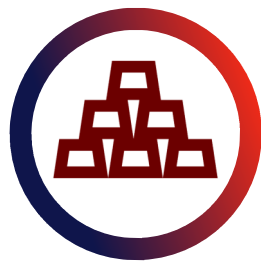


# 3Q 2019 Results

Published on 6 November 2019 at 07:00 CET

According to IFRS, Consolidated, Unaudited

# 2019 PROPOSALS TO SHAREHOLDERS



2019 INTERIM DIVIDEND

**CZK 1.7 billion<sup>1</sup>**  
**CZK 3.30 per share<sup>1</sup>**



SHARE BUY BACK

**up to 11 million shares**  
**up to CZK 1 billion**

The Management Board will propose to shareholders 2019 interim dividend and share buy back at the General Meeting on **26 November 2019**

# 3Q 2019 HIGHLIGHTS



LENDING  
GROWTH<sup>1</sup>

**+12.5% YoY**

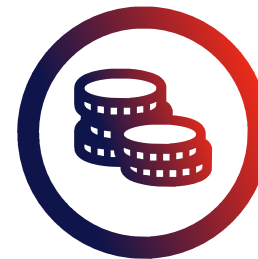
Outperforming  
guidance



3Q'19 YtD  
NET PROFIT

**CZK 3.1 billion**

Outperforming  
guidance



RECURRING  
PROFITABILITY<sup>2</sup>

**+13.3% YoY**

Growth continued  
in 3Q 2019



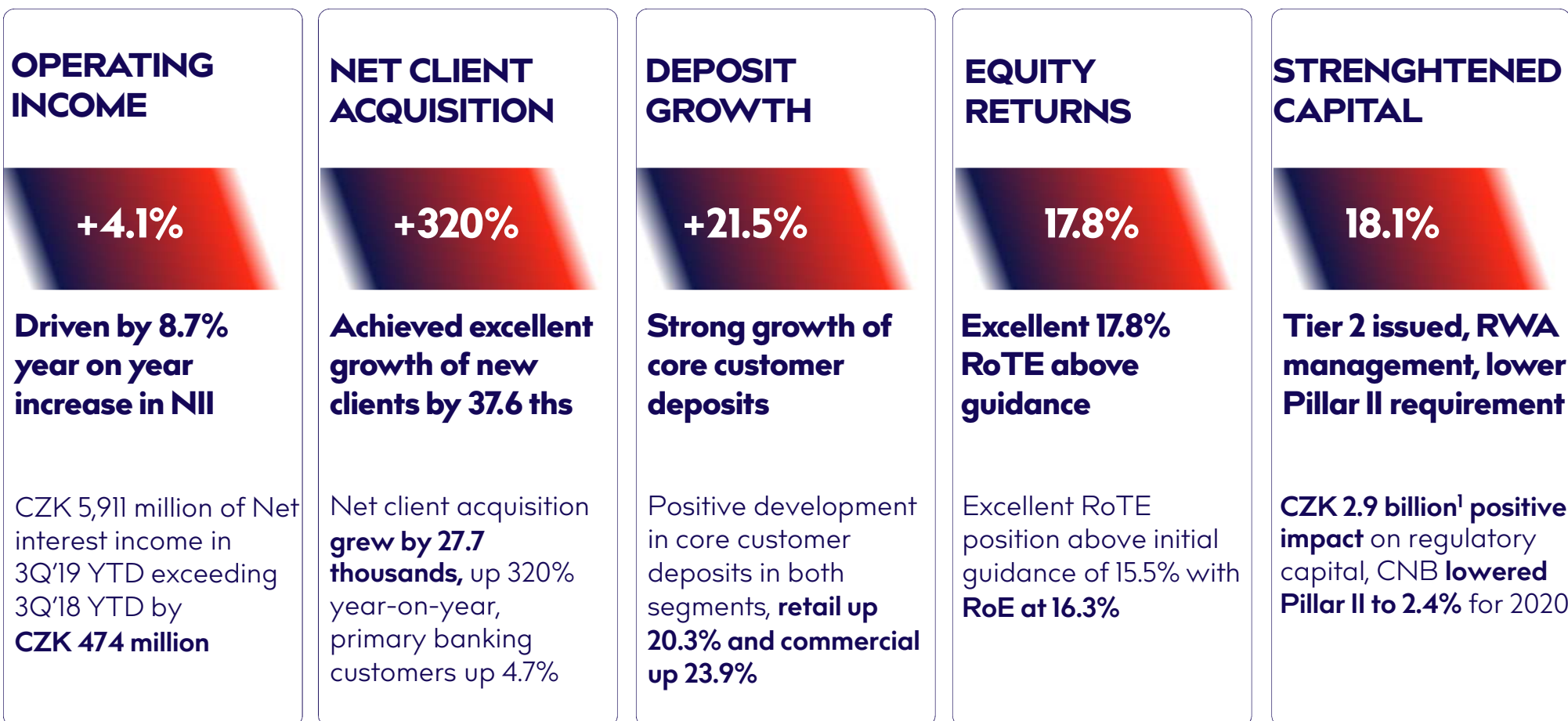
LOWER CAPITAL  
REQUIREMENT

**(20bps)**

Pillar II lowered  
to 2.4% for 2020

## KEY DEVELOPMENTS IN 3Q 2019

Continued strong operating performance, accompanied by improved client acquisition, strong deposit growth, capital requirement further lowered by CNB



Note: (1) Out of CZK 2.9 billion, CZK 2 billion from Tier 2 bonds issuance, CZK 573 million from RWA optimization and CZK 307 million from inclusion of part of profit for nine months of 2019.

## KEY FINANCIAL METRICS

Strong profitability, supported by operating income growth and better than expected Cost of Risk

		3Q'18 YtD	3Q'19 YtD
PROFITABILITY	TOTAL OPERATING INCOME (CZK m)	7,525	<b>7,834</b>
	NET PROFIT (CZK m)	3,363	<b>3,070</b>
	RETURN ON TANGIBLE EQUITY	19.8%	<b>17.8%</b>
LOANS & DEPOSITS	NET CUSTOMER LOANS (CZK bn)	135.7	<b>152.4</b>
	CORE CUSTOMER DEPOSITS (CZK bn)	142.2	<b>172.8</b>
ASSET QUALITY	COST OF RISK	0bps	<b>27bps</b>
	CORE COST OF RISK	68bps	<b>56bps</b>
	NPL RATIO	3.0%	<b>1.9%</b>
LIQUIDITY	LOAN TO DEPOSIT RATIO	90.9%	<b>79.2%</b>
	LIQUIDITY COVERAGE RATIO	132.5%	<b>195.1%</b>
	REGULATORY LEVERAGE	9.0%	<b>8.0%</b>
CAPITAL	TOTAL CAPITAL ADEQUACY RATIO	16.6%	<b>18.1%</b>
	RISK WEIGHTED ASSETS (CZK bn)	121.5	<b>123.8</b>

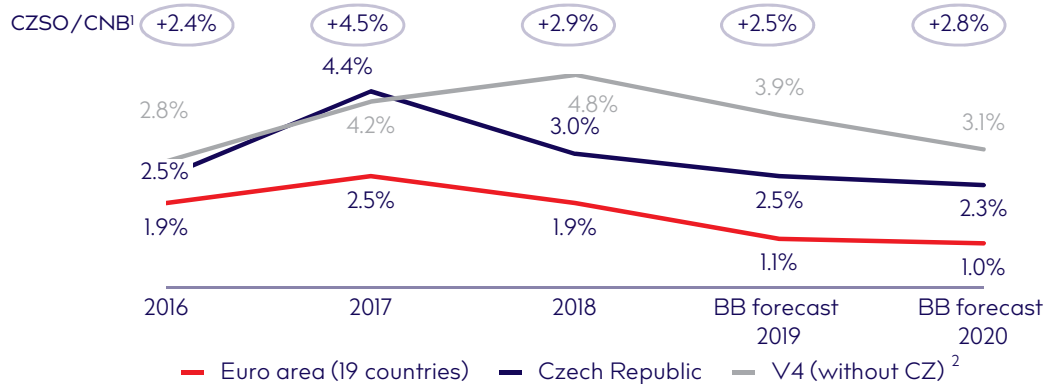
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# MACROECONOMIC ENVIRONMENT

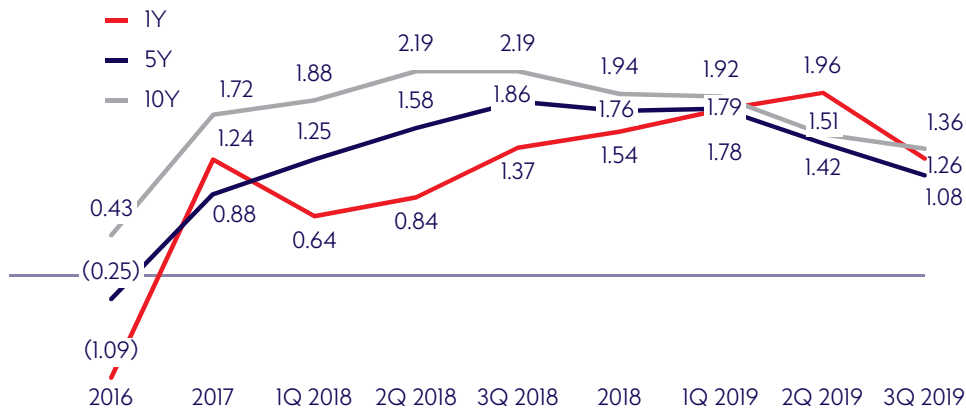
## Solid macroeconomic environment, Czech Republic received upgraded rating from Moody's to Aa3 from A1

### STRONG GDP OUTLOOK



Czech Republic Country Rating<sup>3</sup>: Aa3/AA-/AA-. Outlook Positive/Stable/Stable

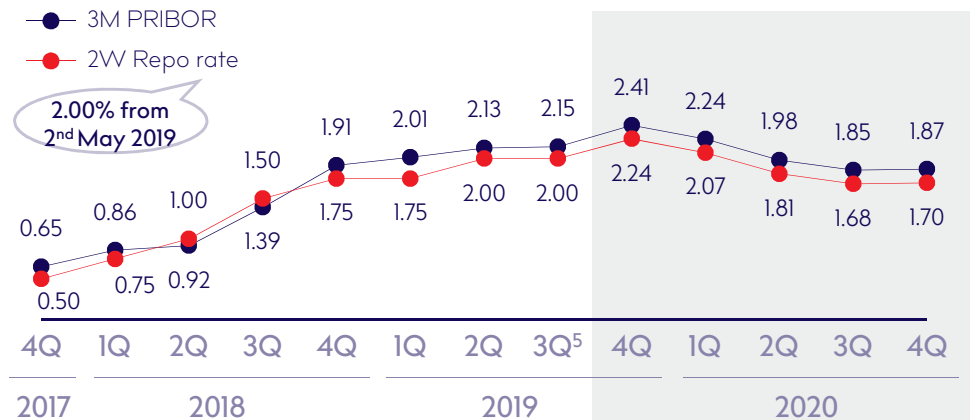
### GOVERNMENT BONDS YIELDS (%)



### KEY MACROECONOMIC INDICATORS

INDICATOR	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19
Export <sup>4</sup>	1.7%	5.5%	7.7%	4.0%	3.9%	n/a
Industrial production	2.4%	3.7%	2.0%	0.3%	1.0%	n/a
EUR/CZK	25.6	25.7	25.9	25.7	25.7	25.7
Banks' NPL ratio	3.4%	3.3%	3.3%	3.2%	3.0%	2.8%
Inflation	2.3%	2.3%	2.1%	2.3%	2.5%	2.6%
Unemployment	3.1%	3.0%	2.9%	3.2%	2.7%	2.7%
Wage inflation	8.1%	7.9%	6.5%	7.5%	7.2%	n/a

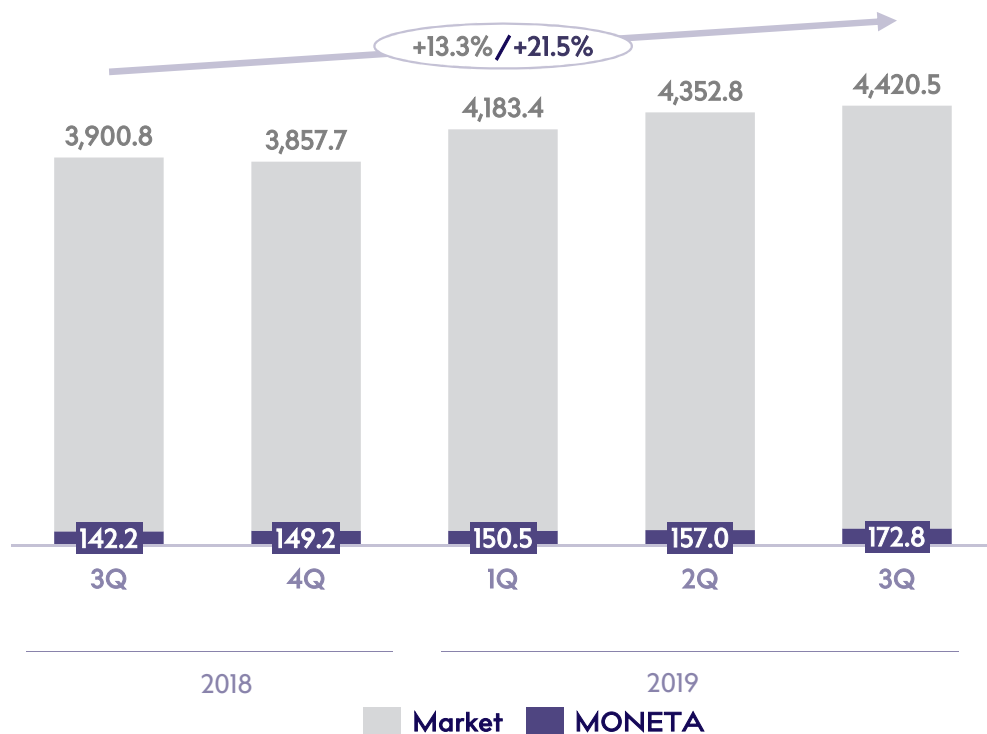
### INTEREST RATE ACTUALS AND FORECAST (%)



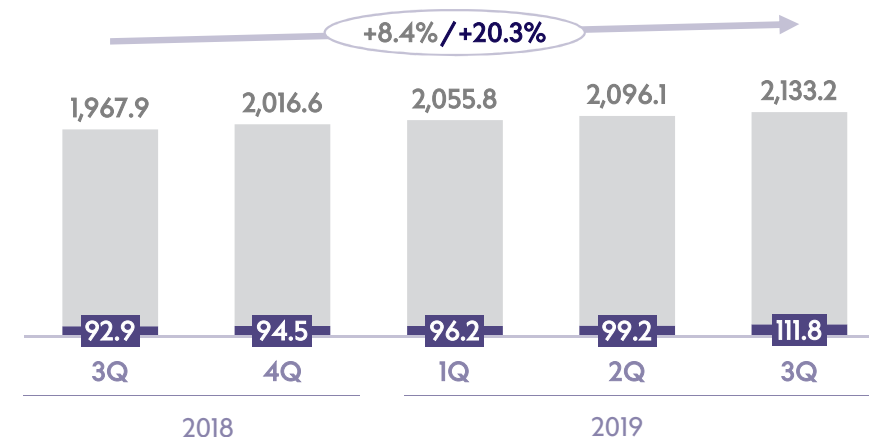
# CZECH DEPOSIT MARKET

## MONETA significantly outperformed deposit market growth in both retail and commercial segment

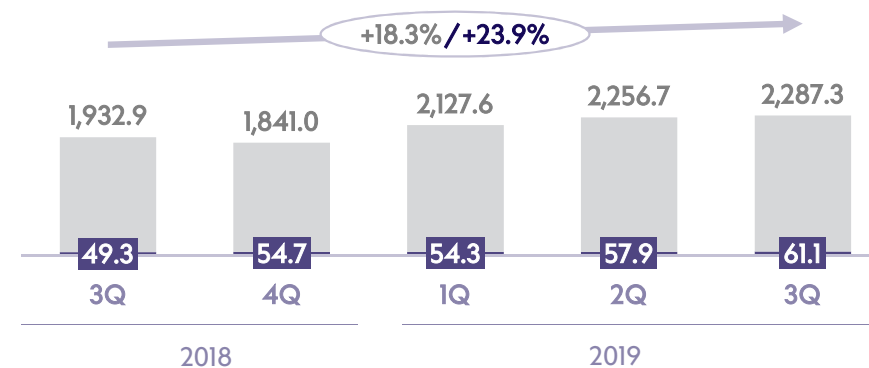
DEPOSIT MARKET (CZK bn)



RETAIL DEPOSITS (CZK bn)



COMMERCIAL DEPOSITS (CZK bn)

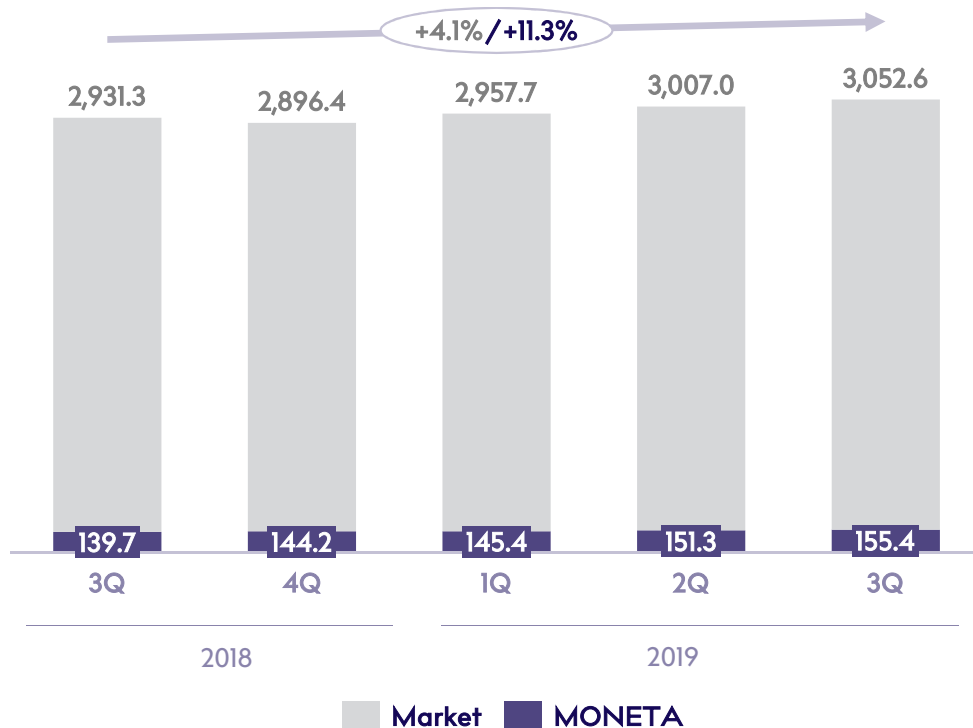




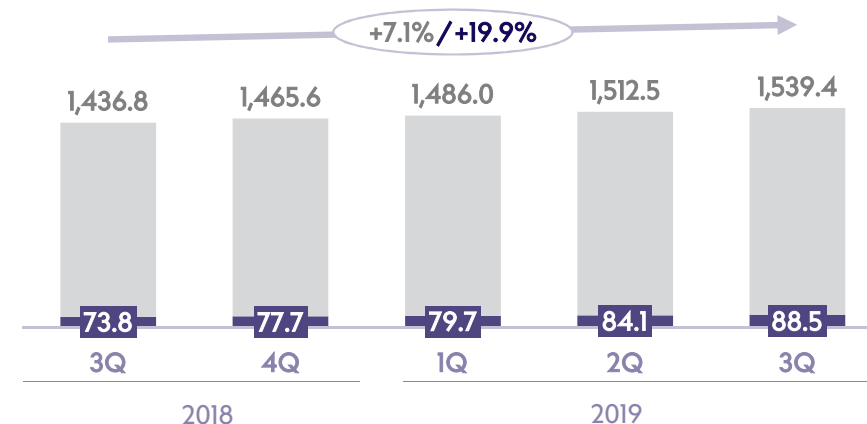
# CZECH LENDING MARKET

MONETA substantially outperformed lending market growth, mainly in retail segment accompanied with slight increase in commercial segment

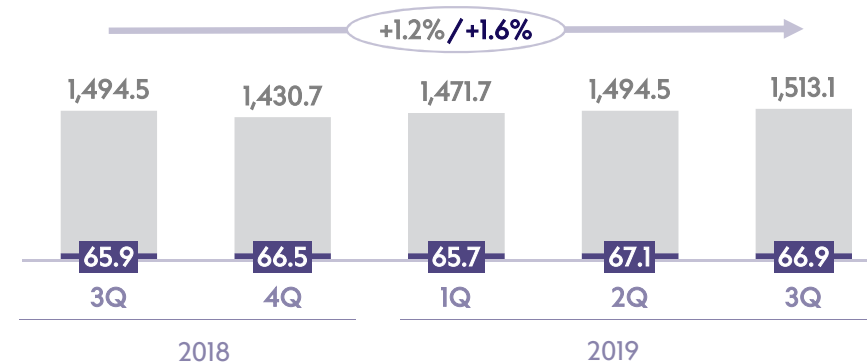
LENDING MARKET - GROSS LOANS (CZK bn)



RETAIL GROSS LOANS (CZK bn)



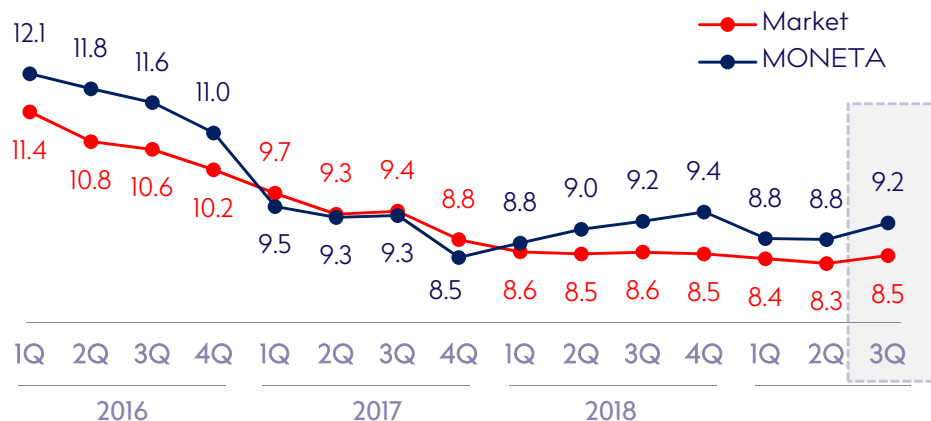
COMMERCIAL GROSS LOANS (CZK bn)



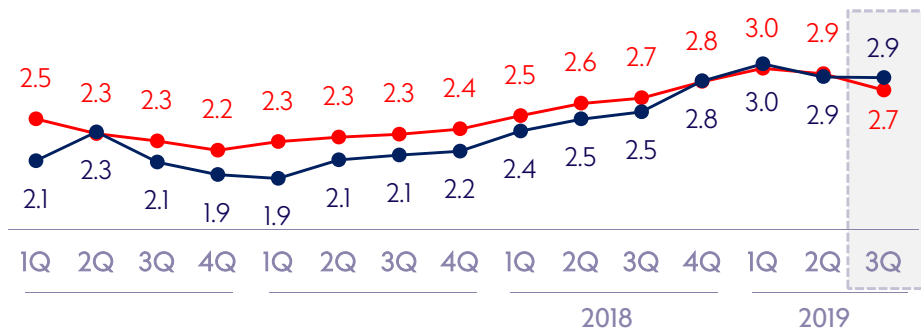
# PRICING EVOLUTION IN THE CZECH BANKING MARKET

## MONETA continued to operate at pricing premium in retail unsecured market and incurred higher costs of retail deposits due to aggressive promotional campaign on saving accounts

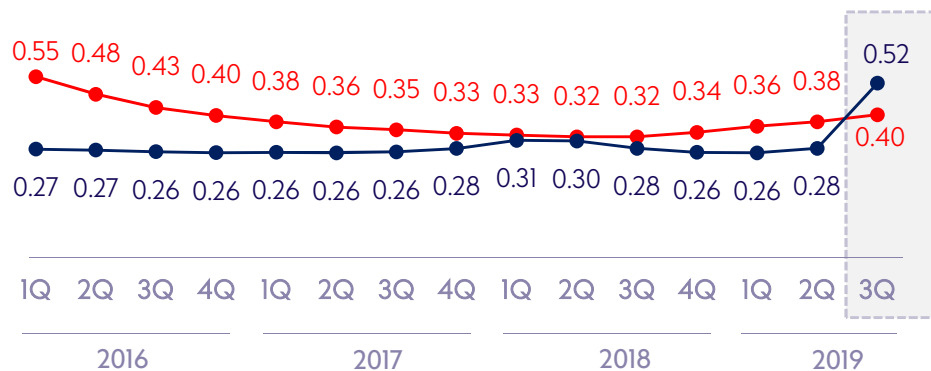
NEW VOLUME PRICING OF CONSUMER LOANS<sup>1</sup> (%)



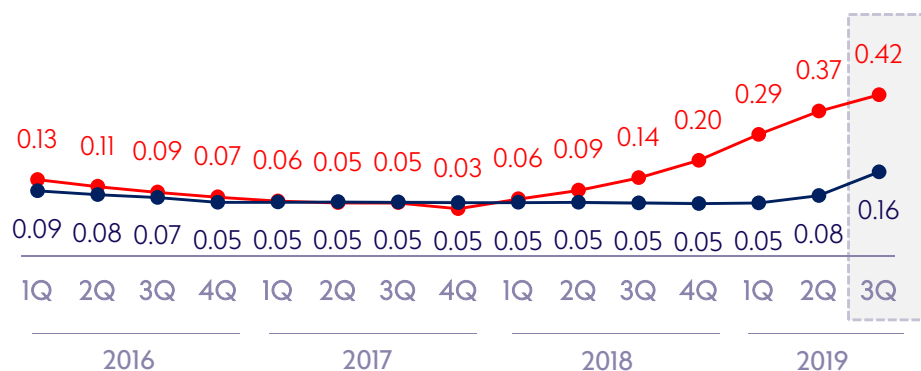
NEW VOLUME PRICING OF MORTGAGE LOANS<sup>2</sup> (%)



RETAIL DEPOSIT PRICING<sup>3</sup> (%)



COMMERCIAL DEPOSIT PRICING<sup>3</sup> (%)

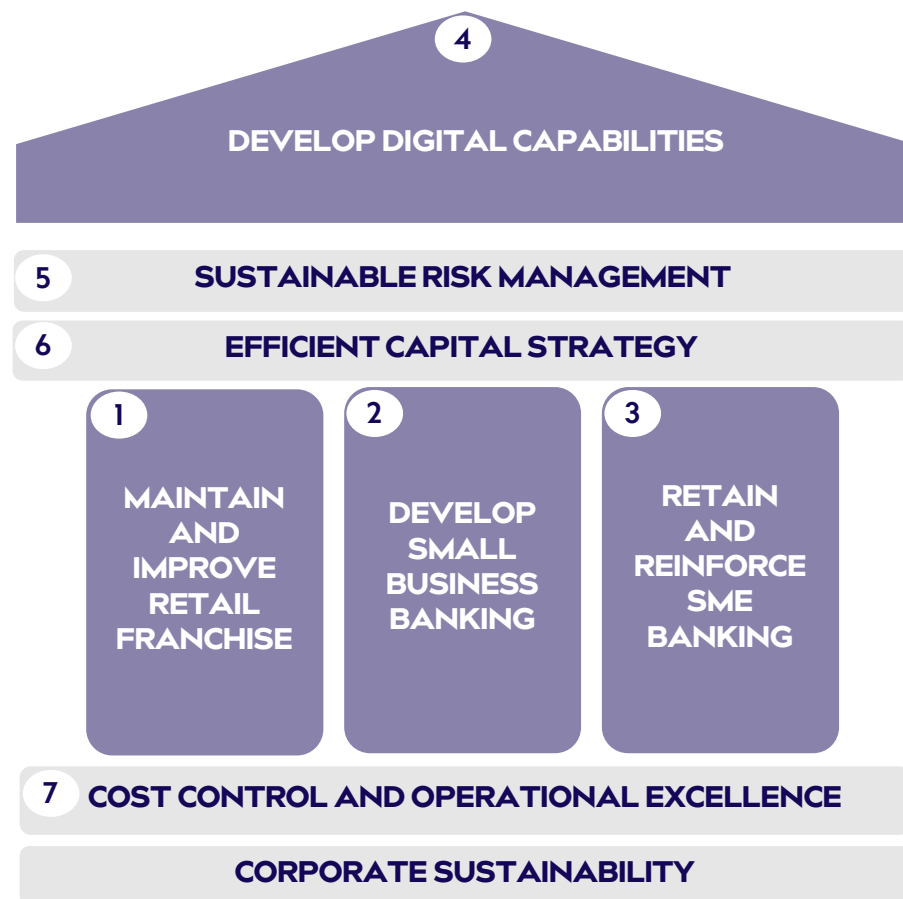


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# STRATEGIC PILLARS & OBJECTIVES

MONETA seeks to deliver shareholder value through profitable and sustainable growth



## MEDIUM TERM TARGETS<sup>1</sup>:

- 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% market share in small business
  - ~ 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 online<sup>2</sup>
  - ~ 50% of consumer loans new production to be originated online<sup>1</sup>
  - ~ 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**
- ~ **15.9%** 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)<sup>1</sup>
  - ~ 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

## MONETA successfully delivered against all its strategic objectives

<b>01   MAINTAIN &amp; IMPROVE RETAIL FRANCHISE<sup>1</sup></b>	<ul style="list-style-type: none"><li>• <b>22.3% YoY</b> increase in <b>retail loan portfolio</b></li><li>• 45.4% YoY continued growth in mortgages<sup>2</sup> with market share of 3.2%<sup>3</sup> as of 3Q'19 (2.6%<sup>3</sup> as of FY'18)</li><li>• 9.3% YoY growth in consumer loan portfolio with market share of 18.5%<sup>4</sup> as of 3Q'19 (18.7%<sup>4</sup> as of FY'18)</li></ul>
<b>02   DEVELOP SMALL BUSINESS BANKING<sup>1</sup></b>	<ul style="list-style-type: none"><li>• <b>60.6% YoY</b> increase in <b>small business loan</b> portfolio</li><li>• 24.9% of total small business lending production originated online</li><li>• 50.6% YoY increase in new volumes of instalment lending</li></ul>
<b>03   RETAIN &amp; REINFORCE SME BANKING<sup>1</sup></b>	<ul style="list-style-type: none"><li>• <b>2.0% YoY</b> decrease in <b>SME loan portfolio</b></li><li>• Commercial yield increased to 4.1%<sup>5</sup>, incremental RoE on SME portfolio at 18.4%<sup>6</sup></li><li>• CZK 573 million of capital savings from commercial portfolio optimization initiatives</li></ul>
<b>04   DEVELOP DIGITAL CAPABILITIES</b>	<ul style="list-style-type: none"><li>• <b>21.5% YoY</b> growth in <b>consumer loans originated online (69.6% YoY growth in fully online), 32.8%</b> share on total <b>new production</b></li><li>• <b>75.1% YoY</b> growth in <b>small business instalment loans originated online (211.4% YoY increase in fully online origination), 24.9%</b> share of total <b>new production</b></li></ul>
<b>05   SUSTAINABLE RISK MANAGEMENT</b>	<ul style="list-style-type: none"><li>• <b>103.3% total NPL coverage, 1.9% NPL ratio</b></li><li>• <b>27bps Cost of Risk, 56bps</b> excluding gain on NPL disposals</li></ul>
<b>06   EFFICIENT CAPITAL STRATEGY</b>	<ul style="list-style-type: none"><li>• <b>18.1%</b> strong <b>Total Capital Adequacy Ratio</b> supported by Tier 2 bonds issuance and capital optimization initiatives of <b>CZK 880 million, CET1 ratio at 16.5%</b></li><li>• Tier 2 bonds issuance of <b>CZK 2 billion</b> issued at below average yield of <b>3.3% p.a.</b><sup>7</sup></li><li>• Share buy back program approved by CNB, seeking shareholders approval in November 2019 at the General Meeting</li></ul>
<b>07   COST CONTROL AND OPERATIONAL EXCELLENCE</b>	<ul style="list-style-type: none"><li>• <b>7.3% YoY</b> increase in <b>total operating expenses</b> due to higher depreciation and amortization and higher contribution into regulatory funds</li><li>• 22 branches closed in 2019</li></ul>





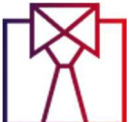
## PROGRESS ON 2019 GUIDANCE

Based on strong operating results **MONETA** increased targeted 2019 net profit to CZK 4 billion

	 RESULTS	 REVISED GUIDANCE <sup>1</sup>
METRICS (CZK, bps, %)	3Q'19 YtD	FY 2019
<b>TOTAL OPERATING INCOME</b>	<b>7.8bn</b>	<b>≥10.4bn</b> ↑
COST BASE	3.7bn	≤5.0bn
COST OF RISK	27bps	30 - 40bps ↓
<i>CORE COST OF RISK (EXCLUDING LEGACY NPL SALES)</i>	56bps	55 - 65bps ↓
EFFECTIVE TAX RATE	19.5%	~ 19.5% ↓
<b>NET PROFIT</b>	<b>3.1bn</b>	<b>≥4.0bn</b> ↑
EARNINGS PER SHARE	6.0	≥7.8 ↑
TARGETED DIVIDEND PER SHARE	n/a	≥6.65
<i>OF WHICH - INTERIM DIVIDEND</i>	<i>n/a</i>	<i>3.30</i>
<i>- FINAL DIVIDEND</i>	<i>n/a</i>	<i>≥3.35</i>
RETURN ON TANGIBLE EQUITY (RoTE)	17.8%	≥16.5% ↑

## OPERATING PLATFORM

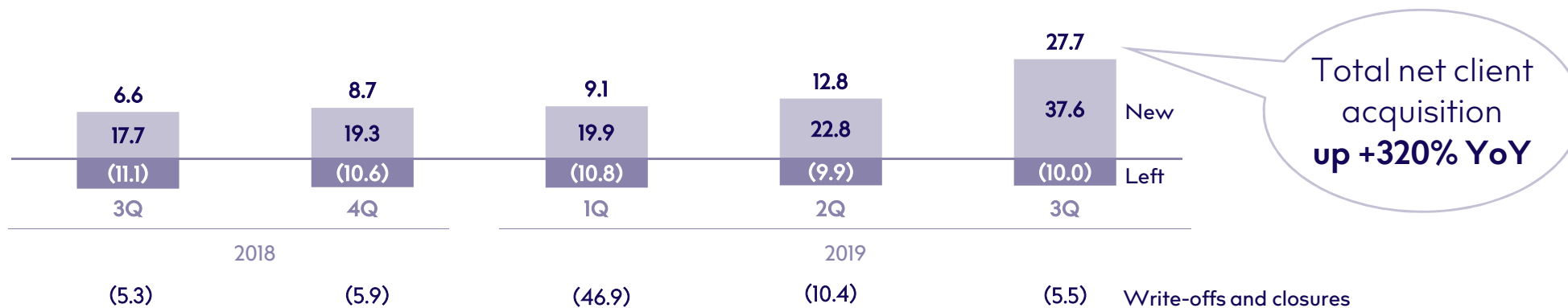
# Decrease of branches accompanied by strong growth of customer base through digital channels during 3Q'19

		3Q'18 YtD	3Q'19 YtD
	<b>BRANCHES</b> <ul style="list-style-type: none"> <li>Rented space in thousands m<sup>2</sup></li> <li>Branches in new design</li> </ul>	<b>202</b> 44.7 24	<b>180</b> 42.2 34
	<b>ATMs</b> <ul style="list-style-type: none"> <li>of which deposit ATMs</li> <li>of which contactless ATMs</li> </ul>	<b>651</b> 48 399	<b>650</b> 76 445
	<b>REGISTERED USERS DIGITAL CHANNELS</b> <ul style="list-style-type: none"> <li>SMART BANKA (ths.)</li> <li>INTERNET BANKA<sup>1</sup> (ths.)</li> </ul>	247 870	341 928
	<b>NUMBER OF PERFORMING MONETA CLIENTS (ths.)<sup>2</sup></b> <ul style="list-style-type: none"> <li>Retail</li> <li>Small business<sup>3</sup></li> <li>SME<sup>4</sup></li> </ul>	<b>961</b> 871 85 5	<b>989</b> 892 92 5
	<b>NUMBER OF EMPLOYEES (FTEs)</b>	<b>3,153</b>	<b>3,006</b>

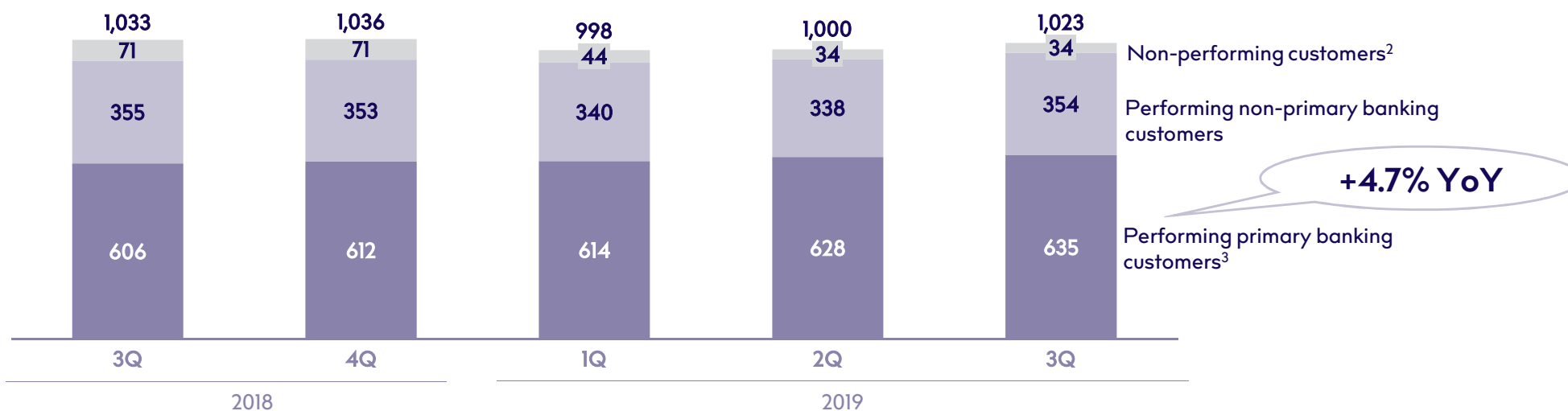
# CLIENT BASE EVOLUTION

## Client acquisition was driven by digital saving account promotion during 3Q 2019

NET CLIENT ACQUISITION<sup>1</sup> (number of clients in thousands)



CLIENT BASE EVOLUTION (number of clients in thousands)



Note: Figures in chart may not add up due to rounding differences. (1) Net acquisition result, excluding write-offs of NPL debtors and Bank initiated closures; (2) Customers with exposures classified as Stage 3 according to IFRS 9; (3) Retail customer with credit income on current account of more than 7 thousand CZK at least twice in last 3 months and commercial customers with at least nine initiated debit transactions in previous 3 months or client with active not delinquent loan product.



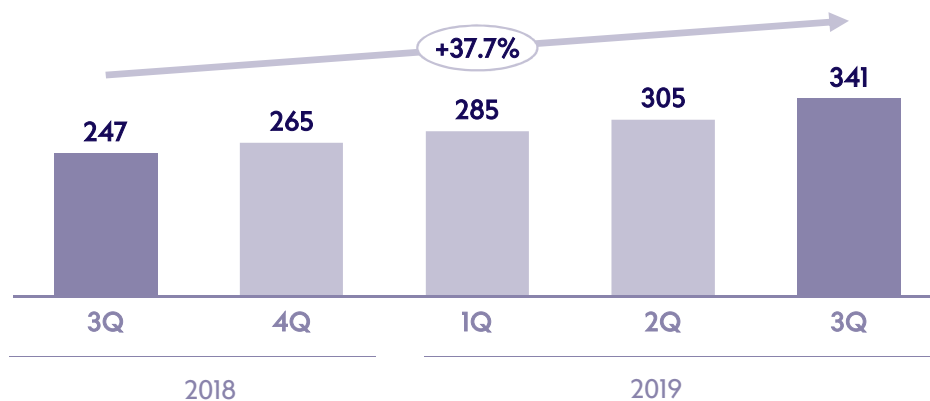
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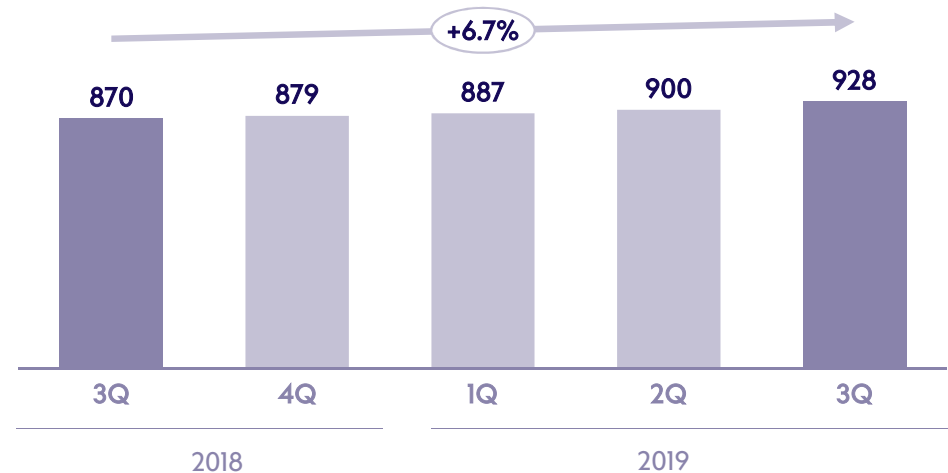
# DIGITAL DISTRIBUTION AND SERVICE PLATFORM

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

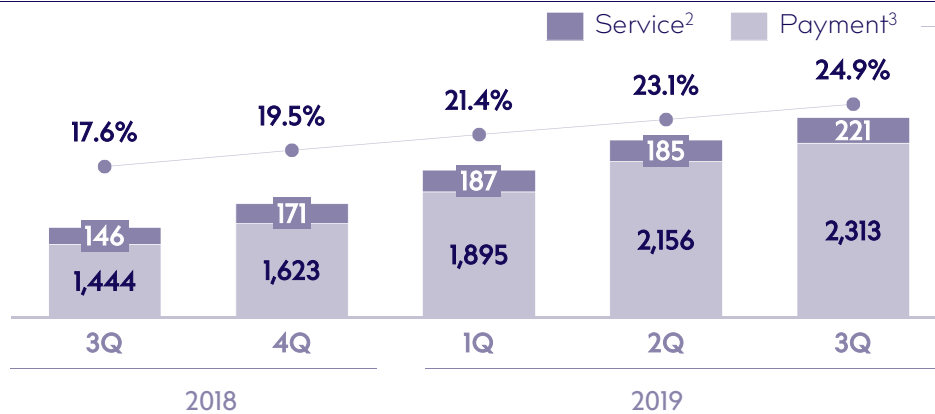
**MOBILE BANKING<sup>1</sup> PENETRATION** (cumulative number of clients in thousands)



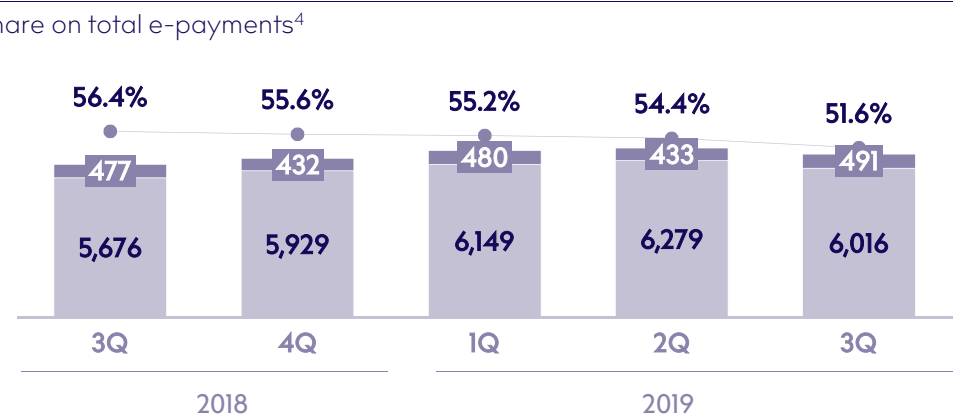
**INTERNET BANKING PENETRATION** (cumulative number of unique clients in thousands)



**MOBILE BANKING<sup>1</sup> TRANSACTIONS** (number of transactions in thousands)



**INTERNET BANKING TRANSACTIONS** (number of transactions in thousands)

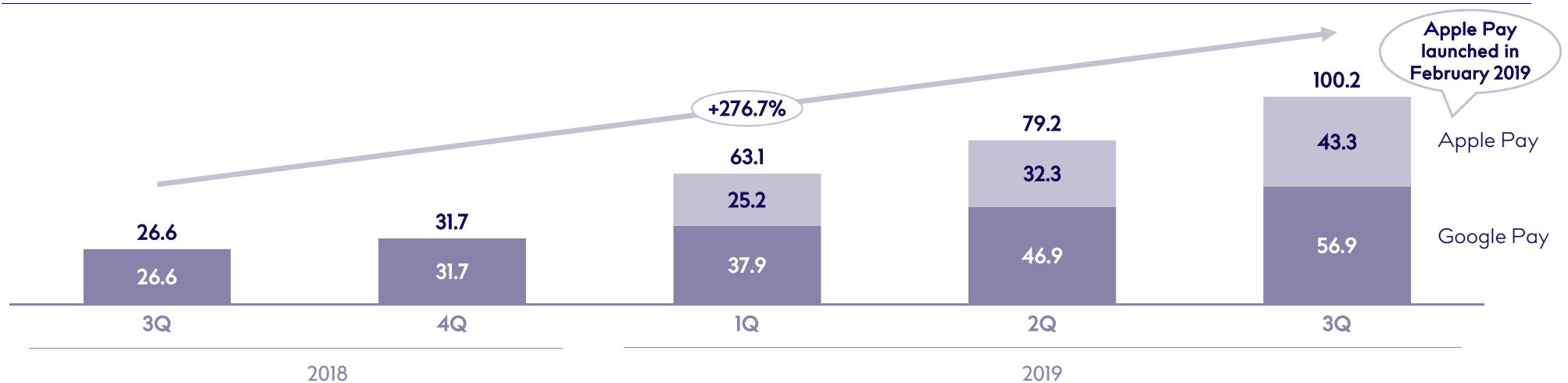


Note: Figures in chart may not add up due to rounding differences. (1) Smart Banka mobile application; (2) Service transactions include: standing orders cancellation/activation/change, direct debit cancellation/activation/change, credit/debit card setting, mobile and internet banking settings; (3) Payment transactions include: one-time payments, credit card repayments/extraordinary repayments; transfers/ withdrawals from savings accounts, buying/selling investment funds, credit top up (O2, Vodafone, T-Mobile); (4) Calculated as one-time payments on MONETA's total e-payments.

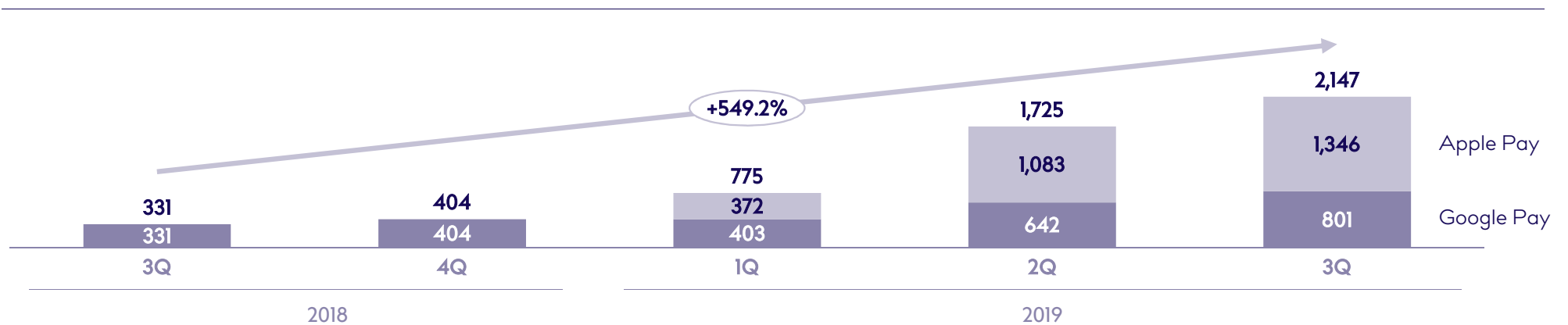
# GOOGLE PAY AND APPLE PAY EVOLUTION

Digital payment platforms continued to attract new users and enhance overall attractiveness of MONETA in retail market

GOOGLE PAY<sup>1</sup> AND APPLE PAY PENETRATION (cumulative number of unique tokenized cards in thousands)



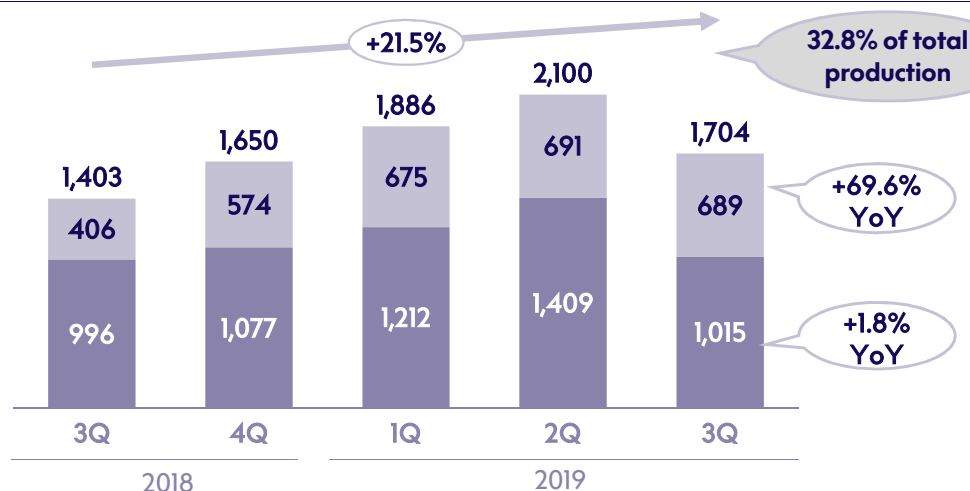
GOOGLE PAY<sup>1</sup> AND APPLE PAY TRANSACTIONS (number of transactions in thousands)



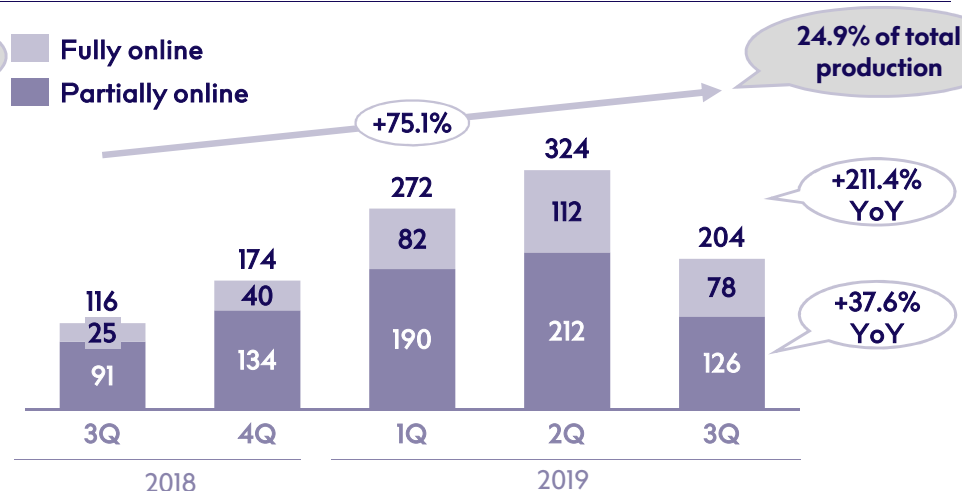
# ONLINE LENDING PERFORMANCE

## Increased number of customer pre-approved credit limits continued to generate growth through digital channels

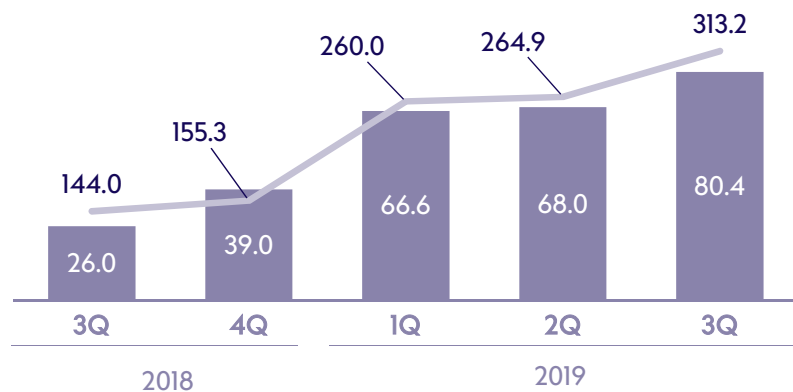
CONSUMER LOAN VOLUMES ORIGINATED ONLINE<sup>1,2</sup> (CZK m)



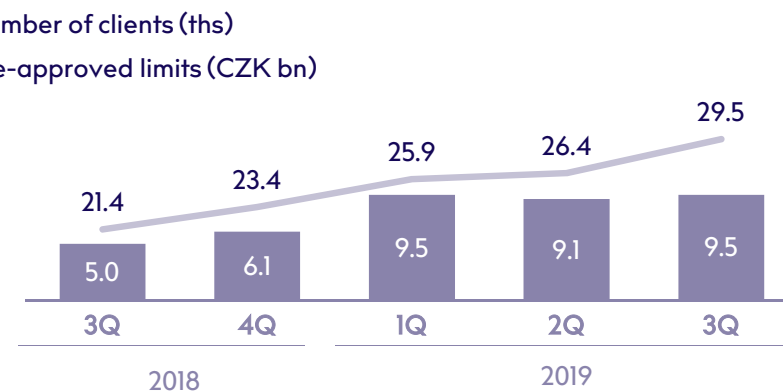
SMALL BUSINESS INSTALMENT LOANS ORIGINATED ONLINE<sup>1</sup> (CZK m)



CONSUMER LOAN PRE-APPROVED CREDIT LIMITS<sup>3</sup>



SMALL BUSINESS PRE-APPROVED CREDIT LIMITS<sup>3</sup>



# DEVELOPMENT OF DIGITAL CAPABILITIES

Enhanced digital capabilities in line with digital roadmap, seeking further enhancements by end of 2019

	3Q 2019	4Q 2019 <sup>1</sup>
<b>CREDIT DISTRIBUTION</b>	<ul style="list-style-type: none"> <li>✓ Fully online retail credit card for new to bank clients via web</li> <li>✓ Fully online property valuation via automated model</li> <li>✓ Fully online consumer finance proposition (card based) via web</li> </ul>	<ul style="list-style-type: none"> <li>• Pilot of fully online retail mortgage refinancing via web "refinanso.cz"</li> <li>• Fully online retail loans for new to bank clients via web</li> <li>• Consumer loans upsell capability via digital channels</li> </ul>
<b>TRANSACTION BANKING DISTRIBUTION</b>	<ul style="list-style-type: none"> <li>✓ Automated fraud checks integrated into digital current account</li> <li>✓ New Foreign exchange proposition in Smart Banka</li> </ul>	<ul style="list-style-type: none"> <li>• Instant clearing of domestic payments</li> <li>• Savings account opening via Smart Banka</li> </ul>
<b>FEE PRODUCTS DISTRIBUTION</b>	<ul style="list-style-type: none"> <li>✓ Digitalization of life insurance process for branches</li> </ul>	<ul style="list-style-type: none"> <li>• Active management of investments via Smart Banka</li> <li>• Digitalization of pensions process for branches</li> </ul>

**UPDATED DIGITAL DISTRIBUTION STRATEGY 2018-2020 at [www.moneta.cz](http://www.moneta.cz)**

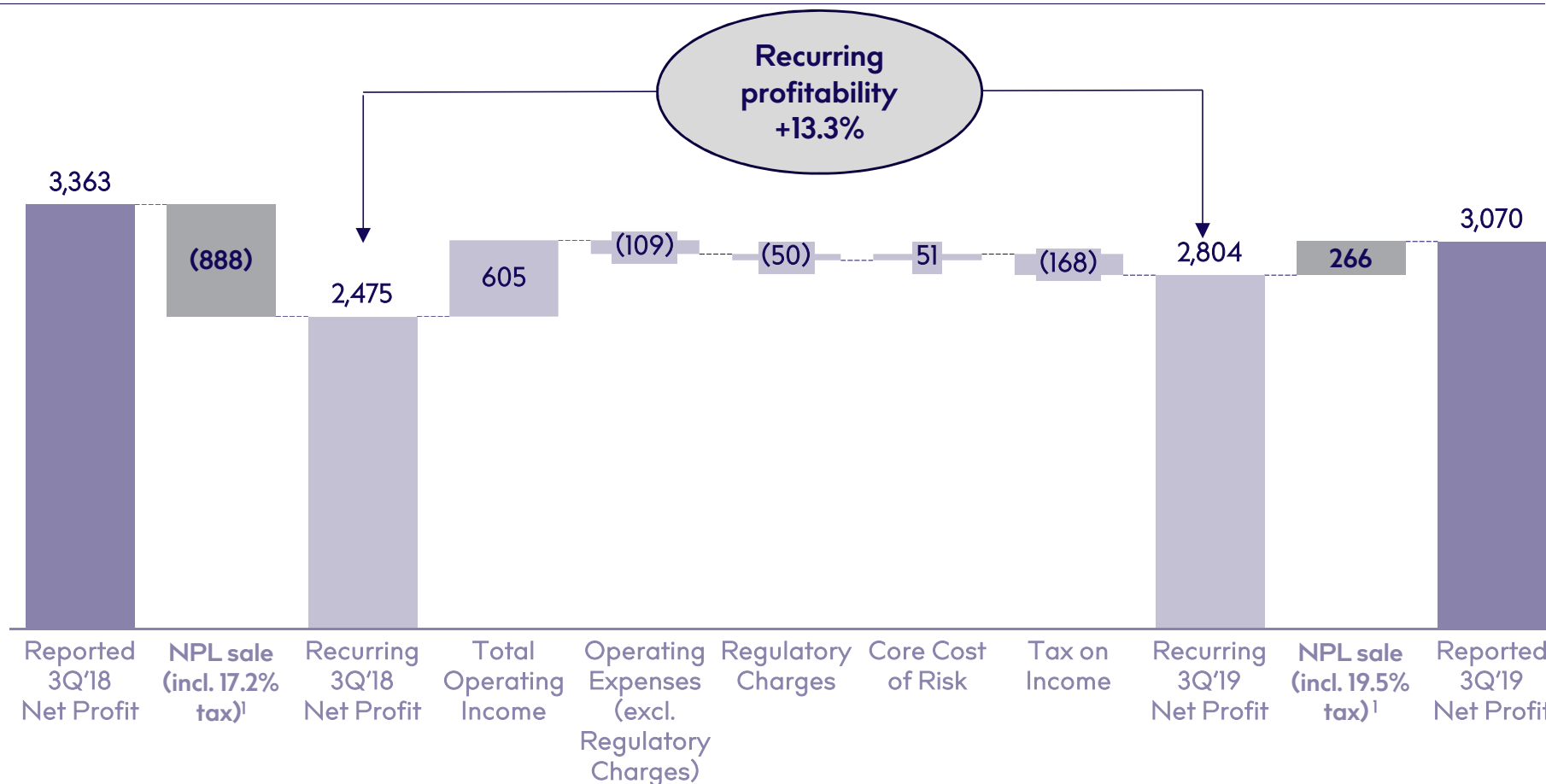
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# NET PROFIT DEVELOPMENT

Strong recurring profitability continued in 3Q'19, driven by growth in operating income

NET PROFIT COMPOSITION YEAR ON YEAR (CZK m)



# PROFIT AND LOSS STATEMENT

Delivered CZK 3.1 billion of net profit resulting in 17.8% RoTE

METRICS (CZK m, %)	3Q'18 YtD	3Q'19 YtD	CHANGE
NET INTEREST INCOME	5,437	5,911	8.7%
NET FEE AND COMMISSION INCOME	1,352	1,449	7.2%
INCOME FROM FINANCIAL OPERATIONS	298	382	28.2%
OTHER INCOME	438	92	(79.0%)
<b>TOTAL OPERATING INCOME</b>	<b>7,525</b>	<b>7,834</b>	<b>4.1%</b>
TOTAL OPERATING EXPENSES	(3,465)	(3,718)	7.3%
COST OF RISK	0	(301)	n/a
PROFIT BEFORE TAX	4,060	3,815	(6.0%)
<b>NET PROFIT</b>	<b>3,363</b>	<b>3,070</b>	<b>(8.7%)</b>
RETURN ON TANGIBLE EQUITY <sup>1</sup>	19.8%	17.8%	(2.0pp)
RETURN ON EQUITY <sup>1</sup>	18.4%	16.3%	(2.1pp)

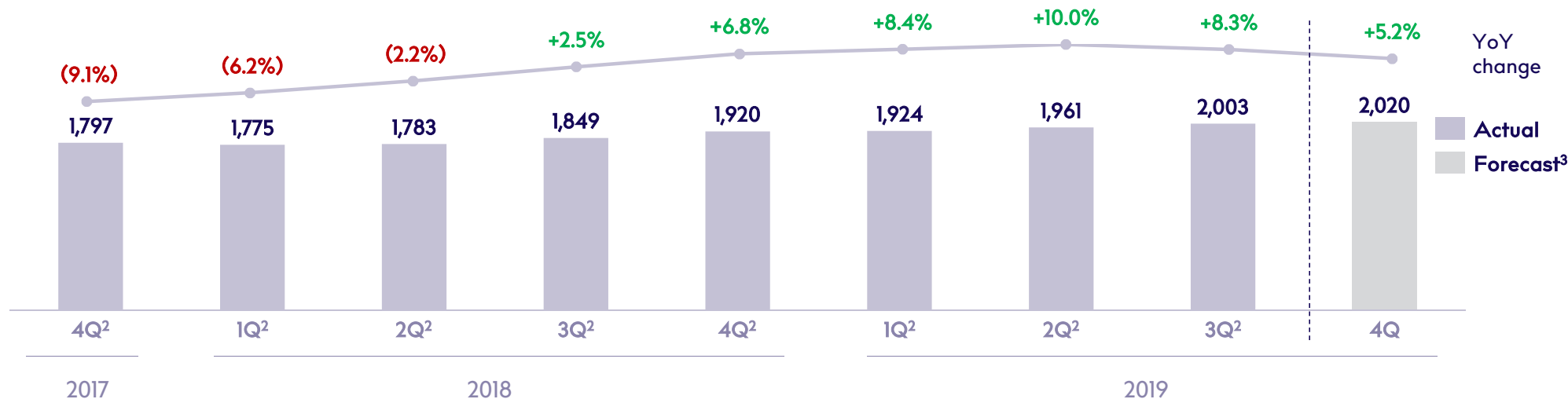
- **CZK 5.9bn** of net interest income, up 8.7% YoY, showing continued strong growth
- **CZK 1.4bn** of net fee and commission income, up 7.2% YoY, mainly supported by third party income
- **CZK 474m** of other income, down 35.6% YoY, impacted by gain from NPL disposals in 3Q'18 (CZK 316m) vs. 3Q'19 (CZK 19m)
- **CZK 3.7bn** of operating expenses, increase of 7.3% YoY, driven by higher depreciation and amortization (up CZK 291 million YoY) and higher contribution to regulatory funds (up CZK 50 million YoY)
- **CZK 311m** positive impact on Cost of Risk from legacy NPL disposals (56bps Cost of Risk excluding gain on legacy NPL disposals compared to 68bps in 3Q'18)
- **CZK 3.1bn** of net profit (down 8.7% YoY) resulting in **17.8% RoTE**



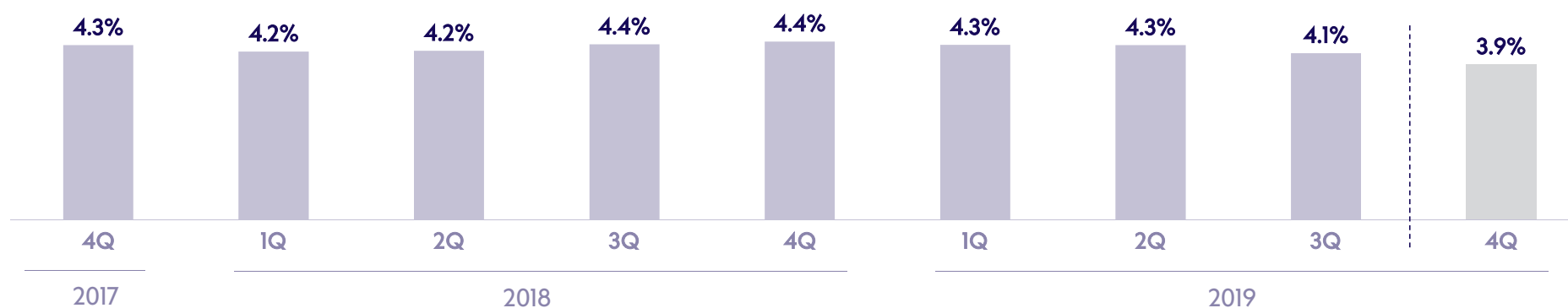
# NET INTEREST INCOME PERFORMANCE & EXPECTATIONS

NII continued to grow as a result of lending portfolio expansion, NIM impacted by higher cost of deposits

CORE NET INTEREST INCOME<sup>1</sup> AND GROWTH (CZK m)



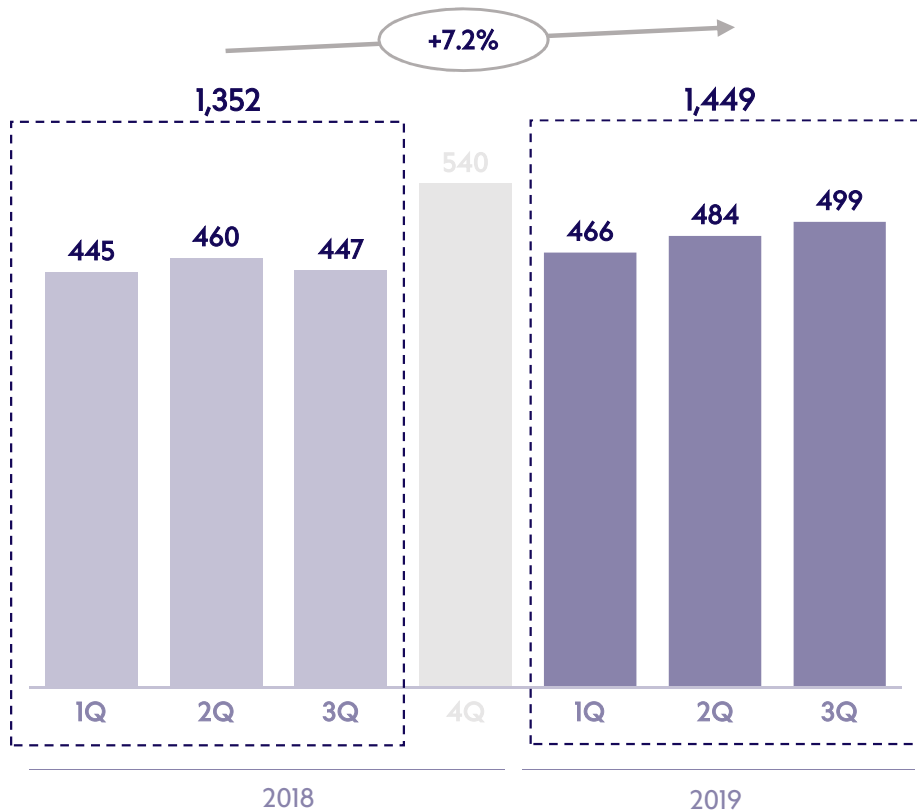
CORE NET INTEREST MARGIN<sup>1</sup>



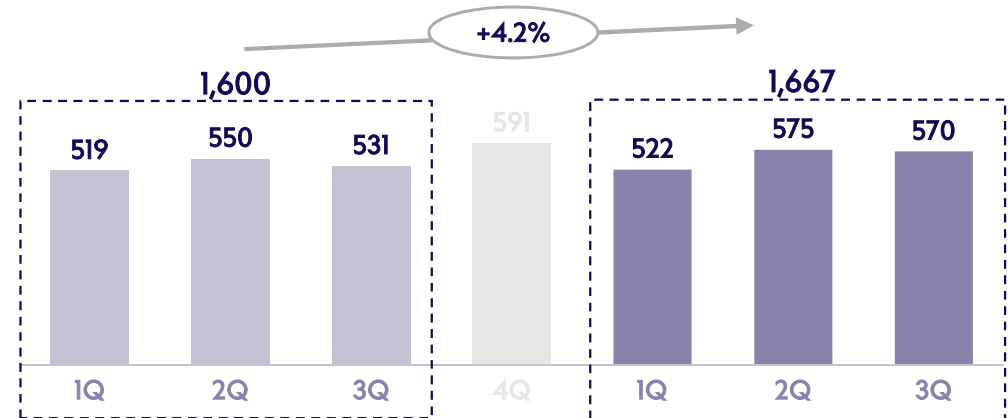
# FEE AND COMMISSION INCOME & EXPENSE

Growth in net fee and commission income continued in 3Q'19 driven by transaction and 3rd party commission related fees

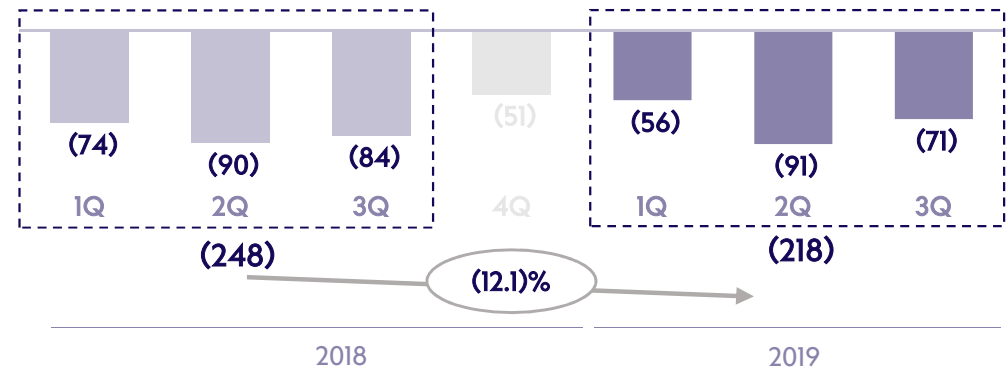
NET FEE & COMMISSION INCOME (CZK m)



FEE & COMMISSION INCOME (CZK m)



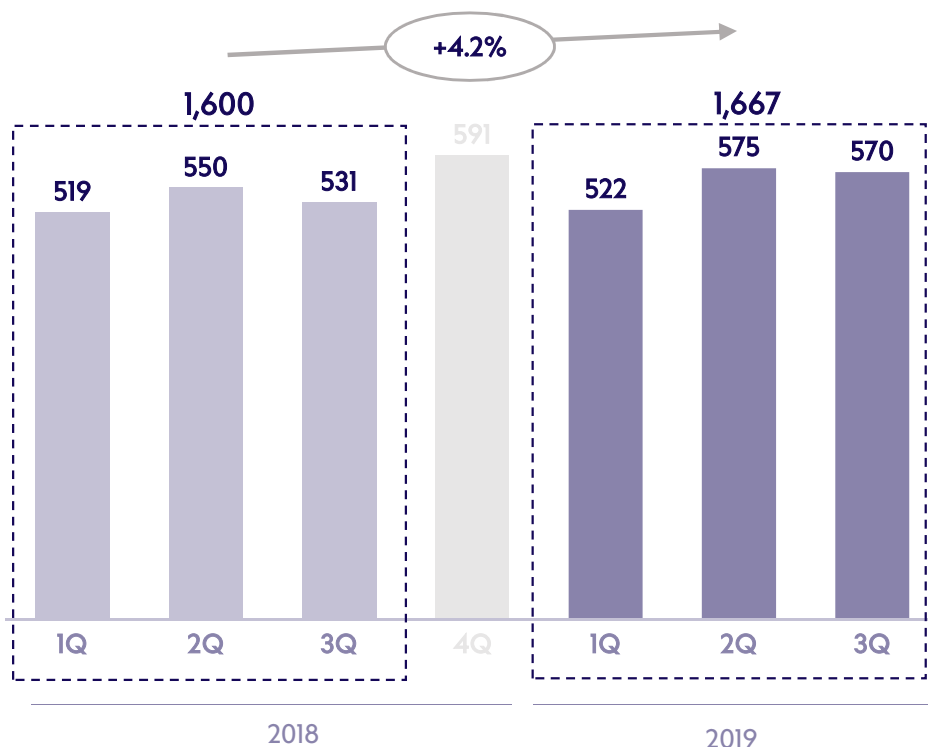
FEE & COMMISSION EXPENSES (CZK m)



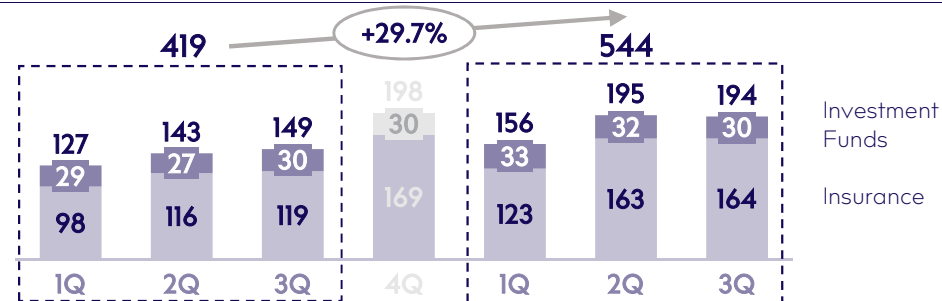
# DEVELOPMENT IN FEE & COMMISSION INCOME CATEGORIES

## Improved fee income supported by strong effort to distribute insurance with transactional income enhanced by increased volumes, repricing and improved client acquisition

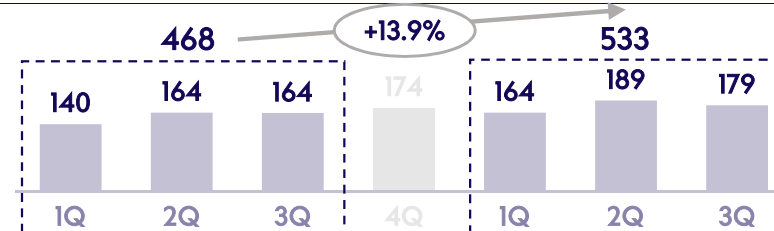
FEE & COMMISSION INCOME (CZK m)



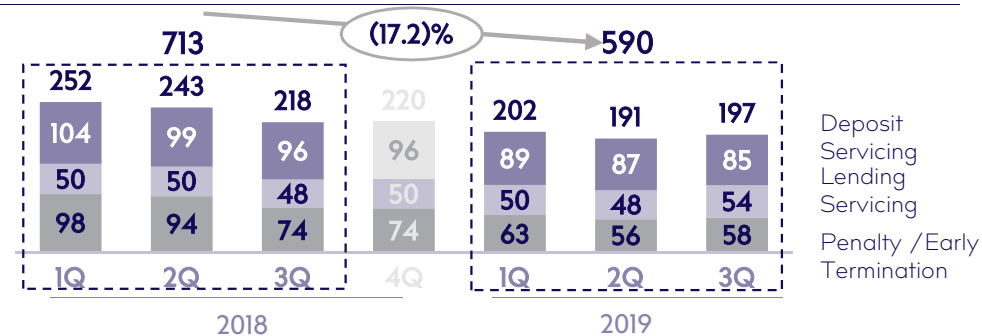
THIRD PARTY COMMISSION INCOME (CZK m)



TRANSACTION & OTHER FEE INCOME (CZK m)



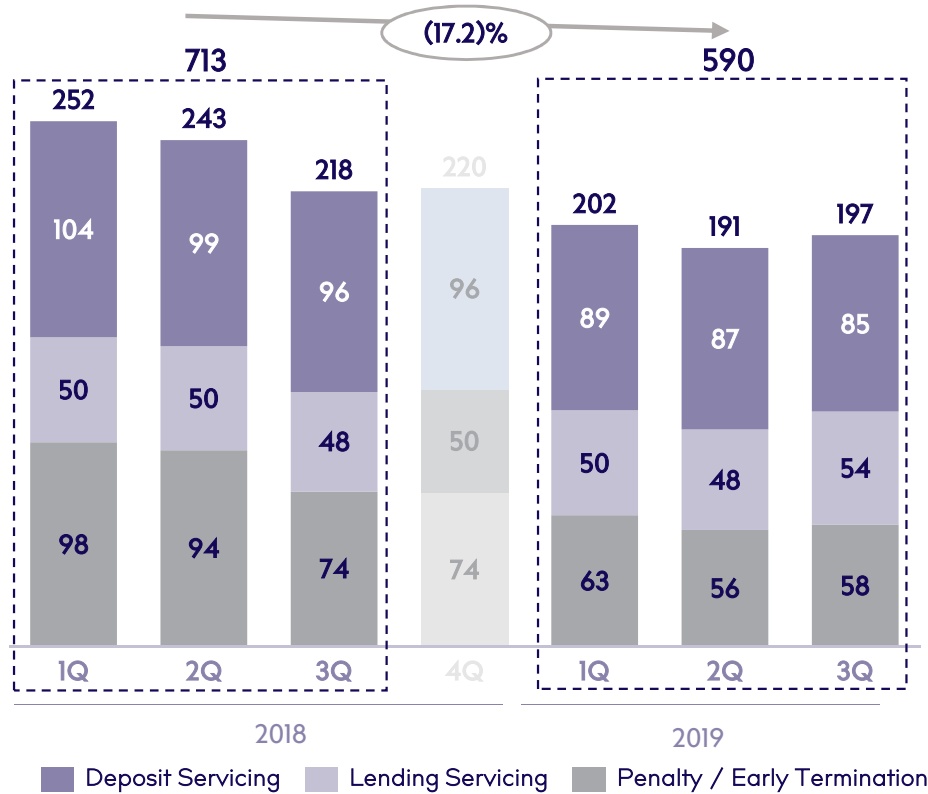
SERVICING AND PENALTY FEE INCOME (CZK m)



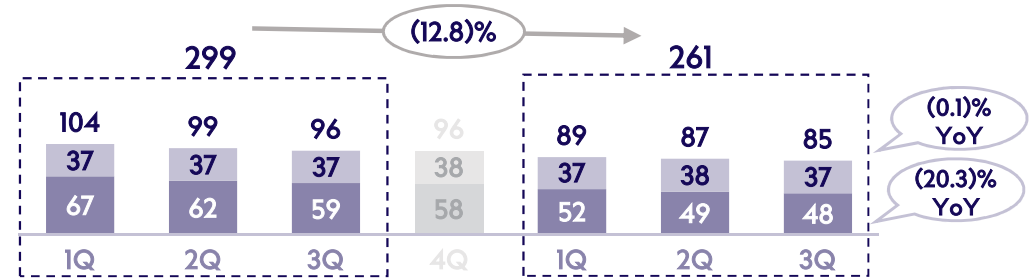
# SERVICING & PENALTY FEES

## Erosion in servicing and penalty fees continued to develop according to expectations

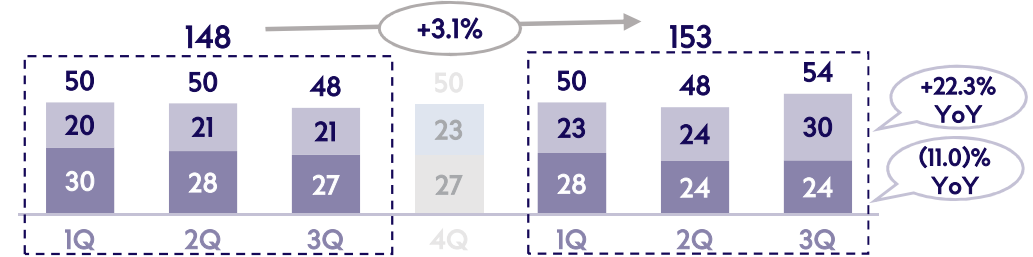
SERVICING AND PENALTY FEES (CZK m)



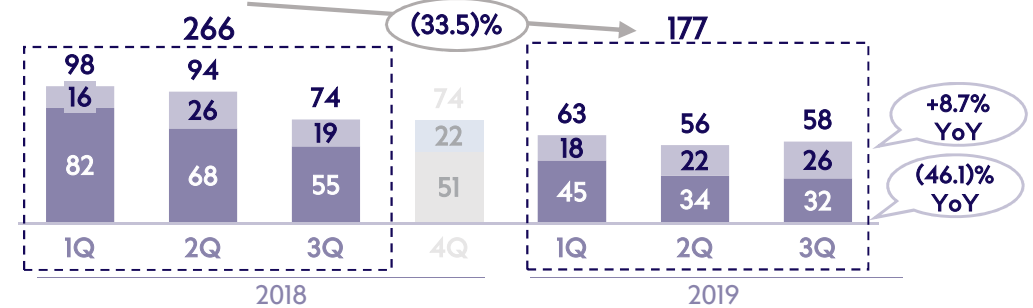
DEPOSIT SERVICING FEES (CZK m)



LENDING SERVICING FEES (CZK m)



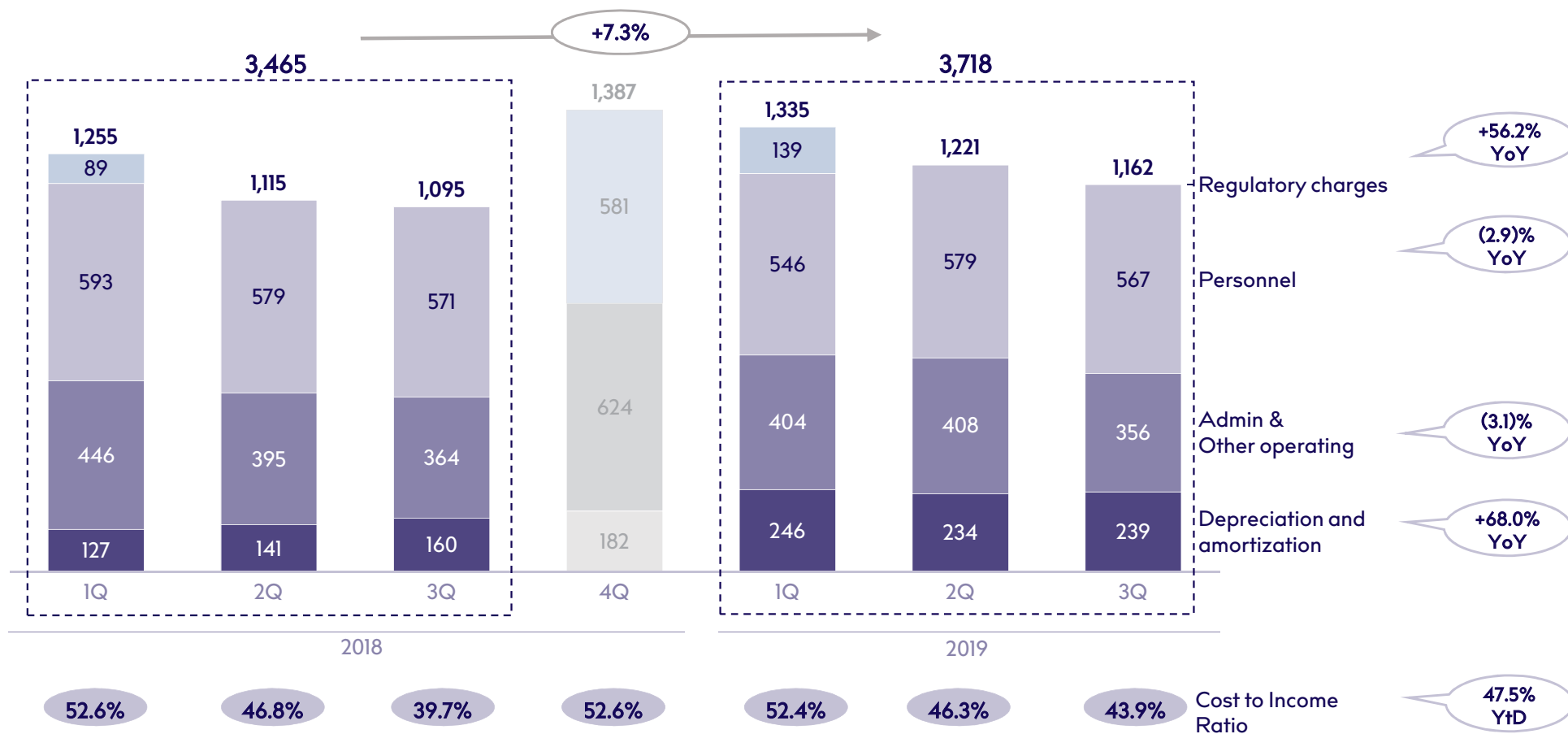
PENALTY AND EARLY TERMINATION FEES (CZK m)



# OPERATING EXPENSES

Cost base broadly stable YoY and improving on quarterly basis, despite significant increase in regulatory charges and depreciation and amortization

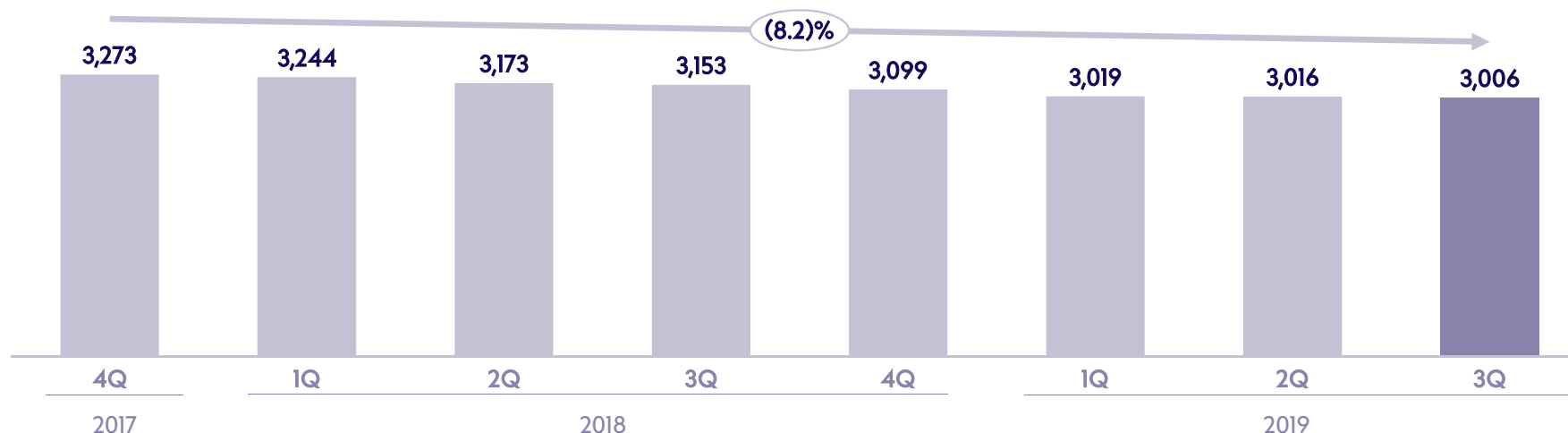
OPERATING EXPENSES (CZK m)



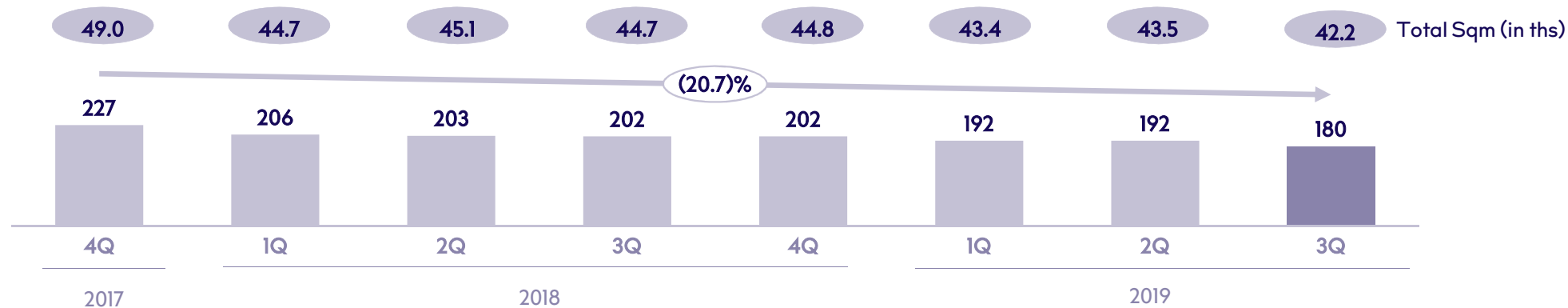
## COST DRIVERS

Overall, MONETA's key cost drivers show significant improvements to mitigate higher depreciation and amortization

NUMBER OF EMPLOYEES (FTE's as of end of period)



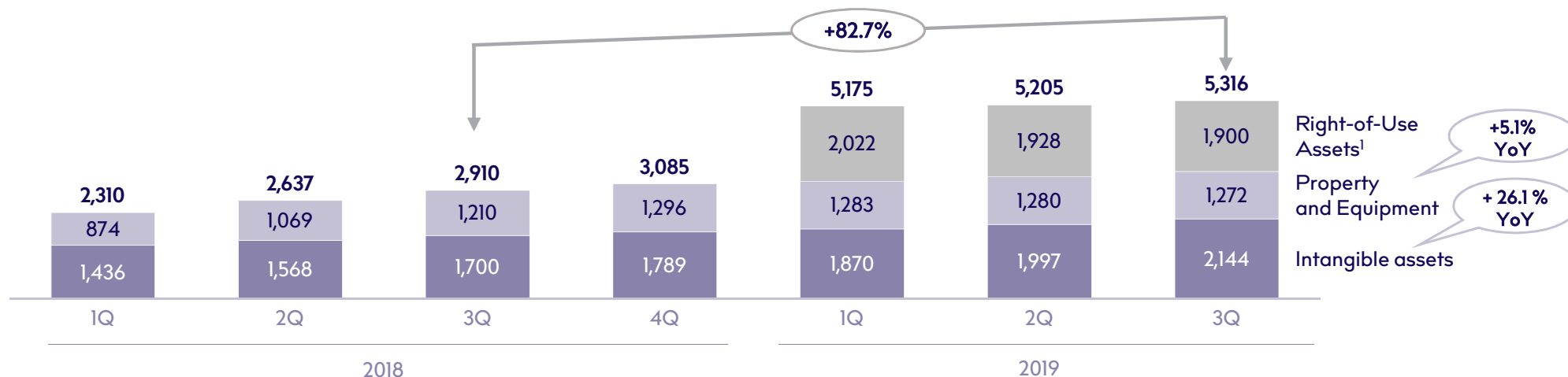
NUMBER OF BRANCHES AND SQUARE METERS<sup>1</sup>



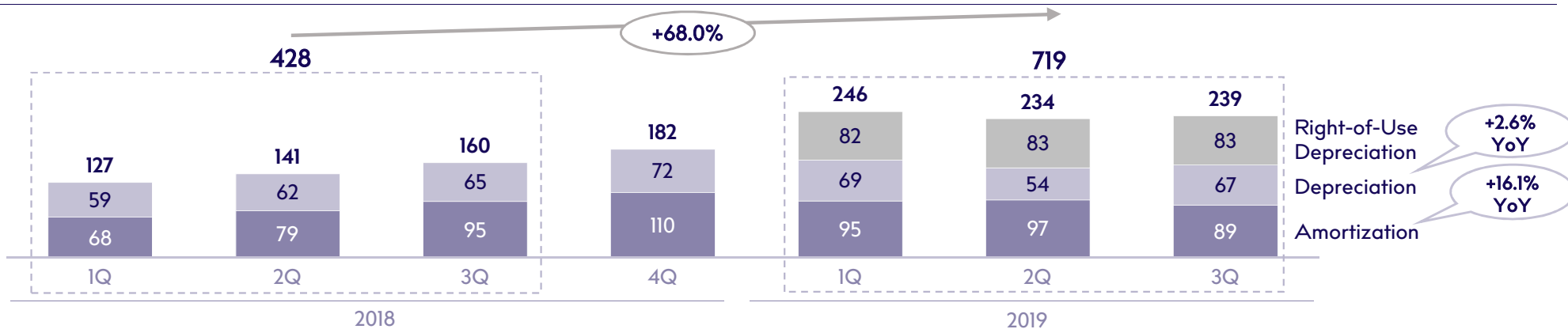
## COST DRIVERS

MONETA's depreciation and amortization increases are driven by investments into IT and digital platforms as well as IFRS 16

INTANGIBLE ASSETS, PROPERTY AND EQUIPMENT (CZK m)



DEPRECIATION AND AMORTIZATION (CZK m)



# Content

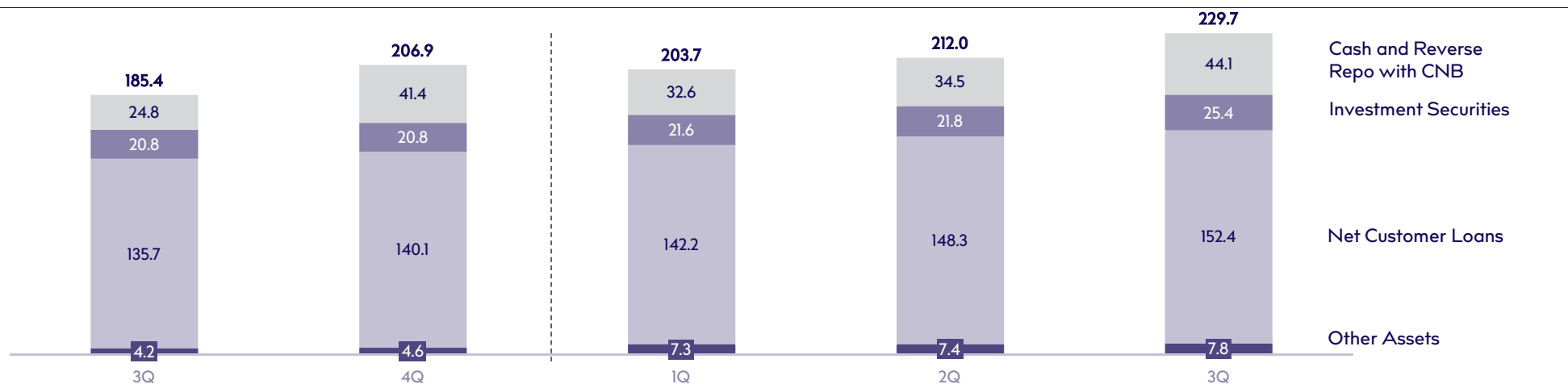
- Operating Environment and Banking Market Dynamics
- Strategic Objectives & Results
- Digital Distribution & Services
- Profit and Loss Development
- **Balance Sheet Development**
- Risk Metrics & Asset Quality
- Capital Management
- Guidance and Investor Relations
- Appendix



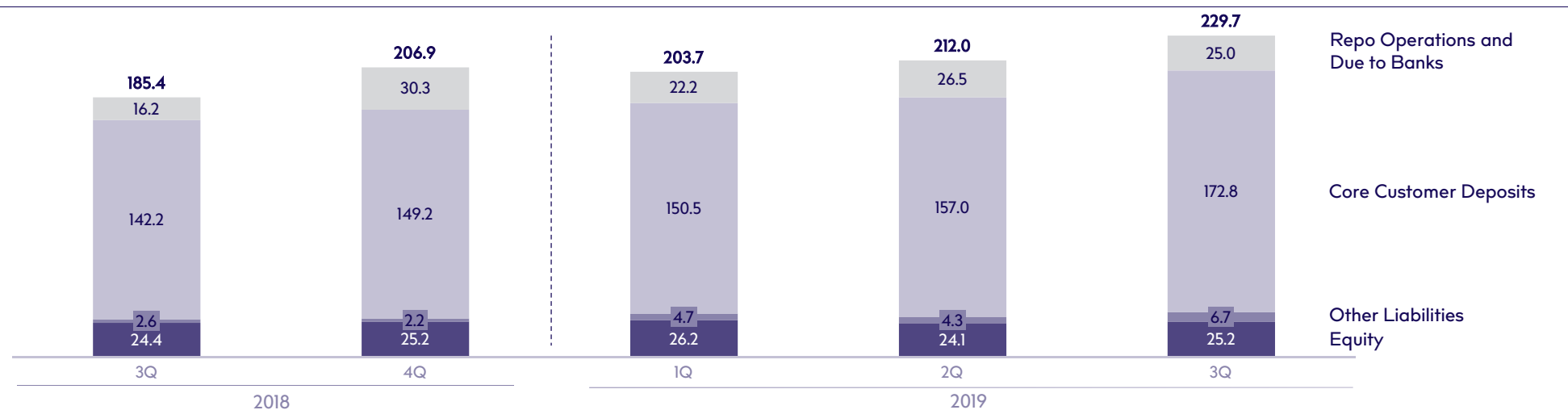
# SOLID BALANCE SHEET FUNDAMENTALS

Balance sheet highly liquid with LCR at 195.1%, 12.3% loan book expansion funded by 21.5% growth of core customer deposits

ASSETS (CZK bn)



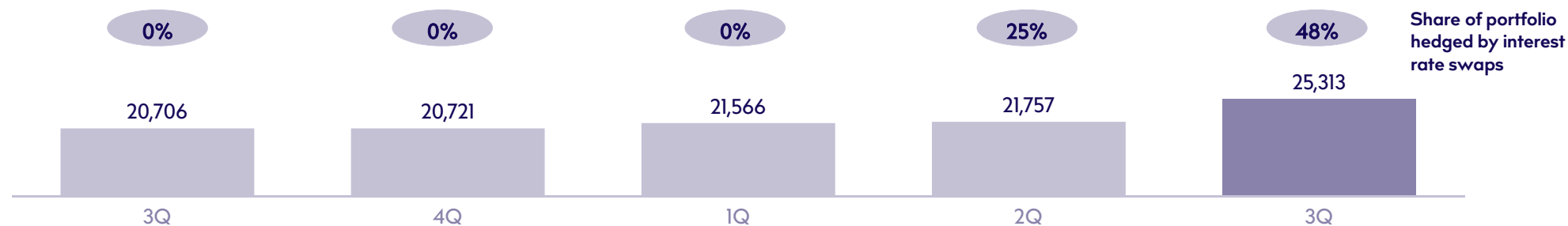
LIABILITIES AND EQUITY (CZK bn)



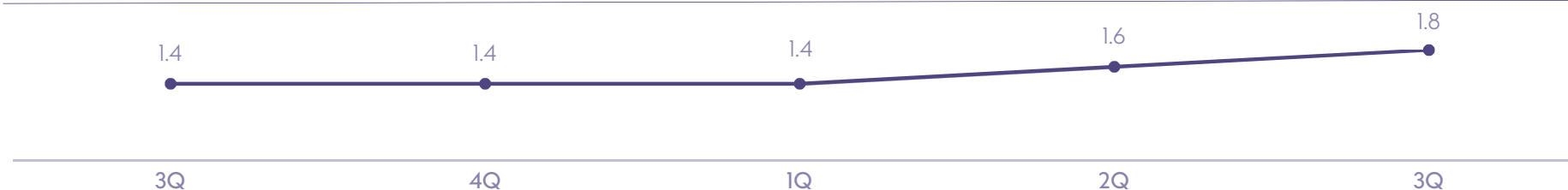
# INVESTMENT PORTFOLIO DEVELOPMENT

## Portfolio of investment securities yielded 180bps and generated unrecognized revaluation gain of CZK 262 million

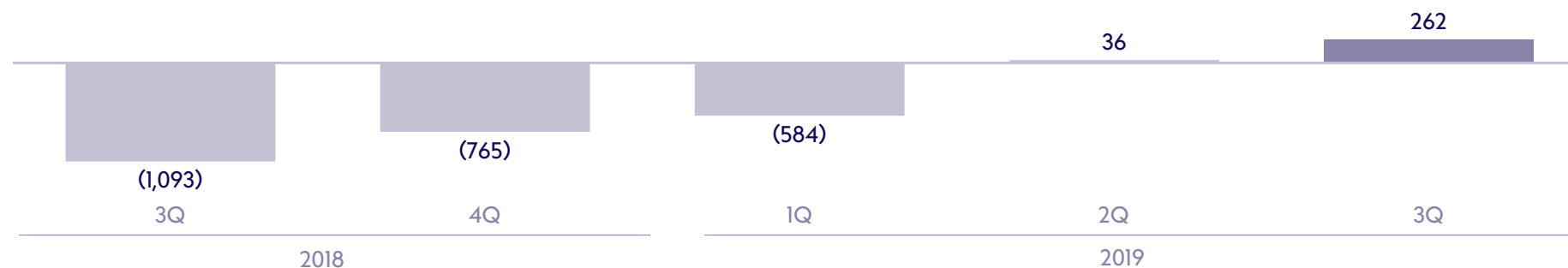
INVESTMENT SECURITIES CARRYING AMOUNT<sup>1</sup> (CZK m)



YIELD INCLUDING HEDGING (%)



UNRECOGNIZED MARKET REVALUATION INCLUDING IMPACT OF HEDGING (CZK m)



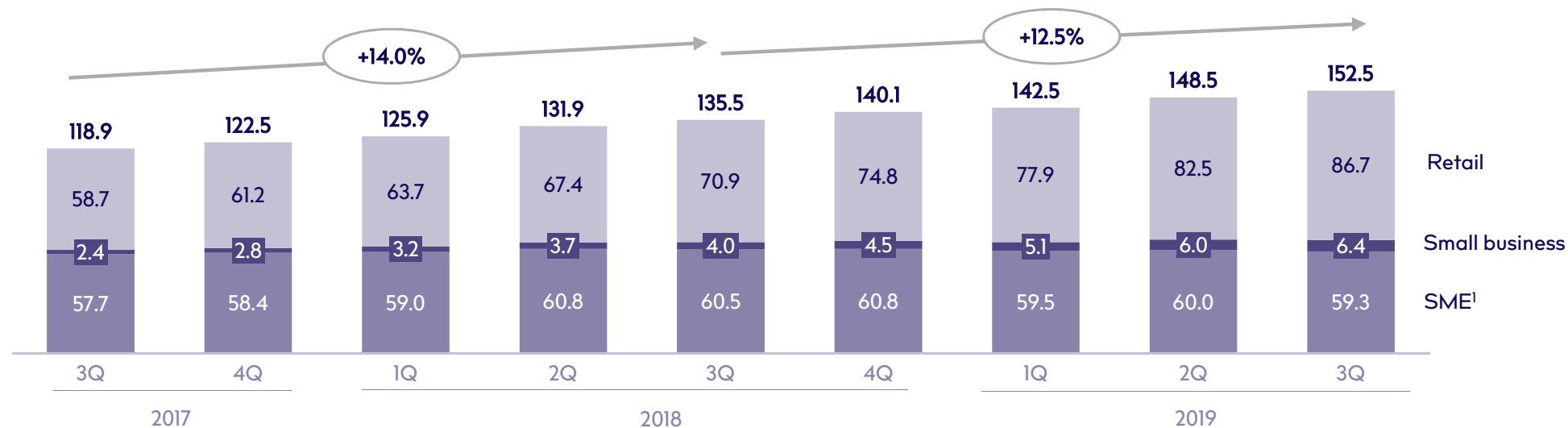
2018

2019

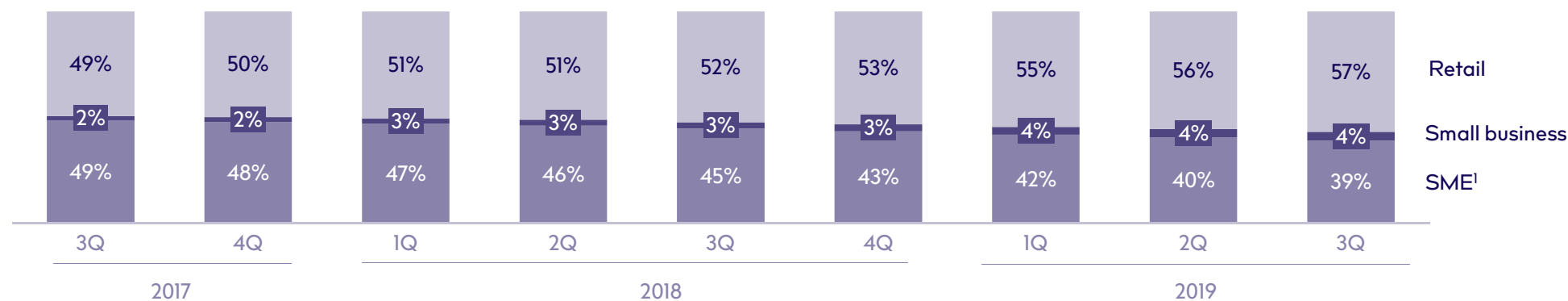
# GROSS PERFORMING LOAN PORTFOLIO

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

TOTAL GROSS PERFORMING LOAN PORTFOLIO PER SEGMENTS (CZK bn)



SEGMENT PROPORTION ON TOTAL GROSS PERFORMING LOAN PORTFOLIO

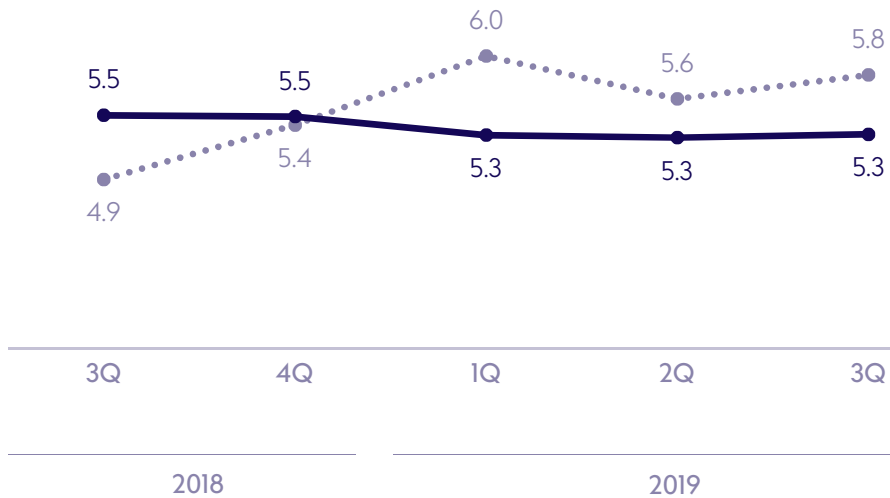


# LOAN PORTFOLIO YIELD EVOLUTION

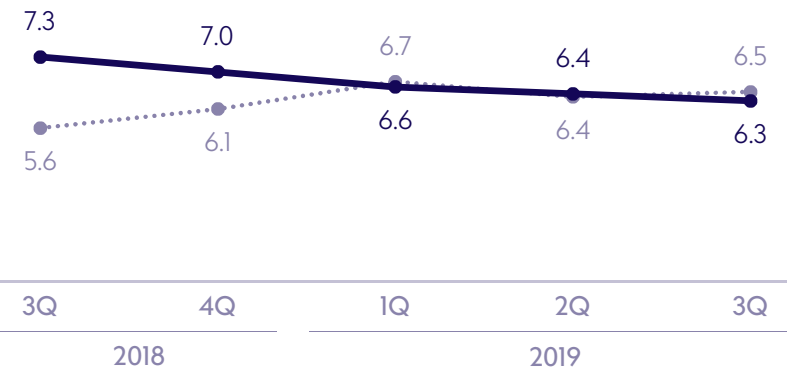
New production yields exceed “back-book” level across both segments

- New volume yield
- Portfolio yield

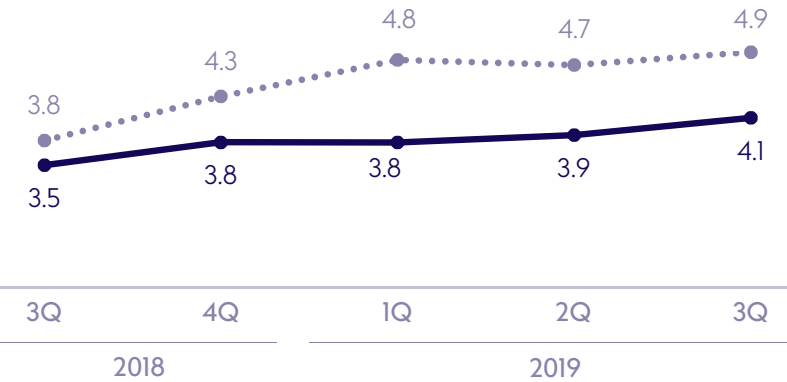
LOAN PORTFOLIO & NEW PRODUCTION YIELD (%)



RETAIL LOAN PORTFOLIO & NEW PRODUCTION YIELD (%)



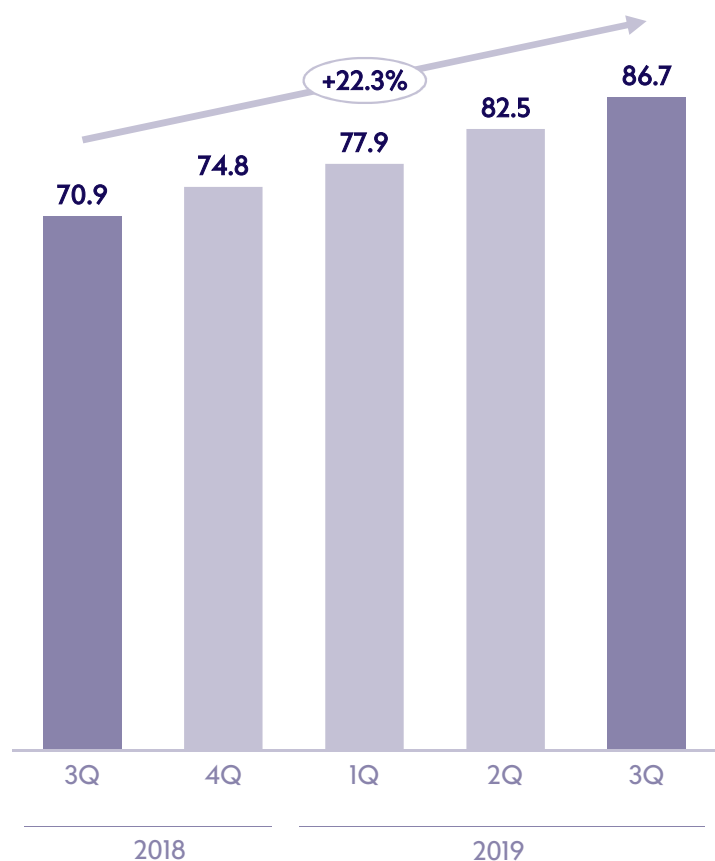
COMMERCIAL LOAN PORTFOLIO & NEW PRODUCTION YIELD (%)



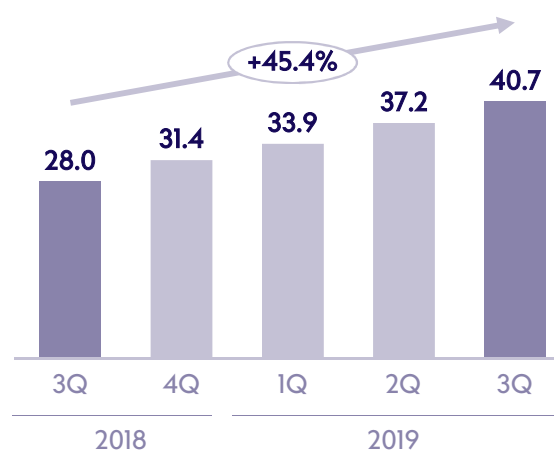
# RETAIL GROSS PERFORMING LOAN PORTFOLIO

Strong growth in retail portfolio continued, driven by focused expansion of mortgage and consumer lending categories

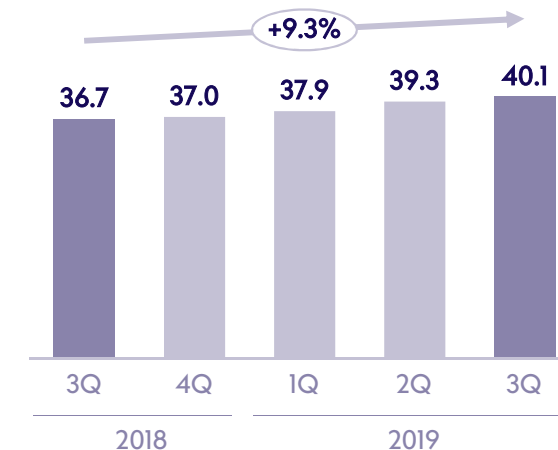
RETAIL LOAN PORTFOLIO (CZK bn)



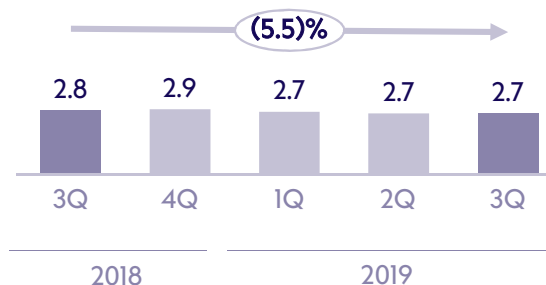
MORTGAGE PORTFOLIO (CZK bn)



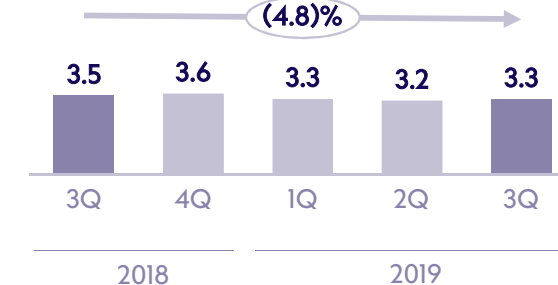
CONSUMER LOAN PORTFOLIO (CZK bn)



AUTO LOANS AND LEASING PORTFOLIO (CZK bn)



CREDIT CARD AND OVERDRAFT (CZK bn)



# YIELDS ON KEY RETAIL PRODUCTS

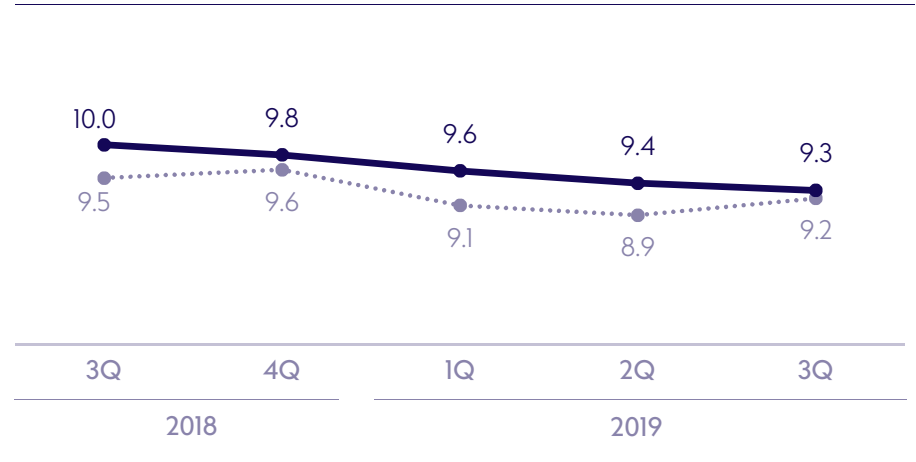
## Mortgage and Auto lending new production yields exceed portfolio level, consumer new production yield approached portfolio yield

••• New volume yield  
 — Portfolio yield

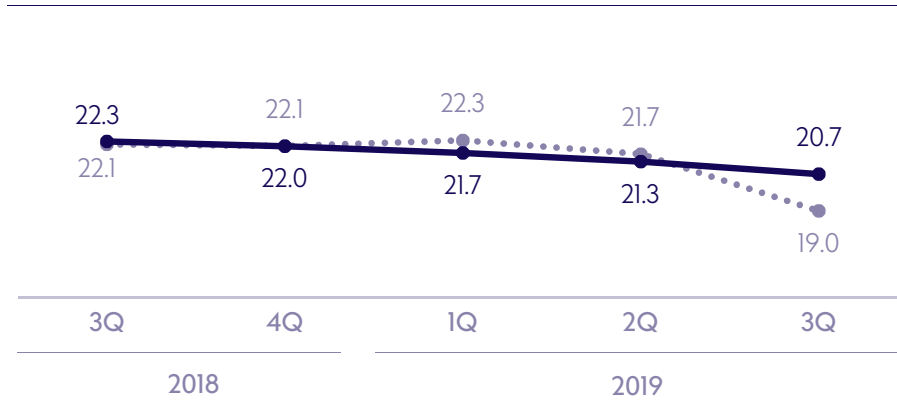
MORTGAGE YIELDS (%)



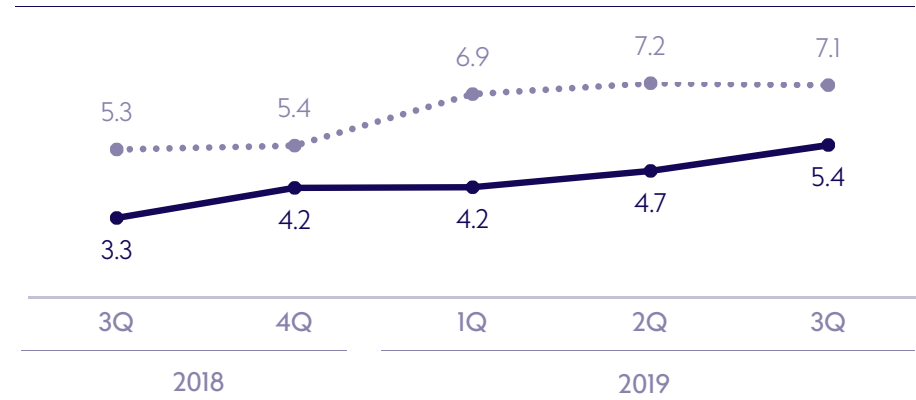
CONSUMER LOAN YIELDS (%)



CREDIT CARD YIELDS (%)



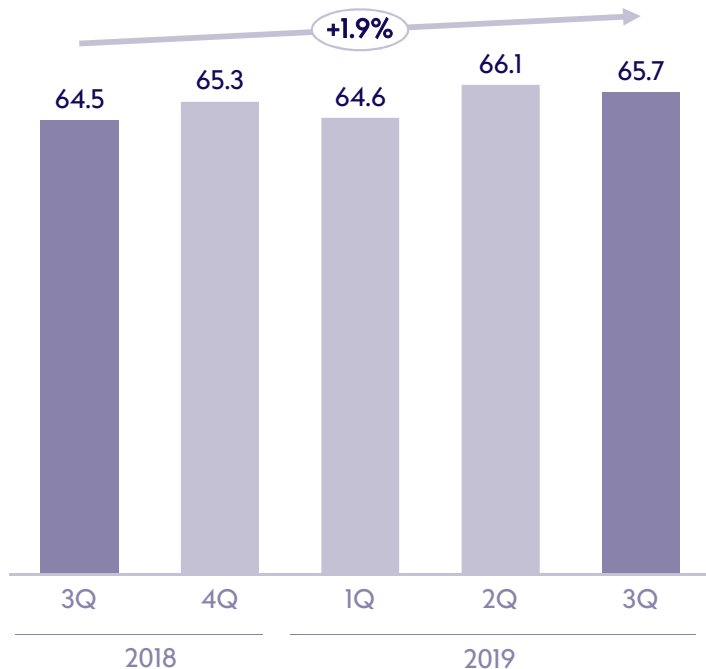
AUTO LOANS AND LEASING YIELDS<sup>(1)</sup> (%)



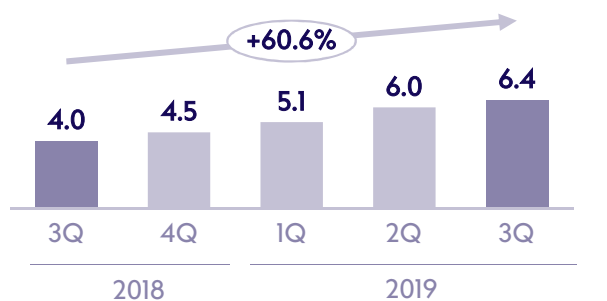
# COMMERCIAL GROSS PERFORMING LOAN PORTFOLIO

Focused expansion of small business accompanied by effort to improve profitability in SME portfolio

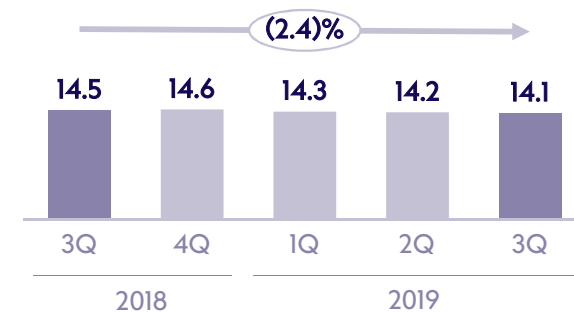
COMMERCIAL LOAN PORTFOLIO (CZK bn)



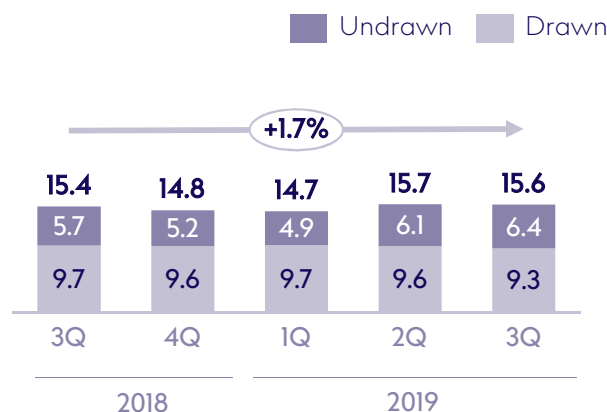
SMALL BUSINESS LOAN PORTFOLIO (CZK bn)



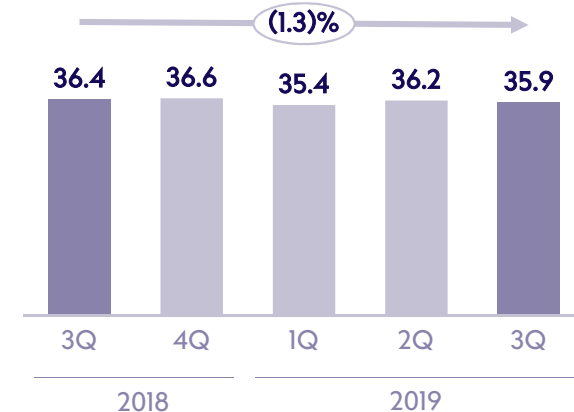
AUTO LOAN AND LEASING PORTFOLIO (CZK bn)



WORKING CAPITAL PORTFOLIO<sup>(1)</sup> (CZK bn)



INVESTMENT LOAN PORTFOLIO (CZK bn)

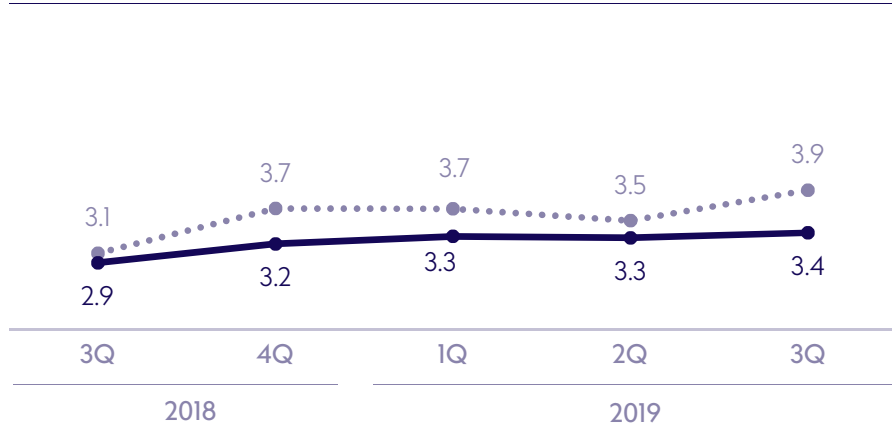


# YIELDS ON KEY COMMERCIAL PRODUCTS

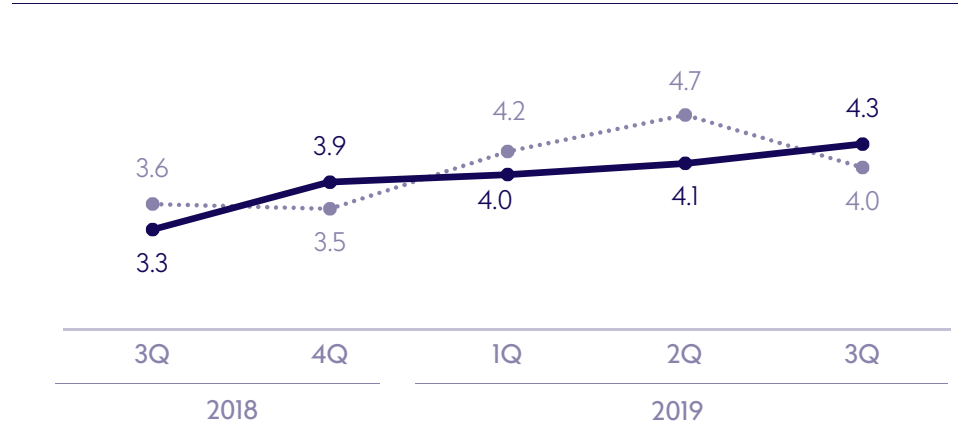
Commercial new production yields exceed portfolio level across all products except working capital

- New volume yield
- Portfolio yield

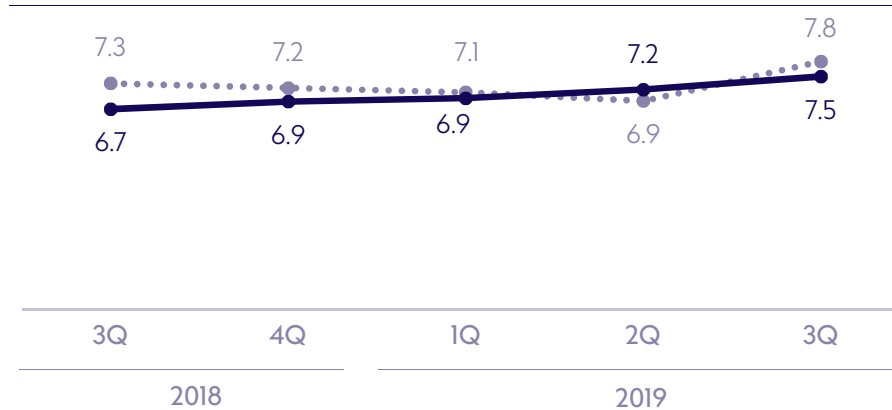
INVESTMENT LOAN YIELDS (%)



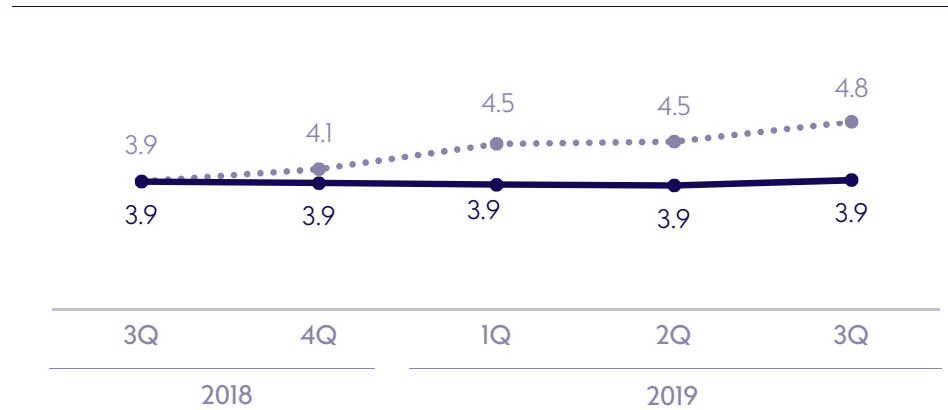
WORKING CAPITAL YIELDS (%)



SMALL BUSINESS INSTALMENT LOAN YIELDS (%)



AUTO LOAN AND LEASING YIELDS (%)

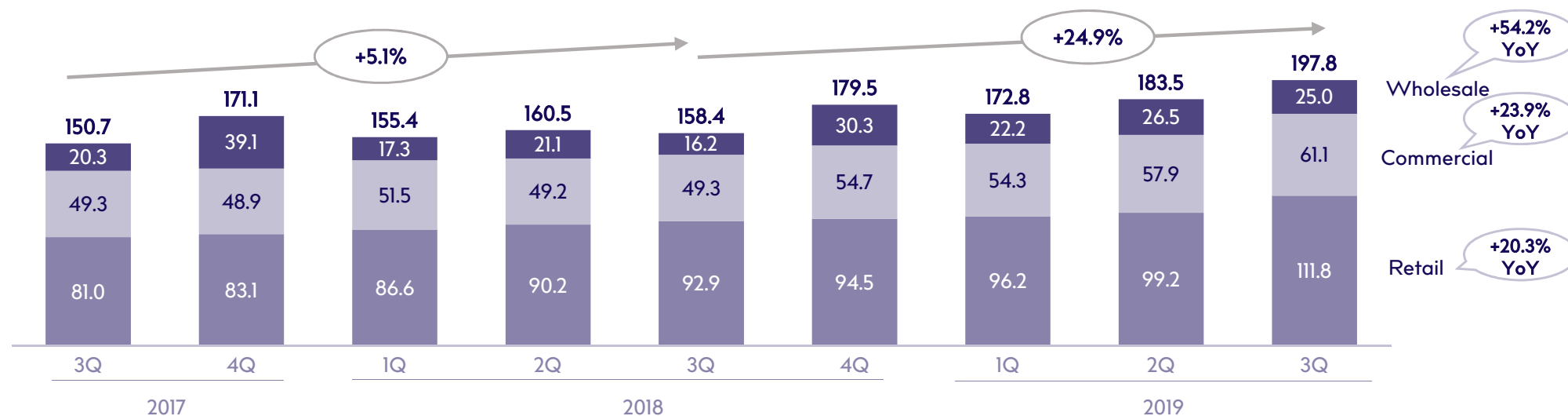




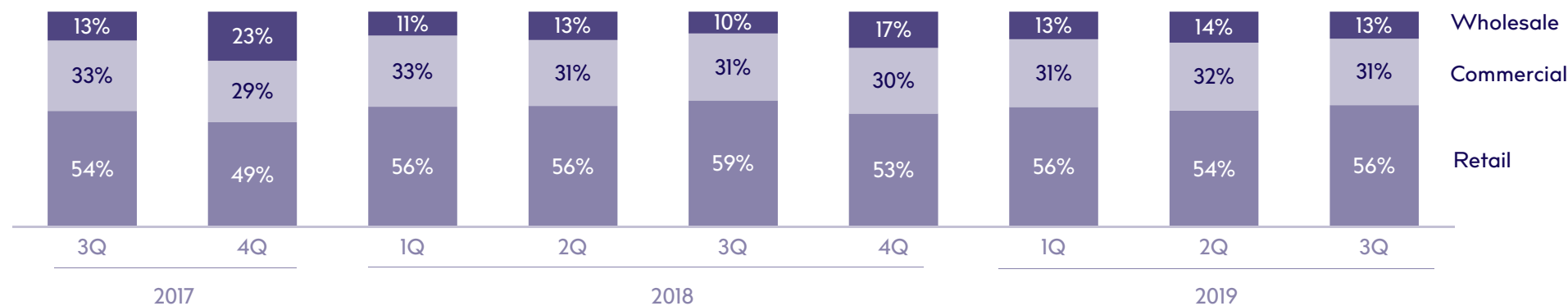
# DUE TO CUSTOMERS AND BANKS

## Accelerated growth in core customer deposits led to increase in overall Cost of Funds

CORE CUSTOMER DEPOSITS AND WHOLESALE<sup>1</sup> (CZK bn)



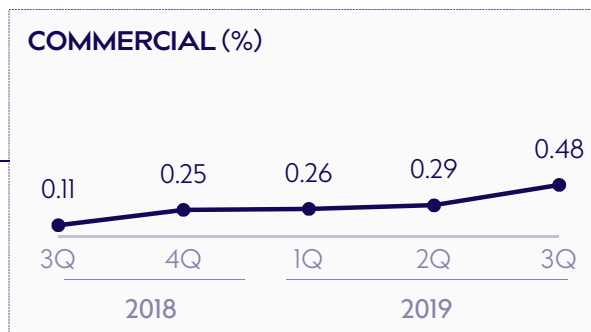
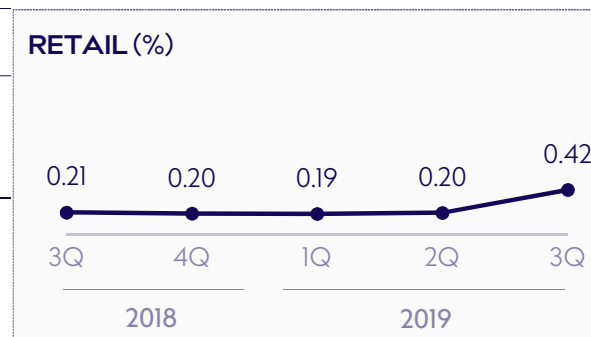
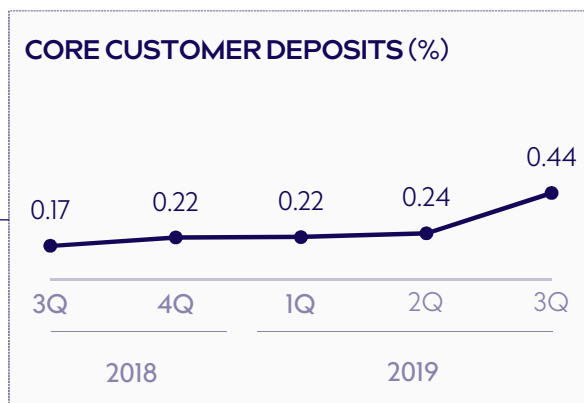
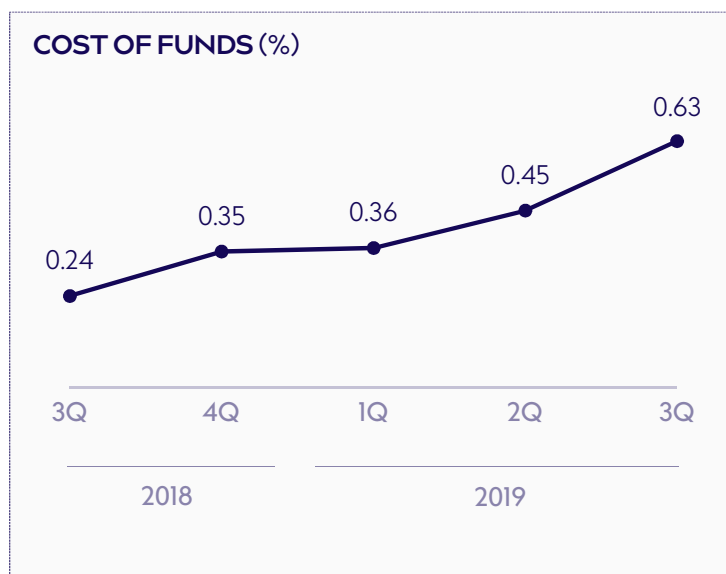
SEGMENT PROPORTION ON CORE CUSTOMER DEPOSITS AND WHOLESALE<sup>1</sup>



# COST OF FUNDS

## Accelerated growth in Cost of Funds driven by retail deposits mainly due to promo campaign on saving accounts

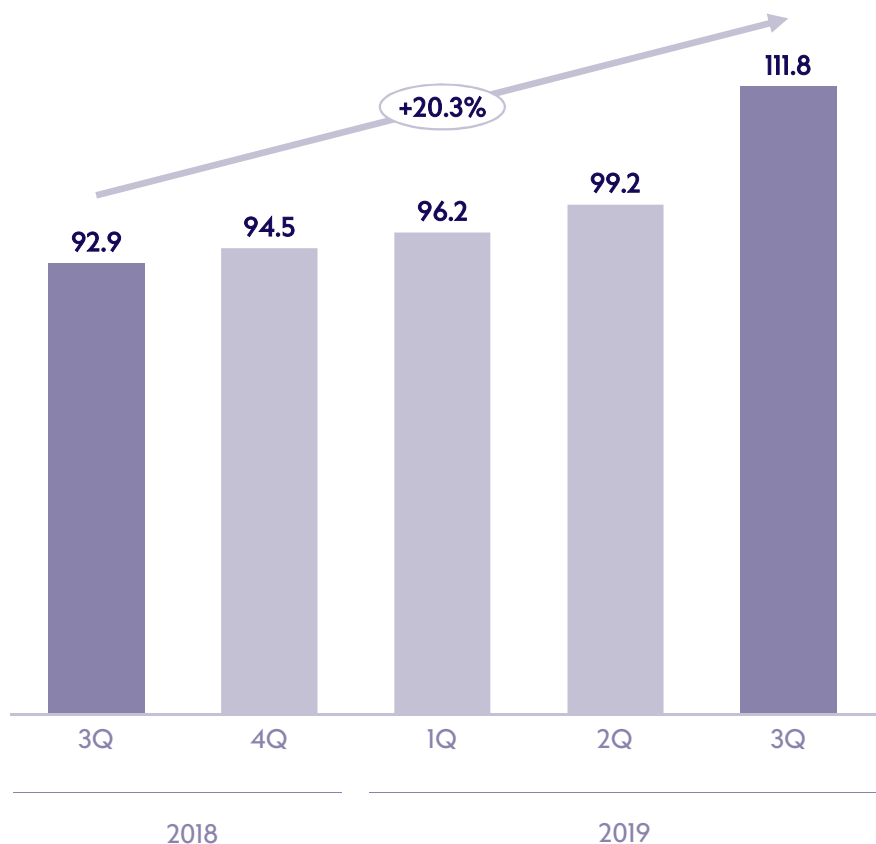
### DECOMPOSITION OF COST OF FUNDS



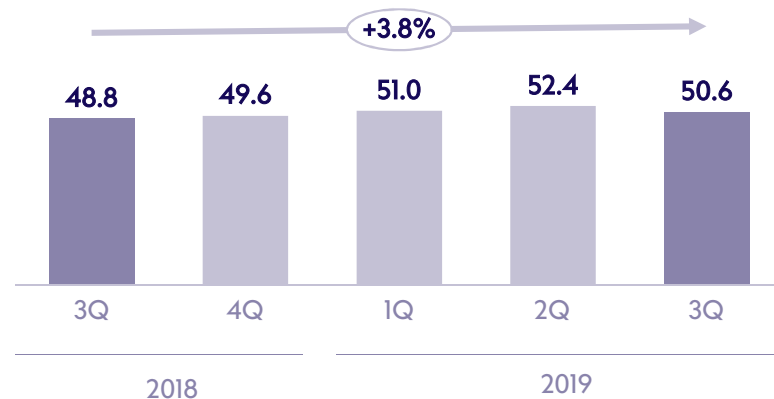
# RETAIL DEPOSIT PORTFOLIO DEVELOPMENT

Retail deposit growth driven by significant increase in saving account balances

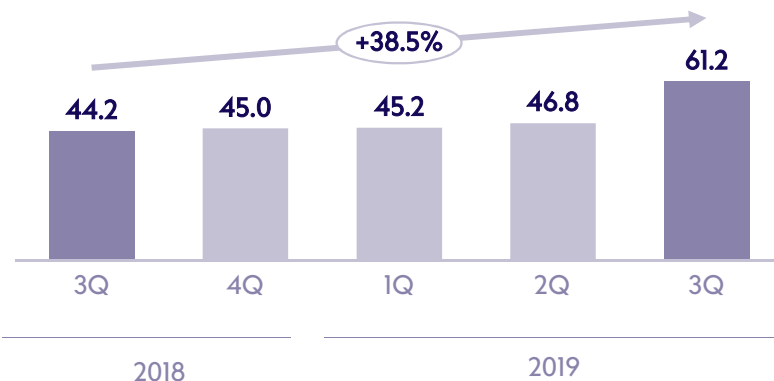
RETAIL CORE CUSTOMER DEPOSITS (CZK bn)



CURRENT ACCOUNT DEPOSITS (CZK bn)



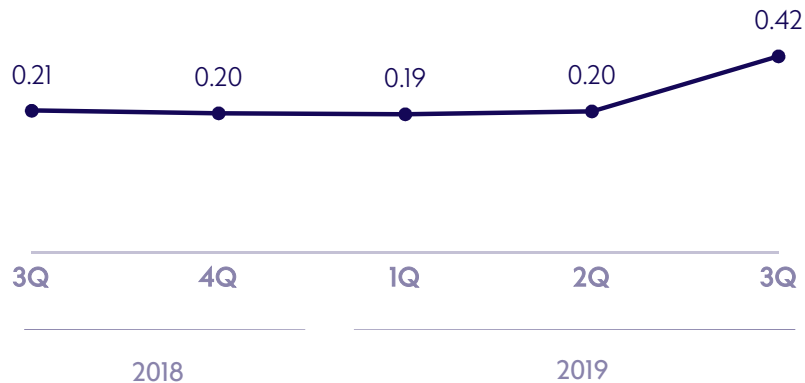
SAVINGS, TERM AND OTHER DEPOSITS (CZK bn)



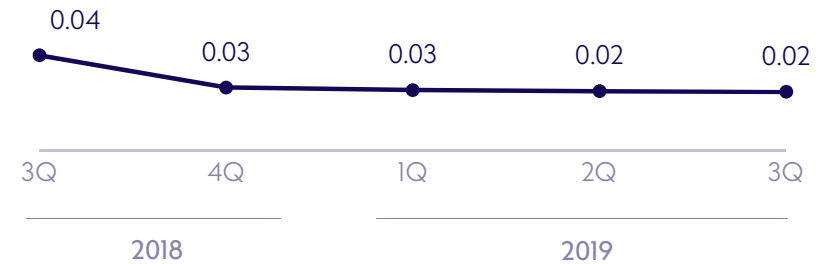
# RETAIL COST OF FUNDS

## Retail Cost of Funds driven by promo campaign on saving accounts (to be repriced in 1Q 2020)

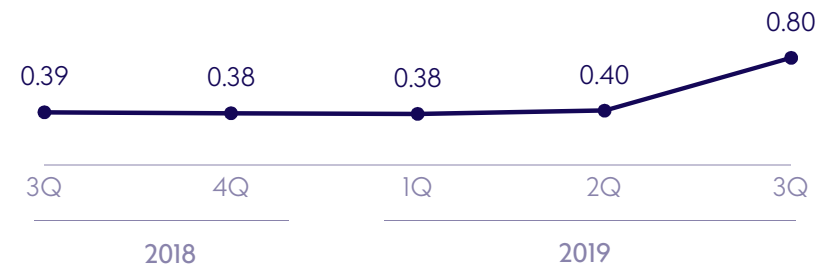
RETAIL COST OF FUNDS (%)



COST OF FUNDS ON CURRENT ACCOUNT DEPOSITS (%)



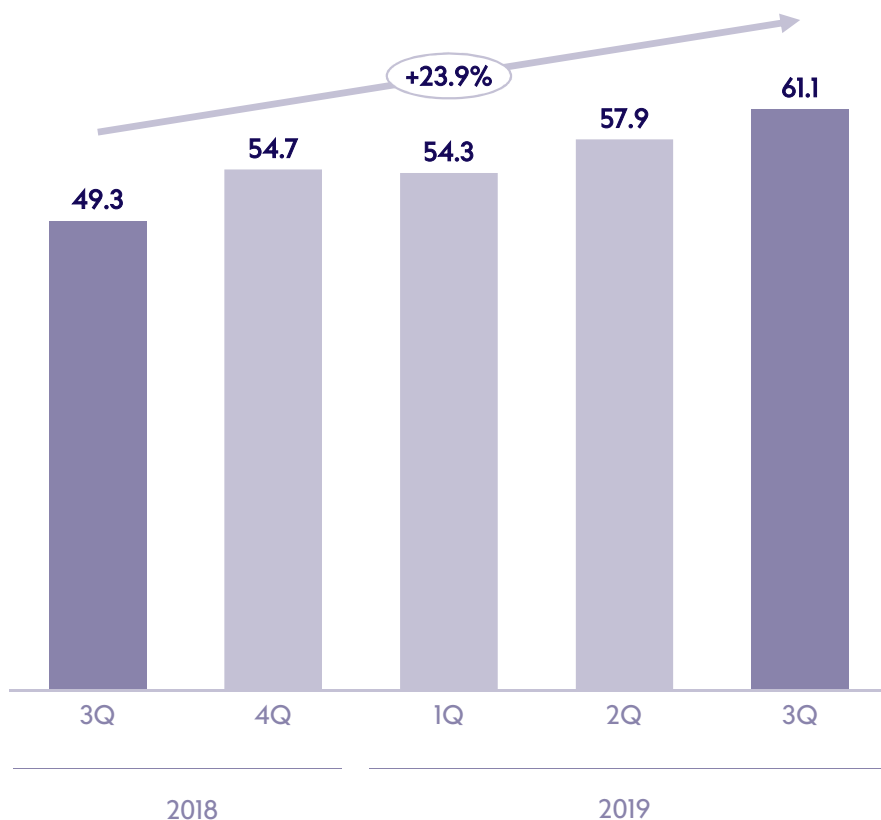
COST OF FUNDS ON SAVINGS, TERM AND OTHER DEPOSITS (%)



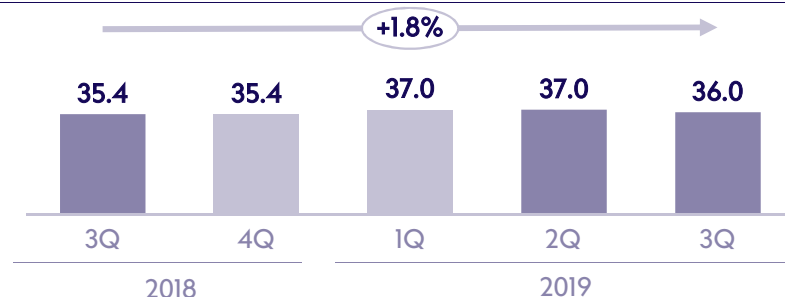
# COMMERCIAL DEPOSITS PORTFOLIO DEVELOPMENT

Continued growth of commercial deposits mainly due to opportunistic approach to term deposits

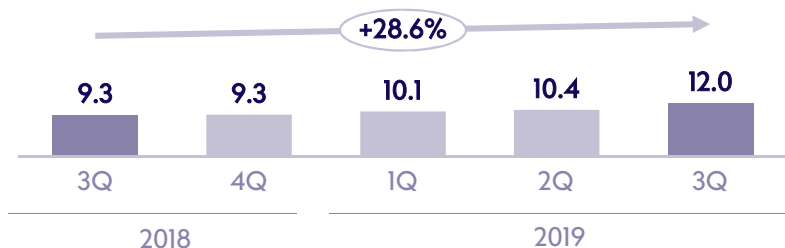
COMMERCIAL CORE CUSTOMER DEPOSITS (CZK bn)



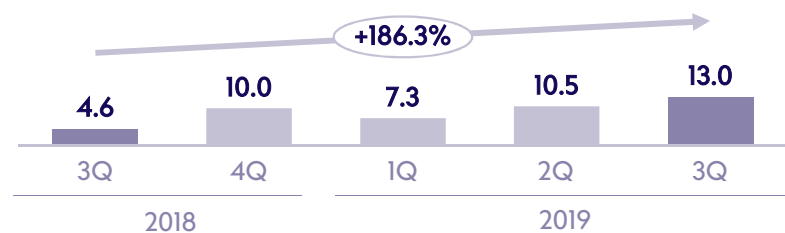
CURRENT ACCOUNT DEPOSITS (CZK bn)



SAVINGS, TERM AND OTHER DEPOSITS (CZK bn)



FINANCIAL INSTITUTIONS DEPOSITS<sup>1</sup> (CZK bn)



# COMMERCIAL COST OF FUNDS

Commercial Cost of Funds driven mainly by term deposits and increasing competition for such

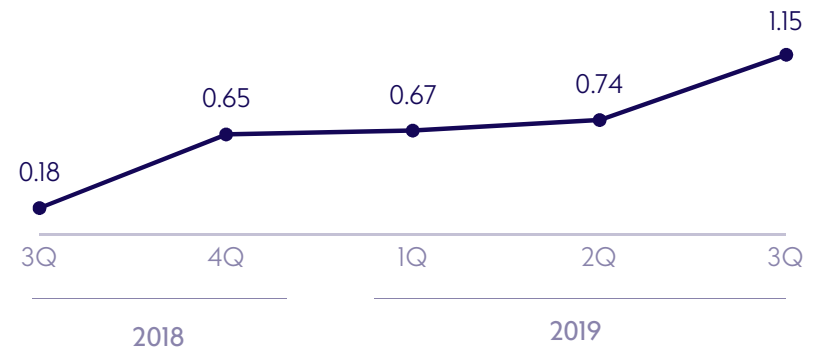
COMMERCIAL COST OF FUNDS (%)



COST OF FUNDS ON CURRENT ACCOUNT DEPOSITS (%)



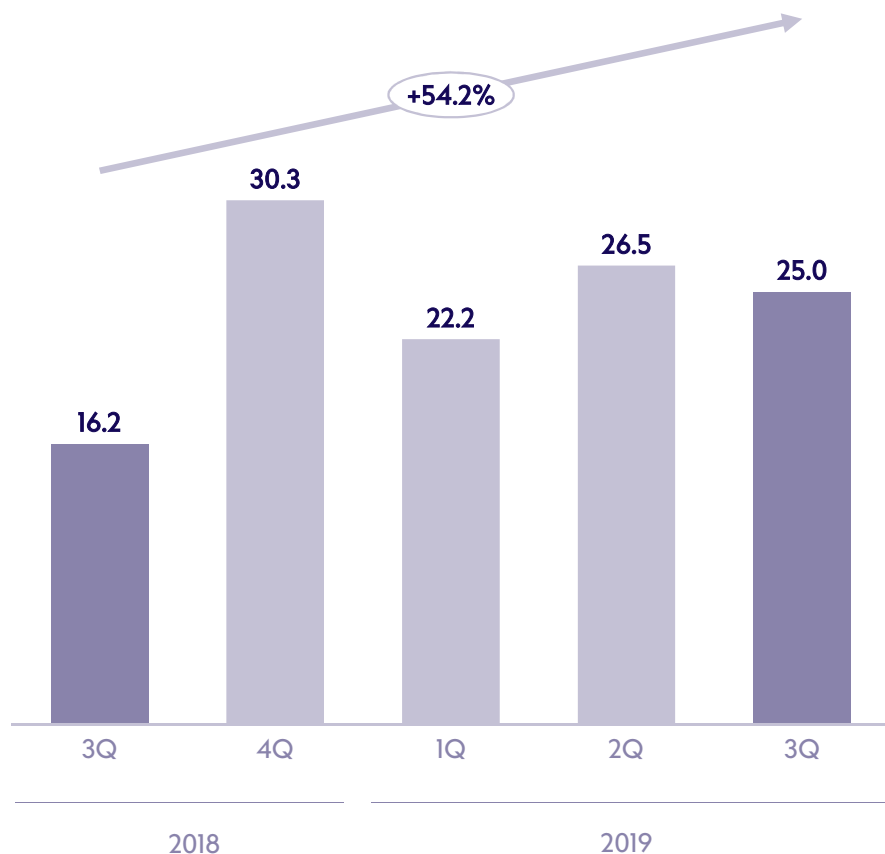
COST OF FUNDS ON SAVINGS, TERM AND OTHER DEPOSITS (%)



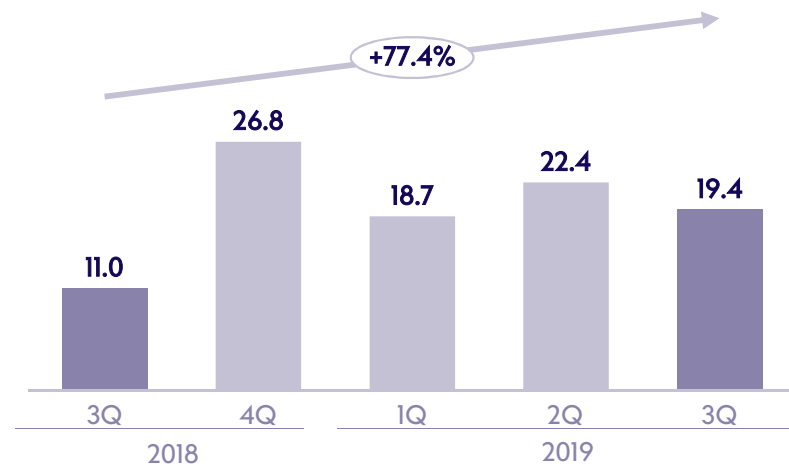
# WHOLESALE FUNDING DEVELOPMENT

## Increase in wholesale funding driven by favourable opportunities for profitable repo operations during 3Q 2019

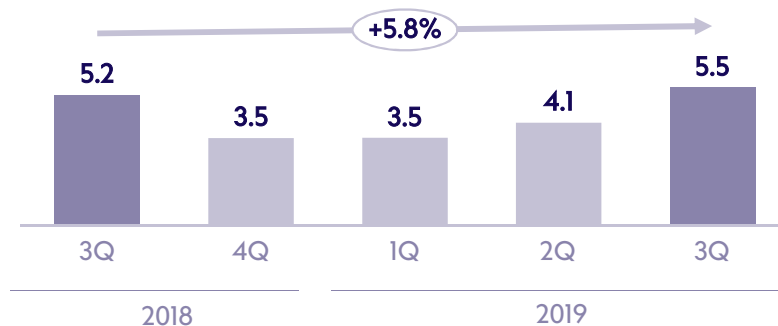
WHOLESALE FUNDING (CZK bn)



REPO OPERATIONS (CZK bn)



DUE TO BANKS EXCL. REPO OPERATIONS (CZK bn)



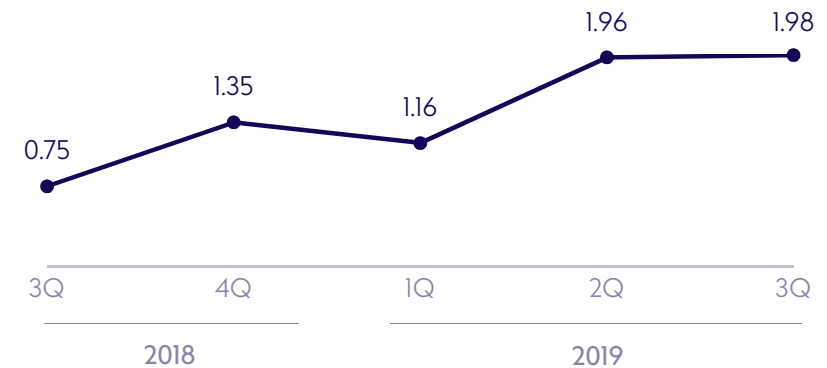
# WHOLESALE COST OF FUNDS

## Wholesale Cost of Funds driven by repo operations with clearly increasing rates

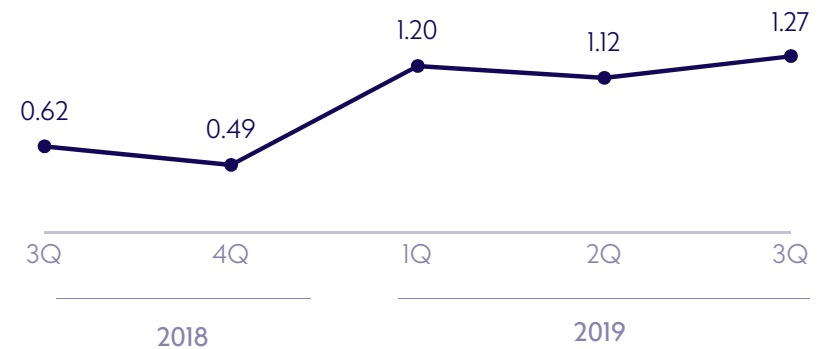
WHOLESALE COST OF FUNDS (%)



COST OF FUNDS ON REPO OPERATIONS (%)



COST OF FUNDS ON DUE TO BANKS EXL. REPO OPERATIONS (%)





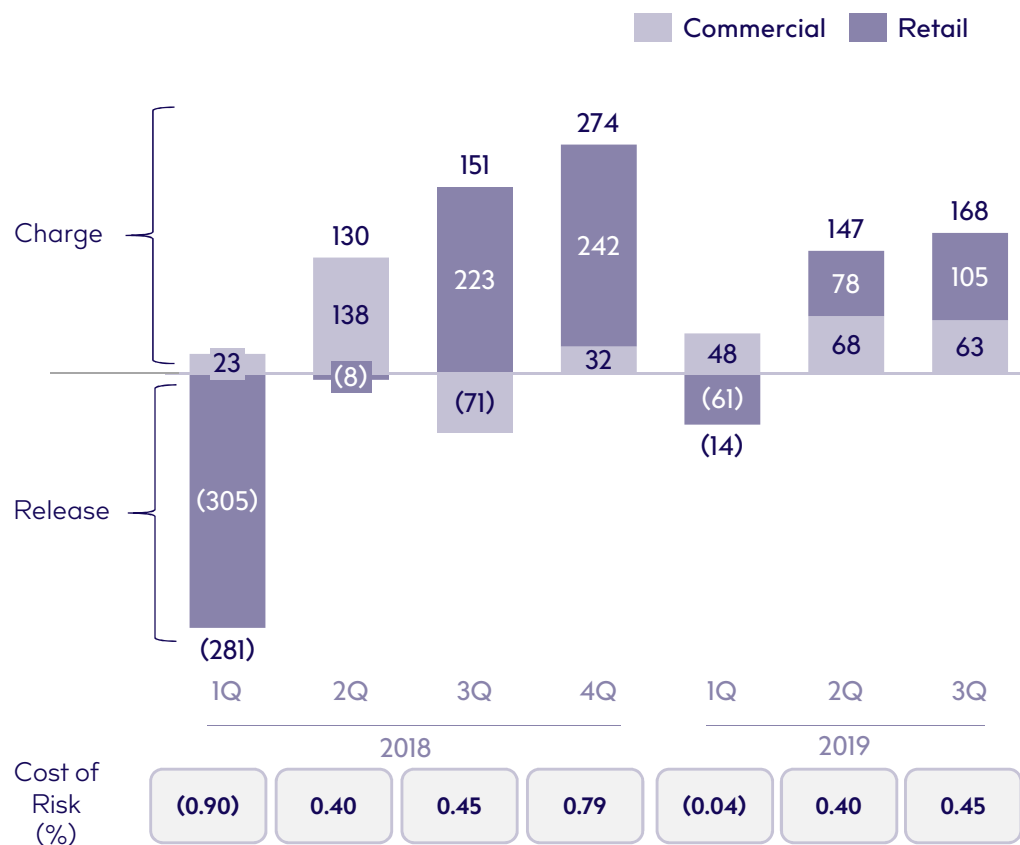
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- Operating Environment and Banking Market Dynamics
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# COST OF RISK

Incurred better than expected Cost of Risk due to successful NPL disposals and solid underlying performance

NET IMPAIRMENTS (CZK m)



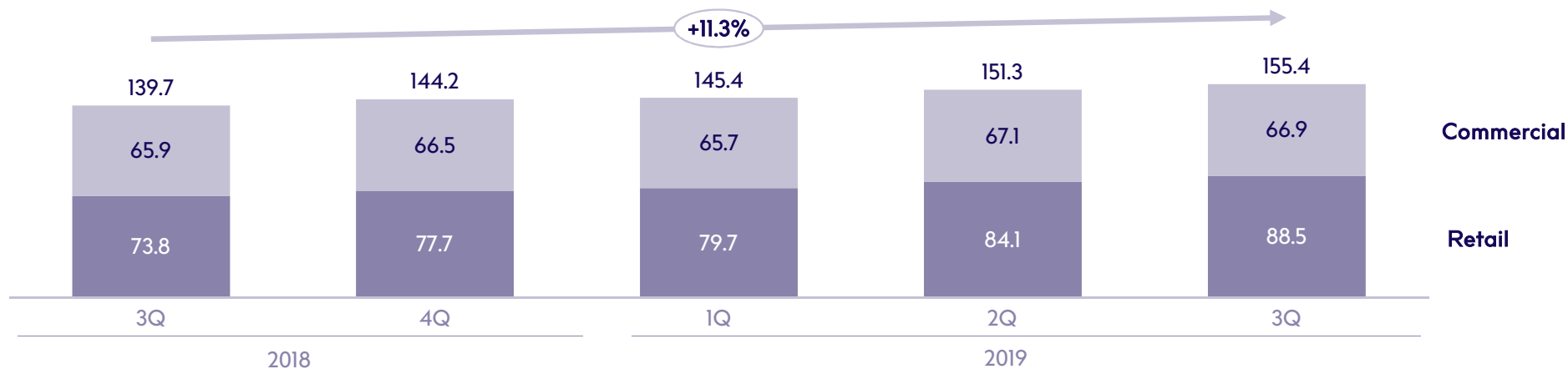
COST OF RISK (annualized)

METRICS	3Q'18 YtD	3Q'19 YtD
<b>COST OF RISK</b>	<b>0%</b>	<b>0.27%</b>
Retail	(0.18)%	0.20%
Commercial	0.19%	0.36%
<b>CORE COST OF RISK</b>	<b>0.68%</b>	<b>0.56%</b>
Retail	1.11%	0.60%
Commercial	0.24%	0.51%
<b>IMPACT OF LEGACY NPL DISPOSALS</b>	<b>(0.68)%</b>	<b>(0.28)%</b>
<b>TOTAL NPL COVERAGE<sup>1</sup></b>	<b>95.8%</b>	<b>103.3%</b>

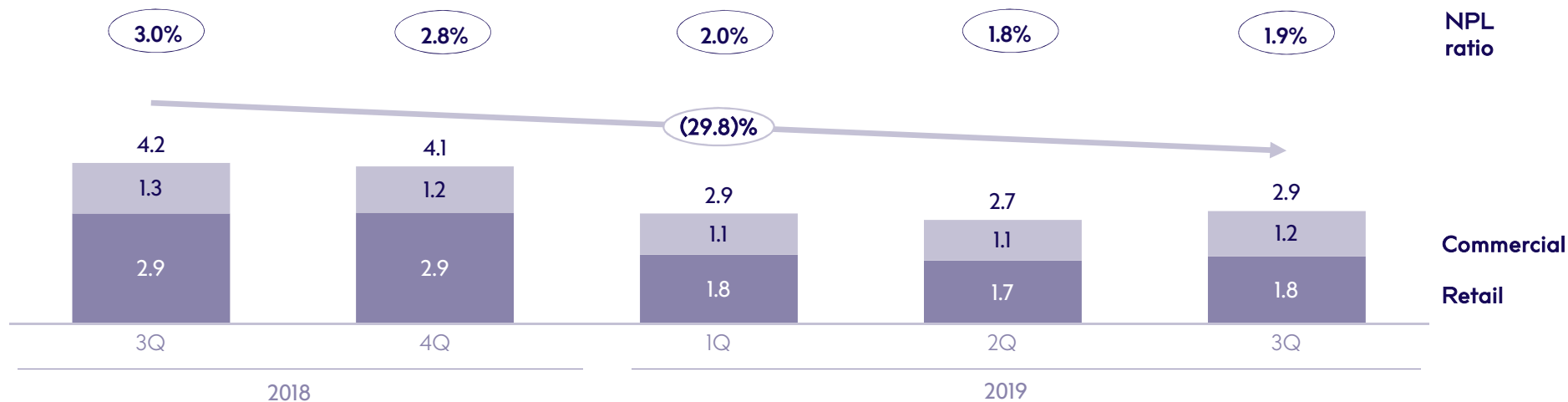
# LOAN BOOK QUALITY OVERVIEW

Slight increase in NPL level due to reclassification of certain SME clients, maintaining overall low NPL ratio

GROSS LOAN PORTFOLIO BALANCE (CZK bn)



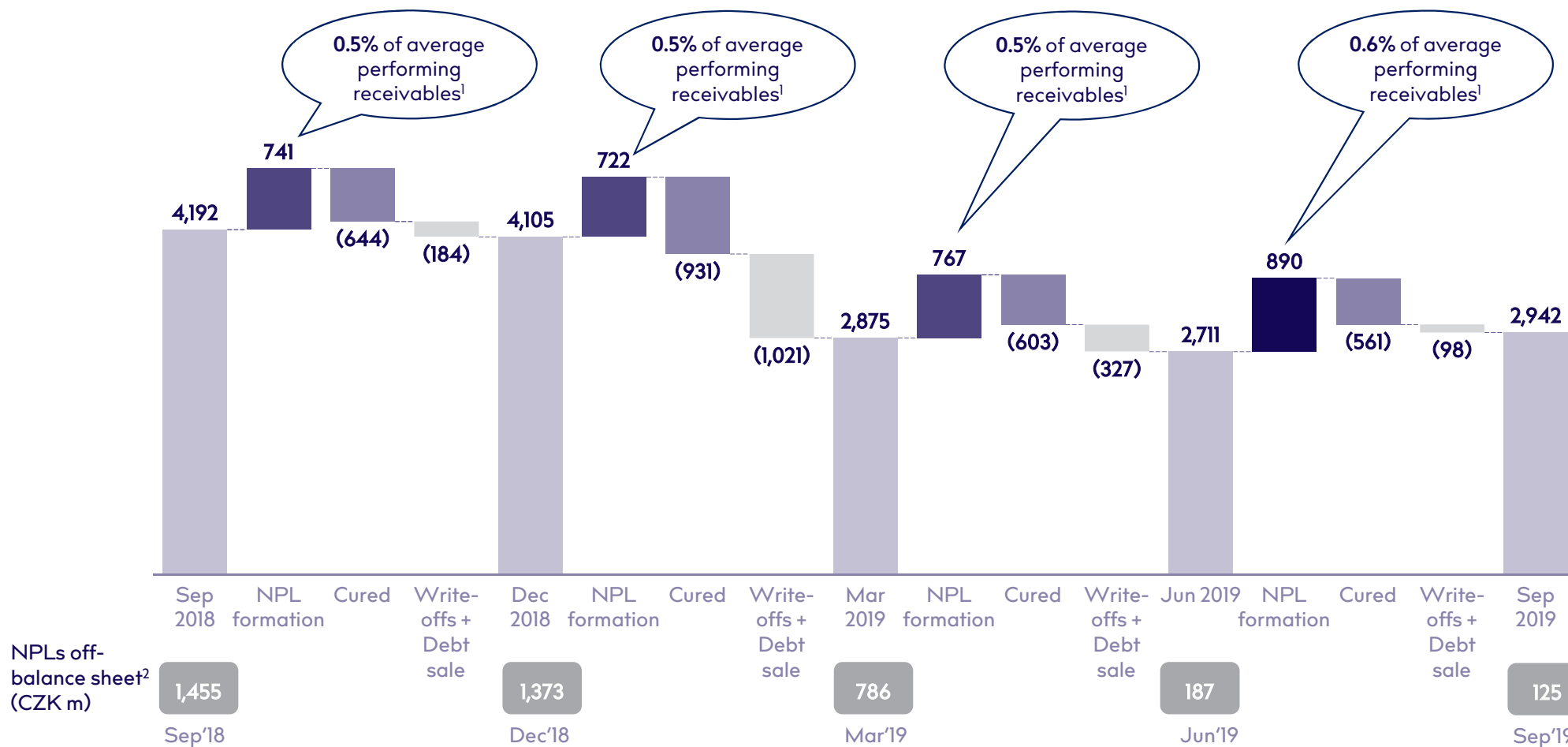
NPL DEVELOPMENT (CZK bn)



# NON-PERFORMING LOAN DEVELOPMENT

NPL formation and cure rates influenced by new methodology applied, lower NPL disposals in 3Q'19 in line with expectation

GROSS NPL WALK (CZK m)

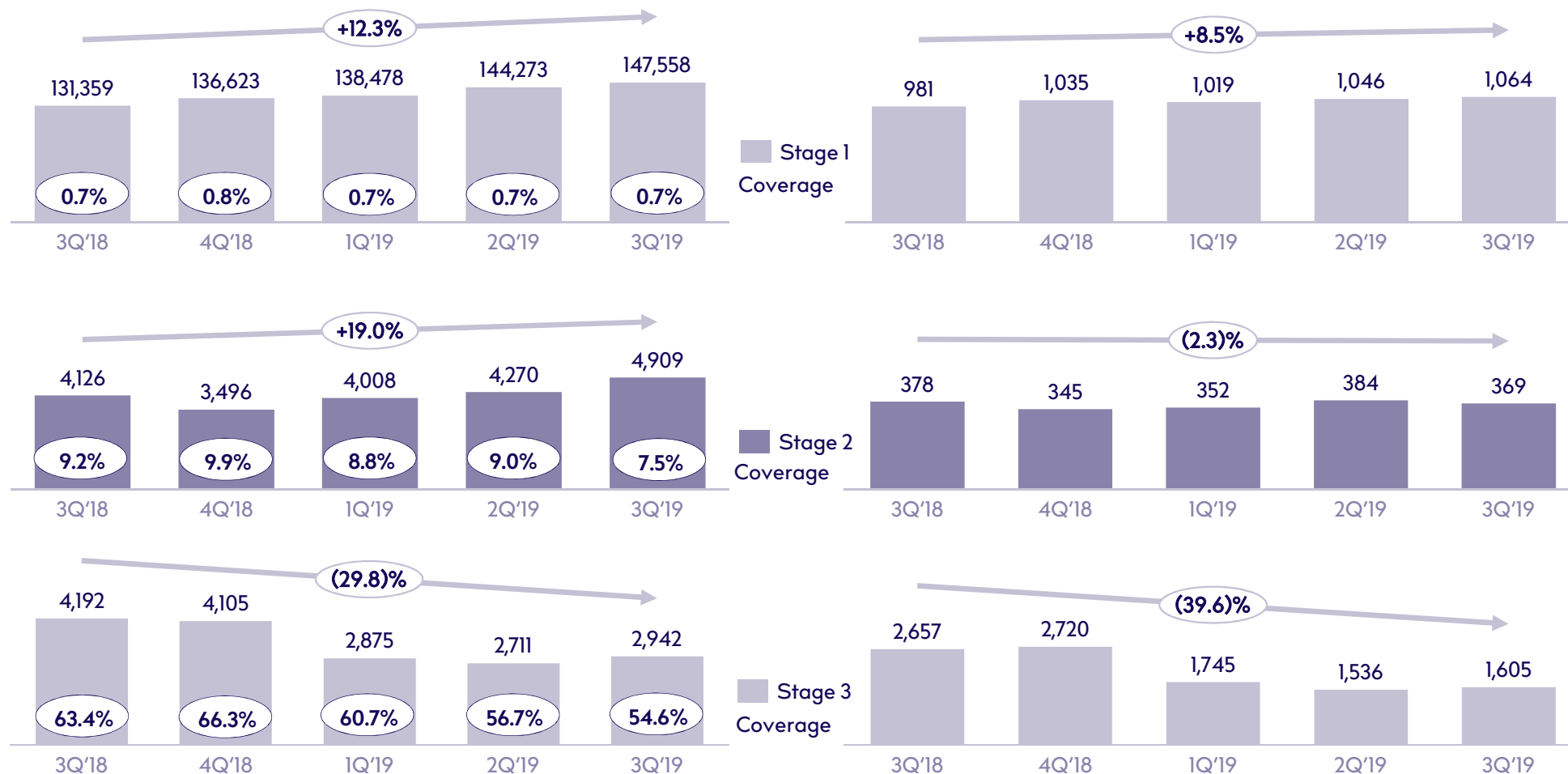


# LOAN PORTFOLIO BALANCES, QUALITY AND COVERAGE

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

GROSS LOAN PORTFOLIO BALANCE (CZK m)

PORTFOLIO ALLOWANCES BALANCE (CZK m)



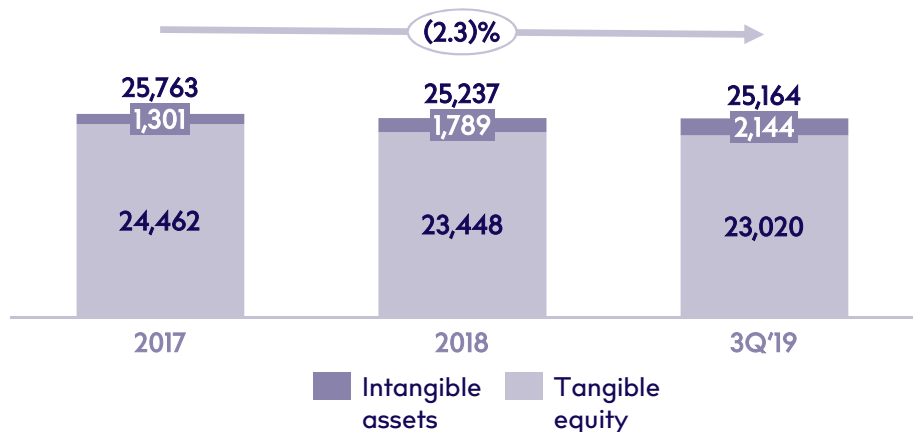
# Content

- Operating Environment and Banking Market Dynamics
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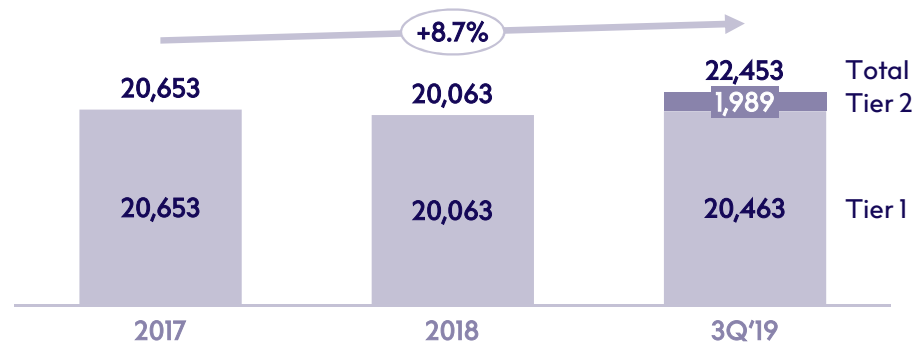
# CAPITAL MANAGEMENT

## Tier 2 bonds issuance strengthened capital position, improving capital adequacy ratio to 18.1%

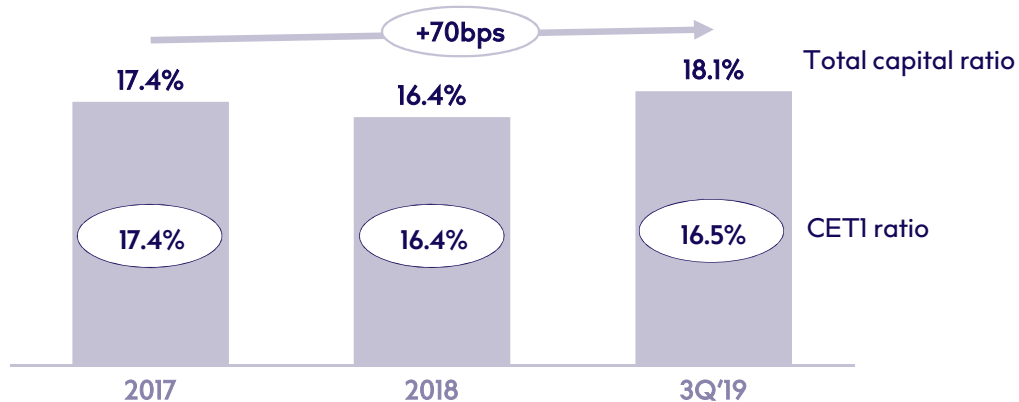
ACCOUNTING EQUITY (CZK m)



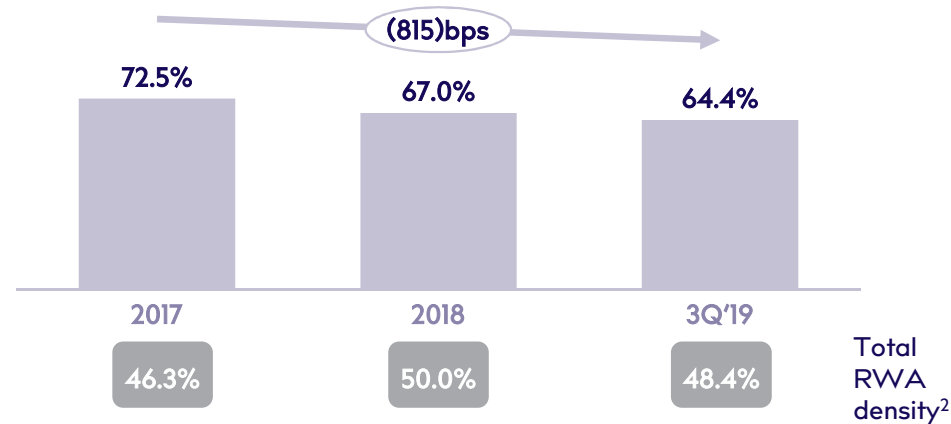
REGULATORY EQUITY (CZK m)



TOTAL CAPITAL ADEQUACY RATIO<sup>1</sup>



RWA PORTFOLIO DENSITY<sup>2</sup>

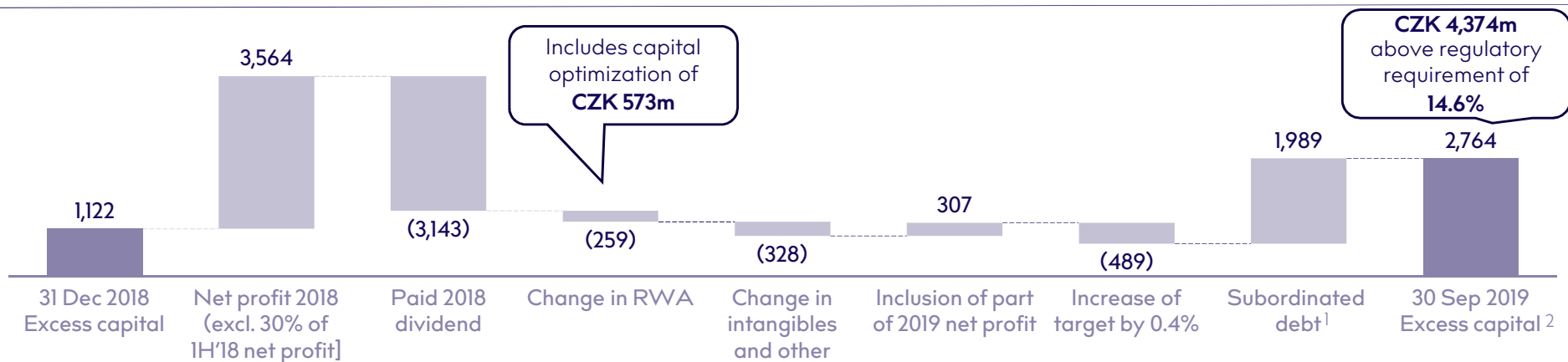


Note: Figures in chart may not add up due to rounding differences. (1) 2017 excluding net profit for 2017, 2018 including 1H2018 net profit of CZK 636m and 2019 including net profit for 2H2018 (CZK 421 million) and a nine months of 2019 (CZK 307 million); (2) RWA density ratio recalculated to be in line with BIS Working Papers (i.e. using the ratio of Regulatory leverage and Capital adequacy only for Tier 1 regulatory capital). New methodology applied by MONETA since June 2018, 2017 was restated in line with new methodology.

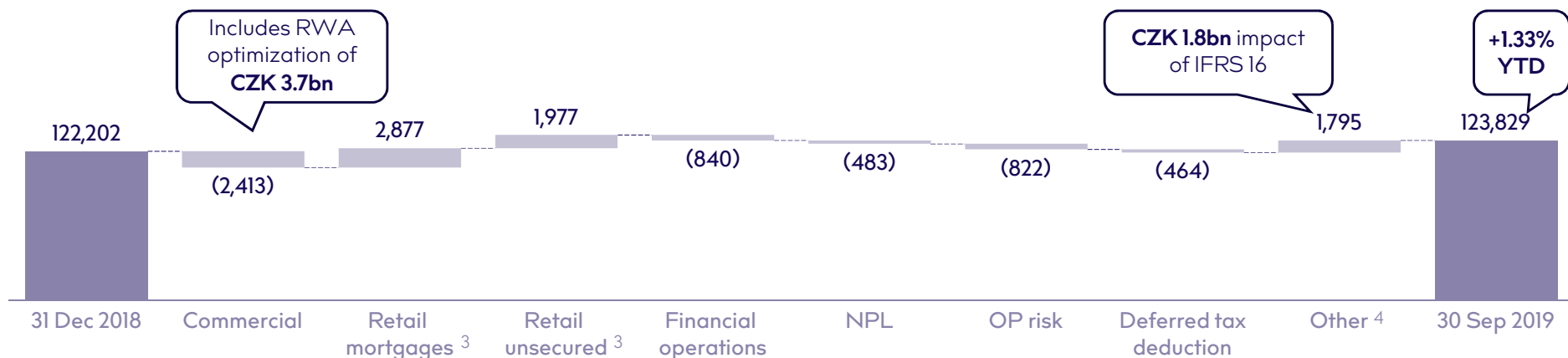
## EXCESS CAPITAL OVERVIEW

Capital position strengthened through CZK 2bn subordinated debt issuance, RWA increased only by 1.3%

EXCESS CAPITAL EVOLUTION AGAINST CAPITAL ADEQUACY RATIO TARGET OF 15.9% (CZK m)



RISK WEIGHTED ASSETS (CZK m)

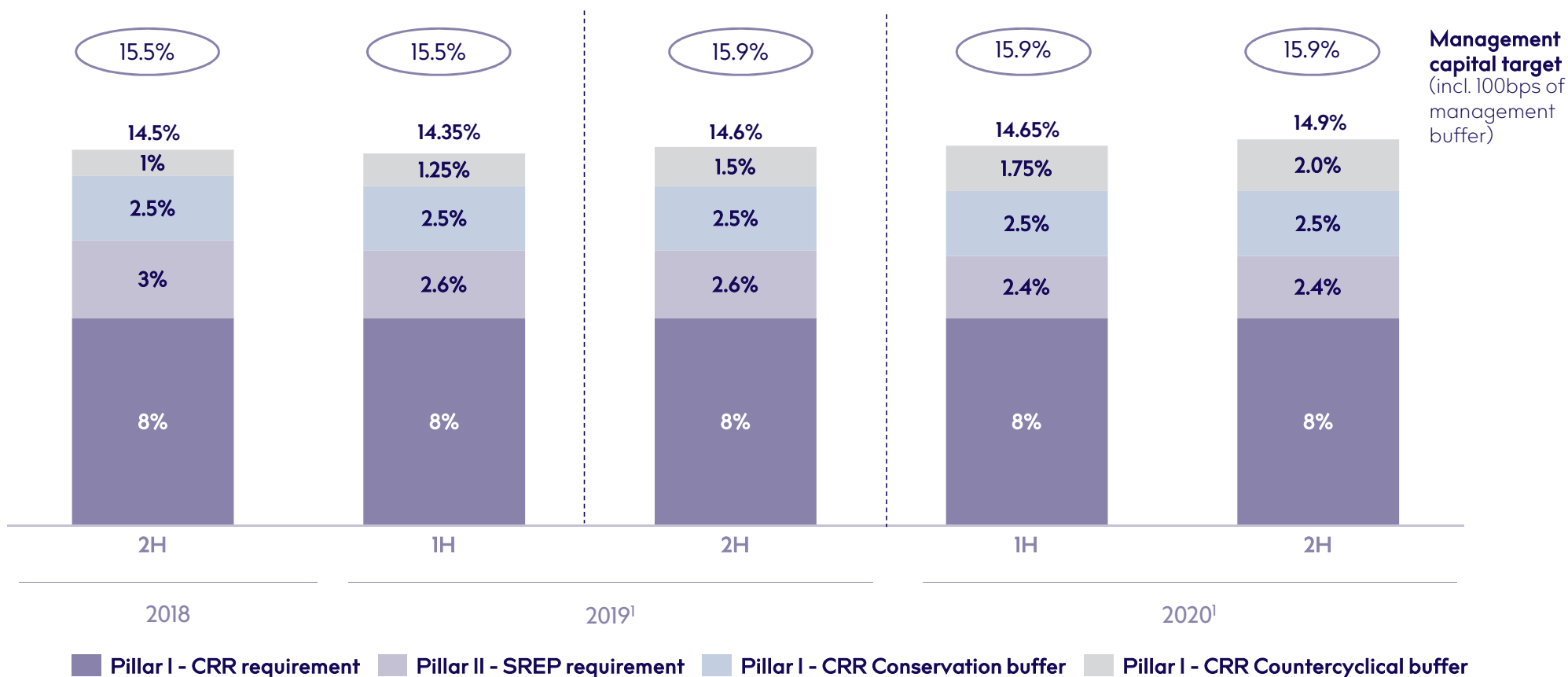




# CAPITAL & REGULATORY REQUIREMENTS

## Management set capital target<sup>1</sup> to 15.9% following lower Pillar II requirement

### DEVELOPMENT AND DECOMPOSITION OF REGULATORY CAPITAL REQUIREMENT



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## MEDIUM TERM GUIDANCE

# Improving 2019 guidance amid benign credit risk environment and targeting to deliver net profit of CZK 4 billion

<b>METRICS</b>	<b>Initial 2019<sup>1</sup></b>	<b>Revised 2019</b>	<b>2020</b>	<b>2021</b>
<b>TOTAL OPERATING INCOME (CZK)</b>	≥10.3bn	≥10.4bn	≥11.0bn	≥11.6bn
<b>COST BASE (CZK)</b>	≤5.0bn	≤5.0bn	≤5.1bn	≤5.2bn
<b>COST OF RISK<sup>2</sup></b> <i>Cost of Risk (excluding legacy NPL sales)</i>	45 - 55bps 70 - 80bps	30 - 40bps 55 - 65bps	70 - 80bps	75 - 85bps
<b>EFFECTIVE TAX RATE</b>	~20%	~19.5%	~20%	~20%
<b>NET PROFIT (CZK)</b>	≥3.7bn	≥4.0bn	≥3.8bn	≥4.0bn
<b>GROSS DIVIDEND PER SHARE (CZK)<sup>2</sup></b>	≥5.4	≥6.65	≥6.65	≥6.65
<b>EARNINGS PER SHARE (CZK)</b>	≥7.2	≥7.8	≥7.4	≥7.8
<b>RETURN ON TANGIBLE EQUITY</b>	≥15.5%	≥16.5%	≥15.5%	≥15.5%

BASED ON OPERATING AND CAPITAL PLANS TARGETING **THREE YEAR CUMULATIVE DIVIDEND PAY-OUT OF AT MINIMUM CZK 10.2 BILLION GROSS (CZK 6.65 GROSS PER SHARE FOR EACH OF 2019, 2020 AND 2021)<sup>2</sup>**

## AWARDS RECEIVED IN 2019

# MONETA well recognised at Zlatá koruna, IEA 2019 and the Best Bank 2019

### **INTERNET EFFECTIVENESS AWARDS 2019**

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



### **THE BEST BANK 2019**

**SMART BANKA**

**1<sup>st</sup> place** – BANKING INNOVATOR (MONETA Smart Banka new generation)



### **ZLATÁ KORUNA AWARDS 2019**

**SMART BANKA**

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

**RETAIL & SMALL BUSINESS LOANS**

- **2<sup>nd</sup> place** – SMALL BUSINESS LOANS (for the fully online loan for small business clients)
- **2<sup>nd</sup> 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**  
1<sup>st</sup> place – Online application,  
3<sup>rd</sup> 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**  
1<sup>st</sup> place – Banking innovator



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

**Finparáda 2018**  
2<sup>nd</sup> 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 4Q 2019

Management convenes general meeting and plans to participate in three investor conferences

**General Meeting**  
26 November 2019

**FY 2019 Earnings**  
6 February 2020

**Goldman Sachs  
Annual CEEMEA Conference**  
London  
12 November 2019

**J.P. Morgan  
CEE Investor Day**  
London  
21 November 2019

**WOOD's Winter Wonderland  
Conference**  
Prague  
3 - 6 December 2019

## Contacts

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[www.moneta.cz](http://www.moneta.cz)  
Identification number: 25672720*

*Bloomberg: MONET CP  
ISIN: CZ0008040318*

*Reuters: MONET.PR  
SEDOL: BD3CQ16*

# Appendix

- MONETA's Credit Rating
- MONETA's Shareholder Structure
- MONETA's Share Price and Volumes and Dividend Overview
- Bond Issuance
- Asset under Management
- 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

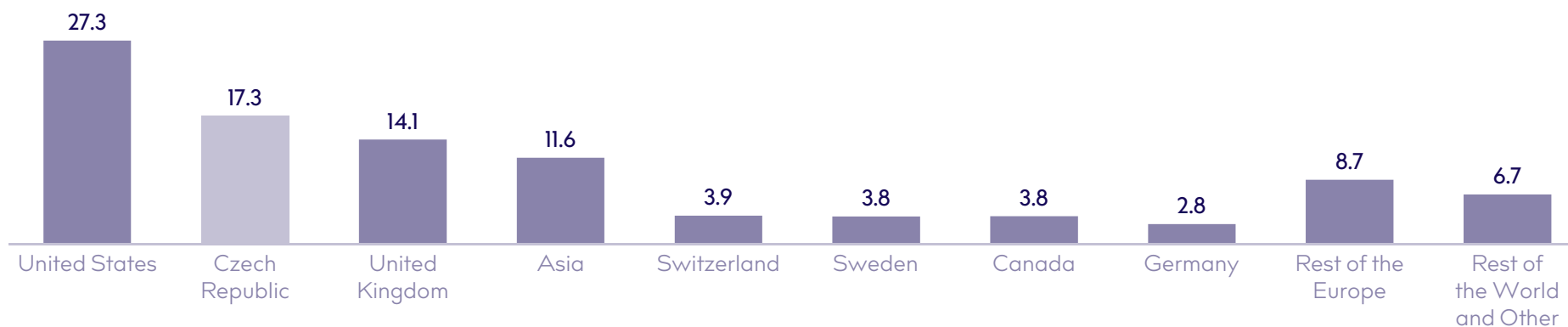
Moody's has upgraded investment grade rating to A2/P-1 with stable outlook from Baa2/P-2, S&P rating reaffirmed

Rating Agency <sup>1</sup>	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

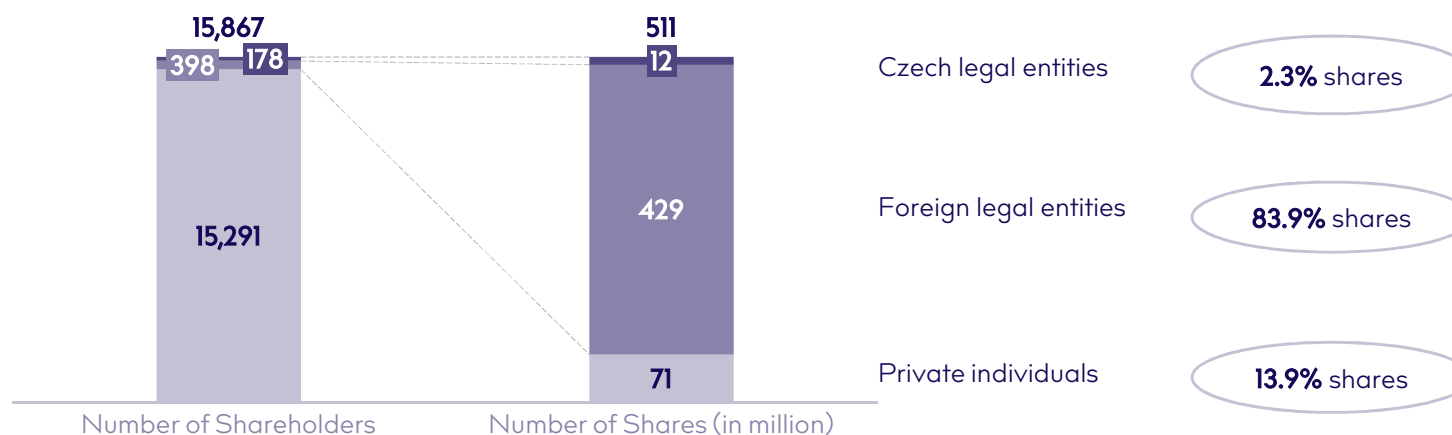
# SHAREHOLDER STRUCTURE

## More than 86% MONETA's shares owned by legal entities

**GEOGRAPHICAL SUMMARY PER HOLDING** (in % as at September 2019)

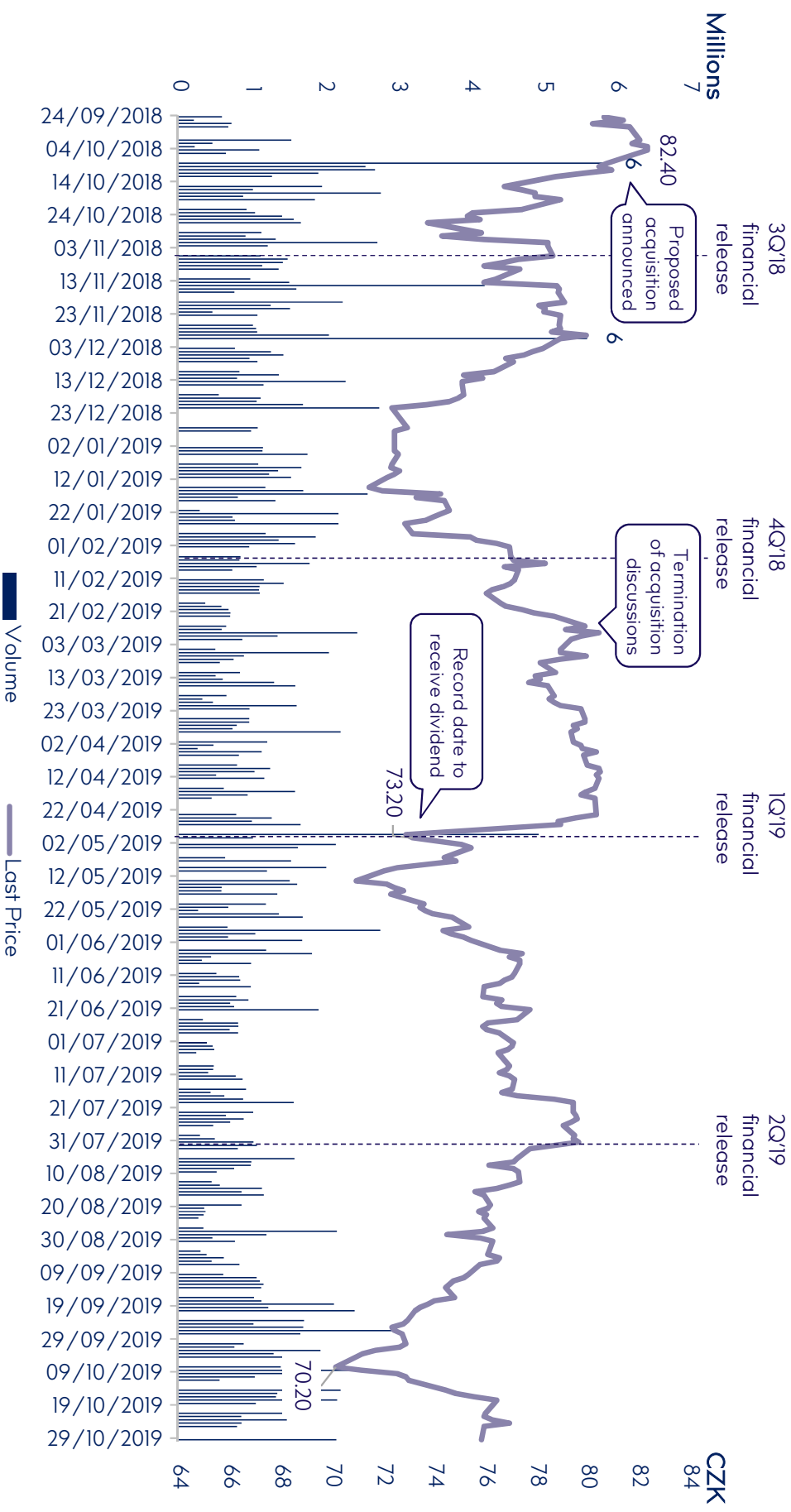


**STRUCTURE BY TYPE OF SHAREHOLDER** (as at September 2019)



# MARKET PRICE AND VOLUMES

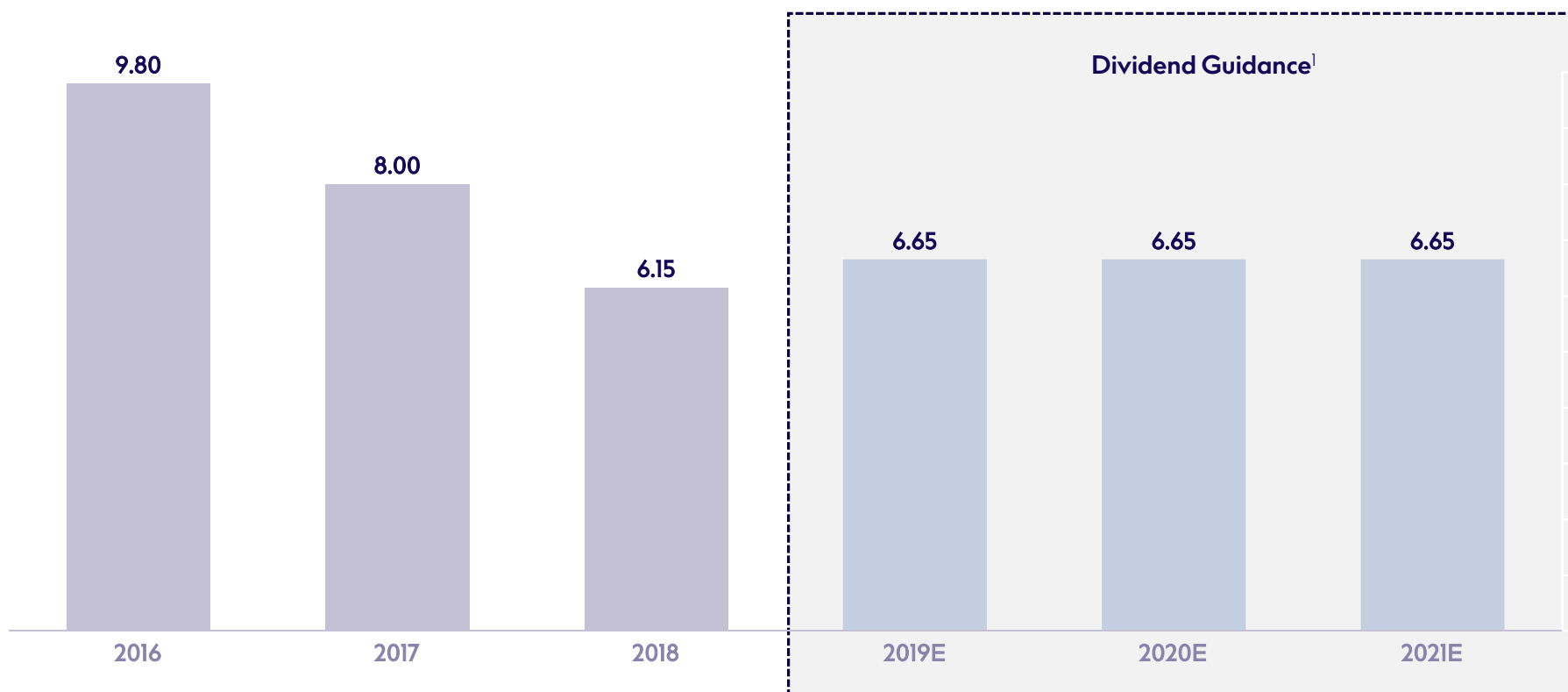
## The highest price at CZK 82.40; the lowest CZK 70.20



# DIVIDEND


Based on operating and capital plans three year cumulative dividend pay-out is targeted to be at minimum CZK 10.2bn gross<sup>1</sup>

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



## BOND ISSUANCE

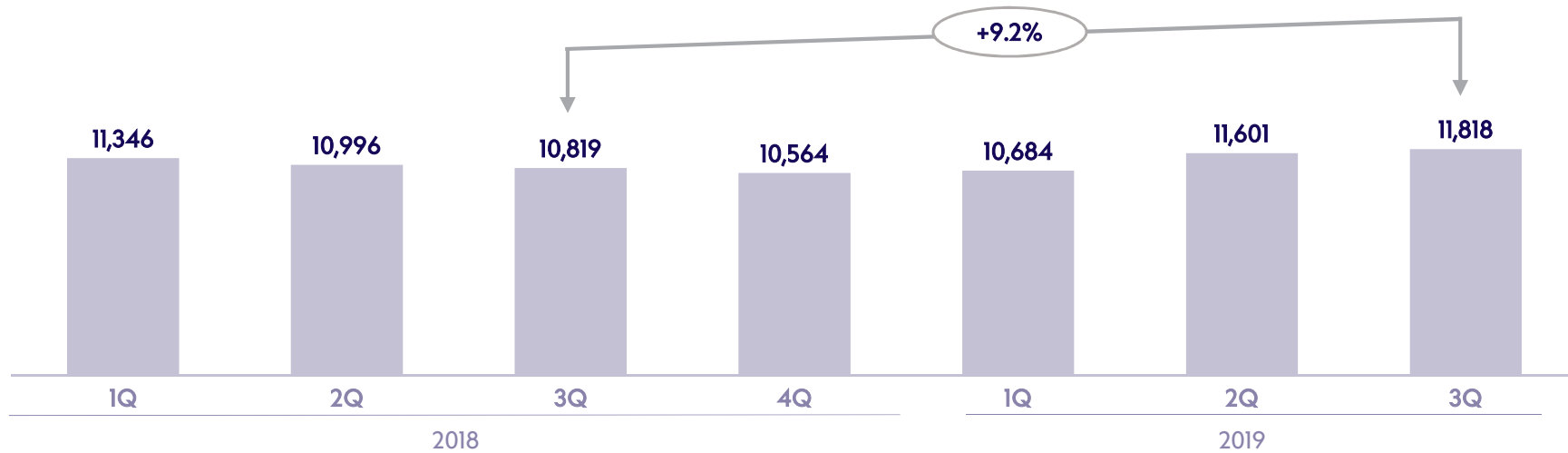
Tier 2 of MONETA was priced at a record-low rate in peer comparison

BANK	RATING	MATURITY	SIZE	SPREAD AT ISSUANCE	CURRENT SPREAD
BAWAG PSK	Baa2	2028	EUR 400m	+230	+190
mBank	Baa1	2028	PLN 550m	+180	+187
Belfius	Baa2	2028	EUR 200m	+123	+196
Commerzbank	Baa3	2027	EUR 650m	+340	+227
LBBW	Baa2	2029	EUR 500m	+170	+141
Lloyds Bank	Baa1	2028	EUR 750m	+130	+190
ABN-AMRO	Baa2	2028	USD 1.5bn	+240	+183
<b>AVERAGE</b>				<b>+202</b>	<b>+188</b>
 MONETA   MONEY BANK	<b>Baa2</b>	<b>2029</b>	<b>CZK 2bn</b>	<b>+163</b>	<b>+163</b>

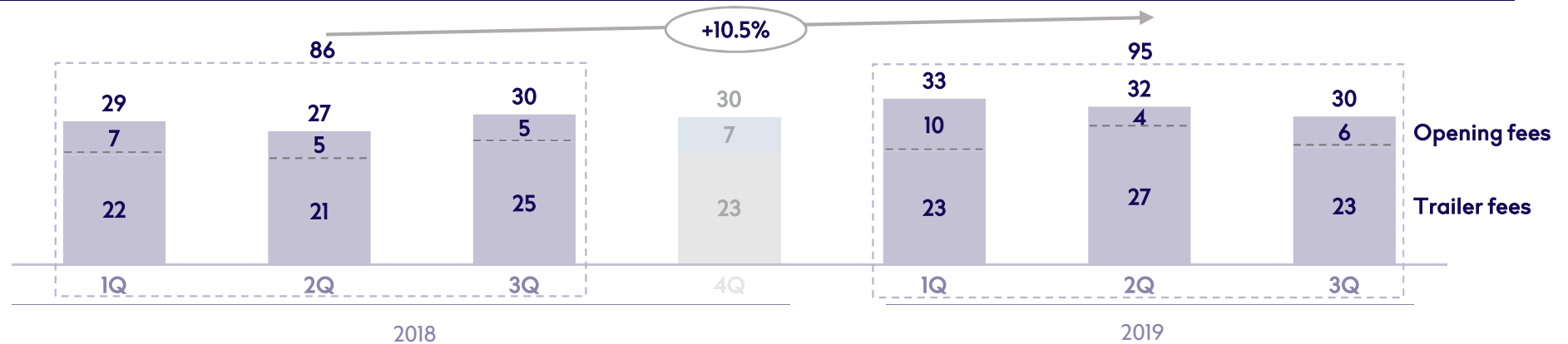
# ASSET MANAGEMENT OVERVIEW

Trend in asset management continued moderately, supported by plans to improve distribution during 2020

ASSET MANAGEMENT (CZK m)



COMMISSION INCOME FROM INVESTMENT FUNDS (CZK m)



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CZK m	30/09/2019	31/12/2018 <sup>1</sup>	% Change
Cash and balances with the central bank	6,684	8,139	(17.9%)
Derivative financial instruments with positive value	21	28	(25.0%)
Investment securities	25,394	20,780	22.2%
Hedging derivatives with positive fair values	156	53	194.3%
Change in fair value of items hedged on portfolio basis	50	30	66.7%
Loans and receivables to banks	38,926	33,436	16.4%
Loans and receivables to customers	152,370	140,123	8.7%
Intangible assets	2,144	1,789	19.8%
Property and equipment	3,172	1,296	144.8%
Investments in subsidiaries and associates	2	2	0.0%
Current tax assets	18	16	12.5%
Deferred tax assets	0	127	(100.0%)
Other assets	766	1,113	(31.2%)
<b>Total Assets</b>	<b>229,703</b>	<b>206,932</b>	<b>11.0%</b>
Due to banks	5,549	10,716	(48.2%)
Due to customers	192,273	168,792	13.9%
Derivative financial instruments with negative value	9	44	(79.5%)
Hedging derivatives with negative fair values	513	167	207.2%
Subordinated liabilities	1,989	0	n/a
Provisions	227	261	(13.0%)
Current tax liability	133	107	24.3%
Deferred tax liability	258	177	45.8%
Other liabilities	3,588	1,431	150.7%
<b>Total Liabilities</b>	<b>204,539</b>	<b>181,695</b>	<b>12.6%</b>
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	0	n/a
Share based payment reserve	(2)	(2)	0.0%
Retained earnings	19,525	19,598	(0.4%)
<b>Total Equity</b>	<b>25,164</b>	<b>25,237</b>	<b>(0.3%)</b>
<b>Total Liabilities &amp; Equity</b>	<b>229,703</b>	<b>206,932</b>	<b>11.0%</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION – QUARTERLY DEVELOPMENT

CZK m	30/09/2017	31/12/2017 <sup>1</sup>	31/03/2018	30/06/2018 <sup>2</sup>	30/09/2018	31/12/2018 <sup>1</sup>	31/03/2019	30/06/2019	30/09/2019
Cash and balances with the central bank	7,373	7,127	6,823	7,498	7,336	8,139	5,381	7,334	6,684
Financial assets at fair value through profit or loss	42	48	0	0	0	0	0	0	0
Derivative financial instruments with positive value	0	0	45	146	42	28	25	19	21
Investment securities	0	0	11,965	21,013	20,772	20,780	21,647	21,834	25,394
Financial assets - available for sale	55	57	0	0	0	0	0	0	0
Financial assets - held to maturity	8,996	11,723	0	0	0	0	0	0	0
Hedging derivatives with positive fair values	0	4	0	33	242	53	57	36	156
Change in fair value of items hedged on portfolio basis	0	(6)	58	(81)	(331)	30	(5)	88	50
Loans and receivables to banks	38,919	53,380	35,849	21,981	17,836	33,436	28,184	28,443	38,926
Loans and receivables to customers	119,900	123,680	126,261	132,196	135,661	140,123	142,245	148,289	152,370
Intangible assets	1,108	1,301	1,436	1,568	1,700	1,789	1,870	1,997	2,144
Property and equipment	677	871	874	1,069	1,210	1,296	3,305	3,208	3,172
Goodwill	104	0	0	0	0	0	0	0	0
Investments in subsidiaries and associates	2	2	3	3	2	2	3	3	2
Current tax assets	262	308	279	368	25	16	30	28	18
Deferred tax assets	449	386	339	217	148	127	0	0	0
Other assets	980	853	862	816	770	1,113	986	672	766
<b>Total Assets</b>	<b>178,867</b>	<b>199,734</b>	<b>184,794</b>	<b>186,827</b>	<b>185,413</b>	<b>206,932</b>	<b>203,728</b>	<b>211,951</b>	<b>229,703</b>
Due to banks	20,303	29,643	10,264	14,139	9,201	10,716	4,660	8,353	5,549
Due to customers	130,358	141,469	145,175	146,391	149,209	168,792	168,128	175,186	192,273
Financial liabilities – at fair value through profit or loss	41	68	0	0	0	0	0	0	0
Derivative financial instruments with negative value	0	0	37	51	34	44	16	99	9
Hedging derivatives with negative fair values	0	4	88	16	2	167	157	292	513
Subordinated liabilities	0	0	0	0	0	0	0	0	1,989
Provisions	267	364	333	285	260	261	241	246	227
Current tax liability	4	2	17	11	61	107	55	38	133
Deferred tax liability	244	267	254	251	238	177	237	249	258
Other liabilities	2,693	2,154	2,327	2,525	2,008	1,431	4,014	3,381	3,588
<b>Total Liabilities</b>	<b>153,910</b>	<b>173,971</b>	<b>158,495</b>	<b>163,669</b>	<b>161,013</b>	<b>181,695</b>	<b>177,508</b>	<b>187,844</b>	<b>204,539</b>
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
Reserve from revaluation of FVTOCI	0	0	0	0	0	0	0	0	0
Available for sale reserve	(59)	(57)	0	0	0	0	0	0	0
Share based payment reserve	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retained earnings	19,377	20,181	20,660	17,519	18,761	19,598	20,581	18,468	19,525
<b>Total Equity</b>	<b>24,957</b>	<b>25,763</b>	<b>26,299</b>	<b>23,158</b>	<b>24,400</b>	<b>25,237</b>	<b>26,220</b>	<b>24,107</b>	<b>25,164</b>
<b>Total Liabilities &amp; Equity</b>	<b>178,867</b>	<b>199,734</b>	<b>184,794</b>	<b>186,827</b>	<b>185,413</b>	<b>206,932</b>	<b>203,728</b>	<b>211,951</b>	<b>229,703</b>



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CZK m	3Q 2019	3Q 2018	% Change
Interest and similar income	6,574	5,700	15.3%
Interest expense and similar charges	(663)	(263)	152.1%
Net interest income	5,911	5,437	8.7%
Fee and commission income	1,667	1,600	4.2%
Fee and commission expense	(218)	(248)	(12.1%)
Net fee and commission income	1,449	1,352	7.2%
Dividend income	1	2	(50.0%)
Net income from financial operations	382	298	28.2%
Other operating income	91	436	(79.1%)
Total operating income	7,834	7,525	4.1%
Personnel expenses	(1,692)	(1,743)	(2.9%)
Administrative expenses <sup>1</sup>	(943)	(1,106)	(14.7%)
Depreciation and amortisation	(719)	(428)	68.0%
Regulatory charges	(139)	(89)	56.2%
Other operating expenses <sup>1</sup>	(225)	(99)	127.3%
Total operating expenses	(3,718)	(3,465)	7.3%
Profit for the period before tax and net impairment of financial assets	4,116	4,060	1.4%
Net impairment of financial assets	(301)	0	n/a
Profit for the period before tax	3,815	4,060	(6.0%)
Taxes on income	(745)	(697)	6.9%
Profit for the period after tax	3,070	3,363	(8.7%)
Total comprehensive income attributable to the equity holders	3,070	3,363	(8.7%)

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

CZK m	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019
Interest and similar income	1,858	1,911	1,873	1,874	1,953	2,120	2,105	2,157	2,312
Interest expense and similar charges	(54)	(67)	(77)	(92)	(94)	(148)	(158)	(202)	(303)
<b>Net interest income</b>	<b>1,804</b>	<b>1,844</b>	<b>1,796</b>	<b>1,782</b>	<b>1,859</b>	<b>1,972</b>	<b>1,947</b>	<b>1,955</b>	<b>2,009</b>
Fee and commission income	561	589	519	550	531	591	522	575	570
Fee and commission expense	(87)	(48)	(74)	(90)	(84)	(51)	(56)	(91)	(71)
<b>Net fee and commission income</b>	<b>474</b>	<b>541</b>	<b>445</b>	<b>460</b>	<b>447</b>	<b>540</b>	<b>466</b>	<b>484</b>	<b>499</b>
Dividend income	0	0	0	1	1	1	1	0	0
Net income from financial operations	103	90	85	101	112	98	100	173	109
Other operating income	71	105	59	41	336	26	36	27	28
<b>Total operating income</b>	<b>2,452</b>	<b>2,580</b>	<b>2,385</b>	<b>2,385</b>	<b>2,755</b>	<b>2,637</b>	<b>2,550</b>	<b>2,639</b>	<b>2,645</b>
Personnel expenses	(610)	(672)	(593)	(579)	(571)	(581)	(546)	(579)	(567)
Administrative expenses <sup>1</sup>	(395)	(578)	(381)	(358)	(367)	(453)	(319)	(321)	(303)
Depreciation and amortisation	(112)	(132)	(127)	(141)	(160)	(182)	(246)	(234)	(239)
Regulatory charges	0	0	(89)	0	0	0	(139)	0	0
Other operating expenses <sup>1</sup>	(40)	(110)	(65)	(37)	3	(171)	(85)	(87)	(53)
<b>Total operating expenses</b>	<b>(1,157)</b>	<b>(1,492)</b>	<b>(1,255)</b>	<b>(1,115)</b>	<b>(1,095)</b>	<b>(1,387)</b>	<b>(1,335)</b>	<b>(1,221)</b>	<b>(1,162)</b>
<b>Profit for the period before tax and net impairment of financial assets</b>	<b>1,295</b>	<b>1,088</b>	<b>1,130</b>	<b>1,270</b>	<b>1,660</b>	<b>1,250</b>	<b>1,215</b>	<b>1,418</b>	<b>1,483</b>
Net impairment of financial assets	(140)	20	281	(130)	(151)	(274)	14	(147)	(168)
Goodwill Impairment	0	(104)	0	0	0	0	0	0	0
<b>Profit for the period before tax</b>	<b>1,155</b>	<b>1,004</b>	<b>1,411</b>	<b>1,140</b>	<b>1,509</b>	<b>976</b>	<b>1,229</b>	<b>1,271</b>	<b>1,315</b>
Taxes on income	(231)	(200)	(238)	(192)	(267)	(139)	(246)	(242)	(257)
<b>Profit for the period after tax</b>	<b>924</b>	<b>804</b>	<b>1,173</b>	<b>948</b>	<b>1,242</b>	<b>837</b>	<b>983</b>	<b>1,029</b>	<b>1,058</b>
Change in fair value of AFS investments recognised in OCI	52	2	0	0	0	0	0	0	0
Deferred tax	(11)	0	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>41</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income attributable to the equity holders</b>	<b>965</b>	<b>806</b>	<b>1,173</b>	<b>948</b>	<b>1,242</b>	<b>837</b>	<b>983</b>	<b>1,029</b>	<b>1,058</b>

# KEY PERFORMANCE RATIOS

	3Q 2019	FY 2018	Change in bps
<b>Profitability</b>			
Yield (% Avg. Net Customer Loans)	5.3%	5.5%	(20)
Cost of Funds (% Avg Deposits and Loans) <sup>1</sup>	0.47%	0.23%	24
Cost of Funds on Core Customer Deposits (% Avg Deposits) <sup>2</sup>	0.29%	0.18%	11
NIM (% Avg Int Earning Assets) <sup>1,3,4</sup>	3.7%	3.7%	0
Cost of Risk (% Avg Net Customer Loans)	0.27%	0.21%	6
Risk-adj. yield (% Avg Net Customer Loans)	5.0%	5.3%	(30)
Net Fee & Commission Income / Operating Income (%)	18.5%	18.6%	(10)
Net Non-Interest Income / Operating Income (%)	24.5%	27.1%	(260)
Cost to Income Ratio	47.5%	47.7%	(20)
RoTE	17.8%	17.9%	(10)
RoE	16.3%	16.6%	(30)
RoAA <sup>1</sup>	1.9%	2.1%	(20)
<b>Liquidity / Leverage</b>			
Net Loan to Deposit ratio <sup>1</sup>	79.2%	83.0%	(380)
Total Equity / Total Assets <sup>1</sup>	11.0%	12.2%	(120)
Liquid Assets <sup>1,3</sup> / Total Assets <sup>1</sup>	30.9%	30.1%	80
<b>Capital Adequacy</b>			
RWA density <sup>5</sup>	48.4%	50.0%	(160)
Total CAR (%)	18.1%	16.4%	170
Tier 1 ratio (%)	16.5%	16.4%	10
<b>Asset Quality</b>			
Non-performing Loan Ratio (%)	1.9%	2.8%	(90)
Core Non-performing Loan Coverage (%)	54.6%	66.3%	(1,170)
Total NPL Coverage (%)	103.3%	99.9%	340

# 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	3Q 2019
<b>Profitability</b>											
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%	5.3%
Cost of Funds (% Avg Deposits and Loans) <sup>1</sup>	0.15%	0.15%	0.15%	0.17%	0.19%	0.23%	0.24%	0.35%	0.36%	0.45%	0.64%
Cost of Funds on Core Customer Deposits (% Avg Deposits) <sup>2</sup>	0.16%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%	0.22%	0.22%	0.24%	0.44%
NIM (% Avg Int Earning Assets) <sup>1,3,4</sup>	5.1%	4.7%	4.3%	4.0%	3.8%	3.9%	4.1%	4.1%	3.9%	3.9%	3.7%
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%	0.45%
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%	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%	18.9%
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%	24.0%
Cost to Income Ratio	45.5%	41.4%	47.2%	57.8%	52.6%	46.8%	39.7%	52.6%	52.4%	46.3%	43.9%
RoTE	15.3%	20.1%	15.6%	13.1%	18.9%	17.6%	21.9%	14.3%	16.1%	18.6%	18.4%
RoE	14.8%	19.3%	14.8%	12.5%	17.8%	16.4%	20.4%	13.3%	15.0%	17.1%	16.8%
RoAA <sup>1</sup>	2.7%	2.9%	2.2%	1.7%	2.4%	2.0%	2.7%	1.7%	1.9%	2.0%	1.9%
<b>Liquidity / Leverage</b>											
Loan to Deposit ratio <sup>1</sup>	94.4%	93.1%	92.0%	87.4%	87.0%	90.3%	90.9%	83.0%	84.6%	84.6%	79.2%
Total Equity / Total Assets <sup>1</sup>	18.0%	15.0%	14.0%	12.9%	14.2%	12.4%	13.2%	12.2%	12.9%	11.4%	11.0%
Liquid Assets <sup>1,3</sup> / Total Assets <sup>1</sup>	25.3%	24.3%	30.9%	36.2%	29.6%	27.0%	24.8%	30.1%	27.1%	27.2%	30.9%
<b>Capital Adequacy</b>											
RWA Density <sup>5</sup>	62.5%	61.6%	53.0%	46.3%	54.3%	53.3%	54.2%	50.0%	51.9%	50.3%	48.4%
Total CAR (%)	19.9%	18.4%	18.1%	17.4%	16.6%	16.0%	16.6%	16.4%	17.0%	16.7%	18.1%
Tier 1 ratio (%)	19.9%	18.4%	18.1%	17.4%	16.6%	16.0%	16.6%	16.4%	17.0%	16.7%	16.5%
<b>Asset Quality</b>											
Non-performing Loan Ratio (%)	5.6%	5.0%	4.4%	4.1%	3.7%	3.3%	3.0%	2.8%	2.0%	1.8%	1.9%
Core NPL Coverage (%)	69.7%	69.3%	68.1%	64.1%	65.3%	61.5%	63.4%	66.3%	60.7%	56.7%	54.6%
Total NPL Coverage (%)	81.7%	81.6%	81.1%	77.0%	93.0%	93.4%	95.8%	99.9%	108.4%	109.4%	103.3%

# 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 78.

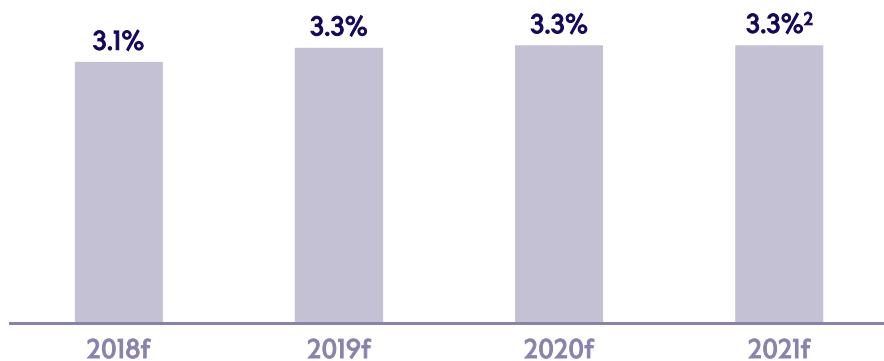
## Dividend guidance

- 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 15.9%. In addition, dividend guidance is subject to actual results of the Group in the years 2019 – 2021.

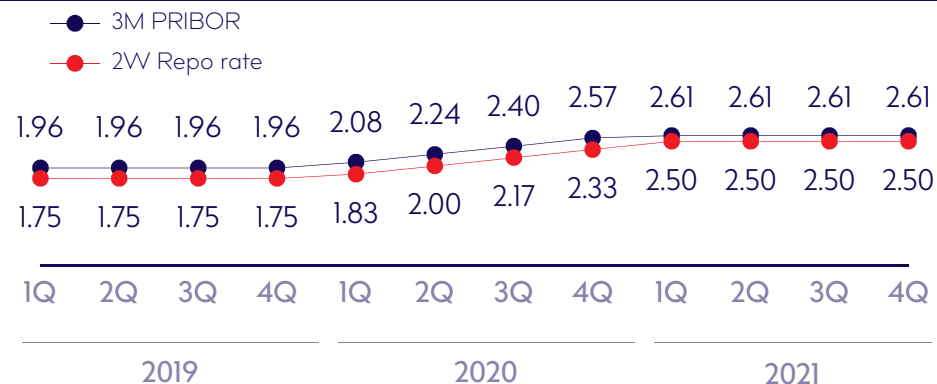
# MATERIAL ASSUMPTIONS FOR MEDIUM TERM GUIDANCE

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

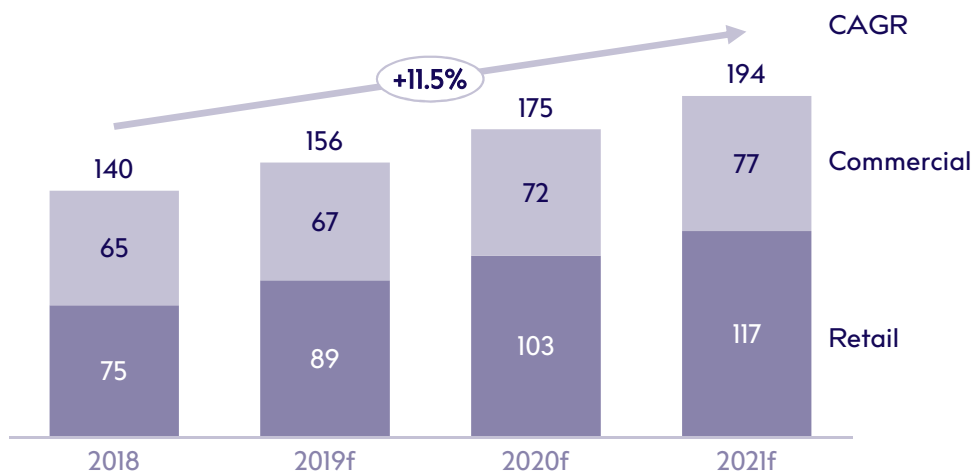
GDP OUTLOOK<sup>1</sup>



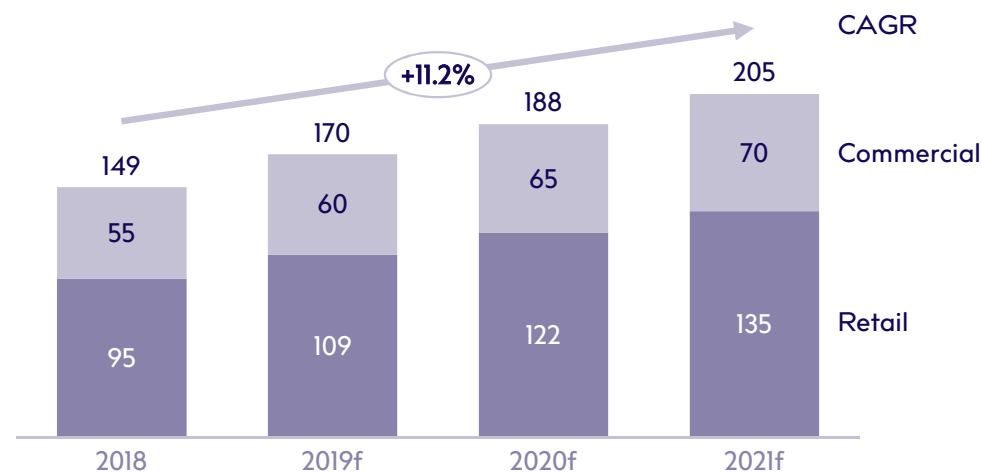
MONETA'S INTEREST RATES PROJECTION<sup>3</sup>(%)



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



MONETA'S DEPOSITS DEVELOPMENT (CZK bn)



Source: Please see also page 78 for limitations of Forward-looking statements and their assumptions; Figures in chart may not add up due to rounding differences; (1) Based on CNB forecast from November 1, 2018 ([http://www.cnb.cz/cs/menova\\_politika/zpravy\\_o\\_inflaci/2018/2018\\_IV/index.html](http://www.cnb.cz/cs/menova_politika/zpravy_o_inflaci/2018/2018_IV/index.html)); (2) MONETA projection of GDP outlook in 2021; (3) Projection derived from latest CNB forecast published in November 1, 2018 ([http://www.cnb.cz/cs/menova\\_politika/zpravy\\_o\\_inflaci/2018/2018\\_IV/index.html](http://www.cnb.cz/cs/menova_politika/zpravy_o_inflaci/2018/2018_IV/index.html));

## 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 **180** locations in 3Q 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, return on 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 (excl. Tier 2 bonds expenses) 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 15.9%.
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.
Interim dividend	Means first part of dividend for the particular year
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)
ISRE 2410	International Standard on Review Engagements 2410
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
QtQ	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).
RWA portfolio density	Calculates the weighted average risk weight of the loan portfolio only considering to the credit conversion factor effects per unit of exposure. It is defined as the ratio of RWA to the Gross Financing Receivables (consisting of On&Off-balance sheet)
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 measure 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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