

Equa Bank

Quarterly Results - 2Q2019

Equa Bank made a net profit of CZK 139 mil in the second quarter of 2019, up 53.3% when compared to the previous year. Total revenues increased 20.3% yoy to CZK 480 mil, ROE amounted to 10.7% and the NPL ratio stood at 2.64%. In the last three years, the bank grew its loans by 12.2% a year, revenues rose by 20.4% and net profit increased by 65.8% a year, on average.

- ✓ Revenues increased 20.3% yoy to CZK 480 mil in the second quarter of 2019. Interest income formed 95.1% of total revenues with the net interest margin increasing 0.23 pp to 3.21% of total assets. Fees added a further 0.851% to total revenue generated in 2Q2019, up from an average of -1.81% as seen in the previous two years.
- ✓ Operating costs grew by 10.2% yoy to CZK 229 mil, so cost to income ratio reached 47.8%, down by 34.5% compared to the previous two years. Staff accounted for 40.1% of total operating expenditures. At the end of second quarter of 2019, Equa Bank operated a network of 20.0 branches and 514 employees.
- ✓ Loans and deposits grew by 3.91% and 1.68% qoq respectively, so loan to deposit ratio reached 84.9% at the end of 2Q2019. That's up from 80.1% the previous year. Equity reached 9.18% of assets and capital adequacy ratio amounted to 16.2% at the end of the second quarter of 2019.
- ✓ NPLs were 2.64% of total loans at the end of the quarter. Provisions covered 51.2% of non-performing loans
- ✓ When compared to selected peers, Equa Bank was 7.37 pp less profitable in terms of ROE, achieved 7.88 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 7.76 pp faster based on a last year comparison.

Sector:
Banking

Country:
Czech Republic

Employees:
514

Clients:
N/A

Branches:
20.0

ATMs:
N/A

Bank Cards:
N/A

Capital Adequacy Ratio:
16.2%

Tier 1 Ratio:
14.7%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2019	480	20.3	139	53.3	10.7	47.8	84.9	9.18	2.64
2018	1,732	21.3	354	219	8.48	66.4	82.5	8.72	1.57
2017	1,428	23.1	111	-259	3.27	74.9	82.2	7.00	1.47
2016	1,160	32.5	-70.0	-78.6	-1.95	87.2	80.3	7.50	1.15
2015	875	53.6	-326	-8.47	-10.5	116	81.9	10.5	3.01

Source: Company Data, Helgi Analytics



1 Company Overview

Equa bank is a small Czech Republic-based bank. The Bank offers simple retail and corporate banking services covering current and savings accounts with the option of free maintenance, multi-currency payment cards, mortgages, term deposits, consumer loans, insurance and business loans. In 2019, the Bank had over 400,000 clients and operates 59 branches in the whole of the Czech Republic. Equa bank entered the Czech market in July 2011 after Banco Popolare Česká republika had been taken over by Equa Group Limited. Equa Group Limited is owned by funds advised by the British company Anacap Financial Partners LLP.

Equa Bank has been growing its revenues and asset by 27.2% and 18.1% a year on average in the last 5 years. Its loans and deposits have grown by 21.0% and 17.2% a year during that time and loans to deposits ratio reached 84.9% at the end of 2Q2019. The company achieved an average return on equity of 1.01% in the last five years with net profit growing nan% a year on average. In terms of operating efficiency, its cost to income ratio reached 47.8% in 2Q2019, compared to 68.8% average in the last five years.

Equity represented 9.18% of total assets or 12.4% of loans at the end of 2Q2019. Equa Bank's non-performing loans were 2.64% of total loans while provisions covered some 51.2% of NPLs at the end of the second quarter of 2019.

FINANCIALS		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Net Interest Income	CZK mil	341	357	371	384	402	430	444	456
Total Revenues	CZK mil	349	365	375	399	417	421	445	480
Operating Profit	CZK mil	154	116	161	191	197	156	212	251
Net Profit	CZK mil	67.0	49.8	74.3	90.5	96.5	127	114	139
Customer Loans	CZK mil	35,812	36,858	36,583	37,164	38,122	39,491	40,957	42,558
Total Assets	CZK mil	47,978	50,326	50,757	52,517	53,389	55,914	56,446	57,401
Shareholders' Equity	CZK mil	3,679	3,726	3,742	4,798	4,892	5,020	5,131	5,271
Interbank Borrowing	CZK mil	0	0	0	0	0	0	0	0
Customer Deposits	CZK mil	43,019	45,409	45,671	46,396	46,627	49,182	49,304	50,132
Issued Debt Securities	CZK mil	...	892	898	897	1,387	1,396	1,405	1,407

RATIOS		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
ROE	%	7.35	5.38	7.96	8.48	7.97	10.2	8.96	10.7
Costs (As % Of Income)	%	55.8	68.1	57.2	52.2	52.7	63.0	52.4	47.8
Net Interest Margin	%	2.90	2.91	2.94	2.98	3.04	3.15	3.16	3.21
Equity (As % Of Assets)	%	7.67	7.40	7.37	9.14	9.16	8.98	9.09	9.18
Loans (As % Of Deposits)	%	83.2	81.2	80.1	80.1	81.8	80.3	83.1	84.9
Loans (As % Assets)	%	74.6	73.2	72.1	70.8	71.4	70.6	72.6	74.1
NPLs (As % Of Loans)	%	3.93	3.62	2.23	2.40	2.32	2.90	2.83	2.64
Provisions (As % Of NPLs)	%	23.1	27.3	58.1	42.6	43.2	49.9	48.5	51.2

Source: Company Data, Helgi Analytics



2 Revenues & Costs

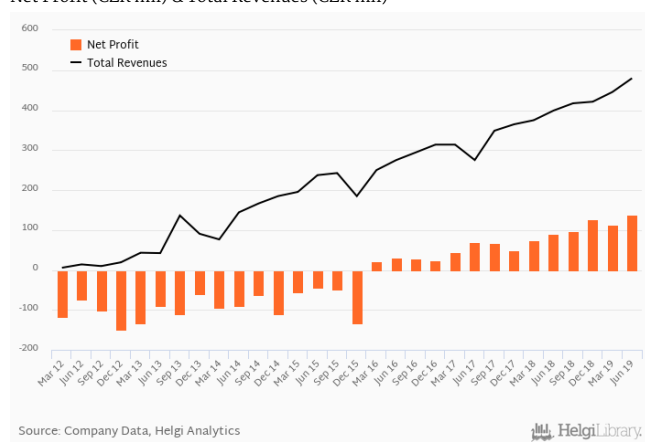
2.1 Revenues

Equa Bank generated total operating revenues of CZK 480 mil in the second quarter of 2019, up 20.3% compared to the same period of the previous year. Net interest income represented 95.1% of revenues, fee income contributed 0.851% and other non-interest income added further 4.09% to the overall revenue generated.

Over the previous three years, revenues rose by 20.4% a year on average.

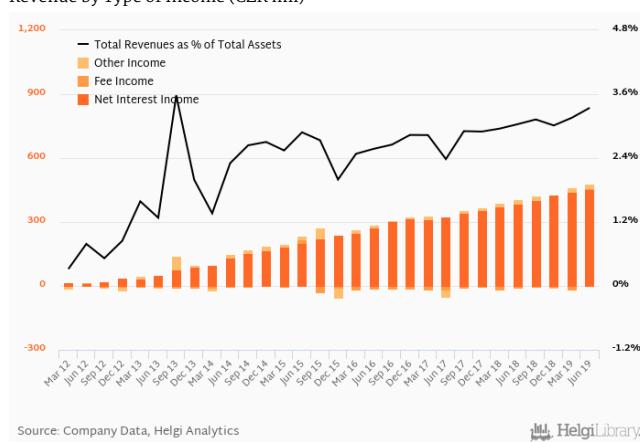
Revenue & Profitability

Net Profit (CZK mil) & Total Revenues (CZK mil)



Revenue Breakdown

Revenue by Type of Income (CZK mil)



Net interest margin amounted to 3.21% in the second quarter of 2019, up from the 2.98% of the previous year. Historically, Equa Bank's net interest margin reached a high of 3.21% in 2Q2019 and a low of 0.787% in 2Q2012.

Average asset yield was 3.74% in the second quarter of 2019 (up from 3.36%) while cost of funding amounted to 0.593% in 2Q2019 (up from 0.418%).

NET INTEREST MARGIN									
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	1.71	1.72	1.62	1.76	2.00	2.05	1.89
Ceska Sporitelna	Czechia	1,504,530	2.04	1.99	1.93	1.99	2.16	1.99	1.96
Komerční Banka	Czechia	1,185,990	2.10	2.07	2.00	2.06	2.20	2.15	2.02
UniCredit Czech Republic	Czechia	855,348	1.52	1.66	1.60	1.69	1.88	1.73	1.50
Raiffeisenbank Czech Republic	Czechia	369,654	1.81	2.06	2.01	2.10	2.24	2.35	2.35
Hypoteční Banka	Czechia	316,813	1.32	1.24	1.07	1.23	1.17	1.10	1.06
PPF Banka	Czechia	212,055	1.22	1.40	1.49	1.63	2.09	1.84	1.81
MONETA Money Bank	Czechia	211,951	3.90	3.74	3.84	4.00	4.02	3.79	3.76
Ceskomoravská Stavební Sporitelna	Czechia	148,769	1.40	1.33	1.30	1.32	1.37	1.44	1.44
Equa Bank	Czechia	57,401	2.91	2.94	2.98	3.04	3.15	3.16	3.21
Weighted Average			1.87	1.89	1.83	1.92	2.10	2.03	1.93
Median			1.76	1.85	1.78	1.88	2.13	2.02	1.93

Source: Company Data, Helgi Analytics



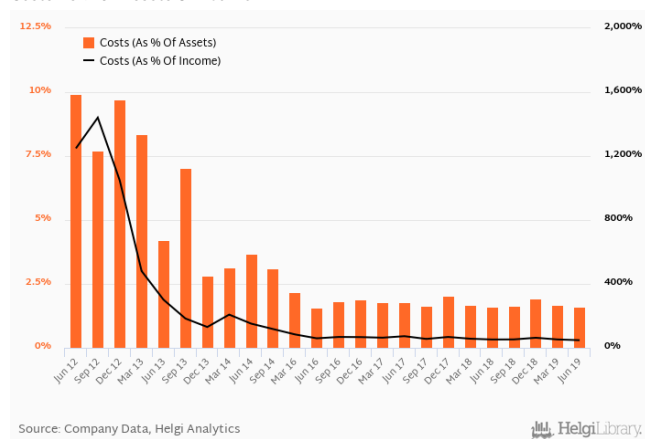
2.2 Costs

Operating costs increased by 10.2% yoy to CZK 229 mil in the second quarter of 2019. Equa Bank's cost to income ratio therefore reached 47.8%, down from 52.2% when compared to the previous year.

Historically, operating costs reached a high of 2,352% of income in 1Q2012 and a low of -16.4% in 4Q2014:

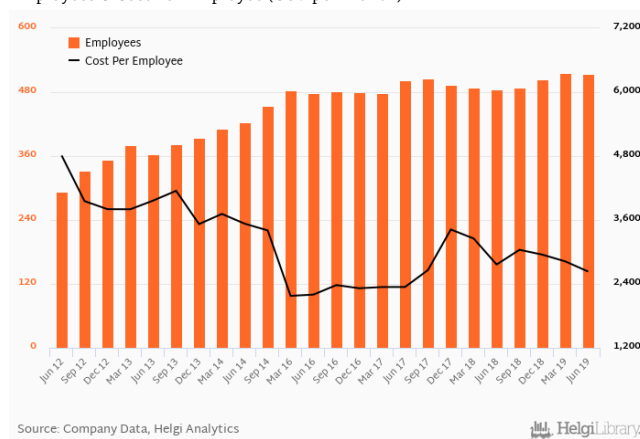
Cost Efficiency

Costs As % Of Assets & Income



Workforce

Employees & Cost Per Employee (USD per month)



When compared to its peer's weighted average, Equa Bank operated with a 7.88 pp higher cost to income ratio in the second quarter of 2019:

COSTS (AS % OF INCOME)								
NAME	COUNTRY	Total Assets (CZK mil)	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	48.5	49.3	47.0	46.9	47.7	38.8
Ceska Sporitelna	Czechia	1,504,530	48.9	49.4	45.0	44.6	47.3	44.2
Komerční Banka	Czechia	1,185,990	53.6	45.2	41.0	42.7	52.6	42.9
UniCredit Czech Republic	Czechia	855,348	50.2	35.3	33.6	35.4	46.0	31.7
Raiffeisenbank Czech Republic	Czechia	369,654	64.3	50.1	49.3	52.6	62.2	49.3
Hypoteční Banka	Czechia	316,813	33.0	23.8	23.1	22.8	34.3	23.8
PPF Banka	Czechia	212,055	16.5	20.7	40.8	30.4	25.4	28.5
MONETA Money Bank	Czechia	211,951	52.6	46.8	39.7	52.6	52.4	46.3
Ceskomoravská Stavební Sporitelna	Czechia	148,769	53.9	48.1	45.9	55.4	59.4	46.5
Equa Bank	Czechia	57,401	57.2	52.2	52.7	63.0	52.4	47.8
Weighted Average			49.2	44.5	42.3	43.3	48.2	39.9
Median			51.4	47.4	43.0	45.8	50.0	43.5

Source: Company Data, Helgi Analytics

When compared to total assets, operating costs amounted to 1.61% in 2Q2019 down from 1.61% the previous year.

Equa Bank had 514 employees in the second quarter of 2019, up by 5.98% when compared to the previous year. The company operated a network of 20.0 branches in 2Q2019.



The average cost per employee stood at USD 2,632 per month, 4.77% below the previous year. This figure was USD 3,530 per month five years earlier.

Staff accounted for 40.1% of total operating expenditures in 2Q2019.

STAFF COST (AS % OF TOTAL COST)								
NAME	COUNTRY	Total Assets (CZK mil)	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	45.0	49.9	52.0	49.4	43.0	51.1
Ceska Sporitelna	Czechia	1,504,530	49.4	53.1	54.5	51.5	50.8	54.3
Komerční Banka	Czechia	1,185,990	45.5	60.9	56.5	52.4	45.5	55.0
UniCredit Czech Republic	Czechia	855,348	32.0	47.5	51.4	44.7	35.1	53.7
Raiffeisenbank Czech Republic	Czechia	369,654	43.9	55.6	55.6	53.1	42.0	57.8
Hypoteční Banka	Czechia	316,813	40.8	62.8	60.5	63.2	40.3	62.0
PPF Banka	Czechia	212,055	46.2	45.7	31.4	39.0	48.6	37.2
MONETA Money Bank	Czechia	211,951	47.3	51.9	52.1	41.9	40.9	47.4
Ceskomoravská Stavební Sporitelna	Czechia	148,769	33.8	43.2	42.9	38.6	30.6	41.2
Equa Bank	Czechia	57,401	46.6	41.5	45.0	37.4	42.6	40.1
Weighted Average			44.0	53.0	53.0	49.7	43.9	52.9
Median			45.2	50.9	52.1	47.0	42.3	52.4

Source: Company Data, Helgi Analytics



3 Balance Sheet Growth, Capital, Funding & Asset Quality

3.1 Balance Sheet Growth

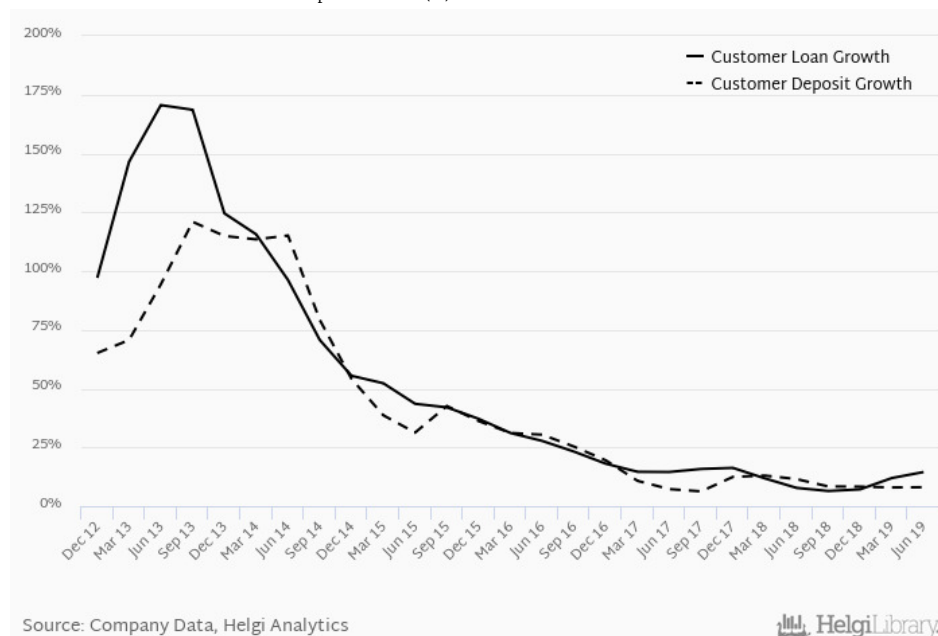
Equa Bank's customer loans grew 3.91% qoq and 14.5% yoy in the second quarter of 2019. On the other side of the balance sheet, customer deposit growth amounted to 1.68% qoq and 8.05% yoy. That's compared to average of 13.5% and 11.6% seen in the last three years.

In the previous five years, the average annual loan growth amounted to 12.2% while deposit growth reached 8.93% on average a year.

At the end of second quarter of 2019, Equa Bank's loans accounted for 84.9% of total deposits and 74.1% of total assets.

Loan & Deposit Growth

Customer Loan Growth & Customer Deposit Growth (%)



LOANS (AS % OF DEPOSITS)								
NAME	COUNTRY	Total Assets (CZK mil)	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	74.9	75.6	75.9	87.1	83.2	83.2
Ceska Sporitelna	Czechia	1,504,530	73.7	75.8	75.9	72.0	72.0	69.7
Komerční Banka	Czechia	1,185,990	73.7	73.6	72.6	76.7	73.0	71.1
UniCredit Czech Republic	Czechia	855,348	107	108	92.8	92.4	66.5	64.9
Raiffeisenbank Czech Republic	Czechia	369,654	66.6	69.2	68.7	67.7	71.2	69.6
Hypoteční Banka	Czechia	316,813	113	114	114	113	113	113
PPF Banka	Czechia	212,055	17.9	21.2	21.4	25.9	22.5	19.0
MONETA Money Bank	Czechia	211,951	87.0	90.3	90.9	83.0	84.6	84.6
Ceskomoravská Stavební Sporitelna	Czechia	148,769	82.2	82.8	83.9	83.0	84.5	84.7
Equa Bank	Czechia	57,401	80.1	80.1	81.8	80.3	83.1	84.9
Weighted Average			78.8	80.0	77.9	80.3	75.4	74.2
Median			77.5	78.0	78.8	81.7	78.0	77.1

Source: Company Data, Helgi Analytics

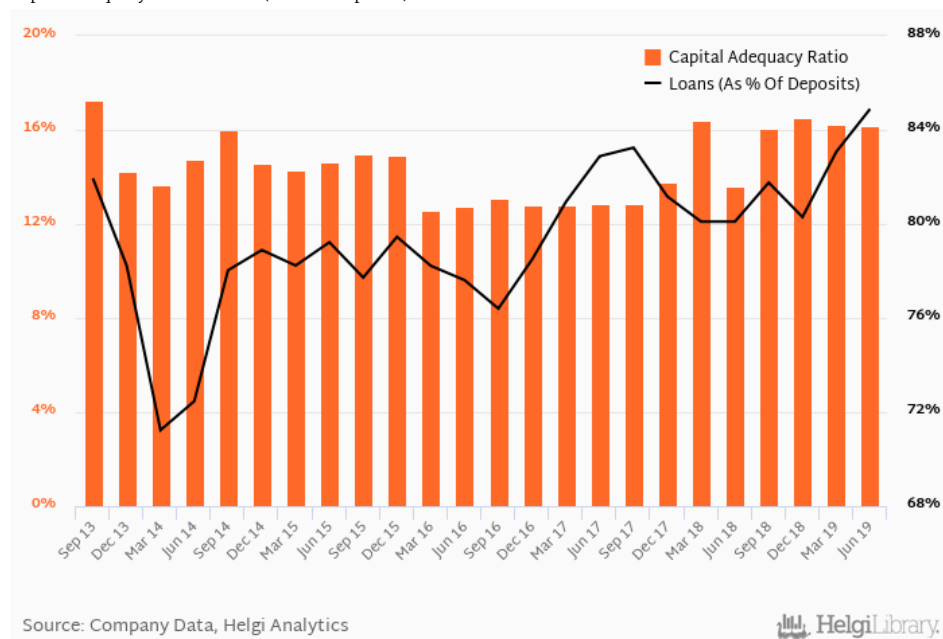


3.2 Capital & Liquidity

Equa Bank's capital adequacy ratio reached 16.2% in the second quarter of 2019, up from 13.6% for the previous year. The Tier 1 ratio amounted to 14.7% at the end of the second quarter of 2019:

Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



Equa Bank's capital is below average compared to its peers when measured by the capital adequacy ratio:

CAPITAL ADEQUACY RATIO								
NAME	COUNTRY	Total Assets (CZK mil)	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	17.9	17.5	17.3	18.0	19.0	18.7
Ceska Sporitelna	Czechia	1,504,530	17.8	17.3	17.6	19.2	18.8	20.6
Komerční Banka	Czechia	1,185,990	18.3	18.1	18.4	18.5	18.9	19.0
UniCredit Czech Republic	Czechia	855,348	19.1	18.6	18.3	20.3	19.7	18.4
Raiffeisenbank Czech Republic	Czechia	369,654	16.6	16.4	16.3	16.9	16.4	17.2
Hypoteční Banka	Czechia	316,813	37.5	41.2	35.5	36.5	39.1	42.2
PPF Banka	Czechia	212,055	15.6	16.3	15.9	16.3	16.1	16.6
MONETA Money Bank	Czechia	211,951	16.6	16.0	16.6	16.4	17.0	16.7
Ceskomoravská Stavební Sporitelna	Czechia	148,769	14.7	15.7	15.5	17.5	18.5	22.7
Equa Bank	Czechia	57,401	16.4	13.6	16.1	16.5	16.2	16.2
Weighted Average			18.8	18.6	18.4	19.4	19.6	20.1
Median			17.2	16.8	17.0	17.7	18.6	18.5

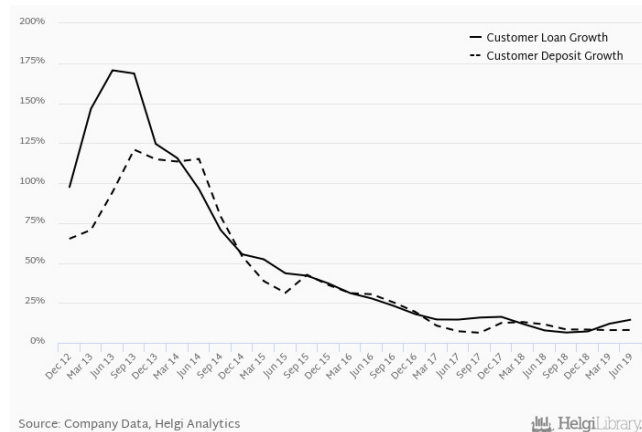
Source: Company Data, Helgi Analytics

3.3 Loan Breakdown

Equa Bank's loans reached CZK 42,558 mil in the second quarter of 2019, up 14.5% when compared to the same period of the previous year:

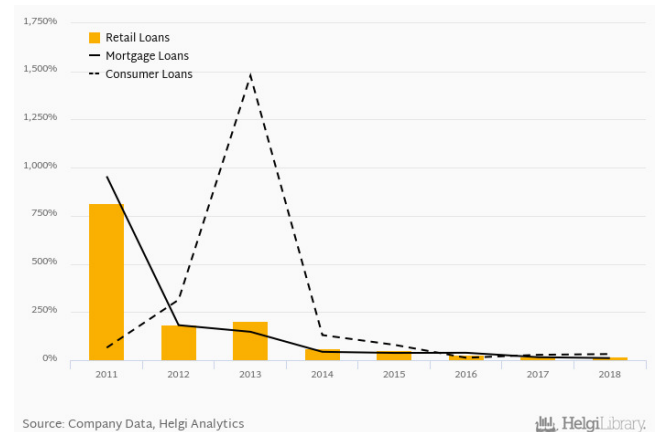
Loan & Deposit Growth

Customer Loan Growth & Customer Deposit Growth (%)



Retail Loan Growth

Retail Loan Growth (%)

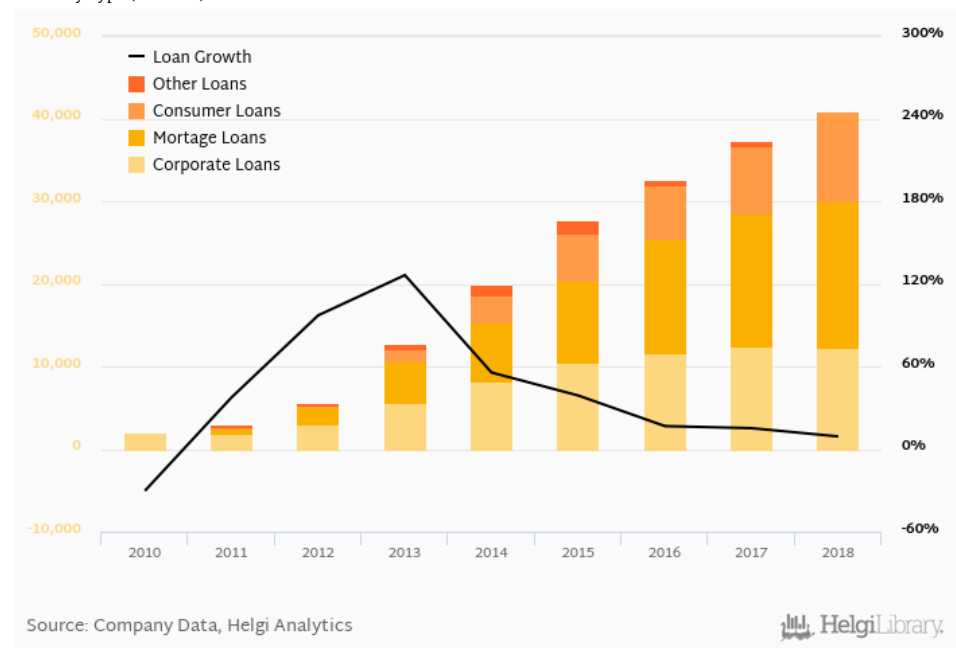


Retail loans grew 4.72% qoq and 19.0% yoy and accounted for 73.3% of the loan book at the end of the second quarter of 2019. In the previous three years, the retail loan portfolio increased 0% a year on average.

At the end of the second quarter of 2019, mortgage loans represented 0% of the Equa Bank's loan book, consumer loans added a further 0% and corporate loans formed 28.1% of total loans.

Loan Breakdown

Loans by Type (CZK mil)





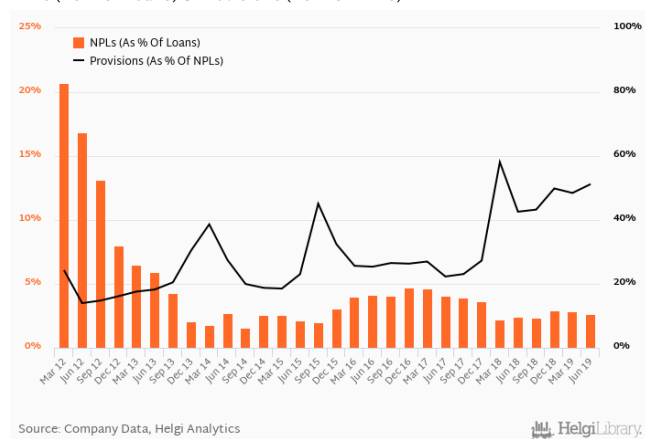
3.4 Asset Quality

Equa Bank's non-performing loans were 2.64% of total loans, down from 2.83% when compared to the previous quarter. Historically, the NPL ratio hit a high of 20.7% in 1Q2012 and a low 1.60% in 3Q2014.

Provisions covered some 51.2% of NPLs at the end of the second quarter of 2019, up from 48.5% for the previous three months:

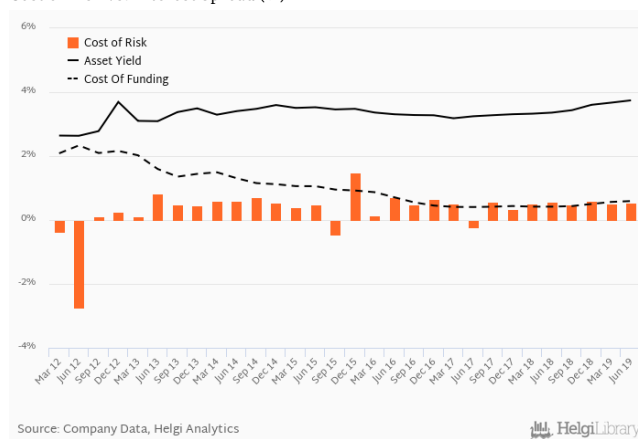
Asset Quality

NPLs (As % Of Loans) & Provisions (As % Of NPLs)



Cost of Risk

Cost of Risk vs. Interest Spread (%)



Equa Bank operated with an NPL ratio 0.224 pp higher than the market average at the end of the second quarter of 2019:

NPLS (AS % OF LOANS)								
NAME	COUNTRY	Total Assets (CZK mil)	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	2.02	2.88	3.05	3.06	2.92	2.39
Ceska Sporitelna	Czechia	1,504,530	2.00	2.10	1.90	1.80	1.80	1.80
Komerční Banka	Czechia	1,185,990	2.85	2.73	2.77	2.71	2.50	2.30
UniCredit Czech Republic	Czechia	855,348	3.22	3.06	2.78	2.67	2.63	2.51
Raiffeisenbank Czech Republic	Czechia	369,654	2.67	2.40	2.41	2.22	2.21	1.95
Hypoteční Banka	Czechia	316,813	1.56	1.44	1.36	1.27	1.20	1.11
PPF Banka	Czechia	212,055	6.63	7.48	7.60	12.9	11.3	9.62
MONETA Money Bank	Czechia	211,951	3.70	3.30	3.00	2.80	2.00	1.80
Ceskomoravská Stavební Sporitelna	Czechia	148,769	2.18	4.72	4.59	4.46	4.38	3.95
Equa Bank	Czechia	57,401	2.23	2.40	2.32	2.90	2.83	2.64
Weighted Average			2.55	2.80	2.76	2.86	2.70	2.42
Median			2.45	2.80	2.78	2.76	2.57	2.34

Source: Company Data, Helgi Analytics

Equa Bank's cost of risk reached 0.550% of average loans in the second quarter of 2019, up from 0.505% in the previous quarter and compared to 0.564% for the previous year on average.



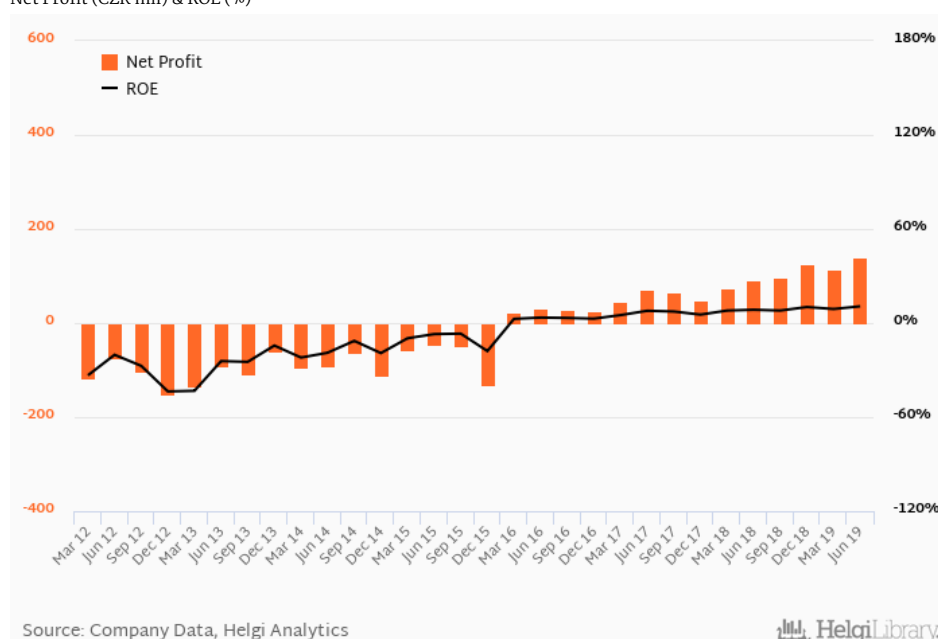
4 Profitability

Overall, Equa Bank made a net profit of CZK 139 mil in the second quarter of 2019. This was up 53.3% when compared to the previous year resulting in a return on equity of 10.7%.

Historically, net profit reached a high of CZK 139 mil in 2Q2019 and a low of CZK -150 mil in 4Q2012.

Profitability

Net Profit (CZK mil) & ROE (%)



The company generated an average return on equity of 7.16% for its shareholders in the previous three years with maximum at 10.7% and minimum at 2.82%.

ROE								
NAME	COUNTRY	Total Assets (CZK mil)	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
CSOB	Czechia	1,682,650	17.1	15.6	18.7	18.8	20.5	26.1
Ceska Sporitelna	Czechia	1,504,530	13.3	12.8	13.7	11.7	12.6	14.9
Komerční Banka	Czechia	1,185,990	11.9	15.3	17.3	15.3	12.1	15.6
UniCredit Czech Republic	Czechia	855,348	10.2	12.0	13.8	15.1	10.4	14.6
Raiffeisenbank Czech Republic	Czechia	369,654	9.36	14.8	14.8	9.70	12.2	25.4
Hypoteční Banka	Czechia	316,813	5.83	6.03	5.81	5.40	4.98	5.60
PPF Banka	Czechia	212,055	28.8	24.2	12.3	16.9	16.2	17.9
MONETA Money Bank	Czechia	211,951	18.0	15.3	20.9	13.5	15.3	16.4
Ceskomoravská Stavební Sporitelna	Czechia	148,769	12.1	12.1	8.08	8.04	8.79	12.4
Equa Bank	Czechia	57,401	7.96	8.48	7.97	10.2	8.96	10.7
Weighted Average			13.6	14.0	15.3	14.4	13.9	18.0
Median			12.0	13.8	13.7	12.6	12.1	15.2

Source: Company Data, Helgi Analytics

When compared to total assets, Equa Bank generated a return of 0.976% in the second quarter of 2019 (ROA). That's 0.892 pp above average for the previous five years.

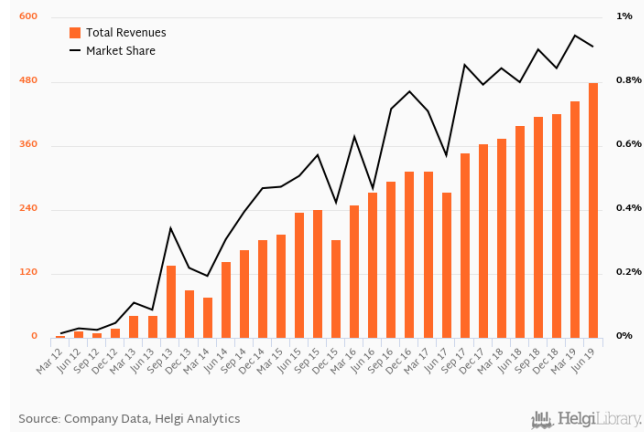


5 Market Share Development on the Czech Market

Based on latest available data, Equa Bank accounted for 0.730% of all bank assets managed in the Czech Republic at the end of the second quarter of 2019.

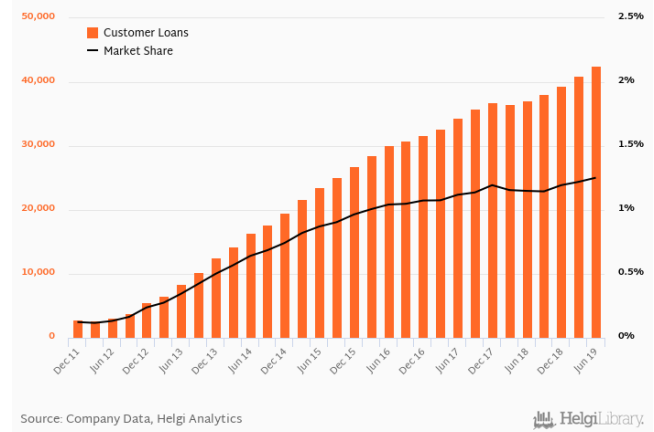
Market Share in Bank Revenues

Total Revenues (CZK mil)



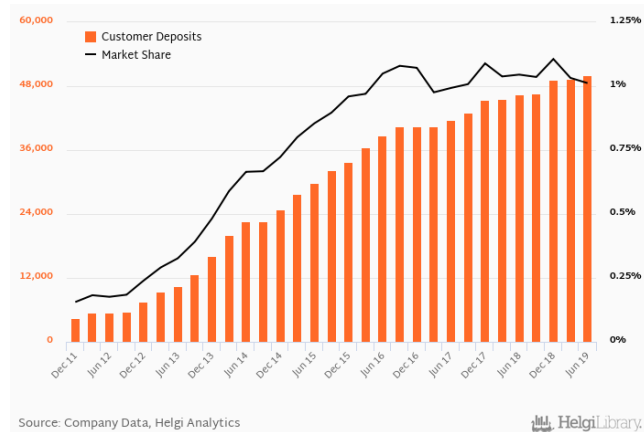
Market Share in Bank Loans

Customer Loans (CZK mil)



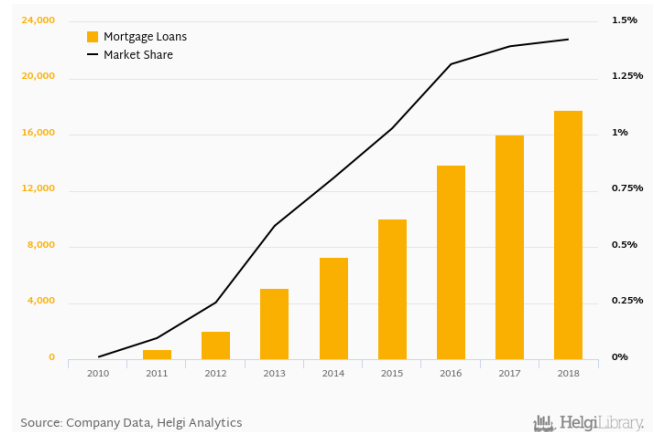
Market Share in Bank Deposits

Customer Deposits (CZK mil)



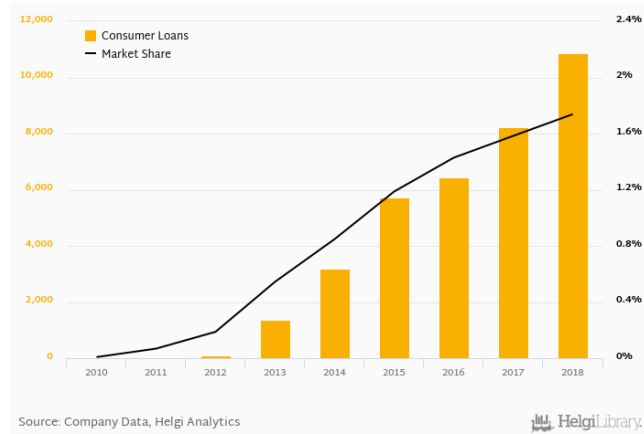
Market Share in Mortgage Loans

Mortgage Loans (CZK mil)



Market Share in Consumer Loans

Consumer Loans (CZK mil)



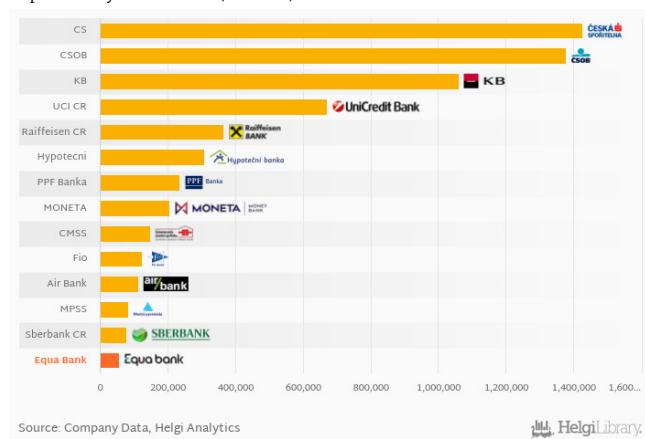


6 Market Share Position Within the Czech Market

Based on latest available data, the following charts demonstrate Equa Bank's position compared to the largest players on the Czech banking market:

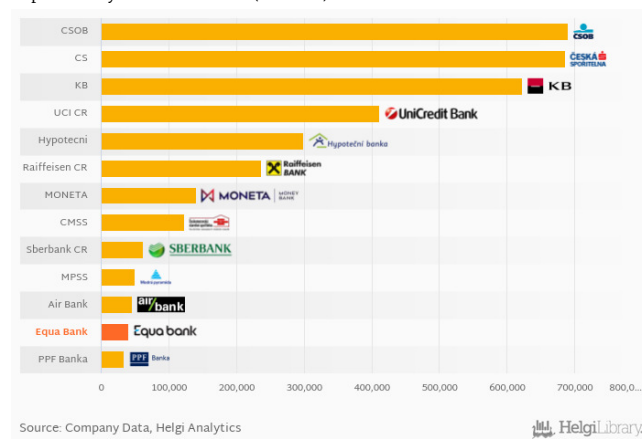
What Banks in Czechia Were the Largest in 2018?

Top Banks by Total Assets (CZK mil)



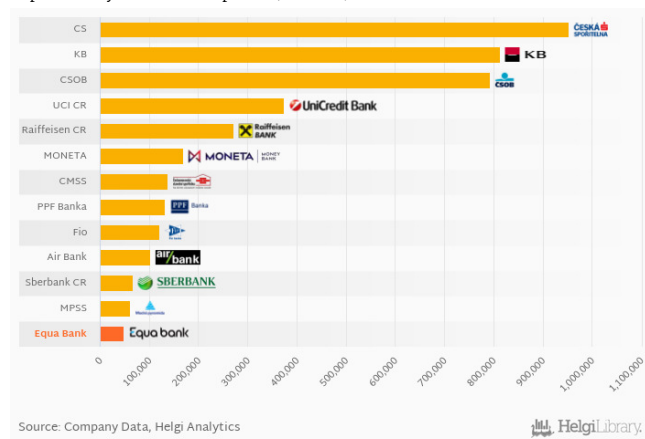
What Banks in Czechia Were the Largest Lenders in 2018?

Top Banks by Customer Loans (CZK mil)



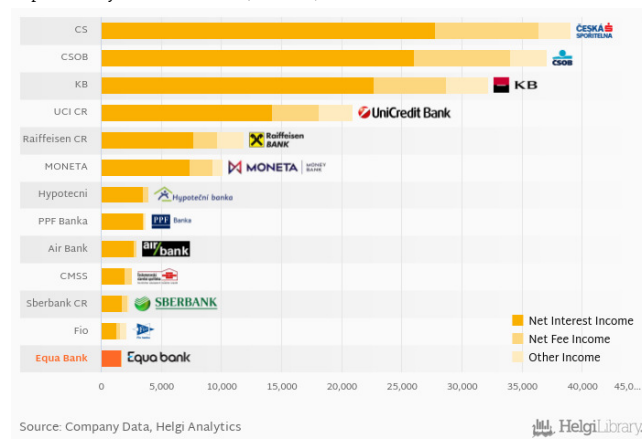
What Banks in Czechia Were the Largest Deposit Takers in 2018?

Top Banks by Customer Deposits (CZK mil)



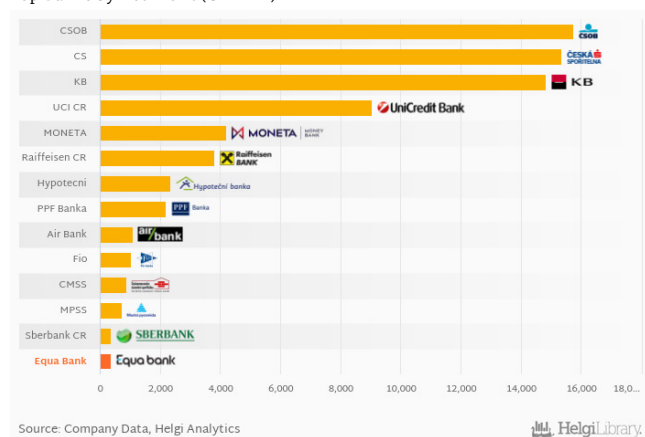
What Banks in Czechia Generated the Most Revenues in 2018?

Top Banks by Total Revenues (CZK mil)



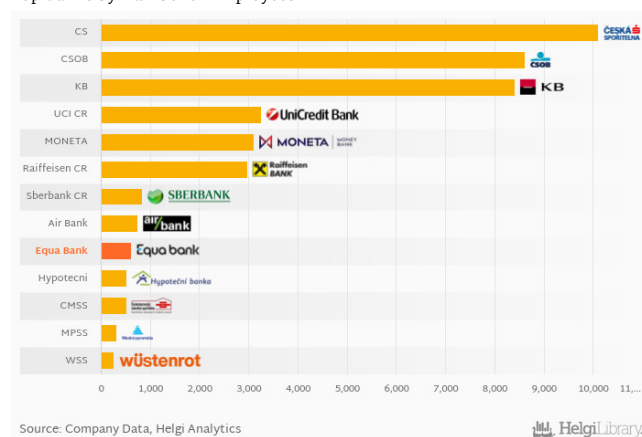
What Banks in Czechia Were the Most Profitable in 2018?

Top Banks by Net Profit (CZK mil)



What Banks in Czechia Had the Most Employees in 2018?

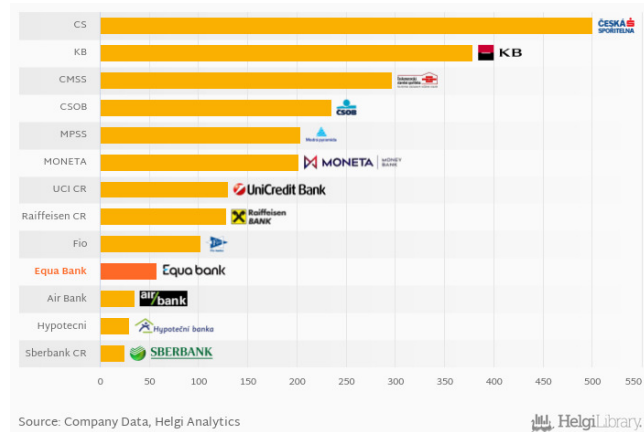
Top Banks by Number of Employees





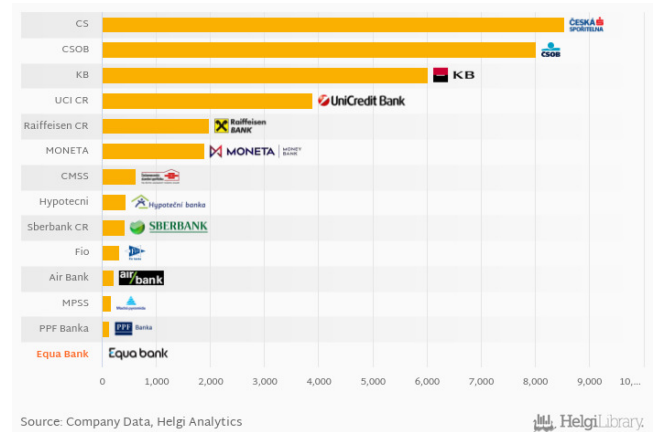
What Banks in Czechia Had the Most Branches in 2018?

Top Banks by Number of Branches



What Banks in Czechia Generated the Most Fees in 2018?

Top Banks by Net Fee Income (CZK mil)



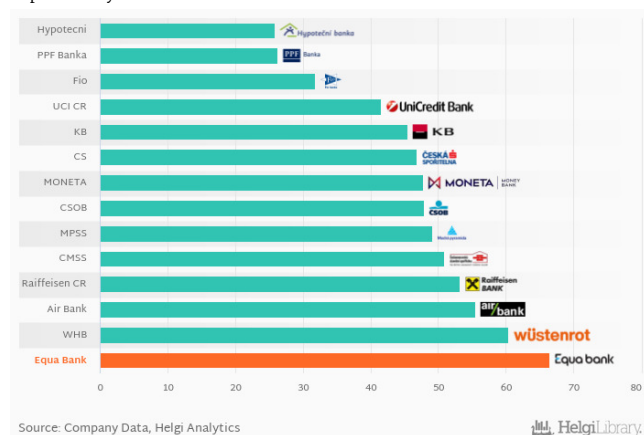


7 Relative Performance on the Czech Market

Based on latest available data, the following charts demonstrate Equa Bank's relative performance when compared to the largest players on the Czech banking market:

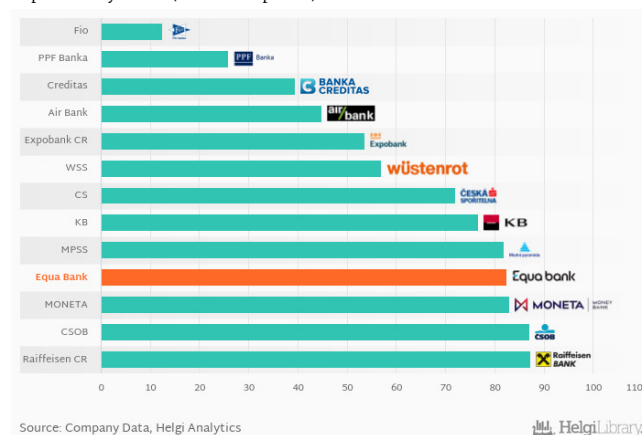
What Banks in Czechia Were the Most Cost Efficient in 2018?

Top Banks by Costs As % Of Income



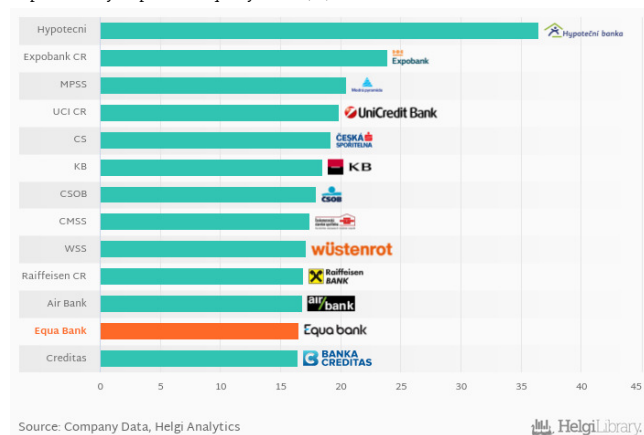
What Banks in Czechia Had the Lowest Loan to Deposit Ratio in 2018?

Top Banks by Loans (As % Of Deposits)



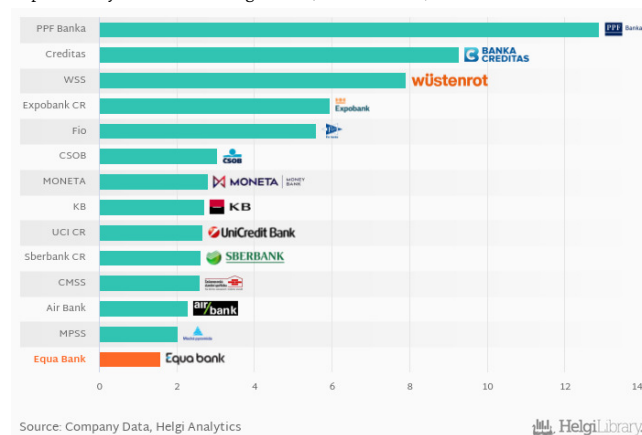
What Banks in Czechia Were the Best Capitalised in 2018?

Top Banks by Capital Adequacy Ratio (%)



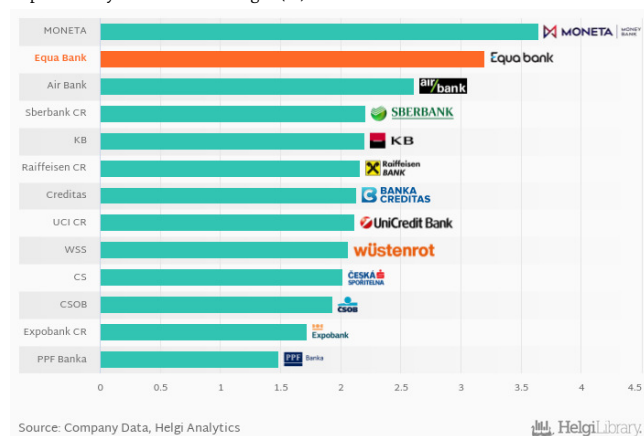
What Banks in Czechia Had the Most Bad Loans in 2018?

Top Banks by Non-Performing Loans (As % of Loans)



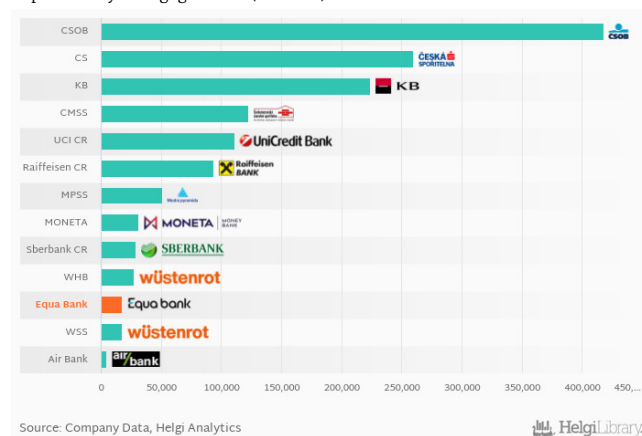
What Banks in Czechia Achieved the Highest Interest Margin in 2018?

Top Banks by Net Interest Margin (%)



What Banks in Czechia Were the Largest Mortgage Lenders in 2018?

Top Banks by Mortgage Loans (CZK mil)





Financial Data – Quarterly

Income Statement – Quarterly

INCOME STATEMENT		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Interest Income	CZK mil	386	407	420	434	455	493	516	533
Interest Cost	CZK mil	45.2	49.7	49.0	49.5	52.4	62.3	72.3	76.7
Net Interest Income	CZK mil	341	357	371	384	402	430	444	456
Net Fee Income	CZK mil	-7.95	-3.68	-16.9	-6.67	-6.20	-3.68	-15.8	4.08
Other Income	CZK mil	15.5	11.2	20.3	21.1	20.9	-5.39	17.7	19.6
Total Revenues	CZK mil	349	365	375	399	417	421	445	480
Staff Cost	CZK mil	90.7	110	99.8	86.4	98.8	99.1	99.3	92.0
Depreciation	CZK mil	35.7	35.6	33.8	35.2	38.3	53.7	47.7	49.3
Operating Cost	CZK mil	194	248	214	208	220	265	233	229
Operating Profit	CZK mil	154	116	161	191	197	156	212	251
Provisions	CZK mil	69.8	43.2	64.1	74.1	65.7	85.0	71.3	79.0
Extra and Other Cost	CZK mil	0	0	0	0	0	0.303	0.014	-0.012
Pre-Tax Profit	CZK mil	84.4	73.3	96.5	117	132	70.8	141	172
Tax	CZK mil	17.4	23.5	22.1	26.2	35.3	-56.0	27.2	32.9
Minorities	CZK mil	0	0	0	0	0	0	0	0
Net Profit	CZK mil	67.0	49.8	74.3	90.5	96.5	127	114	139

Source: Company Data, Helgi Analytics

Growth Rates – Quarterly

GROWTH RATES		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Net Interest Income Growth	%	12.8	12.6	19.5	18.3	18.0	20.5	19.4	18.7
Net Fee Income Growth	%	-39.1	-71.3	-5.52	-62.2	-22.0	-0.008	-6.27	-161
Total Revenue Growth	%	18.5	16.2	19.5	45.0	19.7	15.5	18.8	20.3
Operating Cost Growth	%	-2.85	17.8	7.56	3.72	13.0	6.85	8.87	10.2
Operating Profit Growth	%	63.8	13.0	40.2	156	28.1	34.0	32.1	31.4
Pre-Tax Profit Growth	%	115	135	64.7	35.6	56.2	-3.47	46.0	47.2
Net Profit Growth	%	134	98.9	65.0	29.3	44.0	155	52.9	53.3

Source: Company Data, Helgi Analytics



Balance Sheet – Quarterly

BALANCE SHEET		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Cash	CZK mil	902	1,966	1,491	2,009	1,785	1,057	1,812	1,848
Interbank Loans	CZK mil	4,645	8,671	9,839	10,566	10,591	13,082	12,010	11,349
Customer Loans	CZK mil	35,812	36,858	36,583	37,164	38,122	39,491	40,957	42,558
Retail Loans	CZK mil	...	24,223	25,504	26,220	26,995	28,418	29,793	31,200
Mortgage Loans	CZK mil	...	15,993	...	...	...	...	...	...
Consumer Loans	CZK mil	...	8,230	...	...	...	...	...	...
Corporate Loans	CZK mil	...	12,485	11,559	11,327	11,514	11,653	11,734	11,942
Debt Securities	CZK mil	799	793	783	648	799	1,140	1,137	1,135
Fixed Assets	CZK mil	808	815	806	821	814	817	930	934
Total Assets	CZK mil	47,978	50,326	50,757	52,517	53,389	55,914	56,446	57,401
Shareholders' Equity	CZK mil	3,679	3,726	3,742	4,798	4,892	5,020	5,131	5,271
Of Which Minority Interest	CZK mil	0	0	0	0	0	0	0	0
Liabilities	CZK mil	44,299	46,600	47,015	47,720	48,496	50,894	51,316	52,130
Interbank Loans	CZK mil	4,645	8,671	9,839	10,566	10,591	13,082	12,010	11,349
Customer Deposits	CZK mil	43,019	45,409	45,671	46,396	46,627	49,182	49,304	50,132
Retail Deposits	CZK mil	...	33,697	...	...	...	...	...	...
Corporate Deposits	CZK mil	...	7,892	...	...	...	...	...	...
Issued Debt Securities	CZK mil	...	892	898	897	1,387	1,396	1,405	1,407
Other Liabilities	CZK mil	...	235	445	427	482	316	607	591

Source: Company Data, Helgi Analytics

Asset Quality – Quarterly

ASSET QUALITY		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Non-Performing Loans	CZK mil	1,415	1,339	825	900	895	1,164	1,175	1,140
Gross Loans	CZK mil	36,053	36,971	37,063	37,547	38,510	40,071	41,527	43,142
Total Provisions	CZK mil	327	366	480	383	387	580	569	584

Source: Company Data, Helgi Analytics

Growth Rates – Quarterly

GROWTH RATES		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Customer Loan Growth	%	15.8	16.3	11.8	7.78	6.45	7.14	12.0	14.5
Retail Loan Growth	%	...	...	...	...	...	17.3	16.8	19.0
Corporate Loan Growth	%	...	...	...	...	...	-6.66	1.51	5.43
Total Asset Growth	%	8.14	13.7	14.5	13.6	11.3	11.1	11.2	9.30
Shareholders' Equity Growth	%	3.93	4.33	5.59	32.8	33.0	34.7	37.1	9.86
Customer Deposit Growth	%	6.30	12.5	13.0	11.5	8.39	8.31	7.95	8.05

Source: Company Data, Helgi Analytics



Market Share – Quarterly

MARKET SHARE		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Market Share in Revenues	%	0.854	0.792	0.844	0.800	0.902	0.844	0.946	0.911
Market Share in Net Profit	%	0.410	0.322	0.408	0.353	0.516	0.673	0.620	0.510
Market Share in Employees	%	1.21	1.18	1.17	1.16	1.16	1.20	1.23	1.23
Market Share in Branches	%	1.02	1.03	1.05	1.05	1.06	1.02	1.04	1.04
Market Share in Customer Loans	%	1.14	1.19	1.16	1.15	1.15	1.19	1.22	1.25
Market Share in Corporate Loans	%	...	1.22	1.12	1.06	1.05	1.08	1.07	1.08
Market Share in Retail Loans	%	...	1.58	1.64	1.66	1.67	1.73	1.79	1.85
Market Share in Consumer Loans	%	...	2.16	...	...	...	...	...	...
Market Share in Mortgage Loans	%	...	1.39	...	...	...	...	...	...
Market Share in Total Assets	%	0.659	0.719	0.694	0.710	0.705	0.768	0.727	0.730
Market Share in Customer Deposits	%	1.01	1.09	1.04	1.05	1.04	1.11	1.03	1.01
Market Share in Retail Deposits	%	...	1.40	...	...	...	...	...	...
Market Share in Corporate Deposits	%	...	0.792	...	...	...	...	...	...

Source: Company Data, Helgi Analytics

Ratios – Quarterly

RATIOS		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
ROE	%	7.35	5.38	7.96	8.48	7.97	10.2	8.96	10.7
ROA	%	0.569	0.405	0.588	0.701	0.729	0.927	0.809	0.976
Costs (As % Of Assets)	%	1.65	2.02	1.70	1.61	1.66	1.94	1.66	1.61
Costs (As % Of Income)	%	55.8	68.1	57.2	52.2	52.7	63.0	52.4	47.8
Capital Adequacy Ratio	%	12.9	13.8	16.4	13.6	16.1	16.5	16.2	16.2
Tier 1 Ratio	%	11.8	11.6	14.5	11.5	14.2	14.8	14.6	14.7
Net Interest Margin	%	2.90	2.91	2.94	2.98	3.04	3.15	3.16	3.21
Interest Spread	%	2.86	2.87	2.91	2.94	3.00	3.10	3.11	3.15
Asset Yield	%	3.28	3.31	3.33	3.36	3.44	3.60	3.67	3.74
Cost Of Liabilities	%	0.416	0.437	0.418	0.418	0.436	0.501	0.566	0.593
Payout Ratio	%	0	0	0	0	0	0	0	0
Interest Income (As % Of Revenues)	%	97.8	97.9	99.1	96.4	96.5	102	99.6	95.1
Fee Income (As % Of Revenues)	%	-2.28	-1.01	-4.50	-1.67	-1.49	-0.874	-3.55	0.851
Other Income (As % Of Revenues)	%	4.46	3.08	5.41	5.30	5.02	-1.28	3.97	4.09
Cost Per Employee	USD per month	2,660	3,422	3,252	2,764	3,041	2,949	2,823	2,632
Cost Per Employee (Local Currency)	CZK per month	59,888	74,084	68,173	59,366	67,332	65,521	64,129	59,655
Staff Cost (As % Of Total Cost)	%	46.7	44.2	46.6	41.5	45.0	37.4	42.6	40.1
Equity (As % Of Assets)	%	7.67	7.40	7.37	9.14	9.16	8.98	9.09	9.18
Loans (As % Of Deposits)	%	83.2	81.2	80.1	80.1	81.8	80.3	83.1	84.9
Loans (As % Assets)	%	74.6	73.2	72.1	70.8	71.4	70.6	72.6	74.1
NPLs (As % Of Loans)	%	3.93	3.62	2.23	2.40	2.32	2.90	2.83	2.64
Provisions (As % Of NPLs)	%	23.1	27.3	58.1	42.6	43.2	49.9	48.5	51.2
Provisions (As % Of Loans)	%	0.912	0.992	1.31	1.03	1.02	1.47	1.39	1.37
Cost of Provisions (As % Of Loans)	%	0.794	0.475	0.698	0.804	0.698	0.876	0.709	0.756

Source: Company Data, Helgi Analytics



Financial Data – Annual

Income Statement – Annual

INCOME STATEMENT		2011	2012	2013	2014	2015	2016	2017	2018
Interest Income	CZK mil	118	216	436	824	1,156	1,409	1,572	1,903
Interest Cost	CZK mil	68.4	126	182	274	304	245	173	213
Net Interest Income	CZK mil	50.0	89.5	253	550	852	1,164	1,399	1,690
Net Fee Income	CZK mil	5.89	-0.871	-17.6	-17.9	-11.0	-18.0	-3.00	22.0
Other Income	CZK mil	-2.42	-1.91	45.4	37.5	34.0	14.0	32.0	20.0
Total Revenues	CZK mil	53.4	86.7	281	570	875	1,160	1,428	1,732
Staff Cost	CZK mil	209	311	350	419	488	521	545	582
Depreciation	CZK mil	23.0	70.6	82.8	101	131	131	150	166
Operating Cost	CZK mil	399	662	681	850	1,014	1,012	1,070	1,150
Operating Profit	CZK mil	-345	-575	-399	-280	-139	148	358	582
Provisions	CZK mil	117	-34.7	67.6	158	190	187	178	249
Extra and Other Cost	CZK mil	0	0	-0.059	0	-0.001	0	0	0
Pre-Tax Profit	CZK mil	-462	-540	-467	-438	-329	-39.0	180	333
Tax	CZK mil	-104	-96.3	-73.9	-81.3	52.7	29.0	70.0	-39.0
Minorities	CZK mil	0	0	0	0	-55.3	-40.0	-1.00	18.0
Net Profit	CZK mil	-359	-444	-393	-357	-326	-70.0	111	354

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2011	2012	2013	2014	2015	2016	2017	2018
Net Interest Income Growth	%	7.09	79.0	183	117	54.9	36.6	20.2	20.8
Net Fee Income Growth	%	111	-115	1,918	1.99	-38.6	63.6	-83.3	-833
Total Revenue Growth	%	4.33	62.2	224	103	53.6	32.5	23.1	21.3
Operating Cost Growth	%	170	65.9	2.88	24.8	19.4	-0.220	5.73	7.48
Operating Profit Growth	%	258	66.4	-30.5	-29.9	-50.3	-206	142	62.6
Pre-Tax Profit Growth	%	369	16.8	-13.6	-6.24	-24.9	-88.1	-562	85.0
Net Profit Growth	%	264	23.7	-11.4	-9.30	-8.47	-78.6	-259	219

Source: Company Data, Helgi Analytics



Balance Sheet – Annual

BALANCE SHEET		2011	2012	2013	2014	2015	2016	2017	2018
Cash	CZK mil	142	441	833	1,785	2,313	1,407	1,923	1,016
Interbank Loans	CZK mil	2,477	1,080	1,583	1,818	3,071	7,055	8,986	11,707
Customer Loans	CZK mil	2,847	5,611	12,696	19,752	27,434	32,007	36,858	40,234
Retail Loans	CZK mil	747	2,132	6,440	10,437	15,713	20,276	24,223	28,599
Mortgage Loans	CZK mil	725	2,044	5,059	7,255	9,989	13,835	15,993	17,740
Consumer Loans	CZK mil	21.2	87.6	1,382	3,182	5,723	6,441	8,230	10,859
Corporate Loans	CZK mil	1,858	3,086	5,605	8,142	10,444	11,641	12,485	12,215
Debt Securities	CZK mil	0	1,003	1,940	2,625	2,601	1,966	808	1,155
Fixed Assets	CZK mil	428	551	671	743	811	848	864	865
Total Assets	CZK mil	6,060	8,985	18,158	27,374	36,933	43,936	49,989	55,585
Shareholders' Equity	CZK mil	1,456	1,296	1,647	2,333	3,885	3,294	3,501	4,849
Of Which Minority Interest	CZK mil	0	0	0	0	0	17.0	46.0	134
Liabilities	CZK mil	4,603	7,690	16,511	25,040	33,048	40,642	46,488	50,736
Interbank Loans	CZK mil	2,477	1,080	1,583	1,818	3,071	7,055	8,986	11,707
Customer Deposits	CZK mil	4,476	7,502	16,113	24,427	33,502	39,835	44,836	48,760
Retail Deposits	CZK mil	3,057	6,515	14,079	18,763	25,897	31,487	33,697	38,636
Corporate Deposits	CZK mil	1,123	654	1,643	3,261	5,186	5,829	7,892	7,001
Issued Debt Securities	CZK mil	0	0	0	0	0	241	1,175	1,679
Other Liabilities	CZK mil	128	188	137	209	-708	282	235	206

Source: Company Data, Helgi Analytics

Asset Quality – Annual

ASSET QUALITY		2011	2012	2013	2014	2015	2016	2017	2018
Non-Performing Loans	CZK mil	595	454	261	506	833	374	547	641
Gross Loans	CZK mil	2,996	5,684	12,776	19,964	27,704	32,637	37,242	40,814
Total Provisions	CZK mil	150	73.4	79.4	212	270	397	384	580

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2011	2012	2013	2014	2015	2016	2017	2018
Customer Loan Growth	%	37.5	97.1	126	55.6	38.9	16.7	15.2	9.16
Retail Loan Growth	%	815	186	202	62.1	50.5	29.0	19.5	18.1
Mortgage Loan Growth	%	955	182	147	43.4	37.7	38.5	15.6	10.9
Consumer Loan Growth	%	64.9	314	1,478	130	79.9	12.5	27.8	31.9
Corporate Loan Growth	%	-7.10	66.1	81.6	45.3	28.3	11.5	7.25	-2.16
Total Asset Growth	%	35.8	48.3	102	50.8	34.9	19.0	13.8	11.2
Shareholders' Equity Growth	%	55.1	-11.0	27.1	41.7	66.5	-15.2	6.28	38.5
Customer Deposit Growth	%	32.4	67.6	115	51.6	37.1	18.9	12.6	8.75
Retail Deposit Growth	%	42.1	113	116	33.3	38.0	21.6	7.02	14.7
Corporate Deposit Growth	%	29.5	-41.8	151	98.5	59.0	12.4	35.4	-11.3

Source: Company Data, Helgi Analytics



Market Share – Annual

MARKET SHARE		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
Market Share in Revenues	%	0.854	0.792	0.844	0.800	0.902	0.844	0.946	0.911
Market Share in Net Profit	%	0.410	0.322	0.408	0.353	0.516	0.673	0.620	0.510
Market Share in Employees	%	1.21	1.18	1.17	1.16	1.16	1.20	1.23	1.23
Market Share in Branches	%	1.02	1.03	1.05	1.05	1.06	1.02	1.04	1.04
Market Share in Customer Loans	%	1.14	1.19	1.16	1.15	1.15	1.19	1.22	1.25
Market Share in Corporate Loans	%	...	1.22	1.12	1.06	1.05	1.08	1.07	1.08
Market Share in Retail Loans	%	...	1.58	1.64	1.66	1.67	1.73	1.79	1.85
Market Share in Consumer Loans	%	...	2.16	...	...	...	...	...	...
Market Share in Mortgage Loans	%	...	1.39	...	...	...	...	...	...
Market Share in Total Assets	%	0.659	0.719	0.694	0.710	0.705	0.768	0.727	0.730
Market Share in Customer Deposits	%	1.01	1.09	1.04	1.05	1.04	1.11	1.03	1.01
Market Share in Retail Deposits	%	...	1.40	...	...	...	...	...	...
Market Share in Corporate Deposits	%	...	0.792	...	...	...	...	...	...

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2011	2012	2013	2014	2015	2016	2017	2018
ROE	%	-30.0	-32.3	-26.7	-17.9	-10.5	-1.95	3.27	8.48
ROA	%	-6.82	-5.90	-2.90	-1.57	-1.02	-0.173	0.236	0.671
Costs (As % Of Assets)	%	7.58	8.80	5.02	3.73	3.15	2.50	2.28	2.18
Costs (As % Of Income)	%	746	763	242	149	116	87.2	74.9	66.4
Capital Adequacy Ratio	%	43.8	22.6	14.2	14.6	14.9	12.8	13.8	16.5
Tier 1 Ratio	%	...	...	...	...	14.9	11.7	11.6	14.8
Net Interest Margin	%	0.950	1.19	1.87	2.42	2.65	2.88	2.98	3.20
Interest Spread	%	0.567	0.814	1.70	2.30	2.55	2.82	2.95	3.17
Asset Yield	%	2.25	2.87	3.21	3.62	3.59	3.48	3.35	3.61
Cost Of Liabilities	%	1.68	2.05	1.51	1.32	1.05	0.665	0.397	0.438
Interest Income (As % Of Revenues)	%	93.5	103	90.1	96.6	97.4	100	98.0	97.6
Fee Income (As % Of Revenues)	%	11.0	-1.00	-6.25	-3.15	-1.26	-1.55	-0.210	1.27
Other Income (As % Of Revenues)	%	-4.53	-2.20	16.1	6.59	3.88	1.21	2.24	1.15
Cost Per Employee	USD per month	6,619	4,481	3,972	3,609	3,013	2,868	3,256	3,643
Cost Per Employee (Local Currency)	CZK per month	117,067	87,643	77,718	77,137	71,913	72,361	76,459	79,770
Staff Cost (As % Of Total Cost)	%	52.5	47.1	51.4	49.4	48.1	51.5	50.9	50.6
Equity (As % Of Assets)	%	24.0	14.4	9.07	8.52	10.5	7.50	7.00	8.72
Loans (As % Of Deposits)	%	63.6	74.8	78.8	80.9	81.9	80.3	82.2	82.5
Loans (As % Assets)	%	47.0	62.4	69.9	72.2	74.3	72.8	73.7	72.4
NPLs (As % Of Loans)	%	19.9	7.99	2.04	2.53	3.01	1.15	1.47	1.57
Provisions (As % Of NPLs)	%	25.1	16.1	30.5	41.9	32.4	106	70.2	90.5
Provisions (As % Of Loans)	%	5.25	1.31	0.626	1.07	0.986	1.24	1.04	1.44
Cost of Provisions (As % Of Loans)	%	4.75	-0.822	0.739	0.974	0.805	0.629	0.517	0.646

Source: Company Data, Helgi Analytics



ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 99% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgilibrary.com.

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