

# Ceskomoravska Stavebni Sporitelna

## Quarterly Results - 2Q2019

Ceskomoravska Stavebni Sporitelna made a net profit of CZK 275 mil in the second quarter of 2019, up 5.32% when compared to the previous year. Total revenues increased 7.52% yoy to CZK 685 mil, ROE amounted to 12.4% and the NPL ratio stood at 3.95%. In the last three years, the bank grew its loans by 0.217% a year, revenues fell by 4.01% and net profit decreased by 0.298% a year, on average.

- ✓ Revenues increased 7.52% yoy to CZK 685 mil in the second quarter of 2019. Interest income formed 78.2% of total revenues with the net interest margin increasing 0.14 pp to 1.44% of total assets. Fees added a further 21.0% to total revenue generated in 2Q2019, down from an average of 23.3% as seen in the previous two years.
- ✓ Operating costs grew by 3.84% yoy to CZK 318 mil, so cost to income ratio reached 46.5%, up by 2.58% compared to the previous two years. Staff accounted for 41.2% of total operating expenditures. At the end of second quarter of 2019, Ceskomoravska Stavebni Sporitelna operated a network of 290 branches and 506 employees.
- ✓ Loans and deposits grew by 0.967% and 0.641% qoq respectively, so loan to deposit ratio reached 84.7% at the end of 2Q2019. That's up from 82.8% the previous year. Equity reached 6.09% of assets and capital adequacy ratio amounted to 22.7% at the end of the second quarter of 2019.
- ✓ NPLs were 3.95% of total loans at the end of the quarter. Provisions covered 54.1% of non-performing loans
- ✓ When compared to selected peers, Ceskomoravska Stavebni Sporitelna was 6.84 pp less profitable in terms of ROE, achieved 7.14 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 4.48 pp slower based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czech Republic

**Employees:**  
506

**Clients:**  
N/A

**Branches:**  
290

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
22.7%

**Tier 1 Ratio:**  
22.7%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2019	685	7.52	275	5.32	12.4	46.5	84.7	6.09	3.95
2018	2,581	-7.46	873	-16.3	9.86	51.0	88.9	5.78	2.59
2017	2,789	-9.41	1,043	-11.3	11.0	48.6	83.0	6.13	2.24
2016	3,078	-3.70	1,176	6.57	12.1	44.6	85.4	6.51	2.31
2015	3,197	8.49	1,104	-4.86	11.3	38.9	83.1	6.36	2.67

Source: Company Data, Helgi Analytics



## 1 Company Overview

Českomoravská Stavební Spořitelna (ČMSS) is the biggest building society in the Czech Republic. It was founded in 1993 as a joint venture between ČSOB and Bausparkasse Schwäbisch Hall. Since its beginning, ČMSS has concluded more than 8 mil building savings contracts and provided its clients with more than 1.1 mil housing loans. In April 2019, ČSOB became its sole shareholder. ČMSS, also known in Czech Republic as “the Fox” because of its mascot, is the biggest building savings bank in the Czech Republic with approximately 40% market share in building savings loans and building savings deposits. ČMSS currently has around 1.3 mil clients, some 1,800 tied agents and approximately 300 advisory points.

Ceskomoravska Stavebni Sporitelna has been growing its revenues and asset by -1.94% and -0.369% a year on average in the last 10 years. Its loans and deposits have grown by 0.651% and -0.506% a year during that time and loans to deposits ratio reached 84.7% at the end of 2Q2019. The company achieved an average return on equity of 14.9% in the last decade with net profit growing -4.22% a year on average. In terms of operating efficiency, its cost to income ratio reached 46.5% in 2Q2019, compared to 40.8% average in the last decade.

Equity represented 6.09% of total assets or 7.78% of loans at the end of 2Q2019. Ceskomoravska Stavebni Sporitelna's non-performing loans were 3.95% of total loans while provisions covered some 54.1% 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	509	523	497	482	484	507	537	536
Total Revenues	CZK mil	674	666	666	637	616	662	674	685
Operating Profit	CZK mil	390	301	307	331	333	295	274	367
Net Profit	CZK mil	313	223	274	261	168	170	190	275
Customer Loans	CZK mil	114,334	113,145	112,488	113,415	114,197	114,467	115,257	116,372
Total Assets	CZK mil	150,200	149,193	149,462	147,076	146,679	148,070	149,439	148,769
Shareholders' Equity	CZK mil	9,071	9,146	9,050	8,215	8,369	8,559	8,750	9,059
Interbank Borrowing	CZK mil	0	40.3	0	0	0	0	0	0
Customer Deposits	CZK mil	139,486	138,845	136,804	137,045	136,095	137,901	136,444	137,319
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0

RATIOS		Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Jun 19
ROE	%	14.0	9.78	12.1	12.1	8.08	8.04	8.79	12.4
Costs (As % Of Income)	%	42.1	54.7	53.9	48.1	45.9	55.4	59.4	46.5
Net Interest Margin	%	1.35	1.40	1.33	1.30	1.32	1.37	1.44	1.44
Equity (As % Of Assets)	%	6.04	6.13	6.05	5.59	5.71	5.78	5.86	6.09
Loans (As % Of Deposits)	%	82.0	81.5	82.2	82.8	83.9	83.0	84.5	84.7
Loans (As % Assets)	%	76.1	75.8	75.3	77.1	77.9	77.3	77.1	78.2
NPLs (As % Of Loans)	%	2.57	2.24	2.18	4.72	4.59	4.46	4.38	3.95
Provisions (As % Of NPLs)	%	70.7	84.3	93.6	42.7	45.8	41.9	49.6	54.1

Source: Company Data, Helgi Analytics



## 2 Revenues & Costs

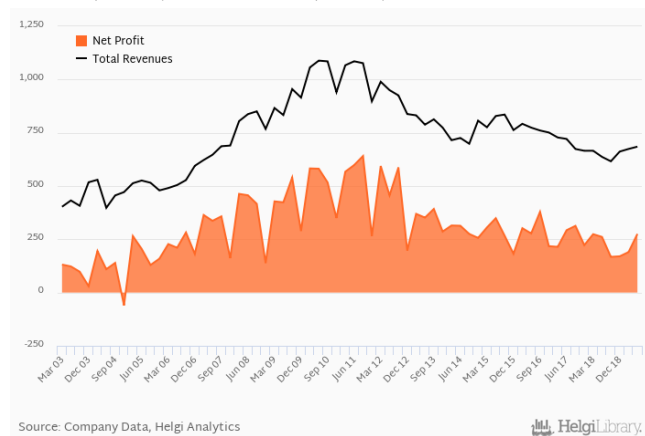
### 2.1 Revenues

Ceskomoravská Stavební Sporitelna generated total operating revenues of CZK 685 mil in the second quarter of 2019, up 7.52% compared to the same period of the previous year. Net interest income represented 78.2% of revenues, fee income contributed 21.0% and other non-interest income added further 0.747% to the overall revenue generated.

Over the previous three years, revenues fell by 4.01% a year on average.

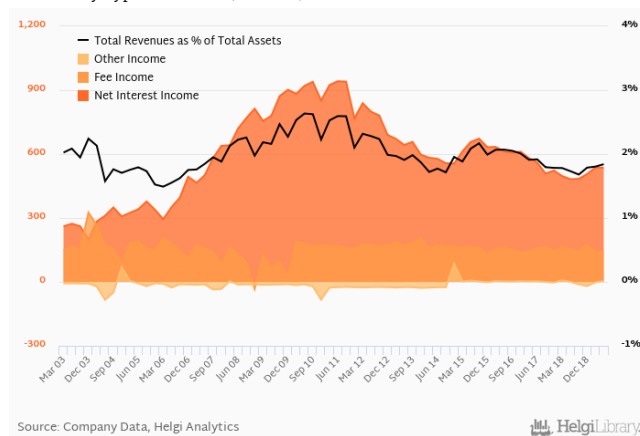
#### Revenue & Profitability

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



#### Revenue Breakdown

Revenue by Type of Income (CZK mil)



Net interest margin amounted to 1.44% in the second quarter of 2019, up from the 1.30% of the previous year. Historically, Ceskomoravská Stavební Sporitelna's net interest margin reached a high of 2.28% in 4Q2009 and a low of 0.906% in 4Q2003.

Average asset yield was 2.87% in the second quarter of 2019 (up from 2.83%) while cost of funding amounted to 1.53% in 2Q2019 (down from 1.62%).

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
Fio banka	Czechia	150,932	0.765	0.563	0.838	1.19	1.53	1.51	1.55
Ceskomoravská Stavební Sporitelna	Czechia	148,769	1.40	1.33	1.30	1.32	1.37	1.44	1.44
Weighted Average			1.84	1.85	1.79	1.89	2.07	2.01	1.91
Median			1.61	1.69	1.61	1.72	2.05	1.92	1.85

Source: Company Data, Helgi Analytics



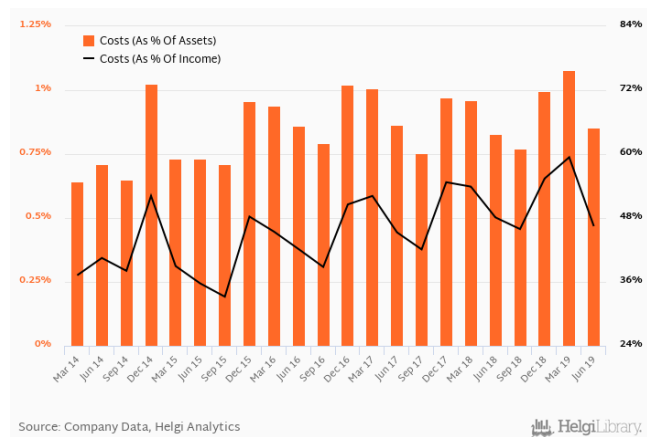
## 2.2 Costs

Operating costs increased by 3.84% yoy to CZK 318 mil in the second quarter of 2019. Ceskomoravská Stavební Sporitelna's cost to income ratio therefore reached 46.5%, down from 48.1% when compared to the previous year.

Historically, operating costs reached a high of 85.0% of income in 4Q2003 and a low of 23.1% in 1Q2010:

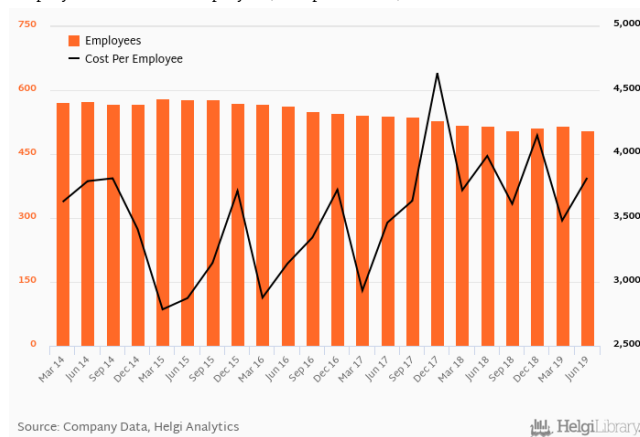
### Cost Efficiency

Costs As % Of Assets & Income



### Workforce

Employees & Cost Per Employee (USD per month)



When compared to its peer's weighted average, Ceskomoravská Stavební Sporitelna operated with a 7.14 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
Fio banka	Czechia	150,932	42.0	33.8	28.5	27.8	30.2	18.9
Ceskomoravská Stavební Sporitelna	Czechia	148,769	53.9	48.1	45.9	55.4	59.4	46.5
Weighted Average			49.0	44.2	41.9	42.7	47.7	39.3
Median			49.6	46.0	40.9	43.7	47.5	40.8

Source: Company Data, Helgi Analytics

When compared to total assets, operating costs amounted to 0.854% in 2Q2019 up from 0.827% the previous year.

Ceskomoravská Stavební Sporitelna had 506 employees in the second quarter of 2019, down by 1.94% when compared to the previous year. The company operated a network of 290 branches in 2Q2019.



The average cost per employee stood at USD 3,814 per month, 4.31% below the previous year. This figure was USD 3,789 per month five years earlier.

Staff accounted for 41.2% 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
Fio banka	Czechia	150,932	5.92	6.84	6.22	5.76	6.41	8.91
Ceskomoravská Stavební Spořitelna	Czechia	148,769	33.8	43.2	42.9	38.6	30.6	41.2
Weighted Average			43.1	52.0	52.0	48.9	43.0	52.0
Median			44.4	50.9	52.1	47.0	41.5	52.4

Source: Company Data, Helgi Analytics



### 3 Balance Sheet Growth, Capital, Funding & Asset Quality

#### 3.1 Balance Sheet Growth

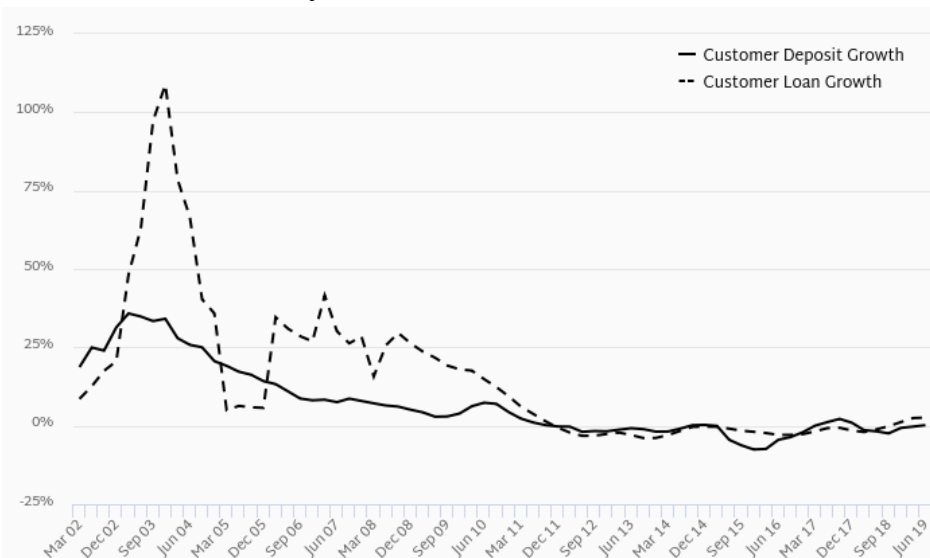
Ceskomoravská Stavební Spořitelna's customer loans grew 0.967% qoq and 2.61% yoy in the second quarter of 2019. On the other side of the balance sheet, customer deposit growth amounted to 0.641% qoq and 0.200% yoy. That's compared to average of -0.606% and -0.636% seen in the last three years.

In the previous five years, the average annual loan growth amounted to 0.217% while deposit growth reached -0.140% on average a year.

At the end of second quarter of 2019, Ceskomoravská Stavební Spořitelna's loans accounted for 84.7% of total deposits and 78.2% of total assets.

#### Loan & Deposit Growth

Customer Loan Growth & Customer Deposit Growth (%)



Source: Company Data, Helgi Analytics

HelgiLibrary

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
Fio banka	Czechia	150,932	11.8	11.3	13.1	12.6	11.5	11.7
Ceskomoravská Stavební Spořitelna	Czechia	148,769	82.2	82.8	83.9	83.0	84.5	84.7
Weighted Average			77.2	78.4	76.4	78.8	73.9	72.7
Median			74.3	75.7	75.9	79.8	72.5	70.4

Source: Company Data, Helgi Analytics

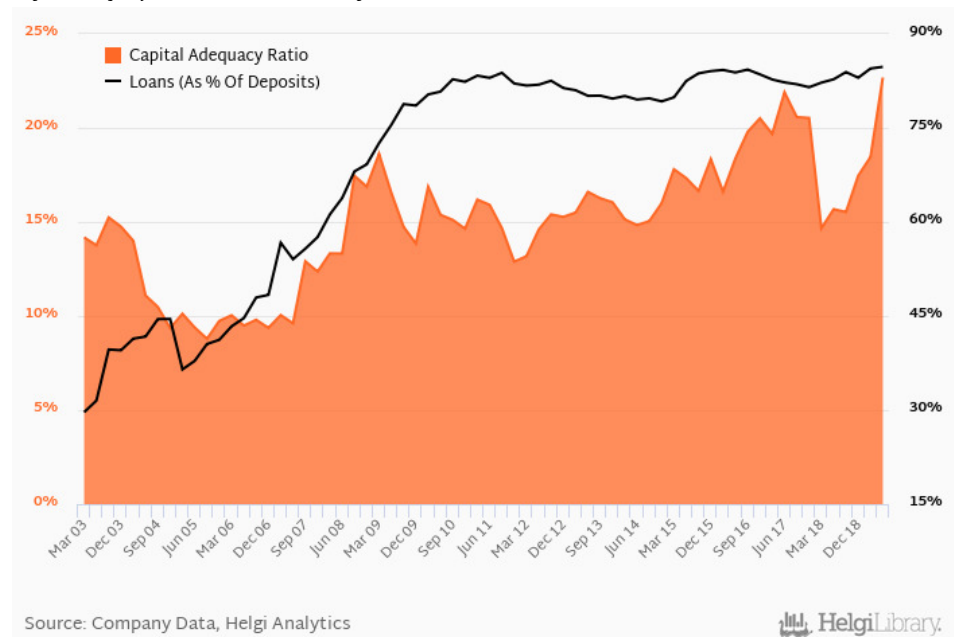


### 3.2 Capital & Liquidity

Ceskomoravská Stavební Spořitelna's capital adequacy ratio reached 22.7% in the second quarter of 2019, up from 15.7% for the previous year. The Tier 1 ratio amounted to 22.7% at the end of the second quarter of 2019:

#### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



Ceskomoravská Stavební Spořitelna's capital is above 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
Fio banka	Czechia	150,932	12.5	14.8	14.9	15.3	16.2	15.0
Ceskomoravská Stavební Spořitelna	Czechia	148,769	14.7	15.7	15.5	17.5	18.5	22.7
Weighted Average			18.7	18.6	18.3	19.3	19.6	20.1
Median			17.2	16.8	17.0	17.7	18.6	18.5

Source: Company Data, Helgi Analytics

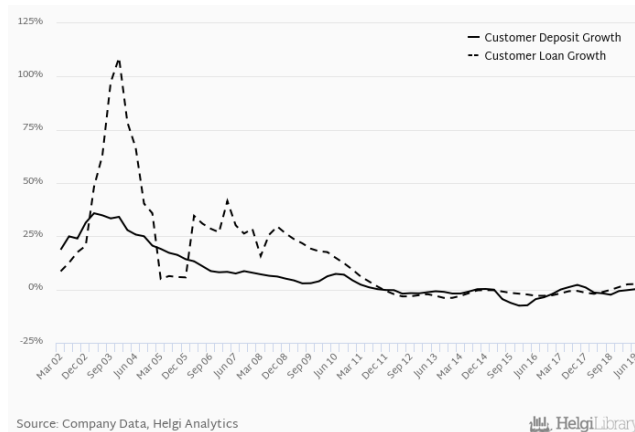


### 3.3 Loan Breakdown

Ceskomoravská Stavební Spořitelna's loans reached CZK 116,372 mil in the second quarter of 2019, up 2.61% when compared to the same period of the previous year:

#### Loan & Deposit Growth

Customer Loan Growth & Customer Deposit Growth (%)

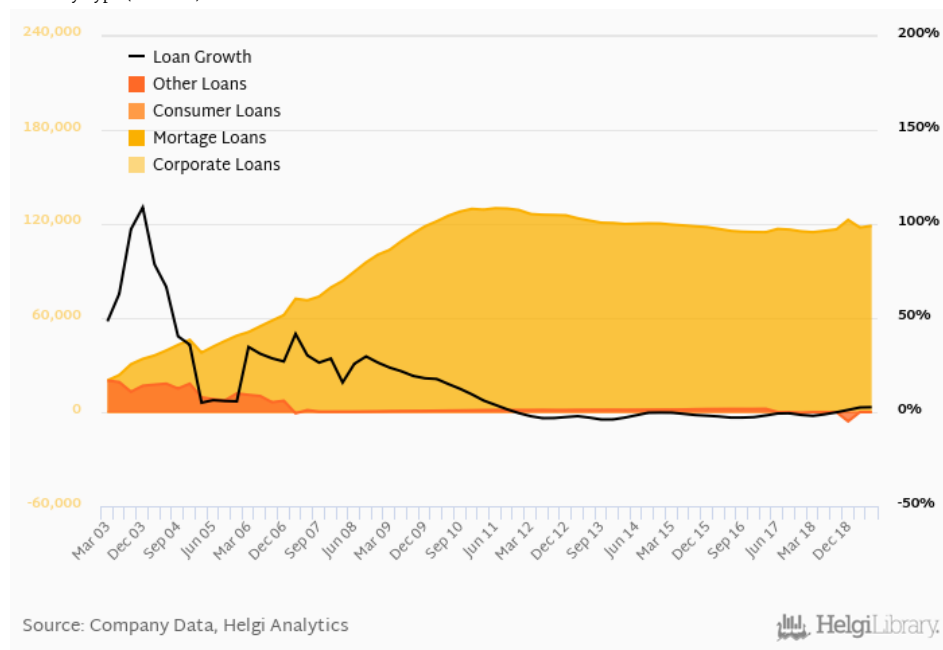


Retail loans grew 0.935% qoq and 2.75% yoy and accounted for 102% of the loan book at the end of the second quarter of 2019. In the previous three years, the retail loan portfolio increased 0.922% a year on average.

At the end of the second quarter of 2019, mortgage loans represented 102% of the Ceskomoravská Stavební Spořitelna's loan book, consumer loans added a further 0% and corporate loans formed 0.061% of total loans.

#### Loan Breakdown

Loans by Type (CZK mil)







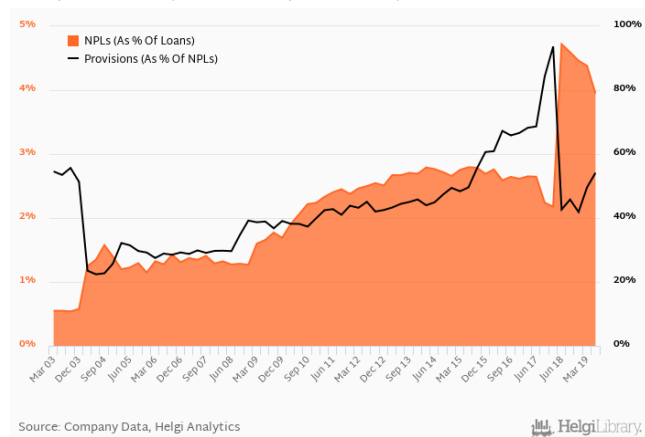
### 3.4 Asset Quality

Ceskomoravská Stavební Sporitelna's non-performing loans were 3.95% of total loans, down from 4.38% when compared to the previous quarter. Historically, the NPL ratio hit a high of 4.72% in 2Q2018 and a low 0.538% in 3Q2003.

Provisions covered some 54.1% of NPLs at the end of the second quarter of 2019, up from 49.6% for the previous three months:

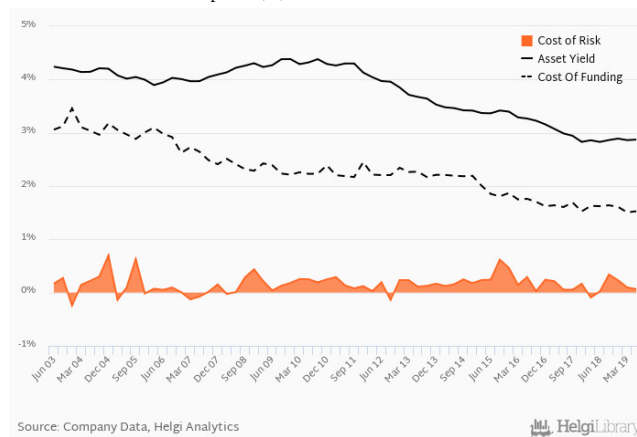
#### Asset Quality

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



#### Cost of Risk

Cost of Risk vs. Interest Spread (%)



Ceskomoravská Stavební Sporitelna operated with an NPL ratio 1.35 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
Fio banka	Czechia	150,932	4.48	5.11	4.21	5.59	9.99	10.2
Ceskomoravská Stavební Sporitelna	Czechia	148,769	2.18	4.72	4.59	4.46	4.38	3.95
Weighted Average			2.59	2.86	2.79	2.92	2.86	2.59
Median			2.76	2.97	2.89	2.76	2.57	2.34

Source: Company Data, Helgi Analytics

Ceskomoravská Stavební Sporitelna's cost of risk reached 0.064% of average loans in the second quarter of 2019, down from 0.095% in the previous quarter and compared to 0.020% for the previous year on average.



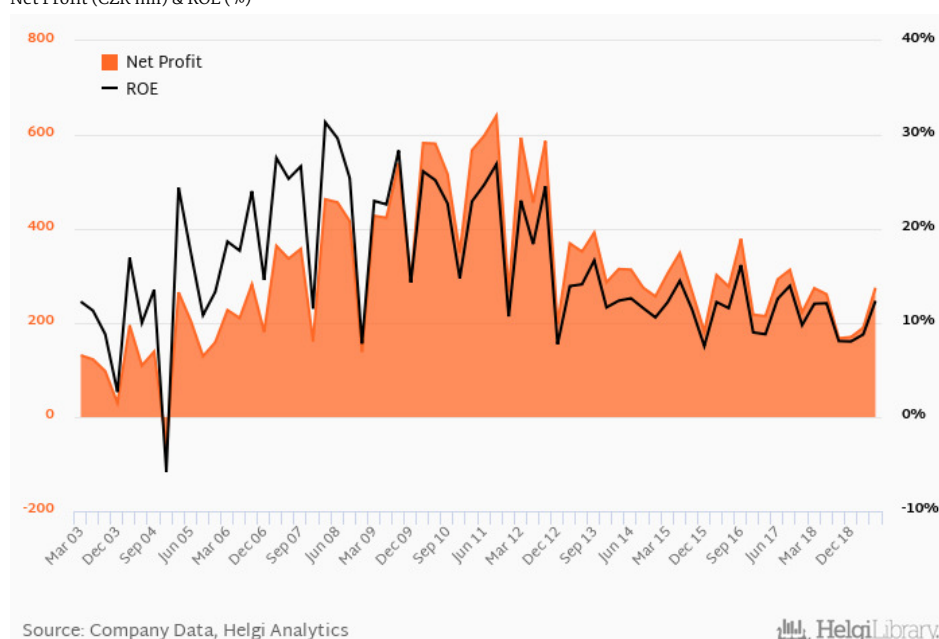
## 4 Profitability

Overall, Ceskomoravska Stavebni Sporitelna made a net profit of CZK 275 mil in the second quarter of 2019. This was up 5.32% when compared to the previous year resulting in a return on equity of 12.4%.

Historically, net profit reached a high of CZK 641 mil in 3Q2011 and a low of CZK -60.1 mil in 4Q2004.

### Profitability

Net Profit (CZK mil) & ROE (%)



The company generated an average return on equity of 11.0% for its shareholders in the previous three years with maximum at 16.2% and minimum at 8.04%.

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
Fio banka	Czechia	150,932	51.7	55.9	41.8	45.3	42.2	66.1
Ceskomoravska Stavebni Sporitelna	Czechia	148,769	12.1	12.1	8.08	8.04	8.79	12.4
Weighted Average			14.5	15.0	16.0	15.1	14.6	19.2
Median			12.7	15.1	14.3	14.3	12.4	16.0

Source: Company Data, Helgi Analytics

When compared to total assets, Ceskomoravska Stavebni Sporitelna generated a return of 0.738% in the second quarter of 2019 (ROA). That's 0.06 pp above average



for the previous five years.

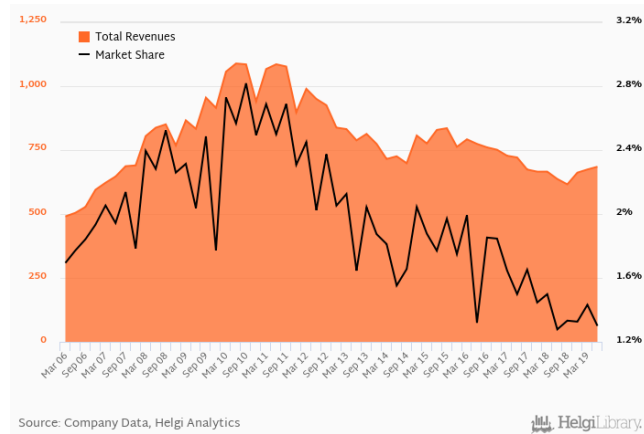


## 5 Market Share Development on the Czech Market

Based on latest available data, Ceskomoravská Stavební Sporitelna accounted for 1.89% of all bank assets managed in the Czech Republic at the end of the second quarter of 2019.

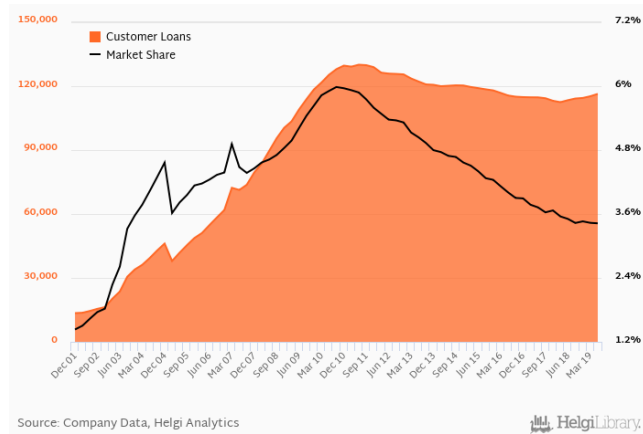
### Market Share in Bank Revenues

Total Revenues (CZK mil)



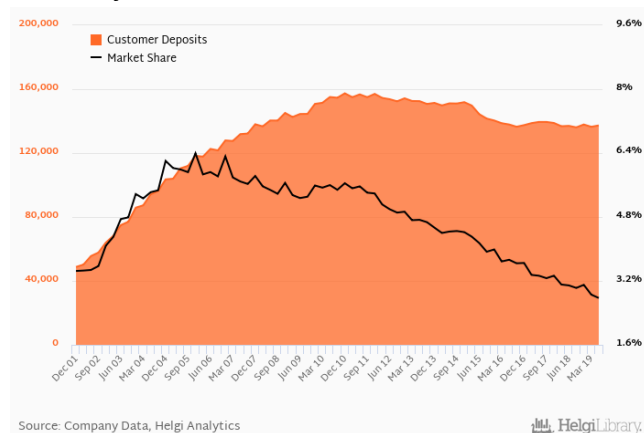
### Market Share in Bank Loans

Customer Loans (CZK mil)



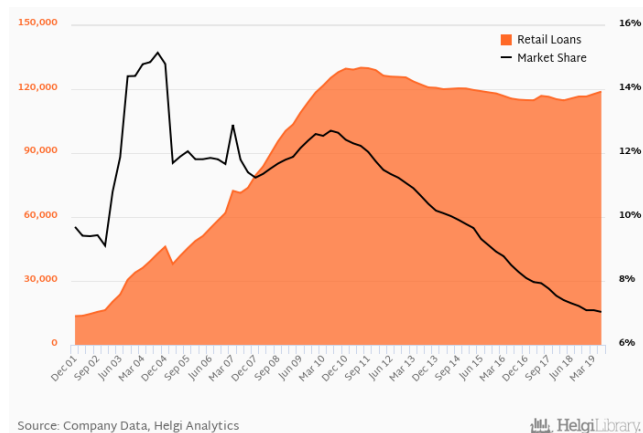
### Market Share in Bank Deposits

Customer Deposits (CZK mil)



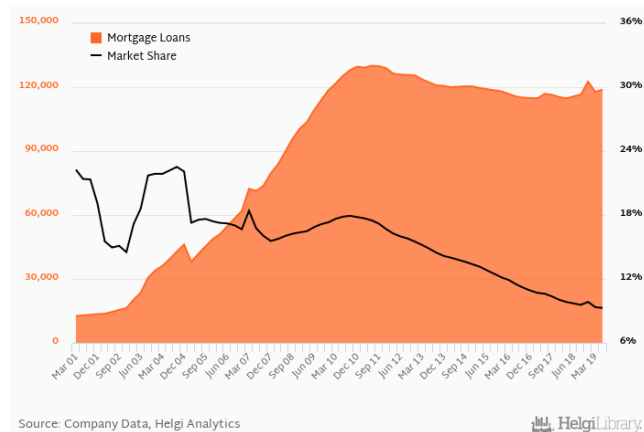
### Market Share in Retail Loans

Retail Loans (CZK mil)



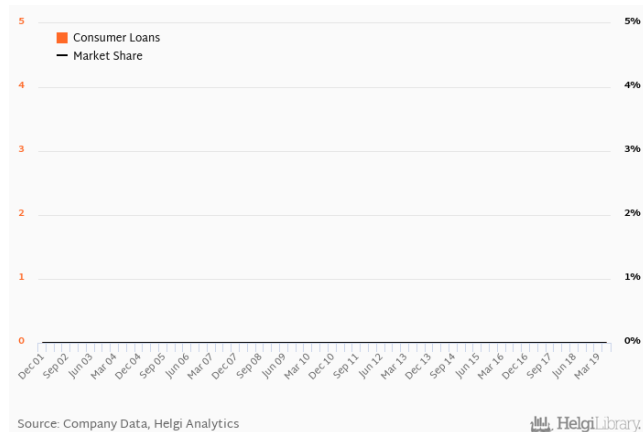
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil)



### Market Share in Consumer Loans

Consumer Loans (CZK mil)



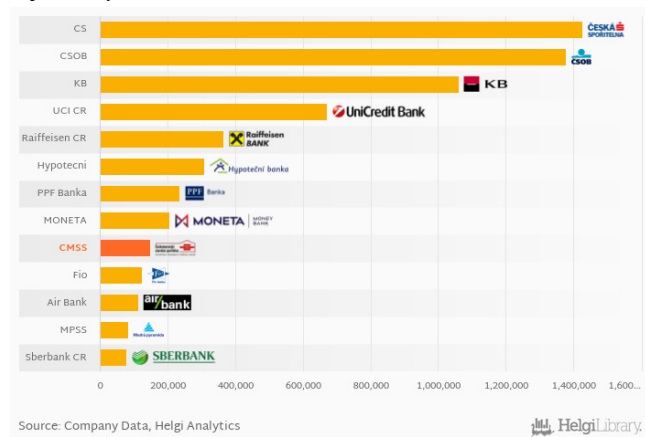


## 6 Market Share Position Within the Czech Market

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

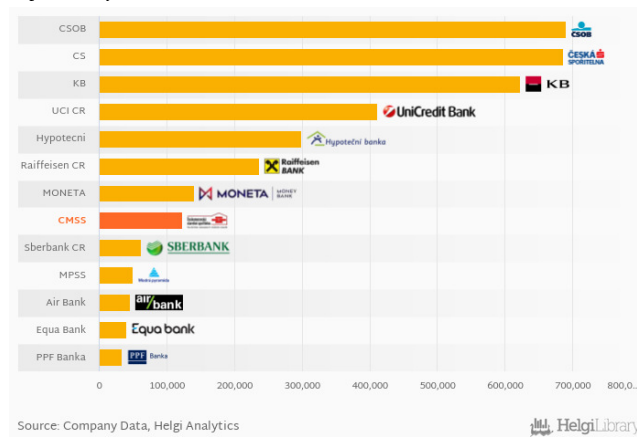
### What Banks in Czechia Were the Largest in 2018?

Top Banks by Total Assets (CZK mil)



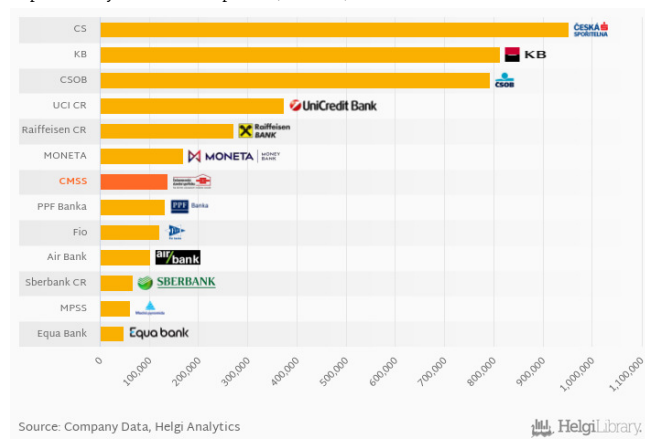
### What Banks in Czechia Were the Largest Lenders in 2018?

Top Banks by Customer Loans (CZK mil)



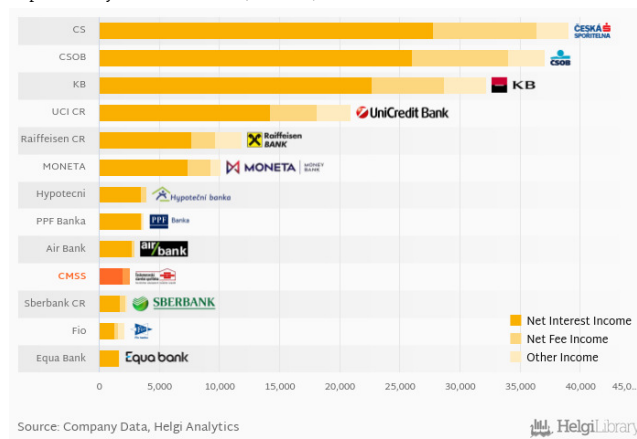
### What Banks in Czechia Were the Largest Deposit Takers in 2018?

Top Banks by Customer Deposits (CZK mil)



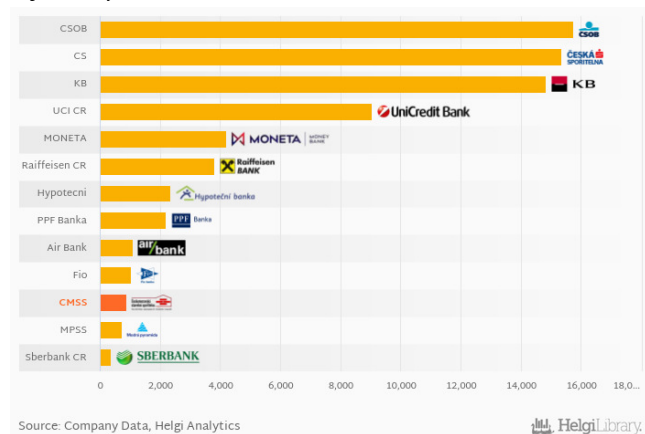
### What Banks in Czechia Generated the Most Revenues in 2018?

Top Banks by Total Revenues (CZK mil)



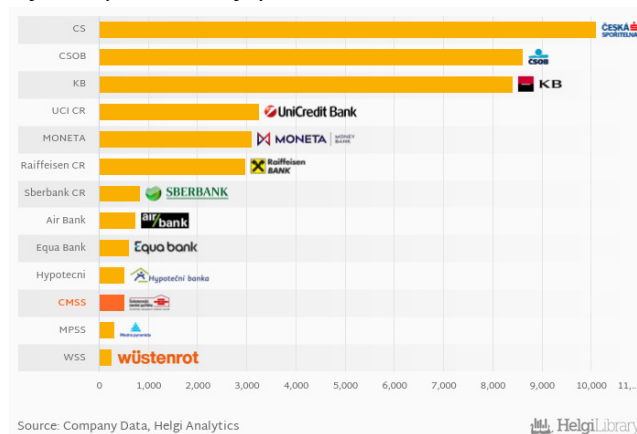
### What Banks in Czechia Were the Most Profitable in 2018?

Top Banks by Net Profit (CZK mil)



### What Banks in Czechia Had the Most Employees in 2018?

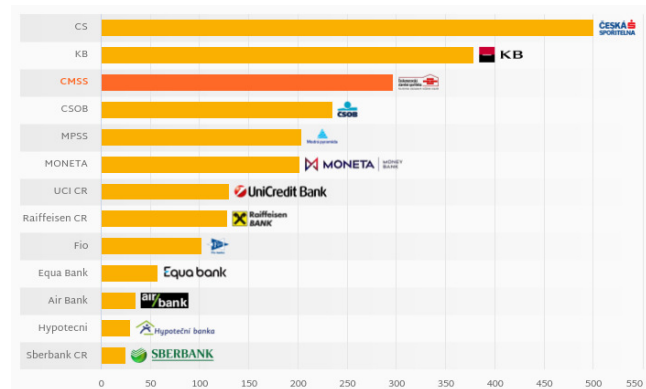
Top Banks by Number of Employees





## What Banks in Czechia Had the Most Branches in 2018?

Top Banks by Number of Branches

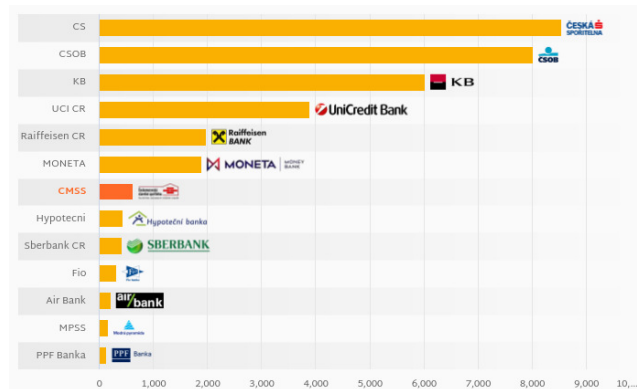


Source: Company Data, Helgi Analytics

HelgiLibrary

## What Banks in Czechia Generated the Most Fees in 2018?

Top Banks by Net Fee Income (CZK mil)



Source: Company Data, Helgi Analytics

HelgiLibrary

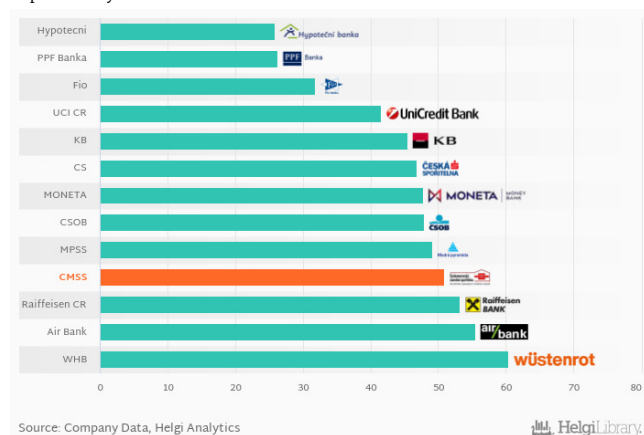


## 7 Relative Performance on the Czech Market

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

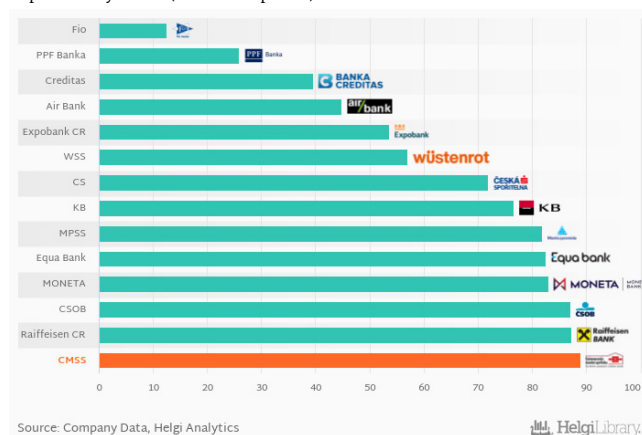
### What Banks in Czechia Were the Most Cost Efficient in 2018?

Top Banks by Costs As % Of Income



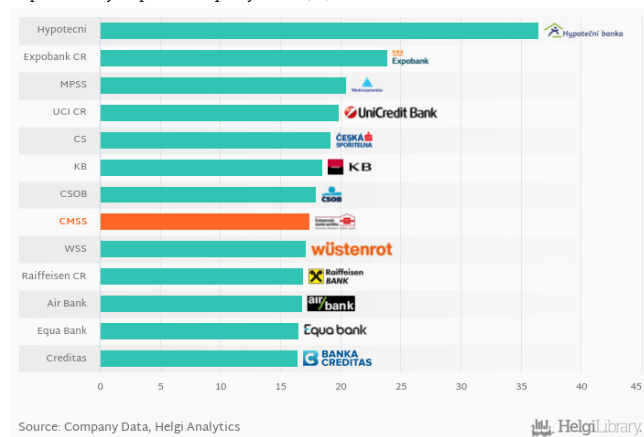
### What Banks in Czechia Had the Lowest Loan to Deposit Ratio in 2018?

Top Banks by Loans (As % Of Deposits)



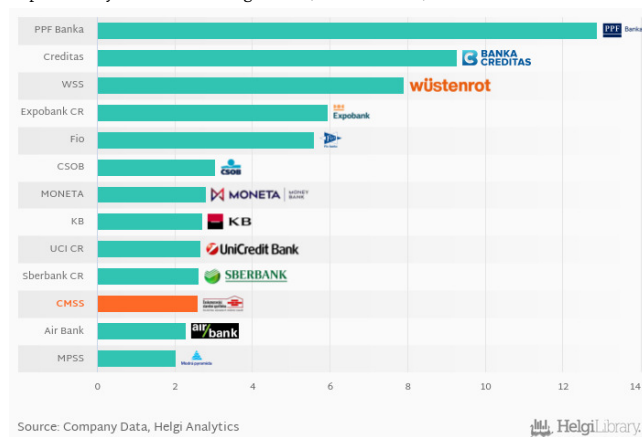
### What Banks in Czechia Were the Best Capitalised in 2018?

Top Banks by Capital Adequacy Ratio (%)



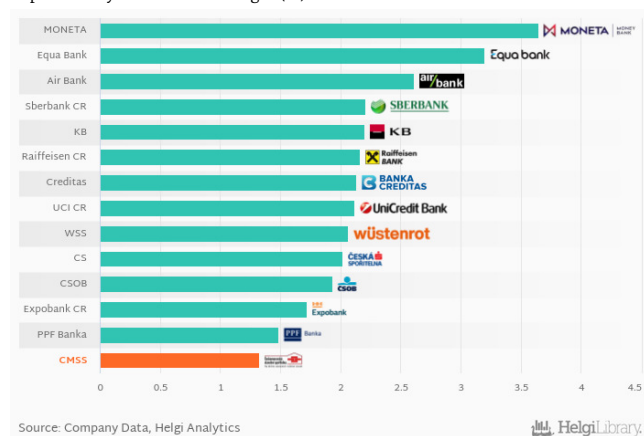
### What Banks in Czechia Had the Most Bad Loans in 2018?

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



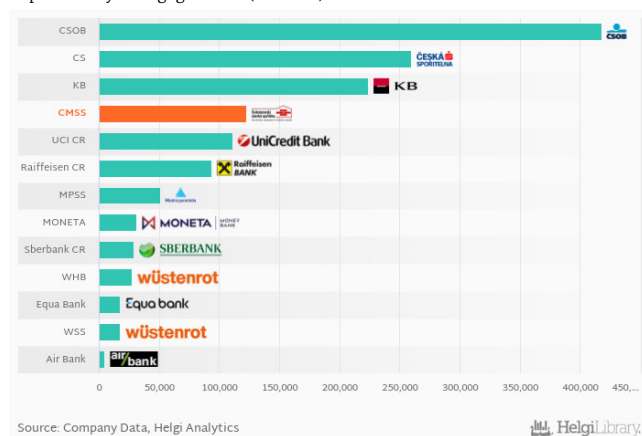
### What Banks in Czechia Achieved the Highest Interest Margin in 2018?

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	1,106	1,059	1,067	1,048	1,052	1,065	1,064	1,071
Interest Cost	CZK mil	598	536	571	566	568	559	527	535
Net Interest Income	CZK mil	509	523	497	482	484	507	537	536
Net Fee Income	CZK mil	165	145	161	154	144	175	139	144
Other Income	CZK mil	0.346	-2.69	7.76	0.704	-11.2	-19.6	-1.66	5.12
Total Revenues	CZK mil	674	666	666	637	616	662	674	685
Staff Cost	CZK mil	132	159	121	133	121	141	123	131
Depreciation	CZK mil	60.1	59.1	62.0	66.1	75.5	77.0	80.8	77.5
Operating Cost	CZK mil	284	364	359	306	283	367	400	318
Operating Profit	CZK mil	390	301	307	331	333	295	274	367
Provisions	CZK mil	20.2	61.3	-34.4	7.47	124	85.1	35.5	23.9
Extra and Other Cost	CZK mil	0	-15.0	0	0	0	0	0	0
Pre-Tax Profit	CZK mil	370	255	341	323	209	210	238	343
Tax	CZK mil	56.9	32.5	67.2	61.8	41.3	39.8	48.1	67.7
Minorities	CZK mil	0	0	0	0	0	0	0	0
Net Profit	CZK mil	313	223	274	261	168	170	190	275

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	%	-16.2	-14.5	-14.5	-14.0	-4.92	-3.15	8.08	11.1
Net Fee Income Growth	%	8.82	6.88	12.0	-2.16	-12.9	20.4	-13.9	-6.63
Total Revenue Growth	%	-11.4	-11.4	-8.54	-11.7	-8.59	-0.568	1.26	7.52
Operating Cost Growth	%	-3.88	-4.11	-5.47	-6.19	-0.309	0.694	11.6	3.84
Operating Profit Growth	%	-16.2	-18.9	-11.9	-16.2	-14.6	-2.09	-10.8	10.9
Pre-Tax Profit Growth	%	-18.9	-9.28	28.0	-10.2	-43.6	-17.7	-30.2	6.11
Net Profit Growth	%	-17.4	2.26	27.7	-10.8	-46.5	-23.6	-30.7	5.32

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	18,901	22,346	844	984	891	18,962	1,167	566
Interbank Loans	CZK mil	5,030	3,616	24,752	22,930	22,723	20,000	26,575	26,787
Customer Loans	CZK mil	114,334	113,145	112,488	113,415	114,197	114,467	115,257	116,372
Retail Loans	CZK mil	116,448	115,310	114,740	115,660	116,569	116,569	117,742	118,843
Mortgage Loans	CZK mil	116,448	115,310	114,740	115,660	116,569	122,626	117,742	118,843
Consumer Loans	CZK mil	0	0	0	0	0	0	0	0
Corporate Loans	CZK mil	0	0	88.7	86.0	80.8	80.0	75.0	71.3
Debt Securities	CZK mil	10,235	8,262	8,062	7,933	7,107	7,000	6,805	6,809
Fixed Assets	CZK mil	1,572	1,655	1,635	1,666	1,632	1,637	1,584	1,581
Total Assets	CZK mil	150,200	149,193	149,462	147,076	146,679	148,070	149,439	148,769
Shareholders' Equity	CZK mil	9,071	9,146	9,050	8,215	8,369	8,559	8,750	9,059
Of Which Minority Interest	CZK mil	0	0	0	0	0	0	0	0
Liabilities	CZK mil	141,129	140,047	140,412	138,861	138,310	139,511	140,688	139,709
Interbank Loans	CZK mil	5,030	3,616	24,752	22,930	22,723	20,000	26,575	26,787
Customer Deposits	CZK mil	139,486	138,845	136,804	137,045	136,095	137,901	136,444	137,319
Retail Deposits	CZK mil	139,486	138,845	136,804	137,045	136,095	137,901	136,444	137,319
Corporate Deposits	CZK mil	0	0	0	0	0	0	0	0
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	1,643	1,161	3,608	1,816	2,215	1,610	4,245	2,390

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	2,989	2,569	2,500	5,462	5,358	5,210	5,163	4,696
Gross Loans	CZK mil	116,448	114,730	114,829	115,746	116,650	116,796	117,817	118,914
Total Provisions	CZK mil	2,114	2,165	2,340	2,331	2,453	2,182	2,560	2,542

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	%	-0.638	-1.49	-1.99	-1.16	-0.120	1.17	2.46	2.61
Retail Loan Growth	%	1.20	0.390	-0.030	-1.04	0.104	1.09	2.62	2.75
Mortgage Loan Growth	%	1.20	0.390	-0.030	-1.04	0.104	6.35	2.62	2.75
Corporate Loan Growth	%	...	...	...	...	...	...	-15.4	-17.2
Total Asset Growth	%	1.26	-0.229	-1.88	-2.22	-2.34	-0.753	-0.016	1.15
Shareholders' Equity Growth	%	-5.60	-6.10	-7.14	-7.44	-7.74	-6.43	-3.31	10.3
Customer Deposit Growth	%	2.20	0.980	-1.40	-1.76	-2.43	-0.680	-0.264	0.200
Retail Deposit Growth	%	2.20	0.980	-1.40	-1.76	-2.43	-0.680	-0.264	0.200

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	%	1.65	1.45	1.50	1.28	1.33	1.33	1.43	1.30
Market Share in Net Profit	%	1.92	1.44	1.51	1.02	0.895	0.903	1.04	1.01
Market Share in Employees	%	1.29	1.27	1.24	1.24	1.20	1.22	1.23	1.21
Market Share in Branches	%	15.4	15.5	15.7	15.9	15.8	15.2	15.1	15.1
Market Share in Customer Loans	%	3.63	3.67	3.55	3.51	3.43	3.46	3.43	3.43
Market Share in Corporate Loans	%	0	0	0.009	0.008	0.007	0.007	0.007	0.006
Market Share in Retail Loans	%	7.76	7.54	7.40	7.30	7.22	7.08	7.08	7.03
Market Share in Consumer Loans	%	0	0	0	0	0	0	0	0
Market Share in Mortgage Loans	%	10.4	10.0	9.83	9.70	9.57	9.84	9.34	9.27
Market Share in Total Assets	%	2.06	2.13	2.04	1.99	1.94	2.03	1.92	1.89
Market Share in Customer Deposits	%	3.27	3.33	3.11	3.09	3.02	3.10	2.86	2.77
Market Share in Retail Deposits	%	5.89	5.76	5.58	5.46	5.35	5.31	5.16	5.11
Market Share in Corporate Deposits	%	0	0	0	0	0	0	0	0

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	%	14.0	9.78	12.1	12.1	8.08	8.04	8.79	12.4
ROA	%	0.833	0.595	0.734	0.705	0.456	0.462	0.511	0.738
Costs (As % Of Assets)	%	0.755	0.973	0.961	0.827	0.770	0.995	1.08	0.854
Costs (As % Of Income)	%	42.1	54.7	53.9	48.1	45.9	55.4	59.4	46.5
Capital Adequacy Ratio	%	20.6	20.5	14.7	15.7	15.5	17.5	18.5	22.7
Tier 1 Ratio	%	20.6	20.5	14.7	15.7	15.5	17.5	18.5	22.7
Net Interest Margin	%	1.35	1.40	1.33	1.30	1.32	1.37	1.44	1.44
Interest Spread	%	1.25	1.30	1.23	1.21	1.22	1.28	1.36	1.35
Asset Yield	%	2.94	2.83	2.86	2.83	2.86	2.89	2.86	2.87
Cost Of Liabilities	%	1.69	1.52	1.63	1.62	1.64	1.61	1.51	1.53
Payout Ratio	%	0	0	0	0	0	0	0	0
Interest Income (As % Of Revenues)	%	75.5	78.6	74.6	75.7	78.5	76.5	79.6	78.2
Fee Income (As % Of Revenues)	%	24.5	21.8	24.2	24.2	23.3	26.4	20.6	21.0
Other Income (As % Of Revenues)	%	0.051	-0.404	1.17	0.111	-1.82	-2.95	-0.246	0.747
Cost Per Employee	USD per month	3,635	4,633	3,718	3,986	3,611	4,146	3,480	3,814
Cost Per Employee (Local Currency)	CZK per month	81,848	100,285	77,946	85,613	79,948	92,112	79,063	86,444
Staff Cost (As % Of Total Cost)	%	46.6	43.8	33.8	43.2	42.9	38.6	30.6	41.2
Equity (As % Of Assets)	%	6.04	6.13	6.05	5.59	5.71	5.78	5.86	6.09
Loans (As % Of Deposits)	%	82.0	81.5	82.2	82.8	83.9	83.0	84.5	84.7
Loans (As % Assets)	%	76.1	75.8	75.3	77.1	77.9	77.3	77.1	78.2
NPLs (As % Of Loans)	%	2.57	2.24	2.18	4.72	4.59	4.46	4.38	3.95
Provisions (As % Of NPLs)	%	70.7	84.3	93.6	42.7	45.8	41.9	49.6	54.1
Provisions (As % Of Loans)	%	1.85	1.91	2.08	2.06	2.15	1.91	2.22	2.18
Cost of Provisions (As % Of Loans)	%	...	0.217	-0.122	0.026	0.437	0.298	0.124	0.082

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	7,141	6,655	6,053	5,670	5,394	4,874	4,456	4,232
Interest Cost	CZK mil	3,567	3,547	3,484	3,396	2,819	2,410	2,282	2,263
Net Interest Income	CZK mil	3,574	3,109	2,569	2,274	2,575	2,465	2,173	1,969
Net Fee Income	CZK mil	653	693	742	664	618	601	612	634
Other Income	CZK mil	-100	-98.8	6.50	8.58	3.57	13.0	3.59	-22.3
Total Revenues	CZK mil	4,127	3,703	3,318	2,946	3,197	3,078	2,789	2,581
Staff Cost	CZK mil	591	574	543	523	536	554	546	517
Depreciation	CZK mil	114	129	167	180	169	264	255	281
Operating Cost	CZK mil	1,316	1,272	1,344	1,247	1,243	1,373	1,354	1,315
Operating Profit	CZK mil	2,811	2,432	1,974	1,699	1,954	1,705	1,434	1,266
Provisions	CZK mil	264	134	264	289	603	251	183	182
Extra and Other Cost	CZK mil	-0.001	0	0	0	0	0	0	0
Pre-Tax Profit	CZK mil	2,547	2,298	1,710	1,410	1,351	1,454	1,252	1,083
Tax	CZK mil	475	462	310	250	247	277	209	210
Minorities	CZK mil	0	0	0	0	0	0	0	0
Net Profit	CZK mil	2,073	1,835	1,400	1,160	1,104	1,176	1,043	873
Dividends	CZK mil	2,073	1,835	1,400	1,160	1,104	1,176	1,043	...

Source: Company Data, Helgi Analytics

### Growth Rates – Annual

GROWTH RATES		2011	2012	2013	2014	2015	2016	2017	2018
Net Interest Income Growth	%	-0.562	-13.0	-17.3	-11.5	13.3	-4.27	-11.8	-9.40
Net Fee Income Growth	%	-7.70	6.18	7.07	-10.5	-6.92	-2.86	1.84	3.61
Total Revenue Growth	%	-1.06	-10.3	-10.4	-11.2	8.49	-3.70	-9.41	-7.46
Operating Cost Growth	%	2.07	-3.40	5.70	-7.22	-0.336	10.5	-1.39	-2.90
Operating Profit Growth	%	-2.47	-13.5	-18.8	-13.9	15.0	-12.7	-15.9	-11.8
Pre-Tax Profit Growth	%	2.33	-9.80	-25.6	-17.5	-4.22	7.63	-13.9	-13.5
Net Profit Growth	%	2.04	-11.5	-23.7	-17.1	-4.86	6.57	-11.3	-16.3

Source: Company Data, Helgi Analytics



## Balance Sheet – Annual

BALANCE SHEET		2011	2012	2013	2014	2015	2016	2017	2018
Cash	CZK mil	2,125	2,161	4,196	7,519	15,206	15,457	22,346	18,962
Interbank Loans	CZK mil	25,701	2,542	23,542	19,906	6,712	6,043	3,616	4,043
Customer Loans	CZK mil	128,926	125,537	120,647	120,328	118,018	118,311	115,310	122,626
Retail Loans	CZK mil	128,926	125,537	120,647	120,328	118,018	118,311	115,310	122,626
Mortgage Loans	CZK mil	128,926	125,537	120,647	120,328	118,018	118,311	115,310	122,626
Consumer Loans	CZK mil	0	0	0	0	0	0	0	0
Corporate Loans	CZK mil	0	0	0	0	0	0	0	0
Debt Securities	CZK mil	12,991	14,266	15,536	15,601	11,570	11,359	8,262	21,614
Fixed Assets	CZK mil	725	715	1,305	1,397	1,559	1,655	1,655	1,637
Total Assets	CZK mil	170,878	168,650	165,585	165,013	153,215	149,536	149,193	148,070
Shareholders' Equity	CZK mil	10,010	10,449	9,969	9,851	9,748	9,741	9,146	8,559
Of Which Minority Interest	CZK mil	0	0	0	0	0	0	0	0
Liabilities	CZK mil	160,868	158,201	155,616	155,162	143,468	139,795	140,047	139,511
Interbank Loans	CZK mil	25,701	2,542	23,542	19,906	6,712	6,043	3,616	4,043
Customer Deposits	CZK mil	157,057	154,287	153,830	153,482	141,981	138,468	138,845	137,901
Retail Deposits	CZK mil	157,057	154,287	153,830	153,482	141,981	138,468	138,845	137,901
Corporate Deposits	CZK mil	0	0	0	0	0	0	0	0
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	1,869	1,972	-102	-88.8	1,446	1,286	1,161	1,610

Source: Company Data, Helgi Analytics

## Asset Quality – Annual

ASSET QUALITY		2011	2012	2013	2014	2015	2016	2017	2018
Non-Performing Loans	CZK mil	3,096	3,183	3,540	3,239	3,206	2,684	2,569	3,028
Gross Loans	CZK mil	130,283	126,889	122,154	121,929	119,975	116,276	114,730	116,796
Total Provisions	CZK mil	1,357	1,353	1,506	1,601	1,957	2,035	2,165	2,182

Source: Company Data, Helgi Analytics

## Growth Rates – Annual

GROWTH RATES		2011	2012	2013	2014	2015	2016	2017	2018
Customer Loan Growth	%	-0.554	-2.63	-3.89	-0.265	-1.92	0.249	-2.54	6.35
Retail Loan Growth	%	-0.554	-2.63	-3.89	-0.265	-1.92	0.249	-2.54	6.35
Mortgage Loan Growth	%	-0.554	-2.63	-3.89	-0.265	-1.92	0.249	-2.54	6.35
Total Asset Growth	%	1.15	-1.30	-1.82	-0.345	-7.15	-2.40	-0.229	-0.753
Shareholders' Equity Growth	%	3.92	4.38	-4.60	-1.18	-1.05	-0.069	-6.10	-6.43
Customer Deposit Growth	%	-0.222	-1.76	-0.296	-0.227	-7.49	-2.47	0.272	-0.680
Retail Deposit Growth	%	-0.222	-1.76	-0.296	-0.227	-7.49	-2.47	0.272	-0.680

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	%	1.65	1.45	1.50	1.28	1.33	1.33	1.43	1.30
Market Share in Net Profit	%	1.92	1.44	1.51	1.02	0.895	0.903	1.04	1.01
Market Share in Employees	%	1.29	1.27	1.24	1.24	1.20	1.22	1.23	1.21
Market Share in Branches	%	15.4	15.5	15.7	15.9	15.8	15.2	15.1	15.1
Market Share in Customer Loans	%	3.63	3.67	3.55	3.51	3.43	3.46	3.43	3.43
Market Share in Corporate Loans	%	0	0	0.009	0.008	0.007	0.007	0.007	0.006
Market Share in Retail Loans	%	7.76	7.54	7.40	7.30	7.22	7.08	7.08	7.03
Market Share in Consumer Loans	%	0	0	0	0	0	0	0	0
Market Share in Mortgage Loans	%	10.4	10.0	9.83	9.70	9.57	9.84	9.34	9.27
Market Share in Total Assets	%	2.06	2.13	2.04	1.99	1.94	2.03	1.92	1.89
Market Share in Customer Deposits	%	3.27	3.33	3.11	3.09	3.02	3.10	2.86	2.77
Market Share in Retail Deposits	%	5.89	5.76	5.58	5.46	5.35	5.31	5.16	5.11
Market Share in Corporate Deposits	%	0	0	0	0	0	0	0	0

Source: Company Data, Helgi Analytics

## Ratios – Annual

RATIOS		2011	2012	2013	2014	2015	2016	2017	2018
ROE	%	21.1	17.9	13.7	11.7	11.3	12.1	11.0	9.86
ROA	%	1.22	1.08	0.838	0.702	0.694	0.777	0.698	0.587
Costs (As % Of Assets)	%	0.775	0.749	0.804	0.754	0.781	0.907	0.907	0.885
Costs (As % Of Income)	%	31.9	34.3	40.5	42.3	38.9	44.6	48.6	51.0
Capital Adequacy Ratio	%	12.9	15.3	16.1	16.0	18.3	20.5	20.5	17.5
Tier 1 Ratio	%	...	...	...	...	...	...	20.5	17.5
Net Interest Margin	%	2.10	1.83	1.54	1.38	1.62	1.63	1.46	1.32
Interest Spread	%	1.97	1.70	1.40	1.24	1.50	1.52	1.35	1.23
Asset Yield	%	4.20	3.92	3.62	3.43	3.39	3.22	2.98	2.85
Cost Of Liabilities	%	2.23	2.22	2.22	2.19	1.89	1.70	1.63	1.62
Payout Ratio	%	100.0	100.0	100.0	100	100	100	100	...
Interest Income (As % Of Revenues)	%	86.6	83.9	77.4	77.2	80.5	80.1	77.9	76.3
Fee Income (As % Of Revenues)	%	15.8	18.7	22.4	22.5	19.3	19.5	21.9	24.6
Other Income (As % Of Revenues)	%	-2.43	-2.67	0.196	0.291	0.112	0.421	0.129	-0.864
Cost Per Employee	USD per month	4,539	4,002	4,031	3,562	3,274	3,118	3,655	3,841
Cost Per Employee (Local Currency)	CZK per month	80,280	78,275	78,865	76,137	78,154	78,660	85,824	84,104
Staff Cost (As % Of Total Cost)	%	44.9	45.1	40.4	41.9	43.1	40.3	40.3	39.3
Equity (As % Of Assets)	%	5.86	6.20	6.02	5.97	6.36	6.51	6.13	5.78
Loans (As % Of Deposits)	%	82.1	81.4	78.4	78.4	83.1	85.4	83.0	88.9
Loans (As % Assets)	%	75.4	74.4	72.9	72.9	77.0	79.1	77.3	82.8
NPLs (As % Of Loans)	%	2.38	2.51	2.90	2.66	2.67	2.31	2.24	2.59
Provisions (As % Of NPLs)	%	43.8	42.5	42.5	49.4	61.1	75.8	84.3	72.1
Provisions (As % Of Loans)	%	1.05	1.08	1.25	1.33	1.66	1.72	1.88	1.78
Cost of Provisions (As % Of Loans)	%	0.204	0.105	0.215	0.240	0.506	0.213	0.156	0.153

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](http://www.helgilibrary.com) or contact us at [info@helgilibrary.com](mailto:info@helgilibrary.com).

Helgi Analytics  
Eliášova 38, Prague 6  
160 00, Czech Republic  
[www.helgianalytics.com](http://www.helgianalytics.com)

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