

1H 2019 Results

Published on 1 August 2019 at 07:00 CET

According to IFRS, Consolidated, Unaudited

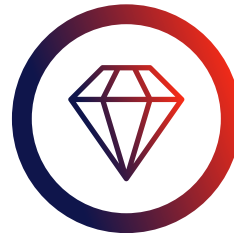
1H 2019 HIGHLIGHTS



LENDING
GROWTH¹

+12.6% YoY

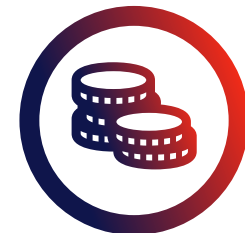
Outperforming
guidance



DELIVERED
NET PROFIT

CZK 2.0 billion

Consolidated net profit
for 1H 2019



RECURRING
PROFITABILITY²

+13.4% YoY

Reversed
declining trend

KEY DEVELOPMENTS IN 1H 2019

Solid operating performance supported by strong capital position, upgraded credit opinion from Moody's to A2/P-1

OPERATING INCOME

+8.8%

Driven by 9.1% year on year increase in NII

CZK 3,902 million of Net interest income in 1H'19 exceeding 1H'18 by CZK 324 million

CAPITAL RETURNS

18.2%

Excellent 18.2% RoTE above guidance

Excellent RoTE position above initial guidance of 15.5% with RoE at 16.7%

NPL SALES GAIN

CZK 0.3bn

NPL monetisation successfully concluded

CZK 313 million¹ gain delivered in 1H'19 from NPL sales with total nominal value of CZK 2.3 billion

STRONG CAPITAL

16.7%

RWA optimisation and partial inclusion of 1H 2019 net profit

CZK 566 million² positive impact on regulatory capital from RWA optimization and partial inclusion of 1H'19 net profit

UPGRADED RATING

A2/P-1

Moody's upgraded long-term rating by three notches

Long-term credit rating upgraded to A2 from Baa2, with stable outlook and upgraded short-term rating to Prime-1 from Prime-2

KEY FINANCIAL METRICS

Strong profitability combined with growth, improved asset quality, excellent liquidity and effective RWA management

		1H 2018	1H 2019
PROFITABILITY	TOTAL OPERATING INCOME (CZK m)	4,770	5,189
	CONSOLIDATED NET PROFIT (CZK m)	2,121	2,012
	RETURN ON TANGIBLE EQUITY	19.6%	18.2%
LOANS & DEPOSITS	NET CUSTOMER LOANS (CZK bn)	132.2	148.3
	CORE CUSTOMER DEPOSITS (CZK bn)	139.4	157.0
ASSET QUALITY	COST OF RISK	(24)bps	18bps
	CORE COST OF RISK	78bps	59bps
	NPL RATIO	3.3%	1.8%
LIQUIDITY	LOAN TO DEPOSIT RATIO	90.3%	84.6%
	LIQUIDITY COVERAGE RATIO ⁽¹⁾	160.7%	146.0%
	REGULATORY LEVERAGE	8.5%	8.4%
CAPITAL	CAPITAL ADEQUACY RATIO	16.0%	16.7%
	RISK WEIGHTED ASSETS (CZK bn)	122.5	122.7

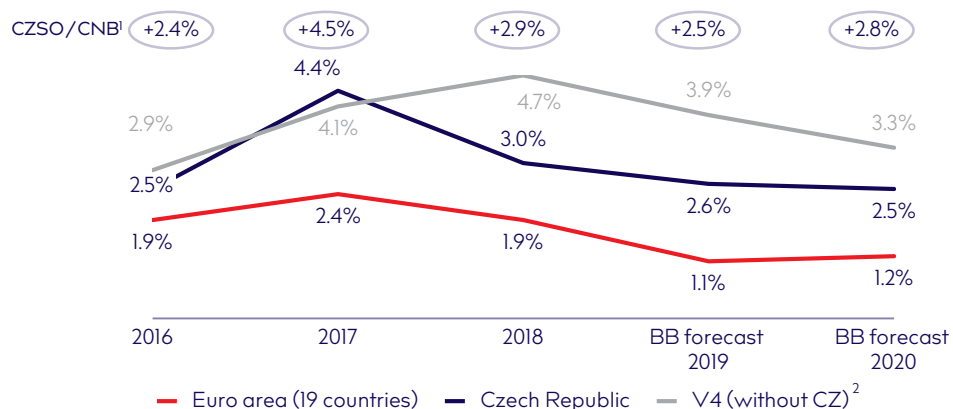
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- Operating Environment and Banking Market Dynamics
- Strategic Objectives & Results
- Digital Distribution & Services
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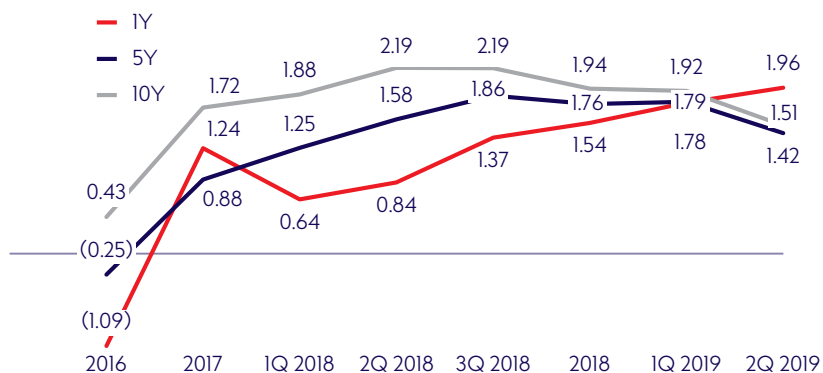
MACROECONOMIC ENVIRONMENT

Positive trends continued in 2Q 2019, however CNB has downgraded economic outlook

STRONG GDP OUTLOOK



GOVERNMENT BONDS YIELDS (%)



KEY MACROECONOMIC INDICATORS

INDICATOR	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19
Export ³	(1.1%)	1.7%	5.5%	7.7%	4.1%	n/a
Industrial production	4.2%	2.4%	3.7%	2.0%	0.3%	n/a
EUR/CZK	25.4	25.6	25.7	25.9	25.7	25.7
Banks' NPL ratio	3.6%	3.4%	3.3%	3.3%	3.2%	3.0%
Inflation	2.3%	2.3%	2.3%	2.1%	2.3%	2.5%
Unemployment	3.7%	3.1%	3.0%	2.9%	3.2%	2.7%
Wage inflation	7.8%	8.1%	7.9%	6.5%	7.4%	n/a

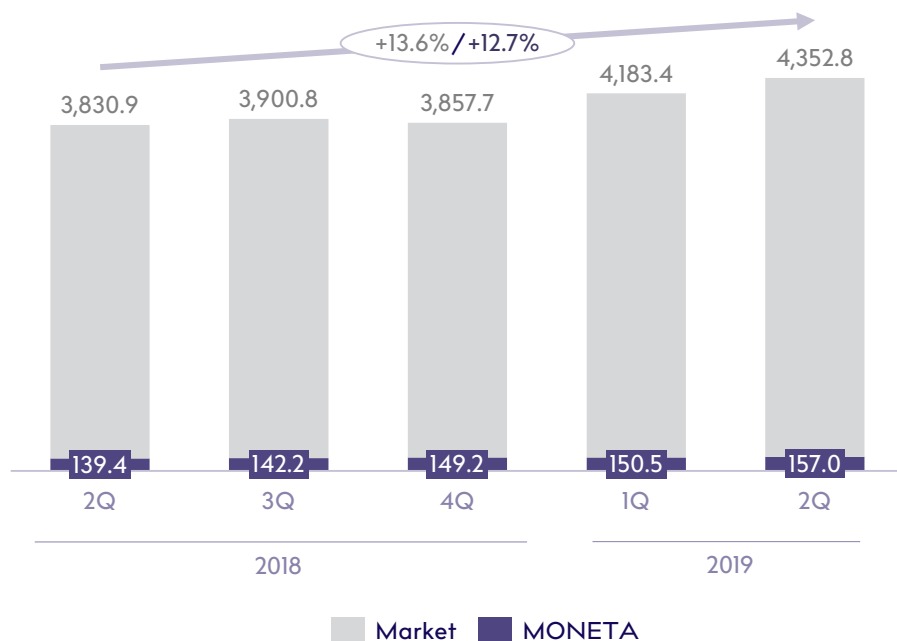
INTEREST RATE ACTUALS AND FORECAST (%)



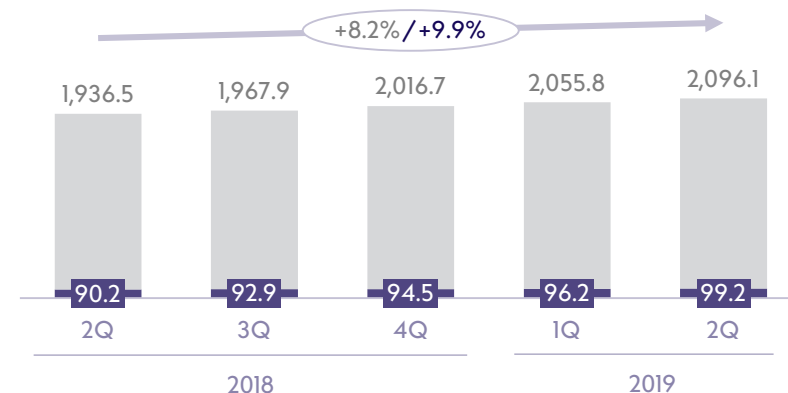
CZECH DEPOSIT MARKET

Deposit market continued to expand at 13.6%, MONETA outperforming market mainly in retail deposits

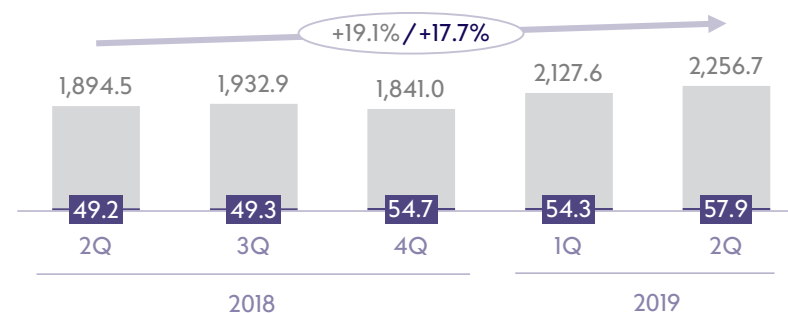
DEPOSIT MARKET (CZK bn)



RETAIL DEPOSITS (CZK bn)



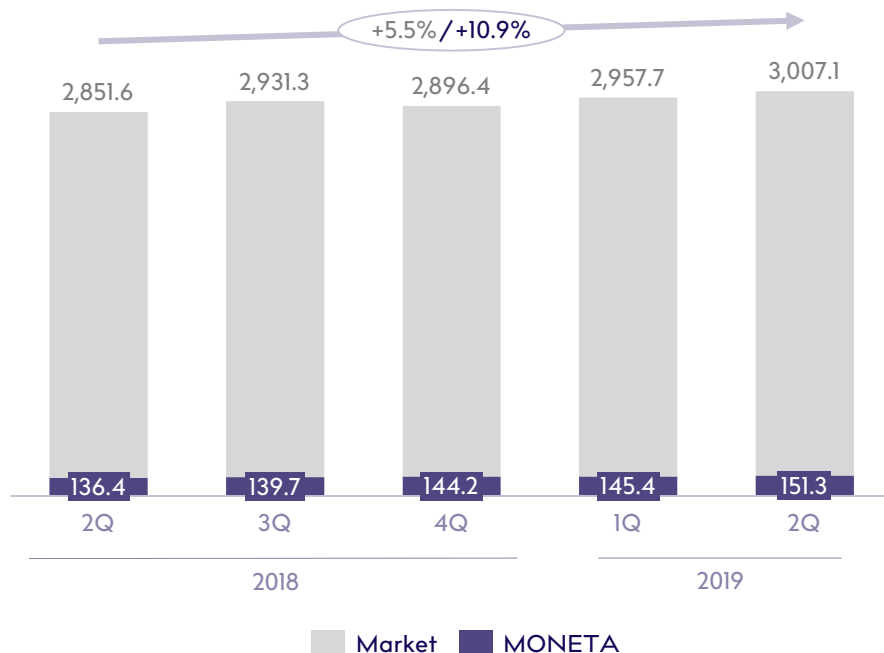
COMMERCIAL DEPOSITS (CZK bn)



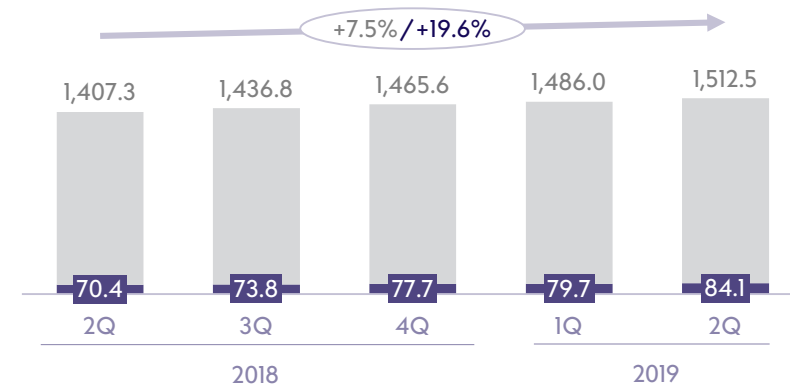
CZECH LENDING MARKET

Lending market continued to grow, MONETA outperforming market mainly in retail lending

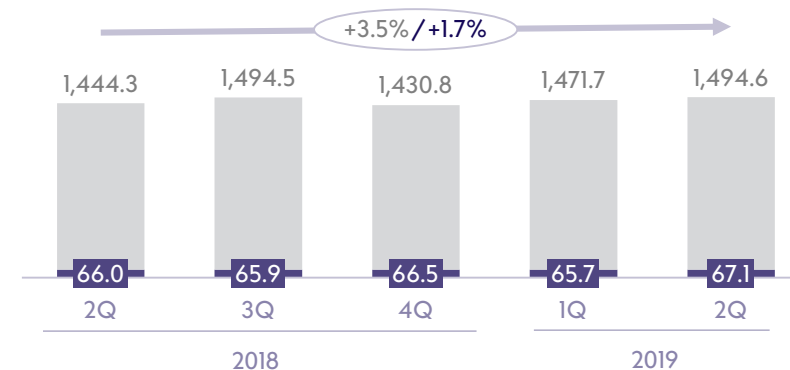
LENDING MARKET - GROSS LOANS (CZK bn)



RETAIL GROSS LOANS (CZK bn)



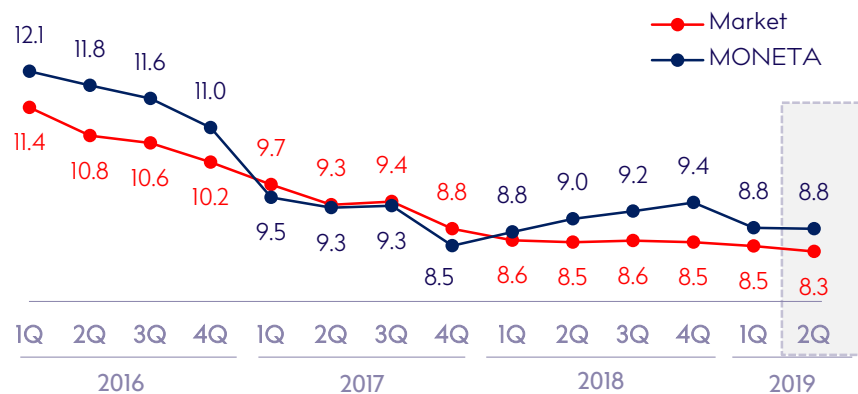
COMMERCIAL GROSS LOANS (CZK bn)



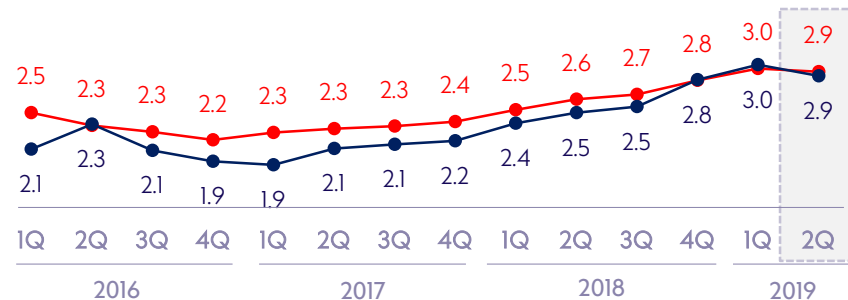
CONTRACTUAL RATE EVOLUTION IN THE CZECH BANKING MARKET

Pricing pressure continued, MONETA outperformed market in consumer lending and deposits

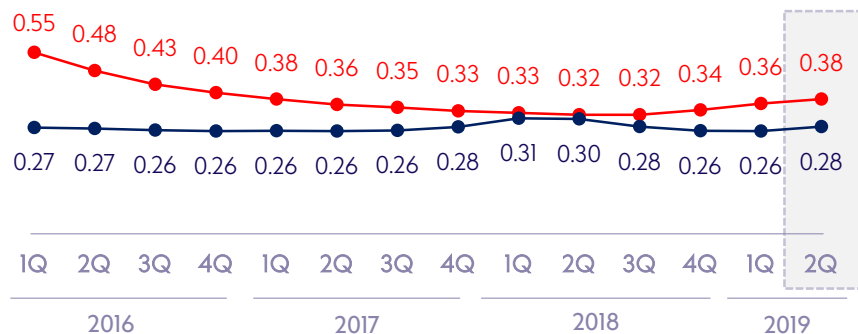
NEW VOLUME PRICING OF CONSUMER LOANS¹ (%)



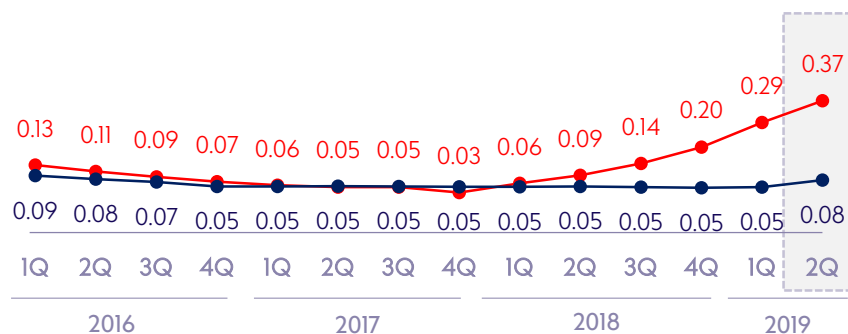
NEW VOLUME PRICING OF MORTGAGE LOANS² (%)



RETAIL DEPOSIT PRICING (%)



COMMERCIAL DEPOSIT PRICING³ (%)

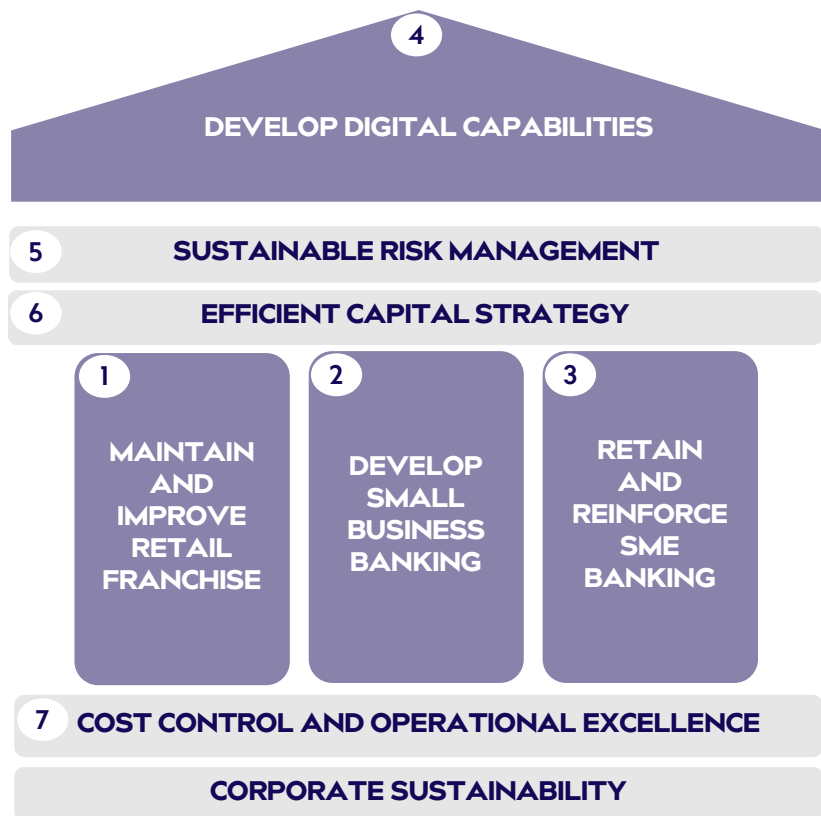


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STRATEGIC PILLARS & OBJECTIVES

MONETA seeks to deliver shareholder value through profitable and sustainable growth



MEDIUM TERM TARGETS²:

- 01 | MAINTAIN AND IMPROVE RETAIL FRANCHISE**
- ~ 5% mortgage portfolio market share
 - ~ 20% consumer lending portfolio market share
 - ~ 5% deposits and assets management market share
- 02 | DEVELOP SMALL BUSINESS BANKING**
- ~ 10% share of MONETA's total receivables
 - ~ Double digit growth of number of customers
 - ~ 40% share of digital channels on new production
- 03 | RETAIN AND REINFORCE SME BANKING**
- ~ Expand SME profitable relationships with incremental RoE >20%
 - ~ Maintain strong presence in profitable agricultural sector
 - ~ Improve RoE on **CZK 15 billion** of exposures
- 04 | DEVELOP DIGITAL CAPABILITIES**
- ~ 40% of total retail unit production to be originated online¹
 - ~ 50% of consumer loans new production to be originated online¹
 - ~ 400k registered Smart Banka users by 2021
- 05 | RISK MANAGEMENT SUSTAINABILITY**
- ~ **CZK 350 million** of income from NPL portfolio disposals in 2019
 - ~ Maintain Core Cost of Risk at **75 – 85bps** through short to medium term
 - ~ Manage NPL ratio below **2.5%** during 2019
- 06 | EFFICIENT CAPITAL STRATEGY**
- ~ **15.5%** capital adequacy ratio management target
 - ~ Optimise capital through T2 bond issuance (around **CZK 2.5 billion**)
 - ~ **80%** dividend pay-out ratio as minimum (min **CZK 3.4 billion** gross annually)²
 - ~ Seek regulatory approval for share buy back \cong **CZK 1 billion**
- 07 | COST CONTROL AND OPERATIONAL EXCELLENCE**
- ~ Maintain cost base at **CZK 5 billion** in 2019 and **CZK 5.1 billion** in 2020
 - ~ Strong cost control, maintain Cost to Income ratio below **50%**
 - ~ Reduce branch network footprint in line with digital development



PROGRESS ON STRATEGIC OBJECTIVES

Execution has been successful in all 7 dimension of our objectives

01 MAINTAIN & IMPROVE RETAIL FRANCHISE¹	<ul style="list-style-type: none">• 22.3% YoY increase in retail loan portfolio• 49.7% YoY continued growth in mortgages² with market share of 2.9%³ as of 1H'19 (2.6%³ as of FY'18)• 8.8% YoY growth in consumer loan portfolio with market share of 18.6%⁴ as of 1H'19 (18.7%⁴ as of FY'18)
02 DEVELOP SMALL BUSINESS BANKING¹	<ul style="list-style-type: none">• 62.0% YoY increase in small business loan portfolio• 26.7% of total small business lending production originated online• 48.7% YoY increase in new volumes of instalment lending
03 RETAIN & REINFORCE SME BANKING¹	<ul style="list-style-type: none">• 1.2% YoY decrease in SME loan portfolio• Commercial yield stabilised at 3.9%⁵, incremental RoE on SME portfolio at 17%⁶• CZK 311 million of capital savings from commercial portfolio optimization initiatives
04 DEVELOP DIGITAL CAPABILITIES	<ul style="list-style-type: none">• 40.5% YoY growth in consumer loans originated online (64.1% YoY growth in fully online), 34.7% share on total new production• 94.4% YoY growth in small business instalment loans originated online (141.2% YoY increase in fully online origination), 26.7% share of total new production
05 SUSTAINABLE RISK MANAGEMENT	<ul style="list-style-type: none">• 109.4% total NPL coverage, 1.8% NPL ratio• 18bps Cost of Risk, 59bps excluding gain on NPL disposals
06 EFFICIENT CAPITAL STRATEGY	<ul style="list-style-type: none">• 16.7% strong Capital Adequacy Ratio supported by capital optimization initiatives of CZK 566 million• Regulatory application for shares buy back program submitted to CNB
07 COST CONTROL AND OPERATIONAL EXCELLENCE	<ul style="list-style-type: none">• 7.8% YoY increase in total operating expenses due to higher contribution into regulatory funds (up CZK 50 million) and higher depreciation and amortization• 10 branches closed in 1H 2019

PROGRESS ON 2019 GUIDANCE






Based on continuing benign credit risk environment, **MONETA** increased targeted 2019 net profit to CZK 3.8 billion

METRICS	 RESULTS	 REVISED GUIDANCE
	1H'19	FY 2019 ¹
TOTAL OPERATING INCOME (CZK)	5.2bn	≥10.3bn
COST BASE (CZK)	2.6bn	≤5.0bn
COST OF RISK <i>Core Cost of Risk (excluding legacy NPL sales)</i>	18bps 59bps	35 - 45bps 60 - 70bps
CONSOLIDATED NET PROFIT (CZK)	2.0bn	≥3.8bn
RETURN ON TANGIBLE EQUITY (RoTE)	18.2%	≥16.0%
EFFECTIVE TAX RATE	19.5%	~ 20%
TARGETED DIVIDEND PER SHARE (CZK)	n/a	≥6.65

BASED ON OPERATING AND CAPITAL PLANS THREE YEAR **CUMULATIVE DIVIDEND PAY-OUT IS TARGETED TO BE AT MINIMUM CZK 10.2 BILLION GROSS** (CZK 6.65 GROSS PER SHARE FOR EACH OF 2019, 2020 AND 2021)²

OPERATING PLATFORM

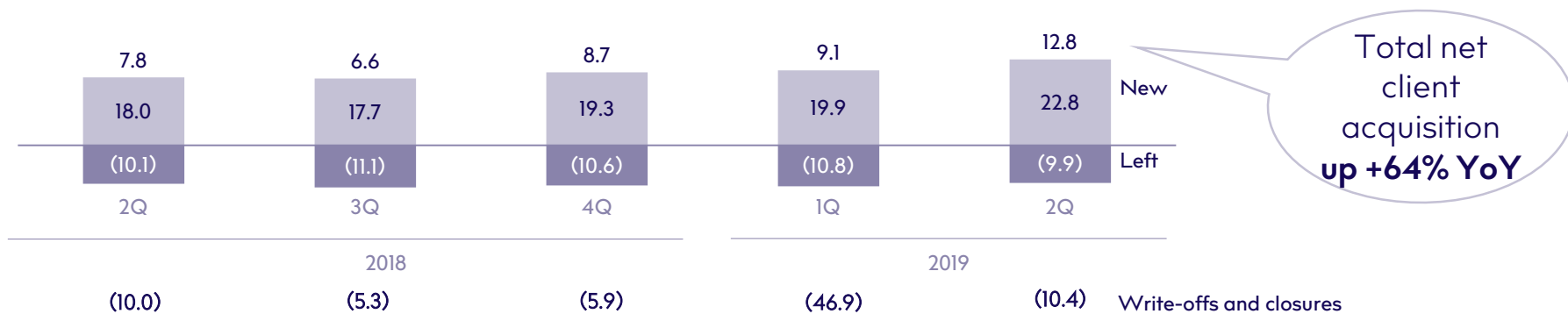
MONETA continues to operate strong distribution platform supported by successful growth in digital banking

		FY2018	1H2019
	BRANCHES <ul style="list-style-type: none"> Rented space in thousands m² Branches in new design 	202 44.8 28	192 43.4 32
	ATMs <ul style="list-style-type: none"> of which deposit ATMs 	654 50	652 60
	REGISTERED USERS DIGITAL CHANNELS <ul style="list-style-type: none"> SMART BANKA (ths.) INTERNET BANKA¹ (ths.) 	 265 879	 305 900
	NUMBER OF ACTIVE MONETA CLIENTS (ths)² <ul style="list-style-type: none"> Retail Small business³ SME⁴ 	965 873 87 5	966 871 90 5
	AVERAGE NUMBER OF EMPLOYEES (FTEs)	3,188	3,055

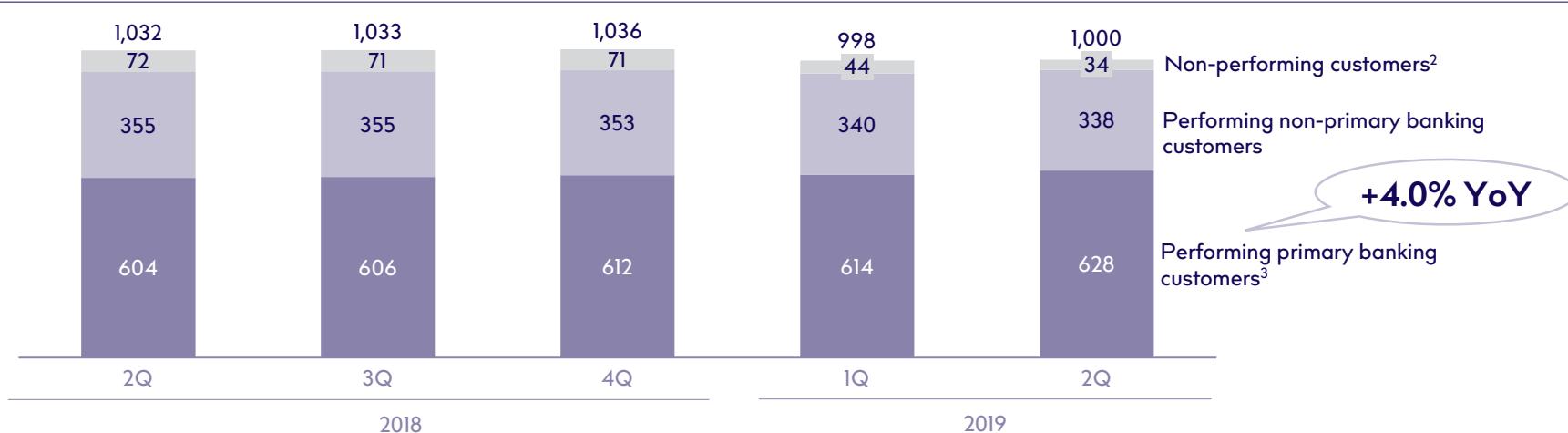
CLIENT BASE EVOLUTION

Accelerated client acquisition up 64% and continued growth in primary banking customer base

NET CLIENT ACQUISITION¹ (number of clients in thousands)



CLIENT BASE EVOLUTION (number of clients in thousands)



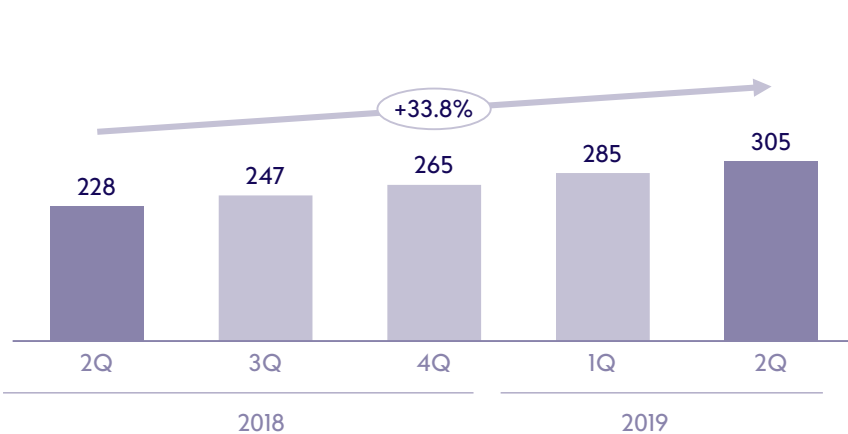
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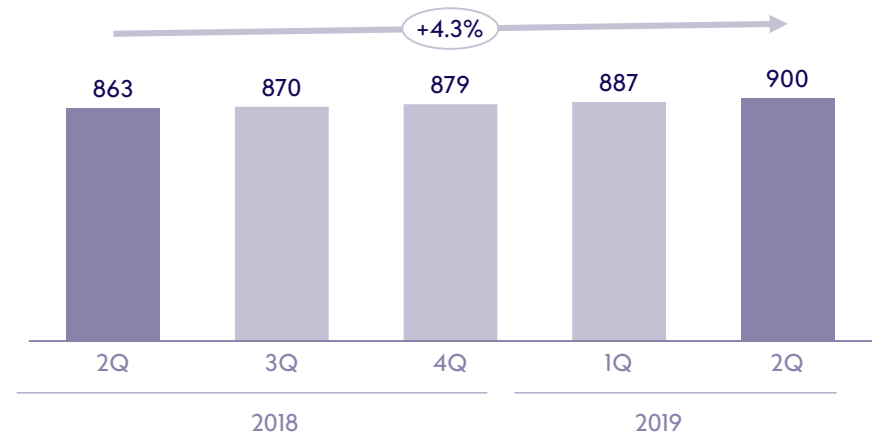
DIGITAL DISTRIBUTION AND SERVICE PLATFORM

Digital platform continued to attract new users, absorbing increasing volume of transaction flows

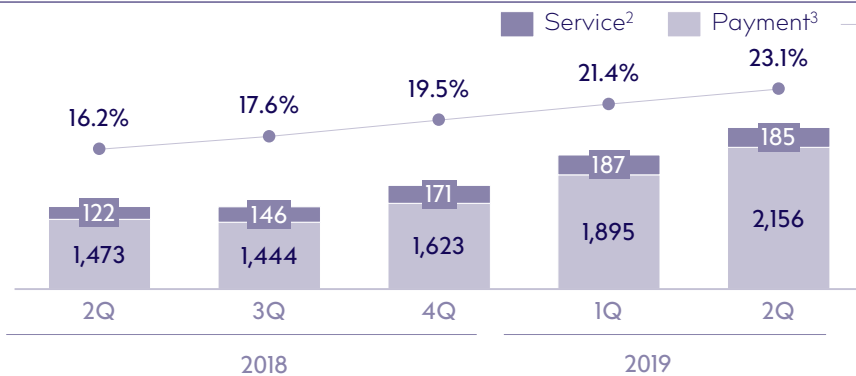
MOBILE BANKING¹ PENETRATION (cumulative number of clients in thousands)



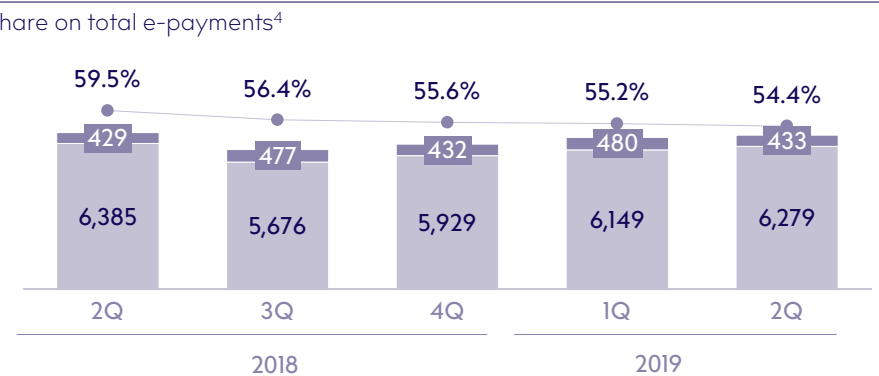
INTERNET BANKING PENETRATION (cumulative number of unique clients in thousands)



MOBILE BANKING¹ TRANSACTIONS (number of transactions in thousands)



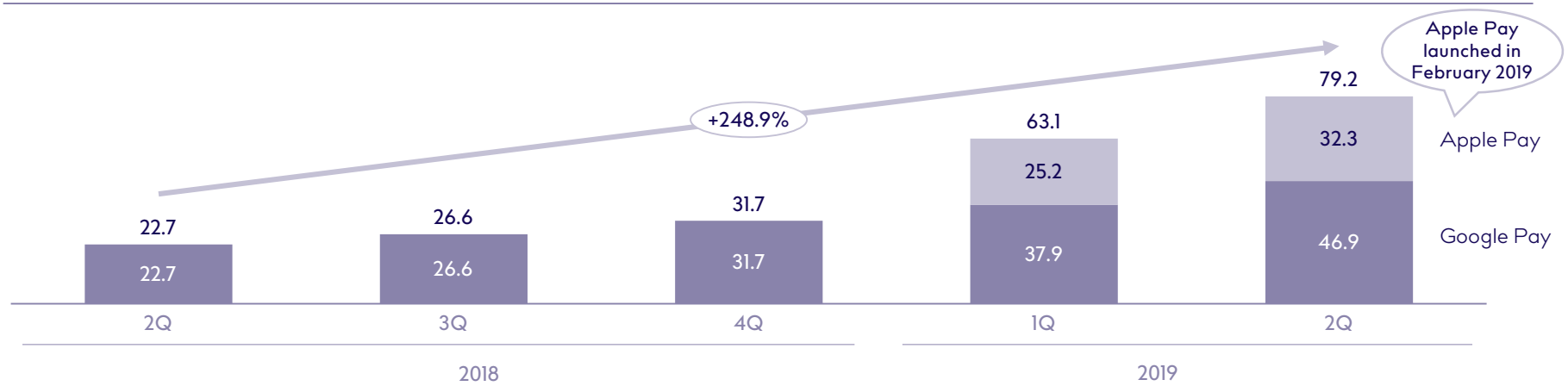
INTERNET BANKING TRANSACTIONS (number of transactions in thousands)



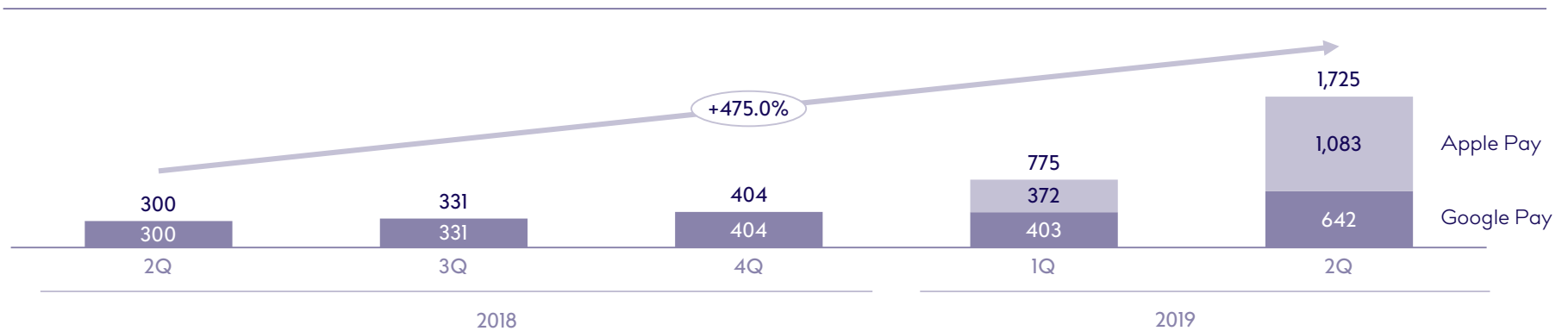
GOOGLE PAY AND APPLE PAY EVOLUTION

New payment platforms prove enormous success, confirmed by strong growth in transactions using both Apple and Google Pay

GOOGLE PAY¹ AND APPLE PAY PENETRATION (cumulative number of unique tokenized cards in thousands)



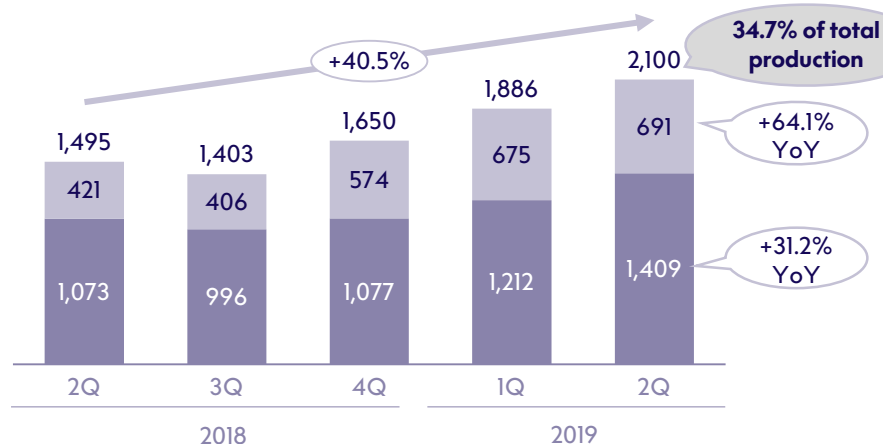
GOOGLE PAY¹ AND APPLE PAY TRANSACTIONS (number of transactions in thousands)



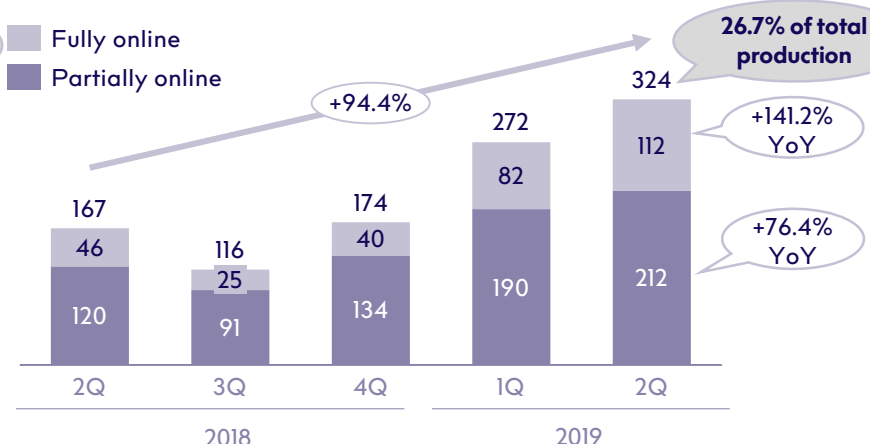
ONLINE LENDING PERFORMANCE

Continued strong growth in online origination, supported by expansion of pre-approved credit limits to existing clients

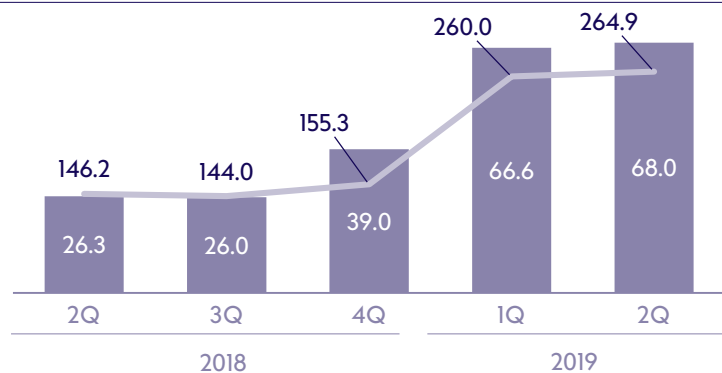
CONSUMER LOAN VOLUMES ORIGINATED ONLINE^{1,2} (CZK m)



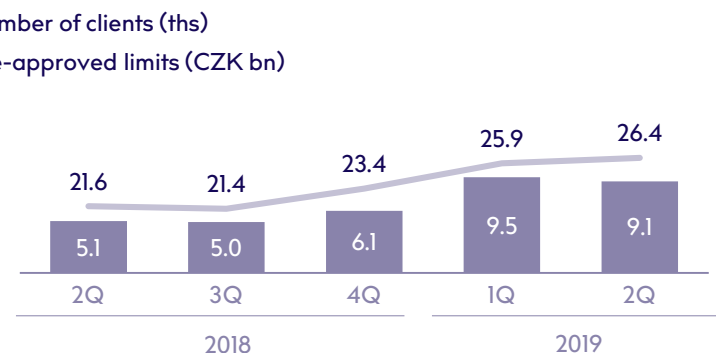
SMALL BUSINESS INSTALMENT LOANS ORIGINATED ONLINE¹ (CZK m)



CONSUMER LOAN PRE-APPROVED CREDIT LIMITS³



SMALL BUSINESS PRE-APPROVED CREDIT LIMITS³



DEVELOPMENT OF DIGITAL CAPABILITIES

Enhanced digital capabilities in line with digital roadmap

	2Q 2019	3Q 2019	4Q 2019
CREDIT DISTRIBUTION	<ul style="list-style-type: none"> ✓ Fully online loans for new to bank small business clients via brokers ✓ Real time price optimization enabled for consumer loans via branches (digital channels enabled 4Q 2018) 	<ul style="list-style-type: none"> • Fully online retail credit card for new to bank clients via web • Fully online retail loans for new to bank clients via web • Fully online property valuation via automated model • Fully online consumer finance proposition (card based) via web 	<ul style="list-style-type: none"> • Fully online retail mortgage refinancing via web • Automation of mortgage origination process for brokers • Consumer loans upsell capability via digital channels
TRANSACTION BANKING DISTRIBUTION	<ul style="list-style-type: none"> ✓ Fully online retail savings account for new to bank clients via web 	<ul style="list-style-type: none"> • Automated fraud checks integrated into digital processes • Savings account opening via Smart Banka • New Foreign exchange proposition in Smart Banka 	<ul style="list-style-type: none"> • New current account proposition for retail and entrepreneur clients • Instant clearing of domestic payments
FEE PRODUCTS DISTRIBUTION	<ul style="list-style-type: none"> ✓ Pilot automated investment advice ✓ Addition of new investment partners and funds 	<ul style="list-style-type: none"> • Investment advisory pilot at branches • Further extension of our funds offer 	<ul style="list-style-type: none"> • Active management of investments via Smart Banka

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

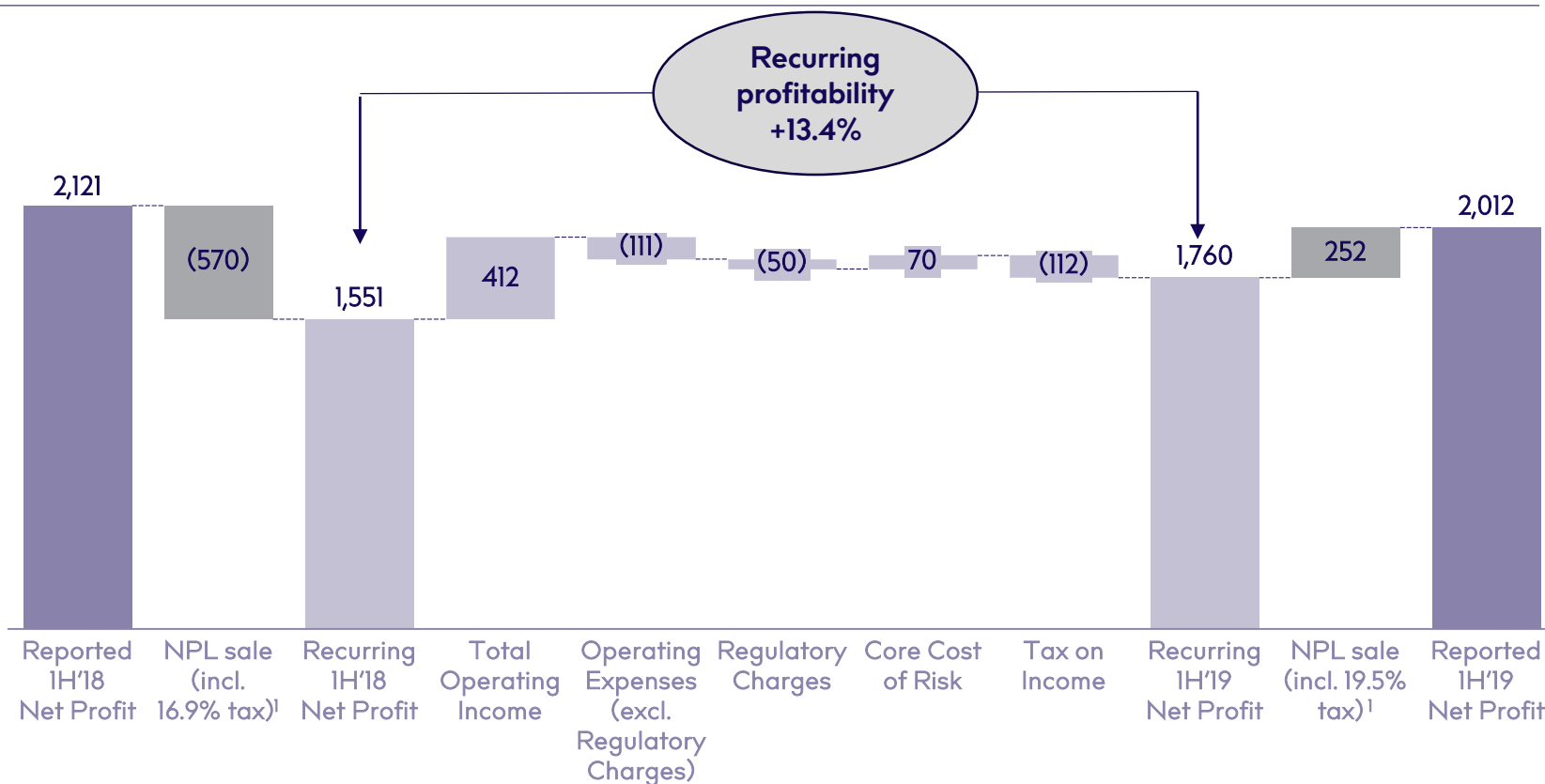
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NET PROFIT DEVELOPMENT

Strong improvement in recurring profitability continued in 1H 2019

NET PROFIT COMPOSITION YEAR ON YEAR (CZK m)



PROFIT AND LOSS STATEMENT

Delivered CZK 2 billion of net profit resulting in 16.7% RoE and 18.2% RoTE

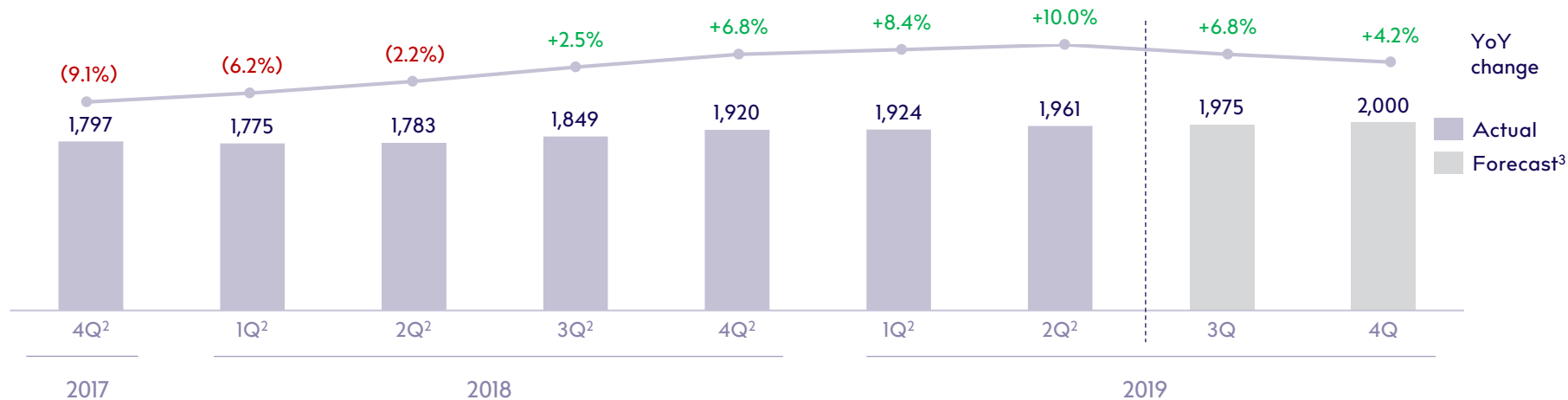
METRICS (CZK m, %)	1H'18	1H'19	CHANGE
NET INTEREST INCOME	3,578	3,902	9.1%
NET NON-INTEREST INCOME	1,192	1,287	8.0%
TOTAL OPERATING INCOME	4,770	5,189	8.8%
TOTAL OPERATING EXPENSES	(2,370)	(2,556)	7.8%
COST OF RISK	151	(133)	(188.1%)
PROFIT BEFORE TAX	2,551	2,500	(2.0%)
NET PROFIT	2,121	2,012	(5.1%)
RETURN ON TANGIBLE EQUITY ¹	19.6%	18.2%	(1.4pp)
RETURN ON EQUITY ¹	18.3%	16.7%	(1.6pp)

- **CZK 3.9bn of net interest income**, showing continued growth YoY
- **CZK 1.3bn of non-interest income, up 8.0% YoY**, driven by higher Net Fee & Commission Income (**up 5.0% YoY**) and minor bond sale with gain of **CZK 71m**
- **CZK 2.6bn of operating expenses, increase of 7.8% YoY**, driven by higher contribution to regulatory funds (**up CZK 50 million YoY**) and higher depreciation and amortization
- **CZK 294m positive impact on Cost of Risk** from legacy NPL sales (**59bps Cost of Risk** excluding gain on legacy NPL disposals compared to **78bps in 1H'18**)
- **CZK 2.0bn of net profit (down 5.1% YoY)** resulting in **18.2% RoTE**

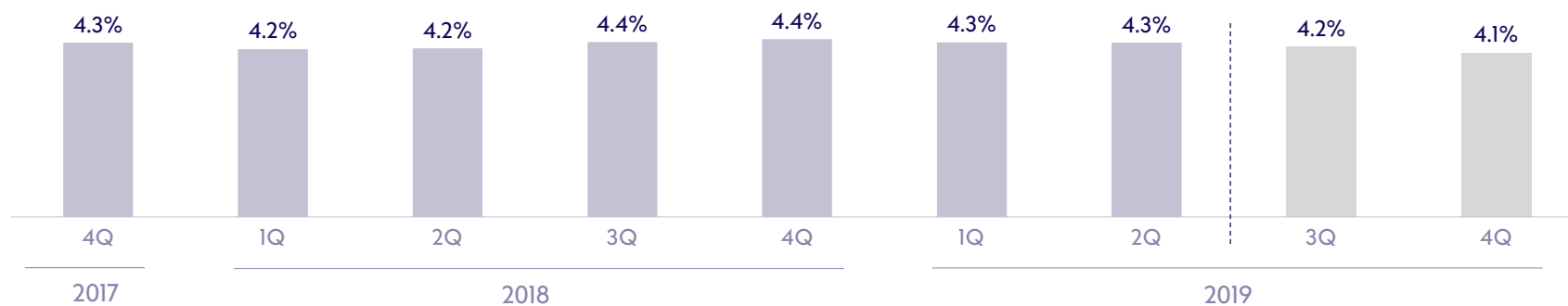
NET INTEREST INCOME PERFORMANCE & EXPECTATIONS

Double digit NII growth driven by lending portfolio expansion, in line with guidance

CORE NET INTEREST INCOME¹ (CZK m, YoY)



CORE NET INTEREST MARGIN¹

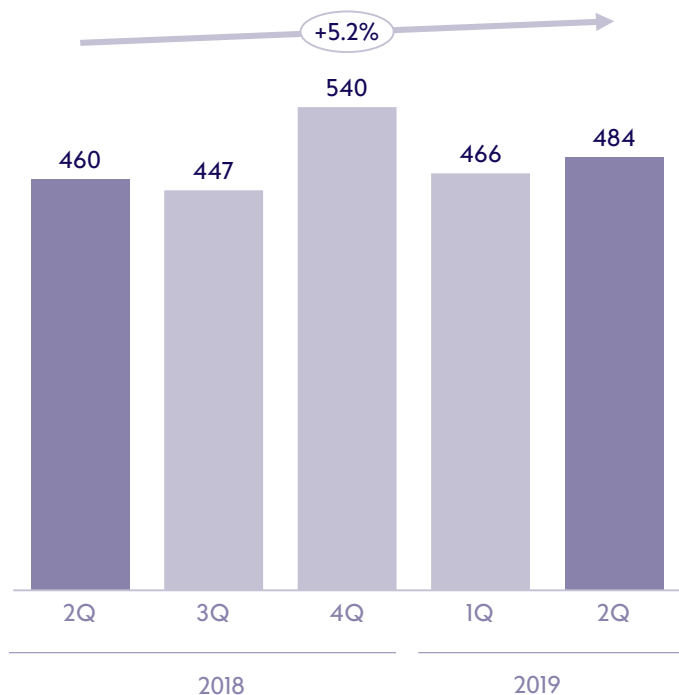


Note: (1) Excluding impact of opportunistic repo operations and impact of IFRS 16; (2) Reported number including income from opportunistic repo operations and IFRS 16 expenses: 4Q'17 of CZK 1,844 million, 1Q'18 of CZK 1,796 million, 2Q'18 of CZK 1,782 million, 3Q'18 of CZK 1,859 million, 4Q'18 CZK 1,972 million, 1Q'19 CZK 1,947 million and 2Q'19 CZK 1,955 million; (3) Please see pages 66 and 67 at the end of this presentation for limitations of forward looking statement and their assumptions.

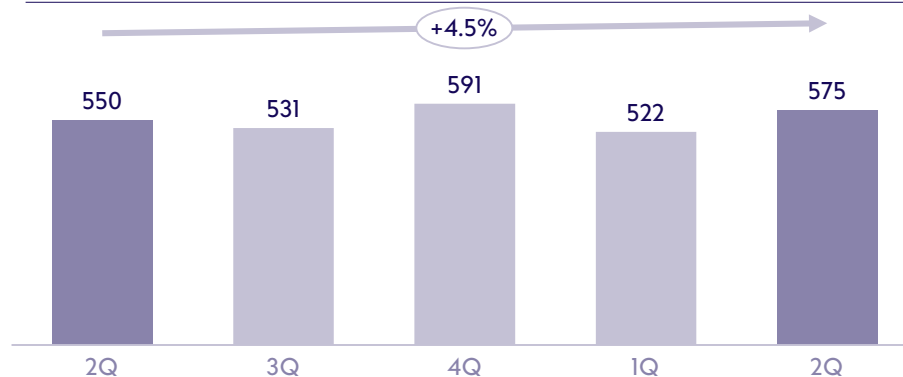
FEE AND COMMISSION INCOME & EXPENSE

Stable fee and commission income development, with moderate improvement in commission revenues

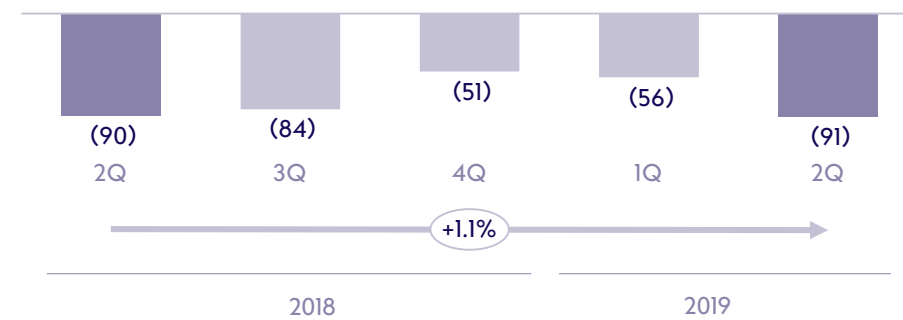
NET FEE & COMMISSION INCOME (CZK m)



FEE & COMMISSION INCOME (CZK m)



FEE & COMMISSION EXPENSES (CZK m)



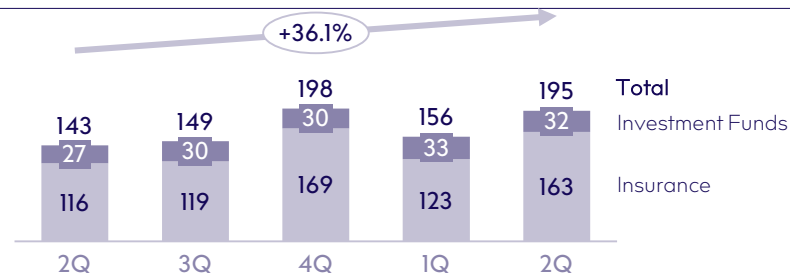
DEVELOPMENT IN FEE & COMMISSION INCOME CATEGORIES

Growth in fee revenues driven by third party commissions and transaction fees

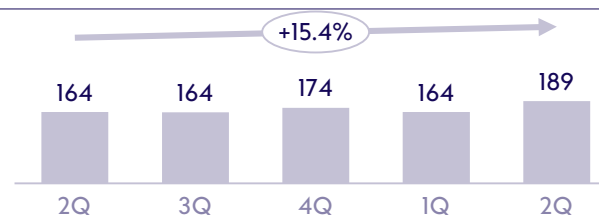
FEE & COMMISSION INCOME (CZK m)



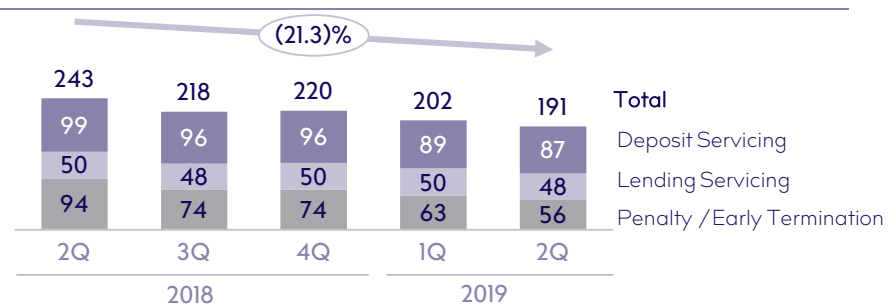
THIRD PARTY COMMISSION INCOME (CZK m)



TRANSACTION & OTHER FEE INCOME (CZK m)



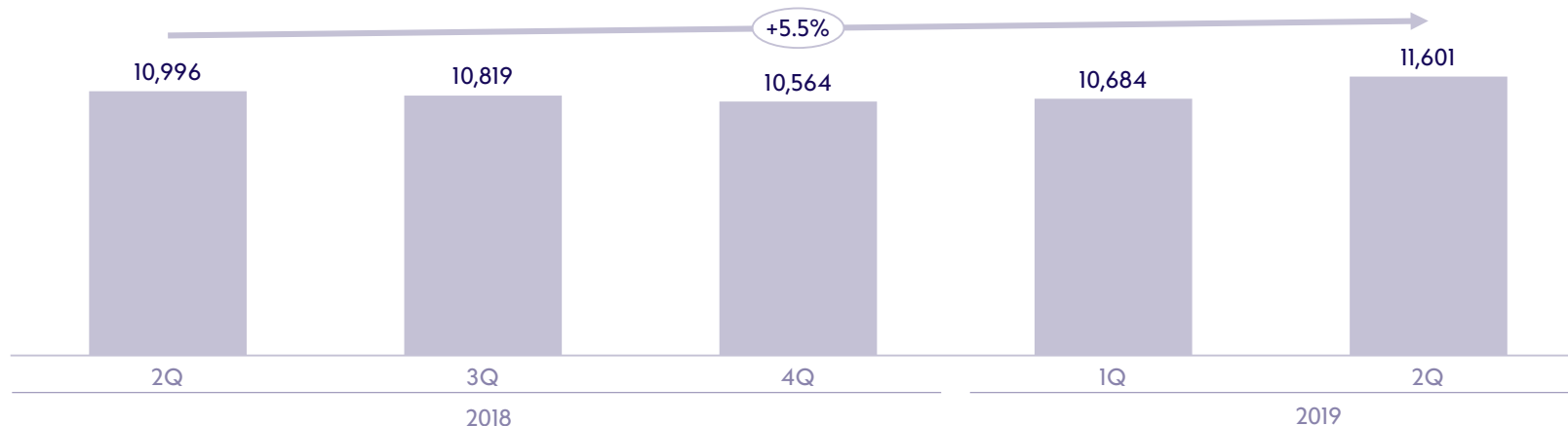
SERVICING AND PENALTY FEE INCOME (CZK m)



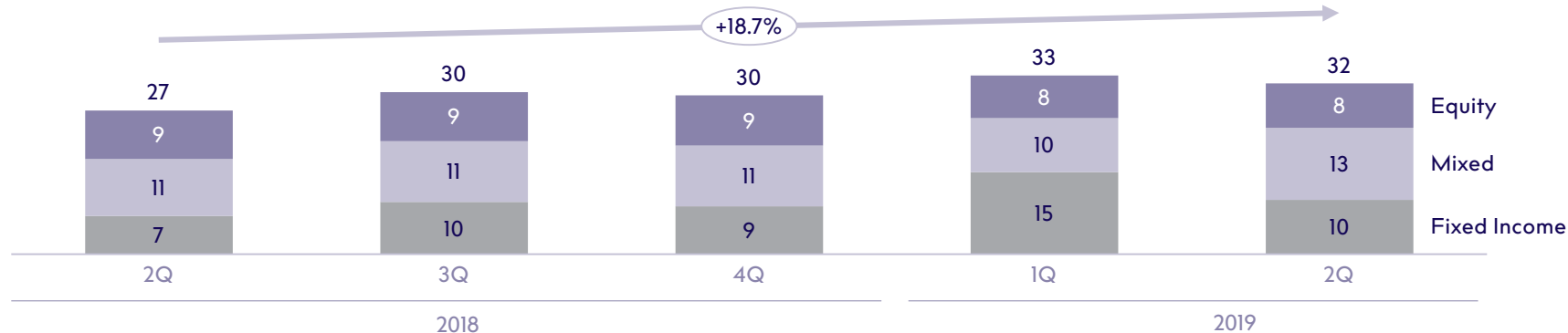
ASSET MANAGEMENT OVERVIEW

Asset management balance returned to growth in line with our strategy and resulted in commission income growth in 1H 2019

ASSET MANAGEMENT (CZK m)



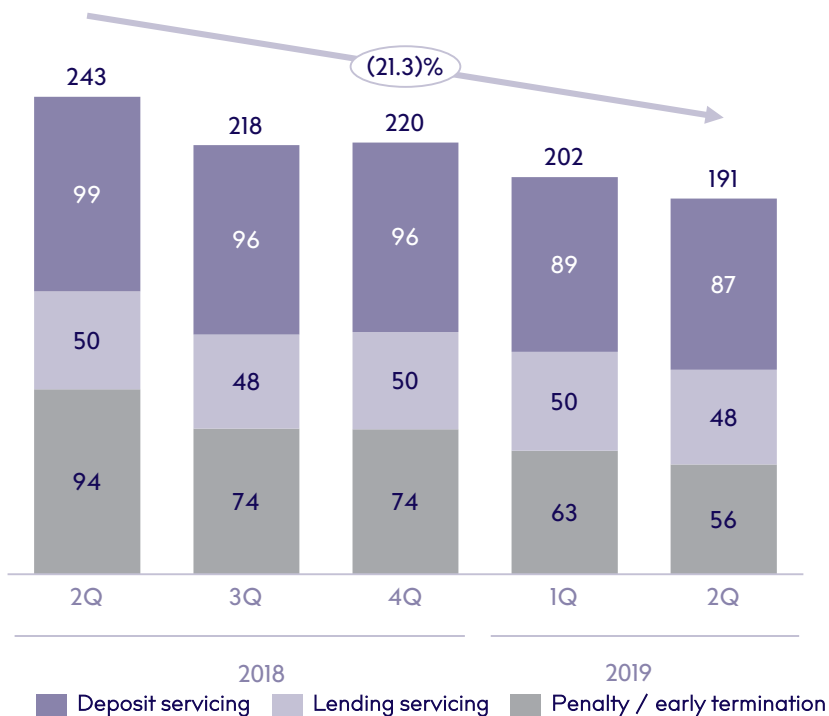
COMMISSION INCOME FROM INVESTMENT FUNDS (CZK m)



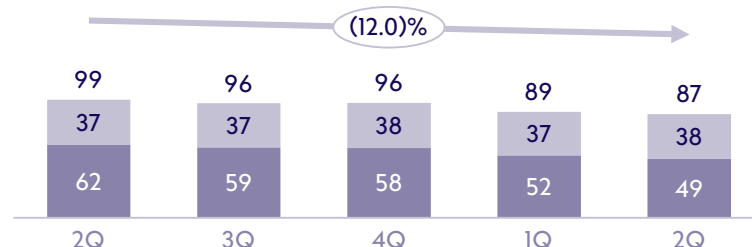
SERVICING & PENALTY FEES

Further erosion in retail servicing and penalty fees due to competitive pressure and regulatory restrictions

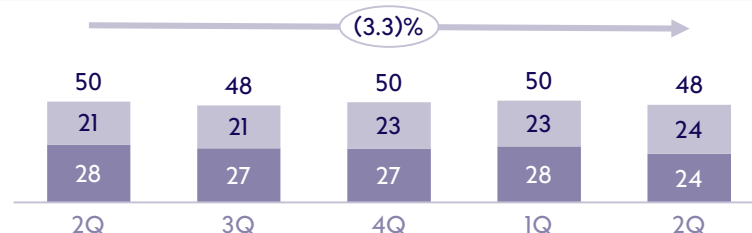
SERVICING AND PENALTY FEES (CZK m)



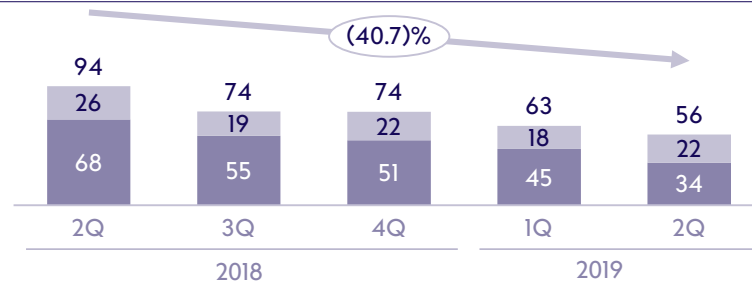
DEPOSIT SERVICING FEES (CZK m)



LENDING SERVICING FEES (CZK m)



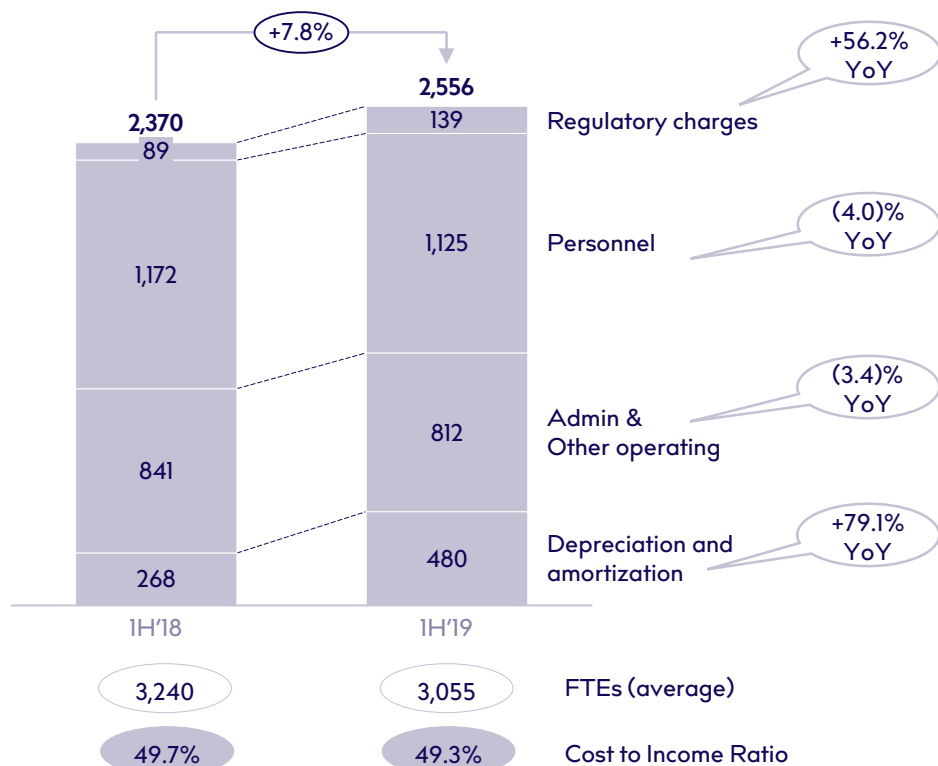
PENALTY AND EARLY TERMINATION FEES (CZK m)



OPERATING EXPENSES

Cost increase driven by higher regulatory charges and depreciation and amortization, in line with guidance

OPERATING EXPENSES (CZK m)



- **CZK 50 million** increase in regulatory charges to **CZK 139 million**, driven by higher contribution to Resolution and Recovery Fund due to opportunistic repo operations
- **CZK 47 million** decrease in Personnel expenses to **CZK 1,125 million** due to efficiency measures and lower average FTEs (**5.7% YoY** decline)
- **CZK 29 million** decrease in Admin & Other operating expenses to **CZK 812 million** mainly due to impact of Rental expense reclassification into Depreciation and amortization according to IFRS 16
- **CZK 212 million** increase in depreciation and amortization to **CZK 480 million** due to impact of IFRS 16 accounting methodology change (**CZK 164 million**) and growing amortization of intangible assets (balance up **27.4% YoY**) due to investments in IT and Digital

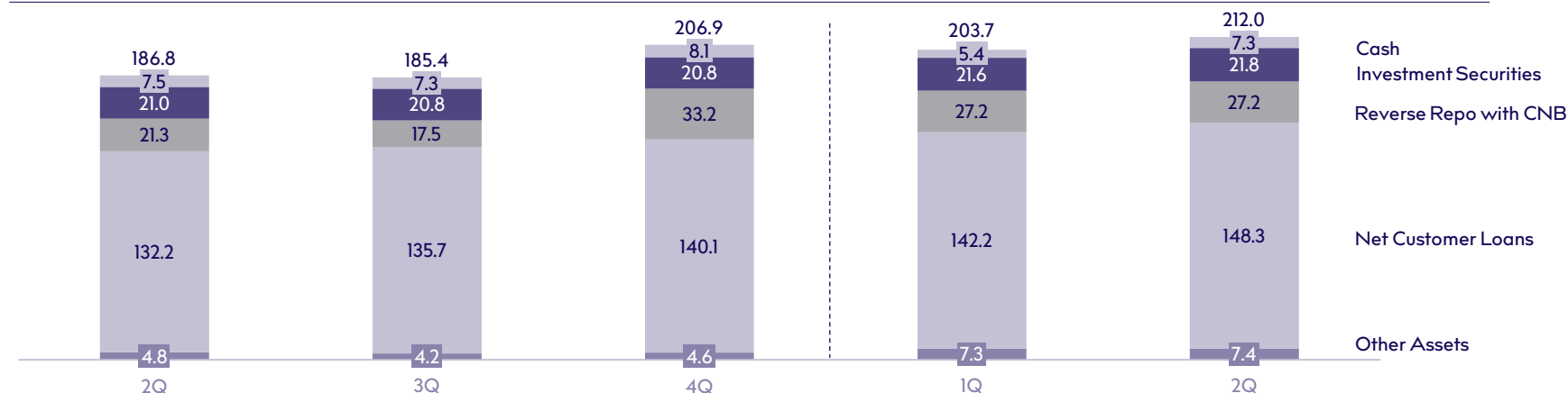
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- **Balance Sheet Development**
- Risk Metrics & Asset Quality
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SOLID BALANCE SHEET FUNDAMENTALS

Balance sheet remains highly liquid with LCR at 146%¹, 12.2% loan book expansion funded by 12.7% growth of core deposits

ASSETS (CZK bn)



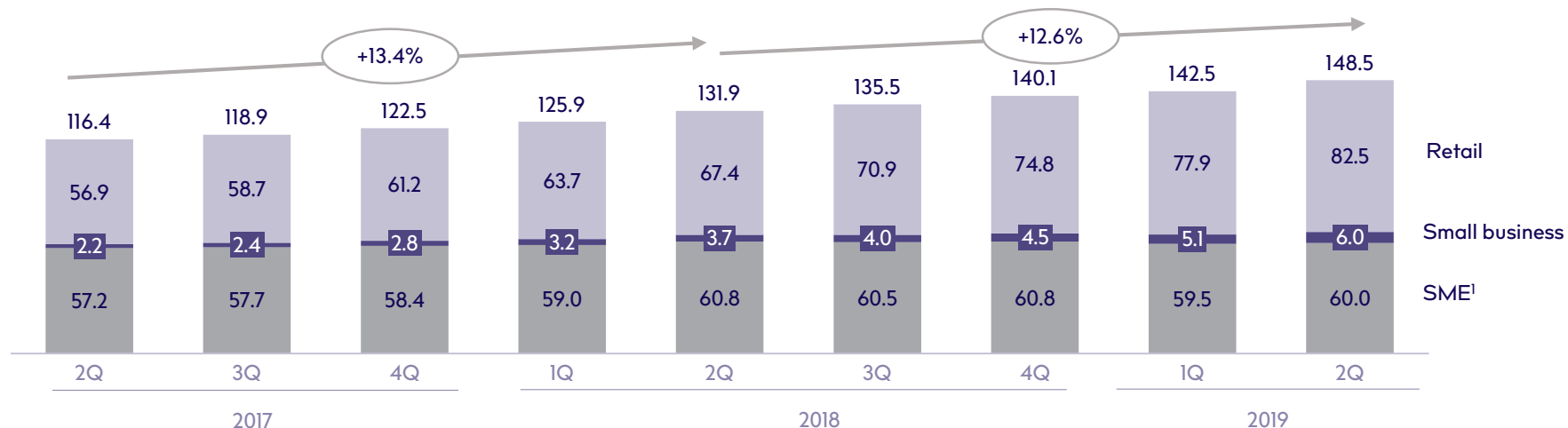
LIABILITIES AND EQUITY (CZK bn)



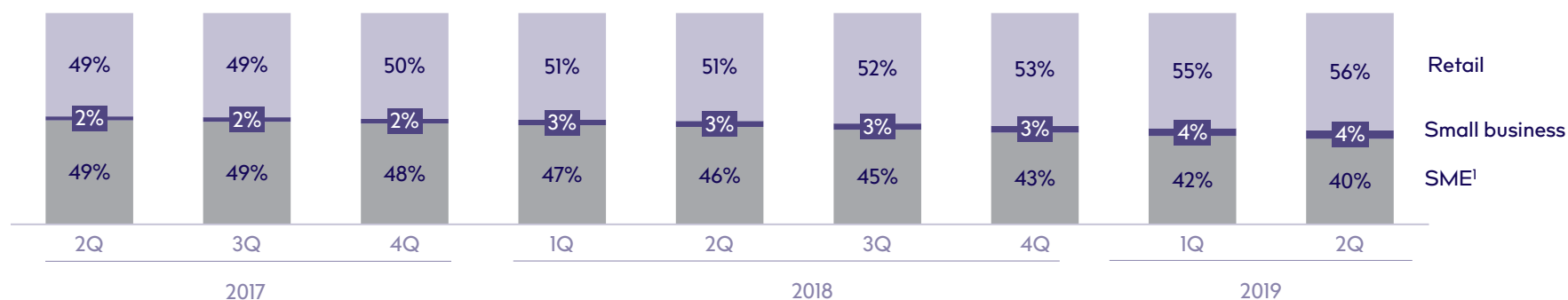
GROSS PERFORMING LOAN PORTFOLIO

Continued shift toward retail and small business lending in line with our strategy and capital based objectives

TOTAL GROSS PERFORMING LOAN PORTFOLIO PER SEGMENTS (CZK bn)



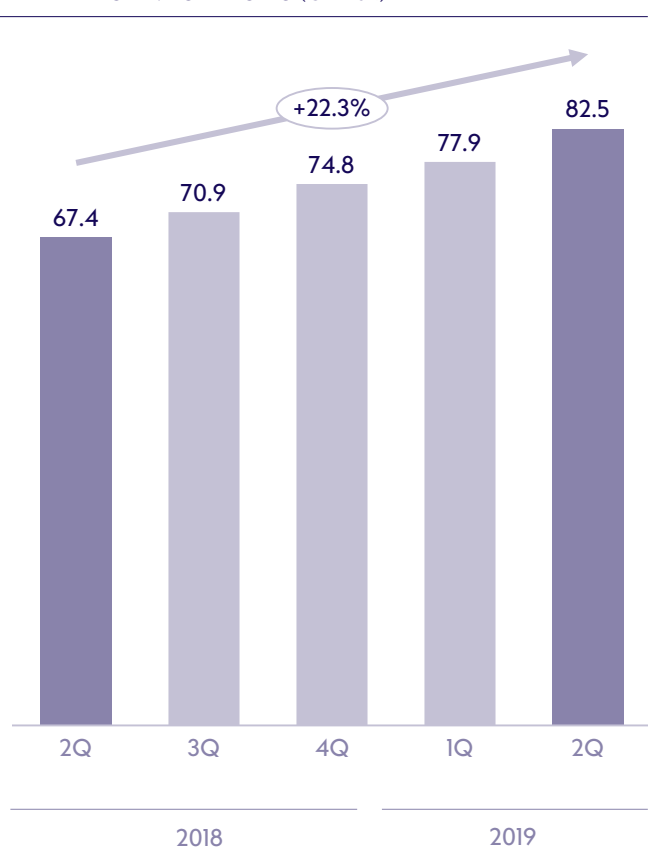
SEGMENT PROPORTION ON TOTAL GROSS PERFORMING LOAN PORTFOLIO



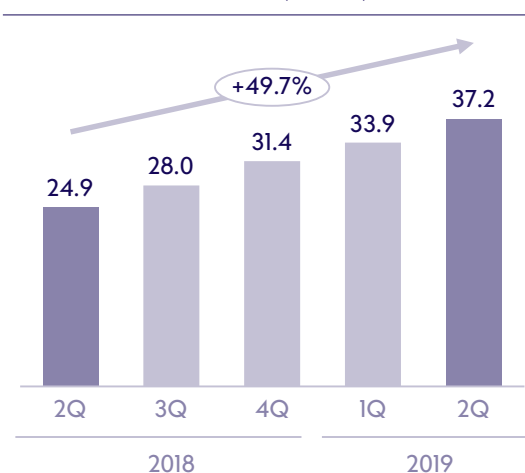
RETAIL GROSS PERFORMING LOAN PORTFOLIO

Double digit growth in retail portfolio, driven by successful expansion of mortgage and consumer lending

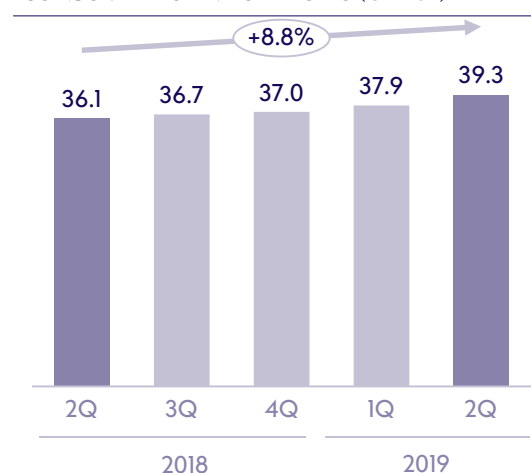
RETAIL LOAN PORTFOLIO (CZK bn)



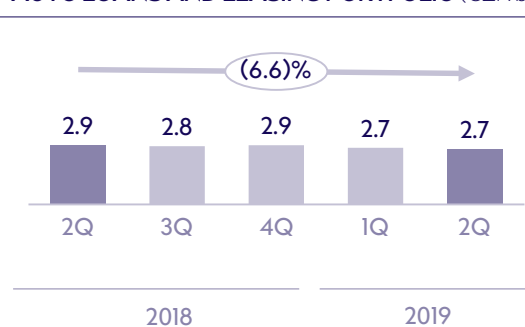
MORTGAGE PORTFOLIO (CZK bn)



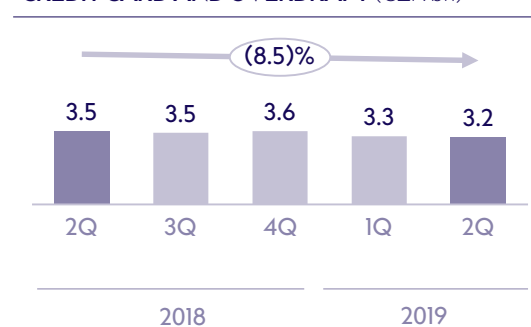
CONSUMER LOAN PORTFOLIO (CZK bn)



AUTO LOANS AND LEASING PORTFOLIO (CZK bn)



CREDIT CARD AND OVERDRAFT (CZK bn)

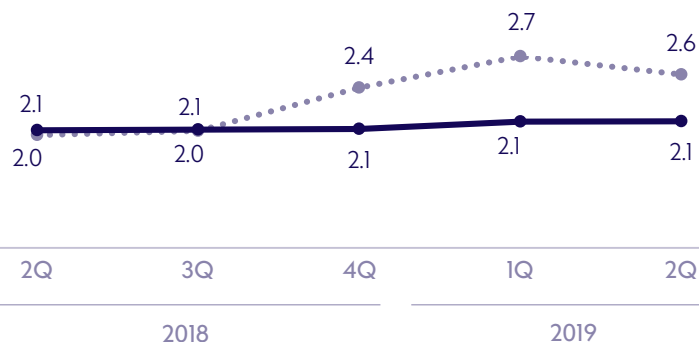


YIELDS ON KEY RETAIL PRODUCTS

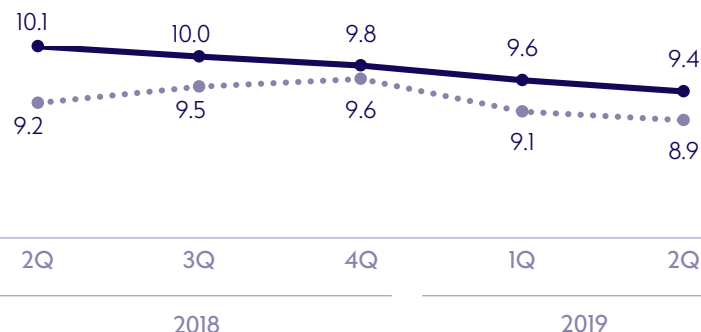
Retail new production yields exceed portfolio level, with the exception of consumer lending

● New volume yield
 ● Portfolio yield

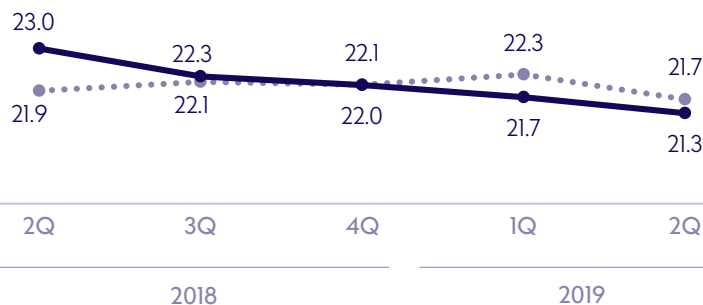
MORTGAGE YIELDS (%)



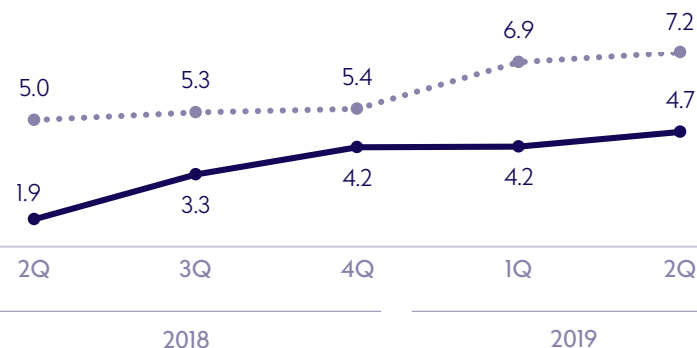
CONSUMER LOAN YIELDS (%)



CREDIT CARD YIELDS (%)



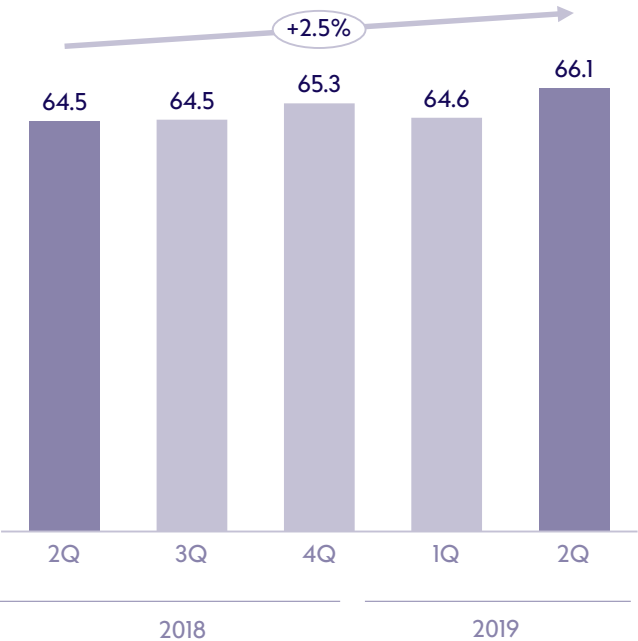
AUTO LOANS AND LEASING YIELDS⁽¹⁾ (%)



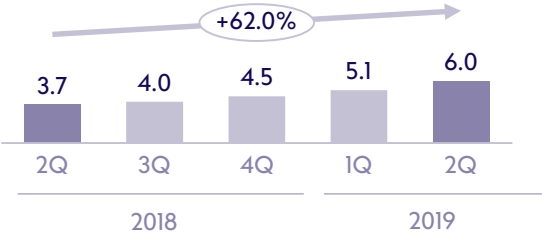
COMMERCIAL GROSS PERFORMING LOAN PORTFOLIO

Continued excellent growth of small business franchise, complemented by stable SME lending

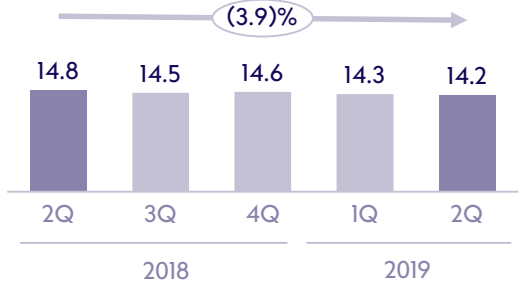
COMMERCIAL LOAN PORTFOLIO (CZK bn)



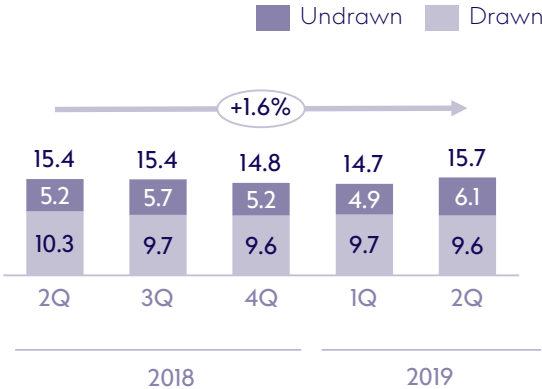
SMALL BUSINESS LOAN PORTFOLIO (CZK bn)



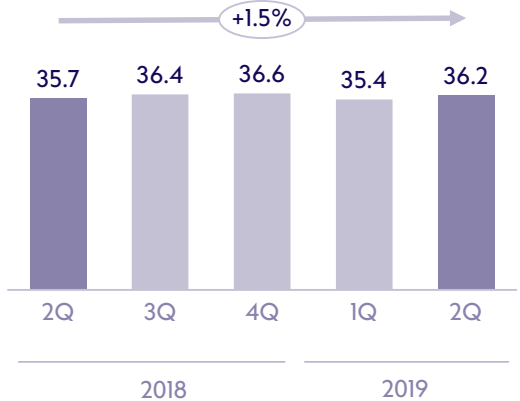
AUTO LOAN AND LEASING PORTFOLIO (CZK bn)



WORKING CAPITAL PORTFOLIO⁽¹⁾ (CZK bn)



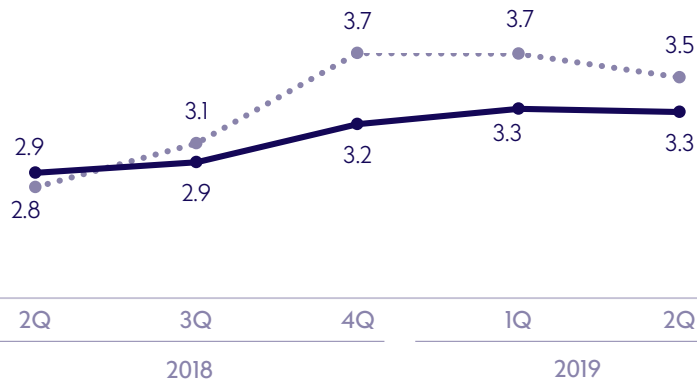
INVESTMENT LOAN PORTFOLIO (CZK bn)



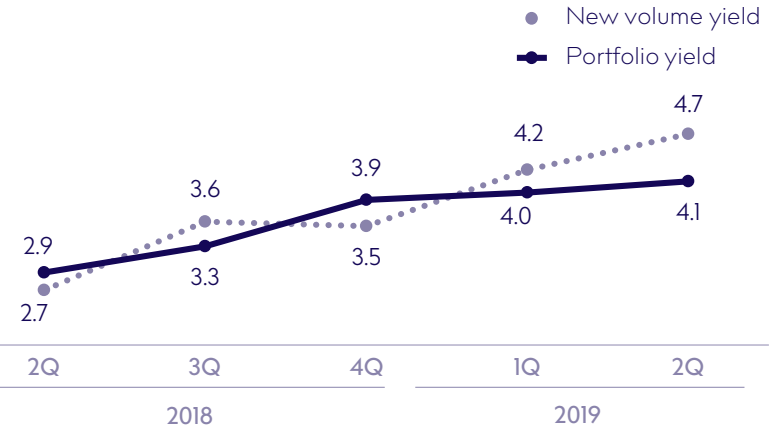
YIELDS ON KEY COMMERCIAL PRODUCTS

Commercial new production yields exceed portfolio level with exception of small business due to seasonal campaign

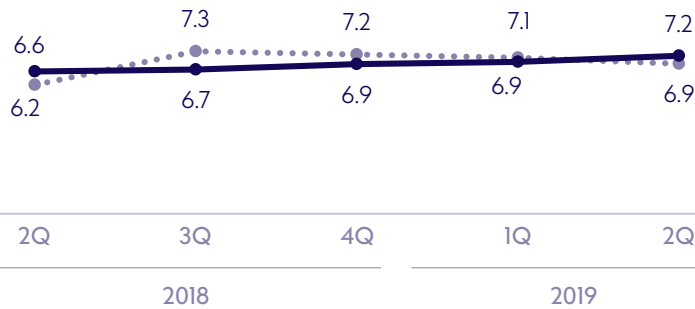
INVESTMENT LOAN YIELDS (%)



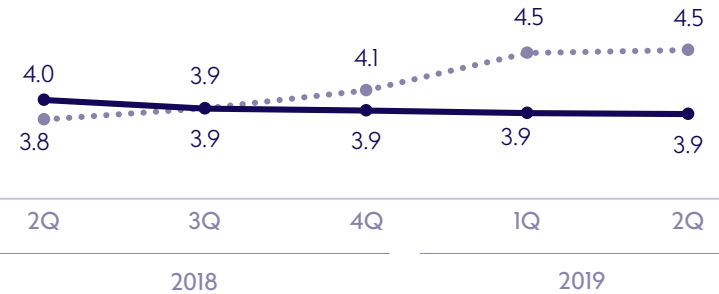
WORKING CAPITAL YIELDS (%)



SMALL BUSINESS INSTALMENT LOAN YIELDS (%)



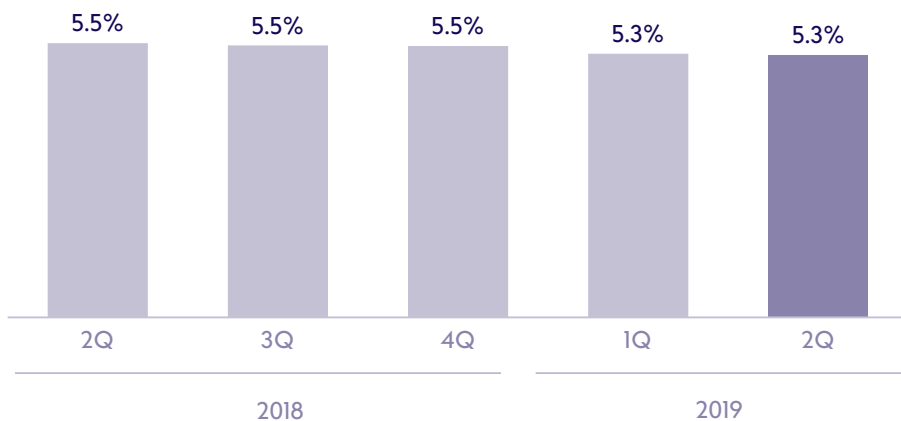
AUTO LOAN AND LEASING YIELDS (%)



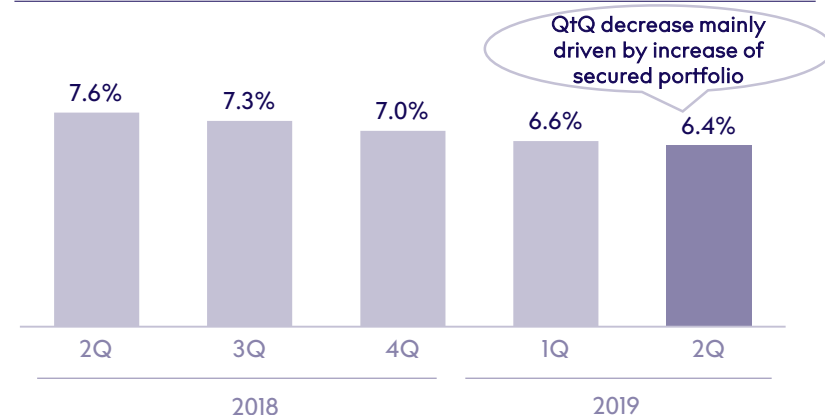
LOAN PORTFOLIO MARGIN EVOLUTION

Stable overall loan portfolio yield, retail yield impacted by increasing weight of secured portfolio, commercial yield continues positive development

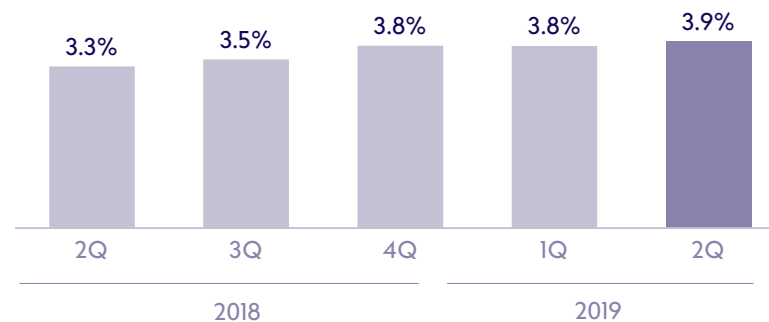
LOAN PORTFOLIO YIELD



RETAIL LOAN PORTFOLIO YIELD



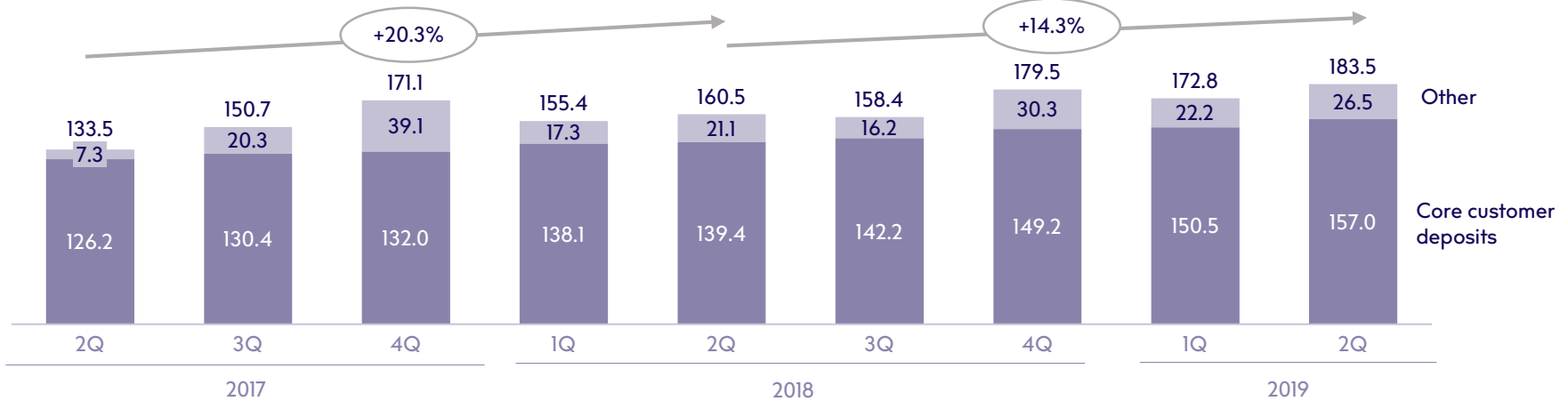
COMMERCIAL LOAN PORTFOLIO YIELD



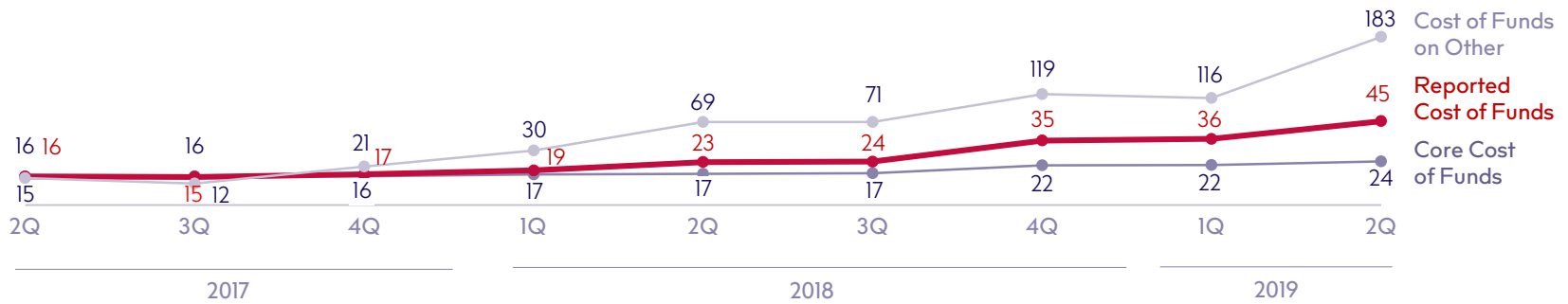
DUE TO CUSTOMERS AND BANKS

Accelerated growth in core customer deposits, increase in overall Cost of Funds driven by opportunistic repo operations

CORE CUSTOMER DEPOSITS AND OTHER⁽¹⁾ (CZK bn)



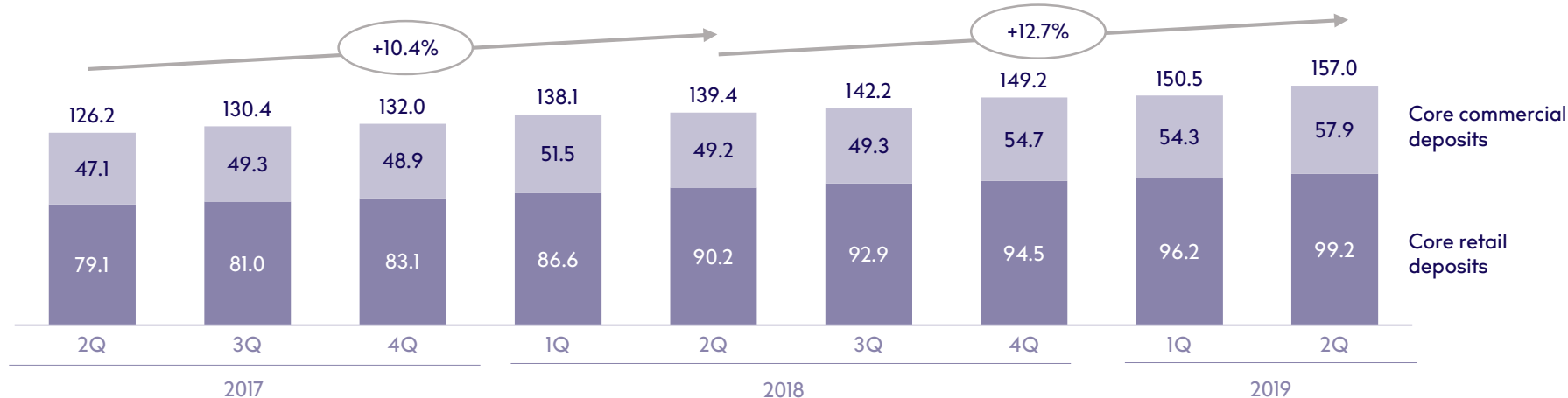
COST OF FUNDS ON CORE CUSTOMER DEPOSITS AND OTHER⁽¹⁾ (bps)



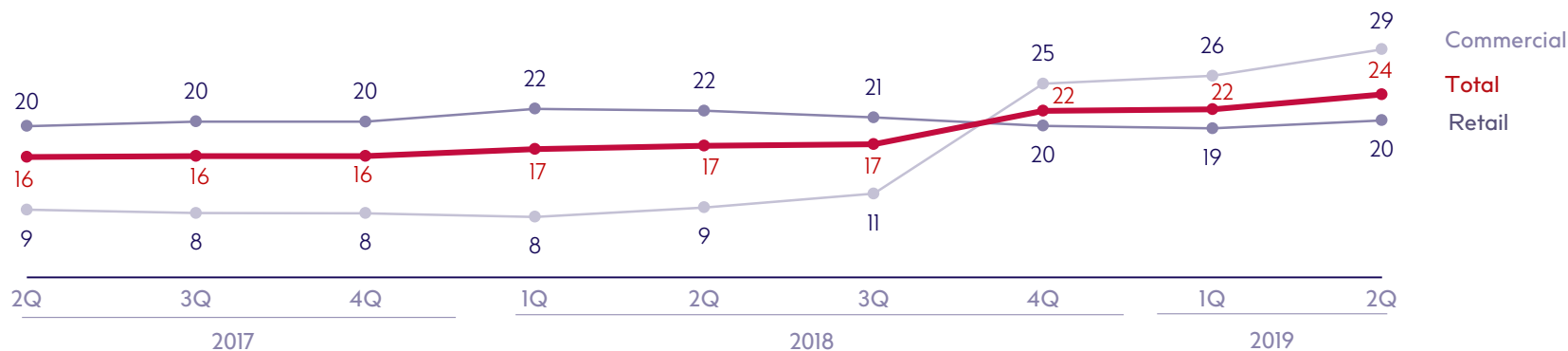
CORE CUSTOMER DEPOSIT PORTFOLIO OVERVIEW

Strong deposit growth in both segments, moderate increase in core Cost of Funds driven by cost of commercial deposits

CORE CUSTOMER DEPOSITS BY SEGMENT (CZK bn)



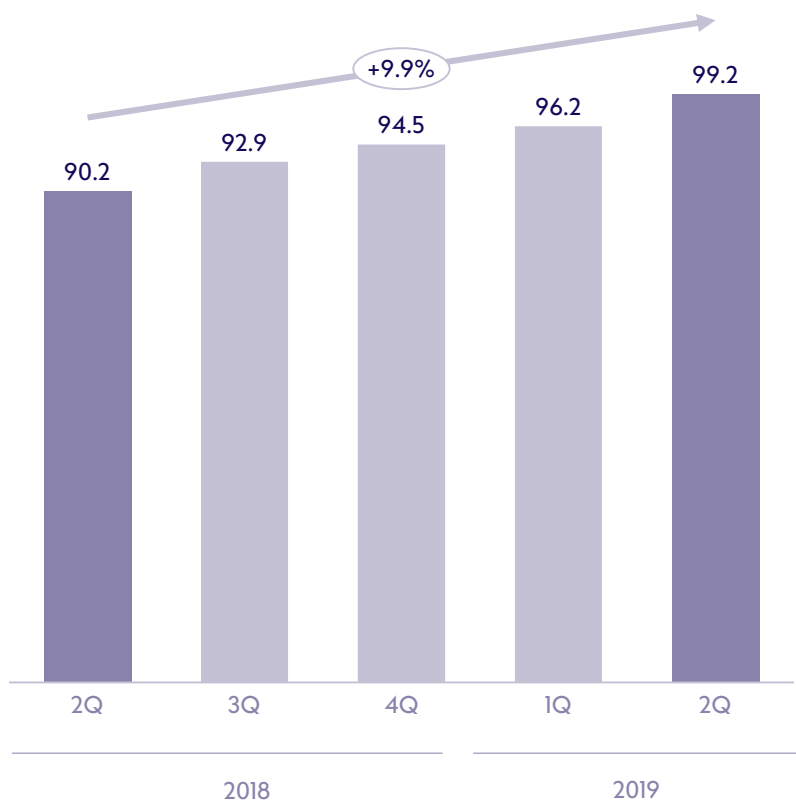
CORE COST OF FUNDS ON CORE CUSTOMER DEPOSITS BY SEGMENT (bps)



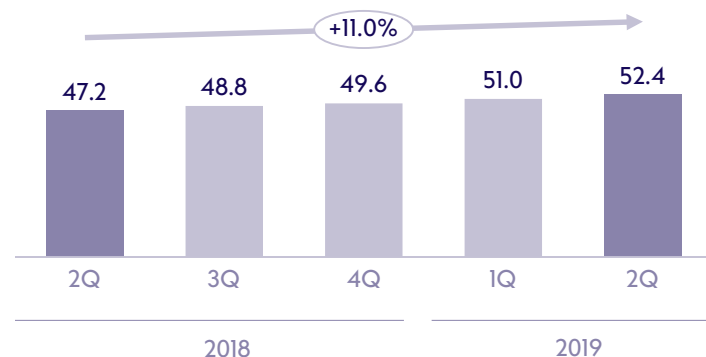
RETAIL DEPOSIT PORTFOLIO DEVELOPMENT

Retail deposit growth driven by inflows of current account balances and savings products

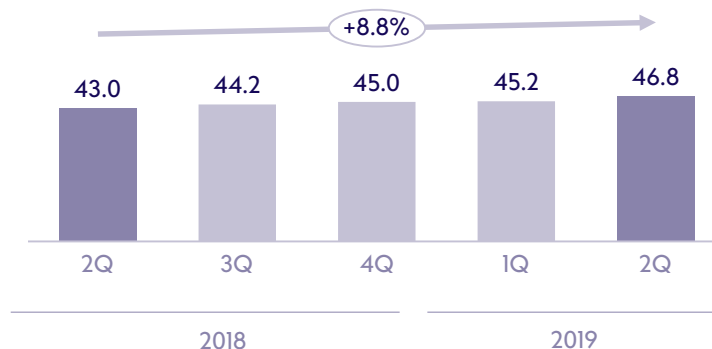
RETAIL CORE CUSTOMER DEPOSITS (CZK bn)



CURRENT ACCOUNT DEPOSITS (CZK bn)



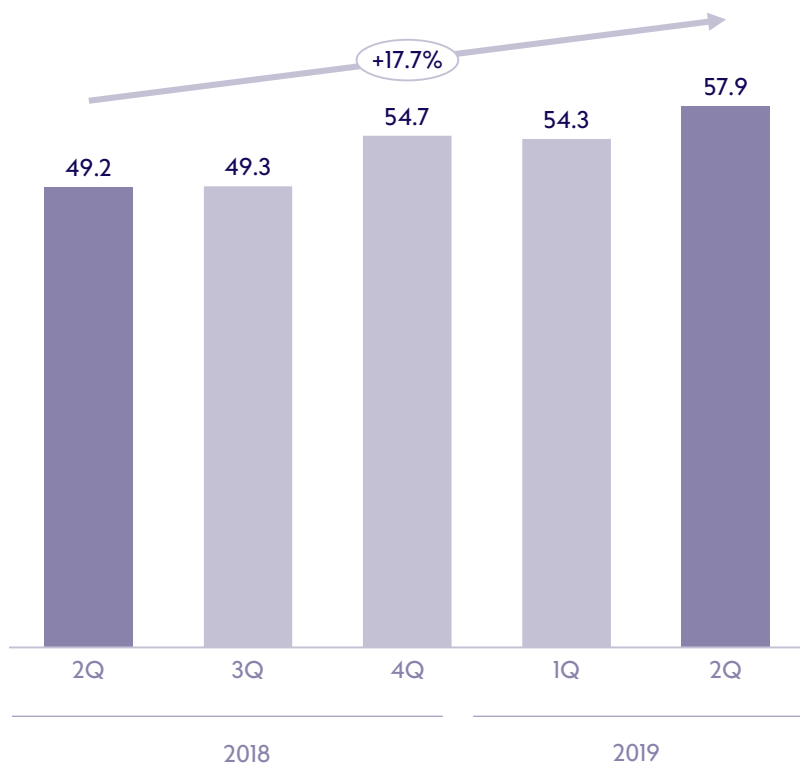
SAVINGS, TERM AND OTHER DEPOSITS (CZK bn)



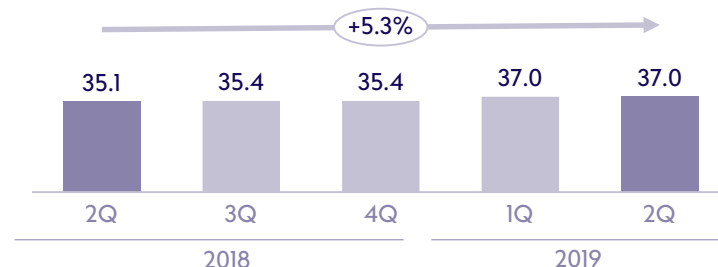
COMMERCIAL DEPOSITS PORTFOLIO DEVELOPMENT

Commercial deposit taking focused on development of current account balances and opportunistic approach to term deposits

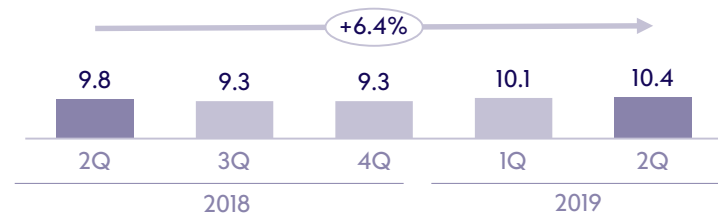
COMMERCIAL CORE CUSTOMER DEPOSITS (CZK bn)



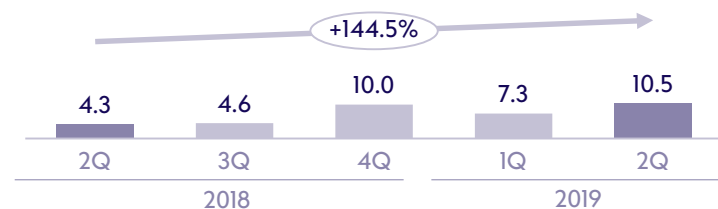
CURRENT ACCOUNT DEPOSITS (CZK bn)



SAVINGS, TERM AND OTHER DEPOSITS (CZK bn)



FINANCIAL INSTITUTIONS DEPOSITS⁽¹⁾ (CZK bn)



Notes: Figures in chart may not add up due to rounding differences. (1) Financial institutions not reported in Due to banks.

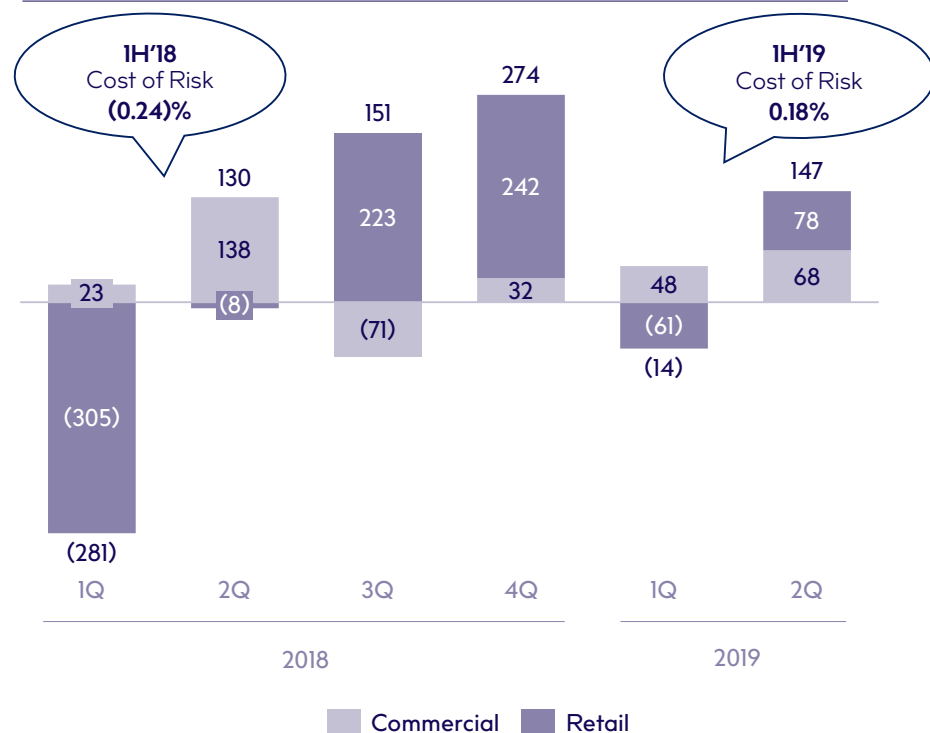
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COST OF RISK

Positive development of Cost of Risk supported by successful NPL disposals

NET IMPAIRMENTS (CZK m)



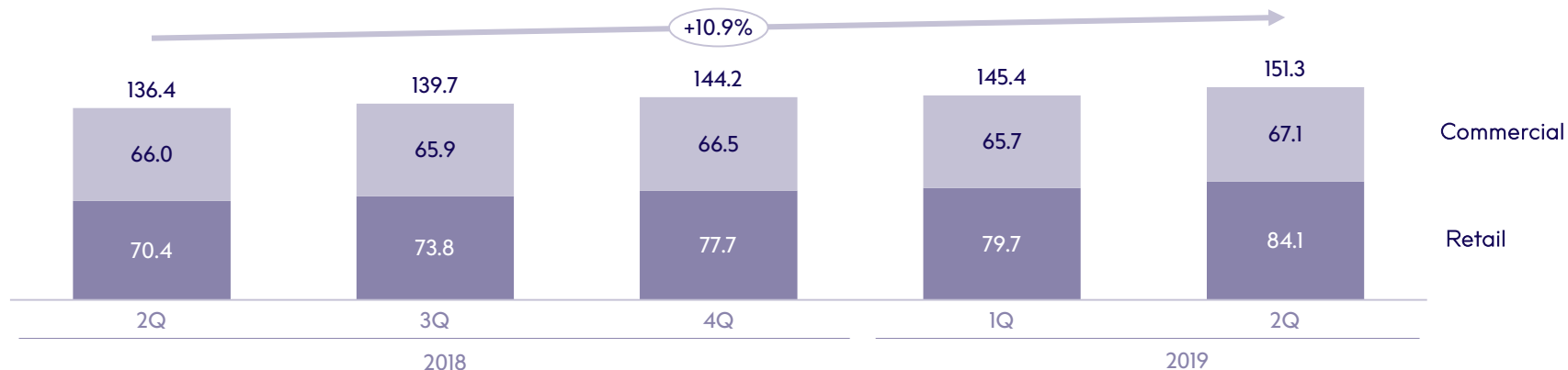
COST OF RISK (annualized)

METRICS	1H 2018	1H 2019
COST OF RISK	(0.24)%	0.18%
Retail	(0.97)%	0.04%
Commercial	0.51%	0.35%
CORE COST OF RISK	0.78%	0.59%
Retail	1.01%	0.62%
Commercial	0.55%	0.56%
IMPACT OF LEGACY NPL DISPOSALS	(1.02)%	(0.41)%
TOTAL NPL COVERAGE¹	93.4%	109.4%

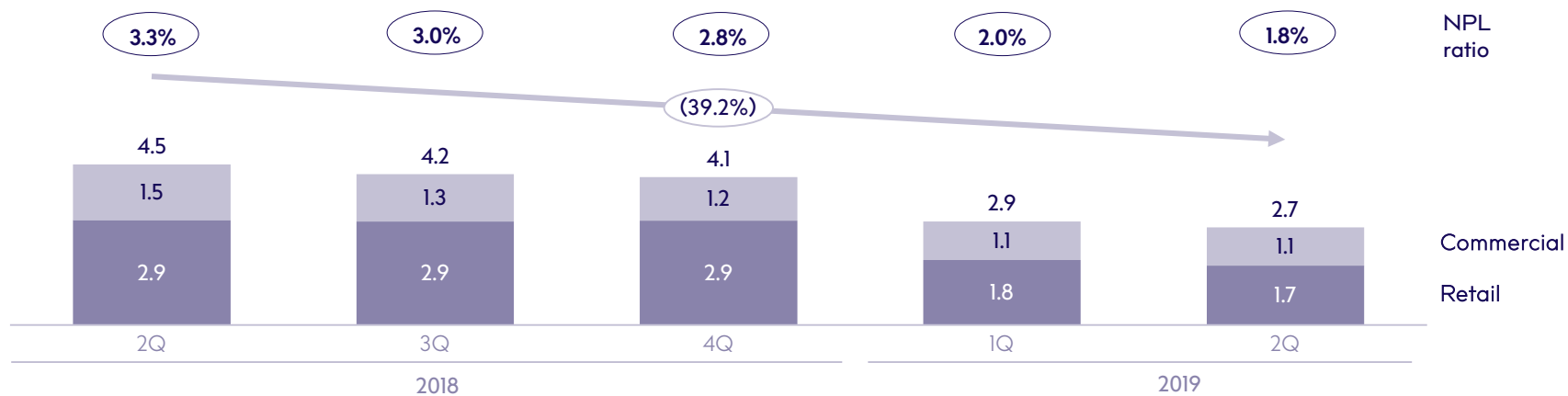
LOAN BOOK QUALITY OVERVIEW

NPL ratio at 1.8%, significantly below Czech banking average of 3.0% due to proactive NPL monetization

GROSS LOAN PORTFOLIO BALANCE (CZK bn)



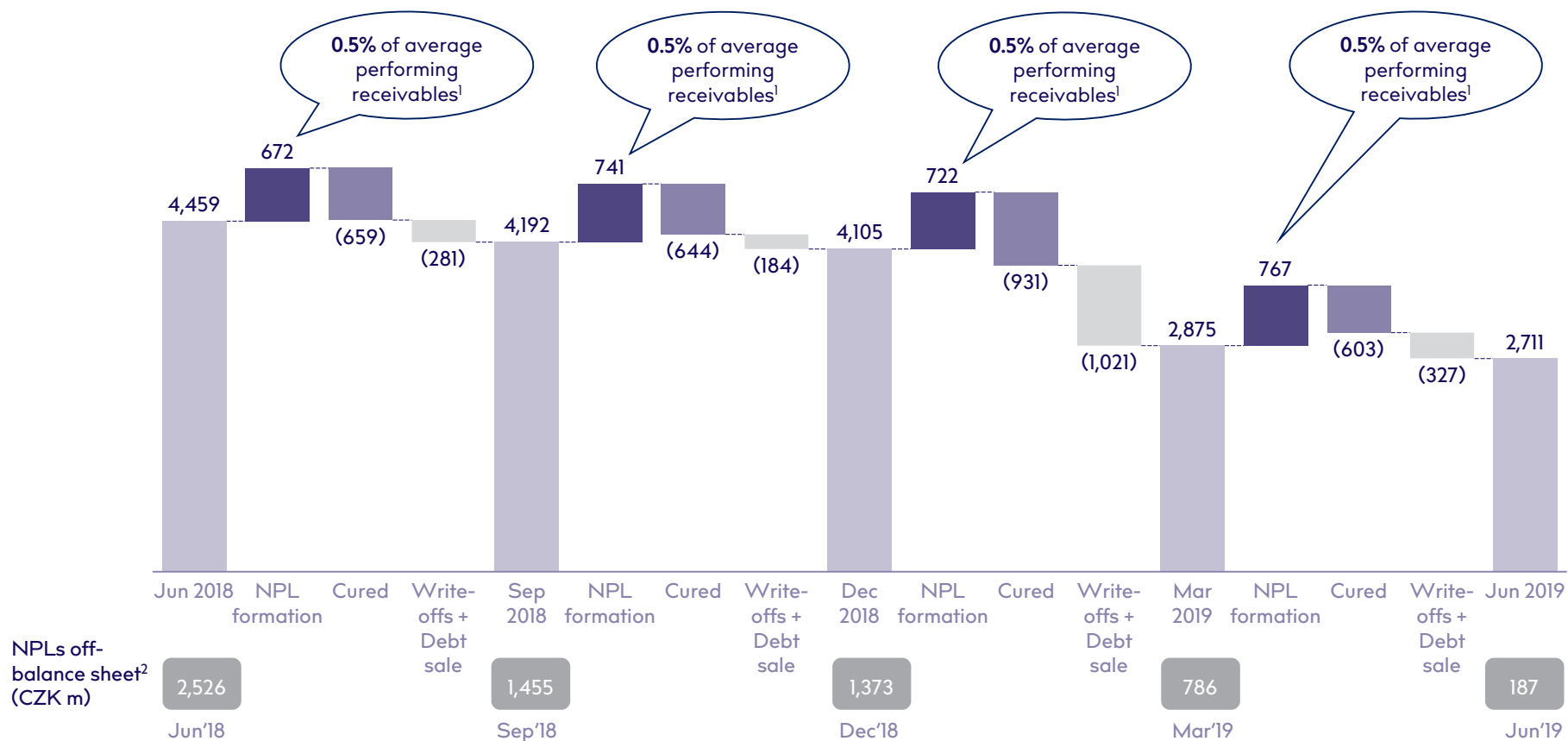
NPL DEVELOPMENT (CZK bn)



NON-PERFORMING LOAN DEVELOPMENT

NPL formation and cure rates remained broadly stable amid benign credit environment

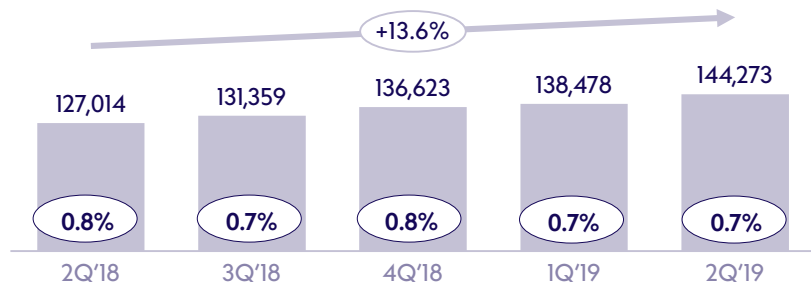
GROSS NPL WALK (CZK m)



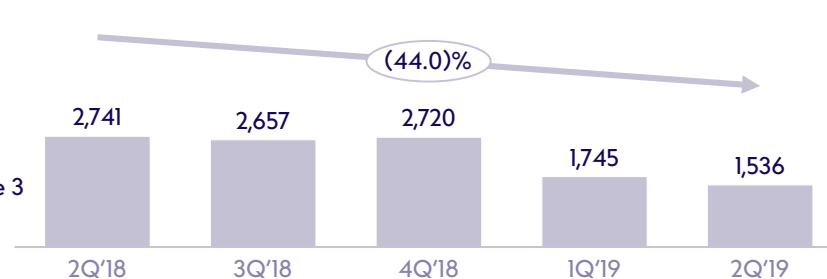
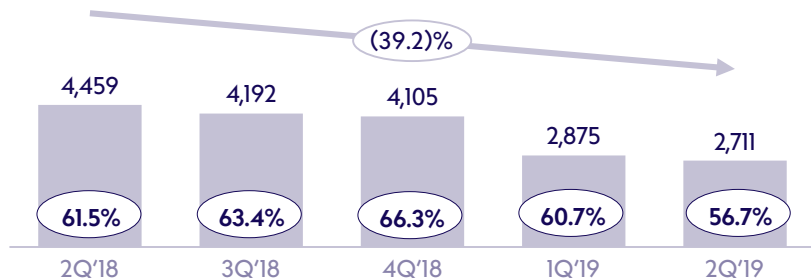
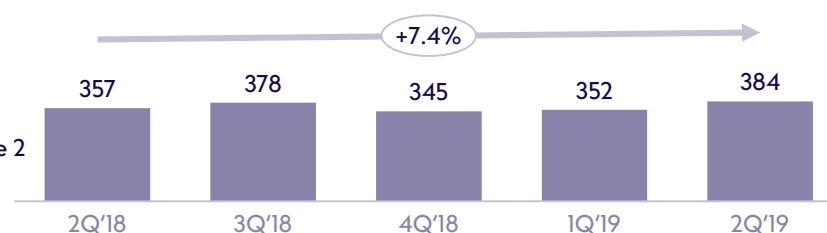
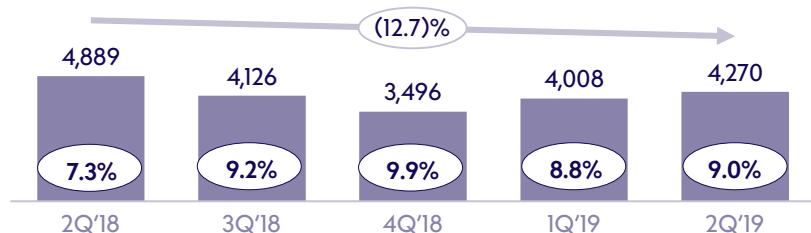
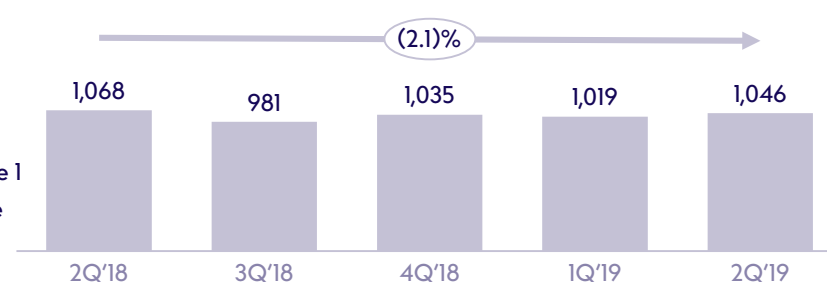
LOAN PORTFOLIO BALANCES, QUALITY AND COVERAGE

Portfolio growth supported by prudent provisioning and quantitative model-driven coverage

GROSS LOAN PORTFOLIO BALANCE (CZK m)



PORTFOLIO ALLOWANCES BALANCE (CZK m)



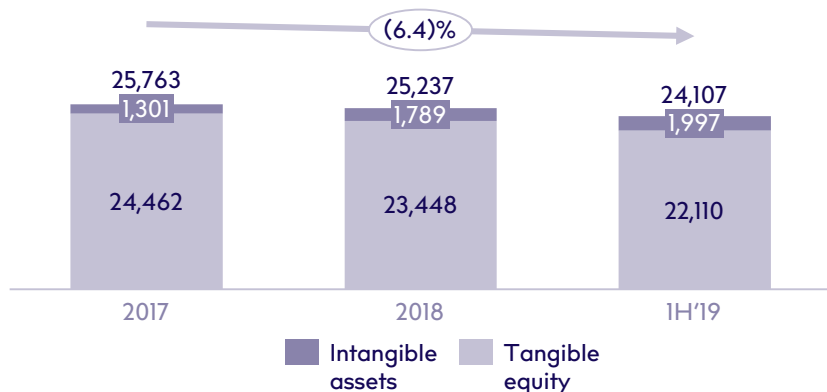
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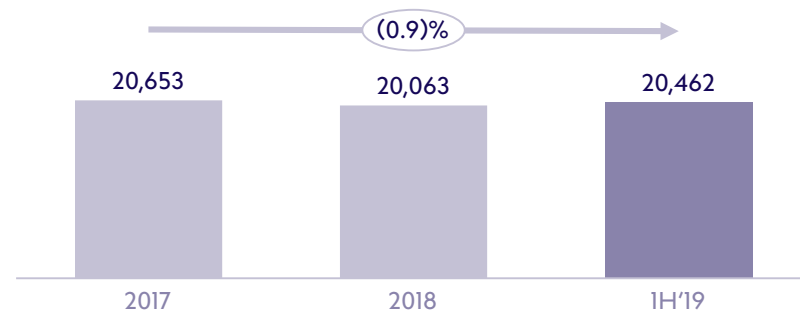
CAPITAL MANAGEMENT

Strong accounting and regulatory capital positions support both, growth and medium-term dividend strategy

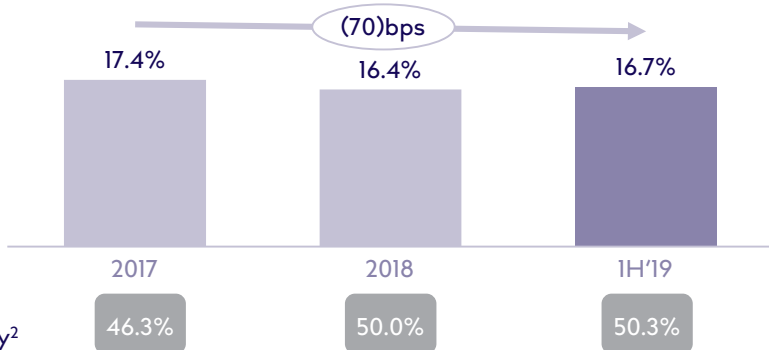
ACCOUNTING EQUITY (CZK m)



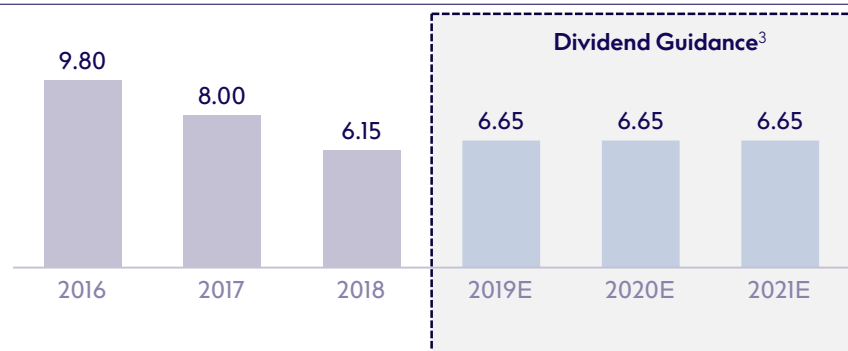
REGULATORY EQUITY (CZK m)



CAPITAL ADEQUACY RATIO¹



DIVIDEND PAY-OUT PER SHARE (CZK, before tax)



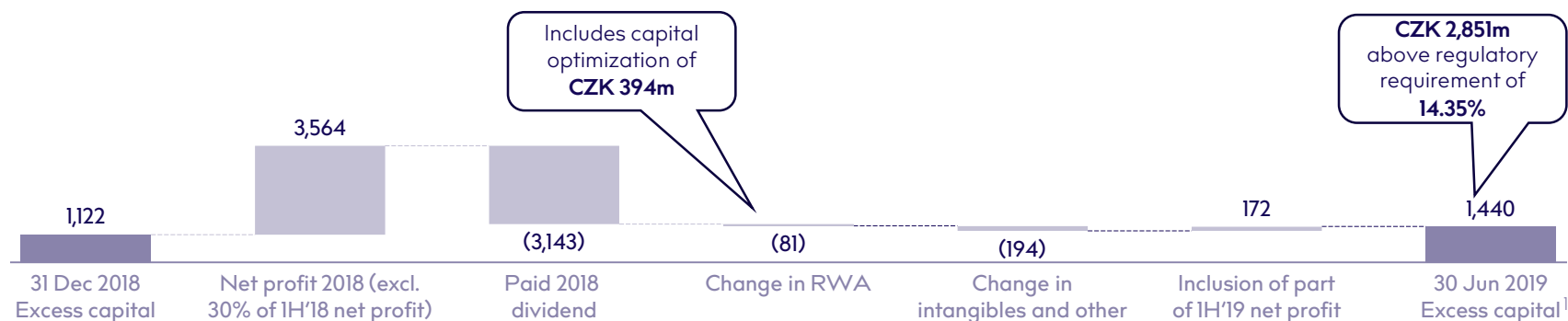
RWA density²

Note: (1) 2017 excluding net profit for 2017, 2018 including 1H2018 net profit of CZK 636m and 2019 including net profit for 2H2018 (CZK 421 million) and 1H2019 (CZK 172 million); (2) 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, 2017 was restated in line with new methodology; (3) Please see pages 66 and 67 at the end of this presentation for limitations of forward looking statement and their assumptions.

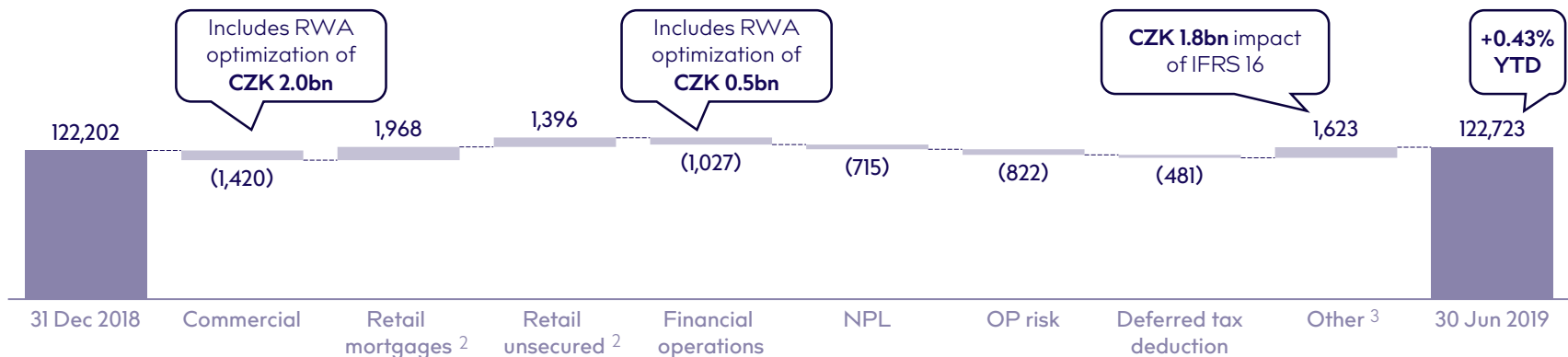
EXCESS CAPITAL OVERVIEW

Capital position strengthened through optimizations and retained profit inclusion, RWA increased by 0.4% while portfolio by 5.8%

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



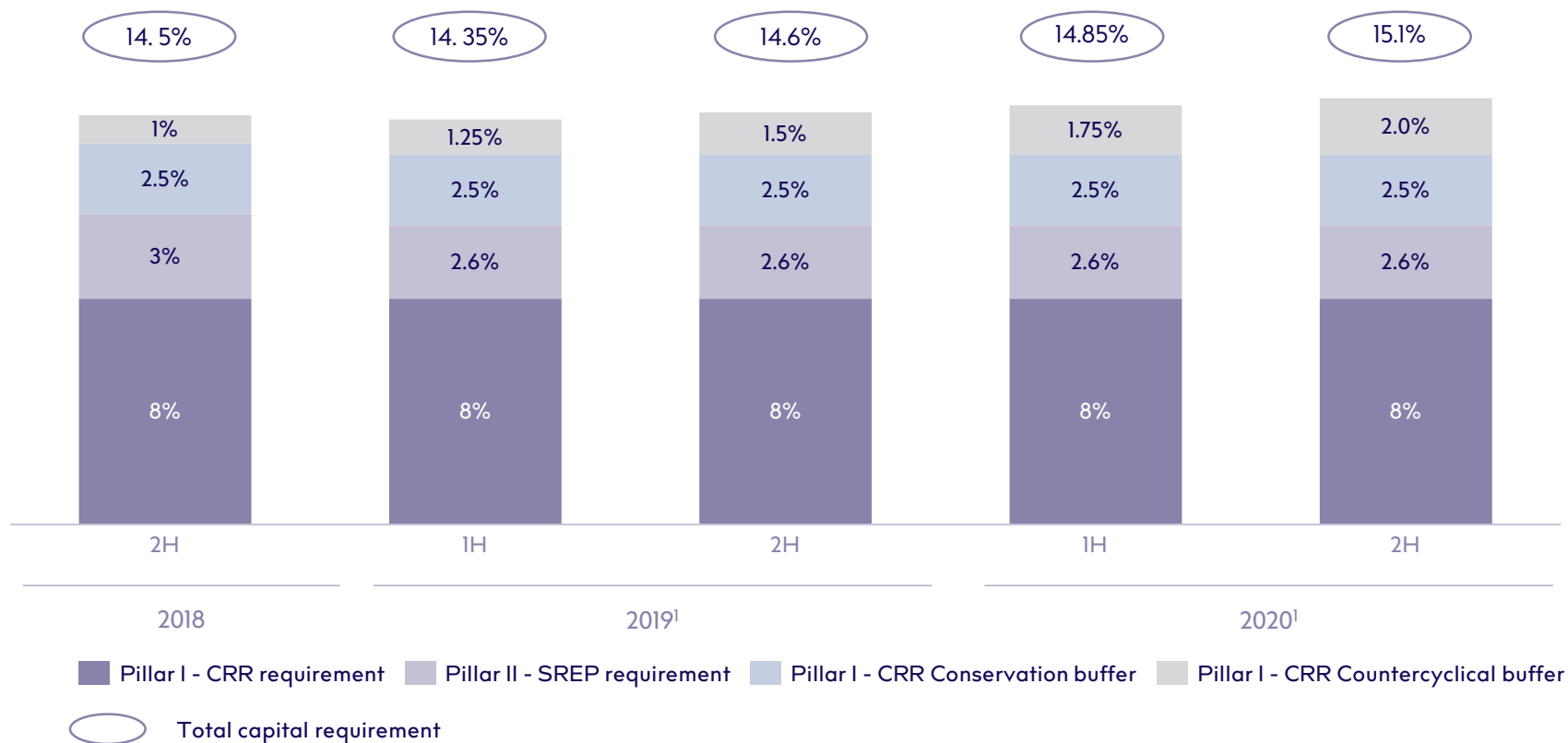
RISK WEIGHTED ASSETS (CZK m)



CAPITAL & REGULATORY REQUIREMENTS

MONETA confirms unchanged capital target¹ at 15.5%

DEVELOPMENT AND DECOMPOSITION OF REGULATORY CAPITAL REQUIREMENT



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MEDIUM TERM RESULTS GUIDANCE

Improving 2019 guidance amid benign credit risk environment and targeting to deliver net profit of CZK 3.8 billion

METRICS ¹	Revised 2019	2020	2021
TOTAL OPERATING INCOME (CZK)	≥10.3bn	≥11.0bn	≥11.6bn
COST BASE (CZK)	≤5.0bn	≤5.1bn	≤5.2bn
COST OF RISK² <i>Cost of Risk (excluding legacy NPL sales)²</i>	35 - 45bps 60 - 70bps	70 - 80bps	75 - 85bps
EFFECTIVE TAX RATE	~20%	~20%	~20%
CONSOLIDATED NET PROFIT (CZK)²	≥3.8bn	≥3.8bn	≥4.0bn
GROSS DIVIDEND PER SHARE (CZK)³	≥6.65	≥6.65	≥6.65
EARNINGS PER SHARE (CZK)	≥7.4	≥7.4	≥7.8
RETURN ON TANGIBLE EQUITY	≥16.0%	≥15.5%	≥15.5%

BASED ON OPERATING AND CAPITAL PLANS TARGETING **THREE YEAR CUMULATIVE DIVIDEND PAY-OUT OF AT MINIMUM CZK 10.2 BILLION** (CZK 6.65 GROSS PER SHARE FOR EACH OF 2019, 2020 AND 2021)³

AWARDS RECEIVED IN 2019

MONETA well recognised at Zlatá koruna and IEA 2019



**INTERNET
EFFECTIVENESS
AWARDS 2019**

- **Overall winner** – GRAND PRIX IEA 2019 (calling clients based on web interactions, no need for a lead)
- **1st place** – MOST EFFECTIVE ORDERING PARTY
- **2nd place** – CORPORATE WEB PORTALS (New web www.moneta.cz)
- **1st place** – MOBILE APPLICATIONS (Smart Banka – increase in sale of loans finished fully online)
- **1st place** – USAGE OF AI, ML OR AUTOMATIZATION (calling clients based on web interactions, no need for a lead)
- **1st place** – BANKING, INSURANCE AND FINANCE (calling clients based on web interactions, no need for a lead)
- **2nd place** – BANKING, INSURANCE AND FINANCE (Smart Banka – increase in sale of loans finished fully online)



**ZLATÁ KORUNA
AWARDS
2019**

SMART BANKA

- **2nd place** – PUBLIC AWARD (as the best financial product on the Czech market)
- **2nd place** – INNOVATION (first and only application with fully integrated solution of both platforms Apple Pay and Google Pay)
- **3rd place** – INNOVATION (for the first multibanking in the Czech Republic)
- **2nd place** – ONLINE APPLICATIONS (integrated solution Apple Pay & Google Pay, dark mode and most up to date malware protection)
- **2nd place** – PAYMENT CARDS (integrated solution Apple Pay & Google Pay and function for full control under payment cards and tokens usage)

RETAIL AND SMALL BUSINESS LOANS

- **2nd place** – SMALL BUSINESS LAONS (for the fully online loan for small business clients)
- **2nd place** – RETAIL LOANS (for the easy and quick fully online retail loan)



AWARDS RECEIVED IN 2018

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

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, 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 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

INVESTOR INTERACTION IN 3Q 2019

Management plans to participate in four investor conferences

HSBC 2019 Investor Forum

London

3 - 4 September 2019

CITI's GEM Conference

New York

5 September 2019

Bank of America Merrill Lynch Financials CEO Conference

London

24 -26 September 2019

J.P.Morgan Credit Emerging Markets Conference

London

27 September 2019

3Q 2019 Earnings

6 November 2019

INVESTOR RELATIONS

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*Bloomberg: MONET CP
ISIN: CZ0008040318*

*Reuters: MONET.PR
SEDOL: BD3CQ16*

Appendix

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

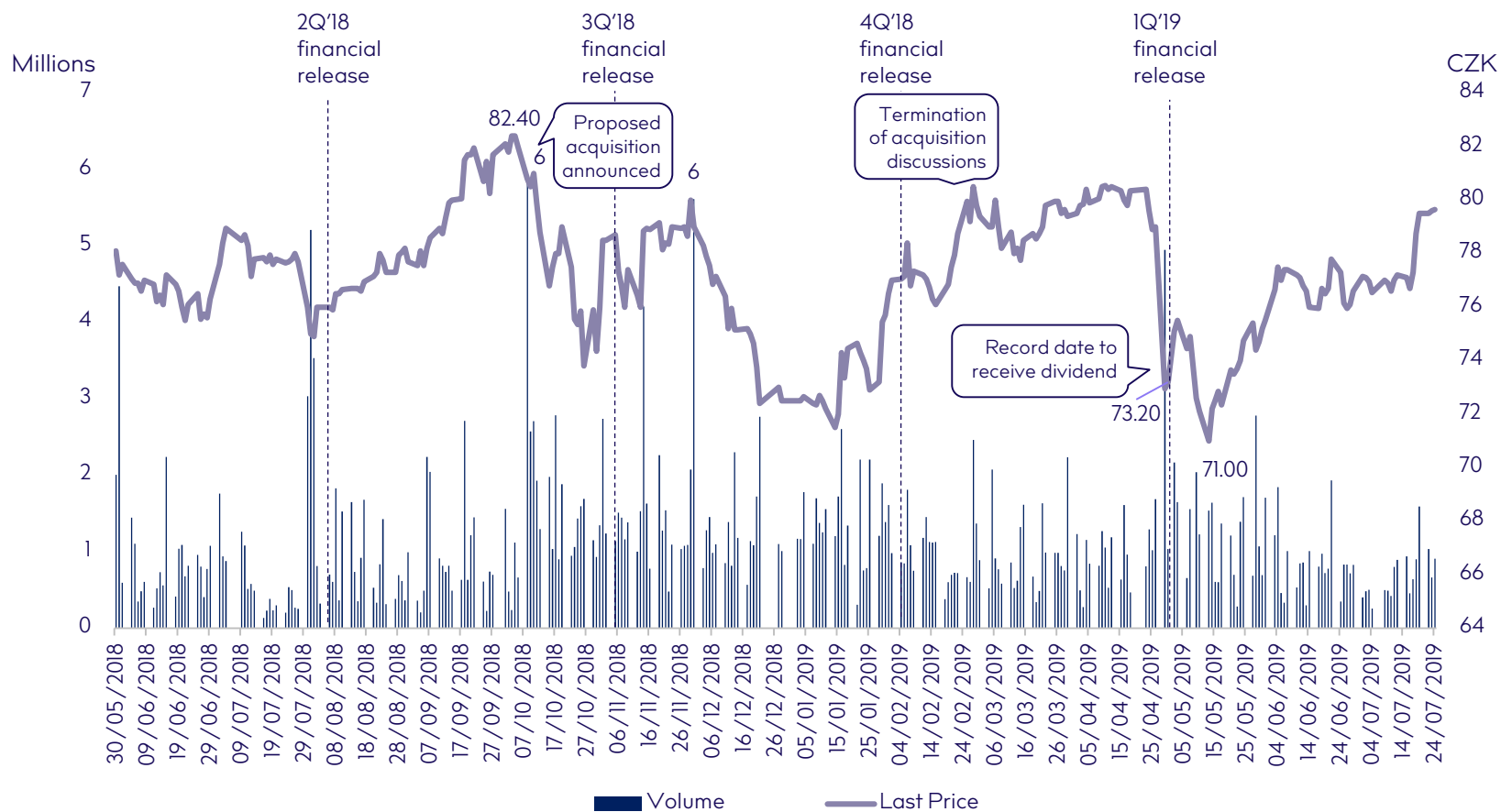
MONETA'S CREDIT RATING

Moody's has upgraded investment grade rating to A2/P-1 with stable outlook from Baa2/P-2, S&P rating reaffirmed

Rating Agency ¹	Long-term	Short-term	Outlook	Last report
Standard & Poor's	BBB	A/-2	Stable	19 March 2019
Moody's	A2	P/-1	Stable	7 June 2019

MARKET PRICE AND VOLUMES

The highest price at CZK 82.40; the lowest CZK 71.00



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CZK m	30/06/2019	31/12/2018 ¹	% Change
Cash and balances with the central bank	7,334	8,139	(9.9%)
Financial assets at fair value through profit or loss	0	0	(32.1%)
Derivative financial instruments with positive value	19	28	
Investment securities	21,834	20,780	
Financial assets - available for sale	0	0	5.1%
Financial assets - held to maturity	0	0	
Hedging derivatives with positive fair values	36	53	(32.1%)
Change in fair value of items hedged on portfolio basis	88	30	193.3%
Loans and receivables to banks	28,443	33,436	(14.9%)
Loans and receivables to customers	148,289	140,123	5.8%
Intangible assets	1,997	1,789	11.6%
Property and equipment	3,208	1,296	147.5%
Investments in subsidiaries and associates	3	2	50.0%
Current tax assets	28	16	75.0%
Deferred tax assets	0	127	(100.0%)
Other assets	672	1,113	(39.6%)
Total Assets	211,951	206,932	2.4%
Due to banks	8,353	10,716	(22.1%)
Due to customers	175,186	168,792	3.8%
Derivative financial instruments with negative value	99	44	125.0%
Hedging derivatives with negative fair values	292	167	74.9%
Provisions	246	261	(5.7%)
Current tax liability	38	107	(64.5%)
Deferred tax liability	249	177	40.7%
Other liabilities	3,381	1,431	136.3%
Total Liabilities	187,844	181,695	3.4%
Share capital	511	511	0.0%
Share premium	5,028	5,028	0.0%
Statutory reserve	102	102	0.0%
Share based payment reserve	(2)	(2)	0.0%
Retained earnings	18,468	19,598	(5.8%)
Total Equity	24,107	25,237	(4.5%)
Total Liabilities & Equity	211,951	206,932	2.4%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – QUARTERLY DEVELOPMENT

CZK m	30/06/2017 ¹	30/09/2017	31/12/2017 ²	31/03/2018	30/06/2018 ¹	30/09/2018	31/12/2018 ²	31/03/2019	30/06/2019
Cash and balances with the central bank	33,099	7,373	7,127	6,823	7,498	7,336	8,139	5,381	7,334
Financial assets at fair value through profit or loss	35	42	48	0	0	0	0	0	0
Derivative financial instruments with positive value	0	0	0	45	146	42	28	25	19
Investment securities	0	0	0	11,965	21,013	20,772	20,780	21,647	21,834
Financial assets - available for sale	5,340	55	57	0	0	0	0	0	0
Financial assets - held to maturity	0	8,996	11,723	0	0	0	0	0	0
Hedging derivatives with positive fair values	0	0	4	0	33	242	53	57	36
Change in fair value of items hedged on portfolio basis	0	0	(6)	58	(81)	(331)	30	(5)	88
Loans and receivables to banks	536	38,919	53,380	35,849	21,981	17,836	33,436	28,184	28,443
Loans and receivables to customers	117,491	119,900	123,680	126,261	132,196	135,661	140,123	142,245	148,289
Intangible assets	948	1,108	1,301	1,436	1,568	1,700	1,789	1,870	1,997
Property and equipment	657	677	871	874	1,069	1,210	1,296	3,305	3,208
Goodwill	104	104	0	0	0	0	0	0	0
Investments in subsidiaries and associates	2	2	2	3	3	2	2	3	3
Current tax assets	474	262	308	279	368	25	16	30	28
Deferred tax assets	612	449	386	339	217	148	127	0	0
Other assets	920	980	853	862	816	770	1,113	986	672
Total Assets	160,218	178,867	199,734	184,794	186,827	185,413	206,932	203,728	211,951
Due to banks	7,250	20,303	29,643	10,264	14,139	9,201	10,716	4,660	8,353
Due to customers	126,232	130,358	141,469	145,175	146,391	149,209	168,792	168,128	175,186
Financial liabilities – at fair value through profit or loss	39	41	68	0	0	0	0	0	0
Derivative financial instruments with negative value	0	0	0	37	51	34	44	16	99
Hedging derivatives with negative fair values	0	0	4	88	16	2	167	157	292
Provisions	265	267	364	333	285	260	261	241	246
Current tax liability	30	4	2	17	11	61	107	55	38
Deferred tax liability	250	244	267	254	251	238	177	237	249
Other liabilities	2,160	2,693	2,154	2,327	2,525	2,008	1,431	4,014	3,381
Total Liabilities	136,226	153,910	173,971	158,495	163,669	161,013	181,695	177,508	187,844
Share capital	511	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	5,028
Statutory reserve	102	102	102	102	102	102	102	102	102
Available for sale reserve	(100)	(59)	(57)	0	0	0	0	0	0
Reserve from revaluation of FVTOCI	0	0	0	0	0	0	0	0	0
Share based payment reserve	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retained earnings	18,453	19,377	20,181	20,660	17,519	18,761	19,598	20,581	18,468
Total Equity	23,992	24,957	25,763	26,299	23,158	24,400	25,237	26,220	24,107
Total Liabilities & Equity	160,218	178,867	199,734	184,794	186,827	185,413	206,932	203,728	211,951

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CZK m	IH 2019	IH 2018 ¹	% Change
Interest and similar income	4,262	3,747	13.7%
Interest expense and similar charges	(360)	(169)	113.0%
Net interest income	3,902	3,578	9.1%
Fee and commission income	1,097	1,069	2.6%
Fee and commission expense	(147)	(164)	(10.4%)
Net fee and commission income	950	905	5.0%
Dividend income	1	1	n/a
Net income from financial operations	273	186	46.8%
Other operating income	63	100	(37.0%)
Total operating income	5,189	4,770	8.8%
Personnel expenses	(1,125)	(1,172)	(4.0%)
Administrative expenses ²	(640)	(739)	(13.4%)
Depreciation and amortisation	(480)	(268)	79.1%
Regulatory charges	(139)	(89)	56.2%
Other operating expenses ²	(172)	(102)	68.6%
Total operating expenses	(2,556)	(2,370)	7.8%
Profit for the period before tax and net impairment of financial assets	2,633	2,400	9.7%
Net impairment of financial assets	(133)	151	(188.1%)
Profit for the period before tax	2,500	2,551	(2.0%)
Taxes on income	(488)	(430)	13.5%
Profit for the period after tax	2,012	2,121	(5.1%)
Total comprehensive income attributable to the equity holders	2,012	2,121	(5.1%)

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

CZK m	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
Interest and similar income	1,874	1,858	1,911	1,873	1,874	1,953	2,120	2,105	2,157
Interest expense and similar charges	(50)	(54)	(67)	(77)	(92)	(94)	(148)	(158)	(202)
Net interest income	1,824	1,804	1,844	1,796	1,782	1,859	1,972	1,947	1,955
Fee and commission income	539	561	589	519	550	531	591	522	575
Fee and commission expense	(79)	(87)	(48)	(74)	(90)	(84)	(51)	(56)	(91)
Net fee and commission income	460	474	541	445	460	447	540	466	484
Dividend income	0	0	0	0	1	1	1	1	0
Net income from financial operations	413	103	90	85	101	112	98	100	173
Other operating income	74	71	105	59	41	336	26	36	27
Total operating income	2,771	2,452	2,580	2,385	2,385	2,755	2,637	2,550	2,639
Personnel expenses	(612)	(610)	(672)	(593)	(579)	(571)	(581)	(546)	(579)
Administrative expenses ¹	(385)	(395)	(578)	(381)	(358)	(367)	(453)	(319)	(321)
Depreciation and amortisation	(86)	(112)	(132)	(127)	(141)	(160)	(182)	(246)	(234)
Regulatory charges	(10)	0	0	(89)	0	0	0	(139)	0
Other operating expenses ¹	(53)	(40)	(110)	(65)	(37)	3	(171)	(85)	(87)
Total operating expenses	(1,146)	(1,157)	(1,492)	(1,255)	(1,115)	(1,095)	(1,387)	(1,335)	(1,221)
Profit for the period before tax and net impairment of financial assets	1,625	1,295	1,088	1,130	1,270	1,660	1,250	1,215	1,418
Net impairment of financial assets	(181)	(140)	20	281	(130)	(151)	(274)	14	(147)
Goodwill Impairment	0	0	(104)	0	0	0	0	0	0
Profit for the period before tax	1,444	1,155	1,004	1,411	1,140	1,509	976	1,229	1,271
Taxes on income	(289)	(231)	(200)	(238)	(192)	(267)	(139)	(246)	(242)
Profit for the period after tax	1,155	924	804	1,173	948	1,242	837	983	1,029
Change in fair value of AFS investments recognised in OCI	26	52	2	0	0	0	0	0	0
Change in fair value of AFS investments recognised in P&L	(320)	0	0	0	0	0	0	0	0
Deferred tax	57	(11)	0	0	0	0	0	0	0
Other comprehensive income, net of tax	(237)	41	2	0	0	0	0	0	0
Total comprehensive income attributable to the equity holders	918	965	806	1,173	948	1,242	837	983	1,029

KEY PERFORMANCE RATIOS

	IH 2019	FY 2018	Change in bps
Profitability			
Yield (% Avg. Net Customer Loans)	5.3%	5.5%	(20)
Cost of Funds (% Avg Deposits and Loans) ¹	0.40%	0.23%	17
Cost of Funds on Core Customer Deposits (% Avg Deposits) ²	0.23%	0.18%	5
NIM (% Avg Int Earning Assets) ^{1,3,4}	3.8%	3.7%	10
Cost of Risk (% Avg Net Customer Loans)	0.18%	0.21%	(3)
Risk-adj. yield (% Avg Net Customer Loans)	5.1%	5.3%	(20)
Net Fee & Commission Income / Operating Income (%)	18.3%	18.6%	(30)
Net Non-Interest Income / Operating Income (%)	24.8%	27.1%	(230)
Cost to Income Ratio	49.3%	47.7%	160
RoTE	18.2%	17.9%	30
RoE	16.7%	16.6%	10
RoAA ¹	1.9%	2.1%	(20)
Liquidity / Leverage			
Loan to Deposit ratio ¹	84.6%	83.0%	160
Total Equity / Total Assets ¹	11.4%	12.2%	(80)
Liquid Assets ¹³ / Total Assets ¹	27.2%	30.1%	(290)
Capital Adequacy			
RWA density ⁵	50.3%	50.0%	30
CAR (%)	16.7%	16.4%	30
Tier 1 ratio (%)	16.7%	16.4%	30
Asset Quality			
Non-performing Loan Ratio (%)	1.8%	2.8%	(101)
Core Non-performing Loan Coverage (%)	56.7%	66.3%	(965)
Total NPL Coverage (%)	109.4%	99.9%	949

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) Repo transactions with banks and customers which are closed on back-to-back basis by reverse repo transactions with CNB are not included; (3) Interest earning assets include encumbered assets of CZK 15.4bn in liquid assets as at 30 June 2019 (CZK 7.8bn as at 31 December 2018) and CZK 1.6bn in Loans to customers as at 30 June 2019 (CZK 1.4bn as at 31 December 2018); (4) Hedging derivatives are excluded from calculation of interest earning assets; (5) 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	1Q 2019	2Q 2019
Profitability										
Yield (% Avg. Net Customer Loans)	6.8%	6.4%	6.2%	6.0%	5.7%	5.5%	5.5%	5.5%	5.3%	5.3%
Cost of Funds (% Avg Deposits and Loans) ¹	0.15%	0.15%	0.15%	0.17%	0.19%	0.23%	0.24%	0.35%	0.36%	0.45%
Cost of Funds on Core Customer Deposits (% Avg Deposits) ²	0.16%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%	0.22%	0.22%	0.24%
NIM (% Avg Int Earning Assets) ^{1,3,4}	5.1%	4.7%	4.3%	4.0%	3.8%	3.9%	4.1%	4.1%	3.9%	3.9%
Cost of Risk (% Avg Net Customer Loans)	0.28%	0.63%	0.47%	(0.07%)	(0.90%)	0.40%	0.45%	0.79%	(0.04)%	0.40%
Risk-adj. yield (% Avg Net Customer Loans)	6.5%	5.8%	5.7%	6.0%	6.6%	5.1%	5.0%	4.7%	5.3%	4.9%
Net Fee & Commission Income / Operating Income (%)	18.1%	16.6%	19.3%	21.0%	18.7%	19.3%	16.2%	20.5%	18.3%	18.3%
Net Non-Interest Income / Operating Income (%)	25.3%	34.2%	26.4%	28.5%	24.7%	25.3%	32.5%	25.2%	23.6%	25.9%
Cost to Income Ratio	45.5%	41.4%	47.2%	57.8%	52.6%	46.8%	39.7%	52.6%	52.4%	46.3%
RoTE	15.3%	20.1%	15.6%	13.1%	18.9%	17.6%	21.9%	14.3%	16.1%	18.6%
RoE	14.8%	19.3%	14.8%	12.5%	17.8%	16.4%	20.4%	13.3%	15.0%	17.1%
RoAA ¹	2.7%	2.9%	2.2%	1.7%	2.4%	2.0%	2.7%	1.7%	1.9%	2.0%
Liquidity / Leverage										
Loan to Deposit ratio ¹	94.4%	93.1%	92.0%	87.4%	87.0%	90.3%	90.9%	83.0%	84.6%	84.6%
Total Equity / Total Assets ¹	18.0%	15.0%	14.0%	12.9%	14.2%	12.4%	13.2%	12.2%	12.9%	11.4%
Liquid Assets ^{1,3} / Total Assets ¹	25.3%	24.3%	30.9%	36.2%	29.6%	27.0%	24.8%	30.1%	27.1%	27.2%
Capital Adequacy										
RWA Density ⁵	62.5%	61.6%	53.0%	46.3%	54.3%	53.3%	54.2%	50.0%	51.9%	50.3%
CAR (%)	19.9%	18.4%	18.1%	17.4%	16.6%	16.0%	16.6%	16.4%	17.0%	16.7%
Tier I ratio (%)	19.9%	18.4%	18.1%	17.4%	16.6%	16.0%	16.6%	16.4%	17.0%	16.7%
Asset Quality										
Non-performing Loan Ratio (%)	5.6%	5.0%	4.4%	4.1%	3.7%	3.3%	3.0%	2.8%	2.0%	1.8%
Core NPL Coverage (%)	69.7%	69.3%	68.1%	64.1%	65.3%	61.5%	63.4%	66.3%	60.7%	56.7%
Total NPL Coverage (%)	81.7%	81.6%	81.1%	77.0%	93.0%	93.4%	95.8%	99.9%	108.4%	109.4%

Note: (1) Including opportunistic repo operations; (2) Excluding opportunistic repo operations; (3) Interest earning assets include encumbered assets; (4) As of Q1 2018, hedging derivatives are excluded from calculation of interest earning assets; (5) 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.

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**"). The forward looking statements assume a purely organic growth without regard to any potential acquisition.
- 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 that such matters 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 67.

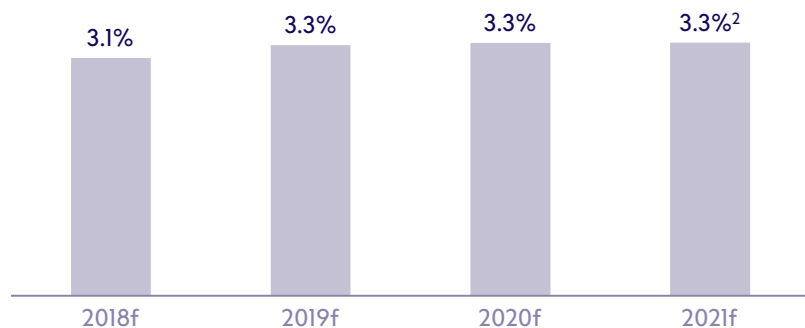
Dividend guidance

- In addition to the limitations of forward-looking statements stated above, provided dividend guidance in this presentation is subject to corporate, regulatory and regulator's limitations and approval of the relevant Annual General Meeting. The dividend guidance assumes purely organic growth without any potential acquisition and the ability to maintain capital adequacy ratio target at 15.5%. In addition, dividend guidance is subject to actual results of the Group in the years 2019 – 2021.

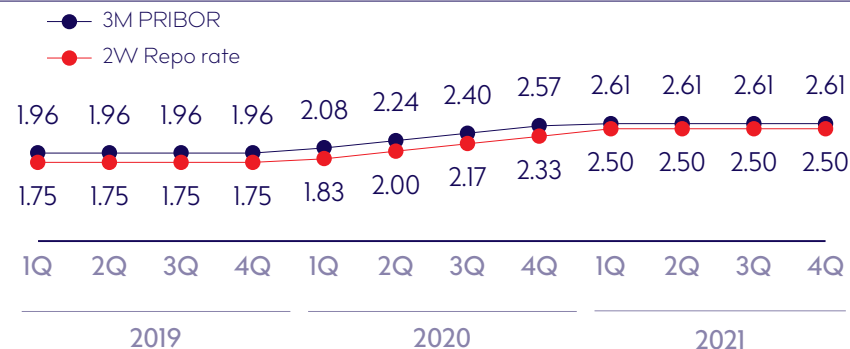
MATERIAL ASSUMPTIONS FOR MEDIUM TERM GUIDANCE

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

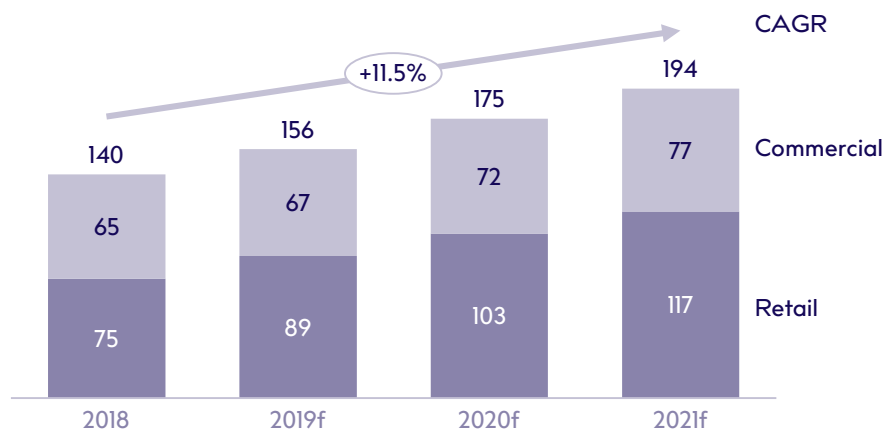
GDP OUTLOOK¹



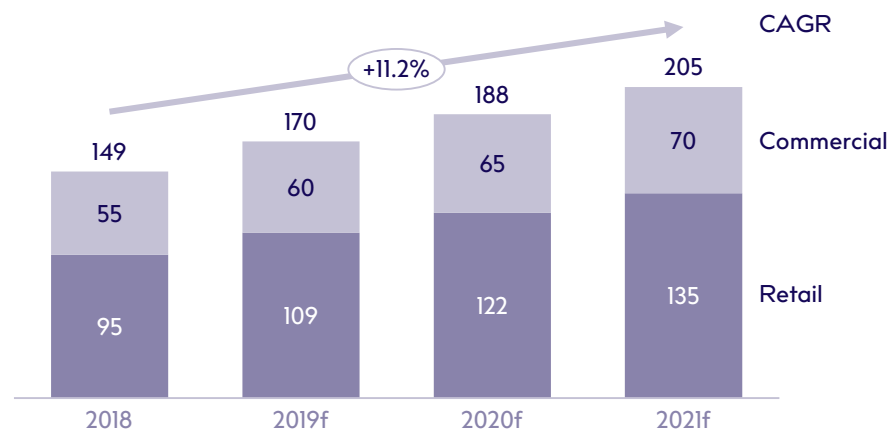
MONETA'S INTEREST RATES PROJECTION³(%)



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



MONETA'S DEPOSITS DEVELOPMENT (CZK bn)



BRANCH NETWORK

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

We have reduced the branch network from **202** to **192** locations in 1H 2019 and further invested in refurbishment and digitalization of key locations



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 cost of funds, core cost of funds, incremental RoE, net interest margin / NIM, net non-interest income, return on average assets, yield / loan portfolio yield, cost to income ratio, tangible equity, excess capital, core cost of risk, cost of risk, risk adjusted yield, risk adjusted operating income, loan to deposit ratio, total NPL coverage, NPL / Non-performing loans, NPL ratio, RWA density, new production / new volume, Effective Tax Rate. 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 the Group's performance, and (ii) provide to investors further basis, along with IFRS measures, for measuring 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.
- Definition of other alternative performance measures is provided in Glossary section.

GLOSSARY (1/3)

AFS	Available for sale
AGM	Annual General Meeting
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
Bank	MONETA Money Bank, a.s.
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
CAGR	Compound Annual Growth Rate
CAPEX	Capital expenditure
CAR / Capital Adequacy Ratio	Ratio calculated as regulatory capital as a percentage of risk-weighted assets
CNB	Czech National Bank
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
Cost of Funds on Core Customer Deposits (% Avg Deposits) / 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

Core Cost of Risk or Core CoR	Net impairment of financial assets for the period divided by average balance of net loans to customers excluding gain from monetization of NPLs since 2018 based on IFRS 9. If Core Cost of Risk shown in CZK then it corresponds to „Net impairment of financial assets“ without impact of NPL sales.
CoR or Cost of Risk or Cost of Risk (% Avg Net Customer Loans)	Net impairment of financial assets divided by average balance of net loans to customers since 2018 based on IFRS9. If Cost of Risk shown in CZK then it corresponds to „Net impairment of financial assets“.
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) 10.6% total SREP capital ratio (b) 2.5% conservation buffer (c) 1.25% countercyclical buffer and (d) 1.15% 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 Office (CZSO) on a monthly basis in accordance with Article 15 of Czech Act No. 518/2004. The figures reported to CZSO 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	The Bank and its subsidiaries.
Gross performing loans	Performing loans and receivables to customers as determined in accordance with the MONETA's loan receivables categorization rules (Standard)
H	Half year
IFRS	International Financial Reporting Standards
Incremental RoE	Risk adjusted operating income on lending portfolio after tax (based on Cost of Risk excluding gain on debt sale and using average bank's cost of funds as interest expense) divided by internally allocated equity to the specific product, product group or segment. SME incremental RoE includes Investment loans and Working capital.
ISRE 2410	International Standard on Review Engagements 2410
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/th	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 Labor and Social Affairs
MONETA	MONETA has the same meaning as the Group
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
New volume yield / New production yield	Instalment products: model output of yield expected to be generated on newly originated loans based on inputs combining actual contractual terms and expected behavior of the loan for the specific type of the loan product. Revolving products (credit cards and working capital): weighted average of contractual rate on newly originated loans (credit limit)
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

GLOSSARY (3/3)

Portfolio yield	Please refer to definition of yield
PSD2	Payment services directive 2 = The Payment Services Directive 2 is an EU Directive 2015/2366, 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)
Q	Quarter
QoQ	Quarter-to-quarter
Reported RoTE / RoTE	Return on tangible equity calculated as annualized profit after tax for the period divided by tangible equity
Return on average assets or RoAA	Return on average assets calculated as annualized 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
Risk Adjusted Yield or Risk Adjusted Yield (% Avg Net Customer Loans)	Interest and similar income from loans to customers less net impairment of loans and receivables divided by average balance of net loans to customers.
Return on Equity or RoE	Return on equity calculated as annualized profit after tax for the period divided by total equity
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).
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 1 Capital Ratio	Tier 1 Capital as a percentage of risk weighted assets
Tier 2 Capital, T2	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)
Y	Year
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

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