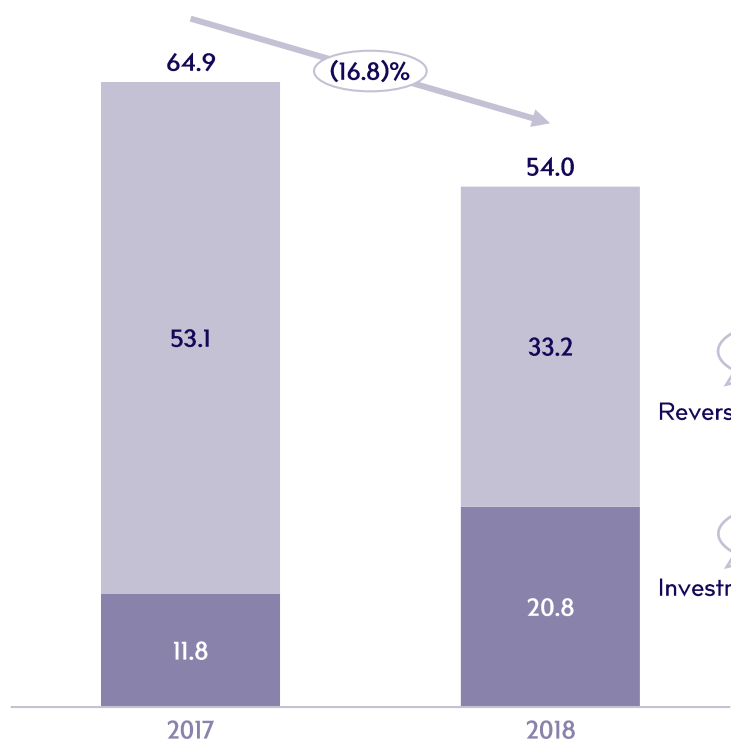
Notes: Figures in chart may not add up due to rounding differences; (1) Including encumbered assets of CZK 3.4bn in 2017 and CZK 7.7bn in 2018; (2) Including Interbank loans; (3) Excluding CZK 19.6 billion of opportunistic repo operations in 2018 (in 2017: CZK 9.4 billion); (4) Calculated pursuant to CRR; (5) Source: CNB web page <http://www.cnb.cz/cs/dohled_financni_trh/souhrnne_informace_fin_trhy/zakladni_ukazatele_fin_zdravi/fsj_ukazatele_kons.html>, as of 30 September 2018.

SOLID BALANCE SHEET FUNDAMENTALS

Decreasing repo operations with CNB and increase in government bond portfolio due to change in market conditions

INVESTMENT PORTFOLIO AND REVERSE REPO OPERATIONS (CZK bn)

DUE TO BANKS AND REPO OPERATIONS (CZK bn)

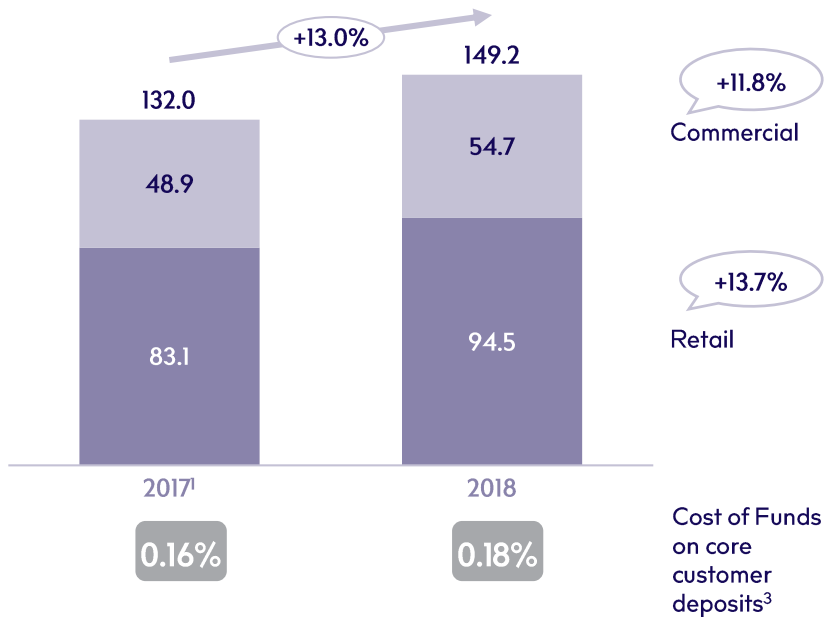


Notes: Figures in chart may not add up due to rounding differences; (1) Investment portfolio consists of Debt securities measured at amortized cost and Equity securities measured at FVTPL, 2017 classified as Financial assets held to maturity; including encumbered assets of CZK 3.4bn in 2017 and CZK 7.7bn in 2018; (2) Includes deposits on demand, term deposits and repo operations.

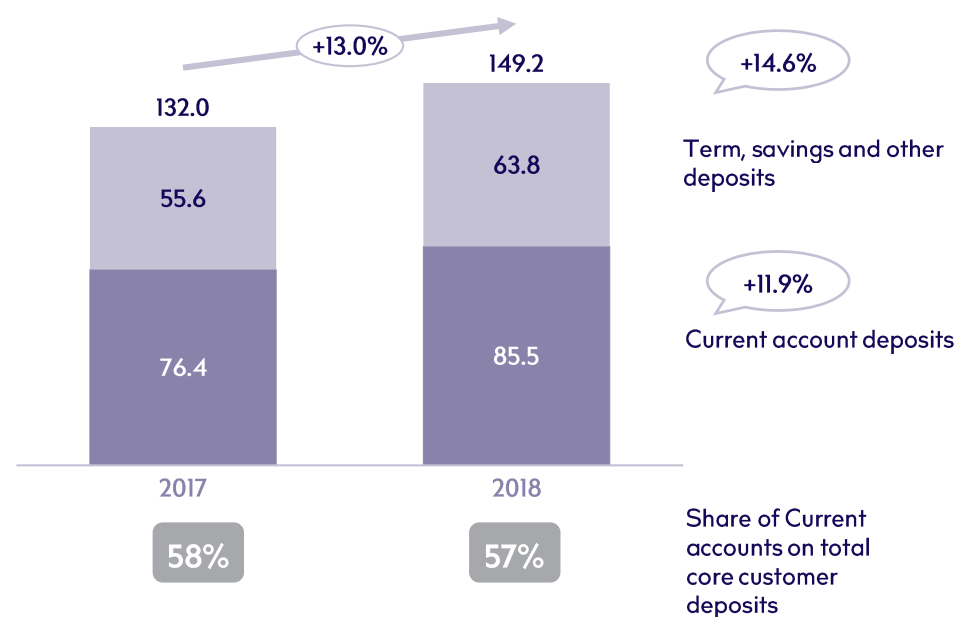
SOLID BALANCE SHEET FUNDAMENTALS

Strong growth in retail and commercial deposits outperformed market growth

CORE CUSTOMER DEPOSITS BY SEGMENT (CZK bn)



CORE CUSTOMER DEPOSITS BY PRODUCT (CZK bn)



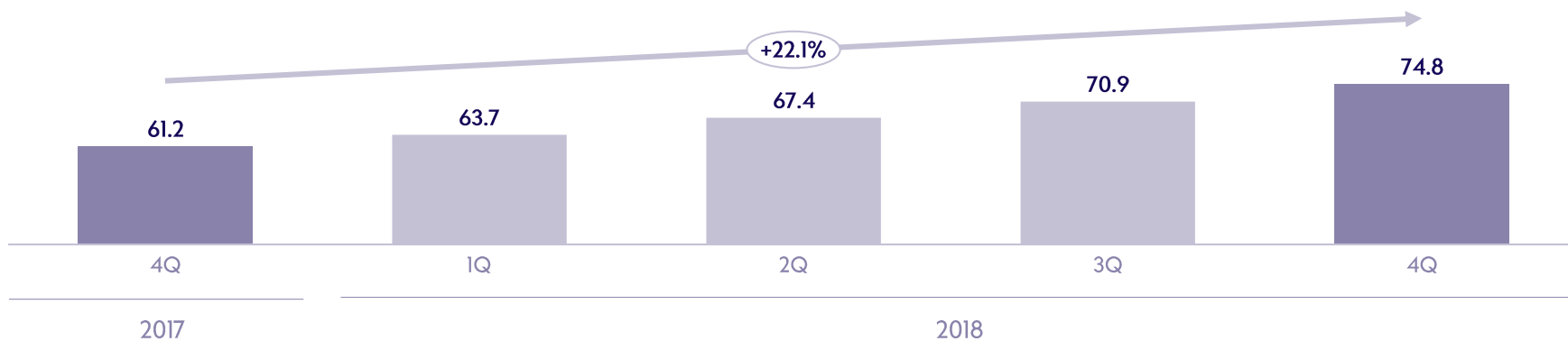
HIGHLIGHTS

- **83.0% Loan to Deposit ratio²** remained relatively stable compared to **87.4% in 2017**
- **0.18% stable Cost of Funds³** on core customer deposits
- **13.0% YoY growth of core customer deposits** outperforming **7.6% market growth⁴**; **3.9% total market share⁵** achieved in 2018

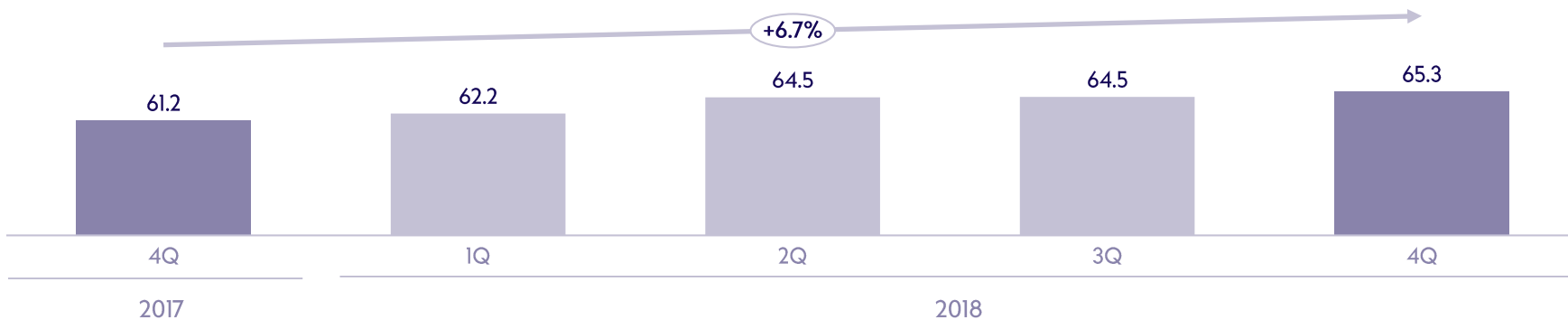
GROSS PERFORMING LOAN PORTFOLIO DEVELOPMENT

Steady growth in retail supported by expansion of small business lending

RETAIL GROSS PERFORMING LOAN BALANCE (CZK bn)



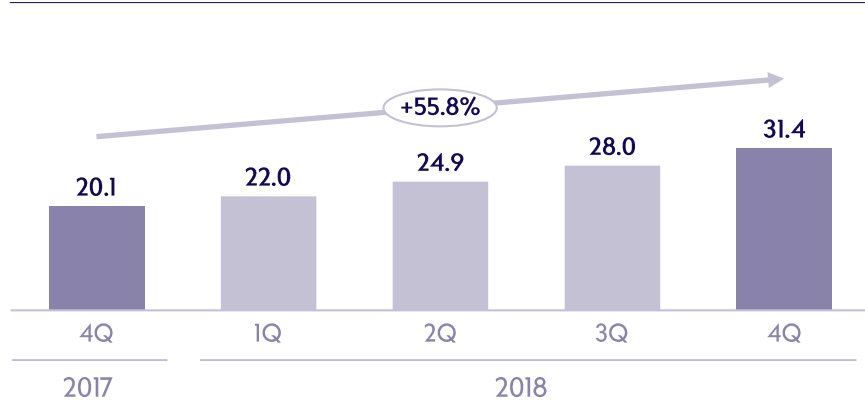
COMMERCIAL GROSS PERFORMING LOAN BALANCE (CZK bn)



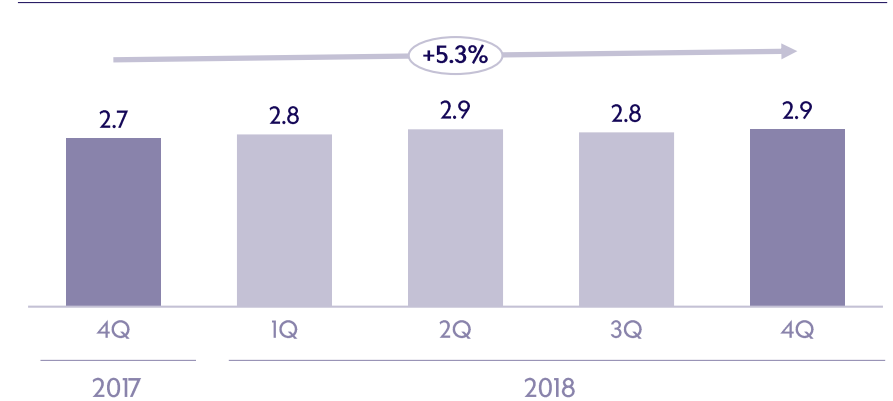
GROSS PERFORMING RETAIL LOAN PORTFOLIO DEVELOPMENT

Excellent growth in mortgages complemented by solid performance in consumer and auto lending

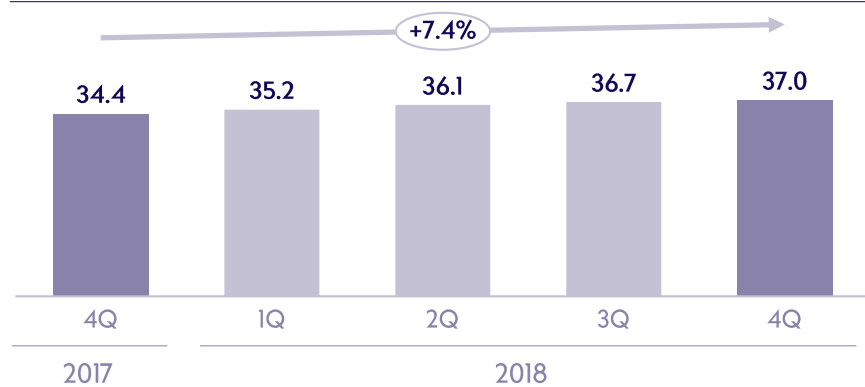
MORTGAGE BALANCE (CZK bn)



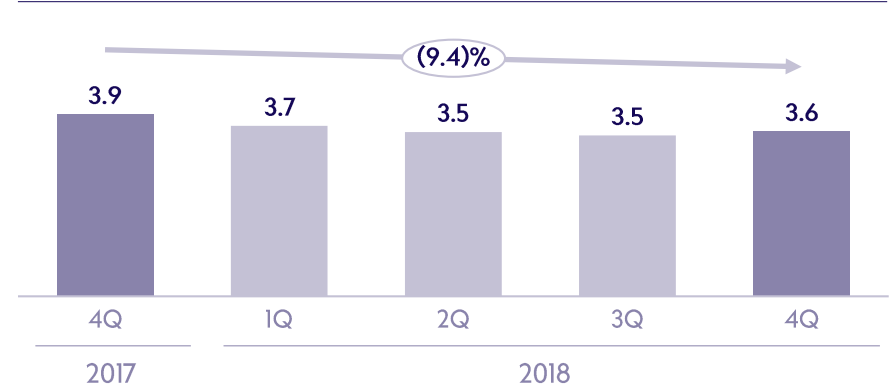
AUTO LENDING BALANCE (CZK bn)



CONSUMER LOAN BALANCE (CZK bn)



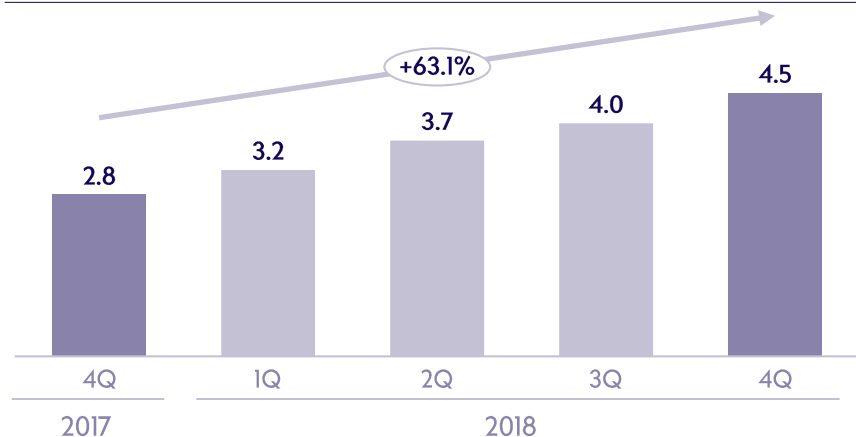
CREDIT CARD & OVERDRAFT BALANCE (CZK bn)



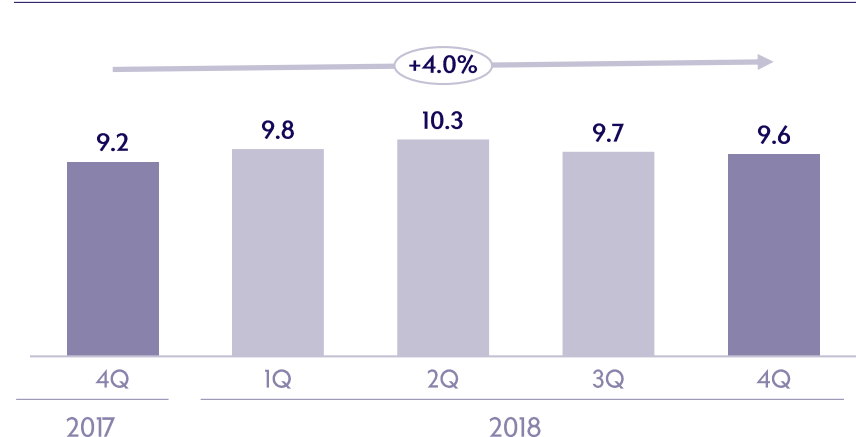
GROSS PERFORMING COMMERCIAL LOAN PORTFOLIO DEVELOPMENT

Significant increase in small business franchise accompanied by stable SME growth

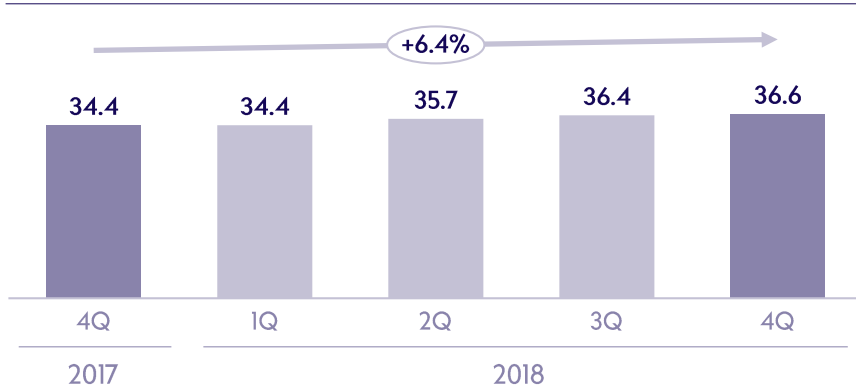
SMALL BUSINESS LENDING BALANCE⁽¹⁾ (CZK bn)



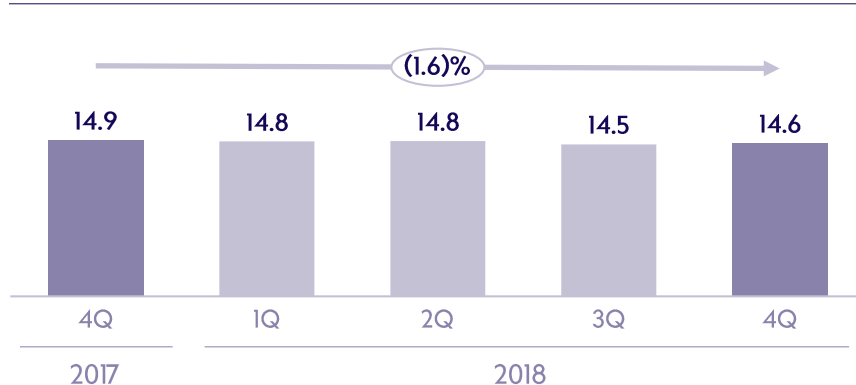
WORKING CAPITAL BALANCE (CZK bn)



INVESTMENT LOAN BALANCE (CZK bn)



AUTO AND LEASING BALANCE (CZK bn)



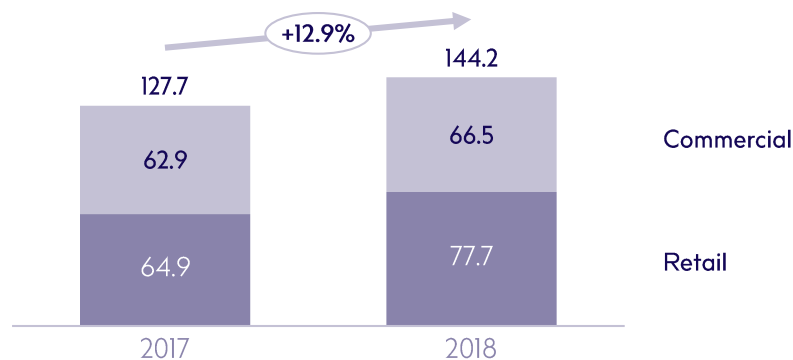
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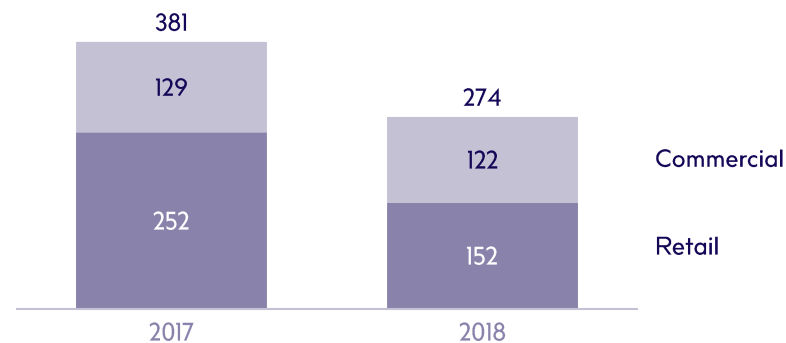
CONTINUED IMPROVEMENT IN ASSET QUALITY

Cost of Risk positively impacted by benign credit environment and strong results from legacy NPL sales

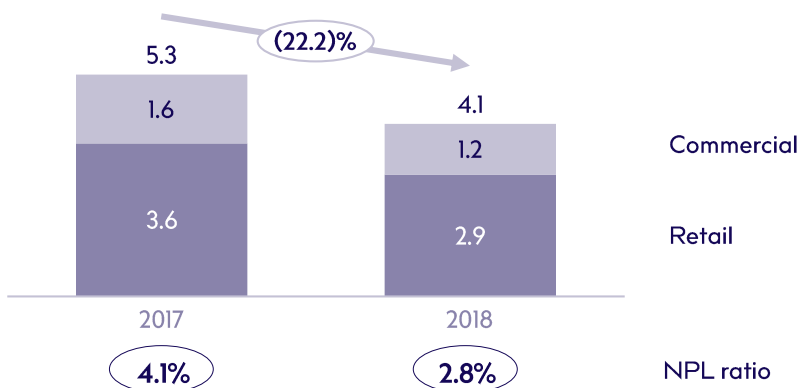
GROSS LOAN PORTFOLIO BALANCE (CZK bn)



NET IMPAIRMENTS (CZK m)



NPL DEVELOPMENT (CZK bn)



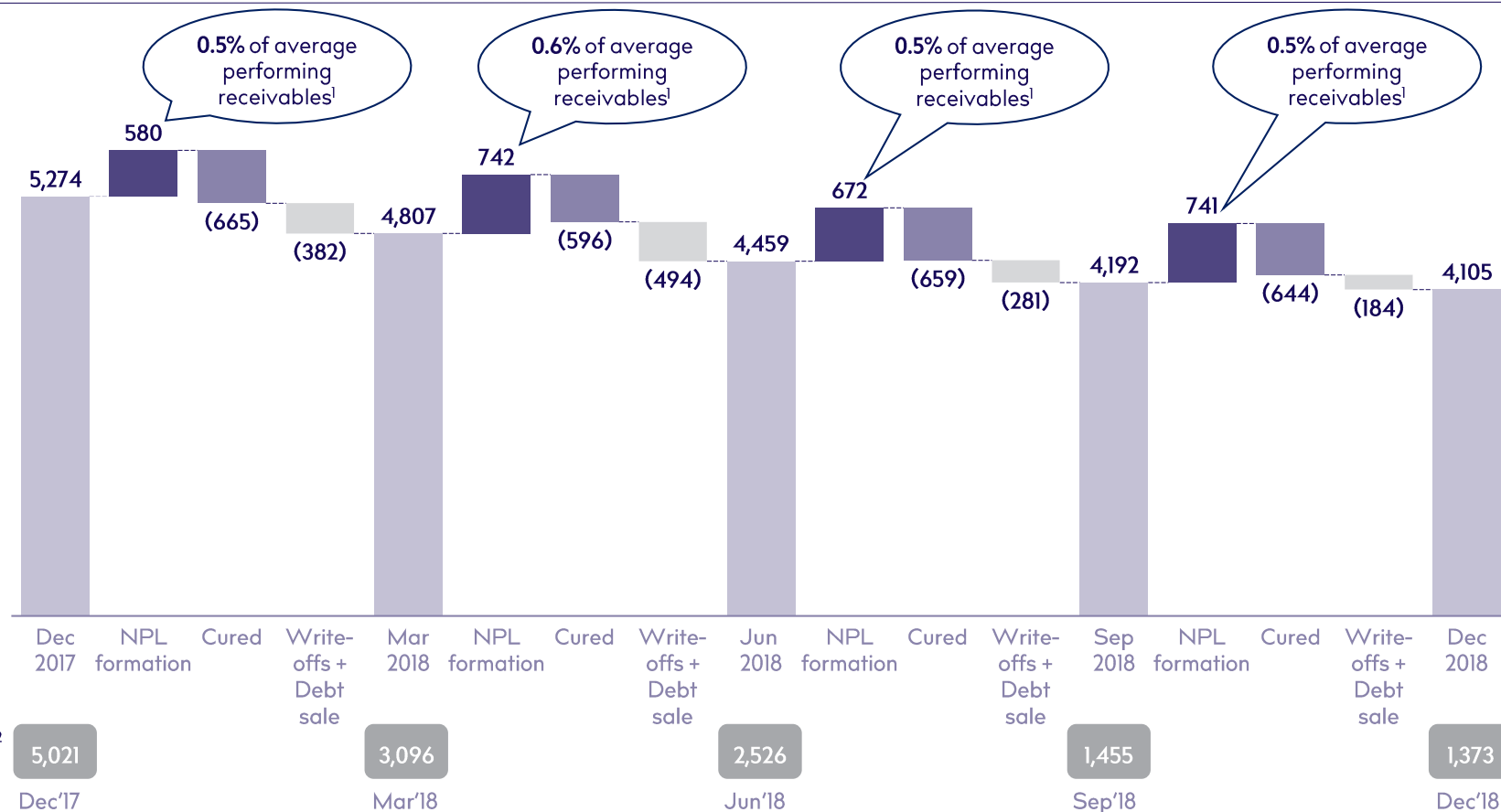
COST OF RISK (annualized)

METRICS	FY 2017	FY 2018
COST OF RISK	0.32%	0.21%
Retail	0.43%	0.22%
Commercial	0.22%	0.19%
CORE COST OF RISK	0.59%	0.72%
Retail	0.74%	1.18%
Commercial	0.45%	0.23%
IMPACT OF LEGACY NPL SALES	(0.27)%	(0.51)%
TOTAL NPL COVERAGE¹	77.0%	99.9%

NPL DEVELOPMENT OVERVIEW

Continued positive portfolio performance and proactive NPL management activities further reduced NPL stock

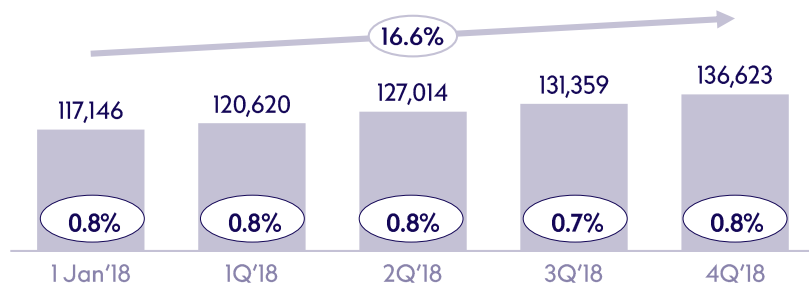
GROSS NPL WALK (CZK m)



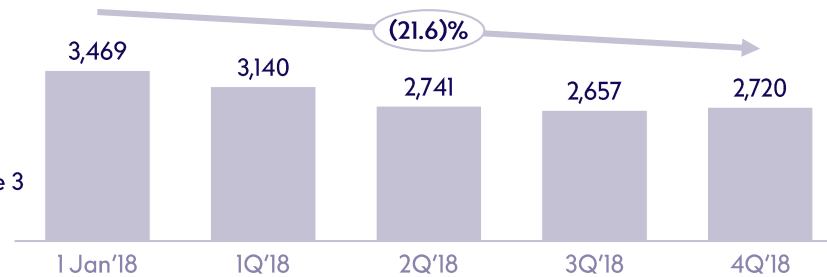
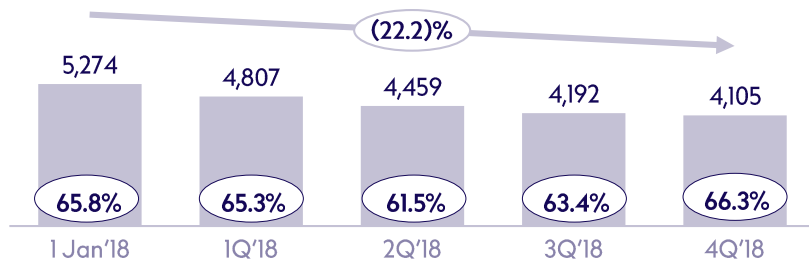
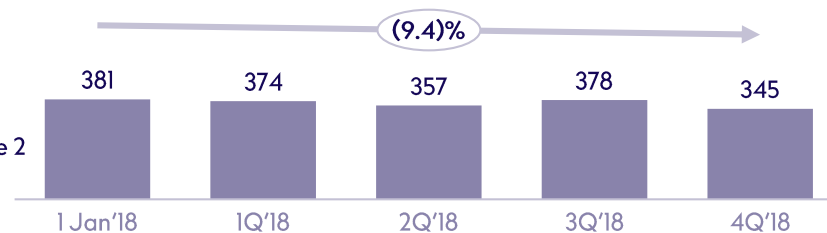
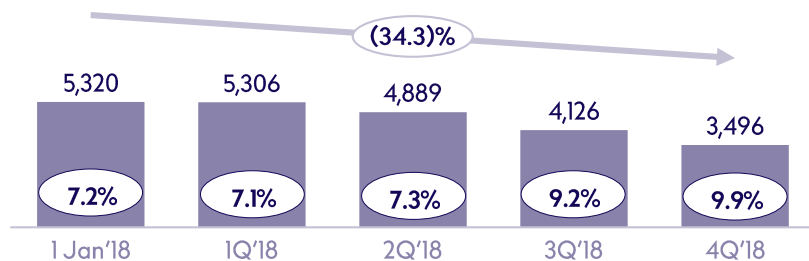
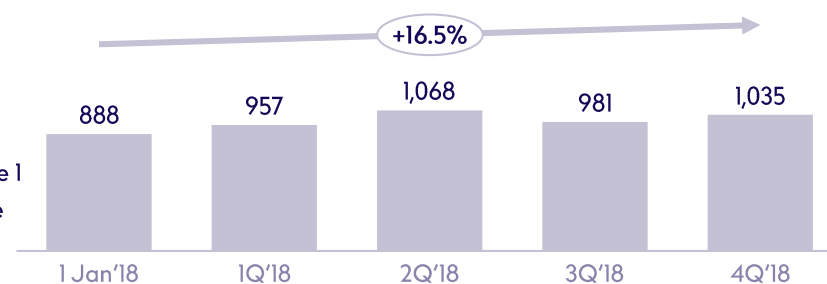
ASSET QUALITY

Prudent Stage 3 coverage maintained despite significant NPL stock reduction

GROSS LOAN PORTFOLIO BALANCE (CZK m)



PORTFOLIO ALLOWANCES BALANCE (CZK m)



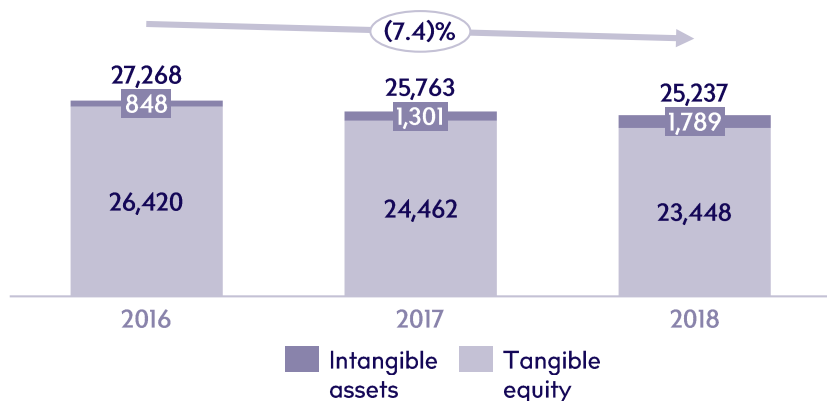
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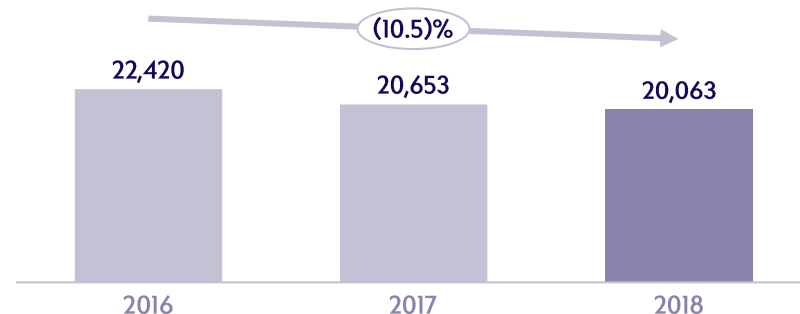
CAPITAL MANAGEMENT

Strong capital position supported by capital optimizations enabling growth

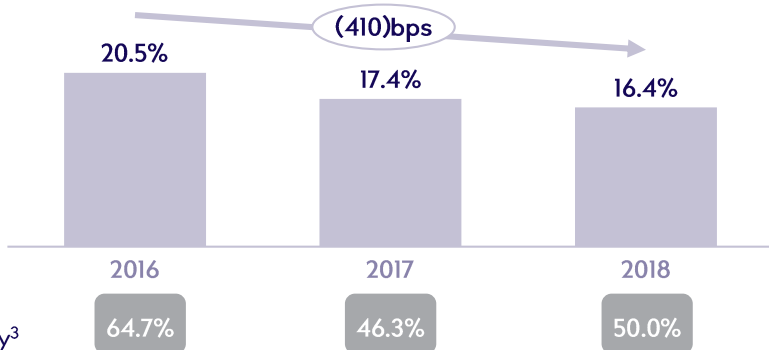
ACCOUNTING EQUITY (CZK m)



REGULATORY EQUITY (CZK m)



CAPITAL ADEQUACY RATIO¹



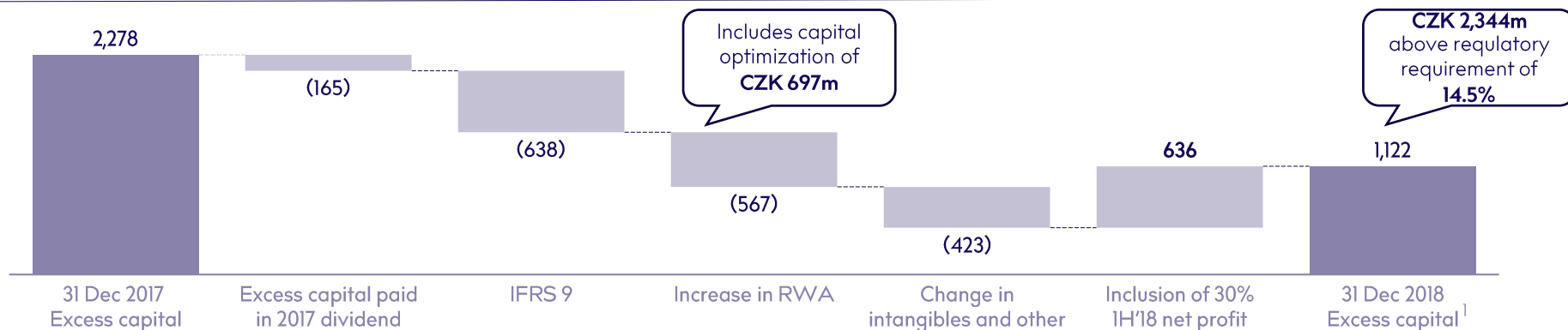
INITIATIVES FOR CAPITAL OPTIMIZATION IN 2018

- ✓ **CZK 636m** impact into regulatory capital in FY'18 from inclusion of part of 1H'18 net profit
- ✓ **CZK 564m** of regulatory capital in utilization of respective credit risk mitigation techniques connected to secured commercial loans, cash collateral and review of credit conversion factor for off balance sheet exposures (**CZK 3,641m** RWA)
- ✓ **CZK 133m** of regulatory capital from other optimization (mainly from eligibility of residential immovable property pledged on retail mortgages² and other assets with respect to risk weights) (**CZK 861m** RWA)

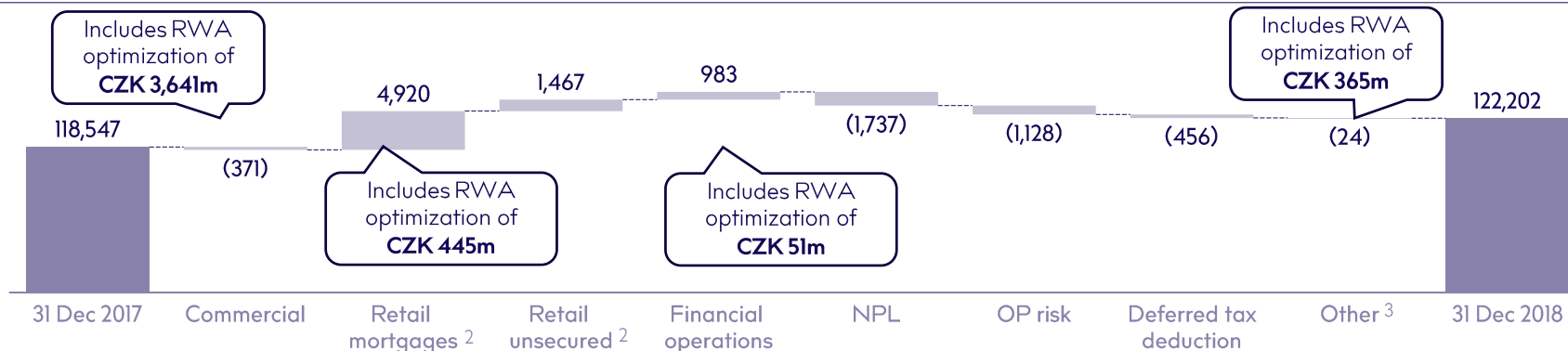
EXCESS CAPITAL MANAGEMENT

Capital initiatives materialized in 2018 with positive impact of CZK 1,333 million

EXCESS CAPITAL EVOLUTION AGAINST CAPITAL ADEQUACY RATIO TARGET OF 15.5% (CZK m)



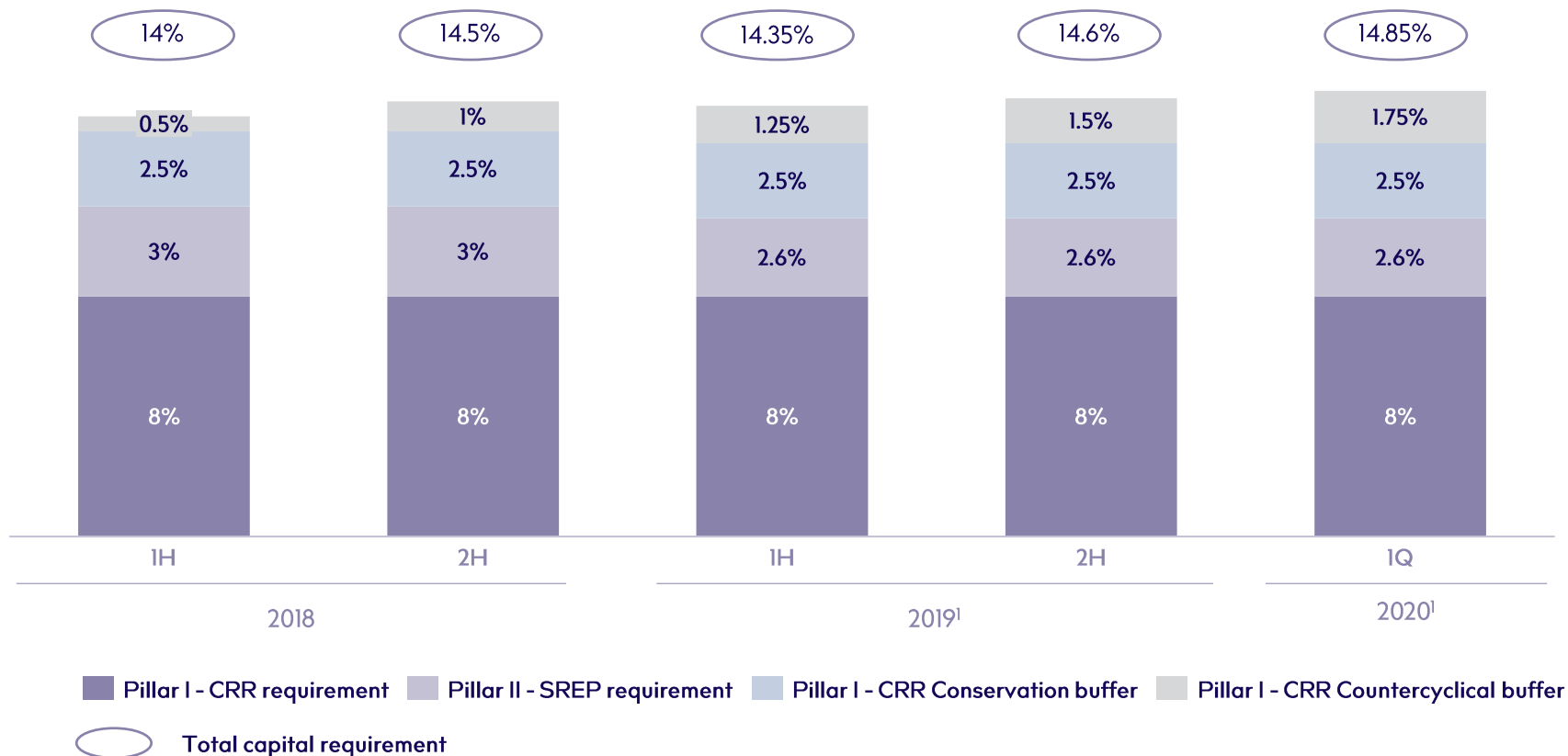
RISK WEIGHTED ASSETS (CZK m)



CAPITAL MANAGEMENT

MONETA received lower Pillar II capital requirement for 2019 and will maintain its capital adequacy ratio target of 15.5%*

DEVELOPMENT AND DECOMPOSITION OF CAPITAL REQUIREMENT



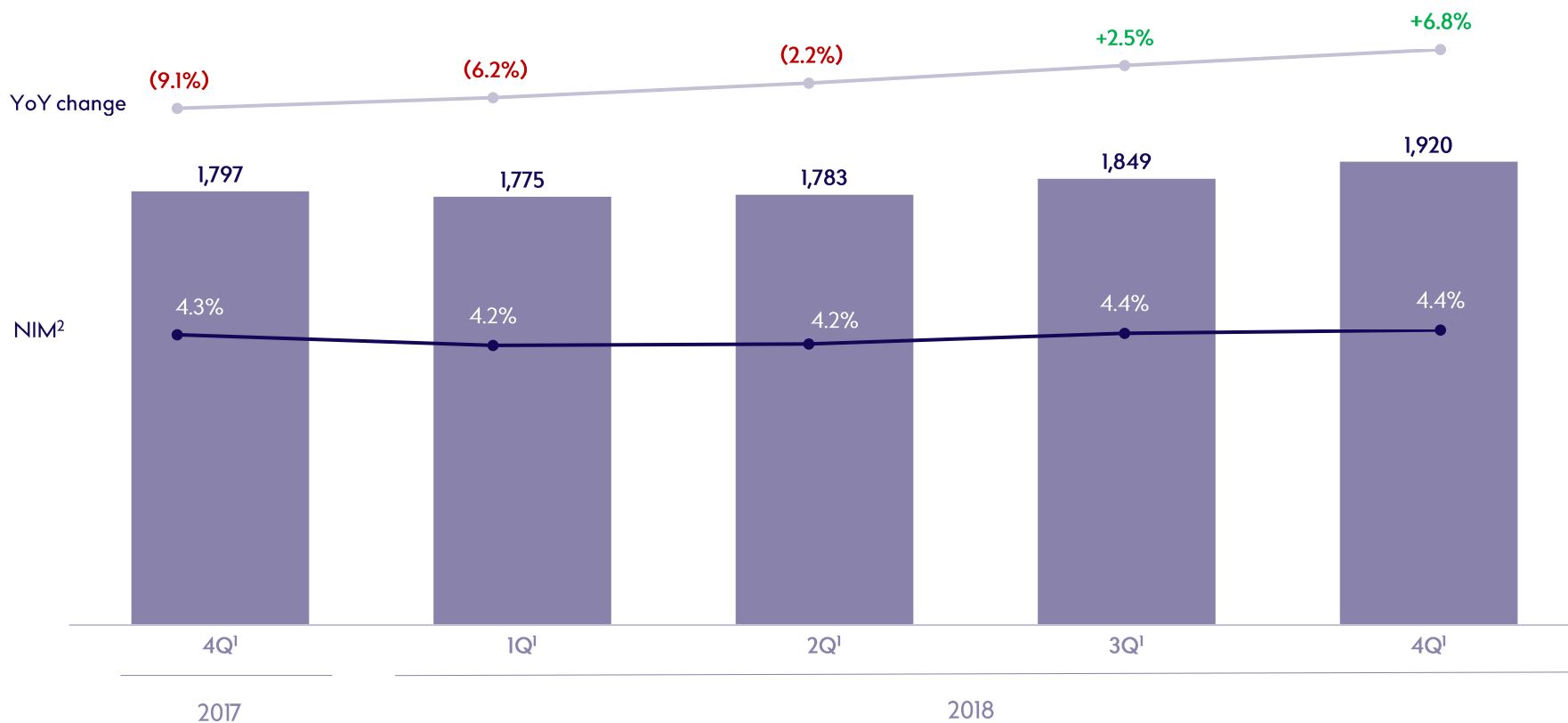
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NET INTEREST INCOME OVERVIEW

Trend in net interest income successfully reversed to growth, resulted in NIM trend improvement

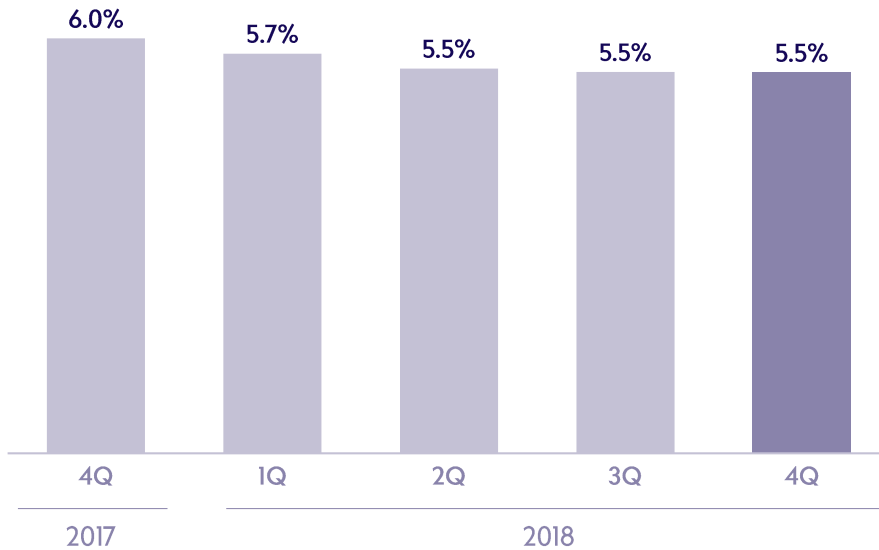
NET INTEREST INCOME excl. opportunistic repo operations (CZK m, YoY)



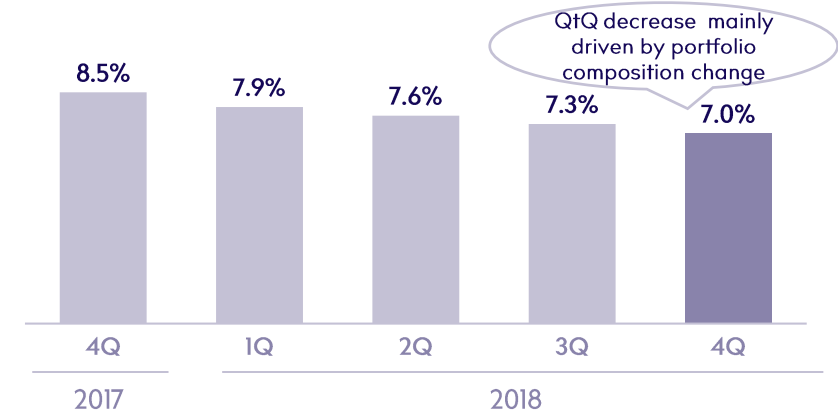
LOAN PORTFOLIO MARGIN EVOLUTION

Stable portfolio yield driven by commercial portfolio re-pricing amid increasing rates environment

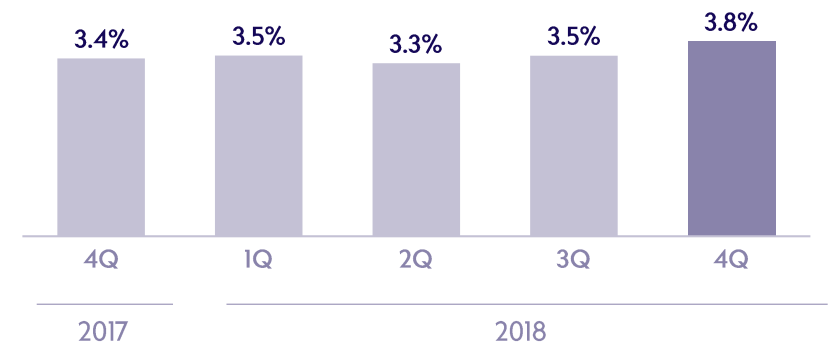
LOAN PORTFOLIO YIELD



RETAIL LOAN PORTFOLIO YIELD



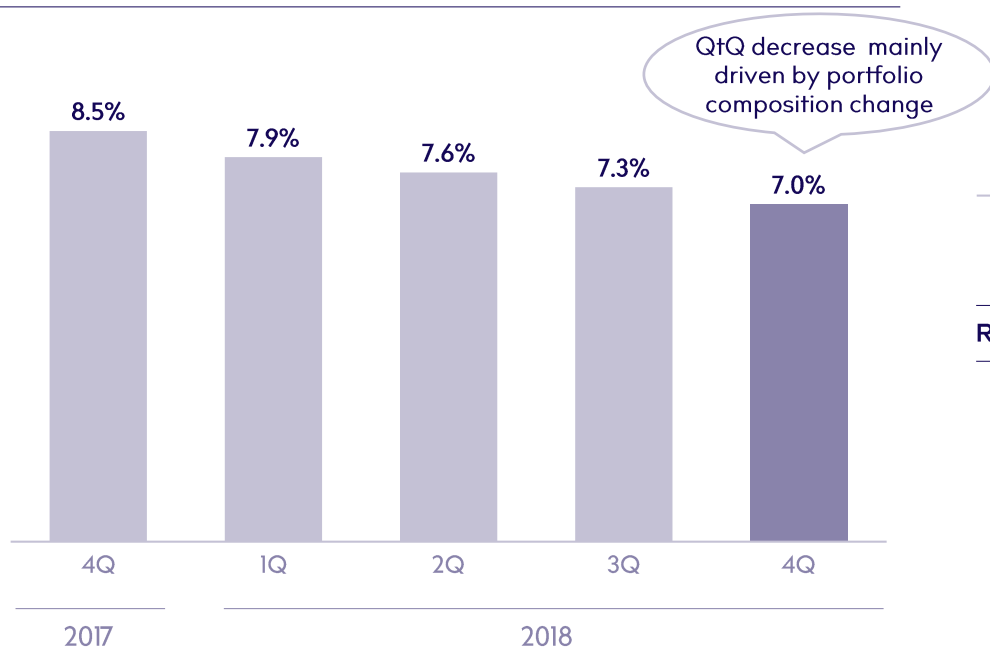
COMMERCIAL LOAN PORTFOLIO YIELD



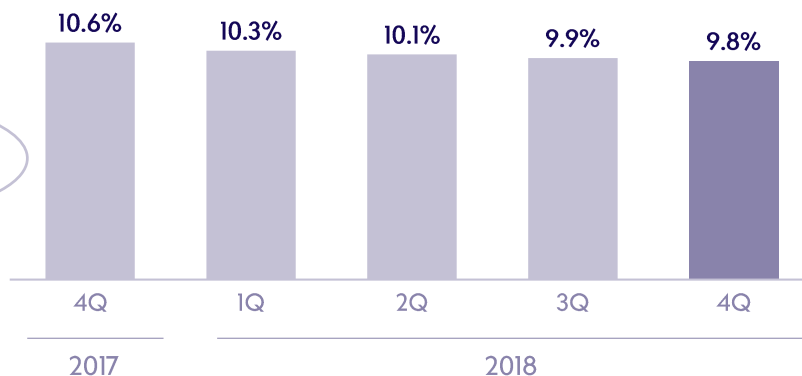
RETAIL LOAN PORTFOLIO MARGIN EVOLUTION

Retail yield decline driven by structural portfolio change while consumer loan yield remained stable

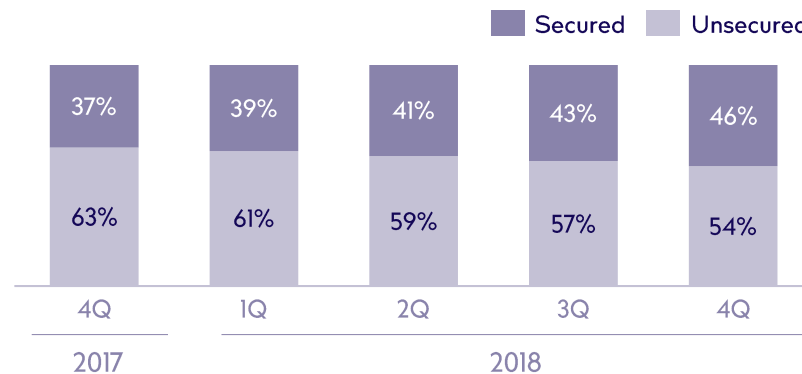
RETAIL LOAN PORTFOLIO YIELD



CONSUMER LOAN PORTFOLIO YIELD



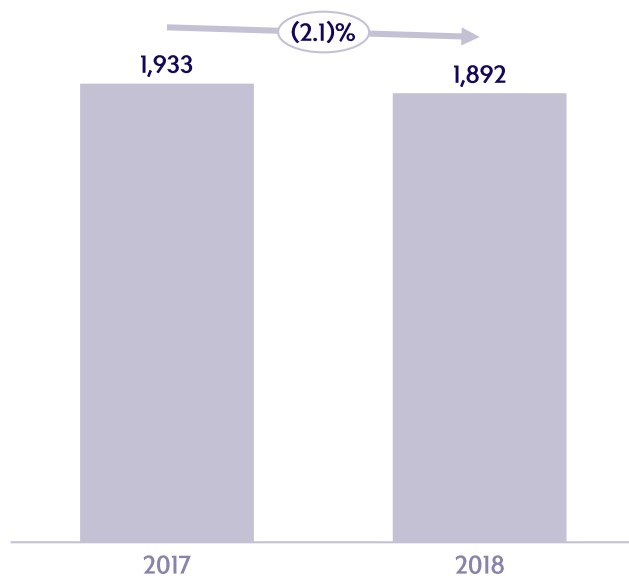
RETAIL LOAN PORTFOLIO COMPOSITION⁽¹⁾



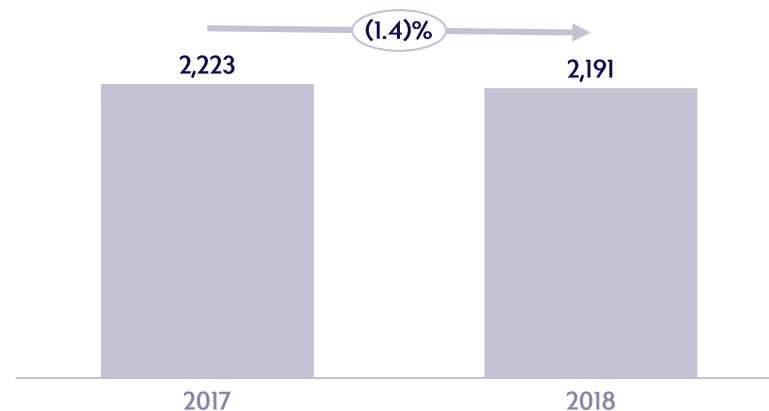
NET FEE AND COMMISSION INCOME

Decrease in net fee and commission income driven mainly by continued erosion of retail servicing fee income

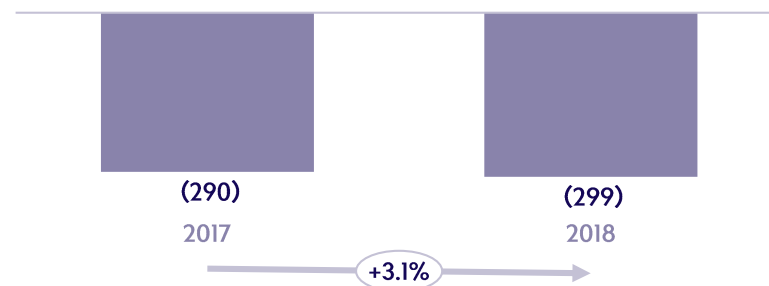
NET FEE & COMMISSION INCOME (CZK m)



FEE & COMMISSION INCOME (CZK m)



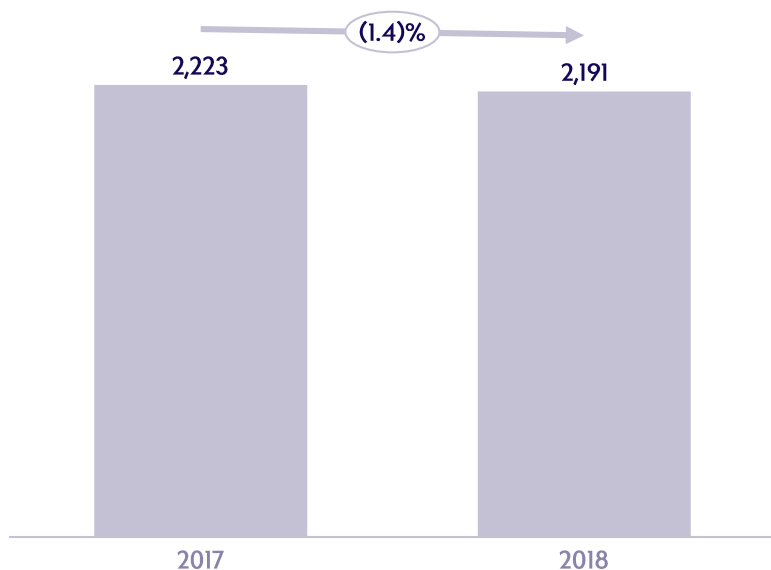
FEE & COMMISSION EXPENSES (CZK m)



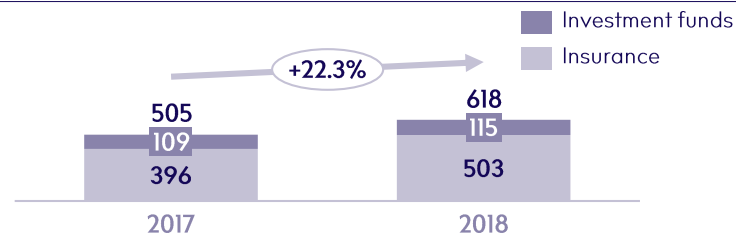
NET FEE AND COMMISSION INCOME

Fees from 3rd party products and transactional banking continued to grow and generated more than 57% of fee and commission income

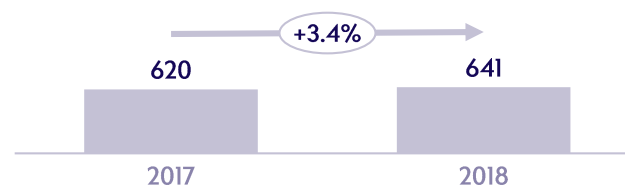
FEE & COMMISSION INCOME (CZK m)



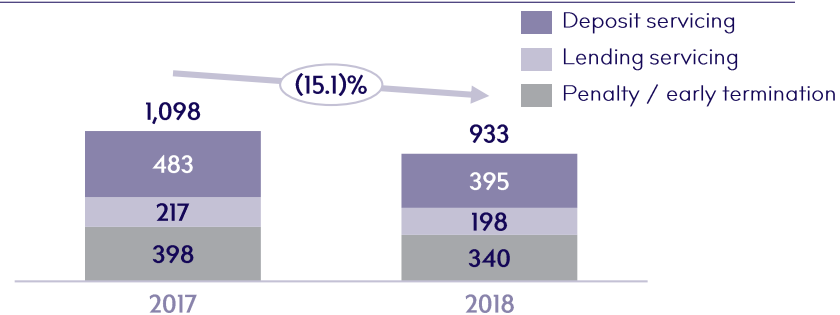
THIRD PARTY COMMISSION INCOME (CZK m)



TRANSACTIONAL & OTHER FEE INCOME (CZK m)



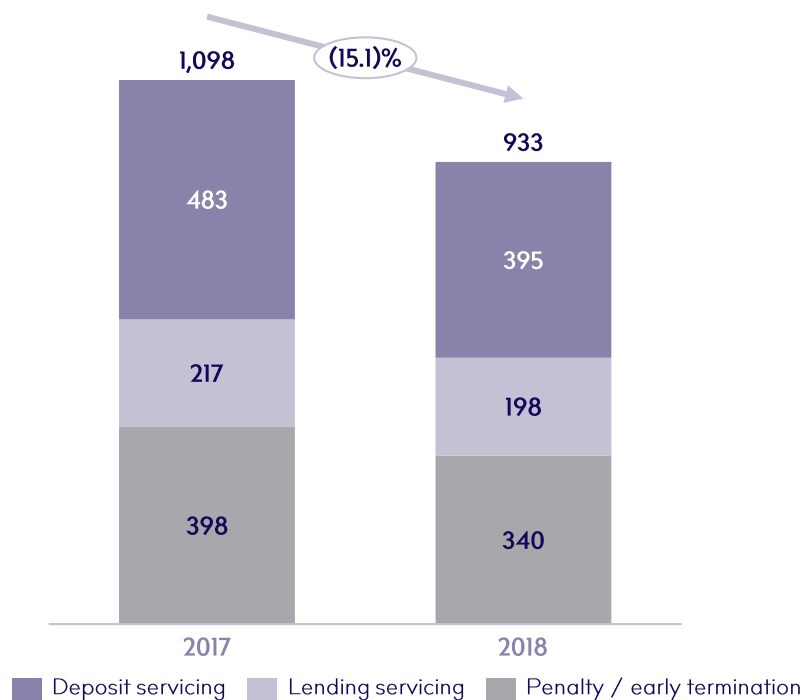
SERVICING AND PENALTY FEE INCOME (CZK m)



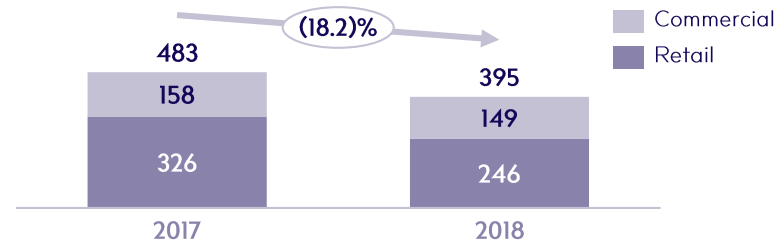
NET FEE AND COMMISSION INCOME

Decline in servicing and penalty fees in line with competitive pressure and improved portfolio risk profile

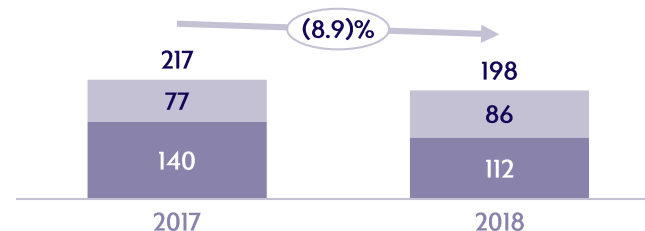
SERVICING AND PENALTY FEES (CZK m)



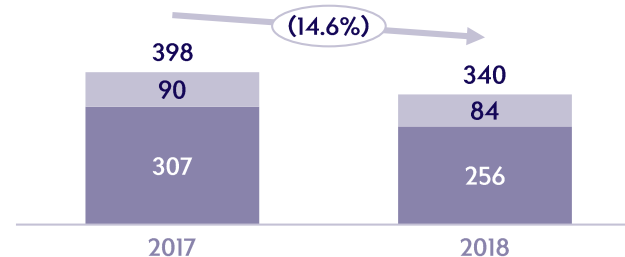
DEPOSIT SERVICING FEES (CZK m)



LENDING SERVICING FEES (CZK m)



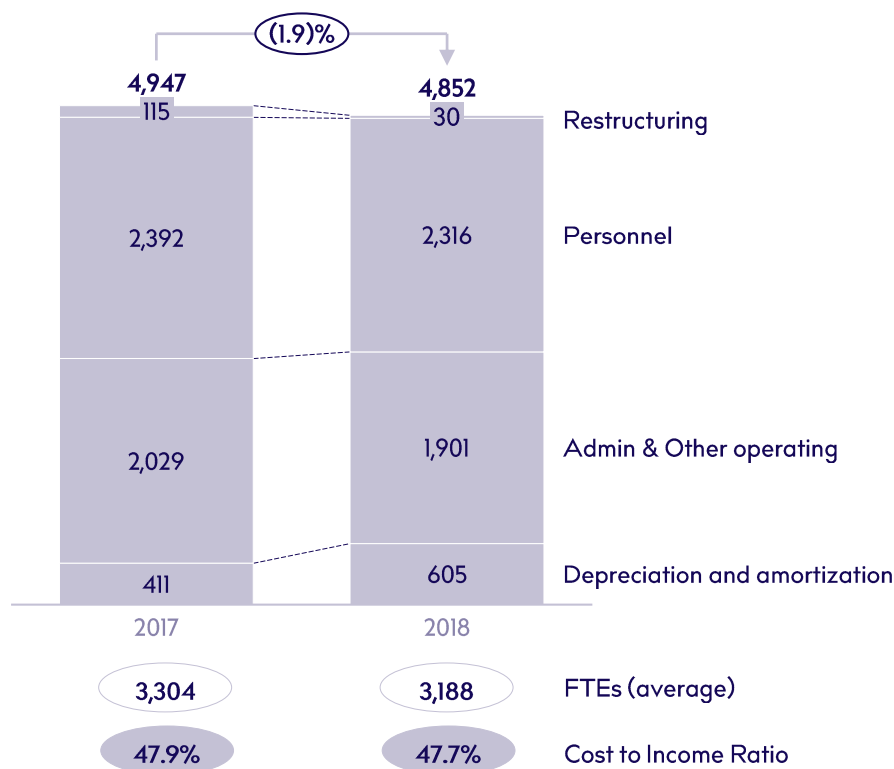
PENALTY AND EARLY TERMINATION FEES (CZK m)



OPERATING EXPENSES

Focused cost management resulted in stable 2018 cost base

OPERATING EXPENSES (CZK m)



HIGHLIGHTS

- **3.2% YoY decrease** in personnel expenses to **CZK 2,316m** due to **3.5% YoY decline** of average FTEs
- **6.3% YoY decrease** in admin & other operating expenses to **CZK 1,901m** mainly due to **CZK (83)m** savings on GE separation costs, **CZK (32)m** higher release of contingent liability mainly in conjunction to NPL sale
- **CZK 30m one-off restructuring cost⁽¹⁾** booked in 4Q'18 related to planned branch network optimisation through closure of 22 branches
- **47.2% YoY increase** in depreciation and amortization to **CZK 605m** due to investments in IT and digital

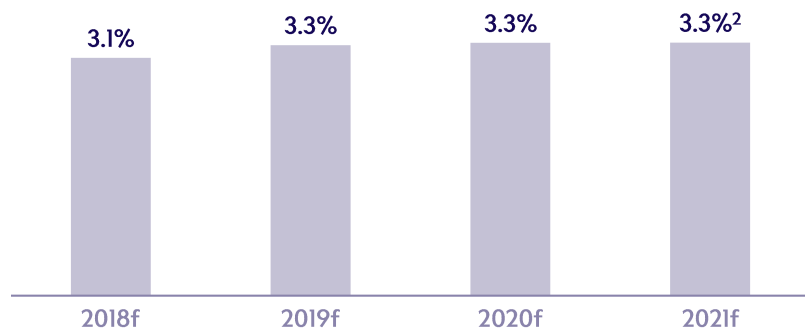
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MATERIAL ASSUMPTIONS FOR MEDIUM TERM GUIDANCE

Positive macroeconomic environment, increasing interest rates, strong growth in loans and deposits

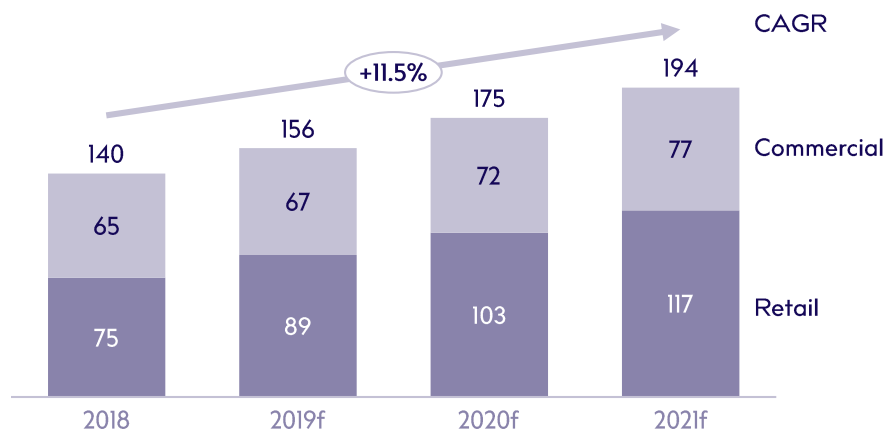
GDP OUTLOOK¹



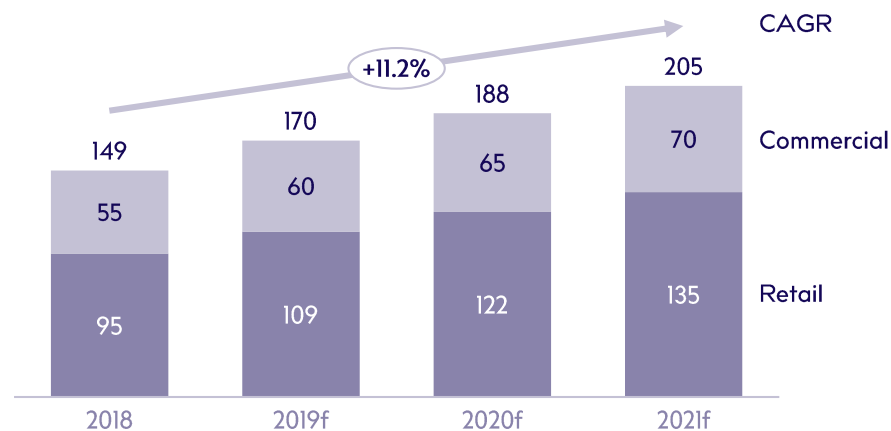
MONETA'S INTEREST RATES PROJECTION³(%)



MONETA'S GROSS PERFORMING LOAN BOOK DEVELOPMENT (CZK bn)



MONETA'S DEPOSITS DEVELOPMENT (CZK bn)



MANAGEMENT'S MEDIUM TERM GUIDANCE

Management expects continued growth, increase in net profit and attractive RoTE despite normalization of Cost of Risk

METRICS	2019	2020 ¹	2021
TOTAL OPERATING INCOME (CZK)²	≥10.3bn	≥11.0bn	≥11.6bn
COST BASE (CZK)²	≤5.0bn	≤5.1bn	≤5.2bn
COST OF RISK <i>Cost of Risk (excluding legacy NPL sales)²</i>	45 - 55bps 70 - 80bps	70 - 80bps	75 - 85bps
EFFECTIVE TAX RATE	~20%	~20%	~20%
CONSOLIDATED NET PROFIT (CZK)	≥3.7bn	≥3.8bn	≥4.0bn
GROSS DIVIDEND PER SHARE (CZK)³	≥5.4	≥5.6	≥5.9
EARNINGS PER SHARE (CZK)	≥7.2	≥7.4	≥7.8
RETURN ON TANGIBLE EQUITY	≥15.5%	≥15.5%	≥15.5%

UPDATE OF POTENTIAL ACQUISITION OF AIR BANK AND HOME CREDIT (CZ & SK)

Key milestones & indicative timing

DUE DILIGENCE PROCESS

- Performed by Ernst & Young and internal team
- Completed in middle of January 2019
- Still pending – review of 2018 financial statements on combined basis (to be submitted by February 6th, 2019)

TRANSACTION PRICE & STRUCTURE

- Under discussions, performed by J.P.Morgan and internally
- Seeking to improve based on shareholders feedback
- Final proposal must be approved by the Management and the Supervisory Boards (to be completed by the 2nd week in March 2019)

FAIRNESS OPINION PREPARATION

- Close cooperation with UBS through handover of due diligence findings
- Expecting final decision to support the Management and the Supervisory Boards approvals based on final price and structure (to be completed by the 2nd week in March 2019)

SHAREHOLDER MEETING PROPOSAL

- To be potentially proposed through regular Annual General Meeting (in the second half of April 2019)
- Date will be announced with 30 days notice

REPORTING DATES AND INVESTOR MEETINGS

Calendar for first half of 2019

1Q 2019 Earnings

2 May 2019

PKO BP Securities CEE Capital
Markets Conference

London

18 - 19 March 2019

Goldman Sachs European
Financial Conference

Paris

5 - 7 June 2019

WOOD EME Financials &
the Greek Retreat

Athens

12 - 14 June 2019

INVESTOR RELATIONS

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*Bloomberg: MONET CP
ISIN: CZ0008040318*

*Reuters: MONET.PR
SEDOL: BD3CQ16*

Appendix

- MONETA's Credit Rating
- Consolidated Statement of Financial Position
- Consolidated Statement of Profit or Loss and Other Comprehensive Income
- Key Performance Ratios
- Alternative Performance Measures
- Glossary
- Forward Looking Statements
- Disclaimer and Other Information

MONETA'S CREDIT RATING

Moody's changed outlook to positive and S&P reaffirmed investment grade rating

Rating Agency ¹	Long-term	Short-term	Outlook	Last report
Standard & Poor's	BBB	A/-2	Stable	22 October 2018
Moody's	Baa2	P/-2	Positive	11 January 2019

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CZK m	31/12/2018	31/12/2017 ¹	% Change
Cash and balances with the central bank	8,139	7,127	14.2%
Financial assets at fair value through profit or loss	0	48	(41.7%)
Derivative financial instruments with positive value	28	0	
Investment securities	20,780	0	
Financial assets - available for sale	0	57	76.4%
Financial assets - held to maturity	0	11,723	
Hedging derivatives with positive fair values	53	4	1225.0%
Change in fair value of items hedged on portfolio basis	30	(6)	(600.0%)
Loans and receivables to banks	33,436	53,380	(37.4%)
Loans and receivables to customers	140,123	123,680	13.3%
Intangible assets	1,789	1,301	37.5%
Property and equipment	1,296	871	48.8%
Investments in subsidiaries and associates	2	2	0.0%
Current tax assets	16	308	(94.8%)
Deferred tax assets	127	386	(67.1%)
Other assets	1,113	853	30.5%
Total Assets	206,932	199,734	3.6%
Due to banks	10,716	29,643	(63.8%)
Due to customers	168,792	141,469	19.3%
Financial liabilities – at fair value through profit or loss	0	68	(100.0%)
Derivative financial instruments with negative value	44	0	n/a
Hedging derivatives with negative fair values	167	4	4075.0%
Provisions	261	364	(28.3%)
Current tax liability	107	2	5250.0%
Deferred tax liability	177	267	(33.7%)
Other liabilities	1,431	2,154	(33.6%)
Total Liabilities	181,695	173,971	4.4%
Share capital	511	511	0.0%
Share premium	5,028	5,028	0.0%
Statutory reserve	102	102	0.0%
Reserve from revaluation of FVTOCI	0	0	n/a
Available for sale reserve	0	(57)	(100.0%)
Share based payment reserve	(2)	(2)	0.0%
Retained earnings	19,598	20,181	(2.9%)
Total Equity	25,237	25,763	(2.0%)
Total Liabilities & Equity	206,932	199,734	3.6%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – QUARTERLY DEVELOPMENT

CZK m	31/03/2017	30/06/2017 ¹	30/09/2017	31/12/2017 ²	31/03/2018	30/06/2018 ¹	30/09/2018	31/12/2018
Cash and balances with the central bank	29,083	33,099	7,373	7,127	6,823	7,498	7,336	8,139
Financial assets at fair value through profit or loss	28	35	42	48	0	0	0	0
Derivative financial instruments with positive value	0	0	0	0	45	146	42	28
Investment securities	0	0	0	0	11,965	21,013	20,772	20,780
Financial assets - available for sale	10,241	5,340	55	57	0	0	0	0
Financial assets - held to maturity	0	0	8,996	11,723	0	0	0	0
Hedging derivatives with positive fair values	0	0	0	4	0	33	242	53
Change in fair value of items hedged on portfolio basis	0	0	0	(6)	58	(81)	(331)	30
Loans and receivables to banks	207	536	38,919	53,380	35,849	21,981	17,836	33,436
Loans and receivables to customers	113,044	117,491	119,900	123,680	126,261	132,196	135,661	140,123
Intangible assets	835	948	1,108	1,301	1,436	1,568	1,700	1,789
Property and equipment	659	657	677	871	874	1,069	1,210	1,296
Goodwill	104	104	104	0	0	0	0	0
Investments in subsidiaries and associates	2	2	2	2	3	3	2	2
Current tax assets	429	474	262	308	279	368	25	16
Deferred tax assets	648	612	449	386	339	217	148	127
Other assets	1,056	920	980	853	862	816	770	1,113
Total Assets	156,336	160,218	178,867	199,734	184,794	186,827	185,413	206,932
Due to banks	5,235	7,250	20,303	29,643	10,264	14,139	9,201	10,716
Due to customers	119,791	126,232	130,358	141,469	145,175	146,391	149,209	168,792
Financial liabilities – at fair value through profit or loss	21	39	41	68	0	0	0	0
Derivative financial instruments with negative value	0	0	0	0	37	51	34	44
Hedging derivatives with negative fair values	0	0	0	4	88	16	2	167
Provisions	282	265	267	364	333	285	260	261
Current tax liability	27	30	4	2	17	11	61	107
Deferred tax liability	252	250	244	267	254	251	238	177
Other liabilities	2,646	2,160	2,693	2,154	2,327	2,525	2,008	1,431
Total Liabilities	128,254	136,226	153,910	173,971	158,495	163,669	161,013	181,695
Share capital	511	511	511	511	511	511	511	511
Share premium	5,028	5,028	5,028	5,028	5,028	5,028	5,028	5,028
Statutory reserve	102	102	102	102	102	102	102	102
Available for sale reserve	137	(100)	(59)	(57)	0	0	0	0
Reserve from revaluation of FVTOCI	0	0	0	0	0	0	0	0
Share based payment reserve	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retained earnings	22,306	18,453	19,377	20,181	20,660	17,519	18,761	19,598
Total Equity	28,082	23,992	24,957	25,763	26,299	23,158	24,400	25,237
Total Liabilities & Equity	156,336	160,218	178,867	199,734	184,794	186,827	185,413	206,932

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CZK m	31/12/2018	31/12/2017 ¹	% Change
Interest and similar income	7,820	7,582	3.1%
Interest expense and similar charges	(411)	(218)	88.5%
Net interest income	7,409	7,364	0.6%
Fee and commission income	2,191	2,223	(1.4%)
Fee and commission expense	(299)	(290)	3.1%
Net fee and commission income	1,892	1,933	(2.1%)
Dividend income	3	0	n/a
Net income from financial operations	396	709	(44.1%)
Other operating income	462	329	40.4%
Total operating income	10,162	10,335	(1.7%)
Personnel expenses	(2,324)	(2,456)	(5.4%)
Other administrative expenses	(1,646)	(1,893)	(13.0%)
Depreciation and amortisation	(610)	(414)	47.3%
Other operating expenses	(272)	(184)	47.8%
Total operating expenses	(4,852)	(4,947)	(1.9%)
Profit for the period before tax and net impairment of financial assets	5,310	5,388	(1.4%)
Net impairment of financial assets	(274)	(381)	(28.1%)
Impairment of financial assets available for sale	0	0	0.0%
Goodwill Impairment	0	(104)	(100.0%)
Profit for the period before tax	5,036	4,903	2.7%
Taxes on income	(836)	(980)	(14.7%)
Profit for the period after tax	4,200	3,923	7.1%
Change in fair value of investments recognised in OCI (FVTOCI, resp. AFS)	0	(176)	(100.0%)
Change in fair value of AFS investments recognised in P&L	0	(343)	(100.0%)
Deferred tax (FTVTOCI, resp. AFS)	0	99	(100.0%)
Other comprehensive income, net of tax	0	(420)	(100.0%)
Total comprehensive income attributable to the equity holders	4,200	3,503	19.9%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – QUARTERLY DEVELOPMENT

CZK m	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Interest and similar income	1,939	1,874	1,858	1,911	1,873	1,874	1,953	2,120
Interest expense and similar charges	(47)	(50)	(54)	(67)	(77)	(92)	(94)	(148)
Net interest income	1,892	1,824	1,804	1,844	1,796	1,782	1,859	1,972
Fee and commission income	534	539	561	589	519	550	531	591
Fee and commission expense	(76)	(79)	(87)	(48)	(74)	(90)	(84)	(51)
Net fee and commission income	458	460	474	541	445	460	447	540
Dividend income	0	0	0	0	0	1	1	1
Net income from financial operations	103	413	103	90	85	101	112	98
Other operating income	79	74	71	105	59	41	336	26
Total operating income	2,532	2,771	2,452	2,580	2,385	2,385	2,755	2,637
Personnel expenses	(562)	(612)	(610)	(672)	(593)	(579)	(571)	(581)
Administrative expenses	(525)	(395)	(395)	(578)	(468)	(358)	(367)	(453)
Depreciation and amortisation	(84)	(86)	(112)	(132)	(127)	(141)	(160)	(182)
Other operating expenses	19	(53)	(40)	(110)	(67)	(37)	3	(171)
Total operating expenses	(1,152)	(1,146)	(1,157)	(1,492)	(1,255)	(1,115)	(1,095)	(1,387)
Profit for the period before tax and net impairment of financial assets	1,380	1,625	1,295	1,088	1,130	1,270	1,660	1,250
Net impairment of financial assets	(80)	(181)	(140)	20	281	(130)	(151)	(274)
Goodwill Impairment	0	0	0	(104)	0	0	0	0
Profit for the period before tax	1,300	1,444	1,155	1,004	1,411	1,140	1,509	976
Taxes on income	(260)	(289)	(231)	(200)	(238)	(192)	(267)	(139)
Profit for the period after tax	1,040	1,155	924	804	1,173	948	1,242	837
Change in fair value of AFS investments recognised in OCI	(256)	26	52	2	0	0	0	0
Change in fair value of AFS investments recognised in P&L	(23)	(320)	0	0	0	0	0	0
Deferred tax	53	57	(11)	0	0	0	0	0
Other comprehensive income, net of tax	(226)	(237)	41	2	0	0	0	0
Total comprehensive income attributable to the equity holders	814	918	965	806	1,173	948	1,242	837

KEY PERFORMANCE RATIOS

	FY 2018	FY 2017	Change in bps
Profitability			
Yield (% Avg. Net Customer Loans)	5.5%	6.3%	(80)
Cost of Funds (% Avg Deposits) ¹	0.23%	0.15%	8
NIM (% Avg Int Earning Assets) ^{2,3}	3.7%	4.3%	(60)
Cost of Risk (% Avg Net Customer Loans)	0.21%	0.32%	(11)
Risk-adj. yield (% Avg Net Customer Loans)	5.3%	6.0%	(70)
Net Fee & Commission Income / Operating Income (%)	18.6%	18.7%	(10)
Net Non-Interest Income / Operating Income (%)	27.1%	28.7%	(160)
Cost to Income Ratio	47.7%	47.9%	(20)
Reported RoTE	17.9%	16.0%	190
Adj. RoTE @ 15.5% CAR	18.8%	17.7%	110
RoAA ¹	2.1%	2.2%	(10)
Liquidity / Leverage			
Loan to Deposit ratio ¹	83.0%	87.4%	(440)
Total Equity / Total Assets ¹	12.2%	12.9%	(70)
Liquid Assets ¹² / Total Assets ¹	30.1%	36.2%	(610)
Capital Adequacy			
RWA density ⁴	50.0%	46.3%	370
CAR (%)	16.4%	17.4%	(100)
Tier 1 ratio (%)	16.4%	17.4%	(100)
Asset Quality			
Non Performing Loan Ratio (%)	2.8%	4.1%	(130)
Core Non Performing Loan Coverage (%)	66.3%	64.1%	220
Total NPL Coverage (%)	99.9%	77.0%	2,290

Note: (1) Repo transactions with banks and customers which are closed on back-to-back basis by reverse repo transactions with CNB are included; (2) Interest earning assets include encumbered assets of CZK 7.8bn in liquid assets in FY'18 (CZK 3.5bn in FY'17) and CZK 1.4bn in Loans to customers in FY'18 (CZK 3.9bn in FY'17); (3) Hedging derivatives are excluded from calculation of interest earning assets in 2018; (4) RWA density ratio recalculated to be in line with BIS Working Papers: Leverage and Risk Weighted Capital Requirements. New methodology applied by MONETA since June 2018.

KEY PERFORMANCE RATIOS – QUARTERLY DEVELOPMENT

	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Profitability								
Yield (% Avg. Net Customer Loans)	6.8%	6.4%	6.2%	6.0%	5.7%	5.5%	5.5%	5.5%
Cost of Funds (% Avg Deposits) ¹	0.15%	0.15%	0.15%	0.17%	0.19%	0.23%	0.24%	0.35%
NIM (% Avg Int Earning Assets) ^{1,2,3}	5.1%	4.7%	4.3%	4.0%	3.8%	3.9%	4.1%	4.1%
Cost of Risk (% Avg Net Customer Loans)	0.28%	0.63%	0.47%	(0.07%)	(0.90%)	0.40%	0.45%	0.79%
Risk-adj. yield (% Avg Net Customer Loans)	6.5%	5.8%	5.7%	6.0%	6.6%	5.1%	5.0%	4.7%
Net Fee & Commission Income / Operating Income (%)	18.1%	16.6%	19.3%	21.0%	18.7%	19.3%	16.2%	20.5%
Net Non-Interest Income / Operating Income (%)	25.3%	34.2%	26.4%	28.5%	24.7%	25.3%	32.5%	25.2%
Cost to Income Ratio	45.5%	41.4%	47.2%	57.8%	52.6%	46.8%	39.7%	52.6%
Reported RoTE	15.3%	20.1%	15.6%	13.1%	18.9%	17.6%	21.9%	14.3%
Adj. RoTE @ 15.5% CAR	18.7%	23.4%	17.8%	14.5%	19.9%	18.1%	23.2%	15.0%
Return on average assets	2.7%	2.9%	2.2%	1.7%	2.4%	2.0%	2.7%	1.7%
Liquidity / Leverage								
Loan to Deposit ratio ¹	94.4%	93.1%	92.0%	87.4%	87.0%	90.3%	90.9%	83.0%
Total Equity / Total Assets ¹	18.0%	15.0%	14.0%	12.9%	14.2%	12.4%	13.2%	12.2%
Liquid Assets ^{1,2} / Total Assets ¹	25.3%	24.3%	30.9%	36.2%	29.6%	27.0%	24.8%	30.1%
Capital Adequacy								
RWA Density ⁴	62.5%	61.6%	53.0%	46.3%	54.3%	53.3%	54.2%	50.0%
CAR (%)	19.9%	18.4%	18.1%	17.4%	16.6%	16.0%	16.6%	16.4%
Tier I ratio (%)	19.9%	18.4%	18.1%	17.4%	16.6%	16.0%	16.6%	16.4%
Asset Quality								
Non Performing Loan Ratio (%)	5.6%	5.0%	4.4%	4.1%	3.7%	3.3%	3.0%	2.8%
Core NPL Coverage (%)	69.7%	69.3%	68.1%	64.1%	65.3%	61.5%	63.4%	66.3%
Total NPL Coverage (%)	81.7%	81.6%	81.1%	77.0%	93.0%	93.4%	95.8%	99.9%

Note: (1) Including opportunistic repo operations; (2) Interest earning assets include encumbered assets; (3) As of Q1 2018, hedging derivatives are excluded from calculation of interest earning assets; (4) RWA density ratio recalculated to be in line with BIS Working Papers: Leverage and Risk Weighted Capital Requirements. New methodology applied by MONETA since June 2018.

ALTERNATIVE PERFORMANCE MEASURES

- In this presentation, certain financial data and measures are presented which are not calculated pursuant to any accounting standard and which are therefore non-IFRS measures and alternative performance measures as defined in the European Securities and Markets Authority Guidelines on Alternative performance measures. These financial data and measures are attrition / loan balance attrition, cost of funds, net interest margin / NIM, net non-interest income, return on average assets, reported return on tangible equity, yield / loan portfolio yield, cost to income ratio, tangible equity, adjusted return on tangible equity, adjusted tangible equity, adjustment for cost of funds, excess capital, core cost of risk, cost of risk, risk adjusted yield, risk adjusted operating income, loan to deposit ratio, regulatory capital, CAR, LCR, total NPL coverage, NPL / Non-performing loans, NPL ratio, risk weighted assets, RWA density, new production / new volume, Effective Tax Rate, Regulatory Leverage. All alternative performance measures included in this document are calculated for specified period.
- These alternative performance measures are included to (i) extend the financial disclosure also to metrics which are used, along with IFRS measures, by the management in evaluating of the Group's performance, and (ii) provide to investors further basis, along with IFRS measures, for measuring of the Group's performance. Because of the discretion that the Group has in defining these measures and calculating the reported amounts, care should be taken in comparing these various measures with similar measures used by other companies. These measures should not be used as a substitute for evaluating the performance of the Group based on the Consolidated Financial Statements of the Group. Non-IFRS measures have limitations as analytical tools, and investors should not consider them in isolation, or as a substitute for analysis of the Group's results as reported under IFRS and set out in the Consolidated Financial Statements of the Group, and investors should not place any undue reliance on non-IFRS measures. Non-IFRS measures presented in this report should not be considered as measures of discretionary cash available to the Group to invest in the growth of the business, or as measures of cash that will be available to the Group to meet its obligations. Investors should rely primarily on the Group's IFRS results and use the non-IFRS measures only as supplemental means for evaluating the performance of the Group.
- The following table shows the Group's adjusted return on tangible equity, adjusted at management target of CAR currently 15.5 %, for the year ended 31 December 2018 and for the year ended 31 December 2017:

CZK m (unless otherwise indicated)	FY 2018	FY 2017
Reported Profit after tax (A)	4,200	3,923
Excess Capital (B = H - (G x J))	1,122	2,278
Cost of funds% (C)	0.2%	0.2%
Tax Rate (D)	19%	19%
Adjustment for cost of funds (E = B x C x (I-D))	(2)	(3)
Adjusted Profit after tax (F)	4,198	3,920
Reported Total Risk Weighted Assets (G)	122,202	118,547
Regulatory Capital (H)	20,063	20,653
Reported CAR percentage (I = H / G)	16.4%	17.4%
Target CAR percentage (J)	15.5%	15.5%
Excess Capital (B = H - (G x J))	1,122	2,278
Equity (K)	25,237	25,763
Intangible Assets and Goodwill (L)	1,789	1,301
Tangible Equity (M = K - L)	23,448	24,462
Excess Capital (B = H - (G x J))	1,122	2,278
Adjusted Tangible Equity (N = M - B)	22,326	22,184
Reported Return on Tangible Equity (A / M)	17.9%	16.0%
Adjusted Return on Tangible Equity (F / N)	18.8%	17.7%

The reported return on tangible equity (A/M) is based on actual financial figures for the respective period as calculated in the above tables (F/N). Adjusted return on tangible equity is based on a management target 15.5% Capital Adequacy Ratio including 14.5% regulatory required capital (total SREP capital ratio of 11% and 2.5% capital conservation buffer and 1% countercyclical buffer). In addition to a capital rebase to 15.5% CAR, net profit was adjusted (F) for substitution of capital with funding via deposits assuming cost of funding of the period (0.2% in 2018 and 0.2% in 2017) and 19.0% corporate tax rate. Profit after tax was not adjusted for potential liquidity constraints.

Adjusted tangible equity (N) reflects the tangible equity (M) calculated as per the Consolidated Financial statements of the Group adjusted for the excess capital (i.e., capital exceeding the management target of CAR, currently 15.5 %).

- Definition of other alternative performance measures is provided in Glossary section.

GLOSSARY (1/3)

Adjusted RoTE (at 15.5% CAR)	Adjusted return on tangible equity is based on a management target Capital Adequacy Ratio of 15.5% (consists of (a) 11% total SREP capital ratio (b) 2.5% conservation buffer (c) 1% countercyclical buffer and (d) 1% management buffer)
AFS	Available for sale
Annualized	Adjusted so as to reflect the relevant rate on the full year basis.
ARAD	ARAD is a public database that is part of the information service of the Czech National Bank. It is uniform system of presenting time series of aggregated data for individual statistics and financial market areas.
Attrition / Loan Balance Attrition	Extraordinary principal repayment transactions exceeding 40% of the prior month average principal and not recognized as internal refinancing. Loans more than 30 days past due are excluded
Auto	MONETA Auto, s.r.o.
Average balance of net interest earning assets	Two-point average of the beginning and ending balances of Net Interest Earning Assets for the period
Average balance of net loans to customers	Two-point average of the beginning and ending balances of Loans and receivables to customers for the period
Average balance of total assets	Two-point average of the beginning and ending balances of Total Assets for the period
Back-to-back repo operations	Repo transactions with counterparties which are closed on back-to-back basis by reverse repo transactions with CNB.
BB forecast	Bloomberg forecast
bn	Billion
bps	Basis points
CAPEX	Capital expenditure
CAR	Capital Adequacy Ratio calculated as regulatory capital as a percentage of risk-weighted assets
CNB	Czech National Bank
Customer Deposits on Core Cost of Funds	Interest expense and similar charges on customer deposits for the period divided by average balance of customer deposits, excl. repo operations
Cost of Funds (% Avg Deposits)	Interest expense and similar charges for the period divided by average balance of due to banks and due to customers

Core Cost of Risk or Core CoR	Net impairment of loans and receivables for the period divided by average balance of net loans to customers excluding gain from monetization of NPLs, in 2017 based on IAS39 and in 2018 based on IFRS 9.
CoR or Cost of Risk or Cost of Risk (% Avg Net Customer Loans)	Net impairment of loans and receivables divided by average balance of net loans to customers, in 2017 based on IAS39 and in 2018 based on IFRS9
Core Customer Deposits	Due to customers excluding opportunistic repo operations
Cost to Income Ratio (C/I)	Ratio (expressed as a percentage) of total operating expenses for the period to total operating income for the period
Core NPL Coverage	Ratio (expressed as a percentage) of loss allowances for non-performing loans and receivables to total non-performing loans and receivables
CRR	Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended
Customer Deposits	Due to customers
CZK	Czech Koruna
CZSO	Czech Statistical Office
Drawn limit / Overdraft Drawn	Loans and receivables to customer balance
E-payment	One-time payment transactions through internet banking or mobile banking
ETR / Effective Tax Rate	Effective Tax Rate – calculated as taxes on income divided by profit for the period before tax
Excess capital	Capital exceeding the management target of CAR, currently 15.5% (consists of (a) 11% total SREP capital ratio (b) 2.5% conservation buffer (c) 1% countercyclical buffer and (d) 1% management buffer)
Expected credit loss model	The impairment model that measures credit loss allowances using a three-stage approach based on the extent of credit deterioration of financial asset since origination; Stage 1 – financial assets with no significant increase in credit risk since initial recognition, Stage 2 – financial assets with significant increase in credit risk since initial recognition but not in default, Stage 3 – financial assets in default.
Front end roles (employees)	Predominately employees whose variable compensation is sales-driven together with their immediate managers, and employees of Collections & Recovery department
FTE	The average recalculated number of employees during the period is an average of the figures reported to Czech Statistical Authority (CSA) on a monthly basis in accordance with Article 15 of Czech Act No. 518/2004. The figures reported to CSA equal to quotient of the following nominator and the following denominator. The nominator is defined as all hours worked by all employees, their related leaves/holidays and their related sick days. The denominator represents a standard working hours per an employee and a month.

GLOSSARY (2/3)

FVTOCI	Financial assets measured at Fair Value Through Other Comprehensive Income
FVTPL	Financial assets measured at Fair Value Through Profit or Loss
FY	Financial year
GDP	Gross domestic product
Group	Company and its subsidiaries, MONETA
Gross performing loans	Performing loans and receivables to customers as determined in accordance with the MONETA's loan receivables categorization rules (Standard)
Harmonized index of Consumer Prices (HICP)	The HICP gives a comparable measure of inflation in the euro area, the EU, the European Economic Area and for other countries including accession and candidate countries. It is calculated according to a harmonized approach and a single set of definitions.
IFRS	International Financial Reporting Standards
IFRS9	International Financial Reporting Standards specifying how an entity should classify and measure financial assets, financial liabilities, and some contracts to buy or sell non-financial items
Investment securities	Equity and debt securities in the Group's portfolio, consist of securities measured at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL)
k/thś	thousands
KPI	Key performance indicator
Leasing	MONETA Leasing, s.r.o.
Liquid Assets	Liquid assets comprise of cash and balances with central banks, investment securities (not transferred as collateral in repurchase agreements), loans and receivables to banks and prior transition to IFRS 9 also financial assets at fair value through profit or loss, financial assets available for sale, financial assets held to maturity (not transferred as collateral in repurchase agreements).
LCR	Liquidity Coverage Ratio measures the ratio (expressed as a percentage) of a bank's buffer of high quality liquid assets to its projected net liquidity outflows over a 30-day stress period, as calculated in accordance with EU Regulation 15/61
LtD Ratio or Loan to Deposit Ratio	Loan to deposit ratio calculated as net loans and receivables to customers divided by customer deposits
M	Millions

Market share – consumer loans	Consumer loans = Non-purposed and purposed consumer loans, debt consolidations, additional loan and American mortgages. Source: CNB ARAD, MMB in IFRS unconsolidated according to CNB definitions, gross loans excluding non-residents and loans in foreign currency, CNB annualized average weighted rate.
Market interest rates	Based on CNB ARAD
MoLSA	Ministry of Labour and Social Affairs
Net Income / Net Profit	Profit for the period after tax
Net Interest Earning Assets	Cash and balances with the central bank, investment securities, loans and receivables to banks, loans and receivables to customers and prior to transition to IFRS 9 also financial assets at fair value through profit and loss, financial assets available for sale, financial assets held to maturity
NII	Net Interest Income
Net Interest Margin or NIM	Net interest and similar income divided by average balance of net interest earning assets
Net Non-Interest Income	Total operating income less net interest and similar income for the period
New volume / New production	Aggregate of loan principal disbursed in the period for non-revolving loans
NPL / Non-performing loans	Non-performing loans as determined in accordance with the MONETA's loan receivables categorization rules (substandard, doubtful, loss), Stage 3 according to IFRS9
NPL Ratio	Ratio (expressed as a percentage) of NPL to gross loans and receivables to customers
NPL Coverage / Coverage	Ratio (expressed as a percentage) of loss allowances for loans and advances to customers to NPL
Nr.	Number
OCI	other comprehensive income
Online Origination	Represents new volume originated from online applications and leads (client with contact details)
OPEX / Cost Base	Total operating expenses
OP risk	Operational risk
PL	Performing loans
PSD2	Payment services directive 2 = The Payment Services Directive 2 is an EU Directive, administered by the European Commission (Directorate General Internal Market) to regulate payment services and payment service providers throughout the European Union (EU) and European Economic Area (EEA)

GLOSSARY (3/3)

Q	Quarter
QfQ	Quarter-to-quarter
Reported RoTE / RoTE	Profit after tax divided by tangible equity
Return on average assets or RoAA	Return on average assets calculated as profit after tax for the period divided by average balance of total assets
Regulatory Capital	Mainly consists of paid-up registered share capital, share premium, retained profits, disclosed reserves and reserves for general banking risks, which must be netted off against accumulated losses, certain deferred tax assets, certain intangible assets and shares held by the Company in itself (calculated pursuant to CRR)
Regulatory Leverage	Relative size of an institution's assets, off-balance sheet obligations and contingent obligations to pay or to deliver or to provide collateral, including obligations from received funding, made commitments, derivatives or repurchase agreements, but excluding obligations which can only be enforced during the liquidation of an institution, compared to that institution's own funds.
Risk Adjusted Operating Income	Calculated as total operating income less net impairment of loans and receivables and Net impairment of other receivables
RWA	Risk Weighted Assets calculated pursuant to CRR
RWA density	Calculates the average risk weight per unit of exposure. It is defined as the ratio of RWA to the Leverage Exposure (consisting of On&Off-balance sheet Gross Loans and counterparty credit risk).
Screen scraping	Screen scraping is the process of collecting screen display data from one application and translating it so that another application can use it.
Small business loan balances	Loans and receivables of unsecured instalment loans, commercial credit cards and unsecured overdrafts provided to an enterprise with an annual turnover of up to CZK 60 million
Small business (new) production	New volume of unsecured instalment loans and receivables to small business customers
SME	An enterprise with an annual turnover of up to CZK 200 million
SREP	Supervisory Review and Evaluation Process, when supervisor regularly assesses and measures the risks for each bank
Stage 1, Stage 2, Stage 3	Stage 1 – financial assets with no significant increase in credit risk since initial recognition, Stage 2 - financial assets with significant increase in credit risk since initial recognition but not in default, Stage 3 – financial assets in default.
Tangible Equity	Calculated as total equity less intangible assets and goodwill
Tier 1 Capital	The aggregate of Common equity tier 1 (CET1 Capital) and Additional Tier 1 which mainly consists of capital instruments and other items (including certain unsecured subordinated debt instruments without a maturity date) provided in Art. 51 of CRR
Tier 2 Capital	Regulatory Capital which consists of capital instruments, subordinated loans and other items (including certain unsecured subordinated debt obligations with payment restrictions) provided in Art. 62 of CRR

Total Capital Ratio	Tier 1 Capital and Tier 2 Capital as a percentage of risk-weighted assets
Total NPL Coverage	Ratio (expressed as a percentage) of individual and portfolio provisions for loans and receivables to total non-performing loans and receivables
V4	Visegrád Group (Czech republic, Hungary, Poland, Slovak)
Yield (% Avg. Net Customer Loans)	Interest and similar income from loans to customer divided by average balance of net loans to customers
YoY	Year-on-year
YTD	Year to date

FORWARD-LOOKING STATEMENTS

Forward-looking statements

- This presentation and subsequent discussion may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements with respect to the management's medium term guidance, profitability, costs, assets, capital position, financial condition, results of operations, dividend and business of the Group (together, "forward-looking statements").
- Any forward-looking statements involve material assumptions and subjective judgements which may or may not prove to be correct and there can be no assurance that any of the matters set out in forward-looking statements will actually occur or will be realized or are complete or accurate. The assumptions may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors. Any forward-looking statement contained in this presentation is made as at the date of this presentation. MONETA Money Bank, a.s. does not assume, and hereby disclaims, any obligation or duty to update forward-looking statements if circumstances or management's assumptions beliefs, expectations or opinions should change, unless it would be required to do so under applicable law or regulation. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements.

Material assumptions for forward-looking statements

- See slide "Material assumptions for medium term guidance" on page 46.

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